



Financial
Report

2010

First quarter



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NOTE: the financial information presented in this document has been produced in accordance with International Financial Reporting Standards This information is not audited and may be modified in the future.

I. HIGHLIGHTS

OPERATING DATA (Millions of euros)	March 2010	March 2009*	% chg 10/09
CONSTRUCTION SACYR-SOMAGUE			
BACKLOG	8,179	6,231	31.3%
International portfolio	66%	54%	12
<i>Months of Activity</i>	32.6	22.0	48.5%
HOUSING DEVELOPMENT - VALLEHERMOSO			
HOMES DELIVERED	430	641	- 32.9%
PRE-SALES PORTFOLIO	492	1,140	- 56.8%
ASSET VALUE (31 December)	3,034	5,990	- 49.4%
CONCESSIONS – SACYR CONCESIONES**			
INCOME PORTFOLIO	28,671	11,613	146.9%
<i>KM UNDER CONCESSION</i>	1,425	1,258	13.3%
PROPERTY - TESTA			
<i>LEASABLE AREA (thousands of m2)</i>	1,508	1,494	0.9%
<i>OCCUPANCY RATE</i>	95.7%	97.0%	- 1.3
RENTAL PORTFOLIO	2,781	2,822	- 1.4%
ASSET VALUE (31 December)	4,398	4,426	-0.6%
SERVICES - VALORIZA			
INCOME PORTFOLIO	11,700	11,342	3.2%

* Restated in application of IFRIC 12

** Proforma Information

I. HIGHLIGHTS

FINANCIAL FIGURES (Millions of euros)	March 2010	March 2009 (*)	% chg 10/09
REVENUE			
Construction (Sacyr – Somague)	752	850	- 11.6%
Services (Valoriza)	236	211	12.2%
Property (Testa)	62	70	-11.2%
Concessions (Sacyr Concesiones)	19	14	39.4%
Housing Development (Vallehermoso)	116	222	- 47.7%
REVENUE (excluding Vallehermoso land sales)	1,185	1,366	-13.3%
Extraordinary sales: property development promotion	21	715	97.1%
Holdings and Adjustments	-45	-73	-38.3%
TOTAL	1,161	2,008	- 42.2%
EBITDA			
Construction (Sacyr – Somague)	43	43	0.5%
Services (Valoriza)	28	22	29.8%
Property (Testa)	51	57	-11.8%
Concessions (Sacyr Concesiones)	9	4	99.2%
EBITDA from activities (Excluding Development)	131	126	3.5%
Housing Development (Vallehermoso)	-54	54	ns
Holdings and Adjustments	3	-17	ns
TOTAL	80	163	- 50.8%
NET ATTRIBUTABLE PROFIT	50	43	16.7%
MARKET CAPITALISATION	1,992	1,769	12.6%
No. of shares outstanding (Thousands)	304,967	304,967	
EQUITY (1)	3,013	2,953	2.1%
NET CORPORATE DEBT (1)	510	527	- 3.1%

(1) To 31 December 2009

* Restated in application of IFRIC 12

IFRIC 12 “Service Concession Arrangements”.

In the first quarter of 2010, the SyV Group began to apply IFRIC 12 on accounting for Service Concession Arrangements between the public and private sectors in accordance with IFRS. This standard contains substantial modifications to the way in which concession contracts in which the concessionaire has a right to collect a fixed amount from the body making the concession, irrespective of infrastructure usage, are accounted for.

The main impact of this on the SyV Group’s financial statements is that the concessions subject to the new standards (mostly affecting Sacyr Concesiones, although there is also some slight impact on Valoriza and Sacyr) have been reclassified from “Concession Projects” under Fixed Assets in the Balance Sheet to “Non-current financial assets”. As a result, some of the income generated is considered to be finance income and is not included under revenue. The effect on this in the first quarter of 2010 is detailed in the table below:

Millions of euros	Revenues	Net profit
Sacyr Concesiones	- 9.7	3.6
Other areas	- 0.3	0.2
Total SyV	- 10.0	3.8

2009 figures have been restated using the same criteria to ensure that they are fully comparable.

The backlog for 2009 and 2010 has also been restated in accordance with the new standard.

II. STATEMENT OF INCOME

STATEMENT OF INCOME (Thousands of Euros)	March		% chg 10/09
	2010	2009*	
Turnover	1,160,805	2,008,214	-42.20%
Other Sales	95,034	125,745	-24.4%
Total Income	1,255,839	2,133,959	-41.1%
External and Operating Expenses	-1,175,558	-1,970,861	-40.4%
GROSS OPERATING PROFIT	80,282	163,098	-50.8%
Depreciation	-38,569	-29,100	32.5%
Trade Provisions	56,408	-93,749	ns
NET OPERATING PROFIT	98,120	40,249	143.8%
Changes in fixed assets provisions	19	-1	ns
ORDINARY NET PROFIT	98,139	40,248	143.8%
Financial results	-105,181	-162,299	-35.2%
Forex results	3,369	-492	ns
Results from equity accounted subsidiaries	47,705	61,176	-22.0%
Provisions for financial investments	11,759	-258	ns
Change in value of financial instruments	-9	-66	-86.6%
Results from sales of non current assets	440	69,308	-99.4%
PROFIT BEFORE TAXES	56,222	7,617	638.1%
Corporate Tax	-2,793	14,388	ns
PROFIT FOR CONTINUING ACTIVITIES	53,429	22,005	142.8%
RESULTS FOR COMPANIES WITH DISCONTINUOUS ACTIVITIES	0	25,529	ns
CONSOLIDATE RESULTS	53,429	47,534	12.4%
Minorities	-3,000	-4,304	-30.3%
NET ATTRIBUTABLE PROFIT	50,429	43,230	16.7%

* Restated in application of IFRIC 12

ANALYSIS OF RESULTS

- Net profit totalled €50.4 million, up 16.7% on the €43.2 million recorded at 31 March 2009.
- Group revenue at 31 March 2010 was €1,160.8 million.
- EBITDA stood at €80.3 million, bringing the gross margin to 6.9%.

The following factors should be taken into account when comparing the results for the first quarter of 2010 with those for 2009:

- A number of property assets belonging to Vallehermoso and Testa were sold at the end of March 2009 generating capital gains of €69.3 million.
- This sale has a significant impact on comparisons of Vallehermoso's figures, as almost half of the property transfer deeds for the whole year were signed in the first quarter of 2009.
- At Testa, the assets sold contributed income throughout almost the whole of the first quarter of 2009, as they were not sold until the very end of March.
- Adverse weather conditions in the first quarter of 2010 had a negative effect on construction work, delaying progress on projects.

REVENUE

At 31 March 2010 Group revenue totalled €1,160.8 million, boosted by a strong performance by the services and concessions businesses.

Although this was 42.2% down on the first quarter of 2009, it should be noted that there were a substantial number of property transfer deeds signed in the first quarter of 2009 (46% of total revenue for the whole year) and property assets at Testa were also sold. However, the latter contributed rental during almost the whole of the first quarter of 2009 as they were sold at the end of March. As a result, comparisons show very different quarters.

The breakdown by business area was as follows:

REVENUE (Thousands of Euros)	March		% chg 10/09
	2010	2009	
Construction	751,696	850,208	-11.6%
Housing Development (Vallehermoso)	236,146	210,555	12.2%
Concessions (Sacyr Concesiones)	136,674	936,595	-85.4%
Property (Testa)	62,490	70,399	-11.2%
Services (Valoriza)	18,938	13,584	39.4%
Holding and adjustments	-45,138	-73,126	
REVENUE	1,160,805	2,008,214	-42.2%

* Pro forma

- Revenue from construction activity totalled €751.7 million at 31 March 2010, a reduction of 11.6%. This was due to the slowdown in the domestic market and adverse weather conditions in the period. However, international revenues grew 27.8%. The backlog had risen to €8,179.5 million at 31 March 2010, 31.3% higher than at 31 March 2009, guaranteeing the future performance of this activity.
- The service sector continued to grow in line with previous periods, with revenue rising 12.2% over the period, to €236.1 million. Growth in the Environmental business –up 35%– was particularly noteworthy.
- The total value of the property transfer deeds signed for housing developments in the period was €136.7 million. This is significantly lower than in the first quarter of 2009 due, in part, to conditions in the sector, but comparisons are also skewed because the majority of land sales took place in this quarter last year.. Land sales in 2009 totalled €715.0 million, compared to €20.7 million in 2010.
- The 39.4% increase in revenue from concessions was due to the strong performance of existing concessions and to two new concessions coming into operation: in 2010 revenue was generated by the “Autopista del Sol” motorway in Costa Rica and the N-6 motorway in Ireland.
- Revenue from the property business stood at €62.5 million, 11.2% down on the first quarter of 2009. This change was due to the sale of property assets at the end of March 2009, together with a rent review on a building in Paris in June 2009 (the revision took place in June 2009 but was back-dated to the start of 2009; and therefore the decrease in rentals will balance out in the second quarter of 2010). Revenue from property rentals amounted to €61.1 million of the total while the remaining €1.4 million related to property management services. Rental revenue adjusted for equal leasable area fell by 2.4%.

Revenue from international activity increased by 18.2%, accounting for 25% of the SyV Group's revenues compared to 12% at the end of the first quarter of 2009. This percentage will continue to increase in the future as projects in the pipeline start to contribute.

REVENUE (Thousands of euros)	March		% chg
	2010	2009	10/09
Spain	869,677	1,761,997	-50.6%
International	291,128	246,217	18.2%
REVENUE	1,160,805	2,008,214	-42.2%

By geographical areas, 31.2% of international revenue was generated in Portugal; 12.2% in Italy; 11.7% in Ireland (relating to construction work on concessions won); 19.2% in Angola (construction work carried out by Somague and services rendered by Valoriza); and 9.6% in Panama (expansion work on the Canal); whilst the remaining 16.1% related mainly to work in Costa Rica and Chile and rental of properties run by Testa in Miami and Paris.

REVENUE (Thousands of Euros)	March		% chg
	2010	2009*	10/09
Spain	869,677	1,761,997	-50.6%
Portugal	90,909	113,371	-19.8%
Italy	35,378	26,439	33.8%
Ireland	33,923	30,211	12.3%
Angola	55,840	32,884	69.8%
Panama	28,039	0	ns
Costa Rica	6,792	14,528	-53.2%
Chile	4,224	2,069	104.2%
Other Countries	36,023	26,715	34.8%
REVENUE	1,160,805	2,008,214	-42.2%

* Pro forma

EBITDA

The Group reported EBITDA of €80.3 million, with a significant increase in EBITDA from concessions and services. The impact of the fall in operating income from property development resulted in a 50.8% a contraction in group EBITDA. However, other business areas made a €130.6 million contribution, 3.5% higher than in 2009, despite the fall in gross income from property rentals due to the decrease in leasable area.

GROSS OPERATING PROFIT (EBITDA) (Thousands of Euros)	March		% chg 10/09
	2010	2009	
Construction (Sacyr - Somague)	42,758	42,527	0.5%
Services (Valoriza)	28,292	21,794	29.8%
Property (Testa)	50,660	57,406	-11.8%
Concessions (Sacyr Concesiones)	8,892	4,464	99.2%
Activities (ex Housing development)	130,602	126,192	3.5%
Housing development (Vallehermoso)	-53,822	54,228	ns
Holding and adjustments	3,502	-17,322	ns
GROSS OPERATING PROFIT	80,282	163,098	-50.8%

The Group's efforts to contain costs resulted in a stronger EBITDA margin compared to the previous year:

PROVISIONS

Provisions amounting to €56.4 million were applied in the first quarter of 2010, most of these related to housing developments.

FINANCIAL RESULTS

The net finance expense amounted to -€105.2 million, compared to -€162.3 million in the same period in 2009. Of this, finance income totalled €19.0 million (35.6% down on the €29.6 million recorded at 31 March 2009). Finance costs totalled €124.2 million, compared to €191.9 million in 2009. This 35.3% decrease was the result of the reduction in total Group debt and, therefore, in the associated finance cost, from 4.10% to 3.55%.

RESULTS FROM COMPANIES CONSOLIDATED USING THE EQUITY METHOD

With respect to the Group's interest in Repsol YPF, as in 2009, only accrued dividends have been recognised in the income statement (€51.9 million). The result of accounting for the interest in Repsol YPF using the equity method (€137.7 million, which is 20.01% of the investee's net profits of €688 million) was reduced by €85.8 million against the investment in non-current financial assets. €67.2 million was recorded for this concept at 31 March 2009.

This income statement heading also includes the negative contribution of some infrastructure concession companies which are currently in the early stages of activity.

RESULTS FROM THE DISPOSAL OF ASSETS

There were no significant asset sales in the first quarter of 2010. However, in the first quarter of 2009 sales of property assets related to the Group's property rental business contributed €69.3 million.

NET PROFIT

Net profit totalled €50.4 million, up 16.7% on the same period in the previous year.

INCOME PORTFOLIO

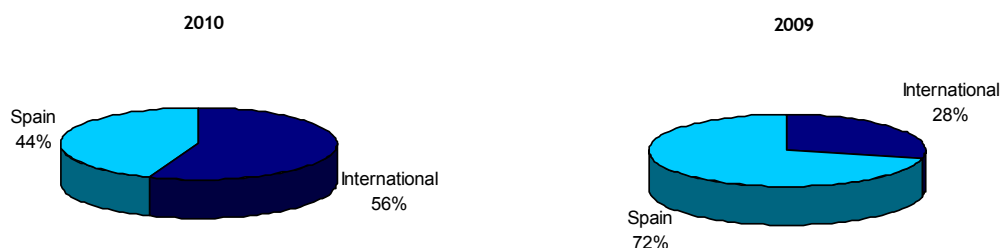
The income portfolio stood at €51,824.4 million, primarily in connection with the most recurring businesses, namely concessions and services. Sacyr Concesiones accounts for 55.3% of the total portfolio, while Valoriza represents 22.6%. The implied operating income from the backlog amounts to €17,647.3 million. The income portfolio rose 56.3% compared to 31 March 2009.

PORTFOLIO BY BUSINESS ACTIVITY (Thousands of Euros)	March			% chg 10/09
	Portfolio	% Ebitda(1)	Ebitda	
Sacyr - Somague (Construction Porfolio)	8,179,464	5.4%	450,639	31.3%
Sacyr (Construction portfolio)	6,983,233	5.7%	398,100	38.0%
Somague (Construction portfolio)	1,196,231	4.4%	52,539	2.2%
Vallehermoso (Pre-sales portfolio)	492,279	3.1%	15,293	-56.8%
Sacyr Concesiones (Revenues portfolio)*	28,671,203	47.0%	13,462,018	146.9%
Testa (Rents to maturity)	2,781,522	77.8%	2,163,701	-1.4%
Valoriza (Services portfolio)	11,699,953	13.3%	1,555,620	3.2%
TOTAL	51,824,421	34.1%	17,647,271	56.3%

(1) Margin of Ebitda at December 31, 2009

* Pro forma IFRIC 12

At 31 March 2010 the international business accounted for 56% of the portfolio, compared to 28% at the end of March 2009.



II. CONSOLIDATED BALANCE SHEET

BALANCE SHEET (Thousands of Euros)	March 2010	December 2009 (*)	Var 1Q 2010
NON CURRENT ASSETS	14,045,401	13,903,613	141,788
Intangible Assets	276,330	242,855	33,475
Real Estate Investments	2,680,969	2,699,691	-18,722
Concessions Investments	1,235,665	1,159,524	76,140
Fixed Assets	633,369	683,708	-50,339
Financial Assets	9,036,536	8,935,760	100,776
Other non Current Assets	15,074	14,483	591
Goodwill	167,459	167,593	-134
CURRENT ASSETS	6,681,181	6,513,818	167,363
Non current assets held for sale	283,910	283,223	687
Inventories	3,038,314	3,140,591	-102,277
Accounts Receivable	2,732,504	2,296,808	435,696
Financial Assets	90,253	67,161	23,092
Cash	536,200	726,036	-189,836
ASSETS = LIABILITIES	20,726,583	20,417,432	309,151
EQUITY	3,013,409	2,952,736	60,673
Shareholder's Equity	2,920,516	2,855,749	64,768
Minority Interests	92,892	96,987	-4,095
NON CURRENT LIABILITIES	10,909,580	11,039,320	-129,740
Financial Debt	9,800,058	9,960,330	-160,272
Financial Instruments at fair value	364,086	323,101	40,985
Provisions	147,054	149,799	-2,744
Other non current Liabilities	598,381	606,089	-7,708
CURRENT LIABILITIES	6,803,594	6,425,376	378,218
Liabilities associated with the non current assets held for sale	0	0	0
Financial Debt	2,840,946	2,685,360	155,586
Trade Accounts Payable	3,173,527	2,975,735	197,791
Operating Provisions	136,535	154,926	-18,391
Other current liabilities	652,587	609,355	43,232

* Restated in application IFRIC 12

BALANCE SHEET HIGHLIGHTS

Details and movements in the main balance sheet captions are outlined below.

NON-CURRENT ASSETS

Real-estate assets comprise properties in operation totalling €2,681.0 million. At 31 March 2010, investments in property, plant and equipment under construction amounted to €97.0 million and mainly related to cogeneration and electricity plants, water and wastewater networks, and other projects in the services business.

Property, plant and equipment also include machinery, plant and other assets. Accumulated depreciation amounted to €117.4 million.

The Sacyr Vallehermoso Group has investments of €932.5 million in operating concession projects (primarily motorways), net of accumulated depreciation, and €303.1 million in projects under development.

Financial assets include equity-accounted interests amounting to €7,703.7 million, primarily in Repsol YPF and in Sacyr Concesiones' concessionaire companies. This caption also includes concessions amounting to €703.8 million which are subject to IFRIC 12. In addition, financial assets include deferred tax assets of €458.6 million with the remainder mostly consisting of receivables from Group companies.

CURRENT ASSETS

Current assets amounted to €6,681.2 million. The most significant current asset items are inventories (€3,038.3 million), which mainly relate to Vallehermoso's property development business, and trade and other receivables (€2,732.5 million).

The stake that SyV retained in the new Itinere stood at 15.7% as of 31 March 2009, recorded as a financial investment. In accordance with IAS 39, this has been recorded as a financial asset held for sale in the Balance Sheet, and is not reflected in the income statement.

EQUITY

At 31 March 2010, SyV Group equity amounted to €3,013.4 million. Of this figure, €2,920.5 million (96.9%) is attributable to equity holders of Sacyr Vallehermoso, and €92.9 million is attributable to minority shareholders.

At 31 March, share capital was represented by 304.97 million shares with a par value of one euro each.

BORROWINGS

Details of the Group's net borrowings of €12,014.6 million at 31 March 2010 are as follows:

NET FINANCIAL DEBT (Millions of Euros)	March 2010	December 2009	% chg (10/09)
Corporate	510	527	-3.1%
Capital intensive activities	5,424	5,328	1.8%
Testa	2,645	2,566	3.1%
Sacyr Concesiones	1,141	1,063	7.2%
Vallehermoso	1,639	1,699	-3.5%
Other	6,080	6,006	1.2%
Repsol	5,035	5,010	0.5%
Itinere	272	272	0.0%
Other	773	724	6.8%
NET FINANCIAL DEBT	12,015	11,861	1.3%

- **Company debt:**

Net company debt decreased by 3.1% in the first quarter to €510.2 million.

- **Capital-intensive activities:**

- Debt used for financing infrastructure concessions amounted to €1,140.5 million.

- Debt in the rental property business takes the form of mortgage loans and leases, totalling €2,644.8 million. This is used to finance assets in operation or under construction, which at 31 December 2009 were valued at €4,398 million.

- In the property development business net debt of €1,639.0 million related to financing inventories held by Vallehermoso at a carrying amount of €2,192.1 million. At 31 December 2009 these assets were valued at €3,033.9 million by an independent appraiser. Pre-sales (contracts signed but the home not yet delivered) amounted to €492.3 million, covering 30.0% of total borrowings.

- **Other**

- The balance of the bank loan used to finance the investment in Repsol YPF stood at €5,034.7 million at 31 March.

- Structured debt in other businesses mainly relates to financing of environmental projects and concessions in Valoriza.

- Debt associated with the holding in Itinere is €271.9 million.

III. PERFORMANCE BY BUSINESS AREA

CONSOLIDATED INCOME STATEMENT AS OF MARCH 2010									
(Thousands of Euros)	Sacyr	Concessions	Vallehermoso	Testa	Valoriza	Somague	Holding	Adjustments	TOTAL
Turnover	586,761	18,938	136,674	62,490	236,146	164,936	13,042	-58,181	1,160,805
Other Sales	29,878	83,139	3,564	210	12,889	12,623	2,576	-49,846	95,034
Total Income	616,639	102,077	140,238	62,701	249,035	177,558	15,619	-108,027	1,255,839
External and Operating Expenses	-583,274	-93,185	-194,060	-12,040	-220,743	-168,166	-12,102	108,011	-1,175,558
GROSS OPERATING PROFIT	33,365	8,892	-53,822	50,660	28,292	9,393	3,517	-16	80,282
Depreciation	-4,178	-6,995	-493	-11,084	-10,467	-2,961	-999	-1,393	-38,569
Trade Provisions	-3,184	-1,035	52,976	-129	556	-1,458	8,700	-19	56,408
NET OPERATING PROFIT	26,003	862	-1,338	39,447	18,382	4,974	11,218	-1,427	98,120
Changes in fixed assets provisions	0	0	0	0	0	0	0	19	19
NET OPERATING PROFIT	26,003	862	-1,338	39,447	18,382	4,974	11,218	-1,409	98,139
Financial results	2,489	-3,940	-8,044	-17,970	-6,061	-3,675	-67,667	-313	-105,181
Adjustment in exchange rates	54	17	0	0	-85	2,749	635	0	3,369
Results from equity accounted subsidiaries	0	-4,284	-5	-6	117	206	51,913	-235	47,705
Provisions for financial investments	-1	0	12,001	0	-30	-18	-193	0	11,759
Change in value of financial instruments at fair value	0	-9	0	0	0	0	0	0	-9
Results from sales of non current assets	287	0	0	0	154	0	0	0	440
PROFIT BEFORE TAXES	28,832	-7,354	2,613	21,471	12,475	4,236	-4,094	-1,957	56,222
Corporate Tax	-8,903	430	-1,016	-5,419	-3,593	-1,426	16,815	321	-2,793
PROFIT FOR CONTINUING ACTIVITIES	19,929	-6,925	1,597	16,052	8,883	2,810	12,721	-1,636	53,429
PROFIT FOR DISCONTINUING ACTIVITIES	0	0	0	0	0	0	0	0	0
CONSOLIDATE RESULTS	19,929	-6,925	1,597	16,052	8,883	2,810	12,721	-1,636	53,429
Minorities	-314	1,039	-3,072	-31	-541	-13	0	-67	-3,000
NET ATTRIBUTABLE PROFIT	19,614	-5,886	-1,475	16,021	8,342	2,797	12,721	-1,704	50,429

CONSOLIDATED INCOME STATEMENT AS OF MARCH 2009 (*)									TOTAL
(Thousands of Euros)	Sacyr	Concessions	Vallehermoso	Testa	Valoriza	Somague	Holding	Adjustments	
Turnover	686,075	13,584	936,595	70,399	210,555	164,132	9,916	-83,042	2,008,214
Other Sales	34,927	84,364	20,018	243	20,160	11,611	2,871	-48,449	125,745
Total Income	721,002	97,948	956,613	70,642	230,715	175,743	12,786	-131,491	2,133,959
External and Operating Expenses	-686,973	-93,484	-902,385	-13,236	-208,921	-167,245	-26,195	127,577	-1,970,861
GROSS OPERATING PROFIT	34,029	4,464	54,228	57,406	21,794	8,499	-13,409	-3,914	163,098
Depreciation	-5,133	-3,029	-623	-11,979	-8,686	-3,233	-1,066	4,649	-29,100
Trade Provisions	-3,365	-1,421	-88,032	-126	-157	-648	0	0	-93,749
NET OPERATING PROFIT	25,532	14	-34,427	45,301	12,951	4,617	-14,475	736	40,249
Changes in fixed assets provisions	-1	-6,910	0	0	0	0	0	6,910	-1
NET OPERATING PROFIT	25,530	-6,896	-34,427	45,301	12,951	4,617	-14,475	7,646	40,248
Financial results	2,785	-1,018	-27,229	-19,470	-5,350	-2,027	-111,181	1,190	-162,299
Adjustment in exchange rates	-323	23	0	0	149	-327	-17	3	-492
Results from equity accounted subsidiaries	-14	-4,155	4	-7	251	99	67,181	-2,183	61,176
Provisions for financial investments	0	6,910	0	0	0	0	-258	-6,910	-258
Change in value of financial instruments at fair value	0	-66	0	0	0	0	0	0	-66
Results from sales of non current assets	5,571	0	0	63,784	-47	0	165,994	-165,994	69,308
PROFIT BEFORE TAXES	33,548	-5,201	-61,652	89,609	7,955	2,363	107,244	-158,603	7,617
Corporate Tax	-11,219	-4,660	18,235	-24,482	-2,901	-801	-12,009	52,224	14,388
PROFIT FOR CONTINUING ACTIVITIES	22,330	-9,861	-43,417	65,126	5,054	1,562	95,236	-106,379	22,005
PROFIT FOR DISCONTINUING ACTIVITIES	0	0	0	0	0	0	0	25,529	25,529
CONSOLIDATE RESULTS	22,330	-9,861	-43,417	65,126	5,054	1,562	95,236	-80,850	47,534
Minorities	345	707	3	-56	-246	23	0	-5,080	-4,304
NET ATTRIBUTABLE PROFIT	22,675	-9,154	-43,414	65,070	4,809	1,585	95,236	-85,930	43,230

(*) Restated in application IFRIC 12

CONSOLIDATED BALANCE SHEET AS OF MARCH 2010									
(Thousands of Euros)	Sacyr	Concessions	Vallehermoso	Testa	Valoriza	Somague	Holding	Adjustments	TOTAL
NON CURRENT ASSETS	291,964	1,866,173	118,978	3,965,588	1,021,866	182,551	10,950,348	-4,352,066	14,045,401
Intangible Assets	3,586	20,200	0	117,098	130,035	8,603	2,668	-5,861	276,330
Real Estate Investments	4,134	0	55,668	3,013,932	0	0	0	-392,765	2,680,969
Concessions Investments	89,392	966,514	0	0	218,143	0	0	-38,384	1,235,665
Fixed Assets	108,428	5,880	2,618	2,655	415,931	89,301	8,556	0	633,369
Financial Assets	86,414	872,779	53,832	831,903	131,670	56,977	10,939,124	-3,936,162	9,036,536
Other non Current Assets	10	800	6,860	0	8,203	0	0	-800	15,074
Goodwill	0	0	0	0	117,883	27,670	0	21,906	167,459
CURRENT ASSETS	2,856,010	143,696	2,283,656	50,732	664,367	747,893	605,234	-670,405	6,681,181
Non current assets held for sale	0	0	0	0	0	0	283,910	0	283,910
Inventories	372,041	82	2,192,142	0	20,759	52,580	690	400,020	3,038,314
Accounts Receivable	1,656,700	63,596	51,687	22,921	507,602	626,315	107,201	-303,518	2,732,504
Financial Assets	563,952	6,208	1,981	406	60,663	10,524	212,500	-765,979	90,253
Cash	263,317	73,810	37,847	27,405	75,342	58,474	933	-928	536,200
ASSETS = LIABILITIES	3,147,974	2,009,868	2,402,634	4,016,320	1,686,233	930,444	11,555,582	-5,022,472	20,726,583
Equity	567,990	152,395	52,386	1,236,364	349,750	142,477	2,076,583	-1,564,536	3,013,409
Shareholder's Equity	548,791	149,102	45,772	1,230,630	322,108	142,306	2,076,583	-1,594,776	2,920,516
Minority Interests	19,199	3,293	6,614	5,734	27,642	171	0	30,239	92,892
NON CURRENT LIABILITIES	182,190	1,359,790	396,155	2,645,963	554,351	73,939	7,788,614	-2,091,423	10,909,580
Financial Debt	79,662	1,091,740	236,613	2,573,839	387,477	50,658	5,385,344	-5,275	9,800,058
Financial Instruments at fair value	1,244	138,656	0	16,685	22,912	1,720	184,590	-1,720	364,086
Provisions	6,849	9,734	96,938	8,052	27,912	5,046	995	-8,473	147,054
Other non current Liabilities	94,437	119,659	62,604	47,388	116,049	16,514	2,217,686	-2,075,955	598,381
CURRENT LIABILITIES	2,397,794	497,684	1,954,092	133,993	782,132	714,027	1,690,385	-1,366,512	6,803,594
Liabilities associated with the non current assets held for sale	0	0	0	0	0	0	0	0	0
Financial Debt	226,095	149,497	1,442,227	98,748	320,158	185,785	435,113	-16,677	2,840,946
Trade Accounts Payable	1,855,478	53,285	375,440	18,439	260,666	413,495	236,581	-39,856	3,173,527
Operating Provisions	81,664	1,035	880	713	7,532	23,410	21,300	0	136,535
Other current liabilities	234,556	293,867	135,546	16,093	193,775	91,337	997,391	-1,309,979	652,587

CONSOLIDATED BALANCE SHEET AS OF DECEMBER 2009(*)									
(Thousands of Euros)	Sacyr	Concessions	Vallehermoso	Testa	Valoriza	Somague	Holding	Ajustes	TOTAL
NON CURRENT ASSETS	275,043	1,805,472	127,098	3,811,315	1,031,154	182,018	10,961,558	-4,290,045	13,903,613
Intangible Assets	5,367	20,659	0	101,328	111,657	6,854	2,839	-5,850	242,855
Real Estate Investments	4,062	0	51,359	3,035,654	0	0	0	-391,383	2,699,691
Concessions Investments	96,116	914,734	0	0	197,685	0	0	-49,010	1,159,524
Fixed Assets	81,525	5,802	6,510	27,575	460,817	92,499	9,034	-54	683,708
Financial Assets	87,974	863,477	62,899	646,758	134,825	54,995	10,949,684	-3,864,853	8,935,760
Other non Current Assets	0	800	6,192	0	8,290	0	0	-800	14,483
Goodwill	0	0	137	0	117,880	27,670	0	21,906	167,593
CURRENT ASSETS	2,464,695	165,112	2,415,315	247,557	594,092	725,580	565,962	-664,494	6,513,818
Non current assets held for sale	0	0	0	0	0	0	283,223	0	283,223
Inventories	380,140	72	2,289,981	0	17,985	52,235	157	400,020	3,140,591
Accounts Receivable	1,364,270	59,248	53,600	100,826	465,155	595,018	26,830	-368,140	2,296,808
Financial Assets	515,293	8,704	40,171	91	37,063	9,672	151,337	-695,170	67,161
Cash	204,991	97,088	31,563	146,640	73,889	68,655	104,415	-1,204	726,036
ASSETS = LIABILITIES	2,739,738	1,970,584	2,542,414	4,058,872	1,625,246	907,598	11,527,519	-4,954,540	20,417,432
Equity	537,783	207,767	51,010	1,215,967	339,121	139,407	2,150,012	-1,688,331	2,952,736
Shareholder's Equity	519,624	187,281	47,467	1,210,264	312,176	139,251	2,150,012	-1,710,326	2,855,749
Minority Interests	18,159	20,486	3,542	5,702	26,945	157	0	21,995	96,987
NON CURRENT LIABILITIES	205,715	1,375,333	394,566	2,682,063	592,773	71,669	7,630,133	-1,912,933	11,039,320
Financial Debt	100,933	1,144,130	230,232	2,612,517	418,844	51,807	5,413,342	-11,473	9,960,330
Financial Instruments at fair value	1,244	103,006	0	16,472	18,165	573	184,215	-573	323,101
Provisions	6,841	9,291	102,757	8,941	25,162	3,916	995	-8,105	149,799
Other non current Liabilities	96,698	118,906	61,578	44,134	130,602	15,373	2,031,581	-1,892,782	606,089
CURRENT LIABILITIES	1,996,239	387,485	2,096,838	160,842	693,353	696,522	1,747,378	-1,353,279	6,425,376
Liabilities associated with the non current assets held for sale	0	0	0	0	0	0	0	0	0
Financial Debt	161,767	37,953	1,501,356	100,524	214,780	171,615	511,912	-14,547	2,685,360
Trade Accounts Payable	1,542,289	30,029	434,072	43,415	287,835	414,965	180,948	42,182	2,975,735
Operating Provisions	91,710	0	893	803	10,775	20,745	30,000	0	154,926
Other current liabilities	200,474	319,503	160,516	16,099	179,963	89,197	1,024,518	-1,380,914	609,355

(*) Restated in application IFRIC 12

III. PERFORMANCE BY BUSINESS AREA

SACYR/SOMAGUE

Revenues from this business area were €751.7 million at 31 March 2010, 11.6% lower than the same period in 2009; this was due in part to the decrease in domestic activity resulting from the generalised fall in residential construction and to adverse weather conditions in the first quarter which slowed the pace of construction. However, the increase in international activity is noteworthy, with revenue of €255.8 million in the first quarter, up 28% on the first quarter in 2009.

The EBITDA margin was 5.7%, up 0.7 p.p on the first three months of 2009 when the margin stood at 5.0%

Sacyr, the most significant area of activity, posted revenue of €586.8 million, 78.1% of the total. Revenue at Somague increased by 0.5% to €164.9 million.

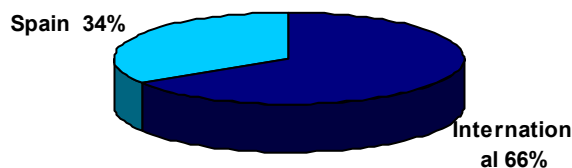
The large backlog at 31 March totalled €8,179.5 million, up 31.3% on March 2009, guaranteeing 32.6 months of activity.

In terms of a percentage breakdown, civil engineering work makes up 86.3% of the backlog portfolio, with 11.4% relating to non-residential construction and 2.3% to residential housing.

Construction Portfolio	March		% chg 10/09
	2010	2009	
Civil works	7,055,864	5,207,819	35.5%
Non-residential building	932,678	698,034	33.6%
Residential Building	190,922	325,218	-41.3%
TOTAL	8,179,464	6,231,072	31.3%
International	5,395,339	3,343,755	61.4%
Spain	2,784,125	2,887,316	-3.6%

At 31 March 2010, 66.0% of Sacyr Vallehermoso Group's backlog related to international projects, 61.4% up on 2009 as a result of the Group's intense tendering activity. 75% of the portfolio is in the European Union, with 34% in Spain; 29.9% in Italy; 10.8% in Portugal; and 0.3% in Ireland. The remaining 25.0% in other countries primarily relates to a project awarded in Panama.

CONSTRUCTION PORTFOLIO 2010



The main contracts won during the first quarter of 2010 include:

- Construction work on access to the new Barcelona airport terminal (Barcelona's local rail network), amounting to €221.8 million.
- Construction of the Levante II prison in Valencia, amounting to €86.8 million.
- Construction of a local rail network station in Zaragoza, worth €33.1 million.
- Construction of a building for Zaragoza University, worth €11.3 million.
- Construction of a car park and urban development work for the Plaza del Centenario in Valladolid, worth €10.9 million.
- Expansion of the western commercial dock in Puerto de Marín (Pontevedra), worth €10 million.
- Construction of headquarters for Sonangol Distribuidora in Angola, worth €25.8 million.

TESTA

Testa reported revenues of €62.5 million at 31 March 2010. Of this amount, €61.1 million related to property rentals. The remainder related to property management services, worth €1.4 million.

EBITDA stood at €50.7 million with an EBITDA margin of 81.1%, in line with the first quarter of 2009 (81.5%), demonstrating the strength of the SyV Groups' property division in the face of the general deterioration in the market.

The 11.2% decrease in revenue in the first quarter of the year compared to the same period last year is due mainly to the disposal of properties at the end of March 2009, consisting of a shopping centre, a number of homes for the elderly and other less important assets. It was also affected by the revision of the lease for an office building in Paris in June 2009. This review took place in June 2009, but was backdated to the start of 2009. As a result, the decrease in rentals will balance out in the second quarter of 2010.

Eliminating these effects and adjusting for available leaseable area, rental revenues fell by 2.4% due, mainly, to the reduction in leaseable area and revisions to lease rentals since March 2009 (these decreased as they are referenced to year-on-year CPI figures - which were negative).

REVENUE Thousand of euros	March		% chg 10/09
	2010	2009	
Offices	41,213	43,065	-4.3%
Shopping Centers	6,642	6,786	-2.1%
Hotels	6,560	5,993	9.5%
Housing for rental	3,143	3,103	1.3%
Industrial Building	2,833	2,930	-3.3%
Homes for the elderly	424	426	-0.6%
Parkings	270	259	4.1%
Rental income L-f-L	61,085	62,562	-2.4%
Asset disposals	0	4,852	-100.0%
Revision rental income Tour Adriá	0	1,424	-100.0%
RENTS	61,085	68,839	-11.3%
Services income	1,405	1,560	-9.9%
REVENUE	62,490	70,399	-11.2%

No significant asset sales took place in the first quarter of 2010. Leaseable area at 31 March 2010 amounted to 1,508.5 thousand m², 0.9% up on the 1,494.5 thousand m² at 31 March 2009. The asset sales in 2009 mentioned previously generated capital gains of €65.2 million.

The occupancy rate at 31 March 2010 stood at 95.7%, the same as at the end of 2009.

As at 31 March 2010 work was underway on a residential care home; a housing development awarded by the Madrid Council to be part of a shared ownership scheme for young people; and other projects.

VALLEHERMOSO

Vallehermoso reported revenues of €136.7 million at 31 March 2010, compared to €936.6 million in 2009, down 85.4% due to the high value of land sales in the period.

Revenue in the year was generated by sales of residential property, amounting to €114.1 million, and land sales amounting to €20.7 million. Revenue from services amounted to €1.8 million.

The EBITDA margin on residential housing stood at 11.6%, although the overall margin was negatively affected by the impact of the loss-making operations, with the accounting impact recognised in the previous year through the allocation of the corresponding provision.

TURNOVER (Thousands of euros)	March		% chg 10/09
	2010	2009	
Residential Products	114,092	219,792	-48.1%
<i>Gross Margin / sales(%)</i>	11.6%	13.8%	
Land	20,748	715,035	-97.1%
<i>Margin (%)</i>	-146.4%	4.6%	
Total Residencial product and land	134,840	934,827	-85.6%
Services	1,834	1,769	3.7%
<i>Margin (%)</i>	100.0%	100.0%	
TURNOVER	136,674	936,596	-85.4%

The pre-sale portfolio at 31 March 2010 stood at €492.3 million.

SACYR CONCESIONES

The application of IFRIC 12 on Service Concession Arrangements in the first quarter of 2010 is applicable to service concession agreements in which the public sector controls or regulates the infrastructure services provided and their prices, and also controls any significant residual rights to the infrastructure; this has had a fundamental effect on the way in which concessions which have no risk arising from demand or availability payments are accounted for (financial asset model), as we stated in the first part of this report. Concessions which are now treated as financial assets for accounting purposes recognise interest income on the financial asset; this improves results in the first few years as the financial revenues are recorded in Accounts Receivable (offsetting the impact on results of not capitalising finance costs). Annual revenue is divided into receivables from the financial asset recognised in the balance sheet (and therefore not recorded as revenue) and a component for the services rendered (which is recorded as revenue). The effect of this is a decrease in revenue and EBITDA. IFRIC 12 affects six operating concessions within the SyV Group: Aunor (Spain), San José-Caldera (Costa Rica), two transport hub stations (Moncloa and Plaza Elíptica) and two hospitals (Parla and Noreste), resulting in a reduction in revenue of €9.7 million and a €3.6 million increase in net profit, compared to the figures which would have been reported if the standard had not been applied. The figures for the first quarter of 2009 have also been restated in accordance with IFRIC 12 and are therefore fully comparable.

At 31 March 2010, Sacyr Concesiones reported revenue of €18.9 million compared to €13.6 million in the first quarter of 2009, up an impressive 39.4%, due to the positive performance of existing concessions and the opening of two new concessions: the “Autopista del Sol” motorway (S. José-Caldera) in Costa Rica, in January 2010, where a stretch had come into operation in June 2009, and the N-6 motorway between Galway and Ballinasloe in Ireland on 18 December 2009.

EBITDA increased by 99.2% to €8.9 million, with an EBITDA margin of 47.0%, compared to 33.0% in the same period in 2009.

In general, the performance of traffic on the Group’s motorways in the first quarter of 2010 was positive, particularly the Eresma and Barbanza, Viastur and Turia roads. **Despite lower traffic, Aunor’s revenues increased by 9.7%.**

Millions of Euros	March 2010		March 2009		% chg.10/09	
	Revenue	ADT	Revenue*	ADT	Revenue	ADT
Sacyr Concesiones	17.9		13.5		32.6%	
Aunor	0.6	11,705	0.5	11,925 0	9.7%	-1.8%
Turia	2.6	35,876	2.6	35,264 0	1.6%	1.7%
Viastur	1.5	21,838	1.5	21,187 0	1.6%	3.1%
Eresma	1.3	5,897	1.1	5,351 0	17.0%	10.2%
Barbanza	1.0	11,311	0.9	10,313 0	8.7%	9.7%
Pamasa	0.7	18,739	0.8	18,904 0	-2.4%	-0.9%
Autopista San José - Caldera	0.7	22,491	-	- 0	n.s.	n.s.
N-6 Galway- Ballinasloe	2.7	7,804	-	- 0	n.s.	n.s.
Hospital del Noreste	2.3	0	2.2	0 0	8.2%	0.0%
Hospital de Parla	1.9	0	1.8	0 0	8.2%	0.0%
Intercambiador Plaza Elíptica	0.7	2,110,541 (1)	0.6	2,179,635 (1)	13.5%	-3.2%
Intercambiador Moncloa	1.4	5,941,640 (1)	1.2	5,877,888 (1)	23.7%	1.1%
Neopistas	0.4	0	0.4	0 0	-3.5%	0.0%

(1) Number of passengers

* Restated application IFRIC 12

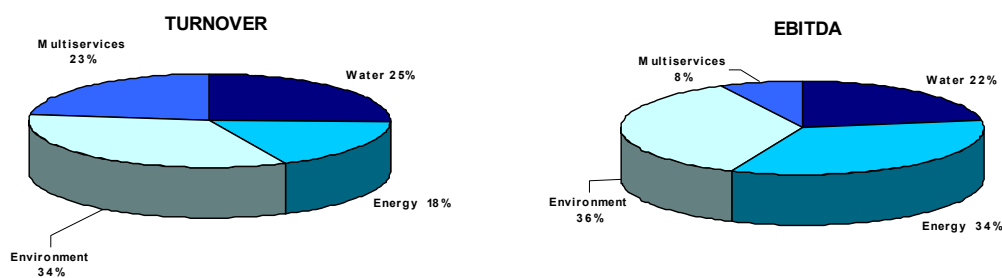
The Sacyr Concesiones group had a portfolio of 29 concessions at 31 March 2010, across 6 countries. Of these, 18 are toll motorway concessions, with 15 in the EU (Spain: 11, Portugal: 1, Ireland: 2, Italy: 1) and 3 in South America (Chile: 1, Costa Rica: 2). Sacyr Concesiones also holds 11 concessions on other assets, namely three hospitals in Madrid, two hospitals in Portugal, two transport hubs in Madrid, two underground lines (in Seville and Tenerife), one airport in Murcia and one service area company.

Recurring revenues from activities, corrected for application of IFRIC 12, amounted to €28,671.0 million at 31 March 2010, 146.9% up on the previous year.

VALORIZA

At 31 March 2010, Valoriza reported revenues of €236.1 million, a rise of 12.2% in comparison to €210.5 million in the first quarter of 2009, due to organic growth in its four main business areas through new projects being launched. This growth was particularly noteworthy in the environmental segment, where revenues were up 35% on 2009, and multi-services, where revenues were up 13% as a result of contracts awarded to Valoriza Servicios a la Dependencia. EBITDA grew strongly by 29.8% to €28.3 million at 31 March 2009. The EBITDA margin was 12.0%, 1.6 p.p up on the same period in the previous year.

The breakdown of revenue and contribution to EBITDA of the main areas of business is shown below:



▪ Environment

In the area of environmental projects revenue totalled €80.3 million, up 35% compared to the €59.7 million in the first quarter of 2009 due to the Group increasing its operations in concessions in the areas of recycling and waste management (urban waste, waste products, waste containers) and access to other services (cleaning, parking meters, etc).

Amongst other projects awarded in the first quarter of 2010 the Group won contracts for the operation of a Fervasa waste treatment plant in Quart de Poblet (Valencia); a three year extension to the contract for running the urban solid waste plant in Porto; the installation, maintenance and cleaning of underground containers in San Fernando de Henares (Madrid); and the maintenance, conservation and operation of a composting and processing plant for packaging in Abajas (Burgos).

- **Water:**

Revenue from water management totalled €60.1 million, an increase of 5.5% on the €57.0 million recorded in the same period the previous year. Valoriza Agua carries out this activity in Spain, while in Brazil and Portugal it is carried out by AGS, together supplying over 3 million people. **Sadyt**, the specialist water technology company, has developed over 50 wastewater treatment and desalination plants, and is active in major projects such as the design and construction of the Ashdod (Israel) desalination plant; the Bahía de Alcudia desalination plant; the Perth (Australia) desalination plant; and the Llobregat drinking water treatment plant in Abrera (Barcelona), the largest in world using electro dialysis reversal technology (EDR).

In addition, Valoriza won the 25 year drinking water concession in Alamillo in February 2010.

- **Multi-services:**

Revenues in the Multi-services segment totalled €54.1 million, 12.5% up on the €48.1 million in 2009. Among other successes, during the first quarter Valoriza Facilities, which specialises in the provision of auxiliary services, won a four-year contract for the general management of a home for the elderly in Elche (Alicante) and a cleaning and collection contract for the Meixoeiro hospital (Vigo).

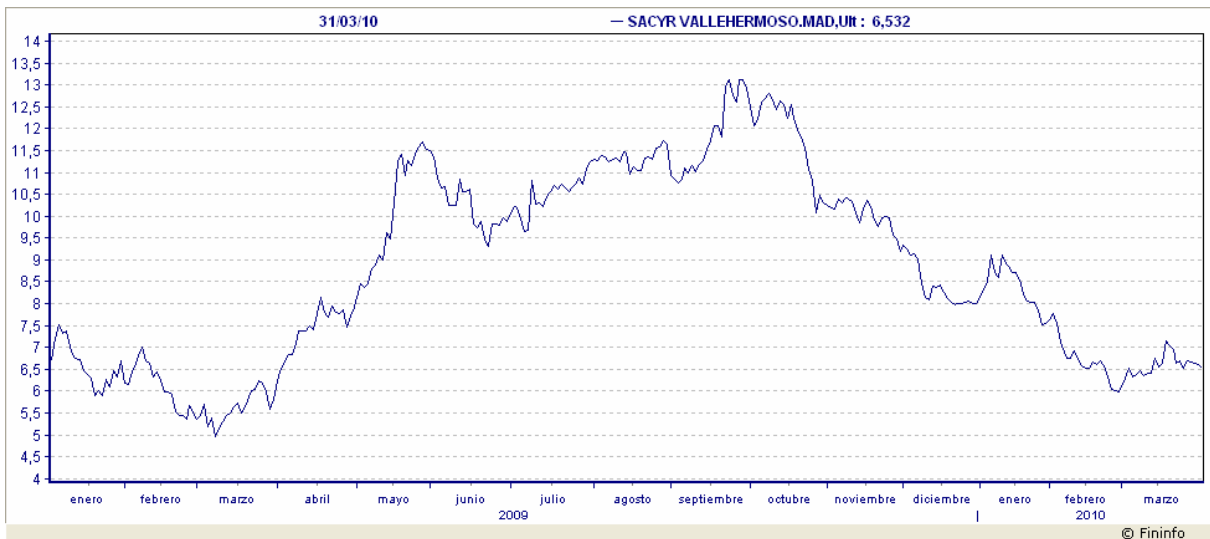
Valoriza Servicios a la Dependencia is continuing to expand its activities through a range of contracts to provide care services.

- **Energy:**

Revenue from alternative energy activities amounted to €41.6 million. Valoriza Energía channels the energy activities of the SyV group. Its activities are focused on the development, construction and implementation of energy efficiency and renewable energy projects.

V. STOCK MARKET PERFORMANCE

	March		% chg 10/09
	2010	2009	
Market Price at closing (euros per share)	6.53	5.80	12.62%
High share price	9.40	7.53	24.83%
Low share price	5.85	4.77	22.64%
Market Capitalization at closing (Thousands of euros)	1,992,047	1,768,811	12.62%
Average Trading Volume (Thousands of euros)	512,355	275,835	85.75%
Average Daily Trading Volume (Number of shares)	1,144,206	709,075	61.37%
Liquidity (%)	100	100	
Number of shares (Thousands)	304,967	304,967	
Share Nominal Value	1 EURO	1 EURO	



VI. SHAREHOLDER STRUCTURE

At March 31, 2010 the Directors and Titleholders who hold significant stakes at Sacyr Vallehermoso S.A. are the following:

	%
Actividades Inmobiliarias y Agrícolas, S.A. (1)	
D. Luis del Rivero Asensio (1)	13.75%
Prilomi, S.L.(2)	
Prilou, S.L. (2)	13.50%
Austral B.V. (3)	
Nueva Compañía de Inversiones, S.A. (3)	10.02%
D. Manuel Manrique Cecilia (4)	7.65%
Participaciones Agrupadas, S.R.L.	8.00%
D. Demetrio Carceller Arce (5)	6.74%
D. Diogo Alvez Diniz Vaz Guedes	0.51%
Mutua Madrileña Automovilista	5.01%
CXG Corporación Caixa Galicia, S.A.	2.99%
Caixanova	3.50%
Grupo Satocan, S.A.(6)	3.54%
D. Matias Cortés Domínguez	0.00%

TOTAL	75.20%
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- (1) Mr. Luis del Rivero Asensio has an indirect holding through Actividades Inmobiliarias y Agrícolas, S.A. (Represented by Mr. Victor Guillamón Melendreras, which holds a 6.06% and through Rimefor Nuevo Milenio, S.L., with a 7.69% holding. Mr. Luis del Rivero Asensio has a stake of 100% and 61.89% respectively.
- (2) Prilou, S.L., represented by Mr. Jose Manuel Loureda Mantiñan, has a direct holding of 8.47% and a 5.03% indirect holding through Prilomi, S.L., represented by Mr. Jose Manuel Loureda López
- (3) Directors representing Grupo Abelló, whose stake in SyV increased to 10.02%
- (4) Manuel Manrique Cecilia has an indirect holding through Cymofag, S.L., with a stake of 7.65% and in which Mr. Manuel Manrique has a 100% holding.
- (5) Director representing Disa Corporación Petrolífera.
- (6) Represented at the Board of Directors by Juan Miguel Sanjuán Jover, who has a 49.73% holding.