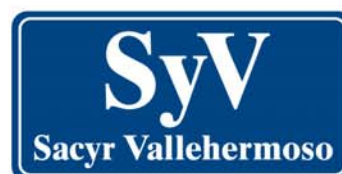


Financial Report



→ *Second Half 2005*



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I. HIGHLIGHTS

OPERATING DATA (Million €)	December		% Change
	2005	2004	
CONSTRUCTION-SACYR/SOMAGUE			
ORDER BOOK	4,500	3,732	20.6%
Months of activity	23.7	20.6	15.3%
HOUSING DEVELOPMENT- VALLEHERMOSO			
Committed Sales	1,530	1,112	37.6%
N° houses	4,824	4,368	10.4%
ORDER BOOK	2,024	1,496	35.3%
LAND RESERVE (Thousands of m²)			
Housing	4,550	4,032	12.8%
	90.0%	91.0%	-1.1%
CONCESSIONS - ITINERE			
ORDER BOOK	50,925	49,370	3.2%
PROPERTY- TESTA			
ASSETS VALUE	3,481	3,100	12.3%
NET SURFACE (Thousands of m²)			
	1,419	1,372	3.5%
OCCUPANCY	97.3%	96.3%	1.0%
ORDER BOOK	3,712	2,413	53.9%
SERVICES-VALORIZA			
ORDER BOOK	6,868	3,399	102.1%

OPERATING DATA (Million €)	December		% Change
	2005	2004	
-Turnover (Aggregated)	4,465.6	3,673.2	21.6%
-Works pending certification	-6.0	99.8	-106.0%
-Ebitda	923.6	695.4	32.8%
-Cash Flow	711.8	470.9	51.2%
-Appraised Value of Assets	9,610.4	7,124.9	34.9%
-Latent Capital Gains	3,506.8	2,414.6	45.2%
-Increase in Latent Capital Gains	1,092.2	335.5	225.5%
-Equity	1,834.3	1,617.5	13.4%
-CORPORATE DEBT	923.0	943.3	-2.1%
-Gearing in %	50.3%	58.3%	-8.0%
-R.O.E. In %	22.5%	17.5%	5.0%
-EPS* in €	1.51	1.03	46.4%

I. HIGHLIGHTS

ECONOMIC FINANCIAL DATA (Million €)		December		% Change
		2005	2004	
NET SALES		4,177	3,523	18.6%
EBITDA		924	695	32.8%
By activity:				
	Construction	Sacyr 123	109	12.5%
		Somague 33	39	-16.4%
	Housing development	Vallehermoso 277	156	77.2%
	Concessions	Itinere 287	253	13.7%
	Property	Testa 165	145	13.7%
	Services	Valoriza 40	3	1,265.6%
	Others	Holding (1)	(10)	86.0%
NET ATTRIBUTABLE PROFIT		413	282	46.4%
EPS*	€	1.51	1.03	46.4%
CASH-FLOW		712	471	51.2%
EQUITY (as of end of period)		1,980	1,957	1.2%
CORPORATE NET DEBT		923	943	-2.1%

* Adjusted in 2004 by the share capital increase of 1x32 last July.

II. BASIS OF PRESENTATION

The financial information for the fiscal years 2005 and 2004 is prepared in accordance with International Financial Reporting Standards (IFRS) and the interpretations made thereof by the competent official bodies, effective for the fiscal year to end in December 2005. The following considerations must be borne in mind:

- a) This information has been prepared internally by the company and has not been audited.
- b) The standards presently issued and adopted by the EU are subject to the interpretations issued from time to time by IFRIC. In addition, IASB may issue new standards which could be applied voluntarily by the SyV group for fiscal years beginning after January 1, 2005.
- c) Given that it is the first time said standards are applied on an international level, no detailed experience exists to which to recur for the resolution of certain technical matters which may arise during the application of said rules to sets of facts not specifically addressed by the IFRS.
- d) Changes arising out of any of the above matters or of the evolution of sector practice could also affect certain decisions and interpretations adopted today by the SyV Group in preparation of the information reflected in this document.
- e) As a consequence of the above, it is possible that changes to this information may need to be introduced.

III. STATEMENT OF INCOME

CONSOLIDATED PROFIT AND LOSS (Thousands €)	DECEMBER		Change
	2005	2004	05/04
Net Income	4,176,957	3,523,162	18.6%
Other Income	218,662	102,356	113.6%
Total Income	4,395,619	3,625,518	21.2%
External and operating expenses	(3,472,034)	(2,930,081)	18.5%
Gross Operating Profit	923,585	695,437	32.8%
Depreciation	(235,231)	(199,060)	18.2%
Trade Provisions	(68,584)	(13,776)	397.8%
Net Operating Profit	619,770	482,601	28.4%
Financial Results	(123,237)	(288,908)	57.3%
Financial expenses	24,490	3,361	628.7%
Results from equity accounted subsidiaries	(13,424)	(3,611)	271.8%
Provisions for Financial Investments	(4,609)	5,590	
Change in Value of Financial Instruments	5,588	(5,019)	
Provision for Depreciation of Goodwill	0	0	
Change in Value of Assets	9,757	18,586	-47.5%
Results from sales of non current assets	95,670	129,538	-26.1%
Other profit and losses	0	0	
Ordinary Profit	614,005	342,138	79.5%
Corporate Tax	(191,660)	(51,749)	270.4%
TOTAL PROFIT	422,345	290,389	45.4%
Minorities	(9,219)	(8,160)	13.0%
NET ATTRIBUTABLE PROFIT	413,126	282,229	46.4%

RESULTS ANALYSIS

- Net turnover surged 18.6% to 4,177.0 million euros.
- EBITDA reached 923.6 million euros, with a 32.8% growth, placing the sales margin at 22.1% and confirms its position as the highest of the sector in Spain and Europe.
- Net operating income grew 28.4% to 619.8 million euros.
- Attributable net profit reached 413.1 million euros, up 46.4% on the same period last year.
- Cash-flow was 711.8 million euros, up 51.2% on 2004.

TURNOVER

Revenues grew to 4,177.0 million euros, up 18.6% on the same period in 2004. This was supported by growth in all areas of activity, especially housing development and services.

The construction line of business operated by Sacyr-Somague grew 4.6% in turnover to 2,278.6 million euros in 2005, as compared to 2,178.3 million in 2004. The downturn in the construction business in Portugal was easily offset by the impressive 17.5% upturn in the other markets where the group has a toehold, especially Spain and Chile. The busy order book, which amounted to Euro. 4,499.9 Bn at the end of 2005, is a guarantee of significant future growth in the business.

Vallehermoso posted a considerable increase of 40.1% with respect to last year to 1,246.5 million euros. Pre-sales, which reflect the performance of commercial activity in the period, grew 37.6% to 1,530.0 million euros, with a total of 4,824 units sold at December 31, 2005.

The transport concessions business area grew 12.4% in revenues to 363.0 million euros. This performance was noteworthy, since it responds to an increase in highway tolls together with the favorable evolution of traffic, despite the tensions observed in fuel prices since the start of the fiscal year.

In rental property, Testa increased its revenues 9.4% to 210.0 million euros. This performance is a consequence of the combination of the 1.5% growth in the average occupancy level and the 7.9% rise in average per unit revenue on the rental property portfolio and a 1.4% increase of average rentable surface area in the period.

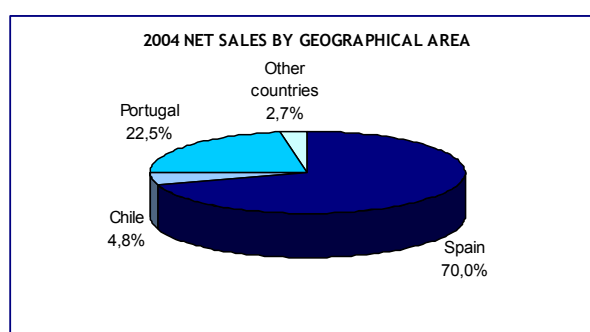
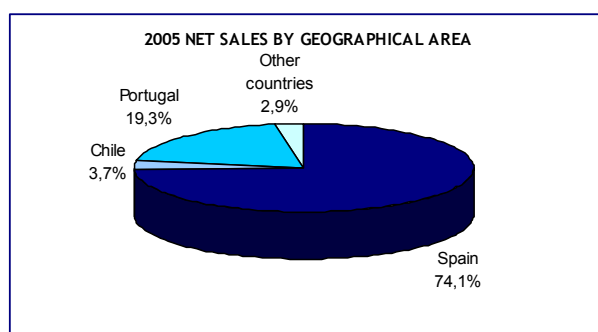
The services business surged 308.0% to 367.6 million euros, as a consequence of the addition to the group of Sufi environmental group, acquired in the second quarter of the year as well as the organic growth in Valoriza's remaining core business activities, especially alternative energies and multi-services.

Broken down by geographic area, 74.1% of turnover is generated in Spain. A 19.3% percent was attributed to Portugal, stemming from Somague's construction business and Valoriza's services business. The remaining 6.6% refers for the most part to business activity in Chile, reflecting revenues from operating concessions together with construction works executed for them, and Miami, for the rental of the office building Testa holds there.

The breakdown of turnover by business activity was as follows:

TURNOVER by business area (Thousands €)	December		% Change 05/04
	2005	2004	
Sacyr/Somague	2,278,555	2,178,348	4.6%
Sacyr	1,532,157	1,304,311	17.5%
Somague	746,398	874,037	-14.6%
Vallehermoso	1,246,502	889,874	40.1%
Itinere	362,955	322,916	12.4%
Testa	209,958	191,983	9.4%
Valoriza	367,578	90,083	308.0%
Holding and others	-288,592	-150,043	
TOTAL	4,176,957	3,523,162	18.6%

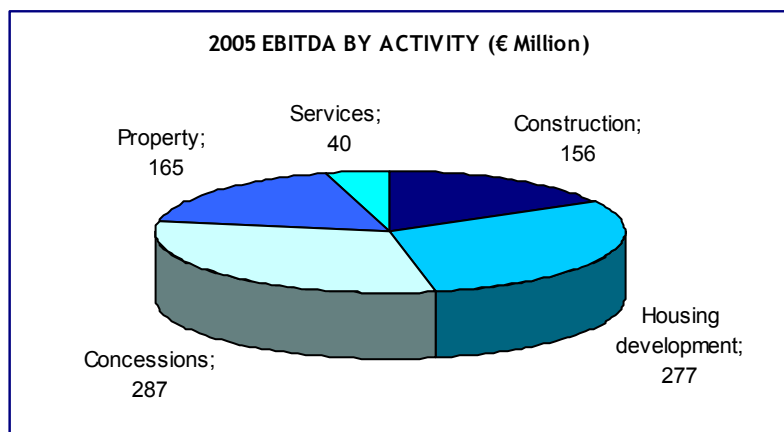
TURNOVER by geographical area (Thousands €)	December		% Change 05/04
	2005	2004	
Spain	3,093,471	2,466,168	25.4%
Chile	156,302	170,143	-8.1%
Portugal	808,078	791,332	2.1%
Other countries	119,107	95,519	24.7%
TOTAL	4,176,957	3,523,162	18.6%



GROSS OPERATING INCOME (EBITDA)

The group's gross operating profit grew 32.8% on the same period last year to 923.6 million euros, backed by the increase occurring especially in housing development, concessions and services areas. In the latter, EBITDA reached 40.1 million euros, as opposed to 2.9 million euros in 2004.

As of December 31, the contribution from recurring businesses (infrastructure concessions, rental property and services) reached 492.4 million euros, growing 22.9% in the year, up to a 53.2% of the total. The contribution made by concessions is the group's most significant one and represents 31.1% of total gross operating income, with 287.1 million euros (up 13.7% on 2004).



Growth businesses (construction, residential development) and holding contributed 431.1 million euros, or 46.7% of consolidated operating income. These businesses grew 46.3% with respect to 2004.

The residential development business obtained EBITDA of 276.7 million euros, up 77.2% on 2004.

DEPRECIATION

The technical and revertible asset depreciation provision reached 235.2 million euros (up 18.2%) due to the expansion of the concession and services businesses. This line item, having its origin for the most part in Itinere's concession business, which contributed 145.1 million euros, or 61.7% of the total for the SyV group.

FINANCIAL RESULTS

Net financial expenses reached 123.2 million euros, contrasted against the 288.9 million euros in expenses recorded in 2004. This was due fundamentally to the positive impact of 148.6 million euros generated by the sale of derivative instruments and shares of the BBVA group this past February.

Income from companies carried by the equity method posted a loss of 13.4 million euros, as opposed to negative results of 3.6 million euros recorded last year. This result was caused entirely by the expenses relating to placement into operation of new concessions at Itinere. (Radial highways of Madrid)

Gains on disposal of non-current assets reached 95.7 million euros due to the sale of wind energy generation assets located in Portugal. In 2004 were made 129.5 million euros, with the gains on the sale of a land plot, the sale of 100% of a company dedicated to operating rent-controlled housing and an office building owned by the Testa group, and framed within the turnover process characteristic of this business.

NET PROFIT

Total pre-tax profit amounted to 614.0 million euros, surging 79.5% with respect to 2004.

Following the normalization in the tax rate accruing in the period, yielding an accrued tax of 191.7 million euros (up 270.4% on the previous year), the attributable net profit was 413.1 million euros, up 46.4% on 2004.

REVENUE PORTFOLIO

The portfolio of assured future income in the various business areas as at the close of the third quarter reached 68,029.7 million euros (up 12.2% on the same period in 2004). Worthy of mention are the expansion in services as a consequence of the acquisition of Sufi and rental property due to the inclusion of two hospitals operated under concession. The operating results implicit to the portfolio reached 44,732.8 million euros. This volume of future revenues is supported basically at Itinere (74.9% of the total).

ORDER BOOK (Thousands €)	September 2005		
	Income	% Ebitda*	Ebitda
Sacyr (Order Book)	3,686,430	8.0%	295,665
Somague (Order Book)	813,470	4.4%	35,913
Vallehermoso (Pre-sales Book)	2,023,670	22.2%	449,271
Itinere (Concessional Income)	50,925,468	79.1%	40,280,841
Testa (Lease contracts to maturity)	3,712,494	78.7%	2,921,133
Valoriza (Income Order)	6,868,154	10.9%	749,993
TOTAL	68,029,686	65.8%	44,732,816

*Mg Ebitda as of end of 04

III. CONSOLIDATED BALANCE SHEET

CONSOLIDATED BALANCE SHEET (Thousands €)	DECEMBER		Change 05/04
	2005	2004	
ASSETS			
Non current Assets	8,854,845	8,119,264	735,581
Intangible Assets	212,116	169,970	42,145
Real Estate Investments	2,008,134	1,896,740	111,394
Investment in Highways	4,194,103	3,750,953	443,150
Fixed Assets	839,466	629,947	209,519
Financial Assets	1,313,142	1,510,638	(197,497)
Other non current Assets	26,861	29,571	(2,709)
Goodwill	261,023	131,444	129,579
Current Assets	5,451,850	4,507,966	943,885
Inventories	3,447,499	2,898,182	549,317
Accounts receivable	1,584,029	1,384,962	199,067
Financial Assets	31,577	42,813	(11,237)
Cash	375,035	172,074	202,961
Other Current Assets	13,711	9,934	3,776
TOTAL ASSETS / LIABILITIES	14,306,696	12,627,230	1,679,466
LIABILITIES			
Equity	1,979,750	1,957,025	22,725
Non current Liabilities	8,010,873	7,137,511	873,362
Financial Debt	6,681,028	6,115,976	565,052
Financial instruments at fair value	73,134	63,479	9,655
Provisions	55,569	45,825	9,745
Other non current Liabilities	1,201,141	912,231	288,910
Current Liabilities	4,316,073	3,532,694	783,379
Financial Debt	1,810,865	1,449,470	361,395
Trade Accounts payable	1,967,978	1,730,122	237,857
Operating Provisions	118,609	71,226	47,383
Other Current Liabilities	418,621	281,876	136,745
WORKING CAPITAL	1,135,777	975,272	160,505

PERFORMANCE OF BALANCE SHEET

The expansion in the balance sheet, of 1,679.5 million euros (growing 13.3%) was due to the business activity in three of the business areas:

- Investments made in concessions with the acquisition of an additional 30% of the ENA group and in highways in progress, representing 627.8 million euros in new assets.

- The increase in land investments for residential development and product in progress, with 553.6 million euros, in order to assure scheduled increased business activity in the future.
- The acquisition of the Sufi Group in environmental services, which together with the contribution of Somague's services line in Portugal, carried out in the first half of 2005, explain the greater part of the 666.2 million euros expansion posted on the balance sheet for this business activity.

At the close of 2005, the group's three recurrent business activities (concessions, rental property and services) added a total of 8,632.7 million euros in assets, equal to 60.3% of the SyV group's total, demonstrating their significant weight and the quality and recurrence occurring in the group's aggregate employed capital.

The following details the composition and movement in the principal headings of the balance sheet.

NON-CURRENT ASSETS

The balance at December 31, 2005 is broken down as follows:

NON CURRENT ASSETS (Thousands €)	DECEMBER		Change 05/04
	2005	2004	
Intangible Assets	212,116	169,970	42,145
Real Estate Investments	2,008,134	1,896,740	111,394
Investment in Highways	4,194,103	3,750,953	443,150
Fixed Assets	839,466	629,947	209,519
Financial Assets	1,313,142	1,510,638	(197,497)
Other non current Assets	26,861	29,571	(2,709)
Goodwill	261,023	131,444	129,579
TOTAL	8,854,845	8,119,264	735,581

In non-current assets, the most significant line-item related to highways and other toll roads with 4,194.1 million euros. Of the above, the volume of highways and other roads under development amounted to 44.3 million euros.

Real estate assets include land and buildings in operation for 1,836.1 million euros. In addition, intangible assets include assets dedicated to operation under lease pursuant to a long-term concession scheme, for an additional amount of 122.5 million euros. At the close of the period, investments in progress were maintained in properties for rent in the amount of 273.2 million euros and another 78.1 million euros in land for future development.

Other non-current assets related to machinery, technical installations and other fixed assets. The balance of total cumulative depreciation was 236.3 million euros.

Non-current financial assets include, *inter alia*, deferred taxes for 464.9 million euros, stakes in companies carried by the equity method in the amount of 141.2 million euros. In addition, this chapter reflects 492.0 million euros relating in their majority to subsidies to the exploitation of various Itinere concessions which enjoy those benefits.

CURRENT ASSETS

The performance of current assets is broken down as follows:

CURRENT ASSETS (Thousands €)	DECEMBER		Change 05/04
	2005	2004	
Inventories	3,447,499	2,898,182	549,317
Accounts receivable	1,584,029	1,384,962	199,067
Financial Assets	31,577	42,813	(11,237)
Cash	375,035	172,074	202,961
Other Current Assets	13,711	9,934	3,776
TOTAL	5,451,850	4,507,966	943,885

Aggregate current assets reached 5,451.8 million euros, up 17.3% on the same period in 2004. This was fundamentally due to the increase in inventories originating in the expansion of the residential development business, due to purchases of land and construction in progress on the new developments.

Working capital reached 1,135.8 million euros, up 16.5%.

EQUITY

At December 31, 2005, equity reached 1,979.7 million euros, up 1.2%; of this amount, 92.6% of the total (1,834.2 million euros) pertained to SyV's equity and 145.5 million euros to the group's minority shareholders.

During the month of July 2005, a bonus issue was carried out for shares having a par value of one euro. Thus, as at December 31, 2005, the capital stock was represented by 274.47 million shares.

FINANCIAL DEBT

At the close of 2005, the group's net corporate debt reached 923.0 million euros, down 2.1% on 2004 and equivalent to 11.4% of the total existing in the period.

By type of instruments, the volume of debts owed to banks dominated with 81.9%, and by term, debt maturing in the long-term represented 82.6% of the total.

At December 31, 2005 the amount of debt subject to fixed rates amounted to 43.4% of the aggregate. Activities of greater recurrence and term of the assets posted on-balance-sheet, concessions and rental property, had a 68.4% and 45.6% of fixed

rates levels respectively. Rest of debt relates to short term activities, and therefore it is not fixed.

The net debt in capital intensive activities stood at 6,964.0 million euros, 86.1% of the total. Thus, SyV's third party financing was for the most part housed on the balance sheet of the operating subsidiaries with a high indebtedness capacity and creditworthiness. This helps to clearly identify the structure, type of financing, maturities and financial instruments most appropriate to each such subsidiary, in function of the nature of the various businesses, e.g. Testa's rental property business, Itinere's concessions and Vallehermoso's residential housing development projects.

The group's net debt at December 31, 2005 is broken down as follows:

NET FINANCIAL DEBT (Million €)	December
	2005
CORPORATE DEBT	923.0
RELATED TO INTENSIVE CAPITAL ACTIVITIES	6,964.0
Testa	1,294.9
Itinere	3,569.5
Vallehermoso	2,099.6
Other	198.3
TOTAL	8,085.3

Among the capital intensive activities it is important to emphasize the weight of the debt affecting transportation concession financing, which reached 3,569.5 million euros last December, 44.1% of the group's total and 65.3% of the book value of the gross investment in highways, which amounted to 5,464.3 million euros at the close of the period. This financing is tied to specific public service concession activities, toll highways, affording major stability and visibility to revenues and to the cash-flow generated by their operation.

Worthy of mention is the refinancing carried out this past June at an important concession, Avasa, together with its head acquisition company, Avasacyr, for an aggregate attributable amount of 356.2 million euros. This refinancing will entail a savings in debt servicing since it was contracted at a rate of 3.55% in the case of bond issues and with a spread of less than 50 basis point for bank debt.

During the past month of December, the Sacyr Vallehermoso group completed the re-financing of the operation of acquiring ENA Infraestructuras. The new credit facility, replacing an earlier one signed in October 2003, is for the sum of 1,248.8 million euros with an interest rate that is lower by 100 basic points than the one agreed in the previous financing. The operation makes it possible to extend the amortization period to the end of 2013, when the previous one expired in 2010.

The debt of two Chilean concessionaires, Los Lagos and Elqui, has also been successfully refinanced during 2005 for the sum of 300 million euros to local

currency, avoiding exchange risks, with new amortization periods. The economic conditions have become substantially less costly as compared to the previous financing.

Moreover, at the beginning of the last December was closed the issue of bond debentures by the concessionaire company Audasa (Autopistas del Atlántico, S.A.), for an amount of 63.4 million euros with an interest rate of 3.32% payable annually.

In the rental property area, the debt is instrumented through mortgage loans and leasing contracts in an amount of 1,294.9 million euros, which finance assets in operation and under development. Thus, according to the latest property appraisal available from the independent expert, at December 2005, debt only represented 37.2% of the said value.

With regard to the residential housing development business, with a net debt of 2,099.6 million euros, it finances the stocks appearing on Vallehermoso's balance sheet for a book value of 3,245.4 million euros.

Finally, structured debt in other businesses, including the financing of environmental projects and concessions at Valoriza for 146.1 million euros, amounted to a total of 198.3 million euros.

Financial instruments at fair value reached 73.1 million euros and were applied towards hedging risks of long-term debt assumed for financing the group's property activities, concessions, and rental properties.

IV. DEVELOPMENT OF BUSINESS AREAS

CONSOLIDATED PROFIT AND LOSS AS OF DECEMBER 2005									
(Thds Euros)	Sacyr	Itinere	Vallehermoso	Testa	Valoriza	Somague	Holding	Adjustments	TOTAL
Net Sales	1,532,157	362,955	1,246,502	209,958	367,578	746,398	2,056	(290,648)	4,176,957
Other Sales	37,355	39,575	3,173	4,871	46,478	31,671	46,065	9,474	218,662
Total Income	1,569,512	402,530	1,249,675	214,829	414,056	778,069	48,121	(281,174)	4,395,619
External and Operating Expenses	(1,446,627)	(115,441)	(972,942)	(49,626)	(373,917)	(745,117)	(49,577)	281,213	(3,472,034)
Gross Operating Profit	122,885	287,089	276,733	165,203	40,139	32,952	(1,456)	40	923,585
Depreciation	(15,110)	(145,118)	(1,601)	(32,041)	(21,496)	(14,649)	(3,456)	(1,761)	(235,231)
Trade Provisions	(23,440)	(80)	(26,384)	(349)	(3,091)	(5,442)	(9,798)	(0)	(68,584)
Net Operating Profit	84,335	141,891	248,748	132,813	15,552	12,861	(14,709)	(1,722)	619,770
Financial Results	19,095	(199,651)	(12,973)	(49,692)	(5,806)	(2,369)	237,882	(109,723)	(123,237)
Forex Results	560	25,055		2,006	(120)	(3,011)	(1)	0	24,490
Results from equity accounted subsidiaries	30	(14,503)	(323)	15	2,246	(889)		(0)	(13,424)
Provisions for financial investments		537	(3,408)	10,140	(823)	(137)	(777)	(10,139)	(4,609)
Change in value of financial instruments	78	2,021		1,315			2,173	0	5,588
Goodwill Depreciation								0	0
Change in value of assets	(362)				(103)			10,222	9,757
Results from sales of non current assets	1,894	183	(216)	140	94,586	20,655		(21,571)	95,670
Other profit and losses								0	0
PROFIT BEFORE TAXES	105,631	(44,467)	231,827	96,737	105,533	27,110	224,568	(132,934)	614,005
Corporate Tax	(32,187)	10,483	(83,512)	(36,021)	(9,402)	(2,030)	(39,018)	27	(191,660)
TOTAL PROFIT	73,444	(33,984)	148,315	60,716	96,131	25,080	185,550	(132,908)	422,345
Minorities	(640)	(13,998)	172		(1,802)	(821)		7,871	(9,219)
NET ATTRIBUTABLE PROFIT	72,804	(47,982)	148,487	60,716	94,329	24,259	185,550	(125,037)	413,126

CONSOLIDATED PROFIT AND LOSS AS OF DECEMBER 2004									
(Thds Euros)	Sacyr	Itinere	Vallehermoso	Testa	Valoriza	Somague	Holding	Adjustments	TOTAL
Net Sales	1,304,311	322,916	889,874	191,983	90,083	874,037	355	(150,398)	3,523,162
Other Sales	7,837	36,041	276	1,407	1,126	22,505	28,534	4,629	102,356
Total Income	1,312,148	358,957	890,150	193,390	91,209	896,543	28,889	(145,768)	3,625,518
External and Operating Expenses	(1,202,955)	(106,379)	(733,995)	(48,098)	(88,270)	(857,144)	(39,609)	146,369	(2,930,081)
Gross Operating Profit	109,193	252,578	156,155	145,292	2,939	39,399	(10,720)	601	695,437
Depreciation	(15,454)	(125,792)	(342)	(30,650)	(4,926)	(16,972)	(3,164)	(1,760)	(199,060)
Trade Provisions	(12,153)	(78)	1,447	(201)	8	(3,115)	316	(0)	(13,776)
Net Operating Profit	81,586	126,708	157,260	114,441	(1,979)	19,312	(13,567)	(1,160)	482,601
Financial Results	14,801	(168,036)	(33,106)	(51,163)	(1,162)	(17,339)	126,548	(159,452)	(288,908)
Forex Results	(267)	4,115	0	(152)	8	(344)	(0)	1	3,361
Results from equity accounted subsidiaries	20	(9,862)	123	775	0	5,333	0	0	(3,611)
Provisions for financial investments	0	5,630	0	0	0	(98)	58	0	5,590
Change in value of financial instruments	22	(4,248)	0	(893)	0	0	101	0	(5,019)
Goodwill Depreciation	0	0	0	0	0	0	0	0	0
Change in value of assets	(1,279)	(2)	0	20,055	(73)		0	(115)	18,586
Results from sales of non current assets	(16)	(209)	281	117,324	146	0	772	11,240	129,538
Other profit and losses	0					0		(0)	
PROFIT BEFORE TAXES	94,867	(45,905)	124,558	200,387	(3,059)	6,863	113,911	(149,485)	342,138
Corporate Tax	(31,691)	5,094	(43,811)	(45,556)	3,084	(324)	61,430	26	(51,749)
TOTAL PROFIT	63,176	(40,811)	80,746	154,831	25	6,539	175,342	(149,459)	290,389
Minorities	82	(16,058)	125	0	(451)	(649)	0	8,006	(8,160)
NET ATTRIBUTABLE PROFIT	63,258	(56,869)	80,872	154,831	(426)	5,890	175,342	(141,453)	282,229

CONSOLIDATED BALANCE SHEET AS OF DECEMBER 2005									
(Thds €)	Sacyr	Itinere	Vallehermoso	Testa	Valoriza	Somague	Holding	Adjustments	TOTAL
NON CURRENT ASSETS	572,954	5,162,786	288,932	2,458,437	463,253	194,692	2,042,745	(2,328,953)	8,854,845
Intangible Assets	32,212	36,422	18	112,731	28,450	518	1,764	(0)	212,116
Real Estate Investments			60,946	1,836,077				111,111	2,008,134
Highway Investments		4,194,103						0	4,194,103
Fixed Assets	87,036	36,428	8,964	347,831	261,396	93,116	4,696	(0)	839,466
Financial Assets	435,461	873,823	212,600	157,095	44,408	68,332	2,032,964	(2,511,542)	1,313,142
Other non Current Assets	18,245	8,346	4,529	4,702	1,833	5,259	3,321	(19,373)	26,861
Goodwill		13,664	1,875		127,166	27,467		90,851	261,023
CURRENT ASSETS	963,091	191,409	3,544,251	24,506	332,330	543,088	21,971	(168,796)	5,451,850
Inventories	131,632	3,191	3,245,357	75	18,352	49,600	890	(1,598)	3,447,499
Accounts receivable	670,323	111,452	263,047	2,749	222,308	455,984	21,063	(162,897)	1,584,029
Financial Assets	13,657	853	12,261		640	4,148	5	13	31,577
Cash	136,684	68,586	23,586	21,681	91,031	33,357	13	96	375,035
Other Current Assets	10,795	7,326	0					(4,410)	13,711
ASSETS=LIABILITIES	1,536,045	5,354,195	3,833,184	2,482,942	795,583	737,781	2,064,716	(2,497,750)	14,306,696
Equity	421,339	375,466	321,709	1,075,238	264,451	137,232	949,063	(1,564,749)	1,979,750
Shareholder's Equity	418,534	297,872	318,705	1,075,238	255,383	135,217	949,063	(1,615,753)	1,834,259
Minority Interests	2,805	77,594	3,005	0	9,068	2,015	0	51,004	145,491
NON CURRENT ASSETS	71,433	4,566,023	1,869,877	1,315,826	238,718	183,472	525,947	(760,423)	8,010,873
Financial Debt	43,090	3,327,545	1,376,584	1,260,085	171,332	139,960	362,432	0	6,681,028
Financial Instruments at fair value	0	64,152	0	6,385	1,309		1,289	0	73,134
Provisions	90	0	13,976	3,432	7,132	28,465	2,474	0	55,569
Other non Current Assets	28,253	1,174,327	479,317	45,924	58,945	15,047	159,751	(760,423)	1,201,141
CURRENT ASSETS	1,043,273	412,705	1,641,597	91,879	292,414	417,077	589,706	(172,579)	4,316,073
Financial Debt	37,780	311,394	758,852	56,490	66,314	74,869	505,165	0	1,810,865
Trade Accounts payable	833,687	19,493	732,690	9,262	139,683	243,328	4,358	(14,523)	1,967,978
Operating provisions	154,430		51,401	2,106	1,205		12,020	(102,553)	118,609
Other Current Assets	17,376	81,819	98,653	24,020	85,212	98,880	68,163	(55,503)	418,621

CONSOLIDATED BALANCE SHEET AS OF DECEMBER 2004									
(Thds €)	Sacyr	Itinere	Vallehermoso	Testa	Valoriza	Somague	Holding	Adjustments	TOTAL
NON CURRENT ASSETS	414,348	4,555,826	579,966	2,455,045	81,750	280,382	2,025,220	(2,273,272)	8,119,264
Intangible Assets	26,275	623	20	114,066	8,545	17,164	3,277	(0)	169,970
Real Estate Investments	0	0	0	1,783,870	0	0	0	112,871	1,896,740
Highway Investments	0	3,751,014	0	0	0	0	0	(61)	3,750,953
Fixed Assets	60,421	31,535	4,243	366,504	64,136	99,679	3,368	61	629,947
Financial Assets	314,480	772,654	562,663	190,606	8,413	113,491	2,015,871	(2,467,539)	1,510,638
Other non Current Assets	13,171	0	13,040	0	656	0	2,704	0	29,571
Goodwill	0	0	0	0	0	50,047	0	81,396	131,444
CURRENT ASSETS	914,841	170,607	2,843,729	45,801	47,654	627,047	59,038	(200,753)	4,507,966
Inventories	120,226	2,888	2,691,757	56	4,545	79,236	1,073	(1,598)	2,898,182
Accounts receivable	715,123	97,533	148,283	32,727	35,874	496,505	55,306	(196,389)	1,384,962
Financial Assets	32,526	4,636	349	1,535	(442)	4,350	3	(144)	42,813
Cash	45,578	64,053	3,341	11,484	7,677	37,217	2,656	68	172,074
Other Current Assets	1,387	1,497				9,740		(2,690)	9,934
ASSETS=LIABILITIES	1,329,188	4,726,433	3,423,696	2,500,847	129,404	907,429	2,084,258	(2,474,025)	12,627,230
Equity	377,469	577,295	206,519	1,044,272	23,643	126,497	1,010,997	(1,409,668)	1,957,025
Shareholder's Equity	376,145	314,096	203,349	1,044,272	20,306	119,887	1,010,997	(1,471,518)	1,617,535
Minority Interests	1,323	263,199	3,170	0	3,338	6,610	0	(61,850)	339,490
NON CURRENT ASSETS	107,419	3,794,517	1,697,874	1,359,735	50,058	254,911	735,467	(862,471)	7,137,511
Financial Debt	100,225	2,802,497	1,329,758	1,313,600	43,984	204,643	321,269	(0)	6,115,976
Financial Instruments at fair value	64	51,206	0	9,027	237	0	2,945	0	63,479
Provisions	139	0	8,727	3,716	121	31,639	1,482	0	45,825
Other non Current Assets	6,990	940,813	359,389	33,392	5,716	18,630	409,772	(862,471)	912,231
CURRENT ASSETS	844,300	354,621	1,519,302	96,840	55,703	526,021	337,794	(201,886)	3,532,694
Financial Debt	118,111	224,151	554,456	62,167	7,577	165,938	317,069	0	1,449,470
Trade Accounts payable	578,653	15,097	820,722	17,463	41,694	253,232	3,228	33	1,730,122
Operating provisions	30,537	0	28,739	1,054	449	0	10,447	0	71,226
Other Current Assets	116,998	115,372	115,386	16,156	5,983	106,850	7,050	(201,919)	281,876

IV. DEVELOPMENT OF BUSINESS AREAS

SACYR/SOMAGUE

Revenues of this area reached 2,278.6 million euros, up 4.6% on 2004. The most important component of the business activity, Sacyr, took in 1,532.2 million euros in revenues, with growth surging 17.5% with respect to least year yielding a weight of 67.2% of the total. The slump facing the Portuguese market, together in the case of Somague with the completion in the first half of last year of the execution of the football stadiums for the 2004 Euro Cup, placed Somague's revenues at 746.4 million euros, contrasted against sales of 874.0 million euros in 2004.

The construction portfolio grew in a manner worthy of emphasis. At December 31, it amounted to 4,499.9 million euros, the equivalent of 23.7 months of activity. This was a 20.6% increase on 2004. The two following contracts are not included in the portfolio as they have been awarded but not signed yet.

- The consortium of which Sacyr forms part with 18.7%, has been awarded for the construction of the bridge over the Straits of Messina, in Italy, that will join together the region of Reggio Calabria to the south of the Italian Peninsula with the Isle of Sicily, for an amount of 725 million euros.
- Turn-key implantation of the tram system in the Italian city of Palermo, for an amount of 96 million euros. The Sacyr Vallehermoso group has been awarded through its Italian subsidiary SIS and within a consortium with other companies.

Some 92.0% of the portfolio is located in the European Union, with 69.6% pertaining to Spain, 14.4% to Portugal, and 8.0% to Italy. The remainder 8.0% related to other countries, the majority of which coming from infrastructure concession projects in Chile and Costa Rica.

Among the core contracts obtained, the following are worthy of mention:

- Various residential developments for the Vallehermoso Group, for a total amount of 337.2 million euros.
- Construction of two hospitals for the Community of Madrid in Parla and Coslada for an aggregate amount of 152.1 million euros.
- Construction of the railway at the entrance of the city of Málaga - integrated in the project of high-speed rail track in the Atlantic corridor Córdoba-Málaga - for an amount of 144.6 million euros.
- Works for burial of connection trench Avenida Portugal with M-30 service road in the amount of 143.4 million euros.

- Construction and splitting of new highway in Valencia between the capital and Losa del Obispo for 120.2 million euros
- Works for construction of a highway in Bulgaria (443 kilometers) between Sofia and the Black Sea for 104.4 million euros.
- Construction for the splitting of the toll highway AS-18 between Oviedo and Gijón (Viasur) for an amount of 80.6 million euros.
- Construction of Asturias Central Hospital for 75.2 million euros.
- Contract for connection of M-30 highway in Madrid in various trenches for 59.6 million euros.
- Project “Metrosol-Parasol” for the remodeling of Encarnación square in Seville, the works will be executed over 20 months and the initial budget is 51.2 million euros. The award includes the concession for 40 years to SyV of the Hacienda building for tertiary activities and other uses and spaces.
- Construction of area and eastern docks of the port of Valencia for 44.2 million euros.
- Construction of Abroñigales artificial lake to water flood retention for 43 million euros.
- Construction of a stretch of high-speed rail track in the Atlantic corridor, between the cities of Meirama and Bregua, in La Coruña, for an amount of 42.4 million euros.

VALLEHERMOSO

Vallehermoso's revenues at December 31, 2005 reached 1,246.5.0 million euros, up 40.1%. Sales of the residential product were 1,224.6 million euros and the rest, 21.9 million euros, came from the sale of other products and services.

EBITDA reached 276.7 million euros, up a remarkable 77.2% yielding a ratio to sales of 22.2%, which compares to 17.5% reached in 2004.

Residential sales booked reached 1,530.0 million euros, up 37.6% with respect to 2004, supported by both the favorable performance of prices as well as an increase in the number of units sold, up 10.4% on the previous year, reaching 4,824 units. As at the close of the third quarter, there were booked sales pending posting for 2,023.7 million euros, up 35.3% on last year.

The performance of booked sales and the operating margin on residential product and land in 2005 are shown below:

CONTRACTED SALES (Thds €)	December	
	2005	2004
Land	91,024	30,630
Residential product	1,439,020	1,081,333
TOTAL GROUP	1,530,044	1,111,963

During the year, 1,011.0 million euros was invested in the purchase of land, up 31.0% on the same period in 2004.

Gross land reserves amounted to 17.3 million m², which represents 4.55 million buildable m² at the close of the period, the equivalent of a total of 30,139 homes and an assured period of business of more than 6 years. This land reserve bank will allow long-term business growth to be attained, as a consequence of a broad-based, geographically diversified portfolio with an adequate degree of urban planning and development.

The value of Vallehermoso's property assets as of 31st December 2005 came to 6,130 million euros, which represents an increase of 52.3%. According to this valuation the unrealised capital gains are 2,338 million euros, 749 million euros more than the previous year (a 39.7% more).

Millions of Euros	2005	2004	Var 05/04	Var 05/04
Land	3,387	2,481	906	36.5%
Work in progress and other	2,743	1,544	1,199	77.6%
TOTAL	6,130	4,025	2,105	52.3%
LATENT CAPITAL GAINS	2,338	1,589	749	47.1%

ITINERE

Itinere's concession business turnover amounted to 363.0 million euros, 12.4% up on 2004. This was supported by the sound performance of traffic in the various concessions, -despite the various cold spells, which in an unusual manner, affected at the beginning of the year all of the group's concessions located in the Northern areas of the Iberian Peninsula (Audenasa, Aucalsa, Avasa) and transport strike that took place in October- as well as the updating of tariffs.

Gross operating income grew 13.7% to 287.1 million euros, allowing a new high in operating margin to 79.1% to be achieved—thus exceeding the 78.2% recorded in the same period of 2004.

In the Spain-based concessions average traffic growth continued higher than the growth of the economy in general. Growth on the most important routes was particularly notable. Thus, ADT growth at Audasa stood at 4.4%. Aucalsa and Audenasa enjoyed traffic increases of 3.1% and 5.3%, respectively, while Avasa's

traffic volume grew by 0.3% in the period. Aunor grew 6.2% with respect to the same period last year.

With regard to those located abroad, the Chilean concessions are showing a trend towards ascending traffic, with increases of 7.1% and 6.0% in the two extremes of Route 5, El Elqui and Los Lagos, respectively, while Rutas del Pacífico overpassed the soft growth of prior periods with an 6.3% increase with respect to 2004. In Brazil, Triangulo do Sol posted growth of 3.1%.

TURNOVER AND TRAFFIC (Million €)	December 2005		December 2004		%Change 05/04	
	Income	ADT	Income	ADT	Income	ADT
Spain						
Audasa	126.6	23,556	118.3	22,565	7.0%	4.4%
Avasa	64.8	13,542	62.7	13,499	3.3%	0.3%
Audenasa	36.6	16,641	34.0	15,803	7.6%	5.3%
Aucalsa	32.7	9,006	30.7	8,736	6.6%	3.1%
Aunor	10.3	11,101	10.0	10,455	3.5%	6.2%
Autoestradas Galicia	11.5	12,883	10.5	12,262	7.2%	5.1%
Chile						
R-5 El Elqui**	12.3	3,363	10.3	3,139	19.4%	7.1%
R-5 Los lagos**	11.1	6,934	9.4	6,539	18.1%	6.0%
Rutas del Pacifico	17.5	16,746	15.4	15,752	13.3%	6.3%
Red Vial Litoral Central*	1.9	1,882	1.5	2,064	27.9%	(*)
Brasil						
Triangulo do Sol	27.5	37,335	0	36,221		3.1%

* Data not comparable because of opening NCC

** In 2004 subsidies are not included because in 2005 they are not included under the turnover caption.

At the close of 2005, the Itinere group was awarded the following concessions:

- Concession for splitting, conservation and exploitation of new shadow toll road between Oviedo and Gijón, with an initial investment of 125 million euros.
- Concession for the improvement, conservation and exploitation of the new shadow toll road CV-35 between Valencia and Losa del Obispo, with an initial investment of 165 million euros.
- Concession for construction and exploitation of the transportation transfer point in Plaza Elíptica, Madrid, for an amount of 40.0 million euros.
- Stake of 15% in an adjudicatee consortium for construction and exploitation of a 443 kilometer highway in Bulgaria (Sofia/Black Sea) with a total forecasted investment of 715 million euros.

With these awards, Itinere reaches a portfolio of 28 transportation infrastructure concessions, distributed between the EU with 18 (Spain: 15, Portugal: 3), America with nine (Chile: 6, Brazil: 2, and Costa Rica: 1) and one in Bulgaria.

Furthermore, worthy of mention is the completion of the process to increase Itinere's stake in the Ena group, with the purchase this past month of June of an

additional 10% and this past month of November of a 20% from three minority shareholders for an amount of 158.4 and 343.2 million euros respectively. This entails reaching a stake of 100% in Ena's capital and increases Itinere's exposure to the strong growth potential of the four concessions forming it.

The portfolio of recurrent business revenues amounted to 50,925.4 million euros at December, up 3.2% on last year. Some 90.8% of the portfolio was located in Spain.

Gross investment in highways amounted at the close of the period to 5,464.3 million euros. Of this amount, 44.3 million euros were in progress and largely pertained to the implementation of works on the Santiago de Chile urban service highway, Nororient highway concession, located in the metropolitan area of the Chilean capital. Americo Vespucio Sur, was opened to traffic by the end of November. Furthermore, preliminary work was begun on the concessions awarded in 2004, the Palma-Manacor highway and the Autopista del Valle in Costa Rica, together with the two shadow toll roads in Spain (Viastur and Autopista del Turia).

The breakdown of the concessions portfolio investment is as follows:

INVESTMENT (Thds €)	December 2005		December 2004		% Change 05/04
	In operation	Under construction	In operation	Under construction	
AVASA	666,210		662,728		0.5%
AUNOR	96,954		96,954		0.0%
AUCALSA	786,130		739,314		6.3%
AUTOESTRADAS DE GALICIA	170,700		155,818		9.6%
AUDASA	2,295,609		2,031,323		13.0%
AUDENASA	432,948		390,204		11.0%
AUTOVIA DEL TURIA		5,474			
VIASTUR		5,347			
Spain	4,448,551	10,821	4,076,341	0	9.4%
ELQUI	256,512		204,958		25.2%
LOS LAGOS	268,540		214,569		25.2%
RUTAS PACIFICO	209,952		167,228		25.5%
LITORAL CENTRAL	41,556		32,863		26.5%
VESPUCCIO SUR	144,013		0	62,772	129.4%
ACCESO NORORIENTE		33,103	0	24,370	35.8%
AUTOPISTA DEL VALLE		374			
TRIANGULO DO SOL	50,925				
America	971,498	33,477	619,618	87,142	42.2%
TOTAL	5,420,049	44,298	4,695,959	87,142	14.2%

TESTA

The revenues earned by Testa during the period were 210.0 million euros, up 9.4% on 2004 due to the increase in occupied surface area, especially in offices and the entry into operation of new ones. Ebitda margin rose to 78.7% from 75.7% previous year.

The factors explaining the variance in rental income are shown in the next page:

Rental Performance	December		% Change
	2005	2004	05/04
Net Rental Income (Thds €)	205,316	188,045	9.2%
Average Occupied Surface (m ²)	1,349,808	1,311,336	2.9%
Average rent (€/m ² /month)	12.68	11.75	7.9%
Land Lettable Surface (m ²)	1,395,150	1,376,297	1.4%
Average Occupancy Rate (%)	96.75	95.28	1.5%

The increase in the lettable surface area includes an office property located in San Cugat del Vallés, Barcelona, with 10,000 square meters of surface area, an increase in selling space in the Porto Pi mall in Palma de Mallorca by 7,210 square meters and a senior citizen home in Barcelona, with 12,260 square meters. Increase in average occupancy rate is more significant in office space.

Gains on sale of assets:

In 2004 three significant sales of assets were recorded:

- The sale of a 100% of a company owning inner-city properties in Madrid, which triggered a gain on the securities portfolio of 41.2 million euros in said period.
- The sale of a building site located in the region of Madrid, which meant a profit of 29.4 million euros.
- Besides another 51.8 million euros of gain were posted in 2004 coming from the sale of an office building also placed in Madrid.

No significant sale of rental properties took place during year. This explains how pre-tax income reached 96.7 million euros, as compared to 200.4 million euros in 2004. The normalization of the tax rate in the current fiscal year brought net profit to 60.7 million euros.

The adjudication made to Testa, in a consortium with two other SyV subsidiaries (Sacyr and Valoriza) for development and operation of two hospitals in the Madrid region (Parla and Coslada) for an investment amount leading up to entry into operation of 177.9 million euros is worthy of emphasis. These properties, the first in their class to be developed in Spain, will contribute a high volume and security of revenues, thanks to the long-term concession structure, for a 30-year concession period.

At the end of the third quarter, a total of 272.6 million euros existed in works in progress, of which the most significant was the Torre SyV skyscraper, a mixed-use

hallmark building located in Madrid's business district, for 169.7 million euros invested. Other investments in various buildings were maintained, of which 44.7 million euros related to an office building located in Madrid and another 34.9 million euros to five pre-leased senior citizen residences, which are currently in various stages of development.

The value of Testa's property assets as of 31st December 2005 came to 3,480 million euros. According to this valuation the unrealised capital gains are 1,168 million euros, a 39.7% more than the previous year.

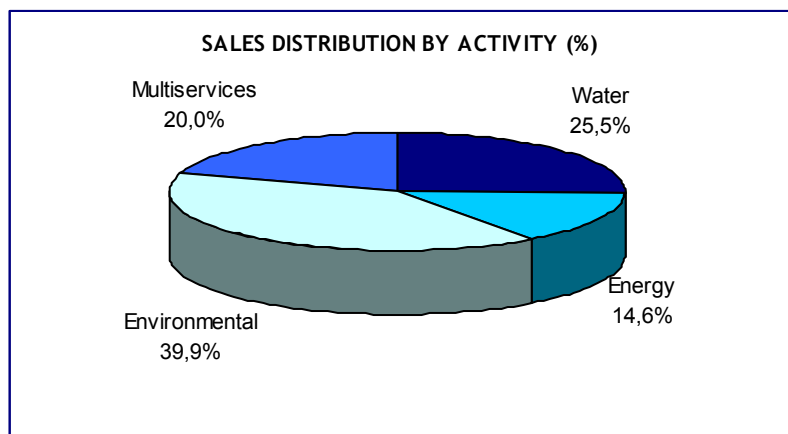
Millions of Euros	2005	2004	Var 05/04	Var 05/04
Land	3,008	2,679	329	12.3%
Work in progress and other	472	421	51	12.1%
TOTAL	3,480	3,100	380	12.3%
LATENT CAPITAL GAINS	1,169	837	332	39.7%

VALORIZA

Through 2005, Valoriza achieved revenues of 367.6 million euros, surging 308.0% with respect to the 90.1 million euros in 2004, due to a combination of three factors:

- Organic growth occurring with the placement into operation of new projects, especially in the multi-services area (integral property maintenance) and energy.
- The acquisition of the Sufi group this past month of April, specializing in environmental activities related to recycling of urban waste, sludge and provision of other public services.
- The inclusion of the services business coming from the former Somague group in Portugal.

The breakdown of revenues among the various business areas was as follows:



In the environmental area, the acquisition of Sufi has allowed revenues of 133.8 million euros to be achieved. This inclusion has permitted consolidating the development of the services business, especially through the concessions it holds in the area of recycling and giving value to wastes (urban, sludge and packaging) and access to other types of services (cleaning, parking meters, etc.).

The alternative energies business headed by Iberese represented 14.6% of turnover, with 53.5 million euros, representing growth of 55.9% with respect to 2004. A new bio-mass co-generation plant entered into operation in the period, with an installed capacity of 4MW, thus entailing having a total of six plants under operation as at December 2005.

In water management, revenues were 93.8 million euros, surging with respect to the 8.6 million euros posted in the same period last year. For its part, Ags, the group's head company in water distribution and treatment in Portugal and Brazil, achieved a total of 15 concessions under operation at the close of December, entails providing service to a total of 1.7 million inhabitants.

In the Multi-services line, revenues grew 56.1% to 73.6 million euros. Valoriza Facilities, specializing in the maintenance and management of all types of real properties, billed 37.3 million euros during the period, representing a 44.9% growth over the same period last year. For its part, Cafestore, with 20.3 million euros, maintains 24 service areas operative, following the entry into operation of the one located in Almansa, as opposed to 21 services areas existing as at December 2004. Within the development of the strategic plan, worthy of mention in this area is the agreement reached with the Servisair group, one of the worldwide leaders in airport services, for the creation of a joint venture to bid in future tenders for handling services scheduled to be called throughout 2005.

Finally, the following are worthy of mention among adjudications:

- Environmental: adjudication to Sufi of construction and management of RCD in Vitoria for 33.1 million euros.
- Water: adjudication to Sadyt of the maintenance and operation agreement for the control system of the desalinated water transport grid in Níjar (Almería).

On another note, last October the Geida consortium of which Sadyt forms part was awarded the tender to build and run a seawater desalination plant at Temclem-Hounaine, in Algeria, for 25 years. The plant will produce 150,000 m³ of desalinated water a day. This is the third desalination plant - the other two are already under construction - that the Geida consortium has been awarded in Algeria and when they are all commissioned, it will have an installed capacity to produce more than 400,000 m³/day.

Furthermore, Sadyt has been awarded a tender to enlarge and improve the Abrera Water Works in Barcelona, which will be the largest in the world equipped with an electrodialysis technology-based desalination system, because it will have a capacity to process 200,000m³/day, and will serve a population of nearly 800,000 people.

Additionally, in December SyV was awarded a Euro. 60 million contract to run Emmasa (the Tenerife Municipal Water Works) for the next 25 years. Emmasa is in charge of the water supply of Santa Cruz de Tenerife, which has a population of 205,000 inhabitants, and the other plants it runs includes a seawater desalination plant that processes 21,000 m³ of seawater a day.

- Multi-services: Sufi has obtained the contract to perform the cleaning and pickup of the Urban Waste of Lleida town for a period of 10 years, that could be enlarged for another 10 years. This contract represents a portfolio of 90 million euros for the initial period.

Adjudication to Valoriza Facilities of the maintenance of the hospitals of Coslada, Parla and Majadahonda (Madrid) and of the Villagarcia hospital in Arousa (Pontevedra). Furthermore, Valoriza Facilities has obtained its first senior citizen residence management agreement and has signed a contract with the Ministry of Defense for the maintenance of the air force base in Viator (Almería).

For its part, Microtec has started maintenance of the Audasa and Autoestradas highways, both in Galicia.

V. BOARD RESOLUTIONS

DIVIDEND DISTRIBUTION

- On January 14, 2005, the third interim dividend for fiscal year 2004 in the gross amount of 0.075 euros per share was paid. The dividend distribution had been declared at the Board of Directors meeting held on December 15, 2004.
- At the Board of Directors meeting held on March 29, 2005, the last dividend for fiscal year 2004 in the gross amount of 0.135 euros per share was declared. Payment was made on April 15, 2005.
- The Board of Directors, at its meeting held on July 13, 2005, declared the first fiscal year 2005 interim dividend in the amount of 0.10 euros gross per share. Payment was made on July 29.
- On October 5, 2005, the Board of Directors declared the second fiscal year 2005 interim dividend in the amount of 0.10 euros gross per share. Payment was made on October 14.
- The Board of Directors, at its meeting held on November 29, 2005, declared the third fiscal year 2005 interim dividend in the amount of 0.10 euros gross per share. Payment was made on January 13, 2006.

CHANGES IN THE BOARD OF DIRECTORS

- The General Shareholders' Meeting held on May 11, 2005 ratified the appointment of the following as directors of Sacyr Vallehermoso, S.A. for a five year term: Prilomi, S.L. and Actividades Inmobiliarias y Agrícolas, S.A. They will be represented on the Board of Directors by Mr. José Manuel Loureda López and Mr. Víctor Guillamón Melendreras, respectively. Said appointments were resolved at the Board of Directors meeting held that same day.
- At its meeting held on January 8, 2005, the Board of Directors of Sacyr Vallehermoso, S.A. resolved to accept the resignation tendered by Almarfe S.L. from its position as director.
- At its meeting held on July 13, 2005, the Board of Directors of Sacyr Vallehermoso, S.A. resolved to accept the resignation tendered by Mr. Juan Miguel Sanjuán Jover from the position of director. Furthermore, it accepted the appointment as company director of the company Grupo Satocán, S.A. which shall be represented on the Board of Directors by Mr. Juan Miguel Sanjuán Jover.

RIGHTS ISSUES

- The Annual General Shareholders' Meeting held on May 11, 2005 approved a rights issue, thereby increasing the capital stock by 8,317,291 euros, through the issuance of 8,317,291 shares each having a par value of one euro, as a charge against the account of Revaluation Merger Reserve, Law 76/1980, and in the proportion of one new share for every thirty-two shares outstanding. Said shares were admitted to trading on July 25, 2005.

OTHER RESOLUTIONS

- At its meeting held on April 21, 2005, the Board of Directors of Sacyr Vallehermoso, S.A. approved the acquisition of 100% of the company Sufi, S.A. for a total amount of 142 million euros.

VI. STOCK PERFORMANCE

	December		% Variac. 05/ 04
	2005	2004	
Closing stock price (euros p.s.)	20.60	11.79	74.69%
High of the year (euros p.s.)	24.46	13.65	79.24%
Low of the year (euros p.s.)	11.89	11.04	7.70%
Market Cap as of end of period (Thds euros)	5,654,103	3,236,740	74.69%
Trading volume (Thds euros)	3,613,499	2,176,254	66.04%
Average trading volume (No. Shares)	809,106	721,902	12,08%
Liquidity (shares traded/capital) %	100	100	
N° of shares (Thds)	274,471	266,153	3.13%
Share Nominal Value	1 EURO	1 EURO	

* Adjusted in 2004 by bonus issue of 1x32 carried out last July.



VII. SHAREHOLDING STRUCTURE

SHAREHOLDING STRUCTURE

According with the information registered in the Spanish Stock Exchange Commission at December 31st. Sacyr Vallehermoso S.A.'s directors hold and/or represent the following number of shares in the Company:

	Number of Shares	%
Actividades Inmobiliarias y Agrícolas, S.A. (1)	16,635,459	
Mr. Luis del Rivero Asensio (1)	37,731,962	13.75%
Mr. Demetrio Carceller Arce (2)	19,032	0.01%
Corporación Caixa Galicia, S.A.	7,558,684	2.75%
Mr. Matias Cortés Domínguez	100	0.00%
Mr. Manuel Manrique Cecilia (3)	23,767,296	8.66%
Torreal, S.A. (4)	26,986,032	
Nueva Compañía de Inversiones, S.A (4)	26,986,037	9.83%
Prilomi, S.L.(5)	13,723,533	
Prilou, S.L. (5)	36,890,776	13.44%
Mr. Vicente Benedito Francés	72,802	0.03%
Grupo Satocán, S.A.	9,272,262	3.38%
Participaciones Agrupadas, S.R.L.	21,955,568	8.00%
Mr. Diogo Alves Diniz Vaz Guedes (6)	14,223,229	5.18%
Mr. José Seixas de Queiroz Vaz Guedes (6)		

TOTAL BOARD OF DIRECTORS	178,477,748	65.03%
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Actividades Inmobiliarias y Agrícolas, S.A. (represented by Mr. Víctor Guillamón) and Rimefor Nuevo Milenio, S.L. are the companies by which Mr. Luis del Rivero Asensio participates in the Company. Actividades Inmobiliarias y Agrícolas, S.A. has a stake of 6.06% and Rimefor Nuevo Milenio, S.L. has a stake of 7.69%. Mr Luis del Rivero holds the 100% Actividades Inmobiliarias y Agrícolas, S.A.'s equity, and the 61.89% of Rimefor Nuevo Milenio, S.L.'s equity.

(2) Director representing Disa Corporación Petrolífera, Atlántica Petrogás and Renta Insular Canaria.

(3) Mr. Manuel Manrique Cecilia holds an indirect stake of 8.66% through Cymofag, S.L., in which he holds a stake of 100%.

(4) Directors representing Abelló Group.

(5) Prilou, S.L., represented by Mr. Jose Manuel Loureda Mantiñán, holds a direct stake of 23,167,243 shares and an indirect stake through Prilomi, S.L., represented by D. Jose Manuel Loureda López, of 13,723,533 shares.

(6) Executive directors representing Finavague, S.L. which holds the stake.