



**PROPOSED RESOLUTIONS TO THE ORDINARY GENERAL SHAREHOLDERS'
MEETING OF SACYR VALLEHERMOSO, S.A., SCHEDULED FOR 18 MAY 2011 ON
FIRST CALL, AND 19 MAY 2011 ON SECOND CALL, RESPECTIVELY**

APPROVED BY THE BOARD OF DIRECTORS OF SACYR VALLEHERMOSO, S.A.

SEVENTH RESOLUTION:

Authorisation to the Board of Directors, with the express right to further delegate these powers, for a period of five years to issue securities (especially including debentures, bonds and warrants) exchangeable for or conferring the right to acquire shares outstanding in the Company or other companies and/or exchangeable for or conferring the right to subscribe to newly issued shares in the Company and to guarantee any issues of these securities by its Group companies. Establishing the criteria for determining conversion and/or exchange bases and methods and granting the Board of Directors the power to increase share capital as necessary and to exclude the pre-emptive subscription right from the issue of these securities.

PROPOSED RESOLUTION:

“Authorise the Board of Directors, in accordance with prevailing securities issuance law and pursuant to articles 286, 297 and 511 of the Spanish Enterprise Act and article 319 of the Mercantile Register Regulations, to issue securities subject to the following conditions:

- 1. Securities to be issued.- The securities encompassed by this authorisation consist of any type of security (especially including debentures, bonds and warrants) exchangeable for or conferring the right to acquire shares outstanding in the Company or other companies and/or convertible for or conferring the right to subscribe to newly issued shares in the Company.*
- 2. Term of delegation.- The securities subject to this authorisation may be issued on one or more occasions and when required, within the maximum term of five (5) years from the date on which this resolution is approved.*
- 3. Maximum amount authorised.- The maximum total nominal amount of the securities issue or issues approved under this authorisation will be eight hundred million euros (€800 million) or its equivalent in any other currency. In order to calculate the aforementioned limit, in the case of warrants the calculation will take into account the sum of the premiums and strike prices of warrants of emissions approved under this authorisation.*

4. Scope of authorisation.- This authorisation extends as broadly as is required under law, to the establishment of the various aspects and conditions of each issue, including but not limited to, par value, issue price, redemption price, currency of issue, interest rate, amortisation, anti-dilution mechanisms, subordination clauses, issue guarantees, place of issuance, placement and underwriting regime, listing, applicable legislation, etc., and generally, any other condition of issuance, and, where appropriate, to the appointment of a commissioner and approval of the basic rules governing legal relations between the Company and the syndicate of holders of the securities to be issued, where necessary or upon the constitution of said syndicate.

5. Terms and conditions for conversion and/or exchange.- In the case of convertible and/or exchangeable securities issues (including bonds and debentures), and for the purposes of determining the terms and conditions of the conversion and/or exchange, the following criteria are hereby agreed:

- a) The securities issued subject to this agreement will be exchangeable for shares of the Company or of any other company, whether a Group company or not, and/or convertible for newly issued Company shares, according to a conversion ratio and/or fixed or variable exchange ratio, determined or determinable, with powers granted to the Board of Directors to determine whether they are convertible and/or exchangeable, as well as to determine if they are necessarily or voluntarily convertible and/or exchangeable, and, in the event that they are voluntarily, at the discretion of their holder and/or the Company, at the intervals and time period established in the issue agreement, which must not exceed 30 days from the date of the issue.
- b) The Board of Directors may also decide, in the event that the issue is convertible and exchangeable, that the issuer reserves the right to choose at any time between converting the securities into new shares or exchanging them for outstanding Company shares, determining the type of shares to deliver at the time of the conversion or exchange, and may also opt to deliver a combination of newly issued shares and pre-existing shares in the Company, or to liquidate the difference in cash.
- c) For the purposes of conversion and/or exchange, securities will be valued at nominal value and shares at a fixed price to be established in the Board of Directors' agreement which makes use of this authorisation, or at a variable price to be determined on the date or dates stipulated in the Board of Directors' agreement, based on the trading price of Company shares in the stock market on the date or dates or period or periods used as a reference in the aforementioned agreement.
- d) In the event that a fixed conversion and/or exchange ratio is established, the fixed price may not be lower than the arithmetic average of the closing prices of Company shares on the Spanish stock market during a period to be determined by the Board of Directors but no longer than three months and no shorter than five calendar days prior to the date of adoption of the securities issue resolution by the Board of Directors, or of the date of disbursement of the securities by subscribers, with a premium or, where appropriate, a discount on said price per share, though in the

event that a discount over the price per share is offered, the discount may not exceed 25% of the value of the shares used as a reference, pursuant to the aforementioned conditions.

- e) In the event that a fixed conversion and/or exchange rate is established, the share price used for the conversion/exchange will be the arithmetic average of the closing prices of Company shares on the Spanish stock market during a period to be determined by the Board of Directors, but no longer than three months nor shorter than five calendar days prior to the conversion and/or exchange date, with a premium or, where appropriate, a discount over said price per share. The premium or discount may be different for each conversion and/or exchange date for each issue (or, where appropriate, each tranche of an issue), though in the event of a discount on the price per share, the discount may not exceed 25% of the share value used as a reference, in accordance with the foregoing.*
- f) Under no circumstances will the share price used to calculate the conversion of the securities into shares be lower than par value. In accordance with article 415 of the Enterprise Act, bonds may not be converted into shares when the bonds' nominal value is lower than that of the shares.*

6. Terms and conditions for exercising warrants and other similar securities.- In the case of warrant issues, the following criteria are hereby agreed:

- a) In the case of warrants, to which the Enterprise Act's stipulations governing convertible bonds will apply, for the purpose of determining the terms and conditions of their exercise, the Board of Directors is empowered to decide, in the broadest terms, the applicable criteria for exercising rights of subscription or acquisition of Company shares or of another company, within the Group or not, or a combination of any of them, deriving from the securities of this type issued in accordance with the authorisation granted herein, with such emissions subject to the criteria outlined in the preceding section 5, with any needed adaptations for the purpose of making them compatible with prevailing legal and financial legislation governing this type of security.*
- b) The aforementioned criteria will apply, mutatis mutandi, and insofar as they are applicable, to the issuance of securities (including warrants) exchangeable for shares in other companies. Where appropriate, references to the Spanish Continuous Market (electronic trading system) will be understood to mean the markets on which the shares are listed.*

7. Other powers delegated.- This authorisation by the Board of Directors also includes, but is not limited to, the delegation in the Board of the following powers:

- a) The Board of Directors is empowered, pursuant to article 511 of the Enterprise Act, to withdraw, fully or partially, shareholders' pre-emptive subscription rights, in compliance with the legal requirements established for this purpose.*
- b) The powers to increase capital in the amount necessary to fulfil requests for conversion and/or exercise of pre-emptive prescription rights for shares. These*

powers may only be exercised so long as the capital increase the Board of Directors approves for the issue of convertible securities or warrants does not exceed the unused limit authorised in each case by the General Shareholders' Meeting in accordance with article 297.1.b) of the Enterprise Act. This authorisation to increase capital includes issuing and putting into circulation, one or several times, the shares necessary to execute the conversion and/or exercise pre-emptive subscription rights, and encompasses powers to revise the text of the articles of the Bylaws concerning share capital and number of shares and, where appropriate, to cancel any portion of the capital increase that was not needed for the conversion and/or exercise of pre-emptive subscription rights.

- c) Powers to develop and specify the terms and conditions of the conversion, exchange and/or exercise of pre-emptive subscription rights and/or share purchase, deriving from the securities to be issued, in accordance with the criteria established in the preceding sections 5 and 6.*
- d) The delegation of powers in the Board of Directors includes the broadest powers which under law may be necessary for the interpretation, application, execution and development of agreements for the issuance of convertible or exchangeable securities or warrants, one or several times, and the necessary capital increase, and likewise grants powers to introduce rectifications or additions to said agreements where necessary, as well as to fulfil any necessary procedures legally required to successfully execute them, with the Board empowered to rectify omissions or defects of said agreements, as indicated by any authorities, civil servants or bodies, whether Spanish or foreign, and is likewise empowered to adopt any agreements and issue any public or private documents as it deems necessary or appropriate for the adoption of the preceding agreements on the issuance of convertible or exchangeable securities or warrants and the related capital increase, receiving verbal or written assessment from the Mercantile Registrar, or, in general, from any other relevant Spanish or foreign authorities, civil servants or institutions.*

8. Admission to trading.- The Company will carry out the necessary formalities to ensure that the convertible and/or exchangeable debentures and/or bonds or warrants issued by the Company under this power are listed for trading on official or unofficial, organised or over-the-counter Spanish or foreign secondary markets, thereby authorising the Board of Directors to act accordingly to list the instruments before the competent authorities and bodies of the various Spanish and international securities markets.

It is hereby expressly noted that, in the event of a subsequent request to delist the shares, the delisting process will require the same formalities as the request for listing, insofar as applicable, and, in such event, the interests of shareholders or holders of the securities who oppose or do not vote in favour of the agreement will be ensured, in the terms set forth in prevailing legislation. It is hereby expressly stated that the Company is subject to prevailing and future securities market legislation, especially regarding trading, continued trading and withdrawal from trading.

9. Guarantee of issues of convertible and/or exchangeable securities or warrants by subsidiaries.- The Board of Directors is also empowered to guarantee on behalf of the Company, within the limits stipulated in the foregoing, any new issues of convertible and/or exchangeable securities or warrants which, while this agreement remains in force, are carried out by its subsidiaries.

10. Right to delegate.- The Board of Directors is expressly authorised to delegate, pursuant to article 249 of the Spanish Enterprise Act, the powers mentioned in this agreement.”

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