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Pursuant to Article 82 of the Spanish Securities Market Act (*Ley del Mercado de Valores*), FERROVIAL, S.A. (the "Company" or "FERROVIAL"), communicates the following:

REGULATORY DISCLOSURE

The significant event communicated on 13 October 2014 (registration number 211869), a tentative schedule for the roll out of the second paid-up capital increase approved by FERROVIAL Ordinary General Shareholder's Meeting held on 26 June 2014 under item six of the Agenda, through which it would be implemented in the Company, for the second time, the "Ferrovial Flexible Dividend" programme.

At the Board meeting held today, the Company's Board of Directors agreed to execute the said share capital increase.

In accordance with Article 26.1.e) of Royal Decree 1310/2005, of 4 November, a report is attached hereto as Appendix.

Madrid, 30 October 2014

Santiago Ortiz Vaamonde.
Secretary of the Board of Directors of Ferrovial, S.A.

Appendix

Report

**Second paid-up share capital increase against reserves,
approved by the General Shareholder's Meeting held on 26
June 2014.**

Ferrovial, S.A.

30 October 2014

This document has been drafted in accordance with Article 26.1.e) of Royal Decree 1310/2005.

1. Background and purpose

The Ordinary General Shareholder's Meeting of Ferrovial, S.A. (hereinafter, "**Ferrovial**" or "**the Company**") held on 26 June 2014 approved a fully paid-up share capital increase against reserves under item six of the agenda, for an amount to be determined under the terms envisaged in the resolution itself (hereinafter, "**the Capital Increase**"), empowering the Board of Directors, with express power of substitution, insofar as necessary to carry out the Capital Increase, pursuant to Article 297.1.a) of the Capital Companies Act.

In its meeting held today, the Company's Board of Directors agreed to perform the Capital Increase using the aforementioned powers conferred on it. The maximum market price of the Capital Increase (the "**Amount of the Alternative Option**") has been set at 293,402,509.93 euros, amount included within the limits set by the General Shareholder's Meeting.

Prior to the aforementioned resolutions, and to give to the market sufficient information and notice with respect to the estimated schedule of the transaction and the Amount of the Alternative Option, a significant event was submitted to the Spanish Securities Market Commission on 13 October 2014 (registration number 211869).

Pursuant to Article 26.1.e) of Royal Decree 1310/2005, of 4 November, partially implementing Securities Market Act 24/1988, of 28 July, regulating admission to trading on official secondary markets, initial public offerings and takeover bids, and the prospectus required in this connection, preparation and publication of a prospectus in relation to admission to trading of the shares issued to perform the Capital Increase is not required "*provided that a document is made available that has information on the number and nature of shares and the reasons for and the details of the offer*". Such function is carried out by this document, which is available on the Company's corporate website (www.ferrovial.com) and on the website of the Spanish Securities Market Commission (www.cnmv.es).

The purpose of this document is to provide information relating to the Capital Increase available on this date from the above information. Once the Capital Increase has been completed and the other information becomes available, it will be made public by reporting the corresponding significant event. Completion of the Capital Increase is expected to be reported on 19 November 2014.

2. Reasons for the Capital Increase and how it will work

2.1. Reasons for the Capital Increase

The Capital Increase was approved by the General Shareholder's Meeting as a tool for implementing the shareholder remuneration scheme called "Ferrovial Flexible

Dividend". This scheme, which was already implemented by the Company last June to replace the traditional payment method for the complementary dividend for 2013 financial year, replaces the traditional payment method for the interim dividend for 2014 financial year.

The aim of this scheme is to give the Company's shareholders the option, at their own discretion, to decide whether they would like to receive fully free-of-charge shares, without altering the Company's cash remuneration policy for shareholders since they may opt to receive a cash amount instead by selling their free-of-charge allocation rights to the Company (if they do not sell on the market), as explained below.

The "Ferrovial Flexible Dividend" scheme is similar to schemes implemented by other IBEX-35 companies. Through this scheme, the Company wants to offer its shareholders an alternative that will let them collect the full amount in cash if they wish, while giving them the option of obtaining Company shares under a scrip-dividend tax regime.

"Ferrovial Flexible Dividend" scheme works in the following way.

2.2. The way the Capital Increase works

Each shareholder receives a free-of-charge allocation right for each Ferrovial share owned at the date stated in the next 3.1 paragraph. These rights may be traded or sold on the Madrid, Barcelona, Bilbao and Valencia stock exchanges from 4 to 18 November 2014 inclusive (i.e. over a two-week calendar period). Upon termination of this period, the rights will be converted automatically into newly-issued Ferrovial shares. Each Company shareholder may choose from the following options:

- (a) Not to sell their free-of-charge allocation rights. In this case, at the end of the trading period the shareholder will receive the corresponding number of newly issued shares fully free-of-charge.
- (b) Transfer all or part of the free-of-charge allocation rights to the Company at a guaranteed set price by virtue of an irrevocable purchase obligation assumed by Ferrovial, which will be referred to later on in this document. Instead of receiving shares, shareholders would opt to "monetarise" their rights and would be paid a cash consideration. This option will cover the free-of-charge allocation rights obtained by the shareholders for free and not the free-of-charge allocation rights purchased or otherwise acquired on the market. It will remain effective and may be requested over the term indicated in the next 3.4 paragraph.
- (c) Sell, in full or in part, the free-of-charge allocation rights on the market over the trading period stated in paragraph 3.4 below. Shareholders in this case would also opt to monetarise their rights, although they would not receive a

guaranteed set price as in option (b) above. The consideration paid for the rights would depend on the terms and conditions of the market in general and on the share price of the above rights, more specifically.

The Company's shareholders may combine any of the aforementioned options to match their requirements. However, it should be noted that the tax treatment of the alternatives is different. A summary of the tax regime applicable to the transaction in Spain is available in paragraph 3.6 of the Directors' Report on the proposed resolutions approved by the Ordinary General Shareholder's Meeting as items five and six of the agenda, and can be found on Ferrovial's corporate website (www.ferrovial.com). Taxation of the different means of executing the Capital Increase set out herein does not cover all possible tax consequences. Consequently, shareholders are encouraged to consult their tax advisers on the specific tax impact of the proposed transaction and to pay attention to any changes or amendments that may be made in both the laws in place at the date of this transaction and the interpretation criteria, as well as the specific circumstances of each shareholder or free-of-charge allocation rights holder.

3. Details of the offer

3.1. Number of existing shares required to be allocated a new share, maximum number of new shares for issue and nominal amount of the Capital Increase

Using the formulas envisaged in the resolution of the Ordinary General Shareholder's Meeting, the Board of Directors set the following limits for the Capital Increase:

- (i) The number of free-of-charge allocation rights required to receive one new share ("**No. Rights per share**") is 41. Those entitled to receive free-of-charge allocation rights as per the accounting records of Sociedad de Gestión de los Sistemas de Registro, Compensación and Liquidación de Valores, S.A. Unipersonal (Iberclear) at 23:59 (CET) on the date on which the announcement of the Capital Increase is published in the Official Gazette of the Mercantile Registry ("**BORME**") (expected 3 November 2014) will be allocated one free-of-charge allocation right for each existing Ferrovial share owned. Those entitled will have the right to receive a new share for every 41 existing shares owned at that date.

The calculation of the aforementioned number of rights is stated below, based on the number of outstanding shares at that date ("**NES**"), which stands at 739,421,648.

No. Rights per share = NES /Provisional no. shares
= 739,421,648 / 18,323,913.93 = 40.35 = 41 rights (rounded up to the next whole number);

where,

"Provisional no. shares" = Amount of the Alternative Option / Share Price = $293,402,509.93 / 16.012 = 18,323,913.93$; and

"Share Price" = EUR 16.012, which is the arithmetic mean of the weighted average prices of the Company's share on the Madrid, Barcelona, Bilbao and Valencia stock exchanges over the five (5) trading sessions prior to the date of the resolution adopted by the Board of Directors to implement the Capital Increase (i.e. the sessions dated 23, 24, 27, 28 and 29 of October 2014), rounded up or down to the nearest thousandth of a euro and, in the event of half a thousandth of a euro, rounded up to the nearest thousandth of a euro.

- (ii) The maximum number of new shares issued in the Capital Increase ("MNNS") is 18,034,674, which is a result of the following formula approved by Ferrovial Ordinary General Shareholder's Meeting, rounded down to the nearest whole number:

$MNNS = NES / \text{No. Rights per share} = 739,421,648 / 41 = 18,034,674$ new shares (rounded down).

where "NES", "No. of Rights per share" and "Share Price" have the meaning indicated in paragraph (i) above.

However, the number of shares effectively issued will depend on the number of shareholders that request remuneration in cash by virtue of the irrevocable obligation assumed by the Company to purchase free-of-charge allocation rights.

Ferrovial will waive the free-of-charge allocation rights acquired by virtue of the aforementioned irrevocable purchase obligation and, therefore, it will only issue shares corresponding to the free-of-charge allocation rights not acquired by Ferrovial through exercising the aforementioned obligation¹. The final number of shares issued in the Capital Increase will be made public by reporting a significant event relating to the completion of the Capital Increase, which will be published on 19 November 2014.

- (iii) The nominal amount of the Capital Increase is EUR 3,606,934.80 However, as already mentioned, the effective amount of the capital increase is the result of multiplying the number of final shares by twenty euro cents (EUR 0.20).

¹ In the event that the final number of shares to be issued (i.e. the ratio of the number of outstanding rights at the end of the trading period and the number of rights per share) is not a whole number, the Company will waive the free-of-charge allocation rights necessary to do so.

Since the number of free-of-charge allocation rights required to allocate a new share (41, based on previous calculations) multiplied by the maximum number of new shares for issue (18,034,674, based on previous calculations) was 739,421,634 (i.e., below the number of outstanding shares (739,421,648), the number of rights waived by Ferrovial was equal to the difference between both figures (i.e. 14 rights) for the sole purpose of ensuring that the maximum number of new shares for issue is a whole number and not a decimal. Allocation of the Capital Increase would therefore be incomplete and the capital would be increased only by the amount corresponding to the free-of-charge allocation rights in respect of which no waiver has been made, pursuant to Article 311 of the Capital Companies Act.

3.2. Price of obligation to purchase rights

The guaranteed set price of Ferrovial's obligation to purchase rights ("Purchase Price") is EUR 0.381 gross per right, which is a result of the formula envisaged in the Capital Increase:

$$\text{Purchase Price} = \text{Share Price} / (\text{No. rights per share} + 1) = 16.012 / (41 + 1) = 0.3812 = 0.381 \text{ (rounded up or down to the nearest one thousandth of a euro).}$$

Consequently, shareholders who wish to receive cash remuneration may sell their free-of-charge allocation rights to Ferrovial at a guaranteed set price of EUR 0.381 gross.

3.3. Schedule

The estimated Capital Increase schedule is as follows:

- (i) 03 November 2014. Publication of the announcement of the Capital Increase in the Official Gazette of the Mercantile Registry. Record date for the allocation of the rights (23:59 CET).
- (ii) 04 November 2014. Start of the trading period for the free-of-charge allocation rights and the period for submission of requests to purchase these rights from FERROVIAL. The FERROVIAL shares trades at the "clean price".
- (iii) 14 November 2014. End of the period to request remuneration in cash by virtue of FERROVIAL'S purchase of rights commitment.
- (iv) 18 November 2014. End of the trading period for free-of-charge allocation rights. Purchase by FERROVIAL of the free-of-charge allocation rights of those shareholders who requested that they be purchased by FERROVIAL.

- (v) 19 November 2014. FERROVIAL waives free-of-charge allocation rights acquired under purchase obligation. Capital Increase completed and reported as a significant event. Final result of the transaction stated.
- (vi) 19 – 27 November 2014. Process for registration of the Capital Increase and admission to trading of the new shares on the Spanish stock exchanges.
- (vii) 21 November 2014. Payment of cash to the shareholders who opted to sell their free-of-charge allocation rights to Ferrovial.
- (viii) 28 November 2014. Estimated starting date for the procuring of the new ordinary shares on the Spanish stock exchanges, subject to the securing of the corresponding authorisations.

3.4. Allocation of rights and process for opting for cash or new shares

As indicated above, free-of-charge allocation rights will be allocated to shareholders entitled to receive them based on the accounting records of Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A. Unipersonal (Iberclear) at 23:59 (CET) on the date on which the announcement of the Capital Increase is published in the Official Gazette of the Mercantile Registry (due 3 November 2014). The trading period for the rights will begin the following day and will last for a two-week calendar period (i.e. 4 November 2014 to 18 November 2014, inclusive). During this period the rights may be traded and, therefore, sold under the same terms and conditions as the original shares giving rise to them, on the Madrid, Barcelona, Bilbao and Valencia stock exchanges through the Spanish Stock Market Interconnection System (Continuous Market).

During the free-of-charge allocation right trading period, the shareholders may opt for a consideration in cash or new shares under the aforementioned terms, and to acquire on the market sufficient free-of-charge allocation rights in the proportion required to subscribe new shares. However, shareholders that wish to accept Ferrovial's obligation to purchase shares, receiving cash at the guaranteed set price (Purchase Price) must communicate their decision no later than 14 November 2014. The purchase obligation only covers the free-of-charge allocation rights received by the shareholders; not those purchased or otherwise acquired on the market. Shareholders must decide from the various options and notify their decision to the entities in which their Ferrovial shares and the corresponding free-of-charge allocation rights are deposited.

In particular, should they wish to receive cash for the guaranteed set price relating to Ferrovial's obligation to purchase rights, they must report it no later than 14 November

2014. Should no express notification be given, the shareholders will receive new Ferrovial shares in the corresponding proportion².

The Capital Increase will be made free of charges and fees for the allocation of newly issued shares. The Company will bear the costs of issue, subscription, putting into circulation, listing and any others related with the Capital Increase.

Nevertheless, the Company's shareholders should bear in mind that the members of Sociedad de Gestión de los Sistemas de Registro, Compensación and Liquidación de Valores, S.A. Unipersonal (Iberclear) at which they have deposited their shares may, under prevailing laws, establish the administration and subscription charges and fees that they deem fit for maintaining the shares in the accounting records.

Moreover, these members may, under prevailing legislation, establish the charges and fees that they deem fit for handling purchase and sale orders of free-of-charges allocation rights.

4. Nature of the shares for issue

4.1. Par value, type of issue and representation of shares

The new shares issued in the Capital Increase will be ordinary shares with a par value of twenty euro cents each (EUR 0.20), from the same class and series as those currently outstanding, already admitted to trading on the Madrid, Barcelona, Bilbao and Valencia stock exchanges through the Spanish Stock Market Interconnection System (Continuous Market).

The new shares will be issued at a rate of twenty euro cents (EUR 0.20) each, without any share premium, represented by book entries and recorded for accounting purposes by Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A. Unipersonal (Iberclear) and its members.

4.2. Capital-Increase balance sheet and reserve against which the Capital Increase is made

The balance sheet on which the Capital Increase is based is the balance sheet for the year ended 31 December 2013, audited by Deloitte, S.L. on 25 February 2014 and

² Once the free-of-charge allocation right trading period is over, the number of shares held by shareholders may, based on the calculation formulas referred to in this document, not entitle them to a whole number of shares. If this is the case, the depository holding the free-of-charge allocation rights may sell the number of shares resulting in the fraction of a new share and, accordingly, shareholders will receive the product of the sale in cash and will not lose the shares' intrinsic value. However, the above is subject to the terms and conditions of the security deposit and administration agreement entered into with the depository in question and the instructions given to it by shareholders.

approved by the Ordinary General Shareholder's Meeting held on 26 June 2014, under item one of the agenda.

The Capital Increase will be charged in full to voluntary reserves (other reserves), amounting to EUR 331,108,488.85 at 31 December 2013.

4.3. Shares deposited

Once the free-of-charge allocation right trading period is over, the new shares that could not be allocated due to reasons not attributable to the Company, will remain in a deposit and be made available to those that prove they hold the corresponding free-of-charges allocation rights. Once three (3) years have elapsed from the end date of the aforementioned trading period, the new shares that have still not been allocated may be sold pursuant to Article 117 of the Capital Companies Act, on account and at the risk of the interested parties. The cash amount of the aforementioned sale will be made available to the interested parties through a deposit at the Bank of Spain or at the Spanish State Depository.

4.4. Rights attached to new shares

Holders of new shares will have the same voting and dividend rights as the Company's currently outstanding ordinary shares as from the date on which the Capital Increase is declared subscribed and paid up (expected on 19 November 2014).

4.5. Admission to trading

The Company must request the admission to trading of the new shares on the Madrid, Barcelona, Bilbao and Valencia stock exchanges through the Spanish Stock Market Interconnection System (Continuous Market). Subject to the relevant authorisation, the ordinary trading of new shares is expected to commence on the Spanish stock exchanges on 28 November 2014.

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