



Financial
Report

2010

First half



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|------|---|----|
| I. | HIGHLIGHTS | |
| | • OPERATING DATA | 1 |
| | • FINANCIAL FIGURES | 2 |
| II. | CONSOLIDATED INCOME STATEMENT AND BALANCE SHEET | 4 |
| III. | PERFORMANCE BY BUSINESS AREA | 15 |
| IV. | STOCK MARKET PERFORMANCE | 27 |
| V. | SHAREHOLDER STRUCTURE | 28 |

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NOTE: the financial information presented in this document has been prepared 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) | June 2010 | June 2009* | % chg 10/09 |
|---|--------------|---------------|----------------|
| CONSTRUCTION - SACYR-SOMAGUE | | | |
| CONSTRUCTION BACKLOG | 7,791 | 7,314 | 6.5% |
| International construction backlog | 69% | 62% | 6.9 |
| <i>Months of activity</i> | 31.9 | 26.1 | 22.3% |
| RESIDENTIAL DEVELOPMENT - VALLEHERMOSO | | | |
| HOMES DELIVERED | 1,138 | 1,360 | - 16.3% |
| PRE-SALES PORTFOLIO | 403 | 985 | - 59.1% |
| CONCESSIONS – SACYR CONCESIONES** | | | |
| REVENUE BACKLOG | 28,692 | 28,652 | 0.1% |
| <i>KM UNDER CONCESSION</i> | 1,425 | 1,411 | 1.0% |
| RENTAL PROPERTY - TESTA | | | |
| <i>LEASABLE AREA (thousands of m2)</i> | 1,508 | 1,494 | 0.9% |
| <i>OCCUPANCY RATE</i> | 95.8% | 96.9% | - 1.1 |
| RENTAL PORTFOLIO | 2,725 | 2,860 | - 4.7% |
| SERVICES - VALORIZA | | | |
| REVENUE BACKLOG | 11,960 | 11,715 | 2.1% |

* Restated following adoption of IFRIC 12

** Pro-forma

I. HIGHLIGHTS

| FINANCIAL FIGURES (Millions of euros) | June 2010 | June 2009 (*) | % chg 10/09 |
|--|----------------------------|--------------------------------|------------------------------|
| NET PROFIT (LOSS) FOR THE PERIOD FROM CONTINUING OPERATIONS | 85.4 | -321.7 | N/M |
| EBITDA | | | |
| Construction (Sacyr – Somague) | 76.6 | 85.8 | -10.7% |
| Services (Valoriza) | 62.9 | 54.3 | 15.8% |
| Rental Property (Testa) | 100.6 | 107.1 | -6.0% |
| Concessions (Sacyr Concesiones) | 15.9 | 10.7 | 49.6% |
| Holding, investees and adjustments | 9.8 | -94.7 | N/M |
| EBITDA FROM ACTIVITIES (excluding residential development) | 265.9 | 163.1 | 63.0 % |
| Residential Development (Vallehermoso) | -71.5 | 47.9 | N/M |
| TOTAL | 194.4 | 211.1 | -7.9% |
| EQUITY (1) | 3,348 | 2,954 | 13.3% |
| NET DEBT (1) | 11,598 | 11,861 | - 2.2% |

(1) 2009 data at 31 December

* Restated following adoption of IFRIC 12

Adoption of IFRIC 12 “Service Concession Arrangements”.

As explained in the 1Q10 earnings report, the SyV Group has adopted IFRIC 12 Service Concession Arrangements regarding the accounting treatment for service concession arrangements in the public and private sectors under IFRS. This standard contains substantial modifications to the accounting treatment for concession arrangements in which the operator has an unconditional right to receive a specified amount from the grantor.

The main impact on the SyV Group’s financial statements is that the concessions affected by the new interpretation (mostly Sacyr Concesiones, but also a minor impact on Valoriza and Sacyr) have been reclassified from “Concession Projects” under “Non-current assets” in the consolidated balance sheet to “Non-current financial assets”. As a result, part of the income generated is considered finance income and therefore not included in revenue. The impact on earnings for the first half of 2010 is as follows:

| Millions of euros | Revenue | Net profit |
|-------------------|--------------|------------|
| Sacyr Concesiones | -19.8 | 9.0 |
| Other | -1.1 | 0.1 |
| Total SyV | -20.9 | 9.1 |

2009 figures have been restated using the same criteria to ensure full comparability.

Revenue backlog for 2009 and 2010 has also been restated in accordance with the new revenue recognition criteria.

II. INCOME STATEMENT

Accounting effects with an impact on profit or loss

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

- “Profit (loss) for the period from discontinued operations” in the first half of 2009 included €760.8 million from the sale of Itínere.
- Also included under this item in 2009 were the income from Itínere’s concessions up to the date of settlement of the takeover bid (26 June 2009).
- In addition, on 13 June 2010, Sacyr Vallehermoso reached an agreement to sell 49% stakes in four concessions: The Moncloa and Plaza Elíptica transport hubs, and the Autovía Noroeste and Autovía del Turia toll motorways. In accordance with IFRS 5, these four assets have been classified as “Non-current assets held for sale”, with the related income and expenses shown under “Profit for the period from discontinued operations” in the consolidated income statement net of tax. Data for 2009 have been restated accordingly.
- At the end of March, Vallehermoso and Testa sold a number of property assets, generating capital gains of €69.3 million.
- The sales had a significant impact on comparability of Vallehermoso’s data, as almost most of the property transfer deeds for 2009 were signed in the year’s first quarter.
- At Testa, the assets sold contributed three months of income in 2009, as the sale was carried out towards the end of March.

| INCOME STATEMENT (Thousands of Euros) | June 2010 | June 2009* | % Var 10/09 |
|---|----------------------------|-----------------------------|------------------------------|
| Revenue | 2,345,319 | 3,295,001 | -28.82% |
| Other Income | 192,673 | 180,018 | 7.0% |
| Total Income | 2,537,991 | 3,475,019 | -27.0% |
| External and Operating Expenses | -2,343,565 | -3,263,949 | -28.2% |
| GROSS OPERATING PROFIT | 194,427 | 211,071 | -7.9% |
| Depreciation and amortisation expense | -77,654 | -72,010 | 7.8% |
| Trade Provisions | 68,891 | -138,826 | -149.6% |
| NET OPERATING PROFIT | 185,664 | 235 | ns |
| Changes in fixed assets provisions | 21 | 4,705 | -99.6% |
| ORDINARY NET PROFIT | 185,685 | 4,939 | ns |
| Financial results | -214,856 | -309,201 | -30.5% |
| Forex results | 4,912 | -593 | -928.4% |
| Share of profit (loss) of associates | 94,959 | -257,583 | ns |
| Provisions for financial investments | 11,565 | -182 | -6470.4% |
| Change in value of financial instruments at fair value through profit or loss | -158 | 0 | |
| Results from sales of non current assets | 445 | 64,416 | ns |
| PROFIT BEFORE TAXES | 82,554 | -498,204 | ns |
| Corporate Tax | 2,902 | 176,463 | ns |
| PROFIT (LOSS) FOR THE PERIOD FROM CONTINUING OPERATIONS | 85,455 | -321,740 | ns |
| PROFIT (LOSS) FOR THE PERIOD FROM DISCONTINUED OPERATIONS | 896 | 739,798 | ns |
| PROFIT FOR THE PERIOD | 86,351 | 418,057 | ns |
| Atribuible a Minoritarios | -4,753 | 204 | ns |
| NET ATTRIBUTABLE PROFIT | 81,598 | 418,261 | ns |

ANALYSIS OF RESULTS

- Net profit through June amounted to €81.6 million.
- Profit (loss) from continuing operations totalled €85.4 million, compared to a loss of €321.7 million for the first half of 2009.
- Meanwhile, profit from discontinued operations in the first half of this year was €0.1 million, far lower than last year's €760.8 million, when the gains on the Itínere sale were recognised.
- EBITDA reached €194.4 million, leaving an EBITDA margin of 8.3%, compared to 6.4% in the first half of 2009.
- EBIT amounted to €185.7 million, up from €4.9 million in 1H09.

REVENUE

Consolidated revenue through June 2010 totalled €2,345.3 million, driven by the strong performance of the Group's Services and Concessions businesses.

Nevertheless, this was 28.8% lower than in the first half of 2009. However, a number of one-off transactions involving land sales at Vallehermoso were carried out in 1H09. Stripping these out, the decline would be just 7.5%. Furthermore, a number of Testa's investment properties were sold in 2009. These, however, contributed rental income in the first three months of 2009 as they were sold at the end of March. As a result, comparisons between the two half-yearly periods are considerably skewed.

The breakdown of revenue by business area is as follows:

| REVENUE (Thousand of Euros) | JUNE | | % Var 10/09 |
|--|------------------|------------------|----------------|
| | 2010 | 2009* | |
| Construction | 1,465,568 | 1,700,461 | -13.8% |
| Services (Valoriza) | 483,740 | 430,739 | 12.3% |
| Residential Development (Vallehermoso) | 289,562 | 388,944 | -25.6% |
| Rental Property (Testa) | 125,904 | 131,790 | -4.5% |
| Concessions (Sacyr Concesiones) | 29,997 | 20,581 | 45.8% |
| Holding and adjustments | -59,250 | -148,467 | |
| REVENUE | 2,335,521 | 2,524,048 | -7.5% |
| Special sales Vallehermoso | 9,798 | 770,953 | -98.7% |
| REVENUE | 2,345,319 | 3,295,001 | -28.8% |

* Pro forma

- Construction revenue in 1H10 totalled €1,465.6 million. This marked a 13.8% year-on-year decline, caused by the slowdown in domestic construction and adverse weather conditions in the early part of this year, which delayed progress on projects. However, international construction revenue was 12% higher. The construction backlog was a very healthy €7,791 at 30 June 2010, 6.5% higher than at 30 June 2009, ensuring activity going forward.
- Service revenue sustained the pace of growth of previous periods, rising 12.3% to €483.7 million. Revenue growth was particularly strong in the Environmental (+20%) and Water (+17%) businesses.

- The total value of property transfer deeds signed for residential developments in the period was €299.4 million. This is significantly lower than in the first half of 2009 due, in part, to conditions in the housing sector. Comparisons are also skewed because the majority of land sales took place in this period last year. Land sales through 30 June 2009 totalled €770.9 million, compared to just €9.8 million this year.
- The 45.8% increase in concession revenue was due to the strong performance of existing concessions and the start-up of two new concessions. This year, the “Autopista del Sol” motorway in Costa Rica and the N-6 motorway in Ireland contributed to revenue.
- Revenue from the Rental Property business amounted to €125.9 million, down 4.5% down on 1H09. The decline was the result of the sale of certain rental properties at the end of March 2009. Of the total, €123.1 million related to rental income on investment properties in operation and the remaining €2.8 million to property management services. Like-for-like rental revenue (i.e. same leasable area) fell by 0.6%.

Revenue from international activity increased by 22% and represented 31% of the SyV Group's total revenue, compared to 18% in the first half of 2009. This percentage should gradually increase going forward as projects in the pipeline start to contribute.

By geographical area, 28% of international revenue was generated in Portugal, 11% in Italy, 14% in Ireland (relating to construction work on concessions won), 17% in Angola (construction work carried out by Somague and services rendered by Valoriza), and 9% in Panama (expansion work on the Canal). The remaining 21% mainly related to Costa Rica and Chile and the rental of properties run by Testa in Miami and Paris.

EBITDA

Consolidated EBITDA for the first half of 2010 amounted to €194.4 million, with increasing contributions from the Concessions and Services businesses. The fall in operating income from Residential Development caused consolidated EBITDA to contract 7.9%. However, the rest of the business areas contributed €265.9 million to group EBITDA, 63% more than last year despite the fall in EBITDA from the Rental Property business caused by the decrease in leasable area mentioned above and from Construction due to the decline in activity, although the EBITDA margin improved.

| GROSS OPERATING PROFIT (EBITDA) (Thousand of Euros) | JUNE | | % Var 10/09 |
|--|----------------|----------------|----------------|
| | 2010 | 2009 | |
| Construction (Sacyr - Somague) | 76,610 | 85,830 | -10.7% |
| Services (Valoriza) | 62,921 | 54,322 | 15.8% |
| Rental Property (Testa) | 100,618 | 107,065 | -6.0% |
| Concessions (Sacyr Concesiones) | 15,942 | 10,657 | 49.6% |
| Holding and adjustments | 9,846 | -94,744 | ns |
| Activities (ex - Residential Development) | 265,936 | 163,130 | 63.0% |
| Residential Development (Vallehermoso) | -71,509 | 47,941 | ns |
| GROSS OPERATING PROFIT | 194,427 | 211,071 | -7.9% |

The Group's cost-containment efforts led to wider EBITDA margins compared to 1H09 for the Construction, Services and Concessions areas.

PROVISIONS

Provisions amounting to €68.9 million were applied in the first half of 2010, mostly related to the Residential Development business.

FINANCIAL RESULTS

Net finance expense in 1H10 amounted to €241.9 million, compared to €309.2 million in the same period last year. Of this, finance income totalled €40.3 million, virtually flat from the €40.5 million obtained in the six months ended 30 June 2009. Finance costs totalled €255.2 million, 27.1% lower than the 1H09 figure of €350.3 million thanks to the reduction in consolidated debt and a lower finance cost, of 3.6% compared to 3.9%.

SHARE OF PROFIT OF ASSOCIATES

With respect to the interest in Repsol YPF, the group only recognised accrued dividends (€103.8 million) in the income statement. For accounting purposes, income from the equity consolidation of the interest in Repsol YPF is decreased with a balancing entry in "Non-current financial assets". The company recognised €128.3 million in this connection in the first half of 2009, along with the losses relating to the fair value adjustment of the Madrid–Levante motorway and the R-4 toll road.

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

GAINS (LOSSES) ON DISPOSAL OF ASSETS

No significant amounts were recognised on disposals of assets in the first half of 2010. However, in 1H09, gains on the sale of investment properties related to the Rental Property business amounted to €64.4 million.

PROFIT FOR THE PERIOD FROM CONTINUING OPERATIONS

Profit from continuing operations through 30 June 2010 amounted to €85.4 million, compared to a loss of €321.7 million last year.

PROFIT (LOSS) FROM DISCONTINUED OPERATIONS

Profit (loss) from discontinued operations in the first half of 2010 includes the revenue and expenses net of tax of four assets in the Concessions business for which SyV has reached a firm sale commitment for 49% interests. These assets are: the Moncloa (87% stake) and Plaza Elíptica (93%) transport hubs, and the Autovía Noroeste (100%) and Autovía del Turia (89%) toll motorways.

2009 figures were restated accordingly and include the results of Itínere's concessions up to the date of sale.

REVENUE BACKLOG

The revenue backlog at 30 June 2010 stood at €51,569.9 million, primarily entailing the recurring Concessions and Services businesses. Sacyr Concesiones accounted for 55.6% and Valoriza for 23.2% of the total. Implied operating income from the backlog amounts to €17,622.4 million.

| PORTFOLIO BY BUSINESS ACTIVITY (Thousands of Euros) | JUNE 2010 | | |
|--|-------------------|--------------|-------------------|
| | Revenue | % Ebitda(1) | Ebitda |
| Sacyr - Somague (Construction portfolio) | 7,791,034 | 5.4% | 428,703 |
| Sacyr (Construction portfolio) | 6,610,639 | 5.7% | 376,859 |
| Somague (Construction portfolio) | 1,180,395 | 4.4% | 51,843 |
| Vallehermoso (Pre-sales portfolio) | 402,773 | 3.1% | 12,513 |
| Sacyr Concesiones (Revenue portfolio)* | 28,691,550 | 47.0% | 13,471,571 |
| Testa (Rents to maturity) | 2,724,655 | 77.8% | 2,119,465 |
| Valoriza (Services portfolio) | 11,959,857 | 13.3% | 1,590,176 |
| PORTFOLIO BY BUSINESS ACTIVITY | 51,569,869 | 34.2% | 17,622,428 |

(1) Ebitda margin at december 09

* Pro forma IFRIC 12

International activities represented 56% of the total backlog at 30 June 2010, but 69% of the construction backlog, given the strong focus on public tenders held outside Spain and contract wins in Italy, Panama, Libya and Israel, among other countries.

II. CONSOLIDATED BALANCE SHEET

| BALANCE SHEET (Thousands of Euros) | June 2010 | December 2009 | Var 1H10 |
|--|-------------------|-------------------|-----------------|
| NON CURRENT ASSETS | 14,013,605 | 13,829,213 | 184,392 |
| Intangible Assets | 16,600 | 18,052 | -1,452 |
| Investments properties | 2,683,446 | 2,699,691 | -16,245 |
| Concessions Investments | 1,440,905 | 1,435,095 | 5,810 |
| Property, plant and equipment | 592,301 | 563,143 | 29,158 |
| Financial Assets | 9,096,766 | 8,931,156 | 165,610 |
| Other non Current Assets | 16,119 | 14,483 | 1,637 |
| Goodwill | 167,467 | 167,593 | -126 |
| CURRENT ASSETS | 6,874,665 | 6,513,818 | 360,846 |
| Non current assets held for sale | 803,320 | 283,223 | 520,097 |
| Inventories | 2,811,447 | 3,140,591 | -329,144 |
| Trade and other receivables | 2,542,071 | 2,296,808 | 245,263 |
| Financial Assets | 215,626 | 67,161 | 148,465 |
| Cash | 502,200 | 726,036 | -223,835 |
| ASSETS = LIABILITIES | 20,888,270 | 20,343,032 | 545,238 |
| EQUITY | 3,347,566 | 2,953,879 | 393,687 |
| Shareholder's Equity | 3,268,424 | 2,855,763 | 412,661 |
| Minority Interests | 79,142 | 98,116 | -18,975 |
| NON CURRENT LIABILITIES | 10,582,195 | 10,998,768 | -416,573 |
| Financial Debt | 9,363,461 | 9,959,499 | -596,038 |
| Financial Instruments at fair value | 352,827 | 323,101 | 29,725 |
| Provisions | 109,149 | 149,799 | -40,650 |
| Other non current Liabilities | 756,758 | 566,369 | 190,389 |
| CURRENT LIABILITIES | 6,958,509 | 6,390,384 | 568,125 |
| Liabilities associated with the non current assets held for sale | 421,189 | 0 | 421,189 |
| Financial Debt | 2,952,515 | 2,685,547 | 266,969 |
| Trade Accounts Payable | 2,743,011 | 2,957,694 | -214,682 |
| Operating Provisions | 188,093 | 154,926 | 33,167 |
| Other current liabilities | 653,700 | 592,218 | 61,482 |

* Restated following adoption of IFRIC 12 and IFRS 5

BALANCE SHEET HIGHLIGHTS

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

NON-CURRENT ASSETS

The main change in this item is related to the classification of the concession assets sold by SyV as “Non-current assets held for sale”, as although the sale agreement was signed in the first half of 2010, the transaction had not been settled by 30 June.

“Investment properties” includes €2,683.4 million of leased properties.

The SyV Group has investments net of accumulated depreciation of €955.6 million in concession projects in operation (primarily motorways) and €485.3 million in projects under development.

“Property, plant and equipment” includes investments in power generation and cogeneration plants, water and sewage networks, and other service-related products, in addition to machinery, plant and other assets. Accumulated depreciation at 30 June 2010 stood at €387.3 million.

“Financial assets” includes investments in associates amounting to €7,970.8 million, mainly in Repsol YPF and in Sacyr Concesiones’ concessionaire companies. Also included are the concessions affected by the adoption of IFRIC 12 worth €583.4 million. The balance of this item has declined since December following the classification of four concessions as “Non-current assets held for sale”. This item also includes €438.5 million of deferred tax assets, with the remainder relating mostly to receivables from Group companies.

CURRENT ASSETS

“Current assets” at 30 June 2010 totalled €6,874.7 million, of which €803.3 million relate to “Non-current assets held for sale”. The most significant items are “Inventories” (€2,811.4 million), which mainly relate to Vallehermoso’s residential development business, and “Trade and other receivables” (€2,542.1 million).

SyV’s 15.7% stake in the new company Itínere up to 31 March 2009 is recognised as a financial investment. In accordance with IAS 39, it has been recognised under “Financial assets held for-sale” in the Balance Sheet and is not presented in the income statement. Meanwhile, recognition of the dividend receivable from Repsol YPF, which was paid in July 2010, led to an increase in “Current financial investments”.

EQUITY

Total equity at 30 June 2010 stood at €3,347.6 million, of which 97.6% (or €3,268.4 million) is attributable to equity holders of SyV and €79.1 million to minority interests in the group.

Share capital at 30 June was represented by 304.97 million shares, each with a par value of one euro.

FINANCIAL DEBT

The Group’s net financial debt at 30 June 2010 stood at €11,598.2 million, broken down as follows:

| NET FINANCIAL DEBT (Millions of Euros) | JUNE 2010 | December 2009 | % Var 1H10 |
|---|----------------------|--------------------------|-----------------------|
| Corporate | 622 | 527 | 18.1% |
| Capital intensive activities | 4,977 | 5,328 | -6.6% |
| Testa | 2,616 | 2,566 | 1.9% |
| Sacyr Concesiones | 825 | 1,063 | -22.4% |
| Vallehermoso | 1,536 | 1,699 | -9.6% |
| Other | 5,999 | 6,006 | -0.1% |
| Repsol | 4,989 | 5,010 | -0.4% |
| SyV Participaciones | 272 | 272 | 0.0% |
| Other | 738 | 724 | 1.8% |
| NET FINANCIAL DEBT | 11,598 | 11,861 | -2.2% |

Four of Sacyr Concesiones' assets were classified as "held for sale" after an agreement for the sale of 49% interests in each had been reached, leading to a reduction in the related debt. Once the sale is settled, SyV's retaining interest in these assets will be consolidated using proportionate consolidation. This will lead to the reinstatement of approximately €140 million of net financial debt.

- **Corporate debt:**

Net corporate debt at 30 June 2010 was €622.2 million.

- **Capital-intensive activities:**

- Debt used to finance infrastructure concessions decreased by 22.4% in the six-month period ended 30 June 2010 to €825.2 million. However, this includes the impact of the classification of four concession assets as held for sale. These assets will be reinstated using proportionate consolidation tentatively next quarter, leading to the addition of €140 million of debt. Stripping out this effect, debt related to concessions would still have decreased by 9%.
- Debt in the Rental Property business; i.e. mortgage loans and leases, stood at €2,616.2 million. This debt is used to finance rental properties in operation or under construction, which at 31 December 2009 were appraised by an independent expert at €4,398 million.
- In the Residential Development business, the net debt of €1,535.7 million relates to financing of inventories on Vallehermoso's balance sheet at a carrying amount of €2,031.2 million. At 31 December 2009, these assets were valued at €3,033.9 million by an independent appraiser. In addition, pre-sales; i.e. contracts signed for homes pending delivery, amounted to €402.8 million.

- **Other:**

- At 30 June 2010, the balance on the bank loan taken out to finance the investment in Repsol YPF was €4,989 million.
- Structured debt in other businesses mainly relates to financing of environmental projects and concessions at Valoriza.
- Lastly, debt associated with SyV's holding in Itínere amounts to €271.9 million.

III. PERFORMANCE BY BUSINESS AREA

| CONSOLIDATED INCOME STATEMENT AS OF JUNE 30, 2010 | | | | | | | | | |
|---|------------------|----------------|----------------|----------------|----------------|----------------|---------------|-----------------|------------------|
| (Thousands of Euros) | Sacyr | Concessions | Vallehermoso | Testa | Valoriza | Somague | Holding | Adjustments | TOTAL |
| Revenue | 1,091,786 | 29,997 | 299,360 | 125,904 | 483,740 | 373,783 | 24,896 | -84,146 | 2,345,319 |
| Other Income | 65,610 | 237,942 | 8,853 | 983 | 30,655 | 19,831 | 18,202 | -189,403 | 192,673 |
| Total Income | 1,157,396 | 267,939 | 308,213 | 126,886 | 514,395 | 393,614 | 43,098 | -273,549 | 2,537,991 |
| External and Operating Expenses | -1,099,182 | -251,997 | -379,723 | -26,269 | -451,474 | -375,218 | -33,175 | 273,473 | -2,343,565 |
| GROSS OPERATING PROFIT | 58,214 | 15,942 | -71,509 | 100,618 | 62,921 | 18,396 | 9,922 | -76 | 194,427 |
| Depreciation and amortization expenses | -9,663 | -12,109 | -1,289 | -22,269 | -22,005 | -6,037 | -1,952 | -2,329 | -77,654 |
| Trade Provisions | -4,539 | 0 | 70,058 | -223 | -1,682 | -3,423 | 8,700 | 0 | 68,891 |
| NET OPERATING PROFIT | 44,011 | 3,833 | -2,741 | 78,125 | 39,234 | 8,937 | 16,671 | -2,405 | 185,664 |
| Changes in fixed assets provisions | 0 | 0 | 0 | 0 | 21 | 0 | 0 | 0 | 21 |
| NET OPERATING PROFIT | 44,011 | 3,833 | -2,741 | 78,125 | 39,254 | 8,937 | 16,671 | -2,405 | 185,685 |
| Financial results | 5,872 | -8,279 | -17,136 | -32,266 | -14,511 | -5,268 | -121,691 | -21,576 | -214,856 |
| Adjustment in exchange rates | -1,091 | 37 | 0 | 0 | 0 | 5,615 | 632 | -280 | 4,912 |
| Share of profit (loss) of associates | -26 | -8,569 | -28 | 16 | -70 | 220 | 103,825 | -409 | 94,959 |
| Provisions for financial investments | 0 | 0 | 12,001 | 0 | 120 | -363 | -193 | 0 | 11,565 |
| Change in value of financial instruments at fair value through profit or loss | 0 | 0 | 0 | 0 | -158 | 0 | 0 | 0 | -158 |
| Gain (loss) on disposal of non current assets | 1,113 | -2 | -630 | 0 | -36 | 0 | 0 | 0 | 445 |
| PROFIT BEFORE TAXES | 49,880 | -12,981 | -8,535 | 45,875 | 24,600 | 9,141 | -755 | -24,671 | 82,554 |
| Corporate Tax | -14,036 | 929 | 1,625 | -15,141 | -5,414 | -3,455 | 37,757 | 638 | 2,902 |
| PROFIT (LOSS) FOR THER PERIOD FROM CONTINUING OPERATIONS | 35,844 | -12,052 | -6,910 | 30,734 | 19,185 | 5,685 | 37,002 | -24,033 | 85,455 |
| PROFIT (LOSS) FOR THE PERIOD FROM DISCONTINUING OPERATIONS | 0 | 896 | 0 | 0 | 0 | 0 | 0 | 0 | 896 |
| PROFIT FOR THE PERIOD | 35,844 | -11,155 | -6,910 | 30,734 | 19,185 | 5,685 | 37,002 | -24,033 | 86,351 |
| Minorities | -435 | 1,157 | -3,944 | -63 | -1,314 | -30 | 0 | -124 | -4,753 |
| NET ATTRIBUTABLE PROFIT | 35,408 | -9,999 | -10,853 | 30,672 | 17,871 | 5,655 | 37,002 | -24,157 | 81,598 |

| CONSOLIDATED INCOME STATEMENT AS OF JUNE 30, 2009 | | | | | | | | | |
|---|------------------|----------------|------------------|----------------|----------------|----------------|-----------------|-----------------|------------------|
| (Thousands of Euros) | Sacyr | Concessions | Vallehermoso | Testa | Valoriza | Somague | Holding | Adjustments | TOTAL |
| Revenue | 1,312,385 | 20,581 | 1,159,897 | 131,790 | 430,739 | 388,076 | 26,474 | -174,941 | 3,295,001 |
| Other Income | 83,662 | 153,008 | 23,695 | 488 | 41,338 | 18,065 | 11,696 | -151,933 | 180,018 |
| Total Income | 1,396,046 | 173,589 | 1,183,593 | 132,278 | 472,077 | 406,141 | 38,170 | -326,874 | 3,475,019 |
| External and Operating Expenses | -1,327,557 | -162,932 | -1,135,652 | -25,213 | -417,755 | -388,800 | -118,896 | 312,856 | -3,263,949 |
| GROSS OPERATING PROFIT | 68,489 | 10,657 | 47,941 | 107,065 | 54,322 | 17,341 | -80,726 | -14,018 | 211,071 |
| Depreciation and amortization expenses | -9,542 | -7,417 | -1,250 | -23,083 | -17,701 | -6,657 | -2,110 | -4,251 | -72,010 |
| Trade Provisions | -1,614 | 0 | -101,666 | -252 | -4,368 | -924 | -30,002 | 0 | -138,826 |
| NET OPERATING PROFIT | 57,333 | 3,240 | -54,975 | 83,730 | 32,252 | 9,760 | -112,838 | -18,269 | 235 |
| Changes in fixed assets provisions | 0 | 0 | 0 | 4,705 | 0 | 0 | 332,033 | -332,033 | 4,705 |
| NET OPERATING PROFIT | 57,333 | 3,240 | -54,975 | 88,435 | 32,252 | 9,760 | 219,196 | -350,302 | 4,939 |
| Financial results | 1,695 | -4,370 | -44,368 | -35,845 | -10,526 | -7,889 | -206,486 | -1,412 | -309,201 |
| Adjustment in exchange rates | -315 | -1 | 0 | 0 | -616 | 345 | -19 | 13 | -593 |
| Share of profit (loss) of associates | 210 | -8,410 | 5 | -32 | 889 | 163 | 128,255 | -378,663 | -257,583 |
| Provisions for financial investments | 0 | 0 | -82 | 0 | 0 | -100 | -7,924 | 7,924 | -182 |
| Change in value of financial instruments at fair value through profit or loss | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Gain (loss) on disposal of non current assets | 4,074 | 0 | 0 | 62,859 | -103 | 0 | -331,997 | 329,583 | 64,416 |
| PROFIT BEFORE TAXES | 62,997 | -9,541 | -99,419 | 115,417 | 21,897 | 2,279 | -198,976 | -743,159 | -498,204 |
| Corporate Tax | -21,248 | 592 | 28,961 | -33,221 | -5,288 | -1,450 | 93,981 | 114,137 | 176,463 |
| PROFIT (LOSS) FOR THE PERIOD FROM CONTINUING OPERATIONS | 41,749 | -8,949 | -70,458 | 82,196 | 16,608 | 830 | -104,995 | -629,022 | -321,740 |
| PROFIT FOR THE PERIOD FROM DISCONTINUING OPERATIONS | 0 | 164 | 0 | 0 | 0 | 0 | 717,934 | 21,699 | 739,798 |
| PROFIT FOR THE PERIOD | 41,749 | -8,786 | -70,458 | 82,196 | 16,608 | 830 | 612,939 | -607,323 | 418,057 |
| Minorities | 445 | 937 | -21 | -127 | -307 | 26 | 0 | -749 | 204 |
| NET ATTRIBUTABLE PROFIT | 42,194 | -7,849 | -70,479 | 82,068 | 16,301 | 856 | 612,939 | -608,072 | 418,261 |

| CONSOLIDATED BALANCE SHEET AS OF JUNE 30,2010 | | | | | | | | | |
|--|------------------|--------------------|---------------------|------------------|------------------|----------------|-------------------|--------------------|-------------------|
| (Thousands of Euros) | Sacyr | Concessions | Vallehermoso | Testa | Valoriza | Somague | Holding | Adjustments | TOTAL |
| NON CURRENT ASSETS | 306,496 | 1,577,292 | 104,960 | 3,959,831 | 1,024,991 | 183,443 | 11,243,354 | -4,386,763 | 14,013,605 |
| Intangible Assets | 750 | 134 | 0 | 0 | 12,499 | 882 | 2,335 | 0 | 16,600 |
| Investments properties | 5,444 | 0 | 54,717 | 3,016,492 | 0 | 0 | 0 | -393,206 | 2,683,446 |
| Concessions Investments | 76,635 | 912,555 | 0 | 121,570 | 368,745 | 7,485 | 0 | -46,084 | 1,440,905 |
| Property, plant and equipment | 134,029 | 5,195 | 2,566 | 1,861 | 351,265 | 89,358 | 8,027 | 0 | 592,301 |
| Financial Assets | 89,639 | 658,608 | 40,782 | 819,908 | 165,368 | 58,048 | 11,232,992 | -3,968,579 | 9,096,766 |
| Other non Current Assets | 0 | 800 | 6,896 | 0 | 9,223 | 0 | 0 | -800 | 16,119 |
| Goodwill | 0 | 0 | 0 | 0 | 117,891 | 27,670 | 0 | 21,906 | 167,467 |
| CURRENT ASSETS | 2,611,718 | 690,432 | 2,127,432 | 79,879 | 639,902 | 791,808 | 793,947 | -860,454 | 6,874,665 |
| Non current assets held for sale | 0 | 516,806 | 0 | 0 | 0 | 0 | 286,514 | 0 | 803,320 |
| Inventories | 303,694 | 18 | 2,031,232 | 0 | 21,964 | 53,782 | 678 | 400,080 | 2,811,447 |
| Trade and other receivables | 1,538,434 | 101,813 | 57,180 | 24,970 | 528,419 | 652,145 | 179,908 | -540,798 | 2,542,071 |
| Financial Assets | 573,372 | 8,634 | 1,348 | 1,301 | 16,616 | 6,616 | 326,374 | -718,634 | 215,626 |
| Cash | 196,218 | 63,162 | 37,672 | 53,608 | 72,903 | 79,266 | 474 | -1,102 | 502,200 |
| ASSETS = LIABILITIES | 2,918,215 | 2,267,724 | 2,232,392 | 4,039,711 | 1,664,893 | 975,251 | 12,037,301 | -5,247,217 | 20,888,270 |
| Equity | 588,826 | 260,314 | 40,094 | 1,260,196 | 346,665 | 144,852 | 2,504,789 | -1,798,170 | 3,347,566 |
| Shareholder's Equity | 569,530 | 156,820 | 35,235 | 1,254,432 | 319,704 | 144,664 | 2,504,789 | -1,716,749 | 3,268,424 |
| Minority Interests | 19,296 | 103,494 | 4,859 | 5,765 | 26,961 | 189 | 0 | -81,422 | 79,142 |
| NON CURRENT LIABILITIES | 201,402 | 1,043,336 | 317,749 | 2,641,514 | 564,523 | 75,287 | 7,862,254 | -2,123,871 | 10,582,195 |
| Financial Debt | 93,135 | 772,875 | 170,516 | 2,570,447 | 378,481 | 50,028 | 5,355,617 | -27,638 | 9,363,461 |
| Financial Instruments at fair value | 1,244 | 142,158 | 0 | 16,135 | 29,468 | 3,145 | 163,823 | -3,145 | 352,827 |
| Provisions | 6,944 | 10,271 | 55,374 | 8,052 | 31,299 | 5,090 | 995 | -8,876 | 109,149 |
| Other non current Liabilities | 100,079 | 118,032 | 91,860 | 46,880 | 125,274 | 17,024 | 2,341,819 | -2,084,212 | 756,758 |
| CURRENT LIABILITIES | 2,127,987 | 964,074 | 1,874,549 | 138,000 | 753,706 | 755,112 | 1,670,258 | -1,325,177 | 6,958,509 |
| Liabilities associated with the non current assets held for sale | 0 | 421,189 | 0 | 0 | 0 | 0 | 0 | 0 | 421,189 |
| Financial Debt | 172,858 | 150,218 | 1,404,234 | 99,731 | 310,405 | 180,793 | 634,287 | -11 | 2,952,515 |
| Trade Accounts Payable | 1,468,384 | 46,385 | 289,711 | 17,702 | 244,884 | 464,142 | 178,575 | 33,229 | 2,743,011 |
| Operating Provisions | 87,692 | 0 | 47,796 | 653 | 9,234 | 21,419 | 21,300 | 0 | 188,093 |
| Other current liabilities | 399,052 | 346,282 | 132,808 | 19,914 | 189,184 | 88,758 | 836,097 | -1,358,396 | 653,700 |

| CONSOLIDATED BALANCE SHEET AS OF DECEMBER 2009 | | | | | | | | | |
|--|------------------|--------------------|---------------------|------------------|------------------|----------------|-------------------|-------------------|-------------------|
| (Thousands of Euros) | Sacyr | Concessions | Vallehermoso | Testa | Valoriza | Somague | Holding | Ajustes | TOTAL |
| NON CURRENT ASSETS | 253,256 | 1,806,277 | 127,098 | 3,809,317 | 996,720 | 182,056 | 10,961,558 | -4,307,069 | 13,829,213 |
| Intangible Assets | 2,631 | 129 | 0 | 0 | 11,199 | 1,254 | 2,839 | 0 | 18,052 |
| Investments properties | 4,062 | 0 | 51,359 | 3,035,654 | 0 | 0 | 0 | -391,383 | 2,699,691 |
| Concessions Investments | 82,620 | 931,613 | 0 | 101,328 | 368,795 | 5,600 | 0 | -54,860 | 1,435,095 |
| Property, plant and equipment | 81,525 | 5,802 | 6,510 | 27,575 | 340,252 | 92,499 | 9,034 | -54 | 563,143 |
| Financial Assets | 82,419 | 867,934 | 62,899 | 644,760 | 150,303 | 55,033 | 10,949,684 | -3,881,877 | 8,931,156 |
| 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 | 165,111 | 2,415,315 | 247,557 | 594,092 | 725,580 | 565,962 | -664,493 | 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 |
| Trade and other receivables | 1,364,270 | 59,247 | 53,600 | 100,826 | 465,155 | 595,018 | 26,830 | -368,139 | 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 | 2,717,951 | 1,971,389 | 2,542,414 | 4,056,874 | 1,590,812 | 907,636 | 11,527,519 | -4,971,562 | 20,343,032 |
| Equity | 537,684 | 207,963 | 51,010 | 1,215,967 | 340,109 | 139,445 | 2,150,012 | -1,688,310 | 2,953,879 |
| Shareholder's Equity | 519,525 | 186,348 | 47,467 | 1,210,264 | 313,163 | 139,288 | 2,150,012 | -1,710,306 | 2,855,763 |
| Minority Interests | 18,159 | 21,615 | 3,542 | 5,702 | 26,945 | 157 | 0 | 21,995 | 98,116 |
| NON CURRENT LIABILITIES | 183,929 | 1,355,671 | 394,566 | 2,680,065 | 592,596 | 71,669 | 7,630,133 | -1,909,861 | 10,998,768 |
| Financial Debt | 100,933 | 1,143,235 | 230,232 | 2,612,517 | 418,844 | 51,807 | 5,413,342 | -11,410 | 9,959,499 |
| 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 | 74,911 | 100,139 | 61,578 | 42,136 | 130,425 | 15,373 | 2,031,581 | -1,889,773 | 566,369 |
| CURRENT LIABILITIES | 1,996,338 | 407,754 | 2,096,838 | 160,842 | 658,107 | 696,522 | 1,747,378 | -1,373,394 | 6,390,384 |
| Liabilities associated with the non current assets held for sale | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Financial Debt | 161,767 | 38,139 | 1,501,356 | 100,524 | 214,780 | 171,615 | 511,912 | -14,547 | 2,685,547 |
| Trade Accounts Payable | 1,542,289 | 30,178 | 434,072 | 43,415 | 287,835 | 414,965 | 180,948 | 23,991 | 2,957,694 |
| Operating Provisions | 91,710 | 0 | 893 | 803 | 10,775 | 20,745 | 30,000 | 0 | 154,926 |
| Other current liabilities | 200,573 | 339,436 | 160,516 | 16,099 | 144,717 | 89,197 | 1,024,518 | -1,382,838 | 592,218 |

*Balance Sheet at December 31 2010, it has been restated following adoption of IFRIC 12.

III. PERFORMANCE BY BUSINESS AREA

SACYR/SOMAGUE

This business posted revenue of €1,465.6 million in the first half of 2010, a 13.8% year-on-year decline, due partly to the downturn in activity in Spain resulting from the generalised fall in residential construction and to adverse weather conditions in the early months of the year, which slowed the pace of construction. However, international activity picked up, with revenue of €578.1 million, up 12% on 1H09.

The EBITDA margin advanced 0.2pp year-on-year to 5.2% from 5.0%.

The main contributor, Sacyr, obtained €1,091.8 million of revenue, 74.5% of the total. Meanwhile, Somague reported a 27% increase in revenue, to €373.8 million.

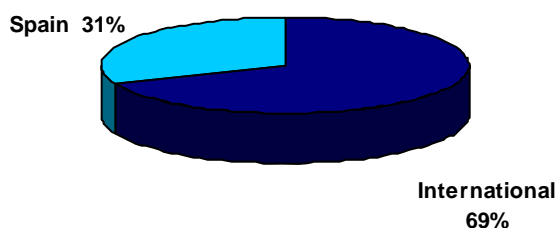
The large construction backlog at 30 June of €7,791.0 million guarantees 31.9 months of activity.

Civil engineering work makes up 87.1% of the construction backlog, non-residential construction 10.2% and residential construction the remaining 2.7%.

| CONSTRUCTION PORTFOLIO | June | | % Var 10/09 |
|--------------------------|------------------|------------------|----------------|
| | 2010 | 2009 | |
| Civil work | 6,784,080 | 6,258,602 | 8.4% |
| Non residential building | 798,153 | 779,534 | 2.4% |
| Residential building | 208,801 | 276,078 | -24.4% |
| TOTAL | 7,791,034 | 7,314,214 | 6.5% |
| International | 5,350,393 | 4,520,392 | 18.4% |
| Spain | 2,440,641 | 2,793,823 | -12.6% |

At 30 June 2010, 68.7% of Sacyr Vallehermoso Group's construction backlog related to international projects, underpinned by the Group's intense tendering activity. Of the projects in the backlog, 73.4% are in the EU, 31.3% in Spain, 31.1% in Italy, 10.7% in Portugal, and 0.3% in Ireland. The remaining 26.6% are located in other countries and mainly relate to the project won in Panama.

CONSTRUCTION PORTFOLIO 2010



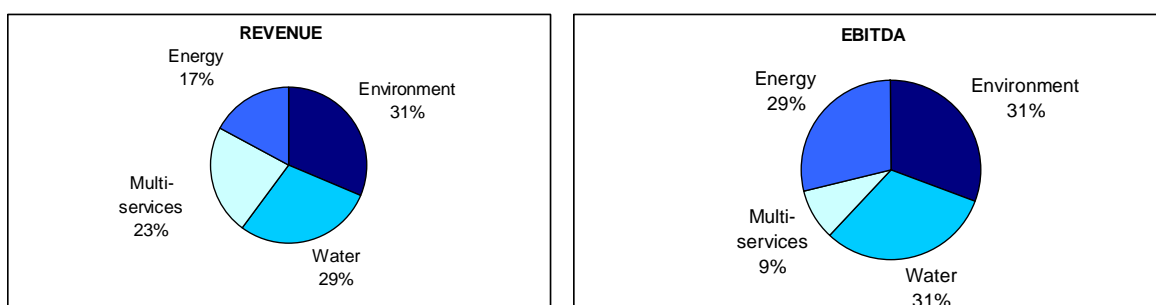
The main contracts won in the first half of 2010 include:

- Construction work on access to the new Barcelona airport terminal (Barcelona's local rail network), worth €221.8 million.
- Reinforcement work on the "Venda Nova III" dam in Portugal, with a €143.78 million budget.
- Construction of the Levante II prison in Valencia, for €86.8 million.
- Ancillary work on the high-speed railway line between Leon and Asturias (Pajares tunnels) in a contract awarded by the Spanish Railway Infrastructure Administrator (ADIF) to a consortium whose members include Sacyr Group companies, Cavosa and Neopol, for €68.1 million.
- Construction of a local rail network station in Zaragoza, worth €33.1 million.
- Empresa de Gestión Medioambiental, S.A., which belongs to the Andalusian regional government's environment department awarded the consortium whose members include Sacyr Group companies and Prinur, among others, the contract to build the new pipe network connecting the "Canal del Viar" channel to the Seville water supply system. The budget for this project is €21.61 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 Sonangol Distribuidora's headquarters in Angola, worth €25.8 million.
- Malaga town council's housing institute awarded Sacyr the €8.33 million contract to build 128 government-subsidised homes in the "García Grana" district, with an execution period of 14 months.

VALORIZA

Valoriza reported a 12.3% increase in revenue to €483.7 million in 1H10 from €430.8 million in 1H09, driven by organic growth in its four main business areas with the start-up of new projects. Growth was particularly strong in the Environment (20%) and Water (17%) divisions. EBITDA soared 15.8% to €62.9 million, leaving an EBITDA margin of 13.0%, compared to 12.6% in the first half of 2009.

The breakdown of revenue and the contribution to EBITDA by the main business areas are as follows:



▪ **Environment:**

The Environment division generated revenue of €152 million, up 20.4% on the year-earlier figure of €125.8 million. The Group has broadened its footprint in this activity through recycling and waste recovery concessions (urban waste, sludge and waste containers) and access to other services (e.g. cleaning, parking meters).

Projects won by the Group in the first half of 2010 include the operation of the 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 contract to maintain, preserve and operate a composting and packaging treatment plant in Abajas (Burgos); and maintenance of Las Rozas town council's green areas.

▪ **Water:**

Water Management revenue totalled €138.3 million in 1H10, up 17% on the €118.2 million of the first half last year. Valoriza Agua carries out this activity in Spain and AGS in Brazil and Portugal, supplying water to over 3 million people. Sadyt, the specialist water technology company, has developed over 50 wastewater treatment and desalination plants. It is involved 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 electrodialysis reversal (EDR) technology.

In the first half of 2010, Valoriza, through Sadyt, won the contract to enlarge and subsequently operate through a concession the wastewater treatment plant in Yeles (Toledo). The concession is for 25 years and the total budget is €103.8 million. Another major contract win was the 25-year drinking water concession in Alamillo.

- **Multi-services:**

Revenues from the Multi-services business amounted to €110.3 million in 1H10, 13.9% higher than the €96.8 million obtained in the first six months of 2009. Contracts won by Valoriza Facilities, which specialises in the provision of auxiliary services, include a four-year end-to-end management contract for the Elche (Alicante) senior citizens' home and a cleaning and waste collection contract for the Meixoeiro hospital (Vigo).

Meanwhile, Valoriza Servicios a la Dependencia continues to expand its activities through a range of contracts to provide care services to dependent people.

- **Energy:**

Revenue in 1H10 from alternative energy activities amounted to €83.6 million. Valoriza Energía oversees the SyV Group's actions in the areas of energy, focusing on the development, construction and operation of energy efficiency and renewable energy projects.

TESTA

Testa reported revenues of €125.9 million through 30 June 2010. Of this amount, €123.1 million related to rental income on properties in operation. The remaining €2.8 million came from property management services.

EBITDA reached €100.6 million, leaving an EBITDA margin of 79.9%, in line with the first half of 2009 (81.2%). This underscores the resilience of the SyV Groups' Rental Property division against a backdrop of overall market decline.

Revenue was 4.5% lower than the first half of last year, due mainly to the disposal of rental properties at the end of March 2009. Specifically, the company sold a shopping centre, several senior citizens' homes and other minor assets.

Like-for-like rental income was broadly steady (+0.6%), thanks to the decrease in leasable area and revisions to rental contracts since June 2009 –these entailed decreases as lease renewals were based on annual CPI indexes, which were negative.

| REVENUE Thousand of Euros | June | | % Var 10/09 |
|------------------------------|----------------|----------------|----------------|
| | 2010 | 2009 | |
| Offices | 83,116 | 85,443 | -2.7% |
| Shopping centers | 12,568 | 13,010 | -3.4% |
| Hotels | 14,068 | 12,187 | 15.4% |
| Housing for rental | 6,332 | 6,229 | 1.7% |
| Industrial Building | 5,611 | 5,840 | -3.9% |
| Senior citizens homes | 897 | 672 | 33.6% |
| Parkings | 558 | 537 | 3.9% |
| Rental income L-f-L | 123,150 | 123,918 | -0.6% |

No significant rental properties were sold in the first half of 2010. At 30 June 2010, leasable area totalled 1,508.5 thousand m², up 0.9% on the 1,494.5 thousand m² at 30 June 2009. Last year, proceeds from rental property disposals amounted to €62.9 million.

The occupancy rate at 30 June 2010 was 95.8%.

At 30 June 2010, work was underway on a senior citizens' home, on a housing development contract awarded by the Madrid regional government comprising rent-to-own homes for young people, and other projects.

VALLEHERMOSO

Vallehermoso reported 1H10 revenue of €299.4 million, down 74.2% from the €1,159.9 million of 1H09 due to the large amount of land sales last year.

Of the total, €287.3 million of revenue was from residential development sales and €9.8 million from land sales. Service revenue amounted to €2.3 million.

The EBITDA margin on residential development was 8.4%, while the total margin was undermined by the impact of sales at losses, which were recognised last year through related provisions.

| REVENUE (Thousands of euros) | JUNE | | % Var 10/09 |
|--|----------------|------------------|----------------|
| | 2009 | 2008 | |
| Residential Products | 287,265 | 385,275 | -25.4% |
| <i>Gross Margin / sales(%)</i> | 8.4% | 12.0% | |
| Land | 9,798 | 770,953 | -98.7% |
| <i>Margin (%)</i> | -503.5% | 3.7% | |
| Total Residencialt product and land | 297,063 | 1,156,228 | -74.3% |
| Services | 2,297 | 3,669 | -37.4% |
| <i>Margin (%)</i> | 100.0% | 100.0% | |
| REVENUE | 299,360 | 1,159,897 | -74.2% |

Pre-sales stood at €402.8 million at 30 June 2010.

SACYR CONCESIONES

The adoption of IFRIC 12 Service Concession Arrangements in 2010 affects six concessions in operation: Aunor (Spain), San José-Caldera (Costa Rica), the two transport hubs (Moncloa and Plaza Elíptica) and two hospitals (Parla and Noreste). Figures for the first half of 2009 have been restated in accordance with IFRIC 12 and are therefore fully comparable.

In addition, in May 2010, SyV reached an agreement to sell 49% stakes in four concessions: the Moncloa and Plaza Elíptica transport hubs, and the Autovía Noroeste and Autovía del Turia toll motorways. In accordance with IFRS 5, these four assets have been classified as "Non-current assets held for sale", with the related income and expenses shown under "Profit for the period from discontinued operations" in the consolidated income statement net of tax. Data for 2009 have been restated accordingly. Once the sales have been settled, the investments will be consolidated using proportionate consolidation.

Sacyr Concesiones reported revenue of €30.0 million in the first half of 2010, compared to €20.6 million in the first half of 2009, a sharp 45.8% increase due to the good performances of existing concessions and the start of two new concessions: the "Autopista del Sol" motorway (S. José-Caldera) in Costa Rica, a section of which was opened in June 2010, and the N-6 motorway between Galway and Ballinasloe in Ireland on 18 December 2009.

EBITDA in 1H10 increased by 49.6% to €15.9 million, leaving an EBITDA margin of 53.1%, compared to 51.8% in the same period last year.

Traffic on the Group's motorways in the first half of 2010 fared well in general, particularly on the Eresma, Barbanza, Viastur and Turia roads.

| Thousands of Euros | June 2010 | | June 2009 | | % Var.10/09 | |
|------------------------------------|-------------|----------------|-------------|----------------|--------------|-------|
| | Revenue | ADT | Revenue | ADT | Revenue | ADT |
| Sacyr Concesiones | 27.7 | | 17.2 | | 60.9% | |
| Aunor (**) | 1.1 | 11,874 | 1.1 | 12,026 | -0.6% | -1.3% |
| Turia (**) | 5.4 | 36,980 | 5.3 | 36,412 | 1.6% | 1.6% |
| Viastur | 3.1 | 22,178 | 3.0 | 20,737 | 5.6% | 6.9% |
| Eresma | 2.5 | 6,287 | 2.4 | 5,813 | 5.2% | 8.2% |
| Barbanza | 2.1 | 12,175 | 1.9 | 11,215 | 7.7% | 8.6% |
| Pamasa | 1.6 | 20,303 | 1.7 | 20,525 | -1.9% | -1.1% |
| Autopista San José - Caldera | 3.0 | 21,694 | 0.0 | - | n.s. | n.s. |
| N-6 Galway- Ballinasloe | 5.6 | 8,612 | 0.0 | - | n.s. | n.s. |
| Hospital del Noreste | 5.0 | | 4.2 | | 18.2% | |
| Hospital de Parla | 3.9 | | 3.2 | | 21.8% | |
| Intercambiador Plaza Elíptica (**) | 1.4 | 4,243,733 (1) | 1.4 | 4,381,199 (1) | 3.6% | -3.1% |
| Intercambiador Moncloa (**) | 2.8 | 12,112,733 (1) | 2.2 | 11,750,001 (1) | 28.0% | 3.1% |
| Neopistas | 0.9 | | 0.9 | | 0.1% | |

(1) Number of passengers

* Pro forma IFRIC 12

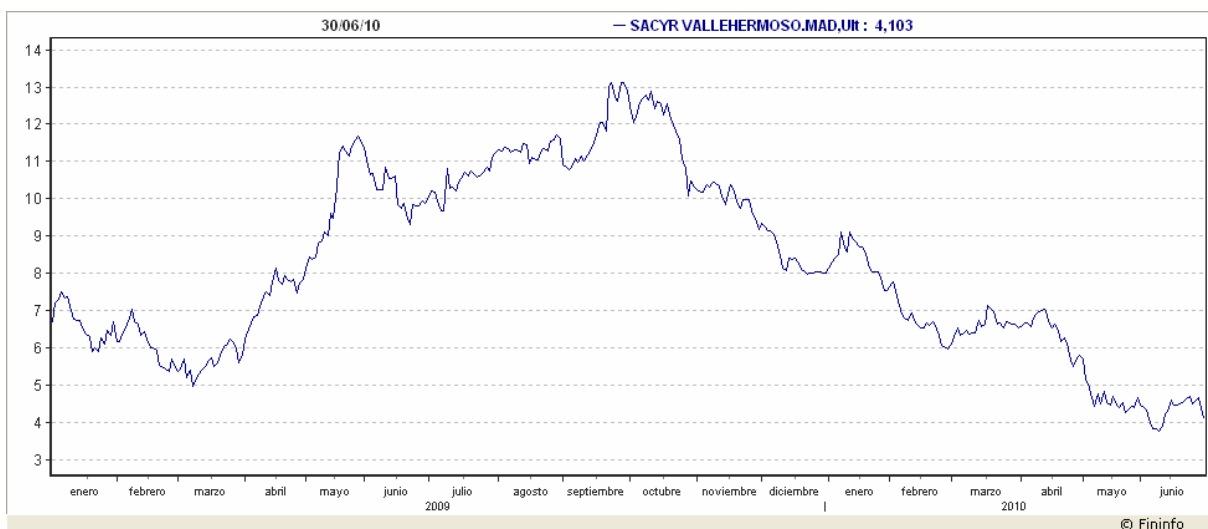
(**) At 30 June these concessions did not provide revenue, net profit is reflected in discontinued operations.

At 30 June 2010, Sacyr Concesiones had a portfolio of 29 concessions in six countries. Of these, 18 are toll motorway concessions, 15 of which are located in the EU (11 in Spain, 1 in Portugal, 2 in Ireland and 1 in Italy) and three in Latin America (1 in Chile and 2 in Costa Rica). It also holds 11 concessions for other assets, namely three hospitals in Madrid, two hospitals in Portugal, two transport hubs in Madrid, two underground lines (one in Seville and one in Tenerife), one airport in Murcia and one motorway service area company.

Recurring revenue from activities, adjusted for the adoption of IFRIC 12, amounted to €28,691.5 million through 30 June 2010, while EBITDA was €13,471.6 million.

V. STOCK MARKET PERFORMANCE

| | JUNE | | % Var 10/09 |
|---|-----------|-----------|----------------|
| | 2010 | 2009 | |
| Market Price at closing (euros per share) | 4.10 | 9.88 | -58.47% |
| High share price | 9.40 | 12.26 | -23.33% |
| Low share price | 3.71 | 4.77 | -22.22% |
| Market Capitalization at closing (Thousands of euros) | 1,251,281 | 3,013,078 | -58.47% |
| Average Trading Volume (Thousands of euros) | 1,126,088 | 565,149 | 99.26% |
| Average Daily Trading Volume (Number of shares) | 1,579,909 | 601,772 | 162.54% |
| Liquidity (%) | 100 | 100 | |
| Number of shares (Thousands) | 304,967 | 304,967 | |
| Share Nominal Value | 1 EURO | 1 EURO | |



VI. SHAREHOLDER STRUCTURE

At June 30, 2010 the Directors and Titleholders who hold significant stakes at Sacyr Vallehermoso S.A. are the following:

| | Shares | % |
|--|--------------------|---------------|
| Actividades Inmobiliarias y Agrícolas, S.A. (1) | 18,483,842 | |
| D. Luis del Rivero Asensio (1) | 41,924,228 | 13.75% |
| Prilomi, S.L.(2) | 15,327,335 | |
| Prilou, S.L. (2) | 41,171,576 | 13.50% |
| Austral B.V. (3) | 30,961,028 | |
| Nueva Compañía de Inversiones, S.A. (3) | 30,545,942 | 10.02% |
| D. Manuel Manrique Cecilia (4) | 23,339,877 | 7.65% |
| Participaciones Agrupadas, S.R.L. | 24,395,075 | 8.00% |
| D. Demetrio Carceller Arce (6) | 20,549,237 | 6.74% |
| D. Diogo Alvez Diniz Vaz Guedes | 15,537,874 | 0.51% |
| Mutua Automovilista (at July 7 2010. its share fell to 1%) | 15,267,857 | 5.01% |
| D. Jose Luis Méndez López (7) | 9,118,524 | 2.99% |
| Angel López Corona Dávila. (8) | 12,076,843 | 3.96% |
| Grupo Satocan, S.A.(9) | 10,791,133 | 3.54% |
| Matias Cortés Domínguez | 100 | 0.00% |
| TOTAL | 244,718,266 | 75.66% |

- (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) Participaciones Agrupadas, Caixanova and Unicaja, hold a joint share of 12.108% have signed a syndication agreement for the exercise unit so the voting rights.
- (6) Director representing Disa Corporación Petrolífera.
- (7) Director representing CXG Corporación Caixa Galicia, S.A.
- (8) Director representing Caixanova
- (9) Represented at the Board of Directors by Juan Miguel Sanjuán Jover, who has a 49.73% holding.