



Pursuant to article 82 of the Spanish Securities Market Act 24/1988, of 28 July, **SACYR VALLEHERMOSO, S.A.** (the “**Company**”) hereby informs the Spanish National Securities Market Commission (*Comisión Nacional del Mercado de Valores*) of the following:

SIGNIFICANT EVENT

On 3 February 2011, the summary and the securities note for the capital increase with pre-emptive subscription rights for total cash proceeds of €6,101,220 by the issuance of 16,016,870 ordinary shares, which was announced in a significant event notice filed on 19 January 2011 (under registration number 136,870), was approved and registered in the official registries of the Spanish National Securities Commission, *Comisión Nacional del Mercado de Valores* (the “**CNMV**”).

Today, the announcement of the capital increase was published in the Official Journal of the Register of Companies (*Boletín Oficial del Registro Mercantil*). This announcement is attached as an appendix to this Significant Event notice. The Pre-emptive Subscription Period shall commence on 5 February 2011 and end on 19 February 2011. Trading of the Pre-emptive Subscription Rights on the Spanish stock exchange shall begin at 8:30 CET on 7 February 2011 and end at 17:30 CET on 18 February 2011.

The securities note contains a description of the terms and conditions governing the capital increase, and of the procedure for subscribing for the new shares, and can be viewed on the website of the Company (www.gruposyv.com) and the CNMV (www.cnmv.es).

Madrid, 4 February 2011.

Vicente Benedito Francés

In the name and on behalf of Sacyr Vallehermoso, S.A.

APPENDIX

SACYR VALLEHERMOSO, SOCIEDAD ANÓNIMA

Capital increase with pre-emptive subscription rights.

As provided for in article 503 of the Spanish Enterprise Act (*Ley de Sociedades de Capital*), it is hereby noted that the Board of Directors of Sacyr Vallehermoso, S.A. (the “Company”), at its meeting of 19 January 2011, pursuant to the authorisation granted at the ordinary General Shareholders’ Meeting held 30 June 2010, resolved to increase capital in exchange for cash contributions by a nominal amount of €16,016,870.00 through the issuance of 16,016,870 new shares of one euro (€) par value each and of the same class and series as those currently outstanding, with pre-emptive subscription rights and express provision of incomplete subscription. The new shares are issued at their par value of one euro (€) plus an issue premium of five Euros (€5.00) per share, giving an issue price of six Euros (€6.00) per share.

The new shares are ordinary shares in the Company and will grant their holders the same voting and dividend rights as carried by those already outstanding as from the registration in their name in the records of Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A. (“IBERCLEAR”).

The full prospectus for the capital increase, which includes the Company’s share registration document and share securities note in accordance with Commission Regulation (EC) No. 809/2004, as approved and registered with the CNMV, is available publicly at the Company’s registered office and in electronic format on the websites of the Company (www.gruposyv.com) and the CNMV (www.cnmv.es).

Subscription process

Pre-emptive subscription rights are recognised for holders of the Company’s share as provided for in article 304 of the Spanish Enterprise Act in the proportion of two (2) new shares for every forty nine (49) existing shares they hold. Company shareholders (excluding treasury shares) who at 23:59 on the day of publication of the announcement of the capital increase in the Official Journal of the Register of Companies (i.e. the day before the start of the pre-emptive subscription period) appear as shareholders of record in the book-entry registries of IBERCLEAR will have pre-emptive rights.

Pre-emptive subscription rights will be transferable under the same terms as the shares to which they attach, pursuant to article 306.2 of the Spanish Enterprise Act. Accordingly, Company shareholders (excluding treasury shares) holding pre-emptive subscription rights and third party investors who acquire such rights on the market shall be entitled to pre-emptive subscription rights.

The pre-emptive subscription period shall commence on the day after the publication of this announcement in the Official Journal of the Register of Companies and will last fifteen (15) calendar days. It is expected to commence on 5 February 2011 and end on 19 February 2011. Trading of pre-emptive subscription rights shall commence on 7 February 2011 and end on 18 February 2011.

Those eligible to exercise pre-emptive subscription rights must contact the depository agent in whose book-entry records their pre-emptive subscription rights are registered, stating their intent to exercise their pre-emptive subscription rights. Orders placed shall be deemed made on a firm, unconditional and irrevocable basis. Pre-emptive subscription rights not exercised will be extinguished automatically at the expiration of the pre-emptive subscription period.

During the pre-emptive subscription period, upon exercising their pre-emptive subscription rights, holders may apply to subscribe for additional new shares of the Company if there are new shares not subscribed for through the exercise of pre-emptive subscription rights; i.e. the full amount of the capital increase is not covered. To apply for additional shares, holders of pre-emptive subscription rights must have exercised all such rights they had deposited at that time with the depository agent with which they intend to apply for additional shares. Applications for additional shares must be made for a specific number of shares and are not subject to a quantitative limit. Such applications are deemed made on a firm, irrevocable and unconditional basis. In no circumstances will more shares be allotted than those applied for.

The allotment of additional shares shall take place no later than the fourth business day following the end of the pre-emptive subscription period. Such allotment is expected to take place on 24 February 2011. On that date, the agent shall determine the number of surplus new shares and allot them to those who had duly applied for them.

If the number of additional shares applied for were equal to or less than the number of surplus shares, these would be allotted to the applicants until their applications have been fully covered. Otherwise, the surplus shares shall be allotted on a pro-rate basis in accordance with the number of additional shares applied for.

If after the allotment of additional shares there were still unsubscribed new shares, the Company may allot them discretionally. Such allotment shall be made among the entities indicated in point 2 of section 5.2 of the share securities note that have assumed irrevocable subscription commitments.

Notwithstanding the above, the Company may, at any time, declare the capital increase closed early provided it has been fully subscribed.

It is duly noted that without prejudice to the above the subscription commitments received from shareholders for a total amount of 13,650,824 New Shares for a total cash value of €1,904,944.00.

Payment.

Full payment of the subscription price of each new share subscribed in the exercise of pre-emptive subscription rights shall be made when the application for subscription is submitted to the depository agents with which the orders have been placed.

The subscription price of additional shares applied for during the pre-emptive subscription period must be paid in full on the fifth business day following the end of the pre-emptive subscription period (i.e. 25 February 2011 according to the expected timetable) through the depository agents with which the related applications were placed. Applications for additional shares not paid under these terms shall be considered not to have been made.

Lastly, the subscription price for shares allotted in the discretionary allotment period must be paid in full into the Company's account opened for this purpose by no later than 12:15 CET on 25 February 2011.

Admission to trading.

The Company will apply for admission to trading of the new shares on the Madrid, Barcelona, Bilbao and Valencia Stock Exchanges through the Sistema de Interconexión Bursátil (the Continuous Market), and on Euronext Lisbon. The new shares shall be admitted to trading as soon as possible and at least within ten business days from the granting of the need for the capital increase.

Expenses.

The issue of the new shares will be free of expenses and fees for subscribers, who will not be liable for payment of either item. However, the depository agents or other intermediaries may freely establish, pursuant to applicable legislation, chargeable fees and commissions for administration of the securities or keeping them in their accounting books in accordance with the CNMV's and Bank of Spain's respective brochures of fees and commission charges.

Madrid, 3 February 2011.

Vicente Benedito Francés
Secretary to the Board of Directors