

SACYR

Financial Report

2012 Results



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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. INCOME STATEMENT

STATEMENT OF INCOME (Thousands of Euros)	December		% chg 12/11
	2012	2011	
Turnover	3,613,733	3,820,246	-5.4%
Other Sales	213,417	298,448	-28.5%
Total Income	3,827,150	4,118,694	-7.1%
External and Operating Expenses	-3,321,065	-3,595,132	-7.6%
GROSS OPERATING PROFIT	506,085	523,562	-3.3%
Depreciation	-187,442	-203,690	-8.0%
Trade Provisions	-364,331	-105,018	ns
NET OPERATING PROFIT	-45,688	214,854	ns
Financial results	-404,565	-539,228	-25.0%
Forex results	479	508	-5.6%
Results from equity accounted subsidiaries	-869,356	-671,931	-29.4%
Provisions for financial investments	-36,676	-25,962	-41.3%
Change in value of financial instruments	-9,661	232	ns
Results from sales of non current assets	-120	-1,124,955	ns
PROFIT BEFORE TAXES	-1,365,588	-2,146,483	36.4%
Corporate Tax	385,767	539,591	-28.5%
PROFIT FOR CONTINUING ACTIVITIES	-979,821	-1,606,892	39.0%
RESULTS FOR COMPANIES WITH DISCONTINUOUS ACTIVITIES	3,069	4,766	-35.6%
CONSOLIDATE RESULTS	-976,752	-1,602,127	39.0%
Minorities	-784	-2,004	60.9%
NET ATTRIBUTABLE PROFIT	-977,536	-1,604,131	39.1%
Gross margin	14.0%	13.7%	0,3 pp

- Positive business performance.** Revenue was down 5.4% on the same figure for 2011, while EBITDA fared somewhat better, falling just 3.3% year-on-year due to the company's strict policy of controlling operating costs. The improved showing during the latter half of the year has helped check the slump in revenues, which moved from 20% at the close of 2011 and 17% over the first half of 2012 to its current level of -5%, and in EBITDA, which has rallied from -7% to -3%.
- Operating margins in the Group's core businesses improve:** the consolidated EBITDA margin stood at 14.0% in 2012, in comparison to the 13.7% of 2011, while margins also improved across the various businesses.

- Heavy business in the **International** area is continuing to pay off. In 2012, a number of major contracts were secured in Chile, Panama and Angola, while new markets such as Togo, Colombia and Bolivia were successfully added to bolster Sacyr's existing range of markets.

- **Net profit** features a number of impacts on the income statement that have had no effect on cash flow (as they relate to changes in accounting or asset measurement criteria) and which hinder the task of comparing earnings between 2012 and 2011. The most significant of these impacts was the impairment in the value of the company's holding in Repsol intended to bring it to its fair value. Sacyr recognised the impairment at 30 June 2012, with the impact on the income statement of -€973 million (-€780 million net of tax). Sacyr also made a number of value adjustments to some of its assets in 2012 –primarily property and assets under concession– to bring them to their fair value and recognised provisions to cover the impact that any further worsening of the current economic situation might have on its business activities. Recurring profit, net of these one-off impacts, would have reached €90 million after tax.

REVENUE AND EBITDA

Revenue amounted to €3,614 million at 31 December 2012, having increased across all business lines except construction, which was hurt by the slow-down in domestic business.

In the fourth quarter of the year, the company invoiced €964 million, up 21% year-on-year and up also on the same figure for the preceding quarters of 2012, thus consolidating the turnaround first seen in the second half of the year.

EBITDA also fared well, climbing to €506 million at 31 December 2012 and leaving an EBITDA margin of 14%, up on the 13.7% seen at 31 December 2011 and underscoring the profitability of the Group's core businesses.

As in previous quarters, the decline in revenue did not impact EBITDA directly as Sacyr continues to keep a close eye on trading margins and to monitor strict compliance with its cost-control plan.

Revenue by business area is as follows:

REVENUE (Thousands of Euros)	DECEMBER		% chg 12/11
	2012	2011	
Construction (Sacyr-Somague)	1,975,525	2,438,782	-19.0%
Services (Valoriza)	1,123,016	991,901	13.2%
Concessions (Sacyr Concesiones)	267,212	444,042	13.8% (*)
Property (Testa)	251,627	250,902	0.3%
Housing Development (Vallehermoso)	189,885	179,606	5.7%
Holding and adjustments	-193,533	-484,987	
REVENUE	3,613,733	3,820,246	-5.4%

(*) Revenue growth, excluding revenue from construction

GROSS OPERATING PROFIT (EBITDA) (Thousands of Euros)	December		% chg 12/11
	2012	2011	
Construction (Sacyr - Somague)	114,780	141,026	-18.6%
Services (Valoriza)	178,624	158,227	12.9%
Concessions (Sacyr Concesiones)	94,123	92,941	1.3%
Property (Testa)	217,776	200,206	8.8%
Housing development (Vallehermoso)	-83,119	-53,081	-56.6%
Holding and adjustments	-16,098	-15,757	ns
GROSS OPERATING PROFIT	506,085	523,562	-3.3%
<i>Ebitda Margin (%)</i>	<i>14.0%</i>	<i>13.7%</i>	

- In **Construction**, revenues totalled €1,976 million, with international business already accounting for 52% of the total. Revenue was lower in Spain and Portugal, although this was partly offset by a 9% increase in revenue from the other countries where Sacyr operates. The construction backlog stood at €5,998 million, 80% of which relates to projects abroad. In 2012, major contracts were awarded in Chile, Panama, Angola, Togo and Colombia. This high order book guarantees the future performance of this business.
- Services** continues to grow at a rapid pace, with revenue gaining 13% year-on-year. This growth was particularly pronounced in Water (+41%), due to start of construction on the Ashdod desalination plant (Israel) and upgrades to the Perth desalination plant (Australia), and also in Multi-services (+13%), owing to the organic growth seen in this line of business.
- In the field of **Concessions**, revenue from assets under concession climbed 14% largely due to the start-up of new concessions (the Vallenar-Caldera motorway in Chile towards the end of

2011, and in 2012 the Hospital de Isla Terceira (Azores) and a section of the Arlanzón motorway).

- Stable and recurring sources of income meant that revenue from **Rental Property** remained more or less unchanged, despite the business having less leasable floor area, as a result of having sold an office block in Barcelona in 2012. Like-for-like rental revenue (i.e. same leasable area) grew 1.3%.
- Lastly, in the **Housing Development** business, 509 homes were delivered for a total price of €132 million and land worth €53 million was sold, while €5 million were received for services rendered. The business line performed admirably over the latter half of the year, having sold by the end of the year 40% of its opening housing inventory.

Year-on-year EBITDA performance was largely affected by the property development business and the slow-down in domestic construction.

Margins in the other business areas remained largely unchanged year-on-year despite the worsening macroeconomic and financial environment. In **Construction**, the company reported an EBITDA margin of 5.8%, while this climbed to 16% in the case of **Services** and 59% for **Concessions**. Meanwhile, in the **Rental Property** business, the EBITDA margin, excluding asset rotation, remained stable at 79%.

INTERNATIONAL ACTIVITY

International business at Sacyr already accounts for 41% of revenue in comparison to 39% at the close of 2011. The increasing relevance of international revenue is set to continue in the future given the heavy weighting of international business in the portfolio.

The economic downturn in Spain and Portugal triggered a 23% year-on-year collapse in the combined revenue from these markets (-9% in Spain and -47% in Portugal), while combined revenue from the rest of the markets where Sacyr operates was up 24%. This growth was driven mainly by business in Panama, Angola, Israel, Australia, Algeria, Brazil and Bolivia.

REVENUE (Thousands of Euros)	DECEMBER		% Chg. 12/11
	2012	2011	
Spain	2,128,315	2,348,125	-9%
Portugal	255,986	482,866	-47%
Other countries	1,229,432	989,255	24%
REVENUE	3,613,733	3,820,246	-5%
<i>INTERNATIONAL</i>	41%	39%	

By geographical area, 21% of international revenue was generated in Panama (expansion work on the Canal); 21% in Angola (construction work carried out by Somague and services rendered by Valoriza); 17% in Portugal; 11% in Chile (construction of concessions); 10% in Italy (construction work carried out by SIS); 6% in Australia (contribution of Valoriza Water); and 5% in Israel (also owing to the water business). The rest largely relates to business in Ireland, Costa Rica, Cape Verde, Brazil, Algeria and Bolivia, and to rental of properties run by Testa in Miami and Paris.

FINANCIAL RESULTS

Net finance expense amounted to -€405 million, down 25% on the -€539 million reported in 2011, as a result of the decrease in Group debt and a reduction in fees and other borrowing costs. The average interest rate on Group debt fell from 4.36% at 31 December 2011 to 4.00% in 2012.

RESULTS OF COMPANIES ACCOUNTED FOR USING THE EQUITY METHOD

This heading in the income statement includes a loss of €859 million from our holding in Repsol, €207 million of which relates to our share of Repsol's €2,060 million in net profit at 31 December 2012 and €1,066 million to the write-down in the fair value of the holding after conducting an impairment test.

REVENUE BACKLOG

The revenue backlog stood at €40,232 million, comprising mostly recurring business: concessions and services, which represent 51% and 28% of the total, respectively, not to mention the large construction backlog relating to international contract wins. Unrealised operating profit from the backlog amounts to €15,596 million.

BACKLOG (Thousands of Euros)	DECEMBER 2012		
	Revenue	% Ebitda(1)	Ebitda
Construction (Sacyr - Somague)	5,998,006	5.8%	348,489
Housing Development (Vallehermoso)	20,640		
Concessions (Sacyr Concesiones)	20,387,883	58.6%	11,948,166
Rental Property (Testa)	2,267,394	79.8%	1,809,258
Services (Valoriza)	11,558,272	15.9%	1,838,429
BACKLOG	40,232,195	38.8%	15,595,853

(1) EBITDA margin at 31 December 2012.

The contracts secured for the Antofagasta hospital, the La Serena-Ovalle stretch of the Ruta 43 motorway and the modernisation of the Costanera Norte road, all in Chile, explain the increase in the backlog over the final three months of 2012. Since the backlog is kept suitably replenished, its level at year-end 2012 was on par with that seen at the close of 2011.

INTERNATIONAL BACKLOG

International activities represented 55% of the total backlog.

BACKLOG (Thousands of Euros)	DECEMBER 2012	DECEMBER 2011*	% Chg. 12/11
Abroad	22,193,056	20,934,825	6.0%
Spain	18,039,139	19,054,303	-5.3%
BACKLOG	40,232,195	39,989,128	0.6%
% International	55%	52%	2.8 pp

* Restated for changes in consolidation scope

- International activities account for 80% of the construction backlog due to intensive public tendering activity outside of Spain, enabling the company to secure contracts in Chile, Italy, Panama, Israel, Angola, Cape Verde, Colombia, Togo and Bolivia, among other countries.
- The international backlog accounts for 65% of the concessions business and was generated by the Group's concessions in Chile, Italy, Costa Rica, Portugal and Ireland.
- The international backlog of Valoriza stands at 33% of this division's total, with presence in Israel, Algeria, Australia, Brazil, Portugal, Bolivia and other countries, and consisting mainly of water and industrial projects.

II. CONSOLIDATED BALANCE SHEET

BALANCE SHEET (Thousands of Euros)	DECEMBER		Var 12/11
	2012	2011	
NON CURRENT ASSETS	9,787,237	10,795,321	-1,008,085
Intangible Assets	11,614	14,982	-3,368
Real Estate Investments	2,494,075	2,623,606	-129,531
Concessions Investments	1,384,558	1,594,395	-209,837
Fixed Assets	552,712	604,369	-51,657
Financial Assets	5,199,104	5,800,562	-601,458
Other non Current Assets	2,045	13,217	-11,172
Goodwill	143,128	144,190	-1,062
CURRENT ASSETS	5,174,014	5,915,024	-741,010
Non current assets held for sale	199,668	319,793	-120,125
Inventories	1,996,548	2,322,000	-325,452
Accounts Receivable	2,124,694	2,423,711	-299,017
Financial Assets	227,767	265,100	-37,333
Cash	625,337	584,420	40,917
ASSETS = LIABILITIES	14,961,251	16,710,345	-1,749,094
EQUITY	1,476,156	2,548,286	-1,072,130
Shareholder's Equity	1,427,762	2,500,934	-1,073,172
Minority Interests	48,394	47,352	1,042
NON CURRENT LIABILITIES	7,723,907	8,295,615	-571,708
Financial Debt	6,634,815	7,265,169	-630,354
Financial Instruments at fair value	216,756	241,295	-24,539
Provisions	198,429	156,791	41,637
Other non current Liabilities	673,908	632,359	41,548
CURRENT LIABILITIES	5,761,187	5,866,445	-105,258
Liabilities associated with the non current assets held for sale	0	0	0
Financial Debt	2,738,783	2,314,971	423,812
Financial Instruments at fair value	23,077	17,086	5,991
Trade Accounts Payable	2,350,925	2,810,867	-459,942
Operating Provisions	301,047	203,007	98,040
Other current liabilities	347,355	520,514	-173,159

The main change to the balance sheet over the period came from the write-down of the Repsol holding in the first half of the year, which explains the drop in non-current financial assets.

NON-CURRENT ASSETS

- At 31 December the Group has investments, net of accumulated depreciation, of €1,082 million in concession projects in operation (chiefly motorways) and €302 million in projects under development. In addition, “Non-current financial assets” includes €950 million invested in the concessions having no demand risk, while “Current financial assets” includes €121 million of such investments.
- “Investment properties” includes €2,494 million of leased properties, mainly related to the Rental Property business. The year-on-year difference is largely due to the sale of an office building in Barcelona, which generated a gain for Sacyr of €12 million.
- “Property, plant and equipment” amounted to a net €553 million and includes investments in electrical power generation and co-generation plants, water and sewage networks, and other service-related products, in addition to machinery, plant and other assets. Total accumulated depreciation for the period amounted to €535 million.
- “Financial assets” includes investments in associates amounting to €2,606 million, mainly in Repsol (€2,468 million) and in the concessionaire companies of Sacyr Concesiones. As mentioned above, the heading also includes €950 million in non-current receivables on concession assets resulting from the application of IFRIC 12. In addition, this heading includes €1,325 million in deferred tax assets.

CURRENT ASSETS

“Current assets” total €5,174 million, of which €200 million relate to “Non-current assets held for sale” (including Sacyr's 15.5% holding in Itínere).

The most significant items are “Inventories” (€1,996 million), which mainly relate to Vallehermoso's property development business, and “Trade and other receivables” (€2,125 million). The reduction in “Inventories” is due to the sales completed during the year.

EQUITY

Total equity at 31 December 2012 amounts to €1,476 million, of which 97% (or €1,428 million) is attributable to equity holders of Sacyr and €48 million to non-controlling interests in the Group.

Shareholders present at the General Shareholders Meeting held on 21 June 2012 agreed to increase capital by €21.1 million, charged to reserves, through the issuance of 21 million shares each of a par value of €1, to be distributed free-of-charge to company shareholders in the proportion of one new share for every existing twenty held.

Trading in the new shares began on 23 July 2012. Accordingly, at 31 December 2012 share capital is represented by 443.7 million instruments each having a par value of €1.

BORROWINGS

The Group's total net debt at 31 December 2012 stood at €8,643 million. The breakdown is as follows:

NET DEBT (Million of Euros)	December 2012	Type of debt		
		Structured*	Linked to contracts and works	Corporate
Testa	2,279	2,279		
Sacyr Concesiones	1,379	1,379		
Vallehermoso	1,235		1,235	
Sacyr Construcción + Somague	180	52	128	
Valoriza	403	258	145	
Repsol	2,367		2,367	
Stake in Itinere	253		253	
Corporate	360			360
SUBTOTAL	8,455	3,967	4,127	360
Convertible bonds	189			
TOTAL NET BORROWINGS	8,643	3,967	4,127	360

* Project finance, mortgages and leasing

- The group's **corporate** net debt amounts to €360 million.
- Debt used to finance infrastructure **Concessions** amounts to €1,379 million. This consists of debt related to the financing of very long-term projects guaranteed with the cash flows generated by the concessions.
- Debt in the **Rental Property** business, essentially mortgage loans and lease agreements, stands at €2,279 million. This debt is used to finance rental properties in operation or under construction, which at 31 December 2012 were valued by an independent expert at €3,878 million. Debt of the Rental Property business is serviced with the cash flows generated from leases, which is made possible by the buildings' high occupancy rates.

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- In the **Housing Development** business, net debt of €1,235 million is used to finance inventories reported on Vallehermoso's balance sheet at a carrying amount of €1,442 million and with a value at 31 December 2011 of €1,848 million, according to an appraisal conducted by an independent expert. This debt was refinanced in 2010 through an arrangement whereby resources no longer need to be diverted from the rest of the Group.
 - The balance on the bank loan used to finance the 9.7% interest in **Repsol** stood at €2,367 million at 31 December. Loan conditions envisage an interest rate of Euribor + 350 bp and final maturity in 2015. The loan is serviced with Repsol dividends.
 - Structured debt of €403 million at **Valoriza** mainly relates to financing of water, renewable energy and environmental services projects, and is repaid with cash flows.
 - Debt associated with the **Construction** business stands at €180 million and includes financing of working capital and structured financing of projects for which payment has been deferred.
 - Lastly, debt associated with the SyV's Group's holding in **Itinere** amounts to €253 million and will be repaid with proceeds from the sale of the holding.

III. PERFORMANCE BY BUSINESS AREA

CONSOLIDATED INCOME STATEMENT AT 31.12.12									
(Thousands of Euros)	Sacyr Construcción	Somague	Sacyr Concesiones	Vallehermoso	Testa	Valoriza	Holding and investees	Adjustments	TOTAL
Revenue	1,458,370	517,155	267,212	189,885	251,627	1,123,016	28,094	-221,628	3,613,733
Other income	141,225	31,220	8,757	9,592	26,628	47,873	23,846	-75,724	213,417
Total operating income	1,599,596	548,375	275,969	199,477	278,255	1,170,889	51,940	-297,352	3,827,150
External and operating expenses	-1,515,082	-518,109	-181,847	-282,596	-60,479	-992,265	-61,023	290,336	-3,321,065
GROSS OPERATING PROFIT (EBITDA)	84,513	30,266	94,123	-83,119	217,776	178,624	-9,082	-7,016	506,085
Depreciation and amortisation	-47,125	-10,713	-24,628	-2,169	-43,900	-54,608	-1,977	-2,323	-187,442
Trade provisions	-12,164	3,091	-52,763	5,574	-54,825	-46,052	-207,216	25	-364,331
NET OPERATING PROFIT (EBIT)	25,224	22,643	16,732	-79,713	119,051	77,964	-218,276	-9,314	-45,688
Net finance expense	16,374	-8,913	-90,825	-49,626	-31,965	-36,572	-105,843	-97,196	-404,565
Losses on exchange differences	-231	0	-5	0	0	638	77	0	479
Share of profit from companies accounted for using the equity method	-36	1,103	-2,042	-266	-590	-8,750	-858,829	53	-869,356
Provisions for financial investments	819	-615	-28,094	-340	0	-53	-828,941	820,548	-36,676
Change in value of financial instruments at fair value through profit or loss	0	0	-9,605	0	0	-36	0	-21	-9,661
Gain/(loss) on disposal of non-current assets	2,240	0	45	-184	-54	-2,170	0	3	-120
Profit before tax	44,390	14,219	-113,794	-130,129	86,442	31,021	-2,011,811	714,074	-1,365,588
Income tax (expense)/receivable	4,067	-8,297	29,318	37,934	-25,881	-17,351	365,878	100	385,767
PROFIT FROM CONTINUING OPERATIONS	48,456	5,922	-84,476	-92,195	60,561	13,671	-1,645,933	714,174	-979,821
NET PROFIT/(LOSS) FROM DISCONTINUED OPERATIONS	0	0	1,886	0	0	0	0	1,183	3,069
PROFIT FOR THE YEAR	48,456	5,922	-82,591	-92,195	60,561	13,671	-1,645,933	715,358	-976,752
Attributable to non-controlling interests	-681	-199	3,406	-2,085	1	-1,542	0	316	-784
NET ATTRIBUTABLE PROFIT	47,775	5,724	-79,185	-94,281	60,561	12,128	-1,645,933	715,674	-977,536

CONSOLIDATED INCOME STATEMENT AT 31.12.11

(Thousands of Euros)	Sacyr Construcción	Somague	Sacyr Concesiones	Vallehermoso	Testa	Valoriza	Holding and investees	Adjustments	TOTAL
Revenue	1,743,051	695,730	444,042	179,606	250,902	991,901	36,153	-521,140	3,820,246
Other income	217,311	34,002	11,446	5,625	4,452	56,076	33,233	-63,698	298,448
Total operating income	1,960,362	729,733	455,488	185,231	255,354	1,047,977	69,385	-584,838	4,118,694
External and operating expenses	-1,860,594	-688,475	-362,547	-238,312	-55,148	-889,751	-80,337	580,032	-3,595,132
GROSS OPERATING PROFIT (EBITDA)	99,768	41,258	92,941	-53,081	200,206	158,227	-10,952	-4,805	523,562
Depreciation and amortisation	-38,821	-11,203	-24,918	-2,521	-43,882	-52,632	-2,867	-26,845	-203,690
Trade provisions	9,734	355	-3,355	-20,101	-1,052	-13,673	-76,900	-27	-105,018
NET OPERATING PROFIT (EBIT)	70,682	30,410	64,668	-75,703	155,272	91,921	-90,719	-31,677	214,854
Net finance expense	9,897	-14,566	-76,010	-50,575	-51,169	-42,395	-189,383	-125,027	-539,228
Losses on exchange differences	202	0	19	0	0	0	-41	328	508
Share of profit (loss) of associates	-10	925	-77,174	-94	1	5,287	1,160	-602,026	-671,931
Provisions for financial investments	0	-2,470	-22,496	-571	0	-15	-204,891	204,480	-25,962
Change in value of financial instruments at fair value through profit or loss	0	0	-7,717	0	0	0	0	7,949	232
Gain/(loss) on disposal of non-current assets	-2,125	0	28	-22	0	-4,502	-1,118,335	0	-1,124,955
Profit before tax	78,645	14,299	-118,682	-126,964	104,104	50,297	-1,602,209	-545,973	-2,146,483
Income tax (expense)/receivable	-22,052	-6,626	71,861	34,667	-31,593	-11,941	327,042	178,233	539,591
PROFIT FROM CONTINUING OPERATIONS	56,593	7,673	-46,821	-92,298	72,512	38,356	-1,275,167	-367,740	-1,606,892
NET PROFIT/(LOSS) FROM DISCONTINUED OPERATIONS	0	0	596	0	0	0	100,117	-95,948	4,766
PROFIT FOR THE YEAR	56,593	7,673	-46,225	-92,298	72,512	38,356	-1,175,049	-463,688	-1,602,127
Attributable to non-controlling interests	-1,116	-177	3,764	-818	-2	-2,889	0	-766	-2,004
NET ATTRIBUTABLE PROFIT	55,477	7,496	-42,461	-93,116	72,510	35,467	-1,175,049	-464,454	-1,604,131

CONSOLIDATED BALANCE SHEET AT 31 DECEMBER 2012

(Thousands of Euros)	Sacyr Construcción	Somague	Sacyr Concesiones	Vallehermoso	Testa	Valoriza	Holding and investees	Adjustments	TOTAL
NON-CURRENT ASSETS	353,744	159,738	2,015,882	95,882	3,638,109	1,002,032	7,239,915	-4,718,066	9,787,237
Intangible assets	243	279	89	0	0	10,277	726	0	11,614
Investment properties	0	0	0	49,430	2,665,442	0	0	-220,797	2,494,075
Concession projects	83,868	1,371	781,425	0	117,981	400,255	0	-343	1,384,558
Property, plant and equipment	168,307	76,166	-5,209	2,119	0	295,966	4,684	10,679	552,712
Financial assets	101,325	55,524	1,239,577	43,970	854,685	177,121	7,234,506	-4,507,605	5,199,104
Other non-current assets	0	595	0	362	0	1,088	0	0	2,045
Goodwill	0	25,803	0	0	0	117,325	0	0	143,128
CURRENT ASSETS	2,561,711	653,542	554,215	1,560,286	196,526	629,977	652,515	-1,634,757	5,174,014
Non-current assets held for sale	0	0	199,668	0	0	0	0	0	199,668
Inventories	243,497	37,233	725	1,442,081	0	16,941	314	255,756	1,996,548
Receivables	1,402,599	556,605	91,411	91,840	44,848	481,751	489,196	-1,033,557	2,124,694
Financial assets	747,591	1,089	142,287	3,943	16,616	17,767	158,447	-859,971	227,767
Cash and cash equivalents	168,025	58,615	120,123	22,422	135,062	113,519	4,557	3,014	625,337
ASSETS = LIABILITIES	2,915,455	813,280	2,570,096	1,656,168	3,834,635	1,632,009	7,892,429	-6,352,823	14,961,251
EQUITY	741,050	162,399	312,477	-85,027	1,320,436	363,967	1,150,685	-2,489,831	1,476,156
Shareholders' equity	733,006	161,924	302,469	-91,738	1,320,383	341,692	1,150,685	-2,490,660	1,427,762
Non-controlling interests	8,043	474	10,009	6,711	53	22,275	0	829	48,394
NON-CURRENT LIABILITIES	293,334	55,495	1,729,656	667,816	1,794,521	588,188	4,565,198	-1,970,301	7,723,907
Loans and borrowings	65,199	32,845	1,083,831	387,402	1,715,922	381,472	2,936,818	31,326	6,634,815
Financial instruments at fair value	0	0	164,405	0	14,475	36,518	0	1,358	216,756
Provisions	4,279	6,518	85,471	47,387	8,887	44,105	1,715	67	198,429
Other non-current liabilities	223,857	16,132	395,948	233,028	55,237	126,093	1,626,665	-2,003,052	673,908
CURRENT LIABILITIES	1,881,071	595,386	527,963	1,073,379	719,678	679,855	2,176,546	-1,892,691	5,761,187
Liabilities associated with assets classified as held for sale	0	0	0	0	0	0	0	0	0
Loans and borrowings	174,039	166,487	380,732	873,582	698,790	149,637	293,836	1,682	2,738,783
Financial instruments at fair value	0	0	15,814	0	2,754	4,363	0	146	23,077
Trade payables	1,469,691	348,999	48,369	156,225	8,857	262,782	77,912	-21,910	2,350,925
Operating provisions	83,322	18,748	0	10,202	378	34,181	154,216	0	301,047
Other current liabilities	154,020	61,153	83,049	33,370	8,899	228,891	1,650,582	-1,872,610	347,355

CONSOLIDATED BALANCE SHEET AT 31 DECEMBER 2011									
(Thousands of Euros)	Sacyr Construcción	Somague	Sacyr Concesiones	Vallehermoso	Testa	Valoriza	Holding and investees	Adjustments	TOTAL
NON-CURRENT ASSETS	362,872	168,663	2,245,983	101,700	3,769,082	1,043,107	8,539,277	-5,435,364	10,795,321
Intangible assets	382	521	138	0	0	12,853	1,089	0	14,982
Investment properties	0	0	0	51,876	2,782,420	0	0	-210,690	2,623,606
Concession projects	78,458	1,576	995,306	0	111,980	407,074	0	0	1,594,395
Property, plant and equipment	183,344	81,926	5,647	2,272	0	325,482	5,685	13	604,369
Financial assets	100,689	57,243	1,244,111	46,508	874,682	169,513	8,532,504	-5,224,687	5,800,562
Other non-current assets	0	595	780	1,044	0	10,798	0	0	13,217
Goodwill	0	26,802	0	0	0	117,388	0	0	144,190
CURRENT ASSETS	2,804,969	688,776	629,739	1,735,462	154,432	720,963	785,730	-1,605,048	5,915,024
Non-current assets held for sale	0	0	319,793	0	0	0	0	0	319,793
Inventories	358,063	39,840	265	1,657,132	0	9,623	997	256,080	2,322,000
Receivables	1,484,859	556,350	98,427	49,424	26,056	608,471	457,577	-857,454	2,423,711
Financial assets	789,185	3,994	128,197	7,371	1,546	25,806	313,368	-1,004,367	265,100
Cash and cash equivalents	172,862	88,591	83,057	21,535	126,830	77,064	13,788	693	584,420
ASSETS = LIABILITIES	3,167,841	857,439	2,875,723	1,837,162	3,923,514	1,764,071	9,325,008	-7,040,412	16,710,345
EQUITY	745,792	157,766	51,779	4,552	1,297,665	374,394	2,015,147	-2,098,808	2,548,286
Shareholders' equity	731,519	157,439	54,312	-74	1,297,609	347,365	2,015,147	-2,102,382	2,500,934
Non-controlling interests	14,273	327	-2,533	4,626	56	27,029	0	3,574	47,352
NON-CURRENT LIABILITIES	219,425	76,132	2,137,596	635,704	2,465,114	509,633	5,303,173	-3,051,163	8,295,615
Loans and borrowings	62,509	51,457	1,123,814	340,447	2,401,681	340,719	2,889,773	54,769	7,265,169
Financial instruments at fair value	0	0	201,010	0	11,944	28,341	0	0	241,295
Provisions	4,451	8,129	24,249	65,344	9,329	43,549	1,715	27	156,791
Other non-current liabilities	152,465	16,547	788,523	229,913	42,160	97,024	2,411,685	-3,105,958	632,359
CURRENT LIABILITIES	2,202,624	623,540	686,348	1,196,907	160,735	880,044	1,929,687	-1,813,440	5,866,445
Liabilities associated with assets classified as held for sale	0	0	0	0	0	0	0	0	0
Loans and borrowings	207,722	126,546	345,475	989,506	138,903	225,458	315,519	-34,159	2,314,971
Financial instruments at fair value	0	0	11,721	0	1,878	3,487	0	0	17,086
Trade payables	1,661,888	411,811	244,743	155,145	8,944	211,857	0	116,479	2,810,867
Operating provisions	85,641	22,377	0	0	625	17,364	111,469	-34,469	203,007
Other current liabilities	247,374	62,805	84,409	52,256	10,385	421,877	1,502,699	-1,861,290	520,514

SACYR CONSTRUCCIÓN / SOMAGUE

- The Construction business (Sacyr Construcción and Somague) is still feeling the slowdown in activity in Spain owing to the smaller number of public contracts put out to tender.
- The trend in international business (+9%) is helping to offset slumping business in Spain (-25%) and Portugal (-59%).
- Despite the drop in revenue, the EBITDA margin remains at 5.8%, thus meeting the area's objective of remaining profitable despite the forecast drop in turnover.
- The backlog ensures 36 months of business at the current rate of revenue.
- Contracts secured abroad account for 80% of the construction backlog, helping to offset the slowdown in Spain. Civil engineering work accounts for 89% of the construction backlog, non-residential construction 8% and residential construction the remaining 3%.

(Thousands of Euros)	DECEMBER		% Chg. 12/11
	2012	2011	
Revenue	1,976	2,439	-19.0%
International	1,033	1,185	-12.8%
Spain	942	1,254	-24.8%
Portugal	153	375	-59.2%
Other countries	881	811	8.6%
% International	52%	49%	
EBITDA	115	141	-18.6%
NET ATTRIBUTABLE PROFIT	53	63	-15.0%
EBITDA Margin	5.8%	5.8%	

(Thousands of Euros)	DECEMBER		% Chg. 12/11
	2012	2011	
BACKLOG	5,998	6,175	-2.9%
International	4,816	4,633	4.0%
International backlog %	80%	75%	7.0%
* Restated for changes in consolidation scope			
Months of activity	36	33	

INTERNATIONAL CONTRACTING

Sacyr Construcción and Somague continue to work hard on achieving organic growth for the Group's international business. In 2012, a number of major contracts were secured in Panama, Angola and Chile, while new contracts were awarded in Togo, Colombia and Brazil, thus adding new markets to bolster those in which Sacyr is already present.

In Chile, three key contracts were awarded:

- Contract worth €170 million to construct the new **hospital** for the city of **Antofagasta**, with the build scheduled for completion in 18 months. The hospital is set to become the country's largest, reaching out to a total population of 260,000 people. It will have a floor area of 114,000 square metres and include 671 beds, 18 wings, 24 emergency rooms and a further 45 consultation rooms. The contract also includes 15-year operation and maintenance of all

the non-clinical elements of the hospital following completion of the construction work. This concession will be handled by Sacyr Concesiones, our concessions subsidiary.

- The one-stop improvement, upgrade, maintenance and operation for 30 years of the **Ruta 43** motorway linking the cities of **La Serena and Ovalle**. With investment totalling €145 million, the work requires the company to expand the road to two lanes along an 86-kilometre stretch and is scheduled for completion in 18 months. Operation of the new motorway, which will be handed by Sacyr Concesiones, will embrace a 500-kilometre corridor already managed by the Sacyr Group.
- Construction of a **road** for the “Nuevo Nivel Mina” **mining project** for a grand total of €113 million. This new road forms part of the División El Teniente project and has been awarded by the Chilean National Copper Corporation (CODELCO). The project envisages the construction of 16.22 kilometres of road leading up to the mine, together with access routes, seven bridges spanning between 40 and 225 metres, a junction with the existing Carretera del Cobre road in the Maitenes Sector and three tunnels, also of different lengths.
- Completion of the upgrade work under the “Santiago Centro-Oriente” (Chile) project, with a contract worth €33.53 million. The project forms part of the measures being rolled out by the Chilean Ministry for Public Works to increase and improve the connectivity of the “Costanera Norte” motorway, one of the main roads running through Santiago de Chile. The project is expected to take 30 months.

In Lomé, the capital of **Togo**, we secured a contract worth €54 million to design and build the container terminal at the Port of Lomé. The future terminal will be located west of the existing port and will help expand Togo’s maritime industry, while boosting competition among regional shipping companies and the area’s logistics market.

In **Panama**, Minera Panamá awarded us a contract worth €32 million to build the port infrastructure required to operate a copper mine in Punta Rincón.

The National Institute of Roads of **Colombia** (Invias) awarded Sacyr an important contract to construct a stretch of the Cali-Buenaventura motorway (Playa Larga to Cisneros) at a cost of €103 million.

Somague is to carry out finishing and completion work on the international arrivals and departure terminal and control tower at Catumbela airport (**Angola**) for €41 million. It will also undertake other work, including electrical installations, air navigation systems and equipment for €43 million. The

company will also construct the “Vila Prudente” station on the São Paulo Underground (**Brazil**) at a cost of €35 million. The contract, awarded by Companhia Metropolitana de São Paulo, includes the construction of a bus terminal with connections to the underground line, a technical building and external fittings.

Construction of phase one of Portugal Telecom’s data centre in Covilha (**Portugal**). Total investment in the project will reach €90 million.

Infrastructure work at the **Angola** University campus for €33 million.

Refurbishment and expansion of the headquarters of Sonangol Distribuição in Luanda, also in **Angola** and worth €10 million.

Other contracts include the enlargement of the Rabo de Peixe fishing port in Ilha de Sao Miguel, and the construction of the physical medicine centre at the Américo Boavida hospital in Angola and the Beco do Balao retirement home in Angola.

DOMESTIC CONTRACTING

Projects awarded to Sacyr Construcción in 2012 included the following:

- The Transport Department of the Basque Regional Government, acting through its public body ETS, entrusted the temporary joint venture led by Sacyr Construcción with the construction of the Altza station (San Sebastián Underground). The project is scheduled to take 31 months and has a budget of €35 million. The new section between Herrera and Altza is 1,040 metres long, including 830 metres of tunnel. The new Altza station will be constructed 28 metres underground and will feature two lobbies and two access-ways.
- Construction of the Campobecerros-Portocamba stretch of the Madrid-Galicia high-speed railway line, awarded by ADIF, with a total budget of €71 million, including €50 million for the Group.
- Construction of the new Autzagane stretch of the Amorebieta-Muxika arterial road. The contract is worth €53 million and must be performed in 28 months.
- Contract worth €21 million to construct a cruise-ship dock as part of the programme to expand the Port of Valencia.

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- Construction of the La Rioja Court of Justice, valued at €21 million and scheduled for completion in 24 months.
 - Ancillary work relating to construction of the Navarra Canal and amounting to €13 million.
 - Construction of the new Vilademuls junction on the AP-7 motorway (Gerona). The contract is worth €11 million.
 - Construction of a third lane and junction upgrade work on the A-2 northern bypass close to Zaragoza: "junction with the Z-40 - Malpica junction" section. The project is valued at €10 million.

VALORIZA

Valoriza's Services business continues to grow strongly. Revenue at 31 December 2012 totalled €1,123 million, marking a 13% year-on-year increase.

EBITDA came in at €179 million, with impressive operating margins of around 16% on the back of a solid business mix and selective analysis and selection of tenders. Year-on-year growth stood at 13%.

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

REVENUE (Thousands of Euros)	DECEMBER		% Chg 12/11
	2012	2011	
Water	362,377	257,250	40.9%
Alternative energies	188,492	173,237	8.8%
Environment	305,973	325,959	-6.1%
Multi-services	266,120	235,455	13.0%
Central	54		
TOTAL	1,123,016	991,901	13.2%

EBITDA (Thousands of Euros)	DECEMBER		% Chg 12/11
	2012	2011	
Water	50,570	38,112	32.7%
Alternative energies	54,674	51,632	5.9%
Environment	51,585	50,405	2.3%
Multi-services	21,442	18,078	18.6%
Central	353		
TOTAL	178,624	158,227	12.9%

As mentioned in previous quarters, the company saw a drop in revenue from the Environment business owing to the cancellation of contracts with certain local entities, with the margin on this business remaining broadly unchanged.

CONTRACTING

The creation of **Sacyr Industrial** is a key highlight of the Group's future strategy. Forming part of the Services business, this company was created by combining certain of Valoriza's existing assets with new alliances with the aim of becoming more involved in the construction of electrical, chemical, gas and oil structures and installations. This new company will generate new business to help drive the

Group's sustained growth. Sacyr Industrial will meet the current demand for strong global industrial groups, not only experienced in engineering but also customer-oriented, with the aim of undertaking energy projects.

Offers and studies are being prepared for a range of plants for the oil and gas, waste processing, conventional and renewable energy generation, cogeneration and transmission line and substation infrastructure sectors in Spain and abroad (Peru, Bolivia, Panama, Colombia, Chile, Eastern European countries and Australia).

- In 2012, Sacyr Industrial secured its first contract in Bolivia to install a wellhead and build a gas pipeline in the area of Caipipendi. The contract is worth €41 million.
- Sacyr Industrial was also awarded two electrical power contracts worth a total of €25 million. The project, awarded by the state-owned company YPFB Refinación, of Bolivia, is to be performed at the Santa Cruz and Cochabamba refineries and will require the Group to install electric turbo generators, along with their corresponding electrical substations, and to carry out other peripheral work with the ultimate aim of supplying electricity to different areas of the refineries.

In the field of **Water** management, the company secured three hugely important contracts:

- Public service contract worth €300 million to provide **water supply and treatment services to the city of Votorantim in São Paulo, Brazil**. The contract, which runs for 30 years, is the largest ever signed for a concession in the State of São Paulo since the new sanitation law came into force. Votorantim has a population of 110,000 and is located in central São Paulo, 100 kilometres from the state capital. The contract includes the construction, operation and maintenance of all plants required for water production and distribution.
- The state company Canal de Isabel II awarded the Group a contract worth €14 million to construct the **Pelayos de la Presa (Madrid) water treatment plant**. The new plant will have sufficient capacity to treat water for a population of 115,000 people from municipalities in the south-west region of the autonomous community of Madrid, namely Pelayos de la Presa, San Martín de Valdeiglesias, Rozas de Puerto Real, Cadalso de los Vidrios and Cenicientos.
- Contract worth €10 million for the 25-year **end-to-end water cycle management concession in Valdáliga (Cantabria)**. The facility will distribute 0.4 hm³ of water a year to a population of nearly 2,400.

Valoriza has also secured a number of major contracts in the field of **Environmental Services**, including:

- The first **integrated mobility** contracts in Spain for the Madrid towns of **Valdemoro and Galapagar** for a combined total of €50 million. In Galapagar, the Sacyr subsidiary will offer the town regulated parking service (S.E.R. in Spanish), encompassing a towing service, the installation of supplementary fine-related equipment for improved road safety (speed-control points), technical assistance and collaboration in collecting parking fines and sanctions generated by traffic violations. The contract runs for 10 years and is worth €11 million. In Valdemoro, Valoriza will also carry out certain S.E.R. services: towing service and fine management. This contract runs for 25 years and is worth €31 million.
- Contract worth €62 million for the 10-year **daily cleaning and collection** of municipal solid waste (MSW) in **Majadahonda**, maintenance contracts for green areas and **trees in Madrid** for €11 million and a further agreement in **Seville** worth €6 million.
- Operation and maintenance of the “**La Paloma**” **biomethanisation plant in Madrid**, worth €57 million and running for 14 years, extendable for a further two years.
- **Emergency cleaning services in Madrid** at a total cost of €8.5 million a year. For the first time, this service will utilise the latest high-tech machinery powered by clean, sustainable energy sources, using hybrid and compressed natural gas vehicles, thus helping to reduce atmospheric and noise emissions and increase efficiency, resulting in lower electricity and water consumption while offering greater performance and efficiency.

Last but not least, the following key contracts were awarded in the **Multi-services** business:

- The Murcia Health Service has awarded Valoriza Facilities a cleaning services contract for the buildings and facilities of the “**Virgen de la Arrixaca**” general university **hospital** in El Palmar (Murcia) for €18 million over two years, extendable for an additional two-year period.
- Valoriza Conservación secured a 15-year extension worth €58 million of its contract to maintain the **A-1 “Arlanzón” motorway**.
- The provincial government of **Jaén** awarded Valoriza Facilities a two-year contract worth €23 million to provide **home care services**.

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- Various building cleaning and maintenance contracts were awarded for **Palma de Mallorca, Vigo and Malaga airports**, along with assorted road maintenance contracts worth a total of €23 million. The company was also entrusted with cleaning the offices and airports of Palma de Mallorca and Vigo.

 - Sundry building cleaning and maintenance agreements valued at over €40 million.

TESTA

Testa reported revenue of €252 million in 2012, on par with the same figure for 2011. This healthy trend has also been accompanied by a solid showing from EBITDA, which reached €218 million and includes €19.4 million in profit generated from property sales. The EBITDA margin held steady at around 79%.

(Thousands of Euros)	DECEMBER		% Chg 12/11
	2012	2011	
Revenue	251,627	250,902	0.3%
EBITDA	217,777	200,207	8.8%
EBIT	119,051	155,273	-23.3%
NET PROFIT	60,562	72,510	-16.5%
EBITDA margin (*)	78.9%	79.8%	-0.9 pp
LEASABLE AREA (thousands of m ²)	1,523	1,532	-0.6%
OCCUPANCY RATE IN TERMS OF RENTALS	97%	97%	-0.8%

(*) Excluding positive results obtained by the sale of assets in 2012

Revenue from rental income earned on investment properties in operation amounted to €247 million of the total, while the remaining €6 million came largely from property management and other sundry services.

The following table shows revenue by product. Assuming like-for-like leasable surface area, growth would have been 1.3% (2.1% for offices).

Thousands of Euros	Gross Revenue		
	31/12/2012	31/12/2011	%
Rental buildings	246,888	181,305	0.7%
Offices	166,537	121,654	0.5%
Hotels	29,548	21,318	3.5%
Shopping centres	25,581	18,334	3.7%
Housing	13,017	10,206	-1.8%
Industrial	8,599	7,390	-12.9%
Senior citizens' homes	1,882	1,379	3.2%
Car parks	1,184	879	1.1%
Mixed use	540	145	100.0%
Revenue from services	4,379	5,634	-15.9%
REVENUE	251,627	250,902	0,3%
Assets sold in 2012	400	3,004	
REVENUE LFL	251,227	247,897	1.3%

Leasable area at 31 December 2012 stood at 1,523 thousand m², while the occupancy rate was just shy of 100% (97% at year-end).

According to the findings of an independent appraiser, Testa assets had a market value of €3,879 million at 31 December 2012. This valuation implies unrealised capital gains of €1,092 million.

At year-end 2012, Testa reported a provision of €54 million to bring the value of certain assets down to their appraisal value. However, healthy operating profit and gains from the company's asset rotation policy have brought the Testa Group's net profit to €61 million.

SACYR CONCESIONES

Concession revenue climbed 14% in 2012. This growth is due to the arrival of new revenue from concessions that entered into service during the year:

- The “Vallenar-Caldera” (Chile) motorway, which opened in November 2011 and which, therefore, only generated revenue in the final two months of 2011.
- Hospital del Santo Espíritu, on Terceira Island in the Azores (Portugal), with investment in construction totalling €62 million and a 30-year contract to manage non-healthcare services. The hospital entered into operation in 2012.
- The opening of the last section of the Arlanzón motorway in May 2012.

(Thousands of Euros)	DECEMBER 2012	DECEMBER 2011	% Chg 12/11
Revenue	267,212	444,042	-39.8%
Concession revenue	160,607	141,094	13.7%
Construction revenue*	106,605	302,948	-64.8%
EBITDA	94,123	92,941	1.3%
EBITDA margin	58.6%	65.9%	-7.3 pp

*Includes the construction work carried out by the concessionaire in application of IFRIC 12, which has no impact on EBITDA, as revenues from the construction matched the related costs

(Thousands of Euros)	DECEMBER 2012	DECEMBER 2011	Chg 12/11
BACKLOG**	20,387,883	19,244,692	5.9%
Km of concessions	1,959	1,891	3.6%

** 2011 restated by change in consolidation scope

Growth in construction revenue can be explained by the completion and start-up of various concessions towards the end of 2011.

Traffic on Group-operated motorways was hit by the economic slowdown and rising fuel prices. Traffic was higher on international concessions, while traffic in Spain and Portugal was more affected, falling by 2.7% on average.

	Revenue at 31 December (thousands of euros)			ADT (veh/km)		
	2012	2011	Chg. (%)	2012	2011	Chg. (%)
TURIA MOTORWAY	5,900	5,643	4.5%	35,551	36,373	-2.3%
AUTOVÍA NOROESTE C.A.R.M.	4,250	3,827	11.0%	10,292	11,076	-7.1%
VIASTUR	6,445	6,578	-2.0%	21,536	22,518	-4.4%
PALMA MANACOR	3,370	3,405	-1.0%	19,952	20,642	-3.3%
BARBANZA MOTORWAY	4,368	4,388	-0.5%	12,216	12,679	-3.7%
ERESMA MOTORWAY	5,609	5,695	-1.5%	6,583	6,906	-4.7%
ARLANZÓN MOTORWAY	6,572	-	0.0%	22,399	22,672	-1.2%
NEOPISTAS	1,504	1,704	-11.7%	-	-	-
MONCLOA TRANSPORT HUB	6,746	6,139	9.9%	-	-	-
PLAZA ELÍPTICA INTERCHANGE	3,263	2,946	10.8%	-	-	-
Gualdamedina	-	-	-	-	-	-
HOSPITAL DE PARLA	13,471	12,807	5.2%	-	-	-
HOSPITAL DE COSLADA	13,913	13,703	1.5%	-	-	-
OTHER INCOME	1,431	6,990	-79.5%	-	-	-
Spain	76,841	73,825	4.1%	19,064	19,583	-2.7%
AUTOPISTAS DEL SOL (San José - Caldera)	12,692	14,225	-10.8%	32,642	27,273	19.7%
OTHER INCOME	231	202	14.4%	-	-	-
Costa Rica	12,923	14,427	-10.4%			
N6 CONCESSION LTD	6,829	5,845	16.8%	9,143	9,181	-0.4%
M-50 CONCESSION LTD	9,880	9,659	2.3%	110,447	108,146	2.1%
OTHER INCOME	821	1,361	-39.7%	-	-	-
Ireland	17,530	16,865	3.9%			
AUTOESTRADAS DO MARÃO	0	12,595	-100.0%	13,410	13,718	-2.2%
HOSPITAL BRAGA	9,488	8,163	16.2%	-	-	-
HOSPITAL DE VILA FRANCA	11,418	4,791	138.3%	-	-	-
HOSPITAL AZORES	3,224	1,582	103.8%	-	-	-
MARAO TUNNEL	870	-	-	-	-	-
OTHER INCOME	1,735	938	85.0%	-	-	-
Portugal	26,736	28,069	-4.8%			
RUTAS DEL DESIERTO - LINK ROADS TO IQUIQE	3,053	-	-	-	-	-
VALLES DEL BIO BIO - CONCEPCIÓN CABRERO	3,887	-	-	-	-	-
VALLES DEL DESIERTO - VALLENAR CALDERA	16,954	6,442	163.2%	4,828	4,599	5.0%
SERENA VALLENAR - RUTAS DEL ALGARROBO	244	-	-	-	-	-
OTHER INCOME	2,440	1,466	66.4%	-	-	-
Chile	26,577	7,908	236.1%			
TOTAL EXCLUDING CONSTRUCTION REVENUE	160,607	141,094	13.8%			
CONSTRUCTION REVENUE	106,605	302,948	-64.8%			
TOTAL	267,212	444,042	-39.8%			

Sacyr Concesiones has a portfolio of 36 concessions in six different countries at 31 December 2012. Of these, 23 are motorway concessions, fifteen of which are located in the EU (Spain, Portugal, Ireland and Italy) and eight in Latin America (six in Chile and two in Costa Rica). The company also holds thirteen concessions for other assets, namely: three hospitals in the region of Madrid, three hospitals in Portugal and one in Chile, 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 the business amounted to €21,036 million at 31 December 2012, with 66% of this coming from outside Spain.

Two important contracts were secured in Chile in 2012:

- Construction of the Antofagasta hospital and 15-year contract to manage non-healthcare services at the hospital. The complex will have a floor area of 114,000 square metres and will include 671 beds, 18 wings, 24 emergency rooms and a further 45 consultation rooms. Revenue is expected to reach €676 million for the entire duration of the concession. The new hospital is set to become the largest in Chile, reaching out to a population of over 260,000.
- Construction and management of the La Serena - Ovalle stretch of the Ruta 43 road, spanning 86 km. The 30-year operation of the new motorway will embrace a 500-kilometre corridor already managed by Sacyr Concesiones. Revenue for the concession period as a whole is expected to reach €706 million.

In July, Sacyr Concesiones completed the sale of 45% of the Arlanzón motorway to the Marguerite Fund for the total sum of €107 million. The group retains a 55% holding.

Also in 2012, Sacyr Concesiones completed the financing of the Ruta del Algarrobo concessionaire company, which holds the La Serena – Vallenar motorway concession in Chile. The arrangement was reached with Corpbanca and Banco Estado and amounts to €273 million. Sacyr also paid up 40% of the capital of the concessionaire company (€20 million). The company also paid up €14 million in capital for the Accesos a Iquique concession, and a further €2 million for Concepción Cabrero, giving a grand total of €36 million of equity invested in Chile over the course of 2012.

In June, Sacyr Concesiones completed the refinancing of the Chilean concessionaire company Valles del Desierto, S.A., in which it has a 60% holding. Existing debt of €214 million was restructured to improve lending terms and conditions, while an additional €40 million of borrowing was arranged.

Sacyr Concesiones has therefore financed close to €500 million in Chile during 2012.

VALLEHERMOSO

- Vallehermoso reported revenue of €190 million at year-end 2012, up 6% year-on-year.
- Despite the steady fall in the stock of unsold homes and sluggish demand within the sector, revenue continued to flow at a healthy pace, particularly in the latter half of the year, with the Group managing to sell 509 homes, accounting for over 40% of unsold inventory at the start of 2012.
- Of total revenue, €132 million came from the sale of homes, €53 million from the sale of land and €5 million from services rendered.

REVENUE (Thousands of Euros)	DECEMBRE		% Chg 12/11
	2012	2011	
Housing	131,628	171,535	-23.3%
Land	52,674	1,354	
Total housing and land	184,302	172,889	6.6%
Rendering of services	5,583	6,717	-16.9%
TOTAL REVENUE	189,885	179,606	5.7%

- The market value of Vallehermoso inventory totalled €1,848 million at 31 December 2012, according to the appraisal conducted by the independent company Tasaciones Hipotecarias, S.A. (BNP Paribas Real Estate), indicating that the company has €406 million in unrealised capital gains.
Vallehermoso has recognised a €40.8 million value impairment for certain products.
- By 31 December 2012, Vallehermoso stock had fallen to 731 homes, of which 21 have already been sold and are currently awaiting delivery.

IV. STOCK MARKET PERFORMANCE

SACYR	December		% Chg 12/11
	2012	2011	
Market Price at closing (euros per share)	1.652	3.970	-58.39%
High share price	4.040	9.590	-57.87%
Low share price	1.019	3.750	-72.83%
Market Capitalization at closing (Thousands of euros)	733,039	1,677,716	-56.31%
Average Trading Volume (Thousands of euros)	1,489,547	2,970,128	-49.85%
Average Daily Trading Volume (Number of shares)	3,271,748	1,879,973	74.03%
Liquidity (%)	100	100	
Number of shares (Thousands)	443,728	422,598	
Share Nominal Value	1 EURO	1 EURO	

V. SHAREHOLDING STRUCTURE

The owners of significant holdings in Sacyr Vallehermoso, S.A., as of the date of this report, are as follows:

SHAREHOLDER	%Total
D. Manuel Manrique Cecilia	6.04%
Cymofag, S.L.	6.04%
Disa Corporación Petrolífera, S.A.	13.06%
D. Juan Abelló Gallo	9.62%
Nueva Compañía de Inversiones, S.A.	
Austral B.V.	9.62%
D. José Manuel Loureda Mantiñán	11.49%
Prilou, S.L.	6.22%
Prilomi, S.L.	5.27%
Grupo Corporativo Fuertes, S.L	6.24%
Beta Asociados, S.L.	5.29%
NCG Banco S. A.	5.20%
Grupo Satocán, S.A.	2.88%
D. Diogo Alvez Diniz Vaz Guedes	0.38%
SIGNIFICANT STAKES	60.19%