

The background of the entire page is a photograph of a window with vertical black bars. Sunlight filters through the window, creating a warm, golden glow. Numerous autumn leaves in various shades of yellow, orange, and brown are scattered across the scene, some appearing to be stuck to the window panes or floating in the air. The overall mood is serene and contemplative.

Annual Report '09

ferrovial

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» Cover photo: Detail of the façade of the Environmental Resource Center of Castilla y León (Valladolid, Spain).

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Letter from the Chairman

Dear shareholders:

The year 2009 was undoubtedly one of the most challenging in recent history. The global economic downturn and the turbulence in the financial markets tested our management and our resilience like never before.

Despite the challenging environment, we achieved revenues of 12.1 billion euro and EBITDA of 2.54 billion euro, an increase of 8.9% in comparable terms over the previous year. These figures demonstrate that we have reacted robustly and in a way that is consistent with the company's strategy in recent years.

The merger between Ferrovial and Cintra was a response to this situation. Approved by the shareholders of both companies in October, the transaction created a larger, stronger and more diversified Ferrovial which can employ its financial resources more efficiently.

The merger benefited the shareholders of both companies. Ferrovial's share appreciated by nearly 68% in 2009, while Cintra's advanced by around 55%. Now, our shareholders have a more stable, more liquid and less volatile investment, and the market consensus is that our stock has upside potential over the medium and long term. The new Ferrovial is a leading player in the international transport infrastructure and services markets, in which our construction capability provides a competitive edge.

Ferrovial's diversification over the last few years, in terms of both regions and businesses, continues to provide a robust foundation for this business model. Moreover, our most valuable assets proved their resilience in 2009: traffic on 407 Express Toll Route and at Heathrow Airport registered growth in the fourth quarter of the year. These encouraging signs give us good reason to be optimistic as we look to 2010 and beyond.



A handwritten signature in black ink that reads "Rafael del Pino" with a horizontal line underneath the name.

Rafael del Pino
Chairman of Ferrovial
June, 2010

All the divisions are focused on generating cash, using financial resources more efficiently and reducing costs. In line with this policy is the sale of mature assets, such as Cintra Chile and Cintra Aparcamientos, to invest in greenfield projects, which span from construction through to operation and maintenance. Examples include the two Texan highways, NTE and LBJ, which we were awarded in 2009.

It was also a good year for the Services division, which registered record earnings and operating cash flow as well as increasing its backlog by 9.2% to 9.97 billion euro. In Construction, our internationalization efforts partly offset the weakness of the Spanish market.

With the merger, we gave fresh impetus to our management team, and Íñigo Meirás, who was formerly in charge of Ferrovial Airports, became CEO in October. He replaced Joaquín Ayuso, who continues

with Ferrovial as the company's Vice-Chairman.

Ferrovial will undoubtedly face many challenges in the near future, and I am confident that we have the right team to respond to them. I thank all of Ferrovial's people for their dedication. I am also grateful for the enduring and valuable support of our shareholders. Together, I am sure that Ferrovial can seize any opportunity that may arise and that we will emerge from these difficult times a stronger company.

Corporate Governance

BOARD OF DIRECTORS

CHAIRMAN

Rafael del Pino

Executive and Proprietary

- Civil Engineer (Polytechnic University of Madrid), 1981, MBA (Sloan School of Management, MIT, 1986).
- Chairman of the Board of Directors of Ferrovial since 2000 and CEO since 1992.
- Member of the Board of Directors of Banesto since 2003.
- He is also a member of the European Advisory Board of Harvard Business School, the Sloan School of Management (MIT) and Blackstone. Additionally, he is a member of the International Advisory Board of IESE

VICE CHAIRMEN

Santiago Bergareche

Independent

- Bachelor Degree in Economics and Law from Deusto University.
- Member of the Board of Directors of Ferrovial since 1999.
- Non-Executive Chairman of Cepsa and Dinamia Capital Privado. Member of the Boards of Vocento and Gamesa.
- He joined the group in 1995 as the Chairman of Agroman. Between February 1999 and January 2002 he was Chief Executive Officer of Ferrovial.

Joaquín Ayuso

Executive

- Civil Engineer (Polytechnic University of Madrid), 1980.
- Member of the Board of Directors of Ferrovial since 2002.
- He joined Ferrovial in 1982 and, after holding several positions of responsibility was appointed General Manager of the Construction Division in 1992. That same year he became a member of the Management Committee of Ferrovial.
- Between February 1999 and January 2002 he was Chief Executive Officer of Ferrovial Agroman. He was CEO of Ferrovial and Vice Chairman of Cintra between 2002 and 2009.

CHIEF EXECUTIVE OFFICER

Íñigo Meirás

Executive

- Graduate in Law from Complutense University of Madrid.
- MBA from Instituto de Empresa Business School.
- CEO of Ferrovial since 2009.
- He joined Ferrovial in 1992, was Managing Director of Autopista del Sol and Director of Highways for Cintra until November 2000. Between 2000 and 2007 he was CEO of Ferrovial Servicios and from 2007-2009 was CEO of Ferrovial Airports.

DIRECTORS

Jaime Carvajal

Independent

- Graduate in Law from Complutense University of Madrid and Master's Degree in Economics from Cambridge University.
- Member of the Board of Directors of Ferrovial since 1999.
- Chairman of Advent Internacional (Spain), Ericsson España and ABB; Member of the Boards of Aviva and Solvay Ibérica.
- Among other positions, He has been Chairman of Ford España and Member of the Boards Telefónica, Repsol YPF and Unión Fenosa.

Portman Baela, S.L.

Proprietary

- Represented by Leopoldo del Pino.
- Member of the Board of Directors of Ferrovial since 2000.

Juan Arena

Independent

- PhD in Engineering (ICAI), Bachelor Degree in Business Studies, Degree in Psychology, Diploma in Fiscal Studies and AMP (Harvard Business School).
- Member of the Board of Directors of Ferrovial since 2000.
- Director and member of the Audit Committee and the Appointments and Remuneration Committee of Dinamia, Director and Chairman of the Audit Committee of Laboratorios Almirall. Member of the Board of Directors and Chairman of the Appointments and Remuneration of Everis.

- Former CEO and Chairman of Bankinter and a former Board Member of TPI.
- Chairman of Fundación SERES. He is also a member of the Advisory Council of Spencer Stuart, Chairman of Unience Advisory Council, member of the Council of Mentors of CMi, Chairman of the Professional Council of ESADE, Member of European Advisory Board of the Harvard Business School and the Board of Directors of Deusto Business School.

Santiago Eguidazu

Independent

- Bachelor Degree in Economics and Business Administration from the Autonomous University of Madrid, Commercial Technician and State Economist.
- Member of the Board of Directors of Ferrovial since 2001.
- Chairman of Grupo N+1.
- Former Partner, CEO and Vice Chairman of AB Asesores, Vice Chairman of Morgan Stanley Dean Witter and a former Member of the Board of Vocento.

Gabriele Burgio

Independent

- Graduate in Law from the University of Florence and MBA from INSEAD.
- Member of the Board of Directors of Ferrovial since 2002.
- Executive Chairman of NH Hoteles since 1999. CEO and President of Grande Jolly Hotels S.p.A. since 2008.
- He previously served as CEO of Cofir and worked for Bankers Trust in both New York and Italy.

María del Pino

Proprietary

- Bachelor Degree in Economics and Management Development from IESE Business School.
- Member of the Board of Directors of Ferrovial since 2006.
- Chairwoman of the Fundación Rafael del Pino.
- Board Member of the Asociación para el Progreso de la Dirección (APD, business management association). Member of the Boards of Trustees of Fundación Codespa and the Scientific Foundation of the Spanish Association Against Cancer.

Santiago Fernández

Independent

- Graduate in Law from Complutense University of Madrid and Master's Degree and PhD in Economics from Northeastern University of Boston.
- Member of the Board of Directors of Ferrovial since 2008.
- He joined the Telefónica Group in January 1997 as the CEO of Fonditel. In July 2002 he was appointed CFO and he currently contributes to the financial duties of the Affiliated and Investee Companies and Corporate Development transactions. It is also a member of the Board of Portugal Telecom.

José Fernando Sánchez-Junco

Independent

- Industrial Engineer (Polytechnic University of Barcelona). ISMP Graduate at Harvard Business School. Belongs to the State Corps of Industrial Engineers.
- Member of the Board of Directors of Ferrovial since 2009.
- Chairman and General Manager of MAXAMCorp, SAU. Deputy Chairman of Dinamia Capital Privado S.R.C., S.A. and DEFEX, S.A.

Karlovy, S.L.

Proprietary

- Represented by Joaquín del Pino.
- Member of the Board of Directors of Ferrovial since 2010.

SECRETARY

Santiago Ortiz

- PhD in Law from Complutense University of Madrid and is a Spanish State Attorney.
- Before joining Ferrovial, he was a partner of the Cuatrecasas law firm in charge of Trial Law and Public and Regulatory Law. He has also worked at the Ramón y Cajal law firm and has taught at the Diplomatic School and Carlos III University.
- Before joining the Board of Directors of Ferrovial he was Director of the Legal Advisory Service.

MANAGEMENT COMMITTEE

GENERAL SECRETARY

Santiago Ortiz

Born in 1967, he holds a doctorate in law from the Complutense University of Madrid and is a State Attorney.

He joined Ferrovial in 2008 as Director of the Legal Advisory Service and in December 2009 took over as Secretary General and Secretary to the Board of Directors.

He was a partner in the Cuatrecasas law firm in charge of Trial Law and Public and Regulatory Law.

CEO CINTRA

Enrique Díaz-Rato

Born in 1958, He is a Civil Engineer and holds a BA in Economics and a Masters in Business Administration from the EOI Business School. He joined Ferrovial in 2000 as Managing Director of Cintra Chile. Until July 2006, when he was appointed CEO of Cintra, he held several positions of responsibility such as the management of the 407 ETR in Toronto and of Highways in the U.S., Canada, Chile and Ireland.

CEO FERROVIAL SERVICIOS

Santiago Olivares

Born in 1967, he holds an Industrial Engineering Degree from ICAI and an MBA from MIT.

He joined Ferrovial in 2002 as the Business Development Director for the Services Division. He later became the Director of the International area of this division. In May 2007 he was appointed CEO of Ferrovial Servicios.

CEO REAL ESTATE

Álvaro Echániz

Born in 1960, he holds a Bachelor Degree in Business Studies.

He joined Ferrovial with the takeover of Agroman, where he held the position of Chief Financial Officer. Between 1998 and September 2002 he was Chief Financial Officer of Cintra. Later he served as CEO of Ferrovial's Real Estate Division.

CHIEF FINANCIAL OFFICER

Ernesto López

Born in 1964, he is a civil engineer (Polytechnical University of Madrid) and holds an MBA from the Wharton School. He has been the CFO of Ferrovial since October 2009. Prior to joining Ferrovial he was Managing Director of Control and Resources for Telefónica Latinoamérica, and previously General Manager for Finance and Management Control of Telefónica Móviles S.A. and Director of the Finance Department of Telefónica, S.A.



CHIEF INFORMATION OFFICER

Federico Flórez

Born in 1960, he is a Naval Engineer with a Master's Degree in Business Administration and IT Management, PAD IESE Business School, Advanced Management Program at the INSEAD and holds various senior management diplomas from Harvard, MIT and Cranfield.

Before joining Ferrovial in 2008, he held the position of CIO at the Bank of Spain. He has worked for IBM, Alcatel and Telefónica.

CEO FERROVIAL AEROPUERTOS

Nicolás Villén

Born in 1949, he is an Industrial Engineer with an MBA from Columbia University and a Master of Science from the University of Florida.

Formerly Chief Financial Officer of Ferrovial for 16 years. In October 2009 he was appointed CEO of Ferrovial Aeropuertos.

CEO

Íñigo Meirás

Born in 1963, he is a graduate in Law and an MBA from the Instituto de Empresa.

He joined Ferrovial in 1992, was Managing Director of Autopista del Sol and Director of Highways for Cintra until November 2000. Between 2000 and 2007 he was CEO of Ferrovial Servicios and from 2007-2009 was CEO of Ferrovial Airports.

He served as CEO designate of Ferrovial between April and October 2009, when he was appointed Chief Executive Officer.

MANAGING DIRECTOR HUMAN RESOURCES

Jaime Aguirre de Cárcer

Born in 1951, he is a graduate in Law and Business Administration (ICADE-ICAI).

He joined Ferrovial in 2000 as General Director of Human Resources.

Between 1990 and 2000 he held various positions in Schweppes, where he was Co-Director General and Director of Human Resources. Previously he was Director of Human Resources for Smithkline Beecham.

CEO FERROVIAL AGROMAN

Alejandro de la Joya

Born in 1967, he is a civil engineer who joined the company in 1991.

He has developed his career in Spain, Morocco, Italy, Portugal and Poland.

In 2005 he served as Director of Foreign Business and in 2007 was appointed Director of International Construction. In 2008 he was appointed CEO of the company.

Company description

» *Photo: Avenida de Aragón Hotel, Madrid, Spain.*



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12 - Main figures

13 - Significant events

14 - Services

22 - Toll roads

36 - Construction

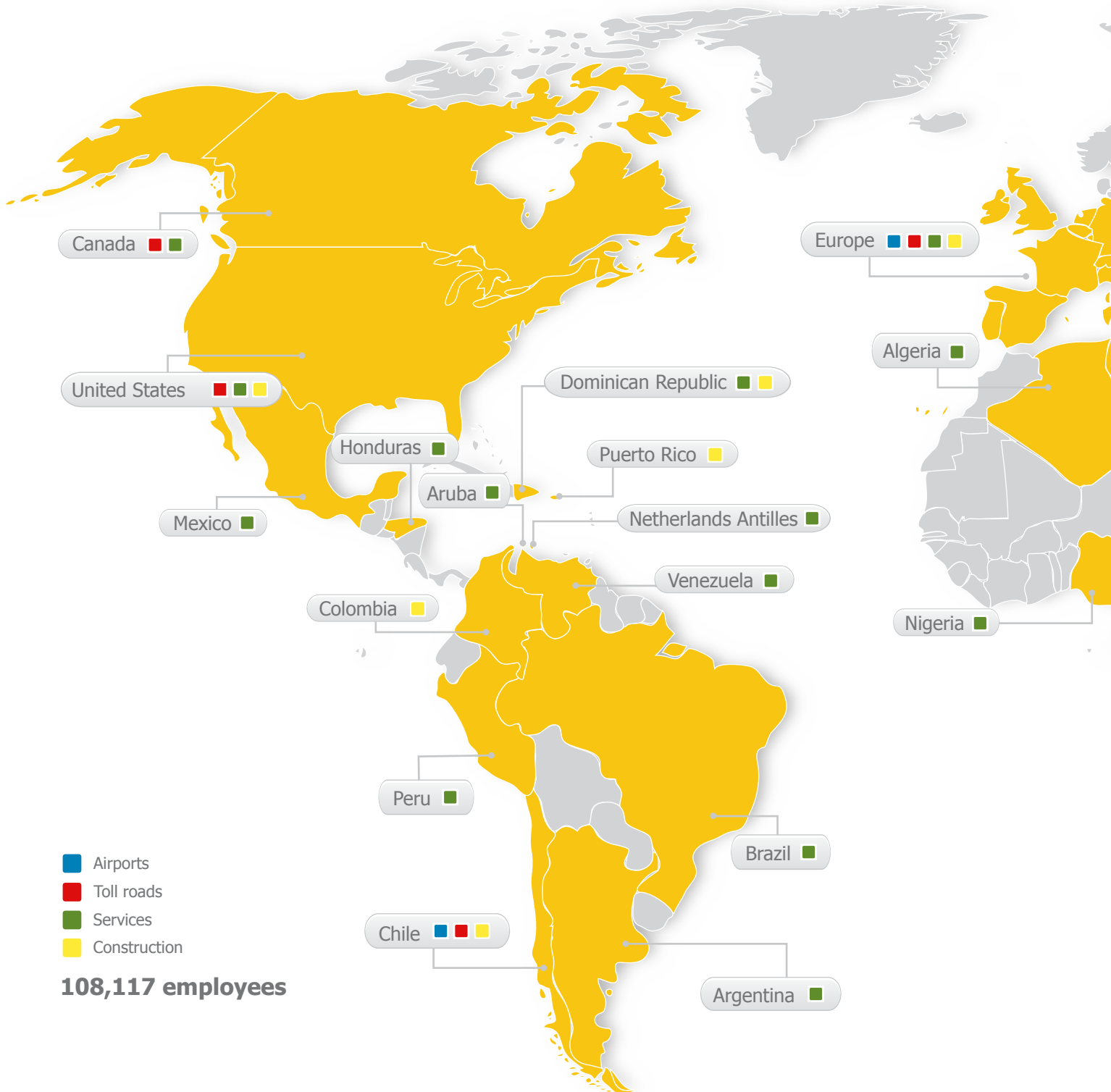
46 - Airports



Worldwide presence

A global infrastructure company

Ferrovial is a diverse and global company, present in over 45 countries. The total workforce consists of 108,117 employees. Ferrovial is the world-leading private infrastructure operator by investment volume, with activity in Services, Highways, Constructions and Airports.



108,117 employees



Main figures

Financial data	2009	2008	2007	2006	2005	2004	2003	% 09/08
Net revenues	12,095	14,126	14,630	12,355	8,321	7,254	6,026	-14%
EBIT	1,534 (2)	1,550	1,911	1,459	714	717	615	-1%
Net income	-92	-838	734	1,426	416	529	341	-89%
Earnings per share	-0.16	-6.04	5.24	10.18	2.97	3.77	2.43	-97%
Total Assets	44,110	48,203	51,587	54,980	21,498	15,161	14,552	
Equity	4,557	3,692	6,848	6,662	2,968	2,518	1,754	
Gross Capital Expenditure	504	971	997	4,446	1,665	389	862	
Net debt/(Cash)	1,172	1,664	1,937	3,064	272	(139)	591	
Total gross dividend	73	277	161	140	126	115	84	

Operating data

Average number of employees	108,117	107,399	102,447	88,902	57,247	49,892	34,347
Construction backlog	8,800	8,756	9,130	8,023	7,500	6,721	6,106
Services backlog	9,967 (1)	9,714 (1)	9,726 (1)	8,629 (1)	7,174 (1)	4,973 (1)	5,177

Ratios

Operating margin	12.7%	11.0%	13.1%	11.8%	8.6%	9.9%	10.2%
Net margin	-0.8%	-5.9%	5.0%	11.5%	5.0%	7.3%	5.7%
Leverage	26%	45%	28%	46%	9%	-	34%
Pay-out	n.s.	n.s.	22%	10%	30%	22%	25%

Per share data

Capitalization	6,037	2,746	6,750	10,373	8,205	5,515	3,897
Year end share price	8.23 (*)	19.58	48.12	73.95	58.50	39.32	27.78
Average daily trading volume	21.0	43.4	66.0	47.9	27.5	12.7	12.0
Gross dividend per share	0.40	2.00	1.15	1.00	0.90	0.82	0.60
Appreciation in the year	68%	-59%	-35%	26%	49%	42%	15%
Nº of shares at year-end	733,510,255	140,264,743	140,264,743	140,264,743	140,264,743	140,264,743	140,264,743

Million euro

(1) Does not include the Tube Lines backlog

(2) Operating earnings prior to impairment losses and disposals of real property.

(*) 2009 closing figures are not comparable due to the merger of Cintra and Ferrovial on December 4th 2009. The exchange ratio was 4X1.

Significant events

The proposal led by Cintra selected as "Best Value Proposal" for the North Tarrant Express in Texas (29/01/2009). The proposal presented by the consortium led by Cintra was selected by the Texas Transportation Commission as the "Best Value Proposal" for the construction, maintenance and operation of 21.4 km (13.3 miles) of the North Tarrant Express toll highway located in the Dallas-Fort Worth area of Texas (USA).

The proposal led by Cintra selected as "Best Value Proposal" for the IH-635 Managed Lanes in Texas (26/02/2009). The proposal presented by the consortium led by Cintra was selected by the Texas Transportation Commission as the "Best Value Proposal" for the construction, maintenance and operation of 27.2 km (17 miles) of the IH-635 Managed Lanes located in the greater Dallas area of Texas (USA).

BAA submits appeal to the Competition Appeal Tribunal (18/05/2009). BAA confirmed that it has decided to submit an appeal to the Competition Appeal Tribunal (CAT) for the review of the Report of the Competition Commission.

Cintra closes the sale of Parking division for 451 million euro (26/06/2009). Cintra reached an agreement to sell the Parking division for 451 million euro, of which 51 million euro corresponded to the bank debt of Cintra Aparcamientos. The operation was completed on 27 July.

Ferrovial restructures and simplifies its corporate debt structure (30/06/2009). Grupo Ferrovial S.A. signed a loan amounting to EUR 3,300 million with a maturity of three years that unifies corporate debt and replaces several existing loans.

The Boards of Directors of Cintra and Ferrovial unanimously approve Merger (30/07/2009).

The Boards of Directors of Cintra and Ferrovial unanimously approved on 29 and 28 July 2009 respectively, the Merger of both companies.

The Ferrovial and Cintra shareholders approve the merger to create a leading manager of transport infrastructure (20/10/2009) (22/10/2009).

The Extraordinary General Meetings of Ferrovial and Cintra shareholders approve the merger of both companies. The resulting company will be called Ferrovial, S.A. and the highway assets will be transferred to the new Cintra Infraestructuras.

Gatwick Airport Sale (21/10/2009). BAA, a subsidiary of Ferrovial, reached an agreement for the sale of London Gatwick airport to an entity controlled by Global Infrastructure Partnership. The sale price is 1.510 billion pounds (approximately 1.657 billion euro).

BAA restructuring plan (13/11/2009). Ferrovial and its partners are launching a plan to optimize the financial structure of BAA, estimated at around 500 million pounds sterling (557.5 million euro), aimed at strengthening the capital base of the group's regulated airports located in London.

BAA places bonds for 700 million pounds (27/11/2009). BAA successfully placed bonds worth 700 million pounds, maturing in 2026 and paying a fixed annual coupon of 6.75%.

BAA places bonds for 235 million pounds (01/12/2009). BAA successfully placed inflation-linked bonds worth 235 million pounds, maturing in 2039 and paying a real fixed annual coupon of 3.334%.

Entry of the merger in the Mercantile Registry (03/12/2009).

The company announced the completion of the registry of the Merger of Concesiones de Infraestructuras de Transporte, S.A. and Grupo Ferrovial, S.A. in the Mercantile Registry.

Financing of NTE (17/12/2009). NTE Mobility Partners LLC, in which Cintra holds a majority interest, has successfully completed the 2.0 billion dollar (1.36 billion euro) financing of the North Tarrant Express Managed Lanes in Texas (USA).

Dividend distribution (23/12/2009). The Board of Directors of Ferrovial approved the payment of an interim dividend of 0.10 per share to its shareholders.

Notice of the sale of 60% interest in the Chilean toll roads (29/12/2009). Cintra reached agreement to sell 60% of its stake in the company Cintra Chile to the Colombian ISA. The two parties have granted purchase and of sale options, respectively, for the remaining 40% of the capital. The operation is still pending execution of the required notifications and the receipt of the relevant authorizations and registrations in Spain, Colombia, Chile and other jurisdictions where the participating entities are present.

Services



The Services Division has a total backlog of 9.97 billion euro. In 2009 revenues of the Division totaled 3.680 billion euro, a 0.9% decline over 2008 excluding currency effects. In proforma terms, gross operating income (EBITDA) rose 1.4% to 365.6 billion euro. 59% of the division's sales and 46% of the EBITDA income come from international operations.

AMEY

A British company dedicated to infrastructure maintenance (urban, road and rail) and facility management. Amey was acquired by Ferrovial in May 2003. In 2009 the company recorded revenues of 914.9 million pounds, a 5.7% increase, which represented 28% of total revenues in the Services division. Amey is the majority shareholder of Tube Lines, the concession company for maintenance and management of the London Underground with three lines: Jubilee, Northern and Piccadilly.

SWISSPORT

Swissport is the world leader in airport handling services with revenues in 2009 of 1.123 billion euro, a 4.5% decline over the 2008 figure. At present, the company

operates in 179 airports in 38 countries. With a workforce of 32,000, the company provides services for more than 70 million passengers, 650 airlines and handles over 3.5 million tons of cargo annually.

CESPA

Cespa is the Ferrovial subsidiary dedicated to providing municipal and waste treatment services. The company currently operates in Spain, Portugal and Andorra, and presents bids for concession projects in the United Kingdom together with Amey. Cespa is the leader in gardening, industrial waste management and treatment of all types of waste and is among the top three companies in the municipal waste collection and treatment and street cleaning segment. Revenues in 2009 reached 952.7 million euro.

FERROSER

In 2009, the Infrastructure Maintenance and Upkeep Division in Spain and Portugal registered revenues of 578.7 million euro thanks to the activities of: Ferroser (facility management), Grupisa (integral infrastructure maintenance) and Euroлимп (interior management and cleaning).

2009 Performance

Despite the negative economic environment throughout 2009, the Services division maintained sales in line with 2008 (excluding the impact of exchange rate differences, -0.9%), recording a 1.4% increase in (EBITDA), 1.3% in (EBIT) and improvements in the return on sales in both cases. Revenues in this division are 54% in currencies other than the euro. Backlog increased by 9.2% to 9.97 billion euro.

We would highlight the excellent management of cash flow from operations (343 million euro), as well as the management of investments (-126 million euro), resulting in net cash flow from operations of 217 million euro, a 23% increase over that registered in 2008. Cash flow exceeded that of 2008 across all activities.

MAINTENANCE AND UPKEEP IN THE UNITED KINGDOM

Amey continues to register solid growth. Combined revenues for 2009 reached 914.9 million pounds, accounting for 28% of revenues for the Services division. Amey increased revenues by 5.7% and has maintained profitability in the 9% range. The growth in revenues stems to a large extent from the contribution of new projects that began construction in 2009, as well as the maintenance contract for the highways in Area 9, the contract for the inspection of the civil works on the railway network, and the maintenance of the buildings housing the Home Office.

MAINTENANCE AND UPKEEP IN SPAIN

The Infrastructure Maintenance and Upkeep Division in Spain recorded nearly the same figures of the previous year in revenues (578.7 million euro, a decline of 0.9%) while EBITDA rose 5.5% despite the increase in competition and the decline in margins, as well as the expansion of the collection periods for some clients.

Ferros continues to lead the Spanish and Portuguese markets in infrastructure upkeep and facility management.

MUNICIPAL AND WASTE TREATMENT SERVICES

In municipal services, Cespa recorded 952.7 million euro in revenues, with EBITDA remaining stable at 162.4 million euro. The strategy followed by the company has



» Photo: Urban services (Cespa), A Coruña, Spain

been to abandon contracts with a low return, institute selective tendering for new contracts and cost controls in response to the decline in industrial activity, as reflected by a decrease in the volume of waste collected and treated at landfills.

HANDLING

This division recorded an increase in both gross and net operating earnings despite

the decline in sales thanks to a 100 bp improvement in profitability in response to the greater contribution of the new countries in which the Services Division recently began to operate (Ukraine, Cyprus and Bulgaria). New contracts have led to very significant improvements in certain countries (Spain, Brazil, and South Africa) and the abandonment of other countries in losses (Singapore, Germany). The company has focused on profitability and

has set up a project for controlling costs and improving the contracts in airports that had lower margins. In all, excluding the impact of exchange rate differences, EBITDA increased by 12.7% and EBIT expanded 18%.



Amey



• Photo: Amey employee carrying out urban services.

Amey recorded 2009 revenues of 914.9 million pounds with EBITDA reaching 77.5 million pound. Amey was awarded new contracts during the year, adding more than 4 billion pound to the order book. These new contracts have also led to an increase in the work force, jumping from 7,900 to more than 11,000. Some of the main milestones during 2009 are as followed:

- The award of the PFI contract (Private Finance Initiative) for the development of highways for the City of Birmingham, valued at 2.7 billion euro, is to date the largest contract awarded by a local corporation in the United Kingdom in the motorway sector. The contract includes the maintenance of almost 2,500 kilometers of road network and nearly 100,000 urban lighting fixtures.
- New contract for the maintenance, conservation, updating and expansion of more than 1,000 kilometers of highways in Area 9 in the United Kingdom for the next five years.
- New contract for maintenance and improvement of the technology of the national highway network in the west and northeast of the United Kingdom, which makes Amey in the leading company in the UK in highway technology maintenance.
- New consulting contracts, which guarantee orders of almost 500 million pounds in the first half of the year.
- Award of a contract for the maintenance of the railway network (CEFA), which makes Amey one of the country's leading suppliers with more than 10 years of experience in this field.
- Award of the contract for all Facility Management activities of the UK Department for Transport (DfT).
- Renewal of the contract of AmeyColas, the joint venture between Amey and Colas, for the maintenance of the railway network valued at 300 million pound over the next 5 years.
- Inauguration of the new International Design Hub in Birmingham, bringing together more than 500 consultants, engineers, architects, town planners and designers at the service of global solutions for transportation infrastructure.
- Amey was recognized in 2009 for its contribution to the reduction of CO₂ emissions and the improvement of the efficiency of its fleet of vehicles.

- **2,281** km of rail track maintained
- **324,155** street lights maintained
- **100** underground stations managed
- **15** trains maintained
- **1.4** million m² of buildings managed
- **1.3** million meals served

Swissport

Revenues declined 4.8% to 1.123 billion euro, although on the operating level, EBITDA expanded 12.7% to 81 million euro. Despite the lower sales, Swissport maintained world leadership of the sector and increased its market share in 2009.

- New awards: Swissport was awarded the contract for land services at the Munich airport in collaboration with Losch Airport Service. The company also signed an agreement for a worldwide collaboration with Aer Lingus in the field of freight transportation.
- Swissport received a new license to operate in Costa Rica in association with the local firm Inter Airport Services, to provide coverage for two international airports in the country, Santa Juana María in San José and Daniel Oduber, in the city of Liberia.
- Other contracts have been renewed, such as the agreement with United Airlines in 3 US airports: Los Angeles, San Francisco and Chicago-O'Hare.

- Swissport Cargo Services has become the first global baggage handling Company to send monthly performance reports to the Cargo 2000 organization, first phase prior to sending the complete reports, the content of which will focus on the performance of the messenger service.
- The license held by Swissport for the operations at the Geneva airport has been extended to 2016 by the Swiss airport authority, AIG. In addition, Swissport Geneva will also participate in the creation of a new company called GVA Assistance, which will offer special services at the airport for an initial period of five years.
- The company signed a "preferred partner" contract with Virgin Atlantic, for the air cargo handling activities of Virgin at 40 European airports.
- The company was also awarded a contract by Lufthansa Cargo for cargo handling services at the Amsterdam Airport over the next three years.
- Swissport signed one of the most important baggage handling contracts of recent years with South African

Airways (SAA) for the provision of baggage handling services for 60,000 annual flights of South Africa's flagship airline over the next five years. Swissport will be working in the Johannesburg, Cape Town, Durban, Port Elizabeth, East London and George airports.

- The Ministry of Transport of Luxembourg awarded the company a license to operate at the country's airport for the next seven years.
- International recognitions: The Company was recognized with two major awards, the "World's Best Handling Services Provider" and the "Best Cargo Agent of the Year".

- **179** airports
- **38** countries
- **650** airlines
- **70** million passengers



» Photo: Handlin services, Swissport

Cespa

Despite the general economic crisis, which has hit CESPAs particularly hard with a sharp decline in the volume of waste treated at landfills and in the volume of industrial waste managed, the company was able to close the year with revenues in line with last year, reaching 952.7 million euro and with EBITDA of 162.4 million euro. Backlog reached 3.96 billion euro in December 31st 2009, 3.56 billion euro more than the previous year.

Among the most significant events during the year, we would highlight:

- Construction of the first controlled deposit managed as a bioreactor in Spain.
- Award of the contract for the recovery of the National Heritage Historic Gardens.
- Awards in the Community of Madrid: maintenance contract for landscaped areas, sports fields and forest areas of Complutense University of Madrid; as well as the execution of the en-

vironmental recovery works for the old paved roads of Casa de Campo (Madrid) and the forest re-planting works under the "2,000,000 Trees Plan" as part of the 'Social Works' of the savings bank Caja Madrid in Rascafría (Madrid); San Martín de Valdeiglesias, award of the waste collection and cleaning services.

- Awards in the region of Catalonia for waste collection and street cleaning in the such cities as Badia del Vallés, Vic and Cambrils, and conservation, cleaning and maintenance of the green spaces in other cities, such as Prat del Llobregat; award of the contract for the conservation works on the underground solid urban waste network in the Gràcia neighborhood (Barcelona), as well as improvement works on a large number of streets in the city of Barcelona and for waste collection services at local hospitals, including Hospital Clínico de Barcelona and Hospital de Bellvitge.
- Award of the contract for the conservation and maintenance of parks and green areas in La Coruña and field and garden maintenance and cleaning for Misión Biológica de Galicia; award of the waste collection

and street cleaning services in Castro Urdiales, Cantabria.

- Acquisition of the company Albaida Residuos, dedicated to the integral management of the agricultural waste in the province of Almería.
- Also, CESPAs was awarded an expansion of the Urban Services contracts for the Consortium As Mariñas, in Puertollano (Ciudad Real) and Guadalajara and built three building and demolition waste treatment plants: Villaquilambre (León), Úbeda (Jaén) and Montiel-Calatrava (Ciudad Real).
- Internationally, the City of Maia (Portugal) awarded the joint venture of CESPAs PORTUGAL – ECOAMBIENTE (50%-50%) the contract for the collection of municipal solid wastes; Cespa and Amey will work together to improve waste treatment, environmental management and energy efficiency services in the United Kingdom.
- Recognitions: Silver Medal of Honor for Merit by the City of Barcelona.



Photo: Gardening services. Cespa

- **More than 28 million m²** of green areas maintained
- **847 cities and towns** in Spain and Portugal provided urban services
- **Over 6.4 million inhabitants** benefiting from waste collection services
- **Over 6.1 million inhabitants** benefiting from street cleaning services

Ferrosfer



» Photo: Urban signs works. Ferrosfer

Ferrosfer recorded revenues of 578.7 million euro, with EBITDA reaching 40.1 million euro.

Backlog reached 925 million euro, while revenues remained stable and profitability and cash flow both registered significant growth.

Renewal of significant contracts with a high level of monthly backlog and a notable increase in works pending execution:

- Conservation of the street signage for the City of Valencia
- Conservation of the Somosierra section of the N-I highway for the Ministry of Public Works
- Conservation of highways of Region of Valencia for the Ministry of Public Works
- Conservation of highways of the Region of Guipúzcoa
- Hospital Maintenance: Móstoles, Virgen de la Macarena and Valme de Sevilla
- Integral services management of the sports facilities and Municipal

pal Sports Complex for the City of Murcia

- Cleaning of the Madrid Metro
- Cleaning of the University of Seville

- Major new awards in our traditional activity:
 - Conservation of the airfield at the Barcelona Airport
 - Conservation of signage on the highway network of the Territorial Highway Service of Barcelona
 - Installation of the information signs for the new airport terminal in Malaga
 - Installation of the information signs for the new airport terminal in Barcelona
 - Maintenance of the hospital networks of Hospiten and Sanitas
 - Facility Management in the industrial plants of Michelin
 - Facility Management for Iberia Airlines
- New awards in developing activities:
 - Management and operation of

the Malaga Sports Center

- Management and operation of the Cieza Sports Center
- Call Center for the emergency services of SUMMA 112 in the Community of Madrid

- OHSAS Certification of the Occupational Health and Safety Management Systems of Ferrosfer, Grupisa and Euroлимп. ■

- **6,300 km.** of roads and highways managed
- **Almost 70,000** municipal and airport signs managed
- **26,250 m²** of signs managed

Toll Roads



Cintra is a world leader in the development of private toll roads for both the number of projects and the investment volume. Cintra has a portfolio of 25 concessions in seven countries.

Cintra was created from the spin-off of Ferrovial's infrastructure activities, thus maintaining the long history and wide experience that first began in 1968 with the award of the concession for the A-8 Bilbao-Behobia toll road, the first one to be awarded in Spain with private funding and management.

Since its creation, Cintra has undertaken a clear growth strategy based on the search for the best investment opportunities and the efficient management of its holdings, which has helped it to become a world leader in its industry.

Cintra only invests in projects with a low risk profile given that they are backed by the provision of public services provided within a system of limited competition, with steady, predictable revenues and expenses and long concession periods that compensate for any uncertainties produced by economic cycles. In addition, the company only bids in countries that are economically and politically stable with independent legal and judicial systems. Also, Cintra follows a strategy of eliminating financial and construction risks by using a non-recourse project financing structure and contracts denominated in the local currency with fixed pricing and durations.

Once incorporated into the portfolio, Cintra actively manages its projects throughout their lifecycle, thereby increasing their value by progressively reducing the risks and introducing operating improvements to optimize efficiency and provide a quality service to users.

The result of this strategy can be seen from the continuous incorporation of new concessions since the founding of the company. Cintra has a portfolio of 25 concessions distributed among Spain, Canada, United States, Portugal, Ireland, Greece and Chile, which manage more than 2,900 km of toll roads and account for an approximate total investment of 19 billion euro, in addition to the contract for Serrano Park in Madrid.

The search for more attractive investment projects, irrespective of their geographical location, has led Cintra to develop a strong presence outside Spain, turning the company into a truly multinational business. Specifically, at year-end 2009, 75% of sales and 85% of gross operating income (EBITDA) came from projects outside Spain.

2009 PERFORMANCE

The most notable event in 2009 was the merger of Ferrovial and Cintra. The shareholders of both companies voted in favor of the merger in respective meetings held on the 20 and 22 October. The operation was finalized on 7 December, at which point the new Ferrovial began to publicly trade. The toll road manager was excluded from trading and became a subsidiary of Ferrovial, maintaining its management structure and brand.

During 2009, Cintra expanded its policy of selling mature assets. In June, the company reached an agreement to sell the Parking division for 451 million euro.

Also, on December 29th Cintra reached an agreement with a Colombian investment group to sell 60% of its Cintra Chile subsidiary. The total price is approximately 209 million euro, 7.1 million Development Units, an inflation-indexed accounting unit used in Chile. The two parties have been granted purchase and of sale options, respectively, for the remaining 40% of the capital.

Development of the project portfolio

Cintra's strategy focuses on growth through both the award of new concessions and the efficient management of the existing project portfolio. In the beginning of 2009 the company was awarded two contracts to build and manage toll roads in the United States.

NEW PROJECTS

The number of projects put out to tender during 2009 was marked by the effects of the international financial crisis and its impact on the real economy. Said uncertainties have caused stagnation of global contracting activity, which was clearly reflected in the number of bids presented during the year.

• USA and Canada

There were two significant events in the US market during the year.

Firstly, the signing of two concession agreements by different consortiums, both led by Cintra, for the North Tarrant Express and the IH-635 Managed Lanes, respectively. Both highways are managed under a new system known as Managed Lanes, which attempts to provide a solution to the frequent problems seen in urban environments, such as traffic congestion and the lack of space for new highways.

Both projects consist of refurbishing existing highways and adding new toll lanes that are operated under a dynamic toll system that applies different rates depen-

ding on the time of day and the level of traffic on the toll-free lanes. The projects offer greater added value and, therefore, greater value creation potential given the innovative technological component, which allows us to once again occupy a leading position at the forefront of the industry with all of the competitive advantages that this implies.

Secondly, there was the financial close of the first of the two above-mentioned projects, the North Tarrant Express, achieved in the month of December, which is especially significant considering the financial environment. The said financial close was a success, and is the first time that Private Activity Bonds have been used as part of the financing of a private highways concession in the United States. It was also the first time that an US pension fund (Dallas Police & Fire Pension System) participated as a direct investor in a highway concession.

Regarding the IH 635 Managed Lanes project, Cintra is working close the financing in the first half of 2010.

In addition, the company prepared two bids to be presented in the first half of 2010: South Fraser Perimeter Road, in Vancouver (Canada), and a bid on some of the remaining segments of the North Tarrant Express system. The latter is being carried out in parallel to the preparation of the Strategic Development Plan for the NTE system, which was part of the contract awarded to Cintra.

• Europe

In Cintra's other traditional market, Europe, in 2009, the company a bid in Ireland on the N17-N18 Gort to Tuam Motorway. This is the first of a series of five that the

Irish government plans to launch under the pay for availability system over the next two years.

Cintra also focused its efforts on the final phase of the negotiations for the award of the A1 Strykow-Pyrzowice toll road in Poland. After the initial signing of the contract in January 2009, a period was opened for the evaluation of the impact that the economic crises would have on the contract terms. If the Ministry of Finance of Poland and the Concession Holder fail to reach an agreement, the contract will be voided. However, the concession holder will recover the cost incurred for the design and build activities.

Also, Cintra has continued to analyze the situation in the other European markets, including Italy, United Kingdom, Portugal and Spain. The company has not put bid in any of these markets given the absence of appropriate conditions during 2009.

• Other markets

During 2009 Cintra continued to analyze potential new markets, such as India, Brazil and Mexico, although it has not entered into any specific bidding process. The fundamental objective of this continuous monitoring is to explore new investment opportunities. The company continues to look for investment opportunities in potentially interesting markets, but without sacrificing the core investment principles of the company.

MANAGEMENT OF THE PROJECT PORTFOLIO

Throughout 2009, Cintra has continued to actively manage the projects in its portfolio with an eye towards optimizing opera-

ting efficiency while improving the quality of the service provided to users.

Among the actions carried out in 2009, we would highlight the new rates on the 407 ETR toll road. For the first time, a toll will be collected for each trip on the highway based on vehicle class, which for light vehicles will be 25 Canadian cents per trip.

Also, the Indiana Toll Road began to apply a 18.7% increase in the tolls for heavy freight vehicles.

Asset Turnover

As part of the active management of the project portfolio, Cintra analyzes ways of generating additional resources from the sale of those assets that are fully mature with a low risk level and limited growth potential thanks to the optimization of its management.

As a result of this analysis, this past 26 June, Cintra reached an agreement to sell the its entire participation in the subsidiary Cintra Aparcamientos, S.A. for 451

million euro, which brought in a total of 400 million euro.

Additionally, at the end of the year, Cintra reached an agreement with the Colombian company ISA for the sale of the 60% of Cintra Chile. The amount of the transaction is approximately 209 million euro after conversion given that it was executed for CLF 7.15 million, a unit of account used in Chile that is adjusted for inflation.

Also, both parties have exchanged buy and put options for the remaining 40% of capital. The effectiveness of the planned transaction is subject to the required notifications, authorizations and registrations in Spain, Colombia , Chile and other jurisdictions where the entities involved in the operation are located.

Financing

The decline in the liquidity in the financial markets continued during 2009. In this complicated environment, Cintra was able to refinance and obtain financing for new projects for an approximate amount of 2.2 billion euro, what demonstrates the inter-

est of the investors in quality assets despite of the turmoil in the financial markets.

One of the financial operations carried during 2009 stands out. Specifically, the one carried out for the 407 ETR toll road in January, with the refinancing of all debt maturing during the year by means of two bond issues for a total of 500 million Canadian dollars.

The first one was a 300 million Canadian dollars issue with a three year maturity and a coupon of 4.65%. The second was a 200 million Canadian dollar issue with a five year maturity and a fixed coupon of 5.1%.

In addition, in January the company reached an agreement with the 29 financial institutions, including the European Investment Bank (EIB), financing the Radial 4 toll road, to extend the terms and conditions of the current financial package by a total of 556.6 million euro for two years.

Lastly, the company NTE Mobility Partners LLC has successfully completed the 2.0 billion dollar (1.36 billion euro) financing of



the North Tarrant Express Managed Lanes in Texas (USA). The financial close was ahead of schedule and makes NTE the only private highway under construction with traffic risk in the country that achieved financing during the year.

The financing of the project uses PAB bonds (Private Activity Bonds), for tax-free and private use, through the placement of 400 million dollars in the US municipal bond market. The issue, with an average coupon of 6.98%, represents a milestone given that it is the first time that PAB bonds have been used for the financing of a private highway concession. This operation was hugely popular with investors and was oversubscribed 2.4 times.

The issue took the form of two different bond issues: one for a total of 59.8 million dollars, with a coupon of the 7.5% and maturing in December 2031 and the other for a total of 340.2 million dollars, with a coupon of 6.875% and maturity in December 2039.

Also, on 23 June, NTE Mobility Partners and the Texas Department of Transportation (TxDOT) signed an agreement under which the state agency will invest close to 573 million dollars in the project. In addition, the Federal Government has granted the project a TIFIA loan for 650 million dollars.

2010 Strategy

The sector is still severely marked by the increase of the cost of financing for projects, the lack of liquidity in the markets and extremely constrained public finances. This, in theory, should be an appropriate scenario for growth in good infrastructure projects under concession. Stronger, less leveraged and better public auctions by the public administrations. However, the financial markets still suffer from a high level of uncertainty and a significant lack of liquidity. In any case, there have been signs of a timid recovery in the development activity of the public administrations in some of the company's target markets.

In Europe, Cintra is working with the Irish Government on a motorway scheme and is closely monitoring the tender processes in Spain and Portugal, as well as besides the planning projects in the United Kingdom.

In the US, after the successful financing of North Tarrant Express, the Managed Lanes model is expected to dominate in the future public tenders. Cintra expects some opportunities to arise in those States with greater potential for similar projects, like Georgia or California, as well as new opportunities in traditional regions such as Texas, Virginia and Florida.

In Canada, Ontario and British Columbia are the most active regions and Cintra expects at least one project to be put out to bid during 2010.

2010 Objectives

Our objective for the next few years is to continue developing our profitable growth strategy through the efficient management of our project portfolio and the search for the best investment opportunities.

With regard to our current concessions, we will focus our activity on:

- Continuing with the consolidation and financial close of the LBJ Highway in Texas, USA.
- Advancing in the construction and opening of our seven highways under development: Central Greece and Ionian Roads, in Greece; M-3, in Ireland; Scut Açores, in Portugal; segments 5&6 of the SH-130 and the North Tarrant Express, in the United States; and the M-203 in Spain.
- Continuing to actively manage the remainder of the assets in operation to optimize efficiency and provide a quality service to users.

As for the incorporation of new assets, in spite of the changes produced in our competitive environment by the financial crisis, which has caused a reduction in liquidity and an increase in the cost of financial resources, the current market conditions also presents opportunities to continue developing our growth strategy.

At this time, the investment opportunities with the greatest value added are greenfield projects, a key to which is the use of our competitive advantages.

This focus on the greenfield projects makes the merger between Cintra and Ferrovial play an important role, since, in addition to optimizing the management of the financial resources among the different units of the new group, it allows for the combination of the knowledge and experience of the two companies throughout all phases of the activity. This constitutes a success factor in maintaining a leadership position in the infrastructure sector.

Moreover, the continued development of this growth strategy requires having the funds needed to take advantage of new investment opportunities when they arise.

Traditionally, one of the main sources for obtaining financing has been the re-leveraging of our asset portfolio. Nevertheless, the current conditions of the financial markets have made this option almost impossible or otherwise severely limited it.

Accordingly, Cintra analyzes ways of generating additional resources from the sale of those assets that are fully mature with a low risk level and limited growth potential thanks to the optimization of its management.

In summary, Cintra continues with the development of its profitable growth strategy, focusing especially on the investment in projects with greater value added, combined with a policy of the selective sale of mature assets. These factors constitute the key to the consolidation of Cintra's leadership position in the infrastructure sector.

Project portfolio

Canada

407-ETR TOLL ROAD

- Alternative route for one of the busiest corridors in all of North America.
- All-electronic, barrier-free toll system (freeflow). Allows for a very high volume of traffic without stopping or slowing.

- Toll freedom: possibility of freely increasing toll rates if traffic levels remain above a minimum threshold. The system allows for optimizing concession income, adjusting toll rates to the time savings provided by the highway.



- **108 km**
- **2,929 billion** investment
- **53.23%** equity interest
- **2098** end of concession period



► Photo: 407 ETR, Toronto, Canada

United States

SEGMENTS 5&6 SH-130

- The SH-130 tollway is an alternative to the congested I-35 between San Antonio and Austin.
- Segments 5 (18.7 km) and 6 (45.3 km) run from southeast Austin (at the intersection with the SH45) to the city of Seguin at the intersection with the IH10, which connects Houston and San Antonio.
- Segments 1 through 4 are run by the TxDOT. The first three segments entered into operation at the close of 2007 and the fourth segment was opened in late April 2008.
- Toll collection is 100% free flow with no barriers.
- Tolls are updated annually in accordance with the Nominal Gross State Product for the State of Texas (NGSP).
- Revenue sharing with the State if certain traffic thresholds are exceeded.
- Compensation for competing infrastructure along a 10 mile corridor.
- Compensation in the event of an increase in the speed limit on the I35.

CHICAGO SKYWAY

- Provides an alternative to a highly congested corridor connecting Chicago with a major residential and leisure area.
- Toll structure that allows for rate increases above inflation, from the current 3.00 dollars for light vehicles up to 5.00 dollars in 2017, with subsequent annual increases equal to the highest of the following: 2%, inflation for the period or increase in nominal per capita GDP.

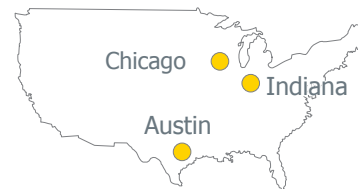
INDIANA TOLL ROAD

Two different sections:

- Western Section, 37 Km long with flat toll system which connects with the Chicago Skyway. It provides an alternative to a highly congested corridor.
- Eastern section, 216 Km of ticket system toll road, out to the Ohio state line. It is part of the main route connecting Chicago and the Mid-West with New York and carries a lot of freight traffic.

Very attractive toll plan with increases above inflation.

- In 2010, an increase equaling the higher of 2%, inflation or nominal per capita GNP over the previous four years.
- From 2011, annual review based on a maximum of 2%, CPI or nominal per capita GDP.



SH -130 SEGMENTS 5&6

- **64 km**
- **€ 675.2 Mn. Investment managed**
- **65.0% equity interest**
- **2062 end of concession period**

CHICAGO SKYWAY

- **12.5 km**
- **€ 1,343.3 Mn. Investment managed**
- **55% equity interest**
- **2104 end of concession period**

INDIANA TOLL ROAD

- **252.6 km**
- **€ 2,811.3 Mn. Investment managed**
- **50.0% equity interest**
- **2081 end of concession period**

NTE HIGHWAY

- The project consists of the construction, maintenance and management of 21.4 kilometers (13.3 miles) of the North Tarrant Express, a major highway in the Dallas-Fort Worth region of Texas, one of the most congested in the U.S. The project is divided into two segments, 10.3 kilometers (6.4 miles) and 11.1 kilometers (6.9 miles), respectively.

- The consortium NTE Mobility Partners, led by Cintra, will begin to build the road by the end of 2010 and it is expected to be put into service in 2015. The concession period is 52 years.

- The NTE will include an electronic, barrier-free toll system to assure a high level of service and fluid traffic for users.

LBJ EXPRESS TOLL ROAD

- The proposal presented by the consortium led by Cintra, was selected by the Transport Commission of Texas as the «Best Value Proposal» for the construction, maintenance and operation of 27.4 kilometers of the LBJ Express project (also known as IH-635 Managed Lanes).

- The concession period is 52 years from the signing of the Concession Agreement.

- The final awarding is subject to the signing of the Concession Agreement and the obtaining of the promised public funds. Cintra is working close the financing in the first half of 2010.

NTE HIGHWAY

- **21,4** km
- **€ 1,012.5** billion investment managed
- **56.67%** equity interest
- **2061** end of concession period

LBJ EXPRESS TOLL ROAD

- **27.4** km
- **€ 1,497.9** billion investment managed
- **51.0%** equity interest
- **2061** end of concession period



» Photo: Indiana Toll road, Indiana. USA

Spain



ALCALÁ-O'DONNELL (M203)

- The tollway will significantly improve access from the Henares corridor to the center and south of Madrid, creating a new alternative to the A-2.
- Toll rates are inflation indexed.
- (*) May be extended for a further year depending on accident rates.

AUTEMA

- In 1999, the concession company reached an agreement with the regional government through which, in exchange for a substantial price reduction, the government each year would pay the difference between the actual revenues and those forecast in the Finance Plan in force at the time, plus an adjustment for higher operating expenses due to the increase in

traffic caused by the price reduction.

- Toll rates are inflation indexed.

AUSOL I

- Toll road located a corridor with the high population growth, but with high dependence on the real estate and housing industries.
- Prices vary depending on the time of year, with high season being during the summer months and at Easter.
- Alternative route to a highly congested semi-urban corridor.
- Toll rates are inflation indexed with an adjustment in the case of traffic exceeding established thresholds.

AUSOL II

- Toll road located a corridor with the high population growth, but with high dependence on the real estate and housing industries.
- Prices vary depending on the time of year, with high season being during the summer months and at Easter.
- Alternative route to a highly congested semi-urban corridor.
- Toll rates are inflation indexed with an adjustment in the case of traffic exceeding established thresholds.

MADRID SUR (R4)

- Alternative access to Madrid.
- Located in a major urban development area.



Photo: Ausol 1 toll road, Spain

- Connects with the Madrid-Levante toll road, completing a 190 km toll connection between Madrid and the East coast of Spain.

- Toll rates are inflation indexed with an adjustment in the case of traffic exceeding established thresholds.

MADRID-LEVANTE

- Route between Madrid and the east coast that offers an alternative to the Nacional III in a corridor with high traffic levels. The toll road connects directly with the R-4, which is also operated by Cintra, as it enters Madrid.

- The concession period may be extended for a further four years if certain service quality conditions are met.

- Toll rates are inflation indexed with an adjustment in the case of traffic exceeding established thresholds.

TRADOS 45 (M45)

- The traffic risk is limited due to the system of bands used in shadow tolls. At present, the toll road has traffic levels that are nearing the threshold at which the concession company obtains maximum revenues every year.

- Toll rates and the maximum payment are indexed to inflation.



ALCALÁ-O'DONNELL (M203)

- **12.3 km**
- **€ 69.5 Mn.** Investment managed
- **100%** equity interest
- **2035** end of concession period

AUTEMA

- **48.3 km**
- **231.3 Mn.** Investment managed
- **76.28%** equity interest
- **2036** end of concession period

AUSOL I

- **82.7 km**
- **509.1 Mn.** Investment managed
- **80.0%** equity interest
- **2046** end of concession period

AUSOL II

- **22.5 km**
- **216.9 Mn.** Investment managed
- **80.0%** equity interest
- **2054** end of concession period

MADRID SUR (R4)

- **97.2 km**
- **1,064.5 Mn.** Investment managed
- **55.0%** equity interest
- **2065** end of concession period

MADRID-LEVANTE

- **182.8 km**
- **523.6 Mn.** Investment managed
- **51.84%** equity interest
- **2040** end of concession period

TRADOS 45 (M45)

- **14.5 km**
- **215.4 Mn.** Investment managed
- **50.0%** equity interest
- **2029** end of concession period

Chile



TEMUCO - RÍO BUENO

- **171.0 km**
- **€ 162.2 Mn.** Investment managed
- **75%** equity interest
- **2023** end of concession period

SANTIAGO - TALCA

- **265 km**
- **€ 747.6 Mn.** Investment managed
- **100%** equity interest
- **2024** end of concession period (*)

TALCA - CHILLÁN

- **193.3 km**
- **€ 200.1 Mn.** Investment managed
- **67.61%** equity interest
- **2015** end of concession period (*)

AUTOPISTA RUTA DEL BOSQUE

- **160 km**
- **€ 267.6 Mn.** Investment managed
- **100%** equity interest
- **2021** end of concession period (*)

COLLIPULLI - TEMUCO

- **144 km**
- **€ 203.9 Mn.** Investment managed
- **100%** equity interest
- **2024** end of concession period (*)



Photo: Chilean toll road. Chile

TEMUCO - RÍO BUENO

- Toll road located on the main arterial road in Chile with no viable alternative routes.
- Toll rates are inflation indexed, plus a road safety bonus of up to 5%.

SANTIAGO - TALCA

- Toll road subject to the Revenue Distribution System through which the concession company is guaranteed the NPV of the future cash flows from the concession contract through an extension of the concession period until the guaranteed level is reached in exchange for carrying out additional construction work.
- Toll rates are inflation indexed, plus a road safety bonus of up to 5%.

(*) In accordance with the Revenue Distribution System, the concession period is of a variable duration and is estimated to end in 2041.

TALCA - CHILLÁN

- Toll road subject to the Revenue Distribution System through which the concession company is guaranteed the NPV of the future cash flows from the concession contract through an extension of the concession period until the guaranteed level is reached in exchange for carrying out additional construction work.
- Toll rates are inflation indexed, plus a road safety bonus of up to 5%.

(*) In accordance with the Revenue Distribution System, the concession period is of a variable duration and is estimated to end in 2025.

AUTOPISTA RUTA DEL BOSQUE

- Toll road subject to the Revenue Distribution System through which the concession company is guaranteed the NPV of the future cash flows from the concession contract through an extension of the concession period until the guaranteed level is reached in exchange for carrying out additional construction work.
- Toll rates are inflation indexed, plus a road safety bonus of up to 5%.

(*) In accordance with the Revenue Distribution System, the concession period is of a variable duration and is estimated to end in 2021.

COLLIPULLI - TEMUCO

- Toll road subject to the Revenue Distribution System through which the concession company is guaranteed the NPV of the future cash flows from the concession contract through an extension of the concession period until the guaranteed level is reached in exchange for carrying out additional construction work.
- Toll rates are inflation indexed, plus a road safety bonus of up to 5%.

(*) In accordance with the Revenue Distribution System, the concession period is of a variable duration and is estimated to end in 2030.

Portugal

EUROSCUT AÇORES

- Shadow toll road (in Portuguese, SCUT: Sem Cobrança ao Utilizador) under which the users do not pay for the use of the infrastructure, with payment assumed by the granting Authority.
- High capacity road system which will significantly improve the road network in the Central and Eastern areas of San Miguel.



EUROSCUT AÇORES

- **93.7 km**
- **€ 405.3 Mn.** Investment managed
- **89.0%** equity interest
- **2036** end of concession period

EUROSCUT ALGARVE

- **129.8 km**
- **€ 278.1 Mn.** Investment managed
- **77.0%** equity interest
- **2030** end of concession period

EUROSCUT NORTE-LITORAL

- **119 km**
- **€ 385.9 Mn.** Investment managed
- **75.53%** equity interest
- **2031** end of concession period

- The concession is divided into three roads:

- The 35.4 km South Road connecting the airport and the largest city with the south of the island.
- The 33.7 km North-South road, which improves the connection between the two main towns on the island.
- The 24.6 km North-East road, which will improve the connections between the less developed towns on the island.

- The toll rates per vehicle apply a system of three traffic bands and show tolls. The first is the most extended and applies an intermediate toll rate (neither the highest nor the lowest). The second band, the least extensive, applies the lowest toll rate and the third band applies the highest toll rate. Most of the revenues are provided by the first band and traffic above a certain threshold does not pay tolls.

- Toll rates are indexed to the official inflation rate for the Azores.

- Collection starts on completion of construction and not before four years after the signing of the Concession Agreement.



» Photo: Euroscut Algarve. Azores

EUROSCUT ALGARVE

- Shadow toll road (in Portuguese, SCUT: Sem Cobrança ao Utilizador).

- Traffic risk mitigated by the shadow toll price system and traffic bands in which a toll per vehicle is applied in three increasing ranges (traffic bands) as traffic increases until reaching a maximum, above which the toll rate is zero. The system results in a slight risk for the concession company since, as the highest toll is the one applied in the first traffic band, this brings in the most revenues even though traffic levels are low.

- Toll rates are indexed to inflation using the CPI for Continental Portugal.

EUROSCUT NORTE-LITORAL

- Shadow toll road (in Portuguese, SCUT: Sem Cobrança ao Utilizador).

- The payments are calculated using a system of toll rates and traffic bands for the shadow tolls that applies an increasing rate per vehicle in three tranches (traffic bands) depending on the increases in traffic levels up to a specified threshold over which nothing is collected.

- Toll rates are indexed to inflation using the CPI for Continental Portugal.

- Negotiations are underway for the possible change of the concession model to a real toll.

Greece



Photo: Ionian Roads, Greece

IONIAN ROADS

- Two separate sections of toll road:
 - Pathe Section: 171.3 Km already in operation + 11.0 Km to be built by the State. The section starts in Athens and runs north to Lamía.
 - Section Ionian Road: 159 Km of new construction by the Consortium plus 10.5 Km already transferred plus 26.9 Km to be built by the State. The tollway runs along the coast of the Ionian Sea from Patras to Ioannina in the north.
- Toll rates are inflation indexed.
- Government subsidy (European funds): 360 million euro.
- The Pathe section is a corridor with heavy traffic, especially on the existing section closest to Athens (ADT 80,000 vehicles).
- Operation of the existing section will provide substantial revenues during the construction period, reducing the need for financing.
- Revenue sharing with the Government if certain traffic or IRR thresholds are exceeded.

CENTRAL GREECE

- The toll road is divided into two sections:
 - The first, known as Central Greece, measures 174 km and has been built entirely by the Consortium.
 - The second, running 57 km adjacent to the foregoing, have or will be built by the Greek government and subsequently transferred to the concession company.
- Toll rates are inflation indexed.
- Government subsidy (European funds): 518 million euros, 26 million of which is an operating subsidy.
- Cintra proposed the CEO of the Concession Company.
- Concession commencement date: 31 March 2008.



IONIAN ROADS

- **378,7 km**
- **€ 1,100.0 Mn. Investment managed**
- **33.34%** equity interest
- **2037** end of concession period

CENTRAL GREECE

- **231 km**
- **€ 1,450.0 Mn. Investment managed**
- **33.34%** equity interest
- **2038** end of concession period

Ireland

M3

- The toll road runs 50 km between Cloonee and North Kells, to the northeast of Dublin.
- Toll rates are inflation indexed.
- Revenue sharing with the Government if certain traffic thresholds are exceeded.
- The concession agreement establishes guaranteed minimum traffic levels and the Irish government has to pay the Concession Company compensation if traffic falls below the established minimums.
- SIAC holds a 5% interest in the concession and has the right to increase its stake to 25%.
- Contractual commencement date: July 2010.

EUROLINK (M4-M6)

- Located in a country with a fast-moving economy but with a highway network that has few toll roads.
- It is the first section of toll road built in the East-West corridor (Dublin - Galway), one of the busiest roads in Ireland.
- Toll rates are inflation indexed.
- Revenue sharing with the Government if certain traffic thresholds are exceeded.
- Electronic toll system that is interoperable with the rest of the toll roads in Ireland. ■



M3

- **50 km**
- **€ 484.1 Mn. Investment managed**
- **95.0%** equity interest
- **2052** end of concession period

EUROLINK (M4-M6)

- **36 km**
- **€ 334.9 Mn. Investment managed**
- **66%** equity interest
- **2033** end of concession period



Photo: M4-M6 Kinnegad-Kilcock, Ireland

Construction



Revenues from construction activities totaled 4.477 billion euro, with backlog at the close of the year totaling 8.800 billion euro and equaling 24 months of production. Also, for the first time in the history of the company, the international portfolio has outperformed the national, and now represents 52% of the total. There was a notable increase in pre-tax operating cash flow, which reached 406 million euro, exceeding EBITDA, which reflects the excellent management of working capital and the emphasis placed on risk control. The net operating margin held steady at 4% similar to 2008, a favorable level given the market situation in Spain, which is growing increasing similar to the conditions to Europe.

+3,600 Km. Toll Roads
+14,600 Km. Roads
+27,000 Km. Road
Maintenance and Repair

+ 400 Km. Tunnels
+ 4,100 km of railway lines
(including high speed)
+ 4,000 Km. Canals
+ 6,100 Km. Water piping
+ 3,600 Km. Gas and Oil Pipelines

+ 25 Hydroelectric Power
Plants
+ 145 Damns
+ 28 Km. Piers and other Port
Infrastructure

+ 35 airports
+ 20 Stadiums
+130 Hospitals
+100 Hotels
+10 Mn. m2 Industrial Bldg
+11 Mn. m2 Non-Res. Bldg
+18 Mn. m2 Residential Bldg

FERROVIAL AGROMAN

This is the flagship company of the Group's construction division, carrying out activities in all areas of civil engineering, building and industrial projects.

Ferrovial Agroman recorded revenues in 2009 of 2.447 billion euro with backlog at the close of the year totaling 3.719 billion euro. Revenues from international activities totaled 776.0 million euro with backlog at the close of the year totaling 2.249 billion euro.

CADAGUA

This Ferrovial subsidiary is engaged in water and waste treatment plant engineering and construction and is the Spanish market leader in its industry with recognized international prestige. Revenues in 2009 totaled 149.9 million euro with backlog at the close of the year totaling 509.1 million euro.

BUDIMEX

The company is Poland's largest construction company in terms of business volume and market capitalization and a Ferrovial subsidiary since 2000. The company is involved in all types of civil works, building and industrial and real estate projects. Revenues in 2009 totaled 724.2 million euro with backlog at the close of the year totaling 1,283.2 million euro.

WEBBER

This subsidiary is one of the largest road construction groups in Texas (United States), specializing in construction of infrastructure works and the leader in the production and distribution of recycled aggregates. Acquired by Ferrovial in 2005, the company recorded total revenues in 2009 of 412.6 million euro with backlog at the close of the year totaling 1.039 billion euro.

2009 Performance

ACTIVITY IN SPAIN

After a long period of growth in the construction sector in Spain, 2009 was the second consecutive year of contraction in construction activity, with total output declining approximately around 11% over 2008. However, construction investment in 2009 in Spain still accounted for 14% of GDP.

The main cause of the decline was exhaustion of the growth cycle in housing starts, which, since the early 1990s, has undergone an expansionary phase that was particularly intensive during the 2002-2007 period. 2009 closed with a decline in housing investment of around 25%.

While approximately 300,000 new housing units were approved for construction in 1994 and 575,000 in 2002, approvals topped out 912,000 units in 2006. This cycle closed more sharply than expected in response to the international financial crisis and the economic downturn in Spain, with approvals falling in just under 3 years to about 150,000 units at the end of 2009, an all-time low since the early 1980s.

Excluding the housing sector, construction grew by 1.6% in 2009, although largely due to the effects of Plan-E for small municipal works, one of the Government measures designed to stimulate the Spanish economy, through which, in 2009, the government invested 8.0 billion euro for construction projects valued at less than 5 million euro each. In 2009 the Ministry of Public Works, the leading investor in the industry in Spain, invested over 17.0 billion euro, only 90% of the original budget and very similar to spending levels in 2008.

Despite the 28% decline in central government tenders and the 6% decline among the Autonomous Communities, competitive auctions in 2009 reached 39.643 billion euro, very similar to 2008. The 58% growth in local government contracts in 2009 offset the declines thanks to the Municipal Investment Fund, which allocated 8 billion euro for minor works.

The outlook for the industry in 2010 according to consensus estimates of the Spanish Association of Savings Banks are for a 7% reduction in activity due mainly to lower housing investment, which is expected to fall by around 15%, while in 2010 investment in other types of construction is also expected to decline although at a slower rate.

In the short term, despite the government's budgetary difficulties, there is little doubt that the public authorities will make the necessary effort to mitigate the decline in housing investment and stimulate the economy and employment. This will force the government to invest in public works:

- The 2005-2020 Strategic Infrastructure Plan (PEIT), with planned investment of €248.892 billion euro, continues to be the basis for continued growth in the infrastructure industry and is a stabilizing instrument.
- The draft General State Budget for 2010 includes an investment by the Ministry of Public Works of about 18.8 billion euro, only 0.7% below the 2009 budget. However, this budget is expected to be corrected downward by about 1.7 billion euro due to the so-called Immediate Action Plan aimed at reducing public expenditure by Government of Spain.
- Despite the budget cuts, the Ministry of Public Works has announced its intention to maintain the investment

levels of 2008-2009 in the future, both of which were record years for investment in Spain, supported by the Extraordinary Infrastructure Investment Plan. This public-private partnership program has a budget of 17 billion euro for tenders over 2010 and 2011, with funding of approximately 65-70% by the European Investment Bank and the Spanish Official Credit Institute, with construction firms and banks providing the remaining 30-35%.

- Moreover, in 2010 the Spanish Government is planning to allocate an additional 5 billion euro in funding for the Municipal Investment Fund.
- In the Environment area, this Ministry will also benefit in 2010 from approximately 500 million euro from the Immediate Action Plan and one key will be the development of the National Water Quality Plan 2006-2015. This plan aims to achieve 100% compliance with the National Sanitation and Purification Plan 1995-2005 and comply with the new Water Framework Directive (WFD 60/2000/EC). This has a budget of approximately 19 billion euro. In parallel with the initial implementation thereof, the Ministry of the Environment and Rural and Marine Affairs is closing agreements with the Autonomous Communities and is negotiating with the private sector to ensure the implementation and funding of the entire plan.

The unfavorable outlook for the construction industry as a whole will affect the domestic activity of Ferrovial Agromán, albeit with a lower impact on earnings performance given that weight of housing construction, the most affected segment,

is insignificant. Thanks to strict control in contracts and collections, the unfavorable impact of delinquencies has remained at reasonable levels and is expected to decline further in the future.

INTERNATIONAL PRESENCE

The strong component represented by Ferrovial's international activities allows the company to partially offset the reduction in construction activity in Spain. Ferrovial's positioning is geared exclusively to very selected markets: future expansion mainly in civil works, such as Poland, with less exponential but more stable growth and a significant investment deficit in infrastructure, as well as the state of Texas in the US, and other countries, most notably the UK, Greece and Ireland, where Ferrovial joins with local investment companies.

Other markets where the company holds a stable position through Agromán Ferrovial, such as Puerto Rico and Portugal, remain relevant markets for the future and the company is exploring new and interesting markets where the division is studying the possibilities of working with CINTRA.

POLAND

The Polish market, where Ferrovial operates through the country's leading construction firm, Budimex, is the largest construction market in Eastern Europe and is showing current growth and an attractive outlook for the future.

The main market indicators in the industry showed real estimated growth in 2009 of approximately 4% thanks to the over 15% growth in civil works, despite a moderate

decline in the building market. The forecasts for 2010 and 2011 show real market growth of around 10%, significantly higher than the 2-3% GDP growth predicted for the future:

- The civil works market will be the main driver in Poland with double digit medium-term growth driven by the availability of guaranteed structural and cohesion funds, of which Poland is the top beneficiary for the 2007-13 period (approximately 57 billion euro). The rate of the use of the funds for the period is still positive, with almost 30% of the funds already allocated to contracts awarded, particularly in road projects. The first milestone for the application of these funds has already been established, the Euro Cup Championships in 2012. With respect to industrial works, the investments needed to secure the energy supplies that the country needs will also be very high, with forecasts to 2015 in both the electricity network and energy production plants reaching nearly 30 billion euro.
- Non-residential building should also show good performance. In addition to transportation infrastructure, the Euro Cup 2012 will also act as a motor for public and private investors to invest in hotels and sports facilities and other support structures needed to take full advantage of the economic and media impact that this event will have for Poland. These investments are estimated at 2.5 billion euro.
- In 2007, Poland reached a peak in new building permits at nearly 250,000 housing units, more than double the figure just two years earlier. The number of new building permits

reached almost 170,000 units, down 28% from 2008 due tighter credit from banks and the existing oversupply (which resulted in a reduction in home prices). In late 2009 there was a slight improvement in home prices in cities like Warsaw and Wroclaw, while in others such as Krakow, Poznan and Lodz prices have continued falling. Based on the market developments in 2009, projections for 2010 are for a decline in investment in housing construction, but with stabilization in the number of new building permits.

However, the effects of international economic crisis, although expected to be less severe in Poland, result in lower growth in non-residential construction in comparison to that scheduled before the crisis. The main reason is the slowdown in foreign investment in the country.

UNITED STATES

In the U.S. the current investment in land transport infrastructure is financed largely through federal spending. The national SAFETEA 2004-2009 program invested an estimated \$286 billion euro, for an increase of 38% over its predecessor (TEA-21). During 2010-2011 the SAFETEA funds will be extended given that the new land transport infrastructure investment framework will not be approved (foreseeable) until 2011. Although to date there are only proposals from various advisory committees and related associations, they all basically agree that the allocations to the previous plan must be significantly increased. Among the proposed sources of funding, they highlight use of PPPs, in which Ferrovial has extensive experience with CINTRA.

Ferrovial Agroman and Cintra are very strongly focused on major concession projects throughout the United States, in addition to having a leading role in the state of Texas (the second largest construction market in the US and the second largest recipient of SAFETEA funds) through Webber, which is specialized in civil works and the production of recycled construction aggregates.

The Obama administration has endorsed the need to resolve the severe transportation infrastructure deficit in the country through the American Recovery and Reinvestment Act ("ARRA") endowed with some 48 billion dollars in federal funding for transportation. This budget allocation has already resulted in contract awards for around two thirds of the total investment planned and, in the case of Texas, for 100% of the 2.25 billion dollars received. The investment to execute through the ARRA will act as a bridge and incentive to the industry until the new TEA is

finally adopted, with more than 50% of the investment allocated by the ARRA is expected to be executed before the end of 2011.

UNITED KINGDOM

Ferrovial Agroman created a new department in the United Kingdom in 2007 to directly serve the British market. Grupo Ferrovial's strong orientation towards the United Kingdom with the acquisitions in recent years of Amey and particularly BAA, means that it makes sense for the Construction division to devote specific attention to these customers, as well as other as opportunities that arise in this market - one of the largest in Europe.

The execution of the first contracts between BAA and Ferrovial Agroman, as well as various with Amey, has doubled the activity of this division in the United



Kingdom, a trend that will continue in the future and is reinforced by the contracts already awarded in early 2010, among which we would highlight the most emblematic project for the future of BAA, the design of the new Heathrow East Terminal for approximately 900 million euro and executed in consortium with Laing O'Rourke, one of the leading construction firms in the country.

STRATEGIC POSITIONING

Construction activity continues to be a strategic commitment for Ferrovial, not only for the historical performance of solid growth and profitability, but also for the great ability to generate the cash flow needed for the continuity of the diversification processes and international expansion of the group.

Ferrovial's core objectives in the construction area are:

- Reinforcement of our position among the industry leaders, as well as of the growth of the business based on:
 - Taking advantage of our international presence in markets selected for stability and growth potential.
 - The close collaboration with group companies with investment orientation, global leaders in their activities, which for many years has been successful for both parties.
 - Strengthen our presence in businesses in which Ferrovial Agroman still has growth potential.
 - Participation in projects linked to private funding formulas both



► Photo: Justice City building, Barcelona. Spain

nationally and internationally, provided they meet the risk-reward requirements needed for adequate investment in the current market environment.

- Meet the needs of the customer: quality, environmental management, sustainability.

- Maintain current levels of profitability, which are high given the competitive environment within European, through:

- A careful selection of contracts, prioritizing profitability versus volume.

- Thorough control of credit with private clients.

- Capitalizing on opportunities and synergies through greater coordination between the various construction business lines and the other activities of the Group.

- Value creation and competitive advantage through technical solutions and capabilities.

- Improving productivity through the use of new technologies in management.

- A tight structure, flexible and value-added.

- Condition the growth targets for the generation of cash flow by targeting projects that are not investment intensive and maintaining strict oversight of the management of working capital from job to job.

Achieving the above objectives is based on managing the day-to-day business as well as the implementation of the strategic guidelines by each of the business areas, specifically:

- Implementation in the Spanish construction business, which has a successful competitive position, of very specific improvements to adapt to market developments: public-private partnerships, increased competition in the market for public works, recession in the real estate market, risks of default by private clients, etc.

- Enhancement of the activity in the industrial construction areas, particularly in the internationalization of the activity and penetration into new industrial construction activities other than wastewater treatment.

- Growth in the international construction business, while not surrendering to greater risk or lower returns:

- Continuity in the commitment to Eastern Europe through Budimex, strengthening its presence in all construction sectors and maintaining the collaboration and exchange of know-how with other Group companies

- Enhance the already important activities in the American markets, both through collaboration with Cintra and entry into new markets of interest

- Special emphasis on the use of the growing presence of other divisions of the group in the UK to boost construction activity in this market

- The maintenance of a stable structure in other low-risk countries where the company has significant experience: Portugal, Ireland, Chile, Puerto Rico...

- Entry into new markets with growth potential, in an early stage with other investment-minded group companies, mainly Cintra, and a commitment for permanence if market conditions allow

% International / Total

	2008	2009
Works Awarded	45%	64%
Backlog	42%	52%
Net Sales	39%	43%
EBIT	31%	40%
EBIT Margin %	3.3%	3.8%
Employees	58%	59%



» Photo: Detail of Justice City building, Barcelona, Spain

Construction in Spain

The construction division in Spain carries out its construction activity in all areas of civil works and building. In civil engineering, the division designs and builds all kinds of infrastructure: roads, railways, hydraulic works, maritime works, hydro-electric and industrial works, etc. The division also has wide experience in non-residential and residential building.

Revenues reached 2.447 billion euro in 2009 with backlog totaling 3.719 billion euro, a decline, in both cases, of above 15% over the previous year, in line with the performance of other market leaders. The reduction in sales and backlog primarily reflect the difficult market situation, in particular as regards private works, and the priority of Ferrovial Agroman in the contracting and execution of works with private sector clients that place a priority on collection security and profitability versus volume. However, on a positive note in 2009, the company maintained the same levels as in previous year for both in execution of works and backlog for public sector customers thanks to the Government's effort to maintain investment levels in response to crisis. Similarly, the net operating profit margin remained stable at 4.0%, in an environment that is becoming increasingly similar to the European market and taking into account the high default rates among public customers. Future expectations regarding the maintenance of similar levels of profitability in Spain are favorable thanks to the high weight of public works in the company's backlog and the efforts in aligning the sales structure to the reality of the business.



Photo: Sevilla University building, Sevilla, Spain

During 2009, major awards have been achieved such as the extension of Metro Line 9 to Mirasierra for MINTRA Madrid (104 million euro in a 50% joint venture) the Alcores Tunnel in Seville for the Regional Government of Andalusia (96 million euro in a 50% joint venture), the Nudo de Venta de Baños in Plasencia for ADIF (72 million euro), the Pamplona Prison for the SEIP, the state-owned company in charge of penitentiary infrastructure and equipment (67 million euro in 75%-held joint venture), the Valvení-Pisuerga high-speed railway line for ADIF (48 million euro) and Reus Central Station for the Directorate General of Railway Infrastructure (47 million euro).

In addition, there have been numerous inaugurations, among which we would highlight the section of the AVE Cerceda - Meirama high-speed line, the stretch of the A-40 between Noblejas and Villarrubia, the Vitoria - Eibar section of the AP-1 toll road. Arlaban-Eskoriatza section north, the new airport terminal in Barcelona,

the Justice City in Barcelona, the "Tres Mares" High Resolution Hospital in Reinosasa, the Center for Advanced Research and Studies of Vitoria and the New Headquarters of the National Court in Madrid.

The major works that have received awards during the year were the Center for Advanced Research and Studies of Vitoria (Eurosolar Award - European Association for Renewable Energy), the Santa Eulalia Conference Hall (2009 Award of the Spanish Federation Of Professional Conference Organizers - OCP), 126 Public Housing Units in Sanchinarro (award by the College of Architects of Madrid as one of the most relevant works of architecture). The Montabliz Viaduct, the highest in Spain and sixth largest in Europe measuring 145 meters high and 721 meters long with a technical solution that respects the Environment, has been nominated for Awards for Outstanding Structures.

International Construction

Outside Spain, the international construction division also carries out its activities in all areas of civil works and building. The activity of the division is developed with both local presence through subsidiaries such as Budimex in Poland or Webber in the State of Texas in the United States, and through stable delegations in countries that are considered of strategic interest such as the UK, Ireland, Italy, Portugal, Chile, Puerto Rico, Greece and the United States.

The division recorded total revenues in 2009 of 1.913 billion euro, which, without accounting for exchange rate differences, represented an increase of 6% over the previous year (-4% taking into exchange rate differences), despite the unfavorable building market in Poland, which represented a significant drag on growth in the international arena.

We would highlight the good performance of the contract awards, which brought backlog of 4.572 billion euro (not including international backlog of Cadagua), for the first time exceeding the domestic backlog. International backlog has grown nearly 30%, with Budimex standing out with 1.3 billion euro in backlog at the close of 2009 for an increase of 50%.

The net operating margin improved in 2009 to 3.8%, an improvement on previous years mainly due to the gradual attainment by Budimex of a level of profitability in line with expectations. The improvement trend is expected to continue in the future.

Major awards include the North Tarrant Express Highway, a collaborative effort between Ferrovial and its subsidiary Agroman Webber (1.0 billion euro distributed 60% for Ferrovial Agroman and 40% for Webber), the 2nd Phase of the Bradford Schools project for 203 million euro (50% joint venture), work on the baggage tunnel in Heathrow's T5 Phase II (37 million euro) and the widening and improvement of Estarreja-Feira section of the A1 highway in Portugal (35 million euro).

Also a consortium led by Cintra was provisionally awarded (pending the closing of the financing) the LBJ 636 highway project in Texas. The tender for the construction of the 27 kilometer highway was presented by Ferrovial Agroman and Webber (planned construction investment of approximately 1.45 billion euro). We expect that this award to become definitive during 2010.

BUDIMEX

Budimex recorded revenues of 724.2 million euro, a -26.3% decline over 2008, while its backlog increased to 1.28 billion euro, representing a 49.9% increase over the previous year.

Sales in local currency declined 9%, compared with a 26% accounting gain thanks to the strength of the euro against the zloty. The lower activity was due to the slowdown in building activity (-52%) and nearly offset by the growth in civil works. The greater weight of civil works (60% vs. 40%) allowed for an improvement in the net operating margin (5.1% versus 3.5%) and 33% growth in net operating income in local currency despite the declines in sales.

Major awards during 2009 include large contracts such as the A1 Pyrzowice - Piekary Sl highway for 362 million euro (joint venture 90% held by Budimex), A-4 Jaroslaw - Rydymno highway for 187 million euro and the A2 Strykow - Konotopa highway Section E for 83 million euro.

Various projects achieved, including TYTAN 2009 awarded to the Budimex Dromex - Ferrovial Agroman joint venture for the execution of a section of light rail tunnel of Krakow and the Polish Hercules award by "Builder" magazine to Budimex by its outstanding achievements and consolidated positioning in the sector.

WEBBER

Webber recorded sales of 412.6 million euro, a 13% increase over the previous year (+7% in local currency). Backlog at the close of the year was 1.039 billion euro (+49%).

In addition to the aforementioned contract for the North Tarrant Express Highway, the largest contract in the company's history, Webber was also awarded other major contracts in Texas, such as the SH121 in Tarrant County for 78 million euro or U.S. 183A in Williamson County for 53 million euro.

Cadagua

The Industrial Construction Division is engaged in water treatment and environmental projects and is currently seeking to grow in the field of energy. Cada-

gua stands out for its tradition in water treatment plant engineering and construction and as the Spanish market leader with recognized international prestige in seawater desalination plants.

Cadagua recorded total revenues in 2009 of 149.9 million euro with backlog at the close of the year totaling 509.1 million euro. The company has notably high profitability, with a net operating margin of 6.6%.

The company continued its strong commercial effort in the international markets with the reinforcement of delegate offices in the Middle East (Dubai), India and Poland, and the presentation of bids in these countries and others such as Ireland, Oman, Saudi Arabia Portugal and Cyprus. Thanks to this effort, the company has doubled the work submitted to international tender up to over 1.0 billion.

Also in early 2010 the company was awarded a contract on a bid presented in 2009, for the construction and operation of a desalination plant in Cyprus (28 million

million euro in a 50% joint venture), a country where the company historically had 5 water treatment plants contracts, and the first contract awarded to Cadagua in India for a water treatment plant (38 million euro in a joint venture 40% held by Cadagua).

Among the contract awards during 2009, we would highlight the following in Poland:

- The consortium of Ferrovial subsidiaries, CADAGUA - BUDIMEX, signed a contract in Poland for the "Modernization of the sludge treatment plant in Chorzow, population 115,000, located in the Upper Silesian Industrial Area, doe 21.1 million euro.
- Similarly, the CADAGUA-BUDIMEX consortium signed a contract in Poland for the Wastewater Treatment Station in Wroclaw Janówek for 63.6 million euro.

Among the major awards obtained in Spain we would highlight the Operation

of the WWTP La Gavia, WWTP of Ciudad Real, sanitation and water treatment in Comillas and Ruiloba WWTP, operation and maintenance of the WWTP Pilar de la Horadada and management of the tertiary water and sewage treatment service of Jinar for a total of 45 million euro. ■

- **2** water purification plants managed
- **1,240,664** m³ of drinking water produced per year
- **65** water treatment plants managed
- **138,754,059** m³ of drinking water per year
- **13** desalination plants managed
- **51,063,625** m³ of drinking water produced per year



Photo: Sand Filter (Cadagua) Campo Dalías, Almería, Spain

Airports



Ferrovial is the number one private airport operator in the world, with six airports in the United Kingdom, one in Italy (Naples) and one in Chile (Antofagasta). These airports are used by 113 million passengers annually. They serve 239 airlines, travelling to approximately 688 destinations worldwide.

FERROVIAL AEROPUERTOS

Ferrovial Aeropuertos is the division that manages all Ferrovial airport operations. This business has eight airports handling over 110m passengers at year end. The UK airports (Heathrow, Stansted, Southampton, Glasgow, Edinburgh and Aberdeen) form the core of the division, having handled 107m passengers in 2009.

The UK airports total eight runways and 9 terminals, which in 2009 hosted around 210 airlines flying to around 639 destinations. The two London airports alone, Heathrow and Stansted, handle 86m passengers every year. In Italy, BAA owns Naples Airport, which was used by over 5.2m passengers in 2009. It also manages Cerro Moreno Airport in Antofagasta in Chile.

2009 performance

One of the milestones of the year was the disposal of Gatwick Airport, the second largest airport in the United Kingdom, to a consortium led by Global Infrastructure Partners (GIP), with the price being £1.51bn (around €1.657bn). Of the total, the amount of £1.455bn was received upon the signing of the contract, with another £55m to be paid on the accomplishment of defined financial and operating parameters. The agreement, completed on 3 December, marked the end of the Gatwick disposal process, which had commenced in September 2008.

Excluding Gatwick, BAA reported revenues of 2.72 billion pound (3.06 billion euro) in 2009, representing a 8.4% year-on-year increase. EBITDA rose by 12.8% in comparable terms to 1.2 billion pound (1.35 billion euro).

The main factors impacting on earnings were the tariff increase that took effect on 1 April 2009 at Heathrow, a decline in passenger traffic and the improvement in retail income (+ 6.1% for the London airports), as well as continued reductions in operating costs.

Regarding traffic levels, the six UK airports served 106.9m passengers last year, a decline of 4.3% on the previous year. However, traffic levels improved throughout the year and the decline in Q4 was barely 0.8%.

Heathrow, the UK's largest airport, which serves the greatest number of international travellers worldwide, has clearly demonstrated its ability to withstand the crisis. Traffic last year totalled 65.9m passengers, representing a decline of only 1.5%, one of the lowest such declines recorded among the world's large international airports. In the last quarter, Heathrow registered passenger growth of 1.2%.

IMPROVEMENTS IN SERVICE QUALITY

In 2009 the airports managed by Ferrovial continued to improve service quality, a strategic priority for the company. According to passenger surveys, customer satisfaction across all BAA airports in the United Kingdom reached a figure of over 80%.

At Heathrow, the number of aircraft that departed on time or within 15 minutes increased from 69% in 2008 to 77% last year. At Stansted, the figure rose from 79%, to 82%. These results are even more notable given the significant impact of both the adverse weather conditions in December and the new security requirements established for flights departing for the United States.

Among other indicators for 2009, one that should be highlighted is the figure of 97.9% of Heathrow passengers passing through security controls in fewer than five minutes, up from 95.5% in 2008.

These advances in service quality are clearly reflected in the last Airport Service Quality Survey (ASQ) carried out by Airports Council International (ACI). Heathrow has improved its position vis-à-vis comparable large international airports, with passenger satisfaction (on a scale from 1 to 5) reaching 3.78. This figure compares favourably with the previous two years, 3.42 in 2007 and 3.70 in 2008.

INVESTMENT IN NEW FACILITIES

BAA is carrying out a major investment plan to improve and modernise its larger airports. At Heathrow, the company is working on the construction of the new Terminal 2 and the first phase of the fu-

ture satellite terminal. During 2009 the Queen's Building was demolished and the old Terminal 2 closed.

During the first phase, the new terminal will provide capacity for 20 million passengers annually. In the second, this capacity will be increased to 30m passengers. The new Terminal 2 will reduce CO₂ emissions, when compared with the former building, by 40%.

Other highlights at Heathrow include the construction of the world's largest integrated baggage handling system, which includes a 1.8-kilometre tunnel between Terminal 5 and Terminal 3. The new infrastructure will be capable of moving 110m suitcases annually. The luggage will travel at more than 48 kilometres per hour, which will reduce the time required for this operation by 20 minutes.

The other airports within the Group continue to implement an investment programme to improve and expand the current facilities.

FINANCIAL AND REGULATORY MATTERS

2009 was a key year in BAA financial strategy. After the debt refinancing of 2008, on 13 November BAA approved a plan to optimise the financial structure to facilitate access to the capital markets.

This plan, completed at the end of January 2010, involved an equity injection of 500 million pound. Approximately 74% of the plan was carried out using available resources from FGP Topco, the parent company of the airport group. The three shareholders of BAA made cash contributions of up to 129 million pound, in accordance with their pro-rata stake in BAA equity. The Ferrovial contribution, which holds 55.8% of the airport group, was around 72,1 million pound.

At the end of the year (on 27 November and 2 December), the company carried out two bond issuances to refinance the existing debt. The first, for 700 million pound, matures in 2026 and has a fixed coupon of 6.75%. The second, for 235 mi-



» Photo: Heathrow airport Terminal 5, London, UK



Photo: Heathrow airport Terminal 5, London, UK

lillion pound, matures in 2039, is an index-linked bond with a real interest fixed rate. New bond issuances are planned for 2010 to substitute part of company debt.

On the regulatory front, the results of the Competition Commission (CC) examination of the BAA airports in the UK were published on 19 March 2009. The report obliged BAA to sell two airports in the London area (Gatwick and Stansted) and one in Scotland (either Edinburgh or Glasgow).

In May, the company lodged an appeal against the decision before the Competition Appeal Tribunal (CAT), based on two arguments. The first was the apparent bias that could have affected the report,

due to the links between a member of the CC and one of the companies interested in the acquisition of one of the airports that BAA was obliged to sell. The second argument indicated that the CC had not considered the adverse financial impact involved, particularly by requiring BAA to dispose of assets within two years under the current difficult financial and economic circumstances.

On 21 December 2009, the CAT ruled in favour of BAA in the first argument, though it rejected the second. The CAT then urged the parties to reach an agreement. After the close of the year (10 February 2010) the CC announced its decision to appeal against the findings of the hearing. On another note, in 2009 the UK Govern-

ment completed its review of the economic regulation of the UK airports. BAA supported the conclusions of the review, which eliminated the uncertainties that existed for the company and which underlined the need of the Civil Aviation Authority (CAA) to assure that the airport operators have appropriate resources to manage and invest in their assets.

Heathrow

In 2009 Heathrow Airport, with the highest passenger traffic in the United Kingdom and second worldwide, recorded traffic of around 65.9 million passengers, a decline of 1.5%. Revenues reached 1.64 billion pound and EBITDA increased, by 27,1%, to 737.8 million pound.

OPERATIONS

As a result of the investments in improving airport quality in security controls and queues, passenger satisfaction levels rose to 3.78 (5 = excellent; 1 = poor).

IMPROVEMENT OF FACILITIES

The investment programme to March 2013 (primarily the construction of the new Terminal 2, replacing the current one, and refurbishment of Terminals 3 and 4), will allow for 80% of passengers to use new and refurbished facilities by the end of the regulatory period.

APPROVAL OF THE THIRD RUNWAY

In January, the UK Government gave its support to the construction of a third runway at Heathrow and recognised the benefits that this infrastructure will contribute to the country. This decision was the first step in the long process of the planning, consultation and development of the third runway.

BAA considers that the third runway is the only viable infrastructure that can provide the extra capacity needed for the United Kingdom to continue maintaining global connections.

THE HEATHROW EXPRESS

- This is one of the most successful airport railway links in the world, and enjoys customer satisfaction levels of above 97% and reliability above 99%.



Photo: Heathrow airport Terminal 5, London, UK

- Since the end of 2006, the company has substantially reduced costs and has also managed to increase revenues through new services, such as the launch of the Wi-Fi network for free Internet access from the train, e-ticketing, on-board Express TV, self-service check-in, flight information at Paddington Station and the installation of the first video wall in Europe: 450 screens installed in the tunnels that broadcast 15-second advertisements, which have become an experience that is both part of the journey for passengers and a source of revenues.
- The total number of passengers in 2009 reached 5.4m.

HEATHROW CONNECT

- In 2009 this service (created in 2005) recorded an increase of 25% in the number of passengers to 600,000. The number of carriages has been increased from four to five, due to an increase in demand and the extension of the service to Terminal 4.



- Opened in **1946**
- **2** runways
- **4** terminals
- **90** airlines
- **179** destinations
- **65.9** million passengers per year
- **46,026** flights per year
- **1,278.3** millions metric tons of cargo per year
- **1,227** ha total surface area
- **46,000** m² retail space

Stansted

In 2009 Stansted Airport, which is the third largest in the United Kingdom, recorded traffic of around 20 million passengers, a decline of 10.7%. Air cargo transported through the airport decreased by 8% to 183,608 metric tones.

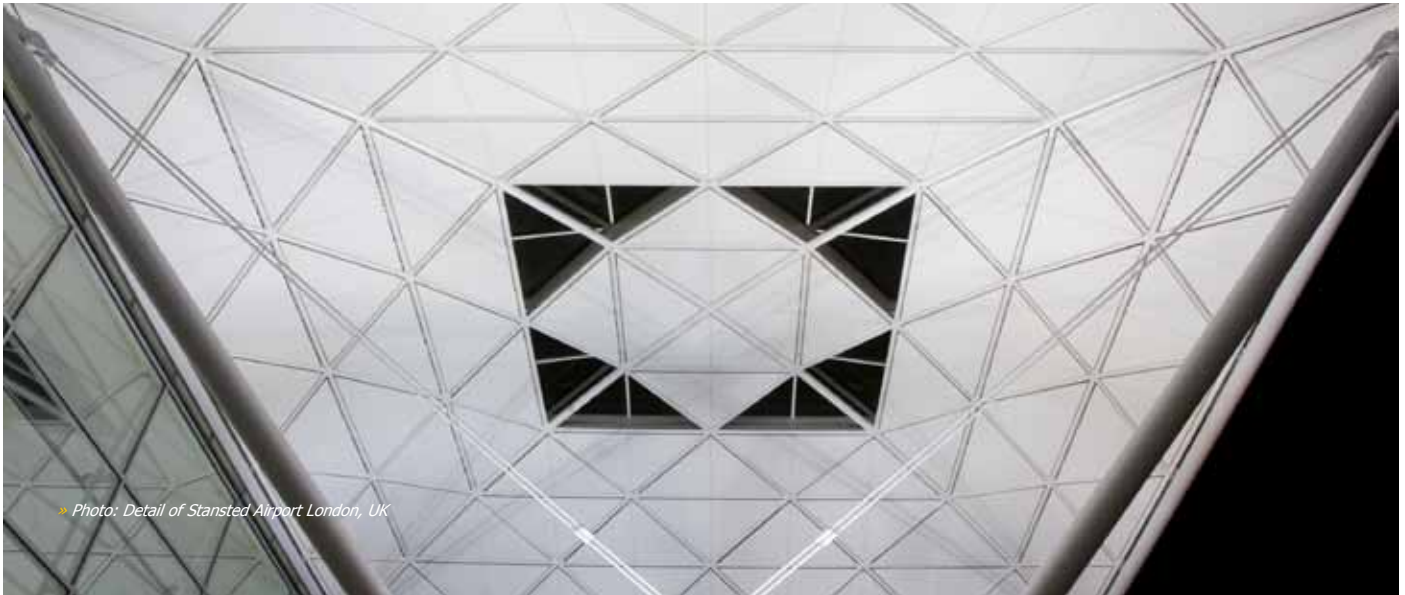


Photo: Detail of Stansted Airport London, UK

Revenues reached 243 million pound and EBITDA totalled 102,3 million pound.

- The CAA published its final proposal for the tariffs to be applied at Stansted for the five-year period from April 2009 to March 2014, with a pre-tax real WACC of 7.1% for a maximum tariff of 6.53 pounds per passengers for the first two years, subsequently increased annually in accordance with RPI + 1.63%.
- In March, H.R.H. the Duke of York was guest of honour at Stansted for the inauguration of the first long-haul low-cost flights between South-east Asia and the United Kingdom, operated by AirAsia X. Also in March, President Barack Obama began his first official visit to the United Kingdom and chose Stansted as the airport where Air Force One landed.
- In May, CEO Colin Matthews officially inaugurated the new extension of the fire station at Stansted, which required an investment of 1 million pound.
- In June, the Court of Appeal of the United Kingdom rejected the challenge lodged against the decision of the authorities in 2008 to grant planning permission to Stansted, which had allowed an increase in the number of passengers to 35m per year.
- Stansted obtained OHSAS 18001 accreditation in November. This accreditation, which certifies the quality of Occupational Health and Safety Management Systems, saw Stansted being the first major UK airport to obtain this important recognition. The airport also renewed ISO 14001 certification.



- Opened in **1991**
- **1** runway
- **1** terminal
- **25** airlines
- **160** destinations
- **20.0** million passengers per year
- **156,242** flights per year
- **183.6** millions metric tons of cargo per year
- **957** ha total surface area
- **12,000** m² retail space

Edinburgh

Edinburgh Airport, the largest in Scotland, recorded traffic of 9 million passengers, a 0.6% increase on 2008. The air cargo transported through the airport increased by 135% to 24,000 metric tons.



- Opened in **1977**
- **2** runways
- **1** terminal
- **39** airlines
- **115** destinations
- **9** million passengers per year
- **107,052** flights per year
- **24.1** millions metric tons of cargo per year
- **336** ha total surface area
- **3,886** m² retail space

Revenues reached 97.2 million pound and EBITDA totalled 45.8 million pound.

- Over the next five years, BAA will invest 100 million pound in remodelling the airport which will make it one of the best in Europe. The first phase of the plan, at a cost of 40 million pound, will involve enlargement of

the existing terminal to increase the airport capacity. The second and third phases of the project will be completed in 2010 and 2011.

- On 26 June, the airport experienced its busiest day ever with a volume of 35,889 passengers.



Photo: Control Tower Edinburgh Airport, Scotland

Glasgow

The Glasgow airport recorded 7.2 million passengers in 2009, 11.3% fewer than in the preceding period.

Revenues reached 81.4 million pound and EBITDA totalled 33.4 million pound.

- Glasgow is the BAA airport with the best service quality performance, as assessed by the Quality Service Measure (QSM).
- The airport invested £12m during 2009 in the maintenance and improvement of existing infrastructure, including the final phase of the expansion of the Skyhub Terminal, at a cost of 30 million pound. The investment programme to improve the passenger experience at the airport continues, with another 12 million pound planned for 2010.
- The most successful long-haul route from Scotland, a daily flight to the United Arab Emirates connecting Glasgow with Dubai, passed the milestone of 1m passengers in 2009, recording strong growth, as did a number of other long-haul operators. In addition to the progress seen on the UAE service, connections with Australia have also improved, making Glasgow a key airport in long-haul flights.



» Photo: Glasgow Airport, Scotland



- Opened in **1966**
- **1** runways
- **1** terminal
- **30** airlines
- **90** destinations
- **7.2** million passengers per year
- **74,266** flights per year
- **2.7** millions metric tons of cargo per year
- **337** ha total surface area
- **5,649** m² retail space

Southampton

Southampton Airport recorded 1.8 million passengers in 2009, 8.2% fewer than in 2008.



» Photo: Southampton Airport. London, UK

Revenues reached 26.6 million pound and EBITDA totalled 9.4 million pound.

- Southampton has started new routes to Dubrovnik and Split in Croatia (operated by Flybe) and to Liverpool and Durham Tees Valley (operated by Eastern Airways).
- The airport again received the highest award given for customer service by the Airports Council International (ACI), which declared Southampton "European leader" in 2008 and 2009.

- In December, a new restaurant and a new café were opened in the main area of the terminal, following feedback from passengers.
- In 2010, Southampton Airport celebrates 100 years of service offered to the local community.



- Opened in **1910**
- **1** runways
- **1** terminal
- **7** airlines
- **49** destinations
- **1.8** million passengers per year
- **40,558** flights per year
- **2,9** millions metric tons of cargo per year
- **114** ha total surface area
- **3,886** m² retail space

Aberdeen

Aberdeen Airport in Scotland recorded 3 million passengers, 9.4% fewer than in 2008. Aberdeen has the busiest heliport in the world, serving close to 500,000 helicopter passengers per year.

Revenues reached 47.9 million pound and EBITDA totalled 18.8 million pound.

- In 2009, the airport celebrated its 75th anniversary.
- Aberdeen plays an important role in north-east Scotland as a major hub for the North Sea oil and gas industry, as well as for tourism.
- BAA has invested £18m in improvement projects, including a new inter-

national gateway, the start of a global improvement project for the international arrivals area, the construction of a new multi-level car park and the completion of a new entrance.

- One of the largest projects of the year involved resurfacing of the main runway and one of the three heli-pads, as well as improvements to the taxiway.



- Opened in **1934**
- **1** runways
- **1** terminal
- **18** airlines
- **46** destinations
- **3.0** million passengers per year
- **96,872** flights per year
- **4.9** millions metric tons of cargo per year
- **215** ha total surface area
- **1,834** m² retail space

Naples

Naples Airport recorded 5.3 million passengers in 2009, 5.7% fewer than in the previous year.

Revenues reached 52.6 million euro and EBITDA totalled 18 million euro.

- The airport invested €16m (€9m EU grant financed, and €7m self-financed by GESAC cash flows) in improvement projects: departing lounge extension, general aviation apron; power units on apron stands and other investments for quality, security, safety and environment.
- Alitalia and Air One merged being the most important network carrier operating in Naples.
- EasyJet establishes itself as the leading low cost carrier in Naples.

- SkyEurope and MyAir ceased activity during 2009

- New international destinations have been opened with EasyJet, Wizzair and BlueAir. ■



Photo: Naples Airport. Italy



- Opened in **1950**
- **1** runways
- **1** terminal
- **27** airlines
- **42** destinations
- **5.3** million passengers per year
- **64,032** flights per year
- **1.97** millions metric tons of cargo per year

Management Report



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Business performance during 2009

Overview

The accounting results for 2009 when compared to those of 2008 show differences in Revenues (-8.0%) and EBITDA -(0.2%), because of exchange rate fluctuations (strengthening of the euro against the pound Sterling of 11% and 24% against the zloty). Pro-forma sales fell by 2.1%, EBITDA grew by 8.9% and EBIT grew by 10.4%, with growth restrained by the big increase in amortization (+7.2%), mainly with the start-up of operations in Terminal 5 at Heathrow. Both consolidated gross and net operating profits improved thanks to a positive performance in Airports and Toll Roads.

Net Results (-92 million) is affected mainly by the accounting impact of the sale of Gatwick Airport, 408 million euros, against net capital gains, approximately 300 million euros generated in 2008 (mainly from the sale of Duty Free and Belfast Airport). Eliminating the effect of divestments, net results would have been 246 million euros.

Against the accounting variations, we would highlight the cash generated in Construction and Services activities, which together generated 749 million euros in operational flows.

Within business operations, against a backdrop of an environment of general economic weakness, credit restrictions and lower industrial activity, the double-digit growth in EBITDA in BAA of +15.1% in local currency, and in Swissport of +12.6%, stand out, along with the +7.5% in Construcción Internacional, and the solid growth of +4.5% in Toll Roads, in spite of the fall off in traffic, and the +3.3% in Amey. The overall assets which showed operating growth in 2009 represent almost 85% of the Group's EBITDA.

The relative strength shown in the principal assets is noteworthy; Heathrow Airport and the Canadian Toll Road ETR-407, which showed an important increase in their operating results (GOP) (+22% and +7% in local currency and in line with local accounting criteria, respectively)

At corporate level, on 21st October the sale of Gatwick Airport for 1,510 million pounds sterling was decided, and within the plan to rotate mature assets, the sale of the parking lot division was agreed for 451 million euros (including 51 million of debt with banking entities) and 60% of the Chilean motorways, for 209 million euros, the collection of this operation will occur in 2010.

As a result of the strategy to reduce and simplify Ferrovial's financial structure, in December 2009 all of the corporate debts was restructures through a 3 year loan of 3,300 million euros, new financing that groups, at a single level the headquarter debt. The big number of national and international banks that participate in this operation demonstrates the high confidence level in Ferrovial. This operation simplifies the current financial structure, while at the same time guarantees the liquidity needed to address the forecast business plan.

Corporate Debt, ex infrastructure projects, was reduced by 24%, to 1,172 million.

	dec-09	dec-08	Chg (%)	Proforma(%)
Revenues	12,095.4	13,145.6	-0.8	-2.1
EBITDA	2,539.6	2,545.1	-0.2	8.9
EBIT	1,530.8	1,413.4	8.3	10.4
Net result	-92.4	-811.8	-88.6	
Net result "ex fair value adj."	245.6	0.0	0.0	
Capex	-2,120.0	-2,655.0	-20.2	

	dec-09	Proforma dec'08	Chg (%)
Net financial Debt	-22,271.4	-21,172.4	-5.2
Net Debt Ex-Infrastructure Projects	-1,172.2	-1,546.6	24.2

Million euro

	dec-09	dec-08	Chg (%)
Construction portfolio	8,800	8,568	2.7
Services portfolio	9,980	9,126	9.4

	dec-09	dec-08	Chg (%)
Motorway traffic growth			
ETR 407 Km 000's	2,215	2,253	-1.7
Chicago Skyway	47,296	44,721	5.8
Indiana Toll Road	28,117	28,904	-2.7
Autema	21,339	23,497	-9.2
Ausol I	16,984	19,586	-13.3
Ausol II	17,416	19,294	-9.7
BAA ex LGW (000's passengers)	112.2	117.2	-4.3

Million euro

Airports

BAA

Euros	dec-09	dec-08	Chg (%)
Revenues	3,067.2	3,263.4	-6.0
EBITDA	1,354.5	1,324.5	2.3
EBITDA Margin	44.2%	40.6%	
EBIT	630.0	535.4	17.7
EBIT Margin	20.5%	16.4%	

BAA, in local currency, showed growth in Sales (+7.3%) and a very significant increase in the EBITDA Margin (+15.1%), while the change in the sterling/euro exchange rate penalised the euro results.

GBP- Pro forma	dec-09	dec-08	Chg (%)
Revenues	2,723.9	2,593.0	7.3
EBITDA	1,204.9	1,046.4	15.1
EBITDA Margin	44.2%	41.2%	
Depreciation	716.9	645.5	11.1
EBIT	487.9	400.9	21.7
EBIT Margin	17.9%	15.8%	

Operating results were affected by the important increase in amortisation (+11.1% in sterling), because of the start-up of operations, in March 2008, of Terminal 5 and the accelerated amortisation of Terminals T1 and T2 in Heathrow.

In operating terms, the principal factors affecting the results are the tariff increase undertaken on 1 April 2009 in Heathrow, the decline in passenger traffic (-4.3%, ex LGW) and the improvement in retail income per passenger (+6.1%, for London's airports), Along with the efforts made in the Reduction of operating expenses.

In an environment of lower economic activity, the favourable behaviour of Heathrow airport should be noted, which shows the lowest fall in traffic (-1.5%) of the BAA airports, comparing favourably with the more pronounced declines in the principal European airports (Average decline of 5.6%), as well as the favourable behaviour of retail sales per passenger, +6.7%, supported by the weakness of sterling and the improved commercial offer, principally the result of the opening of Terminal 5.

The following is a breakdown of revenues and EBITDA:

	Revenues	EBITDA
Heathrow	1,645.1	737.8
Heathrow express	169.3	45.5
Stansted	438.0	102.3
Scotland	243.0	98.0
Southampton	226.6	9.4
United Kingdom	2,748.7	1,160.9
Naples	52.6	18.0
Othes and adjustments	-75.3	0.0
Gatwick	438.0	167.9
Discontinued operations	-2.2	26.0
Pro-forma	2,723.9	1,204.9

Sterling millions

The growth in EBITDA at Heathrow (+22%) is noteworthy, driven by the tariff increases (RPI+7.5%), retail sales by passenger and cost controls.

During the year important operating improvements were achieved. At Heathrow, 97.9% of passengers are subject waits of less than five minutes in the security queues (2008: 95.5%). In the area of punctuality, 77% of planes take-off with a maximum delay of 15 minutes against the published timetable (2008: 69%).

TRAFFIC SITUATION (EX LGW)

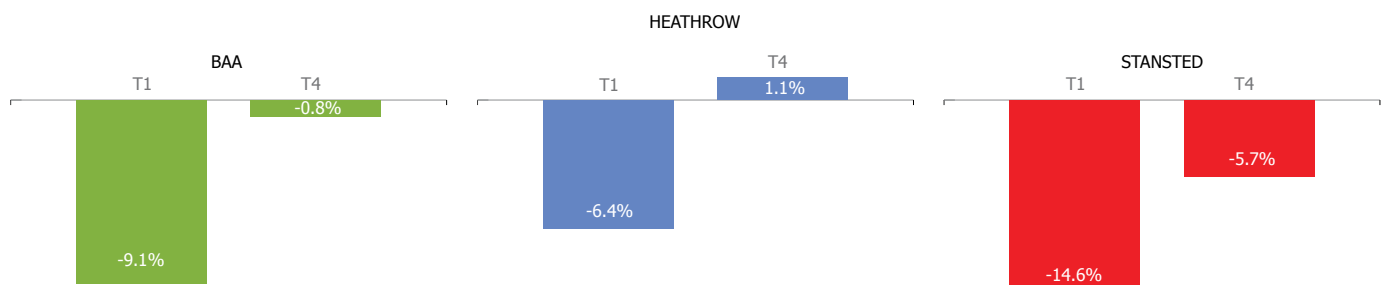
In traffic terms, the number of passengers fell by 4.3%, with a greater reduction in domestic traffic (-8.3%) than in European traffic (-5.0%) and long-distance (-0.2%), while destinations such as India and the Middle-East stand out (+10.0% y 10.4%).

By airport, the positive evolution in Heathrow stands out (-1.5%) thanks to its position as an international hub for long-distance flights, which represent 52.9% of the flights in Heathrow (2008: 52.2%). In Stansted (-10.7%), the negative traffic behaviour reflects in the low-cost airlines due to the depreciation of sterling.

Millions of passengers per airport	dec-09	Chg (%)
Heathrow	65.9	-1.5
Stansted	20.0	-10.7
Glasgow	7.2	-11.3
Edinburgh	9.0	0.6
Aberdeen	3.0	-9.4
Southampton	1.8	-8.2
Total United Kingdom	106.9	-4.2
Naples	5.3	-5.6
Total BAA	112.2	-4.3

Throughout the year a significant improvement in traffic occurred. Heathrow showed traffic growth in 5 of the last six months of the year. Stansted changed from a decline of 14.6% in the first half-year to -5.7% in the last quarter.

QUARTERLY TRAFFIC (BAA, HEATHROW AND STANSTED):



THE SALE OF LGW

On 21 October, BAA sold Gatwick airport for 1,510 million sterling (1,657 million euros) after reaching an agreement with Global Infrastructure Partnership. The transaction became effective on 3 December; after approval by the relevant authorities. Of the total amount, 1,455 millions pounds sterling were received in cash and another 55 million pounds sterling will be paid against the achievement of certain operational and financial parameters.

The divestment has allowed BAA to reduce its net debt and to strengthen its financial strength.

FINANCIAL OPTIMISATION AND BOND ISSUE BY BAA LIMITED

BAA's shareholders approved on 13 November a financial optimisation plan to enable recurring access to the fixed rate markets. The amount of the operation, 500 million pounds sterling (557.5 million euros), was dedicated to strengthen the financial ratios of the airports controlled by the group, allowing the creation of the base required to allow BAA to access the issue of bonds. The funds came for the most part from existing treasury in FGP Topco Limited, a holding company controlled by three partners and from the contribution of capital by the partners. The operation was fully closed in the early weeks of 2010.

In November 2009, the rating agencies S&P and Fitch confirmed their credit ratings for BAA (A-) improving the perspective to stable, allowing BAA to issue two series of bonds:

- 27 November, it successfully placed bonds amounting to 700 million sterling, maturing in 2026 and with an annual fixed coupon at 6.75%. (Order book of more than 2,000 million sterling and with a price within its initial guide of 270 basis points above Gilts).
- 1 December, BAA placed inflation indexed bonds (index-linked bonds) amounting to 235 million sterling maturing in 2039 and with a real fixed annual coupon of 3.334%. This is the largest index-linked placement in the UK since 2007.

After these issues, the nominal volume of bonds issued is 5,434 million sterling (2008: 4,498 million sterling).

The income from the bond issues along with the funds received from the sale of Gatwick (approximately 1,200 million sterling) were employed to repay the "back stop facility", so that, the value of this at December 2009 was 2,283 million sterling (2008: 4,400 million sterling).

After these operations, BAA has no significant debt maturities arising in 2010.

REGULATORY MATTERS

In relation to the regulatory matters, it is worth noting that in March 2009, the Competition Commission issued its final report which obliged the sale, to a different buyer, of Gatwick and Stansted, as well as the sale of Glasgow and Edinburgh airports, granting a two- year period to finalise all the divestments. In May 2009, BAA appealed the decision of the Commission before the CAT (Competition Appeal Tribunal). On 21 December the CAT agreed with BAA, thus opening a period in which the parties, BAA and the CC, could reach a solution on the subject. On a date after the close of the year, (10 February 2010), the CC communicated its decision to appeal against the decision to the Courts.

In June 2009, the public consultation process, initiated by the Department of Transport (DoT) on the future regulation of British airports, finalised. BAA presented its proposals on 5 June, with an alternative to the "special administration" regime proposed by the DoT, after many meetings with the bond holders through the Association of British Insurers. On 13 October the DoT published its proposals on the future regulation, the final drafting of which requires a legislative change approved by Parliament, which is not expected to occur until at least mid-2010. Among the various aspects of the regulatory proposal, we would highlight the rejection of the "special administration" regime and inclusion of the concept of "duty to finance", in the sense that the regulator (CAA) must assure that the investments to be made in the airports can be financed.

CAA published its final proposal on airport tariffs to be applied in Stansted for the 5 year period April 2009/March 2014, with a real return on capital before taxes at 7.1%, with a maximum tariff of GBP 6.53 per real passenger for the first two years, increasing afterwards annually at RPI + 1.63%.

Motorways and Parking lots

	dec-09	dec-08	Chg (%)	Pro-forma
Sales	934.8	997.4	-6.3	1.3
Gross operating profits	615.4	627.4	-1.9	5.3
Gross Operating margin	65.8%	62.9%		
Operating results	505.1	473.4	6.7	5.6
Operating margin	54.0%	47.5%		

[Effective 1 January 2009, it was decided to modify the accounting criteria for the consolidation of the companies in which joint control exists, changing to the application of the equity method, instead of the proportional integration method that had been applied up to now. This change affects the motorways Indiana Toll Road, the M45 and the Central Greece and Ionian Roads].

On 26 June, the sale of the parking lots division was announced for 451 million (including debt of 51 million with banking entities). This operation generated a capital gain of 49.8 million euros. The division results include 6 months Parking Lots activities.

During the first quarter of 2009, Motorways was able to refinance all its debt with maturity in 2009; ETR made two bond issues of 500 million Canadian dollars and Radial 4 extended its current financing for two more years.

Also in the first quarter Motorways was awarded two new concessions in the United States (IH 635 and North Tarrant) These projects will require investments in the region of some 4,000 million euros. Likewise, Ferrovial qualified as the preferential bidder for a motorway in Poland (A1), but finally the Polish government decided to cancel the Project.

Traffic evolution is conditioned by the worldwide economic situation which affects both traffic of light vehicles and heavy traffic. In spite of this, during the second quarter a slowdown occurred in the rate of decline of traffic. It should be noted that the Chicago Skyway motorway, which shows 9 months of continued traffic growth, closed the year with a growth of 5.8%. Traffic on the 407-ETR motorway declined by 1.7% (in terms of kilometres covered), although the EBITDA in local currency grew (+7.1%) thanks to the tariff increase introduced on 1 February last. The greatest traffic reductions occurred on the Spanish motorways, with double digit declines due to the impact of the economic crisis.

Traffic levels by quarter:

TRAFFIC	Chg (%) Q1	Chg (%) Q2	Chg (%) Q3	Chg (%) Q4
407 ETR (thousands of vehicle/Kms covered)	-4.6%	-3.1%	-0.6%	1.1%
Chicago Skyway	-2.0%	11.2%	7.7%	4.9%
Ausol I	-22.5%	-14.3%	-9.7%	-7.4%
Ausol II	-15.8%	-9.6%	-8.8%	-4.7%
Autema	-11.3%	-11.2%	-6.8%	-7.1%
Radial 4	-30.4%	-10.4%	-11.6%	-9.3%
Ocaña-La Roda	-24.5%	3.8%	-5.5%	-1.7%
M4-M6	-2.4%	-1.8%	-0.6%	-0.8%
Euroscut Algarve	-7.3%	2.5%	-1.0%	-4.9%
Euroscut Norte Litoral	2.2%	4.2%	5.4%	2.4%
Indiana Toll Road	-10.7%	-0.3%	-1.3%	-0.2%

TRAFFIC	dec-09	dec-08	Chg. %
407 ETR (thousands of Vecicle/kms covered)	2,215	2,253	-1.7%
Chicago Skyway	47,296	44,721	5.8%
Ausol I	16,984	19,586	-13.3%
Ausol II	17,416	19,294	-9.7%
Autema	21,339	23,497	-9.2%
Radial 4	8,988	10,613	-15.3%
Ocaña-La Roda	4,612	4,935	-6.5%
Santiago-Talca	76,674	72,325	6.0%
Talca-Chillán	45,368	44,361	2.3%
Chillán-Collipull	26,188	26,507	-1.2%
Collipulli-Temuco	30,632	30,423	0.7%
Temuco-Río Bueno	19,747	20,614	-4.2%
M4-M6	25,137	25,481	-1.4%
Euroscut Algarve	19,615	20,067	-2.3%
Euroscut Norte Litoral	31,234	30,135	3.6%
Indiana Toll Road	28,117	28,904	-2.7%
M-45	60,669	63,551	-4.5%

Million euro

REVENUES	dec-09	dec-08	Chg. %
407 ETR	354.2	349.4	1.4%
Chicago Skyway	46.6	43.5	7.1%
Ausol	57.8	63.0	-8.1%
Autema	49.2	47.6	3.6%
Radial 4	21.5	24.2	-11.2%
Ocaña-La Roda	18.4	19.0	-2.8%
Autopistas Chilenas	197.4	178.6	10.5%
M4-M6	22.6	224.8	-8.8%
Euroscut Algarve	36.7	36.1	1.6%
Euroscut Norte Litoral	38.4	36.7	4.6%
PEE			
Indiana Toll Road	57.0	53.0	7.6%
Ionian Roads	22.2	19.1	16.3%
M-45	13.3	13.1	1.5%

Million euro

EBITDA	dec-09	dec-08	Chg. %
407 ETR	276.4	263.1	5.1%
Chicago Skyway	38.7	35.6	8.5%
Ausol	42.5	50.9	-16.5%
Autema	28.8	37.6	-23.4%
Radial 4	9.9	12.3	-19.1%
Ocaña-La Roda	9.7	9.3	4.8%
Chilean tollroads	135.6	121.4	11.7%
M4-M6	15.3	17.6	-12.9%
Euroscut Algarve	32.4	31.4	3.1%
Euroscut Norte Litoral	32.8	30.1	9.0%
Equity Accounted			
Indiana Toll Road	44.2	39.9	10.8%
Ionian Roads	15.2	12.4	23.1%
M-45	12.4	12.2	1.9%

Million euro

EBITDA Margin/Revenues	dec-09	dec-08	Chg. %
407 ETR	78.0%	75.3%	2.7%
Chicago Skyway	82.9%	81.9%	1.0%
Ausol	73.4%	80.8%	-7.3%
Autema	58.7%	79.3%	-20.6%
Radial 4	46.2%	50.7%	-4.5%
Ocaña-La Roda	52.7%	48.9%	3.8%
Chilean tollroads	68.7%	68.0%	0.7%
M4-M6	67.7%	70.9%	-3.2%
Euroscut Algarve	88.3%	87.0%	1.3%
Euroscut Norte Litoral	85.5%	82.0%	3.4%
Equity Accounted			
Indiana Toll Road	77.5%	75.3%	2.2%
Ionian Roads	68.5%	64.7%	3.8%
M-45	93.7%	93.3%	0.4%

TENDERS AWARDED IN THE PERIOD

1. IH 635

Location: Dallas, Texas

Investment: USD 2,700 million

Members of the consortium: Cintra 51%, Meridiam Infra 42.4%, Dallas Police and Fire Pension System 6.6%

Concession period: 52 years

Kilometres granted: 27.2 km

Construction period: 2010-2016

Objective: construction, maintenance and exploitation

Type of toll: Electronic without barriers with tariffs that vary with the aim of maintaining a minimum speed of 50 mph on all segments.

2. NORTH TARRANT

Location: Dallas/Fort Worth, Texas

Investment: USD 2,050 million

Members of the consortium: Cintra 56.7%, Meridiam Infra 33.3%, Dallas Police and Fire Pension System 10.0%

Concession period: 52 years

Kilometres granted: 21.4 km

Construction period: 2010-2015

Objective: construction, maintenance and exploitation

Type of toll: Electronic without barriers with tariffs that vary with the aim of maintaining a minimum speed of 50 mph on all segments.

REFINANCING

1. 407-ETR: Refinancing of the debt maturing in 2009.

The refinancing was performed through two different bond issues: The first, amounting to 300 million Canadian dollars, with maturity in January 2012 and a fixed coupon at 4.65%. The second, amounted to 200 million Canadian dollars, with maturity in January 2014 and a fixed coupon at 5.10%.

These issues reflect the capacity of Motorways to refinance its debt in spite of the uncertainty in the financial markets.

2. Extension of financing of the Radial-4 motorway

The consortium reached an agreement with the 29 financial entities, including the European Investment Bank (EIB), which are financing the Radial 4 motorway, to extend the terms and conditions of the current packet for a further two years.

The total of the debt of the motorway amounts to 556.6 million euros, divided into three tranches: Tranche A and B: 196.6 million euros of commercial debt maturing on 27 January 2011. Tranche C: 360 million euros of an EIB loan maturing in 2032. This tranche is covered by bank guarantees until 27 July 2011.

The interest rate on the debt is euribor at 3/6 months plus a differential of 130 basis points.

We are dealing with financing without recurring to the shareholders. However, there is a contingent guarantee given by the shareholders to attend possible payment imbalances, estimated at approximately 20 million euros, in the payment of the interest on the debt during this two-year period, and another guarantee, amounting to 23 million euros, given by the shareholders to facilitate the refinancing when the loan becomes due.

3. Financial closing of the North Tarrant Express project

On 17 December NTE Mobility Partners LLC, a consortium held in majority by Cintra (56.7%), completed the financing of the North Tarrant Express Managed Lanes motorway in Texas (USA), an investment of USD 2,050 million:

- 21% Equity supplied by the consortium NTE Mobility \$427 million.
- 19% PAB (Private Activity Bonds) \$400 million. The first time PAB bonds are used to finance a public/private road concession in the USA.
- 28% Texas Department of Transport (TxDOT) \$573 million.
- 32% TIFIA loan from the US Federal Government. \$650 million.

PARKING LOTS

On 26 June the sale of the parking lots division, for 451 million was announced (including debt of 51 million to banking entities). The capital gain arising was 49.8 million euros.

	dec-09	dec-08	Chg. %
Revenues	86.0	166.6	-48.4
EBITDA	26.8	48.2	-44.3
EBITDA Margin	31.2%	28.9%	
EBIT	26.8	33.9	-20.9
EBIT Margin	31.2%	20.4%	
Car park spaces	301,692	271,948	10.9

Services

	dec-09	dec-08	Chg. %	Pro-forma (%)
Revenues	3,680.3	3,815.8	-3.6	-0.9
EBITDA	365.6	370.7	-1.4	1.4
EBITDA Margin	9.9%	9.7%		
EBIT	241.1	246.9	-2.3	1.3
EBIT Margin	6.6%	6.5%		
EBT	228.8	236.6	-3.3	2.5
EBT Margin	6.2%	6.2%		
Backlog	9,980.0	9,126.2	9.4	
Capital expenditure				

[Effective 1 January 2009, the accounting criteria on the consolidation of the companies in which joint control exists was modified, changing to the application of the equity method, instead of the proportional integration method that had been applied up to now. This change affects Tube lines and other JV's of Amey].

In spite of the negative economic environment, throughout 2009 Services maintained a similar business volume to that of 2008 (excluding the impact of exchange rates, 0.9%), with increases of 1.4% in EBITDA and 1.3% in EBIT and improvements in the profitability on sales in each case. In this division almost 60% of sales are generated in currencies other than the euro.

Generally, the improvements in EBITDA and EBIT compared to 2008, both in absolute terms and as a percentage of sales, are due to:

- **Businesses in Spain:** The abandonment of low profit contracts, selective tendering for new contracts and cost control to face a lower level of industrial activity reflected in a decline in the volume of tons collected and treated in dumps (the tonnage volume is 33% lower than in 2008), increased competition and the decline of margins in the building maintenance activity and the increase in collection time from some customers. Excluding the increase in assigned corporate expenses, the EBITDA would remain practically flat.
- **Swissport:** Shows growth in EBITDA and EBIT in spite of the decline in sales with improved EBT Margin by 100 basis points. This is due to the greater contribution from countries in which operations began over the last few years (Ukraine, Cyprus and Bulgaria) along with very significant

improvements in the results in some countries due to new contracts (Spain, Brazil, South Africa) and the departure from certain countries in loss (Singapore, Germany).

- In **Amey** the contribution by contracts acquired in the last two years is noteworthy, such as that for road maintenance in Area 9, that for civil works inspection in the rail network, or the maintenance of the Home Office buildings.

The excellent cash management achieved during 2009 stands out both through the operations flows generated (343 million), and from the investment flows (-126 million), giving rise to a cash flow activity of 217 million, 23% higher than in 2008. In all activities cash flow was higher than in 2008. The 2009 cash flow is the highest yet generated in the Services Division.

BACKLOG: At 9,980 million euros (2008: 9,126) grew by 14.2 % if the impact of the Exchange rate on AMEY is excluded. Growth in the backlog in all activities has been registered compared to 2008.

AMEY

GBP	dec-09	dec-08	Chg. %
Revenues	914.9	65.9	5.7
EBITDA	77.5	75.0	3.3
EBITDA Margin	8.5%	8.7%	
EBIT	62.7	59.3	5.8
EBIT Margin	6.9%	6.8%	
EBT	90.4	91.9	-1.6
EBT Margin	9.9%	10.6%	
Backlog	4,475.0	3,747.0	19.4

Tubelines (Consolidated applying the equity method)

Tube lines-GBP	dec-09	dec-08	Chg. %
Revenues	518.3	538.3	-3.7
EBITDA	55.6	52.1	6.8
EBITDA Margin	10.7%	9.7%	

SWISSPORT

Euros	dec-09	dec-08	Chg. %	Pro-forma (%)
Revenues	123.7	1,177.1	-4.5	-4.8
EBITDA	81.0	70.8	14.5	12.7
EBITDA Margin	7.2%	6.0%		
EBIT	47.3	39.4	19.8	18.0
EBIT Margin	4.2%	3.3%		
EBT	36.4	15.7	131.7	
EBT Margin	3.2%	1.3%		

SPAIN

	dec-09	dec-08	Chg. %
Revenues	1,527.2	1,559.0	-2.0
EBITDA	197.4	6.3	-4.3
EBITDA Margin	12.9%	13.2%	
EBIT	123.3	133.6	-7.7
EBIT Margin	8.1%	8.6%	
EBT	83.9	107.0	-21.6
EBT Margin	5.5%	6.9%	
Backlog	4,895.8	4,453.6	9.9

Construction

Euros	dec-09	dec-08	Chg. %	Pro-forma (%)
Revenues	4,476.3	5,139.1	-12.9	-9.7
EBITDA	225.0	271.9	17.3	-14.6
EBITDA Margin	5.0%	5.3%		
EBIT	180.1	213.3	-15.6	-12.4
EBIT Margin	4.0%	4.2%		
EBT	221.0	290.3	-23.9	-20.5
EBT Margin	4.9%	5.6%		
Backlog	8,800	8,568	2.7	n.s.

Revenues fell by 13% while profitability remained similar (EBIT margin of 4.0% compared to 4.2%) due to the decline in domestic revenue, mainly building (-37%). The backlog portfolio grew (+2.7%) a combination of growth in the civil works portfolio (+10,1%) and a decline in the residential portfolio (-32.0%). The contract for the American motorway IH 635 is not yet included and this will contribute a portfolio in excess of 1,500 million euros.

There was an excellent operations cash flow (406 million euros) thanks to an improved working capital level.

DOMESTIC MARKET: Sales declined (-17.8%), due to the fall in residential activities (-59%). In spite of the situation in the Spanish market the fall in margins was limited, both in terms of EBITDA 4.9% (vs 5.5%) and in EBIT 4.2% (vs 4.7%). The portfolio dropped compared to December 2008 (-16.4%), principally due to the lower level of contracts in building (-27%) along with the process of selection of portfolios built up in previous quarters, which seeks to maintain profitability and not to deteriorate working capital as compared to other policies of maintaining volume or the accounting profits.

INTERNATIONAL MARKET: There was growth in international activities (Revenues +5.5% eliminating the exchange rate effect), with a significant improvement in results and profitability, EBITDA +7.5%, EBIT +22.2%. The contribution on revenue reached 43% compared to 39% in the previous year. The backlog portfolio represents 52% of the division total.

- **BUDIMEX:** Revenues in local currency fell by 8.9%, compared to the 26.3% in the accounts due to the strength of the euro, which re-valued more than 24% against the zloty. The lower activity level is due to the slowdown of building activity (-52%) practically compensated by civil works (60% vs 40%) allowing an increased profitability (5.7% vs. 4.0%) and a 32.9% growth in NBIT against a fall in revenue. The portfolio at 1,283 million euros, in local currency grew by 48.3%.
- **WEBBER:** There was a strong growth in revenue in local currency (+6.9%).

BREAKDOWN OF THE BACKLOG PORTFOLIO

	dec-09	dec-08	Chg. %
Civil work	6,666.0	6,053.5	10.1
Residential work	430.5	632.8	-32.0
Non-residential work	1,099.2	1,237.0	-11.1
Industrial	604.7	644.3	-6.1
Total	8,800.4	8,567.6	2.7

DOMESTIC MARKET

	dec-09	dec-08	Chg. %
Revenues	2,597.0	3,158.0	-17.8
EBITDA	127.7	174.0	-26.6
EBITDA Margin	4.9%	5.5%	
EBIT	108.0	147.5	-26.8
EBIT Margin	4.2%	4.7%	
EBT	141.2	197.9	-28.6
EBT Margin	5.4%	6.3%	
Backlog	4,183.6	5,006.5	-16.4

INTERNATIONAL

	dec-09	dec-08	Chg. %	Pro-forma
Revenues	1,912.8	1,993.4	-4.0	5.5
EBITDA	97.3	97.9	-0.6	7.5
EBITDA Margin	5.1%	4.9%		
EBIT	72.1	65.8	9.5	22.2
EBIT Margin	3.8%	3.3%		
EBT	79.8	92.4	-13.7	-3.6
EBT Margin	4.2%	4.6%		
Backlog	4,616.8	3,561.1	29.6	

BUDIMEX

	dec-09	dec-08	Chg. %	Pro-forma
Revenues	724.2	982.4	-26.3	-8.9
EBITDA	41.5	39.5	5.1	29.8
EBITDA Margin	5.7%	4.0%		
EBIT	36.7	34.1	7.6	32.9
EBIT Margin	5.1%	3.5%		
EBT	42.8	44.2	-3.3	19.5
EBT Margin	5.9%	4.5%		
Backlog	1,283.2	856.2	49.9	48.3

WEBBER

	dec-09	dec-08	Chg. %	Pro-forma
Revenues	412.6	366.3	12.6	6.9
EBITDA	21.4	20.8	2.7	-2.5
EBITDA Margin	5.2%	5.7%		
EBIT	8.3	6.8	21.6	15.5
EBIT Margin	2.0%	1.9%		
EBT	6.9	6.0	16.6	10.7
EBT Margin	1.7%	1.6%		
Backlog	1,039.7	697.3	49.1	53.1

Income statement

	Before fair value adjustments	Fair value adjustments	Dec 09	Before fair value adjustments	Fair value adjustments	Dec 08
Revenue	12,095		12,095	13,146		13,146
Other operating income	30		30	20		20
Total operating income	12,126		12,126	13,165		13,165
Operating costs	9,583	3	9,586	10,609	11	10,620
EBITDA	2,543	-3	2,540	2,556	-11	2,545
Margin %			21.0%			19.4%
Amortisation	1,009		1,009	1,132		1,132
EBIT (before impairment and disposal of assets)	1,534	-3	1,531	1,425	-11	1,413
Margin %			12.7%			10.8%
Impairment and disposal of assets	-620	-90	-710	437	-17	419
EBT	914	-93	820	1,861	-29	1,833
FINANCIAL RESULTS	-1,491	-50	-1,541	-1,702	-433	-2,135
Financial results on infrastructure projects (financing)	-1,388		-1,388	-1,585		-1,585
Derivatives and other fair value adjustments		-148	-148		-210	-210
Financial results of the other companies (financing)	-103		-103	-117		-117
Derivatives and other assets at fair value		98	98		-223	-223
Participation in the profits of associated companies	70	16	86	59	-106	-47
Consolidated profit/(loss) before taxes	-507	-127	-635	218	-567	-349
Corporate income tax	94	41	135	-1,395	133	-1,263
CONSOLIDATED PROFITS FOR THE YEAR	-413	-86	-499	-1,177	-435	-1,612
Profits attributable to external partners	346	61	407	682	118	800
CONSOLIDATED PROFITS FOR THE YEAR FOR THE DOMINANT COMPANY	-67	-25	-92	-495	-317	-812

CHANGE IN CONSOLIDATION CRITERIA

Effective 1 January 2009, it was decided to change the consolidation criteria for those business in which there is joint control, applying the equity method instead of the proportional integration method previously applied. This change was applied in line with the alternative allowed under NIC 31. The principal companies affected are: the Indiana motorway, M45, the Greek motorways, along with Tube lines and other JVs in Amey in Services. (See appendix I).

NOTE ON THE EBITDA

To allow an analysis, all the commentaries refer to the EBITDA before impairment and disposal of assets.

REVENUES

	dec-09	dec-08	Chg. %	Pro-forma (%)
Construction	4,476.3	5,139.1	-12.9	-9.7
Airports	3,070.4	3,281.5	-6.4	7.3
Toll Roads & Car Parks	934.8	997.4	-6.3	1.3
Services	3,680.3	3,815.8	-3.6	-0.9
Others	-66.5	-88.3	n.s.	
Total	12,095.4	13,145.6	-8.0	-2.1

	dec-09	%	dec-08	%	Chg. %
Spain	4,231.1	35%	4,923.9	37%	-14.1
UK	4,255.6	35%	4,422.9	34%	-3.8
USA & Canada	873.3	7%	797.0	6%	9.6
Poland	778.7	6%	1,034.8	8%	-24.7
Chile	238.3	2%	224.0	2%	6.4
Rest of Europe	1,653.9	14%	1,666.6	13%	-0.8
Other countries	64.3	1%	76.4	1%	-15.8
Total International	7,864.2	65%	8,221.7	63%	-4.3
TOTAL	12,095.4	100%	13,145.6	100%	-8.0

EBITDA

	dec-09	dec-08	Chg. %	Pro-forma (%)
Construction	225.0	271.9	-17.3	-14.6
Airports	1,337.1	1,311.7	1.9	15.3
Toll Roads & Car Parks	615.4	627.4	-1.9	5.3
Services	365.6	370.7	-1.4	1.4
Others	-3.5	-36.5	n.s.	
Total	2,539.6	2,545.1	-0.2	8.9

	dec-09	%	dec-08	%	Chg. %
Spain	387.7	15%	453.8	18%	-14.6
UK	1,445.1	57%	1,415.9	56%	2.1
USA & Canada	340.2	13%	318.2	13%	6.9
Poland	56.5	2%	56.1	2%	0.7
Chile	139.8	6%	126.8	5%	10.2
Rest of Europe	166.5	7%	164.3	6%	1.4
Other countries	3.8	0%	10.0	0%	-62.1
Total International	2,152.0	85%	2,091.3	82%	2.9
TOTAL	2,539.6	100%	2,545.1	100%	-0.2

EBIT

	dec-09	dec-08	Chg. %	Pro-forma (%)
Construction	180.1	213.3	-15.6	-12.4
Airports	611.3	519.2	17.7	22.5
Toll Roads & Car Parks	505.1	473.4	6.7	5.6
Services	241.1	246.9	-2.3	1.3
Others	-6.7	-30.3	n.s.	
Total	1,530.8	1,413.4	8.3	10.4

	dec-09	%	dec-08	%	Chg. %
Spain	258.4	17%	315.3	22%	-18.1
UK	702.3	46%	605.7	43%	15.9
USA & Canada	276.2	18%	249.0	18%	10.9
Poland	50.6	3%	50.6	4%	0.0
Chile	138.5	9%	87.6	6%	58.2
Rest of Europe	101.3	7%	95.9	7%	5.6
Other countries	3.6	0%	9.3	1%	-61.1
Total International	1,272.5	83%	1,098.1	78%	15.9
TOTAL	1,530.8	100%	1,413.4	100%	8.3

FINANCIAL RESULTS

	dec-09	dec-08	Chg. %
Other	-102.7	-117.0	-12.2
Infra projects	-1,388.1	-1,584.9	-12.4
Net financial result (CASH)	-1,490.9	-1,701.9	-12.4
Other	98.1	-222.5	-144.1
Infra projects	-148.1	-210.5	-29.6
Hedge instruments (Non-Cash)	-50.0	-433.0	-88.4
Total	-1,540.9	-2,134.9	-27.8

EBT

	dec-09
Reported net income	-92
Net profit ex sales	246

AMORTISATION: This drops by 10.9% to reach 1,009 million euros, excluding the exchange rate effect there is an important increase (+7.2%), mainly because of the increase in amortisation in BAA (+11.1%) due to the accelerated amortisation of the T1 and T2, along with the start-up of the la T5.

EBIT (before impairment and disposal of assets): This increases 8.3 %, excluding the exchange rate effect and the change in the consolidation scope the growth would have been +10.4%, principally due to the effect of amortisation already referred to.

IMPAIRMENT AND FIXED ASSET DISPOSALS: Amounting in 2009 to -710,4 million euros, this heading includes, mainly, the book losses on the sale Gatwick and the adjustment in the valuation of the assets in Stansted, along with the capital gain on the sale of Parking Lots (+49,8 million euros) and the sale of the Ferrovial headquarters. In 2008 (419 million) this heading included, mainly, the capital gain obtained on the sale, in March 2008, of World Duty Free, a subsidiary of the BAA Group dedicated to the exploitation of commercial spaces in airports, which generated a capital gain of 295 million euros and the capital gain on the sale of Belfast Airport, of 109 million euros.

FINANCIAL RESULTS: Financial results fell by 28%. This result is due both to the effect of the fall in the Libor y Euribor (the financial expense paid in cash dropped by 12.4%), as well as the lesser amount (88.4%) of the market value adjustments (a book financial expense without any effect on cash) of the hedging instruments contracted (inflation, interest rates and equity swaps), thanks in part to the revaluation of the shares in 2009.

	dec-09	dec-08	Chg. %
Other	-102.7	-117.0	-12.2
Infrastructure projects	-1,388.1	-1,584.9	-12.4
Financial result by Financing	-1,490.9	-1,701.9	-12.4
Other	98.1	-222.5	-144.1
Infrastructure projects	-148.1	-210.5	-29.6
Financial Results by hedges	-50.0	-433.0	-88.4
Total	-1,540.9	-2,134.9	-27.8

Financial results recognised through hedging operations (million euros):

	dec-09	dec-08
Stock Options Plans	159.2	-279.1
Inflation Hedges	-141.6	-103.7
Interest rate coverage	4.3	-52.8
Other Hedges	-71.9	2.6
Total	-50.0	-433.0

RESULTS FROM THE APPLICATION OF THE EQUITY METHOD: [A CHANGE IN THE CONSOLIDATION CRITERIA]

Effective 1 January 2009, it was decided to change the consolidation criteria for those business in which there is joint control, applying the equity method instead of the proportional integration method previously applied. This change was applied in line with the alternative allowed under NIC 31. The principal companies affected are: the Indiana motorway, M45, the Greek motorways, along with Tube lines and other JVs in Amey in Services.

TAXES: Corporate income tax generated a tax credit amounting to 135 million euros. In 2008 a tax credit of 292 million euros was generated, excluding the IBA adjustment. The tax credit arises from the negative results in the income statement of BAA.

EXTERNAL PARTNERS: This heading is reduced considerable compared to the previous year (-49,1%), mainly due to the lower losses attributable to minority partners and occurring mainly in BAA, a company in which the minority interest represents approximately 45%.

NET RESULTS: These are 92.4 million negative, occurring principally from the negative results on divestments (338 million euros), and because of the valuation adjustment of certain assets. Excluding the effect of the divestments, the net result of recurring activities would be 246 million euros.

Balance sheet and other major figures

	dec-09	dec-08
NON-CURRENT ASSETS	36,076	32,795
Goodwill	6,952	5,400
Intangible assets	45	63
Assets in infrastructure projects	24,309	22,305
Fixed assets	671	657
Real estate investments	77	92
Investments in associated companies	317	336
Non-current financial assets	1,218	867
Asset from pension surplus	22	76
Deferred taxes	1,604	1,859
Financial derivatives at fair value	861	1,139
ASSETS CLASSIFIED AS HELD FOR SALE AND DISCONTINUED ASSETS	1,802	4,278
CURRENT ASSETS	6,232	6,753
Inventories	490	500
Clients and other accounts receivable	3,262	3,751
Cash and equivalent	2,480	2,502
TOTAL ASSETS	44,110	43,826
NET EQUITY	4,557	3,962
Net equity attributable to the shareholders	2,987	1,756
External partners	1,570	2,206
INCOME TO BE DISTRIBUTED IN VARIOUS YEARS	457	253
NON-CURRENT LIABILITIES	29,661	29,068
Pension provisions	503	131
Other non-current provisions	746	708
Financial debt	23,368	22,413
Non-financial debt	136	118
Deferred taxes	3,364	3,379
Financial derivatives at fair value	1,544	2,319
LIABILITIES CLASSIFIED AS HELD FOR SALE AND FROM DISCONTINUED ACTIVITIES	1,647	3,163
CURRENT LIABILITIES	7,789	7,380
Financial debt	1,938	1,552
Debts from trading operations	5,332	5,376
Provisions for trading operations	519	452
TOTAL LIABILITIES AND NET EQUITY	44,110	43,826

The headings showing the greatest changes during 2009 are shown below:

- Goodwill.** The principal impact is the generation of Goodwill as a result of the merger between Cintra and Grupo Ferrovial (1,283 million euros), which result in Ferrovial, the new dominant company of the Group. It should also be noted that the movement occurring in Airports (BAA) is due to the interest rate effect (+276 million euros) caused by the upward revaluation of the pound sterling.
- Assets classified as held for sale.** As at 31 December 2009, the assets and liabilities registered as held for sale correspond principally to the Chilean motorways. The effectiveness of the operation is subject to undertaking certain notifications and obtaining the pertinent authorisations and registrations in Spain, Columbia, Chile and in the other jurisdictions in which the participating entities in the operation are present.
- Pension provisions.** The most significant fact is the change from in the BAA Group from a surplus of 76 million euros for pensions in 2008 to a deficit in 2009 of 313 million euros. This effect arises mainly from the increase in the inflation rate expected, which went from 2.9% in 2008 to 3.7% in 2009, together with a lower discount rate applied, which went from 6.0% in 2008 to 5.7% in 2009. This was compensated in part by the increase expected in some types of assets, going from a range of 2% - 7.6% in 2008 to 0.5% - 8.2% in 2009. The Amey Group went from a deficit in 2008 of 101 million euros to 162 million in 2009. This change arose mainly by the move from a discount rate of 6.3% in 2008 to 5.7% in 2009, as well as an increase in the inflation rate expected from 3.0% in 2008 to 3.5% in 2009.

NET CONSOLIDATED DEBT

In December 2009 the group's net debt was 22,271 million euros, which represents an increase of 1,099 million euros, mostly caused by the change in the exchange rate pounds/euros from December 2008 and the use of the BAA capex line.

The corporate debt was reduced by 24% through free cash flow generated and the divestments.

The debt in projects increases by 7.5% as a result of the use of the capex lines and the changes in the exchange rate.

	dec-09	Proforma dec-08
NCP ex-infrastructures projects	-1,172	-1,547
BAA	-13,856	-12,905
Other airports	3	8
Toll roads	-7,104	6,574
Other Amey's concessions	-47	-68
Others	-96	-86
NCP infrastructure projects	-21,099	-19,626
Net total treasury position	-22,271	-21,172

INVESTMENTS

	Investments	Divestments	Net Investment
Construction	-36	6	-30
Services	-163	37	-126
Toll roads & Car parks	-642	472	-171
Airports	-1,437	1,590	153
Others	-126	159	33
Eliminations	285	-159	126
Total	-2,120	2,106	-14

Consolidated cash flow

	Year 2009			
	Cash flow excluding infrastructure projects	Cash flows Infrastructure projects	Eliminations	Consolidated cash flow
EBITDA	558	1,981		2,540
Dividends collected	129	0	-119	10
Tax payments	-38	-11		-49
Changes in acs receivable, acs payable and others	191	-160		32
Operating cash flow	840	1,810	-119	2,533
Investments	-504	-1,901	285	-2,120
Divestments	534	1,582	-11	2,106
Investment cash flow	30	-319	274	-14
Cash flow before financing	872	1,493	155	2,520
Interest flows	-142	-1,215		-1,357
Capital flows and external partners	1	448	-271	178
Payment of dividends to the holding company shareholders	-284	0		-284
Payment of dividends to minority companies held	-20	-204	119	-105
Exchange rate changes	-5	-1,131		-1,136
Net cash position on held for sale	-51	-993		-1,044
Other debt movements (not flow)	3	126		129
Change in net treasury position	374	-1,476	3	-1,099
Net position at the beginning of the period	-1,547	-19,634	8	-21,172
Net position at the end of the period	-1,172	-21,110	11	-22,271

Million euro

CASH FLOW EXCLUDING INFRASTRUCTURE PROJECTS

Operating cash flow: The following shows the evolution of the operating cash flow excluding Infrastructure projects by business segments in 2009 compared to 2008. Given the impact on cash flow of corporate income tax, the operating cash flow of each division is explained without this impact to avoid distortions in the analysis:

OPERATIONS CASH FLOW

	2009	2008
Construction	406	464
Services	343	276
Motorways	134	420
Airports	-18	-25
Other	14	-67
Total operations cash flow without taxes	879	1,068
Corporate tax flow	-38	26
Total Group	841	1,095

Million euro

In **Construction**, the operating cash flow worsens compared to 2008, basically because of the poor growth in national activities, partly compensated by the improvement in Budimex.

CONSTRUCTION OPERATIONS CASH FLOW 2009	C. Interior	C. International	C. Industrial	CONSTRUCTION
Gross operating results	115	97	13	225
Dividends and others				
Change in working capital	-13	204	-11	181
Operations cash flow without taxes	102	301	2	406

Million euro

In **Services**, operating cash flow improves in all activities except Urban and Residues, while Maintenance and Conservation stand out.

The following is a breakdown of the operating cash flow of the principal activities of the Services Division:

SERVICES OPERATIONS CASH FLOW 2009	Urban and waste	Amey	Swissport	Other services	SERVICES
Gross operating results	162	87	81	33	363
Dividends and others	1	7	1		10
Change in working capital	-21	-59	11	39	-30
Operations cash flow without taxes	142	35	93	72	343

Million euro

In **Motorways** the operating cash flow includes an amount of 119 million euros arising from dividends and returns from equity of the companies that are owners of the infrastructure projects of motorways, the details of which are reflected in the attached table. The balance of the cash flow corresponds mainly to other collections and payments corresponding to the holding companies of the Division.

Under the heading "others" is included the cash flow corresponding to Corporación and Inmobiliaria. In Inmobiliaria, the improvement in operating cash flow because of the return of VAT paid for the purchase of land in Valdebebas in 2008 (+32 million euros) should be noted and the lower payments arising from the construction in Poland (+40 million euros).

Dividends and Returns of Capital - Motorways

	2009	2008
ETR-407	63	47
Autema	5	317
M-45	0	2
Ausol	9	5
Spanish motorways	14	325
Eurolink N4-N6	13	
Algarve	6	4
Norte Litoral	3	
Portuguese motorways	8	4
Cintra Chile		5,6
Parkings (Smasa, Eulsa)		1
Total dividends	98	382
Euroscut Algarve	15	
Portuguese motorways	15	
Chicago	4	3
Indiana		11
Total returns of equity	19	14
Total	119	397

Million euro

1. Investment cash flow

The following table shows the breakdown by business segment of the investment cash flows without including Infrastructure projects, separating in each the outlays for investments undertaken and the collections produced from divestments.

INVESTMENT CASH FLOW 2009	Investment	Divestment	Investment cash flow
Construction	-36	6	-29
Services	-163	37	-126
Motorways	-104	451	347
Airports	-201		-201
Other	0	40	40
TOTAL	-504	534	31

Million euro

The most important investments occur in Airports, Services and Motorways. In the Airports division, the cancellation of a loan granted by the partners of BAA for the purchase of certain bonds at the time of refinancing (201 million euros) should be noted, while in Motorways, the investments mentioned correspond mainly to capital increases in the concessionary companies, details of which are shown in the attached table. The rest of investments correspond to investments in assets by the Services Division, mainly in fixed assets.

FINANCIAL ASSET INVESTMENTS	2009
INFRASTRUCTURE INVESTMENTS	77.6
Inversora OLR	1.9
Ionian Odos	9.0
Inversora R4	8.1
New Investments USA	6.1
Azores	12.9
Autostrade Poludnie	39.6
PARKINGS	0.2
Serrano Park	0.2
Total CINTRA	77.8

Million euro

Under the heading of divestments the positive cash flow derived from the collection from the sale of the activities of Parking (451 million euros) should be noted, this occurred in the month of August, as well as the sale of the Corporate headquarters (40 million euros), occurring in the month of December. In the Services area the sale of 50% of holding in Amey is included in PFI's projects in the United Kingdom (19 million euros), as well as the funds entering from the close of the financing without recourse from the Ecoparque IV (10 million euros).

2. Financing cash flow

Within the financing cash flow the dividends paid under this concept are included, those paid to the shareholders of Grupo Ferrovial, S.A., which in 2009 amounted to 284 million euros, as well as those corresponding to the minority shareholders of Cintra prior to the merger (18 millones de euros), Budimex (13 million euros) and Swissport (3 million euros).

Moreover, the financing cash flow includes the interest payment for the year (142 million euros), while 19 million euros corresponds to the payment of the commissions associated with the refinancing of the Corporate debt, 9 million euros to the commissions for the refinancing of the R-4 and 15 million euros to the payment of other commissions.

CASH FLOW IN INFRASTRUCTURE PROJECTS

1. Operating cash flow

The operating cash flow of the companies that are owners of the concession for Infrastructure projects mainly includes the entry of revenues from those companies that are under exploitation, although it also includes the returns and payments of VAT corresponding to those that are still under construction.

Infrastructure projects. The following table shows the breakdown of the operating flows for Infrastructure projects:

OPERATING CASH FLOW 2009	BAA	Motorways	Other (*)	TOTAL
Gross operating results	1,355	622	5	1,981
Collection of dividends				
Tax payments	-4	-7	0	-11
Changes in working capital	-180	-9	30	-160
Operating cash flow	1,171	606	35	1,811

Million euro

(*) The cash flow of the companies that are owners of the projects under others consists mainly of the cash flow of the Infrastructure of Services and Construction.

2. Investment cash flows

The following table shows a breakdown of the investment cash flows in infrastructure projects, separating the outlays made, mainly corresponding to the investment in capex and financial assets (cash restricted to Long-term) and the collections derived from divestments occurring during the year.

INVESTMENT CASH FLOW 2009	Investment	Divestment	Investment cash flow
North Tarrant Express	-264		-264
SH-130	-96		-96
M3 Clonee to Keels	21		21
Autoestrade Poludnie	-43		-43
Portuguese toll roads	-60	2	-58
ETR 407	-50	19	-30
Other toll roads	-48		-48
Total toll roads	-540	21	-519
BAA	-1,236	1,561	325
Other	-126		-126
TOTAL	-1,902	1,582	-318

Million euro

The investment cash flow includes the contribution of cash as a guarantee for the payments to the construction company for the North Tarrant Express motorway, which is under construction.

Divestments are mainly related to BAA, arising from the effect on cash of the sale of Gatwick in December 2009 (1,561 million euros).

3. Financing cash flow

The financing cash flow includes the payment of dividends and the returns of equity (-204 million euros) made by the concessionary companies to their shareholders, along with the outlays for increases in capital received by those companies. In the capital increases, the conversion of debt to equity (359 million euros) associated with the capitalisation in the month of July 2009 of the loans granted by the partners of BAA for the purchase of certain bonds at the time of the refinancing stands out.

For the concessionaries that are consolidated in the Group through total integration these amounts correspond to 100% of the quantities paid and received by the concessionary companies, independently of the percentage of participation that the Group had in these. There are no dividends or return of equity included for the companies that are consolidated under the equity method.

The interest cash flow (-1,214 million euro) relates to the interest paid by the concessionary companies, along with other commissions and costs closely related to obtaining financing. The cash flow under these concepts corresponds to the interest expenses related to the period, as well as any other concept that is a direct change to the net debt for the period. This amount does not coincide with the result for financing that appears in the income statement, mainly because of the differences existing between the amount accrued and the interest payment.

Worthy of note in BAA is the prepayment of interest (-178 million euros) corresponding to previous years associated with the inflation indexed derivatives (Index Linked Swaps) and interest rate as a result of the issue of bonds in 2009.

The following table shows a greater breakdown:

INVESTMENT CASH FLOW	2009
ETR 407	-158
USA motorways	-49
Spanish motorways	-95
Chilean motorways	-51
Other motorways	-57
Total motorways	-410
BAA (commissions & prepayment interest Swaps)	-178
BAA (other interest)	-612
Total BAA	-790
Others	-15
TOTAL	-1,214

Million euro

Moreover, the financing cash flow includes the impact that the change in interest rate had on the debt denominated in foreign currency, which in 2009 was negative by 1,131 million euros, arising from the upward valuation of the pound sterling and the Canadian dollar against the euro, which had a significant effect on the net debt of BAA and the 407-ETR in Canada, along with the negative effect of the reclassification of the assets and liabilities corresponding to Gatwick in 2008 to assets and liabilities held for sale, which anticipated the effect of the disposal of the debt through the sale in 2008.

Finally, the heading "other non cash flow debt movements" includes those concepts that give rise to a change in the book debt, but that do not imply a real cash movement, such as the disposal of debt through the change to the equity method of certain Services concessions, interest incurred but not paid and the amortisation of commissions and fair value of the debt.

Expected business development

1. Macro-economic changes:

2009 was characterised both for the worldwide economic crisis and for the first recovery signs in the majority of the developed countries in the second half-year. It is expected that this recovery will continue in 2010, although at a moderate rate. This means that although the level of activity in 2010 is expected to rise, the growth rate will remain well below that which existed prior to the crisis and at a different rhythm depending upon the country.

2. The principal challenges for Ferrovial in 2010

During 2010 Ferrovial's principal action strategies will be based upon:

- Continuation of the cost control policy at operating level and working capital management to maximise cash generation.
- Continuation of the selective divestment policy in mature assets with the aim of investing in new projects with high potential to create added value and synergies for the Group.

Moreover, it will be important to bear in mind the evolution of the regulatory processes in which Ferrovial is evolved, highlighting especially:

- The process opened by the UK Competition Commission on the divestment of some of BAA's airports.
- The termination of the negotiation process on the second phase of Tubelines contract with the London City Council.

3. Ferrovial's development by business area:

In the Airports business, according to the International Air Transport Association (IATA), 2009 was characterised as a year of the great decline both in demand and in regular international traffic. Financial expectations for 2010 are improved, although it is expected that the numbers in red will continue, with net losses of some 5,600 million dollars. This is based upon a limited growth recovery in traffic volume of 3%-5% for passengers and of 7% for freight.

Growth in all geographic areas is expected in 2010. Specially highlighted are Asia and Latin America, where economic recovery was greater. In Europe and North America traffic forecasts are in the region of 4%, although with greater profitability due to the adaptation of capacity to the traffic decline in 2009.

These expectations are in line with what has been experienced by BAA in the months of November and December 2009, when traffic began to stabilise.

For 2010, BAA's strategy will centre on the improvement, both of services offered and in the competitive position, and in strengthening its financial position through new bond issues and cash flow generation through growth in EBITDA.

In relation to the Motorway sector, in the last quarter of 2009 the infrastructures sector saw a general recovery in light vehicle traffic. In 2010 it is expected that trend will transfer to heavy vehicles as a result of the recovery in GDP and industrial production, allowing an improvement in margins because higher tolls are levied on this type of vehicle. In Spain, since spring 2009 a slowdown in decline has been observed (partly motivated through comparison with already low traffic levels in the previous year) which, if the economic situation follows its trend, may possibly lead to positive inter-annual growth rates in the third quarter of 2010.

In 2010, Cintra will concentrate on adapting its strategy to the current situation, intervening in Greenfield projects with less than a 50% holding and applying a policy of rotation of mature assets.

In the Services sector it is expected that the situation will improve in 2010, although still with low growth rates. In Swissport, the improvement in traffic is noted both in passengers and in goods as already commented, with the resulting positive impact on results. In the urban and waste markets growth at less than 5% in 2010 is expected worldwide, mainly due to the higher cost of selective collection and new services. In the cleaning business and facility management in Spain, margins are expected to tighten in 2010 caused by price reductions from the entry of new competitors on the market. In the United Kingdom, corporate movements are expected due to the improved economic situation and the sector's cash generation capacity.

For 2010 the Services division strategy will be based principally on balanced diversification of the business, taking advantage of its growth rate (its EBITDA in 2008 was four times higher than in 2003) and its cash generation capacity.

In the Construction sector, Euroconstruct foresees that in 2010 the trend for 2009 will continue, with a fall of -2.2% in the sector, so that positive growths are not expected until 2011 although we will have to wait to 2012 until the growth rate regains its situation prior to the crisis. However, it is expected that this decline will for the most part affect revenue rather than margins. By sectors, it is expected to affect building more than civil works, because of higher margins.

In Spain, forecasts indicate a decline in the industry of some 25% between 2009 and 2010 (in 2009 it fell by 21.5%) and a more negative evolution in civil works compared with the rest of European economies, due to the deficits in local councils and in the central government.

Poland, the market in which Budimex operates, is profiled as one of the European Union economies with the greatest forecast growth for 2010 (2,2%). In the construction sector it is expected that the effects of the crisis will be mitigated by a series of factors among which the investments related to the Eurocopa 2012 and the assignation of Structural and Cohesion Funds in the Financial Prospects for the EU for 2007-2013 stand out. However, the price wars in 2009 and the cost increases in 2010 increase expectations of a reduction in margins, even losses on some contracts, especially those related to civil works.

In Texas, the market in which Weber operates, it is expected that the economy in 2010 will show greater growth than in the rest of the country. In the construction sector an increase in the award of contracts by the Department of Transport is expected (+23.1%) due to the increase of funds from the government's stimulus plan.

Expectations in the Construction business are to continue working on growing in the International area building on work on motorways and airports, and especially BAA. It is expected that in the coming years foreign growth will compensate the negative national evolution, converting this activity into a competitive edge in highly complex infrastructure projects.

Finally, the evolution of the real estate market in Poland has shown, in the last quarter of 2009, signs of stabilisation and even a slight improvement in the number of transactions since there is a greater potential demand compared to the European average. However, the stabilisation of prices in 2008 and 2009 and the significant reduction in the number of homes initiated on the Polish market in 2009 lead to caution in the forecasts on the evolution of this market.

Information related to:

The environment, personnel, research and development, the treasury share portfolio, events after the year end. Principal risks and uncertainties and financial risk management.

- Within Ferrovial's commitments in the area of corporate responsibility, environmental policy holds a prominent place and centres on the use of environmental management systems and the establishment of indicators and follow-up on environmental performance objectives.
- In the annual Corporate Responsibility Report that the company publishes there is a detailed breakdown of the evolution of all these indicators in the year 2009.
- Human Resources policies are a key element in Ferrovial's commitments in the area of corporate responsibility. Human Resources activities are oriented to guarantee sustainable growth of the organisation and to develop the potential of its employees with the aim of increasing the competitive level of the company on the market. The annual report published by the company monitors in detail the Human Resources activities undertaken in 2009, along with the principal indicators linked to these.
- The information related to the treasury share portfolio and events after the closing are included in notes 16 and 38 respectively in the notes to the Financial Statements for the year, bearing in mind that they are prepared in parallel with this management report.
- The information related to risks and uncertainties are included in the Corporate Governance Report which is part of this present report.
- The Group's activities are exposed to various types of financial risks, highlighting mainly interest rate risks, exchange rate risks and market risks. The principal hedging policies are described in Note 3 of the notes to the Consolidated Financial Statements.

Audit and control committee report

On 3 December 2009, the merger deed between CINTRA CONCESIONES DE INFRAESTRUCTURAS DE TRANSPORTE S.A. (CINTRA) and GRUPO FERROVIAL S.A. (GRUPO FERROVIAL) was registered in the Madrid Mercantile Registry. This operation was undertaken through the absorption of GRUPO FERROVIAL (the absorbed company) by CINTRA (the absorbing company), with the extinction, through dissolution without liquidation, of the absorbed company and the transfer in block of all the equity of the former to the latter, which acquired, through universal succession, its rights and obligations. The absorbing company resulting from the merger ceased from denominating itself CINTRA and became "FERROVIAL, S.A." (FERROVIAL).

The new FERROVIAL fully assumed the policy of the extinct GRUPO FERROVIAL in terms of Corporate Governance, adopting the agreements needed to install its regimes and norms.

This present report summarises the activities of the Audit and Control Committee of FERROVIAL S.A. and those of the absorbed GRUPO FERROVIAL S.A., with which they have continuation.

COMPOSITION

In line with the content of the Board of Directors Regulations of FERROVIAL S.A., all the members of the Audit and Control Committee are external directors, and the presidency will correspond to an independent director.

On 31 December 2009, the composition of the Audit and Control Committee of FERROVIAL S.A. was as follows:

D. Santiago Fernández Valbuena, Presidente
D. Gabriele Burgio.
PORTMAN BAELA S.L., representada por D. Eduardo Trueba Cortés
D. Juan Arena de la Mora

The members are therefore the same as those that constituted the Audit and Control Committee of GRUPO FERROVIAL S.A. since the beginning of 2009¹.

¹The members of the Audit and Control Commission of Cintra Concesiones de Infraestructuras de Transporte S.A., before the registration of the merger deed were D. José Fernando Sánchez-Junco Mans, D. Fernando Abril-Martorell Hernández, D. José María Pérez Tremps and D. Nicolás Villén Jiménez.

FUNCTIONS

In accordance with the Board of Directors Regulations, the Audit and Control is attributed with the powers that are summarised below:

- In relation with the external auditors:

- Proposal on their appointment, including the contract conditions; and above all their dismissal or non-renewal.
- The communications channel between the Board of Directors and the auditors. Verification of compliance with their recommendations by upper management. Control of the independence of the auditors.
- Control of advisory and consultancy services by the external auditor.

- Internal audit:

- Proposal on the selection, appointment, re-election or substitution of the Director as well as its budget.
- Supervision and verification of the internal audit plan.

- Financial information:

- Knowledge of the financial information process and the internal control systems.
- Supervision prior to the approval by the Board of the annual and periodic public information.

- Risk control:

- Regular analysis and evaluation.

- Related to other matters:

- Supervision of compliance with the corporate governance norms.
- Set-up and supervision of the "denouncement letter box".
- Prior report on operations for the establishment and acquisition of companies located in tax havens and special purpose companies referred to in the Board Regulations.

The details of these powers are described in the company's annual report on Corporate Governance.

During 2009, the Committee held six (6) meetings.

The Committee annually approves a work plan addressing the subjects to be discussed in each of the meetings.

ACTIVITIES PERFORMED

Economic/ financial information

Among the functions of the Audit and Control Committee is that of helping the Board of Directors in its efforts to ensure the correctness and reliability of the financial information that the Company must regularly issue.

During the year, the Committee analysed this information prior to its knowledge by the Board of Directors and its being sent to the authorities or the markets, taking advantage in this analysis of the collaboration of the Economic/Financial Directorate General.

Relations with the external auditors

Review of the Financial Statements

As is a customary practice in the Company, the external auditors of the company appeared before the Committee for the presentation of the Financial Statements for 2008. It is also foreseen that this will happen for the preparation of the accounts for the year 2008. In their report they address the methodology and the scope of the review and other aspects related to the work performed.

The external auditors of other Group companies also informed the Committee in similar terms.

The reports of the external auditors were presented without the presence of the components of the Company's management team, a practice also implemented in the company for a number of years.

Other actions related to the external audit

- The external auditors presented to the Committee a report on the approach and focus of work for the review of the 2008 accounts, anticipating the calendar within which the audit work would be performed and the most important matters that they foresaw.
- As a novelty compared to the previous year, the external auditors also appeared to report on their work on the limited review of the half-yearly financial statements. In this same appearance, the auditors reported on the audit of the merger balance sheet prepared during the integration process between Grupo Ferrovial S.A. and Cintra Concesiones de Infraestructuras de Transporte S.A.
- The Audit and Control Committee will propose to the Board of Directors, that if it is thus agreed, at the same time they will submit for the approval of the Annual General Meeting, the appointment of the firm DELOITTE S.L. as external auditors of the holding company and its group for the years 2010, 2011 and 2012.

Control procedures

La Comisión conoció un informe sobre las principales recomendaciones formuladas por la auditoría externa en materia de control, surgidas de los trabajos de auditoría realizados durante el ejercicio, así como sobre el nivel de seguimiento de las recomendaciones formuladas con ocasión de la auditoría 2007.

Internal audit

The Director of Internal Audit presented to the Audit and Control Committee his report on activities for the year 2008, giving details of the audit work performed both with a local and international scope, along with the work plan for the year 2009. At mid-year the director of Internal audit presented a new report on the activities performed during the period January- June 2009, verifying the compliance with the plan approved by the Committee.

Risk analysis and control systems

In 2009 the Committee pursued its function of examining the principal risks of the company and its group along with the systems established for control of these.

The Risk Management Directorate of FERROVIAL appeared regularly before the Committee to report on these matters.

Actions in the area of Corporate Governance and the regime of compliance

The Committee took the following actions in this matter, in line with the attributes of the Board Regulations:

- Examination, before its presentation to the Board of Directors, of the Annual Report on Corporate Governance for the year 2008.
- Reported on transactions between the directors and upper management of the company and entities of the group, along with the generic operating lines, for later approval by the Board of Directors. In line with the content of the Board Regulations, in cases of requesters attending the meeting, the deliberation and approval of these operations occurred in their absence.

- Authorisation for contracting the supply of advisory and consulting services by external audit firms, in line with the internal norms of the company. The Audit and control Committee receives a half yearly report on the evolution of those already granted.

In 2010, the Committee will review, to report before its approval by the Board of Directors, the Annual Report on Corporate Governance for the year 2009.

Other work performed by the Audit and Control Committee

The committee will review the annual report on the operation and use of the system established by the company whereby any employee, in a confidential manner, and, if this is desired, may communicate anonymously inefficient situations, inadequate behaviour or possible non-compliance that may be important ("Denouncement letter box"). The report highlighted the action for improvement undertaken to speedup the times in resolving these and to encourage its use. This report will be updated after the first six months of 2009.

Finally, the Director of Internal Audit reported, under this heading, on the application on the corporate procedure for prevention of fraud.

Evaluation of the Audit and control Committee

In line with the Board of Directors Regulations approved on 17 December 2009, the Board will twice yearly evaluate the operation of the Committees based upon a report prepared by these.

As a result, the Audit and Control Committee examined its composition, functions and performance during the year 2009, presenting the corresponding report to the Board of Directors.

Report by the board of directors related to the additional information

to be included in the management report in accordance with article 116 bis of the securities market law

OBJECTIVE OF THE REPORT

Art 116 bis of the Securities Market Law, in line with the text introduced by Law 6/2007 of 12 April, requires that quoted companies present annually to the Annual General Shareholders Meeting a report addressing the additional information that should be included in the Management Report.

For this reason and at the time of preparing the Financial Statements for 2009, the Board of Directors issues this present report.

ADDITIONAL CONTENT OF THE MANAGEMENT REPORT IN LINE WITH ARTICLE 116 BIS OF THE SECURITIES MARKET LAW

a) The capital structure, including the securities that are not negotiated on a regulated community market, indicating, if necessary, the various classes of shares and, for each class of share, the rights and obligations conferred and the percentage of the capital that they represent.

The share capital of FERROVIAL, S.A. ("Ferrovial" or the "Company") amounts to 146,702,051 euros, divided into 733,510,255 shares, of twenty cents of a euro (0.20€) nominal value each, pertaining to a single class. All the shares are fully subscribed and paid up. Each share carries the right to one vote.

b) Any restriction on the transferability of the shares.

There are no statutory restrictions of any type in the Company to exercising the right to vote or on the acquisition or transmission of shares in the share capital, additional to those established of a general type by the company norms.

c) Significant direct or indirect shareholdings.

As at 31 December 2009 and according to the information available to the company, the owners of significant holdings in Ferrovial S.A., were those that are shown in the table below:

	Nº Shares	% Share capital
Portman Baela, S.L.	327,193,828	44.607%

According to a communication sent to the National Commission of the Securities Market and to the Company itself on 10 December 2009, the concerted family group formed by Mrs. María del Pino y Calvo-Sotelo, Mr. Rafael del Pino y Calvo-Sotelo, Mr. Joaquín del Pino y Calvo-Sotelo, Mr. Leopoldo del Pino y Calvo-Sotelo and Mr. Fernando del Pino y Calvo-Sotelo, controls, through the company Karlovy, S.L., the greater part of the share capital of Portman Baela, S.L. At the same time, the company Portman Baela S.L. owns 44.607% of the share capital of Ferrovial S.A. Consequently, the family group formed by the persons mentioned above, controls through the mentioned company, 44.607% of the share capital of Ferrovial, S.A.

Additionally, we were informed after the close of the year, on 14 January 2010, that Banco Santander, S.A. communicated that it was owner of de 28,370,766 shares, which represent 3.868% of the share capital.

d) Any restrictions on the right to vote.

There are no legal or statutory restrictions on the exercise of the right to vote except that established in article 44.1 of the Limited Companies Law and article 12.2 of the Company Statutes which establish that a shareholder who is in default in the payment of passive dividends cannot exercise his right to vote.

e) Shareholder agreements.

In line with the content of article 112.4 of the Securities Market Law, we inform that on 28 December 2009, Portman Baela, S.L. a shareholder holding 44.607% of Ferrovial, S.A. communicated to the Company the agreements made by the shareholders of that company. According to these agreements, both the ownership of the capital and the voting rights of the shareholders of Portman Baela S.L. which are legal entities should at all times be attributed Mr. Rafael del Pino y Moreno and/or his direct descendents. Moreover, the representatives of the mentioned legal entities assume in representation of these that the ownership of the capital and voting rights of each one of these should be attributed to Mr. Rafael del Pino y Moreno and/or his direct descendents.

Additionally, we inform that on 28 December 2009, Karlovy, S.L. (a company that exercise control, in the sense of article 4 of Law 24/1988, of 28 July, of the Securities Market, of Portman Baela, S.L. (which at the same time holds 44.607% of Ferrovial, S.A.)) communicated to Ferrovial, S.A. the agreements made by the shareholders of that company. According to these agreements, a pact is established on the limitation of the transfer of holdings in Karlovy, S.L., whereby the shareholders of Karlovy, S.L. assume

the obligation of offering their holdings in Karlovy, S.L. to Karlovy, S.L. itself and the rest of the shareholders, should a direct or indirect entry occur in the capital or voting rights by any person or legal entity shareholder of Karlovy, S.L. of any person, physical or legal, different from certain persons (as is established in the agreement) descendents or pertaining to the family of Mr. Rafael del Pino y Moreno.

Finally, we inform that on 24 April 2009, the shareholders of the company CP2 Limited, New Jersey Division of Investment, Universities Superannuation Scheme and Magellan Asset Management Limited (which together had 4.2% of the share capital of the company at that time) communicated to the Company the agreement reached between them whereby they committed to; (i) vote against the re-election of the President of the Company in the shareholders meeting called for 28 April 2009; and (ii) to vote against the proposal of the merger submitted to General Shareholders Meeting of the Company if the exchange formula in the merger did not meet certain minimum requirements. Likewise, on 24 June 2009 the Company was notified that two shareholders of the company, Railways Pension Trustee Company Limited and Gartmore Investment Limited, had adhered to the shareholders' agreement mentioned above. It should be mentioned that this shareholders' agreement automatically terminated finally, according to the communication received, on 31 October 2009.

f) Standards applicable to the appointment and replacements of the members of the administrative body and the alteration of the company bylaws.

f.1) Appointment and substitution of the members of the administrative body

The appointment and substitution of the members of the Board of Directors is governed by the Company Statutes and by the Board of Directors Regulations, in line with the Limited Companies Law.

1. Quantitative Composition

In line with the Company Statutes, the Board of Directors will consist of a minimum of five (5) and a maximum of fifteen (15) members elected by the General Assembly, or by the Board of Directors itself, in the terms legally established.

2. Qualitative Composition

The Company Statutes and the Regulations determine that the Board of Directors will ensure that in the composition external and non-executive directors will constitute an ample majority. Likewise, the Board will ensure that, within the majority group of external directors, supplementary

and independent directors are included, with a significant proportion of the latter. In any case, as is required by the Company Statutes and the Board of Directors Regulations, the independent directors will constitute at least one third of the total number of directors.

3. Appointment of Directors

The Board of Directors Regulations establishes a procedure for the pre-appointment or selection for the designation or re-election of Directors. This process, when it has been applied for the selection of new directors, has been performed with the intervention of external firms.

Among the competencies of the Appointments and Remuneration Committee is that of preparing and reviewing the criteria that should be applied for the composition of the Board of Directors and the selection of candidates, as well as to assure that the selection processes for candidates do not suffer from implicit biases that block the selection of Directors because of personal circumstances. The Appointments (or the re-elections) of directors should be preceded by:

- The proposal of the Appointments and Remuneration Committee, in the case of independent directors.
- The prior report, in the case of the balance of directors.

It will be assured that the election selects persons of recognised solvency, competence and experience, with particular rigour in relation to those persons called to cover positions as independent directors who should comply with the content of the regulations in this respect.

In reference to supplementary directors the Board Regulations establish that these cannot have personally, directly or indirectly, commercial, economic, labour or stable professional relationships and of a significant character with Ferrovial, except those of a professional characteristic inherent to the positions of President or Managing Director of the Company.

The directors affected by appointment, re-election or cessation proposals will refrain from intervening in the deliberations and voting that refer to them. Moreover, the voting will be secret.

4. Duration of the position

The directors will exercise their position during three years and may be re-elected once or more times for periods of equal duration.

The Independent Directors should place their position at the disposal of the Board, and formalise, if deemed convenient, the corresponding resignation, when they reach twelve (12) years as members of the Board, without prejudice to their possible continuation as Directors of another type.

5. Dismissal of Directors

Regulations have been prepared for the dismissal of directors. In addition to the dismissal due to the exceeding the time for which they were elected or by the decision of the General assembly, and apart from the mentioned limitation for Independent Directors, article 30.3 of the Board of Directors Regulations indicates that the directors should place their position at the disposal of the Board of Directors and formalise, if deemed convenient, their resignation in the following cases:

- When dealing with executive directors, whenever the Board deems it opportune.
- When dealing with Supplementary directors, when the holding in the Company in consideration of which they were nominated is transmitted fully. They will also resign, in the corresponding number, when the holding diminished to a level that required a reduction in the number of supplementary directors.
- When they are involved in any of the incompatible or prohibiting situations legally or internally established.
- When the Board itself request this because of having infringed in the obligations as director.
- When their remaining on the Board could place the interests of Ferrovial at risk.
- When they reach the age of 70 years. The President, the Vice-President when they act as Executives, the Managing Director and the Board Secretary will resign at 65 years of age, but may continue as directors and fill the posts of President and Vice-President when these are not executive.

- When significant changes occur in their professional situation or in the conditions by virtue of which they were named director.
- When due to events attributable to the Board their presence on the Board causes grave damage to the patrimony or social reputation in the opinion of the Board. Especially, if a legal process arises or a verbal judgement of the Director is opened for any of the reasons addressed in article 124 of the Limited Companies Law, the Board will analyse as soon as possible the circumstances of the case and the convenience or not of continuity in the position, recording the criteria adopted in the Annual Report on Corporate Governance.

Regarding the Independent Directors, the Board Regulations establish that the Board will not propose their dismissal before finishing their mandate, unless there is a just cause detected by the Board, after a report by the Appointments and Remuneration Committee. It will be understood that a just cause exists, in particular, if the independent director does not comply with his obligations, enters into an incompatible situation or some of the causes mentioned earlier occur.

Likewise, the dismissal of the Independent Directors may be proposed if as a result of public acquisition offers, mergers or other operations of this type a change in the capital structure of the Company occurs which leads to a revision of the proportions that are established in the good governance recommendations.

f.2) Modification of the Company Statutes

The modification of the Company Statutes must comply with the content of articles 144 and 103 of the Limited Companies Law.

g) The powers of the members of the Board of Directors and, in particular, those related to the possibility of issuing and re-purchase of shares.

The power to represent the Company correspond to the Board of Directors in a collegial manner and by the decision of the majority. They possess faculties in the most ample sense to contract in general, undertake all types of acts and businesses, obligations or dispositions, for ordinary or extraordinary administration and with rigorous domain, in relation to all class of goods, fittings, money, securities, and commercial paper, without more exceptions than those aspects that are the competence of the General Assembly or are not included in the company objectives.

Without prejudice to the aforementioned, Mr. Rafael del Pino y Calvo-Sotelo, President of the Company, and Mr. Íñigo Meirás Amusco, Managing Director, have been attributed permanently and to exercise individually or together, all of the powers of the Board of Directors, except those that legally and statutorily cannot be delegated.

The General Shareholders Assembly held on 22 October 2009 delegated to the Board of Directors the power to issue fixed rate securities, both of a simple nature and/or interchangeable, as well as warrants on the shares from new issues or shares of the Company in circulation. The duration of this delegation is for (5) years.

Likewise, that same General Shareholders Assembly delegated to the Board of Directors, in line with the content of article 153.1.b) of the Limited Companies Law, the power to increase capital, in one or various steps and at any time, within a time limit of five years from the date of approval by the General Assembly, up to an amount of seventy three million (73,000,000) euros.

Finally, in that same General Shareholders Assembly the Board of Directors was authorised to undertake the acquisition derived from the company's own shares, directly or through companies dominated by it, subject to the limits and requirements foreseen in the agreement of the General Assembly. The duration of the authorisation is five (5) years from the date of the agreement.

h) The significant agreements that were reached by the company and that become effective, are modified or terminate in the case of a change in the control of the

company as a result of a public acquisition offer, and its effects, except when the revelation of would seriously damage the company. This exception will not apply when the company is legally obliged to publish this information.

As significant agreements, there is a corporate financing contract with certain credit entities, which foresees among the possible causes of advanced maturity a change in the control of Ferrovial, S.A. This contract amounts to 2,714.5 million euros, of which as at 31 December 2009, 2,173.5 million euros have been utilised.

It should be noted that there are, in addition, some irrelevant contracts in the Company and its group, mainly of a financial nature, that foresee authorisations or conditions to perform any operations such as mergers or split offs or that may cause a change in control.

i) The agreements between the company and its administrators and management or employees that may qualify for an indemnity when they are dismissed in an incorrect manner of if the labour relationship reaches an end because of a public acquisition offer.

As at 31 December 2009, contracts between the Company and the members of Upper Management, including two executive directors foresee expressly the right to receive the indemnity established in article 56 of the Workers Statute in the case of wrongful dismissal.

It should be noted that in the group of companies of occasionally contracts are entered into at various management levels, mainly in foreign countries, in which clauses are employed that contemplate indemnities when these resign or are wrongly dismissed.

Likewise, with the aim of encouraging loyalty and permanence, a remuneration item of a deferred nature was recognised for eleven members of the upper Management, including two executive directors. This concept consists in an extraordinary remuneration that will only become effective when some of the following circumstances occur:

- Dissociation from upper Management by mutual agreement or upon reaching a certain age.
- Unfair dismissal or abandonment of the company at its initiative without cause for dismissal, before the member of

upper Management reaches the age initially agreed, if the amount were superior to that arrived at by applying the Workers Statute.

- The death of invalidity of the member of upper Management.

To provide coverage for this incentive, the company annually places amounts in a collective savings insurance, of which the company itself is the beneficiary, quantified according to a certain percentage of the total monetary remuneration of each member of upper Management.

Report on corporate governance

As established under mercantile legislation, attached as an appendix to the present Management Report and being a part of this, is the Annual Report on Corporate Governance.

Information on stock the exchange,

treasury share portfolio and the principal shareholders

The year 2009 was marked for our company by the merger between Grupo Ferrovial S.A. and Cintra S.A., the last day of quotation for both companies being 3 December. The company resulting from the merger, Ferrovial S.A., began to quote on 7 December.

Ferrovial closed the year 2009 at 8.23 euros per share, with a revaluation of +68.0% (pro forma evolution*). Until mid-March Ferrovial evolved in equal terms as the market accumulating significant cuts (-18%). From that time onwards the trend changed, which led to obtaining a revaluation of 115% from the minimums of March, with the annual revaluation of Ferrovial surpassing all the indices of reference (IBEX +29.8%, Construction Sector +18%).

In the months of June and July two very important milestones in the year occurred, the corporate refinancing agreement and the approval of the merger agreement with Cintra, through an exchange formula of 4x1. the solution of these uncertainties led to important revaluations of the quotation. At the beginning of the fourth quarter the share grew in an especially positive manner after knowing in general terms the new regulatory framework for BAA and the confirmation of the classification of its debt. The quotation closed the year with increases after the partial sale agreement of Chilean motorways was known and after the issue of bonds by BAA in the closing weeks of December.

The IBEX closed 2009 with a revaluation of +29.8%, reaching 11,940.0 points, in the best year since 2006. The Spanish selective evolved better than the majority of the world's principal indices.

The stock market evolution in 2009 was split into two periods, up to March the Ibex-35 lost -27%, and from minimums until the close of the year the Index re-valued by +79%, to close the year with a revaluation of around +30%. In the first half of the year the fears of a worsening of the crisis gained way, with negative employments figures and the downward revision of economic growth and company results. March was an changing point, and the approval of stimulus measures, aid to the financial sector and the lowering of interest rates drove variable rate securities.

The Spanish stock Exchange was driven by the financial sector, +47.3%, especially by the securities with a high weighting in the index, such as SCH and BBVA. The sector that showed the worst growth was energy with fall -2.7%. The securities with the greatest capitalisation showed a far better behaviour than those with mid-sized or small capitalisation (Ibex-35 +29.8%, Ibex-Medium Caps +13.8% and Ibex-Small Caps +17.5%), probable because of higher internationalisation and exposure to the emerging markets.

On the macro economic level, in 2009 the budget imbalance generated by the States stands out, because of the economic deterioration and the extraordinary expenses that the stimulus measures caused, increased the sovereign debt issued in a very significant manner.

*Note: the revaluation referred to a series of quotations on the Grupo Ferrovial, adjusting the historic data in line with the merger exchange of de 4x1:

Close of Ferrovial S.A. 30/12/09 8.23€
Close of Grupo Ferrovial S.A. 30/12/2008 19.58/4 = 4.9€

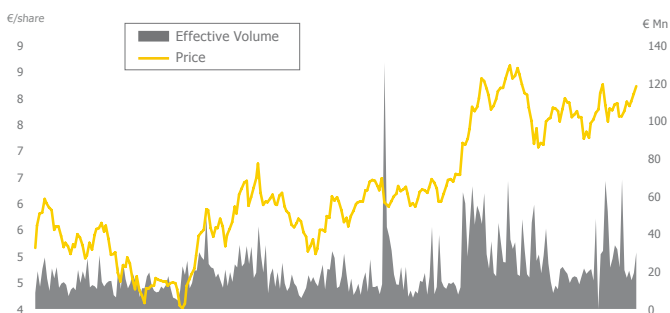
Evolution of Ferrovial, Ibex-35 and Sectorial Index - Histórico

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	1999-2009
FER	-37%	-6%	45%	23%	15%	42%	49%	26%	-35%	-59%	68%	43%
IBEX	18%	-22%	-8%	-28%	28%	17%	18%	32%	7%	-39%	30%	19%
Sector	-26%	-7%	26%	4%	25%	27%	54%	61%	-10%	-48%	18%	96%

* Ferrovial 1999 desde salida a bolsa 5/5/1999

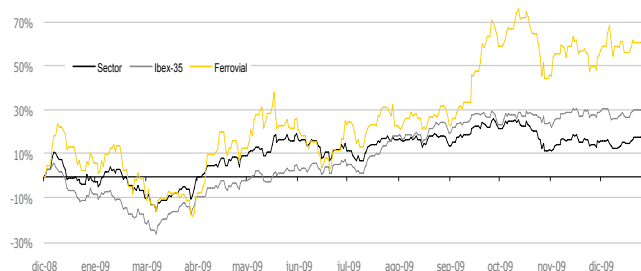
The historic data 99-08 correspond to a historic series of Grupo Ferrovial. The evolution for 2009 and 99-09 proforma of Grupo Ferrovial adjusted to the merger share exchange 4x1.

Evolution of share price and effective



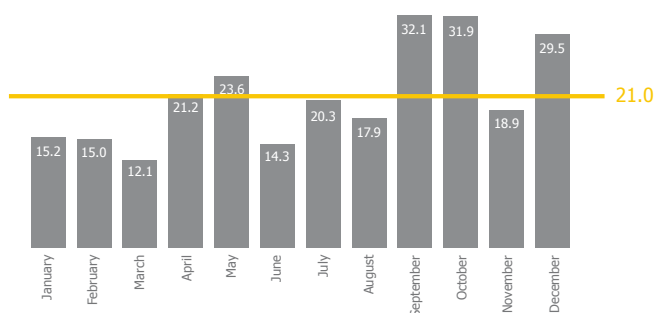
The evolution for 2009 of Grupo Ferrovial adjusted to the merger share exchange 4x1.

Evolución Ferrovial, Ibex-35 e Índice Sectorial en 2009



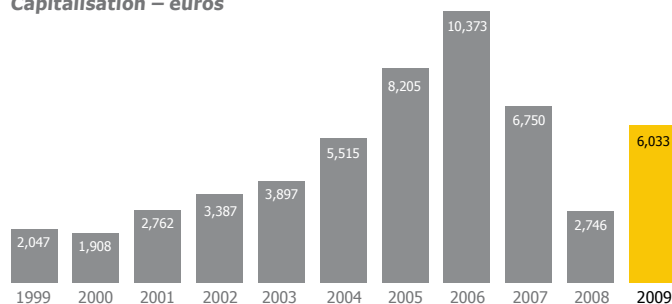
The evolution for 2009 of Grupo Ferrovial adjusted to the merger share exchange 4x1.

Cash –daily average- euros



Data on the effective volume corresponding to series of Grupo Ferrovial.

Capitalisation – euros



Stock Exchange data (in euros)

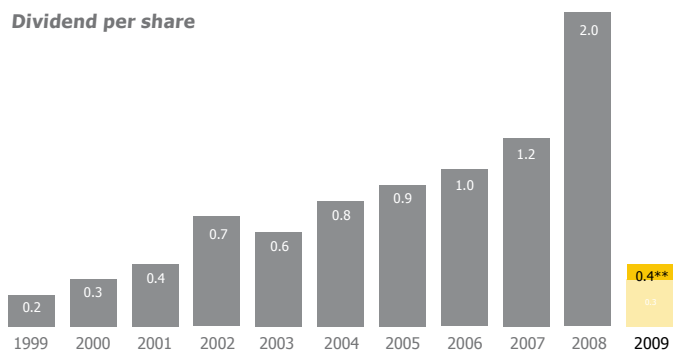
Histórico Ferrovial	2009	2008	2007	2006	2005	2004 NIFF	2004	2003	2002	2001	2000
Close	8.23	19.58	48.12	73.95	58.50	39.32	39.32	27.78	24.15	19.69	13.6
Maximum	8.78	57.45	82.95	78.35	71.45	39.8	39.8	28.29	28.95	22	18.35
Minimum	3.82	17.65	47.90	51.20	39.07	27.6	27.6	21.91	19.7	13.53	11.75
Weighted average		37.41	68.35	64.00	52.15	34.02	34.02	24.62	24.7	18.58	14.23
Shares traded in year (million euros)	5,331.8	11,245.8	16,695.9	12,177.1	7,038.6	4,307.48	4,307.48	3,007.60	2,539.49	1,587.50	1,144.80
Nº of shares traded (year)	841,837,841	290,632,495	248,787,946	190,274,573	134,968,415	126,599,317	126,599,317	122,158,971	102,641,026	85,425,146	80,475,919
Average daily volume (million euros)	21.0	44.3	66.0	47.9	27.5	17.2	17.2	12	10.2	6.3	4.6
Rotation of capital	147%	207%	177%	136%	96%	90%	90%	87%	73%	61%	57%
Capitalisation (million euros)	6,033	2,746	6,750	10,373	8,205	5,515	5,515	3,897	3,387	2,762	1,908
Nº shares in shares capital	733,510,255	140,264,743	140,264,743	140,264,743	140,264,743	140,264,743	140,264,743	140,264,743	140,264,743	140,264,743	140,264,743
Nominal value of the share	0.20 euros	1 euro	1 euro	1 euro	1 euro	1 euro	1 euro	1 euro	1 euro	1 euro	1 euro
Gross dividend per share*	0.40**	2.00	1.15	1.00	0.90	0.82	0.82	0.60	0.67	0.41	0.28
Stock exchange ratios											
Net profit per share (NPS)*	-0.16	-6.04	5.23	10.16	2.96	3.78	3.97	2.43	3.25	1.56	1.14
Book value per share	0.62	26.32	48.82	47.50	21.57	17.95	16.06	12.5	10.66	8.54	7.48
Price / book value	13.25	0.74	0.99	1.56	2.71	2.19	2.45	2.22	2.27	2.31	1.82
PER (quotation / NPS)*			9.20	7.28	19.73	10.40	9.90	11.44	7.43	12.62	11.93
Total profitability for shareholder (%)	70.17%	-55.15%	-33.37%	28.12%	51.07%	44.50%	44.50%	17.50%	26.10%	47.80%	-3.60%

* These figures have been significantly affected in 2002, 2003, 2004, 2006, 2007 and 2008 by extraordinary results.

** As this Annual Report went to press, the complementary dividend of €0.30 was still pending approval at the General Shareholders' Meeting.

As can be seen in the following table the amount of the dividends paid by the Group increased considerable from the time the Grupo Ferrovial was quoted on the stock Exchange in 1999.

Dividend per share



On 31 December 2009 the company resulting from the merger between Grupo Ferrovial and Cintra, Ferrovial S.A., paid a dividend on account of 0.10€/acción.

** As this Annual Report went to press, the complementary dividend of €0.30 was still pending approval at the General Shareholders' Meeting.

TREASURY SHARE PORTFOLIO

The situation of this portfolio as at 31 December was as follows:

	2009	2008	2007
Nº of shares	0	1,527,374	300,000
% of capital	0.00%	1.09%	0.21%
Book cost		72,735 thousand □	22,243 thousand □
Cost per share		47.62	74.14

The historic treasury share portfolio data correspond to Grupo Ferrovial.

SHAREHOLDERS (*)

(*) Source: CNMV – Thousands of shares

Shareholder	Country	Nº shares	% Capital
Portman Baela SL	Spain	327,194	44.607%
Rafael del Pino y Calvo-Sotelo	Spain	9,179	1.251%
Santiago Bergareche Busquets	Spain	2,447	0.334%
José Fernando Sánchez-Junco Mans	Spain	160	0.022%
Santiago Eguidazu Mayor	Spain	123	0.017%
Joaquín Ayuso García	Spain	88	0.012%
Juan Arena de la Mora	Spain	79	0.011%
Jaime Carvajal Urquijo	Spain	63	0.009%
Gabriele Burgio	Spain	35	0.005%
María del Pino y Calvo-Sotelo	Spain	11	0.002%
Santiago Fernandez Valbuena	Spain	7	0.001%
Íñigo Meirás Amusco	Spain	6	0.001%

INDICES IN WHICH FERROVIAL IS INCLUDED (SOURCE: BLOOMBERG):

IBEX-35
 IGBM
 SPAIN MA BSC MAT
 BLOOMBERG EUROPEAN 500
 BE500 CONST & ENGIN
 DJ EURO STOXX €
 DJES Cns&Mat €
 DJ STOXX 600 €
 DJS Cns&Mat €
 BBG EUROPE 500 SECTORS
 BBG EUROPE INDUSTRIALS
 S&P EURO PLUS
 S&P EURO
 S&P EURO INDUSTRIALS
 FTSEUROFIRST 300 SCTR
 BBG WORLD
 BBG WORLD COMMER SER
 BBG EMEA WORLD
 BBG EMEA COMM SERVS
 S&P EUR 350 CAP GOODS
 S&P EUROPE 350
 S&P EU 350 INDUST
 BBG WORLD LEVEL1
 BBG WRLD CON NON CYC
 BBG EMEA WORLD LVL 1
 BBG EMEA CONS NON CYC
 DJES Small €
 DJS Small 200 €
 S&P GLOBAL 1200
 GLOBAL 1200 INDUSTRIAL
 FTSEUROFIRST 300 SECTOR
 WT INTL MIDCAP DVD IOPV
 WT EUROPE DIVIDEND IOPV
 WT DEFA FUND IOPV
 WT Intl Industrial IIV
 S&P Developed Ex-US BMI
 S&P Dev ex US SC
 DJ SPAIN TITANS 30 €
 DJS Opt Cns&Mt
 Bloomberg ESG Coverage
 Bloomberg ESG Processed

Corporate Social Responsibility Indices

DJSI – Dow Jones Sustainability World Index
 DJSI – Dow Jones Sustainability Stoxx Index
 FTSE4Good Europe Index
 FTSE4Good Global Index
 FTSE 4 Good IBEX - España - Sostenibilidad
 Ethibel
 ASPI Eurozone

Consolidated Financial Statements



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Consolidated statement of financial position

Assets	Note	2009	2008	1/1/08
Non-current assets		36,076	32,795	40,184
Goodwill	5	6,952	5,400	7,242
Intangible assets (1)	6	45	63	160
Investments in infrastructure projects	7	24,309	22,305	29,408
Investment property		77	92	0
Property, plant and equipment (1)	8	671	657	749
Investments in companies carried by the equity method	9	317	336	390
Non-current financial assets	10	1,218	867	793
Accounts receivable from infrastructure projects and other		125	155	40
Available-for-sale financial assets		33	4	67
Restricted cash and other non-current investments		554	290	275
Other receivables		506	418	411
Pension surplus	18	22	76	227
Deferred tax assets	23	1,604	1,859	966
Derivative financial instruments at fair value	11	861	1,139	248
Assets classified as held for sale	12	1,802	4,278	816
Current assets		6,232	6,753	6,564
Inventories	13	490	500	490
Trade and other receivables	14	3,262	3,751	4,086
Trade receivables for sales and services		2,982	3,390	3,615
Other receivables		547	578	505
Current deferred tax assets		22	25	138
Provisions		-290	-242	-173
Cash and cash equivalents	20	2,480	2,502	1,988
Infrastructure project companies		1,050	892	671
Restricted cash		351	204	204
Other cash and cash equivalents		699	689	467
Other companies		1,430	1,610	1,317
Total assets		44,110	43,826	47,565

Million euro

<i>Liabilities and Equity</i>	Note	2009	2008	1/1/08
Equity	16	4,557	3,962	6,896
Capital and reserves attributable to the company's equity holders		2,987	1,756	3,960
Minority interests		1,570	2,206	2,936
Deferred income	17	457	253	266
Non-current liabilities		29,661	29,068	32,867
Pension provisions	18	503	131	72
Other non-current provisions	19	746	708	412
Borrowings	20	23,368	22,413	28,458
Bonds and borrowings of infrastructure projects		21,115	19,741	25,529
Bank borrowings of other companies		2,253	2,672	2,929
Other liabilities	21	136	118	141
Deferred tax assets	23	3,364	3,379	3,119
Derivative financial instruments at fair value	11	1,544	2,319	664
Liabilities classified as held for sale	12	1,647	3,163	83
Current liabilities		7,789	7,380	7,453
Borrowings	20	1,938	1,552	1,139
Bonds and borrowings of infrastructure projects		1,541	845	843
Bank borrowings of other companies		397	707	295
Trade and other payables	22	5,332	5,376	5,804
Trade accounts payable		4,229	4,417	4,585
Current deferred tax liabilities		216	167	304
Other nontrade payables		888	792	916
Trade provisions	19	519	452	510
Total Liabilities and Equity		44,110	43,826	47,565

Million euro

Intangible assets, property, plant and equipment and investment property used in infrastructure projects are included in the item "Investments in infrastructure projects".

Notes 1 through 39 form part of the Consolidated Financial Statements at 31 December 2009.

Consolidated income statements

	2009			2008			
	Note	Before fair value adjustments	Fair value adjustments (*)	Total 2009	Before fair value adjustments	Fair value adjustments (*)	Total 2008
Sales		12,095	0	12,095	13,146	0	13,146
Other operating revenue		30	0	30	20	0	20
Total operating revenue	26	12,126	0	12,126	13,165	0	13,165
Materials consumed		1,405	0	1,405	1,702	0	1,702
Other external expenses		1,645	0	1,645	1,987	0	1,987
Staff expenses	27	3,410	0	3,410	3,680	0	3,680
Change in trade provisions		185	1	187	112	0	112
Other operating expenses		2,938	2	2,939	3,128	11	3,139
Total operating expenses		9,583	3	9,586	10,609	11	10,620
Gross operating income		2,543	-3	2,540	2,556	-11	2,545
Fixed-asset depreciation charge		1,009	0	1,009	1,132	0	1,132
Operating profit before impairment and fixed asset disposals		1,534	-3	1,531	1,425	-11	1,413
Impairment and disposals of fixed assets	28	-620	-90	-710	437	-17	419
Operating results		914	-93	820	1,861	-29	1,833
Financial income from infrastructure projects		27	0	27	44	0	44
Financial expenses of infrastructure projects		-1,415	0	-1,415	-1,629	-26	-1,655
Results from derivative financial instruments and other fair value adjustments		0	-148	-148	0	-185	-185
Financial results of infrastructure projects		-1,388	-148	-1,536	-1,585	-210	-1,795
Financial income of other companies		122	0	122	226	0	226
Financial expenses of other companies		-226	0	-226	-343	0	-343
Results from derivative financial instruments and other fair value adjustments		0	98	98	0	-223	-223
Financial results of other companies		-103	98	-5	-117	-223	-340
Financial results	29	-1,491	-50	-1,541	-1,702	-433	-2,135
Share in profits of subsidiaries carried by equity method		70	16	86	59	-106	-47
Consolidated profit before income tax		-507	-127	-635	218	-567	-349
Corporate income tax	23	94	41	135	-1,395	133	-1,263
Consolidated results from continuing operations		-413	-86	-499	-1,177	-435	-1,612
Net results from discontinued operations	30	0	0	0	0	0	0
Consolidated profit/(loss) for the year		-413	-86	-499	-1,177	-435	-1,612
Results for the year attributed to minority interests		346	61	407	682	118	800
Results for the year attributed to the parent company		-67	-25	-92	-495	-317	-812
Net earnings per share attributed to the parent company	31						
Basic				-0,16		-1,46	-1,46
Diluted				-0,16		-1,46	-1,46

Million euro

(*) Relates to results arising from changes in the fair value of derivatives, other financial assets and liabilities, and investment property impairment (see Note 25).

Consolidated statement of comprehensive income

	Note	2009	2008
Recognised income and expense before taxes			
Hedging instruments	11	690	-1,233
Other companies		698	-1,302
Held for sale		-67	81
Companies carried by equity method		59	-12
Defined benefit plans	18	-544	-218
Other companies		-501	-238
Companies carried by equity method		-43	19
Translation Difference		207	-1,072
Other companies		213	-686
Held for sale		-28	-357
Companies carried by equity method		22	-29
Taxes		-348	853
Net income/expense recognised directly in equity		6	-1,670
Attributed to the parent company		138	-977
Attributed to minority interests		-132	-693
Consolidated profit/(loss) for the year		-499	-1,612
Attributed to the parent company		-92	-812
Attributed to minority interests		-407	-800
Total income and expense recognised for the year		-493	-3,282
Attributed to the parent company		46	-1,789
Attributed to minority interests		-539	-1,493

Million euro

Consolidated statement of changes in equity

2009

	Share capital	Share premium	Treasury shares	Other reserves	Accumulated profit/ (loss)	Attributed to equity holders	Attributed to minority interests	Total equity
Balance at 01.01.2009	140	193	-72	-1,342	2,658	1,578	2,113	3,691
Changes in accounting policies				152	26	178	93	271
Restated balance at 01.01.2009	140	193	-72	-1,190	2,684	1,756	2,206	3,962
Consolidated profit/(loss) for the year					-92	-92	-407	-499
Income/expense recognised directly in equity				138		138	-132	6
Transactions with owners	7	2,829	72		-1,746	1,162	-96	1,065
Dividends paid					-281	-281	-103	-384
Capital increases/reductions							166	166
Merger impact	7	2,829	72		-1,464	1,443	-160	1,283
Other movements	0			23		23	-1	23
Balance at 31.12.09	147	3,022		-1,028	846	2,987	1,570	4,557

Million euro

2008

	Share capital	Share premium	Treasury shares	Other reserves	Accumulated profit/ (loss)	Attributed to equity holders	Attributed to minority interests	Total equity
Balance at 01.01.08	140	193	-21	-112	3,712	3,912	2,936	6,848
Changes in accounting policies				48		48	0	48
Restated balance at 01.01.08	140	193	-21	-64	3,712	3,960	2,936	6,896
Consolidated profit/(loss) for the year					-812	-812	-800	-1,612
Income/expense recognised directly in equity				-977		-977	-693	-1,670
Transactions with owners			-50	-42	-178	-271	198	-72
Dividends paid					-178	-178	-70	-248
Capital increases/reductions							294	294
Change in treasury shares			-50	-42		-92	-27	-119
Changes in consolidation							600	600
Change in accounting policy				-107	0	-108	-48	-156
Other movements	0			0	-37	-37	13	-25
Balance at 31.12.08	140	193	-72	-1,190	2,684	1,756	2,206	3,962

Million euro

Notes 1 through 39 form part of the Consolidated Financial Statements at 31 December 2009.

Consolidated cash-flow statement

	Note	2009	2008
Income for the year attributed to the parent company		-92	-812
Adjustments to results		2,816	3,493
Minority interests		-407	-800
Depreciation, amortisation and provisions		1,196	1,244
Results of equity-consolidated companies		-86	47
Results from financing		1,538	2,158
Tax		-135	1,263
Impairment and disposals of fixed assets		710	-419
Income tax payment		-49	-26
Change in receivables, payables and other		-152	-199
Dividends from infrastructure project companies		10	28
Cash flows from discontinued operations			
Cash flows from operating activities	32	2,534	2,484
Investment in property, plant and equipment and intangible assets		-205	-450
Infrastructure investment projects		-1,549	-1,996
Non-current financial assets		-366	-99
Divestment infrastructure projects		1,582	821
Divestment financial assets		524	215
Interest received		161	144
Net cash flows from investing activities of discontinued operations			
Cash flows from investing activities	32	147	-1,364
Cash flows before financing activities		2,681	1,119
Proceeds from capital and minority interest		178	267
Payment of dividends to parent company		-284	-179
Payment of minority interest dividends to associates		-105	-57
Other movements in shareholders' equity			
Cash flows from shareholders and minority interest		-211	31
Interest paid		-1,518	-2,547
Increase in bank borrowings		5,434	11,708
Decrease in bank borrowings		-6,463	-9,674
Cash flows from financing activities of discontinued operations			
Cash flows from financing activities	32	-2,757	-482
Change in cash and cash equivalents	20	-76	637
Opening cash and cash equivalents (*)		2,620	1,988
Closing cash and cash equivalents (*)		2,620	2,620
Impact of exchange rates on cash and cash equivalents		-76	5

Million euro

(*) "Cash and equivalents" includes short-term restricted cash and Cash and cash equivalents relating to held-for-sale assets (118 million euro in 2008 and 140 million euro in 2009).

Notes 1 through 39 form part of the Consolidated Financial Statements at 31 December 2009.

Notes to the consolidated financial statements for 2009

1. Company's activities and consolidation scope

1.1 ACTIVITIES

The consolidated Ferrovial Group (hereinafter Ferrovial) comprises the parent company Ferrovial, S.A. and its subsidiaries, which are detailed in Exhibit I. Its registered office is at calle Príncipe de Vergara 135, Madrid.

Through these companies, Ferrovial engages in the following lines of business, which are its primary reporting segments under IAS 14.

- **Construction** and execution of all types of public and private works in Spain and abroad, operating basically through Ferrovial Agroman, S.A., the company that heads this business division. The international business carried out in Poland through Budimex, S.A. and subsidiaries, the leading construction group in that market, which is listed on the Warsaw stock market and in which the Ferrovial Group holds a 59.06% interest, is notable, as is the business carried out in the United States (Texas) through the Webber Group, which is wholly owned by Ferrovial.
- **Toll roads.** This activity consists of developing, financing, executing and operating toll road projects through Cintra Infraestructuras, S.A., in which Ferrovial; S.A. holds a 100% direct interest.
- **Airports.** This activity consists of developing, financing and operating airports, basically through BAA plc, a British company that operates, through its investees, six airports in the United Kingdom and other airport assets; Ferrovial, S.A. indirectly holds 55.87% of BAA plc.

- **Services.** This division is headed by Ferrovial Servicios, S.A. and is divided into the following activities: a) Repair and maintenance of infrastructures, buildings and facilities (through Amey, Plc and Tube Lines, Ltd in the UK, and Ferroser Infraestructuras, S.A. and Ferrovial Servicios, S.A. in Spain); b) Municipal services and waste treatment (basically through Cespa, S.A.); and c) Airport handling (through the Swissport Group).

In addition to the description of Ferrovial's activities, it is important to note, for the purpose of understanding these financial statements, which a significant part of the business carried out by the Toll roads, Airports and Services Divisions consists of infrastructure project development.

These projects are conducted under long-term contracts where the concession holder, in which the Group generally participates together with other partners, finances the construction or rehabilitation of public infrastructures, or acquires the right to operate a pre-existing infrastructure, and subsequently operates and maintains the infrastructure, recovering the investment by collecting a toll or price regulated by a public entity (Toll roads and Infrastructure Divisions), or maintains the infrastructure and renders related services, in accordance with the requirements of the granting authority, and recovers the investment through fixed and variable payments based on the services rendered, the quality of these services and the availability of the asset for use (Services Division).

In some cases, these contracts are subject to concession contracts and therefore have a limited term (basically in the toll road business); the assets revert to the administration when the contract expires.

Unlike the toll road business, the majority of airport business licenses have an indefinite term.

Airport contracts may be divided into regulated airports and unregulated airports.

As regards regulated airports, although the indefinite nature of the projects distinguishes them from ordinary concession arrangement, the contracts are similar to concession contracts:

- Prices are fixed by a regulator based on the yield from the assets directly used in airport operations. The value of the assets used to calculate the yield and determine the prices is referred to as the RAB (Regulated Assets Base) in the case of the UK's regulated airports.
- The regulator stipulates the main operating criteria in connection with the assets.
- The regulator also establishes the investment that must be made.
- Even for residual value purposes, the fact that certain assets used in the business may be sold to third parties affects the calculation of the yield to be recognised by the regulator on the remaining assets.

In the case of unregulated airports, the prices are not fixed by a regulator.

One final point to be considered in relation to infrastructure projects is the fact that they are largely financed by means of specific debt, which is generally secured only by the project's own flows.

Accordingly, and in order to clarify the Group's financial evolution, these financial statements present separately the impact of this type of projects on both non-financial assets (the caption "Investments in infrastructure projects" includes property, plant and equipment, intangible assets and investment properties allocated to these projects) and on non-current financial assets, debt and cash flows.

1.2 MERGER

The Boards of Directors of Grupo Ferrovial, S.A. and its subsidiary Cintra, Concesiones de Infraestructuras de Transporte, S.A. (in which Grupo Ferrovial, S.A. had a 66.88% interest) agreed, in both cases, unanimously, on 29 and 28 July 2009, respectively, the Shared Project for the Merger of both companies in order to form an integrated infrastructure management company.

The integration of the businesses of Cintra and Ferrovial was completed through a merger, in the terms provided in Articles 22 et seq of the Structural Amendment Law. The planned merger was arranged specifically through the absorption of Ferrovial (the target) by Cintra (the acquiring company), with the extinguishment via dissolution without liquidation of the target and the transfer en bloc of all the assets and liabilities of the former to the latter which acquired all rights and obligations under universal succession.

As a result of the merger, Ferrovial's shareholders received Cintra shares in exchange. The merger exchange ratio, which was determined on the basis of the real value of the assets and liabilities of Cintra and Ferrovial, was, without any complementary cash compensation, as follows: four (4) Cintra shares, with a par value of twenty euro cents (€0.20) each for each Ferrovial share with a par value of one euro (€1) each. Said exchange ratio results from the valuation of the assets and liabilities of Cintra and Ferrovial. The chosen structure is therefore that of a "reverse" merger which is characterised by the subsidiary's absorption of the parent.

Following the merger, the name Cintra, Concesiones de Infraestructuras de Transporte, S.A. changed to Ferrovial, S.A. and it therefore became the parent of the consolidated group.

Although from an accounting viewpoint, at individual level in Ferrovial, S.A. the transactions of the targets were considered to have been performed on behalf of the acquiring companies as from 1 January 2009, at consolidated group level, it is considered that the date of integration of minority shareholders was the date on which the merger was approved by the General Meeting of 22 October.

Additionally and as a preliminary step which is inextricably tied to the merger, on 28 July the respective Board of Directors of the companies involved, Ferrovial Infraestructuras, S.A., Aeropuerto de Belfast, S.A., Marjeshvan, S.L. and Lernamara, S.L. approved the merger by absorption by Grupo Ferrovial, S.A. All these companies were wholly owned, directly or indirectly, by Grupo Ferrovial SA. Therefore the special procedure envisaged in Article 49.1 of the Law was applicable to this merger of wholly-owned subsidiaries and there was no need to exchange shares in the targets for shares in Ferrovial. The transaction was also subject to the approval of the General Shareholders' Meeting of Cintra S.A.

Cintra S.A. formed a subsidiary for its business assets – consisting basically of the shareholdings which it held in the concessionaires through which it conducted its infrastructure concession business, except for the car park business that was sold in 2009 and the Greek toll roads, where the formation of a subsidiary is pending authorisation by the pertinent concession authority – through the segregation and transfer en bloc in favour of a vehicle fully owned by Cintra S.A., named Cintra Infraestructuras, S.A.U.

The main impact that the merger has had on the consolidated group has been the inclusion of Cintra's minority shareholders in the assets of the parent. This operation is therefore considered a successive purchase of 33% of the shareholding in a company over which control was already held, generating goodwill (see note 5) for the difference between carrying value and fair value, on the basis of the accounting policy governing business combinations indicated in note 2.3.9. In order to calculate fair value, the price of Cintra's shares at the date of approval of the merger by the General Shareholders' Meeting has been taken into account.

The resulting share capital in the consolidated group is that which previously pertained to Cintra Concesiones de Infraestructuras de Transporte, S.A. (subsequently named Ferrovial, S.A.) and amounts to 147 million euro.

Comparability: Since the information concerning the consolidated group is consistent from an economic viewpoint, the comparative information used in these notes relates to that in the consolidated financial statements of Grupo Ferrovial, S.A. and subsidiaries for 2008.

1.3 OTHER CHANGES IN THE CONSOLIDATION SCOPE

The main changes in the consolidation scope during the year are as follows:

- **Airports business:**

In December 2009 Gatwick Airport, which was recorded as a non-current asset held for sale in the 2008 financial statements, was sold for GBP 1,500 million (around 1,646 million euro). Of this figure, GBP 1,445 million was received in cash and a further GBP 55 million will be paid on the basis of certain operational and financial parameters.

- **Toll road business:**

In July, Cintra completed the sale of all of its holding in its subsidiary Cintra Aparcamientos, S.A. (Cintra Aparcamientos), which represented 99.92% of its capital.

The total amount of the transaction, including debt, was 451 million euro, which has entailed a cash inflow of 400 million euro.

In June this year, as leader of the Consortium presenting the project, Cintra (with a share of 57.25%) signed an agreement with the Texas Transport Department for the construction, maintenance and operation of 21.4 kilometres of "Manager Lanes" on the North Tarrant Express toll road, located in Texas, USA. Construction is expected to commence at the end of 2010 and be completed in 2015.

In addition, another consortium led by Cintra signed the IH-635 Managed Lanes project (LBJ Express project) with the Texas Transport Department for the reconstruction, operation and maintenance of the existing lanes of the IH-635 toll-free highway, as well as the construction of new toll lanes on the IH-635 and I-35E roads.

2. Summary of the main accounting policies

2.1 BASIS OF PRESENTATION

The consolidated financial information presented in these financial statements has been prepared under the International Financial Reporting Standards adopted by the European Union (IFRS EU), at the year end. In general, the historical cost method has been applied, with the exception of items in respect of which IFRS EU specifically impose a different measurement method. Existing temporary joint ventures (UTES) have been consolidated using the proportionate method. These are the same methods applied in 2008.

Restatement and changes to accounting methods:

With effect as from 1 January 2009, the decision was taken to change the method for consolidating jointly controlled entities to the equity method from the proportionate method that had previously been applied, as commented in Note 2.2.b.

For this reason, and under IAS 1, the Statement of Financial Position shows the restated figures for the previous period and for the start of the first comparative period, to ensure comparability. The most significant impact at the transition date (1 January 2008) is a total decrease in assets in the amount of 4,094 million euro, of which 2,368 million euro relates to the Services Division, 1,429 million euro to the Toll Roads Division, 280 million euro to the Airports Division and 17 million euro to the Construction Division. There was no impact on equity.

The main effects of the restatement at December 2008 are analysed below:

	Impacts on income state- ment 2008		Impacts on statement of financial Position 2008		
	Revenue	Oper- ating Profit	Assets	FFPP Soc. Dom.	FFPP Soc. Externos
ITR Concession Company	-53	-24	-1,848	167	83
Central Greece Motorway	0	0	-93	11	12
Autopista Trados 45	-13	-9	-78	0	0
Nea Odos	-19	-12	-37	0	0
Total Toll Roads	-85	-45	-2,056	178	95
Tube Lines	-784	-52	-1,952	0	0
Mant.y Explot.M-30	-14	-3	-159	0	0
Grupo Cespa	-32	0	-34	0	-1
Total Services	-830	-55	-2,145	0	-1
APP	-27	-26	-149	0	0
Total Airports	-27	-26	-149	0	0
Other	-38	-2	-24	0	-1
Total Grupo Ferrovial	-980	-128	-4,374	178	93

Million euro

As a result of the merger, Grupo Ferrovial's shareholders received shares of Cintra based on an exchange ratio of four Cintra shares to one Grupo Ferrovial share. The company resulting from the merger, named Ferrovial S.A., maintained Cintra's share capital, which was increased by the necessary amount to exchange Grupo Ferrovial's shares, entailing a total share capital of 147 million euro (see Note 16). For comparability, in order to calculate earnings per share (Note 31), the average number of shares for 2008 and the share capital of Grupo Ferrovial S.A (group's parent at that date) have been restated based on the above-mentioned share exchange ratio. Similarly, for 2009, as the merger took place for consolidated purposes on 31 October, outstanding shares relating to 10 months of Grupo Ferrovial S.A.'s share capital and two months of Ferrovial S.A.'s share capital have been weighted.

As a result of the application of IFRIC 14-IAS 19, "The limit on a defined benefit asset, minimum funding requirements and their interaction", which affects certain defined benefit pension plans of the Swissport Group, the relevant accounting figures have been restated (see a breakdown in Note 18 on pension provisions and surplus). For this reason, the Consolidated Statement of Comprehensive Income recognises an increase of 48 million euro in the amount recognised directly in equity for pension plans in December 2007. This has no effect on the 2008 figures.

In 2009, for the sake of consistency with the official format of the National Securities Market Commission, the decision was taken to include in operating results, on a line named "impairment and disposals of non-current assets", the results of the sale and disposal of non-current assets that were previously presented on the line "Other profit and loss". The format for the comparative period has been restated accordingly. Additionally, the income statement included in the 2008 consolidated financial statements showed the effect of recognising the abolition of Industrial Building Allowances in the United Kingdom (see Note 25 of the 2008 financial statements). Bearing in mind that this effect is not applicable in the current year, it is not presented and the format of the income statement for the comparative period has been restated for presentation purposes.

Changes to accounting standards:

New accounting standards (IFRS/IAS) and interpretations (IFRIC) have been approved and published and are expected to enter into force in the financial years commencing 1 January 2010 or after that date. Ferrovial management is evaluating the potential impact of these standards and interpretations, which is not expected to be relevant. The main changes to accounting regulations that could be applicable to Ferrovial are described below:

- Standards, amendments and interpretations that came into force in 2009 or have been adopted early by the group and have an impact on these consolidated financial statements.
 - IAS 1 (revised) "Presentation of financial statements" (in force as from 1 January 2009). The basic changes relate to the definitions of the financial statements, the name of the balance sheet having been changed to Statement of Financial Position. The name of the statement of recognised income and expense has been changed to Statement of Comprehensive Income and an additional financial statement has been added, the Statement of Changes in Equity (although IAS 1 provides the option to present these last two statements in a single statement, Ferrovial has chosen to present them separately). Additionally, transactions with owners must be presented separately in the Statement of Changes in Equity. This change only affects presentation and therefore has no impact on earnings per share.
 - IFRS 7 (amendment) "Financial instruments: Disclosures" (in force as from 1 January 2009). This amendment requires more extensive breakdowns of fair value measurements and liquidity risk. Specifically, fair value measurements must be broken down based on a hierarchical order of fair value parameters. As this accounting policy change only entails additional breakdowns, there is no impact on earnings per

share. No comparative information is required in the first period in which this amendment is applied.

- IFRIC 13, "Customer loyalty programmes" (in force as from 1 July 2008). IFRIC 13 clarifies that in cases in which goods or services are provided together with a loyalty incentive (e.g. loyalty points or free products), the agreement is deemed to be a multiple-element contract and the amount received or receivable from the customer must be allocated among the components using their fair value. The Group has applied IFRIC 13 retroactively as from 1 January 2009 and the 2008 information has been restated accordingly.

- IFRIC 14, "The limit on a defined benefit asset, minimum funding requirements and their interaction". This stipulates when reimbursements or reductions in future contributions under IAS 19 must be deemed available, how the obligation to maintain minimum funding could affect the availability of reductions in future contributions and when the minimum funding requirement may generate a liability. The impact of the adoption of this standard on the group is addressed in Note 2.1.a.

- Standards that will be applicable in 2010 and will affect the group on first-time adoption:

- IFRIC 12 "Service concession arrangements", which is mandatory in financial years commencing as from 1 January 2010. According to this standard, contracts may be classified into two types: intangible assets and financial assets (a mixed contract could also exist). In Ferrovial's case, the majority relate to intangible assets. Ferrovial has analysed the possible impact of this standard on the group. The impact will not be significant in the case of intangible assets. As regards financial assets, the most significant impact relates to the toll road Autopista Terrasa Manresa. The estimated impact of the application of this standard is an increase of 160 million euro in equity and of 19 million euro in net results for 2010.

- Other standards:

- IFRS 8 "Operating segments" (in force as from 1 January 2009). IAS 14 is replaced by IFRS 8, which brings segment reporting requirements into line with the US standard SFAS 131 "Disclosures about segments of an enterprise and related information". The new standard requires a management

approach whereby segment information is presented on the same basis used for internal purposes. Additionally, the presentation of the information has been brought into line with internal information prepared and supplied to the decision-taking bodies.

- IAS 23 (amendment) "Borrowing costs" (in force as from 1 January 2009). With respect to borrowings costs relating to qualifying assets for which the starting date for capitalisation is after 1 January 2009, the Group capitalises, as part of the asset's cost, borrowing costs that are directly attributable to the acquisition, construction or production of the asset. The Group already recognised borrowing costs in this way before this standard came into force.

- IFRS 2 (amendment) "Share-based payments" (in force as from 1 January 2009). This amendment addresses the conditions for the irrevocability of rights granted and cancellations. It clarifies that only debt service and return conditions may be treated as grant conditions. Other features of share-based payments are not deemed to be grant conditions but must be included in the fair value calculation at the grant date in transactions with employees and third parties providing similar services, such that they have no effect on the number of awards that are expected to vest or on subsequent measurement at the grant date. All cancellations, whether by the entity or by third parties, must be afforded the same accounting treatment. The group and the company have adopted the amendment to IFRS 2 as from 1 January 2009. This amendment did not have a significant effect on the financial statements of the company or the group.

- IAS 32 (amendment) "Financial instruments: Presentation" and IAS 1 (amendment) "Presentation of financial statements" – "Puttable financial instruments and obligations arising on liquidation" (in force as from 1 January 2009). These amendments require entities to reclassify redeemable financial instruments and instruments (or components of instruments) that carry the obligation for the entity to hand over to a third party a fraction of its net assets in the event of liquidation as equity, provided the instrument has certain characteristics and fulfils certain conditions. The group has applied IAS 32 and IAS 1 (amended) as from 1 January 2009, although it did not have any effect on the financial statements.

- IFRS 1 (amendment) "First-time adoption of IFRS" and IAS 27 "Consolidated and separate financial statements" (in force as from 1 January 2009).

The amended standard allows first-time adopters to use the fair value or carrying amount obtained by applying the previous accounting principles as the attributed cost of investments in subsidiaries, joint ventures and associates in the separate financial statements. The amendment also eliminates from IAS 27 the definition of the cost method, replacing it with the requirement to present dividends as revenue in the investor's separate financial statements. The Group has applied IFRS 1 (amended) as from 1 January 2009, the date of the group subsidiaries' transition to IFRS. This amendment did not affect the group's financial statements.

- IFRIC 9 (amendment) "Reassessment of embedded derivatives" and IAS 39 (amendment) "Financial instruments: Recognition and measurement" (in force for all financial years commencing as from 30 June 2009). This amendment stipulates that the entity must analyse whether an embedded derivative must be separated from the host contract when a hybrid financial asset is reclassified out of the fair value through profit or loss category. This evaluation must be performed based on the circumstances at the most recent of the following dates: (a) date on which the entity becomes party to the contract for the first time; and (b) date of a change in the terms of the contract that significantly affects the cash flows that would arise under the contract. The group has applied the amendments to IFRIC 9 as from 1 January 2009, without any material effect on the group's financial statements.

- IFRIC 16 "Hedges of a net investment in a foreign operation" (in force as from 1 October 2008). This interpretation clarifies the accounting treatment of a hedge of a net investment, including the fact that the hedge of the net investment refers to differences affecting the functional currency and not the presentation currency, and that the hedging instrument may be held in any part of the Group. The requirement of IAS 21 "The effect of changes in foreign exchange rates" is applicable to the hedged item. The group has applied IFRIC 16 as from 1 January 2009, without any material effect on the group's financial statements.

- IFRIC 17 "Distributions of non-cash assets to owners" (in force as from 1 July 2009).

This interpretation forms part of the IASB's annual improvement project published in April 2009. It provides guidelines for the recognition of agreements whereby an entity distributes non-cash assets to its owners, either as reserves or as dividends. IFRS 5 has also been amended to stipulate that assets may only be classified as held for distribution if they are available for distribution in their current condition and provided distribution is highly probable. The group and the company will apply IFRIC 17 prospectively as from 1 January 2010. It is not expected to have a material impact on the financial statements of the group or the company.

- IFRIC 18 "Transfers of assets from customers" (in force for financial years commencing as from 1 July 2009).

This interpretation provides guidelines on how to account for property, plant and equipment received from customers, or for cash received and used to acquire or build specific assets. This interpretation applies only to assets that are used to connect the customer to a network or to provide the customer with permanent access to goods or services, or both. This interpretation must be applied retroactively. It is not expected to have a material impact on the financial statements of the group or the company.

- IAS 27 (revised) "Consolidated and separate financial statements" (in force as from 1 July 2009).

The revised standard states that the effects of all transactions with minority interests must be recognised in equity if there is no change of control, such that these transactions no longer give rise to goodwill, losses or profits. The standard also stipulates the accounting treatment to be afforded when control is lost. Any residual interest held in the entity is remeasured at fair value and a profit or loss is recognised in the income statement. The Group will apply IAS 27 (revised) prospectively to all transactions with minority interests as from 1 January 2010.

- IFRS 3 (revised) "Business combinations" (in force as from 1 July 2009).

The revised standard maintains the acquisition method for business combinations, although it brings in significant changes. For example, all payments for the acquisition of a business are recognised at fair value at the acquisition date and contingent payments classified as liabilities are measured at each closing date at their fair value, taking changes to the income statement. An accounting policy option is introduced,

applicable at the business combination level, to measure minority interests at fair value or at the proportional amount of the target's net assets and liabilities. All transaction costs are expensed.

The Group will apply IFRS 3 (revised) prospectively to all business combinations as from 1 January 2010.

- IFRS 5 (amendment), "Non-current assets held for sale and discontinued operations" (and related amendment to IFRS 1 "First-time adoption of IFRS") (in force as from 1 July 2009). This amendment is part of the IASB's annual improvement project and clarifies that all a subsidiary's assets and liabilities must be classified as held for sale if there is a loss of control of the subsidiary as a consequence of a partial disposal plan. If the conditions are fulfilled to recognise a discontinued operation, the relevant breakdowns must be included for the subsidiary. IFRS 1 has therefore also been adapted to account for this change, which will be applied prospectively as from the date of transition to IFRS. The Group will apply IFRS 5 (amended) prospectively to all partial disposals of subsidiaries that take place as from 1 January 2010.

- IAS 39 (amendment) "Exposures qualifying for hedge accounting" (in force as from 1 July 2009). This amendment has brought in two significant changes by prohibiting the designation of inflation as a component that may be hedged in a fixed-rate debt and including time value in the part of the risk hedged when options are designated as hedges.

2.2 CONSOLIDATION POLICIES

During 2009 and 2008, all the individual financial statements of the companies included in the scope of consolidation were closed on the same date or include adjustments to bring them into line with those of the parent company. Moreover, in order to present consistently the items included in these consolidated financial statements, adjustments have been made on the basis of the parent company's accounting policies. The consolidated financial statements have been prepared using the following methods:

a. Full consolidation method: All the subsidiaries are fully consolidated. Subsidiaries are companies in which Ferrovial, S.A. has effective management control because it holds more than 50% of voting rights, directly or indirectly under agreements with other shareholders. When assessing whether Ferrovial controls a company, the existence and effects of potential voting rights which may be currently exercised or converted are taken into account. A subsidiary is included in the scope of consolidation when the Group effectively and formally gains control.

b. Equity consolidation method: In addition to the companies in which there is significant influence but not control, which were already consolidated using the equity method in the previous year, with effect as from 1 January 2009 the consolidation method applied to jointly controlled entities has been changed from the proportionate method to the equity method. This change of method is based on the alternative provided by IAS 31 and is in line with the reform proposed by the IASB ("Exposure Draft 9") in relation to the consolidation method for jointly controlled entities. In accordance with the conclusions of the "Exposure Draft", the company considers that the application of the equity method instead of the proportionate method enhances the fair view provided, since the company does not really control the assets or have any present obligation with respect to the liabilities of the jointly controlled entity, as it actually controls an interest in the entity. For comparability, and pursuant to IAS 8, all the 2008 comparable figures have been restated, together with balances at 31 December 2008. Additionally, pursuant to IAS 1, the information from three statements of financial position and the related notes is presented as a consequence of the retroactive application of the accounting policy change. The main companies affected are Autopista de Indiana, M45 and the Greek toll roads (in Cintra), and Tube Lines and other Amey joint ventures (in Services).

c. Proportionate consolidation method: Unlike the above businesses, to consolidate projects undertaken using temporary consortia (UTE) or similar entities, and also in line with the content of "Exposure Draft 9", the proportionate method continues to be applied since it is considered that they are "joint ventures" by nature, in which the parties are more directly involved in and have more control over assets, liabilities, income and expenses under the relevant agreement. These operations contribute assets, profits and sales of 903.90 and 1,273 million euro, respectively, to the consolidated Group figures (996.99 and 1,588 million euro in 2008).

d. Balances and transactions with Group companies: Balances and transactions with Group companies are eliminated during consolidation. Nonetheless, balances and transactions relating to construction projects conducted by the Construction Division for infrastructure concession holder companies are not eliminated on consolidation, since contracts of this kind are treated as construction contracts under which the Group executes work for the granting authority or regulator in exchange for the right to operate the infrastructure on the terms pre-established by the granting authority or regulator. The granting authority or

regulator thus has control over the asset from inception and grants the above-mentioned right in exchange for the work executed, such that the conclusion may be reached that at the Group level the work is performed for third parties. As regards the transactions mentioned above in 2009, Grupo Ferrovial's construction segment billed 247 million euro (408 million euro in 2008) to the Toll Roads and Airports Divisions for work executed and related prepayments, and recognised sales resulting from this work totalling 376 million euro (317 million euro in 2008). The profit obtained from these transactions, which is attributable to Ferrovial's interests in the concession holder companies that received the services, net of taxes and minority interest, totalled 19 million euro (8 million euro in 2008).

e. Translation of the financial statements to euro: The financial statements of subsidiaries and joint ventures whose accounting records are denominated in a currency other than the euro are translated to euro by applying the year-end exchange rates to the assets and liabilities, except for the equity of, and investments in, Group companies, which are measured at the exchange rate prevailing when they joined the Group. Earnings are translated at the average exchange rate for the year. Differences arising during the translation process are recognised in the equity caption "Currency translation differences".

Exhibit I contains a list of subsidiaries, associates and joint ventures.

2.3 ACCOUNTING POLICIES APPLIED TO EACH ITEM IN THE CONSOLIDATED BALANCE SHEET AND INCOME STATEMENT

Intangible assets

"Intangible assets" on the accompanying consolidated balance sheet are initially carried at acquisition price or production cost, including capitalisable financial expenses, and are subsequently measured at cost less accumulated amortisation and any impairment losses. Intangible assets with a finite useful life are amortised on a straight-line basis, or based on estimated traffic in the case of administrative concessions, during the concession term, and over their useful lives (between 5 and 50 years) in all other cases.

Intangible assets with an indefinite useful life are not amortised and are tested annually for impairment.

Investments in infrastructure projects

This caption includes the investments made by companies engaged in infrastructure projects in relation to the infrastructures operated (mainly toll roads and airports); their value includes construction costs and associated costs (technical studies, expropriations and finance costs accrued during the construction period), net of amortisation and impairment losses. It includes intangible assets and investment property used in infrastructure projects.

Assets used in toll road projects are depreciated as follows:

The entire initial investment in infrastructure that subsequently reverts to the administration, including expropriation costs and financial expenses capitalised during construction, is depreciated based on forecast traffic throughout the concession term.

Where a payment is made to the administration to acquire the right to operate the concession, this amount is also depreciated based on forecast traffic during the concession term.

Assets acquired by the concession company to provide the concession services but which do not form part of the infrastructure that reverts at the end of the concession term are depreciated over their useful lives using a method that reflects the economic use of the asset.

Replacement investments in infrastructure are depreciated based on forecast traffic during their useful lives. Finally, investments that entail an increase in the infrastructure's capacity are depreciated based on forecast traffic from the investment date to the end of the concession term.

However, assets used in infrastructure projects under indefinite licenses (basically airport licenses) are depreciated on a straight-line basis over the useful lives of the relevant assets, as follows:

	<i>Years of Estimated Useful Life</i>
Terminal assets	
Terminal buildings	20-60
Technical terminal facilities	5-20
Tunnels, bridges and metro	50-100
Runways	
Structures	100
Surface layer	10-15
Other related assets	50
Conveyor belts and routes	
Transit systems	20-50
Other related assets	8-100
Equipment and machinery	
	3-10
Other leased land and buildings	Lease term

As indicated previously, this caption also includes intangible assets used in infrastructure projects in connection with the business combination arising from the acquisition of the BAA Group, described in Note 5, specifically:

The BAA Group's right to operate in unregulated airports (this right is not amortised due to the unlimited duration of the licenses).

Rights to operate commercial spaces (average useful life of seven years).

Intangible assets generated internally, mainly relating to BAA, plc, consisting of proprietary computer software and websites, are amortised on a straight-line basis over useful lives of between three and seven years.

Set out below are details of the main toll road concession contracts in force, showing their duration, followed by a list of regulated and unregulated airports:

Toll road concessions:

Concession Holder	Country	Concession term	Year one
407 ETR Internacional Inc.	Canada	99	1999
Skyway Concession Co.	USA	99	2005
SH 130 Concession Co.	USA	50 (1)	2007
North Tarrant Express	USA	52 (2)	2009
LBJ Express	USA	52 (2)	2009
Spanish toll roads	Spain	30-65(3)	1986-2005
Chilean toll roads	Chile	19-30	1994-1999
Portuguese toll roads	Portugal	30	2000-2006
Other toll roads	Ireland/ Greece	30-45	2003-2007

(1) Concession period of 50 years as from completion of the construction work, estimated at five years.

(2) Concession period of the shorter of 50 years of operation or 52 years as from the contract date.

(3) The main Spanish toll road concessions are Autopista del Sol, Autopista Terrasa-Manresa, Autopista Madrid Sur and Autopista Madrid-Levante

Aeropuertos:

Airport	Type of regulation	Licence duration
Heathrow	Regulated	Indefinite
Stansted	Regulated	Indefinite
Edinburgh	Unregulated	Indefinite
Glasgow	Unregulated	Indefinite
Aberdeen	Unregulated	Indefinite
Southampton	Unregulated	Indefinite
Naples	Unregulated	1997-2037
Antofagasta	Unregulated	2000-2010

Property, plant and equipment

The assets included in "Property, plant and equipment" are carried in the accompanying consolidated balance sheet at acquisition price or production cost, less any provisions and depreciation charged.

In-house work on tangible fixed assets is valued, for each investment, by adding to the price of the materials used the direct or indirect costs allocable to the investment.

Financial expenses incurred during the construction or production period, before the assets are put into use, are capitalised, whether they derive from financing obtained specifically to acquire the PPE or from general financing, subject to the guidelines for qualifying assets provided by IAS 23.

The Group companies calculate depreciation of PPE using the method that best approximates the effective technical depreciation and the estimated years of useful life of each asset. The straight-line method is generally employed, with the exception of certain construction machinery that is depreciated using the declining-balance method. The useful lives and residual values of these assets are reviewed annually. The consolidated companies depreciate their tangible fixed assets basically over the following years of useful life:

	Years of Estimated Useful Life
Buildings and other structures	10-50
Machinery plant and tools	2-25
Furniture and fixtures	2-15
Transport equipment	3-20
Other tangible fixed assets	2-20

Investment property

This caption includes the net values of land, buildings and other structures that fulfil the requirements of IAS 40. Investment property is carried at acquisition cost less accumulated depreciation and impairment losses. The Group does not apply the fair value measurement option provided by IAS 40. The Group companies depreciate investment property on a straight-line basis over the estimated useful life of the property (between 5 and 50 years).

The subgroup holding investment properties is BAA. As all this subgroup's non-current assets are recognised in "Infrastructure project assets"; the relevant note contains a breakdown of the assets classified as investment property.

Impairment losses

In the case of goodwill and intangible assets with an indefinite useful lives, or those that are not operational for some reason, the Group tests for impairment annually. In the case of assets that are being depreciated, at each account close the Group tests for impairment losses that give rise to the write-down of assets. Should evidence of impairment be detected, the asset's recoverable value is calculated in order to identify the scope of the impairment loss in the event that the recoverable value is lower than the asset's carrying amount, recording the effect in the income statement. Impairment losses must be assessed for each individual asset. If this is not possible, the impairment loss is determined for the smallest identifiable group of assets that generates cash flows independent of flows from other assets (cash-generating units).

The recoverable amount is the higher of the fair value less costs of sale and value in use. Value in use is calculated on the basis of estimated future cash flows discounted at a rate that reflects the present market value, taking into account the value of money and specific risks associated with the asset.

Where an impairment loss is subsequently reversed, the carrying amount of the asset is increased subject to the maximum limit of the original amount at which the asset was carried before the impairment was recognised. Goodwill impairment losses are irreversible.

Leases

Leases are classified as finance leases provided their conditions substantially transfer the risks and rewards of ownership to the Group, which generally has the option of acquiring the asset at the end of the lease in accordance with the terms agreed when the contract is concluded. All other leases are classified as operating leases.

The Group recognises finance leases as assets and liabilities in the balance sheet, at lease inception, at the lower of the market value of the leased asset and the present value of the minimum lease instalments. The interest rate agreed in the lease agreement is applied to calculate the present value of lease instalments. The cost of the assets acquired under finance leases is presented in the accompanying balance sheet in accordance with the nature of the leased asset.

When the Group acts as the lessee in an operating lease, lease costs are taken to the income statement on a straight-line basis over the lease term, irrespective of the payment method stipulated in the lease. In the event that the lessor has established incentives in the lease consisting of payments corresponding to the lessee

but made by the lessor, the income deriving from these incentives is taken to the income statement by reducing the cost of the lease on the same straight-line basis.

Financial assets

- **Financial assets at fair value through profit or loss:** These are assets acquired mainly to generate a profit as a result of fluctuations in their value. They are stated at their fair value at inception and at subsequent measurement dates, and any changes are recognised directly in the consolidated income statement. The assets in this category are classified as current assets if expected to be realised within 12 months after the balance sheet date. There are no assets at fair value through profit or loss other than the derivative financial instruments described in Note 2.3.8.
- **Available-for-sale financial assets:** This heading record acquired securities that will not be immediately traded, have no fixed maturity and relate mainly to shareholdings in companies not included in the Group's consolidation scope. The assets are stated at their fair value and any fluctuations are recognised directly in equity until the asset is sold, provided that it is possible to determine the fair value. Otherwise, they are carried at cost less impairment losses.
- **Investments held to maturity and receivables:** Investments held to maturity, loans granted and receivables are initially carried at fair value and later at amortised cost, recognising any interest accrued at the effective rate and impairment provision in the income statement. The effective interest rate is the discount rate that brings the initial price of the financial instrument exactly into line with all its estimated cash flows to maturity. The amount of the provision is the difference between the carrying amount of the asset and the present value of estimated future cash flows, discounted to the effective interest rate.
Financial assets are written off the balance sheet when the risks and rewards of ownership of the assets are substantially transferred. In the specific case of receivables, this is deemed to occur when the insolvency and default risks have been transferred.

Derivative financial instruments

Derivative financial instruments are initially measured at fair value on the contract date. Subsequent changes to fair value are also recognised at each balance sheet close. The recognition of resulting gains or losses on derivatives depends on whether the instrument is or is not a designated hedge and, if applicable, on the type of hedge. The Group designates the following types of

hedge:

- **Cash flow hedge:** A cash flow hedge covers exposure to highly probable future transactions and changes in cash flows. The ineffective portion of the loss or gain on the hedging instrument is taken to the income statement and the effective portion is recognised directly in equity in the consolidated balance sheet. The amount deferred in equity is not recognised in the income statement until the gains or losses on the transactions hedged are taken to the income statement or until the maturity date of the transactions. The amount in question is recognised in the same results caption as the hedged item.

Finally, should the hedge become ineffective, the amount recognised in equity to date is taken to the income statement on a proportionate basis during the term of the derivative contract.

- **Fair value hedge:** A fair value hedge covers exposure to changes in the value of a recognised asset or liability, or a firm commitment relating to a future transaction. The gain or loss on the hedging instrument and on the hedged asset or liability is recognised in the consolidated income statement.
- **Hedge of net investments in foreign operations:** This hedge covers changes in the value of net investments in foreign operations attributable to foreign exchange fluctuations. Gains or losses are recognised in equity and taken to the income statement when the investment is sold or matures.

Gains or losses on derivatives not qualifying as hedges are recognised in the consolidated income statement.

Business combinations, goodwill and successive acquisitions with respect to companies in which a controlling interest is already held

Business combinations are recognised using the acquisition cost method, whereby the identifiable assets and liabilities of the acquired business are measured at fair value. Goodwill is the positive difference between the cost of the investment and the value of the above-mentioned assets and liabilities. In acquisitions of associates, goodwill generated is treated as an increase in the value of the shareholding. Goodwill on consolidation is not amortised and is tested for impairment (see Note 2.3.5). In successive acquisitions of companies in which the Group exercises prior control, the difference between the excess price paid in the currencies of the target's country of origin and the carrying amount of the shareholding acquired is recognised

in goodwill. Where the parent company decides not to participate in a capital increase in an investee company, the dilution of the shareholding is accounted for in the same way as a sale of shares, recognising the resulting gain or loss obtained on dilution in the income statement for the year.

Inventories

Inventories are initially carried at acquisition price or production cost. Financial expenses relating to inventories are capitalised during the construction or production period.

Inventories are subsequently measured at the lower of weighted average cost and net realisable value.

The Group determines the net realisable value of inventories and records all necessary provisions where their cost exceeds the net realisable value.

Cash and cash equivalents

Cash and cash equivalents include petty cash, demand deposits at credit institutions and other short-term, highly-liquid investments that initially mature within three months.

This caption includes investments having the same nature and maturities relating to the financing of certain infrastructure projects, where the availability of the cash is restricted by the financing contracts as security for certain payment obligations related to interest or principal repayments as well as infrastructure maintenance and operation.

Non-current assets held for sale and discontinued operations

a. Non-current assets held for sale: Non-current assets are classified as held for sale when it is considered that their carrying amount will be recovered through a sale instead of through continuous use. This condition is only met when the sale is highly probable, the asset is available for immediate sale in its current condition and the sale is expected to be completed within one year after the classification date. The total figure for these assets is presented on a single line and measured at the lower of their carrying amount and their fair value less necessary selling costs. The assets are no longer depreciated once they have been classified as held for sale. The amount contributed by the assets to the Group's consolidated results is recognised in the income statement based on the nature of the relevant items.

b. Discontinued operations: Discontinued operations are those that have been sold, disposed of by other means or classified as held for sale, and represent a complete primary or secondary segment for the consolidated Group, or form part of a one-off plan or constitute a subsidiary acquired solely for resale. Results from discontinued operations are presented on a single specific line in the income statement, net of taxes.

Equity

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are presented under equity as a deduction, net of taxes. Acquisitions of the parent company's treasury shares, in the amount paid, including attributable related costs, are deducted in equity. When treasury shares are sold or reissued, any amount received is taken to equity net of costs.

Grants

Grants are recognised at their fair value when there is reasonable assurance that the grant will be received and the Group fulfils all related terms. Grants related to the acquisition of non-current assets are recorded under non-current liabilities, in deferred income, and are taken to the consolidated income statement on a straight-line basis over the expected useful lives of the assets concerned.

Provisions and contingent liabilities

The Group recognises a provision for a commitment or obligation vis-à-vis a third party that meets the following requirements: It is a present obligation (legal or constructive) arising from past events, the settlement of which is expected to result in an outflow of funds and the amount or timing of which are not known for certain but can be reliably estimated. The following provisions are relevant:

- Provisions for budgeted losses in the construction business covering a probable loss identified before completion of the project.
- Provisions for the closure and post-closure of landfills in the services business, since the company is required to close the landfill when it reaches maximum capacity for environmental reasons. These provisions cover estimated closure costs and waste treatment costs during the post-closure period, in accordance with technical estimates based on the landfill's capacity, average density and other parameters.

A contingent liability is a potential obligation arising from past events, the materialisation of which is dependent on the occurrence or non-occurrence of one or more future events beyond the control of the consolidated companies. These contingent liabilities are not recognised in the accounts but are explained in the notes (see Note 24).

Pension obligations

a. Defined contribution plans: Contributions accrued are recognised annually as costs.

b. Defined benefit plans: The liability recorded in the balance sheet with respect to defined benefit pension plans is the present value of the obligation accrued at the balance sheet date, less the fair value of the plan assets and any unrecognised cost of past services. The accrued obligation is calculated annually by independent actuaries using the projected credit unit method. The accrued obligation is calculated by discounting estimated future cash outflows at interest rates applied to high credit quality commercial bonds denominated in the currency in which the benefits will be paid, with the same maturities as the pension obligation.

Actuarial losses and gains derive from adjustments based on experience (measuring the effects of differences between previous actuarial assumptions and actual data) and from changes in actuarial assumptions. As a result of the amendment to IAS 19, in 2006 the Group availed itself of the alternative contained in the new wording of IAS 19 whereby the entire actuarial gain or loss may be recognised directly in equity in the period in which it arises.

In the event of changes to the plan, where rights are automatically vested as a result of changes to commitments, the cost of past services is recognised immediately in the consolidated income statement. Where the rights may be revoked or are not vested, the cost is recognised on a straight-line basis over the average period remaining to definitive vesting.

In the event of a reduction in or cancellation of the plan, resulting gains or losses due to changes in the value of the accrued obligation, changes in the value of assets allocated to the plan and past service costs not previously recognised are recognised immediately.

Where the amount to be recognised in the balance sheet in respect of post-employment obligations is an asset, the Group recognises the asset unless the amount by which the fair value of the plan assets exceeds the present value of the obligations

cannot be fully recovered by means of reimbursements or reductions in future contributions, in which case the asset to be recognised will be the lower of the following amounts: 1) the amount of the excess; or 2) the cumulative cost of past services not recognised at that date and the present value of any economic benefits available in the form of plan reimbursements or reductions in future contributions, discounted at the rates for commercial bonds issued on the measurement date for the same maturity period; any increase or decrease in the present value of the reimbursements or reductions in future contributions is recognised in equity, in the statement of income and expense recognised in equity.

Share-based remuneration

a. Stock option plans: Stock option plans are measured when the options are initially granted using the interest method, based on an improved binomial model that accounts for the strike price, volatility, exercise period, expected dividends, risk-free interest rate and the assumptions made to incorporate the effects of expected early exercise. The initial value is not subsequently reassessed. This value is recognised in staff expenses in proportion to the stipulated period of time during which the employed must remain at the company, with a balancing entry in liabilities.

b. Equity swaps: Ferroviario contracts equity swaps to hedge the impact on equity of the stock option plans. Changes in the fair value of swaps are taken to the income statement as they are not treated as hedges, as mentioned in Note 25 on fair value adjustments.

Financial liabilities

These liabilities are initially carried at fair value net of transaction costs and subsequently remeasured at amortised cost using the effective interest method. The effective interest rate is the discount rate that brings the expected flow of future payments to the liability's maturity exactly into line with the initial amount received. In the event that the effective interest rate is initially considered to be different from the market interest rate, the liability is measured based on the present value of future flows at the market rate, in the case of interest-bearing loans. Where no effective interest rate is specified, the flows are also measured at the market interest rate.

In the event of the renegotiation of existing debts, the financial liability is not deemed to change significantly when the lender of the new loan is the same as the initial lender and the present value of cash flows, including origination and arrangement costs, applying the effective interest method, is not more than 10% higher or lower than the present value of future cash flows pending payment on the original liability calculated using the same method.

Income tax and deferred taxes

The term "consolidated income tax" covers all domestic and foreign taxes applicable to taxable income. Income tax also includes other taxes, such as taxes on repatriated profits, and any other levy calculated on the basis of reported results.

Income tax expense recognised in the consolidated financial statements is calculated by aggregating the expense recognised by each of the consolidated companies, increased or decreased, as applicable, by the tax effect of consolidated accounting adjustments and by temporary differences between the tax bases of the assets and liabilities and their carrying amounts in the consolidated financial statements (liability method).

Deferred taxes are not recognised when the transaction has no effect on reported and/or taxable amount of the relevant assets or liabilities. In the case of business combinations, deferred tax is recognised as a result of the allocation of the price and the fiscal amortisation of any goodwill generated..

Deferred tax assets and liabilities are calculated using the tax rates in force at the balance sheet date that are expected to be applicable during the period in which the asset is realised or the liability settled. They are charged or credited to the income statement, except for items that are recognised directly in equity, which are charged or credited to equity accounts. No tax liability is recognised for retained earnings of subsidiaries when the Group is able to control the reversal of the timing differences and it is not likely that they will reverse in the foreseeable future. Deferred tax assets and tax credits for tax-loss carryforwards are recognised when it is likely that the Group may recover them in the future, regardless of when they will be recovered, provided this is within the maximum period provided by law. Deferred tax assets and liabilities are not discounted and are classified as a non-current asset/ (liability) in the balance sheet. Deferred taxes recognised are reviewed at each account close.

The difference between the income tax expense recognised at the previous year end and the income tax expense stated in the final tax returns filed constitutes a change in accounting estimates and is recognised as current-year income or expense.

Transactions denominated in foreign currency

Foreign currency transactions effected by Group companies are translated into the functional currency using the year-end exchange rate for balance sheet items and the average exchange rate for income statement items.

Recognition of income

Income is measured at the fair value of the consideration to be received and represents the amounts receivable for the goods delivered and services provided in the ordinary course of business, less discounts, refunds, value added tax and other sales taxes. Income accrues when the risks and rewards are deemed to have been transferred. Set out below are details of the methods applied to recognise revenues and costs in each Ferrovial business segment.

- **Construction business:**

Construction business revenues and expenses are recognised in accordance with IAS 11, whereby ordinary revenues and associated costs are recognised in the income statement on a percentage-of-completion basis at each balance sheet closing date, provided the results of the construction contract may be reliably estimated. Any forecast loss from the construction contract is immediately recognised. The Group habitually examines completed work, which is possible in practice due to the definitions of each project unit generally included in the contract, indicating the price at which each unit is to be certified; budgeting tools are used to monitor departures. At the end of each month, units executed in each project are measured and production for the month is recognised in income. Construction work costs are recognized for accounting purposes on an accruals basis, and the expenses actually incurred in the execution of the project units completed and those that, although they may be incurred in the future, have to be allocated to the project units now completed, are recognized as expense.

In exceptional cases, where it is not possible to estimate the margin for the entire contract, the total costs incurred are recognised and sales that are reasonably assured with respect to the completed work are recognised as contract revenue, subject to the limit of the total contract costs.

Changes to the initial contract require the customer's technical and financial approval prior to the issue and collection of certificates for the additional work. The Group has a policy of not recognising revenues from such additional work until approval is reasonably assured and the revenues may be reliably measured. Costs associated with these project units are recognised when incurred.

Prepaid costs are recognised in respect of initial construction costs incurred to formalise the principal contract, place machinery on site, acquire external plans, services and studies, obtain building insurance and install fencing, in addition to other site costs. These costs are initially recorded as assets provided that they are likely to be recovered in the future. Subsequently, they are recognised in expenses based on actual production in relation to planned production under each contract. Otherwise, the costs are taken directly to the income statement.

Late-payment interest arising from delays in the collection of certificates is recognised when it is probable that the interest will be collected and the amount may be reliably measured.

- **Toll road business :**

- Toll roads: Although the Group is not applying IFRIC 12, the contracts included in this business area are recognised using a similar method based on the intangible model, the main criteria being:

- 1) Assets are depreciated based on estimated traffic during the concession period, which is considered to be the indicator that best reflects the consumption of future profits associated with the assets.
- 2) Financial expenses are capitalised during the construction period.
- 3) Toll revenues and operating expenditure are recognised on an accruals basis. Toll revenues are deemed to accrue as the infrastructure is used.

- **Airport business:**

Revenues may be divided into: 1) airport revenues which accrue in different ways, particularly income accruing on the basis of the number of passengers, landings (tonnage of the aircraft that land in the airport) and aircraft parking (combination of the number of hours and tonnage); 2) Commercial revenues from the allocation of commercial space to third parties, which are recognised as a percentage of the sales generated by the third party.

- **Service businesses:**

In general, revenues for this type of service are recognised in the income statement on a straight-line basis over the term of the contract. In the case of contracts for a number of tasks and prices, revenues and costs are recognised based on percentage of completion, applying the same criteria and conditions described for the construction business. Where this is not possible, the percentage-of-completion method is based on costs incurred as a percentage of total estimated costs.

Finally, in the case of certain contracts executed by Amey in the United Kingdom, the treatment afforded in connection with the financial model used to recognise the receivable is similar to the approach provided by IFRIC12.

- **Operating results:**

The "Operating results" caption in the income statement includes the results of the Group companies' ordinary activities, excluding financial results (Note 28) and shares in results of equity-consolidated companies. Operating results includes a specific line disclosing the results from sales and disposals of fixed assets as mentioned in Note 2.1.a.

2.4 ACCOUNTING ESTIMATES AND JUDGEMENTS

In the consolidated financial statements for 2009, estimates have been used to measure certain assets, liabilities, income, expenses and commitments. The following estimates have been used:

- Evaluation of potential losses due to the impairment of certain assets
- Assumptions employed in the actuarial calculation of pension liabilities and other commitments with employees
- Useful lives of property, plant and equipment and intangible assets
- Measurement of stock options
- Budget-related estimates taken into consideration when recognising the results of contracts on a percentage-of-completion basis in the construction and services segments.
- Estimates related to the fair value of assets acquired in business combinations and goodwill
- Assessment of possible legal and tax contingencies.
- Estimates relating to the valuation of derivatives and flows envisaged in relation to them in cash-flow hedged.

These estimates were made using the best information available at 31 December 2009 and 2008 in connection with the events analysed. However, future events could force the Group to modify its estimates. If applicable, estimates will be modified in accordance with IAS 8.

3. Financial risk and equity management

The Group's activities expose it to a variety of financial risks, particularly interest rate risk, foreign exchange risk, credit risk, liquidity risk and market risk.

3.1 INTEREST RATE RISK

Ferrovial manages interest-rate risk to achieve an adequate balance between its positions in fixed- and variable-rate debt in order to be able to adapt to different market circumstances and, in any event, guarantee the fulfilment of its business plans.

Accordingly, a high proportion of reference rates are fixed rates either contracted at inception or hedged by means of derivative financial instruments.

Ferrovial applies a proactive management approach to the part of the debt that is finally held at variable rates, paying particular attention to the evolution of market rates in order to obtain the lowest rates where possible.

As regards infrastructure project financing, each project is analysed and criteria are identified to minimise exposure to interest rate fluctuations, resulting in the imposition of limits on the volume of variable-interest debt, which are usually between 20% and 50% of the total project financing.

This avoids potential changes to expected project returns due to movements in market curves.

This objective of obtaining closed rates for projects is often achieved by contracting derivative financial instruments, an analysis of which is provided in Note 11 on derivative financial instruments at fair value.

Occasionally, for infrastructure projects in which revenue is linked to inflation, the Group seeks inflation-indexed financing so as to obtain a natural hedge of revenue and expenses.

In the case of long-term borrowings not linked to specific projects, there are no predetermined formulae with respect to the distribution of fixed rates and variable rates, although related decisions are taken by the Group from an overall management perspective and there is a tendency to obtain fixed rates for between 50% and 80% of the total volume of debt.

The accompanying table shows a breakdown of the Group's debt stating the percentage of the debt that is considered to be hedged (either by fixed rates or by derivatives). All the assets, such as cash and cash equivalents, and long-term restricted cash related to the debt, are not hedged.

2009				
Debts	Total gross debt	% debt hedged	Net debt exposed	Impact on results + 100 basis points
Construction	50	46%	27	0
Services	355	15%	301	3
Airports	0	0%	0	0
Toll roads	0	0%	0	0
Corporate and other	2,245	53%	1,058	11
Other companies	2,650	48%	1,386	14
BAA	14,472	74%	3,707	37
Other airports	0	0%	0	0
Toll roads	8,079	83%	1,352	14
Construction	86	0%	86	1
Services	20	98%	0	0
Infrastructure projects	22,656	77%	5,146	51
TOTAL NET CASH	25,306	74%	6,532	65

Million euro

2008				
Debts	Total gross debt	% debt hedged	Net debt exposed	Impact on results + 100 basis points
Construction	86	26%	64	1
Services	398	7%	371	4
Airports	1,583	100%	0	0
Toll roads	0	0%	0	0
Corporate and other	1,311	5%	1,252	13
Other companies	3,379	50%	1,687	17
BAA	13,253	76%	3,235	32
Other airports	0	0%	0	0
Toll roads	7,182	84%	1,170	12
Construction	90	0%	90	1
Services	60	100%	0	0
Infrastructure projects	20,586	78%	4,494	45
TOTAL NET CASH	23,965	74%	6,181	62

Million euro

As may be observed in the table, 74% of the Group's debt is hedged against interest rate risk, a percentage that has virtually not changed since 2008. As regards project debt, which is 77% hedged, approximately 32% is inflation indexed.

Consequently, a linear change of 100 basis points in market interest rate curves at 31 December 2009 would have had an approximate impact on the income statement of 65 million euro, in caption of financial results (14 million euro in infrastructure projects and 51 million euro in other companies) and an impact on net income of 27 million euro.

Note 20 provide a more detailed analysis by type of debt, based on the extent to which the interest rate risks are hedged.

In addition to the impact of exchange rate fluctuations on the assets and liabilities forming the net cash position, changes may arise in the values of the derivative financial instruments contracted by the company (see Note 11). Such value differences are mainly taken to reserves in the case of derivatives that are effective hedges in accordance with International Accounting Standards.

3.2 FOREIGN EXCHANGE RISK

Ferrovial has significant investments in currencies of non-euro countries, particularly pounds sterling, US dollars, Canadian dollars and Polish zlotys.

Foreign exchange risk management is centralised through the Group's General Financial Management, on the basis of general criteria that limit exposure by means of hedging methods.

The impact of foreign exchange fluctuations on foreseeable cash flows is avoided by analysing and, in some cases, hedging the following transactions:

- Multi-currency projects (awarded or under tender).
- Profits obtained in foreign subsidiaries in the form of dividends or capital reimbursement expected from the subsidiaries.
- Intra-group loans to foreign subsidiaries. Cash surpluses in foreign subsidiaries.
- Trade receivables and payables denominated in foreign currencies.

The Group seeks to apply this policy to the financing of all its infrastructure projects. Where this is not feasible, the Group contracts derivatives to hedge potential changes in the value of the debt caused by foreign exchange fluctuations.

In construction contracts in which the price is received in a currency other than the one in which related costs are paid, hedges are contracted to avoid changes in the profit obtained on the contract caused by foreign exchange fluctuations.

The following table shows the values of assets, liabilities, minority interest and shareholders' equity attributable to the parent company by type of currency at December 2009 and 2008:

2009				
Currency	Assets	Liabilities	Parent company equity	Minority interest
Euro	11,109	12,263	-1,299	145
Pound sterling	23,458	19,646	2,373	1,438
US dollar	2,764	2,348	390	26
Canadian dollar	3,263	2,571	808	-116
Polish zloty	982	784	120	78
Chilean peso	1,663	1,610	66	-13
Swiss franc	710	220	479	10
Other	161	111	50	0
Group total	44,110	39,553	2,987	1,570

2008				
Currency	Assets	Liabilities	Parent company equity	Minority interest
Euro	12,170	12,138	-208	242
Pound sterling	23,630	20,529	1,172	1,929
US dollar	2,351	2,157	230	-36
Canadian dollar	2,718	2,766	-12	-36
Polish zloty	923	711	127	85
Chilean peso	1,179	1,115	56	8
Swiss franc	845	439	392	13
Other	10	10	0	0
Group total	43,826	39,866	1,757	2,206

An analysis of the tables shows that the Group's equity is particularly exposed to pounds sterling and, to a lesser extent, to the US dollar.

This exposure relates basically to the capital invested in the BAA acquisition, as well as to the capital invested in the US toll road projects.

Exposure to sterling has increased considerably with respect to 2008 due to the conversion to euros of a sterling loan, as explained in Note 11. However, it is considered highly likely that approximately 750 million GBP will be converted to euro in 2010, which will reduce exposure to foreign exchange fluctuations.

For this type of investments in which no specific debt is obtained to finance the investment, the Group has a policy of studying specific hedges for the amounts to be recovered over a period of up to three years, in the form of dividends or capital reimbursement.

In general, they are treated as long-term investments denominated in strong currencies that should not fluctuate significantly in the long term.

On the basis of all the data provided above, a 10% appreciation of the euro at the year end, against the main currencies in which the Group has investments, would have had an impact on the parent company's equity of -385 million euro, 56% of which would relate to pounds sterling. The fluctuation in the euro would have an impact on total assets of -2,985 million euro, of which 71% would have arisen from the sterling investments.

The following table contains an analysis of net results attributable to the Parent company by type of currency for 2009 and 2008:

2009	
Currency	Result
Euro	269
Pound sterling	-434
US dollar	-14
Canadian dollar	16
Polish zloty	27
Chilean peso	14
Swiss franc	27
Other	3
Group total	-92

Million euro

In this regard, the impact of a 10% appreciation of the euro on the income statement would have amounted to 33 million euro.

2008	
Currency	Result
Euro	74
Pound sterling	-937
US dollar	-2
Canadian dollar	35
Polish zloty	25
Chilean peso	-32
Swiss franc	19
Other	5
Group total	-812

Million euro

The following table shows the relevant foreign exchange fluctuations:

	Exchange rate					
	2009		2008		CHANGE 09/08	
	AVERAGE	YEAR END	AVERAGE	YEAR END	AVERAGE	YEAR END
Pound sterling	0.8888	0.8876	0.8019	0.9570	10.84%	-7.25%
US dollar	1.3952	1.4331	1.4697	1.3953	-5.07%	2.71%
Canadian dollar	1.5810	1.4989	1.5641	1.6993	1.08%	-11.79%
Polish zloty	4.3448	4.1048	3.5175	4.1478	23.52%	-1.04%
Chilean peso	771.798	727.630	771.326	890.800	0.06%	-18.32%
Swiss franc	1.5070	1.4831	1.5789	1.4911	-4.55%	-0.54%

3.3 CREDIT RISK

The Group's main financial assets exposed to credit risk are as follows:

- Investments in financial assets included in cash and cash equivalents (short term) (Note 20).
- Non-current financial assets (Note 10).
- Derivative financial instruments (Note 11).
- Trade and other receivables (Note 14).

The Group's overall exposure to credit risk is equal to the balance of the above-mentioned items, as the Group has not granted any credit lines to third parties.

As regards the risk incurred by investing in financial products or contracting derivative financial instruments (included in letters a, b and c), Ferrovial has implemented internal criteria to minimise credit risk, stipulating that counterparties must always be highly rated by prestigious international rating agencies. Ferrovial also imposes maximum limits on amounts invested or contracted, which are periodically reviewed.

In the case of transactions in countries whose economic and socio-political circumstances preclude high credit quality, the Group mainly selects branches and subsidiaries of foreign financial institutions, or the largest local institutions, that fulfil or nearly fulfil stipulated credit policy.

In the specific case of restricted cash linked to infrastructure project financing, financing contracts that impose restricted cash amounts usually also stipulate the conditions that must be fulfilled by the relevant financial products. As an example, at 31 December 2009 the toll road company ETR 407 was party to a framework financing agreement which stipulates that the restricted cash of 278 million euro, representing 34% of the total restricted cash reflected in Ferrovial's balance sheet at that date, must be invested in "qualifying investments", which are products having a certain minimum rating.

With respect to risks related to trade receivables (included in letter d) and non-current receivables (letter b), there are a wide variety of customers, a large part of which are public bodies. Indeed, 56% of all the Group's non-current and current receivables relate to public administrations.

3.4 LIQUIDITY RISK

In the current market environment, in which a major financial crisis caused a generalised credit crunch in the 2008 financial year, Ferrovial adopted a proactive approach to liquidity management, based on the preservation of the company's liquidity.

This policy is focused on three main areas:

1. - Comprehensive working capital management to ensure timely fulfilment of collection commitments by customers.
2. - Monetisation of financial assets, where feasible based on reasonable market conditions, through the factoring and discounting of debt claims.
3. - Implementation of an integrated cash system to optimise the Group companies' daily liquidity positions.

The Group has also sought to always utilise available cash to settle payment obligations and debt commitments in advance.

Infrastructure projects

Liquidity risk must be analysed for each individual infrastructure project since there is specific financing for each project and the projects are independent units for liquidity purposes.

In general, debt maturities are monitored carefully for each project. Note 20 contain a breakdown showing that 58% of the project financing falls due after more than five years.

The fact that these are long-term projects with foreseeable flows allows the arrangement of financing structures linked to estimated project flows.

During the execution of the projects, the Group seeks to apply an active refinancing policy to maximise cash generation.

As regards refinancing processes, the refinancing of BAA's debt is currently in progress and is addressed in more detail in Note 20.

As indicated above, certain infrastructure project financing contracts stipulate the need to hold accounts (restricted cash) the availability of which is restricted by the financing contracts as security for certain short-term obligations (interest or principal repayments; infrastructure maintenance and operation).

These accounts are an additional guarantee with respect to liquidity risk (see breakdown in Note 20).

Short-term maturities of borrowings for 2010 infrastructure projects total 1,285 million euro. The main projects are the Canadian toll road 407 ETR and the Ausol toll road. A breakdown of these maturities is provided in Note 20.

The Group seeks to cover all commitments to make new investments by means of specific financing, before the investment is made. Note 20 contain a breakdown of the balances available to fulfil these requirements.

To conclude on all the preceding sections, the liquidity position of the infrastructure projects in 2009 is explained below:

- At 31 December 2009, cash and cash equivalents (including short-term restricted cash) amount to 1,050 million euro.
- At that date, undrawn credit lines amounted to 4,905 million euro, having been arranged mainly to cover investment commitments.
- The projects have the capacity to generate significant and recurring cash flows from operating activities (cash flows obtained from these projects in 2009 totalled 1,811 million euro; see Note 32 on cash flow).
- The capacity to increase the volume of debt in certain projects, based on growth in operating variables.

Other Group activities

Unlike infrastructure projects, liquidity risk is managed on an overall basis for the rest of the Group's activities, particularly business in Spain.

Liquidity risk management also focuses on closely monitoring debt maturities (also explained in Note 20) and on proactive management and maintenance of credit lines to cover forecast cash needs.

Short-term maturities of borrowings for other activities in 2010 total 329 million euro. A breakdown of these maturities is provided in Note 20.

The liquidity position of the Group's other activities in 2009 is based on the following factors:

- At 31 December 2009, cash and cash equivalents (including short-term restricted cash) amount to 1,430 million euro.
- At that date, undrawn credit lines totalled 821 million euro.
- The Group's business areas have the capacity to generate significant and recurring cash flows from operating activities (cash flows from operating activities obtained in 2009 totalled 841 million euro; see Note 32 on cash flow).
- The capacity to increase debt volumes based on the current moderate level of debt and on the Group's capacity to generate recurring cash flows.

Finally, as regards liquidity risk management, at both the Group level and in each business area and project, systematic forecasts are prepared on cash generation and needs in order to determine and permanently monitor the Group's liquidity position.

3.5 MARKET RISK

Ferrovial is also exposed to risk relating to the evolution of share prices of listed companies. These risks are hedged as follows:

- Equity swaps linked to share-based remuneration systems:

As indicated in Note 11 on derivative financial instruments and Note 34 on share-based remuneration systems, Ferrovial has entered into equity swap contracts to hedge possible outlays that may be required under executive remuneration systems linked to the price of shares in Ferrovial and in Cintra.

The equity swaps eliminate uncertainty with respect to the strike price stipulated in the remuneration systems; however, as they are not deemed to be hedge derivatives under International Accounting Standards, their market value has an impact on the income statement, which is positive if the share price rises and negative if the share price falls.

Specifically, in 2009 Ferrovial's closing share price was 8.23 euros, entailing the recognition by Ferrovial of 159 million euro in financial income (see Note 29) and an impact of 99 million euro on net income.

3.6. . INFLATION RISK

The Company has contracted derivative financial instruments linked to the evolution of the consumer price index, as explained in Note 25 on fair value adjustments, as regards the measurement of index-linked swaps.

These instruments are mainly contracted by BAA and are measured based on the inflation rate forecast for the periods covered by the contracts (see Note 11 on derivative financial instruments for more details).

A 1% rise in the inflation rate during the term of the derivative, without any change in the interest rate, would have an impact of -455 million euro on the fair value of these derivatives and of -209 million euro on net income.

3.7. EQUITY MANAGEMENT

The Group's objective in equity management is to safeguard its capacity to continue managing its recurring activities and the capacity to continue to grow through new projects, by optimising the debt-equity ratio to create shareholder value.

Since the Group was listed on the stock exchange in 1999, capitalisation has remained steady and there have been no new equity issues. Growth has been financed in three ways:

- Internal cash flows generated from the Group's recurring businesses.
- Capacity to grow through investments in new infrastructure projects financed largely by borrowings secured by project flows, thereby feeding the Group's growth capacity in its recurring activities.
- Asset turnover policy focused on the sale of mature projects in order to continue financing investments in new projects.

The Group's optimal leverage level is not determined on the basis of its overall debt-equity ratio but based on different indicators depending on the debt structure, as follows:

- In the case of infrastructure projects, each project is assigned a leverage level linked to its operating variables or forecast future flows. A high leverage level is justified by the existence of long-term projects with recurring and predictable flows. In the case of regulated airports, the leverage level is based on the debt-RAB ratio (as indicated earlier, the RAB is used to calculate prices and is therefore a key element when determining future flows).
- The Group's other companies (excluding infrastructure projects, which mainly involve corporate debt), the aim is to maintain a moderate leverage level based on the general reference levels determined by rating agencies for "investment grade" companies; in Ferrovial's case, this is usually determined based on a ratio combining EBITDA (indicated linked to recurring cash flows) and net borrowings.

Finally, as regards the dividend policy, since flotation the Group's objective has been to ensure dividend growth without establishing a pay-out ratio.

4. Segment information

The "Other" column in the balance sheet and income statement by segment includes the assets and/or liabilities and revenues and/or expenses pertaining to the companies not assigned to any of the business segments, mainly comprising the parent Ferrovial, S.A. and its smaller subsidiaries, the Polish real estate business, and inter-segment adjustments. Set out below are the segment balance sheets and income statements for 2009, 2008 and 2007:

SEGMENT BALANCE SHEET

ASSETS	2009					
	Construction	Toll roads	Airports	Services	Other	Total
Non-current assets	633	10,862	21,429	2,822	331	36,076
Consolidation goodwill	169	1,559	3,813	1,411	0	6,952
Intangible assets	7	0	0	38	0	45
Investments in infrastructure projects	0	7,914	16,253	141	0	24,309
Investment property	0	0	0	0	77	77
Property, plant and equipment	119	1	0	533	18	671
Equity-consolidated companies	16	62	0	238	0	317
Non-current financial assets	142	562	182	225	107	1,218
Pension surplus	0	0	0	22	0	22
Deferred tax assets	178	708	398	213	108	1,604
Derivative financial instruments at fair value	2	56	781	0	22	861
Assets classified as held for sale	1	1,641	116	44	0	1,802
Current assets	4,021	857	957	1,519	-1,123	6,232
Inventories	185	11	7	21	266	490
Trade and other receivables	1,479	389	312	1,244	-162	3,262
Cash and cash equivalents	2,357	458	638	254	-1,227	2,480
TOTAL ASSETS	4,655	13,360	22,502	4,385	-792	44,110
LIABILITIES AND EQUITY						
Equity	211	1,432	3,207	1,105	-1,398	4,557
Capital and reserves attributable to the company's equity holders	149	1,385	1,769	1,091	-1,407	2,987
Minority interest	63	47	1,437	14	9	1,570
Deferred income	10	418	5	24	-1	457
Non-current liabilities	594	8,424	17,909	1,119	1,615	29,661
Pension provisions	1	-1	313	190	0	503
Other provisions	50	489	29	148	30	746
Borrowings	459	6,981	14,028	626	1,274	23,368
Other liabilities	9	113	0	10	3	136
Deferred tax liabilities	70	138	2,882	132	142	3,364
Derivative financial instruments at fair value	5	705	656	13	166	1,544
Liabilities classified as held for sale	0	1,608	5	34	0	1,647
Current liabilities	3,839	1,478	1,377	2,103	-1,008	7,789
Borrowings	38	1,101	538	1,225	-965	1,938
Trade payables	3,375	376	775	849	-43	5,332
Trade provisions	426	0	63	29	1	519
TOTAL LIABILITIES AND EQUITY	4,655	13,360	22,502	4,385	-792	44,110

Million euro

Million euro

2008

ASSETS	Construction	Toll roads	Airports	Services	Other	Total
Non-current assets	660	8,689	20,430	2,719	298	32,795
Consolidation goodwill	171	321	3,527	1,382	0	5,400
Intangible assets	7	0	0	56	0	63
Investments in infrastructure projects	1	7,232	14,966	106	0	22,305
Investment property	0	0	0	0	92	92
Property, plant and equipment	138	0	0	495	24	657
Equity-consolidated companies	16	40	65	216	0	336
Non-current financial assets	153	261	142	257	54	867
Pension surplus	0	0	76	0	0	76
Deferred tax assets	175	738	640	206	100	1,859
Derivative financial instruments at fair value	0	98	1,013	0	28	1,139
Assets classified as held for sale	5	1,708	2,563	2	0	4,278
Current assets	4,390	1,057	1,025	1,469	-1,188	6,753
Inventories	203	4	6	17	270	500
Trade and other receivables	1,929	306	366	1,252	-100	3,751
Cash and cash equivalents	2,259	748	653	200	-1,357	2,502
TOTAL ASSETS	5,056	11,454	24,017	4,189	-890	43,826

Million euro

LIABILITIES AND EQUITY	Construction	Toll roads	Airports	Services	Other	Total
Equity	372	768	1,182	964	676	3,962
Capital and reserves attributable to the company's equity holders	306	584	-747	948	665	1,756
Minority interest	66	184	1,929	16	11	2,206
Deferred income	13	204	8	28	0	253
Non-current liabilities	541	8,497	19,683	1,083	-737	29,068
Pension provisions	1	-1	0	131	0	131
Other provisions	45	371	115	151	27	708
Borrowings	331	6,765	15,708	598	-990	22,413
Other liabilities	9	96	-1	13	1	118
Deferred tax liabilities	56	250	2,850	126	97	3,379
Derivative financial instruments at fair value	98	1,016	1,011	64	129	2,319
Liabilities classified as held for sale	1	1,484	1,679	0	0	3,163
Current liabilities	4,130	501	1,465	2,114	-829	7,380
Borrowings	66	422	626	1,237	-799	1,552
Trade payables	3,745	79	772	811	-31	5,376
Trade provisions	319	0	67	66	0	452
TOTAL LIABILITIES AND EQUITY	5,056	11,454	24,017	4,189	-890	43,826

Million euro

2007

ASSETS	Construction	Toll roads	Airports	Services	Other	Total
Non-current assets	548	9,793	26,981	2,752	111	40,184
Consolidation goodwill	178	307	5,261	1,496	0	7,242
Intangible assets	7	84	0	69	0	160
Investments in infrastructure projects	0	8,278	21,012	119	0	29,408
Investment property	0	0	0	0	0	0
Property, plant and equipment	143	112	0	480	14	749
Equity-consolidated companies	11	125	11	244	0	390
Non-current financial assets	56	285	276	187	-11	793
Pension surplus	0	0	165	62	0	227
Deferred tax assets	143	569	87	96	71	966
Derivative financial instruments at fair value	9	33	170	0	37	248
Assets classified as held for sale	8	0	808	0	0	816
Current assets	4,409	1,099	778	1,446	-1,168	6,564
Inventories	184	28	12	18	248	490
Trade and other receivables	1,999	403	459	1,262	-36	4,086
Cash and cash equivalents	2,226	668	307	166	-1,380	1,988
TOTAL ASSETS	4,965	10,892	28,566	4,198	-1,056	47,565

Million euro

LIABILITIES AND EQUITY	Construction	Toll roads	Airports	Services	Other	Total
Equity	547	1,238	3,345	1,126	640	6,896
Capital and reserves attributable to the company's equity holders	482	763	986	1,109	621	3,960
Minority interest	66	475	2,359	17	19	2,936
Deferred income	0	217	17	32	0	266
Non-current liabilities	418	8,746	23,444	1,030	-771	32,867
Pension provisions	1	-1	0	72	0	72
Other provisions	50	7	143	196	16	412
Borrowings	301	7,979	20,497	640	-960	28,458
Other liabilities	0	129	16	10	-13	141
Deferred tax liabilities	65	226	2,597	112	119	3,119
Derivative financial instruments at fair value	0	406	190	1	67	664
Liabilities classified as held for sale	1	0	82	0	0	83
Current liabilities	3,999	691	1,678	2,010	-925	7,453
Borrowings	44	380	507	1,170	-962	1,139
Trade payables	3,601	307	1,042	819	36	5,804
Trade provisions	354	4	129	22	0	510
TOTAL LIABILITIES AND EQUITY	4,965	10,892	28,566	4,198	-1,056	47,565

Million euro

Set out below is a breakdown by segment of acquisitions, in accordance with IFRS 8:

	Additions to infrastructure projects		Additions to property, plant and equipment		Additions to intangibles and goodwill		Additions of associates	
	2009	2008	2009	2008	2009	2008	2009	2008
Construction	0	0	30	49	0	1	0	6
Airports	989	1,570	0	0	10		0	0
Toll roads	438	705	4	51	0	110	7	0
Services	29	22	144	159	7	11	0	0
Other	0	0	6	15	0		0	0
Total	1,455	2,297	184	274	17	122	7	6

Million euro

Additions to infrastructure projects are analysed by business segment in Note 7.

SEGMENT INCOME STATEMENT

2009

	Construction			Toll roads			Airports			Services			Other			Total		
	Before fair value adj.	Fair value	Total	Before fair value adj.	Fair value	Total	Before fair value adj.	Fair value	Total	Before fair value adj.	Fair value	Total	Before fair value adj.	Fair value	Total	Before fair value adj.	Fair value	Total
Sales	4,476	0	4,476	935	0	935	3,070	0	3,070	3,680	0	3,680	-66	0	-66	12,095	0	12,095
Other revenue	19	0	19	1	0	1	0	0	0	11	0	11	0	0	0	30	0	30
Total operating revenue	4,495	0	4,495	935	0	935	3,070	0	3,070	3,691	0	3,691	-66	0	-66	12,126	0	12,126
Materials consumed	936	0	936	6	0	6	73	0	73	382	0	382	8	0	8	1,405	0	1,405
Other external expenses	1,606	0	1,606	-8	0	-8	6	0	6	149	0	149	-107	0	-107	1,645	0	1,645
Staff expenses	655	0	655	105	0	105	652	0	652	1,947	0	1,947	50	0	50	3,410	0	3,410
Change in trade provisions	127	0	127	25	0	25	0	0	0	19	0	19	13	1	15	185	1	187
Other operating expenses	946	0	946	192	0	192	1,000	2	1,001	828	0	828	-28	0	-28	2,938	2	2,939
Total operating expenses	4,270	0	4,270	320	0	320	1,731	2	1,733	3,326	0	3,326	-64	1	-63	9,583	3	9,586
EBITDA	225	0	225	615	0	615	1,339	-2	1,337	366	0	366	-2	-1	-4	2,543	-3	2,540
Non-current asset depreciation/amortisation	45	0	45	110	0	110	726	0	726	124	0	124	3	0	3	1,009	0	1,009
Operating results before impairment and disposals of non-current assets	180	0	180	505	0	505	613	-2	611	241	0	241	-5	-1	-7	1,534	-3	1,531
Impairment and disposals of non-current assets	0	0	0	95	0	95	-747	-53	-800	1	0	1	31	-37	-6	-620	-90	-710
Operating results	180	0	180	600	0	600	-134	-55	-189	242	0	242	25	-39	-13	914	-93	820
Financial income of infrastructure projects	0	0	0	19	0	19	0	0	0	9	0	9	0	0	0	27	0	27
Financial expenses of infrastructure projects	-4	0	-4	-507	0	-507	-894	0	-894	-10	0	-10	1	0	1	-1,415	0	-1,415
Results from derivative financial instruments and other fair value adjustments	0	0	0	0	-47	-47	0	-100	-100	0	-1	-1	0	0	0	0	-148	-148
Financial results of infrastructure projects	-4	0	-4	-489	-47	-535	-894	-100	-994	-2	-1	-3	1	0	1	-1,388	-148	-1,536
Financial income of other companies	78	0	78	7	0	7	-2	0	-2	51	0	51	-12	0	-12	122	0	122
Financial expenses of other companies	-34	0	-34	-25	0	-25	0	0	0	-103	0	-103	-64	0	-64	-226	0	-226
Results from derivative financial instruments and other fair value adjustments	0	0	0	0	9	9	0	0	0	0	0	0	0	89	89	0	98	98
Financial results of other companies	44	0	44	-18	9	-9	-2	0	-2	-52	0	-52	-76	89	13	-103	98	-5
Financial results	41	0	41	-507	-38	-545	-896	-100	-996	-54	-1	-55	-75	89	14	-1,491	-50	-1,541
Share of profits of equity-consolidated companies	0	0	0	16	0	16	14	14	27	40	2	42	0	0	0	70	16	86
Consolidated result before income tax	221	0	221	110	-38	72	-1,016	-141	-1,157	228	1	229	-50	51	1	-507	-127	-635
Income tax	-65	0	-65	35	13	47	92	43	135	0	0	0	33	-15	18	94	41	135
Consolidated result from continuing operations	156	0	156	144	-25	119	-924	-98	-1,022	227	1	229	-16	35	19	-413	-86	-499
Net result from discontinued operations	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Consolidated result for the year	156	0	156	144	-25	119	-924	-98	-1,022	227	1	229	-16	35	19	-413	-86	-499
Result for the year attributed to minority interest	-13	0	-13	-34	18	-16	402	43	445	-6	0	-6	-2	0	-2	346	61	407
Result for the year attributed to the parent company	142	0	142	110	-7	103	-522	-55	-577	221	1	223	-19	36	17	-67	-25	-92

Million euro

(*) Relates to results arising from changes in the fair value of derivatives, other financial assets and liabilities, and investment property (see Note 25).

	Construction			Toll roads			Airports			Services			Other			Total		
	Before	Fair	Total	Before	Fair	Total	Before	Fair	Total	Before	Fair	Total	Before	Fair	Total	Before	Fair	Total
	value	value		value	value		value	value		value	value		value	value		value	value	
Sales	5,139	0	5,139	997	0	997	3,282	0	3,282	3,816	0	3,816	-88	0	-88	13,146	0	13,146
Other revenue	8	0	8	0	0	0	0	0	0	12	0	12	0	0	0	20	0	20
Total operating revenue	5,147	0	5,147	997	0	997	3,282	0	3,282	3,827	0	3,827	-88	0	-88	13,165	0	13,165
Materials consumed	1,125	0	1,125	23	0	23	102	0	102	492	0	492	-41	0	-41	1,702	0	1,702
Other external expenses	1,865	0	1,865	2	0	2	4	0	4	181	0	181	-65	0	-65	1,987	0	1,987
Staff expenses	704	0	704	126	0	126	852	0	852	1,950	0	1,950	49	0	49	3,680	0	3,680
Change in trade provisions	55	0	55	26	0	26	0	0	0	14	0	14	18	0	18	112	0	112
Other operating expenses	1,127	0	1,127	193	0	193	1,001	11	1,012	821	0	821	-13	0	-13	3,128	11	3,139
Total operating expenses	4,876	0	4,876	370	0	370	1,959	11	1,970	3,457	0	3,457	-52	0	-52	10,609	11	10,620
EBITDA	272	0	272	627	0	627	1,323	-11	1,312	371	0	371	-36	0	-36	2,556	-11	2,545
Non-current asset depreciation/amortisation	59	0	59	154	0	154	792	0	792	124	0	124	3	0	3	1,132	0	1,132
Operating results before impairment and disposals of non-current assets	213	0	213	473	0	473	530	-11	519	247	0	247	-39	0	-39	1,425	-11	1,413
Impairment and disposals of non-current assets	0	0	0	0	0	0	437	0	437	0	0	0	0	-17	-17	437	-17	419
Operating results	213	0	213	473	0	473	967	-11	956	247	0	247	-39	-17	-57	1,861	-29	1,833
Financial income of infrastructure projects	2	0	2	38	0	38	2	0	2	2	0	2	0	0	0	44	0	44
Financial expenses of infrastructure projects	-2	0	-2	-575	-26	-601	-1,050	0	-1,050	-3	0	-3	0	0	0	-1,629	-26	-1,655
Results from derivative financial instruments and other fair value adjustments	0	0	0	0	46	46	0	-231	-231	0	0	0	0	0	0	0	-185	-185
Financial results of infrastructure projects	0	0	0	-537	20	-516	-1,048	-231	-1,279	-1	0	-1	0	0	0	-1,585	-210	-1,795
Financial income of other companies	114	0	114	19	0	19	81	0	81	46	0	46	-34	0	-34	226	0	226
Financial expenses of other companies	-37	0	-37	-14	0	-14	-196	0	-196	-102	0	-102	5	0	5	-343	0	-343
Results from derivative financial instruments and other fair value adjustments	0	0	0	0	-14	-14	0	0	0	0	0	0	0	-208	-208	0	-223	-223
Financial results of other companies	77	0	77	5	-14	-9	-115	0	-115	-56	0	-56	-28	-208	-236	-117	-223	-340
Financial results	77	0	77	-532	6	-526	-1,163	-231	-1,394	-56	0	-56	-28	-208	-236	-1,702	-433	-2,135
Share of profits of equity-consolidated companies	0	0	0	14	-1	13	-3	-104	-107	47	-1	46	0	0	0	59	-106	-47
Consolidated result before income tax	291	0	290	-44	5	-39	-198	-346	-544	237	-1	237	-68	-225	-293	218	-567	-349
Income tax	-83	0	-83	63	-3	60	-1,374	68	-1,307	-57	0	-57	57	68	124	-1,395	133	-1,263
Consolidated result from continuing operations	208	0	207	19	2	21	-1,573	-278	-1,851	180	-1	179	-11	-158	-168	-1,177	-435	-1,612
Net result from discontinued operations	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Consolidated result for the year	208	0	207	19	2	21	-1,573	-278	-1,851	180	-1	179	-11	-158	-168	-1,177	-435	-1,612
Result for the year attributed to minority interest	-14	0	-14	-20	-5	-25	717	121	838	-3	0	-3	2	2	4	682	118	800
Result for the year attributed to the parent company	194	0	194	-1	-3	-4	-856	-158	-1,013	177	-1	176	-9	-155	-164	-495	-317	-812

Million euro

(*) Relates to results arising from changes in the fair value of derivatives, other financial assets and liabilities, and investment property (see Note 25).

Set out below is a breakdown of sales by segment together with prior-year comparative figures:

	2009			2008		
	External sales	Intersegment sales	Total	External sales	Intersegment sales	Total
Construction	4,358	119	4,476	5,008	131	5,139
Airports	3,069	0	3,070	3,281	0	3,282
BAA	3,067	0	3,067	3,263	0	3,263
Other airports	3	0	3	18	0	18
Toll roads	934	1	935	996	1	997
Services	3,671	9	3,680	3,806	10	3,816
Other and adjustments	-153	86	-66	-162	73	-88
Total	11,879	215	12,095	12,929	216	13,146

Million euro

Geographical segments

Set out below is a breakdown of the balance sheet by geographical segment:

	Total assets			Additions to infrastructure projects, PPE, intangible assets, goodwill and equity-consolidated companies		Sales	
	2009	2008	2007	2009	2008	2009	2008
Spain	8,923	8,939	8,033	194	767	4,231	4,925
United Kingdom	23,458	24,315	30,142	1,015	1,587	4,256	4,423
USA	2,764	2,548	1,935	167	102	519	448
Canada	3,263	2,817	3,003	49	28	354	349
Poland	982	953	918	5	9	779	1,035
Chile	1,663	1,282	1,625	0	21	238	224
Portugal	991	931	187	85	61	222	179
Rest of Europe	1,905	1,854	1,557	138	18	1,432	1,488
Other	161	188	165	11	105	64	76
Total	44,110	43,826	47,565	1,663	2,699	12,095	13,146

Million euro

In addition to the segment information included in this note, further information is provided in the following notes:

- Note 7 contains an analysis of infrastructure projects by business segment, and by geographical segment for the main project groups.
- Note 20 contains an analysis of net cash, distinguishing between infrastructure projects and other companies, including a segment breakdown in both cases.
- Note 32 contains an analysis of cash flows, distinguishing between infrastructure projects and other companies, including a segment breakdown in both cases.

5. Goodwill and acquisitions

Movements in this caption by segment in 2009 and 2008 are as follows:

MOVEMENTS DURING 2009	Balance at 01/01/09	Investment	Exchange rate	Balance at 31/12/9
Airports	Disposal	10	276	3,813
BAA	3,527	10	276	3,813
Belfast	0	0	0	0
Services	1,381	-4	34	1,411
Amey	395	0	31	426
Cespa	422	-1	0	421
Swissport	545	-3	3	545
Other services	19	0	0	19
Construction	171	0	-2	169
Webber	100	0	-3	97
Budimex	71	0	1	72
Toll roads	321	1,227	12	1,559
Total	5,400	1,232	319	6,952

Million euro

BAA's goodwill balances do not include Gatwick airport, which was already classified as held for sale (Note 12). This goodwill was adjusted for impairment in June due to the estimates of the possible selling price of Gatwick airport, on the basis of which a loss of 416 million euro was recognised. On 3 December the Gatwick airport assets and liabilities were sold, generating an additional loss of 314 million euro, making a total loss before taxes of 730 million euro (408 million euro in Ferrovial's net result) on this transaction, as analysed in Note 28.

The main impact in the Toll Roads Division is the goodwill generated as a result of the merger of Cintra Conces. Inf. de Transporte and Grupo Ferrovial (1,283 million euro), giving rise to the Group's new parent company Ferrovial. Of this amount, 54 million euro is recognised in the caption Assets held for sale due to being allocated to the Chilean toll roads, which are held for sale, as explained in Note 12. The acquisition is addressed in more detail in point 2 of this note.

The main movements in the Airports Division (BAA) is due to the exchange rate effect (+276 million euro) caused by the appreciation of sterling, as described in Note 3.2 "Foreign exchange risk". There was also a 10 million euro increase due to the additional investment in Advanced Transport Systems, in which a 37.5%

interest was already held in December 2008 and which is now fully consolidated because the Group holds the majority of voting rights.

In the Services Division, the main movement relates to Amey and the above-mentioned appreciation of sterling, causing a 31 million euro increase in goodwill.

Set out below is a breakdown of BAA's goodwill by airport for 2009, 2008 and 2007:

	Balances at 31/12/09	Balances at 31/12/08	Balances at 31/12/07
Heathrow Airport	3,102	2,877	3,744
Gatwick	0	0	665
Stansted Airport	282	261	340
Regulated airports	3,384	3,138	4,748
Edinburgh Airport	251	233	304
Aberdeen Airport	58	54	70
Southampton	39	36	46
BAA Italia	73	66	87
NATS	9	0	0
Unregulated airports	430	389	507
Total goodwill BAA	3,813	3,527	5,256

Million euro

Movements in goodwill during 2008 were as follows:

MOVEMENTS DURING 2008	Balance at 01/01/08	Investment	Exchange rate	Balance at 31/12/8
Airports	5,261	-615	-1,119	3,527
BAA	5,256	-611	-1,118	3,527
Belfast	5	-4	-1	0
Services	1,496	-40	-75	1,381
Amey	521	-6	-120	395
Cespa	422	0	0	422
Swissport	534	-34	45	545
Other services	19	0	0	19
Construction	178	0	-7	171
Webber	96	0	4	100
Budimex	82	0	-11	71
Toll roads	307	29	-15	321
Total	7,242	-626	-1,216	5,400

Million euro

5.1 IMPAIRMENT TESTING

At year-end 2009, the Company's assets were tested for impairment of goodwill. The conclusions of the analysis indicate that the recoverable value of the goodwill is higher than the carrying amount and no impairment has therefore occurred. The following paragraphs describe the methodology and assumptions used during impairment testing.

1. BAA goodwill and right to operate:

Goodwill is the excess amount paid to acquire BAA over the value of the assets at the acquisition date (June 2006), representing the growth value of the business in the long term, based on expectations of significant additional investments that will allow considerable traffic growth in coming years.

The recoverable value of the airports has been calculated as the higher of fair value less estimated costs to sell and value in use. That value has been obtained by discounting projected cash flows, based on the business plan for each airport to 2056, using the Adjusted Present Value (APV) method. The company believes that this is the minimum period necessary for a flow discount model to reflect the huge growth potential of this infrastructure, involving major investments, and that this is the methodology that reflects the value of this business. Cash flows have been discounted to the middle of the period and the residual value applied in the final year modelled has been calculated using the Gordon Shapiro formula and a perpetuity growth rate of 1.5%.

The business plan calculations for the regulated airports were obtained by applying the Building Blocks methodology used by the UK airport regulator CAA (Civil Aviation Authority) and the UK's CC (Competition Commission). Under this methodology, the profitability of these regulated assets is determined by the Regulated Asset Base (RAB), the future Capital Investment Programme and the return on assets. The regulator stipulated in its decisions of March 2008 (Heathrow) and 2009 (Stansted) the aeronautical tariffs for the following five-year period, based on a return on assets (before taxes and inflation) of 6.2% for Heathrow and 7.1% for Stansted. The starting point for the projections is the business plan approved by BAA's Board to 2012, in which the tariffs grow in line with the regulator's respective decisions and investments also follow this approach. As from 2013, a number of major maintenance and replacement investment projects have been added to increase the capacity of the existing infrastructure and cover passenger traffic growth forecast by the airport authorities while maintaining asset

quality. Current plans envisage an investment of around 13.5 billion GBP (at 2007/08 prices) in the next 10 years at Heathrow and Stansted airports. All these developments are consistent with the Transport Department's White Paper 2003 & 2006, the "Stansted-G2" and "Adding Capacity at Heathrow" consultation papers, and the Airport Master Plans. For these two regulated airports, return on assets increases as from the sixth five-year period, in line with the latest trends in regulated sectors in the United Kingdom.

The business plan for the unregulated airports and other activities was approved in December 2009 and reflects the long-term approach to the management of these assets. The starting point for the projections is the business plan approved by BAA's Board to 2012. Passenger growth is the main factor for the development of a sustainable and profitable business plan. Average passenger growth during the projection period is slightly below 3%. The discount rate for unregulated airports has been calculated using market references and assuming a deleveraged beta of 0.70.

Deleveraged discount rates (Ku) used to value the regulated airports are consistent with the return on RAB used to project the flows, at between 7.73% and 8.50%. A deleveraged discount rate (Ku) of 8.20% has been applied to the undesignated airports. The debt's tax shield has been discounted using the cost of the debt.

A number of sensitivities have been calculated for the regulated and unregulated airports. The most significant in terms of impact relate to the main investments planned (third runway at Heathrow and second runway at Stansted –SG2-) to increase capacity and meet forecast demand from passengers. If these products are not undertaken, projected passengers could be adversely affected and impairment might be recognised in the future.

Sensitivity analyses are also performed for the unregulated airports. The carrying amounts of Glasgow and Southampton airports are similar to the values obtained. Consequently, a decrease in the main assumptions applied to these airports could lead to the recognition of impairment in the future.

2. Services Division goodwill (Amey, Cespa and Swissport):

Goodwill in these three business areas is calculated using project flow projections for a five-year period. The residual value is based on the flow for the last year projected, provided this represents a normalised flow, and the growth rate applied never exceeds the estimated long-term growth rate for the market in which the company operates.

Flows are discounted using a rate based on the weighted average cost of capital (WACC) for this type of assets. Ferrovia has used a market premium of 5.0%, based on recent studies of long-term premiums. Additionally, in order to obtain each company's exposure, portfolios of comparable companies have been selected to carry out regression analyses and obtain unlevered betas. The betas obtained have been compared with other sources habitually used by analysts and investment banks (Barra Beta, Bloomberg, etc.).

The projected flows are based on the latest estimates approved by the company, which take into account recent historical data. Average sales growth during the projection period is between 3.5% and 8.5%.

Discount rates (pre-tax WACC) used to test for impairment are between 7.3% and 8.1%, and perpetuity growth rates (g) are between 2.0% and 3.0%.

Sensitivity analyses are performed on this goodwill, particularly in relation to EBITDA, the discount rate and the perpetuity growth rate, so as to ensure that possible changes to the estimate have no impact on the possible recovery of the goodwill recognised.

In the company's opinion, there are no reasonable changes to the main assumptions that would eliminate the excess recoverable value.

3. Construction Division goodwill (Budimex and Webber):

This goodwill relates to Budimex (72 million euro) and Webber (97 million euro).

As Budimex is listed on the Warsaw Stock Exchange, impairment has been analysed by verifying that the closing share price is above the carrying amount plus goodwill allocated. At year-end 2009 there was a considerable excess value, Ferrovia's interest in Budimex (59.1%) being valued at 268.1 million euro in the stock market.

In Webber's case, the method used is similar to the method applied to the services companies, consisting of a discount rate (pre-tax WACC) of 9.0% and a perpetuity growth rate of 2.0%.

The projected flows are based on the latest estimates approved by the company, which take into account recent historical data. Growth in sales and other operating variables have been projected based on the contracts in the portfolio.

Sensitivity analyses are performed on Webber's goodwill, particularly in relation to EBITDA, the discount rate and the perpetuity growth rate, so as to ensure that possible changes to the estimate have no impact on the possible recovery of the goodwill recognised.

In the company's opinion, there are no reasonable changes to the main assumptions that would eliminate the excess recoverable value.

4. Toll Roads Division Goodwill:

The recoverable value of the toll roads has been calculated as the higher of fair value less estimated costs to sell and value in use. The value in use of concession companies with an independent financial structure and limited duration is calculated by discounting forecast flows for the shareholder to the end of the concession. The company believes that value in use must be obtained using models that consider the entire concession term, as the assets are in different phases of investment and growth and there is sufficient visibility to use a specific economic and financial plan for each phase during the concession term. No residual value is estimated in these valuation processes. The projections have been updated based on the historical evolution and specific features of each asset, using sophisticated, long-term modelling tools to estimate traffic, extraordinary maintenance, etc. These models or tools for traffic estimation use variables obtained largely from public sources (evolution of GDP, inflation, population, car ownership, status of alternative roads, etc.), there being also specific models to estimate extraordinary maintenance based on different variables (road surface condition, expected traffic, etc.).

Forecast cash flows for the shareholder are discounted at an estimated cost of capital based on a risk-free rate referenced to 30-year bonds, taking into account the location of each concession company, a beta coefficient reflecting the company's leverage and asset risk, and an estimated market premium of 5.0%.

For toll roads that include goodwill, mainly 407 ETR, possible impairment has been calculated by comparing the company's carrying amount (shareholders' equity plus net goodwill) with its value in use obtained by discounting cash flows, as described above.

No evidence of the impairment of this goodwill has been identified. In the company's opinion, there are no reasonable changes to the main assumptions that would eliminate the excess recoverable value.

5.2 ACQUISITIONS

In accordance with the company's accounting policies described in Note 2.3.9., for successive acquisitions of companies in which prior control is exercised, goodwill is recognised in the amount of the difference between the excess price paid and the carrying amount of the shareholding acquired.

As indicated previously, the most significant movement in 2009 relates to the goodwill of 1,283 million euro generated on the merger of Ferrovial and Cintra due to the acquisition of a 31.95% shareholding in Cintra from minority shareholders. This goodwill arises from the difference between the acquisition price (1,508 million euro) and the carrying amount of the investment (225 million euro). The acquisition price was Cintra's share price (8.30 euros) at the date on which the shareholders approved the merger, 20 October.

The goodwill generated by the merger has been allocated proportionally to each concession asset based on the valuations performed. Value in use has been applied for the majority of the assets, obtained by discounting cash flows for the shareholder, as described previously. Assets held for sale (Chilean toll roads) have been valued using the estimated selling price. Other assets and liabilities, mainly assets that have not yet matured or are under construction, have been valued at their carrying amount. Once the values of all the assets have been obtained, they are adjusted proportionally downwards to reach the share price of 8.30 euros.

Set out below are the discount rates used to measure the main assets and the goodwill allocated to each one (65% allocated to 407 ETR):

	Ke (shareholder cash flow discount rate)	Goodwill allocated
407 ETR	7.05%	831
Autema	8.55%	158
Chicago Skyway	8.03%	79
Indiana (ITR)	8.27%	79
Ausol	8.04%	65
Algarve	8.13%	12
Trados 45	7.91%	5
Sub-total		1,229
Chile (*)	Selling price	54
Total		1,283

Million euro

(*) In the caption Assets held for sale.

6. Intangible assets

It should be noted that the caption "Intangible assets" does not include the intangibles assigned to infrastructure projects, which are carried in the caption "Investments in infrastructure projects" (Note 7). The concession rights included in this caption are not linked to any specific project debt.

Movements in this consolidated balance sheet caption during 2009 and 2008 are as follows:

MOVEMENTS DURING 2009	Concession rights	Other intangible assets	TOTAL
Investment:			
Balance at 1.01.2009	101	39	140
Additions	4	4	8
Disposals	0	-5	-5
Reclassification to held for sale	-7	0	-7
Effect of exchange rate	0	1	1
Balance at 31.12.2009	98	39	137
Accumulated amortisation:			
Balance at 1.01.2009	-53	-24	-77
Charges	-15	-3	-18
Disposals	0	3	3
Reclassification to held for sale	1	0	1
Effect of exchange rate	0	-1	-1
Balance at 31.12.2009	-67	-25	-92
Carrying amount 31.12.2009	31	14	45

Million euro

The main movement in this caption relates to the transfer of Cespa Portugal's intangible assets to the line Assets held for sale (see Note 12), in the amount of 7 million euro.

Movements in this consolidated balance sheet caption during 2008 and 2007 are as follows:

MOVEMENTS DURING 2008	Concession rights	Other intangible assets	TOTAL
Investment:			
Balance at 1.01.2008	193	50	243
Additions	38	1	39
Disposals	-4	-16	-20
Scope changes and transfers	-7	8	1
Reclassification to held for sale	-124	-2	-126
Effect of exchange rate	5	-2	3
Balance at 31.12.2008	101	39	140
Accumulated amortisation:			
Balance at 1.01.2008	-43	-40	-83
Charges	-17	-6	-23
Disposals	2	9	11
Scope changes and transfers	-9	9	0
Reclassification to held for sale	18	2	20
Effect of exchange rate	-4	2	-2
Balance at 31.12.2008	-53	-24	-77
Carrying amount 31.12.2008	48	15	63

Million euro

- The only significant intangible asset having an indefinite life is the BAA Group's right to operate certain unregulated airports, which arose during the business combination process following the acquisition of that group. As indicated in Note 7, this asset is not recognised in intangible assets but in "Investments in infrastructure projects".
- At 31 December 2009 no significant intangible assets are subject to ownership restrictions or pledged to secure liabilities.
- There were no intangible asset impairment losses or reversals in 2009.

The internally generated intangible assets of BAA are analysed separately in Note 7.

7. Investments in infrastructure projects

7.1 COMPREHENSIVE INFORMATION ON INVESTMENTS IN INFRASTRUCTURE PROJECTS

The following table shows balances and movements in Investments in infrastructure projects by project during 2009 and 2008:

MOVEMENTS DURING 2009	Balance at 01/01/09	Scope changes	Additions	Disposals / transfers	Effect of exchange rate	Balance at 31/12/09
TOLL ROADS						
407 ETR International						
Spanish toll roads	2,671	0	34	-5	0	2,700
Chilean toll roads	0	0	0	0	0	0
US toll roads	1,521	0	157	0	-44	1,634
Other toll roads	1,345	0	199	107	0	1,651
AIRPORTS	18,846	8	989	-209	1,457	21,092
BAA	18,841	7	989	-209	1,456	21,084
Other airports	6	1	0	0	1	8
SERVICES	134	0	29	8	9	179
Tube Lines	0	0	0	0	0	0
Amey	109	0	0	0	9	118
Autovía de Aragón	25	0	29	-2	0	51
Other Services	0	0	0	9	0	9
CONSTRUCTION	0	0	0	0	0	0
Other infrastructure projects	0	0	0	0	0	0
Total investment	27,062	8	1,455	-99	1,765	30,191
Depreciation, Toll roads	-850	0	-110	43	-90	-1,007
Depreciation, Airports	-3,880	-1	-725	67	-300	-4,838
Depreciation, BAA	-3,875	0	-725	67	-298	-4,830
Depreciation, Other airports	-6	-1	0	0	-1	-8
Depreciation, Services	-28	0	-8	0	-2	-37
Total depreciation	-4,758	-1	-842	110	-392	-5,883
Total net investment	22,305	7	613	11	1,373	24,309

Million euro

The evolution of the euro exchange rate against the currencies of the countries in which there are significant investments in infrastructure projects (mainly pounds sterling) during 2009 caused a net increase of 1,373 million euro in these balances, as compared with the decrease of 5,210 million euro in 2008.

The most significant movements during 2009 are explained below:

- **Toll Roads Division:** As regards the US toll roads, there was a significant increase in the assets of the SH 130 toll road, under construction, in the amount of 138 million euro. The most significant investments relating to other toll roads are 119 million euro in Eurolink Motorway Operation (M3) Ltd and 80 million euro in Euroscut Azores, both of which are also under construction.
- **Airports Division:** The most significant additions relate to the BAA Group, amounting to 989 million euro, of which 905 million euro relates to additions of non-current assets in course of construction, as analysed later.

With the exception of BAA, which is owned, the remaining assets are held under concessions. Movements relating to BAA are explained in more detail below.

- In the case of the infrastructure projects, all the assets secure the company's debt, as explained in Note 20.
- During 2009, certain assets classed as investment property relating to Stansted airport became impaired in the amount of 53 million euro, as explained in Note 25.
- Interest capitalised during the year is analysed in Note 29.

Movements in these assets during 2008 were as follows:

MOVEMENTS DURING 2008	Balance at 01/01/08	Scope changes	Additions	Disposals / transfers	Effect of exchange rate	Balance at 31/12/08
TOLL ROADS AND CAR PARKS	9,362	0	705	-1,295	-689	8,082
407 ETR International	2,965	0	28	0	-448	2,545
Spanish toll roads	2,260	0	411	0	0	2,671
Chilean toll roads	1,522	0	21	-1,236	-307	0
US toll roads	1,365	0	91	0	66	1,521
Other toll roads	1,250	0	154	-59	0	1,345
AIRPORTS	25,424	0	1,570	-2,466	-5,682	18,846
BAA	25,352	0	1,570	-2,401	-5,680	18,841
Other airports	72	0	0	-65	-1	6
SERVICES	146	0	22	0	-33	134
Tube Lines	0	0	0	0	0	0
Amey	142	0	0	0	-33	109
Autovía de Aragón	3	0	22	0	0	25
Other Services	0	0	0	0	0	0
CONSTRUCTION	0	0	0	0	0	0
Other infrastructure projects	0	0	0	0	0	0
Total investment	34,932	0	2,297	-3,762	-6,404	27,062
Depreciation, Toll roads	-1,084	0	-234	377	91	-850
Depreciation, Airports	-4,412	0	-794	230	1096	-3,880
Depreciation, BAA	-4,384	0	-792	206	1,094	-3,875
Depreciation, Other airports	-29	0	-2	24	1	-6
Depreciation, Services	-27	0	-8	0	8	-28
Total depreciation	-5,523	0	-1,036	607	1,194	-4,758
Total net investment	29,408	0	1,260	-3,154	-5,210	22,305

Million euro

7.2 ANALYSIS OF INVESTMENTS IN BAA INFRASTRUCTURE PROJECTS

Set out below is an analysis of the BAA Group's project assets by nature:

- **Property, plant and equipment**

Movements in these assets during 2009 are analysed below:

MOVEMENTS DURING 2009	Terminals	Runways and related land	Plant and equipment	Other land and structures	Railway facilities	Assets in progress	Total
COST							
Balance at 1 January 2009	9,903	1,751	248	115	1,453	1,653	15,122
Scope changes	0	0	0	0	0	1	1
Additions	8	0	11	0	0	905	924
Transfers of investment property	3	0	0	21	0	-24	1
Transfers of completed assets	988	38	113	7	6	-1,151	0
Capitalised refinancing costs	0	0	0	0	0	25	25
Disposals	-101	-3	-6	-11	0	-1	-123
Other transfers							0
Exchange differences	770	137	14	8	114	122	1,166
Transfers to assets held for sale	0	0	-20	0	0	-10	-30
Balance at 31 December 2009	11,571	1,923	360	139	1,572	1,519	17,085
DEPRECIATION							
Balance at 1 January 2009	-2,900	-467	-65	-56	-240	28	-3,700
Additions	-455	-63	-59	-7	-46	0	-629
Disposals /transfers	97	3	5	5	0	0	109
Exchange differences	-225	-37	-2	-4	-19	2	-284
Transfers to available-for-sale assets	0	0	8	0	0	0	8
Balance at 31 December 2009	-3,483	-563	-113	-63	-305	31	-4,496
Carrying amount at 31 December 2009	8,089	1,360	247	77	1,267	1,550	12,589

Million euro

The most significant increase in this caption derives from exchange rates, for a net amount of 883 million euro, due to the fluctuation in the euro/sterling rate during the year, as indicated in Note 3.2. This effect was also recognised in 2008, entailing a net reduction in these assets of 3,719 million euro.

Additionally, assets in course of construction were transferred to their respective completed asset items in the amount of 1,151 million euro, relating mainly to Heathrow Terminal 4 (170 million euro) and Phase 1 of Terminal B2 (112 million euro), and also to land and facilities for the new Heathrow Terminal 5 (525 million euro). In 2008, transfers amounted to 6,193 million euro due to the opening of Heathrow Terminal 5 in March 2008.

There were also significant additions to assets in course, totalling 905 million euro. These asset additions include the investment made to develop the second runway at Stansted airport and related infrastructures, amounting to 26 million euro (23 million GBP) and a cumulative balance of 214 million euro (190 million GBP). A further 11 million euro has been invested in the planning and development of the third runway at Heathrow airport. Finally, the investments in facilities and extensions in progress in the Western Campus of Heathrow airport (including terminals T3, T4 and T5) should be noted, relating basically to the construction of the second satellite terminal for Terminal 5, for the sum of 301 million euro; and in the Eastern Campus (Heathrow terminals T1 and T2), relating to the T2 satellite terminal, in the amount of 216 million euro.

Movements in these assets during 2008 are analysed below:

MOVEMENTS DURING 2008	Terminals	Runways and related land	Plant and equipment	Other land and structures	Railway facilities	Assets in progress	Total
COST							
Balance at 1 January 2008							
Scope changes	0	0	0	0	0	0	0
Additions	15	0	10	0	0	1,054	1,079
Transfers of investment property	0	0	0	2	0	-11	-9
Transfers of completed assets	4,740	435	140	24	854	-6,193	0
Capitalised refinancing costs	0	0	0	0	0	130	130
Disposals	-5	0	-2	0	0	0	-7
Other transfers	156	0	-12	-15	0	-128	0
Exchange differences	-2,635	-504	-47	-32	-361	-957	-4,535
Transfers to assets held for sale	-1,225	-170	-64	-31	0	-92	-1,581
Balance at 31 December 2008	9,903	1,751	248	115	1,453	1,653	15,122
DEPRECIATION							
Balance at 1 January 2008	-3,355	-552	-62	-54	-243	37	-4,229
Additions	-514	-69	-52	-7	-46	0	-688
Disposals /transfers	6	0	29	-11	-17	0	6
Exchange differences	830	136	8	14	67	-9	1,046
Transfers to available-for-sale assets	132	17	12	2	0	0	165
Balance at 31 December 2008	-2,900	-467	-65	-56	-240	28	-3,700
Carrying amount at 31 December 2008	7,003	1,284	183	59	1,213	1,681	11,422

Million euro

• Investment property

Movements in these assets during 2009 are analysed below:

MOVEMENTS DURING 2009	Airports	Assets in progress	Total
Balance at 1 January 2009	2,781	16	2,796
Additions	0	20	20
Transfers of completed assets	27	-27	0
Disposals	-43	0	-43
Other transfers	-1	1	0
Exchange differences	217	0	217
Balance at 31 December 2009	2,981	10	2,991
DEPRECIATION			
Balance at 1 January 2009	-82	0	-82
Additions	-50	0	-50
Exchange differences	-6	0	-6
Impairment	-53	0	-53
Balance at 31 December 2009	-190	0	-190
Carrying amount at 31 December 2009	2,790	10	2,800

Million euro

The main movements during 2009 derive from exchange differences, amounting to 211 million euro. Additionally, as described in Note 5, the line "Impairment and disposals of non-current assets" (see Note 25 and 28) includes 53 million euro relating to the impairment of investment property at Stansted airport (21 million euro in Ferrovial's net result).

These assets, though classified as investment property, form part of the regulated asset base (RAB) of the regulated airports and therefore their fair value is in line with their carrying amount, which is in turn used to calculate the RAB.

Movements in these assets during 2008 were as follows:

MOVEMENTS DURING 2008	Airports	Assets in progress	Total
Balance at 1 January 2008	4,091	11	4,102
Additions	314	11	327
Exchange differences	-857	-4	-861
Transfers to available-for-sale assets	-767	-4	-771
Balance at 31 December 2008	2,781	16	2,796
DEPRECIATION			
Balance at 1 January 2008	-84	0	-84
Additions	-49	0	-49
Exchange differences	23	0	23
Transfers to available-for-sale assets	27	0	27
Balance at 31 December 2008	-82	0	-82
Carrying amount at 31 December 2008	2,699	16	2,715

Million euro

• Intangible assets

The two main intangible assets recognised at December 2009 are the BAA Group's right to operate certain unregulated airports (indefinite right) and the rights to operate commercial space, which are amortised on a straight-line basis over the term of the contract up to a maximum of 15 years.

The right to operate certain unregulated airports has been tested for impairment together with the goodwill allocated to those airports, as indicated in Note 5.

The most significant movements in this item also derive from exchange differences (64 million euro).

MOVEMENTS DURING 2009	Right to operate	Computer software	Concessions	Contracts to operate commercial space	Other	Total
VALUE						
Balance at 1 January 2009	653	123	0	138	8	922
Additions	0	20	0	0	0	20
Disposals	0	-5	0	0	-2	-7
Scope changes	0	0	0	0	6	6
Exchange differences	50	11	0	11	0	72
Transfers to available-for-sale assets	0	0	0	0	-6	-6
Balance at 31 December 2009	703	149	0	149	6	1,007
AMORTISATION						
Balance at 1 January 2009	0	-55	0	-38	0	-93
Additions	0	-30	0	-16	0	-46
Disposals	0	3	0	0	0	3
Exchange differences	0	-5	0	-3	0	-8
Transfers to available-for-sale assets	0	0	0	0	0	0
Balance at 31 December 2009	0	-87	0	-57	0	-143
Carrying amount at 31 December 2009	703	62	0	92	6	864

Million euro

MOVEMENTS DURING 2008	Right to operate	Computer software	Concessions	Contracts to operate commercial space	Other	Total
VALUE						
Balance at 1 January 2008	849	122	0	222	10	1,203
Additions	0	35	0	0	0	35
Disposals	0	0	0	0	0	0
Exchange differences	-196	-34	0	-51	-2	-284
Transfers to available-for-sale assets	0	0	0	-32	0	-32
Balance at 31 December 2008	653	123	0	138	8	922
AMORTISATION						
Balance at 1 January 2008	0	-35	0	-37	0	-72
Additions	0	-34	0	-21	0	-55
Disposals	0	0	0	0	0	0
Exchange differences	0	14	0	12	0	26
Transfers to available-for-sale assets	0	0	0	8	0	8
Balance at 31 December 2008	0	-55	0	-38	0	-93
Carrying amount at 31 December 2008	653	68	0	100	8	829

Million euro

8. Property, plant and equipment

The caption "Property, plant and equipment" does not include PPE assigned to infrastructure projects, which are carried in the caption "Investments in infrastructure projects".

Movements in Property, plant and equipment in the consolidated balance sheet are as follows:

MOVEMENTS DURING 2009	Land and structures	Plant and machinery	Other fixtures, tools and furnishings	TOTAL
Investment:				
Balance at 1.01.2009	131	747	743	1,621
Additions	4	82	94	180
Disposals	-9	-46	-18	-73
Scope changes and transfers	9	1	-15	-5
Effect of exchange rate	3	21	4	28
Balance at 31.12.2009	137	805	809	1,751
Accumulated depreciation:				
Balance at 1.01.2009	-24	-439	-501	-964
Charges	-2	-47	-77	-125
Disposals	5	30	7	42
Scope changes and transfers	-2	-10	13	2
Effect of exchange rate	-4	-31	1	-34
Balance at 31.12.2009	-27	-496	-556	-1,080
Carrying amount 31.12.2009	110	308	253	671

Million euro

Scope changes and transfers

During 2009, the main change is due to the transfer of the Cespa Group companies in Portugal to Assets held for sale, in the amount of 18 million euro.

Additions

As in the previous year, additions relate basically to the acquisition of specific site machinery by Ferrovial Agromán and to investments in waste treatment, landfills and machinery for the provision of municipal services, and investments in facilities and equipment to engage in Swissport's current activities.

Disposals

Disposals relate basically to the Construction and Services segments, amounting to 25 million euro and 32 million euro, respectively, due to the write-off of fully-depreciated assets.

Additionally, on 23 December 2009 Ferrovial S.A. sold the building in which its headquarters is located, together with related land and facilities. The carrying amount of the assets sold at the transaction date was 6 million euro.

MOVEMENTS DURING 2009	Land and structures	Plant and machinery	Other fixtures, tools and furnishings	TOTAL
Investment:				
Balance at 1.01.2008	369	765	704	1,838
Additions	18	107	149	274
Disposals	-26	-35	-38	-98
Scope changes and transfers	-229	-64	-60	-352
Effect of exchange rate	-2	-26	-13	-41
Balance at 31.12.2008	131	747	743	1,621
Accumulated depreciation:				
Balance at 1.01.2008	-100	-432	-500	-1,033
Charges	-10	-104	-70	-184
Disposals	14	39	47	100
Scope changes and transfers	72	37	15	124
Effect of exchange rate	1	21	8	30
Balance at 31.12.2008	-24	-439	-501	-964
Carrying amount 31.12.2008	107	307	242	657

Million euro

- Property, plant and equipment not used in operations is immaterial with respect to closing consolidated balances.
- No impairment losses or reversals were recognised during the year.
- The Group has taken out insurance to cover possible risks affecting its property, plant and equipment and possible claims that could be brought in the ordinary course of business. The Group considers that the insurance policies provide adequate coverage for such risks.
- PPE in course of construction amounts to 58.8 million euro (39.1 million euro in 2006). This increase is due basically to the plant and machinery being assembled by the Cespa Group in the Services segment.
- At 31 December 2009, no significant property, plant and equipment are subject to ownership restrictions or pledged to secure liabilities.

9. Investments in equity-consolidated companies

As mentioned in Note 2.3 on consolidation methods, with effect as from 1 January 2009 the company changed the consolidation method applied to jointly controlled businesses from the proportionate method to the equity method. For comparability, the 2008 balances were also restated. Set out below is a breakdown of the main investments in equity-consolidated companies at 31 December 2009 and 2008:

	2009	2008
Opening balance	336	390
Scope changes	-8	2
Share of results	85	-48
Exchange differences	15	0
Dividends collected and equity reimbursed	-16	-4
Derivatives	1	10
Companies with negative equity	0	-83
Transfers to held for sale	-81	62
Other	-15	7
Closing balance	317	336

Million euro

The most significant companies affected by this accounting policy change are:

- In the Toll Roads Division, the companies ITR Concession Company, Nea Odos, Central Greece and Trados 45. The change of accounting method for these companies had an impact of -2,056 million euro on the consolidated group's assets with respect to the figures contained in the financial statements at 31 December 2008, of which -1,848 million euro relates to ITR Concession Company, as explained in Note 2.
- In the Services Division, the Amey joint ventures (basically Tube Lines), Mantenimiento y Explotación M-30 and several

companies of the Cespa Group. The equity consolidation of these companies had an impact of -2,145 million euro with respect to the figures in the 2008 financial statements, of which -1,952 million euro relate to Tube Lines (see Note 2).

The main shareholdings included in this caption are:

- 10% indirect interest acquired in the company Madrid Calle 30, S.A., which holds a 35-year contract to refurbish and maintain the M30 ring road in Madrid, entailing an investment of 71.8 million euro at 31 December 2009 (57.3 million euro at 31 December 2008).
- Grupo Amey's interests in its joint ventures, particularly Tube Lines, the company that holds the maintenance and cleaning contracts for three London Underground lines, totalling 184 million at 31 December 2009 (172.6 million euro at 31 December 2008).
- Payment of 125 million euro to acquire a 20% interest in Promociones Hábitat, S.A. This amount was paid in September 2007 as a result of the commitment made when all the shares in Ferrovial Inmobiliaria were sold to Promociones Hábitat, S.A. Promociones Hábitat S.A. is subject to an insolvency proceeding at the year end. This shareholding is fully provisioned.

Finally, the conclusion may be drawn that the Group has significant influence in companies in which its interest is less than 20% and, conversely, does not have significant influence in companies in which its interest exceeds 20%.

There are no significant restrictions on the capacity of associates to transfer funds to the parent company in the form of dividends, debt repayments or advance payments, besides restrictions that may arise from financing contracts entered into by associates or from their own financial situation, and there are no contingent liabilities related to associates that might eventually be assumed by the Group.

Exhibit I contains a list of the main shareholdings in equity-consolidated companies indicating their name, the country in which they were incorporated, business segment, the Group's shareholding and their financial highlights, such as aggregate assets and liabilities, net sales and profit or loss for the year.

10. Non-current financial assets

Set out below are movements and maturities at 31 December 2009 and 2008:

MOVIMIENTOS DURANTE 2009	Available-for-sale financial assets	Loans and receivables	Restricted cash and other non-current financial assets	Other receivables	Total
Investment:					
Balance at 1.01.2009	4	155	290	418	867
Additions	17	28	71	25	141
Disposals	0	0	-65	-17	-83
Scope changes and transfers	0	-58	271	91	305
Provision	12	0	0	1	13
Effect of exchange rate	0	0	-13	-12	-25
Balance at 31.12.2009	33	125	554	506	1,218

Million euro

Note: Balances presented net of provisions.

- The item loans and receivables, infrastructure projects relates mainly to amounts pending collection from public administrations in return for services rendered or investments made under a concession contract, with respect to the companies Concesionaria de Prisiones Lledoners, in the amount of 85 million euro (89 million euro in 2008), and Concesionaria de Prisiones Figueras, in the amount of 40 million euro (8 million euro in 2008).

Maturities of the most significant loans and receivables are analysed below:

	Amounts	2010	2011	2012	2013	2014	After more than 5 years
Concesionaria de Prisiones de Lledoners	85	5	5	4	4	4	63
Concesionaria de Prisiones de Figueras	40	-72	1	1	1	2	108
Loans and receivables	125	-67	6	5	5	6	171

Million euro

The negative figure for 2010 maturities of Concesionaria de Prisiones de Figueras relates to the expected increase in the balance of infrastructure project receivables during 2010.

- The item restricted cash and other non-current financial assets includes guarantee deposits for bond issues, relating mainly to 407 ETR (205 million euro, 183 million euro in 2008) and Chicago Skyway (36 million euro, 35 million euro in 2008). The main change on this line relates to the inclusion in the scope of NTE Mobility Partners LLC, the concession company for the construction, maintenance and management of 21.4 kilometres (13.3 miles) of the North Tarrant Express road, in the amount of 271 million euro. It should be noted that this item includes a balance of 68 million euro (102 million CAD), after measurement adjustments, held by the company 407 International Inc in asset-backed commercial paper (ABCPs). At December 2009, the company valued these assets based on discounted future cash flows, resulting in a reversal of the existing provisions of 18 million CAD, having an impact of 4 million euro on the consolidated net result attributed to the parent company. It should also be noted that, in June 2009, 407 ETR arranged two credit lines with a Canadian bank, secured by ABCPs issued. At maturity, the company may sell the ABCPs and use the funds to repay the loans or place them with the bank (put option). At 31 December 2009, the put option has a value of 8.5 million CAD.

Finally, the item other receivables includes the following items:

1. Investments in Economic Interest Groupings (EIGs) relating to Ferrovial's shareholding in nine EIGs, totalling 100 million euro, which are engaged in an asset leasing activity managed by a non-Group company that retains the majority of rewards and is exposed to the risks relating to that activity. These groupings have availed themselves of tax incentives provided by Spanish legislation and their results are recognised in the caption "income tax" in the consolidated income statement.
2. Fully-provisioned account receivable of 250 million euro relating to the price deferred on the sale of the real estate business to Promociones Habitat.
3. Loans to equity-consolidated companies include the long-term loan granted by Ferrovial Servicios to its subsidiary Emesa in the amount of 50 million euro (25 million euro at December 2008) and the loans granted by Amey its subsidiaries Tube Lines (67 million euro) and Wakefield & Manchester (6 million euro).

4. Capitalised costs relating to the refinancing of BAA, amounting to 76 million euro (65 million GBP) and to the 6% Loan Notes due 2001, received from Caisse de Depot et Placement du Québec, in connection with the sale of Budapest Airport in 2007, in the amount of 66 million euro (59 million GBP; 58 million GBP at 31 December 2008).

Fair values of assets

The discounting of asset cash flows using a market interest rate is deemed to approximate their carrying amount. The difference between the carrying amount and fair value of the assets is not therefore significant.

Set out below are movements in these items during 2008, for illustrative purposes:

MOVEMENTS DURING 2008	Available-for-sale financial assets	Loans and receivables of infrastructure projects	Restricted cash	Other receivables	TOTAL
Investment:					
Balance at 1.01.2008	67	40	275	411	793
Additions	-16	126	90	66	265
Disposals	-28	0	-31	-69	-128
Scope changes and transfers	1	0	-28	38	10
Provision	-4	0	0	2	-2
Effect of exchange rate	-14	-11	-17	-31	-73
Balance at 31.12.2008	4	155	290	418	867

Million euro

11. Derivative financial instruments at fair value

a) Description of the main hedges

Set out below is a breakdown of derivatives contracted and their fair values at 31 December 2009 and 2008, as well as the maturities of the notional amounts to which the derivatives relate (notional maturities are shown as positive figures and future increases already contracts as negative figures):

Tipo de Instrumento	Fair value		Notional maturities					TOTAL NOTIONALS
	Balances at 31/12/09	Balances at 31/12/08	31/12/10	31/12/11	31/12/12	31/12/13	31/12/2014 and after	
ASSET BALANCES	861	1,139						
Index-linked swaps BAA (*)	32	140	0	0	0	447	913	1,359
Interest rate swaps BAA	4	72	0	0	0	1,118	0	1,118
Cross currency swaps BAA	734	800	0	0	1,000	0	1,500	2,500
Index-linked swaps Cintra	56	97	2	1	1	3	31	39
Equity swaps (*)	19	0	21	0	0	12	0	33
Other derivatives	16	31	133	0	0	0	0	133
Cross currency swaps Cintra	0	1	0	0	0	0	0	0
Other derivatives	16	28	133	0	0	0	0	133
Electricity hedge BAA	0	2	0	0	0	0	0	0
LIABILITY BALANCES	1,544	2,320	81	227	361	1,579	8,578	10,826
Index-linked swaps BAA (*)	194	329	0	0	0	0	1,126	1,126
Interest rate swaps BAA	284	475	0	0	0	1,022	3,592	4,614
Equity swaps	261	407	75	109	67	210	172	632
Interest rate swaps Cintra	694	989	-179	-189	1	-4	3,374	3,003
Other derivatives	111	121	185	308	293	351	315	1,451
Cross currency swaps Cintra	3	0	35	18	0	0	0	53
Other derivatives	109	121	150	290	293	351	315	1,398
NET AND NOTIONAL BALANCES	-683	-1,181	238	229	1,362	3,158	11,021	16,008

Million euro

(*) The items indicated are the main derivatives contracted by the Group that are not deemed to be accounting hedges, as explained in this note.

Additionally, several equity-consolidated or held-for-sale companies have contracted derivatives for a total fair value of -682 million euro at December 2009 (-931 million euro at December 2008), for a total notional amount of 2,088 million euro.

b) Main effects on results and equity

Set out below are movements in the main derivatives contracted by fully-consolidated companies, showing fair values at 31 December 2009 and 2008, and the impact on reserves, results and other balance sheet items:

Instrument type	Fair value			Breakdown of movements						TOTAL
	Balance at 31/12/09	Balance at 31/12/08	Change	Impact on reserves (I)	Impact on results, fair value (II)	Other impacts on results (III)	Exchange rate (IV)	Other balance sheet impacts (V)		
Index linked Swaps BAA	-162	-189	27	0	-142	72	-15	111	27	
Interest Rate Swaps BAA	-280	-403	123	296	26	-186	-27	14	124	
Cross Currency Swaps BAA	734	803	-68	93	-29	17	60	-210	-68	
Index linked Swaps Cintra	56	97	-41	-40	0	0	0	0	-40	
Interest Rate Swaps Cintra	-694	-989	295	341	1	-38	9	-19	295	
Equity swaps	-242	-407	165	0	159	-4	0	9	165	
Other hedges	-95	-91	-4	8	-19	-14	-17	37	-4	
CCS Cintra	-3	1	-4	-3	0	0	0	0	-4	
Other derivatives	-93	-93	1	11	-19	-12	-17	37	1	
Electricity hedge BAA	0	2	-2	0	0	-2	0	0	-2	
Total swaps	-683	-1,180	496	698	-3	-152	10	-57	497	

Million euro

As mentioned in Note 2.3.8, derivatives are carried at market value at the contract date and at fair value at subsequent dates. Changes in the value of these derivatives are recognised as follows:

- The fair value change to hedging derivatives during the year is recognised with a balancing item in reserves (column I).
- The fair value change to non-hedging derivatives or speculative derivatives is recognised as a fair value adjustment in the group's income statement (column II) and a separate breakdown is included in the income statement (see breakdown in Note 25).
- "Other impacts on results" (column III) reflect the impact of financing on financial income and expense in respect of interest accrued during the period.
- The impact of the difference between closing exchange rates at December 2009 and 2008 is also presented separately (column IV).
- Finally, the impacts on debt or cash of the ordinary periodic collections and payments on the derivatives (flows of interest paid during the period) are recognised. The movement in Cross Currency Swaps relates to the change in the debt with respect to the guaranteed exchange rate (column V).

In addition to the above-mentioned impacts, there was an impact of -8 million euro on reserves in respect of derivatives contracted by equity-consolidated companies or companies held for sale.

BAA derivatives

Index linked swaps BAA

BAA has contracted Index Linked Swaps, linked to fixed-rate bonds, such that the company has debt synthetically indexed to inflation. These derivatives have a total notional amount of 2,206 million GBP (2,485 million euro) and are not accounting hedges, as explained in Note 25. Their fair value changed from -189 million euro in December 2008 to -162 million euro in December 2009, entailing an impact of -142 million euro on Ferrovial's financial results as a fair value adjustment. This value excludes credit risk, entailing an impact of 92 million euro on Ferrovial's income statement that has already been included in the above-mentioned fair value adjustment.

Additionally, payments and collections reduced balance sheet liabilities by 111 million euro due basically to the advance settlement of payment flows. Finally, financial income of 72 million euro was recognised in relation to accruals for the year.

Interest rate swaps BAA

In order to hedge interest rate risk, BAA has contracted Interest Rate Swaps for a total notional amount of 5,088 million GBP (5,732 million euro). These derivatives are mostly classed as accounting hedges of cash flows from bank borrowings, as explained in Note 25. Only ineffective portions of the hedges or fair value changes in derivatives that are not accounting hedges are recognised in financial results, as fair value adjustments. The fair value of these derivatives has changed from -403 million euro at December 2008 to -280 million euro at December 2009, having an impact on reserves of 296 million euro due to the increase in the United Kingdom's long-term interest rates during the year. The portion of these derivatives not qualifying for hedge accounting had an impact of 26 million euro recognised as a fair value adjustment (see Note 25) in Ferrovial's financial results. Additionally, swap settlements at closed rates above current interest rates had an impact on Ferrovial's financial results of -186 million euro (-75 million euro on net results attributed to the parent company). Settlements of collections and payments reduced liabilities by 14 million euro.

Cross currency swaps BAA

BAA has contracted a number of Cross Currency Swaps to hedge sterling/euro foreign exchange risk on euro bonds issued (see Note 20), for a total notional amount of 1,703 million GBP (2,500 million euro), with maturities between 2012 and 2018. The evolution of the sterling/euro exchange rate during the year with respect to the closed rate had an impact on the balance sheet of -210 million euro due to the measurement of the bonds at the closed rates. Additionally, the valuation at the sterling/euro exchange rate at 31 December 2009 and 2008 had an impact on Ferrovial's consolidated balance sheet of +60 million euro due to the conversion to euros of the fair value in sterling.

Other hedging transactions contracted by BAA

BAA has Equity Swaps relating to Ferrovial's share-based remuneration systems (see Note 34). These contracts are not accounting hedges and therefore their fair value is recognised as a fair value adjustment in Ferrovial's financial income (see Note 25). The measurement of the Equity Swaps held by BAA at their market value has generated financial income of 39 million euro (16 million euro in the net result), recognised as a fair value adjustment (see Note 25).

Toll Road Division derivatives

Index linked swaps Cintra

In 2008, the company Autema contracted an index linked swap to hedge changes in income, contracting an inflation rate of 2.50% per annum. This hedge is deemed to be effective and had a gross impact on reserves of -40 million euro.

Interest rate swaps Cintra

The total fair value of these hedges changed from -989 million euro at December 2008 to -694 million euro at December 2009 (-1,841 to -1,193 million euro, respectively, including the derivatives of equity-consolidated companies), due to the generalised increase in long-term interest rates. This effect is particularly noteworthy in the swaps contracted to cover US project debt (basically Chicago Skyway and SH-130), their values having changed from -820 million euro at December 2008 to -542 million euro at December 2009. The other interest rate swaps contracted by Cintra showed a fair value change from -169 million euro at December 2008 to -151 million in December 2009.

As these derivatives are deemed to be fully effective, the fair value changes had a positive impact on reserves of 341 million euro (320 million euro of which relates to the swaps contracted in the USA), while settlements and accruals had an impact of -38 million euro on financial results.

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- Chicago Skyway ha cubierto la totalidad de su deuda mediante contratos de permuta financiera. Para el bono de la serie A por importe de 306 millones de euros (439 millones de USD) existe un contrato de cobertura por un importe notional equivalente al 100% de su deuda que asegura un tipo del 4,82% durante los primeros nueve años de vida del bono y un 5,88% en los tres últimos. Para el bono de la serie B existe un notional cubierto de 670 millones de euros (961 millones de USD) que supone la totalidad de su deuda y que se ha instrumentalizado mediante contratos de permuta financiera, fijando un calendario de flujos ciertos a recibir a cambio de pagos de interés variable crecientes en el tiempo, que equivalen a un tipo efectivo del 5,66% (incluyendo el margen del bono). Por último, la sociedad ha contratado instrumentos de cobertura para la totalidad de la deuda de la denominada serie C por un notional contratado inicialmente de 105 millones de euros (150 millones de USD) que garantizan un tipo fijo del 4,68%.

- Chicago Skyway has hedged its entire debt by means of equity swaps. The Series A bond of 306 million euro (439 million USD) is hedged for a notional amount equal to 100% of the debt at a rate of 4.82% for the first nine years of the bond's term and at 5.88% for the final three years. The Series B bond is fully hedged for a notional amount of 670 million euro (961 million USD) by means of equity swaps establishing a schedule of certain flows receivable in exchange for variable-interest payments that increase over time, for an effective rate of 5.66% (including the bond margin). Finally, the company has contracted hedges for all Series C debt, for an initial notional sum of 105 million euro (150 million USD), establishing a fixed rate of 4.68%.
- SH-130 has hedged interest rates for all its debt and a maximum notional sum of 496 million euro (711 million USD) at a fixed rate of 5.18%.
- Inversora Autopista del Sur has a hedge stipulating a fixed rate of 4.18% for Tranche B in the amount of 100 million euro.
- Inversora Autopista de Levante has a hedge of 238 million euro at a rate of 4.39%.
- Eurolink M4-M6 has partial interest-rate hedges with different terms to cover a range of between 3.44% and 5.39%.
- Euroscut Norte has an interest-rate hedge covering 75% of its debt to maturity, at a fixed interest rate of 3.69%.
- Euroscut Azores has hedged its total debt of 333 million euro at a fixed interest rate of 4.11%.
- Eurolink M3 has hedged its total debt of 265 million euro during the construction period at a fixed rate of 4.36%, which will decrease to 50% at a fixed rate of 4.53% during the operating period.
- Cintra Inversora de Autopistas de Cataluña has hedged 98% of its debt, in the amount of 606 million euro, based on an underlying curve equivalent to a fixed rate of 4.73%.

Equity Swaps

Derivative financial instruments include equity swap contracts concluded by the Group solely to hedge the impact on equity of its stock option plans, as described in Note 3.5 on market risk.

The equity swaps do not qualify for hedge accounting. Related gains or losses are recognised as fair value adjustments (see Note 25) in financial results, entailing income of 159 million euro for the consolidated Group at 31 December 2009. Note 35 on stock option plans contains a breakdown and description of these equity swap contracts.

Other derivatives

The line "Other derivatives" relates to the following main instruments:

- Foreign exchange derivatives in the Toll Roads Division: In the event that financing is contracted in a currency other than the currency in which the asset is denominated, the Group seeks to hedge foreign exchange risk. The most relevant transaction relates to Autopista del Maipo, which has a cross currency swap of 421 million USD plus interest to hedge the conversion of its US dollar financing into Chilean UF (this transaction is carried as held for sale).
- Interest rate swaps in Ferrovial, with a fair value of -88 million euro at 31 December 2009 (-71 million at 31 December 2008), a notional sum of 1,127 million euro (formed by four symmetrical derivatives with a notional sum of 250 million GBP up to a total of 1,000 million GBP) and a fixed interest rate of 5.2525%. These derivatives were contracted to hedge possible fluctuations in interest rates on the syndicated loan obtained by Ferrovial Infraestructuras to finance the acquisition of the BAA shares. Although this debt has been entirely converted to euros as a result of the corporate debt refinancing operation described in Note 20, the company considers a new conversion to sterling of a part of its current euro debt to be highly probable early in 2010, for an approximate amount of 750 million GBP, so as to maintain the natural hedge of the investment in BAA (see letter d of this note). Consequently, the hedge is deemed sufficient for this amount of debt, although the accumulated reserves relating to the derivative the notional value of which no longer qualifies for hedge accounting have been taken to results as a fair value adjustment, entailing an impact of -18 million euro on the Group's reserves and a charge of -22 million euro to the income statement (see Note 25) as a fair value adjustment in the Group's financial results. Additionally, settlements and accruals of ordinary interest on this derivative entailed a financial expense of 27 million euro and an impact on cash of -13 million euro. In addition to these derivatives, an IRS was contracted in euros for the company Marjeshvan, with a fair value of 2 million euro at 31 December 2009 (2 million euro at 31 December 2008).

- Interest rate swaps in the Services Division, consisting mainly of the contract relating to the Nacional II (Autovía de Aragón) road. This hedge was contracted in 2008 for interest rates on debt, representing a notional sum of 107 million euro and a fixed interest rate of 4.7640%.
- Corporate derivatives: during 2009 two new interest rate swaps were contracted for Cespa projects:
 - Barcelona City Council: notional sum of 24 million euro (equal to 50% of the debt) at a fixed interest rate of 3.2%, maturing in 2017.
 - Ecoparc Can Mata: notional amount of 25 million euro, fixed rates of 3.7475% and 3.62%, maturing in 2020.

c) Hedge measurement methods

On 1 July 2009, Ferrovial S.A. decided to adopt the amendment to IFRS 7 whereby the status of each of the company's derivatives must be described in accordance with the Fair Value Measurement Hierarchy.

This Hierarchy establishes three categories, referring to the types of data used to calculate fair values:

- **LEVEL 1.-** Listed prices (without adjustments) in active markets for identical asset or liability instruments.
- **LEVEL 2.-** Data, other than the listed prices included in level 1, that are observable for the asset or liability instruments, either directly (as a price) or indirectly (derived from the price).
- **LEVEL 3.-** Figures that are not based on observable market data.

All Ferrovial S.A.'s derivative financial instruments and other financial instruments carried at fair value are included in LEVEL 2 of the Fair Value Measurement Hierarchy.

The valuations performed by the company are in any event compared with values received from the counterparty banks, on a monthly basis.

Interest rate swaps (IRS)

IRS are swaps in which the counterparties exchange, at certain pre-established moments in the future, cash flows determined on the basis of reference interest rates and pre-established nominal amounts.

There are a large variety of IRS (fixed-variable rates, variable-variable rates, fixed nominal amount at maturity, repayable nominal sum...), but the measurement method is basically the same in all cases.

IRS are measured at the present value, on the measurement date, of their future flows of payments and collections.

Where the reference rate is a variable rate, these future flows are estimated using the forward curves quoted in the market at the measurement date.

Each flow is discounted using the zero coupon rate and based on the settlement period, at the measurement date.

Once flows of collections and payments have been discounted, they are offset against each other and the resulting amount is the market value of the IRS at that date.

Equity swaps (EQS)

EQS are contracts hedging the future value of equity securities, whereby the parties establish, at hedge inception, a settlement value for a given number of securities of a specific issuer.

At the settlement date, the party that receives the securities must pay the contracted price, irrespective of the market price at that date.

As in the case of IRS, there are various types of equity swaps and clauses may be included relating to the settlement method (based on differences or actual handover), collection of dividends, early repayment and other rights attaching to the securities.

The market value of the equity swap is usually calculated as the

difference between the market price of the securities on the calculation date and the unit settlement price agreed at the outset, multiplied by the number of securities stated in the contract.

Cross currency swaps (CCS)

CCS, as with IRS, are swaps in which the counterparties exchange, at certain pre-established moments in the future, cash flows determined on the basis of reference interest rates and pre-established nominal sums.

The difference is that, in the case of CCS, the flows payable and receivable are denominated in different currencies and their reference interest rates usually also relate to different countries.

As the nominal sums of each counterparty are denominated in different currencies, they agree on equivalence at hedge inception, based on the exchange rates in force at that time.

As with IRS, there are many types of CCS (fixed-variable rates, variable-variable rates, fixed nominal sum at maturity, repayable nominal sum...), some of which are not envisaged in the case of IRS (such as the possibility of swapping two fixed rates), but in all cases the measurement method is basically the same (similar to the method applied to IRS).

Future flows are discounted based on the zero coupon curves quoted in the market at the measurement date, for each period and currency.

Where the reference rate is a variable rate, these future flows are estimated using the forward curves quoted in the market at the measurement date.

Once the discounted values of the flows of collections and payments are obtained, and as they are denominated in different currencies, they must be converted using the spot exchange rate on the measurement date before the resulting amounts are offset.

The net amount finally obtained is the market value of the CCS at that date.

Index-linked swaps (ILS)

ILS are swaps in which a nominal reference interest rate is exchanged for a reference inflation rate.

The reference rate generally comprises an actual interest rate multiplied by the increase or decrease in a specified price index. In this case, there are many different possibilities, even more than in the case of IRS and CCS, since an ILS is an OTC instrument that is normally traded bilaterally between the contracting parties.

However, the value of the ILS at a given date is also the net value of its discounted future flows.

These future flows are estimated using the forward curves quoted in the market on the measurement date, for both the reference interest rates and the reference inflation rates.

As in the cases described above, flows are discounted using the zero coupon rates for each settlement period, at the measurement date.

Once flows of collections and payments have been discounted, they are offset against each other and the resulting amount is the market value of the ILS at that date.

d) Net investment in foreign operations

As indicated in Note 3.2, where the decision is taken to finance a part of a capital investment in a foreign operation using specific debt contracted by the Group companies that invest in project capital, the debt is usually obtained in the same project currency and acts as a natural hedge of foreign exchange risk.

With respect to net investments in foreign operations, foreign exchange differences arising from the monetary component of the investment are recognised as currency translation differences in equity.

At 31 December 2009 the consolidated group has no net investment in a foreign operation. There was a net investment in a foreign operation until 4 December, when the corporate debt was refinanced, including the sterling debt obtained to finance the BAA acquisition (see Note 20). However, as mentioned previously, in order to maintain a natural hedge of the BAA investment, the company considers that a part of the current euro debt will in all probability be converted to sterling (approximately 750 million GBP) early in 2010. At December 2008, this net investment related entirely to the BAA investment, amounting to 977 million euro (investment of 2,294 million GBP against a sterling debt of 1,317 million).

12. Non-current assets and liabilities held for sale

Assets and liabilities held for sale include assets or liabilities that will foreseeably be sold within one year, as described in Note 2.3.12.

At 31 December 2009, assets and liabilities classified as held for sale relate basically to the Toll Roads Division, specifically to the Chilean toll roads (see a description of the selling process below).

Additionally, the assets and liabilities of Cespa Portugal, a company engaged in providing municipal services in Portugal (waste collection, road cleaning and treatment), have also been transferred to this caption and are expected to be sold in the first quarter of 2010. The assets relating to these activities classified as held for sale are mainly investments in non-current assets to provide the services (14 million euro), trade receivables (26.4 million euro), bank borrowings (7.7 million euro) and trade payables (14.2 million euro).

Set out below are movements in assets and liabilities held for sale during the financial years ended 31 December 2009 and 2008:

MOVEMENTS 2009	ASSETS				LIABILITIES					
	Balance 31/12/08	Disp. due to sale	Transfers of non-current assets	Effect of exch. rate	Balance 31/12/09	Balance 31/12/08	Disp. due to sale/increases	Transfers of non-current assets	Effect of exch. rate	Balance 31/12/09
Airports	2,563	-2,759	116	197	116	1,679	-1,808	5	129	5
APP	0	0	81	0	81	0	0	0	0	0
WDF	0	0	0	0	0	0	0	0	0	0
Gatwick	2,563	-2,759	0	197	0	1,679	-1,808	0	129	0
BAA USA	0	0	35	0	35	0	0	5	0	5
Toll roads and Car parks	1,708	-452	383	1	1,640	1,484	124	0	0	1,608
Car parks	452	-452	0	0	0	275	-275	0	0	0
Chilean toll roads	1,256	0	383	1	1,640	1,209	399	0	0	1,608
Services	0	0	44	0	44	0	0	34	0	34
Cespa Portugal	0	0	41	0	41	0	0	34	0	34
Other	0	0	3	0	3	0	0	0	0	0
Other	7	-7	0	0	1	1	0	0	0	1
Held for sale	4,278	-3,218	544	198	1,801	3,163	-1,683	39	129	1,647

Million euro

MOVEMENTS 2008	ASSETS				LIABILITIES					
	Balance 31/12/07	Disp. due to sale	Transfers of non-current assets	Effect of exch. rate	Balance 31/12/08	Balance 31/12/07	Disp. due to sale/increases	Transfers of non-current assets	Effect of exch. rate	Balance 31/12/08
Airports	808	-455	2,795	-586	2,563	83	-79	2,003	-329	1,679
APP	312	0	-263	-49	0	0	0	0	0	0
WDF	496	-455	0	-41	0	83	-79	0	-4	0
Gatwick	0	0	3,058	-496	2,563	0	0	2,004	-325	1,679
BAA USA	0	0	0	0	0	0	0	0	0	0
Toll roads and Car parks	0	0	1,709	-1	1,708	0	0	1,484	0	1,484
Car parks	0	0	452	0	452	0	0	275	0	275
Chilean toll roads	0	0	1,257	-1	1,256	0	0	1,209	0	1,209
Services	0	0	0	0	0	0	0	0	0	0
Cespa Portugal	0	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0	0
Other	8	0	0	-1	7	0	0	1	0	1
Held for sale	816	-455	4,504	-587	4,278	83	-79	3,488	-329	3,163

Million euro

With respect to the Airports Division, at 30 June 2009 the company performed an analysis pursuant to IAS 40 and identified the impairment of the assets allocated to the BAA Group's airports, due to estimates of the possible selling price of Gatwick airport, resulting in the recognition of impairment of 416 million euro. On 3 December the Gatwick airport assets and liabilities were sold, generating an additional loss of 314 million euro, making a total loss before taxes of 730 million euro (408 million euro in Ferrovial's net result) on this transaction, as analysed in Notes 5 and 28. The transaction price was 1,500 million GBP (1,646 million euro), of which 1,445 million GBP will be received in cash and 55 million GBP will be collected subject to the achievement of certain operating and financial parameters.

On 27 July, the agreement to sell the 99.92% interest in the subsidiary Cintra Aparcamientos, S.A. to a consortium formed by several companies was concluded. The transaction price is 400 million euro, consisting of:

- 245 million euro as the price of the shares
- 155 million euro to repay the debt with Cintra.

The buyer also assumed Cintra Aparcamientos' bank borrowings of 51 million euro. This transaction generated a gain of 95 million euro (50 million euro in the net result attributed to the parent company).

Finally, on 29 December Cintra Infraestructuras S.A.U. agreed to sell a 60% shareholding in Cintra Concesiones de Infraestructuras de Transporte de Chile Limitada (Cintra Chile). This transaction amounts to approximately 209 million euro (7,150,000 Chilean development units). Additionally, the buyer has an option to buy and Cintra has an option to sell the remaining 40% of share capital at a fixed price during a two-year period. The effectiveness of the transaction is subject to the submission of the necessary notifications and the obtainment of authorisation and registration in Spain, Colombia, Chile and other jurisdictions in which the parties to the transaction have operations. According to preliminary calculations, consolidated net profit (after tax) is estimated at approximately 250 million euro, including both the sale of Cintra's 60% interest in that company and the exercise of the purchase and sale options. This profit will be recognised in 2010 once the above-mentioned authorisations and registration have been obtained and completed.

The main assets and liabilities pertaining to the Chilean toll roads carried as held for sale are investments in infrastructure projects (1,249 million euro) and long-term borrowings (1,263 million euro). They also include 54 million euro relating to the portion of the merger goodwill that may be allocated to the Chilean toll roads, as explained in Note 5.4.

13. Inventories

Inventories are analysed below at 31 December 2009, 2008 and 2007:

ITEMS	Balance at 31/12/09	Balance at 31/12/08	Balance at 31/12/07	Change	Variación 2008-2007
Land lots and unbuilt land	145	161	167	-15	-6
Raw materials and other supplies	136	148	125	-12	24
Real estate in progress and other	210	193	194	17	-1
Provisions	-2	-1	3	0	-5
Total	490	500	489	-11	12

Million euro

Inventories amounting to 280 million euro (159 million euro at 31 December 2008) relate to the real estate business in Poland, comprising land lots, unbuilt land and real estate in progress, of which inventories totalling 201 million euro are subject to ownership restrictions or pledged to secure liabilities (138 million euro at 31 December 2008).

14. Trade and other receivables

Trade and other receivables are analysed below at 31 December 2009 and 2008:

ITEMS	Balance at 31/12/09	Balance at 31/12/08	Balance at 31/12/07	Change	Variación 2008-2007
Trade receivables	2,359	2,667	2,966	-308	-300
Guarantee withholdings	148	170	202	-21	-33
Completed work pending certification	475	554	446	-79	108
Total trade receivables for sales and services	2,982	3,391	3,615	-408	-224
Other receivables	361	386	312	-25	75
Receivable from public authorities	186	192	194	-5	-3
Total other receivables	547	578	505	-31	72
Current deferred tax assets	22	25	138	-3	-113
Provision for doubtful trade receivables	-270	-212	-147	-59	-65
Other provisions for receivables	-19	-31	-27	11	-4
Total provisions	-290	-242	-173	-47	-69
Total	3,262	3,751	4,086	-490	-334

Million euro

Bad debt provisions are recognised as described in Note 2.3.7.c. Movements in trade provisions are set out below:

Movements in provision	2009	2008	2007	Change 2009-2008	Change 2008-2007
Opening balance	-242	-173	-149	-69	-24
Charges to the income statement:	-137	-60	-36	-77	-24
Reductions/Applications	100	-24	13	124	-37
Effect of exchange rate	-10	14	-1	-24	15
Transfers to available for sale	0	1	0	-1	1
Closing balance	-290	-242	-173	-47	-69

Million euro

The item "Other receivables" includes balances receivable arising outside the ordinary course of business carried on by each segment and prepayments to suppliers amounting to 93 million euro at 31 December 2009 (122 million euro at 31 December 2008).

The item "Receivable from public authorities" includes balances receivable from public authorities other than income tax.

Group management considers that the carrying amounts of trade receivables approximate their fair values.

Set out below is a breakdown of trade receivables for sales and services by business segment, distinguishing between public authorities and private customers:

	Public authorities		Private customers		TOTAL
Balances 2009					
Construction	853	65.27%	454	34.73%	1,306
Services	801	68.88%	362	31.12%	1,163
Airports	0	0.00%	307	100.00%	307
Toll roads	25	12.23%	181	87.77%	206
Adjustments	0	0.00%	0	0.00%	0
Closing balance	1,679	56.38%	1,303	43.70%	2,982

Million euro

It may be observed from the above table that 56.30% of the Group's customers are public authorities. The most significant balances receivable from private customers relate to the Construction Division. In order to manage credit risk relating to private customers, the Construction Division has implemented pre- and post-contracting measures. Pre-contracting measures include the consultation of debtor registers, ratings and solvency studies, while post-contracting measures during the execution of cons-

truction work include the follow-up of contractual incidents and payment default.

At 31 December 2009, the amount of 217 million euro (120 million euro at 31 December 2008) has been deducted from the item Trade receivables in respect of discounts prior to the due dates. These assets have been written off the balance sheet since it is considered that they meet the conditions stipulated in paragraph 20 of IAS 39 regarding the derecognition of financial assets.

15. Other complementary information on construction contracts and other contracts recognised on a percentage-of-completion basis

With respect to Construction contracts and Services, set out below is a breakdown of ordinary revenues recognised during the period and contracts in progress at the closing date:

	Construction 31/12/2009	Services 31/12/2009	TOTAL	Construction 31/12/2008	Services 31/12/2008	TOTAL
Ordinary revenue recognised during the period on a percentage-of-completion basis						
Contracts in progress at the year end						
Accumulated costs incurred	-4,314	-311	-4,625	-4,935	-121	-5,056
Accumulated profits recognised	181	37	218	212	17	229
Advance payments received	287	0	287	292	0	292
Withholdings	147	2	149	175	1	176
Completed work pending certification	378	30	408	465	23	488
Advance payments on certificates	682	-7	675	719	-3	717

Million euro

16. Equity

Set out below is a breakdown of the main movements in equity during 2009.

	2009		
	Attributed to equity holders	Attributed to minority interest	Total equity
Equity at 01.01.09	1,578	2,113	3,691
Changes in accounting policies	178	93	271
Equity restated at 01.01.09	1,756	2,206	3,962
Consolidated result for the year	-92	-407	-499
Impact on reserves of hedging instruments	260	194	453
Impact on reserves of defined benefit plans	-246	-144	-390
Currency translation differences	124	-182	-58
Income and expense recognised directly in equity	138	-132	6
Total income and expense recognised	46	-539	-493
Dividends paid	-281	-103	-384
Capital increases/reductions		166	166
Merger	1,443	-160	1,283
Transactions with owners	1,162	-96	1,065
Other movements	23	-1	23
Equity at 31.12.09	2,987	1,570	4,557

Million euro

With effect as from 1 January 2009, changes in equity were affected by two fundamental events:

Applying the option established in IAS 31, jointly controlled entities have been consolidated using the equity method instead of the proportionate method. To this end, and in accordance with IAS 8, the comparable data have been restated in balances at 1 January 2008.

Adjustments have been made for companies in which the share in their losses exceeded the value of the shareholding, where there is no legal obligation to assume the losses, relating mainly to the company Indiana Toll Road at 31 December 2008. This change resulted in an upward adjustment of 178 million for the parent company and 93 million for minority interests.

Additionally, as explained in Note 1.2, the companies Cintra and Ferrovial were merged, giving rise to goodwill that has increased equity by 1,283 million euro, as described in Note 5.1.

These effects, together with the ones described below, have increased equity by a total of 595 million euro, of which 1,231 million euro relate to the parent company.

Consolidated result for the year of -499 million euro, of which -92 million euro is attributed to the parent company.

Recognition of value changes in the effective portion of derivative financial instruments designated as hedges (see Note 11), having an impact of 453 million euro net of taxes, of which 260 million euro relates to the parent company. The main changes in the fair

value of hedges relate to interest rate swaps, caused by fluctuating market reference rates. The main changes were in BAA, with a positive impact of 283 million euro (158 million euro of which relates to the parent company), in the Toll Roads Division, with an impact on equity of 123 million euro (54 million euro attributed to the parent company), basically in the companies Chicago Skyway and SH-130 Concession Company, and in the Services Division, with an impact of 40 million euro, all attributed to the parent company.

The impact on reserves of defined benefit plans includes the impact on equity of actuarial losses and gains deriving from adjustments and changes to the group's defined benefit plan assumptions, as described in Note 18, having an impact in 2009 of -390 million euro net of taxes (-246 million euro relating to the parent company). Of this amount, -182 million euro relates to BAA, -95 million euro to Grupo Amey and 21 million euro to Grupo Swissport.

Most of the currencies in which Ferrovial has investments (see Note 3) have appreciated against the euro, particularly sterling (7% appreciation), the currency to which the group is most exposed in terms of equity. This has had a positive impact of 124 million euro for the parent company.

Dividend payments have reduced the group's total equity by -384 million euro, of which -281 million euro relates to the 208 million euro dividend agreed by the General Shareholders' Meeting on 30 April and paid out on 20 May, and to the interim dividend paid out of 2009 results, agreed by the Board of Directors on 23 December in the amount of 73 million euro.

The impact on minority interests was positive in the amount of 166 million euro, of which 153 million euro relates to the capitalisation of a loan granted by the shareholders to FGP Topco, the BAA Group's parent company.

For informative purposes, set out below is a breakdown of the main movements in equity during 2008:

	2008		
	<i>Attributed to equity holders</i>	<i>Attributed to minority interest</i>	<i>Total equity</i>
Equity at 01.01.08	3,912	2,936	6,848
Changes in accounting policies	48	0	48
Equity restated at 01.01.08	3,960	2,936	6,896
Consolidated result for the year	-812	-800	-1,612
Impact on reserves of hedging instruments	-453	-370	-823
Impact on reserves of defined benefit plans	-153	-24	-178
Currency translation differences	-370	-299	-669
Income and expense recognised directly in equity	-977	-693	-1,670
Total income and expense recognised	-1,789	-1,493	-3,282
Dividends paid	-178	-70	-248
Capital increases/reductions		294	294
Movement in treasury shares	-92	-27	-119
Transactions with owners	-271	198	-72
Scope changes		600	600
Change of accounting method	-108	-48	-156
Other movements	-37	13	-25
Equity at 31.12.08	1,756	2,206	3,962

Million euro

a) Share capital and share premium

Share capital at 31.12.2009 stands at 147 million euro and is fully subscribed and paid up. Share capital consists of 733,510,255 ordinary shares of a single class and a par value of twenty euro cents (0.20 €) per share.

The share premium account stands at 3,022 million euro, of which 1,820 million euro relates to the merger share premium, which is the difference between the carrying amount of Grupo Ferrovial S.A.'s equity, net of the carrying amount at which the latter company recognised its shareholding in Cintra, S.A., and the par value of the new shares issued by Cintra. The remaining amount, up to the 2009 balance, relates to Cintra's pre-merger share premium account. The increase in the share premium is offset by an inverse change in the rest of the reserves.

At 31 December 2009, the shareholder that owns more than 10% of Grupo Ferrovial, S.A. is Portman Baela, S.L., which holds a 44.607% interest (58.315% in 2008). The shares of the parent company are listed on the continuous market of the Spanish stock exchanges and all carry the same voting and dividend rights.

b) Treasury shares

There are no treasury shares at 31 December 2009. The change with respect to 2008 is due, as explained in Note 2.1, to the merger of Cintra and Grupo Ferrovial, whereby the treasury shares reduced the number of shares to be issued by the new company to fulfil the exchange ratio.

c) Other reserves

Movements in Other reserves in 2009 and 2008 are as follows:

Movements during 2009	Currency translation differences	Hedge transactions	Defined benefit plans	Other	Other reserves
Balance at 01.01.2009	-525	-866	112	-63	-1,342
Changes in accounting policies	10	249	0	-107	152
Balance restated at 01.01.2009	-514	-617	112	-170	-1,190
Additions	158	263		23	444
Disposals	-34	-3	-246		-283
Balance at 31.12.2009	-391	-357	-134	-147	-1,028

Million euro

Movements during 2008	Currency translation differences	Hedge transactions	Defined benefit plans	Other	Other reserves
Balance at 01.01.2008	-144	-164	217	-21	-112
Changes in accounting policies			48		48
Balance restated at 01.01.2008	-144	-164	265	-21	-64
Additions	72				72
Disposals	-443	-453	-153	-149	-1,198
Balance at 31.12.2008	-514	-617	112	-170	-1,190

Million euro

d) Retained earnings

Set out below is an analysis of retained earnings for 2009 and 2008:

Retained earnings	Balance at 31/12/09	Balance at 31/12/08	Change
Profit or loss attributable to the parent company			719
Distributable reserves	913	3,463	-2,550
Non-distributable reserves	25	33	-8
Total	846	2,684	-1,838

Million euro

Set out below is a breakdown of non-distributable reserves:

Non-distributable reserves	Balance at 31/12/09	Balance at 31/12/08	Change
Legal reserve	23	28	-5
Reserve for treasury shares	3	3	-1
Revaluation reserve	0	2	-2
Parent company's non-distributable reserves	25	33	-8

Million euro

e) Income and expense recognised during the year. Breakdown.

Set out below is a breakdown of movements in equity in respect of income and expense recognised during 2009 and 2008:

	2009			2008		
	Attributed to equity holders	Attributed to minority interest	Total equity	Attributed to equity holders	Attributed to minority interest	Total equity
Profit and loss						
Hedging instruments	260	194	453	-453	-370	-823
Defined benefit plans	-246	-144	-390	-153	-24	-178
Currency translation differences	124	-182	-58	-370	-299	-669
Income and expense recognised	138	-132	6	-977	-693	-1,670
Consolidated result for the year	-92	-407	-499	-812	-800	-1,612
Total income and expense recognised	46	-539	-493	-1,789	-1,493	-3,282

Million euro

f) Non-Group companies with significant interests in subsidiaries

At 31 December 2009, the following Group companies had other non-Group shareholders with interests of 10% or more:

FERROVIAL GROUP SUBSIDIARY	NON-GROUP %	NON-GROUP SHAREHOLDER
Construction		
Budimex S.A.		Listed company
Concessions		
407 International Inc.	30% - 16.77%	Macquarie Infrastructure (Toll Route) S.A. - SNC Lavalin
Autopista del Sol	20%	Unicaja
Autopista Terrassa-Manresa	23.73%	Acesa (Autopista Concesionaria Española, S.A.)
Autopista Trados (M-45)	50%	Abertis - Iberpistas
Eurolink N4/N6	34%	SIAC
Inversora de Autopistas de Levante	40%	Europistas
Inversora de Autopistas del Sur S.L.	25% - 10% - 10%	Europistas - ENA - Caja Castilla-La Mancha
LBJ Infrastructure Group Holding LLC	42.4% - 6.6%	Meridiam - Dallas Police and Fire Pension System
NTE Mobility Partners Holding LLC	32.75% - 10%	Meridiam - Dallas Police and Fire Pension System
NTE Mobility Partners Segments 2-4 LLC	25%	Meridiam
Ruta de los Ríos Sociedad Concesionaria S.A.	25%	Fondo Las Américas
Serranopark	30% - 20%	Iridium Concesiones de Infraestructuras - Iridium Aparcamientos
SH 130 CC, Llc	35%	Zachry Toll Road 56 LLP
Skyway Concession Company Holding	45%	MIG Chicago Holdings LLC
Statewide Mobility Partners LLC	50%	MIG Indiana Holdings LLC
Talca Chillán S.A.	23.57%	Sodeia
Airports		
FGP Topco Ltd	17.65% - 26.48%	Britannia Airport Partners L.P. - Baker Street Investment Pte Ltd
Services		
Ecocat S.L.	50%	Teris S.A. (Grupo Suez)
Gesmat, S.A.	40%	Consorcio de Servicios Públicos Medioambientales Toledo
Tratamientos, Residuos y Energías Valencianas S.A.	22.5% - 22.50%	Lubasa Concesiones S.L. - Naucratis S.L.
Jubilee Rail Limited	50%	Secretariat Services Limited
Tube Lines (Holding) Limited	33.33%	UIC Transport (JNP) Limited
Empresa de Mantenimiento y Explotación M-30	33% - 17%	Dragados - API Conservación, S.A.

g) 1. Proposal for the distribution of results:

Propose to the company's Annual General Meeting that the individual results of FERROVIAL, S.A. should be distributed as follows:

Individual results of FERROVIAL, S.A. (euro)	140,020,180,11
Application (euro)	
To Legal reserve (*) (euro)	6,599,277,84
To Voluntary reserves (euro)	60,069,876,77
To Dividend (euro)	73,351,025,5

(*) Amount necessary for the legal reserve to reach 20% of share capital.

The proposal to be submitted to the Annual General Meeting will include the allocation to the interim dividend that was paid out on 31 December 2009, in a gross sum of 0.10 euros per share, of the portion of the individual results for the year of FERROVIAL, S.A. that is allocated to dividends.

2. Liquidity statement and interim dividend:

On 23 December 2009, the Board of Directors agreed the following:

- Pay out to the shareholders an interim dividend for the 2009 financial year of 0.10 euros per share, entailing a total interim dividend of 73 million euro.
- Prepare a liquidity statement, pursuant to Article 216 of the Spanish Companies Act. This statement supporting the company's estimated liquidity showed sufficient liquidity (available balances and credit lines) in the amount of 641 million euro at that date.

On 31 December 2009, the interim dividend was paid out in the net amount of 66 million euro.

Pursuant to Article 216 of the Spanish Companies Act, the amounts to be distributed did not exceed the results obtained since the end of the previous financial year, after deducting estimated income tax payable on the results and the amount that must be taken to legal reserves.

17. Deferred income

Movements in this caption during 2009 and 2008 are set out below:

Movements during 2009	Balance at 01/01/09	Transfers and other	Additions	Disposals	Effect of exchange rate	Balance at 31/12/09
Grants	191	111	114	-12	0	404
Other deferred income	62		2	-12	1	53
Total	253		116	-24	1	457

Million euro

Movements during 2008	Balance at 01/01/08	Transfers and other	Additions	Disposals	Effect of exchange rate	Balance at 31/12/08
Grants	182		19	-10	0	191
Other deferred income	85		15	-34	-5	62
Total	267		35	-43	-5	253

Million euro

- Grants are carried at fair value when it is reasonably certain that the relevant amount will be collected (see Note 2.3.14).
- The main movements during 2009 relate to the toll roads segment, in the Irish concession company Eurolink M3, amounting to 225 million euro, of which 111 million euro netted the investment in infrastructure projects and 114 million euro relates to movements during the year.

18. Pension provisions and surplus

This item reflects the pension plan provisions and/or surplus and other employee retirement awards, including both defined benefit and defined contribution plans. Set out below is a summary of the provision and/or surplus recognised in the balance sheet:

	2009			2008			Change		
	Provision	Surplus	Net balance	Provision	Surplus	Net balance	Provision	Surplus	Net balance
Defined benefit plans	-476	22	-454	-105	76	-29	-371	-54	-425
BAA	-313	0	-313	0	76	76	-313	-76	-389
Amey	-162	0	-162	-101	0	-101	-61	0	-61
Swissport	-1	22	21	-4	0	-4	3	22	25
Other plans	-27	0	-27	-26	0	-26	-1	0	-1
Swissport	-27	0	-27	-26	0	-26	-1	0	-1
Total	-503	22	-481	-131	76	-55	-372	-54	-426

Million euro

There follow comments on the main movements, impacts on the financial statements and actuarial assumptions used in the different types of pension plans:

a) Defined benefit plans

The most significant event is the change in the BAA Group from a pension surplus of 76 million euro in 2008 to a deficit of 313 million euro in 2009. This effect is due mainly to the increase in the forecast inflation rate from 2.9% in 2008 to 3.7% in 2009, combined with a reduction in the discount rate used from 6.0% in 2008 to 5.7% in 2009. This has been partly offset by an increase in the expected yield on some types of assets, changing from an interval of 2.0%-7.6% in 2008 to a weighted yield of 5.7% in 2009.

Amey Group's deficit has increased from 101 million euro in 2008 to 162 million euros in 2009. This change is explained mainly by the change from a discount rate of 6.3% in 2008 to 5.7% in 2009 and by an increase in the forecast inflation rate from 3.0% in 2008 to 3.5% in 2009.

In Swissport Group, the deficit provision of 4 million euro in 2008 has changed to a net surplus of 21 million euro in 2009. This change is due mainly to a reduction in the expected salary increase from an interval of 1.5%-7% in 2008 to 1.0%-5.0% in 2009.

The following table summarises the main actuarial assumptions used to calculate the defined benefit pension plan obligations:

DEFINED BENEFIT PLANS	31/12/09			31/12/08		
	Grupo Swissport	Amey Ltd Group	BAA	Grupo Swissport	Amey Ltd Group	BAA
Main assumptions						
Salary increases	1.0%-5.0%	4.01%	5.20%	1.5% - 7.0%	3.5%-4.5%	4.40%
Discount rate	3.5%-9.0%	5.70%	5.70%	3.5%-10.0%	6.30%	6.00%
Forecast inflation rate	1.30%	3.50%	3.70%	0.25%	3.00%	2.90%
Expected return on assets	2.8%-6.8%	4.5%-8.5%	5.70%	4.8%-5.0%	2%-8%	2%-7.6%

The mortality assumptions used by the BAA Group to calculate its pension obligations are based on the actuarial mortality tables, entailing an estimated life expectancy of between 84.8 and 85.9 years. In the case of Amey Group, life expectancy for the purposes of its pension plans is estimated at between 84.5 and 87.9 years, as compared with 83.1 and 87 years for Swissport Group.

Movements in pension plan obligations and plan assets during 2009 and 2008 are as follows:

DEFINED BENEFIT PLANS	31/12/09			31/12/08		
	Grupo Swissport	Amey Ltd Group	BAA	Grupo Swissport	Amey Ltd Group	BAA
Movements in pension obligation						
Opening obligation	362	407	2,097	306	565	2,918
Exchange differences	1	-11	165	35	-138	-619
Liabilities acquired	0	0	0	0	9	0
Cost of current services	15	9	60	13	15	71
Cost of past services	0	0	14	0	0	9
Borrowing costs	13	28	136	11	30	131
Actuarial gains/losses	-2	106	204	-5	-47	-355
Benefits paid and other	-15	32	-77	1	-27	-58
Closing obligation	374	571	2,599	361	407	2,097
Movements in plan assets						
Opening fair value	357	305	2,177	367	498	3,083
Exchange differences	2	24	168	38	-100	-643
Return on plan assets and acquired assets	17	23	163	19	35	150
Actuarial gains/losses	20	38	-251	-78	-138	-428
Employee contributions	9	4	17	8	4	17
Employer's contributions	0	27	107	0	24	73
Benefits paid and other	-10	-14	-97	3	-18	-75
Closing fair value	395	406	2,286	357	305	2,177
Recognised liability/asset						
Closing obligation	-374	-571	-2,599	-361	-407	-2,097
Fair value of plan assets at year end	395	406	2,286	357	305	2,177
Subtotal	21	-165	-313	-5	-102	80
Other	0	3	0	1	1	-4
Total	21	-162	-313	-4	-101	76

Million euro

The following table shows a summary of defined benefit pension plan assets by type for 2009 and 2008:

Plan assets (fair value)	31/12/09			31/12/08		
	Grupo Swissport	Amey Ltd Group	BAA	Grupo Swissport	Amey Ltd Group	BAA
Equity instruments	111	263	715	98	189	988
Financial assets	0	98	0	0	72	0
Borrowings	117	0	1,274	123	0	1,163
Buildings	91	13	0	71	17	0
Cash and other	77	32	297	65	26	26
Total plan assets	395	406	2,286	357	305	2,177

Million euro

The impacts of defined benefit pension plans included in the Consolidated Statement of Comprehensive Income directly in equity are analysed below:

	2009				2008			
	Grupo Swissport	Amey Ltd Group	BAA	Total	Grupo Swissport	Amey Ltd Group	BAA	Total
Actuarial gains/losses on obligations	2	-106	-204	-309	5	47	355	406
Actuarial gains/losses on assets	20	38	-251	-193	-78	-138	-428	-644
Actuarial gains/losses on equity-consolidated companies	0	-43	0	-43	0	19	0	19
Actuarial gains/losses recognised (*)	21	-111	-455	-544	-73	-72	-73	-218

Million euro

(*) Impacts recognised directly in equity before taxes.

Set out below is a breakdown of the impact of defined pension plans on the income statement:

DEFINED BENEFIT PLANS	31/12/09			31/12/08		
	Grupo Swissport	Amey Ltd Group	BAA	Grupo Swissport	Amey Ltd Group	BAA
Impact on results before tax						
Cost of current services (staff expenses)	15	9	60	13	15	71
Borrowing costs (financial expense)	13	28	136	11	30	131
Return on plan assets (financial income)	-17	-23	-163	-19	-35	-150
Other	0	0	17	0	-5	-8
Total recognised in the income statement	11	14	50	6	5	44

Million euro

Set out below is a sensitivity analysis showing the impact on results and equity of a change of 50 basis points in the discount rate:

Sensitivity analysis discount rate (+ / - 50 b.p.)	Annual impact on the income statement		Annual impact on equity	
	Before tax	After tax	Before tax	After tax
+ 50 b.p.	-11	-8	-139	-100
- 50 b.p.	13	9	161	116

Million euro

Defined contribution plans

The Group has a defined contribution plan in the BAA Group with an impact on the income statement of 1.9 million euro, while Swissport Group has 11 defined contribution plans with an impact of 3.5 million euro.

Additionally, the Cespa Group has a number of retirement and length-of-service awards arranged by means of a single, fixed annual premium, which amounted to 0.7 million euro in 2009 and 0.6 million euro in 2008.

19. Other provisions

Set out below is an analysis of other long- and short-term provisions for 2009 and 2008:

Movements	Provision for landfills	Provision for liabilities	Other provisions	Total
At 1 January 2009	60	648	452	1,161
Charged/(credited) to the income statement:				
– Appropriations	7	146	155	309
– Reversals		-143	-40	-183
Transfers and other		49	-46	3
Applied during the year	-1	-30	-13	-44
Exchange differences		10	10	20
At 31 December 2009	66	680	519	1,265
Analysis of total provisions:			31/12/09	1/01/09
– Non-current			746	708
– Current			519	452
			1,265	1,161

Million euro

Movements	Provision for landfills	Provision for liabilities	Other provisions	Total
At 1 January 2008	55	362	505	923
Charged/(credited) to the income statement:				
– Appropriations	5	418	113	536
– Reversals		-28	-82	-110
Transfers and other		-37	59	22
Applied during the year	-1	-28	-115	-144
Exchange differences		-39	-27	-66
At 31 December 2008	60	648	452	1,161
Analysis of total provisions:			31/12/08	1/01/08
– Non-current			708	418
– Current			452	505
			1,161	923

Million euro

Provision for landfills

This item contains the estimated cost of landfill closure and post-closure activities relating to the Cespa Group. The provision is calculated based on a technical estimation of the consumption of the total capacity of landfills. At 31 December 2009, a provision of 7 million euro is recognised (4 million euro at 31 December 2008).

Provision for liabilities

The main balances in this item relate to the Toll Roads Division. The largest provision at 31 December 2009 is for tax assessments and expropriations totalling 98 million euro. The balance accumulated in this provision at 31 December 2008 was 371 million euro. In the Construction Division there is a provision of 43 million euro for liabilities arising from lawsuits in progress and from indemnities or other undetermined obligations, bank guarantees and other guarantees (43 million euro in 2008). In the Services Division, the Swissport Group records provisions of 43 million euro (48 million euro at December 2008) relating basically to insurance, compensation for workers at US airports and onerous contracts for certain warehouses.

Other provisions

The main balances in this item are in the Construction Division, consisting of provisions for construction work completion, site removal and losses amounting to 384 million euro (296 million euro) at December 2008. In the Airports Division, the BAA Group's most significant balance is the provision of 42 million euro for future compensation payments arising from the acquisition of land for Heathrow Terminal 5.

20. Net cash position

The following table contains an analysis by segment of net cash in order to reflect the Group's net borrowing situation. Net cash position refers to the balance of items included in cash and cash equivalents (including short-term restricted cash) and long-term restricted cash, less current and non-current borrowings (bank borrowings and bonds).

The presentation of the net cash position also distinguishes infrastructure projects from the Group's other companies, as follows:

	Balance 31/12/2009	Balance 31/12/2008	Balance 31/12/2007	Change 2009-2008	Change 2008-2007
Construction	1,955	1,948	1,881	7	67
Services	-1,212	-1,228	-1,302	16	73
Airports	-75	-1,916	-2,182	1,841	266
Toll roads	30	390	173	-360	217
Corporate and other	-1,870	-740	-478	-1,129	-262
Net cash position excluding infrastructure projects	-1,172	-1,547	-1,908	374	361
BAA	-13,856	-12,905	-17,807	-951	4,901
Other airports	3	8	-28	-5	36
Toll roads	-7,104	-6,574	-7,589	-529	1,015
Construction	-96	-86	0	-9	-86
Services	-47	-68	-3	21	-65
Net cash position of infrastructure projects	-21,099	-19,626	-25,427	-1,473	5,801
TOTAL NET CASH	-22,271	-21,172	-27,334	-1,099	6,162

Million euro

20.1. INFRASTRUCTURE PROJECTS

A) Analysis of the net cash position of infrastructure projects

Set out below is an analysis of the net cash position of infrastructure projects in 2009:

	2009						
	Long-term restricted cash	Long-term investment	Short-term restricted cash	Other cash and cash equivalents	Borrowings	Intra-group transactions	Total net cash
BAA	0	0	204	412	14,472	0	-13,856
Other airports	0	0	0	3	0	0	3
Toll roads	473	77	146	279	8,079	0	-7,104
Construction	0	0	0	5	86	-15	-96
Services	0	0	0	1	20	-28	-47
Net cash position of infrastructure projects	473	77	351	699	22,656	-43	-21,099

Million euro

B) Cash and cash equivalents and restricted cash

As indicated in the note on financial risks, infrastructure project financing contracts occasionally impose the obligation to open restricted accounts to cover short- or long-term obligations relating to the payment of principal or interest and infrastructure maintenance and operation.

Restricted cash is classified as current or non-current depending on whether it must remain restricted for less than or more than one year. In any event, the funds are invested in highly-liquid financial products bearing variable interest. The type of financial product in which the funds may be invested is also restricted by the financing contracts or, where no restrictions are stipulated, under the Group's policy for the placement of cash surpluses.

The balance sheet line "Restricted cash and other non-current financial assets" includes, in addition to long-term restricted cash, a balance of 74 million euro (111 million CAD) invested by the company 407 International Inc in asset-backed commercial paper (ABCPs), as explained in Note 10.

Short-term balances are recognised in the balance sheet caption "Cash and cash equivalents", while long-term balances are included in "Financial assets".

Set out below is a breakdown of short- and long-term restricted cash balances by project:

	Balance 31/12/2009	Balance 31/12/2008	Balance 31/12/2007
NTE Mobility Partners	264	0	0
407 ETR	132	128	206
Chicago Skyway	36	36	40
EuroScut Algarve	18	19	0
EuroScut Norte	23	14	0
Chilean toll roads	0	0	29
Other	1	1	0
Long-term restricted cash	473	198	275
BAA	204	85	0
407 ETR	146	110	95
Chicago Skyway	0	0	8
Chilean toll roads	0	0	101
Services	0	9	0
Short-term restricted cash	351	204	204
Total restricted cash	824	401	479

Million euro

The caption "Other cash and cash equivalents" relates to bank accounts and highly-liquid investments subject to interest rate risk.

C) Breakdown of infrastructure project debt

- C.1) Analysis of short- and long-term balances by project

	2009			2008			Change 2009-2008		
	Bonds	Bank borr.	Total	Bonds	Bank borr.	Total	Bonds	Bank borr.	Total
LONG TERM	10,523	10,592	21,115	8,828	10,913	19,741	1,695	-321	1,374
BAA	6,485	7,543	14,028	5,242	7,583	12,825	1,243	-40	1,203
Other airports	0	0	0	0	0	0	0	0	0
407 ETR	2,738	0	2,738	2,520	0	2,520	218	0	218
Skyway Concession Co. LLC	930	103	1,033	955	106	1,062	-25	-3	-28
NTE Mobility Partners	272	0	272	0	0	0	272	0	272
Spanish toll roads	0	1,661	1,661	0	2,046	2,046	0	-385	-385
Chilean toll roads	0	0	0	0	0	0	0	0	0
Other toll roads	98	1,179	1,277	110	1,028	1,138	-12	151	139
Construction	0	86	86	0	90	90	0	-4	-4
Services	0	20	20	0	60	60	0	-40	-40
SHORT TERM	591	950	1,541	295	550	845	297	399	696
BAA	0	444	444	0	428	428	0	15	15
Other airports	0	0	0	0	0	0	0	0	0
407 ETR	582	0	582	281	0	281	301	0	301
Skyway Concession Co. LLC	0	4	4	6	4	10	-6	0	-6
NTE Mobility Partners	0	1	1	0	0	0	0	1	1
Spanish toll roads	0	486	486	0	101	101	0	385	385
Chilean toll roads	0	0	0	0	0	0	0	0	0
Other toll roads	9	14	24	8	17	25	2	-3	-1
Construction	0	0	0	0	0	0	0	0	0
Services	0	0	0	0	0	0	0	0	0
TOTAL	11,114	11,542	22,656	9,122	11,464	20,586	1,992	78	2,070

Million euro

	2008			2007			Change 2008-2007		
	Bonds	Bank borr.	Total	Bonds	Bank borr.	Total	Bonds	Bank borr.	Total
LONG TERM	8,828	10,913	19,741	12,056	13,474	25,529	-3,228	-2,560	-5,788
BAA	5,242	7,583	12,825	6,774	10,759	17,533	-1,532	-3,176	-4,708
Other airports	0	0	0	0	51	51	0	-51	-51
407 ETR	2,520	0	2,520	3,179	0	3,179	-659	0	-659
Skyway Concession Co. LLC	955	106	1,062	933	100	1,033	22	6	29
NTE Mobility Partners	0	0	0	0	0	0	0	0	0
Spanish toll roads	0	2,046	2,046	0	1,551	1,551	0	495	495
Chilean toll roads	0	0	0	1,053	152	1,205	-1,053	-152	-1,205
Other toll roads	110	1,028	1,138	117	856	973	-7	172	165
Construction	0	90	90	0	0	0	0	90	90
Services	0	60	60	0	4	4	0	56	56
SHORT TERM	295	550	845	79	764	843	216	-214	1
BAA	0	428	428	0	465	465	0	-37	-37
Other airports	0	0	0	0	0	0	0	0	0
407 ETR	281	0	281	47	0	47	234	0	234
Skyway Concession Co. LLC	6	4	10	0	4	4	6	0	6
NTE Mobility Partners	0	0	0	0	0	0	0	0	0
Spanish toll roads	0	101	101	0	269	269	0	-168	-168
Chilean toll roads	0	0	0	27	13	40	-27	-13	-40
Other toll roads	8	17	25	5	13	18	3	4	7
Construction	0	0	0	0	0	0	0	0	0
Services	0	0	0	0	0	0	0	1	1
TOTAL	9,122	11,464	20,586	12,135	14,238	26,372	-3,012	-2,774	-5,787

Million euro

Exchange differences from 2009 to 2008 have increased debt by 1,660 million euro. Had the exchange rate not varied, the net change would be 410 million euro.

• C.2) Maturities by currency and fair value of infrastructure project debt

Borrowings	Fair value				Carrying amount 2009	Maturities						
	Curr.	2009	2008	2007		2010	2011	2012	2013	2014	2015 or after	Total maturit.
Bonds of infrastructure projects		11,704	7,266	10,716	11,114	541	372	972	454	718	7,710	10,767
BAA		6,687	3,596	5,784	6,485	0	0	766	447	578	4,335	6,126
	GBP	4,281	2,284	3,724	4,051	0	0	766	0	578	575	1,919
	EUR	2,406	1,312	2,060	2,433	0	0	0	447	0	3,760	4,207
Toll roads		5,017	3,670	4,932	4,629	541	372	206	7	140	3,374	4,640
	CAD	3,685	2,591	3,557	3,320	532	372	206	7	140	2,017	3,274
	USD	1,202	961	1,221	1,203	0	0	0	0	0	1,256	1,256
	EUR	130	118	154	107	9	0	0	0	0	101	110
Bank borrowings of infrastructure projects		11,748	11,830	14,258	11,542	744	2,642	1,697	2,056	73	4,217	11,913
Airports		8,167	8,375	11,275	7,987	218	2,055	1,171	2,032	44	2,347	7,867
	GBP	8,158	8,361	11,275	7,977	217	2,055	1,171	2,032	44	2,339	7,858
	EUR	9	14	0	9	1	0	0	0	0	8	9
Toll roads		3,476	3,305	2,979	3,450	516	586	523	22	27	1,856	4,014
	USD	331	223	104	332	0	0	0	0	0	355	355
	EUR	3,145	3,082	2,875	3,117	516	586	523	22	27	1,501	3,659
Construction	EUR	86	90	0	86	10	0	0	0	0	0	10
Services		20	60	4	20	0	1	3	2	2	14	22
	GBP	0	60	4	0	0	0	0	0	0	0	0
	EUR	20	0	0	20	0	1	3	2	2	14	22
Total borrowings of infrastructure projects		23,452	19,095	24,974	22,656	1,770	3,014	2,669	2,509	790	11,927	22,679

Million euro

The differences between the total maturities of bank borrowings and the carrying amounts of the debt at 31 December 2009 are explained mainly by the difference between the nominal values and carrying amounts of the debts, as certain adjustments are made in accordance with applicable accounting regulations. Maturities of BAA's bonds include the maturities of the Cross Currency Swaps hedging foreign exchange fluctuations that affect the debt (see Note 11 on derivative financial instruments). The debt maturities do not include interest. The fair value reflected in the above table is calculated as follows:

1. Bonds listed in active markets: market value.
2. Fixed-interest bank borrowings: future cash flows are discounted at an equivalent market interest rate.
3. Variable-interest bank borrowings: no significant differences are deemed to exist between the fair value of the borrowings and their carrying amount and therefore the carrying amount is used.

Maturities in 2010 relate basically to:

- Maturities of 407 ETR bonds totalling 532 million euro (797 million CAD) (see analysis in C.6.a).
- Repayment of BAA's debts relating to the Refinancing facility and the REPO Facility in the amount of 60 million euro and 170 million euro, respectively (53 million GBP and 151 million GBP, respectively) (see analysis in C.5).
- Maturity of Autopista del Sol's euro-denominated loan for a total of 485 million euro (see analysis in C.6.e).

- C.3) Interest rate risk exposure of infrastructure project borrowings

In order to complete the information on exposure to interest rate risk presented in Note 3, set out below is an analysis of debt components indicating the portion subject to fixed interest rates, the portion hedged by derivatives and variable-rate debt:

Type of debt	Balance 31/12/09	%	Balance 31/12/08	%	Balance 31/12/07	%
Airports	14,472		13,253		18,049	
Fixed	3,955	27%	2,938	22%	6,628	37%
Inflation-index fixed	2,725	19%	2,316	17%	0	0%
Hedged (IRS)	4,085	28%	4,765	36%	7,381	41%
Variable	3,707	26%	3,235	24%	4,040	22%
Toll roads	8,079		7,182		8,319	
Fixed	2,837	35%	1,892	26%	3,220	39%
Inflation-index fixed	1,071	13%	850	12%	1,007	12%
Hedged (IRS)	2,819	36%	3,270	46%	3,790	46%
Variable	1,352	17%	1,170	16%	302	4%
Construction	86		90		0	
Variable	86	100%	90	100%	0	0%
Services	20		60		4	
Fixed	0	0%	21	35%	0	0%
Hedged (IRS)	19	98%	39	65%	0	0%
Variable	0	2%	0	0%	4	100%
Total borrowings of infrastructure projects	22,656		20,586		26,372	
Fixed	6,792	30%	4,851	24%	9,849	37%
Inflation-index fixed	3,796	17%	3,167	15%	1,007	4%
Hedged (IRS)	6,923	31%	8,074	39%	11,171	42%
Variable	5,146	23%	4,494	22%	4,346	16%

Million euro

Debt hedged by IRS (interest rate swaps) relates to derivatives that convert variable-rate bank borrowings to fixed interest rates (see details in Note 11).

- C.4) Information on credit limits and credit available for infrastructure projects

Set out below is a comparative analysis of borrowings not utilised at the year end:

Balances at 31/12/2009

	Debt limit	Utilised	Available	Reported debt
Airports	17,834	14,604	3,230	14,472
BAA	17,834	14,604	3,230	14,472
Other airports	0	0	0	0
Toll roads	9,581	8,169	1,412	8,079
407 ETR	3,274	3,274	0	3,320
US toll roads	2,639	1,611	1,029	1,535
Spanish toll roads	2,273	2,178	95	2,147
Chilean toll roads	0	0	0	0
Other toll roads	1,395	1,107	288	1,077
Construction	10	10	0	86
Services	194	22	172	20
Total borrowings of infrastructure projects	27,619	22,804	4,814	22,656

Million euro

Balances at 31/12/2008

	Debt limit	Utilised	Available	Reported debt
Airports	16,012	13,188	2,824	13,253
BAA	16,007	13,188	2,819	13,253
Other airports	5	0	5	0
Toll roads	8,474	7,299	1,174	7,182
407 ETR	2,761	2,761	0	2,801
US toll roads	1,958	1,245	713	1,184
Spanish toll roads	2,342	2,224	118	2,147
Chilean toll roads	0	0	0	0
Other toll roads	1,412	1,069	343	1,050
Construction	14	8	6	90
Services	304	62	242	60
Total borrowings of infrastructure projects	24,803	20,557	4,246	20,586

Million euro

Balances at 31/12/2007

	Debt limit	Utilised	Available	Reported debt
Airports	19,777	17,094	1,727	18,050
BAA	19,726	17,043	1,728	17,998
Other airports	51	51	0	51
Toll roads	9,003	8,582	681	8,320
407 ETR	3,227	3,188	0	3,227
US toll roads	1,040	1,037	3	1,038
Spanish toll roads	1,877	1,880	180	1,819
Chilean toll roads	1,428	1,485	58	1,245
Other toll roads	1,431	991	440	991
Construction	0	0	0	0
Services	2,644	1,683	701	4
Total borrowings of infrastructure projects	31,424	27,359	3,109	26,372

Million euro

The differences between total bank borrowings and reported debt at 31 December 2009 are explained mainly by the difference between the nominal values and carrying amounts of the debts, as certain adjustments are made in accordance with applicable accounting regulations.

The available balance of 4,873 million euro (4,916 million euro at 31 December 2008) includes 3,230 million euro relating to BAA (3,495 million euro at 31 December 2008), which consists basically of credit lines obtained to finance investments. The main balance in the Toll roads segment also relates to amounts not utilised that were obtained to finance toll roads under construction.

Set out below is a more detailed description of interest rates, maturities and covenants for the main infrastructure project borrowings.

- C.5) BAA's borrowings: Movements in 2009 and 2008 and main interest rate and covenant terms

Set out below is a breakdown of the BAA Group's borrowings for 2009, 2008 and 2007:

	2.009	2.008	2.007
Bonds	6,485	5,242	6,716
Refinancing facility	2,539	3,437	0
Senior capex facility	735	268	0
European Investment Bank	419	434	0
Regulated airports	10,178	9,381	6,716
Subordinated debt	1,752	1,618	2,648
Unregulated airports	1,155	1,022	0
Toggle debt	941	780	893
Credit lines	0	0	1,333
REPO facility	170	0	0
Acquisition debt	0	0	5,383
Other liabilities	275	452	1,025
TOTAL	14,472	13,253	17,998

Million euro

During 2009, the positive evolution of sterling against the euro had a foreign exchange impact of 883 million euro on BAA's borrowings (1 pound sterling = 0.957 euros at 31 December 2008; 1 pound sterling = 0.887 euros at 31 December 2009). Had the exchange rate not changed, debt would have increased by 138 million euro (123 million GBP).

The following table summarises the main movements in BAA's borrowings:

Borrowings 2008	13,253
Changes:	
Exchange rate	883
New bond issue	1,033
New debt	170
Extension of existing debt	319
Repayment of debt	-1,220
Other	33
Borrowings 2009	14,472

Million euro

a) Regulated airports

Bonds

The carrying amount of the bonds is 6,485 million euro (5,756 million GBP), including transaction costs, amortisation, premiums and discounts. The difference between the nominal value of the bonds and their carrying amount derives from the fair value recognition of the bonds. The total bond balance includes 3,724 million euro issued in pounds sterling and 2,060 million euro issued in euros, related exchange risks having been hedged as explained in Note 11 on derivative financial instruments at fair value. The bonds mature from 2012 to 2039. Movements are due to:

1. Evolution of sterling against the euro, entailing an increase of 214 million euro in borrowings.
2. Issuance of new bonds with a carrying amount of 1,033 million euro (917 million GBP):
 - Senior class bonds for a nominal sum of 700 million GBP issued in November 2009 with a fixed coupon payable annually, maturing in 2026.
 - Bonds indexed to inflation for a nominal sum of 235 million GBP issued in December 2009 with a fixed coupon payable half-yearly, maturing in 2039.

Refinancing facility

These borrowings were granted to BAA as part of the 2008 refinancing process, with a carrying amount of 2,539 million euro (2,254 million GBP). Maturities are between 2010 and 2013 and interest is referenced to the LIBOR plus a standard spread for class A and B debt.

The main variances are explained below:

1. Evolution of sterling against the euro, entailing an increase of 267 million euro in borrowings.
2. In 2009 borrowings were repaid for a nominal sum of 1,776 million GBP (2,000 million euro) relating to class A debt and 341 million GBP (385 million euro) class B debt. This amount includes the Gatwick airport debt of 1,034 million GBP, classified as held for sale. The funds were obtained through three transactions: (1) 700 million GBP senior conventional bond issue maturing in 2026; (2) divestment of Gatwick airport; (3) 235 million euro senior inflation-indexed bond issue maturing in 2039. The table below summarises debt prepayments by tranche:

Million GBP (nominal amounts)	Maturity	31 December 2008	Prepayments using funds obtained through bond issues and Gatwick sale	31 December 2009
Tranche A1	31 March 2010	800.0	(800.0)	0.0
Tranche A2	31 March 2011	750.0	(640.6)	109.4
Tranche A3	31 March 2012	750.0	0.0	750.0
Tranche A4	31 March 2013	1,100.0	(335.3)	764.7
Total Class A		3,400.0	(1,776.0)	1,624.0
Tranche B1	31 March 2010	200.0	(200.0)	0.0
Tranche B2	31 March 2011	250.0	(140.6)	109.4
Tranche B3	31 March 2012	250.0	0.0	250.0
Tranche B4	31 March 2013	300.0	0.0	300.0
Total Class B		1,000.0	(340.6)	659.4
TOTAL REFINANCING FACILITY		4,400.0	(2,116.6)	2,283.4

Million euro

Senior capex facility

These borrowings were obtained to finance the Group's capex programme in the amount of 735 million euro (653 million GBP), at a LIBOR interest rate plus a spread, maturing in 2013.

The changes are basically explained by the evolution of sterling against the euro, causing an increase of 22 million euro in borrowings and an increase of 319 million euro (283 million GBP) in drawdowns to finance capex during the period.

European Investment Bank loan

The loan from the European Investment Bank (EIB) has a carrying amount of 419 million euro (372 million GBP), excluding the cost of capitalised borrowings. The final repayment on the EIB loan will be made in 2022 and it is recognised at amortised cost.

The main movements are explained by:

- Evolution of the exchange rate, entailing an increase of 34 million euro in this debt.
- Repayment of a nominal amount of 49 million euro (43 million GBP).

b) Subordinated debt

A Subordinated Acquisition Facility was obtained for the initial acquisition of the BAA Group by FGP Topco, with a carrying amount of 1,752 million euro at 31 December 2009 (1,555 million GBP). The change relates basically to the exchange rate, amounting to 134 million euro. This debt matures in 2011 and bears interest at the LIBOR rate plus a spread.

c) Unregulated airports

The borrowings allocated to the unregulated airports (see Note 2) in the amount of 1,155 million euro (1,025 million GBP) mature in 2015. This debt increased by 80 million euro due to the evolution of the exchange rate.

d) Toggle debt

This debt was contracted to finance the BAA acquisition. It is a super-subordinated debt and is therefore after the subordinated debt for creditor priority purposes. It has a nominal amount of 941 million euro (835 million GBP), matures on a perpetual basis and bears interest at the LIBOR rate plus a spread. The balance of this debt rose in the amount of accrued unmatured interest during 2009 and also increased by 61 million euro due to exchange rate fluctuations.

f) REPO facility

This new loan of 170 million euro is secured by BAA bonds held by FGP Topco Ltd (bonds maturing in 2031 with a par value of 225 million GBP). This debt matures in 2010 and bears variable interest at the LIBOR rate plus a spread.

g) Other borrowings

In 2009 this item relates mainly to accrued unmatured interest.

In 2008 it included a loan granted by the shareholders to FGP Topco. On 31 July 2009, the latest shareholders of BAA approved the conversion of the existing loan (principal plus accrued unmatured interest) in the amount of 295 million GBP into share capital and a share premium.

Each shareholder's interest was increased on a pro rata basis at the conversion date. The following table shows the number of new ordinary shares issued (par value: 0.0024 GBP per share) and the share premium.

	Number of shares	Par value	Share capital	Share premium	TOTAL INCREASE IN SHAREHOLDERS' EQUITY
	306,332,828		£735,199	£305,597,629	£306,332,828
Principal					£294,800,306
Accrued unmatured interest					£11,532,522
Ferrovial S.A.	171,160,139	£0.0024	£410,784	£170,749,355	£171,160,139
Caisse de Dépôt et Placement du Québec	81,103,613	£0.0024	£194,649	£80,908,964	£81,103,613
GIC Special Investments	54,069,076	£0.0024	£129,766	£53,939,310	£54,069,076

h) BAA's debt covenants

The majority of financing agreements include a number of conditions the infringement of which generates obligations for the borrower. These covenants are used by credit institutions to ensure that the concession companies fulfil the debt commitments acquired.

- Bonds and Refinancing facility: require compliance with a number of covenants under the Common Terms Agreement (CTA).
- Subordinated debt: contains a number of restrictions subject to movements in the loan covenants. On this basis, the covenants must be fulfilled within certain defined intervals and a minimum cash flow ratio is imposed.
- Unregulated airports: a minimum debt service coverage ratio must be maintained.
- The company must fulfil certain ratios such as leverage (net debt/RAB) of 0.70x for senior debt and 0.85x for junior debt. At December 2009, none of the applicable covenants had been triggered.

i) Collateral and guarantees

The assets of Heathrow and Stansted airports secure the refinancing facility, the above-mentioned credit lines, the bond issues and the subordinated debt. The assets of the unregulated airports secure related borrowings.

- C.6) Toll Road Division borrowings

Set out below is a breakdown of toll road borrowings by project showing the main characteristics and changes:

Borrowings	2.009	2.008	2.007
407 ETR – Canada	3,320	2,801	3,227
US toll roads	1,535	1,184	1,038
Chicago Skyway	1,038	1,071	1,038
North Tarrant Express Managed Lanes - NTE	274	0	0
SH-130	223	113	0
Spanish toll roads	2,147	2,147	1,819
Ausol I and II	485	490	487
Cinca	627	620	305
Inversora A. Sur / A. R-4 Madrid Sur	547	559	555
Inversora A. Levante / A. Madrid Levante	488	478	472
Irish toll roads	393	396	352
Eurolink M4-M6	138	143	147
Eurolink M3	255	253	205
Portuguese toll roads	685	654	638
Euroscut Algarve	233	245	249
Euroscut Azores	147	93	68
Euroscut Norte Litoral	304	316	322
Chilean toll roads	0	0	1,245
Total toll roads	8,079	7,182	8,320

Million euro

The following table shows the main movements in toll road borrowings:

	407 ETR – Canada	Toll roads United States	Portu- guese toll roads¹	Other	Total toll roads
Borrowings 2008	2,801	1,184	654	2,543	7,182
Changes:					
Exchange rate	382	-42	0	0	340
New bond issue	332	280	0	0	612
Bond repayment	-266	0	0	0	-266
New debt	0	0	45	0	45
Extension of existing debt	0	117	0	0	117
Repayment of debt	0	0	0	0	0
Fair value measurement	63	0	0	0	63
Other	7	-4	-15	-3	-14
2009 borrowings	3,320	1,535	685	2,540	8,079

Million euro

a) 407 ETR – Canada

Autopista 407 has a debt of 4,910 million CAD, representing 21.6% of the Group's total debt. This debt is structured on the basis of senior bond tranches totalling 3,970 million CAD maturing from 2008 to 2039. There are also junior and subordinated tranches of 164 million CAD and 776 million CAD, respectively, falling due in 2010 in the case of the junior tranche and 2011 and 2036 in the case of the subordinated tranche.

The company 407 ETR recognises an issue of 185 million CAD in SIPS (Synthetic Inflation Protected Securities), which carry a coupon indexed to the Canadian inflation rate. This instrument is a hybrid of a nominal bond and a real return bond and the carrying amount is therefore adjusted to its market value as if it were a derivative.

The most significant movement relates to two new bond issues:

- 300 million CAD maturing in January 2012 with a fixed coupon.
- 200 million CAD maturing in January 2014 with a fixed coupon.

The evolution of the Canadian dollar against the euro has increased borrowings by 573 million CAD (382 million euro).

b) Chicago Skyway

The concession company is financed by a senior bond issue underwritten by F.S.A., structured as follows: (i) Series A of 439 million USD maturing in 2017; (ii) Series B of 961 million USD with a final maturity in 2026. It also has syndicated subordinated bank financing drawn down in the sum of 153 million USD, maturing in 2035.

c) SH -130

Syndicated bank financing in two tranches: Tranche A to finance a part of the construction work in the amount of 686 million USD, of which 209 million USD has been utilised, and Tranche B to ensure liquidity during the first five years of business in the amount of 35 million USD, both maturing finally in 2038. There is also a TIFIA debt tranche of 430 million USD to finance a part of the construction work, maturing in 2048, of which 146 million USD has been utilised. Additionally, the company has credit facilities of 29 million USD to cover operating needs that have not been utilised.

d) North Tarrant Express Managed Lanes - NTE

The change during 2009 is explained by the 272 million euro bond issue. Project financing was obtained by means of a 30-year PAB (Private Activity Bonds) issue of 400 million USD and a TIFIA loan of 650 million USD granted by the US Federal Government with a 35-year repayment period. Finally, the company received a grant of 573 million USD from the Texas Transportation Department (TxDOT). A part of the debt is secured by a pledge on non-current financial assets in the amount of 271 million euro, as described in Note 10.

e) Ausol I and II

These toll roads are financed by the same syndicated structured bank borrowing facility with a limit of 487 million euro. The borrowings have been fully utilised, representing 6% of the Group's total and finally maturing in 2010. This debt is currently being refinanced, a process that the company expects to be completed successfully in coming months.

f) Inversora Autopistas de Cataluña / A. Terrasa Manresa

Following the refinancing of Autema in 2008, the company is financed by a loan comprising a Tranche A and a Tranche B with limits of 300 million euro and 316 million euro, respectively. Both tranches are fully utilised and have a term of 27 years, removing any future financing risk since the debt is repayable at maturity. The company has also obtained a liquidity line of 92 million euro, of which 23 million euro has been utilised.

g) Inversora A. Sur / A. R-4 Madrid Sur

The Radial 4 toll road has syndicated borrowings of 557 million euro outstanding at 31/12/2009. Tranche A amounts to 97 million euro and matures in 2011; Tranche B amounts to 100 million euro and falls due in 2011; and the EIB tranche amounts to 360 million euro and finally matures in 2033, although the guarantee expires in 2011.

h) Inversora A. Levante / A. Madrid Levante

The Ocaña - La Roda toll road company has syndicated bank financing with a limit of 522 million euro, of which 496 million euro has been drawn down, and it matures in 2012. This is a mini-perm structured loan that will be refinanced on a long-term basis.

i) Eurolink M4-M6

Financing consists of a fully-utilised EIB loan of 96 million euro finally maturing in 2028 and fully-utilised bank financing of 50

million euro finally maturing in 2027. Undrawn facilities totalling 14 million euro have been obtained to cover VAT payments, operating costs and interest payments. This company's financial structure includes subordinated debt of 38 million euro.

j) Eurolink M3

Financing consists of a syndicated bank loan drawn down at 31/12/2009 in the amount of 262 million euro, comprising a bridge loan of 15 million euro and financing of 247 million euro repayable at maturity, the final due dates being 2010 and 2025, respectively. It also has undrawn credit facilities to cover VAT payments, operating costs and interest payments in the amount of 18 million euro, 10 million euro and 20 million euro, respectively. This company's financial structure includes subordinated debt of 43 million euro.

k) Euroscut Algarve

This company has structured debt in two secured tranches, one of which is formed by bonds totalling 110 million euro maturing in 2027 and the other by EIB borrowings of 130 million euro maturing in 2025 and fully utilised.

l) Euroscut Azores

This company has syndicated bank financing with a limit of 358 million euro, of which 154 million euro has been utilised at 31 December 2009, maturing in 2033.

m) Euroscut Norte Litoral

This company's financial structure is based on a syndicated loan that has been fully utilised in the amount of 305 million euro, finally maturing in 2026.

n) Guarantees and covenants for toll road borrowings

The financial conditions (applicable interest rates) of the toll road debts are subject to the fulfilment of certain ratios based on financial figures such as EBITDA, net debt and consolidated equity. In general, the above-mentioned debts are subject to pledges of concession holder assets (receivables under insurance policies, current accounts, receivables under the concession contract, etc.), forming a package of guarantees for lenders. In some cases there is also a pledge on the concession holder company's shares.

The majority of the contracts include a number of conditions the infringement of which generates obligations for the borrower. These covenants are used by credit institutions to ensure that the concession companies fulfil the debt commitments acquired.

The most common covenants included in the majority of infrastructure project financing contracts are described below:

- Restrictions on the availability of cash balances, the most common being reserve accounts for debt servicing and for extraordinary maintenance.
- Payment of dividends to shareholders subordinated, for example, to the maintenance of required levels of restricted cash.
- Material adverse change or effect (MAC or MAE) clauses regulating cases in which a number of circumstances or facts have or could have a relevant adverse effect on the value, business, operations, assets or liabilities of the concession companies.
- Limit on the maximum volume of borrowings that may be obtained by the concession company.
- Limit on the level of default by the concession company, above which the debt could become payable (threshold cross default).
- Periodic disclosure obligations during the debt period.
- Fulfilment of financial ratios for borrowings and liquidity.

At December 2009, none of the applicable covenants had been triggered.

- C.7) Services Division borrowings:

Bank borrowings of Services Division infrastructure projects relate to the Cespa Group, totalling 20 million euro at 31 December 2009. These borrowings were contracted during 2009 to finance the Ecoparc Can Mata concession project.

20.2. NET CASH POSITION EXCLUDING INFRASTRUCTURE PROJECTS

A) Analysis of the net cash position excluding infrastructure projects

Set out below is an analysis of the net cash position excluding infrastructure projects in 2009:

	Long-term restricted cash	Short-term restricted cash	Other cash and cash equivalents	Borrowings	Intra-group transactions	Total net cash
Construction	0	0	984	50	1,020	1,955
Services	0	4	247	355	-1,108	-1,212
Airports	0	0	18	0	-93	-75
Toll roads and Car parks	0	0	27	0	3	30
Corporate and other	4	0	150	2,245	221	-1,870
Net cash position excluding infrastructure projects	4	4	1,426	2,650	43	-1,172

Million euro

The main movements in the net cash position excluding infrastructure projects are explained in Note 31 on cash flow.

It should be noted that the balance in the column "Intra-group transactions" relates basically to loans granted in the current year by Ferrovial Agromán (Construction) to Autovía de Aragón (Services) and to Concesión de Prisiones Figueras (Construction) in the amount of 28 million euro and 14 million euro, respectively.

B) Breakdown of borrowings excluding infrastructure projects

- B.1) Analysis of short- and long-term balances by business division

The following table shows a breakdown of bank borrowings:

	2009			2008			2007			Change 2009-2008	Change 2008-2007
	Long term	Short term	TOTAL	Long term	Short term	TOTAL	Long term	Short term	TOTAL		
Construction	17	32	50	21	65	86	37	46	83	-37	4
Services	266	89	355	198	200	398	297	108	405	-43	-7
Airports	0	0	0	1,583	0	1,583	1,921	34	1,955	-1,583	-371
Toll roads	0	0	0	0	0	0	37	3	40	0	-40
Corporate and other	1,970	275	2,245	870	441	1,311	636	105	741	934	570
Total borrowings excluding infrastructure projects	2,253	397	2,650	2,672	707	3,379	2,929	295	3,224	-729	155

Million euro

- B.2) Maturities by currency and fair value of borrowings excluding infrastructure projects

Curr.	Fair value 2009	Carrying amount	Vencimientos							Total maturit.
			2010	2011	2012	2013	2014	2015 or after		
Construction	50	50	4	2	3	0	0	14	23	
EUR	44	44	3	0	0	0	0	14	17	
PLZ	6	6	1	2	3	0	0	0	6	
Services	355	355	65	38	143	15	6	43	311	
EUR	128	128	26	10	5	12	6	24	84	
GBP	73	73	0	0	73	0	0	0	73	
USD	71	71	35	17	16	3	0	0	71	
CHF	59	59	0	9	50	0	0	0	59	
OTHER	24	24	4	1	0	0	0	19	24	
Airports	0	0	0	0	0	0	0	0	0	
GBP	0	0	0	0	0	0	0	0	0	
EUR	0	0	0	0	0	0	0	0	0	
Toll roads	0	0	0	0	0	0	0	0	0	
EUR	0	0	0	0	0	0	0	0	0	
Corporate and other	2,245	2,245	260	5	1,980	0	0	0	2,245	
EUR	2,058	2,058	250	0	1,808	0	0	0	2,058	
CHF	123	123	0	0	123	0	0	0	123	
PLZ	64	64	10	5	49	0	0	0	64	
Total borrowings excluding infrastructure projects	2,650	2,650	329	45	2,126	15	6	57	2,579	

Million euro

The differences between the total maturities of bank borrowings and the carrying amounts of the debt at 31 December 2009 are explained mainly by the difference between the nominal values and carrying amounts of the debts, as certain adjustments are made in accordance with applicable accounting regulations. The debt maturities do not include interest.

The total fair value of bank borrowings excluding infrastructure projects at 31 December 2008 was 3,385 million euro (3,572 million euro at 31 December 2007).

Maturities in 2010 total 329 million euro, relating basically to:

- Maturity of 250 million euro relating to Tranche B2 of the refinancing of Ferrovial S.A. (see details in C.5).

- Maturities in the Services Division amounting to 65 million euro in respect of: (1) syndicated loan in the Swissport Group denominated in US dollars in the amount of 35 million euro; (2) maturities of 26 million euro of loans mainly contracted by the Cespa Group.

- B.3) Interest rate risk exposure excluding infrastructure projects

In order to complete the information on exposure to interest rate risk presented in Note 3, set out below is an analysis of debt components indicating the portion subject to fixed interest rates, the portion hedged by derivatives and variable-rate debt:

	Type of debt	Balance 31/12/09	%	Balance 31/12/08	%	Balance 31/12/07	%
Construction		50		86		83	
	Fixed	0	0%	22	26%	0	0%
	Hedged (IRS)	23	46%	0	0%	18	22%
	Variable	27	54%	64	74%	65	78%
Services		355		398		405	
	Fixed	3	1%	7	2%	0	0%
	Inflation-index fixed	23	6%	20	5%		
	Hedged (IRS)	27	8%	0	0%	80	20%
	Variable	301	85%	371	93%	325	80%
Airports		0		1,583		1,955	
	Fixed	0	0%	0	0%	0	0%
	Hedged (IRS)	0	0%	1,583	100%	1,359	70%
	Variable	0	0%	0	0%	596	30%
Toll roads		0		0		40	
	Fixed	0	0%	0	0%	4	10%
	Hedged (IRS)	0	0%	0	0%	3	8%
	Variable	0	0%	0	0%	33	83%
Corporate and other		2,245		1,311		741	
	Hedged (IRS)	1,187	53%	60	5%	0	0%
	Variable	1,058	47%	1,252	95%	741	100%
Total borrowings excluding infrastructure projects		2,650		3,379		3,224	
	Fixed	3	0%	29	1%	4	0%
	Inflation-index fixed	23	1%	20	1%	0	0%
	Hedged (IRS)	1,237	47%	1,643	48%	1,460	45%
	Variable	1,386	52%	1,686	50%	1,760	55%

Million euro

Borrowings hedged by IRS (interest rate swaps) relate to derivatives that convert variable-rate bank borrowings to fixed interest rates (see details in Note 11).

- [B.4\) Information on credit limits and credit available](#)

Set out below is a comparative analysis of borrowings not utilised at the year end:

Balances at 31/12/2009				
Borrowings	Debt limit	Utilised	Available	Consolidated debt
Construction	99	23	76	50
Services	459	311	148	355
Airports	0	0	0	0
Toll roads	0	0	0	0
Corporate and other	2,889	2,245	644	2,245
Total borrowings excluding infrastructure projects	3,447	2,579	869	2,650

Million euro

Balances at 31/12/2008				
Borrowings	Debt limit	Utilised	Available	Consolidated debt
Construction	333	50	282	86
Services	540	354	186	398
Airports	1,582	1,552	30	1,583
Toll roads	105	0	105	0
Corporate and other	1,611	1,315	296	1,311
Total borrowings excluding infrastructure projects	4,171	3,271	900	3,379

Million euro

Balances at 31/12/2007				
Borrowings	Debt limit	Utilised	Available	Consolidated debt
Construction	387	65	302	83
Services	647	385	132	405
Airports	2,082	1,920	127	1,955
Toll roads	400	40	360	40
Corporate and other	1,114	739	373	741
Total borrowings excluding infrastructure projects	4,630	3,149	1,294	3,224

Million euro

The differences between total bank borrowings and reported debt at 31 December 2009 are explained mainly by the difference between the nominal values and carrying amounts of the debts, as certain adjustments are made in accordance with applicable accounting regulations.

Set out below is a more detailed description of interest rates, maturities and covenants for the main borrowings excluding infrastructure projects:

- **B.5) Corporate: Borrowings of Ferrovial, S.A.**

Movements in Corporate and Other borrowings during 2009 are set out below:

	Balance at 01/01/09	Inclusion of borrowings of Ferrovial Infraestructuras	Repayments	Other movements	Balance at 31/12/09
Long-term borrowings	870	1,654	-711	157	1,970
Short-term borrowings	441	0	0	-167	274
	1,311	1,654	-711	-10	2,244

Million euro

During 2009, as a result of the merger, the borrowings obtained by Ferrovial Infraestructuras, S.A. to finance its investment in FGP Topco were included in corporate borrowings. The borrowings of Grupo Ferrovial, S.A. and of Ferrovial Infraestructuras, S.A. were restructured into a single syndicated loan, followed by a single repayment of 711 million euro.

Following this restructuring, the debt consists of three tranches at 31 December:

	Principal	Interest (i)	Total
Long-term maturity	1,904,351	6,291	1,910,641
Tranche A1	1,781,635	5,964	1,787,599
Tranche A2	122,716	326	123,042
Short-term maturity	250,000	524	250,524
Tranche B	250,000	524	250,524
Total Bank Borrowings	2,154,351	6,815	2,161,165

Thousands euro

(i) Accounted under amortized cost

Tranche A, which is a long-term loan with a maximum term of three years, divided into two sub-tranches based only on the currency in which the loan is utilised:

- Tranche A1, in euro.
- Tranche A2, in Swiss francs. The amount drawn down on this tranche may be converted to euros at the end of any interest period, provided conversion is completed one single time during the life of the tranche for the total amount utilised in Swiss francs.

Tranche B, which is a bridge loan maturing on 15 December 2010.

There is also a third tranche, **Tranche C**, which is a revolving working capital facility of 541 million with a maximum term of three years that has not been utilised at the year end.

a. Applicable interest rates and credit limits

The interest rate applicable to the loan principle is the EURIBOR (for amounts utilised in euros) / LIBOR (for amounts utilised in Swiss francs) plus a spread.

For the purposes of the accrual and settlement of interest on amounts utilised from Tranches A and B, each drawdown will be divided into interest periods of three or six months (at Ferrovial's discretion).

For the same purposes, each Tranche C drawdown will have a duration of fifteen days or one, two, three or six months (at Ferrovial's discretion).

As regards exposure to interest rate risk, set out below is an analysis of debt components indicating the portion subject to fixed interest rates, the portion hedged by derivatives and variable-rate debt:

	Type of debt	Balance at 31/12/09	%	Balance at 31/12/08	%
Ferrovial S.A.	Fix	0	0%		0%
	Hedged	905,213	42%		0%
	Variable	1,268,069	58%	146	100%
Total		2,173,282		146	

The differences between the balance reflected in the above table and the Tranche A1 principle is due to the accounting adjustment of the commissions on the transaction using the amortised cost method.

As regards Ferrovial, S.A.'s exposed borrowings, a fluctuation of 100 basis points in the interest rate would have an impact of 21,130 thousand euro on the income statement (14,791 thousand euro on net results).

b. Maturities

Set out below is a breakdown of the nominal maturities of bank borrowings:

	2010	2011	2012	2013	2014	TOTAL
Tranche A1	0	0	1,800,566	0	0	1,800,566
Tranche A2	0	0	122,716	0	0	122,716
Tranche B	250,000	0	0	0	0	250,000
TOTAL	250,000	0	1,923,282	0	0	2,173,282

Million euro

The differences between the nominal amount reflected in the above table and the Tranche A1 principle is due, as in the previous case, to the accounting adjustment of the commissions on the transaction using the amortised cost method.

c. Financial obligations and guarantees

Ferrovial S.A. must fulfil the following financial obligations during the term of the financing, which will be measured six-monthly:

- The Group's Net borrowings/EBITDA ratio must not exceed certain pre-established levels.
- The Group EBITDA/Net financial expense ratio must not fall below certain pre-established levels.

For the purposes of complying with the above-mentioned ratios, the Group is deemed to include the consolidated companies and to exclude infrastructure projects and other companies (mainly Amey, Swissport, Budimex, Webber, BAA and BNI).

The company fulfils both ratios at 31 December 2009.

Ferrovial S.A. has pledged the entire share capital of Cintra Infraestructuras. The pledge on the shares of Cintra Infraestructuras will be automatically cancelled when certain conditions stipulated in the contract are fulfilled.

• B.6) Services

Bank borrowings are described below:

- Long-term bank loans and debt (266 million euro). The main features of these borrowings are presented below by company:
 - Swissport (137 million euro). Bank loan maturing in 2012, bearing variable interest at the LIBOR rate.
 - Cespa (46 million euro). Bank loan hedged by an interest rate swap, as described in Note 11 on derivative financial instruments.
 - Amey (73 million euro). Variable-interest bank loan referenced to the LIBOR.
- Short-term bank loans and debt (89 million euro):
 - Cespa (40 million euro). Bank loans carried at amortised cost.
 - Swissport (33 million euro). Bank loans denominated in different currencies, all bearing variable interest.
 - Short-term finance lease (7 million euro). Short-term portion of lease instalments and interest under long-term leases.

• B.7) Construction

The borrowings mainly comprise loans granted to the subsidiary Cadagua in the amount of 13 million euro (16 million euro at 31 December 2008), which bear interest of between 4% and 5.5%, and current accounts totalling 28 million euro (65 million euro at 31 December 2008).

21. Other non-current liabilities

Other non-current liabilities are analysed below:

ITEMS	Balance at 31/12/09	Balance at 31/12/08	Balance at 31/12/07	Change 2009-2008	Change 2009-2007
Other long-term payables	120	106	140	15	-20
Other non-financial payables	15	12	1	3	14
Total	136	118	141	18	-6

Million euro

The line "Other long-term payables" relates to long-term payables for non-current assets totalling 9 million euro at 31 December 2009 (12 million euro at 31 December 2008). These balances include an implicit interest rate and the difference between their carrying amount and fair value is not considered to be significant. This heading also includes the participating loan granted by the State to the concession holder Autopista del Sol for the construction of the Estepona-Guadiaro section of the toll road, totalling 90 million euro at 31 December 2009 (84 million euro at 31 December 2008).

22. Trade and other payables

Set out below is an analysis of the remaining short-term, non-financial payables at 31 December 2009, 2008 and 2007:

ITEMS	Balance at 31/12/09	Balance at 31/12/08	Balance at 31/12/07	Change 2009-2008	Change 2009-2007
Trade payables	4,229	4,417	4,585	-188	-168
Current deferred tax liabilities	216	167	304	49	-137
Other non-trade payables	888	792	916	95	-124
Total	5,332	5,376	5,804	-44	-428

Million euro

The item "Other non-trade payables" includes balances other than income tax payable to public authorities in the amount of 216 million euro at 31 December 2009 (167 million euro and 304 million euro at 31 December 2008 and 2007, respectively).

Additionally, the item "Trade payables" includes advance payments received for orders in the amount of 881 million euro at December 2009 (828 million euro at December 2008), of which 797 million euro relates to the Construction Division (766 million euro at December 2008).

23. Tax matters

A. Consolidated tax group

Ferrovial, S.A. has been taxed under the tax consolidation system since 2002. The companies that form part of the tax consolidation group in 2009, together with Ferrovial, S.A., are indicated in Exhibit I. The companies Inversora de Autopistas del Sur, S.L. and Inversora de Autopistas de Levante, S.L. are each the parent company of different tax groups.

For the tax period 1 January to 3 December 2009, the date on which the merger of Ferrovial, S.A. (formerly Cintra Concesiones de Infraestructuras de Transporte, S.A. (acquiring company)) and Grupo Ferrovial, S.A. (target company) was entered in the Mercantile Register, the target Grupo Ferrovial, S.A. was taxed under the consolidation system together with all its subsidiaries. As from that date, all the companies that were taxed together with the target company Grupo Ferrovial, S.A. were included in Ferrovial, S.A.'s tax group.

B. Explanation of the effective tax rate

Tax rates

Income tax expense is calculated at the tax rates in force in each country: Spain: 30%; Portugal: 26.5%; Canada: 33%; United States: 39.75%; Chile: 17%; Poland: 19%; Ireland: 12.5%; Italy: 31.40%; and United Kingdom: 28%. In accordance with International Financial Reporting Standards and standard practices in Spain, tax on repatriated profits generated abroad is also recognised, to the extent that there are plans to repatriate profits within a reasonable period of time.

Effective tax rate

In 2009 and 2008, the Ferrovial Group recognised tax credits of 135 million euro and 296 million euro, respectively.

The effective rate is different from the tax rates in force in the countries in which the Group operates, for the following reasons:

- Non-deductibility of the loss of 204 million euro recognised by BAA due to the impairment and subsequent sale at a loss of Gatwick airport.
- Regularisation of deferred tax assets in respect of the following items:
 - Capitalisation of the deduction for export activities relating to 2005 in the amount of 54 million euro due to the investment in Cintra US Corp.
 - Capitalisation of the tax losses of the BAA Group and of the company 407 International Inc totalling 45 million euro and 16 million euro, respectively, which had not previously been capitalised, as the circumstances that allow its future recovery are deemed to exist in the current year.
- Regularisation of deferred tax liabilities in the amount of the difference between the carrying amount and tax amount of Amey's goodwill as a consequence of currency translation differences of 29 million GBP (33 million euro).

Taking into consideration the above-mentioned effects, the reconciliation between profit before income tax and the tax credit recognised in 2009 is as follows:

Loss before tax	-635
Average tax rate	28.86%
Tax credit at the average rate	-183
Permanent differences arising from the impairment in BAA and the sale of Gatwick airport	204
Regularisation of deferred tax assets	-115
Regularisation of deferred tax liabilities	-29
Other effects	-12
Tax credit for the year	-135

Million euro

In view of the significance of the Group's activities in the United Kingdom and the United States, set out below is a reconciliation of profit before income tax and the tax credit recognised in 2009 by country:

	2009				
	Spain	United Kingdom	USA	Other countries	Total
Country tax rate (a)	30%	28%	40.97%	25.49%	28.86%
Result before income tax	233	-1,028	-40	200	-635
Tax calculated at the country tax rate	70	-288	-16	51	-183
Consolidation adjustments (b)	-7	-29	0	-5	-41
Permanent differences (c)	4	229	4	0	236
Tax credits	0	-6	0	-3	-8
Other	-1	-11	0	-2	-14
Tax expense/(tax credit)	66	-104	-13	41	-10
Regularisation of prior-year tax (d)	-73	-46	24	-30	-126
Total tax expense/(tax credit)	-7	-150	11	11	-135
Income tax expense as % of reported income				21.33%	21,33%

Million euro

(a) For USA and Other countries, the weighted average tax rate has been used, this being the aggregate tax rate applied in each country, or state in the case of USA, in proportion to the result before tax generated in each case.

(b) Consolidation adjustments relate mainly to the difference between the carrying amount and tax value of Amey's goodwill.

(c) Permanent differences are basically due to the non-deductibility of the loss recognised by BAA in respect of the impairment and subsequent loss-making sale of Gatwick airport.

(d) This relates to the regularisation of assets due to the capitalisation of tax credits for deductions not previously recognised by the company Laertida, S.L., and to the capitalisation of tax losses generated by the BAA Group and 407 International Inc in prior years that were not previously recognised, following an improvement in the prospects for the potential application of the credits in coming years.

The reconciliation between results before income tax and the tax credits recognised in 2008 by country is as follows:

	2008				
	Spain	United Kingdom	USA	Other countries	Total
Country tax rate (a)	30%	28.50%	40.66%	27.98%	29.91%
Result before income tax	-37	-408	-31	126	-349
Tax calculated at the country tax rate	-11	-116	-12	35	-104
Consolidation adjustments (b)	-35	0	0	28	-7
Permanent differences (c)	-33	-70	-7	4	-106
Tax credits (d)	-2	0	0	-37	-39
Other	-6	-7	0	-3	-16
Tax expense/(tax credit)	-86	-194	-19	27	-272
Regularisation of prior-year tax	-11	0	-1	-13	-24
Total tax expense/(tax credit)	-97	-194	-20	14	-296
Income tax expense as % of reported income before IBA					84.91%
IBA (Industrial Building Allowance)					1,559
Total income tax expense					1,263

Million euro

(a) For USA and Other countries, the weighted average tax rate has been used, this being the aggregate tax rate applied in each country, or state in the case of USA, in proportion to the result before tax generated in each case.

(b) Regularisation of the tax credit recognised in relation to provisions in the real estate business.

(c) Permanent differences relate mainly to the fact that no tax was levied on the gain from the sale of Belfast Airport and WDF.

(d) Recognition of tax credits for tax-loss carryforwards and other deferred tax assets generated by 407 International Inc in previous years that had not previously been capitalised, due to the increase in the likelihood of their potential utilisation in coming years.

Set out below is a breakdown of tax credits for the year:

Breakdown of tax credits	2009	2008
	Total	Total
Current-year tax credit	52	-119
Deferred tax	-62	-153
Prior-year tax credit	-126	-24
Tax credit for the year	-135	-296
IBA (Industrial Building Allowance)	0	1,559
Total income tax expense	-135	1,263

Million euro

C. Reconciliation of reported results and taxable results

In accordance with company legislation, set out below is the reconciliation of reported results and taxable results: As the Group generates its results in different countries subject to different tax rates, this reconciliation includes a breakdown of permanent differences and timing differences adjusted to Spain's 30% rate.

	2009			2008		
	Increase	Decrease	TOTAL	Increase	Decrease	TOTAL
Reported consolidated result for the year before taxes			-635			-349
Permanent differences:						
From individual companies (Spain)	53	-34	19	28	-150	-122
From individual companies (abroad)	855	-34	821	99	-344	-244
Net consolidation adjustments			-191			-83
Temporary differences:						
Arising in the year	900	-628	272	1,971	-1,240	731
Arising in the year, deferred by BAA due to IBA abolition					-5,197	-5,197
Arising in prior years	420	-486	-67	156	-376	-220
Offset of tax-loss carryforwards			-71			-88
Taxable result			149			-5,571

Million euro

D. Movements in deferred taxes

Balance as per balance sheet	2009	2008
Deferred tax assets	1,604	1,859
Deferred tax liabilities	3,364	3,379

Million euro

The deferred taxes reflected in the above table relating to the BAA Group have been included in the balance sheet using the same method applied by the BAA Group, whereby deferred tax liabilities are reflected net of deferred tax assets (586 million euro in 2009 and 560 million euro in 2008). Deferred tax liabilities and assets are analysed below without the effect of the above-mentioned offset:

Balance	2009	2008
Deferred tax assets	2,190	2,419
Deferred tax liabilities	3,950	3,939

Million euro

Movements in deferred tax assets and liabilities in 2009 and 2008 are set out below:

2009	Asset	Liability
Balance 31.12.08	2,419	3,939
Transfers and other	-23	-265
Originated in the year	270	188
Recovered	-146	-126
Impact on equity	-388	-39
Exchange differences	58	254
Balance 31.12.09	2,190	3,950

Million euro

2008	Asset	Liability
Balance 31.12.07	1,413	3,517
Transfers and other	9	-185
Consolidation scope changes	-67	-34
Origination deferred by BAA due to IBA abolition		1,559
Originated in the year	591	372
Recovered	-113	-47
Impact on equity	837	-11
Discontinued operations	-143	-509
Exchange differences	-107	-724
Balance 31.12.08	2,419	3,939

Million euro

Set out below is an analysis of the main deferred tax assets and liabilities recognised by the Group showing movements during 2009:

	Balance 01/01/09	Transfers	Regularisations and other	Charged /credited to income statement	Charged /credited to equity	Effect of exchange rate	Balance 31/12/09
Deferred tax assets							
Depreciation, concessions	45	4	0	19	0	2	69
Derivatives (a)	518	-22	12	29	-244	12	305
Tax credits (b) (*)	815	-42	111	65	0	23	972
Provisions	203	-13	4	1	0	3	197
Pension plans	29	0	-13	-4	119	2	133
Market value (c)	183	0	-64	0	0	14	133
Other items (d)	626	9	-8	14	-263	2	380
Total	2,419	-65	42	124	-388	58	2,190
Deferred tax liabilities							
Goodwill	102	11	-37	35	0	2	113
Derivatives	52	-14	-14	-1	-6	0	17
Accelerated depreciation (e)	957	-30	-268	7	0	75	742
Capital gains (f)	880	-21	45	8	0	62	974
Pension plans	20	0	3	17	-35	2	6
Industrial Building Allowance (IBA) (g)	1,427	0	0	0	0	112	1,539
Other items (h)	501	4	56	-4	2	1	560
Total	3,939	-50	-216	62	-39	254	3,950

Million euro

(*) In the case of toll road concession companies that continually post losses during the first phase of the projects, the balance of tax credits is written down in the amount of the deferred tax liabilities (219 million euro).

The Group has recorded the relevant deferred tax liability deriving from the amortisation of goodwill generated by business combinations.

Deferred tax assets recognised at 31 December 2009 are explained below:

(a) Measurement of derivative financial instruments (305 million euro).

(b) • Recognition of tax credits for tax-loss carryforwards (874 million euro), the most relevant of which relate to the Airports business (285 million euro), the BAA Group (260 million euro) and the Toll Roads Division (255 million euro).

• Recognition of tax credits for investment deductions and other items (98 million euro).

(c) Fair value recognition of the BAA Group's borrowings as a result of the business combination (133 million euro).

(d) Currency translation differences (161 million euro).

Deferred tax liabilities recognised at 31 December 2009 relate basically to the BAA Group (3,199 million euro). The main items are explained below:

(e) Accelerated depreciation of assets (682 million euro). This liability reflects the difference between the accounting and tax depreciation of the assets used in BAA's airport business and will reverse in future financial years once the assets are fully depreciated for tax purposes.

(f) • Restatement of the BAA Group's investment property to fair value to the date of acquisition by Grupo Ferrovial (530 million euro). This liability relates to the difference between the value of these assets for accounting and tax purposes and will only be realised if the assets are transferred to third parties.

• Recognition of intangible assets (rights to operate commercial space and right to operate unregulated airports) and property, plant and equipment of the BAA Group at market value (221 million euro and 151 million euro, respectively) during the business combination following the acquisition of the BAA Group. This liability relates to the difference between the value of these assets for accounting and tax purposes and will only be realised if the assets are transferred to third parties.

(g) Difference between the carrying amount and the tax value of the airport terminals, classified as industrial buildings for tax depreciation purposes, due to the elimination of this expense for tax purposes as from 2011 (1,539 million euro).

(h) Tax provision for the shareholding in the BAA Group amounting to 281 million euro, included in other items.

E. Tax credits

At 31 December 2009, the Ferrovial Group companies recognise tax-loss carryforwards totalling 3,839 million euro, entailing a tax credit of 1,093 million euro, calculated at the tax rate applicable in each country.

Tax-loss carryforwards and tax credits recognised at the tax rate applicable in each country at 31 December 2009 are analysed below:

Country	Tax losses	Available until	Tax credit
Spain	1,653	2016-2027	493
United States	842	2025-2029	230
UK	968	No lapsing date	264
Canada	197	2010-2028	61
Switzerland	141	No lapsing date	40
Ireland	18	No lapsing date	2
Portugal	11	2008-2015	0
Poland	6	2008-2014	1
Chile, construction	5	No lapsing date	1
Total	3,839		1,093
Effect of netting in toll road concession companies			-219
Total tax credit in the balance sheet			874

Million euro

Additionally, the Group records tax deductions for investments and other items pending application at 31 December 2009 for a total of 206 million euro (208 million euro in 2008).

F. Results of tax inspections

The tax inspection that commenced in 2007 on the target company Grupo Ferrovial, S.A., as the parent of the tax group, relating to corporate income tax, VAT and personal income tax for 2002-2005, was completed in June 2009, when tax assessments were raised, some of which were accepted and some contested by the taxpayer.

As a result of the tax inspection, a tax liability of 86 million euro arose for the Group, of which 74 million euro relates to corporate income tax (7 million euro accepted and 67 million euro contested), due basically to the regularisation of goodwill amortisation and to expense provisions deductible in subsequent periods; 11.2 million euro relates to VAT (0.5 million euro accepted and 10.7 million euro contested); and 0.5 million euro relates to personal income tax (accepted). The company has recognised provisions to cover the risk of the proceedings instigated to contest the regularisation proposed by the tax inspectorate, in the amount of 60 million euro, having a negative impact of 8 million euro on the income statement for the period.

The tax inspection that commenced in January 2008 on Cintra (now Ferrovial, S.A., as the parent of the tax group, relating to corporate income tax, VAT and personal income tax for 2003-2005, was also completed in 2009, when tax assessments were raised and contested by the taxpayer.

As a result of this inspection, the Group has a tax liability of 73 million euro, of which 68 million euro relates to corporate income tax, due basically to the regularisation of portfolio provisions deemed deductible by the Group, and 5 million euro relates to VAT. The Inspectorate has also validated deductions for export activities declared in previous periods and pending application, amounting to 55 million euro, which has been recognised as a tax credit in 2009. The Group has recognised provisions covering the entire risk arising from the proceedings instigated against the inspector's proposed regularisation. The release of provisions recorded in previous years and the recognition of the tax credit mean that the net impact of this inspection on the income statement for the year is positive, in the amount of 19 million euro.

G. Years open to tax audit

The tax returns for the past four years for all applicable taxes are open to tax audit. As a result of actions that may be undertaken by the tax authorities in connection with the years open to tax audit, contingent tax liabilities could arise that cannot be objectively quantified. Nonetheless, the parent company's Directors consider that any liabilities arising in this connection will not be material.

24. Contingent liabilities, contingent assets and commitments

• a) Contingent liabilities

The Group records contingent liabilities in respect of litigation arising in the ordinary course of business from which no significant liabilities are envisaged other than the amounts provisioned. The most relevant litigation giving rise to contingent liabilities is described below:

Litigation and risk relating to Spanish toll roads

The cost of expropriations refers to expropriated land required to execute toll roads, as part of Ferrovial's toll road business, in respect of which claims are in progress.

- With respect to the **toll roads R4, M-45 and the execution of the M-50 in Madrid**, the Supreme Court considers that the land must be valued based on its classification and therefore the land classified as non-building land must be valued as such and not under the general system. However, the value of the non-building land has been raised significantly with respect to the amount initially envisaged. The recently approved National Budget Law 2010 stipulates that concession companies will be entitled to carry out an economic-financial rebalancing and the possibility of granting a participating loan is provided for this purpose.
- With respect to the **M-203 toll road**, on 2 June 2009 the company submitted to the Madrid Department of Transportation and Infrastructures a request to terminate the concession contract, based on a modification of the estimated cost of the construction work of more than 20% of the original estimate, due to changes made to the plans as instructed by the competent Administration.

The termination procedure is suspended, a preliminary agreement having recently been reached between the company and the Madrid Regional Government to continue to perform the contract. At present, technical aspects relating to the need to modify the plans are being finalised with the Regional Government.

If no agreement is reached, the Group considers that the concession company will have the right to recover the entire investment plus costs incurred.

- **Other companies** of the Cintra Group are also the defendants in a number of lawsuits. The effect of the litigation described above on the accompanying financial statements should not be material.

Claims of Promociones Habitat S.A. in connection with the contract for the purchase of Ferrovia Inmobiliaria S.A.

During 2008, a number of claims were received from Promociones Habitat S.A. in relation to the guarantees granted under the contract for the purchase and sale of Ferrovia Inmobiliaria S.A. These claims relate basically to the existence of certain charges and encumbrances on land owned by Ferrovia Inmobiliaria, as well as to certain tax contingencies. During 2009, the judicial proceedings continued. A number of favourable rulings were issued and the rest of the claims are pending a ruling. The total amount of the outstanding claims is provisioned in the financial statements.

Review of Tube Lines' second period

Tube Lines Ltd holds a contract with London Underground for the maintenance of three lines. The contract was awarded in 2002 with duration of 30 years and is subject to reviews every seven and a half years to address certain aspects, relating mainly to the scope and costs of the project during each period, that determine the remuneration to be received by Tube Lines (ISC or Infrastructure Service Charge).

The first review period ends on 30 June 2010. As part of the review process stipulated in the contract, London Underground sent its requirements in December 2008, on the basis of which Tube Lines submitted its offer in June 2009, evaluating the cost of the work required by London Underground during the following seven and a half years.

In accordance with the formal procedure provided in the initial concession contract, London Underground decided that a third party (arbitrator) should determine the cost of the second review period applying economic efficiency criteria. On 17 December 2009 the arbitrator issued an initial assessment of the cost of

the contract for the coming seven and a half years. The cost indicated by the arbitrator in this initial decision was 4,400 million GBP (as compared with 4,000 million GBP estimated by London Underground and 5,700 million GBP estimated by Tube Lines Ltd).

Within the deadlines and using the procedures stipulated in the concession agreement, Tube Lines and London Underground have submitted to the arbitrator their respective replies to the preliminary cost decision. On the basis of these allegations, the arbitrator will publish the final decision on the cost of the work on 4 March 2010 and, on 29 April 2010, the final decision on the remuneration that Tube Lines will receive during the second review period (ISC), as well as its final decision on the need for additional financing, and on which party must obtain such financing (Tube Lines Ltd or London Underground), if necessary, in the event that the remuneration determined does not cover the estimated costs.

As Tube Lines is currently negotiating the second review period, the final decision on the economic terms of the contract for the coming seven and a half years could affect the company's forecast profitability.

BAA, noise and competition

The Government requested a bid on measures to reduce noise generated by airport activities. BAA undertook to review the measures in 2010. During this year, the Government will decide on needs for the years following 2012 in relation to the reduction in the noise of night time flights in the local areas.

During 2009, in connection with the extension of Heathrow airport, the Government requested the review of soundproofing measures and the application of these measures to all the Group's buildings. The impact of these obligations is currently being evaluated.

The Group is also seeking to build the second runway at Stansted airport in accordance with the UK Government's investment development plans. This project has been delayed due to the report from the Competition Commission forcing BAA to sell certain airports on the grounds that the Group has a monopoly position in the sector. These airports include Stansted and an airport in Scotland. BAA has filed an appeal that is pending a final decision from the Competition Commission.

Other litigation

In addition to the above-mentioned litigation, the Group companies are involved in a number of lawsuits in the ordinary course of business, as listed below:

- Claims relating to defects in construction projects executed or services rendered.
- Claims for third-party liability in connection with the use of the Group's assets or the actions of Group employees, the most relevant of which relate to road accidents on the toll roads managed by the Group.
- Employment-related claims.
- Environmental claims.
- Tax claims.

A part of the above-mentioned risks are covered by insurance policies (third-party liability, construction defects, etc.).

• b) Bank guarantees

At 31 December 2009, the Group companies had furnished bank guarantees totalling 4,503 million euro (4,676 million euro in 2008).

The following table contains a breakdown of bank guarantees by business area. The most significant item relates to the Construction Division (3,452 million euro), consisting basically of bank guarantees requested during tender processes covering the liability of construction companies for the execution and completion of contracted work:

	2009	2008
Construction	3,452	3,592
Toll roads and Car parks	210	298
Services	503	521
Airports	247	239
Other	91	27
Total	4,503	4,676

Million euro

• c) Other contingent liabilities

Financing guarantees

Grupo Ferrovial has furnished the following guarantees in relation to project financing:

- **Talca-Chillán:** Guarantees limited to the increase in operating, financial and maintenance costs in the event of departures from costs estimated.
- **Santiago Talca:** Guarantee covering the completion of outstanding construction work in the event that the execution period extends beyond 31 December 2011.
- **Norte Litoral:** Guarantee limited to the excess cost of expropriations during the expropriation period.
- **R4 Madrid Sur:** Guarantee limited to 27 million euro for all items during the term of the debt, covering debt servicing, refinancing, reduction in ratios and penalties.
- **OLR (Madrid Levante):** Guarantee for debt servicing during the term of the borrowings.
- **Azores:** Guarantee limited to 11 million euro to 2017 as required by Article 35 of the Portuguese Companies Act.
- **SH130:** Guarantee limited to 35 million USD for the excess cost of expropriations during the expropriation period and a guarantee limited to 30 million USD for debt servicing during the first five years of operations.
- **Triconitex S.A.:** Joint and several guarantee of 7 million euro at year-end 2009 for the payment of the principal on this company's finance lease.
- **Ecoparc del Mediterrani S.A.:** Guarantee, for which the shareholders are individually liable in proportion to their shareholdings, limited to the amount of this company's credit facility (7 million euro at year-end 2009).
- **Gesmat:** Joint and several and individual guarantees (in proportion to shareholdings) limited to the maximum amount that may be utilised on credit lines (4 million euro at year-end 2009).

The company also guarantees payment in accordance with arbitral awards relating to the sale of Ferrovial Inmobiliaria, in the amount of 5 million euro.

In the ordinary course of the Group's activities a number of technical guarantees have been provided, as is standard practice in this market.

In the Airports Division, following the approval of the refinancing process, BAA has guaranteed the fulfilment of its obligations by pledging all its assets.

In the case of the Services Division, Amey has contracted guarantees and letters of credit totalling 13 million euro for the investment and subordinated debt relating to its infrastructure projects.

As a result of the Group's corporate reorganisation, as described in Note 20, the borrowings of the companies involved have been restructured and guaranteed by the entire share capital of Cintra Infraestructuras.

With respect to guarantees for financing contracts, the FGP Topco Group has pledged the assets of the regulated airports and has provided the financing guarantees explained in Note 20. FGP Topco guarantees the securitised group BAA up to the sum of 300 million GBP for possible contingencies arising from the group's pension plans.

Contingent assets

The Group has not received any significant bank guarantees from third parties at 31 December 2009 and 2008.

Investment commitments

Investment commitments contracted at the balance sheet date but not recognised in the consolidated financial statements amounts to 4,345 million euro. The most relevant commitments are described below:

	Toll roads	Airports	Services	Total
Investments in infrastructure projects	1,819	1,358	110	3,287
Investments in infrastructure projects of equity-consolidated companies	820		239	1,059
Total	2,639	1,358	348	4,345

Million euro

The following projects should be noted in the Toll Roads Division: North Tarrant (1,013 million euro), SH130 (528 million euro), Central Greece (439 million euro), Nea Odos (323 million euro) and Euroescut Azores (163 million euro).

Commitments to invest in construction projects will be financed by borrowings obtained by each concession holder.

The figure for Airports includes investment commitments currently contracted by BAA and pending execution.

Additionally, with respect to regulatory issues for the five-year period from 2009 to 2014, BAA has submitted to the UK airport authority (CAA) an investment plan totalling 5,117 million GBP for Heathrow airport. According to the regulations, the failure to fulfil certain provisions of investment plans could lead to the imposition of penalties on the airports by the disciplinary body.

The Services Division recognises investment commitments of 152 million euro relating to the company Tubelines, which is 66% owned by Amey. These investment commitments relate to the first review period of the contract for the maintenance of certain London Underground lines. They also include 76 million euro in respect of Amey joint ventures.

In the Services Division, there is a commitment to invest 87 million euro in Autovía de Aragón and Grupo Cespa has a commitment to invest 34 million euro in the Ecomarque IV construction project.

Operating and finance lease commitments

The expense recognised for operating leases in the income statement for 2009 totals 244 million euro.

Future total minimum payments on non-cancellable operating leases are shown below:

	2009	2008
Less than one year	351	386
Between one and five years	514	626
More than five years (*)	1,985	2,926
TOTAL	2,850	3,938

Million euro

As explained in Note 8 on intangible assets, on 23 December 2009 Ferrovial S.A. sold the building in which its headquarters is located, with a carrying amount of 6 million euro, at a selling price of 40 million euro. It also concluded a lease with an initial term of 12 years as from 1 January 2010 that may be extended at the company's discretion two times, for five-year periods, entailing a maximum lease period of 22 years.

The annual rent initially stipulated in the lease totals 2.4 million euro and will be updated annually in line with the consumer price index.

Environmental commitments

Any operation designed mainly to prevent, reduce or repair damage to the environment is treated as an environmental activity.

Investments in environmental activities are measured at acquisition cost and capitalised when incurred as an increase in the cost of non-current assets, applying the methods described in Note 2 on accounting policies.

Costs incurred to protect and improve the environment are taken to the income statement when incurred, irrespective of when the related monetary or financial flows take place.

Provisions for probable or certain environmental liabilities, litigation in progress and indemnities or other outstanding obligations not covered by insurance policies are recorded when the liability or obligation arises.

25. Fair value adjustments

As in 2008, Ferrovial's income statement has been affected by the fair value measurement of certain financial hedging transactions that are not deemed to be "accounting hedges" and therefore, under applicable accounting regulations, are recognised at their fair value in the income statement. Additionally, the impairment of certain assets carried as investment properties also affected Ferrovial's consolidated results. None of these adjustments affected cash. For this reason, the financial statements show the impact of these fair value adjustments separately, as reflected below by item and by line:

2009 income statement	Equity Swaps	SIPS	Index Linked Swaps BAA	Interest Rate Swaps BAA	Interest Rate Swap Ferrovial	Impairm. investm. property	Other	Total
EBITDA	0,0	0,0	0,0	0	0	0	-3	-3
OPERATING RESULTS BEFORE IMPAIRMENT AND DISPOSALS OF NON-CURRENT ASSETS	0,0	0,0	0,0	0	0	0	-3	-3
Impairment and disposals of non-current assets						-90	0	-90
OPERATING RESULTS	0,0	0,0	0,0	0	0	-90	-3	-93
FINANCIAL RESULTS	159	-64	-142	26	-22	0	-8	-50
Share of profits of equity-consolidated companies						14	2	16
CONSOLIDATED RESULT BEFORE INCOME TAX	159	-64	-142	26	-22	-76	-8	-127
Income tax	-47	21	40	-7	7	26	1	41
RESULT FROM CONTINUING OPERATIONS	112	-43	-102	19	-15	-50	-8	-86
Net result from discontinued operations	0	0	0	0	0	0	0	0
CONSOLIDATED RESULT FOR THE YEAR	112	-43	-102	19	-15	-50	-7	-86
Result for the year attributed to minority interest	-14	26	45	-8	0	11	1	61
RESULT FOR THE YEAR ATTRIBUTED TO THE PARENT COMPANY	99	-16	-57	11	-15	-40	-7	-25

Million euro

a) Equity swaps

Ferrovial's consolidated financial statements reflect income from equity swaps totalling 159 million euro in financial results and 99 million euro in results attributed to the parent company.

These instruments are contracted by Ferrovial to cover possible payments that they company must make to settle its share-based remuneration commitments, as mentioned in Note 34.

These instruments are measured based on the closing price of Ferrovial's stock, which changed from 19.58 euros per share for Grupo Ferrovial and 5.32 euros per share for Cintra at 31 December 2008 to 8.23 euros per share for Ferrovial (company resulting from the merger of the above-mentioned companies, with a share exchange ratio of four Cintra share for one Grupo Ferrovial S.A. share, as explained in Note 1.2).

b) Synthetic Inflation Protected Securities (SIPS)

This is a bond (see Note 20 on net cash position) with a coupon that is linked solely to the inflation rate in Canada. This instrument is a hybrid of a nominal bond and a real return bond and the carrying amount is therefore adjusted to its market value as if it were a derivative. The adjustment has had an impact of -64 million on financial results (-16 million on net results attributed to the parent company).

c) Index linked swaps BAA

BAA has contracted swaps linked to the UK RPI (Retail Price Index) for a notional amount of 2,206 million GBP (2,485 million euro). The change in the fair value of these ILS had an impact of -142 million euro on financial results in 2009 (-57 million euro on net results attributed to the parent company) (see Note 11 on derivative financial instruments at fair value). This value excludes credit risk, which had an impact of 92 million euro on Ferrovial's income statement that has already been included in the above-mentioned fair value adjustment.

d) Interest rate swaps BAA

BAA has also contracted interest rate swaps for a total notional sum of 5,088 million GBP (5,732 million euro). As a result of the

change in the fair value of these instruments, explained in Note 11 on derivative financial instruments, income of 26 million euro has been recognised in Ferrovial's financial results (11 million euro in net results attributed to the parent company) (see Note 11 on derivative financial instruments at fair value).

e) Fair value adjustments to certain investment properties

As a result of the market valuation by an independent expert, an adjustment has been recognised in the carrying amount of certain land owned by the Group through its Real Estate Division (-37 million euro on the line profit and loss, -26 million euro in net results attributed to the parent company) (see Note 28 on impairment and disposals of non-current assets).

Additionally, as explained in Note 5, Grupo BAA reviews the fair value of certain assets at least annually, including investment properties (see Note 7.2), having recognised in the income statement, as a fair value adjustment, the impairment of certain investment property located in Stansted airport, in the amount of -53 million euro (-21.3 million euro in net results attributed to the parent company). A part of the impairment recognised in 2008 for investment property of the company APP Lynton has been reversed in the amount of 14 million euro (presented separately as a fair value adjustment on the line Share of profits of equity-consolidated companies in the consolidated income statement).

f) Interest Rate Swap Ferrovial

As part of the refinancing of the corporate debt mentioned in Note 20, the entire syndicated loan obtained to acquire BAA was converted to euros. This loan, denominated in sterling in order to provide a natural hedge for the investment in BAA, was hedged against interest rate fluctuations by four fully-effective interest rate swaps with a notional sum of 250 million GBP (total notional amount of 1,000 million GBP), referenced to the Libor.

However, in order to maintain the natural hedge of the investment in BAA, the company considers that a part of this debt will be converted to sterling, in an estimated amount of 750 million GBP. Consequently, the amount relating to the derivative the notional amount of which is not expected to be converted has been transferred from reserves to the income statement, as it is no longer an accounting hedge, having an impact on Ferrovial's income statement of -22 million euro (-15 million euro in net results attributed to the parent company) (see Note 11).

g) Other fair value adjustments

This relates to the fair value measurement of the Group's other derivatives (see Note 11 on derivative financial instruments at fair value).

For informative purposes, set out below are the main fair value adjustments recognised in Ferrovial's income statement at 31 December 2008:

2008 income statement	Equity Swaps	Index Linked Swaps BAA – fair value change	IRS BAA	Other derivatives	Other impacts on financial results	Impairment investment property	TOTAL
EBITDA	0	0	0	-11	0	0	-11
OPERATING RESULTS BEFORE IMPAIRMENT AND DISPOSALS OF NON-CURRENT ASSETS	0	0	0	-11	0	0	-11
Impairment and disposals of non-current assets						-17	-17
OPERATING RESULTS	0	0	0	-11	0	-17	-29
FINANCIAL RESULTS	-279	-104	-53	-72	75	0	-433
Share of profits of equity-consolidated companies	0	0	0	0	0	-106	-106
CONSOLIDATED RESULT BEFORE INCOME TAX	-279	-104	-53	-83	75	-123	-567
Income tax	82	29	15	20	-19	5	133
RESULT FROM CONTINUING OPERATIONS	-197	-75	-38	-63	56	-118	-435
Net result from discontinued operations	0	0	0	0	0	0	0
CONSOLIDATED RESULT FOR THE YEAR	-197	-75	-38	-63	56	-118	-435
Result for the year attributed to minority interest	26	27	17	23	-21	46	118
RESULT FOR THE YEAR ATTRIBUTED TO THE PARENT COMPANY	-171	-48	-21	-40	35	-72	-317

Million euro

26. Operating revenue

Set out below is an analysis of the Group's operating revenue:

	2009	2008
Sales	12,095	13,146
Sales	11,942	12,989
Other revenue	154	156
Other operating revenue	30	20
Total operating revenue	12,126	13,165

Million euro

27. Staff expenses

Staff expenses are analysed below:

	2009	2008
Wages and salaries	2,869	3,080
Social security	436	450
Pension plan contributions	60	100
Stock option-based payments	13	17
Other welfare expenses	32	33
Total	3,410	3,680

Million euro

The average number of employees at 31 December 2009 is shown below by professional category, distinguishing between male and female employees:

	2009			2008			Change
	Male	Female	Total	Male	Female	Total	
Board directors	11	1	12	10	1	11	9.09%
Senior managers	14	0	14	13	0	13	7.69%
Managers	1,305	313	1,618	1,464	357	1,821	-11.15%
University graduates	6,820	2,501	9,321	6,977	2,571	9,548	-2.38%
Administrative staff	3,282	4,099	7,381	3,691	4,271	7,962	-7.30%
Workers and technicians	55,836	25,877	81,713	59,720	28,300	88,020	-7.17%
Total	67,268	32,791	100,059	71,875	35,500	107,375	-6.81%

The average number of employees by business division is shown below:

	2009			2008		
	Male	Female	Total	Male	Female	Total
Construction	12,292	1,578	13,870	13,534	1,613	15,147
Corporate	208	144	353	177	128	305
Real estate	39	79	119	50	90	140
Services	49,358	27,030	76,388	47,811	25,330	73,141
Concessions	2,488	1,967	4,456	2,482	1,978	4,460
Airports	7,851	5,081	12,932	8,114	5,290	13,404
Total	72,237	35,880	108,117	72,168	34,429	106,597

28. Impairment and disposals of non-current assets

Results recognised in 2009

Set out below is a breakdown of the main results recognised in 2009 due to sales and impairment of significant assets and their impact on recognised net results:

2009	Impact on gross results			Impact on net results
	Before fair value adjustments	Fair value adjustments	Total 2009	
Loss on disposal of Gatwick airport	-730	0	-730	-408
Asset impairment loss Stansted airport	0	-53	-53	-21
BAA total	-730	-53	-783	-429
Gain from Cintra Aparcamientos	95	0	95	50
Impairment provision Valdebebas land	0	-37	-37	-26
Gain from sale of Amey contracts	5	0	5	5
Other	10	0	10	9
Impairment and results from disposals of non-current assets	-620	-90	-710	-392

Million euro

The main impact reflected in the line impairment and disposals of non-current assets is the impairment and subsequent sale at a loss of Gatwick airport, completed on 3 December. The transaction price was 1,500 million GBP (1,646 million euro), of which 1,445 million GBP will be received in cash and 55 million GBP will be collected subject to the achievement of certain operating and financial parameters. As a result of this transaction, a loss of 730

million euro has been included in pre-tax results (408 million euro in net results attributed to the parent company).

Additionally, on 27 July the sale of Cintra Aparcamientos was completed, as explained in Note 12 on assets and liabilities held for sale, generating a profit of 95 million euro (50 million euro in net results attributed to Ferrovial).

Results recognised in 2008

2008	Impact on gross results			Impact on net results
	Before fair value adjustments	Fair value adjustments	Total 2009	
Gain from sale of World Duty Free	295	0	295	180
Gain from PIK capitalisation	33	0	33	33
BAA total	328	0	328	213
Gain from sale of Belfast Airport	109	0	109	109
Other	0	-17	-17	-12
Impairment and results from disposals of non-current assets	437	-17	419	310

Million euro

The main transaction reflected in the line impairment and disposals of non-current assets was the gain obtained from the sale in March 2008 of World Duty Free, a subsidiary of the BAA Group engaged in the exploitation of commercial space in airports, for a price of 716 million euro (547 million GBP), generating a gain of 295 million euro and an impact of 180 million euro on net results attributable to the parent company.

A gain of 109 million euro was also obtained on the sale of the interest in Belfast Airport for a price of 167 million euro (133 million GBP).

29. Financial results

The following table contains a breakdown of movements in financial income and expenses:

	2009	2008	% change
Interest expense on financial liabilities	-1,445	-1,451	0%
Interest income on financial assets	26	27	-3%
Financial results from derivative financial instruments and other fair value adjustments	-148	-210	-30%
Other	32	-161	-120%
Total financial results of infrastructure projects	-1,536	-1,795	-14%
Interest expense on financial liabilities	-93	-222	-58%
Interest income on financial assets	38	81	-54%
Financial results from derivative financial instruments and other fair value adjustments	98	-223	-144%
Other	-48	24	-303%
Total financial results of other companies	-5	-340	-98%
Financial results	-1,541	-2,135	-28%

Million euro

As indicated in Note 25, the impact on financial results of the fair value measurement, in accordance with accounting regulations, of certain hedging transactions that are not deemed to be "accounting hedges", giving rise to a value adjustment in the income statement, was highly significant.

The gains or losses presented in the table above consisting mainly of changes in the fair value of derivative financial instruments relate to ineffective derivatives; the efficient portion is recognised together with the result of the hedged item, having the same nature, as explained in Note 11 on derivative financial instruments at fair value. Financial results arising from the measurement of derivatives at fair value are explained in Note 26.

Financial results arising from the measurement of derivatives at fair value are explained in Note 25.

The following table contains a breakdown by project of the financial results of infrastructure projects. The table indicates the portion of the financial result that is capitalised as an increase in the value of non-current assets of projects under construction:

Financial results of infrastructure projects	2009			2008		
	Income/ expense capitalised during construction	Financial income/ expense taken to income statement	Financial income/ expense accrued	Income/ expense capitalised during construction	Financial income/ expense taken to income statement	Financial income/ expense accrued
BAA	-25	-894	-919	-107	-1,045	-1,151
Other airports	0	0	0	0	-3	-3
407 ETR International	0	-218	-218	0	-163	-163
Skyway Concession	0	-70	-70	0	-58	-58
Spanish toll roads	0	-60	-60	0	-99	-99
Chilean toll roads	-3	-141	-144	0	-24	-24
Other toll roads	-39	-25	-64	-24	-30	-54
Services	-4	-6	-10	0	-2	-2
Construction	0	-5	-5	0	-1	-1
Total	-71	-1,420	-1,490	-131	-1,424	-1,555

Million euro

30. Net income from discontinued operations

During 2009 the Group did not recognise income or cash flows from discontinued operations.

31. Earnings per share

A) Basic earnings per share

Basic earnings per share are calculated by dividing the net income attributed to the Group by the weighted average number of outstanding shares for the year, excluding the average number of treasury shares held during the year. Set out below is the calculation of basic earnings per share attributed to the parent company:

Basic earnings per share attributed to the parent company:

	2009	2008
Net result attributed to the parent company (*)	-92	-812
Weighted average number of outstanding shares (thousand shares)	589,802	561,060
Less average number of treasury shares (thousand shares)	0	-6,066
Average number of shares to determine basic earnings per share	589,802	554,994
Basic earnings per share (euro)	-0.16	-1.46

(*) Restated in 2008 under the new accounting policies.

As explained in Note 1.2, during 2009 Grupo Ferrovial (target company) was merged into Cintra (acquiring company). As a result of the merger, Grupo Ferrovial's shareholders received shares in Cintra based on an exchange ratio of four Cintra shares to one Grupo Ferrovial share. The company resulting from the merger, named Ferrovial S.A., maintained Cintra's share capital, which was increased by the necessary amount to exchange Gru-

po Ferrovial's shares, entailing a total share capital of 147 million euro (see Note 16). For comparability, the average number of shares for 2008 and the share capital of Grupo Ferrovial S.A. (group's parent at that date) have been restated based on the above-mentioned share exchange ratio. Additionally, for 2009, as the effective date of the merger for consolidation purposes is 31 October 2009, outstanding shares have been weighted to account for 10 months and two months, respectively, of the share capital of Grupo Ferrovial, S.A. and of Ferrovial, S.A. (company resulting from the merger of Grupo Ferrovial S.A. and Cintra, Concesiones de Infraestructuras de Transporte, S.A., as explained in Note 1.2).

B) Diluted earnings per share

Diluted earnings per share are calculated by adjusting the weighted average number of outstanding ordinary shares to reflect the conversion of all potentially dilutive ordinary shares. For

such purposes, conversion is deemed to take place at the start of the period or when the potentially dilutive ordinary shares are issued, where they have become outstanding during the period in question.

At 31 December 2009 and 2008, the Group has no potentially dilutive ordinary shares, since no convertible shares have been issued and the share-based or stock option remuneration plans addressed in Notes 35 and 36, respectively, will not entail any capital increase for the Group, as explained in those notes. Consequently, no dilutive impact is envisaged when employee rights under the plans are exercised.

32. Cash flow

The cash flow statement has been prepared in accordance with IAS 7. This note contains a detailed analysis of cash flow by segment. The analysis is based on internal criteria established by the Company for business purposes, which in some cases differ from the provisions of IAS 7. The main criteria applied are described below:

- In order to provide a clearer explanation of cash generated, the Group separates cash flows into "cash flows excluding infrastructure projects", where infrastructure project companies are treated as financial investments and investments in the capital of these companies are therefore included in cash flows from investing activities, and yields on the investments (dividends and other) are included in cash flows from operating activities, and "cash flows of infrastructure projects", consisting of cash flows from operating and financing activities of infrastructure projects (Note 1 contains a detailed definition of infrastructure projects).
- In addition, and as indicated in Note 4 on segment reporting, a breakdown by segment is provided of both cash flows excluding infrastructure projects and cash flows of infrastructure projects.
- In order to provide a more accurate analysis of cash flows from operating activities, they are calculated based on gross operating results and explanations of the differences between gross operating results and cash flows from operating activities are also provided.
- Interest received from cash and cash equivalents is treated differently from the cash flow statement treatment under IAS 7, since this interest is included in cash flows from financing activities as a reduction in the amount of interest paid in the item "Interest flows".
- These flows seek to present the evolution of net cash as defined in Note 20, as the net amount of borrowings, cash and cash equivalents and restricted cash. This method also departs from IAS 7, explaining the movement in cash and cash equivalents.

2009 (*)

	Cash flows excluding infrastructure projects	Cash flows of infrastructure projects	Eliminations	Consol. cash flow
EBITDA	558	1,981		2,540
Dividends collected	129	0	-119	10
Income tax paid	-38	-11		-49
Change in receivables, payables and other	191	-160		32
Cash flows from operating activities	840	1,810	-119	2,533
Investment	-504	-1,901	285	-2,120
Divestment	534	1,582	-11	2,106
Cash flows from investing activities	30	-319	274	-14
Cash flows before financing activities	872	1,493	155	2,520
Interest flows	-142	-1,215		-1,357
Proceeds from capital and minority interest	1	448	-271	178
Payment of dividends to parent company	-284	0		-284
Payment of minority interest dividends to associates	-20	-204	119	-105
Change in exchange rate	-5	-1,131		-1,136
Net cash position held for sale	-51	-993		-1,044
Other movements in borrowings (no cash flow)	3	126		129
Change in net cash	374	-1,476	3	-1,099
Net cash at start of the year	-1,547	-19,634	8	-21,172
Net cash at end of the year	-1,172	-21,110	11	-22,271

Million euro

(*): The following table contains a reconciliation of the cash flow statement under IAS 7 and the cash flow statement prepared for internal reporting purposes:

	Financial statements	Internal analysis	Differences
Cash flows from operating activities	2,534	2,534	0
Cash flows from investing activities (1)	147	-14	161
Cash flows before financing	150	-11	161
Proceeds from capital and minority interest	178	178	0
Payment of dividends to parent company	-284	-284	0
Payment of minority interest dividends to associates	-105	-105	0
Cash flows from shareholders and minority interest	-211	-211	0
Interest paid (1)	-1,518	-1,357	0
Increase in bank borrowings (2)	5,434	n.a	n.a
Decrease in bank borrowings (2)	-6,463	n.a	n.a
Change in exchange rate (non-cash) (2)	n.a	-1,136	n.a
Net cash position, held for sale (2)	n.a	-1,044	
Other movements in borrowings (non-cash) (2)	n.a	129	n.a
Change in cash and cash equivalents/ net cash position (2)	-76	-1,099	n.a

Million euro

Explanation of differences:

(1) The cash flow statement includes interest received in cash flows from investing activities, while the internal analysis includes interest in interest flows, net of interest paid.

(2) The cash flow statement explains changes in cash and cash equivalents, while the internal analysis explains the change in the reported net cash position reflected in the Group's consolidated balance sheet. When explaining the change in reported net cash, adjustments must be made to items that, despite generating movements in net cash, do not imply cash flows as defined by IAS 7. These items are included in the internal analysis on the lines "Change in exchange rate", "Net cash position held for sale" and "Other movements in borrowings (no cash flow)". It may therefore be observed that the sum of the change in the net cash position and adjustments to net cash (-1,099 - 1,136 - 1,044 + 129 = -952) is identical to the sum of the increase and decrease in bank borrowings and change in cash and cash equivalents reflected in the cash flow statement (5,434 - 6,463 + 76 = -952).

2008 (*)					
	<i>Cash flows excluding infrastructure projects</i>	<i>Cash flows of infrastructure projects</i>	<i>Eliminations</i>	<i>Consol. cash flow</i>	
EBITDA	609	1,936		2,545	
Dividends collected	406		-378	28	
Income tax paid	26	-53		-26	
Change in receivables, payables and other	53	-117		-64	
Cash flows from operating activities	1,094	1,766	-378	2,483	
Investment	-959	-2,106	410	-2,545	
Divestment	215	932		1,036	
Cash flows from investing activities	-744	-1,174	410	-1,508	
Cash flows before financing activities	351	592	32	975	
Interest flows	-142	-2,261		-2,403	
Proceeds from capital and minority interest	-107	776	-402	267	
Payment of dividends to parent company	-179			-179	
Payment of minority interest dividends to associates	-19	-416	378	-57	
Change in exchange rate	389	4,439		4,828	
Net cash position held for sale	39	2,355		2,394	
Other movements in borrowings (no cash flow)	-1	344		343	
Change in net cash	331	5,829	8	6,168	
Net cash at start of the year	-1,878	-25,463	0	-27,341	
Net cash at end of the year	-1,547	-19,634	8	-21,172	Million euro
OPERATIONS CASH FLOW					
		2009		2008	
Construction		406		464	
Services		343		276	
Motorways		134		420	
Airports		-18		-25	
Others		14		-67	
Total operations cash flow without taxes		879		1,068	
Corporate tax flow		-38		26	
Total Group		841		1,094	Million euro

In **Construction**, cash flows from operating activities declined on 2008, due basically to the decrease in domestic business, which was partly offset by the growth in Budimex's business.

CONSTRUCTION OPERATIONS CASH FLOW 2009	<i>C. Interior</i>	<i>C. International</i>	<i>C. Industrial</i>	CONSTRUCTION	
Gross operating results	115	97	13	225	
Dividends and others	0	0	0	0	
Change in working capital	-13	204	-11	181	
Operations cash flow without taxes	102	301	2	406	Million euro

In **Services**, cash flows from operating activities improved in all cases except Municipal and Waste, with a considerable increase in Maintenance and Conservation activities.

Set out below is a breakdown of cash flows from operating activities for the core activities of the Services and Construction Divisions:

C / F OPERATING ACTIV. SERVICES 2009	Municipal and Waste	Amey	Swissport	Other Services	SERVICES
EBITDA	162	87	81	33	363
Dividends and other reimbursements	1	7	1	0	10
Change in working capital	-21	-59	11	39	-30
C / F from operating activ. without tax	142	35	93	72	343

Million euro

In the **Toll Roads Division**, as indicated at the start of this note, cash flows from operating activities include the amount of 119 million euro in dividends and equity reimbursements from toll road project companies, as analysed in the table below. The remaining flows relate mainly to other collections and payments of the Division's parent companies:

Dividends and Returns of Capital - Motorways

	2009	2008
ETR-407	63	47
Autema	5	317
M-45	0	2
Ausol	9	5
Spanish motorways	14	325
Eurolink N4-N6	13	
Algarve	6	4
Norte Litoral	3	
Portuguese motorways	8	4
Cintra Chile	0	5.7
Parkings (Smasa, Eulsa)	0	1
Total dividends	98	383
Euroscut Algarve	15	0
Portuguese motorways	15	0
Chicago	4	3
Indiana	0	11
Total returns of equity	19	14
Total	119	397

Million euro

The item "Other" includes flows relating to Corporate and Real Estate. In the Real Estate Division, cash flows from operating activities improved due particularly to the refund of VAT paid for the purchase of land in Valdebebas in 2008 (+32 million euro) and the reduction in payments for construction work in Poland (+40 million euro).

b) Cash flows from investing activities

The following table contains a breakdown of cash flows from investing activities excluding infrastructure projects by business segment, distinguishing between cash outflows for investments made and cash inflows resulting from divestment:

INVESTMENT CASH FLOW 2009	Investment	Divestment	Investment cash flow
Constructon	-36	6	-29
Services	-163	37	-126
Motorways	-104	451	347
Airports	-201	0	-201
Other	0	40	40
TOTAL	-504	534	31

Million euro

INVESTMENT CASH FLOW 2008	Investment	Divestment	Investment cash flow
Constructon	-47	0	-47
Services	-191	82	-109
Motorways	-144	0	-144
Airports	-352	133	-219
Other	-225	0	-225
TOTAL	-959	215	-744

Million euro

The most significant investments were made in the **Airports, Services and Toll Roads Divisions**. As regards the Airports Division, certain loans granted by BAA's shareholders to purchase bonds during the refinancing process (201 million euro) have been repaid, while in the Toll Roads Division the investments relate mainly to capital increases in concession companies, as analysed in the accompanying table. The rest of the investments relate to non-current assets in the Services Division, mainly property, plant and equipment.

INVERSIÓN INMOVILIZADO FINANCIERO	2009
PROYECTOS DE INFRAESTRUCTURAS	77,6
Inversora OLR	1,9
Ionian Odos	9,0
Inversora R4	8,1
Nuevas inversiones EEUU	6,1
Azores	12,9
Autostrade Poludnie	39,6
APARCAMIENTOS	0,2
Serrano Park	0,2
Total CINTRA	77,8

Million euro

The main divestments are the positive flow derived from the sale of the Car Parks business (451 million euro) in August and the sale of the Corporate headquarters building (40 million euro) in December. In the Services Division, 50% of Amey's interests in PFI projects in the UK were sold (19 million euro) and there was an inflow of funds due to the closure of the non-recourse financing for Ecoparque IV (10 million euro).

c) Cash flows from financing activities

Cash flows from financing activities include dividend flows that relate to both dividends paid to the shareholders of Grupo Ferrovial, S.A. (284 million euro in 2009) and dividends paid to minority shareholders of Cintra prior to the merger (18 million euro), Budimex (13 million euro) and Swissport (3 million euro).

Cash flows from financing activities also include interest payments during the year (142 million euro), commissions relating to the refinancing of Corporate debt (19 million euro) and other commissions (24 million euro).

32.2 CASH FLOWS OF INFRASTRUCTURE PROJECTS

a) Cash flows from operating activities

Cash flows from operating activities of infrastructure project concession companies relate basically to cash inflows of operational projects, although they also include VAT refunds and VAT payments of projects under construction. Set out below is a breakdown of cash flows from operating activities of infrastructure projects:

OPERATING CASH FLOW 2009	BAA	Motorways	Other (*)	TOTAL
Gross operating results	1,355	622	5	1,981
Collection of dividends	0	0	0	0
Tax payments	-4	-7	0	-11
Changes in working capital	-180	-9	30	-160
Operating cash flow	1,171	606	35	1,811

Million euro

(*) Cash flows from concession companies in Other consist mainly of cash flows from Services and Construction infrastructure projects.

OPERATING CASH FLOW 2009	BAA	Motorways	Other (*)	TOTAL
Gross operating results	1,324	609	2	1,936
Collection of dividends	0	0	0	0
Tax payments	-7	-45	0	-53
Changes in working capital	-135	6	13	-117
Operating cash flow	1,182	570	15	1,766

Million euro

b) Cash flows from investing activities

The following table contains a breakdown of cash flows from investing activities of infrastructure projects, distinguishing between outflows, which mostly relate to capex and financial asset investments (long-term restricted cash) and inflows derived from divestments completed during the year:

CASH FLOWS FROM INVESTING ACTIV. 2009	Investment	Divestment	C / F inv. activ.
North Tarrant Express	-264		-264
SH-130	-96		-96
M3 Clonee to Keels	21	0	21
Autoestrade Poludnie	-43		-43
Portuguese toll roads	-60	2	-58
ETR 407	-50	19	-30
Other toll roads	-48		-48
Total Toll roads	-540	21	-519
BAA	-1,236	1,561	325
Other	-126	0	-126
TOTAL	-1,902	1,582	-319

Million euro

The most significant cash flow from investing activities relates to North Tarrant and derives from the cash generated by the issuance of bonds at the year end and placed in a restricted cash account for construction work.

The main divestment relates to BAA, arising from the effect on cash flows of the sale of Gatwick airport in December 2009 (1,561 million euro).

c) Cash flows from financing activities

Cash flows from financing activities include dividends paid and equity reimbursed (-204 million euro) by the concession companies to their shareholders, as well as amounts received by these companies for capital increases. As regards capital increases, the conversion to equity of the debt (359 million euro) associated with the capitalisation in June 2009 of the loans granted by BAA's shareholders to purchase certain bonds during the refinancing process is worthy of note.

In the case of fully-consolidated concession holder companies, the figures relate to 100% of the amounts paid and received, irrespective of the Group's interest in each company. No dividend or equity reimbursement is included in relation to equity-consolidated companies.

Interest flows (-1,215 million euro) relate to interest paid by the concession companies, plus other commissions and costs closely related to the obtainment of financing. These flows consist of interest expense for the period and other items that directly affect net debt for the period. This amount does not match the results from financing reflected in the income statement, mainly due to differences between the accrual and payment of interest.

The main flows in BAA relate to the prepayment of interest (-178 million euro) for subsequent periods on index-linked swaps and on interest rate swaps as a consequence of the 2009 bond issues. The following table contains a more detailed breakdown:

INTEREST CASH FLOW	2009
ETR 407	-158
USA motorways	-49
Spanish motorways	-95
Chilean motorways	-51
Other motorways	-57
Motorways	-409
BAA (commissions & prepayment interest swaps)	-178
BAA (other interest)	-612
Total BAA	-790
Other	-15
TOTAL	-1.215

Million euro

Cash flows from financing activities also include the impact of foreign exchange fluctuations on debt denominated in foreign currencies, which generated an inflow of 1,131 million euro in 2009 due to the appreciation of sterling and the Canadian dollar against the euro, having a significant effect on the net debt of BAA and the Canadian company 407-ETR, and the negative impact of the reclassification of the assets and liabilities of Gatwick airport to assets and liabilities held for sale in 2008, anticipating the effect of the elimination of the debt when the airport was sold in 2008.

Finally, the item "Other movements in borrowings (no cash flow)" includes items that cause a change in reported borrowings but no real movement in cash, such as the elimination of borrowings due to the change to the equity method of certain Services concession companies, accrued unmatured interest and the write-off of commissions and the fair value of borrowings.

33. Directors' remuneration

The General Shareholders' Meeting of GRUPO FERROVIAL S.A. held on 30 April 2009 approved a new remuneration scheme for the Board of Directors, replacing the scheme then in effect without changing the main terms applicable since 2004.

On 3 December 2009, the deed recording the merger of CINTRA CONCESIONES DE INFRAESTRUCTURAS DE TRANSPORTE S.A. (CINTRA) and GRUPO FERROVIAL S.A. (GRUPO FERROVIAL) was entered in the Madrid Mercantile Register. This operation consisted of the merger of GRUPO FERROVIAL (target company) into

CINTRA (acquiring company), the dissolution without liquidation of the target company and the en bloc transfer of all the target's assets and liabilities to the acquiring company, which succeeded to all the target's rights and obligations. The name of the company resulting from the merger was changed from CINTRA to "FERROVIAL, S.A." (FERROVIAL).

The new FERROVIAL has also fully assumed the Corporate Governance policy of the extinct GRUPO FERROVIAL, including the policy on Directors' remuneration. Additionally, the company resulting from the merger adopted the necessary resolutions to implement in FERROVIAL the Directors' remuneration scheme, regulations and policies applied previously by GRUPO FERROVIAL.

THE 2009 information presented for FERROVIAL is the consolidated information of GRUPO FERROVIAL and FERROVIAL.

(A) REPORT ON BOARD DIRECTORS' REMUNERATION

For 2009, the Board of Directors of Ferrovial S.A. plans to prepare and make available to shareholders, as did Grupo Ferrovial, S.A. for 2008, a "Report on Remuneration" addressing the following aspects:

- Approval of the remuneration policy.
- Criteria applied in the existing policy.
- Provisions of the Company's by-laws and applicable regulations governing Directors' remuneration.-
- Process for determining remuneration.
- 2009 remuneration system.
- New developments in the remuneration policy.
- Policy envisaged for 2010 and following years.
- Other matters of interest.
- A specific section containing information on the company when it operated under the name Cintra Concesiones de Infraestructuras de Transporte S.A. with its own remuneration scheme.

(B) 2009 REMUNERATION SCHEME FOR THE BOARD OF DIRECTORS

Under the Company's current remuneration scheme, regulated in Article 57 of its by-laws, the General Meeting determines the total, fixed annual remuneration of the Board of Directors. This amount is broken down into a number of items that are explained below:

1.- Total and overall annual remuneration.

In accordance with the remuneration scheme approved and implemented in 2009, the General Shareholders' Meeting established the total and overall annual remuneration of the Board of Directors for the period 1 January 2009 to 31 December. Pursuant to the terms of the General Meeting's resolution, the amount was fixed based on the number of Board members at the approval date, such that if their number should rise or fall it must be adjusted accordingly based on the period of Board membership of the incoming or outgoing members.

The amount initially determined by the General Shareholders' Meeting, after adjustments to account for incoming and outgoing members of the Board of Directors based on the time they held office, was a gross annual sum of 1,636,364 Euros for the 12 members of the Board at the year end, on pro rata basis in terms of their Board membership period.

2.- Directors' remuneration items. In accordance with Article 57 of the by-laws, each year the Board of Directors must distribute among its members the overall annual amount determined by the Annual General Meeting, comprising the following items:

- A fixed sum which, following successive reviews during the year based on the number of Board directors, was a gross annual amount of 420,000 Euros for the twelve members of the Board of Directors at the year end.

This amount was allocated based on their period of office, such that the amount actually accrued for this item during 2009 was a gross annual sum of 393,246.58 Euros for all the members of the Board.

- Per diems for actual attendance at meetings of the Board of Directors and its committees or advisory bodies.

Per diems for 2009 totalled 719 thousand euro;

- and the lower of the following amounts: (a) the amount remaining, after deducting the preceding two items, to reach the total overall amount determined by the General Meeting, and (b) a sum equivalent to 0.5% of the consolidated income for the year attributed to the Company.

For 2009, and in view of the consolidated result for the year attributed to Ferrovial S.A., no amount has accrued in respect of this third item.

¹ The General Shareholders' Meeting of GRUPO FERROVIAL S.A. held on 30 April 2009 determined a gross annual sum of 1,500,000 Euros for the eleven (11) Board members. Subsequently, the General Shareholders' Meeting of FERROVIAL S.A. (formerly CINTRA CONCESIONES DE INFRAESTRUCTURAS DE TRANSPORTE S.A.) held on 22 October 2009 determined a gross annual sum of 1,772,727 Euros for the thirteen (13) members of the Board of Directors at that date. On 18 December 2009, when the Board had twelve (12) members, gross annual remuneration was set at 1,636,364 euro.

3.- Individual remuneration of the Board directors under the by-laws.

The following table shows the remuneration accrued to the individual members of the Board of Directors () during 2009. As indicated above, this is the combined Directors' remuneration of GRUPO FERROVIAL SA and FERROVIAL SA:

BOARD DIRECTOR (a)	2009			2008 (b)
	Fixed sum	Per diems	Total (€)	Total (€)
Rafael del Pino y Calvo-Sotelo	35,000.00	(c)	149,000.00	-
Santiago Bergareche Busquet	35,000.00	71,500.00	106,500.00	-
Joaquín Ayuso García	35,000.00	55,000.00	90,000.00	-
Iñigo Meirás Amusco (72 days)	6,904.11	14,000.00	20,904.11	-
Jaime Carvajal Urquijo	35,000.00	83,000.00	118,000.00	-
Portman Baela, S.L.	35,000.00	49,000.00	84,000.00	-
Juan Arena de la Mora	35,000.00	42,000.00	77,000.00	-
Santiago Eguidazu Mayor	35,000.00	52,000.00	87,000.00	-
Gabriele Burgio	35,000.00	58,500.00	93,500.00	-
María del Pino y Calvo-Sotelo	35,000.00	57,000.00	92,000.00	-
Santiago Fernández Valbuena	35,000.00	63,000.00	98,000.00	-
José Fernando Sánchez-Junco Mans (28 days)	2,684.93	3,000.00	5,684.93	-
José María Pérez Tremps (351 days)	33,657.53	57,000.00	90,657.53	-
TOTAL	393,246.58	719,000.00	1,112,246.58	

a) Period in office. Full year, unless otherwise stated.

b) No remuneration accrued to the Board of Directors of Grupo Ferrovial SA in 2008. The amounts received in that period were treated as prepayments on account of remuneration for 2009 and following years. Consequently, 2009 remuneration was partly offset by those prepayments. .

c) Board of Directors 3,000 €/meeting; Executive Committee: 2,000 €/meeting; Audit and Control Committee: 2,000 €/meeting; Appointments and Remuneration Committee: 1,500 €/meeting. The amount of the per diems accrued to the chairpersons of all these bodies are twice the sums indicated.

4.- Executive Directors' remuneration

During 2009 the following remuneration accrued to the Executive Directors, of which there were three during 10 months of the year and two during the other two months, irrespective of the per diems and bonuses payable to them as Board directors under the by-laws:

	2009	2008
Fixed remuneration	2,540.5	2,342
Variable remuneration	2,708.2	2,779
Exercise of stock options and/or other financial instruments [see description]	(-)	(-)
	Thousand euro	

5.- Directors' remuneration for membership of other administrative bodies of Group or multigroup companies or associates

The Executive and Non-Executive Board directors of Grupo Ferrovial S.A. who are in turn members of the administrative bodies of other Group or multigroup companies or associates received 2.6 thousand euro in this respect in 2009 (no remuneration accrued in 2008).

6.- Pension funds and plans or life insurance premiums

As in 2008, no contributions were made in 2009 to pension plans or funds for former or current members of the Company's Board of Directors. No such obligations were incurred during the year.

As regards life insurance premiums, the Company has insurance policies for the Executive Board directors covering death, for which premiums totalled 12.7 thousand euro in 2009 (10.4 thousand euro in 2008).

No contributions were made and no obligations incurred in respect of pension funds or plans for the Directors of Ferrovial S.A. that form part of other boards of directors and/or the executive management of Group or multigroup companies or associates. No life insurance premiums were paid in this respect. The situation has not changed since 2008.

7.- Advances and loans

At 31 December 2009, no advances or loans have been granted to the Directors by the Parent company or in relation to their membership of other administrative bodies and/or senior management of Group or multigroup companies or associates.

The advances recognised at the start of the year, relating to per diems paid on account in 2008, have been offset against the remuneration accrued during 2009, as stipulated by the Board of Directors.

(C) SENIOR MANAGEMENT REMUNERATION

The following remuneration accrued to the members of the Company's senior management during 2009:

	2009	2008
Fixed remuneration	4,206	3,738
Variable remuneration	3,943.2	2,393
Exercise of stock options and/or other financial instruments [see description]	(-)	315
Remuneration as members of administrative bodies of other Group or multi-group companies or associates	33.5	46
Contributions to pension funds or plans, or similar obligations	(-)	0
Insurance premiums	18.4	16
	Thousand euro	

No loans have been granted or repaid to or for senior managers. However, at 31 December 2009 there was a balance of 143 thousand euro relating to loans granted to managers that later became senior managers. No loans were granted in 2008.

The above-mentioned remuneration relates to the following posts:

- General Manager (May to October 2009).
- General Manager, Finance (the person holding this post changed in 2009).
- General Manager, Human Resources.
- General Manager, Construction.
- General Manager, Real Estate.
- General Manager, Services.

- General Manager, Airports (the person holding this post changed in 2009).
- General Manager, Toll Roads.
- General Manager, Information Systems.
- Internal Audit Manager.
- Risk Manager (to October 2009).
- Manager of Quality and Environment.
- Manager of Communication and Corporate Responsibility (the person holding this post changed in 2009).
- Manager of Market Studies and Analysis.
- General Secretary (as from 17 December 2009).

This does not include remuneration for senior managers who were also Executive Board directors and have been addressed previously.

(D) STOCK OPTION PLANS (2004, 2006 AND 2008)

On 26 March 2004, the Annual General Meeting authorized a remuneration system consisting of a stock option plan for Executive Board directors and senior managers reporting directly to the Board or to the Board committees.

On 31 March 2006, the Annual General Meeting approved a new stock option plan having the same scope in terms of beneficiaries.

On 28 March 2008, the Annual General Meeting approved a new stock option plan having the same scope in terms of beneficiaries.

Detailed information on all these plans is provided in the note on share-based remuneration systems.

• Amendment of stock option plans.

On 18 December 2008, the Board of Directors agreed to amend the stock option plans approved to 2007 by extending the exercise period from three to five years, as stipulated in subsequent plans (2007 and 2008). As regards the stock option plans in which the beneficiaries are Executive Board directors, members of the Company's Executive Committee or senior managers reporting directly to the Board or to the Board committees, the effectiveness of the amendment is subject to approval by the General Shareholders' Meeting.

• FERROVIAL S.A.'s assumption of the stock option plans of GRUPO FERROVIAL S.A.

By virtue of the merger of GRUPO FERROVIAL and CINTRA, and according to the terms of the Merger Plan, the company resulting from the merger, now FERROVIAL S.A., succeeded to the extinct GRUPO FERROVIAL S.A. as the liable party under the stock option plans. The option rights were automatically converted to option rights on the shares of FERROVIAL S.A., in accordance with the share exchange ratio stated in the Merger Plan.

(E) TARGET-BASED 2010 STOCK OPTION PLAN

In January 2010 the Board of Directors approved a new remuneration plan consisting of stock options on the shares of Ferrovial, S.A. The total number of shares that may be granted annually under this Plan may not exceed 2,420,000 or 0.33% of Ferrovial, S.A.'s share capital.

Options may be granted after three years' service at the Company (barring special circumstances), subject to the achievement during this period of ratios based partly on cash flows from operating activities and partly on EBITDA as a percentage of net productive assets.

The Plan is for managers, members of the Board of Directors of Ferrovial, S.A. engaged in executive functions and senior managers reporting directly to the Board or its committees. The application of this plan to senior management is subject to approval by the Company's General Shareholders' Meeting, pursuant to Article 130 and Additional Provision Four of the Spanish Companies Act, and therefore the Board of Directors will propose the approval of the plan for senior management at the next General Shareholders' Meeting.

(F) OTHER INFORMATION REGARDING REMUNERATION

- Agreements between the company and senior managers, including two Executive Directors, specifically provide the right to receive the indemnities referred to in Article 56 of the Labour Statute, in the event of unfair dismissal.
- Additionally, in order to encourage loyalty and long service, deferred remuneration has been granted to 11 senior managers, including two Executive Directors. This consists of an extraordinary payment that will only be made in any of the following circumstances:

- Senior manager leaves the company by mutual agreement at a certain age.

- Senior manager is dismissed unfairly or is encouraged to leave by the company without any cause for dismissal, prior to the date on which the senior manager reaches the initially agreed age, if the amount in question is higher than is stipulated in the Labour Statute.

- Senior manager's death or incapacity.

The company makes annual contributions to a group insurance savings policy to cover this incentive, as the policyholder and beneficiary. The contributions are quantified based on a certain percentage of each senior manager's total cash

remuneration. Contributions during 2009 totalled 2,537.4 thousand euro (2,190 thousand euro 2008) and payments made in this respect in 2009 amounted to 964.5 thousand euro (no amount was paid in 2008).

- Additionally, managers not forming part of senior management, mainly foreigners, are occasionally hired using clauses addressing indemnities for unfair dismissal. In 2009, one manager whose contract includes clauses of this type on a temporary basis became a senior manager.
- Finally, it should be noted that the contracts of two senior managers stipulate additional rights in their favour, including prior notice obligations for the Company in the event of unfair dismissal.

34. Stock option plans

As a result of the merger of Grupo Ferrovial S.A. and Cintra S.A. described in Note 1.2 to these Consolidated Financial Statements, Ferrovial, S.A. succeeded to the former company as the liable party in relation to the stock option plans, such that the stock options of Grupo Ferrovial S.A. automatically became stock options of Ferrovial S.A., in accordance with the share exchange ratio stipulated in the merger plan, i.e. four (4) Cintra shares for each Grupo Ferrovial S.A. share. All references to Grupo Ferrovial S.A. in the stock option plans are deemed to be made to Ferrovial S.A. as from the merger registration date. This change has no relevant effects on the accounting measurement of the plans granted.

As a result, the characteristics of Ferrovial's stock option plans following the above-mentioned exchange are as follows:

Stock option plan (Participants / Grant date)	Number of options granted	Exercise price (Euro)
Ferrovial management / July 2003	7,200,000	6.058
Ferrovial senior management / April 2004	6,332,000	8.413
Amey-Cespa management / June 2004	520,000	8.51
Ferrovial management / October 2005	6,425,440	15.885
Cintra management / October 2005	355,680	15.885
Cintra management / October 2005	940,625	8.98
Ferrovial senior management / May 2006	3,592,000	16.48
Cintra senior management / November 2006	67,720	10.54
BAA management / February 2007	5,104,012	18.298-19.635
Cintra senior management / July 2007	94,178	10.900-11.900
BAA management / July-November 2007	4,848,248	15.28-18.45
Ferrovial management / November 2007	8,000,000	14.99
Cintra management / November 2007	871,175	10.72
Ferrovial senior management / April 2008	6,091,200	12.125
Cintra senior management / April 2008	256,562	9.09
BAA management / November 2008	6,507,520	10.825
Extensions of plans for Ferrovial management	1,207,200	7.240-18.383

All stock option plans have a three-year vesting period as from the grant date followed by a three to five-year exercise period, provided certain minimum returns on consolidated equity are obtained by Ferrovial.

The exercise price is calculated as the arithmetic mean of weighted average changes during the previous 20 stock market sessions, each option being equivalent to the exercise of one option at that price to which the share exchange ratio resulting from the merger has been applied.

Set out below is a summary of the Company's 2009 and 2008 stock option plans showing the effect of the exchange in both periods:

	Number of options	
	2009	2008
Number of options at start of the year	48,940,272	38,697,536
Plans granted	--	12,855,282
Waivers and Other	-3,447,801	-2,110,146
Options exercised	-229,888	-502,400
Number of options at end of the year	45,262,583	48,940,272

The main assumptions used to measure the plans granted in 2008 are as follows, no new plans having been granted in 2009:

Assumptions used in measurement of options	2008
Measurement assumptions:	
Estimated exercise period	6.4 años
Leavers before and after exercise period	7%
Risk-free rate	4.28%
Expected dividend	1.81%
Expected volatility	28.24%

Equity swaps were contracted by Ferrovial at the grant date in order to hedge against possible losses resulting from the exercise of stock options. These swaps ensure that Ferrovial will collect an amount equal to the rise in the share price when the options are executed by employees.

Under the equity swap contract, the financial institution undertakes to pay to Ferrovial cash amounts equal to the return on Ferrovial's shares, in return for a payment by Ferrovial. The main features of equity swaps are as follows:

- The number of shares used to calculate returns is equal to the number of options granted under each plan.
- The share price used to calculate returns is the same as the strike price employed to calculate the increase in the share's value.
- Ferrovial will pay a yield to the financial institution calculated by applying the EURIBOR rate plus a margin to the result of multiplying the number of shares by the strike price.

- The financial institution will pay to Ferrovial an amount equal to all the dividends generated by those shares.

Ferrovial may opt to partially or totally terminate the contract, in which case:

a.If the share price is below the strike price at which the contract was concluded, Ferrovial must pay the difference to the financial institution.

b.If the share price is above the strike price, Ferrovial will receive the difference between the two amounts.

For accounting purposes, these contracts are treated as derivative financial instruments, this being the general treatment afforded to this type of financial products (Note 11).

During 2009 a profit was recognised in respect of these contracts, as explained in Note 25.

Amounts received in the form of dividends generated by the shares and paid in the form of yield to the relevant financial institution, under the equity swap contracts described above totalled 16 million euro (15 million euro in 2008) and 7 million euro (25 million euro in 2008), respectively.

Ferrovial's staff expenses relating to these remuneration systems during 2009 totalled 14 million euro (17 million euro in 2008).

35. Information on transactions with related parties

Approval of transactions

In accordance with the Board Regulations, all professional or commercial transactions involving Ferrovial S.A. or its subsidiaries and the persons referred to below require Board authorisation, subject to a report from the Audit and Control Committee. In the case of ordinary transactions involving Ferrovial, the general approval of the Board of Directors will suffice. This authorisation is not necessary, however, for transactions that simultaneously fulfil the following three conditions:

1. Performed under contracts containing standard terms and applied en masse to many customers.
2. Effected at prices or rates established on a general basis by the party acting as the supplier of the good or service in question.
3. Amount does not exceed 1% of the company's annual revenues.

The following persons are subject to these rules:

- Directors of Ferrovial S.A. The person requesting authorisation must leave the meeting room while the Board deliberates and votes and may not exercise or delegate his or her voting rights.
- Controlling shareholders.
- Individuals representing Directors that are legal entities
- Senior managers.
- Other managers designated individually by the Board of Directors.
- Persons related to the above persons, as defined in the Board Regulations.

Transactions with related parties

The most relevant arm's length transactions with related parties effected in 2009 in the ordinary course of the Company's and the Group's business are analysed below.

The Company provides this information in compliance with the definitions and criteria set forth in Order EHA/3050/2004 (15 September) from the Ministry of Economy and Finance and in Circular 1/2005 (1 April) from the National Securities Market Commission (CNMV).

Where the profit or loss from a transaction cannot be stated, as it pertains to the providing entity or individual, the transaction has been marked with an asterisk (*).

Significant shareholders

The following table contains a breakdown of the most relevant transactions effected in 2009 with significant shareholders, with members of the "controlling family group" (except for the individuals who are also company Board directors, who are included in the following section) and entities related through shareholdings to persons from the "controlling family group" (1):

Name/ Company name	Ferrovial Group company	Nature of transaction	Type of transaction	2009		2008	
				Amount	Profit / Loss	Amount	Profit / Loss
Miembros del "grupo familiar de control"/ entidades vinculadas a ellos	Ferrovial Agromán S.A. / subsidiaries	Commercial	Execution of construction work	7,656	665	1,811	36
	Ferrovial Servicios S.A. / subsidiaries	Commercial	Integrated management of services in Madrid offices	417	125	405	104
	Ferrovial Conservación S.A.	Commercial	Lease to Ferrovial of offices in Madrid owned by shareholders	151	(*)	186	(*)
	Ferrovial Agromán S.A. / subsidiaries	Commercial	Execution of refurbishment work	29		1,716	103
	Ferrovial Servicios S.A. / subsidiaries	Commercial	Integrated management of services in Madrid offices	220	22	341	58

Thousand euro

(1) According to a notification sent to the CNMV and to the company on 10 December 2009, the "official family group" formed by Maria, Rafael, Leopoldo, Fernando and Joaquin del Pino y Calvo-Sotelo controls, through the company KARLOVY, S.L., the majority of the share capital of PORTMAN BAELA, S.L., which owns 44.607% of Ferrovial S.A.

(*) No profit or loss is stated as the relevant amount pertains to the entity or person providing the service.

Transactions with Board directors and senior management

Transactions effected with the company's Board directors and senior management in 2009 are described below. Also shown are transactions effected with Banesto, NH Hoteles, Ericsson, Asea Brown Boveri, Cepsa, Aviva, Telefónica, Sol Meliá, Maxam and Bimarán in accordance with Section Two of Order EHA/3050/2004, as certain company Board directors are or were at some point in 2009 Board directors or senior managers of those companies:

Name/ Company name	Ferrovial Group company	Nature of transaction	Type of transaction	2009		2008	
				Amount	Profit / Loss	Name/ Company name	Ferrovial Group company
Rafael del Pino y Calvo-Sotelo	Ferrovial Agromán S.A. / subsidiaries	Commercial	Refurbishment work (1)	25		44	2
Santiago Eguidazu Mayor	Grupo Ferrovia / subsidiaries	Commercial	Property purchases	-	-	655	202
Ericsson	Ferrovial Servicios S.A. / subsidiaries	"	Integrated management of services	47	14	80	5
Aviva	Ferrovial Group companies	"	Contracting of insurance policies	2,537	(*)	2,057	(*)
Maxam Europe	Ferrovial Agromán / subsidiaries	Commercial	Receipt of supplies of explosives	178	(*)	-	-
Banesto	Ferrovial Group companies	"	Collection of fees for business and settlement of derivative transactions collected	589	589(*)	7,074	7.074(*)
		"	Payment of fees on derivative transactions	3,193	(*)	17,479	(*)
		"	Payment of interest	4,967	4.967(*)	5,328	5,328
		"	Interest paid	16,233	(*)	32,347	(*)
		"	Balance utilised on guarantee facilities	261,500	(*)	298,400	(*)
		"	Balance utilised on confirming and documentary credit facilities	52,800	(*)	30,300	(*)
		"	Balance utilised on credit facilities	348,700	(*)	308,800	(*)
	Ferrovial Servicios S.A. / subsidiaries	"	Provision of cleaning and maintenance services	3,290	108	3,656	47

Thousand euro

Name/ Company name	Ferrovial Group company	Nature of transaction	Type of transaction	2009		2008	
				Amount	Profit / Loss	Name/ Company name	Ferrovial Group company
NH Hoteles and its group companies	Ferrovial Group companies	Commercial	Hotel services provided by NH Hoteles and its group companies	40	(*)	78	(*)
Cepsa	Ferrovial Agromán / subsidiaries	Commercial	Execution of construction work	3,626	145	1,651	74
	Ferrovial Servicios S.A. / subsidiaries	Commercial	Fuel supplies received	4,710	(*)	6,031	(*)
Asea Brown Boverly	Ferrovial Agroman S.A. / subsidiaries	Commercial	Equipment repair and maintenance services received	87	(*)	880	(*)
	Ferrovial Servicios S.A. / subsidiaries	Commercial	Waste collection services provided	15	1	19	2
Telefónica	Ferrovial Group companies	Commercial	Telecom services received	7,359	(*)	8,233	(*)
Sol Meliá	Ferrovial Group companies	Commercial	Receipt of hotel and catering services	22	(*)	-	-
Bimarán	Ferrovial Agromán SA / subsidiaries	Commercial	Execution of construction work	2,619	105	-	-

Thousand euro

(1) In 2008, this transaction type was "Site management advisory services".

(#) Advances that generate no profit or loss.

(*) No profit or loss is stated as the relevant amount pertains to the entity or person providing the service.

(') For this type of items (fees and interest paid), the gross amount of the transaction is treated as a profit.

Other information on transactions with shareholders, Board directors and senior managers

- The members of the Board of Directors listed below effected transactions consisting of the use of the company aeroplane owned by Ferrovial. These transactions were arranged with the company that habitually operates the aeroplane under a lease with Ferrovial.
- Mr Rafael del Pino y Calvo-Sotelo: 12 thousand euro (42 thousand euro in 2008).
- Finally, in addition to the above-mentioned transactions, 15 arm's length transactions were effected during 2009 with members of the controlling family group or their related entities, Board directors and senior managers, directly or through related persons, for an overall total of 109 thousand euro (186 thousand euro in 2008), comprising collections for/

execution of minor construction work in private residences or corporate headquarters; provision of fitting, repair and maintenance services in facilities; provision of waste collection and integrated management services; and sundry services received, all for a limited duration and amount. Where companies of Ferrovial acted as service providers, the profit obtained totalled 9 thousand euro (21 thousand euro in 2008).

The information on remuneration and loans relating to Board directors and senior management may be consulted in the item "Remuneration of Board directors and senior management".

Transactions between Group companies

Set out below is information on transactions between Ferrovial companies, all of which form part of their ordinary businesses as regards purpose and conditions. These transactions have not been eliminated on consolidation for the following reason:

As explained in Note 2.2.d), balances and transactions relating to construction work executed by the Construction Division for infrastructure concession holder companies are not eliminated on consolidation since, at a consolidated level, contracts of this type are classed as construction contracts in which, during execution, the work is deemed to be performed for third parties, as the ultimate owner of the work is the granting authority from a financial and legal viewpoint.

In 2009, Ferrovial's Construction Division billed those companies for 247,230 thousand euro (408,417 thousand euro in 2008) for work performed and related advance payments and, in this respect, recognised sales totalling 299,260 thousand euro (317,538 thousand euro in 2008).

In 2009, the profit from these transactions attributable to Ferrovial's holdings in the relevant concession holder companies and not eliminated on consolidation, net of taxes and minority interest, was 18,799 thousand euro (7,578 thousand euro in 2008).

36. Directors' shareholdings, offices or functions in companies engaged in a business that is the same as or similar or complementary to that of Cintra

Article 127.3.4 of the Spanish Companies Act (LSA) obliges Board directors to inform the company of any shareholdings in companies engaged in activities that are the same as or similar or complementary to the company's objects, any offices or duties performed in such companies, and any activities that are the same as or similar or complementary to the company's objects, carried out for their own account or for the account of third parties.

The following information has been provided to the company by the Board directors of Ferrovial S.A. at 31 December 2009:

Shareholdings:

No information has been received in this respect.

Offices or functions:

- Mr Joaquín Ayuso García: Chairman of Ferrovial Agroman S.A., Autopista Alcalá O'Donell, S.A., Autopista del Sol S.A., Autopista Madrid Levante Concesionaria Española S.A. and Inversora de Autopistas de Levante, S.L., and Board director of Inversora De Autopistas del Sur S.L. and Autopista Madrid Sur Concesionaria Española S.A.
- Mr Iñigo Meirás Amusco: Chairman of Ferrovial Aeropuertos S.A., Cintra Infraestructuras S.A.U., Ferrovial Servicios SA and Ferrovial FISA SL, Vice-Chairman of BAA Ltd and Board director of Ferrovial Agroman S.A.

Activities carried on for own account or account of third parties

No information has been received in this respect.

37. Audit fees

In compliance with Additional Provision Fourteen of Law 44/2002 (22 November) on Measures to Reform the Financial System, this section contains information on all the fees for the audit of the financial statements for 2009 and 2008 by the auditors of Ferrovial S.A. and all its fully and proportionately consolidated companies in Spain and abroad. A breakdown of the fees invoiced for those years to all Ferrovial's subsidiaries and associates for services other than audit services is also provided:

	2009	2008
Fees for audit services	6.3	5.9
Principal auditor	4.0	3.8
Other auditors	2.3	2.1
Fees for other services	5.0	3.8
Principal auditor	1.4	0.7
Other auditors	3.6	3.1

Million euro

38. Events after the balance sheet date

During January 2010, a capital increase of 129 million GBP was carried out in the investee FGP Topco (subscribed for by Ferrovial, S.A.'s subsidiary Finecofer, S.L. in proportion to its 55.87% shareholding in its subsidiary, amounting to 72 million GBP) as part of the strategy designed to strengthen FGP Topco's financial structure.

39. Commentaries to exhibits

Exhibit I

Exhibit I contains a list of Group companies, distinguishing between fully-, proportionately- and equity-consolidated companies. The companies are presented by business segment, indicating the identity of their auditor and the companies that are consolidated for tax purposes.

SUBSIDIARIES (fully- and proportionately -consolidated companies)
Individual information

CORPORATE					
Company	Auditor	Parent company	% shareholding	Net cost of shareholding (million euro)	Address
SPAIN					
Ferrovial, S.A.(a)	Price Waterhouse Coopers				Madrid
Can-Am, S.A, Sociedad Unipersonal (a)		Ferrovial,S.A.	100%	0	Madrid
Ferrovial Inversiones, S.A. (a)		Ferrovial,S.A.(i)	100%	0	Madrid
Betonial, S.A.(a)		Ferrovial,S.A.(i)	99%	31	Madrid
Burety, S.L. (a)		Ferrovial,S.A.(i)	99%	0	Madrid
Frin Gold, S.A.(a)		Ferrovial,S.A.(i)	99%	0	Madrid
Inversiones Trenza, S.A. (a)		Ferrovial,S.A.(i)	99%	0	Madrid
Promotora Ibérica de Negocios, S.A.(a)		Ferrovial,S.A.(i)	99%	0	Madrid
Alkes Reinsurance Limited	Price Waterhouse Coopers	Ferrovial,S.A.	100%	3	Irlanda
Remteclex, S.A.(a)		Ferrovial,S.A.(i)	99%	0	Madrid
Sotaverd, S.A.(L)		Ferrovial,S.A. (ii)	49%	2	Barcelona
Triconitex, S.L. (a)		Ferrovial,S.A.(i)	99%	0	Madrid
Ferrocop Uk	BDO	Ferrovial,S.A.	100%	1	United Kingdom
Finecofer (a)		Ferrovial,S.A.(i)	99%	3,026	Madrid
Ferrovial Emisiones (anteriormente denominada Baroslia, S.A. (a)		Ferrovial,S.A.(i)	99%	0	Madrid

(L) in liquidation

(i) Rest of shareholding through Can-am, S.A.S.U.

(ii) Ferrovial Inversiones, S.A. 28.47%

CONSTRUCTION

Company	Auditor	Parent company	% shareholding	Net cost of shareholding (million euro)	Address
SPAIN					
Ferrovial Agromán, S.A. (a)	Price Waterhouse Coopers	Finecofer, S.L.	100%	317	Madrid
Aplicación Recursos Naturales, S.A. (a)	N/A	Ferrovial Agromán, S.A.(i)	100%	0	Barcelona
Cadagua, S.A. (a)	Price Waterhouse Coopers	Ferrovial Agromán, S.A.(i)	100%	79	Bilbao
Compañía de Obras Castillejos (a)	Price Waterhouse Coopers	Ferrovial Agromán, S.A.(i)	100%	3	Madrid
COCSA Puerto Rico	Price Waterhouse Coopers	Compañía de Obras Castillejos	100%	0	Puerto Rico
Encofrados Deslizantes y Técnicas Especiales, S.A. (a)	Price Waterhouse Coopers	Ferrovial Agromán, S.A.(i)	99%	2	Madrid
Ditepresa, S.A.(a)	Price Waterhouse Coopers	Ferrovial Agromán, S.A.(i)	100%	1	Madrid
Ferrovial Conservación, S.A.(a)	Price Waterhouse Coopers	Ferrovial Agromán, S.A.(i)	99%	3	Madrid
Urbaoeste, S.A. (a)	N/A	Ferrovial Agromán, S.A.(i)	100%	1	Cartagena
Ferrovial Medio Ambiente y Energía, S.A (a)	Price Waterhouse Coopers	Ferrovial Agromán, S.A.(i)	100%	1	Madrid
Discota XXI, S.L., S.Unipersonal (a)	N/A	Ferrovial Agromán, S.A.	100%	98	Madrid
Norvarem, S.A.U. (a)	N/A	Ferrovial Agromán, S.A.	100%	0	Madrid
Ferrovial Financiera A.I.E.		Ferrovial Agromán, S.A.(ii)	56%	265	Madrid
Técnicas del Pretensado y Servicios Auxiliares, S.L (a)	Price Waterhouse Coopers	Edytesa, S.A.(i) (a)	100%	3	Madrid
Sociedad Concesionaria de Prisiones Lledoners, S.A. (a)	Price Waterhouse Coopers	Ferrovial Agromán, S.A.	100%	16	Cataluña
Concesionaria de Prisiones Figueres (a)	Price Waterhouse Coopers	Ferrovial Agromán, S.A.(i)	100%	11	Cataluña
Cadagua Ferr. Indust. México	N/A	Ferrovial Medio Ambiente, S.A.	25%	0	Mexico
Cadagua Ferr. Indust. México	N/A	Cadagua, S.A. (a)	75%	0	Mexico
Cadagua Ferrovial India Pr Ltd.	N/A	Ferrovial Medio Ambiente, S.A.	5%	0	India
Cadagua Ferrovial India Pr Ltd.	N/A	Cadagua, S.A. (a)	95%	0	India
POLAND					
Budimex, S.A.	Deloitte Audit Sp. z o.o.	Valivala Holdings B.V.	59%	97	Warsaw
Budimex Danwood, Sp. Zoo	Deloitte Audit Sp. z o.o.	Budimex, S.A.	100%	0	Warsaw
Budimex Dromex Sygnity s.j.	Deloitte Audit Sp. z o.o.	Budimex, S.A.	67%	0	Warsaw
Mostostal Kraków S.A.	Deloitte Audit Sp. z o.o.	Budimex, S.A.	100%	3	Cracovia
Sprzet Transport Sp. z o.o.	Deloitte Audit Sp. z o.o.	Budimex, S.A.	100%	6	Cracovia
Centrum Konferencyjne Budimex Sp. z o.o.	Deloitte Audit Sp. z o.o.	Budimex, S.A.	100%	0	Lichen
Budimex Autopark Sp. z.o.o.	Deloitte Audit Sp. z o.o.	Budimex, S.A.	100%	3	Bydgoszcz
Budimex Nieruchomosci Sp. z o.o. (IP)	Deloitte Audit Sp. z o.o.	Budimex, S.A.	100%	39	Warsaw
A1 Spolka Jawna	Deloitte Audit Sp. z o.o.	Budimex, S.A.	50%	0	Warsaw
A1 Spolka Jawna	Deloitte Audit Sp. z o.o.	Ferrovial Agromán, S.A.	50%	0	Warsaw
CHILE					
Ferrovial Agromán Chile, S.A.	Price Waterhouse Coopers	Ferrovial Agromán, S.A.	13%	4	Chile
Ferrovial Agromán Chile, S.A.	Price Waterhouse Coopers	Ferrovial Agromán Empresa Constructora Ltda.	87%		Chile
Ferrovial Agromán Empresa Constructora Ltda.	Price Waterhouse Coopers	Ferrovial Agromán, S.A.	99%	0	Chile
Ferrovial Agromán Empresa Constructora Ltda.	Price Waterhouse Coopers	Ferrovial Agromán Chile, S.A.	1%		Chile
Constructora Agromán Ferrovial Limitada	Price Waterhouse Coopers	Ferrovial Agromán, S.A.	57%	0	Chile
Constructora Agromán Ferrovial Limitada	Price Waterhouse Coopers	Ferrovial Agromán Chile, S.A.	3%		Chile
Constructora Agromán Ferrovial Limitada	Price Waterhouse Coopers	Ferrovial Agromán Empresa Constructora Ltda.	40%		Chile
Ferrovial Agromán Compañía Constructora Ltda.	Price Waterhouse Coopers	Ferrovial Agromán, S.A.	100%	0	Chile
Ferrovial Agromán Compañía Constructora Ltda.	Price Waterhouse Coopers	Ferrovial Agromán Chile, S.A.	0%		Chile
Ferrovial Agromán Latinoamérica, Ltda.	Price Waterhouse Coopers	Ferrovial Agromán Empresa Constructora Ltda.	50%		Chile
Ferrovial Agromán Latinoamérica, Ltda.	Price Waterhouse Coopers	Constructora Agromán Ferrovial Limitada	50%	0	Chile

CONSTRUCTION					
Company	Auditor	Parent company	% shareholding	Net cost of shareholding (million euro)	Address
CANADA					
Ferrovial Agromán Canadá, Inc		Ferrovial Agromán, S.A.	100%	0	Canada
NETHERLANDS					
Valivala Holdings B.V.		Discota XXI, S.L., S.Unipersonal (a)	100%	98	Netherlands
UNITED STATES					
Ferrovial Agromán US Corp.		Ferrovial Agromán, S.A.	100%	1	USA
Ferrovial Agromán Indiana, LLC		Ferrovial Agromán US Corp.	100%	0	USA
Indiana Toll-Roads Contractors, LLC		Ferrovial Agromán Indiana, LLC	75%	0	USA
Ferrovial Agromán Texas, LLC		Ferrovial Agromán US Corp.	100%	0	USA
Ferrovial Agromán 56, LLC		Ferrovial Agromán Texas, LLC	100%	0	USA
Central Texas Highway Constructors, LLC		Ferrovial Agromán 56, LLC	50%	0	USA
W.W.Webber, LLC	BDO	Norvarem	100%	49	USA
Webber Management Group, INC	BDO	Norvarem	100%	41	USA
Southern Crushed Concrete, INC	BDO	Norvarem	100%	88	USA
Webber Barrier Services, LLC	BDO	Norvarem	100%	0	USA
Bluebonnet Constructors, LLC	BDO	Ferrovial Agromán Texas, LLC	60%	0	USA
Bluebonnet Constructors, LLC	BDO	DBW Construction, LLC	40%	0	USA
DBW Construction, LLC	BDO	W.W.Webber, LLC	100%	0	USA
IRELAND					
Ferrovial Agromán Ireland Ltda.	Price Waterhouse Coopers	Ferrovial Agromán, S.A.	100%	0	Ireland
NORTHERN IRELAND					
Ferrovial Agromán Irlanda del Norte, Ltda.	Price Waterhouse Coopers	Ferrovial Agromán Ireland Ltda.	100%		Northern Ireland
UNITED KINGDOM					
Ferrovial Agromán UK, Ltda	Price Waterhouse Coopers	Ferrovial Agromán, S.A.	100%	20	United Kingdom
Ferrovial Agromán Airports UK, Ltda	Price Waterhouse Coopers	Ferrovial Agromán, S.A.	100%		United Kingdom
GERMANY					
PKZ Budimex		Budimex, S.A.	50%	0	Cologne
Budimex Bau		Budimex, S.A.	100%	0	Walluf

(i) Rest through Can-Am, S.A.

(ii) 3.181% Ferrovial Servicios, 4.241% Ferrovial, 36.384% Ferrovial Aeropuertos, Ferrovial FISA 0.007%

AIRPORTS					
Company	Auditor	Parent company	% shareholding	Net cost of shareholding (million euro)	Address
UNITED KINGDOM					
FGP Topco Limited	Price Waterhouse Coopers	Fincofer, S.L.	56%	2.694	United Kingdom
ADI Finance 1 Ltd	Price Waterhouse Coopers	FGP Topco Limited	100%	423	United Kingdom
ADI Finance 2 Ltd	Price Waterhouse Coopers	ADI Finance 1 Ltd	100%	423	United Kingdom
BAA Limited	Price Waterhouse Coopers	ADI Finance 2 Ltd	100%	423	United Kingdom
BAA Airports Holdco Limited	Price Waterhouse Coopers	BAA Limited	100%	5.852	United Kingdom
BAA (Non des Topco) Limited	Price Waterhouse Coopers	BAA Limited	100%	2	United Kingdom
BAA (NDH2) Limited	Price Waterhouse Coopers	BAA Limited	100%	2	United Kingdom

AIRPORTS

Company	Auditor	Parent company	% shareholding	Net cost of shareholding (million euro)	Address
SPAIN					
Ferrovial Aeropuertos, S.A. (a)	Price Waterhouse Coopers	Ferrovial, S.A.	100%	166	Madrid
CHILE					
Aeropuerto Cerro Moreno Sociedad Concesionaria, S.A	Price Waterhouse Coopers	Ferrovial Aeropuertos, S.A.	99%	2	Chile

(*) See list of BAA companies at end of the exhibit

TOLL ROADS AND CAR PARKS

Company	Auditor	Parent company	% shareholding	Net cost of shareholding (million euro)	Address
SPAIN					
Cintra Infraestructuras, S.A.U. (a)	Price Waterhouse Coopers	Ferrovial, S.A.	100%	1.779	Madrid
Autopista del Sol, C.E.S.A (a)	Price Waterhouse Coopers	Cintra Infraestructuras, S.A.U.	80%	187	Madrid
Autopista Terrasa Manresa, S.A (a)	Price Waterhouse Coopers	Inversora Autopistas de Cataluña, S.A.	76%	444	Barcelona
Autopista de Toronto S.L (a)	Price Waterhouse Coopers	Cintra Infraestructuras, S.A.U.	100%	9	Madrid
Inversora de Autopistas del Sur, S.L	Price Waterhouse Coopers	Cintra Infraestructuras, S.A.U.	55%	182	Madrid
Autopista Madrid Sur C.E.S.A	Price Waterhouse Coopers	Inversora de Autopistas del Sur, S.L	100%	663	Madrid
Inversora de Autopistas del Levante, S.L	Price Waterhouse Coopers	Cintra Infraestructuras, S.A.U.	52%	50	Madrid
Autopista Madrid Levante, C.E.S.A.	Price Waterhouse Coopers	Inversora de Autopistas del Levante, S.L	100%	510	Madrid
Laertida, S.L. (a)	Price Waterhouse Coopers	Cintra Infraestructuras, S.A.U.	100%	7	Madrid
Cintra Autopistas Integradas, S.A. (a)	Price Waterhouse Coopers	Cintra Infraestructuras, S.A.U.	100%	0	Madrid
M-203 Alcalá-O'Donnell (a)	Price Waterhouse Coopers	Cintra Autopistas Integradas, S.A.	100%	65	Madrid
Cintra Inversora Autopistas de Cataluña, S.A. (a)	Price Waterhouse Coopers	Cintra Infraestructuras, S.A.U.	100%	0	Barcelona
Inversora Autopistas de Cataluña, S.A. (a)	Price Waterhouse Coopers	Cintra Inversora Autopistas de Cataluña,S.A.	100%	0	Barcelona
PORTUGAL					
Euroscut Norte Litoral, S.A	Price Waterhouse Coopers	Cintra Infraestructuras, S.A.U.	76%	76	Portugal
Euroscut -Sociedade Concessionaria da Scut do Algarve, S.A	Price Waterhouse Coopers	Cintra Infraestructuras, S.A.U.	77%	20	Portugal
Cintra sucursal Portugal	Price Waterhouse Coopers	Cintra Infraestructuras, S.A.U.	100%	0	Portugal
Euroscut Azores S.A.	Price Waterhouse Coopers	Cintra Infraestructuras, S.A.U.	89%	37	Portugal
NETHERLAND					
Algarve International B.V.	Price Waterhouse Coopers	Cintra Infraestructuras, S.A.U.	77%	0	Netherlands
407 Toronto Highway B.V.		Cintra Infraestructuras, S.A.U.	100%	369	Netherlands
CHILE					
Cintra Chile Limitada	Price Waterhouse Coopers	Cintra Infraestructuras, S.A.U.	100%	305	Chile
Cintra Inversiones Chile Ltda.		Cintra Chile Limitada	100%	0	Chile
Ruta de la Araucania, Sociedad Concesionaria, S.A.	Price Waterhouse Coopers	Cintra Chile Limitada	100%	61	Chile
Ruta de los Rios, Sociedad Concesionaria, S.A.	Price Waterhouse Coopers	Cintra Chile Limitada	75%	5	Chile
Talca-Chillán, Sociedad Concesionaria S.A.	Price Waterhouse Coopers	Cintra Chile Limitada	68%	11	Chile
Ruta del Bosque, Sociedad Concesionaria, S.A.	Price Waterhouse Coopers	Cintra Chile Limitada	100%	7	Chile
Autopista del Maipo, Sociedad Concesionaria, S.A	Price Waterhouse Coopers	Cintra Chile Limitada	100%	98	Chile
POLAND					
Autostrada Poludnie, S.A.	Price Waterhouse Coopers	Cintra Infraestructuras, S.A.U.	94%	39	Poland

TOLL ROADS AND CAR PARKS

Company	Auditor	Parent company	% shareholding	Net cost of shareholding (million euro)	Address
CANADA					
407 International Inc. (a y b)	Price Waterhouse Coopers/ Deloitte	Cintra Canada Inc.	53%	275	Canada
Cintra Canada Inc. (a y b)	Price Waterhouse Coopers/ Deloitte	407 Toronto Highway B.V.	100%	0	Canada
IRELAND					
Eurolink Motorway Operation (M4-M6), Ltd.	Price Waterhouse Coopers	Cintra Infraestructuras, S.A.U.	66%	3	Ireland
Financinfraestructuras	Price Waterhouse Coopers	Cintra Infraestructuras, S.A.U.	100%	65	Ireland
Cinsac, Ltd	Price Waterhouse Coopers	Cintra Infraestructuras, S.A.U.	100%	0	Ireland
Eurolink Motorway Operation (M3), Ltd.	Price Waterhouse Coopers	Cinsac, Ltd	95%	0	Ireland
UNITED STATES					
Cintra Zachry, LP (i)		Cintra Texas Corp	84%	2	USA
Cintra Zachry, GP		Cintra Texas Corp	85%	0	USA
Cintra Texas Corp.		Cintra US Corp	100%	2	USA
Cintra Developments, LLC		Cintra Texas Corp	100%	0	USA
Cintra Skyway LLC		Cintra US Corp	100%	179	USA
Cintra US Corp.	Price Waterhouse Coopers	Laertida	100%	542	USA
SCC Holdings LLC	Price Waterhouse Coopers	Cintra Skyway LLC	55%	179	USA
Skyway Concession Co.LLC	Price Waterhouse Coopers	SCC Holding LLC	100%	401	USA
Cintra ITR LLC		Cintra US Corp	100%	245	USA
Cintra Texas 56, LLC		Cintra US Corp	100%	53	USA
SH-130 Concession Company, LLC	Price Waterhouse Coopers	Cintra Texas 56, LLC	65%	53	USA
Cintra NTE, LLC (c)		Cintra US Corp	100%	5	USA
LBJ Infraestructure Group Holding (c)		Cintra US Corp	51%	1	USA
LBJ Infraestructure Group (c)		LBJ Infraestructure Group Holding	100%	1	USA
NTE Mobility Partners Holding (a) (c)	Price Waterhouse Coopers	Cintra NTE, LLC	57%	5	USA
NTE Mobility Partners (a) (c)	Price Waterhouse Coopers	NTE Mobility Partners Holding	100%	8	USA

(i) Remaining 1% Cintra Zachry, GP

(a) Company audited by Price Waterhouse Coopers

(b) Company audited by Deloitte

(c) Included in consolidation

SERVICES

Company	Auditor	Parent company	% shareholding	Net cost of shareholding (million euro)	Address
SPAIN					
FERROVIAL SERVICIOS S.A. (a)	BDO	Ferrovial S.A.	100%	572	Madrid
EUROLIMP S.A. (a)	BDO	Ferrovial Servicios S.A.	99%	0	Madrid
Ferroser Infraestructuras S.A. (a)	BDO	Ferrovial Servicios S.A.	100%	0	Madrid
Viales de Castilla y León S.A. (a)	BDO	Ferroser Infraestructuras S.A.	100%	0	Ávila
Andaluza de Señalizaciones S.A. (a)	BDO	Ferroser Infraestructuras S.A.	100%	1	Málaga
Autovía de Aragón, Sociedad Concesionaria, S.A. (a)	Price Waterhouse Coopers	Ferroser Infraestructuras S.A.	60%	8	Calatayud
Compañía Española de Servicios Públicos Auxiliares, S.A. (a)	Deloitte	Ferrovial Servicios S.A.	100%	553	Barcelona
Cespa Conten S.A	Deloitte	Compañía Española de Servicios Públicos Auxiliares S.A	100%	13	Bilbao
Oñeder S.A	Deloitte	Cespa Conten S.A	52%	1	Guipúzcoa
Cespa Gestion Residuos S.A (a)	Deloitte	Compañía Española de Servicios Públicos Auxiliares S.A	100%	86	Barcelona

SERVICES					
Company	Auditor	Parent company	% shareholding	Net cost of shareholding (million euro)	Address
SPAIN					
Contenedores Reus S.A (a)	Deloitte	Cespa Gestion Residuos S.A (a)	76%	1	Reus
Cespa Gestión Tratamientos de Residuos, S.A.(a)	Deloitte	Cespa Gestion Residuos S.A (a)	100%	2	Madrid
Econenergia Can Mata AIE	Deloitte	Cespa Gestion Residuos S.A (a)	70%	0	Barcelona
Tratamiento de Residuos y Energias Valencianas S.A		Cespa Gestion Residuos S.A (a)	55%	3	Valencia
CTR Fogars		Cespa Gestion Residuos S.A (a)	55%	0	Barcelona
Albaida Residuos, S.L.	Deloitte	Cespa Gestion Residuos S.A (a)	100%	2	Almería
Técnicas Medioambientales Avanzadas, S.L.		Albaida Residuos SL	55%	0	Almería
Tratamiento de Residuos Medioambientales, S.L.	Deloitte	Albaida Residuos SL	55%	1	Almería
Econenergia Can Mata AIE	Deloitte	Cespa S.A.	30%	0	Barcelona
Cespa Inversiones Ambientales S.A		Compañía Española de Servicios Públicos Auxiliares S.A (ii)	60%	4	Bilbao
Cespa Jardinería S.A.	Deloitte	Compañía Española de Servicios Públicos Auxiliares S.A	100%	8	Bilbao
Sitkol, S.A.(a)		Compañía Española de Servicios Públicos Auxiliares S.A (i)	99%	5	Madrid
Emp.Mixta Almendralejo, S.A.		Compañía Española de Servicios Públicos Auxiliares S.A	51%	0	Badajoz
Ingenieria Ambiental Granadina S.A (a)	Deloitte	Compañía Española de Servicios Públicos Auxiliares S.A	80%	3	Granada
Gestión Medioambiental de Toledo, S.A.	Almagro Auditores, S.L.	Compañía Española de Servicios Públicos Auxiliares S.A	55%	6	Toledo
Ayora Gestión Biogas, S.L	Deloitte	Compañía Española de Servicios Públicos Auxiliares S.A	100%	0	Albacete
Ecoparc de Can Mata, S.L	Deloitte	Cespa Gestion Residuos S.A (a)	80%	0	Barcelona
Ferrovial Financiera S.A.		Ferrovial Servicios S.A.	5%	15	Madrid
Swissport Menzies Hanling (IP)	BDO	Ferrovial Servicios S.A.	40%	0	Madrid
Swissport Handling S.A.	Price Waterhouse Coopers	Swissport International AG	100%	0	Espana
Swissport Menzies Handling Alicante	Price Waterhouse Coopers	Swissport International AG	11%	0	Espana
Swissport Menzies Handling	Price Waterhouse Coopers	Swissport International AG	21%	0	Espana
				0	
MOROCCO					
Cespa Nadafa	Deloitte	Compañía Española de Servicios Públicos Auxiliares S.A (iii)	99%	0	Tangiers
Cespa Nadafa	Deloitte	Cespa Gestion Residuos S.A (a)	1%	0	Tangiers
				0	
PORTUGAL					
Cespa Portugal S.A				0	
Citrup Lda				0	
Ferrovial Construcoes Gestao e Manutencao, S.A.	BDO	Ferrovial Servicios S.A.	98%	0	Portugal
Novipav Investimentos SGEs, S.A.	BDO	Ferroser Infraestructuras S.A.	100%	25	Portugal
Sopovico Soc. Port. Vías de Com- Cons. Infraestructuras	BDO	Novipav Investimentos SGEs, S.A.	100%	19	Portugal
				0	
SUITZERLAND					
Swissport International AG	Price Waterhouse Coopers	Ferrovial Servicios SA		492	
Swissport Baggage Sorting AG	Price Waterhouse Coopers	Swissport International AG	100%	1	Suitzerland
Checkport Schweiz AG	Price Waterhouse Coopers	Swissport International AG	85%	2	Suitzerland
PrivatPort SA	Price Waterhouse Coopers	Swissport International AG	51%	0	Suitzerland
Careport Schweiz AG	Price Waterhouse Coopers	Swissport International AG	67%	0	Suitzerland
Swissport Group Services GmbH	Price Waterhouse Coopers	Swissport International AG	100%	0	Suitzerland
GVAssistance		Swissport International AG	70%	0	Suitzerland

SERVICES

Company	Auditor	Parent company	% shareholding	Net cost of shareholding (million euro)	Address
UNITED KINGDOM				0	
Amey 1321 Ltd	BDO	Amey plc	100%	0	Oxford
Amey Airports Ltd	BDO	Amey plc	100%	0	Oxford
Amey Birmingham Highways Holdings Ltd	BDO	Amey Ventures Ltd	100%	0	Oxford
Amey Birmingham Highways Ltd	BDO	Amey Birmingham Highways Holdings Ltd	100%	0	Birmingham
Amey Building Ltd	BDO	Amey plc	100%	0	Oxford
Amey Community Ltd	BDO	Amey plc	100%	0	Oxford
Amey Construction Ltd	BDO	Amey plc	100%	0	Oxford
Amey Datel Group Ltd	BDO	Amey plc	100%	0	Oxford
Amey Datel Ltd	BDO	Amey OW Ltd	100%	0	Oxford
Amey Datel Security And Communications Ltd	BDO	Amey Datel Group Ltd	100%	0	Oxford
Amey Datel Technology Ltd	BDO	Amey Datel Group Ltd	100%	0	Oxford
Amey Facilities Partners Ltd	BDO	Comax Holdings Ltd	100%	0	Oxford
Amey Fleet Services Ltd	BDO	Amey plc	100%	0	Oxford
Amey Group Information Services Ltd	BDO	Amey plc	100%	0	Oxford
Amey Group Services Ltd	BDO	Amey plc	100%	0	Oxford
Amey Highways Ltd	BDO	Amey plc	100%	0	Oxford
Amey Holdings Ltd	BDO	Amey plc	100%	0	Oxford
Amey Information Services Ltd	BDO	Amey plc	100%	0	Oxford
Amey Insurance Company PCC Ltd	BDO Guernsey	Amey plc	100%	0	Guernsey
Amey Investments Ltd	BDO	Amey plc	100%	0	Oxford
Amey IT Services Ltd	BDO	Amey plc	100%	0	Oxford
Amey LG Ltd	BDO	Amey plc	100%	0	Oxford
Amey LUL 2 Ltd	BDO	Amey Tube Ltd	100%	0	Oxford
Amey LUL Ltd	N/A Dormant	Amey plc	100%	0	Oxford
Amey Mechanical & Electrical Services Ltd	BDO	Amey Property Ltd	100%	0	Oxford
Amey OW Group Ltd	BDO	Amey UK plc	100%	0	Oxford
Amey OW Ltd	BDO	Amey OW Group Ltd	100%	0	Oxford
Amey OWR Ltd	BDO	Amey OW Group Ltd	100%	0	Oxford
Amey plc (c.3)	BDO	Amey UK plc	100%	0	Oxford
Amey Procurement Solutions Ltd	BDO	Amey plc	100%	0	Oxford
Amey Programme Management Ltd	BDO	Amey plc	100%	0	Oxford
Amey Properties Ltd	BDO	Amey plc	100%	0	Oxford
Amey Property Ltd	N/A Dormant	Amey plc	100%	0	Oxford
Amey Rail Ltd	BDO	Amey plc	100%	0	Oxford
Amey Railtech Ltd	N/A Dormant	Amey OW Ltd	100%	0	Oxford
Amey Railways Holding Ltd	BDO	Amey plc	100%	0	Oxford
Amey Roads (North Lanarkshire) Ltd	BDO	Amey LG Ltd	67%	0	Oxford
Amey Services Ltd	BDO	Amey plc	100%	0	Oxford
Amey Technology Services Ltd	BDO	Amey plc	100%	0	Oxford
Amey Tramlink Ltd	BDO	Treasurepark Ltd	100%	0	Oxford
Amey Tube Ltd	BDO	JNP Ventures Ltd	100%	0	Oxford
Amey UK Plc (a)	BDO	Ferrovial Servicios, S.A. (iv)	100%	311	Oxford
Amey Ventures Asset Holdings Ltd	BDO	Amey Investments Ltd	100%	0	Oxford
Amey Ventures Investments Ltd	BDO	Amey Investments Ltd	50%	0	Oxford
Amey Ventures Ltd	BDO	Amey plc	100%	0	Oxford
Amey Ventures Management Services Ltd	BDO	Amey Investments Ltd	100%	0	Oxford
Amey Wye Valley Ltd	BDO	Amey LG Ltd	80%	0	Oxford
Bushclose Ltd	BDO	Treasurepark Ltd	100%	0	Oxford
Comax Holdings Ltd	BDO	Amey plc	100%	0	Oxford
Comax Secure Business Services Ltd	N/A Dormant	Comax Holdings Ltd	100%	0	Oxford
EduAction (Waltham Forest) Ltd (IP)	PKF (UK)	Amey plc	50%	0	London

SERVICES					
Company	Auditor	Parent company	% shareholding	Net cost of shareholding (million euro)	Address
UNITED KINGDOM				0	
JNP Ventures 2 Ltd	BDO	Amey Tube Ltd	100%	0	Oxford
JNP Ventures Ltd	BDO	Amey Ventures Ltd	100%	0	Oxford
JNP Ventures Ltd	BDO	Amey Ventures Ltd	100%	0	Oxford
Jubilee Rail Ltd	RSM Robson Rhodes	Amey LUL Ltd	50%	0	York
R T James & Partners Ltd	N/A Dormant	Amey OW Group Ltd	100%	0	Oxford
Sherard Secretariat Services Ltd	BDO	Amey plc	100%	0	Oxford
Treasurepark Ltd	BDO	Amey Technology Services Ltd	100%	0	Oxford
Unity City Academy Trust	None required	Company Limited by guarantee	0%	0	Middlesbrough
Williams Trustees Ltd	N/A Dormant	Amey OW Group Ltd	100%	0	Oxford
Wimco Ltd	BDO	Amey Railways Holding Ltd	100%	0	Oxford
Yarls Wood Immigration Ltd	Price Waterhouse Coopers	Amey Programme Management Ltd	50%	0	Broadway
UNITED STATES				0	
Swissport North America Inc.	Price Waterhouse Coopers	Swissport International AG	100%	72	USA
Swissport Cargo Holdings Inc.	Price Waterhouse Coopers	Swissport International AG	100%	incl. In SP North America Inc.	USA
Swissport Cargo Services LP Inc.	Price Waterhouse Coopers	Swissport International AG	100%	incl. In SP North America Inc.	USA
Swissport Fueling of Nevada Inc.	Price Waterhouse Coopers	Swissport International AG	100%	incl. In SP North America Inc.	USA
Swissport Holdings Inc.	Price Waterhouse Coopers	Swissport International AG	100%	incl. In SP North America Inc.	USA
Dapsco Inc.	Price Waterhouse Coopers	Swissport International AG	100%	incl. In SP North America Inc.	USA
Swissport USA Inc.	Price Waterhouse Coopers	Swissport International AG	100%	incl. In SP North America Inc.	USA
Swissport CFE Inc.	Price Waterhouse Coopers	Swissport International AG	100%	incl. In SP North America Inc.	USA
Swissport Cargo Services Inc.	Price Waterhouse Coopers	Swissport International AG	100%	incl. In SP North America Inc.	USA
Swissport Fueling Inc.	Price Waterhouse Coopers	Swissport International AG	100%	incl. In SP North America Inc.	USA
Hallmark Aviation Services Inc.	Price Waterhouse Coopers	Swissport International AG	51%	incl. In SP North America Inc.	USA
New Age Aviation Security US, Inc.	Price Waterhouse Coopers	Swissport International AG	51%	0	USA
				0	
UNITED KINGDOM				0	
Swissport Cargo Services Center (UK) Ltd.	Price Waterhouse Coopers	Swissport International AG	100%	334	United Kingdom
Swissport Ltd.	Price Waterhouse Coopers	Swissport International AG	100%	23	United Kingdom
Swissport Stansted Ltd.	Price Waterhouse Coopers	Swissport International AG	100%	incl.in Swissport Ltd.	United Kingdom
Swissport Fueling UK	Price Waterhouse Coopers	Swissport International AG	100%	incl.in Swissport Ltd.	United Kingdom
				0	
GERMANY				0	
Swissport Cargo Services Deutschland GmbH	Price Waterhouse Coopers	Swissport International AG	100%	2	Germany
Swissport Deutschland GmbH		Swissport International AG	100%	4	Germany
Swissport Ground Handling GmbH	Price Waterhouse Coopers	Swissport International AG	100%	0	Germany
Swissport Services GmbH		Swissport International AG	100%	0	Germany
Swissport Travel Center GmbH		Swissport International AG	100%	0	Germany
Swissport München GmbH		Swissport International AG	100%	0	Germany
				0	
DUTCH ANTILLES				0	
Aerocargo N.V.	BDO	Swissport International AG	100%	0	Dutch Antilles
Cargo Services Center International N.V.	BDO	Swissport International AG	100%	0	Dutch Antilles
Swissport Curacao	BDO	Swissport International AG	100%	0	Dutch Antilles
				0	
FRANCE				0	
Swissport France	Price Waterhouse Coopers	Swissport International AG	100%	0	France
Swissport Services CDG	Price Waterhouse Coopers	Swissport International AG	100%	0	France
Swissport Cargo Services France	Price Waterhouse Coopers	Swissport International AG	100%	3	France
Swissport Nice SAS	Price Waterhouse Coopers	Swissport International AG	100%	0	France

SERVICES							
Company	Auditor	Parent company	% shareholding	Net cost of shareholding (million euro)	Address		
KENYA					0		
Airside Ltd. (Swissport Kenya)	Price Waterhouse Coopers	Swissport International AG	100%	0	Kenya		
Swissport Cargo Services Center East Africa B.V.	Price Waterhouse Coopers	Swissport International AG	100%	0	Kenya		
					0		
TANZANIA					0		
Swissport Tanzania Ltd.	Price Waterhouse Coopers	Swissport International AG	51%	2	Tanzania		
					0		
CAMEROON					0		
Camport S.A.		Swissport International AG	47%	0	Cameroon		
					0		
DOMINICAN REPUBLIC					0		
Carribbean Jets		Swissport International AG	34%	incl. In SP Dominicana	Dominican Republic		
Swissport Dominicana	Audited by Ernst & Young	Swissport International AG	34%	0	Dominican Republic		
					0		
NIGERIA					0		
Checkpoint Security Nigeria Ltd	Audited by MOJ & Co (chartered accountants)	Swissport International AG	43%	0	Nigeria		
					0		
SOUTH AFRICA					0		
Checkpoint South Africa Ltd.	Audited by JFO & Co	Swissport International AG	43%	0	South Africa		
Swissport South Africa (PTY) Ltd.	Price Waterhouse Coopers	Swissport International AG	51%	0	South Africa		
					0		
LUXEMBOURG					0		
Swissport Cargo Services Lux Sarl	Price Waterhouse Coopers	Swissport International AG	75%	0	Luxembourg		
					0		
ARGENTINA					0		
Swissport Argentina S.A.	Price Waterhouse Coopers	Swissport International AG	100%	0	Argentina		
					0		
AUSTRIA					0		
Swissport Austria GmbH		Swissport International AG	100%	0	Austria		
Swissport Cargo Services GmbH		Swissport International AG	100%	0	Austria		
					0		
MEXICO					0		
Swissport Aviation Services de Mexico S.A. de C.V.	Price Waterhouse Coopers	Swissport International AG	100%	7	Mexico		
Swissport Cargo Services de Mexico S.A. de C.V.	Price Waterhouse Coopers	Swissport International AG	100%	3	Mexico		
					0		
BRAZIL					0		
Swissport Brasil Ltda.	Price Waterhouse Coopers	Swissport International AG	100%	25	Brazil		
Swissport Cargo Services Brazil Logistica Ltda.	Price Waterhouse Coopers	Swissport International AG	51%	0	Brazil		
					0		
CANADA					0		
Swissport Canada Handling Inc.		Swissport International AG	100%	0	Canada		
					0		
NETHERLANDS					0		
Swissport Cargo Service Holding B.V.		Swissport International AG	100%	35	Netherlands		
Swissport Nederland B.V.		Swissport International AG	100%	5	Netherlands		
Swissport Cargo Services The Netherlands B.V.		Swissport International AG	100%	2	Netherlands		
					0		
BELGIUM					0		
Swissport Cargo Services Belgium N.V.		Swissport International AG	100%	0	Belgium		
					0		

SERVICES					
Company	Auditor	Parent company	% shareholding	Net cost of shareholding (million euro)	Address
ISRAEL				0	
Swissport Cargo Services Israel Ltd.	Price Waterhouse Coopers	Swissport International AG	51%	0	Israel
				0	
ITALY				0	
Swissport Cargo Services Italy S.R.L.		Swissport International AG	100%	1	Italy
Swissport Italy S.R.L.		Swissport International AG	100%	0	Italy
HUNGARY				0	
Swissport Cargo Services Magyarország Kft.	Audited by Greenstarkft	Swissport International AG	100%	0	Hungary
				0	
RUSSIA				0	
Swissport Cargo Services St. Petersburg		Swissport International AG	51%	0	Hungria
				0	
VENEZUELA				0	
Swissport Cargo Services Venezuela S.A.	Santo Orlando + Asociados, contadores publicos	Swissport International AG	88%	0	Venezuela
Tramitaven C.A,	Santo Orlando + Asociados, contadores publicos	Swissport International AG	60%	0	Venezuela
				0	
CYPRUS				0	
Swissport G.A.P. Vassilopoulos	Price Waterhouse Coopers	Swissport International AG	51%	0	Cyprus
Swissport Cyprus Ltd.	Price Waterhouse Coopers	Swissport International AG	38%	0	Cyprus
				0	
GREECE				0	
Swissport Hellas Cargo S.A.		Swissport International AG	41%	1	Greece
Swissport Hellas S.A.		Swissport International AG	51%	3	Greece
				0	
COREA				0	
Swissport Korea Ltd.	Dongnam Accounting Corporation	Swissport International AG	51%	4	Corea
				0	
POLAND				0	
Swissport Poland Ltd.		Swissport International AG	100%	0	Poland
				0	
SINGAPORE				0	
Swissport Singapore Pte Ltd.	Price Waterhouse Coopers	Swissport International AG	100%	6	Singapore
Peruvian Investments 2008 PTE. Ltd.	Price Waterhouse Coopers	Swissport International AG	100%	3	Singapore
				0	
UKRAINE				0	
Swissport Ukraine	Guarantee audit	Swissport International AG	71%	1	Ukraine
				0	
BULGARIA				0	
Swissport Bulgaria	Antera OOD	Swissport International AG	66%	0	Bulgaria
				0	
IRELAND				0	
Landmille, Ltd.	BDO	Ferrovial Servicios S.A.	100%	167	Ireland
				0	
CHILE				0	
Grupisa, S.A.		Ferrosfer Infraestructuras, S.A.	69%	0	Chile

REAL ESTATE

Company	Auditor	Parent company	% shareholding	Net cost of shareholding (million euro)	Address
NETHERLANDS					
Grimaldi Investment BV		Ferrovial, S.A. (i)	100%	13	Amsterdam
SPAIN					
Ferrovial FISA, S.L. (a)		Ferrovial, S.A. (i)	99%	0	Madrid

(i) Resto participación a través de Can-am, S.A. S.U.

OTHER

Company	Auditor	Parent company	% shareholding	Net cost of shareholding (million euro)	Address
Ferrovial Telecomunicaciones, S.A.(a)	N/A	Ferrovial, S.A.(i)	99%	0	Madrid

(a) Form part of tax group of Ferrovial, S.A. and Subsidiaries sociedades dependientes.
(IP) Proportionate consolidation

EXHIBIT I (CONTINUED)

(*) Breakdown of BAA Group companies

Company	Auditor	% shareholding	Address
FGP Topco Ltd	Price Waterhouse Coopers		United Kingdom
ADI Finance 1 Ltd	Price Waterhouse Coopers	100%	United Kingdom
ADI Finance 2 Ltd	Price Waterhouse Coopers	100%	United Kingdom
BAA Limited	Price Waterhouse Coopers	100%	United Kingdom
BAA (Non Des Topco) Limited	Price Waterhouse Coopers	100%	United Kingdom
BAA Airports Holdco Limited	Price Waterhouse Coopers	100%	United Kingdom
BAA (NDH2) Limited	Price Waterhouse Coopers	100%	United Kingdom
BAA (NDH1) Limited	Price Waterhouse Coopers	100%	United Kingdom
Aberdeen Airport Ltd	Price Waterhouse Coopers	100%	United Kingdom
Glasgow Airport Ltd	Price Waterhouse Coopers	100%	United Kingdom
Edinburgh Airport Ltd	Price Waterhouse Coopers	100%	United Kingdom
Southampton International	Price Waterhouse Coopers	100%	United Kingdom
BAA Lynton Limited	Price Waterhouse Coopers	100%	United Kingdom
BAA USA (Holdings)	Price Waterhouse Coopers	100%	USA
BAA Maryland		100%	USA
BAA Pittsburgh		100%	USA
BAA Boston Inc		100%	USA
BAA USA Inc		100%	USA
BAA Italia	Price Waterhouse Coopers	98%	Italy
Software Design SpA		49%	Italy
Societe Gestione Servizi Aeroporti SPA		65%	Italy
GESAC Engineering SRC		100%	Italy
BAA (DSH) Limited	Price Waterhouse Coopers	100%	United Kingdom
BAA (SH) Limited	Price Waterhouse Coopers	100%	United Kingdom
BAA (SP) Limited	Price Waterhouse Coopers	100%	United Kingdom
BAA (AH) Limited	Price Waterhouse Coopers	100%	United Kingdom
BAA Funding Limited	Price Waterhouse Coopers	100%	Jersey
Stansted Airport Ltd	Price Waterhouse Coopers	100%	United Kingdom
Heathrow Airport Ltd	Price Waterhouse Coopers	100%	United Kingdom
Heathrow Airport Community Board Insulation Limited	Price Waterhouse Coopers	100%	United Kingdom
Heathrow Express Operating Company Limited		100%	United Kingdom
BAA Enterprises Limited	Price Waterhouse Coopers	100%	United Kingdom
Airportsmart Limited		42%	United Kingdom
Best of the Best plc		14%	United Kingdom
BMG (Ashford) General Partner Ltd	Price Waterhouse Coopers	100%	United Kingdom
The Outlet Company Ltd		100%	Jersey
Global Airport Services Ltd		50%	Jersey
BMG Europe Ltd	Price Waterhouse Coopers	100%	Jersey
UK Outlet Center 1 Ltd	Price Waterhouse Coopers	99%	United Kingdom
BMG (Swindon) Ltd		79%	United Kingdom
BMG (Ashford) Ltd		100%	United Kingdom
BMG (Cheshire Oaks) Ltd		100%	United Kingdom
The BMG (Co Phase IV) Ltd		99%	United Kingdom
BMG (Ashford) Partnership Trustco Ltd	Price Waterhouse Coopers	100%	United Kingdom
BMG (Bridgend) Ltd		75%	United Kingdom
BMG (Co 2) Ltd		100%	United Kingdom
BMG (Swindon) (Phases II&III) General Partner Ltd		100%	United Kingdom
The BMG (Ashford) Limited Partnership		99%	United Kingdom
BMG Bridgend (Phases II and III) LTd	Price Waterhouse Coopers	74%	United Kingdom
BMG Swindon (Phase III) Trustco Ltd		100%	United Kingdom

Company	Auditor	% shareholding	Address
The BMG (Swindon) (Phases II&III) Limited Partnership		78%	United Kingdom
BAA Airports Limited	Price Waterhouse Coopers	100%	United Kingdom
Airport Property GP (No.2) Ltd		50%	United Kingdom
Devon Nominees (No.3) Ltd		100%	United Kingdom
Devon Nominees (No.1) Ltd		100%	United Kingdom
Devon Nominees (No.2) Ltd		100%	United Kingdom
BAA Partnership Ltd		100%	United Kingdom
BAA International Ltd	Price Waterhouse Coopers	100%	United Kingdom
Airport Industrial Ltd Partnership		50%	United Kingdom
Airport Property Partnership		50%	United Kingdom
BAA (Hong Kong) Ltd		100%	United Kingdom
Airport Hotels General Partner Ltd		100%	United Kingdom
Stansted Site No. 6 Ltd		100%	United Kingdom
London Airports Ltd	Price Waterhouse Coopers	100%	United Kingdom
London Airports 1993 Ltd	Price Waterhouse Coopers	100%	United Kingdom
London Airports 1992 Ltd	Price Waterhouse Coopers	100%	United Kingdom
Scottish Airports Ltd	Price Waterhouse Coopers	100%	United Kingdom
British Airports Services Ltd		100%	United Kingdom
Airports UK Ltd		100%	United Kingdom
Airports Ltd		100%	United Kingdom
Southampton Handling Ltd		100%	United Kingdom
BAA General Partner Ltd	Price Waterhouse Coopers	100%	United Kingdom
BAA Properties Ltd	Price Waterhouse Coopers	100%	United Kingdom
BAA Trust Company Ltd		100%	United Kingdom
BAA Building Control Services Ltd	Price Waterhouse Coopers	100%	United Kingdom
BAA Business Support Centre Ltd		100%	United Kingdom
BAA Lynton Management Ltd		100%	United Kingdom
Lynton Holdings Ltd		100%	United Kingdom
Lynton Investments Ltd		100%	United Kingdom
Lynton Netherlands		100%	Netherlands
Lynton Unlimited		100%	United Kingdom
BAA Insurance Services Ltd		100%	United Kingdom
BAA Pension Trust Co Ltd	Price Waterhouse Coopers	100%	United Kingdom
Airport Express Rail Ltd		100%	United Kingdom
BAA Lynton Holdings Ltd		100%	United Kingdom
BAA Hotels Ltd		100%	United Kingdom
Airport Property GP (No.1) Ltd		100%	United Kingdom
9G Rail Ltd		100%	United Kingdom
BAA Lynton Developments Ltd		100%	United Kingdom
Lynton Estates Ltd		100%	United Kingdom
BAA (IP Holdco) Limited	Price Waterhouse Coopers	100%	United Kingdom
Summerbridge Properties Ltd	Price Waterhouse Coopers	100%	United Kingdom
World Duty Free Limited	Price Waterhouse Coopers	100%	United Kingdom
Precis (2204) Ltd		100%	United Kingdom
Precis (2207) Orbital Park Ltd		100%	United Kingdom
Precis (2206) Ltd		100%	United Kingdom
Sanfield Lynton Ltd		50%	United Kingdom
World Duty Free Inflight (Europe) Ltd		100%	United Kingdom
Advance Transport Systems		52%	United Kingdom
Unitair Limited Partnership		50%	United Kingdom
Colnbrook Industrial LP		50%	United Kingdom
Unitair GP Ltd		50%	United Kingdom
Colnbrook GP Ltd		50%	United Kingdom
Conbrook Nominee Ltd		100%	United Kingdom

EXHIBIT I (Continued) Associates (equity-consolidates companies)

Company	Auditor	Parent company	% shareholding	Net cost of shareholding (million euro)	Million euro				
					Address	Assets	Liabilities	Revenue	Results
CONSTRUCTION									
SPAIN									
Urbs Iudex et Causidicus, S.A.		Ferrovial Agromán, S.A.	22%	6	Cataluña	387	414	82	0
Clean Cent A.I.E		Ferrovial Agromán, S.A.	13.39%	0	Madrid	3	3	1	0
Boremer, S.A.	Price Waterhouse Coopers	Cadagua, S.A.	50.00%	2	Madrid	22	18	16	0
Dirigerfin, S.L.		Aplicación Recursos Naturales, S.A. (a)	20.00%	0	Madrid	56	56	0	-1
Tecnológica Lena, S.L.	Attest Consulting	Ferrovial Agromán, S.A.	50.00%	0	Asturias	2	2	1	0
Concesionaria Baio	Price Waterhouse Coopers	Ferrovial Agromán, S.A.	50.00%	9	Galicia	4	0	0	0
POLAND									
Elektromontaz Poznan S.A.	Deloitte & Touche	Budimex, S.A.	30.78%	4	Poznan	27	10	34	1
PPHU PROMOS Sp. z o.o.		Budimex, S.A.(i)	25.53%	0	Cracovia	2	1	3	0
<i>(i) 4,25% a través de Sprzgt Transport Sp z.o.o.</i>									
SERVICES									
SPAIN									
Empresa de Mantenimiento y Explotación M-30 S.A.	Deloitte	Ferrovial Servicios S.A.	50.00%	0	Madrid	319	314	27	1
Concesionaria Madrid Calle 30 S.A.	KPMG	Empresa de Mantenimiento y Explotación M-30 S.A.	10.00%	0	Madrid	3,290	2,630	223	34
Aetec, S.A.	No tiene obligación de auditarse	Grupisa Infraestructuras, S.A.	9.23%	0	Madrid	1	0	0	0
Necrópolis de Valladolid	BDO Auditoría	Sitkol S.A.	49.00%	3	Valladolid	14	7	3	0
Valdedominguez 2000, S.A.	Deloitte	Compañía Española de Servicios Públicos Auxiliares S.A.	20.00%	1	Madrid	8	4	6	-1
Ingeniería Urbana S.A.	Deloitte	Compañía Española de Servicios Públicos Auxiliares S.A.	35.00%	4	Alicante	51	38	44	2
Recollida de Residuos D'Osona S.L.	No tiene obligación de auditarse	Compañía Española de Servicios Públicos Auxiliares S.A.	45.00%	0	Barcelona	3	2	4	0
Reciclados y Compostaje Piedra Negra, S.A.	Deloitte	Compañía Española de Servicios Públicos Auxiliares S.A.	48.99%	2	Alicante	16	5	6	0
Compañía Especial de Recuperación y Recondicionamientos. S.L.	No tiene obligación de auditarse	Cespa Gestion Residuos S.A. (a)	42.11%	1	Barcelona	1	3	0	0
Ecoact S.L.	Deloitte	Compañía Española de Servicios Públicos Auxiliares S.A.	50.00%	31	Barcelona	36	22	30	-2
Sogarisa S.A.	Deloitte	Ecoact S.L.	50.00%	2	La Coruña	19	15	16	0
Ecoem S.A.	No tiene obligación de auditarse	Ecoact S.L.	51.00%	0	Barcelona	1	1	2	0
Gestó de Residuos Especiales de Catalunya S.A.	Deloitte	Ecoact S.L.	33.33%	2	Barcelona	26	26	20	-3
Novalis Medioambiente S.A.	No tiene obligación de auditarse	Cespa Gestion Residuos S.A.	50.00%	0	Alicante	4	4	0	0
MOVITEC	No tiene obligación de auditarse	Ecoact S.L.	50.00%	0	Martorell	0	0	0	0
Ecoparc del Mediterrani, S.A.	Deloitte	Cespa Gestion Residuos S.A. (a)	48.00%	3	Barcelona	16	13	1	-1
RCD'S ALBACETE	No tiene obligación de auditarse	Cespa Gestion Residuos S.A.	49.99%	0	Albacete	0	0	0	0
Nora, S.A.	No tiene obligación de auditarse	Compañía Española de Servicios Públicos Auxiliares S.A.	45.00%	0	Santa Coloma Farners	0	0	0	0
PORTUGAL									
Valorhospita! S.A.	No tiene obligación de auditarse	Cespa Portugal, S.A.	35.13%	0	Oporto	0	0	0	0
Ecoberiao	Martins Pereira & Asociados	Cespa Portugal, S.A.	20.00%	0	Oporto	0	0	0	0
Valor-Rib Industrial Residuos	No tiene obligación de auditarse	Compañía Española de Servicios Públicos Auxiliares S.A.	45.00%	1		0	0	0	0
Cespa Portugal - Ecoambiente ACE	Deloitte	Cespa Portugal S.A.	50.00%	0	Matorinhos	0	0	0	0

Company	Auditor	Parent company	% shareholding	Net cost of shareholding (million euro)	Address	Million euro			
						Assets	Liabilities	Revenue	
Results									
Centre de Traitement de Residus d'Andorra	Gault, S.I.	Cespa Gestion Residuos S.A (a)	29,00%	2	Andorra la Vella	0	0	0	0
UNITED KINGDOM									
AHL Holdings (Manchester) Ltd	Deloitte and Touche	Aney Ventures Investments Ltd	25%	0	London	10	-10	2	0
Aney Highways Lighting (Manchester) Ltd	Deloitte and Touche	AHL Holdings (Manchester) Ltd	100%	0	London	0	0	0	0
AHL Holdings (Wakefield) Ltd	Deloitte and Touche	Aney Ventures Investments Ltd	25%	0	London	6	-6	2	0
Aney Highways Lighting (Wakefield) Ltd	Deloitte and Touche	AHL Holdings (Wakefield) Ltd	100%	0	London	0	0	0	0
ALC (Superholdco) Ltd	KPMG	Aney Ventures Investments Ltd	25%	0	Oxford	47	-43	24	6
ALC (FMC) Ltd	KPMG	ALC (Superholdco) Ltd	100%	0	Oxford	0	0	0	0
ALC (Holdco) Ltd	KPMG	ALC (Superholdco) Ltd	100%	0	Oxford	0	0	0	0
ALC (SPC) Ltd	KPMG	ALC (Holdco) Ltd	100%	0	Oxford	0	0	0	0
Ancroft Ltd	BDO	Aney plc	33%	0	Oxford	0	0	0	0
Aney Belfast Schools Partnership Holdco Ltd	BDO	Aney Ventures Investments Ltd	50%	0	Oxford	59	-61	47	0
Aney Belfast Schools Partnership PFI Co Ltd	BDO	Aney Belfast Schools Partnership HoldCo Ltd	50%	0	Oxford	0	0	0	0
Aney FMP Belfast Schools Partnership Holdco Ltd	BDO	Aney Ventures Management Services Ltd	70%	0	Oxford	0	0	1	0
Aney FMP Belfast Strategic Partnership SP Co Ltd	BDO	Aney FMP Belfast Schools Partnership Holdco Ltd	100%	0	Oxford	0	0	0	0
Aney Lagan Roads Holdings Ltd	BDO	Aney Ventures Investments Ltd	25%	0	Belfast	68	-68	40	0
Aney Lagan Roads Financial plc	BDO	Aney Lagan Roads Holdings Ltd	100%	0	Belfast	0	0	0	0
Aney Lagan Roads Ltd	BDO	Aney Lagan Roads Holdings Ltd	100%	0	Belfast	0	0	0	0
Aney Lighting (Norfolk) Holdings Ltd	BDO	Aney Ventures Investments Ltd	50%	0	Oxford	9	-9	10	0
Aney Lighting (Norfolk) Ltd	BDO	Aney Lighting (Norfolk) Holdings Ltd	100%	0	Oxford	0	0	0	0
BCN Data Systems Ltd (IP)	Price Waterhouse Coopers	Aney Information Services Ltd	50%	0	London	0	0	0	0
BCN Data Systems LLC	Price Waterhouse Coopers	BCN Holdings Inc	100%	0	London	0	0	0	0
BCN Holdings Inc	Price Waterhouse Coopers	BCN Data Systems Ltd (IP)	100%	0	London	0	0	0	0
E4D & G HOLDCO Ltd	BDO	Aney Ventures Investments Ltd	43%	0	Oxford	54	-56	46	0
E4D & G Project Co Ltd	BDO	E4D & G Holdco Ltd	100%	0	Oxford	0	0	0	0
Integrated Bradford Hold Co One Ltd	KPMG	Aney Ventures Investments Ltd	25%	0	Oxford	18	-19	1	0
Integrated Bradford Hold Co One Ltd	KPMG	Integrated Bradford LEP Ltd	10%	0	Oxford	0	0	0	0
Integrated Bradford PSP Ltd (IP)	KPMG	Aney Ventures Asset Holdings Ltd	2%	0	Oxford	1	-1	3	0
Integrated Bradford Hold Co Two Ltd	KPMG	Aney Ventures Asset Holdings Ltd	10%	0	Oxford	6	-6	6	0
Integrated Bradford Hold Co Two Ltd	KPMG	Integrated Bradford LEP Ltd	80%	0	Oxford	0	0	0	0
Integrated Bradford LEP Ltd	KPMG	Integrated Bradford PSP Ltd	100%	0	Oxford	0	0	0	0
Integrated Bradford LEP Fin Co One Ltd	KPMG	Integrated Bradford LEP Ltd	100%	0	Oxford	0	0	0	0
Integrated Bradford SPV One Ltd	KPMG	Integrated Bradford Hold Co One Ltd	100%	0	Oxford	0	0	0	0
Integrated Bradford SPV Two Ltd	KPMG	Integrated Bradford Hold Co Two Ltd	100%	0	Oxford	0	0	0	0
RSP (Holdings) Ltd	KPMG	Aney Ventures Investments Ltd	18%	0	Glasgow	22	-24	2	0
The Renfrewshire Schools Partnership Ltd	KPMG	RSP (Holdings) Ltd	100%	0	Glasgow	0	0	0	0
Services Support (Avon & Somerset) Holdings Ltd	Deloitte and Touche	Aney Ventures Investments Ltd	10%	0	London	7	-7	0	0
Services Support (Avon & Somerset) Ltd	Deloitte and Touche	Services Support (Avon & Somerset) Holdings Ltd	100%	0	London	0	0	0	0
Tube Lines (Holdings) Ltd (IP)	Deloitte and Touche	JNP Ventures 2 Ltd	67%	0	London	1,692	-1,576	518	27
Tube Lines (Finance) plc	Deloitte and Touche	Tube Lines (Holdings) Ltd	100%	0	London	0	0	0	0
Tube Lines Ltd	Deloitte and Touche	Tube Lines (Holdings) Ltd	100%	0	London	0	0	0	0
Tube Lines Pension Scheme Trustees Ltd	Deloitte and Touche	Tube Lines Ltd	100%	0	London	0	0	0	0

SERVICES									
Company	Auditor	Parent company	% shareholding	Net cost of shareholding (million euro)	Address	Assets	Liabilities	Revenue	Results
PERU			0	0		0	0	0	0
Swissport GBH Peru S.A.	Ernst & Young	Swissport International AG	41.00%	0	Peru	0	0	0	0
GREECE			0	0		0	0	0	0
WSW Hellas Services S.A.,	not audited	Swissport International AG	21.25%	0	Greece	0	0	0	0
FRANCE			0	0		0	0	0	0
Swissport Executive	Price Waterhouse Coopers	Swissport International AG	50.01%	0	France	0	0	0	0
ISRAEL			0	0		0	0	0	0
Quality Airport Services Israel Ltd.	not audited	Swissport International AG	50.00%	0	Israel	0	0	0	0
JAPAN			0	0		0	0	0	0
Swissport Japan Ltd.	not audited	Swissport International AG	51.00%	0	Japan	0	0	0	0
CHINA			0	0		0	0	0	0
Swissport HNA Ground Handling Co., Ltd.	Audited by Nexia International, Certified public accountants	Swissport International AG	49.00%	0	China	0	0	0	0
CYPRUS			0	0		0	0	0	0
S&L Airport Services Ltd	not audited in 2008	Swissport International AG	19.00%	0	Cyprus	0	0	0	0
TOLL ROADS AND CAR PARKS									
SPAIN									
Serrano Park, S.A. (b)	Deloitte	Cintra Infraestructuras, S.A.U.	50%	1	Madrid	77	59	38	0
Autopista Trazos N-45, S.A	Price Waterhouse Coopers	Cintra Infraestructuras, S.A.U.	50%	13	Madrid	210	142	27	12
UNITED STATES									
Statewide Mobility Partners LLC (IP)	Price Waterhouse Coopers	Cintra ITR LLC	50%	245	USA	490	0	0	0
ITR Concession Company Holdings (IP)	Price Waterhouse Coopers	Statewide Mobility Partners LLC	100%	490	USA	490	0	0	0
ITR Concession Company (IP)	Price Waterhouse Coopers	ITR Concession Company Holdings	100%	490	USA	2,965	3,364	114	0
GREECE			0	0		0	0	0	0
Nea Odos, S.A.	Price Waterhouse Coopers	Ferrovial, S.A.	33%	25	Grecia	268	54	67	0
Central Greece Motorway (E65)	Price Waterhouse Coopers	Ferrovial, S.A.	33%	13	Grecia	327	214	0	0
REAL ESTATE									
SPAIN									
Promociones Hábitat (i)		Ferrovial FISA	20.00%	0	Barcelona	-	-	-	-

(i) NO INFORMATION ON AUDITOR

Audit Report



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INFORME DE AUDITORÍA DE CUENTAS ANUALES CONSOLIDADAS

A los Accionistas de Ferrovial, S.A.

Hemos auditado las cuentas anuales consolidadas de Ferrovial, S.A. (la Sociedad dominante) y sociedades dependientes (el Grupo) que comprenden el estado de situación financiera consolidado al 31 de diciembre de 2009, la cuenta pérdidas y ganancias consolidada, el estado del resultado global consolidado, el estado de cambios en el patrimonio neto consolidado, el estado de flujos de caja consolidado y la memoria consolidada correspondientes al ejercicio anual terminado el 31 de diciembre de 2009, cuya formulación es responsabilidad de los Administradores de la Sociedad dominante. Nuestra responsabilidad es expresar una opinión sobre las citadas cuentas anuales consolidadas en su conjunto, basada en el trabajo realizado de acuerdo con las normas de auditoría generalmente aceptadas en España, que requieren el examen, mediante la realización de pruebas selectivas, de la evidencia justificativa de las cuentas anuales consolidadas y la evaluación de su presentación, de los principios contables aplicados y de las estimaciones realizadas. Según se indica en el Anexo 1 de la memoria consolidada adjunta, nuestro trabajo no ha incluido el examen de las cuentas anuales de 2009 de algunas sociedades del Grupo, cuyos activos y resultados netos representan, respectivamente, un 11% y 19% de las correspondientes cifras consolidadas. Las mencionadas cuentas anuales han sido examinadas por otros auditores y nuestra opinión expresada en este informe sobre las cuentas anuales consolidadas de Ferrovial, S.A. y sociedades dependientes se basa, en lo relativo a dichas sociedades, únicamente en el informe de los otros auditores.

De acuerdo con la legislación mercantil, los Administradores de la Sociedad dominante presentan, a efectos comparativos, con cada una de las partidas del estado de situación financiera consolidado, de la cuenta de pérdidas y ganancias consolidada, del estado del resultado global consolidado, del estado de cambios en el patrimonio neto consolidado, del estado de flujos de caja consolidado y de la memoria consolidada, además de las cifras del ejercicio 2009, las correspondientes al ejercicio anterior, que difieren de las contenidas en las cuentas anuales consolidadas aprobadas de dicho ejercicio, detallándose en la nota 2.1.a) de la memoria consolidada adjunta las diferencias existentes y las razones de las mismas. Asimismo, con motivo de alguno de estos cambios y de acuerdo con lo establecido en la NIC 1 "Presentación de Estados Financieros", los Administradores presentan el estado de situación financiera consolidado al 1 de enero de 2008. Nuestra opinión se refiere exclusivamente a las cuentas anuales consolidadas del ejercicio 2009. Con fecha 26 de febrero de 2009 emitimos nuestro informe de auditoría acerca de las cuentas anuales consolidadas del ejercicio 2008 en el que expresamos una opinión favorable.

Durante el ejercicio 2009 se ha realizado la fusión de Grupo Ferrovial, S.A. y de su filial Cintra, Concesiones de Infraestructuras de Transporte, S.A., detallándose los aspectos de la misma en la nota 1.2 de la memoria consolidada adjunta. A efectos consolidados, tal como se menciona en dicha nota, esta operación supone una continuidad económica del grupo consolidado y, en consecuencia, las cifras comparativas que se incluyen en las presentes cuentas anuales consolidadas corresponden a las de Grupo Ferrovial, S.A. y sociedades dependientes del ejercicio 2008, reexpresadas según lo indicado en el párrafo anterior.

En nuestra opinión, basada en nuestra auditoría y en el informe de otros auditores, las cuentas anuales consolidadas del ejercicio 2009 adjuntas expresan, en todos los aspectos significativos, la imagen fiel del patrimonio consolidado y de la situación financiera consolidada de Ferrovial, S.A. y sociedades dependientes al 31 de diciembre de 2009 y de los resultados consolidados de sus operaciones, de los cambios en el patrimonio neto consolidado y de sus flujos de caja consolidados correspondientes al ejercicio anual terminado en dicha fecha y contienen la información necesaria y suficiente para su interpretación y comprensión adecuada, de conformidad con las Normas Internacionales de Información Financiera adoptadas por la Unión Europea que guardan uniformidad con las aplicadas en la preparación de las cifras e información correspondientes al ejercicio anterior que se han incorporado a las cuentas anuales consolidadas del ejercicio 2009 a efectos comparativos.

El informe de gestión consolidado adjunto del ejercicio 2009 contiene las explicaciones que los Administradores de la Sociedad dominante consideran oportunas sobre la situación de Ferrovial S.A. y sociedades dependientes, la evolución de sus negocios y sobre otros asuntos y no forma parte integrante de las cuentas anuales consolidadas. Hemos verificado que la información contable que contiene el citado informe de gestión consolidado concuerda con la de las cuentas anuales consolidadas del ejercicio 2009. Nuestro trabajo como auditores se limita a la verificación del informe de gestión consolidado con el alcance mencionado en este mismo párrafo y no incluye la revisión de información distinta de la obtenida a partir de los registros contables de Ferrovial, S.A. y sociedades dependientes.

PriceWaterhouseCoopers Auditores, S.L.



Gonzalo Sanjurjo Pose
Socio – Auditor de Cuentas

22 de febrero de 2010

Corporate Responsibility



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Corporate Responsibility Policy



Ferrovial views its corporate responsibility as a strategic duty related to the company's sustainability, competitiveness and reputation, the purpose of which is to generate long-term value for all its stakeholders and the wider society.

Ferrovial's corporate responsibility policy is determined by its Board of Directors. One of the board's primary duties is to ensure compliance with the corporate responsibility principles and obligations voluntarily undertaken by the company (Board of Directors' Regulations) and laid out in the Code of Business Ethics.

Ferrovial has been a member of the United Nations Global Compact since 2002. In 2007, the Group adopted these principles as its standard of Corporate Responsibility for the operations of every affiliate company around the world. Ferrovial annually ratifies its commitment to the principles of the Global Compact.

Key issues

In the «Statement of Principles for Sustainable Development,» Ferrovial identifies the 10 key issues for the management of its corporate responsibility and the main lines of action associated with these issues. This statement, which is available through the company's internal communication channels, was signed by the former chairman and founder of Ferrovial in May 2004 and clearly reveals the strategic importance of corporate responsibility within the company.

These key issues are an expression of Ferrovial's main commitments in terms of corporate responsibility as laid out in the Code of Ethics and inspired by the principles of the Global Compact. The key issues encompass a solid analysis of the state of affairs that factors in the expectations of stakeholders, verified by various internal and external sources, and the ac-

tual and potential risks faced by Ferrovial. The chapter "Independent Verification" provides details on the studies performed to update the stakeholder expectations.

External sources taken into account include the principles of the Global Reporting Initiative (GRI3), the demands of sustainability analysts (Dow Jones, FTSE4Good) and the observations of the leading international sustainability monitors.

Since 2004, Ferrovial has updated the lines of action for each key issue with specific plans, such as the new strategy «From Responsibility to Commitment» (2007), the new Quality and Environmental Policy (2008) and the Human Resources Plan (2008-2010).

Issue	Commitment	Lines of Action
Ethical integrity	Ethical and professional conduct in all activities.	<ul style="list-style-type: none"> • Follow and promote the Global Compact principles in order to combat all forms of corruption, extortion and bribery.
Corporate Governance (1)	Application of best practices of corporate governance	<ul style="list-style-type: none"> • Promote and disseminate best practices of corporate governance
Human rights	Respect, protection and promotion of human rights	<ul style="list-style-type: none"> • Support the protection of fundamental human rights in all practices and activities. (Global Compact). • Safeguard human rights in all group companies and prevent their violation. (Global Compact). • As a global company, confront the problems of the planet and engage in the fight against poverty. (Millennium Development Goals).
Dialogue with stakeholders	Transparency of information	<ul style="list-style-type: none"> • Continually improve the lines of communication with all stakeholders. Provide transparent corporate information in all areas including financial, environmental and social. • Notify all stakeholders of the company's principles of sustainable development and social responsibility, and encourage employee participation in projects of solidarity.
Environmental impact	Reduce the environmental impact of activities	<ul style="list-style-type: none"> • Promote the implementation of standardized environmental management systems in Ferrovial's different business areas. • Maintain a precautionary approach that benefits the environment. (Global Compact). • Support initiatives to promote greater environmental responsibility. (Global Compact). • Encourage the development and diffusion of environmentally friendly technologies. (Global Compact).
Human capital	Hire and motivate the best human resources	<ul style="list-style-type: none"> • Design reliable tools for evaluating the quality of labor relations, motivation and professional advancement of those who work for Ferrovial as a way to improve the efficiency of its work. • Improve working conditions and ensure equal opportunity and non-discrimination among employees (2).
Health and Safety	The health and safety of workers	<ul style="list-style-type: none"> • Make progress in the design and implementation of effective systems for preventing and mitigating occupational hazards that can be used as a model in the various fields in which Ferrovial operates.
Quality and innovation	Quality and constant improvement of processes and activities and innovation	<ul style="list-style-type: none"> • Preserve and increase customer confidence in the company, striving to exceed their expectations of quality in its projects and services. • Promote innovation projects, scientific research and development as basic factors for achieving competitive success and the creation of differential value in the market.
Supply chain	Treat the supply chain as a key factor in the company's sustainable development strategy	<ul style="list-style-type: none"> • Encourage suppliers and subcontractors to gradually adopt principles in line with its corporate responsibility policy.
Investment in the community	Support socio-economic development wherever the company operates	<ul style="list-style-type: none"> • Plan investment in the community as a tool for aiding the development of societies wherever Ferrovial operates. • Work with governments, NGOs and other social agents on projects and activities related to social development, environmental conservation and occupational safety.

(1) The Corporate Governance Report is presented along with the Management Report in accordance with the criteria established by the Spanish Securities Commission (CNMV).

(2) Includes the labor rights recognized among the principles of the Global Compact.
Source: Statement of Principles for Sustainable Development. Ferrovial, 2004.

Indicators

Table of key indicators concerning status, management and perception, which measure the economic, social and environmental impacts, as well as Ferrovial's performance in relation to relevant issues and courses of action, set out according to its corporate responsibility. The information gathered on these indicators has been compiled adhering to rules of consolidation and verifiability.

1 ETHICAL INTEGRITY

	2009	2008	2007	Ch. 09-08	Scope
01. Ethical behavior (perceived)*	63.1	64.7	63.6	-2%	36%
02. Responsible use of market influence (perceived)*	64.1	65.9	65.1	-3%	36%
03. Investigations prompted by reports regarding Code of Ethics	260	145	110	79%	67%
04. Training given regarding Code of Ethics (hours)	224	638	400	-65%	100%

2 DIALOGUE WITH STAKEHOLDERS

05. Transparency (perceived) *	61.8	64.4	61.9	-4%	36%
06. Meetings with investors	168	494	333	-66%	100%
07. Meetings with suppliers and subcontractors.	6,270	5,523	ND	14%	100%
08. Supplier surveys	2,748	1,129	ND	143%	100%
09. Media presentations	4	4	4	0%	100%
10. Hits on website press room	105,007	177,986	169,510	-41%	100%
11. Public opinion polls	1,698	1,352	1,002	26%	36%

3 ENVIRONMENT

12. Direct and indirect greenhouse effect emissions (t CO ₂) (Scope1 Scope2)	1,963,752	NA	NA	-	89%
13. Indirect greenhouse effect emissions (t CO ₂) (Scope 3)	2,433,171	NA	NA	-	34%
14. Direct greenhouse effect emissions avoided by biogas recovery (t CO _{2q})	514,221	526,267	519,604	-2%	65%
15. Greenhouse effect emissions avoided by activity in sorting plants(t CO _{2q})	328,099	361,105	342,061	-9%	65%
16. Electricity produced by biogas recovery (Gj)	279,841	321,464	308,959	-13%	65%
17. Thermal energy produced by biogas recovery (Gj)	175,134	118,168	146,666	48%	65%
18. Electricity produced by cogeneration in hazardous waste treatment (Gj)	61,045	66,082	66,290	-8%	65%
19. Reduction of waste sent to landfill (m ³)	30,582,938	13,108,962	10,080,769	133%	100%
20. Recovery in sorting plants (Tn)	857,626	880,424	859,392	-3%	100%
21. Protection of the environment (perceived) *	59.6	62.3	57.6	-4%	36%

4 HUMAN CAPITAL

22. Average workforce	108,117	106,596	102,425	1%	100%
23. International workforce (%)	61	60.33	59.82	1%	100%
24. Staff on long-term contract (%)	82	81.98	78.56	0%	100%
25. Staff on voluntary part-time contract (%)	18	15.44	11.63	17%	100%
26. Has good employees (perceived) *	71.8	72.70	70.93	-1%	36%
27. Workforce length of service (years)	5.8	6.44	6.26	-10%	100%
28. Average employee age (years)	38.8	40	39	-3%	100%
29. Takes an interest in employee welfare (perceived) *	63.5	65.78	62.53	-3%	36%
30. Turnover rate (%)	6.35	10.87	10.25	-42%	100%
31. Investment in training / sales	0.17.	0.20	0.22	-15%	100%
32. Employees given performance reviews (%)	94.00	68.27	37.00	38%	36%
33. Employees with variable remuneration (%)	24.82	17.45	20.226	42%	36%
34. Good place to work (perceived) *	69.3	70.45	67.90	-2%	36%

5 HEALTH AND SAFETY

35. Incidents Index	79.75	87.20	104.43	-9%	36%
36. Frequency Index	46.7	49.76	63.78	-6%	36%
37. Severity Index	0.87	0.97	1.38	-10%	36%
38. Occupational safety studies	2,846	6,594	ND	-100%	100%
39. Emergency plans	1,170	668	486	75%	100%
40. Training in safe work practices (hours)	500,991	423,843	452,729	18%	100%
41. Concern for the health and safety (perceived) *	63.5	65.78	62.53	-3%	36%

6 QUALITY AND INNOVATION

42. Activity certified to the ISO 9001 standard (%)	64	67.00	65.00	-4	100%
43. Quality of products and services (perceived)*	69.4	70.7	69.3	-2	36%
44. Customer satisfaction (0 to 5)	3.9	3.90	ND	0	100%
45. Satisfactory complaints management (perceived) *	60.7	63.0	60.7	-4	36%
46. Adaptation to change (perceived) *	67.9	68.9	67.6	-1	36%
47. R&D&I budget (€M)	6.9	18.47	35.80	-63	100%
48. Innovation project subsidies (€M)	3	1.17	0.99	156	100%

7 SUPPLY CHAIN

49. Number of suppliers	86,020	89,567	83,981	-4	100%
50. EBITDA generated by purchases that meet quality and environmental criteria (€)	366.7	291.05	ND	26	100%
51. Suppliers evaluated	7,456	1,596	ND	367	36%
52. Suppliers rejected	131	104	ND	26	36%
53. Suppliers certified in Quality, Environment and Human rights	14.44	10.63	7.64	36	36%
54. Supplier incidents	457	159	388	187	36%

8 HUMAN RIGHTS

55. Investment in OECD countries (%)	100	100	100	0	100%
56. Employees protected by collective bargaining agreements (%)	74.53	72.2	73.6	3	100%
57. Equal opportunities (perceived) *	63.1	64.9	61.1	-3	36%
58. Fair employee remuneration (perceived) *	63.4	65.3	62.5	-3	36%
59. Women on the workforce (%)	32.8	35.4	30	-7	100%
60. Human rights training (hours)	10,673	9,645	ND	11	100%
61. Suppliers rated as low-risk in regards to human rights violations (%)	86	90	100	-4	36%

9 INVESTMENT IN THE COMMUNITY

62. Socially-responsible investment (DJSI) (perceived) *	78	72.00	72.00	8	36%
63. Contributes positively to society (perceived) *	66.5	68.7	66.8	-3	36%
64. Net job creation (%)	1.43	4.07	15.21	-65	100%
65. Community support projects	642	459%	463	40	100%
66. Social investment in the Community (million €)	17.98	18.17	16.70	-1	100%
67. Social investment in comparison with EBITDA (%)	0.72	0.66	0.55	9	100%
68. Support for social causes (perceived) *	60.9	63.2	59.2	-4	36%
69. Beneficiaries in social projects	565,679	491,001	330,000	15	100%

* Source: RepTrak

** For more information on CO₂ emissions please see the chapter on the Environment.

Progress in 2009

Some of the most important milestones and advances of 2009 in the fulfillment of corporate responsibility commitments are as follows.

POLICIES AND PROCEDURES

- Implementation of a global intranet across the Ferrovial group. One of the most important milestones has been to open the doors of Ferronet to the internal portals of Amey and BAA. Work continued throughout 2009 to provide access to all users in these subsidiaries and to incorporate the home pages of the local intranets in a specific area of the corporate intranet. Similarly, all employees of Budimex with access to their intranet, Budinet, can also access the complete Group intranet translated into Polish.
- Flexible remuneration system for all structural employees in Spain. In May, Ferrovial made a flexible payment program available to all structural employees in Spain. Under the name Flexibility Plan, this program provides the staff with the opportunity to voluntarily change the current compensation packages in accordance with their individual needs, substituting part of the current fixed fee for certain products.
- Launch of the career training plans in strategic support areas in Ferrovial University. The month of March marked the beginning of the Career Training Itineraries as part of the Human Resource Management Program (PGRH for the Spanish initials), the main objective of which is to provide comprehensive training in the Human Resources function. The program is designed from a global perspective and eminently practical vision of the functional areas, based on the policies and procedures of Ferrovial, and providing training in the skills considered as critical for the HR professional. The program consists of nine modules for a total of 150 hours, with participants earning the title of HR Expert. In the second half of 2009, Ferrovial

launched the Finance Training Itinerary for the Ferrovial professionals working in finance around the world.

- Implantation of the Management Abilities Global Model. The Management Abilities Global Model was designed and implemented in 2009, specifying the professional skills needed by any executive to efficiently achieve organizational goals with excellent performance.
- Security Policy. Ferrovial has established the ten commandments of information security requiring all employees to maintain the confidentiality of information.
- Update of the corporate scorecard indicators in environment and quality.

ASSESSMENT AND MANAGEMENT SYSTEMS

- Carbon footprint. In 2008, Ferrovial worked to identify all sources of emissions in the company's activities and in 2009 completed the procedure for calculating the global carbon footprint, which serves to consolidate the criteria for establishing the methodology for collecting data and calculating emissions. CO₂ emissions accounting for 72% of revenues have been measured. The measurements correspond primarily to the top carbon-producing sectors: airports, toll roads and waste management.
- OHSAS certification. The infrastructure maintenance and conservation activity (Ferroser) of the services division obtained OHSAS international occupational health and safety certification.
- Integral Corporate Risk Management (FRM). The Corporate Risk Management Department implemented the new integral risk management process named as Ferrovial Risk Management (FRM). FRM prioritizes risks through the use of a uniform rating scale across all areas of activity of the Group, as well as allowing for corrective action and the implementation of control measures in all corporate and business areas.

ACTION PLANS

- Equality Plan. In 2009 Ferrovial signed equity plans with the CCOO and UGT trade unions covering all Ferrovial companies in Spain in the construction and services sector, applying to more than 40,000 workers. This enhances the commitment to corporate social responsibility and action and establishes key processes in managing people.
- The Plan establishes and develops the measures agreed with the unions, which guarantee the principle of equal treatment and opportunities between women and men, promoting training and career development on an equal footing.
- Employee Satisfaction Survey. During 2009 Ferrovial implemented the action plan resulting from last year's Employee Satisfaction Survey. The Company has created a Working Environment Committee, comprising members from all business units, in order to track compliance of the resulting actions.
- Dialogue with Stakeholders. Ferrovial has sought the views of stakeholders to gather information on the structure and contents of Ferrovial's Annual Corporate Responsibility Report and to obtain their recommendations. Various opinion polls have been launched to ascertain stakeholder expectations and interests with respect to activities carried out by Ferrovial.
- Investment in the community. Ferrovial in 2009 increased voluntary investment in the community by 15.6%. The company has carried out 642 social action projects that have benefited more than 565,000 people.
- Volunteer Plan. Ferrovial repeated the Ferrovial Volunteer Day initiative in 2009, recommending new activities that employees can participate in beyond the one special day. In addition, Ferrovial has reiterated its commitment to international volunteering through the Maji Ni Uhai/Water is Life project that the company manages with Amref Flying Doctors in Tanzania. On this occasion, a Ferrovial expert in construction and quality management visited the Serengeti region of Tanzania for two weeks to oversee the construction of water infrastructure.

Awards and distinctions

- Ferrovial, gold medal in sustainability (29/01/2009)**
 Ferrovial is among the twenty most sustainable Spanish companies in the world, according to the 2009 Sustainability Yearbook prepared by PricewaterhouseCoopers and Sustainable Asset Management (SAM).
- Ferrovial joins the prestigious "Eco 10" index (02/03/2009)**
 This stock index, developed by the financial daily El Economista, selects ten companies with the consensus of 52 investment companies managed by Dow Jones Stoxx.
- Southampton Airport. "Passenger service" Award (13/03/2009)**
 Southampton Airport has been recognized as the airport "with the best passenger service" in Europe. The accolade is awarded by ACI (Airports Council International) based on a survey of more than 200,000 passengers worldwide.
- Cespa recognized for its social responsibility policies (17/03/2009)**
 Cespa has been honored by the Chamber of Commerce of Burgos for their social responsibility policies and actions that add value to society and the company itself, based on concepts such as solidarity, social labor integration, the fight against social exclusion and the promotion of equality opportunities.
- Budimex, among the top 10 socially responsible companies in Poland, according to Braun & Partners (15/04/2009)**
 Budimex, Ferrovial's construction subsidiary in Poland, is among the ten most socially-responsible companies in Poland according to the CSR 24/7 study performed by the firm Braun & Partners Polska.
- Swissport, the Best Global Ground Handling Services Company for the ninth consecutive year (30/04/2009)**
 Swissport International, ground handling services subsidiary of Ferrovial, has been named the "Best Global Ground Handling Services Company" for the ninth consecutive year. The accolade is awarded by the British Institute of Transport Management (ITM).
- Ferrovial receives "Golden Award" from the Spanish Chamber of Commerce in the United Kingdom (20/05/2009)**
 The Vice Chairman of Ferrovial, Joaquín Ayuso, was presented with the Golden Award by the Spanish Ambassador to the United Kingdom, Carlos Casajuana. The award is granted by the Spanish Chamber of Commerce in the United Kingdom.
- Ferrovial, one of the favorite companies of Spanish engineering students (15/06/2009)**
 Ferrovial is among the most highly valued companies for Spanish engineering students according to the European Student Barometer prepared by the Trendence Institute based on a survey of business administration and engineering students from 22 European countries.
- Ferrovial voted one of the best stocks in the City for Investor Relations (17/06/2009)**
 Ferrovial is among the three highest-rated Spanish companies by the 7500 international investors polled in the Thomson Reuters Extel Survey 2009. Of all respondents, about 45% are investors in continental Europe, 30% in the UK, 20% in the U.S. and 5% from other regions.
- Cintra, recognized for the accessibility of its website (06/07/2009)**
 The Cintra website, Ferrovial's toll road management subsidiary, has been recognized as one of the most accessible among Ibex 35 listed companies according to a study by Adesis. The evaluation was based on fulfillment of the minimum criteria established by the Spanish Law on Measures to Promote the Information Society (LISI).
- Amey receives "Investors in People Award" (03/08/2009)**
 Amey, a British subsidiary of Ferrovial services, has achieved the "Investors in People" silver award, second prize in recognition of good human resource management, granted by the prestigious Association with the same name.
- Southampton Airport wins "Best Volunteering Team Award" (05/08/2009)**
 Southampton Airport volunteers have collected 10,000 pounds that will be dedicated to works in their local community. This initiative earned them the "Best Volunteering Team Award" under the I-Volunteer Awards program launched annually by BAA.

- **407 ETR Highway recognized for service quality (15/09/2009)**

Canadian Highway 407 ETR has been honored with two awards, the first in the category of President Award for Excellence, and the second in the Technology category. These annual awards were granted by the American Association IBTTA (International Bridge, Tunnel and Turnpike Association). The President Award for Excellence is considered the highest accolade in the concession industry.

- **Cespa receives the "Silver Medal of Honor for Merit" by the City of Barcelona (29/09/2009)**

Cespa received the "Medal of Honor for Merit in the Silver category" granted by the City of Barcelona in recognition of their outstanding contributions in their relationship with both the City Council and the city itself.

- **Ferrovial Agroman receives award from the College of Architects of Madrid (06/10/2009)**

Ferrovial Agroman earned the distinction for the building of 126 public housing units in Sanchinarro, the work of the architect Ramón Andrada González-Parrado. The recognition was awarded by the Official College of Architects of Madrid (COAM).

- **Amey employee recognised as the best Facilities Manager of the Year (09/10/2009)**

An Amey employee, a Ferrovial services subsidiary, was recognized as the Best Facilities Manager of the year, as part of the "FM Excellence Awards 2009" granted by the British Institute of Facilities Management (BIFMA).

- **Amey receives two awards for energy efficiency (04/12/2009)**

Amey has been awarded two Fleet Hero Awards for the energy efficiency of its fleet, granted by the Energy Saving Trust. These accolades honor the efforts of companies in reducing their carbon footprints.

- **BAA receives Business in the Community's 2009 Award for Excellence**

BAA was recognized by the Business in the Community's 2009 Awards for Excellence, a prestigious institution that identifies the best Corporate Responsibility programs in the UK. The company managed to hold on to the 'Platinum' award for the second consecutive year thanks to its strategy to reduce the carbon footprint of its activities.

- **Amey receives Business in the Community's 2009 Award for Excellence**

Amey received the Business in the Community's 2009 Award for Excellence. Specifically, Amey received the Silver award for its commitment to stakeholders and implementing appropriate processes to identify and manage risks and opportunities.

- **Swissport receives the "Air Cargo Handling Agent of the Year" Award**

Swissport the ground handling subsidiary of Ferrovial, was awarded the "Air Cargo Handling Agent of the Year" award by Air Cargo Week newspaper. These awards recognize excellence in the industry of air freight services.

Responsible Investment Indexes

Ferrovial is listed on the following socially-responsible investment indexes:

- **Dow Jones Sustainability Index.** Ferrovial is part of the Silver Class in the Construction industry. The company has been listed on this index for the past eight consecutive years.
- **FTSE4Good.** Ferrovial successfully completed the latest biannual review of the FTSE4Good index, which includes those global companies with the greatest commitment to corporate responsibility according to the principles of socially responsible investment. In this latest review, FTSE4Good performed a more in-depth analysis of the impacts relating to climate change and carbon footprint.
- **Ethibel.** Ferrovial is evaluated according to public information for 37 criteria in six areas: human rights, environment, people development, market performance, corporate governance and community engagement.
- **ASPI Eurozone.** (Advanced Sustainable Performance Indices). The index measures the corporate social responsibility performance of Ferrovial. The position on the index is related to the company's market capitalization. ■



Ethical integrity



The business and professional activities of Ferrovial and its employees are based on the value of integrity and carried out in accordance with the principles of honesty, avoidance of every form of corruption and respect for the individual circumstances and needs of all parties involved.

Ferrovial's code of ethics prohibits bribes to public authorities and civil servants and it forbids its employees to give or receive undue payments of any type as well as presents, gifts or favors from third parties outside the scope of regular market practices or which, by reason of their value, characteristics or circumstances, may reasonably alter the commercial, administrative or professional relations of its companies.

It also prohibits any action that may involve unfair competition practices and undertakes to ensure compliance with the competition laws applicable in the countries where it operates.

Fraud control is a duty assigned to the Internal Audit Department. In 2009 a new channel was created for accusations related to the code of ethics (whistleblowing). There were no corruption investigations opened during the year as a result of any reports made through this channel.

Based on the information available for 2009, there have been no significant penalties, monetary or otherwise, arising from violations of laws, regulations or standards governing the implementation of the activities performed by the Company.

In January 2009, the FTSE4Good again ratified Ferrovial's inclusion on its indices after completing an evaluation of its anti-corruption policies and procedures.

Commitment

- Ethics and professionalism in every action.

Lines of action

- Fight corruption in all its forms, including extortion and bribery (Global Compact).
- Promote knowledge of the Code of Ethics among all employees.

Milestones in 2009

- Ensure that the principles of the Code of Ethics are spread throughout the organization.
- Extend the use of the Whistleblowing channel among all employees.
- Implement the new procedure for the prevention of internal fraud

Objectives 2010

- Launch of an online Training Course on Business Ethics.
- Extend the use of the Whistleblowing channel to other stakeholders.

<i>Ethical integrity.</i>	2009	2008	2007	Chg 09-08
Ethical behavior (perceived)*	63.1	64.7	63.6	-2%
Responsible use of market influence (perceived)*	64.1	65.9	65.1	-3%
Investigations prompted by reports about the Code of Ethics	260	145	110	79%
Training given regarding Code of Ethics (hours)	224	638	400	-65%

Source: RepTrak*

Code of Business Ethics

Ferrovial has had a Code of Business Ethics in place since 2002, and updated in 2004, which establishes the principles that govern the company's actions:

- **Respect for the law.** Ferrovia's business and professional activities shall be carried out in strict compliance with the laws in effect in every country where it operates.
- **Ethical integrity.** The business and professional activities of Ferrovia and its employees shall be based on the value of integrity and carried out in accordance with the principles of honesty, avoidance of every form of corruption and respect for the individual circumstances and needs of all parties involved.
- **Respect for Human Rights.** All actions of Ferrovia and its employees shall scrupulously respect the Human Rights and Civil Liberties enshrined in the Universal Declaration of Human Rights.

These principles are a guarantee of integrity for Ferrovia and reflect the group's adherence to the major international inter-governmental initiatives such as the ILO Tripartite Declaration (International Labour Organisation), the OECD Guidelines (Organisation for Economic Cooperation and Development) and the United Nations Global Compact Principles, to which Ferrovia has made a special commitment.

The Code of Ethics binds the entire company, its affiliates, all of its employees and executives and all other organizations associated with Ferrovia or any of the companies in its group, as well as any company fully or partially owned or controlled by Ferrovia.

Based on the information available for 2009, there have been no significant penalties, monetary or otherwise, arising from violations of laws, regulations or standards governing the implementation of the activities performed by the Company.

At present, the code is enforced in the 47 countries where Ferrovia operates and applies to the total workforce of 108,117 employees. In addition, some companies recently acquired by Ferrovia – BAA is a case in point – have their own Codes of Ethics already in force, which are complemented by the corporate code.

The full version of the Code of Ethics is available on the Ferrovia website in Spanish and in English.

CODE OF ETHICS TRAINING

All employees who join Ferrovia receive a printed copy of the Code of Ethics in Spanish or English. They also have direct access to a PDF version of the code through the corporate intranet.

Three code of ethics training courses were given in 2009. The first is required for all employees and was, in a first phase, provided in Spain. The objective of the course is to impart knowledge on the basic principles that guide the proper behavior of Ferrovia employees and demonstrates the procedures that the company makes available to all employees:

- Harassment Prevention Protocol
- Equal Opportunity Plan
- Work-Life Balance Plan
- Fraud Prevention Procedures
- Health and Safety Policy
- Information Security Policy
- Quality and environment policy

These actions will begin to be imparted in 2010.

In addition to this general training, other training initiatives have been developed related to the prevention of occupational risks (as detailed in the relevant chapter) as well as training on information security.

Information, understood as a series of data created by or for Ferrovia in any medium or format, is one of the most important assets of the organization and essential to its strategy and the performance of its business activities. Consequently, the protection of information against any possible damage or unauthorized use should be a management priority for Ferrovia.

To this end, in 2009 the company adopted the Corporate Framework for Information Security and a procedure for the development of the roles and responsibilities for information security under Framework.

The General Framework sets out the core principles, responsibilities and general guidelines on the use and handling of information and protects both the information itself and the supporting systems from destruction, unavailability, manipulation and unauthorized disclosure.

This Framework is mandatory for all Ferrovia employees and collaborators, and applies to any type of information generated, regardless of its nature and means of storage and transmission (written, hard copy, CD, USB memory stick, DVD, etc).

Ferrovia continuously develops the field of information security: the organization's commitment to this strategic asset is reflected starting with the company's Code of Business Ethics: "We protect the information to protect our business and our professionals".

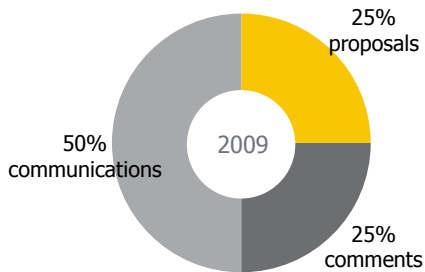
As part of its normal relationship with suppliers and subcontractors, Ferrovia promotes various training initiatives on the implementation of the principles of the Code of Ethics in the supply chain.

The in-house magazine "Inforvial" echoes the good practices and initiatives that make it possible to highlight practical cases of the application of the principles of the Code of Ethics. This magazine has a circulation of 10,000 copies and is distributed among employees in Canada, Chile, Greece, USA, Ireland, Italy, Poland, Portugal, Puerto Rico, United Kingdom and Switzerland.

SUGGESTION BOX

Ferrovial has since 2004 provided employees with a "Suggestion Box" for their use. This box can be found on the corporate Intranet.

In 2009, the box received 260 suggestions, of which 45% were considered appropriate. The suggestions are broken down into:



At the close of this annual report, 32% of the communications have been closed. Starting in 2009, the complaints are channeled through the Ethics Complaint Channel (Complaint Box) put into operation earlier this year.

WHISTLEBLOWING CHANNEL. (COMPLAINT BOX)

In late 2008, Ferrovial introduced a new Whistleblowing Channel called the «Complaints Box» where any employee with a founded suspicion or knowledge of a violation of the Code of Ethics can present an anonymous report via the corporate intranet that will result in an investigation being opened by the Whistleblowers' Box Managing Committee. This channel is initially open to staff with access to the Intranet (18.5% of the workforce).

This committee, which consists of the Director of Internal Audits and the General Director of Human Resources, meets at least once a month at the behest of the Director of Internal Audits. When the situation requires, urgent meetings may also be convened by any member of the Managing Committee or by any other Department of the Group. This committee is responsible for taking measures to improve compliance and resolve incidences or doubts as to interpretation.

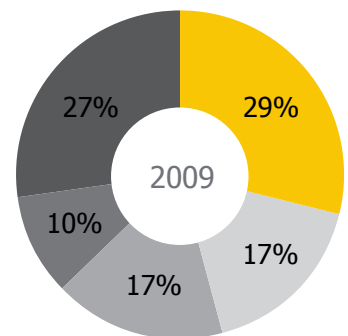
An emergency procedure has been established for any complaints whose contents call for immediate resolution. In such cases, the Director of Internal Audits, as the person responsible for the box, must decide if an urgent meeting of the managing committee is required or will set in motion the procedures that the group has established for addressing the reported problem.

The channel gives all employees of the Ferrovial Group (and of its affiliates) a direct line of communication to the company directors and management to denounce any matters of concern, such as irregularities, violations and unethical or illegal conduct. The channel guarantees absolute confidentiality and anonymity at all times if the whistleblower so desires. In the future, this resource may be extended to all stakeholders who show a legitimate interest in their relationship with the group.

During 2009 there were 30 complaints (almost double that of 2008): 27 through the Complaints Box and three through the post office box. Of these, 46% of the people gave their names and 54% were anonymous, compared with 17% and 83%, respectively, in 2008.

Broken down by category of complaint, the issues were:

- relating to the compensation package
- relating to the job position
- relating to consultations
- relating to harassment
- relating to other topics



The Complaints Box procedures are available to employees in the section on Corporate Procedures of the Chairman's Office, on the Intranet.

Risk Management

In 2009, the Corporate Risk Management Department implemented the new process of integrated risk management, called Ferrovia Risk Management (FRM) throughout the Group. This process will identify and assess risks to achieving business goals set by management, whether of a financial nature or relating to the sustainability policies of the company.

The FRM prioritizes risks through the use of a uniform rating scale across all areas of activity of the Group, as well as allowing for corrective action and the implementation of control measures in all corporate and business areas.

Preventing fraud and corruption

Ferrovia has had an internal fraud prevention procedure in place since 2004. In 2009, a new corporate procedure was published that aims to protect the assets of the Ferrovia Group by preventing internal fraud.

The procedure applies to the employees of the Ferrovia Group and of all companies, associations or organizations in which Ferrovia has a controlling interest (50% or more) or in which it has a minority interest with managerial responsibilities.

Internal fraud is defined as "any willful act or omission which, performed by Ferrovia

employees, attempt to or cause harm to the assets of Ferrovia, harm being understood to mean the generation of costs or expenses without equivalent consideration, the production of asset impairment or the failure to obtain a legitimate return."

The procedure provides that any person subject thereto that is aware of actions that could harm the business assets Ferrovia has the right and obligation to inform Ferrovia.

Notifications can be sent to the immediate superior or through the Complaints Box, either personalized or anonymously. The employee will endeavor to provide information and / or documentation necessary to enable the supervisor or the Complaints Box Managing Committee to have sufficient evidence for the proper analysis and assessment of the facts.

Controlling investments and expenses

- **Procedure governing investments.** This procedure establishes the systems of checks and balances required to carry out large transactions of one million euros or more. On an increasing scale depending on the amount, the operations must be approved by the CEO, by the Chairman or by the Board of Directors. All preliminary agreements, option contracts and purchase agreements involving down-payments must also be given approval. The formal presentation

of non-binding offers, including ITNs (invitations to negotiate), in the course of public or private contract bidding processes shall be presented in writing to the CEO with copies to the Secretariat and the Department of Finance.

- **Handling of cash and expenses.** To avoid possible bribery or corruption in connection with travel expenses, there is a regulation that requires all airline and train tickets, rental car fees and hotel reservations to be handled by the central travel agency with which each company regularly works.
- **Credit cards.** The use of company credit cards is limited exclusively to paying corporate travel expenses.
- **Cash availability.** In order to control the availability of cash, there is a regulation that controls requests for cash advances through the computerized expense management system. The maximum sum allowed for travel expenses is 1,200 euro for domestic trips and 3,000 euro for travel abroad. When the amount of the current request plus the previous advances that have not been closed exceed 1,200 euro, the request shall require the authorization of the immediate superior.



► Photo: SUMMA University Student

Incompatibilities

Employees involved in purchasing must not have any personal, financial, family or other interest, whether direct or indirect, in the supplying companies. If an interest does exist, the employee must notify his or her immediate supervisor. Since 2008, the purchasing personnel in Ferrovial's Procurement Department are bound by the specific principles of integrity published in the Buyer's Code.

An immediate supervisor must be advised of any direct or indirect conflicts of interest arising from family connections, personal ties, financial interests or other factors. Employees who participate in purchases are prohibited from accepting special discounts or gifts valued at over 90 euro. Gifts of a lesser value may only be accepted if they are delivered to corporate headquarters. The code stipulates that invitations to trips, events or paid meals must be supervised, and employees should not accept invitations extended by suppliers.

The Appointments and Remunerations Committee is responsible for taking measures to make sure that Ferrovial does not hire, either as employees or as high-ranking executives, persons who have previously performed evaluations of the company for rating agencies unless more than two years have passed since they left the agency. ■

Dialogue with stakeholders



Ferrovial works under the guiding principle of providing reliable, complete information that accurately reflects the situation of the company and the Group as well as its commercial activities and business strategies.

Ferrovial's relations with its stakeholders are conducted in a context of transparency, honesty and professionalism. Ferrovial considers stakeholders to be those individuals or social groups with a legitimate interest who are affected by the company's actions in the present or future.

Ferrovial defines stakeholders both as the internal groups that are part of the company's value chain (shareholders, employees, investors, customers and suppliers), which are considered as partners in business development, as well as the so-called external stakeholders: the administration and government authorities, the media, analysts, the business community, unions, the non-profit sector and society in general, starting with the local communities where Ferrovial operates.

To understand the opinions and expectations of stakeholders, surveys were conducted in 2009 on the following groups:

- **100** press, radio, TV and Internet journalists. (Two waves)
- **50** politicians on different levels of government: Parliament, Senate, mayor's offices, Spanish Government and Autonomous Regions. (Two waves)
- **50** executives and business people. (Two waves)
- **25** financial analysts. (Two waves)
- **25** opinion leaders. (Two waves)
- **1,004** people with knowledge of Ferrovial.
- **198** stakeholders for the Global Ferrovial Study.

Commitment

- Transparency of information.

Lines of action

- Continually improve the lines of communication with all stakeholders, based on an innovative form of corporate reporting that encompasses environmental and social variables as well as financial data.
- Notify all stakeholders of the company's principles of sustainable development and social responsibility, and facilitate employee participation in solidarity projects.

Milestones in 2009

- In-depth opinion polls.
- Strengthening of the communications channels with stakeholder groups.

2010 Goals

- Launch the Main Ferrovial Stakeholders program (MFS).

Dialogue with stakeholders	2009	2008	2007	Chg 09-08
Transparency (perceived) *	61.8	64.4	61.9	
Meetings with investors	168	494	333	
Presentations to analysts	36	4	2	
Employees with Intranet access (%)**	94	5,858	7,025	
Meetings with suppliers and subcontractors.		5,523	ND	
Supplier surveys		1,129	ND	
Meetings between executives and journalists		100	94	
Media presentations		4	4	
Hits on the website press room			169,510	
Public opinion polls	1698	1,352	1,002	

Policy of transparency and dialogue

Ferrovial works under the guiding principle of providing its shareholders, investors, analysts and the market in general, with reliable, complete information that accurately reflects the situation of the company and the Group as well as its commercial activities and business strategies.

The policy of transparency is pursued within the legal limits (in compliance with applicable regulations and time periods) and based on respect for the rights of all interested parties. With regard to financial information, Ferrovial has a procedure for controlling information on major transactions that applies the measures stipulated by the Spanish Securities Market Law on financial reporting of Significant Transactions.

In its communications with users and employees, Ferrovial guarantees the right to privacy, confidentiality and protection of personal information. Ferrovial also requires its employees to make discreet and professional use of the company information to which they have access.

Ferrovial has a Crisis Notification procedure starting on the corporate level and subsequently extending to the rest of the divisions. The goal of the procedure is to ensure that reliable information quickly reaches the organizational levels where decisions must be made in a crisis situation that may result in significant consequences or damages to employees, the public, customers, users, the environment or the company's reputation and interests. This protocol is linked to Ferrovial's corporate risk management system (FRM).

The professional nature of the relationship between Ferrovial and its stakeholders dictates that dialogue be channeled through different departments or areas, which are generally supervised by the Board of Directors and are specially equipped to deal with each stakeholder.

Shareholders and Investors

Investor Relations Office
Tel. 902 253 050 (toll free in Spain)
Fax: +34 91 586 26 89
accionistas@ferrovial.es
» <http://www.ferrovial.es/>

- The top priorities for Ferrovial in its relations with shareholders and investors are: transparent management practices, adopting the best practices of Corporate Governance in its companies and strictly adhering to the applicable regulations in this area at all times.
- The Corporate Governance Report, available as an attachment to the 2009 Annual Report, offers detailed information on the company's relations with its shareholders, the Rules of the General Shareholders Meeting and the rights and participation of shareholders.
- Through the website, shareholders can access all documentation on the company and review the procedures for registering to attend shareholders' meetings and instructions for casting or delegating absentee votes, among other details. Since 2005, shareholders can participate virtually

in shareholders' meetings and submit their votes by e-mail.

- Ferrovial has a Investor Relations service in permanent operation through three channels of communication: the Shareholder Relations Toll Free Line, an e-mail address and a fax line.
- The Investor Relations service aims to establish a transparent and fluid communications channel with private shareholders and facilitate their access to company information and strategy.

Employees

Human Resources
Apartado de Correos 2160
28080 Madrid
» www.ferrovial.es

- The policy of communication with employees is always based on the respect for privacy and confidentiality of information provided. Ferrovial only requests and uses employee information as needed to efficiently manage its business activities or as required by the legislation in force. In turn, employees are obligated to make discreet and professional use of the company information to which they have access in the course of performing their duties, and are required to inform their immediate supervisor of any situation that could be considered a conflict of interest.
- In 2009 Ferrovial launched the Action Plans arising from the results of the Employee Satisfaction Survey con-



» Photo: Maintenance works, Ferroser.

ducted in 2008, which is performed every two years. To this end, each business unit has developed action plans aligned with said results for 2009 and 2010. Similarly, the Company has created the Satisfaction Committee, comprising members from all business units, with the mission of following up on the implementation of the different action plans.

- Specifically, Ferrovial launched three initiatives, among which the Conocer plan (Know) should be highlighted encompassing all actions related to internal communication practices. The aim is to channel institutional messages of Management both through current channel (intranet) and through regular meetings of management within their respective areas of influence.

- Ferrovial has two official channels of in-house communication:

- **The Corporate Intranet:**

This is the main channel for internal communication with employees on

both the corporate level and for the different divisions. Currently, 5,907 employees have access to the corporate intranet or the intranets in their respective business divisions.

- **Internal magazines:** Inforvial, Ferrovial's in-house magazine, has a circulation of over 10,000 copies. During 2009 three issues were published that inform employees of how business is going, the company's outlook, corporate news, the key events, etc. In 2009 Ferrovial published a special bilingual edition of Inforvial marking the occasion of the merger of Cintra and Ferrovial.

Amey and BAA also have their own in-house magazines called The Hub and Airwaves, respectively.

- The Human Resources Department organizes numerous events each year to encourage and promote interaction among employees of different divisions. Some notable examples are:

- **The Annual Manager's Meeting:** in 2009 Ferrovial changed the meeting format, with the personal attendance of the 100 top executives and virtual attendance of 300 executives and managers of the company connecting from five different countries. In last year's edition, in order to generate debate and respond to the concerns of employees, the company enabled an email account during the month prior to the Meeting so that any employee could express their business concerns and questions. All questions were answered by the CEO either verbally during the meeting or in writing thereafter.

- **Conocer+ (Know more):** This is a program of staff meetings for sharing information and knowledge about the Group's activities directed by business experts.

- **Ferrovial Olympics:** This is the fourth consecutive year for the event. This sporting event brought together 800 workers from the main offices in Spain.

- **Ferrovial Day:** The aim of this event is to create an opportunity for the employees and their families from the different Ferrovial companies to get together with their colleagues under a common theme that depends on the projects undertaken during the year. This year the theme was the launching of the Equal Opportunity Plans, inviting the children to discover their future profession.

Customers and users

Quality and the Environment
dca@ferrovial.es

» www.ferrovial.es

- Ferrovial has over 1 billion users who depend on and benefit from the infrastructure and services it puts on the market. Ferrovial's policy with regard to its customers and users is to meet their expectations as best as possible, whilst striving to anticipate their requirements.
- It is the customer's right and the company's obligation to protect customer privacy with regard to the products and services they require. The privacy policy complies with the applicable legislation in each country: Organic Law on Personal Data Protection in Spain, the Data Protection Act in the United Kingdom and the Personal Information and Electronic Act in the United States. The organizational procedures of the quality system ensure the correct storage and privacy of all incoming and outgoing information.
- The channels for handling customer or user opinions, doubts and complaints are the customer satisfaction survey, the services provided by the after-sales or customer care departments and the websites of the concessions or companies.

Analysts

Investor Relations

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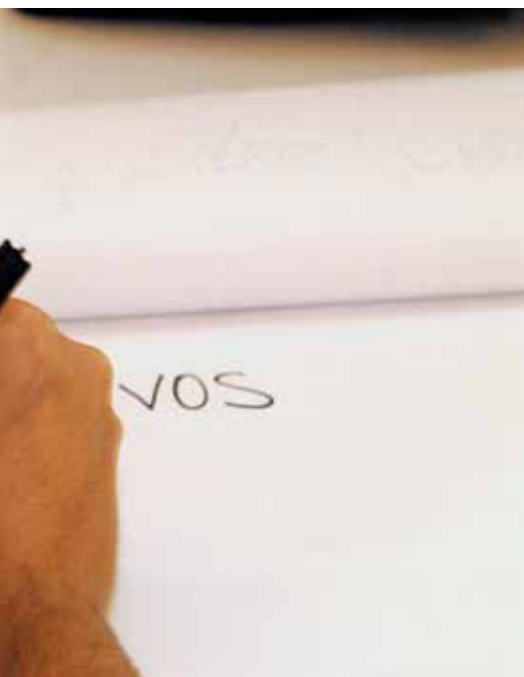
- The Investor Relations Department, as part of Ferrovial's Financial Department, is responsible for handling relations with shareholders, investors and analysts. The main demand of these stakeholders is the transparency and reliability of financial reporting.
- The activity with investors and analysts is primarily through road shows, seminars and briefings on strategy and company events. The company holds quarterly meetings with analysts to discuss the results of the company. Specific presentations are also conducted on relevant developments in the business of the company.
- Over the course of the year, 342 meetings were held with investors or analysts, 69 of which were with foreign investors. The company also organized 14 road shows, which resulted in 168 follow-up meetings. The earnings presentations were broadcast over the Ferrovial website.
- Over the course of the year, the company replied to 1,487 e-mails requesting financial documents or informa-



» Photo: SUMMA Student

tion and answered 1,224 phone calls from retail investors and companies seeking financial information about the dividend and the merger. All requests for information were handled individually.

- In 2009, the CNMV (Spanish Securities Commission) was notified of 48 significant events. Every time a significant event is relayed to the CNMV or when any notification is considered of interest to analysts or investors, these stakeholders receive a personalized notice by e-mail.
- There is a section within the Ferrovial website (Investor Relations), which contains all the information on the company. In 2009, this section received 1,663,659 visits, of which 94% were to the English language version.



Suppliers and subcontractors

Procurement Department
 Tel.: +34 902 52 50 52
 informacion@obralia.com
 » www.obralia.com

- Ferrovial's relations with its suppliers and subcontractors are considered an essential part of its activity. Its policy on quality considers suppliers and subcontractors as partners, «seeking mutual benefit, working together creatively to offer customers the best quality and service, and establishing long-term relationships if possible. In 2009 Ferrovial dealt with approximately 86,020 suppliers.
- The Procurement Department of the Construction Division is responsible

for dealing with the main suppliers and subcontractors, striving to establish long-term relationships and obtain the maximum benefit for both parties.

- Ferrovial requires its suppliers and subcontractors to abide by the principles of Global Compact. Since 2005, the company has held various meetings to raise supplier awareness about certain aspects of corporate responsibility. In 2008, Ferrovial introduced a specific corporate social responsibility clause into such agreements. All such agreements signed in 2009 included this clause.
- In the Services division, the quality and environment clauses must be complied with in all contracts signed with suppliers, but they are not evaluated individually.
- The dialogue with suppliers has materialized in 2009 through 2,748 surveys, 6,270 meetings and 52 forums. In addition, the supplier and subcontractor training programs should be highlighted in areas such as quality, the environment, technique, health and safety and topics related to the Code of Ethics.

Governments and Authorities

Institutional Relations
 Tel.: +34 91 586 28 93
 Fax: +34 91 586 26 59
 comunicacion@ferrovial.es
 » www.ferrovial.es

- Ferrovial maintains a permanent dialogue with governments and government agencies in all countries where it operates, whether at the national, regional or local level.
- As part of the community in which it operates, Ferrovial participates in various social initiatives introduced by local governments or organizations and organizes meetings with different groups such as diplomats and senators. In 2009 Ferrovial held a meeting with 15 diplomats who were shown the various works in progress.
- In relations with public authorities and civil servants, as dictated in the Code of Ethics, Ferrovial prohibits bribery in any form and forbids its employees to give or receive undue payments of any type as well as presents, gifts or favors from third parties outside the scope of regular market practices or which, by reason of their value, characteristics or circumstances, may reasonably alter the commercial, administrative or professional relations of its companies.
- For the same reasons, Ferrovial does not make direct or indirect contributions to political parties. Ferrovial has a variety of internal control procedures and mechanisms to avoid bribery and corruption, which are described in the section on ethical integrity.
- In 2009, Ferrovial won the appeal against the forced sale of some of the airports in the UK. Both BAA and Ferrovial have transparently declared their position at each stage of this process.

Business Community

Institutional Relations

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Fax: +34 91 586 26 59

comunicacion@ferrovial.es

» www.ferrovial.es

Ferrovial cultivates many of its relationships within the sector, industries and competitors by actively participating in business or industry associations related to its fields of activity and interest.

In 2009, Ferrovial was a member of the following organizations:

TOLL ROADS

Canada:

- International Bridge, Tunnel and Turnpike Association (IBTTA).
- Canadian Council for Public-Private Partnerships (CCPPP).
- The Toronto Board of Trade and The Ontario Chamber of Commerce.
- The CD Howe Institute.

Chile:

- Asociación de Concesionarios de Obras de Infraestructura Pública A.G. (COPSA).
- Cámara Chilena de la Construcción A.G. (CChC).

U.S.A.:

- Inter Agency Group (IAG).
- International Bridge, Tunnel and Turnpike Association (IBTTA).
- St. Joseph County Chamber of Commerce.

- Elkhart County Chamber of Commerce.
- Northwestern Regional Planning Commission.
- Michiana Area Council of Governments.
- Indiana Toll Road Economic Development Corridor, Texans for Safe Reliable Transportation.

Spain:

- Asociación de Sociedades Españolas Concesionarias de Autopistas, Túneles, Puentes y Vías de peaje (ASETA).

Portugal:

- Associação de Sociedades Concessionárias de Auto-estradas SCUT (ASCAS).
- Casa de España Câmara de Comércio e Indústria Luso-Espanhola (CCILE).
- Centro Rodoviário Português (CRP).
- Prevenção Rodoviária Portuguesa (PRP).

Ireland:

- Irish Business and Employers Confederation (IBEC).
- Irish Toll Industry Association.

AIRPORTS

United Kingdom:

- The Airport Operators Association.
- Airports Council International – Europe (ACI-Europe).
- Airports Council International – World (ACI-World).
- The London Chamber of Commerce and Industry.
- The Confederation of British Industry.
- London First.
- Central London Partnership.

SERVICES

United Kingdom:

- The Association of Consulting and Engineering.
- British Institute of Facilities Management.

- The Confederation of British Industry.
- New Local Government Network and Institution of Highways and Transportation.

Spain:

- ACITRE (Asociación Catalana de Instalaciones de Tratamiento de Residuos Especiales).
- ACLIMA (Asociación Cluster de Industrias de Medio Ambiente de Euskadi).
- AEA (Asociación Española de Arboricultura).
- AERCE (Asociación Española de Responsables de Compras o Existencias).
- APVEC (Asociación de los Profesionales de los Espacios Verdes de Cataluña).
- Área de Medio Ambiente de la Cámara de Comercio de Barcelona.
- ASETRAVI (Asociación Empresarial de Transportes de Vizcaya).
- ASEGRE (Asociación Española de Gestores de Residuos).
- ASEJA (Asociación Española de Empresas de Jardinería).
- AEPJP (Asociación Española de Parques y Jardines Públicos).
- ASELIME (Asociación de Empresas de Limpieza Técnica Industrial Mecanizada).
- ASELIP (Asociación Empresarial de Limpieza Pública).
- ATEGRUS (Asociación Técnica para la Gestión de Residuos y Medio Ambiente).
- CEPTA (Confederación Empresarial de la Provincia de Tarragona).
- ECOEMBES (Ecoembalajes España).
- FEAT (Federación Empresarial de Auto-transporte).
- FIDA (Fundación para la Investigación y Desarrollo Ambiental).
- Fundació Fòrum Ambiental.
- Gestora de Runes.
- ISR (Club Español de los Residuos).
- IZAITE (Asociación de Empresas Vasca por la Sostenibilidad).
- SIGFITO (Sistema Integrado de Gestión de Residuos de Productos Fitosanitarios).

Portugal:

- AEPESA (Associação das Empresas Portuguesas do Sector do Ambiente).
- APERLU (Associação Portuguesa dos Empregadores do Sector dos Resíduos e Limpeza Urbana).
- AEP (Associação Empresarial de Portugal).

Europe:

- The Sustainable Landfill Foundation.

CONSTRUCTION**Europe:**

- SEOPAN Export Group.
- EIC. European International Contractors.
- FIEC. European Construction Industry Federation.
- ENCORD. European Network of Construction Companies for Research and Development.
- ECTP. European Construction Technology Platform.
- E2B. Energy Efficient Buildings.
- ILP. MIT's Industrial Liaison Program.
- EBC. European Builders Confederation.
- Internet Association for Bridge and Structural Engineering (IABSE).
- International Erosion Central Association (IECA).
- The International Association for Shele Spatial Structures.

Spain:

- SEOPAN. Asociación de Empresas Constructoras de Ámbito Nacional.
- CNC. Confederación Nacional de la Construcción.
- CEOE (through SEOPAN and CNC).
- Cámara de Comercio de Madrid (IDETRA).
- PTEC. Plataforma Tecnológica Española de la Construcción.
- PTFE. Plataforma Tecnológica Ferroviaria Española.
- Cámara de Contratistas de Andalucía

(*) * Through this and without dues, FA-DECO, UPECO, FSO...

- CIAC. Centro de Innovación Andaluz de la Construcción.
- Asociación Empresarial Sevillana de Constructores y Promotores de Obras (GAESCO).
- Cámara de Contratistas de Extremadura Asociación Empresarios de Vizcaya (ECO-VA).
- Asociación de Empresas de la Construcción de Madrid (AECOM).
- Asociación de Empresarios de la Construcción en Palencia (AECOPA).
- Asociación vallisoletana de Empresarios de la Construcción (AVECO).
- Cámara de Contratistas de Castilla y León Confederación Asturiana de la Construcción.
- CACONSER (belongs to the above).
- Agrupación de Empresarios de la Construcción de Toledo.
- Asociación Provincial de Empresarios de la Construcción de la Coruña.
- Asociación Provincial de Empresarios de la Construcción de Lugo.
- Asociación Provincial de Empresarios de la Construcción de Orense.
- Asociación Provincial de Empresarios de la Construcción de Pontevedra.
- Circulo de Economía (Barcelona).
- Cámara Oficial de Contratistas de Cataluña.
- Gremio de Constructores de Obras de Cataluña.
- Asociación Provincial de Empresarios de la Construcción y Obra Pública (APECOP).
- Asociación Provincial de Empresas de la Construcción de Castellón (APECC).
- Asociación Valenciana de Empresas de la Construcción y Obras Públicas (ASVE-COP).
- Cámara de Contratistas de la Comunidad Valenciana.
- Asociación de Constructores de Baleares.
- Federación Provincial de Entidades de

la Construcción de Sta. Cruz de Tenerife (FEPECO).

- Asociación de Empresarios de la Construcción de la Provincia de Las Palmas (AEC).
- Federación de Empresas de la Construcción de Zaragoza (FECZA).
- Federación Regional de Empresarios de la Construcción de Murcia.
- Centro Tecnológico de la Construcción de la Región de Murcia.
- Asociación Científica Hormigón Estructural (ACHE).
- Asociación Española de la Carretera (AEC).
- Asociación Técnica de la Carretera (ATC).
- Comité Nacional Español Grandes Presas (CNEGP).
- Sociedad Española de Presas y Embalses (SEPREM).
- Asociación Española de Ingeniería Sísmica.
- Asociación Técnica Española de Climatización Refrigeración (ATECYR).
- Asociación Técnica de Puertos y Costas Sociedad Española de Mecánica del Suelo y Cimentaciones (SEMSC).
- Puertos del Estado.
- Asociación Española Túneles y Obras Subterráneas (AETOS).
- Sociedad Española de Mecánica de Rocas (SEMR).

Unions

Human Resources

Tel.: +34 91 586 25 00

» www.ferrovial.es

- Beyond mere social dialogue, unions are eager to participate as stakeholders in the application of Ferrovial's Corporate Responsibility policies.
- Ferrovial maintains open communication with unions on the topic of corporate responsibility through diverse initiatives such as the Global Compact, where unions are represented, and the Corporate Responsibility Observatory and the BRC project (Building Responsible Competitiveness project), which is coordinated by Forética in Spain.
- In this continuous contact with the unions, in 2009 Ferrovial signed the Equality Plan of the company with the national trade unions UGT and CCOO. Ferrovial's Equality Plan enhances the commitment to corporate social responsibility, establishes specific actions on the key processes of people management and to implement all available communication channels and internal mechanisms that will allow for maximum exposure and awareness. The Plan establishes and develops the measures agreed with the unions, which guarantee the principle of equal treatment and opportunities between women and men, promoting training and career development on an equal footing.

The Media

Corporate Communications

Tel.: +34 91 586 25 15

Fax: +34 91 586 26 59

comunicacion@ferrovial.es

- Ferrovial maintains personal, direct and constant contact with around 26 international media organizations, based on transparency and close cooperation with journalism professionals. Global relations with these media representatives are coordinated by the Corporate Communications Department. In 2009, 64 press releases were issued in English and Spanish, 15 meetings were held by Ferrovial executives with journalists and over 1,100 calls from journalists were answered.
- Ferrovial does not adhere to any particular voluntary or standard communication code, but all of communications and advertising actions are carried out in accordance with applicable general regulations.
- Ferrovial currently maintains consistent and visible communications, as reflected in the RepTrak results gleaned from 1,004 surveys of stakeholders in 2009. The chart shows the main attributes of Ferrovial communications against over the industry average, as perceived by stakeholders.
- Ferrovial's international expansion has also posed a significant challenge in terms of communications. Interest in the activities of the company and its subsidiaries has increased exponentially around the world.



» Photo: Shareholder Meeting



- During 2009 the number of visits to the online press rooms of the corporate websites reached 105,007.
- In 2009, The Spanish Association of Business Administration and Accounting has officially recognized, once again, the excellent quality of information disseminated online by Ferrovial.

Third Sector

Corporate Responsibility

Tel.: +34 91 586 02 75

Fax: +34 91 586 26 59

rsc@ferrovial.es

» *www.ferrovial.es*

With the goal of creating long-term value for society, Ferrovial is actively engaged with the organizations of civil society and the so-called third sector. Relations with the third sector are divided into five levels:

- Participation in non-profit institutions. Ferrovial is actively involved with numerous non-profit organizations in multiple industries and with multiple stakeholders. Notable examples include the Spanish Global Compact Association (Asepam), of which Ferrovial is a founding partner, the Corporate Reputation Forum, of which the company held the chair in 2009, the SERES Foundation, the Business and Society Foundation (Forética) and the Spanish contingent of the London Benchmarking Group (LBG). Also, Ferrovial is actively involved in the Corporate Responsibility committees which have been created by both Seopan and the CNC to establish common ground in this area.

Through various professional and non-profit associations, Ferrovial is present in the Superior State Council for CSR (CERSE for the Spanish initials).

- Strategic partnerships for project development. Ferrovial maintains strategic partnerships for developing projects with non-profit sector institutions. One notable example is the partnership with the Massachusetts Institute of Technology (MIT) to develop joint research projects on corporate responsibility as part of the Industrial Liaison Program. With regard to social projects with nongovernmental organizations (NGOs), at present Ferrovial has a strategic partnership with Action Against Hunger, Intermón-Oxfam and AMREF-Flying Doctors. The chapter on Community provides details about specific social investment projects and initiatives carried out during the past year.
- Institutional encounters. Various institutional encounters and meetings with non-profit sector organizations were held at Ferrovial during the year: The Reputation Institute Workshop and the BCR project (Building Responsible Competitiveness Project).
- Participation in events. Ferrovial executives actively participated in conferences and events. One notable example is the participation in the Davos Forum since its inception.
- Relations through official communication channels. The e-mail address rsc@ferrovial.es has received 170 emails, of which 85 were requests for information, 20 were requests for assistance and the remainder were requests to attend courses or presentations related to Corporate Responsibility. ■

Environment



Ferrovial aims to be recognized across the world as an efficient and exemplary company noted for its commitment to sustainable development.

In the long term (2008-2012) Ferrovial's environmental objectives are:

- Strategy to fight climate change. The primary goal in this area is to improve energy efficiency and reduce greenhouse gas emissions in airport ground facilities. The goal is to reduce emissions by 15% from 1990 levels by 2010 and, in the second phase, achieve a 30% reduction by the year 2020.
- Gradual implementation of the Employee Mobility Plan in the rest of the Group's headquarters starting in 2010.
- Reduce the quantity of waste disposed of in landfills by 56 million m³ between 2005 and 2012 in the construction division. During 2009, the construction division reduced its landfill production by 10.8 million cubic meters. The total amount of material saved from landfill dumping since 2005 represents 92% of the total target.

Commitment

- Reduce the environmental impact of its activities.
- Maintain a precautionary approach that benefits the environment.
- Reduce the global carbon footprint of the Group.

Lines of Action

- Promote the implementation of standardized environmental management systems in Ferrovial's various lines of business, focusing primarily on the management of the environmental risks of its activities.
- Research and development of models for the rehabilitation of large-scale housing and urban renewal.
- Research and development of more sustainable mobility models.
- Anticipation and early adaptation to regulatory changes in environmental affairs.

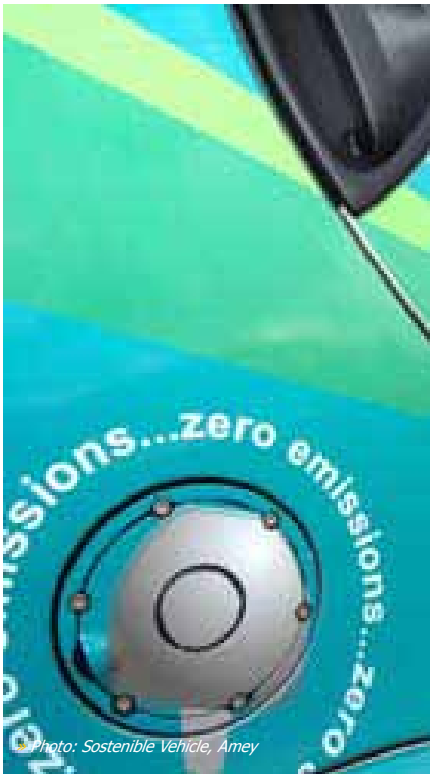
Milestones in 2009

- Launch of the procedure for calculating the global carbon footprint and its verification by an independent entity.
- Update of the corporate scorecard indicators.

2010-2011 Objectives

- Implementation of Employee Mobility Plan at central offices.
- Implementation of the strategy for reducing the carbon footprint of Ferrovial.
- Reduction of 15% in 2010 CO₂ emissions at airports over the 1990 figures.

Environment	2009	2008	2007	Chg 09-08
Emissions of greenhouse gases avoided by direct uptake of biogas (T CO ₂ eq.)	514,221	526,267	519,604	-2%
Emissions of greenhouse gases avoided by triage activities (T CO ₂ eq.)	328,099	361,105	342,061	-9%
Emissions of greenhouse gases (T CO ₂ eq.) (Scope 1 + Scope 2)	1,963,752	n.s	n.s	
Amount of electricity generated from biogas recovery (Gj)	279,841	321,464	308,959	-13%
Amount of thermal energy generated from biogas recovery (Gj)	175,134	118,168	146,666	48%
Amount of electricity produced through cogeneration through hazardous waste incineration (Gj)	61,045	66,082	66,290	-8%
Reduction of waste sent to landfill (m ³)	30,582,938	13,108,962	10,080,769	133%
Recovery in sorting plants (t)	857,626	880,427	859,392	-3%



house gas emissions, considered key elements of corporate public commitments. Closer collaboration with NGOs, authorities and regulatory bodies is also considered a key element.

Environmental performance index (epi)

In order to evaluate the environmental performance of the construction sector in real time, Ferrovial created the Environmental Performance Index (EPI). This clear, concise graphic index compiles all information regarding the company's environmental management since late 1996.

The EPI concept is unprecedented in the construction industry. The quantitative information provided makes it possible to analyze the causes of variations and make informed decisions in the area of environmental management.

The index has been validated by the Rey Juan Carlos University and officially recognized by the Alfonso Martín Escudero

UNESCO Chair for the Environment. For further information about the Environmental Performance Index please visit the Ferrovial website.

SERVICES DIVISION EPI

During 2009, following the validation of the mathematical algorithm by the UNESCO Chair at the Rey Juan Carlos University, the functional tests on the software application that supports EPI were completed. The software provides support both in the field and for environmental assessments and environmental risk estimates, and can also be used for consultation thanks to the implementation of remote access to obtain reports and listings with multiple filter options.

The EPI figures can be calculated for the individual companies (Cespa, Euroлимп, Grupisa and Ferroser), or grouped and weighted to obtain an overall value for Ferrovial Servicios.

The application is already in production for the loading of risk assessments and environmental risk estimates. The final review of the formulas after the final data load as well as the establishment of thresholds are still pending prior to full and open implementation of the system.

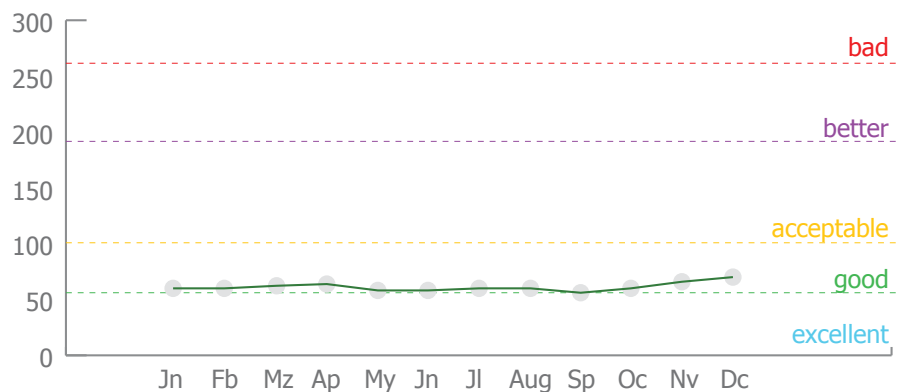
Environmental policy

Ferrovial's environmental policy is based on the Sustainability Policy that governs the entire Group, which is designed, enacted and supported by the organization's highest-ranking executives. Starting from the basis of this shared commitment, each department develops its own policy according to the risks and stakeholder demands of each business activity.

In 2008, Ferrovial updated its Quality and Environmental Policy in an attempt to adapt it to the company's new profile and the new corporate risks derived from the acquisition of BAA.

The new version features new aspects such as dialogue with stakeholders, eco-efficiency and the reduction of green-

Environmental performance index (epi) 2009



Environmental goals and impacts

The analysis of the evolution of significant impacts is a key tool for setting targets.

The evaluation of the environmental impact of integrated work showed an overall improvement compared to 2008 in waste management aspects. There has been major progress in the management of hazardous waste in building works and in the management of construction and demolition waste in civil works. As for the impacts that have worsened in 2009, it should be highlighted those related to water quality, including construction runoff, which has led to turbidity in streams largely due to the intensity of the rain during some periods. The remaining impacts are within the parameters of previous years, with slight improvements in those related to the generation of dust.

The production centers establish their environmental goals annually in order to minimize their impact on the environment.

These goals are a key factor in the monitoring of environmental performance and ensure continuous improvement, making them a key tool in the design of the global strategic lines. The process of establishing and monitoring of environmental objectives involves every level of the company.

Most of the objectives are designed to reduce raw material consumption, maximizing reuse and recycling and, in particular, reducing the emission of greenhouse gases. During 2009, new types of objectives were created related to hazardous waste

management and the reduction of dust and noise.

CONSTRUCTION GOALS

- The percentage of works with environmental objectives increased from 80% in 2008 to 90.4% in 2009.
- The percentage of ongoing works with environmental goals held steady at the maximum level for the second year given that there is very little margin for improvement.
- The number of goals per project remained stable at 2.62 in 2009, in line with the average of 2.7 goals/project recorded in 2008.
- Project goals related to soil reuse continue to be a priority and also the increase of those related to the management of hazardous waste, noise and dust.

The construction division has an important goal to reduce the quantity of waste disposed in landfills by 56,000,000 m³ over the 2005-2012 period.

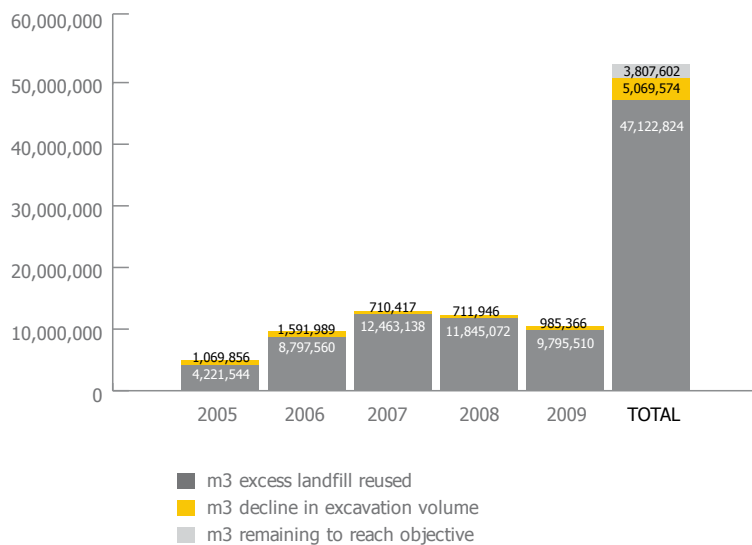
In 2009, the construction division reduced its landfill production by 10.8 million m³. The total amount of material saved from landfill dumping since 2005 represents 92% of the total goal.

In the last 4 years, 46,900,998 cubic meters of material were saved from landfill dumping.

The generation of surplus soil from excavation is a typical impact of civil works. This soil is disposed of in specific landfills designated for this purpose with resulting associated impacts. In order to minimize the amount of soil destined to landfills the company has established a series of goals.

The substantial decrease in the volumes managed during 2009 was due to the completion of major public works and tunnels.

Evolution of compliance with objectives for landfill dumping of inert material 2005 - 2009



Classification of production center goals by the impact to avoid.

Impact to avoid	Associated goal	Units
Impact on wildlife habitats	• One month adaptation of the work plan to reduce impact on wildlife	Month
Impact on shores and river banks	• m ² reduction of impact on river banks	m ²
Impact on historical and artistic heritage	• m ² of archeological prospecting	m ²
Direct impact on ground cover	• Protection units for trees adjacent to the work	Units
	• Units of reduction in tree cutting	Units
	• Units transplanted for trees and shrubs	Units
	• m ² reduction of impact on ground cover of interest	m ²
Direct impact on soil	• m ² of use of existing tracks and roads for access	m.l.
	• m ² reduction in surface area affected by the work	m ²
Alteration of water quality	• m ³ of water treated with correction of pH to above legal limits	m ³
Alteration of noise levels	• Units Spots shielded for noise	Units
	• Units of low noise machinery	Units
Water consumption	• Use of sprinkler irrigation	m ² -m ³
	• m ³ of water reused	m ³
Air pollution (particulates)	• Unit increase in irrigation to stabilize work access	Units
	• m of road with reduced speed limits	m.l.
	• m ² of connection area for sprinkler irrigation	m ²
	• m ² of shielding against dust dispersion	m ²
Construction and demolition waste pollution	• m ³ reuse / recycling of wood for different purposes	m ³
	• m ² reuse / recycling of plastic	m ²
	• m ³ of use of recycled building material	m ³
	• kg of reuse / recycling of metal for different purposes	kg
	• m ³ of decrease in excavation volume	m ³
	• m ³ of concrete replaced "in situ" for prefabricated	m ³
	• m ³ of waste recycled offsite	m ³
	• Units of arches and huts recycled as separators	m ³
• m ³ of CDW recovered at the worksite	m ³	
Hazardous waste pollution	• Units monitored and controlled of subcontractors that generate HW	n ^o
	• m ³ of HW reduced by minimizing generation	m ³
	• Units of onsite lighting reused	ud
Occupation of public roads	• m ² reduction in impact on public roads	m ²

Goals relating to the use of recycled source materials.

Goals associated with the use of recycled source materials (Construction)	2009	Units
m ³ of water reused	46,754	m ³
m ³ reuse / recycling of wood for different purposes	72,882	m ³
m ² reuse / recycling of plastic	6,376	m ²
m ³ of use of recycled building material	390,591	m ³
kg of reuse / recycling of metal for different purposes	4,819,512	kg
Units of arches and huts recycled as separators	61	Units
Units of on site lighting reused	295	Units
kg of paper reused and/or delivered to recyclers	13,945	kg
m ³ topsoil reused	285,259	m ³
m ³ of reuse of excavation surplus	6,673,999	m ³

Carbon footprint

Ferrovial believes that the best way to fight emissions is to eradicate the source. As the company improves its performance in this area, it has introduced an emission reduction project which starts by identifying and classifying emissions.

In 2008, Ferrovial worked to identify all sources of emissions in the company's activities and in 2009 completed the procedure for calculating the global carbon footprint, which serves to consolidate the criteria for establishing the methodology for collecting data and calculating emissions.

The calculation considers the shareholder sections of those contracts over which the company has operational control. The procedure also allows us to identify emissions by source, country and company, which is a key point when the establishing goals.

The scope of the reporting requirements has been set to Scope 1 and Scope 2, although there are companies that already have Scope 3 data.

The new procedure sets 2009 emissions as the baseline and, using the same reporting approach and calculation methodology, enable us to compare the evolution of their emissions, both in absolute terms and relative to sales figures, to avoid the difficulties encountered in previous years.

Throughout 2010 Ferrovial will provide more detailed information on the carbon footprint in the Environment section of the Ferrovial website. Once the reports are unified, it will be possible to track the evolution of the company's emissions and thus ensure the effectiveness of the measures introduced.

** The data published reflects that available as of February 2010.*

** Data do not include Tube Lines and Budimex. It is estimated that emissions from Tube Lines are below 2% because of its specific operating conditions, where energy consumption is for the municipality. The goal is to make the emissions available in future reports.*

** The BAA emissions do not include Gatwick following the disinvestment process undertaken in 2009.*

CO₂ EMISSIONS

Total CO₂ emissions by Ferrovial company (Scope 1 and 2)

	CO ₂ equiv. tons
CORPORATION	989
CESPA	1,173,611
SWISSPORT	40,644
BAA	450,346
AMEY	40,708
CADAGUA	99,810
CINTRA	30,517
FASA	110,234
FERROSER	16,893
TOTAL	1,963,752

Scope 1 includes direct emissions produced from sources owned or controlled by the company. They mainly derive from:

- Fuel combustion in stationary equipment (boilers, furnaces, turbines...)
- Fuel combustion in vehicles owned or controlled by the company.
- Diffuse emissions. Emissions not associated with a determined emission point, such as biogas emissions from landfills.

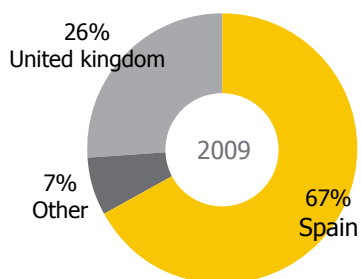
Scope 2 includes emissions from electricity consumption purchased from other companies that produce or control the power.

87.2% of Cespa emissions correspond to the diffuse emissions (biogas) produced in landfills. Of the total diffuse emissions, 25.68% are generated in Cespa-owned landfills and the rest in landfills that are managed by the company but are not owned.

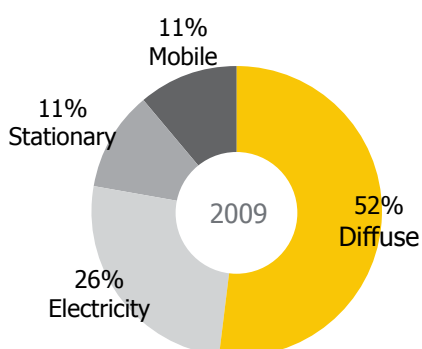
In 2009, in addition to verification by an independent agency, the procedure and methodology for calculating the carbon footprint according to ISO 14064-1:2006 "Greenhouse Gases. Specification with guidance at the organization level for quantification and reporting of greenhouse gas emissions and removals." The Carbon Footprint and other significant emissions of Ferrovial group companies worldwide have been verified.

Total Ferrovia CO₂ emissions by country (Scope 1 and 2)

	CO ₂ equiv. tons
SPAIN	1,312,233
UNITED KINGDOM	513,278
OTHER	138,241
TOTAL	1,963,752



Total Ferrovia CO₂ emissions by source (Scope 1 and 2)



Other indirect emissions (Scope 3)

The report on this category is optional and includes all other indirect emissions. These emissions are the result of the activities of the company but occur from sources that are not owned or controlled by it.

For Amey, the calculation has considered emissions from freight transport, business travel and commuting.

For BAA, the calculation of Scope 3 emissions considers aircraft landing and takeoff runway traffic, business travel, vehicles operating on the runway, access to the airport by passengers and water and waste management.

	CO ₂ equiv. tons
AMEY	9,102
BAA	2,424,069

NO, SO AND OTHER SIGNIFICANT EMISSIONS

The emission of other gaseous pollutants is calculated based on fuel consumption:

• **Emissions from boilers.**

NOx (Tn)	CO (Tn)	COVNM (Tn)	SOx (Tn)	Particulates (Tn)
188	271	43	29	34

These emissions primarily come from burning natural gas, diesel, fuel, biomass and propane.

• **Motor vehicles**

CO (Tn)	COVNM (Tn)	NOx (Tn)	Particulates (Tn)
1,349	185	823	108

These emissions come from the use of diesel, gasoline and LPG in motor vehicles.



Photo: Environment Resources Center, Castilla y León, Valladolid, Spain

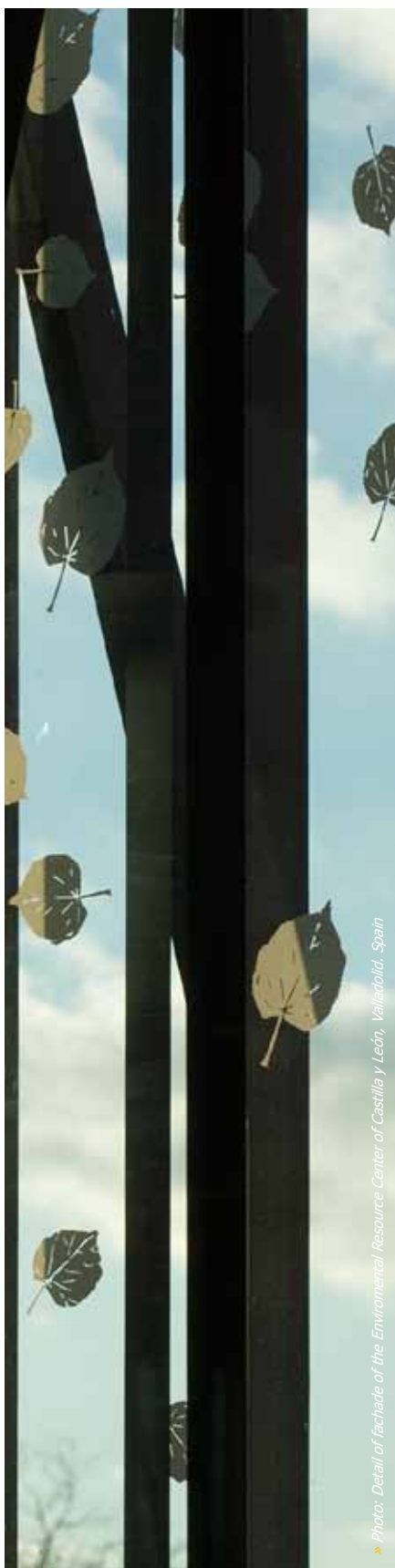


Photo: Detail of facade of the Environmental Resource Center of Castilla y León, Valladolid, Spain

- **Mobile machinery used in construction**

CO (g/Kg)	COVNM (g/Kg)	NOx (g/Kg)	Particulates (g/Kg)
56	18	172	11

These emissions come from the use of diesel, fuel in mobile machinery used in construction.

- **Electricity**

Primary source	Emissions(t)				
	NOx	CO	COVNM	SOx	Particulates
Total	561.04	226.94	4.35	1,035.53	43.16

The calculation considers the electric mix of each country.

Direct energy consumption itemized by primary sources

Fuels used in stationary and mobile sources

Primary energy source	TOTAL (GJ)	Consumption (GJ)	
		All companies	
coal	1,194,621	Biomass	41,112
gasoil	113,030	Diesel	3,009,858
gas	1,395,978	Fuel	86,182
biomass	63,566	Petrol	317,898
waste	26,542	GN	2,367,974
nuclear	608,597	LPG	2,813
hydraulic	213,427	Propane	69,141
geothermal	374	TOTAL	5,894,979
PV solar	1,848		
thermal solar	39		
wind	134,010		
tidal	1		
other	1,160		
Total production	3,753,193		

Gases destroying the ozone layer (refrigerants)

Company		Type of Refrigerant				
		R22	R407C	HFC 134a	R404A	R417a
BAA	Heathrow	120.8	211	240.8		
	Aberdeen		8			
	Glasgow	25			2	
	Stansted	1	2.7			18
	Subtotal (Kg)	146.8	221.7	240.8	2	18

Company	R22
Corporation	71.1
Subtotal (Kg)	71.1

	R22	R407C	HFC 134a	R404A	R417a
TOTAL (Kg)	217.9	221.7	240.8	2	18

Weight of the different refrigerants in Airports and the Corporation

EMISSIONS REDUCTION IN AIRPORTS (BAA)

The primary goal of BAA is to improve energy efficiency and reduce greenhouse gas emissions in airport ground facilities as well as Scope 3 emissions.

In particular, accessibility to the airport, aircraft ground emissions and, finally, in-flight emissions. For the latter case, BAA has been working very closely with airlines to publish the road carbon footprint roadmap for sustainable aviation. In addition, BAA is part of the Global Aviation Deal, which worked for an agreement in the aviation industry in Copenhagen.

Long-term objectives (2008-2012)

- The goal is to reduce emissions by 15% from 1990 levels by 2010 and, in the second phase, achieve a 30% reduction by the year 2020.

2010 Heathrow Goals

- Publish Heathrow's carbon footprint for 2009 and establish an emissions reduction program.
- Reduction of 1.4% in emissions over the 2009 figures.

EMISSIONS REDUCTION IN AMEY

Amey calculated its carbon footprint in early 2008 and established a target of reducing emissions 10% by the end of 2010. The efforts made allowed the company to reach this goal by the end of 2009 and Amey has expanded its goal to reduce its overall carbon footprint more than 10% by the end of 2010, measured in tons of CO₂ emissions / million pounds of sales. Alliances for reducing the carbon footprint.

- 10:10** - This is a UK national initiative with the aim of reducing emissions in the country by 10% by 2010.

Amey had already made its 10% goal public in 2008, but a growing number of companies and administrations have joined in a national campaign,

so the company will also join the 10:10 campaign.

- Carbon Disclosure Project** - Amey will form part of the CDP in the first quarter of 2010

This project was founded in 2000 with the aim of collecting and distributing high-quality information that would serve the various interest groups to take action to prevent climate change.

Currently 2,500 organizations in 60 countries around the world measure and display their emissions data and strategies through the CDP. They serve as a means of providing information to investors, companies, politicians, government agencies, teachers and the general public to assist them in their decision-making.

The CDP is a means used by local and national governments to engage their suppliers in the implementation of strategies to address the management of energy consumption and the emission of greenhouse gases,

allowing the governments to adapt to the associated risks, even through the supply chain, and adopt effective measures when needed.

Several of the British administrations joined CDP and took Amey's participation as a member of their supply chain as a given, and, as members of the same project, counted on the company's participation when making decisions and on its responsibility as a public service provider.

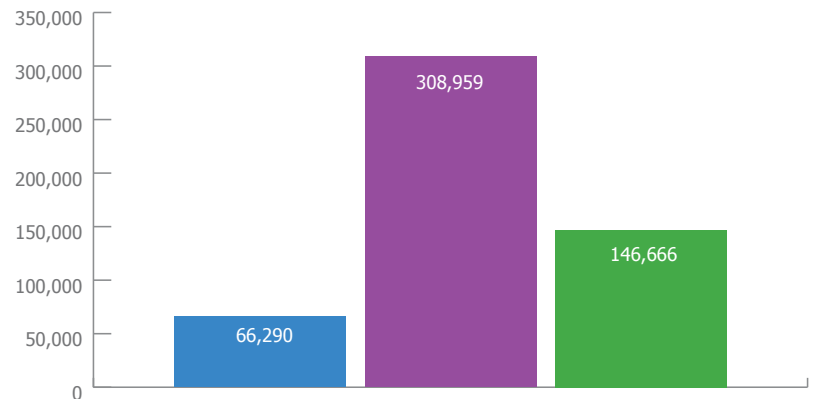
PLATINUM GREEN AWARDS 500

Tube Lines received the Platinum Green 500 Award for their commitment and constant struggle in reducing their emissions of greenhouse gases. These awards recognize the work of those organizations that have successfully implemented emission reduction methods.

In this case, the company was particularly recognized for the transparency of its calculation methodology as well as consistency in developing initiatives that reduce its carbon footprint, covering various fields of action from resource savings, measures in the field of the mobility and minor improvements such as the renovation of gardening machinery, replacing traditional diesel machines for electric.

EMISSIONS AVOIDED THROUGH POWER GENERATION

Energy produced through waste treatment 2009 Energy (GJ)



- Amount of electricity produced (cogeneration) through hazardous waste incineration.
- Amount of electricity generated from biogas recovery.
- Amount of thermal energy generated from biogas recovery.



	2009	2008	2007
• Amount of electricity produced (cogeneration) through hazardous waste incineration	66,290	66,082	61,045
• Amount of electricity generated from biogas recovery	308,959	321,646	279,841
• Amount of thermal energy generated from biogas recovery	146,666	118,168	175,134

EMISSIONS REDUCTION IN CESPA

In the field of waste management, the company follows a strategy based on recovery rather than elimination. Ferrovial is committed to investing in technology for the recovery and use of landfill biogas from waste decomposition to produce energy. This will reduce dependence on fossil fuels and the emissions from their combustion, avoiding emissions of methane, which have a greater effect on global warming than CO₂.

The company has also incorporated technological improvements to reduce the amount of waste entering the landfill through the automation and optimization of selection or triage facilities, increasing the level of recycling as much as possible.

Citizens have an important part to play in the success of the recycling process, which is why the company is carrying out different informative campaigns to promote understanding and awareness in the community.

- "I Believe, Yes I believe in recycling.

The Exhibit" Campaign

- First Prize for Environmental Journalism

CESPA-APIA

- "Murcia Recycles" Newsletter

- Best Practices Office Manual

OBJECTIVES 2010

Generally speaking, goals with long-term implications will be maintained and the actions contained in 2009 Program that have not been fully implemented during the year will be completed.

**(Some of the improvement actions proposed for 2010 have yet to be approved by the Cespa Steering Committee at the close of this report).*

Particularly, the 2010 Program will include measures aimed at reducing greenhouse gases.

- Increase of 2% over 2009 in avoided greenhouse gas emission thanks to biogas capture at landfill sites.
- Increase of 2% compared to 2009, electricity generation through biogas generated in landfills.
- Continue with the implementation of the ProBioGas Emission Project to search for waste materials as alternative absorbents in biogas cleaning filters.
- 10% reduction in CO₂ emissions of the Quality and Environment Department thanks to business travel

mobility measures (replacing trips with video and teleconferences, using less contaminating modes of transportation, etc.).

- Increased number of company vehicles that run on alternative fuels.
- In those workplaces that in 2009 have registered more than 10% higher fuel consumption than in 2008, provide training sessions to promote fuel efficient driving and/or launch an awareness campaign aimed at reducing consumption.
- Meet the commitments arising from membership in the STOP CO₂ Initiative Euskadi which is promoted by the Basque Government and, among others, include commitments to make an inventory and develop an Annual CO₂ Management Plan for the company's major activities.

	2005	2006	2007	2008	2009	UNITS
GHG avoided by the triage activity (CO ₂ equiv t.)	260,061.00	240,208.00	328,099.00	361,105.00	342,061.00	CO ₂ equiv. tons
GHG avoided by biogas capture (CO ₂ equiv t.)	510,595.00	483,291.00	514,090.00	526,267.00	519,604.00	CO ₂ equiv. tons

* Data for Spain

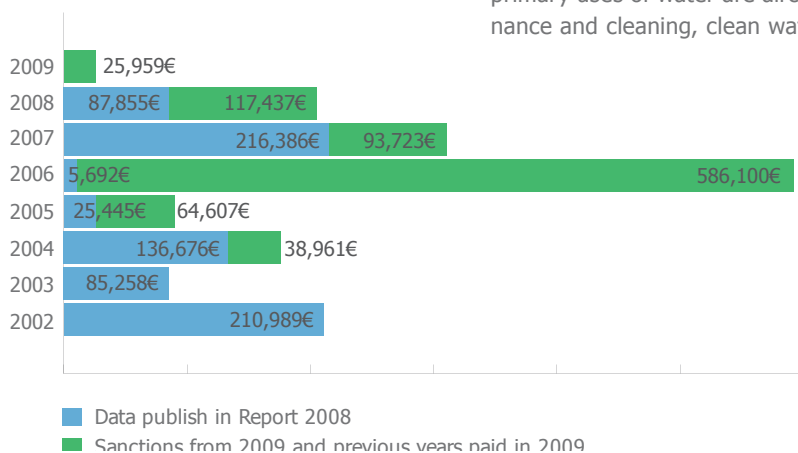
Environmental sanctions

In 2009, a total amount of 25,959 euro was paid in environmental sanctions during the year. Ferrovial reports the effective sanctions in 2009 as well as from previous years, given that legal processes often take longer than a year. Consequently, the figures only include those sanctions that were made effective in 2009, not proposed fines.

Significantly, out of the amount paid in 2009 for previous years, most correspond to the construction division. Although the annual number of penalties has declined significantly in recent years, there has been an increase in the sanction proposals that have become effective. Most referred to the administrative difficulties in licensing and quarrying loans.

A significant event exists when there is a sanction arising from this cause. Therefore, in 2009 no source of water has been significantly affected by any collection or transport activity. As for accidental spills, a sanction was imposed for exceeding discharge limits into the sewer system following a fire at a hazardous material storage facility.

2008-2009 sanctions



Water consumption

Total water consumption (6,115,196 cubic meters) increased slightly in 2009 over the previous year.

It should be noted that data from the construction division that were not available in 2008 have been incorporated, adding a total 1,880,1515 cubic meters. Accordingly, on a comparable basis there has been a decrease in consumption.

Water consumption

	Water m ³
CADAGUA	201,269
AMEY	112,723
CESPA	613,925
CINTRA	174,724
BAA	3,220,044
CONSTRUCTION	1,692,136
FERROSER	86,172
TUBELINES CORPORATION	10,584
TOTAL	6,115,196

100% of the water reported corresponds to the public water system.

BAA is by far the largest consumer of resources of all Ferrovial affiliates. The primary uses of water are aircraft maintenance and cleaning, clean water in public

bathroom sinks for passengers and catering services.

Some of the most important water-saving measures in airports are:

- Detecting and sealing leaks.
- Monitoring water consumption.
- Water-saving systems on cisterns and faucets.
- Collecting rainwater and well water.

Many of the regular operations that require water, such as toilet flushes or irrigation, do not have to use drinking water. Heathrow Airport's new Terminal 5 has two independent water supply systems that provide non-drinking water from wells or rainwater collection, thus reducing the public water supply demand by 70%.

The rainwater collection system uses approximately 85% of all water captured, while the two wells that tap water from the aquifer in place since the construction of T5 are 150 meters deep. The two systems combined can provide an average flow of 55 liters per second of non-drinking water.

WASTEWATER

• Construction

In 2009 industrial water treatment systems were installed for tunnel water from 25 worksites. This water has settleable solids, suspended solids and generally basic pH. The basic treatment system consists of a coarse separator (settleable solids) and a settling pond for the removal of suspended solids. When the load of solids is very high and it has very slow rate of sedimentation, a flocculant or coagulant is added to improve the settling action. As for the pH correction, almost all systems have a continuous pH meter that is associated with a hydrochloric acid dis-

penser, although the company begun to use carbon dioxide bubbler to correct the pH level without the problems associated with using acid.

All basins monitor the discharge indicators, generally suspended solids, pH, conductivity, oils and fats and, in some cases, several additional parameters of little use for such discharges as COD, coliforms, metals. The water quality controls are performed in all cases.

The volume of treated water in these cases is not accounted for, given that they are temporary facilities and do not have continuous counters.

• **Cespa**

Leachate from landfills is collected in ponds designed for this purpose and subjected to purification treatment at the same landfill or at an external treatment plant.

The volume of leachate collected and treated in 2009 amounts to 410,431 cubic meters in Spain and 24,765 cubic meters in Portugal.

• **Cadagua**

The Group's water treatment company in 2009, treated the following volume of water:

WWTP FLOW TREATED	m ³	135,816,636
WWTPi FLOW TREATED	m ³	2,937,422
DRINKING WATER FLOW TREATED	m ³	1,240,664
DESALINATION FACILITY Inflow	m ³	122,286,124
DESALINATION FACILITY FLOW TREATED	m ³	51,063,625

SAVING WATER

Saving water has become a top priority, not only at the corporate level but also at the level of national and EU policies.

Water-saving management is carried out in three ways:

- Efficient water use in production activities.
- Installing low-flow devices when constructing buildings and homes.
- Water-saving programs at main offices.

One of the measures introduced is the reuse of water, primarily in construction, water treatment and urban services.

The management of drinking water demand and efficiency is a top priority both in Spain and in Europe. Some public authorities choose to reuse purified wastewater for irrigating municipal parks and gardens and street cleaning, which comes from the Wastewater Regeneration Stations. The services provided by CESPAs to the Municipal Government of Madrid in 2009 made use of 744,940 m³ of this treated water.

In the construction area, the reused water comes mainly from the water generated in situ concrete plants and tunnel effluent. After being subjected to decantation and

pH correction, the water can be used in irrigation of roads, preventing dust, wash basins and, where possible, in the actual manufacture of concrete. It thus reduces water consumption by an annual volume of 46,754 cubic meters.

In the water treatment area, tertiary refining treatment improves water quality, which is mainly reused for irrigation, process water or washdown water (15,363,136 m³ in 2009).

The British subsidiary Tube Lines collects rainwater for cleaning trains at the Cockfosters Yard. In 2009 about 930 m³ was used for this purpose, which represents a savings of 80% of water in cleaning the trains on the Piccadilly line. The company was awarded the 2009 Green Business Award for this practice.

Energy efficiency

Although Ferrovial's activities are not governed by the Emissions Trading scheme, years ago the company began introducing strategies to reduce greenhouse gas emissions (GHG). The aim is to introduce less contaminating processes and anticipate future regulations that may apply to the Group's activities, particularly in the areas of waste management and air traffic. Within the framework of Ferrovial's strategy against Climate Change, energy efficiency is the key.

The company with the greatest impact in terms of energy consumption is BAA, which owns 7 airports in the United Kingdom and manages several international airports. The complexity of this business is rooted in the variety of activities carried out in airports, ranging from security and shopping to strategy and investments,

which requires collaboration with many different kinds of organizations.

Two fundamental impacts deriving from airport activities are directly related to climate change: emissions generated by energy consumption in airport facilities, and emissions generated by air traffic and ground vehicles coming and going from the airport.

BAA tries to minimize the emissions of those activities which it can directly influence – those related to ground facilities. Other aspects associated with air or ground traffic would require the intervention and participation of other organizations.

The construction of the new Heathrow East terminal will be a wonderful opportunity to improve upon all of the factors that play a role in achieving efficiency by getting involved at the planning stage. The building of this new terminal has introduced new challenges in terms of energy efficiency and the responsible use of resources.

The primary goal in this area is to cut CO₂ emissions by 40%. Half of that reduction will be achieved by using renewable energy sources.

Electric energy consumed

	GJ
CADAGUA	475,673
CESPA	143,133
CINTRA	207,395
CONSTRUCTION	518,128
FERROSER	27,044
GROUP	6,315
AMEY	57,745
BAA	2,317,760
TOTAL	3,753,193

ENERGY STRATEGY IN BAA

• Design phase (Be lean)

- Control the presence of natural light to cut back on artificial lighting needs. Provide good winter insulation to minimize heating costs and avoid the accumulation of sunshine in summer to cut back on air conditioning.
- Use of awnings to avoid heating by solar radiation and excessive sunlight.
- Reduce water consumption in air conditioning by using an aquifer to supply water and taking advantage of its natural cooling properties. This would cut back on both energy and water use for air conditioning.
- Reuse ventilation heat using exchangers that transfer the heat generated inside buildings to the ventilation systems in order to minimize emissions produced by heating equipment.

• Generating and consuming clean energy produced at the airport (Be clean)

- Generate energy from biomass in a gasification plant that generates gas from biomass waste collected at Heathrow Airport.
- Produce photovoltaic energy using solar panels on the terminal's roof.
- Reuse wastewater for sanitation and air conditioning.

• Using clean energy sources (Be green)

- Use renewable energy sources (such as wind turbines).
- Plan to install more photovoltaic panels in the future.

ENERGY STRATEGY IN AMEY

Over the course of 2008 and thanks to the installation of energy optimization systems and other measures, this company managed to reduce energy consumption in the Sherard Building by over 10%.

The installation of a specific device in the Amey offices within this same building resulted in an average savings of 14.13%, the equivalent of an annual savings of 48 tonnes of CO₂.

Carbon Reduction Commitment (CRC Energy Efficiency Scheme):

In April 2010 the UK launched its first mandatory carbon trading scheme: The Carbon Reduction Commitment (recently renamed the CRC Energy Efficiency Scheme)

While this new system does not formally enter into force until April 2010, Amey must be prepared to meet all legal requirements to participate in this scheme. For now, progress has been made in identifying responsibilities for the identification of the Ferrovial's UK subsidiaries that will be considered "relevant subsidiaries."

To ensure legal compliance, the company has invested time in identifying the overall structure of the organization in order to calculate the total consumption and report at least 90% of total emissions. The organization must determine if consumption exceeds the threshold of 6,000 MWh, over which participation in the system is compulsory.

Another project is underway to consolidate energy supply to unify the electricity supplier.

As part of the commitment, Amey must provide supporting evidence for all data reported.

Since November 2009 all of the Amey business centers are powered by renewable energy sources

ENERGY STRATEGY IN CORPORATION

An energy audit was performed at the main offices of the Corporation to identify potential energy saving opportunities. The energy audit is an analysis of the situation of a building that provides information on the methods used to operate the building, the level of energy use, the functioning of power systems and facilities and the state of the components, the energy consumed thereby and the associated costs.

In short, it allows us to know where, how and what energy is used in a building.

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for heating and air conditioning, lighting, ventilation and the other most significant equipment of the building, analyzing them and making recommendations for improvements to reduce energy consumption, while always maintaining appropriate levels of comfort and wellness within the buildings.

The establishment of the measures to implement not only takes into account the technologies and equipment that can be used in each case, but also those behaviors that promote better use of the facilities and equipment, actively involving the personnel in the building.

The goal is to reduce electricity consumption between 2009 and 2011 to a level representing a savings of 55% over 2008 levels.

Various energy-saving measures were initiated in 2009, such as the optimization of operations at the DPC, adjustment of operating hours for heating, air conditioning and lighting, adjustment of temperatures, etc. to better conform to the real needs of the building, which has resulted in a savings of 47.75%.

Between 2010 and 2011, the company will implement other measures that will obtain a savings of 15% over the consumption levels of 2009

Sludge treatment

Filtered sludge or biosolids are a by-product of wastewater treatment that constitutes a valuable resource due to its high levels of organic material and essential plant nutrients. The dehydration process significantly reduces the weight and volume of the sludge without compromising its basic properties, thereby increasing the possibilities of reuse.

Cadagua is the Group company specialized in water treatment. The drying of dehydrated sludge passed through filters is associated with an energy cogeneration process. In 2009, Cadagua generated 114,179,837.60 kWh of power.

The thermal drying of mud involves applying heat to evaporate most of the water mixed in with the sludge. In the plants run by Cadagua, energy cogeneration is achieved by using natural gas in motor-generators, turbo-generators or Centidry. This cogeneration produces mechanical and thermal energy from the natural gas. Cogeneration in urban wastewater filtering plants offers both economic and environmental benefits.

This process produces electrical energy, reducing operating costs and generating heat, and through thermal drying this yields a product: dry granulated biosolids with a significantly reduced volume of granular particles, highly sanitized and potentially usable. Cadagua owns the largest Thermal Sludge Drying Plant in Europe, located in Madrid and processing 300,000 tons per year.

During 2009 Cadagua's thermal drying plants in Spain treated 197,062,740 kilos of dehydrated filtered sludge and obtained 41,491,400 kilos of sludge granules.

Raw materials

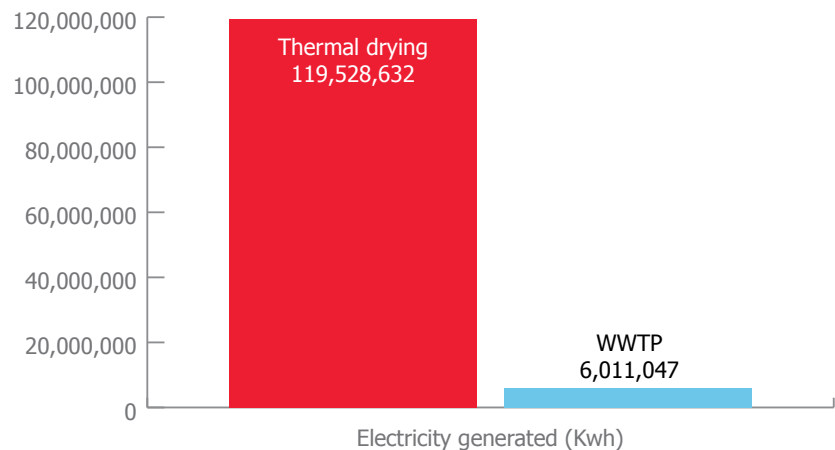
The construction division is the business area responsible for the bulk of the materials purchased.

Ferrovial believes that the materiality of a given indicator lies in the ability to manage it and does not consider the amount of certain products and raw materials consumed in the construction division to be material. This is given because this consumption depends primarily on the type and number of projects contracted. Neither the type (design) nor the amount are generally the responsibility of Ferrovial, so monitoring these indicators does not add anything to the environmental performance or management of the group.

The amount of materials consumed depends entirely on factors beyond the control of Ferrovial, although the company makes an extra effort with the origin of wood and paper (as a derivative) given the supreme importance that confirming the origin of these materials has for the image and reputation of Ferrovial.

In some cases there may be margin for minimizing the use of certain materials and the company has full capacity to decide on the specifications for each product.

Electricity generated from sludge treatment CADAGUA



Percentage of paper bought

Company	Volume of paper bought (Kg)	% FSC Weight (Kg)	% Recycled weight (Kg)
Amey	237,362	32,044	112,984
BAA	127,278	111,877	13,746
Cadagua	4,000	100	0
Cespa	156,820	0	31,364
Cintra	148,108	0	0
Ferrosier	17,464	0	16,877
Corporation	17,257	0	0
Construction	99,764	0	0
Swissport	752,323	25,579	0
Tubelines	30,000	0	30,000
TOTAL	1,590,376	169,600	204,971
%	100	11	13

Waste management

The waste management policy shared by all companies in the Group is based on a minimization of waste production, proper waste management and an emphasis on recovery, reuse and recycling.

Cespa is the company specialized in offering environmental services (road cleaning, maintenance and creation of green areas), and waste management and treatment in Spain and Portugal.

The main lines of action pursued in recent years can be summed up as follows:

- Degasification of landfills and harvesting electrical energy from the biogas collected.
- Improved level of waste reuse thanks to new technologies.
- Introduction of clean vehicles in contract bids presented.
- Inclusion of green purchase criteria in the supplier selection process.

WASTE MANAGEMENT IN BAA

BAA airports generate around 56,000 tons of waste each year. Most are produced by companies operating in there facilities: shops, aircraft maintenance and handling firms and the cleaning of aircraft, without considering that produced by the construction and restoration projects.

The goal is to reduce the amount of waste sent to landfills by promoting recycling

and trying to extend these good practices to the other companies operating in the Group's airports.

The goals for 2020 are:

- Zero landfill waste.
- 70% of airport waste recycled.
- 90% recycling rate for construction activities.

Airport recycling goals

	Total waste in 2009 (Tn)	Recycled waste in 2009 (Tn)	Recycled waste (%)	2009 Goals	2010 Goals
Heathrow	26,331	10,731	41	45%	50%
Airports (Except Heathrow)	8,939	2,910	33	*	*
BAA (TOTAL)	35,270	13,641	39	-	40%

* The recycling targets are different for each airport in accordance with their characteristics.

During 2009 there was an increase in the average annual rate of recycled material in airports compared to 2008 data.

In 2009, the sorting and recycling facilities at Heathrow airport were damaged by fire and the recycling rate was lower than expected due to the decrease in this activity during the time taken to remedy the problem.



Waste classification project at Heathrow

This aim of this project at Heathrow Airport to analyze the amount of each type of waste generated and their origin. For example, organic waste comes mainly from terminal facilities, while most of the paper waste is from the aircraft.

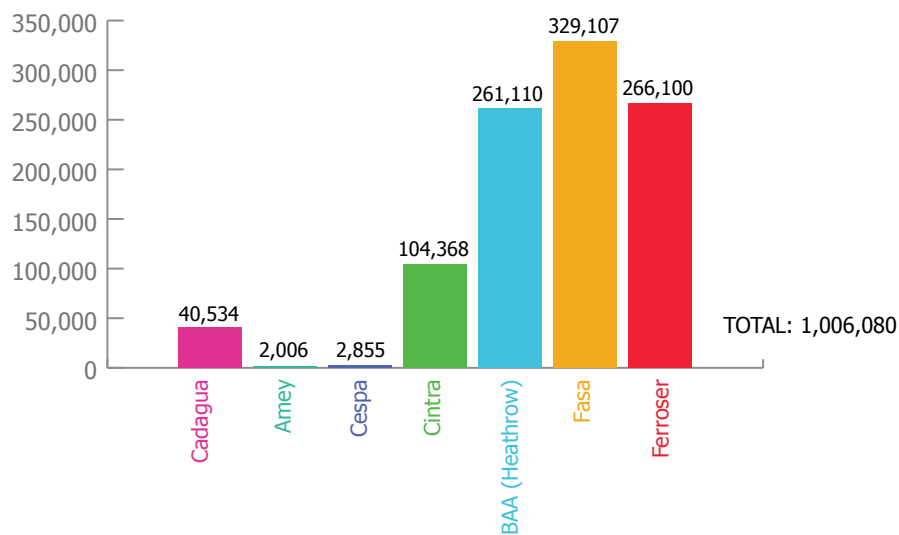
This data lead us to the conclusion that over 60% of waste from the aircraft could be recycled as dry waste, compared with 30-35% of the waste generated by the terminal facilities.

It is estimated that the waste generated annually at Heathrow as a direct or indirect result of airport operations totals around 103,587 tons. More than 50% comes from aircraft catering and only 28% comes from activities directly managed by BAA.

The crisis in the United Kingdom has had a significant influence on the results studied, especially in the last quarter of 2008 and the first quarter of 2009.

As part of this project the airport has designed a model to predict waste generation in different scenarios based on certain key indicators in order to facilitate waste management planning at the airport.

Volume of hazardous wastes



* Treated waste produced by the company.

HAZARDOUS WASTE TREATMENT

Cepsa is the Group company engaged, among other things, in hazardous waste treatment. In 2009, 224,628 tons were treated. The sources and destinations of all of this waste are within Spain.

Hazardous waste treatment

Number of hazardous waste treatment centers	Units	9
Number of hospital waste treatment centers *	Units	6 plants + 1 CRT
Tons of hazardous waste received and managed	Tn	224.628
Volume of contaminated soil treated	m ³	50.000
Tons of contaminated soil treated	Tn	45.000
CO ₂ emissions by direct measurement from Hazardous Waste Incineration	CO ₂ equiv. tons	36.647
CO ₂ emissions by direct measurement from Hazardous Waste Management	CO ₂ equiv. tons	4.250
Amount of electricity produced (cogeneration) through hazardous waste incineration	GJ	66.290
Electrical energy produced by incineration of hazardous waste	GJ	
Total tonnage (from all Hazardous waste treatment sites) recovered as a substitute fuel for cement production	T	33.846
Ton of oil equivalent (TOE) recovered from Hazardous Waste for co-incineration in cement production and others	TOE	14.587

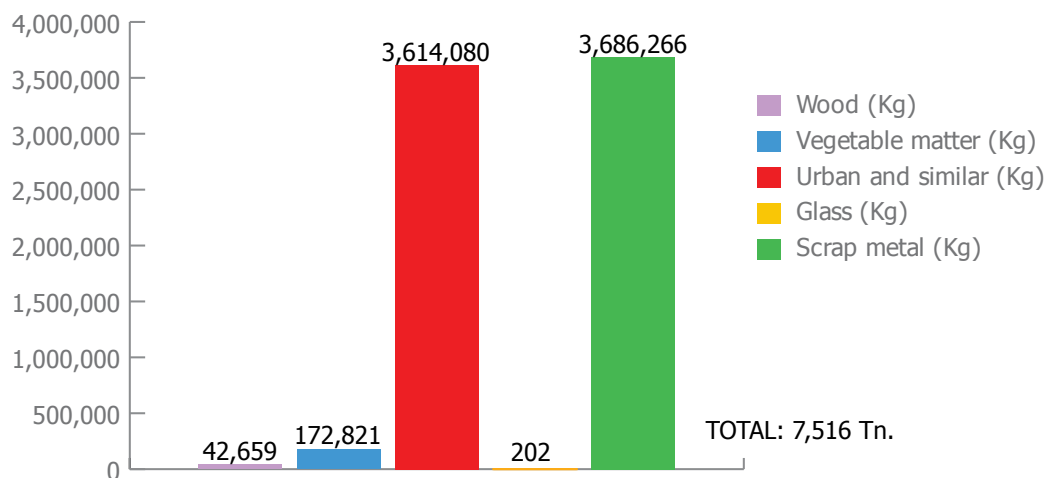
* Not all medical waste is dangerous, but all are treated in an autoclave

Family	Code	Description	Weight (kg)	Company	TOTAL (Kg)
1	WASTE FROM PROSPECTING, MINING AND QUARRIES				
	10505	Oil-containing drilling muds and wastes	21,986	Cintra	
			1,806,800	Construction	1,828,800
5	WASTE FROM PETROLEUM REFINING AND NATURAL GAS PURIFICATION				
	50699	Wastes not otherwise specified	5,640	Construction	5,640
8	WASTES FROM THE MANUFACTURE, DISTRIBUTION AND USE OF PAINTS, INKS, VARNISH				
	80111	Waste from paint and varnish containing organic solvents or other dangerous substances	18,482	Ferroser	18,482
12	WASTE FROM THE PHYSICAL AND MECHANICAL TREATMENT OF METAL AND PLASTIC				
	120113	Welding wastes	50	Construction	50
13	WASTE FROM OILS AND LIQUID FUELS				
	1302	Waste from motor oil, mechanical transmissions and lubrication	23,684	Cadagua	
			5,000	Cespa	
			18,444	Cintra	
			175,295	Construction	
		8,141	Ferroser	230,564	
14	WASTE FROM ORGANIC SOLVENTS, REFRIGERANTS AND PROPELLANTS				
		Organic aerosols	15,314	Construction	15,314
	140602	Other halogenated solvents and solvent mixes	1,146	Construction	1,146
15	WASTE FROM PACKAGING; ABSORBENT AND FILTRATION MATERIALS				
	1502	Absorbents, filter materials, wiping cloths, protective clothing	74,272	Cintra	
			8,019	Construction	
			11,171	Ferroser	93,462
16	UNSPECIFIED VEHICLES WASTE AND DERIVATIVES				
	160213	Discarded equipment containing hazardous components	8,122	Ferroser	8,122
	1606	Batteries and accumulators	9	Ferroser	9
	160601	Lead batteries	4,726	Cintra	
			4,948	Construction	9,674
	160103	Used tires	159,408	Cintra	
			26,620	Construction	
			28,424	Ferroser	214,452
160107	Oil Filters	733	Cintra		
		5,671	Construction	6,404	
160114	Antifreeze fluids containing dangerous substances	400	Construction	400	

160708	Wastes containing oil	21,986			
		40,029	Construction		
		4,820	Ferroser	66,835	
160708	Wastes containing oil (containers)	1,233	Cintra		
		16,039	Construction		
		128,810	Ferroser	146,082	
1706	Insulation materials and building materials containing asbestos				
		1,015,427	Construction	1,015,427	
19	WASTE FROM WATER TREATMENT FACILITIES				
190702	Antifreeze fluids containing dangerous substances				
		5,820	Ferroser	5,820	
190810	Mixtures of fats and oils from the separation of water and oily substances				
		31,510	Ferroser	31,510	
20	HOUSEHOLD AND SIMILAR WASTE				
200121	Fluorescent tubes and other mercury containing waste				
		1,418	Cintra		
		59	Cespa		
		4,299	Ferroser	5,776	
Family	Code	Description	Vol. (m³)	Company	TOTAL (m³)
19		WASTE FROM WATER TREATMENT FACILITIES			
	190805	Sludge from treatment of urban waste water (m ³)			
			83,632,024	Cadagua	
			31	Cespa	84,294,263
			662,208	Cintra	
Family	Code	Description	Vol. (units)	Company	TOTAL (units)
8		WASTES FROM THE MANUFACTURE, DISTRIBUTION AND USE OF PAINTS, INKS, VARNISH			
	80317	Waste from printer toner cartridges containing dangerous substances			
			301 units.	Construction	301 units.

URBAN WASTE

Total urban waste Ferrovial



RECYCLING

	METAL CUTTINGS (Kg)	PAPER AND CARDBOARD (Kg)	PLASTICS (Kg)	WOOD (kg)
CADAGUA	6,350	12,231.0	10,699	
AMEY	279,280	49,320	15,530	
CESPA		17,955	648	
CINTRA	798,270	151,520	29,250	
BAA	48,990	3,128,680	4,176,800	
CONSTRUCTION	2,483,017	221,605	53,006	2,289,463
TUBE LINES		2,090,000		
FERROSER	120,056	377,979	559	
	3,735,963	6,049,290	4,286,492	2,289,463

* Data from recycled material at Heathrow airport do not include the materials recycled at the recycling facilities (ND) so the final amount would be significantly higher.

Resource conservation

Ferrovial believes that the most important impact of its activity is the emission of greenhouse gases and the effect on natural systems and biodiversity.

The Group supports initiatives that aim to improve certain ecosystems in the areas affected by its construction, concession or operating activities. Ferrovial maintains that the best way to carry out these projects is by collaborating with experts in each specific field.

BROWN BEAR PROTECTION

The Rañadoiro Tunnel works, the construction of which is being supervised by Ferrovial Agromán, is an environmental-

ly friendly civil engineering project. The usual good practices of environmental management have been enhanced by a collaboration agreement with the Brown Bear Foundation for a close monitoring of the project's effects on this species, made necessary by the fact that the Rañadoiro region is the natural habitat of this and other emblematic species.

The brown bear population living in the Cantabrian Mountain Range features genetic traits that differentiate it from other bear populations, making it unique in the world. Consequently, these brown bears are considered especially interesting and valuable from a zoological and conservationist perspective. The Cantabrian brown bear is one of the smallest and most endangered bear species in the world, with between 105 and 130 living specimens.

The Cantabrian bear needs a large territory to survive because it relies on a wide variety of habitats in which to find food and shelter.

Ferrovial Agromán and the Principality of Asturias, aware of the importance of preserving the brown bear habitat, sought out the Brown Bear Foundation in order to sign the aforementioned collaboration agreement.

The primary goal of this collaboration between the foundation and Ferrovial Agromán is to make sure that human activities do not affect the fauna populations in the area. However, once monitoring activities commenced, new technically viable environmental improvements were introduced to take the initiative one step further, such as:

- Using removed earth to fill degraded areas and partially recover the land's original contours instead of creating a new dumping ground, and restoring quarries still in operation.
- Reducing the impact of clearing vegetation at the tunnel mouths and adapting blasting activities to minimize impact on fauna.

- Minimizing the number of access routes to the construction site.
- Minimizing the effects of overpasses on riverbeds and banks.
- Optimizing the restoration of spaces not affected by construction activity by way of compensation. The restored areas have been adapted to meet the real needs of the brown bear and wood grouse populations.

SELECTIVE LOGGING PROJECT IN THE CAUSEWAY NATURE RESERVE (HEATHROW)

Selective logging is a traditional form of forest management that allows for the sustainable exploitation of resources.

It has become an important way to maintain biodiversity in forests, allowing different areas to maintain species at different stages of growth, which has generated a greater variety of bird species, invertebrates and plants.

The selective logging carried out in the Causeway Nature Reserve (CNR) (part of the Heathrow’s Eastern Balancing reserve) took place on the shore of the reservoir. This will allow a higher incidence of solar radiation to penetrate the top layers of the shore, which will increase the amount of aquatic vegetation, facilitating the extension of the reeds. Reedbeds are important wetland ecosystems in England and have experienced a significant decline, particularly in London.

Heathrow is a member of the London Biodiversity Partnership’s Reedbed Habitat Action Plan, which promotes the extension of reedbeds in the area.

The Causeway Nature Reserve is an important part of the River Crane gallery forest and the project does not only benefit the area, but all of the local fauna.

The more mature trees are retained and are an important refuge for bats. The maintenance of reedbeds in balance implies a positive marginal effect on overall water quality.

An herbaceous area identified as an area of high ecological value (threatened by the construction of the M25 for T5) has been transplanted.

These plants were taken to an area away from construction work and will remain intact for the management of its biological wealth.

This area is known as Orchard Farm and is home to an extremely rare species of plant in London, the water avens.

Biodiversity Benchmark

Since 2008 Heathrow has held the Biodiversity seal awarded by the Royal Society of Wildlife Trusts.

This seal is recognized as a rigorous certification, which enables UK institutions to demonstrate the quality of the management of their land, improve their contribution to the environment and reaffirm their commitment to the conservation of biodiversity.

In this case, it honors the management of land owned outside Heathrow Airport.



» Photo: Causeway Natural Reserve, Heathrow. UK



» Photo: "Water Avens"

CLIMATE CHANGE MONITORING IN THE SPANISH NATIONAL PARKS NETWORK

Ferrovial participates in this project made possible by a collaboration agreement signed by the Independent Agency of Natural Parks, the Secretary-General for the Prevention of Pollution and Climate Change of Spain's Ministry of the Environment, the National Meteorological Agency and the Biodiversity Foundation.

In September 2008, a collaboration agreement was signed by the Biodiversity Foundation and Ferrovial-Agromán, through which Ferrovial participates in the Climate Change project in collaboration with the Independent Agency of National Parks, the former Secretary-General for the Prevention of Pollution and Climate Change (currently Secretary of State in charge of the Spanish Office of Climate Change) and the National Meteorological Agency. The program has an initial duration of three years.

The end goal of this project is to create a network of meteorological stations for the long-term study of weather and biodiversity indicators to track to effects of climate change on the natural parks and, by extension, on the environment. The National Parks have a very low anthropogenic influence, facilitating the correlation of the evolution of the variable ecosystems with the weather trend in the context of climate change. The findings of this project can shed light on the consequences and impacts of various climate scenarios over the medium and long term.

This program involves the creation of a network of multi-parameter meteorological stations (17 on land and one oceanographic buoy) in three national parks (Picos de Europa, Sierra Nevada and the Cabrera archipelago) that will record a

series of measurements (standardized according to international climate change monitoring systems) and key biological indicators.

The anticipated results of this agreement are:

- The creation and maintenance of a database containing the different meteorological and biological parameters to be measured within the Climate Change Monitoring Program of the National Parks Network. During 2009, the installation and commissioning of the stations was completed, and the collection of data has begun.
- The development of R&D joint ventures between the various agencies and entities participating in the agreement. The collaboration and coordination framework for the development of these projects was established in 2009. To date, nine research projects have been funded led by leading research teams from universities, the CSIC and other institutions.
- The organization and compilation of all data in an electronic format that can be accessed by the general public and particularly by researchers. In 2009 a web tool was completed and put into production that allows public access to all information generated by the Network. This information is available at:

» <http://reddeparquesnacionales.mma.es/parques/rcg/index.htm>

SEGARRA-GARRIGUES CANAL, SECTION IV MANAGEMENT

Agromán Ferrovial was awarded, along with Copcisa and Construcciones Marco, a contract for the construction of section IV of the Segarra-Garrigues Canal Project.

The Segarra-Garrigues Canal, located in the province of Lerida, originates at the Rialb dam on the Segre river and ends after a journey of 85 kilometers at the Albagés reservoir in the Noguera district. The 21 km corresponding to section IV run through the municipalities of Tárrega, Verdú, San Martí de Riucorb and Maldá.

This project is part of the transport and regulation network and is one of the actions for the irrigation of about 70,150 ha in the La Noguera, Segarra, Pla d'Urgell, Urgell and Garrigues Segrià districts.

Both in the drafting of the project and the execution of works for section IV pay special attention to the avoidance of possible impacts on the steppe habitats protection and conservation area of Segarra-Noguera, which has been proposed as what is known as ZEPA (Special Bird Protection Area) by the regional government of Catalonia. It should be noted that none of the planned works invade the territory of this space, given that the canal runs along the western edge. The most representative species of this SPA are the bustard, the bittern, marsh harrier and lesser kestrel.

The most important areas for the movement of wildlife in the area correspond to the main channels and valleys intercepted by the canal, such as Fond del Porcell and Marquesas and the Corb and Cercavins river valleys.

From the point of view of existing vegetation, the most relevant areas are the riparian vegetation formations existing in the main channels of the environment and

the sparse pine and oak forests (forest islands) that are in the area. Rounding out the flora of the area there is the replacement scrubland (kermes, rosemary ononido-rosmarineta and holly) that sit on the slopes and areas that are less favored for cultivation.

Archaeological and ethnographic sites have been detected in various channel environments, the most sensitive located in the town of Verdú (La Coma paleontological site) and San Marti de Maldá (La Fogonussa 3, and La Fogonussa 4).



► Photo: Arqueological works in the IV section

The actions carried out by Ferrovial Agromán in 2009 include:

- Drafting of the document "Worksite Environmental Management Plan" and environmental monitoring work.
- Making a proposal for improving wildlife permeability of the channel, which has

resulted in the replacement of three cross drainage works adapted for three specific wildlife overpasses. These new structures have been located on the slopes of the valleys identified as wildlife corridors in the Environmental Impact Study, which coincide with the regions where there is natural vegetation rather than agricultural land on which original drainage had been designed.

- Development of a detailed study on the visual impact of Corb River Aqueduct in order to study the feasibility of replacing it with a siphon to completely eliminate the landscape impact that the aqueduct would generate in this unique valley and without implying an undesirable impact on the hydrogeological medium.

- Archeological excavations in the vicinity of the Porcell stream bed and detailed studies on the ethnographic heritage of the region.

OTHER INITIATIVES

- The British subsidiary Tube Lines received special recognition with the award of the Green Business Awards 2009 in the category of Biodiversity Protection for its work in protecting and enhancing habitats and species in the UK. Also in 2009, Tube Lines was the first train operator to eradicate the weed (*allopia japonica* spp) from the train tracks using an innovative ecological product. This product was applied over 150 km of embankments and crossings that have already been cleared of this invasive species.
- Tube Lines has successfully tested a new product for cleaning oil spills based on a natural product made with beeswax. Water cannot enter, but the grease is absorbed. The resulting product is treated as a hazardous waste but significantly reduces the final volume of waste generated.



► Photo: Etnology heritage works

Mobility

All reports about climate change show the important contribution of the transport sector to global warming. Statistics referring to personal mobility correspond to 23% of total emissions and 14% of natural resources use. Moreover, 58% of the total emissions generated by transport sector come from personal mobility.

Specifically, 40% of the greenhouse gas emissions produced by Heathrow Airport in London can be traced back to ground vehicle traffic coming and going from the airport. It is obvious that a significant part of the environmental impact of these facilities depends on the habits of users.

In 2008, Ferrovial introduced a Mobility Plan to improve the efficiency of personal modes of transportation used by its employees, suppliers and customers. The project, as part of larger efforts to fight climate change, will gradually gain momentum in collaboration with the Mobility Foundation created by the Municipal Government of Madrid. At the first stage, the main goals will be:

- To reduce commutes to work in private vehicles by providing alternative modes of transportation.
- To create tools to measure the ecological footprint of company mobility.
- To develop a pilot project capable of verifying the validity of the method agreed upon by both parties.

Once these goals have been achieved, the scope of action will gradually expand to include all of the aforementioned groups. The ultimate objective is to accurately

measure the impact of mobility actions associated with the company in terms of emissions, reduce these emissions as much as possible by implementing certain tools, and finally offset this impact through different preventive and compensatory measures

During 2010 a Mobility Plan will be implemented at the Corporation's headquarters, which will subsequently be replicable to other sites of the Group.

MOBILITY IN CESPA

Objectives

- Reduce CO₂ emissions associated with the movement of personnel and Quality and Environment Department by 10% from the 2009 figures.

Fulfillment of 2009 goals – This goal was established in 2009 and resulted in a reduction of 54%.

- In those workplaces that in 2009 have registered more than 10% higher fuel consumption than in 2008, provide training sessions to promote fuel-efficient driving and/or launch an awareness campaign aimed at reducing consumption.

Fulfillment of 2009 goals - In those workplaces that had a higher fuel consumption in 2008 were given training to promote efficient driving and/or awareness campaigns aimed at reducing consumption. The sites with higher consumption were identified and employees received training in cost-efficient driving techniques. An updated Efficient Driving Manual was also produced and distributed over the Intranet.

- Evolution of the fleet of company cars powered by alternative energies in Cespa Spain.

Year	Percentage of company vehicles powered by alternative fuels
2009	5.36
2008	2.67
2007	2.28
2006	2.51
2005	1.57
2004	1.66
2003	1.57

The fuel used is biodiesel, natural gas, liquefied natural gas, electric and bimodal.

Pilot mobility plan

Cespa has developed a Pilot Mobility Plan that is currently in force at its offices in Albaracín, Madrid, and which the company intends to introduce at all other Cespa facilities in the future.

More information visit:

» <http://www.cespa.es/index.php?orden=7>



MOBILITY IN AMEY

Over recent years, the logistics department of Amey has taken a proactive role in the area of mobility to reduce the environmental impact of its activities. Amey highlights such initiatives as:

- Review of the company car policy and fuel consumption in order to eliminate company cars with high emissions.
- Introduction of more environmentally friendly company cars, such as the Honda Civic and Toyota Prius with hybrid engines.

- Introduction of fully electric cars like the MODEC van and SmartEd.
- Research and testing of the latest models of Hydrogen and Compressed Natural Gas vehicles.
- Training in "green driving" for employees who travel long distances by car.
- Include speed governors on passenger vehicles and continue investing in new vehicle modifications.

- Devise new tools for measuring the CO₂ emissions for contractors to detect their impact on the environment.
- Collaborate with the supply chain to reduce the emissions from their operations.
- Increased use of videoconferencing.

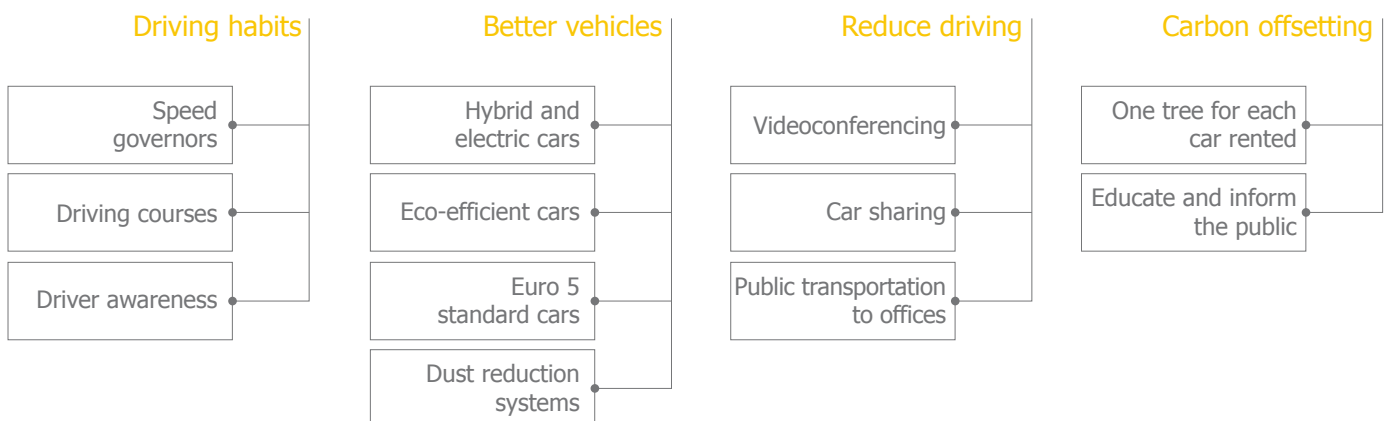
PROJECTS IMPLEMENTED

Videoconferencing: The company has saved 19.3 tons of CO₂ by holding 106 videoconferences.

National car-sharing database: Amey employees can access a database to find a rides going in the same direction.

Incorporation of telematic equipment for the optimization of routes and vehicle efficiency.

ECU Vehicle Tuning Systems: This system programs the car's performance based on the conditions of torque, power, reduced emissions, etc. It is estimated that this measure will provide fuel-cost savings of between 14% and 18%.



Company cars: Company cars are tailored to the needs of the employees while attempting to achieve the best possible environmental performance.

But the commitment goes even further and aims to reduce the average CO₂ emissions from 140 g/km to 120 g/km in 2012 (already in 2009 about 9% of the vehicles had emission below this threshold.) Through the ECO₂nomy Driving initiative, employees are instructed in efficient driving techniques.

Currently, cars supplied by the company are equipped with at least high efficiency Euro 4 standard engines with a capacity of less than 2,500 cc. and all less than six years old.

Also, Amey provides its contractors with a fleet of cars to carry out their activities, allowing them to choose among diesel fuel, hybrid or LPG. Amey would highlight four Smart electric vehicles that can travel 72 miles (115 kilometers) before recharging their batteries and an electric Mini Bus capable of traveling up to 100 miles (160 kilometers) with an average speed of 80 km / h.

Commercial Vehicles: Actively collaborate with manufacturers to build a fleet of light commercial cars and trucks, equipped with high efficiency diesel engines and speed governors to reduce emissions.

Ferrovial takes into account the entire life cycle of the vehicle, from the local manufacture, engine efficiency and car recyclables.

- **MODEC electric vehicles:** Investigate the latest technologies in environmentally friendly automobiles. The features offered by the MODEC model are excellent, zero CO₂ emissions, local manufacture (transport has little impact) and it is 95% recyclable at the end of its useful life. It is also

noiseless; there is no need to pay service fees and it requires no driver's license. It has received an award for Innovation in the EST Fleet (Energy Saving Trust).

- **Compressed Natural Gas Vehicles:** although they do emit greenhouse gases, they significantly reduce the particles emitted into the atmosphere and are less dangerous if a leak occurs.

New technologies are being incorporated such as the use of a new fender, which achieves a reduction in dust generation of 43% and an aerodynamic effect to reducing resistance, which also reduces fuel consumption.

In Oxford Logistics office has installed a vehicle washing system that recycles water for reuse, reducing the supply of clean water required.

Looking ahead, the company is working with Regenatoc on a project for the preparation of vehicles for the use of Pure Plant Oil to reduce CO₂ emissions by 80%.

BAA TRANSPORTATION VISION: 2008 – 2012

BAA is currently calculating the contribution of its airports to the carbon footprint, including flight and ground activities and the transportation to and from the airport of personnel and passengers.

For this initiative to result in the improved environmental performance of the group, the support of government and local institutions is required. According to the Surface Access Environmental Strategy, the travel related to the transfer of passengers to the airport to catch their flights is what most affects the activity and increases CO₂ emissions.

Currently, the stakeholders are particularly aware of the environmental impact associated with aviation, climate change, air quality and noise pollution caused by airplanes.

But it is worth noting that the largest contribution of greenhouse gases in the UK is from motor vehicles and not aviation. One of the pollutants with the greatest impact in the Heathrow area is nitrogen dioxide (NO₂). A study has found that the activities that are contributing the most to NO₂ are surface traffic operations (55%) followed by runway vehicles (30%)

The primary goal of the Mobility Strategy is to promote the benefits of using more sustainable methods of transport across the airport community.

The initiatives undertaken include:

- Discounts for staff (over 30%) in transport by bus and train out of London and up to 50% discount on trains between Paddington and Reading stations.
- Car pool: This initiative is a popular choice among employees and is already used by over 6,400 users, 63% of them regularly share rides.

Estimated landside CO₂ emissions (2005)¹

<u>Surface Access Mode</u>	<u>Estimated % of CO₂ emissions</u>
Kiss and Fly (passenger drop-off)	70
Park and Fly	9
Taxi	4
Hire cars	3
Coaches	1
Local buses	1
Staff coaches	12

Use of 2005 CAA passenger numbers observed vehicle occupancies from historic data and measured journey distance from airport perimeter.

GROUND TRANSPORT STRATEGY

The Mobility Strategy involves a series of measures to increase awareness of other modes of transport to reduce access traffic and improve efficiency.

- Improvements in connectivity and interchanges.
- Improvements in public transport alternatives.
- Road management, improvement in the management of access roads.
- Parking.
- Transport fund: The implementation of these strategies for airport connection infrastructure has been fully financed by the fund.

- Air Transport White Paper 2003: Applicable over the next 30 years, includes the planning of the future expansion of Heathrow and the importance of an efficient mobility strategy for passengers, as well as corresponding growth in environmental and EU requirements.

Future objectives:

- Airport Bus: Improve service reliability; improve access by the bus to Terminal 5 with new connecting lines in collaboration with London's transport service.
- That the number of employees who come to work alone in private automobiles does not reach 65%. Establish a Transportation Group for construction workers at Terminal 2, so that no more than 45% use their own cars. Create a transport strategy for the opening of the new terminal.
- Achieve 40% of passengers traveling to or from the airport do so by public transport by 2012 and 45% over the long-term with implantation of Airtrack.

- Management of Roads: Use of control mechanisms such as UTMC or SCOOT to eliminate delays in the airport access road system by 2011.

- Accessibility of information: Achieve at least 10 services per hour to major business centers with public transportation.
- Train: improve service in collaboration with the rail network and London Transport.
- Environment: Promote the clean vehicles program to reduce emissions of company cars using hybrid engines and LNG units. Work with London Transport to meet the objectives of the Low Emission Zone program which aims to improve air quality in the city of London.

Objectives and commitments achieved:

- Establish a strategy for connecting the airport by bus.
- Monitoring and measurement: publish reports showing the achievement of surface access goals to check the efficiency of public transport initiatives and change employee behavior.
- Implementation of the Bicycle Plan. The parking space for bicycles has doubled.
- The number of employees who use care-sharing has doubled.
- Monitoring of the airport entrance and exit roads to study transport patterns.
- Improvements in accessibility and interchanges with Heathrow.

Terminal 5:

Heathrow is one of the European airports that receive the most passengers using public transport, and is the second in the UK.

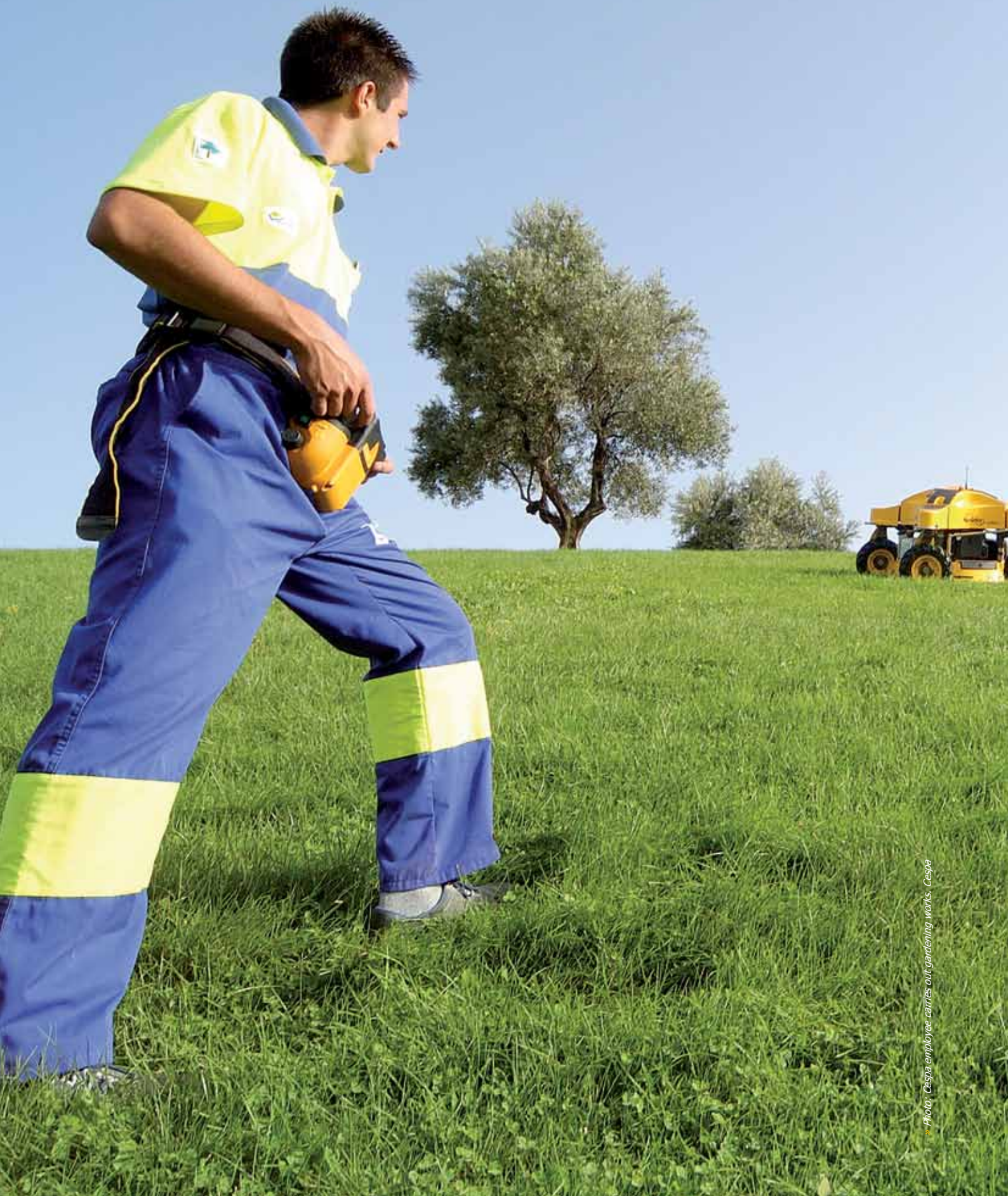
The Personal Transport Interchange (PTI) allows users to conveniently connect with the road, rail and flight services. This transport system connects the T5 to the car park and the Plaza interchange, which provides pedestrian access to these locations.

- The new train station is located in a central area of the T5, and can connect to both the Heathrow Express service (two lines), and the Piccadilly tube station (two lines), with connection services every 10 minutes.
- Personal Rapid Transit: a transportation system with electric vehicles, guided by lanes that will connect the parking lot and the terminal without intermediate stops.
- For construction workers engaged in building, a shuttle service has been established to reduce the number of workers using private automobiles.
- Heathrow Express: This service has been providing services for 10 years, connecting the airport to the Central London station and has been constantly incorporating new improvements into the system.
- Heathrow Connect: provides train service from major stations in the area of influence, through the Great Western Main Line.

Cargo and logistics plan:

56% of all cargo flights in the UK pass through Heathrow. In addition, the transport of vehicles involved in air cargo accounts for 11% of total emissions in London, a fact that should be taken into account in the London Freight Plan. ■

Human capital



The aim of the Human Resources Department is to provide added value and innovative solutions in the management of people that are aligned with the business objectives and the needs of the employees.

This goal is based on three core elements:

- **Culture and Diversity:** Develop an inclusive culture preserving the identity within diversity.
- **Leadership:** Strengthen the skills and abilities of the workforce.
- **Globalization:** Establish strategic global processes for people management.

By area of activity, 10.27% of employees work in the airports business area, 2.18% in the highways business area, 12.84% in construction and 74.34% in services. The remaining 0.36% work in corporate activity functions.

More than 81.66% of employees are laborers and technicians, 9.32% are university graduates, 7.38% are administrative staff and 1.64% are executives. The average age of the workforce is 38.8 years and the average length service is 5.8 years.

Commitment

- Provide added value and innovative solutions in the management of people that are aligned with the business objectives and the needs of the employees.

Lines of action

- Develop an inclusive culture preserving the identity within diversity.
- Strengthen the skills and abilities of the workforce.
- Establish strategic global processes for people management.

Milestones in 2009

- Implement a worldwide intranet for the entire group.
- Flexible remuneration plans for all structural staff in Spain.
- Offer career training plans in strategic support areas in Ferrovial University.
- Implement the Management Abilities Global Model.
- International scope for executive performance evaluation.
- Equal Opportunity Plan I for all of Spain.

Objectives 2010

- Implementation of a global people management tool integrating all strategic human resource processes.
- Intranet 2.0: Towards a collaborative environment.
- Employee Satisfaction Survey 2010.
- Talent management and identification program (talent pool).
- Innovation projects in Summa
- Implementation of a system of long-term incentives based on the delivery of stock options.
- Online Training Portal.

Human capital	2009	2008	2007	Ch. 09-08
Average workforce		106,596	102,425	
International workforce (%)		60.33	59.82	
Staff on long-term contract (%)		81.98	78.56	
Staff on voluntary part-time contract (%)		15.44	11.63	
Has good employees (perceived) *		72.70	70.93	
Workforce length of service (years)	5.8	6.44	6.26	
Average employee age (years)	38.8	40	39	
Takes an interest in employee welfare (perceived) *		65.78	62.53	
Satisfied employees (%)		71.00	NA	
Turnover rate (%)		10.87	10.25	
Investment in training per employee (€)		238	314	
Investment in training / sales		0.20	0.22	
Employees given performance reviews (%)		68.27	37.00	
Employees with variable remuneration (%)		17.45	20.26	
Employees promoted		4,972	6,075	
Employees sent abroad		426	363	
Good place to work (perceived) *	69.3	70.45	67.90	
Applications to work for Ferrovial		177,158	121,986	

The evolution of the goals set in 2009 and reflected in the annual report, is detailed below.

Implement a worldwide intranet for the entire group.

One of the most important milestones was the implementation of the channels between Ferronet and the internal portals of Amey and BAA. Work continued throughout 2009 to provide access to all users in these subsidiaries and to incorporate the home pages of the local intranets in a specific area of the corporate intranet. Similarly, all employees of Budimex with access to their intranet, Budinet, can also access the complete Group intranet translated into Polish.

Flexible remuneration plans for all structural staff in Spain.

In May, Ferrovial made a flexible payment program available to all structural employees in Spain. Under the name Flexibility Plan, this program provides the staff with the opportunity to voluntarily change the current compensation packages in accordance with their individual needs, substituting part of the current fixed fee for certain products.

To reach all employees, a campaign was launched using internal mail and channels as well as posters at all main offices. The Flexibility Plan is one of the initiatives of the COMPENSA program, which Ferrovial launched in response to the 2208 Employee Satisfaction Survey.

Offer career training plans in strategic support areas in Ferrovial University.

The month of March marked the beginning of the Career Training Itineraries as part of the Human Resource Management Program (PGRH for the Spanish initials),

the main objective of which is to provide comprehensive training in the Human Resources function. The program is designed from a global perspective and eminently practical vision of the functional areas, based on the policies and procedures of Ferrovial, and providing training in the skills considered as critical for the HR professional. The program consists of nine modules for a total of 150 hours, with participants earning the title of HR Expert.

In the second half of 2009, Ferrovial launched the Finance Training Itinerary for the Ferrovial professionals working in finance. The planned actions cover a wide variety of subjects, from writing financial reports to the analysis of financial statements, taxation, consolidation and auditing. The courses target over 200 (approx.) participants from different finance-related departments of the company.

All of these programs benefit from the participation of internal experts in each of the knowledge areas, who have helped to focus the programs and ensure the alignment of the content with the needs of Ferrovial professionals.

Implement the Management Abilities Global Model.

The Management Abilities Global Model was designed and implemented in 2009, specifying the professional skills needed by any executive to efficiently achieve organizational goals with excellent performance.

This new managerial skills model, aligned with the values and strategy of Ferrovial, acts as a reference for Ferrovial's management team and contributes to the strengthening of a common culture and cohesion throughout the Company.

Moreover, during 2009 two new objectives have been established:

- International scope for executive performance evaluations (described in the relevant chapter).
- Equal Opportunity Plan I for all of Spain.



Job stability

81.5% of employees have long-term contracts. Most of these contracts are service contracts subject to subrogation in case of awarding to another company. Ferrovial continues to create jobs despite the international economic crisis, especially in those countries showing signs of recovery. Ferrovial's average workforce in 2009 was 108, 117.

Of the total of long-term contracts, 34% are women, while 31% of all temporary contracts are held by women, which indicates that there is no gender bias in the type of employment contract.

Employee turnover in 2009 was 6.35% down from 10.87% in 2008. Female employee turnover in 2009 was 7.53%, down from 13.75% in 2008. Meanwhile the men turnover is 5.77% down from 9.49% in 2008. Of the total terminations (voluntary and otherwise), 38.8% were women.

The analyses performed of the information obtained is segmented by activity and not by country, given that the peculiarities of each business lead to different scenarios and, therefore, different measures to adopt. Looking at segmentation by gender, female representation in the toll roads and car parks activity was 44%, 39% in the case of airports and 35% in the case of services, while in the other sectors, such as construction, female representation remained stable at 12% among the construction and related companies.

By activity, 59% of construction employees work abroad, 55% in the case of services and 38% in the case of infrastructure concessions.

	Airports	Toll roads / Car parks	Construction	Corporation	Services
Employee turnover rate	4.30%	5.22%	2.21%	2.81%	7.40%
Women turnover rate	4.65%	7.82%	2.06%	0.68%	8.35%
Men turnover rate	4.08%	3.18%	2.24%	4.33%	6.89%

A breakdown by age range is not possible given the different criteria applied in reporting age ranges and current divergent record systems. A global reporting system for 2010 is being developed.

On the other hand, with reference to the minimum notice period for organizational changes to Ferrovial employees, the conditions contained in collective bargaining agreements and/or existing labor laws are faithfully being applied in each of the places in which Ferrovial operates.

ting of various leaves of absence or time off to reconcile the role of parents and the care of the elderly.

Ferrovial especially highlights two measures which the law already provides for: a) extension of maternity leave by two weeks and b) option to request a sabbatical of 1-3 months, during which the company's Social Security contributions will be made based on the minimum wage for the employee's professional category.

During 2009, the most widely used measure of the Concilia Plan (66% of total applications) was reduced flexible working hours, which, in the case of Ferrovial, can be requested until the children are 10 years old. The next most popular measure, with 21% of total requests, was the extension of maternity leave, consisting of paid two-week leave prior to childbirth or adoption.

Equality Plan

In 2009, the company reinforced its first equal opportunity plan in Spain, which establishes a set of measures that ensure compliance with the principle of equal opportunities and treatment between women and men. In Spain, 36.4% of the workforce are women. Of the total workforce of Ferrovial, women account for 33%. Women hold 11% of the positions in the governing bodies.

In 2009, as part of the equality plans, Ferrovial launched a review of the Concilia Plan which has been in place since 2006. The plan applies to employees in Spain and the measures are geared toward promoting flexible working hours and the gran-

Compensation and benefits

In accordance with the goals established for 2009-2010, Ferrovial has made progress in this area with the reinforcement of the COMPENSA program. This program, derived from the results of the employee satisfaction survey, focuses on two main aspects:

A. On the one hand, the modification of variable remuneration schemes and secondly the introduction of a flexible remuneration system. The change in the variable pay system has focused on aligning existing criteria in different business units with the strategic objectives and the fixed/variable proportions of pay rates to the market. With respect to flexible remuneration system, in May 2009, Ferrovial made a program, known as the Flexibility Plan, available to all structural employees in Spain, about 6,000 people, which provides the staff with the opportunity to voluntarily change the current compensation packages in accordance with their individual needs, substituting part of the current fixed fee for certain products (childcare, life insurance, health insurance, car leasing, etc.).

B. Additionally this year, work continued on the "12,000 Plan", an executive stock option plan consisting of paying part of the variable remuneration of the participants, about 334 people among executives, department heads and similar with tax residence in Spain, in the shares of Ferrovial.

Also, 450 people in the organization are included in long-term stock option bonus plans.

Ferrovial salaries are ruled by the corresponding collective agreements in force according to established professional categories, so salary unevenness cannot happen.

Workplace atmosphere

According to the Trust Index® opinion poll sponsored by the Great Place to Work Institute Spain, 67% of employees consider Ferrovial a great place to work. This assertion is supported by such facts as that 8 out of 10 employees are proud of their work and that 62% of Ferrovial employees are comfortable with their peers.

After completion of the Employee Satisfaction Survey 2008, Ferrovial established the goal of defining Action Plans that respond to the results obtained. To this end, each business unit identified specific action plans for 2009 and 2010 aligned with the results of the surveys. Similarly, the Company has created the Satisfaction Committee, comprising members from all business units, with the mission of following up on the implementation of the different action plans.

Both the results of the survey and the action plans identified were made known to the entire organization through corporate intranet and the distribution of an executive report.

As a result of this Satisfaction Survey, Ferrovial launched three initiatives that began in 2009:

CONOCE PROGRAM (KNOW)

This is the program that will channel all actions related to the practices of internal communication to disseminate the institutional messages of Management through current channel (intranet) and regular meetings of management within their respective areas of influence.

Within this initiative, the Company has organized the following actions:

- 7 executive working breakfasts with the Ferrovial CEO with an estimated duration of two hours in which small groups exchange opinions and clarify doubts. This initiative was also performed in some of the divisions, with the leaders organizing breakfasts covering their specific internal plans.
- Open Forum with the CEO. In the Annual Executive Convention, personally attended by 100 executives and virtually by another 300, included a time dedicated to answering the questions that employees from all business areas and subsidiaries sent through the relevant email address over the preceding month. Ferrovial's CEO, responded both verbally and in writing to the 80 questions received, which have been published on the intranet along with the videos of the convention.
- Intradepartmental biannual meetings of the Corporate DGs which ensure the transmission of institutional messages and acts as a forum for the exchange of opinions and suggestions for improvement.

Also, the organization has launched various surveys to assess the impact of internal communication campaigns that have been launched nationally throughout 2009. The responses to the voluntary survey conducted among intranet users were as follows:

Scale of 5 to 1

Information Security	3.4
Iguala+ & Concilia Plans	3.3
E performance	3.2
Influenza A	3.1
Employee Satisfaction Survey	3.0
Flexibility Plan	3.0

Another of the improvement goals included in the action plan is to promote efficient time management. To this end, the company, as part of its work-life balance and flexibility measures, disseminated the Effective Meetings Policy, which sets guidelines for planning, calling and holding the meeting, as well as for the duration thereof, the most noteworthy of which is the prohibition on holding meetings past 5 o'clock.

One of the most noteworthy initiatives to improve communications among employees and improve knowledge of the business is experiences arranged by some of the businesses for their professional to know the reality of their activity, which include visits of 3 or 4 days, guided by a "tutor", to one or two of the workplaces or areas. After the experience, a breakfast meeting is held with the Managing Director. This action is aimed at increasing knowledge of the day-to-day operations

and creating a privileged space for the exchange of knowledge and learning within individual jobs, which promotes internal communications between different areas.

CRECE PROGRAM (GROW)

The program includes all of the people management initiatives promoting professional growth and development within the organization, many of which are already underway under the talent management policies.

This initiative includes:

- The promotion of mechanisms for the certification of Ferrovial as a leading employer through participation in such projects as Best Place to Work coordinated by the Great Place to Work Institute.
- The strengthening of performance evaluation mechanisms, with improvements in the models, procedure and scope of assessments at the national level.
- The reinforcement of Ferrovial University training programs and transversal skills training. The latter have benefited from internal experts in each knowledge area, which have ensured the alignment of the content of the training to the reality of the Organization and have collaborated with the participants in the execution of the Innovation Projects that must be undertaken during each program.
- The internationalization of the management of executive development processes based on the definition of common models and its implementation on a global scale (360° Feedback, Management Succession Planning).

COMPENSA PROGRAM

This is the program that will channel all actions aimed at aligning remuneration practices and models to the relevant market in accordance with the situation of the workforce. Within the initiative, the flexible remuneration program and the Flexibility Plan, launched in Spain should be highlighted.

Talent management

Ferrovial considers talent management as one of the key objectives of the HR function. Its main aim is to equip all professionals in the Organization with the skills and knowledge that will enable them to provide excellent service to customers. To this end Ferrovial must address the various stages of talent management, from attraction and assessment through development and retention.

ATTRACTING TALENT

- **Employer Branding**

An essential aspect for attracting the best candidates is to enhance the image of Ferrovial as an employer. In order to improve this image, the company has launched mechanisms to certify Ferrovial as a leading employer.

One of these mechanisms was Ferrovial's participation in the Best Workplaces in Spain 2009 project organized by the Great Place to Work Institute Spain. According to some of the indicators revealed through the Trust Index® opinion poll, sent to a

representative sample of Ferrovia employees as part of the project, Ferrovia is a great place to work.

For example, 8 out of 10 employees are proud of their work and that 62% of Ferrovia employees are comfortable with their peers and 57% trust their bosses. The employees are personally committed to the success of the organization, which "they consider is to be favorably progressing". They also "feel personally satisfied with their work." The report concludes that strengths of Ferrovia are a very high sense of pride (85%), both individually and for Corporate Reputation, high accessibility of superiors, a high degree of freedom and responsibility for one's work, a high accessibility to high quality training, a high commitment to physically safe jobs and excellent welcoming to the corporation. These results place Ferrovia in third place as the best company to work for in the ranking of companies with similar characteristics.

The European Student Barometer is an annual research initiative using online surveys on the career expectations and preferences of university students on the continent. Some 67,500 business students and 74,500 engineering students from 750 universities participate in this "macro-survey." The results suggested that, among engineering students, one of the favorite companies to work for is Ferrovia. Also, this past 22 May, the Best Place to Work Awards for 2009 were released in Poland. These awards are based on the assessment of students. Budimex was ranked number 1 in the Construction Industry category and ranked third in the Engineering category. This year Amey won the Investors in People award, one of the first organizations to win the prestigious silver award under the new structure of the Investors in People Award, which recognizes the excellent people management approach of Amey staff.

- Forums and meetings:

In addition to the participation of the various business units in the traditional Ferrovia Employment Forums in spring and autumn, and within the framework of the internationalization of the employer branding strategy, Ferrovia attended the Autumn Job Fair organized by the London Business School in October, with the aim of international disseminating Ferrovia's image as an employer. This event was attended by BAA and Ferrovia Agromán UK, plus representatives of the Ferrovia business units in Spain.

Ferrovia's business project also provides information to other stakeholders through presentations and participation in various events. This year, for example, a two-day open house was held for students in the Masters in Civil Engineering Leadership from the University of Castilla la Mancha, sponsored by the Rafael del Pino Foundation, allowing them to get to know the company.

- Welcome Program :

The Welcome Program is a strategic course that has been given at the University since its founding in 2007. This course is mandatory for all new structural staff nationwide.

In the sixteen first editions of the Welcome Program, the course has been attended by about 500 new hires, mainly employees between 25 and 30 years of age (50%), with more than three years of work experience prior to recruitment (38%) and with a technical background (47%).

In 2009, a total of four welcome course, involving 103 people, were given.

The new hires are a good barometer of the strengths of the company and in what

direction it should work to strengthen its Employee Value Proposition. Professional development, the company's reputation and content of the job position are the most important reasons behind the decisions of these professionals to join Ferrovia.

RECRUITMENT AND SELECTION

In 2009, more than 700 job offers were published in Spain (published in Infojobs) for which there were over 170,000 candidates.

Talent+ Program

This program aims to boost the recruitment of new professionals by asking employees and interns to suggest potential candidates. Over 400 applications were received through this channel in 2009.

JOB POOL, INTERNAL PROMOTION AND INTERNATIONAL MOBILITY

Ferrovia is committed to internal promotion through publication of vacancies arising within the organization that require experience in corporate communication channels. Over 170 vacancies were announced through this channel in 2009.

During the year an internal review was conducted of the expatriation policies applied in different countries where the company is present. With the significant international growth in recent years, both by acquiring companies outside Spain and the award of international projects, require the international mobility of key job profiles, requiring the review of existing systems for standardization and optimization. The total number of employees working outside their countries of origin is 396.

Regarding the voluntary severance process, one of the initiatives implemented under the Plan for Equal Opportunities has been the unification of the protocol for conducting exit interviews to define the reasons for leaving and rule out possible instances of discrimination. This initiative will also evaluate the level of commitment of the employees.

SKILLS EVALUATION

• 360° Management Abilities Evaluation (Top Management):

The Management Abilities Global Model was designed and implemented in 2009, specifying the professional skills needed by any executive to efficiently achieve organizational goals with excellent performance.

This new managerial skills model, aligned with the values and strategy of Ferrovial (solution, innovation, efficiency, respect, integrity and collaboration), acts as a reference for Ferrovial’s management team and contributes to the strengthening of a common culture and cohesion throughout the Company.

This management skills model has been used to evaluate, using the 360° system, 97 top level executives globally. The process has involved a total of 457 evaluators. Of the total number of executi-

ves evaluated, 85% were men and 15% were women. This evaluation process by the immediate superior, peers and collaborators serves to identify those areas in which to focus the person’s professional development through individualized action plans.

• Performance Evaluation:

Performance evaluation is the most deeply rooted annual process within the organization. The evaluation process has the aim of assessing and informing employees of their job performance as a starting point for the definition, between the evaluator and the employee, of Personal Advancement Plans to promote the professional growth of the latter.

This fifth edition of the Performance Evaluation, with the aim of promoting a unique and inclusive organizational culture, established a Uniform Skills Catalog for the entire group. Similarly, in line with the commitments of the latest Satisfaction Survey to extend and consolidate this key process in 2009, the evaluation covered 97% of the structural staff within Spain, 30% more than last year.

The advancement planning process that is part of the evaluation allows us to define training and development actions that are aligned with the strengths and areas for improvement identified during the evalua-

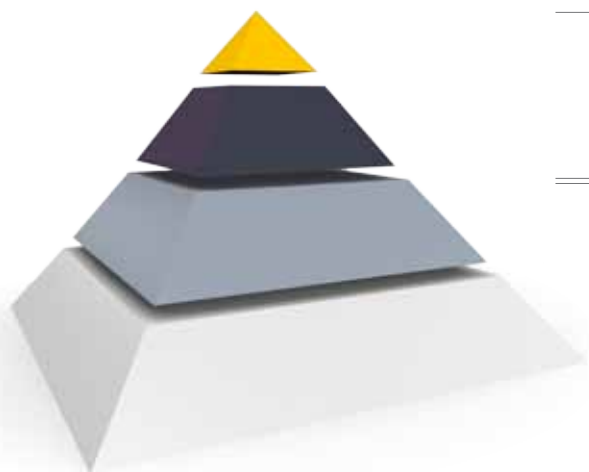
tion. Along with the identification of skills training needs (according to the training catalog designed by Ferrovial Summa University), this year the company has identified the need for Technical Education and Languages, with the aim of providing all employees a single Advancement Plan that reflects all of the dimensions of their professional growth.

To facilitate the process, Summa, the Ferrovial Corporate University, has provided the evaluators and employees with an online training course with the presentation of the general evaluation process and, in particular, on the assessment interview or feedback between the evaluator and the employee being evaluated.

In order to encourage participation in this process, Ferrovial launched a widely disseminated communications campaign, through the testimonies of evaluators, which has provided a string boost to the process.

In relation to the management of Equal Opportunities promoted by the company, it should be noted that 75% of those tested were male and 25% female. Also according to the measures contained in Ferrovial’s Equal Opportunity Plan, gender segregation for all of the human resource indicators has been included this year. In the case of performance evaluations, the responses to the question on the promotion of the person assessed are detailed in the table below and show a balance between the genders across the different time horizons.

Top Management



Management Abilities Global Model
360° Management Abilities Evaluation

Non-Management Abilities Model
Manager-Collaborator Evaluation



Photo: Fireman at Heathrow Airport. UK

Promotability	Men Ferrovial	Women Ferrovial
Yes, immediately	14%	12%
Yes, in the short term (2 years)	27%	30%
Yes, in the medium term (5 years)	29%	31%
No	21%	17%
Do not have sufficient information	9%	9%
% TOTAL	100%	100%

Performance Evaluation

Since the creation of the Corporate University, Summa, the business divisions have focused their training on the nature of their businesses, focusing investment on technical training and the prevention of occupational risks, as detailed in the relevant chapter.

The total number of training hours given reached 1,745,625 hours.

The distribution of the hours by activity is: During the year, the subsidiaries have focused on organizing and planning training more-closely aligned to technical needs. For example, in the services division the

differential factor this year 2009 compared to previous years has been the inclusion of actions aimed at technical and practical training (cleaning, driving and gardening) in the Training Plan, a fundamental tool for all workers in improving the quality in their own workplace. They also added actions providing clear improvements in the service the company offers to customers, introducing courses on improving public services.

The company provides various places where employees can consult guidelines for the proper performance of their jobs. This year another space has opened within the online portal of Ferrovial's Summa University. Through this digital business management library, employees can access a selection of abstracts from the most prestigious business books published worldwide.

Airports	Toll roads / Car parks	Construction	Corporation	Services
123,930	46,636	185,462	26,236	1,278,241



» Photo: Ferrovial employees

Ferrovial University

During 2009:

Training actions	140 actions
Attendees	2,287
Total training hours	44,472 hours
General Satisfaction Index	8.2/10

NEW PROGRAMS

Training priorities for the 2009-2010 period focus on leadership and management programs, as well as innovation projects derived from executive management programs. The company also makes an important investment in language training, especially English as a foreign language, since this knowledge is central to the management profile that promotes internal mobility.

For 2010-2011, the company will place special emphasis on programs derived from the results of performance and management abilities evaluation processes. Throughout 2009, a new edition of the Management Program and two editions of the Executive Management Program were launched. The latter requires the atten-

dees to participate in innovation projects. This third year implies the consolidation of strategic programs other than those within Management Programs, such as the Welcome Program, which responds to a clear commitment to attract talent from the very moment of recruitment, as detailed in this chapter, as well as language immersion programs, of which there have been eight one-week programs this year. The success of this program lies in the simulation of a one-week stay abroad, and that all classes and social activities are undertaken in the target language.

In March the company held the first Human Resource Itinerary, the main objective of which is to provide comprehensive training in the Human Resources function from a global and eminently practical perspective based on the policies and procedures of Ferrovial, and providing training in the skills considered as critical for the HR professional. The program consists of nine modules for a total of 150 hours, with participants earning the title of HR Expert. Within the program, and pursuant to the Equal Opportunity Plan, Ferrovial has included a specific module on diversity management coordinated by the Employee Corporate Responsibility

Department, which in turn acts as General Coordinator of the Ferrovial Equality Plan.

In the second half of 2009, Ferrovial launched the Finance Training Itinerary with courses designed for the Ferrovial professionals working in finance. The planned actions cover a wide variety of subjects, from writing financial reports to the analysis of financial statements, taxation, consolidation and auditing. The courses target over 200 participants from the different finance-related departments of the company.

This year, taking into account the current context, the university hosted the fifth Strategic Observatory of the Ferrovial University, which dealt with how to manage businesses in this moment of crisis and boosted the contribution of two renowned experts, Ram Charan and Luis Garicano.

Values such as innovation, efficiency, respect, collaboration and integrity have been reinforced by leading management experts

ACTION-ORIENTED APPROACH

Ferrovial University consolidated its position as a project with clear focus on action. This is the case of Executive Management Program organized by the University in collaboration with the business school, Instituto de Empresa, in which students from different business units work for more than seven months to develop a group innovation project as part of a comprehensive program that combines theoretical and practical training.

Using a specifically-designed methodology, participants transform ideas into viable business models with a twofold objective: to contribute to learning and de-

velopment of participants and to generate ideas that can be beneficial to the organization. These innovation projects involve the implementation of a comprehensive Business Plan on a new line of business, service, process improvement, etc. which later could be implemented within the organization, market, etc. and includes both implementation and the financial return of the idea.

Participants work in teams on an innovation project which is then submitted to the directors of the various business units for evaluation and possible implementation. In addition, the project teams have a coach or advisor who advises them throughout the program with individualized follow-up sessions for the improvement of management skills.

NEW CHANNELS

The company provides various places where employees can consult guidelines for the proper performance of their jobs. This year another space has opened within the online portal of Ferrovial University. Through this digital business management library, employees can access a selection of abstracts from the most prestigious business books published worldwide.

Also this year, the company has renewed the image of the intranet portal of Ferrovial University to include new features and spaces that help users search for information and provide input on the courses that are taught at the University.

THE ROLE OF EXPERTS

All of these programs benefit from the participation of internal experts in each of the knowledge areas, who have helped to focus the programs and ensure the alignment of the content with the needs of Ferrovial professionals.

In these three years since the University first opened its "doors", it has firmly established itself as a forum for knowledge sharing. Its nearly 7,000 participants over the years and the internal faculty members comprised of more than 50 speakers participating in the training courses and round tables or advising on projects, allow the transfer of knowledge to become a reality and be translated into projects with a high degree of maturity and innovation.

BUSINESS WORKSHOPS AT SUMMA UNIVERSITY

The availability of such a space as the University, which invites reflection and training, has enabled a large part of the annual meetings of the Corporate and Business Departments to be held in this environment, which provides further networking opportunities among the different professionals. This year there were 15 workshops with a total of 1,097 participants.

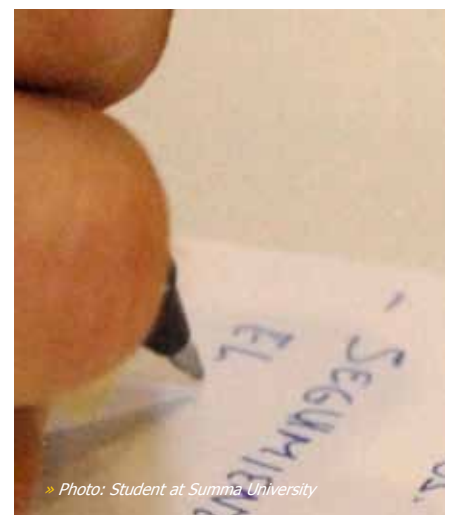
Management succession planning

Management succession planning aims to cover any possible vacancies in senior positions by creating a reserve of qualified successors.

The management succession model is reviewed every two years, and in 2009 there was an increase of 42% in the positions analyzed in comparison to 2007, acquiring an international dimension. The main objective of the implementation of this process is embodied in the following principles:

- Creation of an Executive Pool: to ensure internal supply of candidates for management positions that can support the growth and internationalization processes of Ferrovial, ensuring that the development of leadership within the organization accompanies its organizational growth.
- Continuity of Leadership: allow continuity of the leadership and strategic planning of the organization, minimizing the impact of changes in positions of responsibility.
- Talent Development: to have a continuous and well-defined process that serves as a lever and catalyst for the identification, development, monitoring and retention of the talent and management potential of the organization.
- Strengthening of the Company: application of a common management succession process and model that allows for the movement of professionals between companies to strengthen the entire organization and facilitate their development.

In the two years since the launch of this initiative, compliance with the plan has reached 77% of the planned positions.



» Photo: Student at Summa University

Technology applied to Human Resources management

One of the first steps for the proper management of talent within a company with a presence in over 40 countries is to have a globally integrated Talent Management solution. For this reason Ferrovial has launched an international project to implement a S.a.a.S. tool (Software as a Service) that aligns with the market technologies and allows international structuring and scalability of the company in terms of HR business processes.

This tool allows us to integrate strategic HR processes: recruitment and selection, evaluation and development planning, career planning, goal setting and compensation. The scope of this international tool is all strategic and key groups worldwide

and it will be the first time that all this information will be integrated.

Along with this key tool, another critical process in talent management is the creation of spaces that allow for the exchange of experiences and knowledge. One of the projects initiated in 2009 was the implementation of a global Ferrovial intranet. One of the most important milestones has been to open the doors of Ferronet to the internal portals of Amey and BAA. Work continued throughout 2009 to provide access to all users in these subsidiaries and to incorporate the home pages of the local intranets in a specific area of the corporate intranet.

Similarly, all employees of Budimex with access to their intranet (Budinet) can also access the complete corporate intranet translated into Polish.

The next step in the internationalization of the intranet is its adaptation to the new era of collaboration 2.0. The context of the relationship has changed and the cor-

porate intranet, as a bi-directional internal communications channel, must evolve into an environment that allows and encourages employees to work together and promotes the swift and efficient exchange of information.

This cultural transformation process in the relationship and people management habits is linked to each of the strategic talent management process for its human capital. ■



✦ Photo: Signature of strategic agreement between Oracle and Ferrovial

Health and safety



Ferrovial considers Occupational Risk Prevention as an essential and integrated part of the performance of its activities. The company is therefore actively committed to undertaking its activities and providing its services with the highest levels of Health and Safety for its employees and customers.

The calculation of the Ferrovial National and Construction Division rates excludes accidents while commuting so as to allow for comparison with the rates published by the Ministry of Labour and Immigration.

- Incident Rate: Represents the number of accidents occurring during working hours for every thousand people exposed.
- Frequency Rate: Represents the number of accidents with days lost occurring during working hours for every million hours worked.

- Severity Rate: Represents the working days lost as a result of accidents per thousand hours worked.

The number of on-the-job accidents in the construction division in 2009 declined 19%, reaching 52.2 accidents per thousand people exposed. This is well below the industry average of 108.3 per thousand people exposed. The frequency rate declined by the same percentage, 19% and stood at 29.35.

The incident rate for all Ferrovial divisions on the national level declined 8.54% to

79.7 accidents per thousand people exposed. Similarly, the frequency rate declined by 6.15% to 46.7. Nationally there were two fatal traffic accidents.

The national absenteeism rate in 2009 was 7.36%. This rate includes days lost to common illnesses and on-the-job accidents, including accidents while "commuting."

Commitment

- The continuous improvement of the health and safety of workers and workplaces.

Lines of action

- Design and implementation of effective systems for preventing and mitigating occupational hazards that can be used as a model in different sectors of activity.

2009 Milestones

- OHSAS 18001 Certification in the Services Division for the infrastructure maintenance and conservation business.
- Increased awareness of safety and health across all levels of CEPSA through a specific campaign.
- 19% reduction of accidents in construction.

2010-2011 Objectives

- Improvement of 2009 accident rates.
- Continue following the OHSAS certification plan contained in the 2009-2010 Master Plan.
- Conduct training and awareness campaigns through the Ferrovial Corporate University "Summa" and the Corporate E-learning platform.

Health and safety	2009	2008	Chg. 09-08
Incidents Index	79.75	87.2	-9%
Frequency Index	46.7	49.76	-6%
Severity Index	0.87	0.97	-10%
Occupational safety studies	2.846	6,594	-100%
Emergency plans	1,170	668	75%
Training in safe work practices (hours)	500,991	423,843	18%
Concern for the health and safety (perceived)*	63.5	65.78	-3%

* Source: RepTrak

This information comprises Construction and rest of company activities in Spain.

Health and safety Construction	2009	2008	Chg. 09-08	Sector 2008
Incidents Index	52.2	64.73	-19.35 %	108.35
Frequency Index	29.35	36.46	-19.5 %	62.4
Severity Index	0.57	0.57	0	1.35

These indexes correspond to Construction in Spain.

Sector data correspond to the indexes elaborated by the Spanish Labour and Immigration Ministry in 2008.

Health and safety policy

Ferrovial's Code of Ethics is designed to provide a safe working environment for employees and constantly update the occupational risk prevention measures, as well as to scrupulously respect the applicable regulations in this field in all places where it undertakes its business activities.

This commitment to health and safety is also reflected in the Occupational Health and Safety policies developed and implemented by each business area. These allow for better adaptation to the various activities and laws applicable in each country in which Ferrovial is active, eliminating or minimizing the risks through the adoption of preventive measures best suited to their needs.



Photo: Construction works. Ferrovial Agroman

Certified management systems and legal audits

In 2009 the Occupational Health and Safety Management Systems of the companies of the Services Division (Ferroser, Euro-lymp and Grupisa) were OHSAS certified. Achieving this certification was among the objectives of the 2009 - 2010 Prevention Plan and reflects the commitment of Ferrovial Servicios to occupational safety and prevention. The OHSAS certification (Occupational Health and Safety Assessment Series) is considered to be the highest international certification in the Prevention of Occupational Risks. OHSAS certification assures that companies

exceed the minimum requirements of current legislation and allows companies to achieve greater efficiency in preventing and reducing or eliminating occupational risks. Legal audits were also performed in both Ferroser and Grupisa.

The airports, given their public nature, are audited annually. The audit involves the verification of BAA's compliance with British health and safety legislation and is a condition for renewing its operating license.

The construction division has successfully completed the OHSAS 18,001 Follow-up Audit since first obtained in 2007, as well as the Legal Audit.

The objectives of the OHSAS Certification audit are:

- Confirm that the Management System conforms to the requirements of

applicable standards.

- Confirm that the organization has effectively implemented the management system according to the plan.
- Confirm that the Management System is able to meet the objectives and the policies of the organization.

The scope covers all workplaces, including temporary and mobile units, of all firms belonging to the Prevention Service (Ferrovial Agromán, Ferconsa, Cadagua, Castillejos, Tecpresa, Edytesa and Ditecpesa).

OHSAS Certification must be renewed every 3 years, with follow-up auditing being performed annually by the certification authority.

The activities of the BAA airports, Amey and Cespa are performed under OHSAS 18001 certification.

Occupational safety

Work places with more than 50 employees must have Health and Safety Committees consisting of equal numbers of worker and company representatives. These committees meet quarterly, participate in the formulation, implementation and evaluation of occupational risk prevention plans and programs and promote initiatives on methods and procedures for the effective prevention of occupational risks, proposing improvements in working conditions and the correction of any existing deficiencies. More than 34.4% of Ferrovial workers benefit from health and safety representation.

15,703 health and safety monitoring and control visits were performed in 2009. During these visits, 2,846 occupational safety studies were carried out and 1,170 emergency plans were drafted across Ferrovial.

The Occupational Health and Safety technicians in the construction division carried out a total of 4,289 visits during 2009 to monitor and control the works, detect any anomalies and propose the appropriate preventive and corrective measures. The information generated in these visits is captured in a computer application called "SERPRE", which makes it available in real time to everyone involved in the construction activity regardless of their location. In addition, 1,650 Occupational Health and Safety studies (Health and Safety Plans, Risk Assessments and Health and Safety Studies) have been performed, as well as 91 specific Emergency Plans for various activities.

BAA has prepared and implemented 636 emergency plans and 14 prevention studies and 100% of employees are covered by occupational risk prevention.

The Services Division has performed 1,135 occupational risk prevention studies and 419 emergency plans.

The Toll Roads and Car Park Division has conducted more than 700 follow-up visits on the prevention of occupational risks, 46 prevention studies and 21 emergency plans.

Every Ferrovial Division has Occupational Risk Prevention Management Systems that are tailored to the specific needs of each business and constantly updated to the new legal requirements on the national and European level. These management systems are legally audited in Spain every two or four years in accordance with the specific activities carried out.

Health supervision

For the supervision of employee health, in 2009, the company has performed a total of 30,271 medical examinations, of which 7,092 were in the Airports Division, 438 in the Toll Roads and Car Parks Division, 4,678 in the Construction Division and 18,062 in the Services Division. These physicals are carried out for each job position according to specific medical protocols, evaluating the worker's fitness for the specific job.



Photo: Works on heights, Torre Agbar, Barcelona, Spain

Health and safety training and awareness

500,991 hours of training in safe working practices were given in 2009, as well as 50,259 hours of training in the prevention of occupational risks for designated workers, occupational risk prevention preventive and technical resources. Commonly, the training covers the specific risks of the worksite and job position, equipment and machinery handling, personal and collective protection equipment use, accident investigation and specific training in emergency procedures: fire and building evacuation and first aid.

AIRPORTS

BAA provided 25,471 hours of training in safe working practices and another 59 hours in training of health and safety personnel. In addition, BAA has several online health and safety training courses available on the "BAA Uni" system.

TOLL ROADS AND CAR PARKS

The Division provided 3,526 training hours on the prevention of occupational risks and 93 hours in training for designated workers and prevention personnel.

SERVICES

The number of training hours in safe work practices in the Services division totaled 430,944 hours, in addition to 31,327 hours of specific training for designated workers and occupational risk prevention preventive and technical resources. The companies imparting the most training training were Swissport Amey and Eurolimp.

CONSTRUCTION

The Division has continued the training process set out in the 2007-2011 CBA. Each worker is given training commensurate with their job position. The First or Initial Training Cycle for all machine operators has been nearly completed. For middle managers, production managers and foremen have been trained through the Basic Level, 60 hours, earning the national accreditation as Basic Level Prevention Technician Executives and managerial staff training has been completed and the second training cycle has begun for the trades. Administrative staff have also completed their specific training. The total number of workers receiving training in 2009, with access to the Professional Construction Card was:

- Permanent Classroom: 1,473
- ORP for Administrative staff: 765
- ORP for Trade professions: 343
- ORP for Executives: 221
- Basic, Intermediate and Upper Level ORP: 3,115
- Prevention Delegates: 6

Thus over 2010 all company employees must be trained on the collective bargaining agreement or receive such training as applies to their specific job.

Independently of the foregoing, at the time of recruitment and during the course of the works in 2009, a total of 1,844 workers received ORP training, in addition to 5,413 workers in subcontractors.

TRAINING AND AWARENESS OF OCCUPATIONAL RISKS

Ferrovial University has developed a new "On Line" training course on occupational risk prevention.



Ferrovial has renewed its occupational risk prevention course for the "administrative level", dating from 2002, developing a new version of the online risk prevention course. In 2010 the course will be integrated into the training offered by the Ferrovial University and within the On Line platform. The new course will include updated material on prevention and greater versatility, allowing, among others, for the course to be taken anywhere there is an Internet connection, as well as greater student interactivity with the content of prevention modules.

OCCUPATIONAL RISK PREVENTION CAMPAIGN

The Services Division has launched various occupational risk prevention campaigns targeting over 30,000 employees:

"Ben doesn't think, you do"

Under the slogan 'Ben doesn't think, you do', the Ferroser maintenance and conservation division launched a 3-month workplace safety awareness campaign targeting 16,000 employees. The campaign used the image of a crash-test dummy that suffers the consequences of not thinking about the dangers of their job and

work environment and providing information to workers on safety measures to be taken into consideration before starting their jobs. The awareness campaign was a complete success, with the distribution of over 1,000 posters in workplaces across Spain.

With this campaign and the messages used, such as "take a moment every day to think about safety", the aim of the company is to highlight the importance of safety and consolidate a culture of occupational risk prevention and thereby avoid and prevent on-the-job accidents.

Cespa 3rd Annual Occupational Risk Prevention Day

With the same objective, Cespa, a member of the Services Division, held its 3rd Annual Occupational Risk Prevention Day in June with an open house for workers and family.

The Cespa prevention policy is based on the clear involvement of workers in their own security and has led to decline in on-the-job accidents over the last three years, placing the company's accident rates at below the industry average.

While in the first campaign in 2007, "A minute of applause", the company highlighted personal prevention and the second campaign, "Thanks dad, thanks mom", involved the workers' families, the 2009 campaign develops the concept of prevention and safety from the point of view of the group: camaraderie.

Thus, the campaign focused on the workshops held in various locations throughout Spain and Portugal under the slogan "Today for you, tomorrow for me."

PROJECTS DEVELOPED FOR THE CONTROL OF INFLUENZA A

Ferrovial, following the recommendations of WHO and government agencies in each country where it is present, in the month of August established a Safety Committee

to plan the actions needed to tackle the possible Influenza A pandemic. In order to reduce the risk of contagion, Ferrovial, in a firm commitment to prevention, and launched a priority internal communications campaign aimed at all employees of the company, as well as various initiatives for customers.

As part of the Influenza A Contingency Plan, a Business Continuity Plan was developed to allow Ferrovial to be fully prepared for certain situations such as those requiring a massive use of the external systems.

Other actions relating to the campaign included:

- Distribution of posters (over 4,000) with the symptoms and infection prevention measures, and, in order to ensure that all employees were informed of existing preventive measures for Influenza A, information was distributed to about 40,000 workers in Spain indicating the procedures in case of contagion.
- All main work centers installed antibacterial gels and the frequency and intensity of cleaning activities were reinforced. There were a total of 75 cases reported at the close of the year in Spain.

Participation in H&S events

Ferrovial Agromán participated in Laboralia 2009. This event is the premier gathering point for the prevention industry both nationally and internationally. In the 2009 edition, Laboralia reaffirmed its position as one of the leading national and international trade fairs in the field of Occupational Health and Safety with over 10,000 square meters and 150 exhibitors. Laboralia brought together the leading professionals in the Occupational Health and Safety industry.

The event, which benefited from the Honorary Presidency of HM King Juan Carlos I, encompasses more than 30 side events, workshops, technical seminars, round tables and presentations covering all aspects and trends of prevention and included two exceptional conferences, the INMAS Forum, with the participation of international experts and Ágora, the Spanish Strategy for Health and Safety at Work, organized by the Spanish Association of Prevention Education Services (AESPLA), together with the Ministry of Labour and Immigration.

Ferrovial Agromán participated in a joint stand with the top construction companies under the umbrella of Seopan, which received the "Best Stand of the Fair Award" for its originality and the preventive activities that constitute a benchmark within the industry. ■



Quality and innovation



Ferrovial is committed to the quality of its products and services and to the continuous improvement of its business processes and activities through innovation.

Quality management

Ferrovial has specific quality departments for each business area and activity that are coordinated by a Quality and Environ-

ment Department at the corporate level. This structure allows the relationship with each customer and user to be specialized and managed more closely. The Company has had a quality indicator system at the corporate level since 2004 and a balanced scorecard system that is reported to the Management Committee each quarter.

New key management indicators were added in 2009 to the corporate scorecard and some of the existing indicators were modified in response to an analysis of the results obtained.

One of the key indicators added in the monitoring of the Carbon Footprint, which

AREA	Major aspects and processes measured by indicators
FERROVIAL	<ul style="list-style-type: none"> • Calculation of the Carbon Footprint • Building energy efficiency
CONSTRUCTION	<ul style="list-style-type: none"> • Effectiveness of worksite quality plans • Incidents reported at building worksites • Close of complaints received by the end of the year
INFRASTRUCTURE	<ul style="list-style-type: none"> • Toll road accident rate • Saturation of concessionaire toll lines • User satisfaction (through surveys)
MAINTENANCE, CLEANING AND UPKEEP	<ul style="list-style-type: none"> • Undefined contract conditions • Service incidents and complaints index • Customer satisfaction (through surveys) • Road infrastructure accident and incident response time • Road infrastructure repair response time
WATER TREATMENT, URBAN SOLID WASTE AND BIOSOLID THERMAL DRYING	<ul style="list-style-type: none"> • Flows treated without incident • Disposal incidents • Response time for carrying out corrective work orders • Customer satisfaction (through surveys)
URBAN SERVICES	<ul style="list-style-type: none"> • Customer and user satisfaction (through surveys)
AMEY	<ul style="list-style-type: none"> • Customer satisfaction
AIRPORTS	<ul style="list-style-type: none"> • Customer satisfaction (waiting lines, cleanliness, service. etc.) • Time spent waiting in lines
AIRPORT SERVICES	<ul style="list-style-type: none"> • Customer satisfaction • SLA Monitor

Commitment

- Quality and constant improvement of processes and activities and innovation

Lines of action

- Maintain and increase customer confidence in the company, striving to exceed their expectations in the quality in its projects and services.
- Promote innovation projects, scientific research and development, as basic factors for achieving competitive success and and the creation of differential value in the market.

Milestones in 2009

- Reduction of the response time for customer complaints.
- Reduction of time spent in security queues in British airports to less than five minutes during 95% of the waiting time.
- More comfort on the trip to Heathrow Airport offering self-service check-in at the Paddington train station.
- Improve channels for the receipt of complaints.

2010 Objectives

- Continuously improve the level of customer satisfaction.
- Establish and maintain quality management systems.
- Anticipate and adapt to new technical requirements.

The following table highlights the most significant indicators measured through the corporate scorecard.

encompasses all the businesses activities of Ferrovial and that of the Energy Efficiency of the buildings, for which an energy audit and energy saving measures were implemented.

These indicators are a selection of those established by the divisions to control their main processes and are systematically sent to Ferrovial's Quality and Environment Department.

The monitoring of the indicators seeks to establish areas for improvement through the development of specific actions.

In addition, all of the business areas have internal procedures used to establish the methodology for detecting, identifying, recording and controlling the complaints made by clients regarding the products and services. When a complaint is received through the Complaint Forms or by letter, e-mail, verbally, etc. a file is generated with the data on the complainant, the reason for the complaint, and the actions needed for resolution. Subsequently the situation is analyzed and the improvement actions are established.

The Quality and Environment Department of Ferrovial handles any complaint that has not been satisfactorily resolved by the business areas and which the client has channeled through Ferrovial.

In 2009, only one complaint relating to buildings in Spain was received. The number of complaints received continues to decline given that Ferrovial has not been involved in real estate development since 2006. The resolution time was six weeks. Ferrovial Agromán received 129 quality-related complaints in Spain, 29 less than last year. The closing ratio for complaints closed by year-end increased to 75% from 65% last year. Complaints pending closure are being managed in accordance with the established procedures.

Ferroser, Eurolimp and Grupisa received a total of 795 complaints. All were closed within the year.

Cintra has a Claims Index to measure the volume of complaints received regarding the Spanish toll roads. This indicator considers the number of complaints, average daily intensity (ADI) of vehicles, length of toll roads and vehicles-kilometer. In 2009, the indicator registered a result of 24, down from the average 27.4 registered in the previous year.

As for products and service labeling policy, specific labeling is not required, since most of Ferrovial's activities do not generate marketable products. Customer-generated waste or hazardous waste is labeled in accordance to the legislation in force.

QUALITY SYSTEM (ISO 9001:2000)

Ferrovial maintains its commitment to quality. Clear proof of this commitment is the fact that different business lines have a Quality Management System that is certified to ISO 9001:2000 standards by the main certification accrediting firms: AENOR (Spanish Association for Standardisation and Certification), SGS, BVQi (Bureau Veritas Quality International), BSI Group and ERM CVS.

A total of 64% of all business activities was certified to the ISO 9001 standard in 2009.

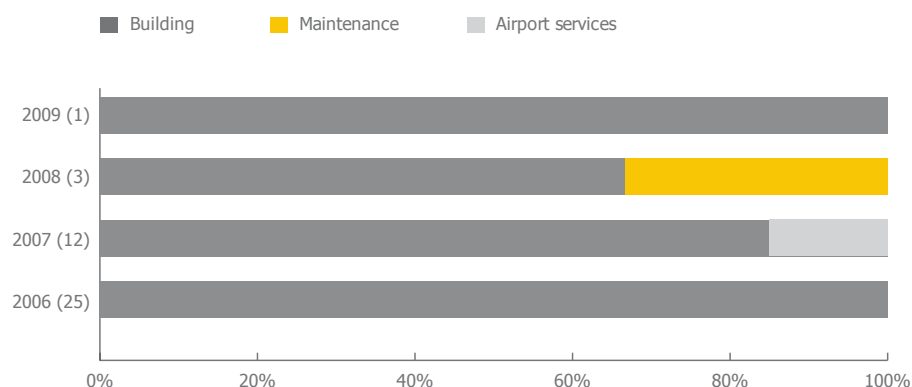
In addition to maintaining the certifications from the previous year, Ferrovial Agromán has achieved certification for its activities in Greece. The slight decline in the percentage is the result of the increase in activities performed in countries that are outside of the scope of the certifications.

Also, in the Infrastructure area, the Parking Division has been excluded from the figures due to its sale in July. It should also be highlighted that the Quality System of Cintra's concession holder in Greece was certified to ISO 9001:2008. With this new addition, Cintra has 13 toll roads in operation with certified quality systems. Plans call for the US operations, Chicago Skyway and Indiana Toll Road, to be certified in 2010.

Cespa has expanded its Quality Management System to three new facilities and its Environmental Management System to five new facilities, while maintaining all existing certifications.

All systems are internally audited by teams of qualified auditors who are independent from the audited area. In 2009 a major effort was made, with a total of 847 internal audits performed. 602 production centers were audited and 1,089 assessment visits were made.

CAUSE OF THE COMPLAINTS



PRODUCT AND EXCELLENCE CERTIFICATES

Grupisa is certified under UNE 135332 "Vertical signs. Plates, sheet slats and directional panels used for metallic signs and permanent signs. Materials. Characteristics and test methods"; UNE 166001 "R&D&i management: Requirements for R&D&i projects" for three specific projects, and UNE 166002 "R&D&i management: Requirements for R&D&i Management Systems".

Cadagua, Eurolimp and Ferrovial Servicios have received certification of their R&D&i management system under UNE 166002:2006 "R&D&i management: Requirements for R&D&i Management Systems".

Similarly, Cespa, head of urban services business line, has been awarded the Madrid Excellence award for businesses that operate in the Community of Madrid.

Customer satisfaction

As established in Ferrovial's Quality and Environment Policy, one of the objectives of the company is meeting user and customer expectations. Users and customers are the core of Ferrovial's activity and the company aims to provide the best experience in the use of its infra-structures and services.

The different business areas carry out periodic surveys of customer expectations and satisfaction. The analysis of the results allows us identify the strong points and the weaknesses in the company's behavior in order to establish improvement actions.

Customer satisfaction is high across the different activities performed by Ferrovial, with an average score of 3.9 points out of a total of 5.

Certain business areas have formal communication channels integrated into their post-sales or customer service de-

partments. This is the case of Cespa, which has independent customer service structures in each facility. For public contracts, these service requirements are usually marked by customer bid specifications and for private contracts, each work center employs specific measures to channel the consultations to the most appropriate person for solution.

Most of the toll road concessions have their own customer service structures. For example, the 407 ETR toll road in Toronto (Canada) not only has a call-center, but also other innovative methods of attending to the suggestions or complaints of users that desire to personally contact the Customer Center, or prefer to use regular mail, e-mail or fax. The Customer Care Team attends all consultations.

Similarly, Chicago Skyway, Autema, Ausol, Radial 4, Madrid-Levante, Cintra Chile and Eurolink have customer service websites and specific telephone numbers.

Ferroser, Eurolimp and Grupisa, receive and manage customer breakdown notifications through their call centers.

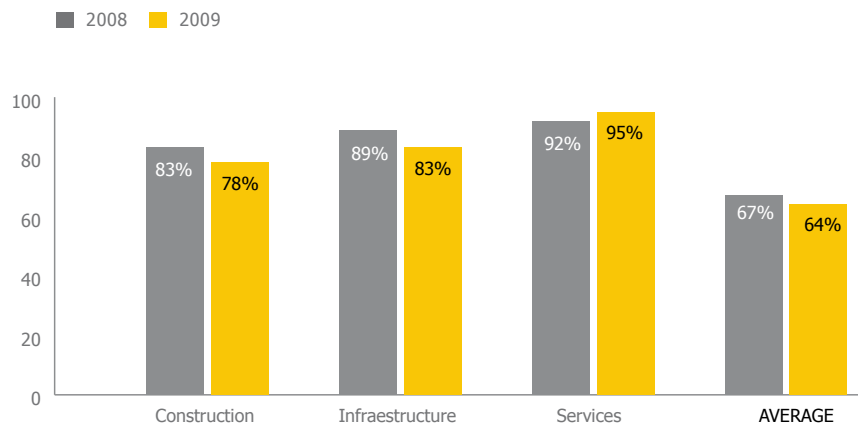
These departments are channels for ascertaining opinions, doubts and/or complaints from users or customers.

When a close relationship exists with customers, as is the case of construction or water treatment, customers directly contact the person responsible for the contract.

On the group level, Ferrovial has an email address where customers can send their complaints, comments or doubts (dca@ferrovial.es).

In every case, Ferrovial guarantees the protection of its customers' privacy with

Percentage of Certified Activities (ISO 9001)

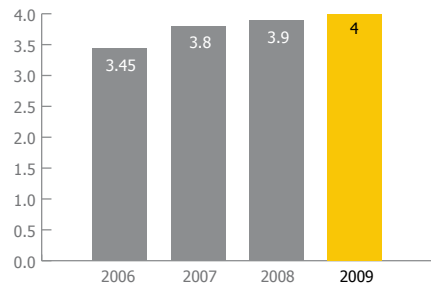


respect to the products and services contracted. The privacy policy is governed by the applicable national legislation in each country. Benchmark legislation includes the Organic Law on the Protection of Data or Personal Nature (Spain), the Data Protection Act (United Kingdom) and the Personal Information Protection and Electronic Documents Act (U.S.). The Quality System's organizational procedures ensure the proper archiving of all documentation and the privacy of all incoming and outgoing information.

CONSTRUCTION

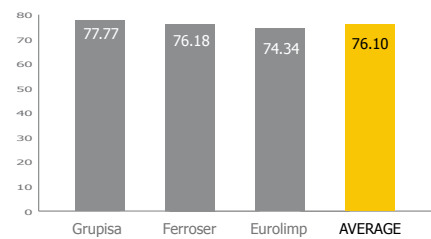
Customer satisfaction with Ferrovial Agroman has improved over the previous year. Specifically, the client is happier with the sales efforts and the after-sale phase.

Customer satisfaction (Ferrovial Agroman)

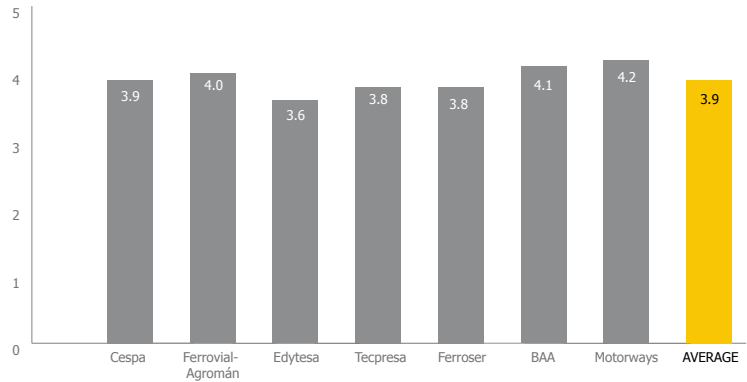


SERVICES

Customer satisfaction



Customer satisfaction



Ferrosor / Euroлимп/ Grupisa

These group companies perform customer surveys every two years in three areas: commercial, products and execution.

Cespa

Once again this year, Cespa has performed the Customer Satisfaction Measurement Campaign in order to learn the degree of satisfaction of its clients with the services provided to comply with the requirements of the ISO 9001:2000 standard. The 2009 Campaign surveyed the clients regarding these services provided from any of the following operations:

- Those that were submitted to the 2007 Campaign.
- Those facilities where quality systems were implemented during 2009 or where such systems were in the process of implementation.

With regard to the previous year, the average score improved slightly (7.79 points up from 7.75 points in 2008). Nonetheless,

this indicator presents high stability in the quality perceived by the customers year after year.

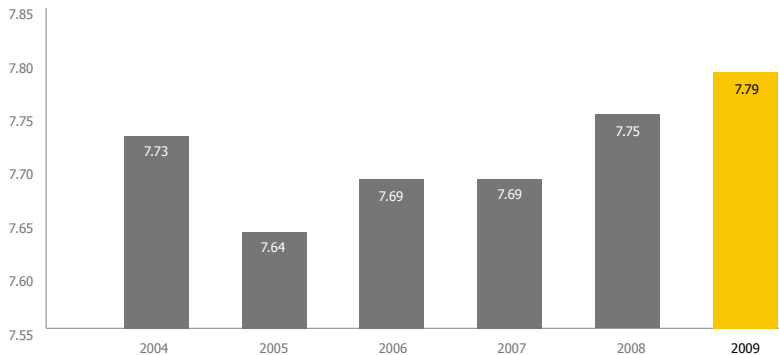
The breakdown of the scores by type of service is as follows:

- Landfills: 7.73
- Industrial Collections and Transportation: 7.71
- Chemical Clean-ups: 8.38
- Services to the Nuclear Sector: 9.00
- Health Services: 7.89
- Composting: 9.50
- Hazardous Waste Treatment 7.68

In general, all aspects of these services received slightly higher scores than last year.

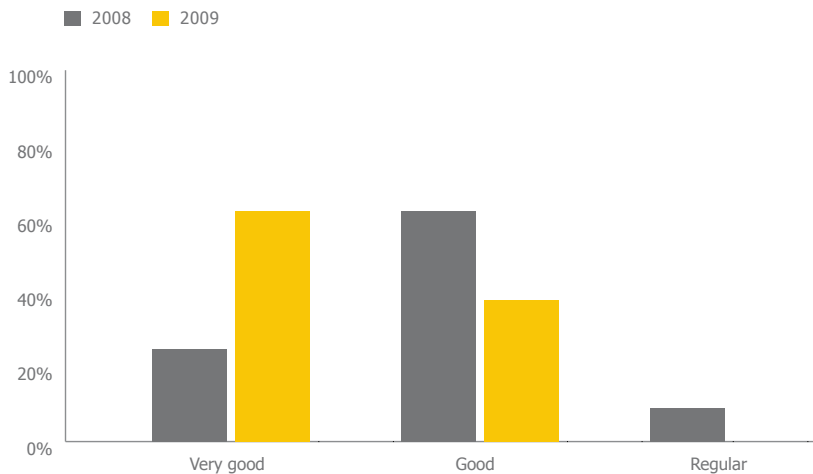
It can be said that Cepsa customers are "markedly satisfied" with the services received. Nonetheless, some aspects did show areas for improvement, specifically Information-Documentation and Price-Quality.

Average score



TOLL ROADS AND CAR PARKS

Customer satisfaction (Eurolink)



Cintra performed customer satisfaction surveys to learn the level of user satisfaction with the Irish toll road Eurolink. The surveys consisted of five short questions on the frequency of use, reason for travel, method of payment, and general opinion on the highway and the services received. A total of 114 surveys were given and the results were considerably better than those obtained in the previous year.

The Indiana Toll Road (USA) performs surveys using various different means: website, delivered at toll booth and e-mail. The results of the 2009 surveys concluded that 77% of the users were satisfied or very satisfied with their i-zoom (electronic automatic toll payment device), 78% were satisfied or very satisfied with the customer service department and 81% were satisfied or very satisfied with the Call Center.

The Canadian 407 ETR carries out yearly campaigns of personal user surveys through a company hired specifically for this purpose. In 2009 a total of 4,700 surveys were carried out with the result of 80% of those surveyed declaring that they were very or somewhat satisfied with their experience with the toll road.

On the Spanish highways, it should also be highlighted the two types of surveys carried out on the Au-tema concessions. The first asked the user, either through the website or through a questionnaire at the service areas, regarding a series of key aspects of the toll road, such as safety, signage and price/value relationship. On a scale of 1 to 5, the majority of the aspects scored above 3, with the highest scores being received by signage and the speed of passing the toll. A total of 132 surveys were performed. The other survey asked about the treatment received at the toll; the "mystery shopper" technique was used. These surveys (a total of 603) reflect a satisfaction level of 87%, in line with the 90% recorded the previous year.

For the Radial 4 toll road, 33% of those surveyed were highly satisfied and 46% were moderately satisfied. For the Madrid-Levante toll road, 15% of those surveyed were highly satisfied and 67% were moderately satisfied.

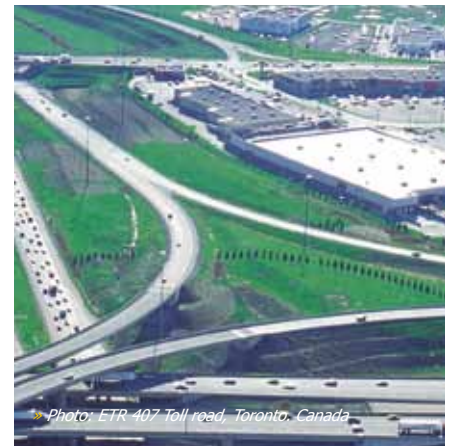
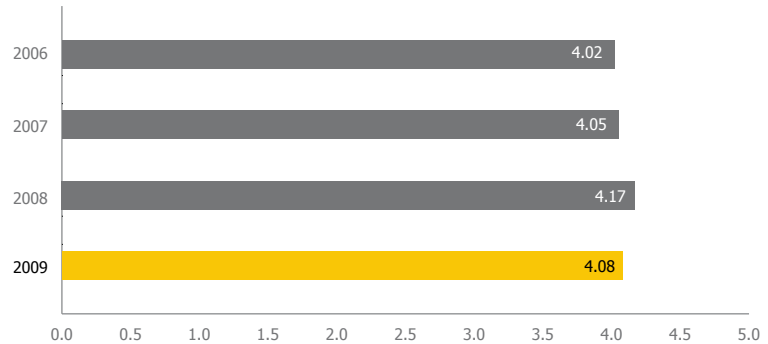


Photo: ETR 407 Toll road, Toronto, Canada

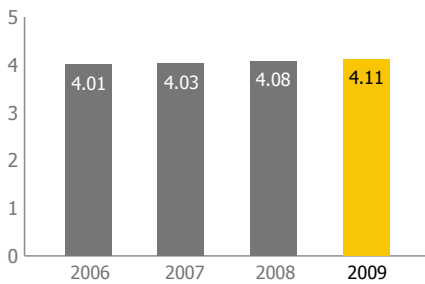
AIRPORTS

BAA has established a system called QSM (Quality of Service Monitor) to carry out surveys among the passengers that arrive and depart the Heathrow, Stansted, Glasgow, Edinburgh, Aberdeen and Southampton airports (not including Gatwick, which was sold in the month of December). Passengers were asked to score the service received on a scale of 1 to 5.

Waiting time at security control points



Overall satisfaction with the airport



In general terms in 2009, the global level of satisfaction of the passengers with the airports was Very Good (4.11 points out of 5). The figure has increased steadily in recent years across all airports. Heathrow, Glasgow, Aberdeen and Southampton received above average scores.

One of the aspects analyzed was the global level of satisfaction with the time needed to pass through security controls. The result obtained was 4.08 out of 5, somewhat lower than in 2008. Nonetheless, the level of satisfaction is superior to that in previous years. Glasgow, Aberdeen, Edinburgh and Southampton received above average scores.



Photo: Departures Hall, Heathrow Airport, UK

Innovation in quality management

Ferrovial seeks excellence in everything it does, evaluating the key aspects of activities and implementing management systems to constantly improve its processes, technical capacities and performance

The main projects that Ferrovial executed in 2009 in relation to quality management were:

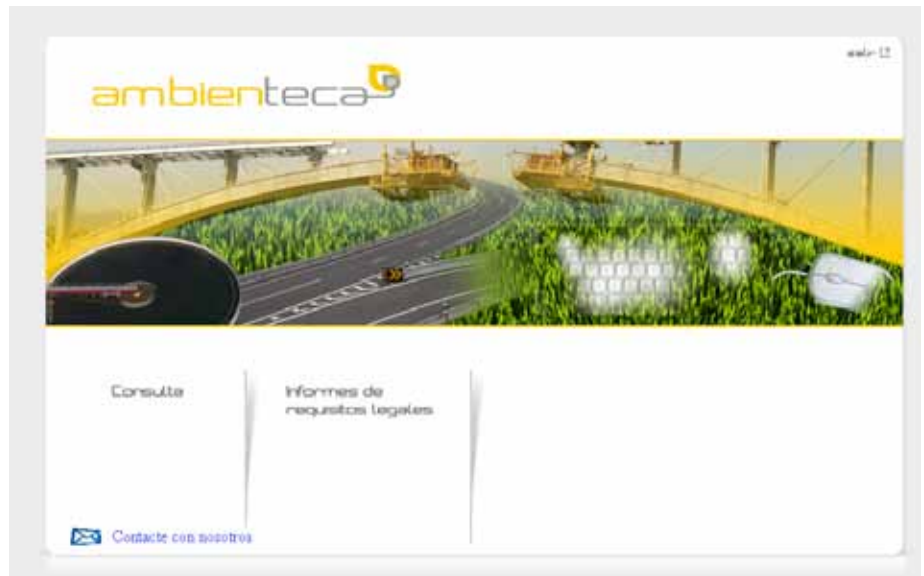
AMBIENTECA

In the 2009, Ferrovial's Quality and Environment Department, in collaboration with the Quality and Environment Departments in other business areas, developed Ambienteca, a tool that will replace the SIGMA system. Ambienteca is an application that allows the supervisors of the business lines not only to know the environmental legal requirements that are applicable to a determined contract in Spain, but users perform open searches for legislation by subject, activity, scope or title and code, thus decreasing the risk of non-compliance.

The application is scheduled for rollout in 2010.

GREPA (AFTER-SALE INCIDENT MANAGEMENT)

In 2009, Ferrovial Agromán implemented the application GREPA, a tool to improve the management of incidents that appear in the after-sale phase. The application achieved its objective of improving customer satisfaction in this phase.



SIC (INTEGRATED QUALITY MANAGEMENT SYSTEM)

Ferrovial Agroman completed the implementation of the SIC system across 100% of its work sites and Cadagua, in 90.16%. This application allows for the preparation and execution of the monitoring of Quality Assurance Plans at the work sites. Thanks to the direct access environment, information can be transmitted immediately with the data available in real-time.

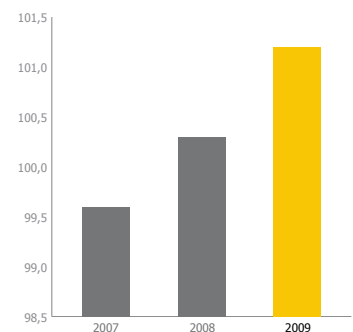
BDDA APPLICATION (ADMINISTRATIVE DOCUMENT DATABASE)

In 2009, Cespa, Ferrosfer, Eurolimp and Grupisa launched the application known as BDDA (Administrative Document Database), a tool for the registration of administrative documents such as permits, licenses and contract authorizations.

SLA MONITOR

Swissport has an indicator known as SLA Monitor to measure and quantify compliance with requirements and objectives established by customers. This indicator has been calculated considering 80% of Swissport's activity.

The average result was 101.1 in 2009, which indicates that Swissport surpassed its customers' expectations, since the score was over 100.



AWARENESS CAMPAIGN

Cespa has created educational posters that highlight the main behavioral guidelines relating to the service quality and environmental management for personnel performing Gardening and Forestry Works and Services. The goal of the material is to contribute to personnel awareness of the particular subjects.

Cespa has also distributed the Ten Commandments of Good Practices in Road Cleaning and Waste Collection among the employees in Murcia to reinforce their commitment to good practices.

The "commandments" were distributed in different formats (as part of the Welcome Training for new employees, posted on the message boards, etc.), and were

sent to all employees performing road cleaning and waste collection activities.

AUTO CHECK-IN AT PADDINGTON

The Heathrow Express, train that connects the center of London with Heathrow airport, improved its service in 2009 with the new automatic baggage check-in sys-

OBRAS DE JARDINERÍA Y OBRAS FORESTALES

- 1** Mantenga balizada y señalizada la zona de trabajo, así como las zonas de acopio de materiales y las instalaciones, e impida el acceso a cualquier persona ajena a la obra.
- 2** Adopte las medidas necesarias para evitar que los trabajos puedan afectar a zonas colindantes o a instalaciones y equipamientos próximos (redes de abastecimiento de agua, electricidad, gas, telefonía, saneamiento, alcantarillado, etc.)
- 3** En la plantación de arbolado y setos, avise a su superior cuando existan hoyos de tierras no aceptables (por presencia de escombros u otros residuos, o por encharcamiento).
- 4** Mantenga los materiales de obra almacenados de forma adecuada, para evitar derrames y ensuciamientos de la zona de obras y sus alrededores.
- 5** En la instalación de sistemas de riego, tome especial cuidado para los aspersores y difusores, se instalen bien nivelados a cota del terreno.
- 6** Limpie y revise la maquinaria y las herramientas después de su utilización.



CALIDAD

- 1** Realice las tareas diarias de acuerdo a las indicaciones del Encargado/Jefe de Obra.

MEDIO AMBIENTE

- 1** Tenga en cuenta todas las medidas de vigilancia ambiental requeridas. En especial, minimice los ruidos durante los trabajos nocturnos.
- 2** Utilice equipos y maquinaria en buen estado de mantenimiento (para reducir ruidos, emisiones de humos y goteos de aceites y combustibles). Comunique cualquier incidencia a su superior.
- 3** En general, realice el mantenimiento de los equipos en talleres y, cuando tenga que hacerse a pie de obra, adopte las medidas necesarias para evitar derrames que ensucien el pavimento o contaminen el suelo o las aguas.
- 4** No realice limpiezas de equipos o maquinaria (por ejemplo, hormigoneras) en la zona de obras.
- 5** No deje abandonado ningún residuo. Recójalos y deposítelos en los lugares o recipientes específicos para cada residuo (escombros, madera, metales, sacos, envases vacíos de productos peligrosos, neumáticos, etc.)
- 6** Cuando finalice la obra y antes de su recepción provisional, asegúrese de que se realice una limpieza general del entorno afectado por la obra, retirando materiales sobrantes o desechados, escombros generados, etc.



DECÁLOGO DE BUENAS PRÁCTICAS EN LA RECOGIDA DE RESIDUOS



- 1** Los residuos que se acumulan tanto de los contenedores de basura como de los contenedores de reciclaje deben ser recogidos y depositados en los contenedores adecuados (papel, plástico, vidrio, etc.).
- 2** La recogida de residuos de basura que los contenedores pueden proporcionar, así como el mismo día, se entregará al equipo de recogida de residuos.
- 3** Una vez recogidos los contenedores, estos deberán ser correctamente cubiertos en su lugar y almacenamiento de residuos y materiales.
- 4** Desde cualquier punto de vista, se debe evitar el uso de materiales como el cartón, etc.
- 5** Durante la operación de los residuos, los operarios deben asegurarse de que el trabajo se realice de manera segura y profesional.
- 6** La producción del servicio de recogida de residuos y los residuos de los Equipos de Protección Individual (EPI) se recogerán en un solo lugar y se depositarán en los contenedores de residuos.
- 7** Durante la producción del servicio, los operarios deben asegurarse de que el trabajo se realice de manera segura y profesional.
- 8** Durante la producción del servicio, los operarios deben asegurarse de que el trabajo se realice de manera segura y profesional.
- 9** Los operarios deben asegurarse de que el trabajo se realice de manera segura y profesional.
- 10** Los operarios deben asegurarse de que el trabajo se realice de manera segura y profesional.



tem at Paddington station. Paddington is the first station in the United Kingdom to offer this type of service. Thanks to this service, passengers arrive at the airport with their boarding cards and avoid lines at the counters, thereby making the entire trip more comfortable.

Also at Heathrow, to improve baggage handling, an integrated luggage trans-

portation system has been installed that consists of a 1.8 km tunnel that connects the terminals and allows for the handling of close to 110 million pieces of luggage annually.

SERVICIOS FORESTALES

CALIDAD

- 1 Realice las tareas diarias de acuerdo a las indicaciones de su Encargado/Jefe de Obra.
- 2 Durante los labores de desbroce tenga especial cuidado para no cortar la flora en peligro de extinción o de interés especial.
- 3
- 4 En los terrenos de sierra haga el corte de los troncos a ras de suelo, de modo que las taciones no sobresalgan, como norma general, más de 10 cm, dependiendo de la pendiente y la pedregosidad del terreno.
- 5 Cada día, al finalizar la limpieza de los restos desbrozados y otros trabajos, especialmente en los terrenos forestales afectados, con el fin de no obstaculizar la circulación de vehículos.



MEDIO AMBIENTE

- 1 Dirija utilizando las praxas permitidas al tránsito y sin superar los 30 km/h.
- 2 Tenga en cuenta todas las medidas de vigilancia ambiental requeridas. Nunca ocasione daños en la nidificación de especies en peligro de extinción o de interés especial.
- 3
- 4 Recoja y trate los residuos vegetales según lo indique su superior: Incorporación al suelo y, en casos particulares y autorizados, eliminación mediante quema controlada o transporte a vertederos.
- 5 Sea muy cuidadoso con el fuego, tanto en las quemas controladas como en cualquier otro momento en el que sea necesario encender un fuego.
- 6 No eche basura en los terrenos forestales.

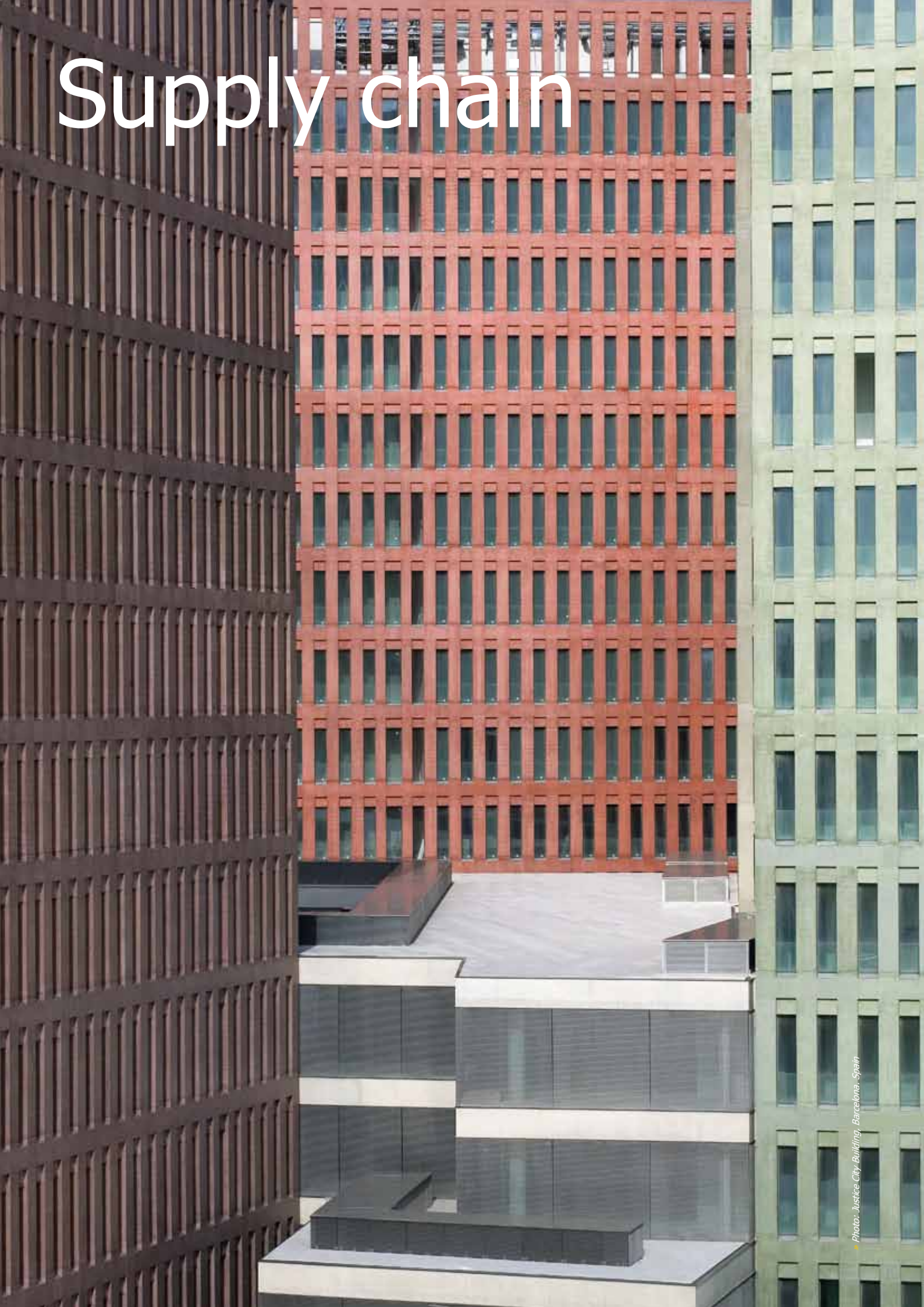
DECÁLOGO DE BUENAS PRÁCTICAS DE LIMPIEZA VIARIA



- 1 El barrido se realizará de forma que se obtenga el mejor rendimiento a la vez que el nivel máximo de limpieza.
- 2 Se prohíbe empujar y abandonar residuos barridos debajo de los vehículos, en imbornales o en cualquier otro sitio.
- 3 Se prohíbe verter los residuos del barrido en los contenedores, a granel. El vertido se realizará utilizando las bolsas correspondientes y siempre en el contenedor "RESTO".
- 4 Si durante el barrido se detecta un desbordamiento de contenedor de cualquier fracción, se procederá a su recogida y vertido en el contenedor adecuado (Amarillo: ENVASES, Azul: PAPEL Y CARTÓN, Verde: VIDRIO).
- 5 Si durante el barrido se detectan residuos reciclables de tamaño considerable (cajas de cartón, embalajes, garrafas, botellas de vidrio, etc.), estos se recogerán y verterán en los contenedores adecuados más cercanos (Amarillo: ENVASES, Azul: PAPEL Y CARTÓN, Verde: VIDRIO). Nunca en contenedor inadecuado o en el de "RESTO".
- 6 Durante la prestación del servicio, los operarios utilizarán de forma adecuada el uniforme de trabajo y los Equipos de Protección Individual, asegurando el correcto estado y funcionamiento de los mismos.
- 7 Durante la prestación del servicio, los operarios mantendrán un nivel adecuado de limpieza y pulcritud personal.
- 8 Durante la prestación del servicio, los operarios dirigirán a los ciudadanos con respeto y educación.
- 9 Los operarios comunicarán cualquier incidencia relevante del servicio a sus responsables inmediatos.
- 10 Los operarios cumplirán las instrucciones incluidas en el presente Decálogo, así como aquellas otras indicadas por sus responsables.



Supply chain



Ferrovial's relations with its suppliers and subcontractors are an essential part of its business activity. Both sides seek mutual benefit by joining forces and creativity, in order to offer clients higher quality services, while establishing long-term relationships wherever possible.

In the Construction Division, the Procurement Department is responsible for managing relationships with major suppliers and subcontractors to offer clients higher quality and better services and, wherever possible, to achieve long-term relationships and obtain the utmost benefit for both parties.

Ferrovial had business relations with 86,020 suppliers, of which 75% were from construction activity. It is worth noting that approximately 15% of the construction suppliers represent about 90% of total purchases. By geographic area, 74% of suppliers and subcontractors were contracted in Spain, 18% in the United Kingdom and 8% in other countries.

The Construction Division provides a centralized purchase management through the Procurement Department for those purchases for which global management adds value and enables control and detailed knowledge of the supply chain. The Procurement Department also provides assessment for the many decentralized purchases transacted by the Group's different companies with most suppliers.

Purchase Management encompasses the principles, policies and processes Ferrovial has established to conduct its works and services according to the purposes required by customers, optimizing prices and complying with deadlines and specific quality requirements with the greatest profitability.

Commitment

- Treat the supply chain as a key factor in the company's sustainable development strategy.

Lines of action

- Encourage suppliers and subcontractors to gradually adopt principles in line with the corporate responsibility policy.

Milestones in 2009

- Introduction of corporate responsibility clauses in all Supplier-Collaborator agreements that are signed from 2009.

Supply Chain	2009	2008	2007	Change 09-08
Number of suppliers	86,020	89,567	83,981	-4%
Purchasing needs (TRANSACTIONS)	359,761	207,061	ND	74%
EBITDA generated by purchases that meet quality and environmental criteria (€)	366.7	291.05	ND	123%
Suppliers evaluated	7,456	1,596	ND	367%
Suppliers rejected	131	104	ND	26%
Suppliers certified in Quality, Environment and Human rights (%)	14.44	10.63	7.64	36%
Supplier incidents	664	159	388	317%
Supplier training (hours)	10,157	40,932	14,442	-75%

Purchasing Procedures

In the Construction Division, purchasing procedures are drafted and applied in each country in which Ferrovial operates in accordance with ISO 9001 and ISO 14001 standards and tailored to each market's specific features, although they maintain basic operating standards and principles in common to optimize purchasing costs.

The basic principles are:

- Benefits from economies of scale in purchasing and purchase centralization when it adds value.
- Coordinated purchasing among different countries.
- International /global vision of the supplier market.
- Transparent purchasing process.
- Use of Company IT systems to manage purchasing knowledge and control the purchasing process in itself.

Supplier quality is managed and monitored by procedures set out in the ISO 9001 and ISO 14001 standards, which enable the Company to evaluate the quality of work and supplies and identify incidents so as to be able to take the opportune corrective measures and, in cases of serious incidents, disqualify a supplier from working with Ferrovial or its subsidiaries.

Purchase Management

The Division of Construction, in order to optimize the procurement process in those countries where it operates, has unified procedures that allow treatment to be equal at the Company level, yet tailored to each country's specific features. This

enables these aspects to be managed globally, each country's main purchases to be known and needs to be aggregated, ensuring that all purchases are effected in the best possible price conditions from suppliers that can assume the above requirements, thus guaranteeing equal opportunities in the contracting process.

The centralized procedures apply to all purchases (or leases) of products and services within the Process Monitoring Plan at sites that require specific environmental conditions or those with a relevant economic impact. The following is guaranteed in all cases:

- Wide range of suppliers.
- Equal information and fair treatment of suppliers.
- Justified selection, based on competitiveness.
- Strictly professional relationship with suppliers.

The procedure regulates the entire process from the identification of procurement needs, procurement planning, the submission of tenders, the study of the tenders, the negotiation process, supplier selection and approval process, the preparation of the order/contract or the receipt of the goods and services, and evaluation of supply or service.

LOCAL SOURCING

In terms of supplier management, the centralized purchasing procedures do not make any distinction between local and foreign suppliers, provided that they have the capacity to supply the products and services with the quality required to carry out the works or services.

The policy in the majority of the countries in which Ferrovial Agromán works has been to contract local suppliers, thus promoting the development of the local community. The main market, from the point of view of purchasing, is in Spain. 95.5% of centralized purchases made in Spain are made to suppliers and 4.5% from foreign suppliers.



» Photo: Water treatment plant

Local suppliers are almost fully relied upon for purchases in the other markets in which Ferrovial operates: United Kingdom (98.8%), United States (99.9%), Portugal (93.2%) and Ireland (99.9%).

IDENTIFYING OF NEEDS AND REQUESTS FOR PROPOSALS

The site manager establishes the purchasing needs, includes them in a purchase plan and keeps it updated according to work plan and progress. Once the products and services in the purchase plan have been identified, the site manager drafts the specifications sheets, which are included in the orders and contracts and supported by IT procurement applications, the Integrated Quality System (SIC for the Spanish initials) and a specification-type database.

Subsequently, the request for proposals is processed through the Internet portal or traditional methods, by submitting the documentation needed to guarantee knowledge of the quality required from the supplier. A comparison table that includes technical and economic aspects is devised for the studying of the offer and final supplier selection and negotiation.

RECEIPT OF TENDERS, NEGOTIATION AND SUPPLIER SELECTION

Ferrovial always has a wide number of suppliers to guarantee an adequate analysis of the market. No less than 3 bidders are allowed unless there is express justification.

Ferrovial has a portal in the Purchasing Management section of its website to ensure transparency and suppliers' broad-based access to purchasing processes (Purchasing Management section). Major purchases being processed are published and updates continuously posted on this webpage, so that any supplier in the world can contact the Company to send offers.

The offers included must be uniform to ensure that the comparisons made are accurate. The negotiation process with suppliers is not complete until all purchasing conditions have been agreed upon. Before the sale is effected, the Company Suppliers Catalogue is checked to see that the selected supplier is not listed as «rejected».

PURCHASING MANAGEMENT SUPPORT TOOLS

As a support to optimize management, the Construction Division has developed the following IT systems of its own, which are tailored to sector and Company procedures. These systems cover knowledge management in this area to the conclusion of the purchasing process and use the Internet as a means of communication with suppliers and among the Company's participating divisions, providing transparency and adequate control.

They are as follows:

- Purchase management program This program ranges from drafting purchasing plans and identifying potential suppliers to issuing orders or purchasing contracts and the management reports needed to implement purchasing strategy and compliance monitoring.
- Supplier, pricing and specifications consultation programs. This allows decentralized management through knowledge management, enabling any Company center or worksite to consult information on suppliers and real purchase prices for products and services.
- Access from all production centers worldwide and real-time information on: supplier agreements, new products on the market, alternative construction systems that allow cost

cuts, international price comparisons, price evolution indices, etc.

- Computerized issuance and control of orders and contracts with suppliers. Additional automatic order invoicing and payment control.

Buyer's code

Supplier management and relations in Ferrovial must be based on an efficient, ethical and rigorous bond. Ferrovial's Procurement Department approved a Buyer's Code in 2006, which supplements Ferrovial's Code of Business Ethics and is applicable to all Procurement Department personnel, who trained in the Code and required to acknowledge compliance in writing.

The document's objective is to set general guidelines for ordinary purchasing operations (broad-based access, equal opportunity and fair treatment of suppliers, competitive-based, justified award decision and a strictly professional relationship with suppliers), without seeking to cover all possible situations exhaustively. The Code specifically establishes the following principles, which must be taken into account in all purchases:

- **Ferrovial's general interest.** This goal must preside over any negotiation.
- **Integrity.** An immediate supervisor must be advised of any direct or indirect conflicts of interest arising from family connections, personal ties, financial interests or other factors. Employees who participate in purchases are prohibited from accepting special discounts or gifts

valued at over 90 euro. Gifts of a lesser value may only be accepted if they are delivered to corporate headquarters. The Code establishes the supervision of invitations for trips, events and meal payments to prevent invitations from suppliers.

- **Professionalism.** Professional conduct to avoid overly-personal relationships outside the strictly professional realm with suppliers that may interfere in negotiations. Purchasers must treat any relevant supplier information that may influence the final result of an award formally, so that it forms part of the purchase file. The buyers should also ensure their training.
- **Confidentiality.** Confidentiality is required on commercial or technical information related to the purchase in question and other aspects which may affect the company's position in the negotiation or benefit a particular provider over others.

Corporate Responsibility Policy

The Procurement Department can ban contracts with any supplier for causes of interest to Ferrovia, which include violations of its Code of Ethics in relation to the principle of abolishing child labor. No suppliers were excluded for this reason in 2009.

The Procurement Department of the Construction Division has supplier-collaborator agreements with major suppliers. These agreements allow suppliers to be ensured of broad-based access to all purchasing processes related to their business and requires them to submit offers.

In 2008, Ferrovia introduced a specific corporate responsibility clause into such agreements. All such agreements signed in 2009 included this clause. The clause demonstrates Ferrovia's interest in constant improvement and in particular, aspects related to corporate responsibility and sustainable development.

Ferrovia has informed its suppliers of its adherence to Global Compact Principles, presented them with a copy of those principles and encouraged them to take them into account during their operations.

In this agreement, the supplier undertakes to:

- Comply with all sectorial or environmental legislation applicable to any aspect of Ferrovia's activities or services.
- Comply with all health and safety rules and occupational safety commitments established at Ferrovia work centers.
- Comply with the Global Compact Principles.
- Study possible collaboration with Ferrovia to carry out joint aid projects for disadvantaged groups.

The quality and environment clauses must be complied with but are not evaluated individually in contracts signed with suppliers in the Services division. In the event of breaches, the incident would be elevated to the Procurement and Quality and Environment Department.

Supplier evaluation

The Construction Division controls and monitors the quality of its suppliers through assessments made by the Site Managers and production centers (End of Work Sheets) upon completion of the supply or works, evaluating the actual quality of the goods or services received. In the case of incidents, the assessment is performed immediately.

The factors evaluated include meeting deadlines, product quality, technical capability, price compliance, environmental performance and health and safety. Health and safety are the most important factors and are currently assigned the highest weight in the assessment of suppliers and subcontractors. The end of work sheets are reviewed monthly and are incorporated into the supplier database and made available to all company centers.

If the Procurement Department receives three incidents on a single supplier in a year or the supplier is guilty of three very serious violations, the supplier is classified as «rejected» and a ban is enacted on any contracts with it for at least three years. The Procurement Director's authorization is required before transactions can be entered into with the supplier after this period.

There were 515 supplier-related incidents in 2009.

8.7% of suppliers and subcontractors with whom Ferrovia has worked in 2009 have undergone an evaluation process. 131 of the suppliers evaluated registered incidents and were therefore rejected.



» Photo: Interior of Water treatment plant

The origin of all wood is closely scrutinized to ensure it is sourced from responsibly managed forests.

QUALITY CONTROL AND ENVIRONMENT

A total of 13,270 suppliers have been approved or evaluated in regards to quality and environmental criteria.

Each division's Procurement Department is responsible for keeping follow-up information on supplier quality updated and making it available to managers through the procurement computer applications.

The Procurement Department has a scorecard with detailed information on all Company purchases: amount in purchases, number of orders and incidents. This scorecard is monitored each month and reported once a year to the General Director of the corresponding division.

HUMAN RIGHTS COMPLIANCE

An analysis of Human Rights-related risks in the supply chain is conducted according to risk-country and in accordance with the methodology for managing supply chains disseminated by the Global Compact.

The diagnosis did not reveal any significant changes in the risk-supplier profile with respect to supplier profile, product and origin country, in comparison with previous years. Ferrovial has a risk of Human Rights violation between minimum and low for 90% of its business. Most of Ferrovial's investments are in OECD countries whose legislation recognizes and guarantees respect for Human Rights, which is why the risk of non-compliance by suppliers and subcontractors has been rated as low.

Nevertheless, Ferrovial works proactively to improve the flow of information and supplier training. During 2009, 2,748 surveys were given to suppliers and 6,270 meetings and 52 forums were held. Of special interest were supplier and subcontractor training programs in

areas such as quality, the environment, technique, health and safety and topics related to the Code of Ethics.

Every two or three years, the Procurement Department of Agromán Ferrovial carries out surveys to update the supplier information in the database. Each year surveys are conducted on topics such as corporate social responsibility or environmental criteria related to the origin of wood.

Incidents

The number of evaluated suppliers with incidents in 2009 was 457.

Cespa launched of a business support project for centralized incident resolution in 2007. This support has increased the number of incidents managed by the Procurement Department. ■

Human Rights



Ferrovial, through the various intergovernmental initiatives such as the Global Compact and the Declaration of the International Labor Organization (ILO), has a firm commitment to support and respect fundamental human rights, internationally recognized in the Universal Declaration of Human Rights. This commitment is materialized through such initiatives as the Code of Ethics, the Buyers Code and the Group's investment policies in OECD countries, which ensure that its companies are not complicit in Human Rights violations.

Ferrovial's Code of Ethics dictates that "all actions undertaken by the company and its employees shall scrupulously respect the Human Rights and Civil Liberties enshrined in the Universal Declaration of Human Rights". The Whistleblowing Channel allows any employee to report cases of inappropriate conduct or violations of the code.

As a member of the United Nations Global Compact, Ferrovial has committed itself to support and respect the protection of the fundamental, internationally recogni-

zed Human Rights and to ensure that its companies are not complicit in Human Rights violations. This commitment also includes the basic labor rights and values laid out in the Declaration of the International Labor Organization (ILO): freedom of association and the effective recognition of the right to collective bargaining, the elimination of all forms of forced or compulsory labor, the effective abolition of child labor and the elimination of discrimination in respect of employment and occupation.

Commitment

- The control and awareness of procedures for the promotion of appropriate company action with respect to human rights and the ethical behavior of employees.

Lines of action

- Improve working conditions to ensure equal opportunities and nondiscrimination among employees.
- Ensure that both the company and its suppliers respect Human Rights (Global Compact).

Milestones in 2009

- Institutional Agreement on Equal Opportunity Plans for all companies in Spanish territory
- Launch of a national communication campaign on the Equal Opportunity Plan
- New Concilia 2009 Plan.

2010 Goals

- Launch of an online Training Course on Business Ethics.

Human rights	2009	2008	2007	Ch. 09-08
Investment in OECD countries (%)	100	100	100	
Employees protected by collective bargaining agreements (%)	74.53	72.2	73.6	
Equal opportunities (perceived) *	63.1	64.9	61.1	
Fair employee remuneration (perceived) *	63.4	65.3	62.5	
Proportion of women among new hires (%)	19.56	39.41	10.07	
Women on the workforce (%)	33	35.7	30	
Female executives	314	415	450	
Human rights training (hours)	10,673	9,645	ND	
Employees with human rights training	9,913	10,675	ND	
Suppliers rated as low-risk in regards to human rights violations (%)	xx	90	100	
Suppliers evaluated in terms of human rights (%)	xx	87	ND	
Initiatives promoting Human Rights (€)	xx	950,558	568,362	

In 2008, Ferrovial's Procurement Department approved a new Buyer's code, which requires that suppliers respect the principles of the Global Compact. Later in 2009, Ferrovial's further developed its involvement in this field through direct collaboration with the Global Compact in the development of the "Guidelines for Responsible Supply Chain Management".

The global corporate risk management system (FRM) covers the risks of Human Rights violations. The area of compliance risks includes risks due to insufficient or faulty procedures implemented to ensure compliance with the ethical principles that govern the company's relationship with its employees.

With regard to security staff training, the Manual on Security Duties and Procedures has been expanded with a section on employee regulations in regard to Human Rights as well as new instructions in this field for the different security departments.

Unions and Collective Bargaining

The labor relations between Ferrovial and its employees are based on compliance with the applicable legislation in each country, international conventions and other legal and regulatory provisions governing employment.

In every country where it operates, Ferrovial guarantees the rights of workers such as the right to strike, freedom of associa-

tion and the right to collective bargaining by appointed workers' representatives and unions. Collective bargaining agreements currently govern the working conditions of 74.53% of employees.

Ferrovial has no data on the percentage of employees affiliated with unions, given that they are not legally required to notify the company of their membership. At work centers where union dues are still paid through the office, the percentage is around 23% of employees.

Ferrovial undertakes to keep workers informed of the processes of organizational restructuring and to work together to understand issues from the employee's perspective. During 2009, there have been 462 days of strike.

Equality and non-discrimination

The Code of Ethics states that all employees shall be given equal opportunity to advance their professional career based on the principle of merit. Ferrovial is fully committed to safeguarding the individual rights of its employees, particularly those related to privacy, dignity and equal opportunity.

EQUALITY PLAN

In 2009 the company signed the first Equal Opportunity Plan for all Ferrovial companies in Spain with the leading national unions in the construction and services sectors. The company, true to the values that it has consistently defended

The company, true to the values that it has consistently defended as reflected in its policies and code of ethics, has signed the first equal opportunity plan for all its subsidiaries of services and construction in Spain with the leading national unions. With this signature, Ferrovial is fully committed to safeguarding the individual rights of its employees.

as reflected in its Code of Ethics, is committed to promoting the individual rights of its employees and ensuring the internal dissemination of equal opportunity policies.

Ferrovial's Equality Plan enhances the commitment to corporate social responsibility, establishes specific actions on the key processes of people management and takes advantage of all available communication channels and internal mechanisms that will allow for maximum exposure and awareness.

The Plan establishes and develops the measures agreed with the unions, which

guarantee the principle of equal treatment and opportunities between women and men, promoting training and career development on an equal footing.

Female membership in Ferrovial's governing bodies, understood as the Board of Directors and Steering Committees of the divisions and subsidiaries of the Group, already represents 11% of the total of 132 members.

Ferrovial applies, independently of gender, complete equality of financial remuneration based on salary categories.

Ferrovial is committed to making the necessary effort to train all professionals and provide them with the same opportunities for professional promotion and advancement. One of the basic aspects of Ferrovial's professional development

training is the creation in 2007 of the Corporate University for all group companies, unifying the career development training activities.

Among the commitments in the equal opportunity plan, it should be highlighted:

- Management and management trainee development programs focused on the next generation of top managers will take into account gender representation ratios in order to achieve greater female representation.
- The 2009-2010 training plan includes both classroom and online courses to increase awareness of the key aspects of equal opportunity among managers and supervisors.

The aim of Ferrovial is to continue the current trend of increasing the percentage of women among new hires in order to allow for a greater overall presence of women on the workforce and to do so is monitoring of key hiring processes to allow for the establishment of internal improvement goals.

As part of the equality plans, the company is reviewing the Concilia Plan applying to employees in Spain, with measures geared toward promoting flexible working hours and the granting of various leaves of absence or time off to reconcile the role of parents and the care of the elderly.



» Photo: Food Security project in Lebanon

Harassment

In 2008 Ferrovial published a new corporate procedure on for the Prevention of Workplace Bullying, Sexual Harassment and/or Gender-based Harassment which is enforced throughout Spain. The procedure is available in the Intranet.

The plan was inspired by the third article of the Code of Ethics, which calls for respect for the law, ethical integrity and Human Rights. It also draws from the contents of Organic Law 3/2007, passed by the Spanish government on 22 March 2007 to guarantee the effective equality of men and women, and establishes measures to protect employees from potential situations of gender-based harassment in the workplace.

This procedure, drafted in accordance with the recommendations of the European Framework Agreement on harassment and violence in the workplace (enacted on 26 April 2007), guarantees the right to maintain the handling of all such matters and of the persons involved in the utmost privacy and confidentiality.

The procedure outlines measures taken immediately by the company in the event of reports of harassment, which include completing a thorough analysis of the situation to check the facts reported with every assurance of confidentiality and privacy for the parties involved in the process.

During 2009, 10% of complaints deposited in the Complaints Box were for alleged harassment.

Minorities and disadvantaged persons

Ferrovial is committed to the communities where it operates and as part of its sustainable development goals the company has established priority measures related to incorporating people from the most disadvantaged social groups into the workplace, such as the people at risk of exclusion, battered women, and people with disabilities.

This integration of diversity is implemented by creating both direct and indirect employment through partnerships with various agencies and foundations.

The company also plays an important role in raising awareness of the integration of these groups and undertook various relevant initiatives in 2009. One of them was, as part of Corporate Volunteer Day II, the "Interviews for insertion" initiative, a series of simulated job interviews for people with difficulties in job placement.

SPONSORS OF THE INTEGRA FOUNDATION

The aim of this foundation is to provide standard employment to people who are experiencing particular difficulties in finding work. The role of the Foundation is as a mediator between companies and NGOs to ensure that people who are subject to social exclusion can have access to decent work and thus achieve genuine integration into society and help reinfor-



» Photo: Swissport employee

ce their self-esteem. Ferrovial has been a trustee of the Foundation since 2002 and since then has given employment to a total of 91 socially disadvantaged individuals in Spain through the foundation, 18 of which were hired in 2009. Also in 2009, the Foundation gave a special award recognizing the people who stand out for their commitment and social awareness, which included two people from the Services Division HR Department. The Foundation was also a major partner in Corporate Volunteer Day.

The Services Division launched a campaign targeting 16,000 workers to inform them of the career benefits available to people with disabilities and facilitate the management and processing of these benefits.

Within the framework of Corporate Social Responsibility, one of the commitments acquired by Ferrovial is the creation of jobs for professionals with disabilities. To do this, Ferrovial works closely with companies that facilitate the integration and career development of these collectives. One example is the SER-MES alliance, whose mission is to provide employment

for people with disabilities through worthwhile and solid projects, and durable and stable relations through jobs that respect their dignity and integrity. During 2009, the corporate headquarters employed, on a temporary basis, a total of five people for 160 hours.

FAMILIA PLAN

During 2009, Ferrovial and Fundación Adecco reinforced this initiative to promote the employment and social integration of persons with disabilities

The Familia Plan is designed for family members of employees with a certificate of disability equal to or greater than 33%, and seeks to improve their quality of life and facilitate their social integration and employment. With this initiative, Ferrovial aims to help achieve the normalization of the different social collectives by promoting equal opportunities for all, in line with the values of respect, equality and integrity, and by establishing socially fair and responsible models of behavior within the company.

Under the Plan, a personalized assessment is made of any employee family member with a disability to determine their needs in different areas: medicine, family, social, education and employment.

This benefit aims to develop the skills and abilities that help the recipient to chart a personalized career path. Another feature is "respite care" through specifically-planned leisure activities to ensure the enjoyment of a series of activities by the families of people with disabilities to help develop their emotional, cognitive, physical and occupational capacity while at the same time allowing some respite to family caregivers.

Child Labor

Ferrovial's Code of Ethics expresses its commitment to refrain from the use of child labor and to exclude any goods or services produced by the same from its business activities. The company also undertakes to respect the stipulations of the International Labor Organization (ILO) with regard to underage workers Ferrovial demands strict observance of this principle from all of its employees and suppliers.

Ferrovial deems that there is currently very little risk of violating this com-

mitment, since the majority of its investments are in OECD countries, which already have a legal framework for the protection of labor rights.

At present, 89.5% of Ferrovial's 108,117 employees work in OECD member states, where Human Rights are effectively recognized in national legislation.

Through its Swissport affiliate, Ferrovial also provides airport ground handling services in certain non-OECD countries: Russia, Brazil, Tanzania, Kenya, Cameroon, Dominican Republic, Nigeria, Argentina, Venezuela, Cyprus, Korea, Ukraine, Bulgaria and Algeria.

Number of employees and activities in countries outside the OECD in 2009

Country	Activity	Employees
Algeria	Handling	169
Argentina	Handling	330
Brazil	Handling	4,398
Bulgaria	Handling	183
Cameroon	Handling	88
Korea	Handling	293
Cyprus	Handling	666
Kenya	Handling	350
Nigeria	Handling	313
Dominican Republic	Handling	906
Russia	Handling	23
South Africa	Handling	2,640
Tanzania	Handling	475
Ukraine	Handling	504
Venezuela	Handling	52
Total		11,390

Most of Ferrovial's suppliers and subcontractors also operate in OECD countries and are therefore considered at low risk of Human Rights violations. All purchases and subcontracts are confirmed in contracts, subcontracts or purchase orders and are consistently updated in accordance with the legislation in force in each country. The company's contracts all cite the specific obligation to abide by the legal regulations governing labor relations. Suppliers and subcontractors who operate outside of the OECD are bound by international Human Rights legislation. To ensure compliance, suppliers are periodically asked to produce documents accrediting compliance.

In 2008, the wording of the standard agreement signed by regular suppliers was amended to include more details on social responsibility. Specifically, it now states that these suppliers must commit to uphold the principles of the Global Compact. All such agreements signed in 2009 included this clause.

Training and awareness

As an international company, employer and contractor of services, Ferrovial has the ability to influence many people and organizations. Taking advantage of this capacity, the company has committed to raising awareness and respect for human rights, promoting knowledge and good practice within its areas of influence.

Thus, all Code of Ethics courses taught on the executive and management levels in-

clude a module on human rights. In 2009, Ferrovial provided 10,673 hours of training on this subject to 9,913 employees.

In addition, all suppliers working with Ferrovial receive a copy of the Global Compact Principles and are urged to adhere. In 2009 the Global Compact published its "Guidelines for Responsible Supply Chain Management" in collaboration with Ferrovial. This guide seeks to facilitate the implementation of the Global Compact principles and respect for human rights in business administration, particularly in the relationship with suppliers. All companies wishing to involve their suppliers in their commitment to human rights can apply the guide to establish the criteria for selecting and evaluating suppliers and subcontractors and analyze the risks deriving from Human Rights violations.

Ferrovial takes advantage of its participation in international forums and training programs to raise awareness of the need for business involvement in the protection of Human Rights. Specifically, one of the modules of the Masters in Civil Engineering Leadership that the Rafael del Pino Foundation sponsors at Civil Engineering School of the University of Castilla-La Mancha includes the subject "Corporate Social Responsibility." Students in this Masters program have the opportunity to visit Ferrovial's headquarters in Madrid, where they receive information on the company from various people. Among them, the head of Social Action for Ferrovial strove to increase their awareness of respect of Human Rights in the development of their future careers. They were also given the keys to the fulfillment of these rights in the business world and were informed of the Ferrovial projects that are underway to help achieve the United Nations Millennium Development Goals.

Separately, Ferrovial hosted the second edition of the Diplomatic Corps Business Program (PECD for the Spanish initials). This program provides students in diplomacy with an opportunity to get to know an international company like Ferrovial, a leader in infrastructure management. In this edition, which took place between 30 September and 2 October, was attended by executives from Ferrovial's Corporate Responsibility Department, who highlighted the values that underpin the responsible management of Ferrovial, both inside Spain and beyond its borders, as well as the company's priority commitment to the protection of human rights. Participants were provided with concrete examples of actions by Ferrovial to set an example in the protection of human rights by companies, stressing the need for these principles to be incorporated into the corporate culture of every company.

Ferrovial's chairmanship of the Corporate Reputation Forum in 2009 has resulted in new impetus to the awareness campaign for the Millennium Development Goals, "2015: A better world for Joana." The purpose of this campaign is to disseminate the eight goals set by the United Nations and to promote best practices for compliance among Spanish companies. In 2009, Ferrovial renewed the website campaign and have included the Forum's corporate initiatives, encouraging public participation through Web 2.0 applications. In addition, the national television networks broadcast nine promotional campaign commercials created by the Forum.



» Photo: Volunteering works in Tanzania

Corporate Volunteering

Another way of increasing awareness among employees used by Ferrovial is to promote corporate volunteering. Employees are encouraged to get involved in social projects through the promotion of respect for Human Rights, reports on the problems caused by their violation and enhancing their awareness of the importance of citizen participation in solving these problems.

In 2009, 1,059 employees were involved in social initiatives within their working day, 11.6% more than last year.

Ferrovial repeated the Ferrovial Volunteer Day initiative, recommending new activi-

ties that employees can participate in beyond the one special day.

On 4 December, 240 Ferrovial employees worked for two hours on the translation of letters from sponsored children and other working documents of different NGOs, helping these organizations to avoid translation fees.

In addition, 30 employees of the HR recruitment area simulated job interviews for 120 people with disabilities and other disadvantaged collectives. The objective of this initiative was to give people with difficulties in accessing the labor market the opportunity to be interviewed by experts to guide their future selection processes. Days earlier, Ferrovial volunteers were trained by the organizations backing the "Interviews for insertion" project (Integra Foundation, Manpower, Adecco

Foundation and Fundación ONCE) and were given guidelines on how to face these kinds of interviews.

In addition, Ferrovial has reiterated its commitment to international volunteering through the Maji Ni Uhai/Water is Life project that the company manages with Amref Flying Doctors in Tanzania. On this occasion, a Ferrovial expert on construction and quality management visited the Serengeti region of Tanzania for two weeks to oversee the construction of water infrastructure.

The success of both initiatives, reflected both in the participation of employees and in the acknowledgment received from the NGOs, has led Ferrovial to propose a corporate volunteer plan that will strengthen the institutionalization of these activities in all group companies in coming years. ■

Investment in the Community



Ferrovial in 2009 increased voluntary investment in the community by 15.6%. The company has carried out 642 social action projects that have benefited more than 565,000 people.

Aware of the relevance of its role in the community, Ferrovial has prevented the widespread crisis in the sector to serve as an excuse for a decline in social investment. Although the mandatory contribution was reduced in 2009, Ferrovial increased its voluntary investment in the community by 15.6% over the previous year.

In 2009, Ferrovial invested 17.98 million euro in social action, which equals 1.2% of EBITDA, almost double the previous year's percentage.

The company has also achieved the more efficient management of its resources, as seen by the increased number of projects undertaken (642 compared to 459 in 2008) and the reduction in management costs (233,667 euro compared to 272,442 euro in 2008). Ferrovial has personnel assigned from the Communication and Corporate Responsibility Department to monitor and control the quality of the social action projects, which makes the company a responsible donor. In addition, the company works with organizations such as Fundación Lealtad, which ensures the transparency and good practices of the NGOs with which Ferrovial works.

The company uses the methodology known as LBG (London Benchmarking Group) to account for its investment in social action and measure its impact.

Despite these good results, the company has not achieved the goal established in 2008 to increase the percentage of strategic social action projects. One explanation for this could be the redefinition of criteria for the classification of projects LBG carried out last year in Spain. The change in interpretation of the classification criteria had been agreed between the members of the group to unify their use, resulting in changes in the ranking of the Ferrovial projects.

The LBG methodology classifies social action in eight areas: education and youth, health, economic development, environment, art and culture, social well-being, humanitarian aid, and others. The following chart illustrates the breakdown of the investment in social action in 2009 according to the LBG classification.

Commitment

- Support socio-economic development wherever the company operates.

Lines of action

- Plan investment in the community as a tool for aiding the development of societies wherever Ferrovial operates.
- Work with governments, NGOs and other social agents on projects and activities related to social development, environmental conservation and occupational safety.
- As a global company, confront the problems of the planet and particularly engage in the fight against poverty («From Responsibility to Commitment» Strategic Plan).

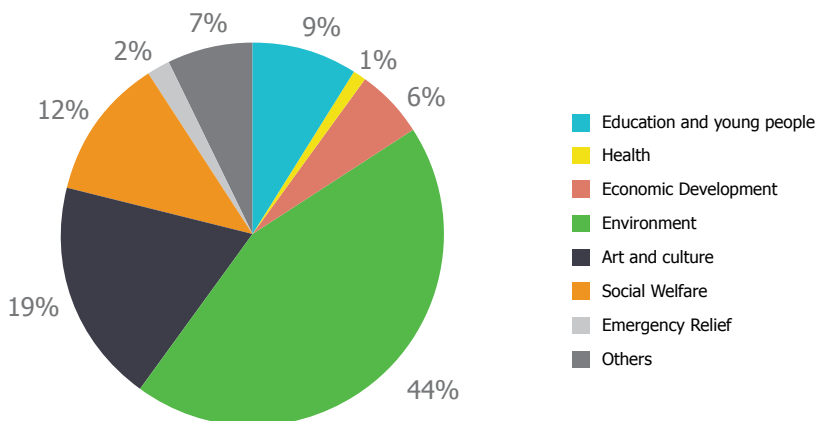
Milestones in 2009

- 60% of social action projects incorporate a measure of the return for Ferrovial and a description of the benefits to the community.
- Increase of 15.6 % in voluntary investment.
- Increase in efficiency: 40% increase in the number of social action projects performed and a reduction of 14.2% in management costs.

2010 Objectives

- 90% of social action projects are strategic.
- 80% of social action projects incorporate a measure of the return for Ferrovial and a description of the benefits to the community.
- Increase of 10% in voluntary investment.
- Become a benchmark of best practices in managing social action projects for other companies.

Investment in the Community	2009	2008	2007	Chg 09-08
Socially-responsible investment (DJSI) (perceived) *		72.00	72.00	
Contributes positively to society (perceived) *	66.5	68.7	66.8	
Net job creation (%)		4.07	15.21	
Purchases from local suppliers		69,489	ND	
Community support projects			463	
Social investment in the Community (million €)		18.17	16.70	
Social investment in comparison with EBITDA (%)		0.66	0.55	
Support for social causes (perceived) *	60.9	63.2	59.2	
Beneficiaries in social projects		491,001	330,000	
Employee participants		949	2,400	
Multiplier effect (million €)		2.80	2.43	



Ferrovial develops social action projects that are consistent with its social responsibility in the areas and environments where it does business. Hence, the countries that have benefited from most of the social investment are the UK and Spain, the geographical areas that concentrate most of the activities of the company. This also explains why the top priority (as illustrated in the chart) is the environment, specifically because it is the area of social responsibility in which Ferrovial activities present the most risk.

Investment in the Community Policy

Ferrovial sees investment in the community as a strategic tool for aiding the development of societies and the environment wherever Ferrovial operates.

To determine the strategic nature of projects, Ferrovial has developed an evalua-

tion process that takes into account the following aspects:

- Relationship to the Corporate Responsibility strategy. In 2007, Ferrovial prepared a plan called «From Responsibility to Commitment» for 2008-2010, which, in addition to reinforcing the commitment to its stakeholders through the 10 principles of the Global Compact, increased its social commitment through the investment in projects with a significant local impact for the Community. Currently, Ferrovial is reviewing the plan to upgrade and integrate even more ambitious commitment projects that are coordinated with all of the businesses.
- Continuity of projects through medium and long-term alliances with Non-profit sector institutions with proven reputations and transparency. Ferrovial takes advantage of the transparency and good practices studies of Fundación Lealtad when selecting the entities with which to collaborate.

- Sustainability of projects, both financially and institutionally, in order to avoid generating dependency in the communities that receive assistance from Ferrovial.
- Multiplier effect. Mobilization of funds from other donors for social projects in progress. Ferrovial shares its experiences and good practices in social investment forums to serve as an example to other institutions, and promotes awareness campaigns for global problems (e.g., the Maji ni Uhai documentary about the water problem in Tanzania).
- Encourage employee participation in corporate social commitment, through corporate volunteerism and involvement in initiatives such as matching gift and Juntos Sumamos.

Local Development

Ferrovial carries out its activities around the world, generating employment at the local level and promoting purchasing from local suppliers. Ferrovial is present in over 45 countries. Despite the economic crisis, Ferrovial has maintained job creation in major markets where it operates.

Ferrovial has a series of purchasing policies that are adapted to international expansion, maintaining the goal of strengthening long-term relations with suppliers and subcontractors. To achieve this, the centralized management needed to supply all of the company's projects is combined with a decentralized focus that allows local project managers to establish strong ties with local subcontractors, which in general have less global exposure.

In terms of supplier management, the centralized purchasing procedures do not make any distinction between local and foreign suppliers, provided that they have the capacity to supply the products and services with the quality required to carry out the works or services.

Ferrovial's policy in the majority of the countries in which it works has been to contract local suppliers, thus promoting the development of the local community. The main market, from the point of view of purchasing, is in Spain.

Local suppliers are almost fully relied upon for purchases in the other markets in which Ferrovial operates.

The BAA airports stand out for their excellent relationship with local communities. In areas near airports, such as the community of Hillingdon in the case of Heathrow, BAA finances and develops job training programs for access to the local airport labor market and training for young people (Matthew Arnold Centre of Excellence, Stansted Airport Academy, Gateway Heathrow 2012...). In addition, solidarity funds are created to finance projects for social regeneration of the area or to support local philanthropies (Hillingdon Community Trust, Stansted Airport Communities Trust, Heathrow City Partnership, ...).

Social Action

During 2009, investment projects in the Communities where Ferrovial carries out its activities have directly benefited 565,679 people, 15% more than last year.

Ferrovial is involved in social action projects as an active participant and not just a donor, providing not only funds but also technical assistance, technology and the participation of specialists in the development of projects.

The company has personnel specialized in the management of social action projects, in the relations with other participants and in ensuring that the funds are invested in an appropriate and efficient manner. Ferrovial's collaboration with entities such as the Fundación Lealtad also allows it to have the assurance that all counterparties that the company work with meet the standards of good governance and transparency set by the company.

Responding to the invitation of the United Nations, Ferrovial has made the Millennium Development Goals (MDGs) one of its core areas of action. Specifically, Ferrovial wants to become a benchmark in Goal 8: "Develop a global partnership for development." To this end, Ferrovial has held several meetings with representatives of the Spanish Government, the United Nations and NGOs in order to promote its model of public-private partnership. In addition, all development cooperation projects in which the company participates respond to several of these goals.

In 2009, Ferrovial executed 642 social action projects. These are some of the highlights:



» Photo: Latrine of Maji ni Uhai project

Project name	Division	Scope	Description	Contribution (€)
Fundación CREA	Construction	Art and culture	Promotion and dissemination of art, artistic production and creation.	1,564,133.6
Hillingdon Community Trust	Airports	Social well-being	Support for community projects in Hillingdon	1,126,633.6
Fundación Orfeo Català-Palau de la Música Catalana	Construction	Art and culture	Promote musical culture. Encourage and promote all kinds of cultural activities, especially in the musical aspect.	706,346.0
Climate change monitoring in the national park network	Construction	Environment	Promote research on the identification, conservation and sustainability of biodiversity.	500,488.8
Collab. Agr. City of Granada	Services	Education and Youth	Support and promotion of sports	380,000.0
Albéniz Foundation Music Scholarship	Corporation	Art and culture	Funding of the Ferrovial Chair in Cello at the Reina Sofía School of Music, which trains gifted young musicians.	
Club de Empresas and Deporte Baloncesto Valladolid	Construction	Education and Youth	Promotion, development and continuing practice of sports activities and organization of various tournaments	186,599.9
Maji ni Uhai	Corporation	Humanitarian aid	Improving health and living conditions of communities in the Mara region, northeastern Tanzania, through the provision of safe drinking water, and the creation and improvement of health and education infrastructure and increasing awareness of healthy behaviors.	183,811.0
Fundación Biodiversidad	Services	Environment	Collaboration with the Foundation for Biodiversity in environmental studies and projects	155,000.0
Corporate Volunteering	Airports	Social well-being	Volunteer projects for airport workers	136,998.6
CDC Velódromo Duranguésado	Services	Education and Youth	Support and promotion of sports	120,000.0
Convenio Ampans	Toll Roads	Social well-being	Facilitate the employment of disabled people in the area of influence of the highway	117,927.0
Hillingdon Local Labour Contribution	Airports	Economic development	Job training projects	112,933.8
Matthew Arnold Centre of Excellence	Airports	Education and Youth	Improved educational choices.	112,798.6
Stansted Airport Communities Trust	Airports	Social well-being	Fund to support local NGOs	112,663.4
Member of Honor of Fundación Orfeo Catalán de la Música	Construction	Art and culture	Fundación Orfeo Catalán de la Música is an institution engaged in the promotion of musical culture. Its objectives are, in essence, encourage and promote all kinds of cultural activities, especially in the musical aspect.	108,272.4
Rafael del Pino y Moreno Chair in Railway Engineering	Construction	Economic development	The main objective of this University Chair is to promote research and development in the area of Railways	100,586.5
Stansted Airport Academy	Airports	Economic development	Job training and access to the job market in local airports.	97,160.9
Teatro Real de Madrid	Construction	Art and culture	Contribution to the dissemination of musical, lyrical and choreographic activities.	95,927.3

<i>Project name</i>	<i>Division</i>	<i>Scope</i>	<i>Description</i>	<i>Contribution (€)</i>
"Panta Rei" Sculpture Project	Construction	Art and culture	Improvement of cultural projects of the city of Malaga	80,156.4
Fundación del Deporte Burgalés	Construction	Education and Youth	Promotion and development of regional and national sports in the city of Burgos.	80,097.8
Sponsorship of the Bat Basque Team	Services	Education and Youth	Support and promotion of sports	80,000.0
MECENAZGO LICEU 2009	Services	Art and culture	Collaboration with cultural institutions	68,830.4
Heathrow Meet the Buyers	Airports	Economic development	Support for local businesses	68,307.8
Dialogue Scholarships	Construction	Education and Youth	Eduction and training scholarships in various disciplines for university students	
Madrid 2016 Candidature	Construction, Corporation and Services	Education and Youth	Fostering of Olympic values and promotion of sports.	194,700.0
Gateway Heathrow 2012	Airports	Economic development	Job training and access to the labor market at airports	63,084.7
Heathrow City Partnership	Airports	Social well-being	Regeneration projects in the areas close to Heathrow Airport	62,640.8
Instituto Municipal del Libro. Municipal Government of Malaga	Construction	Art and culture	Promotion of reading and cultural activities related to the literary world. Promoting of reading and literary creation.	60,156.4

Maji ni Uhai Cooperation Project

Maji ni Uhai (Water is Life) is the result of the collaboration between a company, Ferrovia, and an NGO, Amref, in the fight against poverty: a cooperation project that will provide clean water and sanitation infrastructure to 51,000 people in Tanzania.

The project will benefit five communities in the Serengeti District, has a duration of three years and a budget of 1.8 million euro.

The company is committed to providing 100% financing, the core technologies, volunteers for the preparation of technical studies and supervision of works, and to transfer its know-how to local communities. For its part, Amref is undertaking the provision of the logistics services for the direct implementation of the project in the field.

With this project, Ferrovia wants to become an active member in the struggle to achieve the Millennium Development Goals and in particular to establish itself as a benchmark organization in the attainment of MDG 8 "Develop a global partnership for development." The peculiarity of this form of cooperation, truly innovative in the context of international cooperation, is based on a public-private partnership between a company, an NGO and the Regional Governments in the intervention area.

One of the key aspects of the project is the construction, protection and rehabilitation of 557 health facilities and water catchment and supply through deep wells, filter rings, gravity systems and latrines in schools and clinics.

In addition, training is provided for local technicians in the maintenance of these

new facilities and the participants have launched an awareness campaign on good hygiene involving local leaders and communities. To achieve this, the project promotes an effective community organization through the creation of Water Users Associations and health clubs, in which women (the most vulnerable in this area) always play a leading role. Other activities were also carried out focusing on Institutional Capacity Buildings for those institutions involved in project implementation, including the District Water Department and the District Health Department.

Good hygiene will help control and reduce water-borne diseases. Moreover, the burden of the female population will be reduced, no longer being required to carry the water home and girls will have more opportunities to go to school.

The project is still running. The first phase (2008-2009) was recently completed and the second (2010-2011) is under preparation. 65% of the total budget has been executed and two thirds of the facilities have been built.

Juntos Sumamos donation program

Since 2005, Ferrovia has been developing the Juntos Sumamos program, which encourages the company and its employees to work together to meet the universal needs of society and stop Human Rights violations. This is a matching funds initiative under which the company contributes the same amount each month that the employees decide to devote to the development of a social project out of their paychecks.

Since its inception the program has not stopped growing and so far the company and its employees have donated more than 404,000 euro. The company intends

that entities engaging in social action projects find an important source of funding in the Juntos Sumamos program.

Ferrovia is a responsible donor that is actively involved in the projects in which it participates. After the 2008 edition, the company has introduced a new procedure for selecting the projects to be funded that allows the employees to vote on which initiatives they want to receive their donations in order to encourage employee involvement and transparency throughout the process. Specifically, a committee comprised of social action experts from Ferrovia annually review the proposals submitted by NGOs and select the best projects to be submitted to the employees for their selection. At the end of the subsidized project, the beneficiary is required to submit a final report on the financial and operational aspects, which is evaluated by the Ferrovia Social Action Team. Moreover, to verify project quality and sustainability, an expert in cooperation spends a week at the project site. During this visit, material is collected and subsequently presented to the employees so they can verify what their donations have achieved.

Thanks to this program, in 2009, two schools were built in an efficient and sustainable manner in India and Madagascar, and Ferrovia participated in a food sustainability program in Mauritania.

The finalist of Juntos Sumamos 2009 is a food safety project in war-torn areas of southern Lebanon run by Action Against Hunger, which will benefit 2,025 people.

Ferrovia and its employees have donated 90,000 euro to finance project activities in 2010. These activities focus on three main areas: ensuring the supply of safe drinking water, acquiring new equipment and training for farmers and ranchers to

increase their productive capacity and improve access to markets.

The project's main objective is to ensure that families affected by war are able to cover their basic needs, providing them with infrastructure, tools and training to increase the productivity of their work and earn sufficient income. In turn, the project promotes the protection of the environment, the rational use of natural resources, and equality between sexes.

Promoting art and culture

Through its collaboration with various cultural institutions and artistic projects, Ferrovial supports the promotion and dissemination of culture, education and artistic creation.

In 2009, under the sponsorship of Ferrovial, Fundación CREAA is born, an independent foundation to manage the Arts

Creation Center of the City of Alcorcón. The mission of the Foundation is to become a leading platform in the design, dissemination, creation and production of new artistic trends in any of its forms (music, theater, dance, circus, visual arts, ...), a space for training, dialogue and debate, the exchange of ideas and projects, and to bring the new artistic proposals and productions to the people of the area.

Ferrovial has collaborated with the Albéniz Foundation since 2008, sponsoring the Music Scholarships of the Ferrovial Chair in Cello at the Reina Sofía School of Music, the mission of which is to train promising young musicians that are particularly proficient in this instrument.

Ferrovial also shows its support for cultural activity carried out by renowned institutions such as the Palau de la Música of Barcelona, the Teatro Real of Madrid and the Instituto Municipal del Libro of the City of Malaga, through the sponsorship of cultural series and concerts.

Environmental and social welfare programs in the community

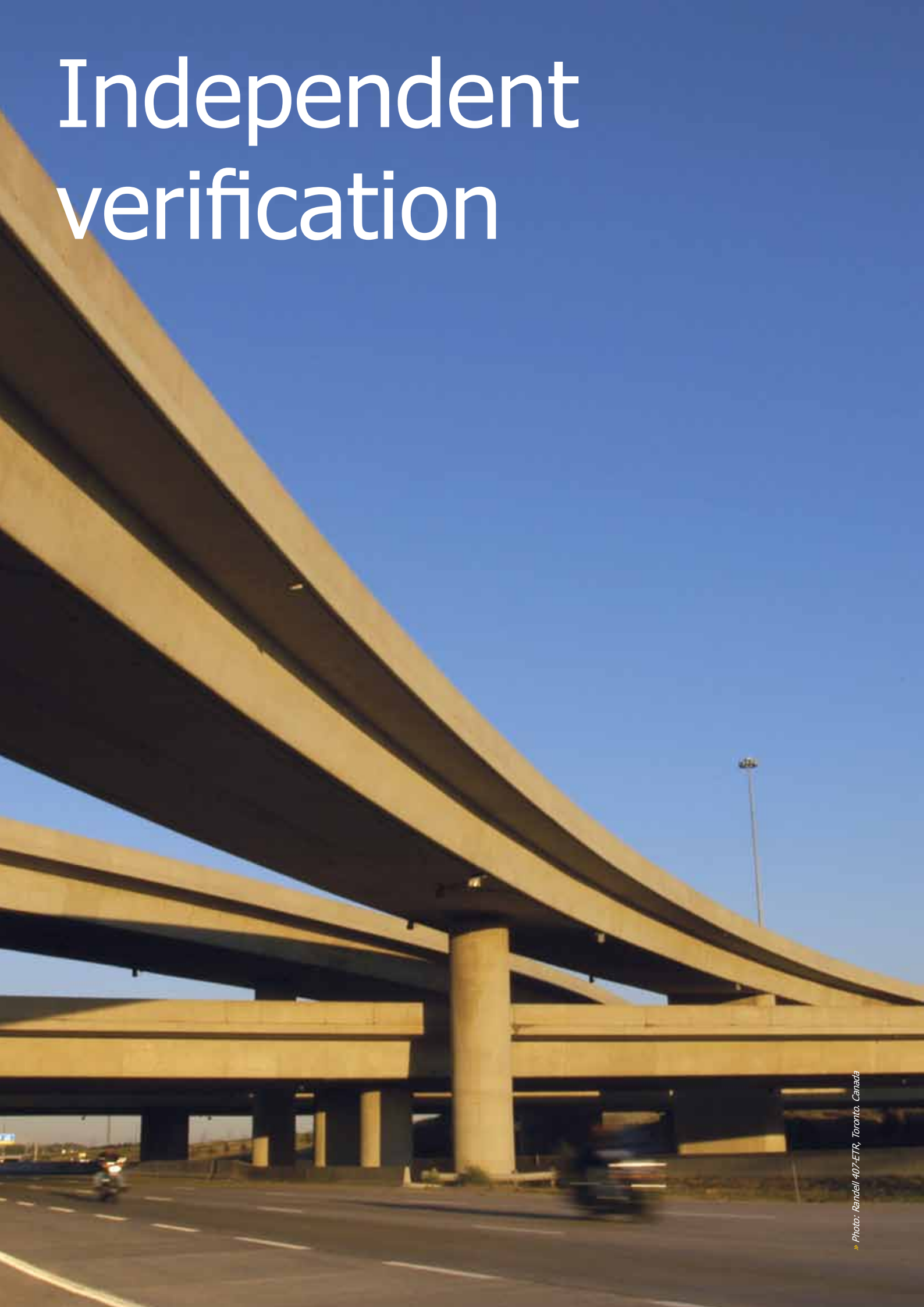
Ferrovial has social action projects in all the communities in which it operates, which aim to improve the quality of life of people and care for the environment.

Thus, in 2009, Ferrovial launched numerous environmental protection projects (such as the Network for the Protection of National Parks or collaboration with Fundación Biodiversidad), assistance to persons with disabilities (such as the agreement with the Ampans Foundation and job placement projects through the Trust of the Fundación Integra) and the promotion of sports (such as support for the candidature of Madrid 2016 or sponsorship of Club de Empresas y Deporte Baloncesto Valladolid). ■

Stronger Together Program (Juntos Sumamos)

Year	Project	Entity	Donation (€)
2005	Construction of a Hospital in Ambato, Peru	Intermón Oxfam	54,790
2006-2007	Water supply for the rural population of Chad	Intermón Oxfam	167,041.14
2008	Expansion of the Las Salinas school, Madagascar	Fundación Agua de Coco	44,129
2008	Construction of a school in Chandur, India	Fundación Madreselva	17,689
2008	Improving food safety in Mauritania	Intermón Oxfam	29,211
2008	Study of the governance of cooperation in Tanzania	Intermón Oxfam	42,987.61
2009	Improving food safety in war-torn areas of southern Lebanon	Acción Contra el Hambre	90,000
TOTAL			412,260

Independent verification



A free translation from the original in Spanish. In the event of a discrepancy, the Spanish language version prevails.

INDEPENDENT ASSURANCE REPORT ON THE 2009 CORPORATE RESPONSIBILITY REPORT

To the Management Committee of Ferrovial, S.A. (hereon, Ferrovial)

Scope of our work

We have carried out our review of the following aspects of 2009 Corporate Responsibility Report (hereon, 2009 CRR) of Ferrovial for the year ended 31 December 2009:

- The adaptation of the contents of the 2009 CRR to the Guidelines for preparing Sustainability Reports of the Global Reporting Initiative (GRI) version 3.0 (G3) (hereon, GRI-G3), and the validation of the core performance indicators proposed in the Guidelines.
- The adaptation of the contents of the 2009 CRR to the principles of inclusivity, materiality and responsiveness of Standard AA1000 AccountAbility Principles Standard 2008, issued by AccountAbility, Institute of Social and Ethical Accountability (hereon, AA1000APS (2008)).

The Management of Ferrovial is responsible for the preparation of the 2009 CRR and the information included therein, and the design, implementation and maintenance of the management and internal control systems from which the information has been obtained and the systems for the application of the AA1000APS (2008) principles. Our responsibility is to issue an independent report based on the procedures applied in our review.

Verification criteria and procedures

We have undertaken our review work in accordance with Standard ISAE 3000 Assurance Engagements Other than Audits or Reviews of Historical Financial Information (Limited Assurance Engagements) issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC) and the Guidelines on reviews for Corporate Responsibility Reports issued by the Spanish Institute of Chartered Accountants (Instituto de Censores Jurados de Cuentas de España). Furthermore, we have applied standard AA1000 Assurance Standard 2008 of AccountAbility, under a moderate Type 2 assurance engagement, in order to provide limited assurance on the core performance indicators for 2009 and the application of the principles of AA1000APS (2008).

Our review has consisted in posing questions to Management and various units of Ferrovial that have participated in the preparation of the 2009 CRR, as well as the application of certain analytical procedures and sample-based testing, which, in general, are described below:

- Interviews with the personnel of Ferrovial in order to ascertain the management approaches applied to obtain the necessary information for the external review.

- Interviews with the personnel of Ferrovial in order to ascertain the management procedures, systems and approaches used in relation to the consideration of and compliance with the principles of AA1000APS (2008).
- Analysis of the processes used in compiling and validating the indicators presented in the 2009 CRR.
- Review of the effectiveness of the processes used in order to comply with the principles of AA1000APS (2008).
- Analysis of whether the contents of the 2009 CRR are in line to the GRI-G3 Guidelines and with the principles of inclusivity, materiality and responsiveness of AA1000APS (2008).
- Review of the information related to the management approaches applied to each group of indicators.
- Verification, through sample-based testing reviews, of the quantitative and qualitative information regarding the core indicators set down in the 2009 CRR and whether they have been properly compiled on the basis of the data provided by Ferrovial' information sources.

The scope of a review is substantially lower than for a reasonable assurance engagement, and, accordingly, provides less assurance. Under no circumstances can this report be construed as an audit report.

Independence

We have performed our work in accordance with the independence rules set down by the Code of Ethics of the International Federation of Accountants (IFAC). Our work has been carried out by a team of sustainability experts with a wide range of experience in reviews of reports of this kind.

Conclusion

On the basis of the results of our review, nothing has come to our attention that causes us to believe that the 2009 CRR of Ferrovial contains significant mistakes or has not been prepared, in all material respects, in accordance with the Sustainability Reporting Guidelines GRI, version 3.0 (G3).

Furthermore, nothing has come to our attention that causes us to believe that the 2009 CRR of Ferrovial has not been prepared, in all material respects, in accordance with the principles of inclusivity, materiality and responsiveness established under AA1000APS (2008). Specifically:

- In respect of the AA1000APS (2008) foundation principle of inclusivity, nothing has come to our attention that causes us to believe that the Management of Ferrovial has not established a process for the involvement and participation of the stakeholders through which Management identifies who its stakeholders are and understands in a balanced and thorough manner what their expectations are and how to involve them.
- In respect of the AA1000APS (2008) principle of materiality, nothing has come to our attention that causes us to believe that the Management of Ferrovial does not have a balanced understanding of the sustainability material issues that are relevant to the organisation and its stakeholders.
- In respect of the AA1000APS (2008) principle of responsiveness, nothing has come to our attention that causes us to believe that the Management of Ferrovial does not have a process for providing the appropriate responses to relevant matters and the expectations of its stakeholders.

Recommendations

Additionally, as a result of our review, we would like to put forward certain comments and recommendations relating to areas for improvements in the application of the principles of inclusivity, materiality and responsiveness that would be presented to Ferrovial Management in an internal document. We set out below a summary of our most significant recommendations, which do not modify the conclusions expressed in this report.

Inclusivity

During 2009, Ferrovial consolidated the stakeholder engagement processes initiated in 2007. For 2010, in accordance with the Ferrovial's explicit commitments towards transparency and continuous improvement in its channels of communication, Ferrovial should seek to continue progressing in this area in line with the diversity of its lines of business and the countries in which it operates.

Materiality

In 2007 the Board of Directors of Ferrovial approved the Corporate Responsibility (CR) policy. Since then Ferrovial has undergone significant changes which make it advisable to design a new CR strategy in 2010 to identify new relevant issues to be included in the CRR for 2010 and develop objectives and indicators for each of them.

Responsiveness

The progress made in 2008 has been consolidated in 2009, particularly in relation to the definition of values, risk management and the approval of a new quality and environment policy. Of particular relevance in 2009 was the significant progress made in the preparation of a corporate inventory of greenhouse gases which will enable stakeholders to analyse the overall evolution of the Ferrovial's carbon footprint and the effectiveness of the measures implemented to reduce it. Ferrovial should advance in accordance with best market practices in the achievement of transparency in carbon management, e.g. through the external verification of its greenhouse gas inventory and the progress achieved.

Concerning the reporting process, Ferrovial has drawn up its CRR for 2009 in line with the Sustainability Report Guidelines of the Global Reporting Initiative (GRI) release 3.0 (G3). In 2010 it will be necessary to progress with the improvements in internal control mechanisms for the main indicators proposed in those Guidelines.

PricewaterhouseCoopers Auditores, S.L.



Ferran Rodriguez
Partner
25th June 2010



This Corporate Responsibility Report aims to provide reliable and balanced information on the performance of Grupo Ferrovial on relevant issues raised by stakeholders.

The verification report of the Corporate Responsibility Report issued by PricewaterhouseCoopers is based on the principles of inclusivity, materiality and responsiveness under AA 1000 AccountAbility Principles Standard 2008 (AA 1000 APS).

The work of the verifier's has been done in accordance with the rules and procedures included in International Standards on Assurance Engagements (ISAE 3000) "Assurance Engagements other than Audits or Reviews of Historical Financial Information" issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC) and Guidelines of the Institute of Chartered Accountants of Spain for the review of Corporate Responsibility Reports. AA1000AS has been applied to provide type 2 moderate security.

Reporting principles

This document has been prepared in compliance with the AA1000 Accountability Principles Standard 2008 (AA1000APS) and applies the third version of the Global Reporting Initiative Guidelines (GRI).

THE AA1000 STANDARD

For the second consecutive year, the Corporate Responsibility Report has applied the principles of the AA1000 Standard, a key tool for aligning information presented in reports with stakeholder expecta-

tions. Accordingly, the report now includes an expanded section on stakeholder relations.

The AA1000 Standard is based on three fundamental principles:

- **Relevance.** This means that the information included in the report is needed by stakeholders, i.e., it ensures reporting on all those «material» aspects that could influence stakeholder decisions or actions if omitted or distorted.
- **Exhaustiveness.** This principle analyses the extent to which the reporting organization can identify and cover material aspects of its sustainable performance and present sufficient information in terms of quality and amount.
- **Response capacity.** This means reporting on the capacity to respond to stakeholder expectations.

GRI3 GUIDELINES

This report is based on the third version of the Global Reporting Initiative (GRI) Guidelines, which includes a series of principles and indicators that aim to define the report's content, scope and coverage, as well as to ensure the quality of the information disclosed. A GRI index is presented in the final part of the Corporate Responsibility section of this report.

This Report has been rated as level A+, according to GRI guideline requirements, following verification by an independent expert (PWC).

The principles on which the GR13 is based include the following:

- Principles for defining the content:
 - Materiality .
 - Stakeholder participation.
 - Context of sustainability.
 - Completeness.
- Principles for defining the quality of the Report:
 - Balance.
 - Comparability.
 - Accuracy.
 - Frequency.
 - Clarity.
 - Reliability.

As regards the principles underpinning reporting content, Ferrovial's activities are described in the specific sections on materiality, stakeholder dialogue and principles for sustainable development.

A series of measures were applied during 2009 to ensure the quality of this report:

- The implementation of a Corporate Responsibility Information System at Ferrovial (see the section on the Information Consolidation Process) that allows clear, reliable, regular, comparable and accurate information to be obtained.
- As in previous years, Ferrovial hosted a dialogue forum with its stakeholders last in which the corporate responsibility reports of the competition were analyzed to extract the most relevant matters of the sector, different stakeholder groups took personalized surveys, stakeholder opinion reports were analyzed (RepTrak and IPSOS surveys) and the most relevant matters were extracted from the different sustainability indexes.

Scope of the information

The information encompasses the companies and any other form of association in which Ferrovial is a majority shareholder or in charge of its management. It also includes all companies that generate significant impacts on sustainability.

Ferrovial comprises the parent company Ferrovial, S.A. and its subsidiaries and associated companies.

During 2009 there were two material events that affected the scope of consolidation of the group.

a) In the month of July, Cintra completed the sale of its entire equity stake in the subsidiary Cintra Aparcamientos, S.A. (99.92% of capital), to the consortium comprising Assip, Es Concessoes, Espirito Santo Infrastructure Fund I Fundo de Capital de Risco, Transport Infrastructure Investment Company (SCA) SICAR, Ahorro Corporación Infraestructuras, FCR, Ahorro Corporación Infraestructuras 2, SCR, S.A., and Banco Espirito Santo de Investimento, S.A.

Also during the year, and as per standard procedure, the parking activity was removed from the scope of consolidation given the difficulty in obtaining data. Those cases in which the data were available are appropriately identified.

b) In the month of October 2009, the Ferrovial-Cintra merger process was approved. This generated a change in the equity interest held by Ferrovial in Cintra, which went from 67% to 100%). It should also be noted that this change in the shareholding did imply any change in the control of the management. For all effects, the scope of consolidation continues to be the same as in 2008. Cintra will continue to operate internationally with the same well-known brand.

c) In the month of December 2009, BAA, closed the sale of the Gatwick Airport in London to GIP (Global Infrastructure Partners), an investment fund controlled by General Electric and Credit Suisse.

Also as per standard procedure, the Gatwick Airport activity was removed from the scope of consolidation given the difficulty in obtaining data. Those cases in which the data were available are appropriately identified.

Ferrovial, S.A. conducts its business through the following divisions:

AIRPORTS

One of the leading companies in this area is BAA Plc, a British firm that holds title to six UK airports and other business assets outside the country. Ferrovial does not include Aeropuerto Cerro Moreno Sociedad Concesionaria, S.A. within the scope of BAA.

TOLL ROADS

This includes developing, financing, executing and operating toll road projects. This activity is developed through the company Cintra, S.A., which encompasses the following companies: Autopista del Sol, C.E.S.A, Autopista Terrasa Manresa, S.A, Autopista Madrid Sur C.E.S.A, Autopista Madrid Levante, C.E.S.A., Autopista M-203 Alcalá-O'Donnell, S.A., Cintra Portugal, Cintra Chile Limitada, 407 International Inc., Eurolink Motorway Operation, Ltd. N4/N6 (M4), Eurolink Motorway Operations (m³) Ltd, Cintra Texas Corp Skyway Concession Co.LLC, ITR Concession Company, Nea Odos Sociedad Anónima Concesionaria and Ionian Road.

SERVICES

Ferrovial Servicios S.A. is the parent company in this division, which is divided into the following business areas:

- Maintenance and upkeep of infrastructures, buildings and facilities. Conducted by Amey, Plc. in the UK and Grupisa, S.A. in Spain.
- Airport handling, which is conducted by the Swissport Group.
- Facility Management, which is handled primarily by Ferrovial Servicios S.A., Eurolimp in Spain.
- Urban services and waste treatment fundamentally handled by Cespa, S.A., Ecocat S.L. (IP) and Cespa Portugal, S.A.



➤ Photo: Handling services. Swissport

CONSTRUCTION

The execution of all kinds of public and private works both in Spain as well as abroad, fundamentally conducted by Ferrovial Agromán, S.A., this business division's flagship company. The following are responsible for some of this division's most salient activities: Construcción España (Ferrovial Agromán, S.A., Compañía de Obras Castillejos, S.A., Edytesa, S.A., Técnicas del Pretensado y Servicios Auxiliares, S.L., Ferrovial Conservación, S.A., and Ditecpesa, S.A.). Some of the more noteworthy international construction activities included those in Poland conducted by Budimex, S.A. and its subsidiaries, Ferrovial Agromán Canada, Inc, Ferrovial Agromán Chile, S.A., Ferrovial Agromán US Corp, Ferrovial Agromán Ireland Ltd, Ferrovial Agromán Portugal, S.A., and Webber. Other activities within this division are: construction in the United Kingdom (Ferrovial Agromán UK, Ltd) and industrial construction (Cadagua, S.A., Boremer, S.A., Cadagua Portugal, S.A., Cadagua Chile, S.A., and Cadagua Polonia, S.A.).

In those cases that some information provided in this report does not represent the totality of the group a footnote will be included to this effect.

Information consolidation process

Since 2007 Ferrovial has employed a system for reporting and consolidating Corporate Responsibility information.

This system helps improve the quality of the information and facilitates compiling information for internal and external reporting. This reporting system is used for is different purposes, such as the Annual Report, sustainability indices (Dow Jones, FTSE4Good, etc.), the United Nations Progress Report and other observatories or barometers that are kept informed of the activity developed. It also helps the accredited third parties that need the traceability of these indicators to verify them.

To compile information on Corporate Responsibility the company uses a reporting process that encompasses all group companies. This level of reporting means allows us to work on two levels: geographically, encompassing all of Ferrovial's subsidiaries worldwide, and by business areas, which encompass the four company divisions: Construction, Services, Toll Roads, and Airports. This means that the data collected can be cross-referenced to obtain the information needed.

The reporting process has several stages: data introduced by users from their own companies, then the information passes through several validation phases until it is verified and consolidated in the end.

At present information is collected from 150 users from 100 companies (only active undertakings and excluding special purpose vehicles). Consolidated information is collected on approximately 100 indicators in all. The consolidation criteria used by the system has not been modified with regard to previous years. All the companies have reported their indicators on Social Corporate Responsibility by December 2009.

The scope of the information encompasses the companies and any other form of association in which Ferrovial is a majority

shareholder or in charge of its management, and, therefore, the said companies are consolidated using global integration (100% impact). It also encompasses all companies that generate significant impacts on sustainability.

Reformulation of the information presented

The consolidated information reflected in this Report may display significant variations in terms of comparability, because of the wider scope of coverage. Especially significant was the incorporation of BAA's data, which was not reported in the 2006 report, and the greater amount of information from Swissport that has been incorporated.

The comparability of the 2009 CSR data with respect to 2008 has been slightly affected by the exclusion of the parking activity, sold in the month of July, and the sale of the Gatwick Airport in December.

It is also noteworthy that the Ferrovial-Cintra merger process did not impact on the comparability of the data with respect to previous years. As mentioned previously, even prior to the merger Ferrovial held a controlling interest in the subsidiary, which was consolidated using global integration. This policy has not change with the merger process.

The principles in GRI3 and the AA1000AS Standard were used as the basis for information presentation. This has led to an

increase in the number of indicators reported. This also results in the absence of some indicators on historic data.

Materiality and stakeholder participation

Stakeholder expectations were considered in order to review the materiality matrix by the means of opinion polls to:

- **100** press, radio, TV and Internet journalists.
- **50** politicians on different levels of government: Parliament, Senate, Mayor's offices, Central Government and Autonomous Regions.
- **50** executives and business people.
- **25** financial analysts.
- **25** opinion leaders.
- **1,000** people with knowledge of Ferrovial, following the RepTrak model, which interprets corporate reputation according to seven dimensions: products, workplace, governance, leadership, innovation, citizenship, finances. These dimensions are composed of 26 attributes weighted according to the sector, company and stakeholder analyzed.

During 2009, Ferrovial undertook a series of surveys of different stakeholder groups on the contents of the Corporate Res-

pensibility Annual Report. The questions centered mainly on identifying the matters considered most relevant by Ferrovial: labor aspects, supply chain, quality, corporate communications and dialogue with stakeholders, environment, reporting process and relations with the community.

The questionnaire was prepared based on a closed list of attributes comprising the corporate responsibility of the company, with the aim of determining the relative weight (importance) that each one has for its stakeholder groups. The study recognizes four dimensions of corporate responsibility that match up with four of the seven dimensions of RepTrak: Governance, Products, People and Citizenship.

Other external sources consulted were:

- **Media tracking.** A tool was created for the continuous tracking and compiling of all the news appearing in the print media, both national and international, on Ferrovial and other companies in the industry. The analysis was performed using the RepTrak methodology, following its dimensions and attributes. The objective of this analysis is to understand the maturity of corporate responsibility material issues in the public opinion. The total news items analyzed reached 2,046.
- **Competitor benchmarking.** A comparative study was performed in November 2009 of the annual reports of the main competitors of Ferrovial and of the matters considered most relevant by them. The businesses analyzed were: Abertis, Acciona, ACS, FCC and Sacyr Vallehermoso. ■



GRI Indicators

Main	Code	GRI INDICATORS	Annual Report
I	C	EC-01 Direct economic value generated and distributed.	94
I	Q	EC-02 Financial implications and other risks and opportunities for the organizations activities due to climate change.	251, 258-260
I	C	EC-03 Coverage of the organizations defined benefit plan obligations.	208
I	C	EC-04 Significant financial assistance received from government.	227
I	C/Q	EC-06 Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation.	308-309
I	Q	EC-07 Procedures for local hiring and proportion of senior management hired from the local community at locations of significant operation.	285
I	Q	EC-08 Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, Inkind, or pro bono engagement.	321-327
I	C	EN-01 Materials used by weight or volume.	265
I	C	EN-02 Percentage of materials used that are recycled input materials.	254
I	C	EN-03 Direct energy consumption by primary energy source.	257
I	C	EN-04 Indirect energy consumption by primary energy source.	257
I	C	EN-08 Total water withdrawal by source.	261
I	Q	EN-11 Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.	270-273
I	Q	EN-12 Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas.	270-273
I	C	EN-16 Total direct and indirect greenhouse gas emissions by weight.	255-256
I	C	EN-17 Other relevant indirect greenhouse gas emissions by weight.	256-257
I	C	EN-19 Emissions of ozone-depleting substances by weight.	258
I	C	EN-20 NO, SO, and other significant air emissions by type and weight.	256-257
I	C	EN-21 Total water discharge by quality and destination.	261-262
I	C	EN-22 Total weight of waste by type and disposal method.	266-270
I	C	EN-23 Total number and volume of significant spills.	261
I	Q	EN-26 Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.	253
I	C	EN-27 Percentage of products sold and their packaging materials that are reclaimed by category.	275
I	C	EN-28 Monetary value of significant fines and total number of non-monetary sanctions for non regulations.	261
I	C	LA-01 Total workforce by employment type, employment contract, and region.	279-281
I	C	LA-02 Total number and rate of employee turnover by age group, gender, and region.	281
I	C	LA-04 Percentage of employees covered by collective bargaining agreements.	314-315
I	C	LA-05 Minimum notice period(s) regarding operational changes, including whether it is specified in collective agreements.	281
I	C	LA-07 Rates of injury, occupational diseases, lost days, and absenteeism, and number of work related fatalities by region.	291
I	Q	LA-08 Education, training, counseling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases.	293-295
I	C	LA-10 Average hours of training per year per employee divided by employee's category.	286-288
I	C	LA-13 Composition of governance bodies and breakdown of employees per category according to gender, age group, minority group membership, and other indicators of diversity.	314-315

Main	Code	GRI INDICATORS	Annual Report
I	C	LA-14 Ratio of basic salary of men to women by employee category.	282
I	C	HR-01 Percentage and total number of significant investment agreements that include human rights clauses or that have undergone human rights clauses or that have undergone human.	310 and 312
I	C	HR-02 Percentage of significant suppliers and contractors that have undergone screening on human rights and actions taken.	313
I	C	HR-04 Total number of incidents of discrimination and actions taken.	314-315
I	Q	HR-05 Operations identified in which the right to exercise freedom of association and collective bargaining may be at significant risk, and actions taken to support these rights.	314
I	Q	HR-06 Operations identified as having significant risk for incidents of child labor, and measures taken to contribute to the elimination of child labor.	313 and 317
I	Q	HR-07 Operations identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of forced or compulsory labor.	313
I	Q	SO-01 Nature, scope, and effectiveness of any programs and practices that assess and manage the impacts of operations on communities, including entering, operating, and exiting.	319
I	C	SO-02 Percentage and total number of business units analyzed for risks related to corruption.	235-238
I	C	SO-03 Percentage of employees trained in organizations anti-corruption policies and procedures.	236-238
I	Q	SO-04 Actions taken in response to incidents of corruption.	237-238
I	Q	SO-05 Public policy positions and participation in public policy development and lobbying.	245
I	C	SO-08 Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.	235
I	Q	PR-01 Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures.	297-299
I	C/Q	PR-03 Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements.	303-305
I	Q	PR-06 Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship.	248
I	C	PR-09 Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services.	236

* Indicators: C: Quantitative Indicator; Q: Qualitative Indicator

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