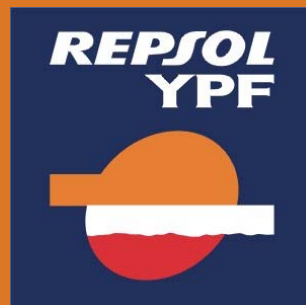
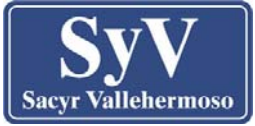




9,24% REPSOL YPF
PURCHASE OPERATION



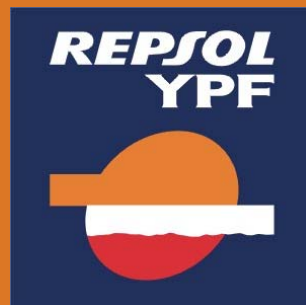


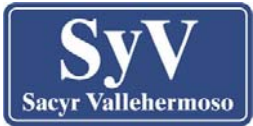
Index

- Main points of the transaction
- Foundations of the transaction
- Financial Analysis
- SyV: a story of value generation



Main points of the transaction





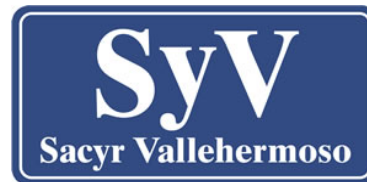
Main Points of the transaction

Description

- Acquisition of a 5.00465% of Repsol YPF through Sacyr Vallehermoso Participaciones Mobiliarias, S.L. (100% Sacyr's ownership). Besides, there are equity derivatives agreed with financial entities per 4.23158%. The total participation (the direct one together with equity derivatives) is 9.23624% at an average price of €25.32 per share, which represents a total investment of €2,855.6 million.

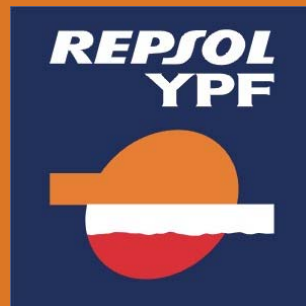
Structure of the operation

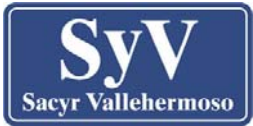
- The total amount of the direct investment, €1,504.7million, has been financed through a bridging loan (due date: 15/1/2007) which will be refinanced through a non-recourse debt.
 - Non-Recourse debt: 85%
 - Equity: 15%
- Non –Recourse debt: Euribor + 0.9% (4.85%)
- Term: 5-6 years





Basis of the transaction

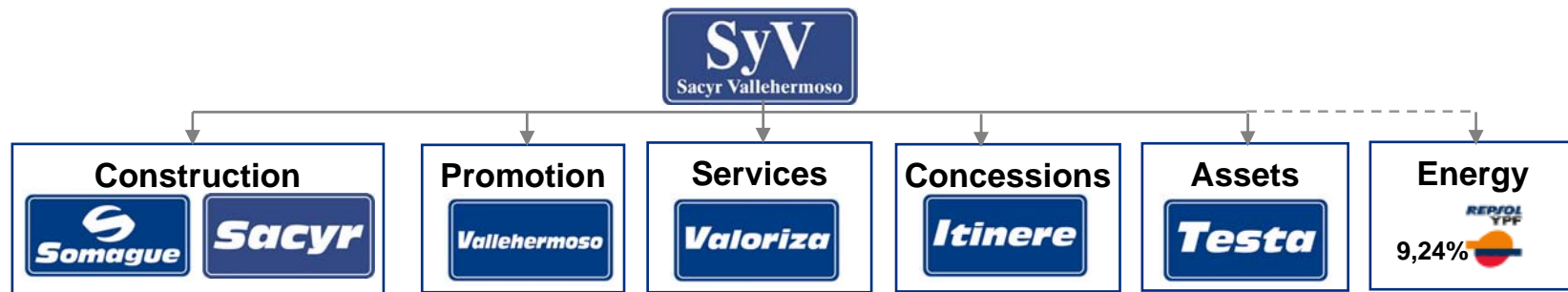


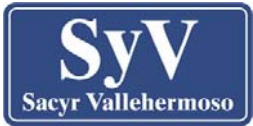


Basis of the transaction

1.- Strategic reserve

- The operation is based on a diversification strategy of the Group SyV.
- In this sense, the operation confirms that:
 - ▶ it is a complement of the economic cycles of the rest of divisions through long-term business with supported profitability.
 - ▶ **It is a complement of the traditional business of the Group SyV** by adding higher margins and results.
 - ▶ Growth directed towards its presence in the main companies of every sector





Basis of the transaction

2.- Unique opportunity in the energy market

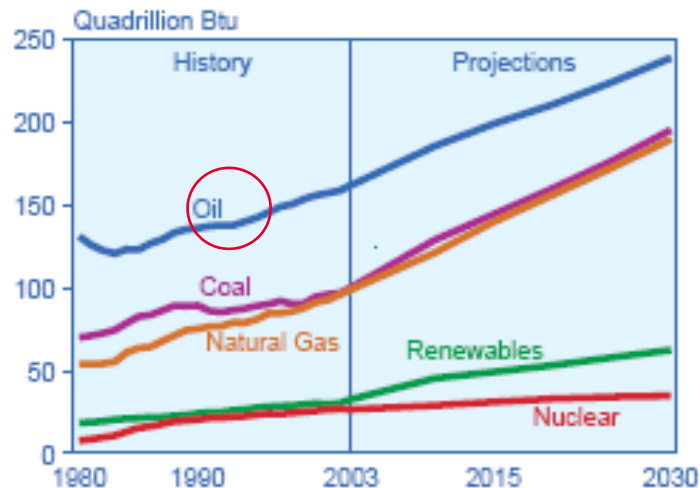
- Due to its size, position in the market and healthy financial situation **Repsol YPF is an unique opportunity to go into the energy market**
- The moment when the transaction is performed reinforces even more **the perspectives of value generation for the Group SyV;**
 - ▶ Reduced debt level
 - ▶ Benefits coming from the improvements predicted in the strategic plan 2005-2009 of Repsol YPF
 - ▶ Future Sustained Growth of the shareholder's earnings
 - ▶ Recovery of the economic situation of Latin-America
 - ▶ New projects in upstream/downstream
 - ▶ Increase of the profitability and margins.
- **The current value of Repsol YPF is highly priced-attractive** with respect to the rest of Spanish companies

Basis of the transactions

3.- Attractive views of the market

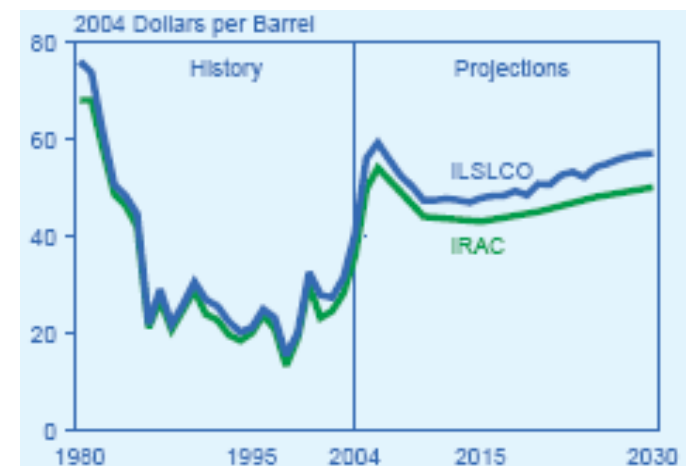
- **Growing demand:** According to the Energy Information Administration (EIA) the worldwide oil demand will increase in a 48% between 2003 and 2030.
- **Long term Prices relatively steady.** It is predicted that the oil prices will not suffer important drops until 2030.

Worldwide consume of primary energy

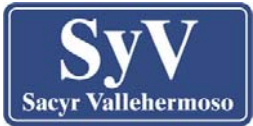


Sources: Historical: EIA Projections: EIA, System for the Analysis of Global Energy Markets (2006)

Evolution of prices at a worldwide level



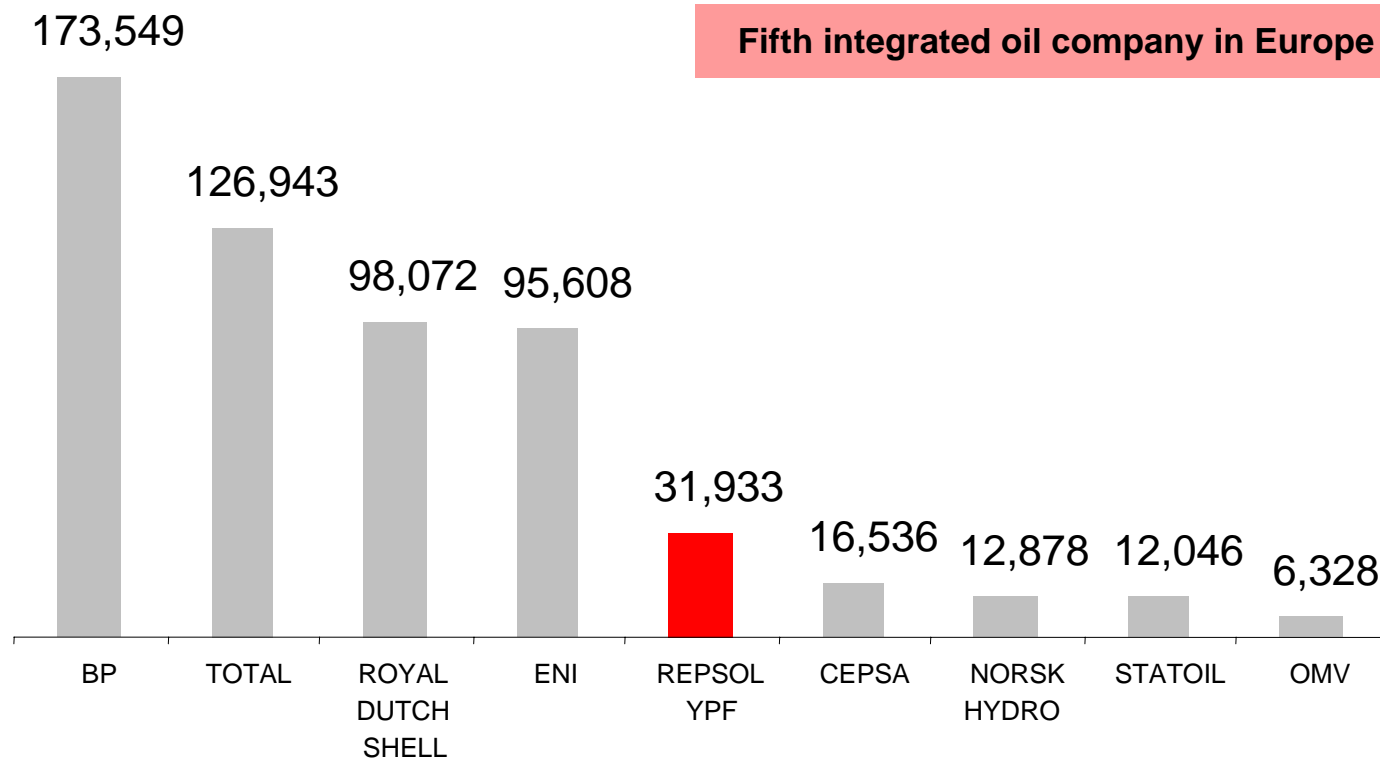
Sources: Historical EIA Projections: EIA, Annual Energy Outlook (2006)



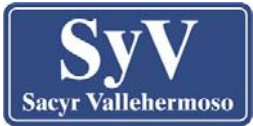
Basis of the transaction

4.- Description of Repsol YPF: among the main European leaders

Market capitalization of the main European companies (€million)



Average market capitalization of the last month as of 13/10/2006
Source: Factset



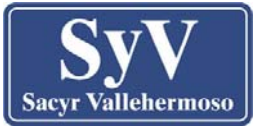
Basis of the transaction

Description of Repsol YPF: general view

- Repsol YPF is the leader Spanish oil company and one of the ten biggest private oil companies in the world.
 - ▶ **First company in Exploitation and Production in the Atlantic basin** with a share market of 10%
 - ▶ **First company in oil stations in Spain and Argentina**, with around 7,000 oil stations all over the world and more than 10 million of cards
 - ▶ **1st trading company in Spain and Latin-America and third company of oil liquid gases (OLG) at a worldwide level** with sales over 3.6m tons for over 15 million of customers
 - ▶ **First chemical company in Spain and Portugal** with more than 2,500 products and presence in more than 80 countries. Worldwide leader in plastics for agriculture.

■ **Compromise for the creation of shareholders' value and profitability**

■ **Strong presence in the electrical and gas markets through the capital share of 30.8% in Natural Gas SDG**



Basis of the transaction

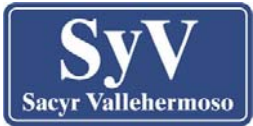
Financial Key Figures (€million)	30/06/2006 (LTM) ⁽¹⁾
■ Working Incomes	55.719
■ EBITDA	9.684
■ Working results	6.414
■ Results after taxes	3.281
■ Investments	4.076

Working Key Figures	30/06/2006 (LTM) ⁽¹⁾
■ Hydrocarbon Production (K Bep/ day) ⁽²⁾	1.100
▶ Oil (K Bep/day) ⁽²⁾	504
▶ Gas (K Bep/ day) ⁽²⁾	597
■ Oil products Sales (kt)	58.696
■ Liquid oil gases sale (LOG) (kt)	3.605
■ Chemical products Sales (kt)	4.802

(1) Last 12 months as for 30/06/2006.

(2) Data in 30/06/2006.

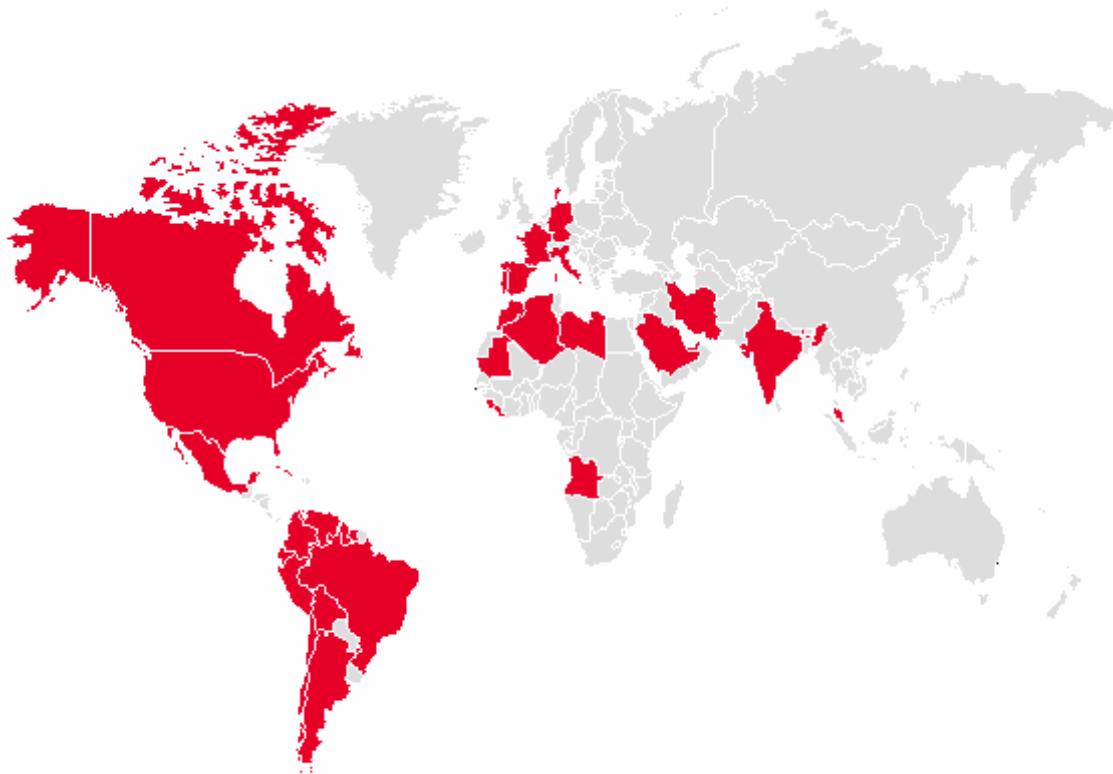
Source: Repsol YPF



Basis of the transaction

Description of Repsol YPF: geographic presence

Repsol is present in more than 30 countries

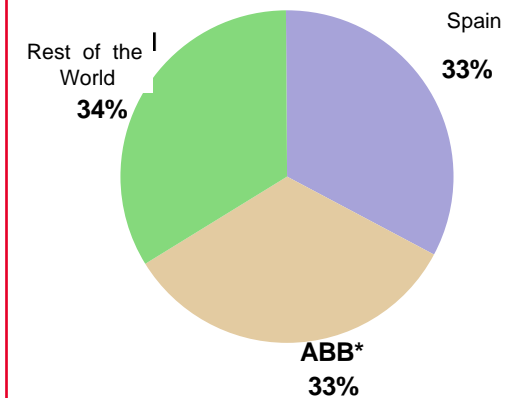


(1) Last 12 months as of: 30/06/2006

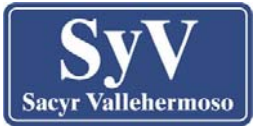
Source : Repsol YPF

EBIT 30/06/2006 (LTM)⁽¹⁾

Total: 6.414 m€



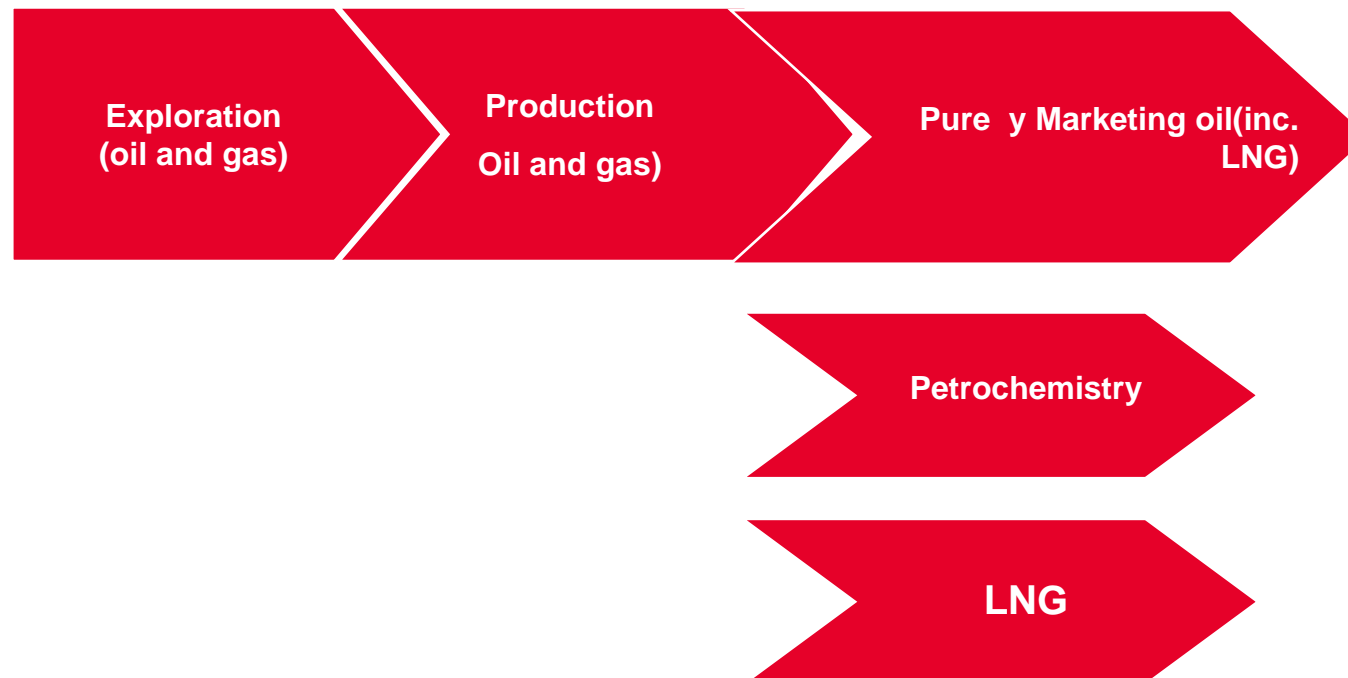
* ABB: Argentina, Brazil and Bolivia

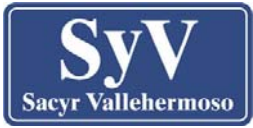


Basis of the transaction

Description of Repsol YPF: business areas

- European company integrated in the whole value chain of production and trading of oil products





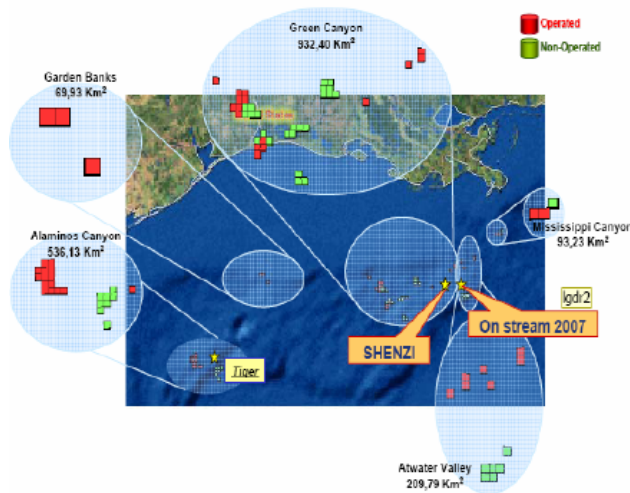
Basis of the transaction

Description of Repsol YPF: exploration and production

- Business development based on the relations with National Oil Companies (NOCs)
- Production of 1.060 K Bep /day¹⁾
- First steps in Russia and Central Asia

Solid presence in strategic areas

Gulf of Mexico



Northern Africa

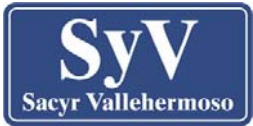


Caribbean Sea



(1) Last 12 months as of: 30/06/2006

Source : Repsol YPF

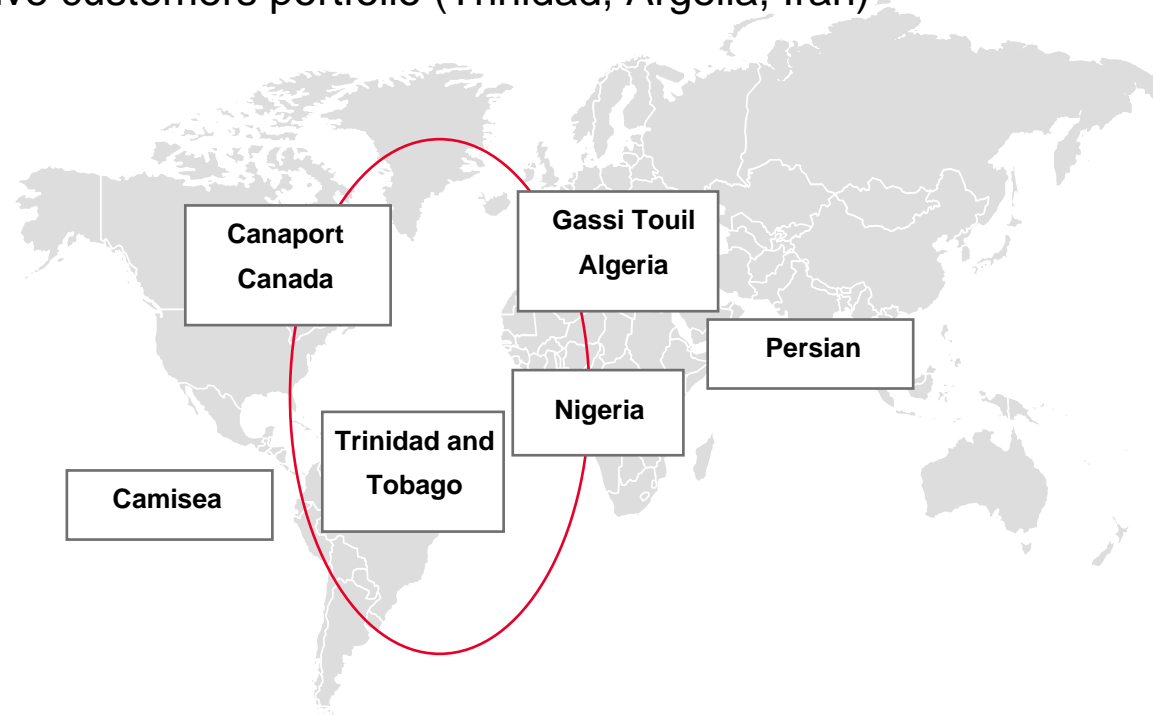


Basis of the transaction

Description of Repsol YPF: transport, trading and wholesale marketing

Leader in Liquid Natural Gas (LNG) in the Atlantic Bais, with a 10% of the market

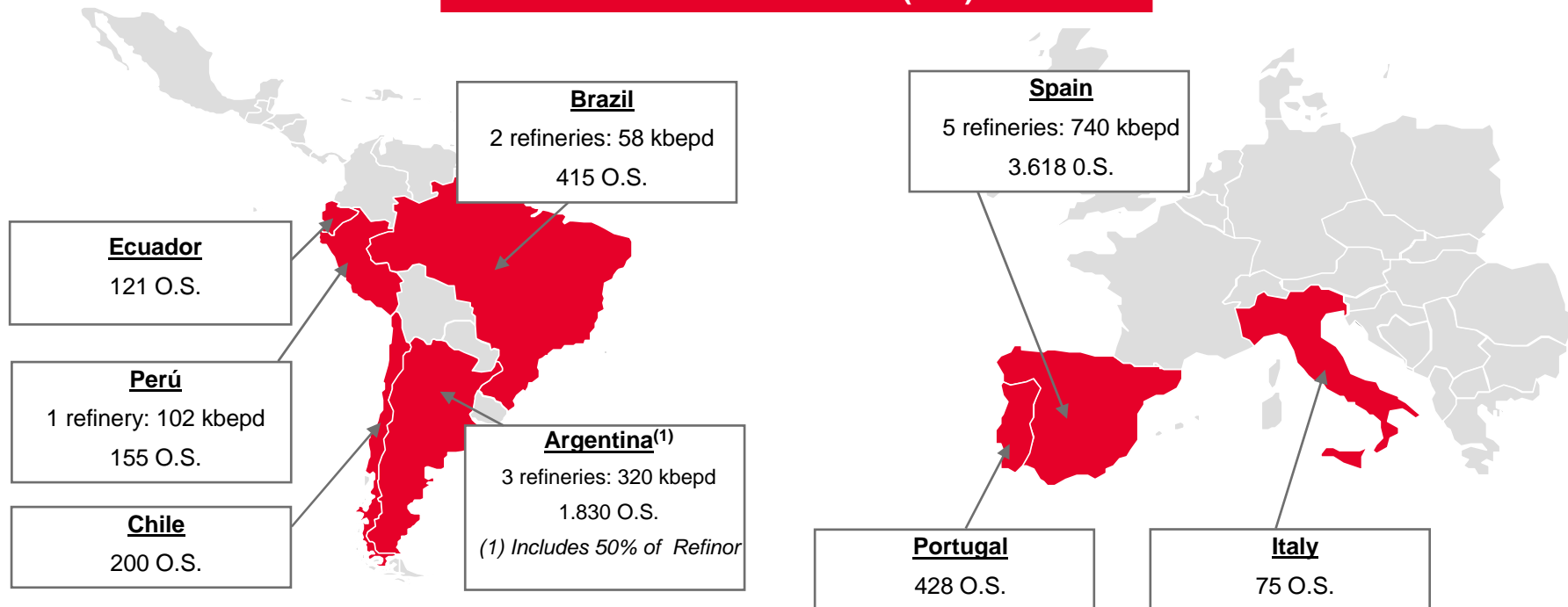
- Electric Third power of the worldwide market per volume of LNG managed through the joint venture with Gas Natural SDG, only back from the companies KOGAS and Tokio Electric
- Attractive customers portfolio (Trinidad, Argelia, Iran)



Basis of the transaction

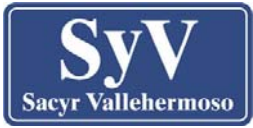
Description of Repsol YPF: pure and marketing

**Capacity of the refineries of 1,220 kbepd
6.842 oil stations (O.S)**



Leader in Spain and Argentina

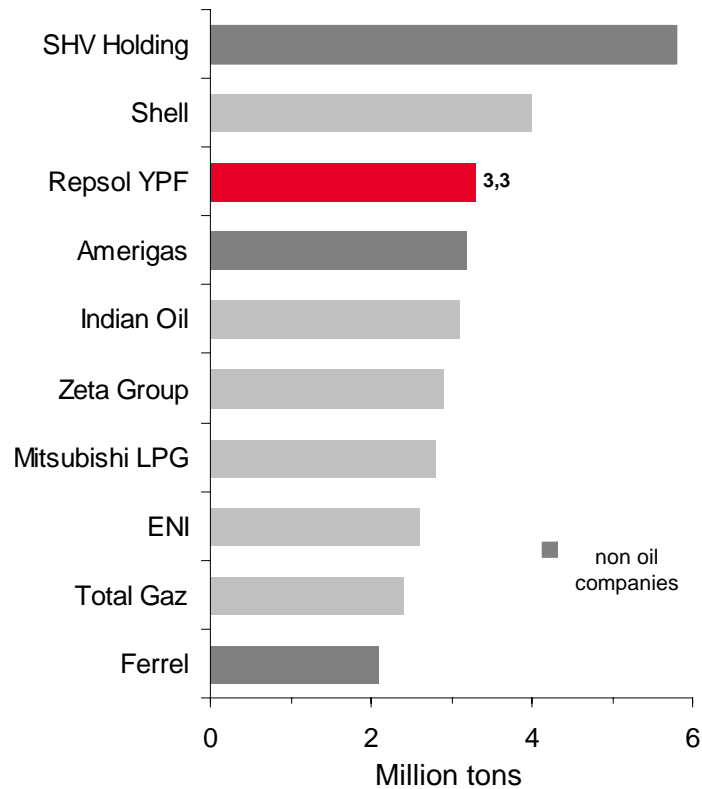
Data: 2005
Source Repsol YPF, AOP



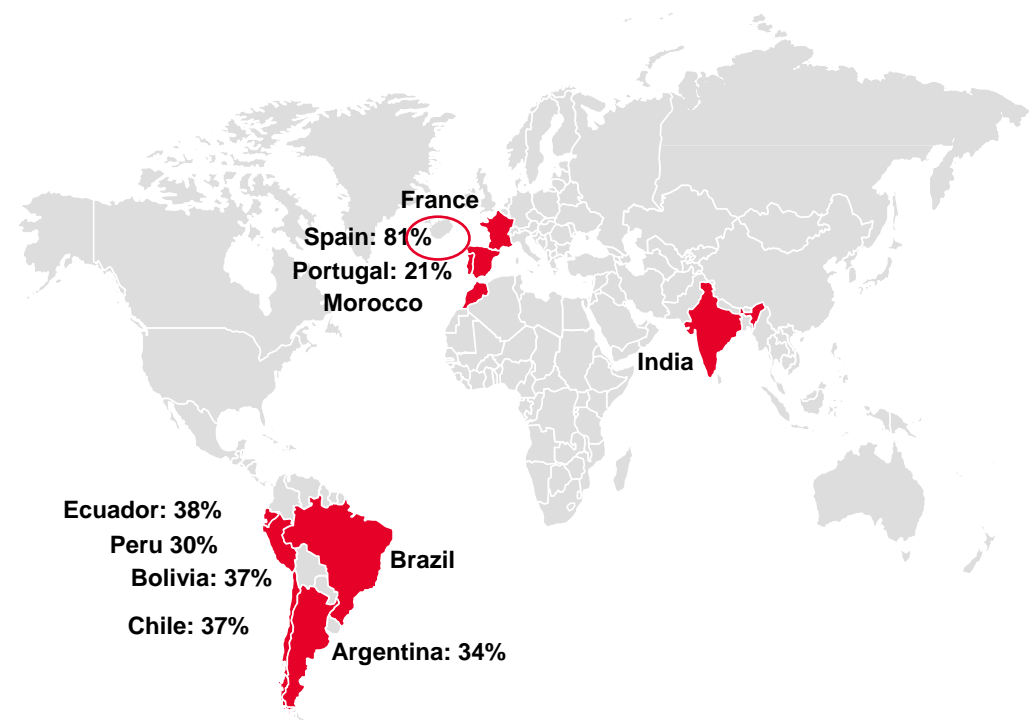
Basis of the transaction

Description of Repsol YPF: leadership in the business of LNG

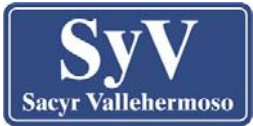
Third worldwide company in LNG and second oil company



Market share of 81% in Spain



Data 2005
source: Repsol YPF

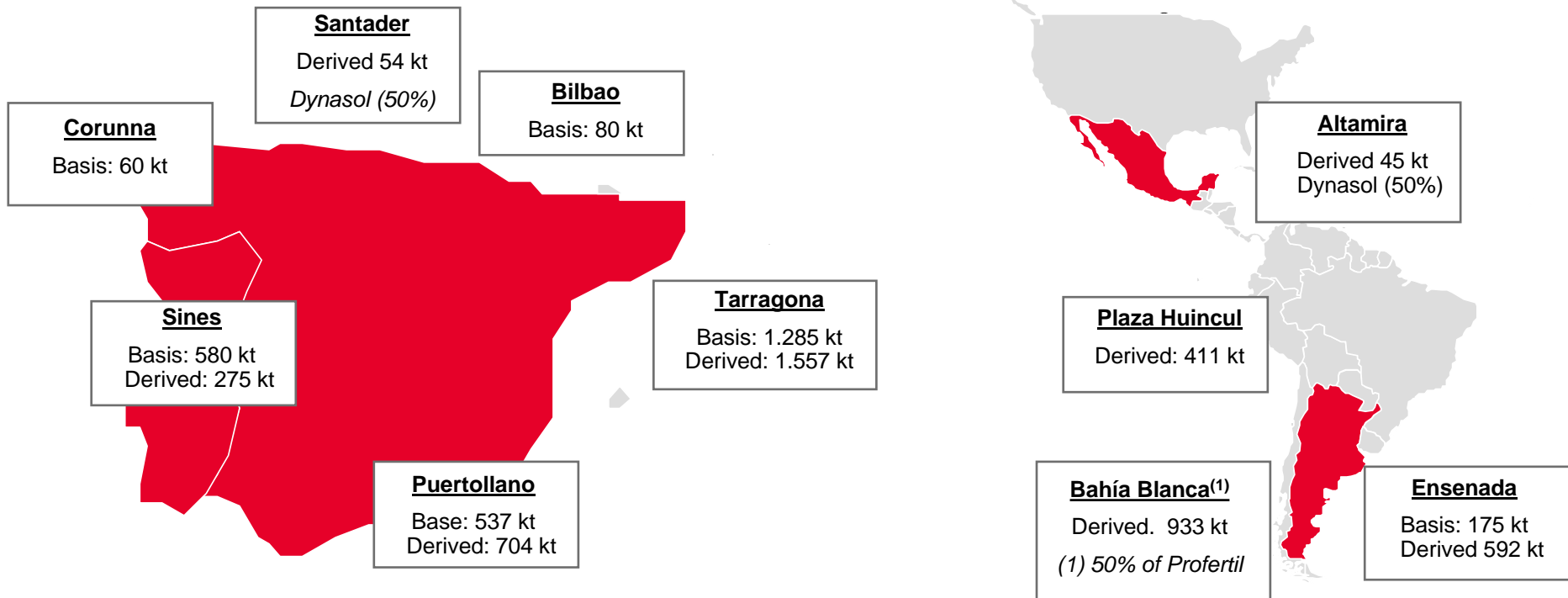


Basis of the transaction

Description of Repsol YPF: Petrochemical

Capacity of production in 2005
7.402 kt

First petrochemical company in Spain and Portugal

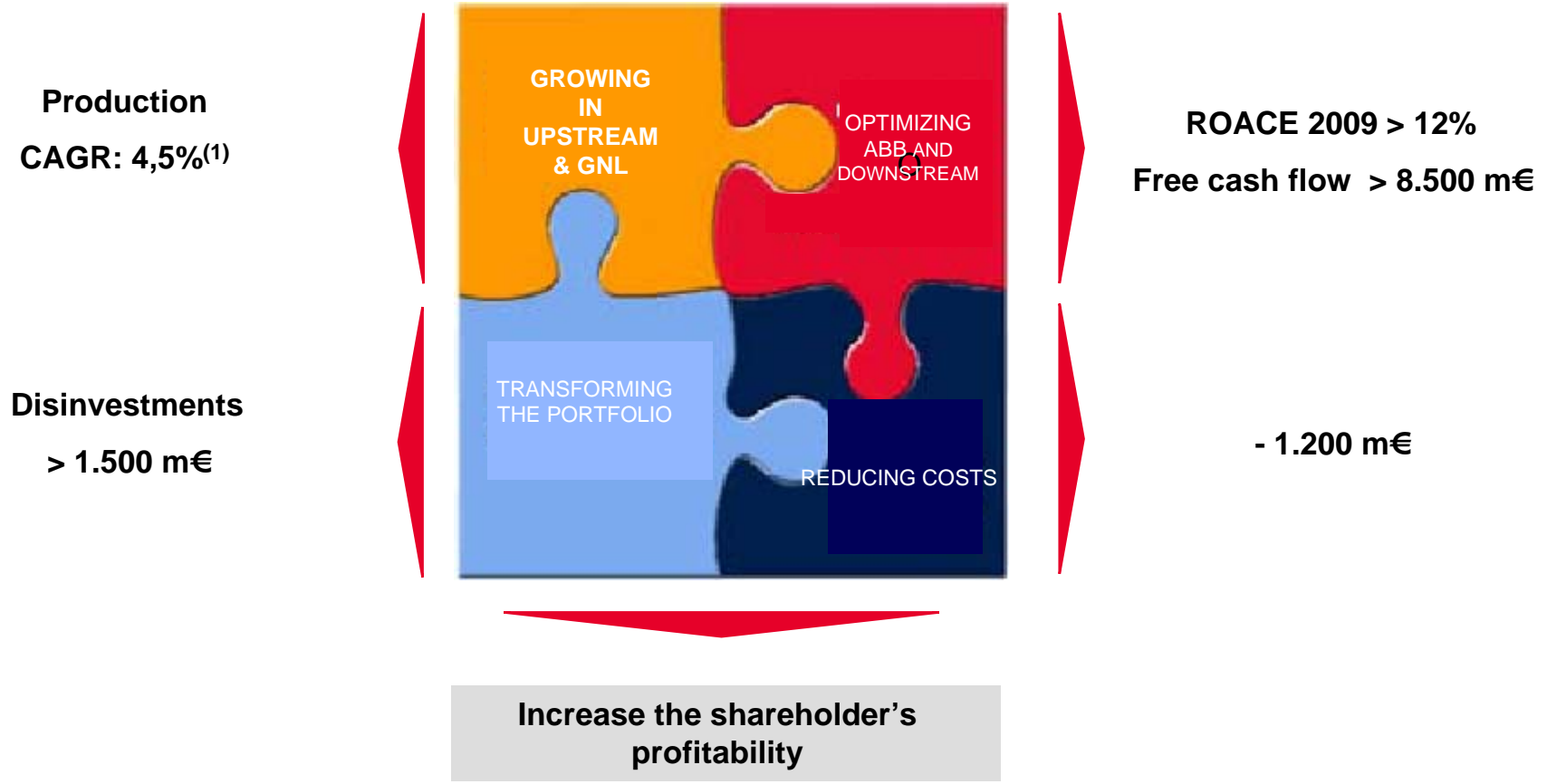


Data 2005
Source: Repsol YPF

Basis of the transaction

Description of Repsol YPF: Strategic plan 2005-2009

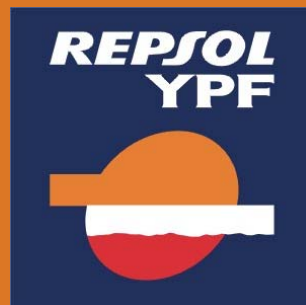
Distribution of the investment per business

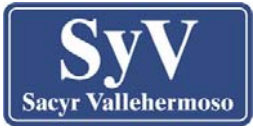


¹ Excluding ABB.
Source: Repsol YPF



Financial analysis

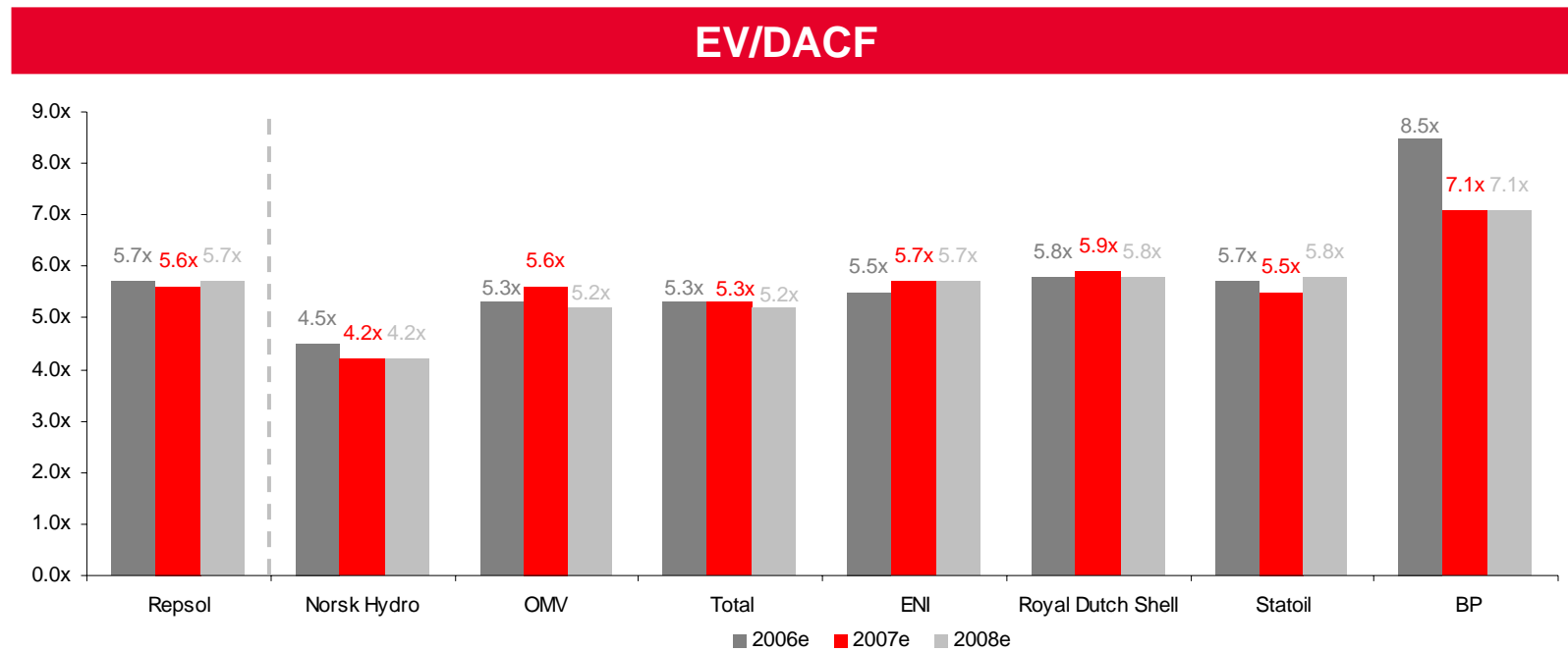




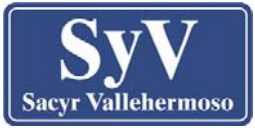
Financial Analysis

Implicit multiples of acquisition vs. multiples of comparable European companies

- The implicit multiples of the acquisition of 9.24% of Repsol YPF are **highly in line** with the multiples EV/DACF and P/E at which the rest of comparable European companies are quoting

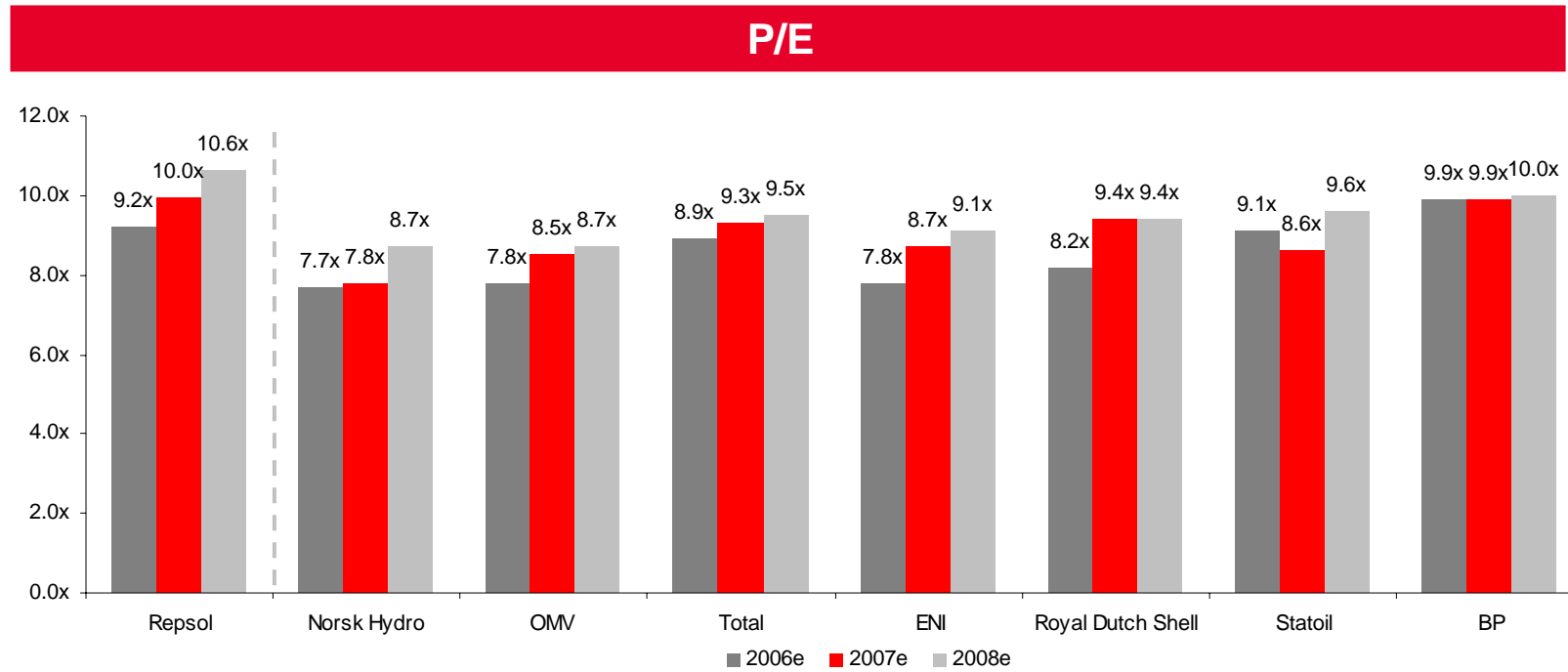


Source: Analyst reports

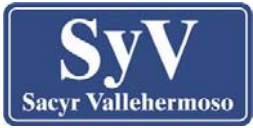


Financial Analysis

Implicit multiples of acquisition vs. Multiples of European Comparable companies



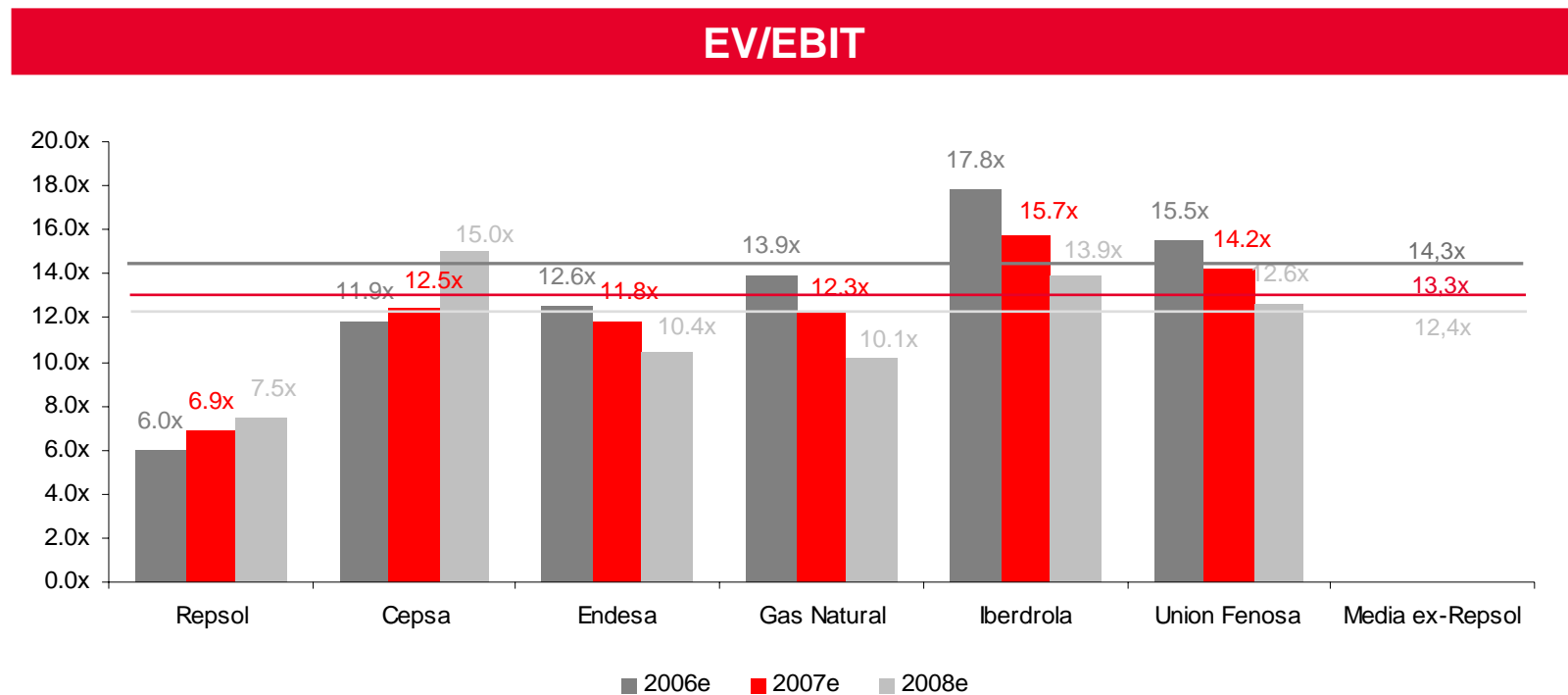
Source: Analysts Reports



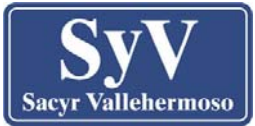
Financial analysis

Implicit multiples of acquisition vs. Multiples of Spanish energy companies

- The implicit multiples of the acquisition of 9.24% of Repsol are **highly under** the multiples EV/EBIT and P/E of quotation of the rest of Spanish energy companies

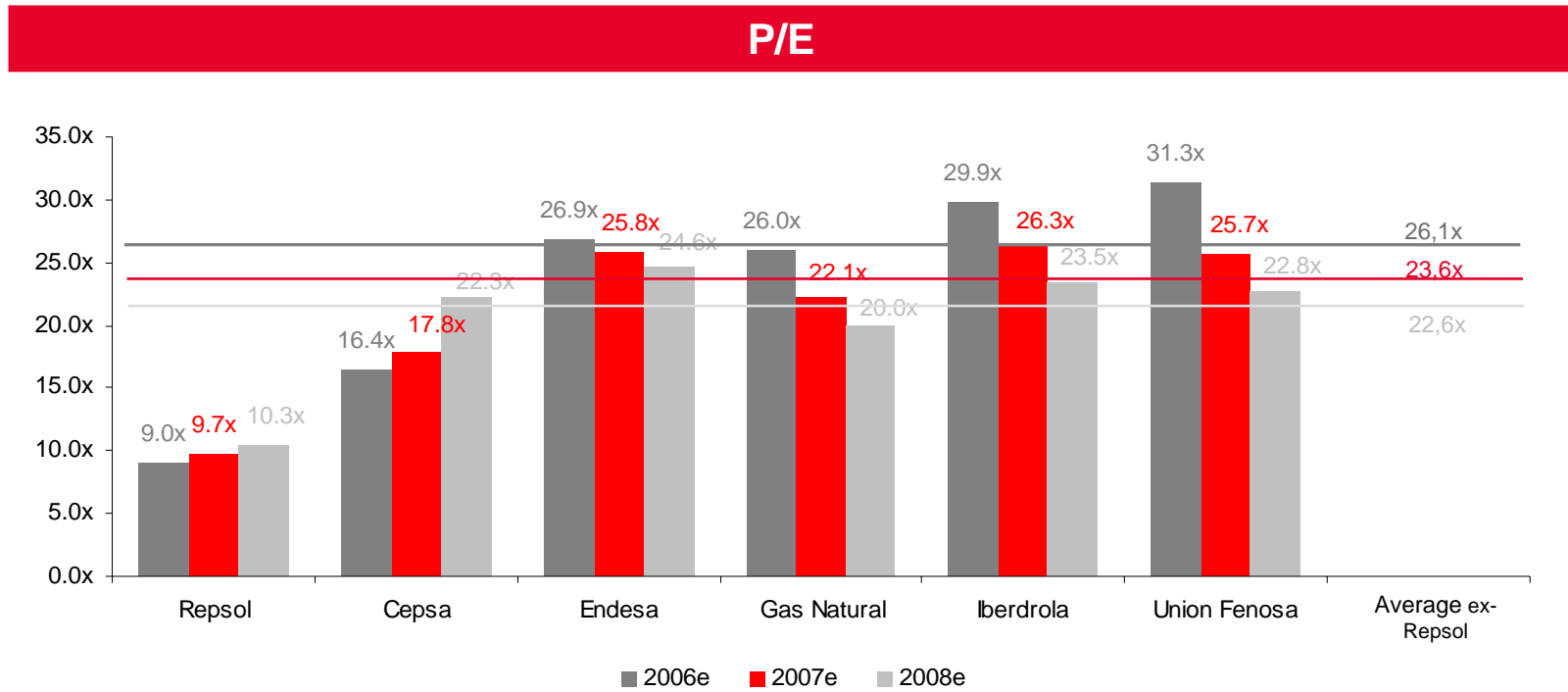


Source: Analysts Reports and Factset

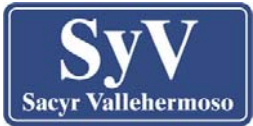


Financial Analysis

implicit multiples of acquisition vs. Multiples of Spanish energy companies



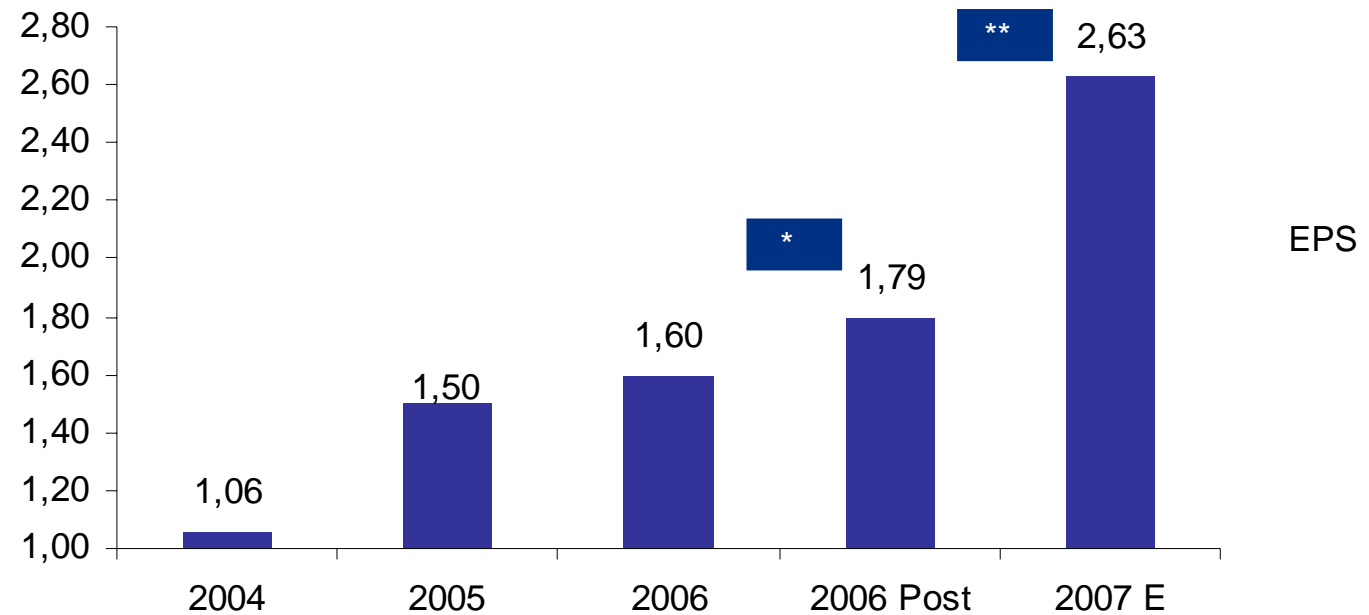
Source: Analyst reports and Factset



Financial Analysis

Impact on the Group SyV: net benefit per share

Impact on the NBPS of SyV



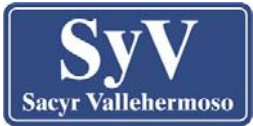
Note: It has not been considered any type of synergy or goodwill.

*

Consolidation by the equity method of 3 months for an estimated result of Repsol YPF according to the consensus of Factset of €3,377 million and of SyV of €356 million together with 9 months of Eiffage (400*33%)

**

Consolidation by the equity method for an estimated result of Repsol YPF according to the consensus of Factset of €3,377 million and of SyV of €403million, together with Eiffage (434*33%)



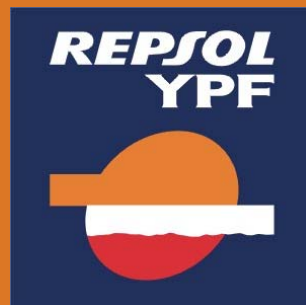
Financial Analysis

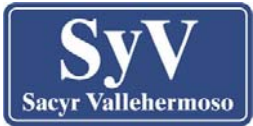
Impact on the Group SyV: balance

(€million)	30/06/06	30/06/2006 Post
Net worth	1,908	1,908
Total assets	17,141	19,997
Net debt	11,157	14,013
Corporative debt net	2,734	5,590
Non-recourse debt	8,423	11,279
Total net Debt/ Net worth	5.8	7.3
Total net debt/ Market capitalization	1.0	1.2



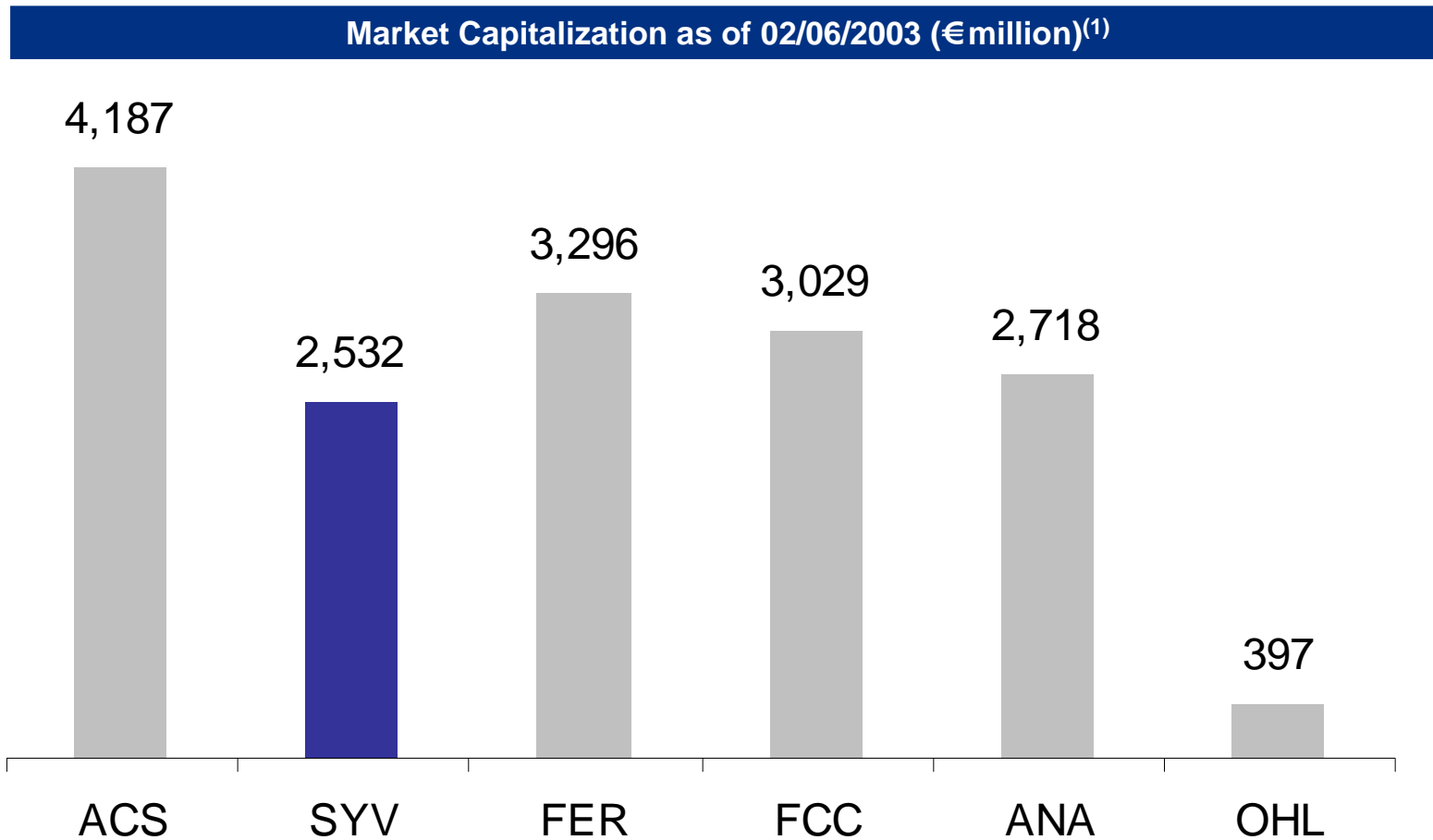
SyV: a story of value creation





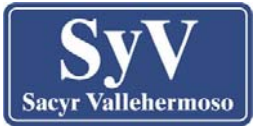
SyV: a story of value creation

Ranking per market capitalization 2003



Source: Factset

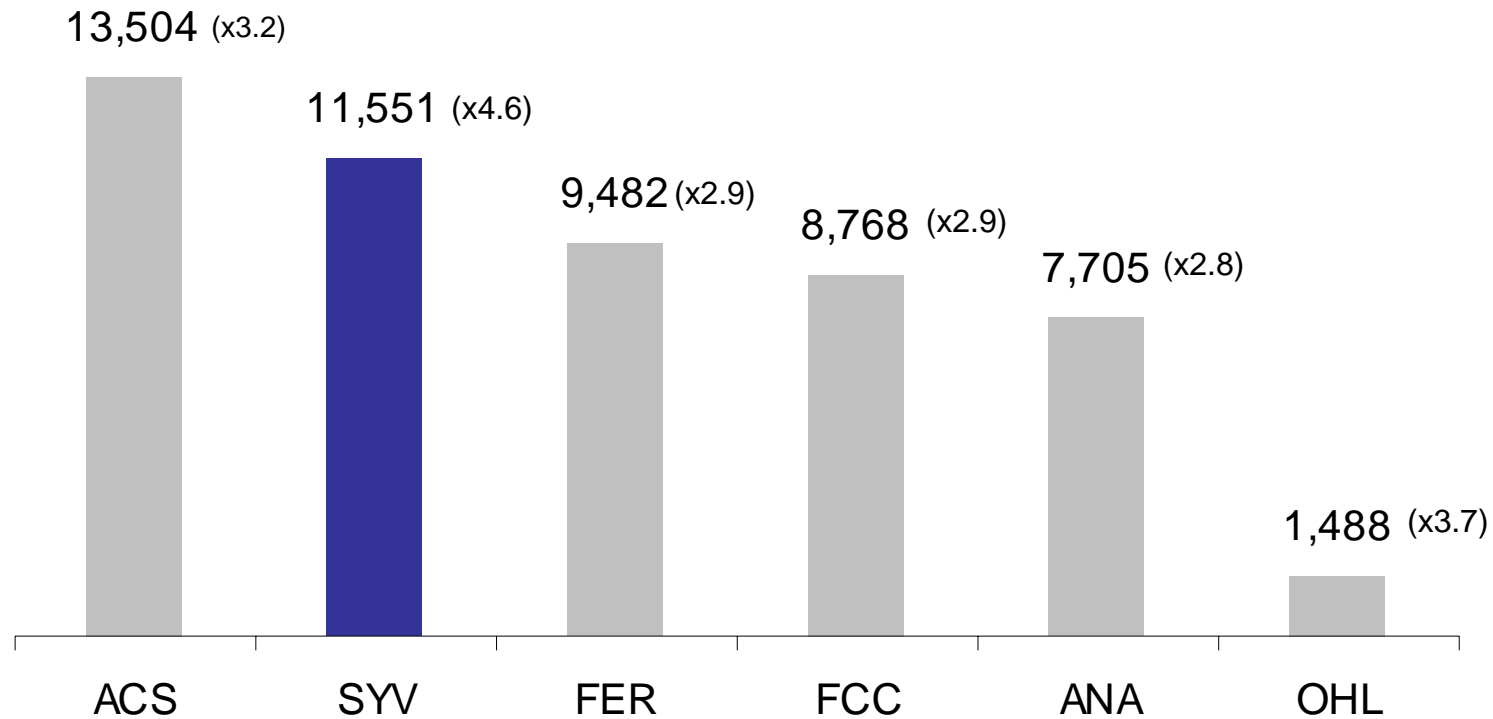
(1) Merger date between Sacyr and Vallehermoso



SyV: a story of value creation

Ranking per market capitalization 2006

Market capitalization as of 13/10/2006 (€million)



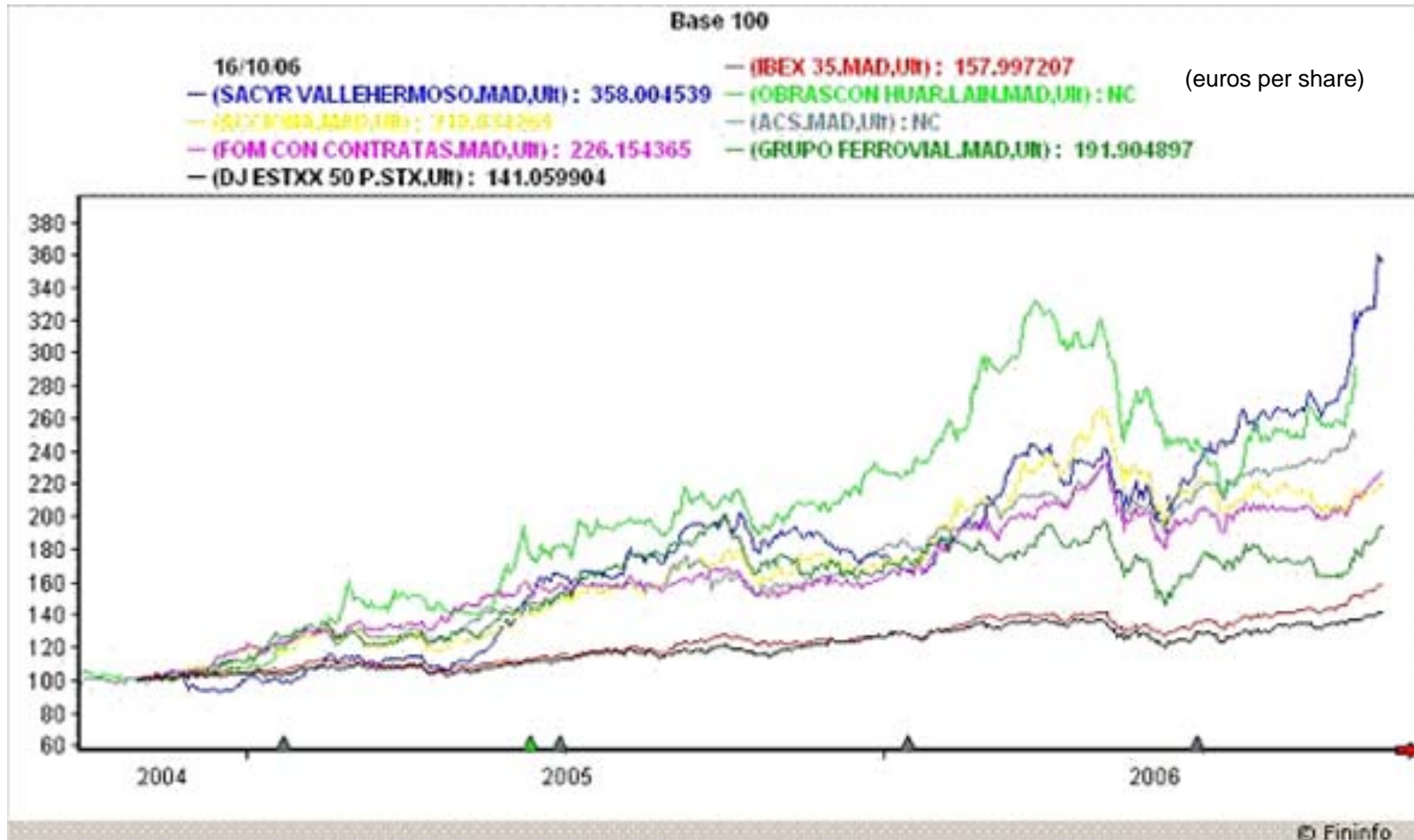
In the last 3 years SyV has been the company of services and construction with the highest growth, multiplying its market capitalization per 4.6x

Source Factset

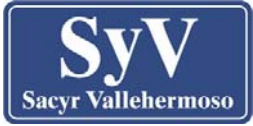


SyV: a story of value creation stock market evolution in the last 2 years

Note: the price of the shares and index have as a base the price of the share of Sacyr-Vallehermoso in September 2004



**SyV share has been the one with the highest revaluation in the sector, also highly above the reference index of the Spanish and European markets.
In 2 years the share price of SyV has been multiplied 3.6 times**



Conclusion

The operation is framed in the strategy of diversification and growth of SyV. It comes to reinforce the long term business and sustained profitability and confirms the idea of being present in the main companies of every sector where the Group is acting.