ferrovial

2013 consolidated financial statements

Ferrovial, S. A. and Subsidiaries

Board of Directors
25 February 2014

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Translation of consolidated financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Group (see Notes 2 and 36). In the event of a discrepancy, the Spanish-language version prevails.

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION FOR 2013 AND 2012

Assets (Millions of euros)	Notes	2013	2012
Non-current assets		**17,142**	**16,660**
Goodwill	5	1,893	1,487
Intangible assets	6	229	116
Investments in infrastructure projects	7	7,639	6,755
Investment property		37	35
Property, plant and equipment	8	483	506
Investments in associates	9	3,562	4,322
Non-current financial assets	10	1,810	1,674
Accounts receivable relating to infrastructure projects		1,341	1,334
Available-for-sale financial assets		1	1
Restricted cash relating to infrastructure projects		317	148
Other receivables		152	192
Deferred tax assets	21	1,344	1,608
Non-current derivative financial instruments at fair value	11	144	158
Current assets		**5,678**	**5,570**
Assets classified as held for sale		2	2
Inventories	12	325	394
Trade and other receivables	13	2,202	2,198
Trade receivables for sales and services		1,635	1,642
Other receivables		470	436
Current tax assets		98	120
Cash and cash equivalents	18	3,130	2,967
Infrastructure projects		279	237
Restricted cash		41	25
Other cash and cash equivalents		238	212
Excluding infrastructure projects		2,851	2,730
Current derivative financial instruments at fair value	11	18	8
TOTAL ASSETS		**22,820**	**22,230**

Equity and liabilities (Millions of euros)	Notes	2013	2012
Equity	14	**6,074**	**5,780**
Equity attributable to the equity holders		**5,719**	**5,660**
Equity attributable to non-controlling interests		355	121
Deferred income	15	**503**	**356**
Non-current liabilities		**11,230**	**11,117**
Pension plan deficit	16	107	105
Long-term provisions	17	1,350	1,166
Borrowings	18	7,496	6,996
Debt securities and bank borrowings of infrastructure projects		6,403	5,825
Debt securities and borrowings excluding infrastructure projects		1,093	1,171
Other payables	19	208	203
Deferred tax liabilities	21	1,117	1,080
Derivative financial instruments at fair value	11	952	1,567
Current liabilities		**5,013**	**4,976**
Borrowings	18	1,303	1,229
Debt securities and bank borrowings of infrastructure projects		1,228	1,168
Bank borrowings excluding infrastructure projects		75	61
Derivative financial instruments at fair value	11	67	65
Trade and other payables	20	3,254	3,267
Trade payables		2,665	2,645
Current tax liabilities		60	75
Other non-trade payables		528	547
Operating provisions and allowances	17	389	415
TOTAL EQUITY AND LIABILITIES		**22,820**	**22,230**

The intangible assets, property, plant and equipment and investment property used in infrastructure projects are included under "Investments in Infrastructure Projects". The accompanying Notes 1 to 36 are an integral part of the consolidated statement of financial position at 31 December 2013.

Translation of consolidated financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Group (see Notes 2 and 36). In the event of a discrepancy, the Spanish-language version prevails.

CONSOLIDATED INCOME STATEMENTS FOR 2013 AND 2012

		2013			2012		
Millions of euros	Notes	**Before fair value adjustments**	**Fair value adjustments (*)**	**Total 2013**	**Before fair value adjustments**	**Fair value adjustments (*)**	**Total 2012**
Revenue		8,166	0	8,166	7,630	0	7,630
Other operating income		10	0	10	17	0	17
Total operating income	24	**8,176**	**0**	**8,176**	**7,647**	**0**	**7,647**
Materials consumed		1,181	0	1,181	1,295	0	1,295
Staff costs	25	2,351	0	2,351	2,102	0	2,102
Other operating expenses		3,710	0	3,710	3,323	0	3,323
Total operating expenses		**7,242**	**0**	**7,242**	**6,720**	**0**	**6,720**
Gross profit from operations		**934**	**0**	**934**	**927**	**0**	**927**
Depreciation and amortisation charge		233	0	233	219	0	219
Profit from operations before impairment and non-current asset disposals		**701**	**0**	**701**	**708**	**0**	**708**
Impairment and non-current asset disposals	23	108	18	126	115	-63	52
Profit from operations		**809**	**18**	**827**	**823**	**-63**	**760**
Financial result on financing		-337	0	-337	-298	0	-298
Result on derivatives and other financial results		-7	7	0	-6	2	-4
Financial result of infrastructure projects		**-344**	**7**	**-337**	**-304**	**2**	**-302**
Financial result on financing		-53	0	-53	-32	0	-32
Result on derivatives and other financial results		-15	72	57	-13	46	33
Financial result excluding infrastructure projects		**-68**	**72**	**5**	**-45**	**46**	**1**
Financial result	26	**-412**	**79**	**-333**	**-349**	**48**	**-301**
Share of profits of companies accounted for using the equity method	9	396	-21	375	214	60	275
Consolidated profit before tax		**793**	**76**	**869**	**688**	**45**	**733**
Income tax	21	-127	-41	-168	-105	0	-106
Consolidated profit from continuing operations		**666**	**35**	**701**	**583**	**45**	**628**
Net profit from discontinued operations		0	0	0	0	0	0
Consolidated profit for the year		**666**	**35**	**701**	**583**	**45**	**628**
Loss for the year attributable to non-controlling interests		22	5	26	60	3	64
Profit for the year attributable to the Parent		**688**	**39**	**727**	**643**	**49**	**692**

Net earnings per share attributable to the Parent	27		
Basic		0.99	0.94
Diluted		0.99	0.94

(*) Relating to the gains or losses arising from changes in the fair value of derivatives and other financial assets and financial liabilities (see Note 11), asset impairment (see Note 23) and the impact of the fair value adjustments and asset impairment on "Share of Profits of Companies Accounted for Using the Equity Method" (see Note 9).
The accompanying Notes 1 to 36 are an integral part of the consolidated income statement for 2013.

Translation of consolidated financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Group (see Notes 2 and 36). In the event of a discrepancy, the Spanish-language version prevails.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR 2013 AND 2012

	Millions of euros	
	2013	2012
a) Consolidated profit for the year	**701**	**628**
Attributable to the Parent	727	692
Attributable to non-controlling interests	-26	-64
b) Income and expense recognised directly in equity	**-44**	**-210**
Fully consolidated companies	**224**	**-176**
Impact on reserves of hedging instruments	499	-100
Impact on reserves of defined benefit plans (*)	-15	-20
Translation differences	-33	-13
Tax effect	-228	-43
Companies accounted for using the equity method	**-267**	**-33**
Impact on reserves of hedging instruments	109	-37
Impact on reserves of defined benefit plans (*)	-25	-112
Translation differences	-311	92
Tax effect	-40	24
c) Transfers to profit or loss	**11**	**-24**
Fully consolidated companies	-4	-21
Companies accounted for using the equity method/Discontinued operations	15	-2
a+b+c) TOTAL COMPREHENSIVE INCOME	**668**	**394**
Attributable to the Parent	541	464
Attributable to non-controlling interests	127	-70

The accompanying Notes 1 to 36 are an integral part of the consolidated statement of comprehensive income for 2013.

(*) The impact on reserves of defined benefit plans is the only item of income and expense recognised directly in equity that cannot be reclassified subsequently to profit or loss (see Note 14).

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR 2013 AND 2012

	2013								
Millions of euros	Share capital	Share premium	Merger premium	Treasury shares	Valuation adjustments	Retained earnings and other reserves	**Attributable to the equity holders**	**Attributable to non-controlling interests**	**Total equity**
Balance at 31/12/12	**147**	**1,202**	**1,638**	**0**	**-866**	**3,539**	**5,660**	**121**	**5,780**
Consolidated profit for the year						727	**727**	-26	**701**
Income and expense recognised in equity					-186		-186	153	**-33**
Total recognised income and expense	**0**	**0**	**0**	**0**	**-186**	**727**	**541**	**127**	**668**
Dividends paid			-183			-293	-477	-14	**-491**
Capital increases/reductions						0	0	116	**116**
Other transactions with shareholders						-6	-6	0	**-6**
Transactions with shareholders	**0**	**0**	**-183**	**0**	**0**	**-299**	**-483**	**103**	**-380**
Changes in the scope of consolidation							0		**0**
Other changes						0	**0**	5	**5**
Balance at 31/12/13	**147**	**1,202**	**1,454**	**0**	**-1,052**	**3,968**	**5,719**	**355**	**6,074**

	2012								
Millions of euros	Share capital	Share premium	Merger premium	Treasury shares	Valuation adjustments	Retained earnings and other reserves	**Attributable to the equity holders**	**Attributable to non-controlling interests**	**Total equity**
Balance at 31/12/11	**147**	**1,202**	**1,821**	**0**	**-638**	**3,581**	**6,113**	**133**	**6,246**
Consolidated profit for the year						692	**692**	-64	**628**
Income and expense recognised in equity					-228		-228	-6	**-234**
Total recognised income and expense	**0**	**0**	**0**	**0**	**-228**	**692**	**464**	**-70**	**394**
Dividends paid			-183			-734	-917	-28	**-945**
Capital increases/reductions			0			**0**	0	125	**125**
Transactions with shareholders	**0**	**0**	**-183**	**0**	**0**	**-734**	**-917**	**97**	**-820**
Changes in the scope of consolidation							**0**	**0**	**0**
Other changes					**0**	**0**	**0**	-40	**-40**
Balance at 31/12/12	**147**	**1,202**	**1,638**	**0**	**-866**	**3,539**	**5,660**	**121**	**5,780**

The accompanying Notes 1 to 36 are an integral part of the consolidated statement of changes in equity for 2013.

Translation of consolidated financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Group (see Notes 2 and 36). In the event of a discrepancy, the Spanish-language version prevails.

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR 2013 AND 2012

Millions of euros	Notes	December 2013	December 2012
Net profit attributable to the Parent		**727**	**692**
Adjustments for		**207**	**235**
Non-controlling interests		*-26*	*-64*
Tax		*168*	*106*
Result of companies accounted for using the equity method		*-375*	*-275*
Financial result		*333*	*301*
Impairment and gains or losses on disposals of non-current assets		*-126*	*-52*
Depreciation and amortisation charge		*233*	*219*
Income taxes paid		-82	-50
Changes in receivables, payables and other		-20	-56
Dividends from infrastructure project companies received		465	363
Cash flows from operating activities	**30**	**1,296**	**1,184**
Investments in property, plant and equipment and intangible assets		-96	-118
Investments in infrastructure projects		-704	-798
Acquisitions of companies		-507	-33
Long-term restricted cash		-169	242
Divestment of infrastructure projects		0	0
Divestment/Sale of companies		564	893
Cash flows from investing activities	**30**	**-912**	**186**
Cash flows before financing activities		**384**	**1,370**
Capital proceeds from non-controlling interests		117	135
Dividends paid		-525	-827
Other changes in shareholders' equity		0	0
Cash flows from shareholders and non-controlling interests		**-408**	**-692**
Interest paid		-351	-342
Interest received		21	24
Increase in borrowings		636	650
Decrease in borrowings		-71	-398
Change in borrowings held for sale		0	0
Cash flows from financing activities	**30**	**-173**	**-759**
Change in cash and cash equivalents	**18**	**212**	**612**
Cash and cash equivalents at beginning of year		2,967	2,349
Cash and cash equivalents at end of year		3,130	2,967
Effect of foreign exchange rate changes on cash and cash equivalents		48	-6

The accompanying Notes 1 to 36 are an integral part of the consolidated statement of cash flows for 2013.

Translation of consolidated financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Group (see Notes 2 and 36). In the event of a discrepancy, the Spanish-language version prevails.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR 2013

1. Company activities and scope of consolidation.

1.1 Company activities:

The consolidated Ferrovial Group ("Ferrovial") comprises the Parent Ferrovial, S.A. and its subsidiaries, which are detailed in Appendix I. Its registered office is at calle Príncipe de Vergara 135, Madrid.

Through these companies, Ferrovial engages in the following lines of business, which are its reporting segments pursuant to IFRS 8:

-Construction: design and performance of all manner of public and private works, including most notably the construction of public infrastructure.

-Services: maintenance and upkeep of infrastructure, facilities and buildings; waste collection and treatment; and rendering of other kinds of public services.

-Toll roads: development, financing and operation of toll roads.

-Airports: development, financing and operation of airports.

For a more detailed description of the various areas of activity in which the consolidated Group conducts its business operations, please consult the Group's website: www.ferrovial.com.

For the purpose of understanding these financial statements, it should be noted that a part of the activity carried on by the Group's business divisions consists of the performance of infrastructure projects, primarily in the toll road and airport areas, but also in the construction and services fields.

These projects are conducted through long-term arrangements with public authorities under which the concession operator, in which the Group generally has an ownership interest together with other shareholders, finances the construction or upgrade of public infrastructure, mainly with borrowings secured by the cash flows from the project and with the shareholders' capital contributions, and subsequently maintains the infrastructure. The investment is recovered by means of the collection of tolls or regulated charges for the use of the infrastructure or through amounts paid by the grantor public authority based on the availability for use of the related asset. In most cases the construction and subsequent maintenance of the infrastructure is subcontracted by the concession operators to the Group's Construction and Services Divisions.

From the accounting standpoint, most of these arrangements fall within the scope of application of IFRIC 12.

Accordingly, and in order to aid understanding of the Group's financial performance, these financial statements present separately the impact of projects of this nature on both non-financial non-current assets ("Investments in Infrastructure Projects" includes the property, plant and equipment, intangible assets and investment property assigned to these projects) and non-current financial assets and, mainly, the net cash position and the cash flow disclosures, in which the cash flows referred to as "excluding infrastructure projects", which comprise the flows generated by the construction and services businesses, the dividends from the capital invested in infrastructure projects and investments in or divestments of the share capital of these projects, are presented separately from the cash flows of the infrastructure projects, which include the flows generated by the related concession operators.

It is also important to highlight that two of the Group's main assets are its investments of **25% in Heathrow Airport Holdings** (HAH) (31 December 2012: 33.65%), the company that owns Heathrow Airport in London (UK) and other airports in the UK, and of **43.23% in ETR 407**, the concession operator of the ETR 407 toll road in Toronto (Canada), which have been accounted for using the equity method since 2011 and 2010, respectively. In order to provide detailed information on the two companies, Note 9 on investments in companies accounted for using the equity method includes information relating to the changes in the two companies' balance sheets and income statements, and this information is completed in other Notes with data considered to be of interest.

1.2 Changes in the scope of consolidation

The most significant changes in relation to the companies fully consolidated in the scope of consolidation of Ferrovial in 2013 were as follows:

a) Services Division:

○ On 21 February, Ferrovial Servicios reached an agreement with the international investor 3i to acquire Enterprise, one of the leading UK service providers to utilities and the public sector, for an enterprise value (share purchase price plus net debt acquired) of GBP 393 million (EUR 474 million). This transaction was subject to the approval of the European Commission, which was granted on 8 April, the date from which the financial statements of Enterprise were included in the scope of consolidation of the Ferrovial Group. Subsequent to that date, Ferrovial Servicios transferred its ownership interest in Enterprise to its subsidiary Amey, and the businesses of the two companies were integrated in the operations of the latter.

○ On 7 February Ferrovial Servicios completed the acquisition of 70% of Steel Ingeniería, a company specialising in the maintenance of mining facilities in Chile. The price for the acquisition of 70% of the shares was EUR 21 million, plus 100% of the debt of the company totalling EUR 8 million.

Additionally, the buyer and seller crossed call and put options on the remaining 30% and, accordingly,

the financial statements of this company were fully consolidated in the Ferrovial Group.

○ In March Amey concluded the sale to the Dutch investment fund DIF of 40% of the companies carrying out long-term PFI projects for GBP 37 million. Prior to this sale, Amey had an ownership interest of 50% which was accounted for using the equity method. Following the sale, the UK subsidiary of Ferrovial Servicios had an ownership interest of 10% and continued to operate the contracts. The gain on this sale amounted to EUR 20 million (see Note 23, Impairment and disposals of non-current assets).

b) Construction Division:

○ On 2 December the Budimex Group sold Budimex Danwood Sp. z o.o. (a Polish manufacturer of prefabricated houses with timber frames) to the investment fund Enterprise Investors for PLN 238 million (EUR 57 million), giving rise to a gain for Ferrovial of EUR 27 million (see Note 23, Impairment and disposals of non-current assets).

○ On 4 January the Budimex Group acquired an additional stake in Elektromontaz Poznan (19.88%) for PLN 7 million. This additional percentage increased the total stake in this company to 50.66% and, therefore, it was fully consolidated in 2013.

c) Airports Division:

○ On 24 October Ferrovial S.A., which had an indirect holding of 33.65% in Heathrow Airport Holdings Ltd (HAH, formerly BAA Airports Limited) reached an agreement with a wholly-owned subsidiary of the pension fund Universities Superannuation Scheme (USS) for the transfer of an ownership interest of 8.65% in FGP Topco Ltd (the parent of HAH) for GBP 392 million, giving rise to a gain of EUR 82 million for Ferrovial (see Note 23, Impairment and disposals of non-current assets). The transaction reduced Ferrovial S.A.'s indirect holding in HAH to 25%. Ferrovial is still the majority shareholder of FGP Topco Ltd and its only industrial partner.

○ In the first quarter of 2013 Heathrow Airport Holdings (HAH) completed the sale of Stansted Airport to Manchester Airports Group (MAG) for GBP 1,500 million, giving rise to a net gain for Ferrovial of EUR 137 million, which was recognised under "Share of Profits of Companies Accounted for Using the Equity Method" in the consolidated income statement (for more details, see Note 9, Investments in associates).

2. Basis of presentation and accounting policies

2.1. Basis of presentation

The accompanying consolidated financial statements were obtained from the Company's accounting records and are presented in accordance with the regulatory financial reporting framework applicable to the Company and, accordingly, present fairly the Company's equity, financial position and results of operations. The regulatory framework consists of International Financial Reporting Standards (IFRSs), as established by Regulation (EC) no. 1606/2002 of the European Parliament and of the Council of 19 July 2002.

2.2. Materiality principle used for the purpose of the required disclosures

It should also be noted that in preparing these consolidated financial statements the Group omitted any information or disclosures which, not requiring disclosure due to their qualitative importance, were considered not to be material in accordance with the concept of *materiality* defined in the IFRS Conceptual Framework.

2.3. New accounting standards

2.3.a) New standards and amendments adopted by the European Union mandatorily applicable in 2013 or applicable early on a voluntary basis

The following table contains a summary of the new standards and amendments adopted by the European Union that are mandatorily applicable in 2013 and that had a significant impact on the Group's consolidated financial statements, as well as the standards adopted by the European Union that may be applied early on a voluntary basis:

New standards and amendments		Mandatory application in annual reporting periods beginning on or after:
Mandatorily applicable		
IFRS 13	Fair Value Measurement	1 January 2013
Amendments to IAS 19	Employee Benefits	1 January 2013
Applied early		
IFRS 10	Consolidated Financial Statements	1 January 2014 (*)
IFRS 11	Joint Arrangements	1 January 2014 (*)
IFRS 12	Disclosure of Interests in Other Entities	1 January 2014 (*)
IAS 27 (Revised)	Separate Financial Statements	1 January 2014 (*)
IAS 28 (Revised)	Investments in Associates and Joint Ventures	1 January 2014 (*)

(*) The effective date approved by the IASB for all these standards was 1 January 2013. However, the European Union has postponed their entry into force until 1 January 2014. Early application is permitted, provided they are applied en bloc.

Following is a brief summary of the content of the aforementioned standards and amendments and of the effect of their application for Ferrovial:

IFRS 13, Fair Value Measurement. This standard requires the credit risk of the parties to the related agreement be included in the measurement of derivatives. The impact of credit risk will be recognised in profit or loss, except when the derivatives qualify as effective hedges, in which case they will be recognised in reserves. The methodology used to measure the credit risk is described in Note 11, Derivative financial instruments at fair value.

The impact of the first-time application of this standard on these consolidated financial statements amounted to EUR 52 million at the fully consolidated companies (EUR 48 million on reserves and EUR 4 million on the net profit, see Note 11, Derivative financial instruments at fair value) and to EUR 3 million at companies accounted for using the equity method (relating in full to reserves).

Amendments to IAS 19, Employee Benefits. The main impact for the Group arises from the limitation on the return on plan assets, which will be calculated using the same interest rate as that used to discount plan liabilities. These amendments have been applied retrospectively in accordance with IAS 8 and the comparative figures for 2012 have been restated. These amendments had an impact of EUR -17 million on the comparative consolidated income statement for 2012 (EUR -7 million relating to HAH, based on the percentage of ownership of Ferrovial, and EUR -10 million relating to Amey).

IFRS 10, Consolidated Financial Statements (and amendments to IAS 27). This standard introduces a new definition of control, establishing additional indicators, such as, among others, potential voting rights, dispersion of non-controlling interests, dependence of the investee on the investor to fund a significant portion of its operations or an investor's greater exposure to variability of returns from its involvement with an investee. As a result, management is required to apply its judgement in each specific case, which might affect the determination of the scope of consolidation.

IFRS 11, Joint Arrangements (and amendments to IAS 28, Investments in Associates and Joint Ventures). This IFRS distinguishes between two types of joint arrangement: joint operations and joint ventures. Proportionate consolidation is confined to joint operations, with requirements being established for an arrangement to be classified as such (the joint operators assume the risks and are liable, in the first instance, for the commitments of the arrangement, and have rights to the economic benefits of the arrangement).

IFRS 12, Disclosure of Interests in Other Entities. This IFRS groups together in a single standard the disclosure requirements previously contained in IAS 27, IAS 28 and IAS 31. It introduces additional disclosure requirements, such as the reasons for a company's inclusion in or exclusion from the scope of consolidation.

The voluntary early application of the aforementioned package of consolidation standards had an impact on the method used to account for certain arrangements of Amey in the UK which had previously been proportionately consolidated and now, under the new IFRS 11, are accounted for as joint ventures using the equity method. This standard was applied retrospectively in accordance with IAS 8 and the comparative figures for 2012 were restated. The impact of these changes totalled EUR -6 million in total assets in the comparative consolidated statement of financial position for 2012 and EUR -1 million in the share of profits of companies accounted for using the equity method in 2012 (effect of EUR +1 million on the profit from operations).

Under IAS 1, an entity must present a third statement of financial position as at the beginning of the preceding period if:
(a) it applies an accounting policy retrospectively, makes a retrospective restatement of items in its financial statements or reclassifies items in its financial statements; and

(b) the retrospective application, retrospective restatement or the reclassification has a material effect on the information in the statement of financial position at the beginning of the preceding period.

In view of the scant materiality of the effects of the retrospective application of the aforementioned standards, the Group did not prepare a third statement of financial position.

2.3.b) New standards, amendments and interpretations mandatorily applicable in annual reporting periods subsequent to 2013:

Following is a description of the standards, amendments and interpretations approved by the IASB but not yet approved by the European Union or approved by the European Union but not mandatorily applicable until 2014:

New standards, amendments and interpretations		Mandatory application in annual reporting periods beginning on or after:
Approved for use in the EU		
Amendments to IAS 32	Financial Instruments: Presentation - Offsetting Financial Assets and Financial Liabilities	1 January 2014
Amendments to IFRS 10, IFRS 12 and IAS 27	Investment Entities	1 January 2014
Amendments to IAS 36	Recoverable Amount Disclosures for Non-Financial Assets	1 January 2014
Amendments to IAS 39	Novation of Derivatives and Continuation of Hedge Accounting	1 January 2014
Not yet approved for use in the EU		
IFRS 9	Financial Instruments: Phase 1 Classification and Measurement of Financial Assets and Financial Liabilities Phase 3 Hedge Accounting	Not specified (*)
Amendments to IAS 19	Defined Benefit Plans: Employee Contributions	1 July 2014
IFRIC 21	Levies	1 January 2014

(*) The IASB has postponed the effective date of obligatory application of IFRS 9, planned for 1 January 2015, delaying the decision regarding the new obligatory effective date until the remaining phases of the standard (Phase 2, Impairment Methodology, and amendments to Phase 1, Classification and Measurement of Financial Assets and Financial Liabilities) have been published.

At the date of preparation of these consolidated financial statements, Group management was assessing the impact that the application of these standards, amendments and interpretations might have on the Group's consolidated financial statements. In principle, it is considered that the only standards that might have an impact for the Group are:

- Firstly, although there is no set date for the mandatory application of IFRS 9, Financial Instruments, the Group considers that Phase 3, Hedge Accounting may have an impact on its consolidated financial statements, due mainly to the extension of hedge accounting to risk components of both financial instruments and non-financial instruments, provided that the component can be identified separately and measured reliably, which may make it possible for components such as inflation to be designated as hedged items.

- Secondly, the amendments to IFRS 10 regulating investment entities, since if any Group company were classified as such it would cease to consolidate the entities controlled by it or over which it exercises significant influence, and the investments in such entities would be measured at fair value.

2.4 Basis of consolidation

In 2013 and 2012 the reporting dates of the separate financial statements of all the companies included in the scope of consolidation were either the same as, or were temporarily brought into line with, that of the Parent.

As indicated in Note 2.1 above, the consolidated Group applied the consolidation criteria in accordance with IFRSs as adopted by the European Union (EU-IFRSs).

In this connection, set forth below is a detail of only those consolidation criteria adopted by the consolidated Group in preparing these financial statements with respect to which there is an option permitted by IFRSs or, as the case may be, on the basis of the specific nature of the industry in which it operates:

- The contracts that are undertaken through unincorporated temporary joint ventures (UTEs) or similar entities that meet the IFRS 11 requirements for being classified as "joint operations" are proportionately consolidated. It is considered that, in these cases of joint control, the venturers have direct control over the assets, liabilities, income and expenses, and joint and several responsibility for the commitments , of these entities. Operations of this nature contributed to the consolidated Group assets, profits and sales of EUR 589 million, EUR 60 million and EUR 885 million, respectively, in 2013 (2012: EUR 511 million, EUR 87 million and EUR 969 million, respectively).

- The companies over which Ferrovial, S.A. exercises joint control but which do not meet the requirements in IFRS 11 for being classified as "joint operations" are accounted for using the equity method. In these cases, the Company considers that the equity method is the method that best ensures fair presentation, since in these cases of joint control the Company does not control the assets or have any present commitment with respect to the liabilities of the investee, but rather only effectively controls the ownership interest in the entity.

- Intra-Group balances and transactions are eliminated on consolidation. However, the transactions recognised in the income statement in relation to construction contracts performed by the Construction Division for infrastructure project concession operators are not eliminated on consolidation, since contracts of this kind are treated as construction contracts under which the Group performs work for the concession grantor or regulator in exchange for the right to operate the infrastructure under the terms pre-established by the grantor or regulator. The grantor or regulator thus controls the asset from inception and grants the above-mentioned right in exchange for the work performed, and, therefore, the conclusion may be reached that at Group level the work is performed for third parties. This is in line with IFRIC 12. The non-elimination of these transactions had an impact of EUR 40 million on the income statement. The detail of the transactions not eliminated on the basis of the foregoing is shown in Note 31, Related party transactions.

Appendix I contains a list of subsidiaries and associates.

2.5 Accounting policies applied to each item in the consolidated statement of financial position and consolidated income statement

In line with the disclosures in Note 2.4 above, set forth below is a detail of only those accounting policies adopted by the consolidated Group in preparing these financial statements with respect to which there is an option permitted by IFRSs or, as the case may be, on the basis of the specific nature of the industry in which it operates:

2.5.1 Property, plant and equipment, investment property and intangible assets

- Subsequent to initial recognition, the items included under "Intangible Assets", "Investment Property" and "Property, Plant and Equipment" are measured at cost less any accumulated depreciation or amortisation and any accumulated impairment losses. The Group does not apply, therefore, the fair value alternative for measuring property, plant and equipment and investment property.

- The Group uses the straight-line method to calculate the depreciation and amortisation charge for the assets included under "Intangible Assets", "Investment Property" and "Property, Plant and Equipment", except in the case of certain machinery in the construction business, which is depreciated using the diminishing balance method.

  The consolidated companies depreciate their various items of property, plant and equipment basically within the following ranges of years of useful life:

	Years of useful life
Buildings and other structures	10-50
Machinery, fixtures and tools	2-25
Furniture	2-15
Transport equipment	3-20
Other items of property, plant and equipment	2-20

2.5.2 Investments in infrastructure projects

This line item includes the investments in infrastructure made by infrastructure concession operators within the scope of IFRIC 12 (mainly toll roads), for which the intangible asset model is applied and the remuneration for which consists of the right to collect the related charges based on the level of usage of the public service.
The assets acquired by the concession operator to provide the concession services but which do not form part of the infrastructure (vehicles, furniture, computer hardware, etc.) are not included in this line item because they are not returned to the concession grantor. Assets of this nature are classified under "Property, Plant and Equipment" and are depreciated over their useful life, using a method that reflects their economic use.

IFRIC 12 - Intangible asset model

All initial investments relating to the infrastructure that is subsequently returned to the grantor, including compulsory purchase costs and borrowing costs capitalised during construction, are amortised on the basis of the expected pattern of consumption applicable in each case (e.g., forecast vehicle numbers in the case of toll roads) over the term of the concession.

The investments contractually agreed on at the start of the concession on a final and irrevocable basis to be made at a later date during the term of the concession, and provided they are not investments made to upgrade infrastructure, are considered to be initial investments. For investments of this nature, an asset and an initial provision are recognised for the present value of the future investment, applying a discount rate to calculate the present value that is equal to the cost of the borrowings associated with the project. The asset is amortised based on the pattern of consumption over the entire term of the concession and the provision is increased by the related interest cost during the period until the investment is made.

Where a payment is made to the grantor to obtain the right to operate the concession, this amount is also amortised based on the pattern of consumption over the concession term.

A provision is recognised systematically for replacement investments over the period in which the related commitments accrue, which must have been set up in full by the time the replacement becomes operational. The provision is recognised on the basis of the pattern of consumption over the period in which the commitment arises, on a time proportion basis.

Infrastructure upgrade investments are those that increase the infrastructure's capacity to generate revenue or reduce its costs. In the case of investments that will be recovered over the concession term, since the upgrade investments increase the capacity of the infrastructure, they are treated as an extension of the right granted and, therefore, they are recognised in the consolidated statement of financial position when they come into service. They are amortised as from the date on which they come into service based on the difference in the pattern of consumption arising from the increase in capacity. However, if, on the basis of the terms and conditions of the concession, these investments will not be offset by the possibility of obtaining increased revenue from the date on which they are made, a provision is recognised for the best estimate of the present value of the cash outflow required to settle the commitments related to the investment that will not be offset by the possibility of obtaining increased revenue from the date on which the investments are made. The balancing item is a higher acquisition cost of the intangible asset.

In the case of the proportional part of the upgrade or increase in capacity that is expected to be recovered through the generation of increased future revenue, the general accounting treatment used for investments that will be recovered in the concession term will be applied.

The main assumptions used in relation to these arrangements correspond to vehicle number and replacement investment estimates, which are updated each year by technical departments.

Set forth below is a detail of the main toll road concessions in force to which the intangible asset model is applied, showing their duration, their status and the accounting method applied:

Toll road concessions accounted for using the intangible asset model:

Concession operator	Country	Concession term (years)	Status	First year of concession (*)	Accounting method
Skyway Concession Co.	US	99	Operation	2005	Full consolidation
SH 130 Concession Co.	US	50	Operation	2012	Full consolidation
North Tarrant Express	US	52	Construction	2009	Full consolidation
North Tarrant Express Extension (1)	US	43	Construction	2013	Full consolidation
LBJ Express (2)	US	52	Construction	2009	Full consolidation
M-203 Alcalá O'Donnell	Spain	30	Operation	2005	Full consolidation
Autopista Madrid Sur	Spain	65	Operation	2000	Full consolidation
Autopista Madrid-Levante	Spain	36	Operation	2004	Full consolidation
Autopista del Sol	Spain	55	Operation	1996	Full consolidation
Euroscut Algarve	Portugal	30	Operation	2000	Full consolidation
Euroscut Azores	Portugal	30	Operation	2006	Full consolidation
Eurolink Motorway Operations	Ireland	30	Operation	2003	Full consolidation
Indiana Toll Roads	US	75	Operation	2006	Equity method
Nea Odos	Greece	30	Operation	2007	Equity method
Central Greece	Greece	30	Operation	2008	Equity method

(*) First year of the concession (if in operation) or year of commencement of construction (if at the construction phase).

(1) The concession term is 43 years from the commencement of operation services, scheduled for 2018.
(2) The concession term is the shorter of 50 years of operation and 52 years from the contract execution date.

Other concession arrangements accounted for using the intangible asset model:

In addition to the toll road concessions shown in the foregoing table, there are other arrangements to which the IFRIC 12 intangible asset model is applied, including most notably a concession of the Services Division held through Autovía de Aragón Sociedad Concesionaria S.A. for the rehabilitation and subsequent maintenance of a stretch of the Nacional II road in Spain, as well as various waste treatment plants of the Services Division and water treatment plants of the Construction Division.

2.5.3 Accounts receivable relating to infrastructure projects - IFRIC 12

This line item includes the service concession arrangements related to infrastructure in which the consideration consists of an unconditional contractual right to receive cash or another financial asset, either because the grantor guarantees to pay the operator specified or determinable amounts or because it guarantees to pay the operator the shortfall between amounts received from users of the public service and specified or determinable amounts. Therefore, these are concession arrangements in which demand risk is borne in full by the grantor. In these cases, the amount due from the grantor is accounted for as a loan or receivable in assets in the consolidated statement of financial position.

To calculate the amount due from the grantor, the value of the construction, operation and/or maintenance services provided and the interest implicit in arrangements of this nature are taken into consideration.

Revenue from the services (mainly construction and maintenance) provided in each period increases the amount of the related receivables with a credit to sales. The interest on the consideration for the services provided also increases the amount of the receivables with a credit to sales. Amounts received from the grantor reduce the total receivable with a charge to cash.

This interest is accounted for in accordance with IAS 18, Revenue. Under IAS 18, revenue is the gross inflow of economic benefits during the period arising in the course of the ordinary activities of an entity when those inflows result in increases in equity. In this regard, it can be considered that the interest income from concessions of this type should be classified as revenue, since it forms part of the ordinary concession activity and is earned on a regular and periodic basis.

At 31 December 2013, the interest recognised as revenue amounted to EUR 149 million (31 December 2012: EUR 144 million). Also, the borrowing costs associated with the financing of concessions to which the financial asset model is applied amounted to EUR 74 million in 2013 (2012: EUR 79 million).

Set forth below is a detail of the main toll road concessions in force to which the financial asset model is applied, showing their duration, their status and the accounting method applied:

Toll road concessions accounted for using the financial asset model:

Concession operator	Country	Concession term (years)	Status	First year of concession (*)	Accounting method
Autopista Terrasa Manresa	Spain	50	Operation	1986	Full consolidation
Auto-Estradas Norte Litoral	Spain	30	Operation	2001	Full consolidation
Eurolink M3	Ireland	30	Operation	2003	Full consolidation
407 East Extension (1)	Canada	30	Operation	2012	Equity method
A66 Benavente - Zamora	Spain	30	Construction	2012	Equity method

(1) The concession term is 30 years from the completion of the construction work, scheduled for December 2015.

Other concession arrangements accounted for using the financial asset model:

The other arrangements to which the financial asset model is applied relate to the Services and Construction Divisions. Following is a detail of the most significant concession arrangements of the Construction Division:

Concession operator	Country	Concession term (years)	Status	First year of concession (*)	Accounting method
Conc. Prisiones Lledoners, S.A.	Spain	32	Operation	2008	Full consolidation
Conc. Prisiones Figueras, S.A.U.	Spain	32	Operation	2011	Full consolidation
Aparcamiento Budimex	Poland	30 years and 4 months	Operation	2012	Full consolidation

As regards the Services Division, the most significant concession arrangement accounted for using the financial asset model in Spain is the contract for the operation of the Calle 30 orbital road in Madrid, which is accounted for using the equity method and in which the Group has an indirect interest of 10% through EMESA, in which the percentage of ownership is 50% and which is also accounted for using the equity method.

The Services Division also has several concession arrangements in the UK relating to waste treatment plants.

2.5.4. Other items in the statement of financial position

Inventories

Subsequent to initial recognition, the items included under "Inventories" are measured at the lower of weighted average cost and net realisable value.

Cash and cash equivalents of infrastructure project companies: Restricted cash

"Cash and Cash Equivalents - Infrastructure Project Companies - Restricted Cash" includes short-term, highly liquid investments assigned to the financing of certain infrastructure projects, the availability of which is restricted under the financing contracts as security for certain commitments relating to the payment of debt principal and interest and to the maintenance and operation of the infrastructure.

2.5.5 Revenue recognition

Set forth below are specific details of the methods applied to recognise revenue in each of the segments in which Ferrovial operates.

2.5.5.1 Construction business

Construction business revenue is recognised in accordance with IAS 11, whereby revenue and associated costs are recognised in the income statement by reference to the stage of completion of the contract activity at the end of the reporting period, provided that the outcome of the construction contract can be estimated reliably. Any expected loss on the construction contract is recognised as an expense immediately.

The Group habitually conducts surveys of the work performed, which is made possible in practice by the existence in all the contracts of a definition of all the units of output and the price at which each unit is to be billed. There are budgeting tools for monitoring variances. At the end of each month, the units executed in each contract are measured and the output for the month is recognised as revenue. Contract costs are recognised on an accrual basis, and the costs actually incurred in completing the units of output are recognised as an expense and those that might be incurred in the future have to be allocated to the project units completed. The general policies described above were not applied to construction projects carried out by Budimex in 2013, in which revenue was recognised on the basis of the stage of completion measured in terms of the costs incurred. Under this method, the proportion that contract costs incurred bear to the estimated total contract costs determines the revenue to be recognised, by reference to the estimated margin for the entire term of the contract. In order to bring Budimex into line with the general method used by the Group, from 1 January 2014 onwards the method of measuring the units of output will be applied to all new construction projects.

In exceptional cases, where it is not possible to estimate the margin for the entire contract, the total costs incurred are recognised and sales that are reasonably assured with respect to the completed work are recognised as contract revenue, subject to the limit of the total contract costs incurred.

Changes to the initial contract require the customer's technical and financial approval prior to the issue of billings and collection of the amounts relating to additional work. The Group does not recognise revenue from such additional work until approval is reasonably assured and the revenue can be measured reliably. The costs associated with these additional units of output are recognised when incurred.

Unlike the method used to recognise contract revenue, the amounts billed to the customer are based on achievement of the various milestones established in the contract and on acknowledgement thereof by the customer, which takes the form of a contractual document called "certificate of completion" ("progress billings"). Thus, the amounts recognised as revenue for a given year do not necessarily coincide with the amounts billed to or certified by the customer. In contracts for which the amount of revenue recognised exceeds the amount billed or certified, the difference is recognised in an asset account called "Amounts to be Billed for Work Performed" under "Trade Receivables for Sales and Services", while in contracts for which the amount of revenue recognised is less than the amount billed or certified, the difference is recognised in a liability account called "Amounts Billed in Advance for Construction Work" under "Trade Payables".

Initial contract costs incurred in the formalisation of the principal contract, costs of moving plant to the contract site, costs incurred in design, technical assistance and studies, building insurance costs, perimeter fencing costs and other initial contract costs are recognised as prepaid expenses. These costs are initially recognised as inventories provided that it is probable that they will be recovered in the future and they are recognised in profit or loss based on actual production with respect to estimated production under each contract. Otherwise, the costs are taken directly to the income statement.

Late-payment interest arising from delays in the collection of billings is recognised when it is probable that the interest will be collected and its amount can be measured reliably, and is recognised as a financial result.

Due to the very nature of contracts of this kind, and as can be inferred from the preceding paragraphs, the main factors affecting revenue and cost recognition are subject to significant judgements and estimates, such as the expected outcome of the contract, the amount of costs to be incurred at the end of the construction work, the measurement of work completed in the period and the reasonableness of the recognition of a variation in the initial contract. All these judgements and estimates are made by the persons in charge of performing the construction work, are subsequently reviewed at the various levels of the organisation, and are submitted to controls designed to ensure the consistency and reasonableness of the criteria applied.

2.5.5.2 Toll road business

The arrangements included in this line of business are accounted for in accordance with IFRIC 12, which provides for the classification of the assets assigned to such arrangements on the basis of the intangible asset model and the financial asset model (bifurcated arrangements can also exist) (see Notes 2.5.2 and 2.5.3).

2.5.5.3 Service business

In general, the revenue from contracts involving various tasks and unit prices is recognised in the income statement when the services are provided, in accordance with IAS 18, Revenue. In the case of long-term contracts with a single payment or annual payments, in which the flow of collections does not correspond to the accrual of the services provided, revenue and costs are recognised by reference to the stage of completion, established in both the aforementioned IAS 18 and in IAS 11, Construction Contracts, on the basis of the costs incurred as a percentage of the total estimated costs.

Lastly, it should be noted that the revenue from certain contracts that fall within the scope of IFRIC 12 is recognised as described in Notes 2.5.2 and 2.5.3.

2.6 Accounting estimates and judgements

In the consolidated financial statements for 2013 estimates were made to measure certain of the assets, liabilities, income, expenses and commitments reported herein. These estimates relate basically to the following:

- The assessment of possible impairment losses on certain assets (see Note 5, Goodwill, and Note 9, Investments in associates).
- Business performance projections that affect the estimates of the recoverability of tax assets (see Note 21, Tax matters).
- The assumptions used in the actuarial calculation of pension and other commitments to employees (see Note 16, Pension plan deficit).
- The measurement of stock options and share award plans (see Note 30, Share-based payment).
- The budget-related estimates taken into consideration when recognising the results of contracts by reference to the stage of completion in the Construction and Services segments (see Note 2.5.5.1 on revenue recognition in the construction business).
- The assessment of possible legal and tax contingencies (see Note 21, Tax matters, Note 22, Contingent liabilities and Note 17, Provisions).
- Estimates relating to the valuation of derivatives and the related expected flows in cash flow hedges (see Note 11, Derivative financial instruments at fair value).
- Estimates taking into account the future vehicle numbers on toll roads for the purpose of preparing financial information for toll roads pursuant to IFRIC 12 (see Note 2.5.2, Note 7, Investments in infrastructure projects, Note 10, Non-current financial assets and Note 17, Provisions).

Although these estimates were made using the best information available at 31 December 2013 and 2012 on the events analysed, events that take place in the future might make it necessary to change these estimates. Changes in accounting estimates would be applied prospectively in accordance with the requirements of IAS 8.

3. Management of financial risks and capital

The Group's activities are exposed to a variety of financial risks, particularly interest rate risk, foreign currency risk, credit risk, liquidity risk and equity risk.

The Ferrovial Group actively manages risks in order to maintain liquidity levels, minimise the cost of financing, reduce the volatility resulting from changes in capital and ensure the fulfilment of the business plans.

3.1 Interest rate risk

The Ferrovial Group is financed with fixed or floating-rate borrowing products. The Group performs integral asset and liability management, optimising financing costs, income statement volatility, the required level of liquidity and the fulfilment of commitments. This management seeks to minimise the changes in capital arising from mismatches between assets and liabilities.

3.1.a.- Risk management at project level (Infrastructure projects)

As regards the financing of infrastructure projects, despite project revenues tending to be linked to market cycles, lender banks and credit rating agencies establish credit requirements to minimise exposure to impacts from changes in interest rates, resulting in a higher proportion of fixed-rate borrowings, which at current levels may be acceptable, but which in scenarios of higher interest rates should be addressed.

In infrastructure projects whose revenue is tied to inflation through an explicit contractual formula and as a requirement of the lender banks or the rating agencies, the Group evaluates the application of financing structures the cost of which is indexed to observed changes in inflation, to achieve a natural hedge between income and expenses. This structuring can be set up directly with the debt or through derivative financial instruments.

3.1.b.- Risk management at non-infrastructure project level

At non-infrastructure project level, the flow of revenue is cyclical and floating-rate financing is sought through the issuance of debt or by arranging derivatives.

3.1.c.- Detail of debt exposed to interest rate risk and sensitivity analysis

The relatively higher or lower proportion of debt tied to fixed rates at infrastructure project or non-infrastructure project level is achieved by issuing fixed-rate debt or by arranging hedging financial derivatives, a detail of which is provided in Note 11, Derivative financial instruments at fair value.

The accompanying table shows a breakdown of the Group's debt, indicating the percentage of the debt that is considered to be hedged (either by a fixed rate or by derivatives). Not all the assets are hedged (unhedged items include, inter alia, cash and cash equivalents and long-term restricted cash associated with the debt).

Millions of euros	2013			
Borrowings	Total gross debt	% of debt hedged	Net debt exposed to interest rate risk	Impact on results of + 100 b.p.
Construction	32	50%	16	0
Services	100	27%	72	1
Corporate and other	1,036	49%	531	5
Non-infrastructure project companies	**1,168**	**47%**	**620**	**6**
Toll roads (*)	7,209	88%	837	8
Construction	150	93%	11	0
Services	271	84%	43	0
Infrastructure projects	**7,631**	**88%**	**892**	**9**
TOTAL BORROWINGS	**8,799**	**83%**	**1,511**	**15**

Millions of euros	2012			
Borrowings	Total gross debt	% of debt hedged	Net debt exposed to interest rate risk	Impact on results of + 100 b.p.
Construction	31	31%	21	0
Services	183	8%	168	2
Corporate and other	1,018	19%	821	8
Non-infrastructure project companies	**1,233**	**18%**	**1,010**	**10**
Toll roads (*)	6,567	87%	851	9
Construction	153	92%	13	0
Services	273	84%	42	0
Infrastructure projects	**6,993**	**87%**	**906**	**9**
TOTAL BORROWINGS	**8,225**	**77%**	**1,916**	**19**

(*) In calculating the percentage of debt hedged in toll road infrastructure projects, the borrowings of the R4 and OLR toll roads were not taken into consideration because the respective concession operators are currently involved in insolvency proceedings and most of the derivatives relating to these borrowings have been terminated.

As shown in the foregoing table, 83% of the Group's debt is hedged against the risk of changes in interest rates. 88% of the project borrowings are hedged (2012: 87%).
Also, it must be borne in mind that the results relating to companies accounted for using the equity method include the results corresponding to the 25% ownership interest in HAH and the ownership interest of 43.23% in 407 ETR. As indicated in Note 9, the two companies have a significant volume of debt, of which 80% (HAH) and 100% (407 ETR) is hedged against interest rate risk.

Based on the foregoing, at the fully consolidated companies, a linear increase of 100 basis points in the market yield curves at 31 December 2013 would increase the finance costs in the income statement by an estimated EUR 15 million, of which EUR 9 million relate to infrastructure projects and EUR 6 million to non-infrastructure project companies, with a net impact on the profit attributable to Ferrovial of EUR -9 million.

In addition to the impact of interest rate fluctuations on the assets and liabilities making up the net cash position, changes may arise in the values of the derivative financial instruments arranged, which are indicated in Note 11. Revaluation gains and losses are recognised mainly in reserves in the case of derivatives that are effective hedges, as required by International Financial Reporting Standards.

As regards these interest rate hedging instruments, a linear decrease of 100 basis points in the market yield curves at 31 December 2013 would, in the case of the effective hedges, have a net impact of EUR -366 million on the equity attributable to the Parent (EUR -149 million at companies accounted for using the equity method and EUR -217 million at fully consolidated companies).

3.2 Foreign currency risk

Exposure to foreign currency risk is managed centrally for all the business divisions and using various hedging mechanisms. This management is aimed at minimising the impact that the changes of the other currencies in which Ferrovial operates vis-à-vis the euro could have on cash flows.

Ferrovial has significant investments in developed countries with currencies other than the euro, including most notably those in pounds sterling, US dollars, Canadian dollars and Polish zlotys.

3.2.a.- Risk management at non-infrastructure project level

Ferrovial manages exposure to foreign currency cash flows (US dollars, pounds sterling, Canadian dollars and Polish zlotys against euros, mainly) on a global basis, including:

- Investments or divestments in projects.
- Returns on the income obtained at foreign subsidiaries, in the form of dividends or capital reimbursements expected to be received from those subsidiaries.
- Intra-Group loans to foreign subsidiaries.
- Payment of dividends and repayment of debt in foreign currency.

Ferrovial ensures that the net flows for the coming years are optimally hedged by establishing strategies that optimise finance costs and the value of the net flows, safeguard capital against adverse fluctuations and stabilise the income statement.

Also, in construction or services contracts in which the price is received in a currency other than that in which the related costs are paid, hedges are arranged to avoid changes in the profit margin caused by exchange rate fluctuations.

3.2.b.- Risk management at project level (Infrastructure projects)

In general, the Group attempts to finance all the infrastructure projects that it invests in using the currencies in which each project's income is denominated. Where this is not feasible, the Group arranges derivatives to hedge potential changes in the value of the debt caused by exchange rate fluctuations.

3.2.c.- Exposure of items in the statement of financial position to exchange rate fluctuations

The following table shows, by type of currency, the values of assets, liabilities, non-controlling interests and equity attributable to the Parent at December 2013:

Millions of euros	2013			
Currency	Assets	Liabilities	Equity of the Parent	Non-controlling interests
Euro	9,662	9,103	458	101
Pound sterling	3,480	1,638	1,842	1
US dollar	6,145	5,255	699	191
Canadian dollar	2,328	-207	2,536	0
Polish zloty	1,006	795	149	62
Chilean peso	119	74	45	0
Other	79	88	-9	0
Total Group	**22,820**	**16,746**	**5,719**	**355**

An analysis of the table above shows that the Group's equity is particularly exposed to the Canadian dollar and to the pound sterling.

The table below shows the closing rates at 2013 and 2012 year-end of the main currencies in which the Group operates, which were used to translate the statement of financial position items to euros:

	Exchange rate at year-end		
	2013	2012	CHANGE 13/12 (*)
Pound sterling	0.8323	0.8130	2.38%
US dollar	1.3789	1.3200	4.46%
Canadian dollar	1.4655	1.3130	11.61%
Polish zloty	4.1566	4.0850	1.73%
Chilean peso	724.39	632.09	14.60%

(*) A negative change represents a depreciation of the euro against the reference currency and a positive change represents an appreciation.

As a result of these changes, the impact of translation differences on equity at 31 December 2013 was EUR -338 million for the Parent and EUR -5 million for non-controlling interests. Of the aforementioned EUR -338 million, EUR -263 million correspond to changes in the Canadian dollar and EUR -53 million to changes in pound sterling.

Also, Ferrovial has estimated that a 10% appreciation of the euro at year-end against the main currencies in which the Group has investments would have an impact on the Parent's equity of EUR -526 million, of which 35% would relate to the impact of the pound sterling and 48% to that of the Canadian dollar. This fluctuation in the value of the euro would have an impact on total assets of EUR -1,316 million, of which 47% would relate to the investments in US dollars, 26% to the investments in pounds sterling and 18% to the investments in Canadian dollars.

Also, the detail of the net profit attributable to the Parent by type of currency for 2013 and 2012 is as follows:

Millions of euros	Net profit	
Currency	2013	2012
Euro	85	138
Pound sterling (**)	506	484
US dollar	44	15
Canadian dollar	67	43
Polish zloty	49	14
Chilean peso	4	5
Other	-27	-7
Total Group	**727**	**692**

(**) The profit in pounds sterling includes the gains obtained on the divestments in HAH in the two periods.

The table below shows the average exchange rates in 2013 and 2012 of the main currencies in which the Group operates, which were used to translate the income statement items to euros:

	Average exchange rate		
	2013	2012	CHANGE 13/12 (***)
Pound sterling	0.8494	0.8107	4.77%
US dollar	1.3304	1.2911	3.01%
Canadian dollar	1.3767	1.2896	6.76%
Polish zloty	4.2148	4.1675	1.14%
Chilean peso	664.95	628.20	5.85%

(***) A negative change represents a depreciation of the euro against the reference currency and a positive change represents an appreciation.

In this regard, the impact of a 10% appreciation of the euro on the income statement would have amounted to EUR -56 million.

3.3 Credit and counterparty risk

The Group's main financial assets exposed to credit risk or counterparty risk are as follows:

a) Investments in financial assets included in cash and cash equivalents (short term) (see Note 18)

b) Non-current financial assets (see Note 10)

c) Derivative financial instruments (see Note 11)

d) Trade and other receivables (see Note 13)

As regards the risk incurred by investing in financial products or arranging derivative financial instruments (included in letters a, b and c), Ferrovial has established internal criteria to minimise credit risk, stipulating minimum credit ratings for counterparties (based on the ratings awarded by prestigious international agencies) which are subject to periodic review.

In the case of transactions in countries whose economic and socio-political circumstances preclude high credit quality, the Group mainly selects branches and subsidiaries of foreign entities that meet or nearly meet the stipulated credit requirements, or the largest local entities.

In the specific case of restricted cash linked to infrastructure project financing, the financing contracts that provide for the amounts that must be set aside as restricted cash usually also stipulate the conditions that must be fulfilled by the financial products in which these commitments must be instrumented.

3.4 Liquidity risk

In the current market environment, still beset by a major financial crisis that prompted a widespread contraction of bank lending, Ferrovial has continued to adopt a proactive approach to liquidity risk management, focusing basically on guaranteeing reliable sources of liquidity for the Company and the novation of financial transactions before they mature.

3.4.a.- Liquidity risk management at non-infrastructure project level

Liquidity risk at ex project level is managed centrally. Ferrovial has a liquidity policy in place that is based on five pillars:

1.- Efficient working capital management to ensure timely fulfilment of payment commitments by customers.

2.- Monetisation of financial assets, where this can be done under reasonable market conditions, through the factoring and discounting of future collection rights.

3.- Integral cash management, in order to optimise daily liquidity positions at the various companies by setting up a global cash management system.

4.- Setting up credit lines, particularly long-term lines, that guarantee the availability of cash and the payment of commitments in the event of any abnormal or stress scenario in relation to collections and available balances.

5.- Sourcing funds from capital markets as an alternative to bank financing (Ferrovial has been awarded ratings of BBB with a stable outlook by S&P and BBB- with a stable outlook by Fitch, both in the investment grade category).

Liquidity risk management focuses on closely monitoring debt maturities (also explained in Note 18) and on proactive management and maintenance of credit lines to cover forecast cash needs.

The main liquidity metrics for 2013 were as follows:

- At 31 December 2013, total cash and cash equivalents amounted to EUR 2,851 million (2012: EUR 2,735 million).

- Also, at that date, undrawn credit lines totalled EUR 937 million (2012: EUR 1,017 million).

- The Group's business areas have the capacity to generate significant and recurring cash flows from operating activities.

- The capacity to increase debt volumes based on the current moderate level of debt and on the Group's capacity to generate recurring cash flows.

3.4.b.- Liquidity risk management at project level (Infrastructure projects)

Liquidity risk is analysed separately for each individual infrastructure project, since each project has a specific financing arrangement and, therefore, the projects are independent units for liquidity purposes.

In general, debt maturities are monitored carefully for each project. Note 18 contains a breakdown showing that most of the project financing falls due after more than five years.

Projects of this kind have foreseeable flows, allowing for the arrangement of financing structures linked to estimated project flows.

As indicated above, the infrastructure project financing contracts generally stipulate the need to hold balances in accounts (restricted cash) the availability of which is used under the financing contracts as security for certain short-term commitments relating to the payment of debt principal and interest and to the maintenance and operation of the infrastructure.

These accounts constitute an additional guarantee with respect to liquidity risk (see breakdown in Note 18).
The borrowings falling due at short term relating to infrastructure projects in 2013 are detailed in Note 18.

The Group seeks to cover all commitments to make new investments by means of specific-purpose financing before the investment is made. Note 18 contains a breakdown of the undrawn balances of borrowings arranged to fulfil these requirements.

To conclude on all the preceding sections, the liquidity position of the infrastructure projects in 2013 is explained below:

- At 31 December 2013, total cash and cash equivalents (including short-term restricted cash) amounted to EUR 279 million (2012: EUR 385 million).

- Also, at that date, undrawn credit lines amounted to EUR 914 million (2012: EUR 930 million), which were arranged mainly to cover committed investment needs.

- The projects have the capacity to generate significant and recurring cash flows from operating activities.

- The capacity to increase the volume of debt in certain projects, based on growth in operating variables.

In order to ensure appropriate liquidity risk management, both at Group level and in each business area and project, mechanisms have been put in place that include systematic forecasts of cash generation and needs in order to pre-empt and monitor the Group's liquidity position on an ongoing basis.

3.5 Equity risk

Ferrovial is also exposed to the risk relating to the evolution of its share price.

This exposure arises specifically in equity swaps linked to share-based remuneration schemes:

As indicated in Note 11, Derivative financial instruments, Ferrovial has arranged equity swaps to hedge possible disbursements that may be required in relation to executive remuneration systems linked to the price of Ferrovial shares.

The equity swaps eliminate the uncertainty with respect to the exercise price of the remuneration systems in the event that the share price rises above the option grant price; however, as they are not deemed to be hedging derivatives under International Accounting Standards, their market value has an impact on the income statement, which is positive if the share price rises and negative if the share price falls. Accordingly, a EUR 1 increase/decrease in the Ferrovial share price would have a positive/negative impact of EUR 19 million on the net profit of Ferrovial.

3.6. Inflation risk

Most of the revenue from infrastructure projects arises from prices tied directly to inflation. This is the case of the prices of both the toll road concession contracts and the HAH airports accounted for using the equity method.

Therefore, an increase in inflation would increase the value of the assets of this nature.

However, in the case of HAH, due to its financing needs, there are long-term derivatives with a notional value of EUR 6,327 million (GBP 5,266 million) on total borrowings of more than EUR 14,000 million (GBP 12,000 million), the purpose of which is to convert fixed-rate debt into index-linked debt. Unlike the company's assets, from the accounting standpoint these derivatives are measured at fair value through profit or loss, since they are considered to be ineffective derivatives. In this regard, an increase of 100 b.p. throughout the inflation curve would have an effect on the net profit attributable to Ferrovial (in proportion to its percentage of ownership) of EUR -154 million.

Also, in the case of the toll road concession operator Autema, there is a derivative tied to inflation that is deemed to qualify for hedge accounting, in which an increase of 100 b.p. throughout the inflation curve would have an effect on reserves of EUR -120 million.

3.7. Capital management

The Group's objective in capital management is to safeguard its capacity to continue managing its recurring activities and the capacity to continue to grow through new projects, by optimising the debt-equity ratio in order to create shareholder value.

Since the Group was listed on the stock exchange in 1999, capitalisation has remained steady, except for the effect generated in the merger with Cintra in 2009, and there have been no new equity issues. Growth has been financed in three ways:

- Internal cash flows generated from the Group's recurring businesses.

- Capacity to grow through investments in new infrastructure projects financed largely by borrowings secured by project cash flows, thereby feeding back funds to boost the Group's capacity for growth in its recurring activities.

- Asset turnover policy focused on the sale of mature projects in order to make it possible to create value while continuing to finance investments in new projects.

Ferrovial's objective with regard to financial debt is to maintain a low level of indebtedness, excluding infrastructure project debt, such that it can retain its investment grade credit rating. In order to achieve this target it has established a clear and adequate financial policy in which a relevant metric refers to a maximum ratio, for non-infrastructure projects, of net debt (gross debt less cash) to gross profit from operations plus dividends from projects of 2:1.

For the purpose of calculating this ratio, "net debt excluding infrastructure projects" is defined in Note 18 and "gross profit from operations plus dividends" is the profit from operations before impairment losses, disposals and depreciation and amortisation of the Group companies other than infrastructure concession operators, plus the dividends received from infrastructure projects.

4. Segment reporting

Set forth below are the consolidated statements of financial position and consolidated income statements for 2013 and 2012, broken down by business segment. The "Other" column includes the assets and/or liabilities and income and/or expenses of the companies not assigned to any of the business segments, including most notably the Parent, Ferrovial, S.A., and its smaller subsidiaries, the current Polish real estate business, and inter-segment adjustments.

Segment statement of financial position: 2013 (millions of euros)

Assets	Construction	Toll roads	Airports	Services	Other	Total
Non-current assets	**767**	**12,545**	**1,263**	**2,572**	**-5**	**17,142**
Goodwill	172	355	0	1,366	0	1,893
Intangible assets	4	7	0	209	8	229
Investments in infrastructure projects	4	7,831	0	273	-469	7,639
Investment property	5	0	0	0	32	37
Property, plant and equipment	101	17	0	343	22	483
Investments in associates	4	2,251	1,261	47	0	3,562
Non-current financial assets	241	1,350	0	220	-1	1.810
Deferred tax assets	236	591	1	114	401	1,344
Non-current derivative financial instruments at fair value	0	143	0	0	1	144
Current assets	**3,715**	**1,064**	**704**	**1,653**	**-1,458**	**5,678**
Assets classified as held for sale	0	0	0	2	0	2
Inventories	133	11	0	26	156	325
Trade and other receivables	1,002	411	7	1,122	-340	2,202
Cash and cash equivalents	2,580	629	696	502	-1,278	3,130
Receivable from Group companies	1,254	93	686	115	-2,149	0
Other	1,326	536	11	387	871	3,130
Current derivative financial instruments at fair value	1	13	0	0	4	18
TOTAL ASSETS	**4,482**	**13,609**	**1,966**	**4,226**	**-1,463**	**22,820**

Equity and liabilities	Construction	Toll roads	Airports	Services	Other	Total
Equity	**840**	**3,273**	**1,873**	**1,233**	**-1,145**	**6,074**
Equity attributable to the equity holders	**836**	**2,991**	**1,873**	**1,222**	**-1,203**	**5,719**
Equity attributable to non-controlling interests	4	282	0	11	58	355
Deferred income	**4**	**469**	**0**	**30**	**0**	**503**
Non-current liabilities	**532**	**8,241**	**95**	**1,607**	**755**	**11,230**
Pension plan deficit	1	0	0	105	0	107
Other provisions	203	710	0	281	157	1,350
Borrowings	164	6,002	0	912	418	7,496
Payable to Group companies	0	0	0	595	-595	0
Other	164	6,002	0	317	1,012	7,496
Other payables	12	149	29	48	-29	208
Deferred tax liabilities	142	497	67	223	188	1,117
Derivative financial instruments at fair value	9	884	0	39	21	952
Current liabilities	**3,107**	**1,626**	**-2**	**1,356**	**-1,073**	**5,013**
Borrowings	-10	1,248	1	392	-327	1,303
Payable to Group companies	-29	41	1	338	-351	0
Other	19	1,207	0	54	23	1,303
Current derivative financial instruments at fair value	0	65	0	0	2	67
Trade and other payables	2,751	313	-3	941	-749	3,254
Operating provisions and allowances	366	0	0	23	0	389
TOTAL EQUITY AND LIABILITIES	**4,482**	**13,609**	**1,966**	**4,226**	**-1,463**	**22,820**

Segment statement of financial position: 2012 (millions of euros)

Assets	Construction	Toll roads	Airports	Services	Other	Total
Non-current assets	**750**	**12,178**	**1,604**	**2,029**	**98**	**16,660**
Goodwill	177	391	0	919	0	1,487
Intangible assets	4	6	0	99	6	116
Investments in infrastructure projects	4	6,958	0	248	-455	6,755
Investment property	0	0	0	0	35	35
Property, plant and equipment	106	18	0	361	21	506
Investments in associates	6	2,668	1,604	44	0	4,322
Non-current financial assets	220	1,193	0	250	11	1,674
Deferred tax assets	231	789	0	109	479	1,608
Non-current derivative financial instruments at fair value	2	156	0	0	0	158
Current assets	**4,033**	**1,046**	**76**	**1,256**	**-841**	**5,570**
Assets classified as held for sale	0	0	0	2	0	2
Inventories	186	10	0	18	180	394
Trade and other receivables	1,102	452	25	1,032	-413	2,198
Cash and cash equivalents	2,745	582	51	204	-615	2,967
Receivable from Group companies	1,664	0	36	3	-1,703	0
Other	1,081	582	16	200	1,087	2,967
Current derivative financial instruments at fair value	0	1	0	0	7	8
TOTAL ASSETS	**4,784**	**13,224**	**1,680**	**3,285**	**-743**	**22,230**

Equity and liabilities	Construction	Toll roads	Airports	Services	Other	Total
Equity	**631**	**3,217**	**1,597**	**1,080**	**-744**	**5,781**
Equity attributable to the equity holders	**657**	**3,140**	**1,597**	**1,075**	**-809**	**5,660**
Equity attributable to non-controlling interests	-26	77	0	5	65	121
Deferred income	**5**	**312**	**0**	**38**	**0**	**356**
Non-current liabilities	**875**	**8,052**	**79**	**992**	**1,118**	**11,117**
Pension plan deficit	1	0	0	104	0	105
Other provisions	174	627	0	196	169	1,166
Borrowings	547	5,416	0	399	635	6,996
Payable to Group companies	376	9	0	0	-385	0
Other	171	5,407	0	399	1,020	6,996
Other payables	20	149	29	35	-29	203
Deferred tax liabilities	118	472	51	198	240	1,080
Derivative financial instruments at fair value	15	1,388	0	62	103	1,567
Current liabilities	**3,272**	**1,643**	**4**	**1,175**	**-1,117**	**4,976**
Borrowings	-16	1,309	6	426	-496	1,229
Payable to Group companies	-29	149	6	369	-495	0
Other	13	1,160	0	57	-1	1,229
Current derivative financial instruments at fair value	0	60	0	0	5	65
Trade and other payables	2,897	274	-2	724	-626	3,267
Operating provisions and allowances	391	0	0	24	0	415
TOTAL EQUITY AND LIABILITIES	**4,784**	**13,224**	**1,680**	**3,285**	**-743**	**22,230**

Segment income statement: 2013

(Millions of euros)	Construction			Toll roads			Airports			Services			Other			Total		
	Before fair value adjustments	Fair value adjustments (*)	Total	Before fair value adjustments	Fair value adjustments (*)	Total	Before fair value adjustments	Fair value adjustments (*)	Total	Before fair value adjustments	Fair value adjustments (*)	Total	Before fair value adjustments	Fair value adjustments (*)	Total	Before fair value adjustments	Fair value adjustments (*)	Total
Revenue	4,064	0	4,064	429	0	429	8	0	8	3,656	0	3,656	9	0	9	8,166	0	8,166
Other operating income	3	0	3	0	0	0	0	0	0	7	0	7	0	0	0	10	0	10
Total operating income	**4,067**	**0**	**4,067**	**429**	**0**	**429**	**8**	**0**	**8**	**3,663**	**0**	**3,663**	**9**	**0**	**9**	**8,176**	**0**	**8,176**
Materials consumed	912	0	912	3	0	3	0	0	0	250	0	250	15	0	15	1,181	0	1,181
Staff costs	596	0	596	59	0	59	6	0	6	1,635	0	1,635	56	0	56	2,351	0	2,351
Other operating expenses	2,216	0	2,216	91	0	91	11	0	11	1,456	0	1,456	-64	0	-64	3,710	0	3,710
Total operating expenses	**3,724**	**0**	**3,724**	**153**	**0**	**153**	**17**	**0**	**17**	**3,341**	**0**	**3,341**	**7**	**0**	**7**	**7,242**	**0**	**7,242**
Gross profit from operations	**343**	**0**	**343**	**276**	**0**	**276**	**-8**	**0**	**-8**	**321**	**0**	**321**	**2**	**0**	**2**	**934**	**0**	**934**
Depreciation and amortisation charge	28	0	28	75	0	75	0	0	0	127	0	127	3	0	3	233	0	233
Profit or loss from operations before impairment and non-current asset disposals	**314**	**0**	**314**	**202**	**0**	**202**	**-9**	**0**	**-9**	**195**	**0**	**195**	**-1**	**0**	**-1**	**701**	**0**	**701**
Impairment and non-current asset disposals	46	0	46	0	6	6	40	0	40	22	17	39	0	-6	-6	108	18	126
Profit or loss from operations	**361**	**0**	**360**	**202**	**6**	**208**	**32**	**0**	**32**	**216**	**17**	**234**	**-1**	**-6**	**-7**	**809**	**18**	**827**
Financial result on financing of infrastructure projects	-9	0	-9	-312	0	-312	0	0	0	-16	0	-16	0	0	0	-337	0	-337
Result on derivatives and other financial results, infrastructure projects	0	0	0	-7	-1	-8	0	0	0	0	8	8	0	0	0	-7	7	0
Financial result of infrastructure projects	**-9**	**0**	**-9**	**-319**	**-1**	**-319**	**0**	**0**	**0**	**-17**	**8**	**-9**	**0**	**0**	**0**	**-344**	**7**	**-337**
Financial result on financing of non-infrastructure project companies	22	0	22	3	0	3	4	0	4	-29	0	-29	-52	0	-52	-53	0	-53
Result on derivatives and other financial results, non-infrastructure project companies	0	14	14	-6	7	1	1	3	4	-10	9	-1	0	39	39	-15	72	57
Financial result of non-infrastructure project companies	**22**	**14**	**35**	**-3**	**7**	**4**	**5**	**3**	**8**	**-39**	**9**	**-31**	**-52**	**39**	**-13**	**-68**	**72**	**5**
Financial result	**12**	**14**	**26**	**-322**	**6**	**-315**	**5**	**3**	**8**	**-56**	**17**	**-39**	**-52**	**39**	**-12**	**-412**	**79**	**-333**
Share of results of companies accounted for using the equity method	-1	0	-1	58	7	65	325	-28	297	14	0	14	0	0	0	396	-21	375
Consolidated profit or loss before tax	**372**	**14**	**385**	**-62**	**20**	**-42**	**361**	**-25**	**336**	**175**	**34**	**209**	**-53**	**33**	**-20**	**793**	**76**	**869**
Income tax	-137	0	-137	15	-16	-1	21	0	21	-53	-5	-58	27	-21	6	-127	-41	-168
Consolidated profit or loss from continuing operations	**235**	**14**	**248**	**-47**	**5**	**-42**	**383**	**-25**	**358**	**122**	**29**	**151**	**-26**	**13**	**-14**	**666**	**35**	**701**
Net profit or loss from discontinued operations	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Consolidated profit or loss for the year	**235**	**14**	**248**	**-47**	**5**	**-42**	**383**	**-25**	**358**	**122**	**29**	**151**	**-26**	**13**	**-14**	**666**	**35**	**701**
Profit or loss for the year attributable to non-controlling interests	-31	0	-31	57	0	57	0	0	0	-1	0	-1	-2	4	2	22	4	26
Profit or loss for the year attributable to the Parent	**203**	**14**	**217**	**10**	**5**	**15**	**383**	**-25**	**358**	**120**	**29**	**150**	**-29**	**17**	**-12**	**688**	**39**	**727**

(*) Relating to gains and losses arising from changes in the fair value of derivatives and other financial assets and liabilities (see Note 11), asset impairment (see Note 23) and the impact of the two items on "Share of Profits of Companies Accounted for Using the Equity Method" (see Note 9).

Segment income statement: 2012

(Millions of euros)	Construction			Toll roads			Airports			Services			Other			Total		
	Before fair value adjustments	Fair value adjustments (*)	Total	Before fair value adjustments	Fair value adjustments (*)	Total	Before fair value adjustments	Fair value adjustments (*)	Total	Before fair value adjustments	Fair value adjustments (*)	Total	Before fair value adjustments	Fair value adjustments (*)	Total	Before fair value adjustments	Fair value adjustments (*)	Total
Revenue	4,326	0	4,326	381	0	381	8	0	8	2,895	0	2,895	20	0	20	7,630	0	7,630
Other operating income	7	0	7	0	0	0	0	0	0	9	0	9	1	0	1	17	0	17
Total operating income	**4,332**	**0**	**4,332**	**381**	**0**	**381**	**8**	**0**	**8**	**2,904**	**0**	**2,904**	**21**	**0**	**21**	**7,647**	**0**	**7,647**
Materials consumed	1,044	0	1,044	4	0	4	0	0	0	226	0	226	21	0	21	1,295	0	1,295
Staff costs	627	0	627	55	0	55	4	0	4	1,355	0	1,355	61	0	61	2,102	0	2,102
Other operating expenses	2,324	0	2,324	51	0	51	2	0	2	1,010	0	1,010	-64	0	-64	3,323	0	3,323
Total operating expenses	**3,995**	**0**	**3,995**	**110**	**0**	**110**	**7**	**0**	**7**	**2,590**	**0**	**2,590**	**18**	**0**	**18**	**6,720**	**0**	**6,720**
Gross profit from operations	**337**	**0**	**337**	**272**	**0**	**272**	**2**	**0**	**2**	**313**	**0**	**313**	**3**	**0**	**3**	**927**	**0**	**927**
Depreciation and amortisation charge	38	0	38	67	0	67	0	0	0	110	0	110	3	0	3	219	0	219
Profit from operations before impairment and non-current asset disposals	**298**	**0**	**298**	**204**	**0**	**204**	**2**	**0**	**2**	**203**	**0**	**203**	**0**	**0**	**0**	**708**	**0**	**708**
Impairment and non-current asset disposals	0	-11	-11	0	0	0	115	0	115	0	-30	-30	0	-23	-23	115	-63	52
Profit or loss from operations	**298**	**-11**	**288**	**204**	**0**	**204**	**117**	**0**	**117**	**203**	**-30**	**173**	**0**	**-23**	**-22**	**823**	**-63**	**760**
Financial result on financing of infrastructure projects	-10	0	-10	-270	0	-270	0	0	0	-18	0	-18	0	0	0	-298	0	-298
Result on derivatives and other financial results, infrastructure projects	0	0	0	-5	2	-3	0	0	0	0	0	0	0	0	0	-6	2	-4
Financial result of infrastructure projects	**-10**	**0**	**-10**	**-275**	**2**	**-273**	**0**	**0**	**0**	**-19**	**0**	**-19**	**0**	**0**	**0**	**-304**	**2**	**-302**
Financial result on financing of non-infrastructure project companies	40	0	40	9	0	9	4	0	4	-18	0	-18	-68	0	-68	-32	0	-32
Result on derivatives and other financial results, non-infrastructure project companies	-5	0	-5	-5	0	-5	-2	0	-2	-6	0	-6	6	46	52	-13	46	33
Financial result of non-infrastructure project companies	**35**	**0**	**35**	**4**	**0**	**4**	**2**	**0**	**2**	**-24**	**0**	**-24**	**-62**	**46**	**-16**	**-45**	**46**	**1**
Financial result	**25**	**0**	**25**	**-271**	**2**	**-269**	**2**	**0**	**2**	**-43**	**0**	**-43**	**-62**	**46**	**-16**	**-349**	**48**	**-301**
Share of results of companies accounted for using the equity method	-1	0	-1	47	-4	42	158	65	223	11	0	11	0	0	0	214	60	275
Consolidated profit or loss before tax	**322**	**-11**	**311**	**-20**	**-2**	**-22**	**277**	**65**	**341**	**171**	**-30**	**141**	**-61**	**23**	**-38**	**688**	**45**	**733**
Income tax	-94	2	-92	-50	0	-50	69	0	69	-36	7	-29	5	-9	-3	-106	0	-106
Consolidated profit or loss from continuing operations	**228**	**-9**	**219**	**-70**	**-2**	**-72**	**346**	**65**	**410**	**135**	**-23**	**112**	**-56**	**14**	**-42**	**582**	**46**	**628**
Net profit or loss from discontinued operations	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Consolidated profit or loss for the year	**228**	**-9**	**219**	**-70**	**-2**	**-72**	**346**	**65**	**410**	**135**	**-23**	**112**	**-56**	**14**	**-42**	**582**	**46**	**628**
Profit or loss for the year attributable to non-controlling interests	-19	4	-15	82	0	82	0	0	0	0	0	0	-3	0	-3	60	4	64
Profit or loss for the year attributable to the Parent	**209**	**-5**	**204**	**12**	**-2**	**10**	**346**	**65**	**410**	**135**	**-23**	**112**	**-59**	**14**	**-45**	**643**	**49**	**692**

(*) Relating to gains and losses arising from changes in the fair value of derivatives and other financial assets and liabilities (see Note 11), asset impairment (see Note 23) and the impact of the two items on "Share of Profits of Companies Accounted for Using the Equity Method" (see Note 9).

The detail, by segment, of the additions to the main non-current asset headings, as required by IFRS 8, is as follows:

	Millions of euros							
	Additions to infrastructure projects		Additions to property, plant and equipment		Additions to intangible assets and goodwill		Additions to associates	
	2013	2012	2013	2012	2013	2012	2013	2012
Construction	0	6	30	41	0	0	0	0
Toll roads	983	896	2	26	0	0	0	4
Services	23	32	49	66	566	7	12	0
Total	**1,005**	**935**	**82**	**133**	**566**	**7**	**12**	**4**

The additions to infrastructure projects are broken down by business segment in Note 7.

The detail, by segment, of revenue in 2013 and 2012 is as follows:

	Millions of euros					
	2013			2012		
	External sales	Inter-segment sales	Total	External sales	Inter-segment sales	Total
Construction	3,213	851	4,064	3,660	666	4,326
Toll roads	422	7	429	380	1	381
Airports	8	0	8	8	0	8
Services	3,646	11	3,656	2,887	7	2,895
Other and adjustments	58	-49	9	77	-57	20
Total	**7,347**	**820**	**8,166**	**7,013**	**617**	**7,630**

The inter-segment sales that are not eliminated in the Group's consolidated financial statements are the sales made by the Construction Division to the infrastructure concession operators, as discussed in Notes 2.4 and 33.

Geographical areas

Following is a detail, by geographical area, of the net profit, total assets and revenue. The table also shows, by geographical area, the additions to infrastructure projects, property, plant and equipment, intangible assets, goodwill and companies accounted for using the equity method:

	Millions of euros							
	Additions to infrastructure projects, property, plant and equipment, intangible assets, goodwill and companies accounted for using the equity method		Net profit or loss		Total assets		Revenue	
	2013	2012	2013	2012	2013	2012	2013	2012
Spain	87	149	47	187	7,794	8,487	2,590	2,884
UK	540	15	506	484	3,480	2,946	2,611	1,868
US	990	912	44	15	6,145	4,969	1,337	1,095
Canada	0	0	67	43	2,329	2,763	40	9
Poland	0	0	49	14	1,006	970	1,138	1,460
Other	48	1	15	-52	2,066	2,095	450	314
Total	**1,665**	**1,077**	**727**	**692**	**22,820**	**22,230**	**8,166**	**7,630**

(*) For the purpose of presentation in this table, the gains or losses arising on divestments are presented in the country in which the investment is located.

In addition to the information by geographical segment included in this Note, further information is provided in the following notes:

- Note 7 contains a detail of infrastructure projects by business segment and, for the main groups of projects, by geographical segment.
- The consolidated directors' report contains a detail of cash flows, distinguishing between infrastructure projects and other companies.

5. Goodwill and acquisitions

5.1. Acquisitions made in the year

The table below details the changes in goodwill in 2013:

Millions of euros	Balances at 31/12/12	Changes in the scope of consolidation/ additions	Impairment	Exchange diference	Balances at 31/12/13
Services	**919**	**453**	**0**	**-6**	**1,366**
Amey	479	420	0	-2	896
Spain Services	440	0	0	0	440
Other Services	0	34	0	-4	30
Construction	**177**	**0**	**0**	**-6**	**172**
Webber	106	0	0	-5	101
Budimex	72	0	0	-1	71
Toll roads	**391**	**0**	**-31**	**-4**	**355**
Euroscut Algarve	15	0	0	0	15
Ausol	101	0	-31	0	70
Autema	175	0	0	0	175
Chicago Skyway	100	0	0	-4	96
Total	**1,487**	**453**	**-31**	**-16**	**1,893**

The main change in "Goodwill" arose in relation to the activities of the Services Division due to the inclusion in the scope of consolidation of Enterprise and Steel Ingeniería, as indicated in Note 2.

In relation to the inclusion of Enterprise in the scope of consolidation, as described in Note 1, on 21 February Ferrovial Servicios reached an agreement with the international investor 3i to acquire Enterprise, one of the leading UK service providers to utilities and the public sector, for an enterprise value of GBP 393 million (EUR 474 million). This transaction was subject to the approval of the European Commission, which was granted on 8 April, the date from which the financial statements of Enterprise were included in the scope of consolidation of the Ferrovial Group. The ownership interest initially acquired by Ferrovial Servicios, S.A. was subsequently transferred to Amey, Plc in order to integrate the two companies both at commercial and organisational level. Accordingly, the goodwill arising on this acquisition (GBP 356 million/EUR 420 million) was allocated to Amey.

As described in Note 2.2, Accounting estimates and judgements, the assets and liabilities of these companies acquired were measured using the best information available at the date of preparation of these consolidated financial statements on the events analysed. The obtainment of additional currently unavailable or more detailed information on these assets and liabilities could give rise to new measurements making it necessary to subsequently change the measurements described in these consolidated financial statements (upwards or downwards), provided that twelve months have not passed since the acquisition date, as provided for in IFRS 3 paragraph 45.

The table below, expressed in millions of pounds sterling, summarises the carrying amount of the assets and liabilities at the acquiree, the fair value adjustments, the fair value after the adjustments and the goodwill generated:

Millions of pounds sterling	Carrying amount at the acquiree	Fair value adjustments	Fair value after adjustments
Intangible assets - Other	0	97	97
Intangible assets - Licences and software	13	-11	3
Other non-current assets	41	3	44
Inventories	6	-1	5
Trade and other receivables	171	-5	166
Trade and other payables	-190	4	-186
Pension surplus	-1	2	1
Long-term provisions	-5	-74	-79
Other non-current liabilities	-8	0	-8
Deferred tax liabilities	-24	18	-6
Total net assets excluding net cash position (2)	**3**	**33**	**36**
Purchase price (1)			-393
Goodwill (1) – (2)			**356**

The main impacts of the purchase price allocation process are as follows:

- Valuation of the contract portfolio and customer relations, which gave these intangible assets a final value of GBP 97 million that had not been recognised previously.

- Recognition of provisions for losses budgeted for in long-term contracts and recognition of contingent liabilities identified in the review process performed prior to the acquisition, which gave rise to the recognition of long-term provisions of GBP 74 million.

- Estimate of the tax effect of the aforementioned adjustments totalling GBP 18 million.

After the aforementioned purchase price allocation process, the difference between the net fair value of the assets acquired (GBP 36 million) and the acquisition cost (GBP 393 million) was recognised as an addition to goodwill at Amey of GBP 356 million (EUR 420 million at 31 December 2013), which is justified by its entry into new markets in which it had not previously been present and the synergies arising from the inclusion of Enterprise in the Group's structure.

Additionally, **in relation to the inclusion of Steel Ingeniería**, on 7 February 2013 Ferrovial Servicios acquired an effective 70% ownership interest in the share capital of this company for an enterprise value of EUR 29 million. As a result, pursuant to IFRS 3, a purchase price allocation process was carried out, giving rise to goodwill on acquisition of EUR 16 million. In the allocation process it was considered that the carrying amount of the assets acquired and the liabilities assumed did not differ significantly from their fair value. The main impacts on the Group's consolidated statement of financial position due to the inclusion in the scope of consolidation of Steel Ingeniería arose in relation to "Trade and Other Receivables" and "Trade and Other Payables" (amounting to EUR 12 million and EUR 6 million, respectively) and to the net cash position (EUR -9 million).

Additionally, at the date of purchase, Ferrovial Servicios and the former shareholders of the company granted cross call and put options on the remaining 30%, which may be exercised by the parties between 1 April and 30 June 2016, the price of which will be determined on the basis of the acquired company achieving pre-established EBIT targets set in the related shareholders agreement. Accordingly, these cross call and put options were considered to effectively constitute an agreement to defer payment for the remaining 30% stake, and not a non-controlling interest. In this respect, the financial statements of Steel Ingeniería were fully consolidated in the Group's consolidated financial statements and a long-term provision was recognised for the best estimate of the amount payable (EUR 18 million on the inclusion of the company in the Group's scope of consolidation; EUR 16 million at 31 December 2013) with a balancing entry under "Goodwill".

Enterprise's sales in 2013 amounted to EUR 1,036 million, of which EUR 762 million were included in the consolidated Group figures, corresponding to the sales made from April 2013, the date on which it was included in the scope of consolidation. In the case of Steel Ingeniería, the Group's consolidated sales include the sales made by the company during the entire year amounting to EUR 39 million. The aforementioned companies' contribution to consolidated profit is EUR -15 million in the case of Enterprise (excluding the costs of acquiring the company and of integrating it into Amey, this contribution would be EUR 5 million) and EUR 4 million in the case of Steel Ingeniería.

As regards the Construction Division, as described in Note 1, on 4 January the Budimex Group acquired an additional 19.88% stake in its subsidiary **Elektromontaz Poznan** for PLN 7 million (EUR 2 million). With this acquisition, Budimex achieved a total ownership interest of 50.66% in its subsidiary and, therefore, it was fully consolidated in the Group's consolidated financial statements. This obtainment of control entailed the recognition of the total investment at fair value, which gave rise to an impact of EUR 1 million on the profit of Budimex (EUR 0.4 million on the profit attributable to the Parent).

5.2. Goodwill impairment tests

A. Services Division goodwill (Amey and Ferrovial Servicios):

For the purpose of determining the cash-generating units in order to test goodwill for impairment, it should be noted that in the case of Enterprise the impairment test is performed on a joint basis with Amey. This is because, as a result of the integration of these companies, the level at which a reasonable identification of all the corporate assets can be made is that of the resulting group, which is also the level at which the planned synergies of the business combination are expected to arise. This is in line with paragraphs 80 and 102 of IAS 36.

Similarly, the reorganisation performed by the Services Division in Spain led to the integration of the activities of Cespa and Ferroser, which together also form a cash-generating unit for the purpose of conducting the impairment test of the goodwill arising from the acquisition of Cespa.

The goodwill of Amey and Ferrovial Servicios Spain, amounting to EUR 896 million and EUR 440 million, respectively, at 31 December 2013 (31 December 2012: EUR 479 million and EUR 440 million, respectively), is tested for impairment by using cash flow projections for a five-year period. The residual value is based on the cash flow for the last year projected, provided this represents a cash flow with no exceptional factors, and the growth rate applied in no case exceeds the estimated long-term growth rate for the market in which the company operates.

Cash flows are discounted using a rate based on the weighted average cost of capital (WACC) for assets of this nature. In order to value companies, Ferrovial uses a risk-free rate usually taking as a reference a ten-year bond based on the location of the company in question and a market premium of 5.5%, based on recent studies of long-term premiums. Additionally, in order to reflect each company's exposure, portfolios of comparable companies were selected to carry out regression analyses and obtain unlevered betas. The betas obtained were compared with other sources habitually used by analysts and investment banks (Barra Beta, Bloomberg, etc.).

The projected flows are based on the latest estimates approved by the Company, which take into account recent historical data. In this respect, it should be noted that in 2013 the profit from operations of Ferrovial Servicios Spain and Amey performed in line with budget forecasts and the backlog increased markedly, 21% in Spain and 53% in the UK (16% excluding the acquisition of Enterprise).

The discount rates (WACC) used to test for impairment were 7.7% in the UK and 8.3% in Spain (compared with the prior year rates of 7.3% and 8.9%, respectively) and the perpetuity growth rates (g) were 2.0% in both cases (in December 2012 a rate of 2% was used in the UK and 3% in Spain).

The value of Amey resulting from application of this impairment test model is 315% higher than its carrying amount. In the case of Ferrovial Servicios Spain, the difference is 23%.

In addition, sensitivity analyses are performed on this goodwill, particularly in relation to the gross profit from operations, the discount rate and the perpetuity growth rate, so as to ensure that possible changes in the estimate do not have an impact on the possible recovery of the goodwill recognised.

Specifically, a stress test was conducted with a perpetuity growth rate of 1% and a reduction in the gross profit from operations of 100 basis points. The valuation disclosed in this scenario evidences a buffer over the carrying amount of 119% in the case of Amey and 3% in the case of Ferrovial Servicios Spain.

B. Construction Division goodwill (Webber and Budimex):

The goodwill of Webber and Budimex amounted to EUR 101 million and EUR 71 million, respectively, at 31 December 2013 (31 December 2012: EUR 106 million and EUR 72 million, respectively).

In the case of Budimex, since it is listed on the Warsaw Stock Exchange, the goodwill was tested for impairment by ascertaining whether the closing market price of the Budimex share was higher than its carrying amount plus the allocated goodwill. The test did not evidence the existence of any impairment.

The quoted market price of the Budimex share at 31 December 2013 was 228% higher than its carrying amount.

The impairment test method used for Webber was similar to that described above for the services companies and included a discount rate (WACC) of 8.4% (compared with 9.0% in December 2012) and a perpetuity growth rate of 2.0% (same rate in December 2012). The foregoing WACC calculation used the 10-year US bond spot rate.

The projected flows are based on the latest estimates approved by the Company, which take into account recent historical data. Growth in sales and the other operating variables were projected on the basis of the backlog. It should be noted that the profit from operations of Webber increased by 14.3% with respect to 2012 and that the backlog decreased by 11% (the latter figure was forecast as a result of the high level of project completion).

The value of Webber resulting from application of this impairment test model is 49% higher than its carrying amount.

A sensitivity analysis was performed on Webber's goodwill, particularly in relation to the gross profit from operations, the discount rate and the perpetuity growth rate, so as to ensure that possible changes in the estimate do not have an impact on the possible recovery of the goodwill recognised.

Specifically, a stress test was conducted with a perpetuity growth rate of 1% and a reduction in the gross profit from operations of 100 basis points. The valuation disclosed in this scenario evidences a buffer of 26% over the carrying amount.

C. Toll Road Division goodwill:

The goodwill of the Toll Road business at 31 December 2013 amounted to EUR 355 million (31 December 2012: EUR 391 million). The recoverable amount of the toll roads was calculated as the higher of fair value less estimated costs to sell and value in use. The value in use of concession operators with an independent financial structure and limited duration was calculated by discounting the cash flows expected to be received by shareholders until the end of the concession term. The Group considers that value in use must be obtained using models that cover the entire concession term, as the assets are in different phases of investment and growth and there is sufficient visibility to use a specific economic and financial plan for each phase during the concession term. No residual value is considered to exist in these valuations. The projections were updated based on the historical evolution and specific features of each asset, using long-term modelling tools to estimate traffic, extraordinary maintenance, etc.

These traffic forecasting models and tools use variables obtained largely from public sources (evolution of GDP, inflation, population, car ownership, status of alternative roads, etc.), and there are also specific models for estimating extraordinary maintenance based on various different variables (road surface condition, expected traffic, etc.).

The forecast cash flows for the shareholder were discounted at an estimated cost of capital ranging from 8.1% for the Chicago Skyway toll road in the US to 10.9% for Ausol in Spain (9.1% to 11.8% in December 2012) based on a risk-free rate generally referenced to a 30-year bond, taking into account the location of each concession operator, a beta coefficient reflecting the company's leverage and asset risk, and an estimated market premium of 5.5%.

For these toll road concessions, the possible impairment was calculated by comparing the company’s carrying amount (equity plus net goodwill) with its value in use obtained by discounting cash flows, as described above. As a result of the analysis performed, impairment of EUR 31 million was recognised with respect to the goodwill allocated to Ausol. This impairment arose from the negative performance of traffic in recent years, with decreases in 2013 of -9.8% in Ausol I and -3.3% in Ausol II, which, added to the fall registered since 2007, gives an annual rate of -10.2% for Ausol I and -7.8% for Ausol II.

With respect to the other toll roads, Autema and Chicago Skyway have negative carrying amounts. In the case of Ausol, although an impairment loss was recognised during the year, the carrying amount continues to be positive and, therefore, any negative change in the main valuation assumptions could give rise to additional impairment. Algarve has a buffer, since its valuation is 54% higher than its carrying amount.

In addition to the aforementioned impairment, other impairment losses were recognised for toll roads without any goodwill allocated to them, as discussed in Note 23.

6. Intangible assets

At 2013 year-end, the balance of intangible assets amounted to EUR 229 million (2012: EUR 116 million), representing a year-on-year increase of EUR 113 million.

“Intangible Assets” includes basically contractual rights that arose from the acquisition of certain services companies; specifically:

- The main change in 2013 relates to the right that arose in the year as a result of the acquisition of Enterprise (see Note 5, Goodwill and acquisitions) for a total of EUR 117 million (December 2013: EUR 111 million), of which EUR 114 million (GBP 97 million) correspond to the valuation of the backlog and customer relations.

- The right that arose in 2010 to operate a waste treatment plant in the United Kingdom as a result of the acquisition of Donarbon, amounting to EUR 46 million.

- The right that arose in 2005 at the Amey Group as a result of a contract to provide management and technical assistance services in relation to the London Underground, amounting to EUR 36 million.

No impairment losses were recognised or reversed in relation to these intangible assets in 2013.

7. Investments in infrastructure projects

The detail, by project, of “Investments in Infrastructure Projects” and of the changes therein in 2013 is as follows:

Millions of euros	Balances at 01/01/13	Total additions	Total disposals	Changes in the scope of consolidation and transfers	Exchange rate effect	Balances at 30/12/13
Spanish toll roads	2,486	0	-2	126	0	2,609
US toll roads	3,668	983	0	0	-211	4,439
Other toll roads	961	0	0	18	0	979
Investment in toll roads	**7,114**	**983**	**-2**	**144**	**-211**	**8,027**
Accumulated amortisation	-450	-58	0	0	4	-504
Impairment losses	-159	-7	0	4	1	-162
Net investment in toll roads	**6,505**	**917**	**-2**	**148**	**-206**	**7,361**
Investment in other infrastructure projects	311	23	-3	60	-1	390
Amortisation - Other infrastructure projects	-61	-21	3	-35	1	-114
Total net investment - Other infrastructure projects	**250**	**2**	**0**	**25**	**0**	**277**
TOTAL INVESTMENT	**7,425**	**1,005**	**-5**	**204**	**-212**	**8,417**
TOTAL AMORTISATION AND IMPAIRMENT LOSSES	**-670**	**-86**	**3**	**-31**	**6**	**-779**
TOTAL NET INVESTMENT	**6,755**	**919**	**-2**	**173**	**-206**	**7,638**

The most significant changes in 2013 were as follows:

There were significant increases in the assets of the following toll roads in the US, all of which are currently under construction: North Tarrant Express (EUR 373 million -2012: EUR 302 million-), North Tarrant Express Extension (EUR 36 million) and LBJ (EUR 564 million -2012: EUR 339 million-).

The transfers to "Investments in Infrastructure Projects" include EUR 100 million relating to the increase in the provision recognised in 2013 for compulsory purchases in connection with the R-4 Madrid Sur toll road, as explained in Note 22. Also, EUR 33 million relating to the interest on the outstanding portion of the long-term loans granted by the Parent to third parties were transferred to "Non-Current Financial Assets" (see Note 10).

Exchange rate fluctuations resulted in a decrease of EUR 207 million (2011: increase of EUR 117 million) in the balance of these assets, the full amount of which is attributable to the change in the euro/US dollar exchange rate at the US toll roads.

"Investment in Other Infrastructure Projects" includes concession arrangements awarded to the Services Division that are classified as intangible assets under IFRIC 12, basically those relating to Autovía de Aragón Sociedad Concesionaria, S.A., amounting to EUR 188 million; various waste treatment plants and the Integral Treatment Centre in Murcia (Servicios Urbanos de Murcia, S.A.), amounting to EUR 48 million.

"Impairment Losses" includes the estimated impairment losses on arrangements to which no goodwill has been allocated. These possible impairment losses are calculated using the same method as that described in Note 5.2.C. The changes in the impairment losses relate mainly to the SH-130 toll road (addition of EUR -7 million -see Note 23).

In the case of the infrastructure projects, all the concession assets have been pledged as security for the borrowings of the concession operators. The borrowing costs capitalised in this connection in 2013 are detailed in Note 26.

The changes in these assets in 2012 were as follows:

Millions of euros	Balances at 01/01/12	Total additions	Total disposals	Transfers	Exchange rate effect	Balances at 31/12/12
Spanish toll roads	2,577	--	--	-92	--	2,485
US toll roads	2,854	894	--	--	-80	3,668
Other toll roads	981	2	-21	--	--	962
Investment in toll roads	**6,412**	**896**	**-21**	**-92**	**-80**	**7,115**
Amortisation - Toll roads	-510	-21	14	67	1	-450
Impairment losses	-178	--	--	18	--	-159
Net investment in toll roads	**5,724**	**875**	**-7**	**-7**	**-79**	**6,506**
Investment in other infrastructure projects	268	38	-7	2	0	301
Amortisation - Other infrastructure projects	-32	-18	-2	0	0	-52
Total net investment - Other infrastructure projects	**236**	**20**	**-9**	**2**	**0**	**249**
TOTAL INVESTMENT	**6,680**	**934**	**-28**	**-90**	**-80**	**7,416**
TOTAL AMORTISATION AND IMPAIRMENT LOSSES	**-720**	**-39**	**12**	**85**	**1**	**-661**
TOTAL NET INVESTMENT	**5,960**	**895**	**-16**	**-5**	**-79**	**6,755**

8. Property, plant and equipment

The changes in "Property, Plant and Equipment" in the consolidated statement of financial position were as follows:

	Millions of euros			
Changes in 2013	**Land and buildings**	**Plant and machinery**	**Other fixtures, tools and furniture**	**TOTAL**
Investment: Balances at 01/01/13	**131**	**773**	**677**	**1,581**
Additions	6	38	38	**82**
Disposals	-1	-39	-41	**-81**
Changes in the scope of consolidation and transfers	16	49	-45	**21**
Exchange rate effect	-2	-5	-3	**-10**
Balances at 31/12/13	**151**	**816**	**626**	**1,593**
Accumulated depreciation and impairment losses at 01/01/13	**-28**	**-585**	**-461**	**-1,074**
Depreciation charge for the year	-6	-63	-44	**-113**
Disposals	-	35	31	**66**
Changes in the scope of consolidation and transfers	3	-12	29	**20**
Exchange rate effect	-	3	3	**7**
Impairment losses on property, plant and equipment	-	-	-15	**-15**
Balances at 31/12/13	**-30**	**-623**	**-457**	**-1,110**
Carrying amount at 31/12/13	**120**	**193**	**170**	**483**

Changes in the scope of consolidation and transfers:

The most significant changes in the scope of consolidation in 2013, amounting to EUR 51 million, arose as a result of the acquisition of Enterprise and Steel Ingeniería, as described in Note 5. In addition, all the assets relating to a treatment plant of the Services Division, amounting to EUR 47 million, were transferred to "Investments in Infrastructure Projects" pursuant to IFRIC 12 (see Note 7). None of the other changes, considered individually, were material.

Additions:

The most significant additions in 2013 arose in the Services Division, specifically at Ferrovial Servicios España in relation to the construction and fitting-out of container and waste transfer plants and the renewal of cleaning and transport equipment associated with contracts in force (EUR 31 million) and at the Amey Group (EUR 14 million). Also, Ferrovial Agroman acquired specific construction machinery for EUR 19 million, mainly in Chile (EUR 8 million).

Disposals or reductions:

The disposals arose mainly in the Services Division (EUR 50 million, of which EUR 21 million resulted from the sale of fully depreciated machinery at Amey) and the remainder, recognised mainly under "Other Fixtures, Tools and Furniture", related to disposals of obsolete or fully depreciated items at both the Services Division (EUR 25 million) and the Construction Division (EUR 15 million).

Other disclosures relating to property, plant and equipment

The property, plant and equipment not used in operations are not material with respect to the ending consolidated balances. Impairment losses on other items of property, plant and equipment total EUR 64 million (2012: EUR 49 million), associated mainly with the Services Division. In 2013 an impairment loss totalling EUR 11 million was recognised on the property, plant and equipment associated with Albaida Residuos, S.L. as a result of the lower-than-expected demand for waste at the plant and the adverse effect of the Renewable Energy market reform.
The Group has taken out insurance policies to cover the possible risks to which its property, plant and equipment are subject and possible claims that could be brought against it in the ordinary course of its business. The Group considers that the insurance policies provide adequate coverage for such risks.

The property, plant and equipment in the course of construction amounts to EUR 29 million (2012: EUR 39 million), corresponding mainly to the items under construction at the Cespa Group (EUR 18 million).

The balance of "Property, Plant and Equipment" at 31 December 2013 includes EUR 75 million (2012: EUR 78 million) relating to the carrying amount of Services Division assets that have been pledged as security for bank borrowings.

CHANGES IN 2012	Millions of euros Land and buildings	Plant and machinery	Other fixtures, tools and furniture	TOTAL
Investment: Balances at 01/01/12	**187**	**782**	**660**	**1,629**
Additions	2	45	60	**108**
Disposals	-1	-52	-36	**-88**
Changes in the scope of consolidation and transfers	-59	-6	-10	**-75**
Exchange rate effect	2	3	2	**7**
Balances at 31/12/12	**131**	**773**	**678**	**1,581**
Accumulated depreciation and impairment losses at 01/01/12	**-23**	**-569**	**-410**	**-1,002**
Depreciation charge for the year	-5	-61	-50	**-116**
Disposals	-	47	27	**75**
Changes in the scope of consolidation and transfers	-1	1	-25	**-25**
Exchange rate effect	-	-3	-1	**-4**
Impairment losses on property, plant and equipment	-	-	-2	**-2**
Balances at 31/12/12	**-28**	**-585**	**-461**	**-1,074**
Carrying amount at 31/12/12	**104**	**188**	**215**	**507**

9. Investments in associates

The detail of the investments in companies accounted for using the equity method at 2013 year-end and of the changes therein in 2013 is shown in the table below. Due to their significance, the investments in 407 ETR (43.23%) and Heathrow Airport Holdings (HAH) (25%) are presented separately.

2013 Millions of euros	HAH (25%)	407 ETR (43.23%)	Other	TOTAL
Balance at 31/12/12	**1,604**	**2,678**	**41**	**4,322**
Changes in ownership interest	-419	0	0	**-419**
Share of results	297	65	13	**375**
Dividends received and equity reimbursed	-219	-217	-24	**-461**
Exchange differences	-41	-269	0	**-311**
Other	40	4	12	**56**
Balance at 31/12/13	**1,261**	**2,260**	**41**	**3,562**

The main reasons for these variations are:

- The main change relates to the reduction of the ownership interest in Heathrow Airport Holdings (HAH) following the 8.65% divestment carried out in the year, which is described in Notes 1.2 and 23. As a result of this sale, the Group owns 25% of the share capital of HAH, down from 33.65% at 2012 year-end. Also noteworthy among the changes relating to HAH are the dividends received from this investee, amounting to EUR 219 million, and the inclusion of the share in its profit for the year, EUR 297 million, as well as the negative impact of EUR -41 million resulting from the depreciation of the pound sterling against the euro. The other changes relate mostly to the effects of changes in the value of derivatives and pension plans recognised in reserves.

- The change in the value of 407 ETR was due basically to the dividends of EUR 217 million received in the year, the EUR 65 million share in its profit, and the translation differences amounting to EUR -269 million at 31 December 2013.

In view of the importance of the investments in HAH and 407 ETR, set forth below is a detail of the balance sheets and income statements of these two companies, adjusted to bring them into line with Ferrovial's accounting policies, together with comments on the changes therein in 2013. In this respect, it should be noted that the financial statements of both HAH and 407 ETR include the amount of the gain arising from remeasuring the fair value of the investments retained following the loss of control thereof in 2011 and 2010, respectively.

9.1 Information relating to HAH

a. Impairment test

The impairment test carried out on this investment at year-end concluded that it was not impaired at December 2013. It should be noted that Heathrow passenger numbers and gross profit from operations were above budget in 2013. The assumptions used in order to value the investment for impairment test purposes were as follows:

- For the Heathrow business plan, the Group uses the "building blocks" approach applied by the UK Civil Aviation Authority (CAA), in which revenue yields are determined by reference to the existing regulated asset base (RAB), the future capital expenditure plan and the return on assets.
- The value of the investment is calculated by discounting the future cash flows per the business plan, using the adjusted present value (APV) method until 2038 and a multiple for that year of 1.15 x RAB.
- From 1 April 2014 a rate of return on capital investment (WACC) of 5.35% is considered, which represents an annual cap on airport charges of RPI -1.5% until December 2018. This assumption is based on the remuneration set by the CAA for Q6 in its "Final Decision" issued in January 2014.
- In the long term, the development of a third runway at Heathrow is considered. The unlevered discount rate (Ku) is 7.6% and the tax shield generated by the debt is discounted at the cost of the debt.

The result of the valuation is higher than the carrying amount of the assets. In this regard, it should be noted that the sale of 8.65% of HAH by Ferrovial in 2013, described in Note 1.2, is a further indication that this investment is not impaired, since the price of the sale transaction was approximately 7% higher than the carrying amount of the asset. Lastly, sensitivity analyses were performed on the main assumptions, the most important of which envisaged a scenario in which the third runway at Heathrow is not built. In this case, the valuation would be similar to that evidenced by the aforementioned transaction.

b. Changes in the balance sheet and income statement 2013-2012

In view of the importance of this investment, following is a detail of the balance sheet and income statement for this group of companies, adjusted to bring them into line with Ferrovial's accounting policies, together with comments on the changes therein in 2013.

The balance sheet figures shown relate to the full balances of HAH and are presented in pounds sterling. The exchange rates used in 2013 are EUR 1=GBP 0.8323 (2012: GBP 0.8130) for the balance sheet figures and EUR 1=GBP 0.8494 (2012: GBP 0.8107) for the income statement.

25% of the equity of the investee does not correspond to the carrying amount of the investment, since the carrying amount also includes the amount of the gain arising from the remeasurement at fair value of the investment retained following the sale of a 5.88% ownership interest in HAH in October 2011. The gain was recognised as an addition to goodwill.

Balance sheet

HAH (100%) GBP (millions)	2013	2012	Change
Non-current assets	**19,448**	**18,555**	**893**
Goodwill	4,933	4,903	30
Investments in infrastructure projects	14,277	13,276	1,001
Non-current financial assets	28	29	-1
Pension surplus	0	0	0
Deferred tax assets	0	0	0
Financial derivatives	174	322	-149
Other non-current assets	37	25	12
Assets classified as held for sale	**0**	**1,429**	**-1,429**
Current assets	**595**	**465**	**130**
Trade and other receivables	288	289	-1
Financial derivatives	135	0	135
Cash and cash equivalents	162	167	-5
Other current assets	10	8	2
TOTAL ASSETS	**20,043**	**20,449**	**-406**

HAH (100%) GBP (millions)	2013	2012	Change
Equity	**4,199**	**3,875**	**324**
Equity attributable to Ferrovial	*1,050*	*1,304*	*-254*
Non-current liabilities	**14,357**	**14,827**	**-469**
Provisions for pensions	121	133	-12
Bank borrowings	11,967	12,359	-392
Deferred tax liabilities	1,073	1,164	-91
Financial derivatives	1,178	1,158	20
Other non-current liabilities	19	12	7
Liabilities classified as held for sale	**0**	**263**	**-263**
Current liabilities	**1,487**	**1,485**	**3**
Bank borrowings	878	739	139
Trade and other payables	573	645	-72
Financial derivatives	2	92	-90
Other current liabilities	34	9	25
TOTAL EQUITY AND LIABILITIES	**20,043**	**20,449**	**-406**

- *Investments in infrastructure projects*

The balance of "Investments in Infrastructure Projects" increased by GBP 1,001 million in 2013. This change was due mainly to the additions of approximately GBP 1,279 million relating mostly to the investments made in Heathrow Terminal 2, which is scheduled to come into operation in June 2014, and in the baggage handling systems. In addition, borrowing costs of EUR 164 million and software costs of GBP 107 million were capitalised. By contrast, it should be noted that the depreciation and amortisation charge for the year reduced the balance of this heading by approximately GBP 517 million.

- *Assets and liabilities classified as held for sale*

At 2012 year-end this heading included assets (GBP 1,429 million) and liabilities (GBP 263 million) relating to Stansted airport, the sale of which was imposed by the UK Competition Commission. This transaction ultimately took place on 28 February 2013 for a price of GBP 1,500 million and gave rise to a gain of EUR 137 million in the net profit attributable to Ferrovial, as described below in relation to the changes in the income statement of HAH.

- *Equity*

Equity amounted to GBP 4,199 million at 31 December 2013, up GBP 324 million with respect to 2012 due mainly to the net effect of the dividends paid (GBP -555 million), the profit for the year (GBP 779 million -EUR 297 million attributable to Ferrovial-) and the positive impact of GBP 97 million recognised in reserves in relation to effective derivatives and pension plans.

- *Pension plan deficit*

At 31 December 2013, HAH had a pension plan deficit of GBP 121 million, as compared with a deficit of GBP 133 million at 2012 year-end. This reduction in the deficit (GBP 12 million) was due mainly to the contributions made by the company totalling GBP 130 million (GBP 69 million of ordinary contributions in the year; GBP 24 million of contributions to reduce the deficit, GBP 35 million of extraordinary contributions due to the sale of Stansted and GBP 2 million of sundry contributions) and to the transfer of the plans of Stansted employees, whose pension commitments were assumed by the buyer, amounting to approximately GBP 12 million. These effects were partially offset by the updating of the actuarial assumptions, which had an impact on reserves of GBP -63 million (GBP -71 million net of tax), and by the cost for period (GBP 64 million) and the related interest cost (GBP 3 million).

- *Net financial debt*

The table below shows the net debt position (financial debt less cash) of HAH:

GBP (millions)	2013	2012	Change
Senior loan facility	496	588	-91
Subordinated debt	754	717	37
Security Group borrowings	11,136	11,315	-179
Non-Security Group borrowings	325	337	-12
Other borrowings	-29	-26	-3
Total	**12,683**	**12,931**	**-248**

Of the total debt of HAH recognised for accounting purposes at 31 December 2013, GBP 11,260 million relate to bond issues (31 December 2012: GBP 10,979 million), of which GBP 10,668 million (2012: GBP 10,387 million) are included in the Security Group borrowings shown in the table above. This group consists of Heathrow (SP) Limited and its subsidiaries, which own Heathrow Airport and operate the Heathrow Express rail service. The companies in the Security Group have granted security over their assets to secure their commitments under the related financing agreements. Each of these companies has also provided a guarantee in respect of the commitments of the other companies.

There was a GBP 280 million increase in the aforementioned Security Group bonds, due mainly to a GBP 750 million bond issue and bond maturities totalling GBP 396 million, as well as to exchange differences on foreign-currency denominated bonds, accrued interest and other items amounting to GBP -53 million. "Security Group borrowings" also includes the effect of the partial repayment of credit facilities and other loans amounting to GBP 398 million and the GBP 82 million decrease in cash.

The "Senior Loan Facility" borrowings underwent restructuring in 2013, which involved a partial repayment of GBP 95 million.

Lastly, it should be noted that the subordinated debt increased by GBP 37 million in the year.

- *Derivative financial instruments at fair value*

The notional principal amount of HAH's derivatives portfolio totals GBP 11,404 million, including interest rate swaps (IRSs) with a notional amount of GBP 2,611 million, cross currency swaps (hedging bonds issued in foreign currency) (GBP 3,503 million), index-linked securities (ILSs) (GBP 5,266 million), exchange rate derivatives (GBP 21 million) and equity swaps (GBP 3 million).
The change in the net value (asset/liability position) of these financial instruments gave rise to a GBP 56 million decrease in liabilities in 2013. Of this change, GBP 235 million related to a positive impact on reserves, and fair value adjustments were also made, including mainly the expense generated by the index-linked securities (GBP -146 million) as a result of the increase in the UK inflation rate and the impact relating to the cross currency swaps (GBP -98 million), although these last-mentioned derivatives barely have an impact on profit or loss since they are offset by the fair value adjustments of the foreign currency bonds hedged by these instruments.

Income statement 2013-2012

The following table shows the changes in HAH's income statement in 2013 with respect to 2012.

HAH (100%) GBP (millions)	2013	2012	Change
Operating income	2,684	2,646	38
Operating expenses	-1,235	-1,312	76
Gross profit from operations	1,449	1,334	115
Depreciation and amortisation charge	-517	-583	66
Profit from operations before impairment and non-current asset disposals	932	751	181
Impairment and disposals of non-current assets	348	151	196
PROFIT FROM OPERATIONS	**1,280**	**903**	**377**
Financial result	-764	-665	-99
Profit before tax	516	238	278
Income tax	262	122	141
Net profit	**779**	**360**	**419**
Profit attributable to Ferrovial (millions of euros)	**297**	**223**	**74**

Noteworthy in relation to the results for 2013 were certain non-recurring impacts on net profit totalling GBP 580 million (EUR 223 million attributable to Ferrovial), including most notably the impact of fair value adjustments on derivatives of GBP -53 million after tax (effect of EUR -28 million on the net profit attributable to Ferrovial) and the gain obtained on the sale of Stansted Airport in February 2013, which resulted in a net gain of GBP 346 million (EUR 137 million attributable to Ferrovial). Also, in 2013 adjustments totalling GBP 287 million were made to tax provisions and deferred tax liabilities (EUR 114 million attributable to Ferrovial), the most significant effect relating to the reduction of the tax rate in the UK to 20%.

It should be borne in mind that the profit attributable to Ferrovial does not correspond to the 25% equity interest at year-end, since it is calculated by reference to the various percentages of ownership held by the Company during the year. Thus, the attributable profit for first ten months of the year was calculated at 33.65%, and that for November and December at 25%.

9.2 Information relating to 407 ETR

a. Impairment test

An impairment test was performed on this investment at year-end. The methodology used is described in Note 5 in relation to Toll Road Division goodwill.

It should be noted that in 2013 the 407 ETR toll road outperformed budget estimates in terms of traffic, revenue and gross profit from operations.

The expected flows for the shareholders were discounted at an estimated cost of capital of 7.0% (December 2012: 8.0%). This decrease in the discount rate is related to the stabilisation of sovereign bonds. Sensitivity analyses were performed on the main assumptions, such as the discount rate and revenue growth. The conclusion of the test was that, in all scenarios, the value of the investment is far higher than the carrying amount of the asset.

b. Changes in the balance sheet and income statement 2013-2012

In view of the importance of this investment, following is a detail of the balance sheet and income statement for this group of companies at 31 December 2013 and 2012.

These figures relate to the full balances of 407 ETR and are presented in millions of Canadian dollars. The exchange rates used in 2013 are EUR 1=CAD 1.4655 (2012: CAD 1.3130) for the balance sheet figures and EUR 1=CAD 1.3767 (2012: CAD 1.2896) for the income statement.

43.23% of the equity does not correspond to the carrying amount of the investment, since the carrying amount also includes the amount of the gain arising from the remeasurement at fair value of the investment retained following the sale of a 10% ownership interest in 407 ETR in 2010. This increase in value was recognised as an intangible asset associated with the concession and is being amortised over the term of the concession.

Balance sheet 2013-2012

407 ETR (100%) CAD (millions)	2013	2012	Change	407 ETR (100%) CAD (millions)	2013	2012	Change
Non-current assets	**8,577**	**8,604**	**-27**	**Equity**	**2,343**	**2,792**	**-450**
Goodwill	1,319	1,319	0	*Equity attributable to Ferrovial*	*3,312*	*3,516*	*-204*
Investments in infrastructure projects	6,710	6,702	8	**Non-current liabilities**	**6,538**	**6,151**	**387**
Non-current financial assets	326	301	25	Bank borrowings	6,123	5,766	357
Deferred tax assets	226	285	-59	Deferred tax liabilities	415	385	30
Other non-current assets	-4	-3	0	Other non-current liabilities	0	0	0
Current assets	**527**	**475**	**52**	**Current liabilities**	**224**	**136**	**88**
Trade and other receivables	156	154	2	Bank borrowings	151	76	76
Cash and cash equivalents	371	322	50	Trade and other payables	72	60	12
TOTAL ASSETS	**9,104**	**9,079**	**25**	**TOTAL EQUITY AND LIABILITIES**	**9,104**	**9,079**	**25**

Set forth below is a description of the main changes in the balance sheet of 407 ETR at 31 December 2013 with respect to the preceding year:

- Bank borrowings

Non-current bank borrowings increased by CAD 357 million from CAD 5,766 million at 2012 year-end to CAD 6,123 million at 31 December 2013, due mainly to two bond issues:

- Issue on 10 June of the 12-A2 bond series amounting to CAD 200 million, maturing in 2052.
- Issue on 2 October of the 13-A1 bond series amounting to CAD 200 million, maturing in 2053.

- Equity

Equity dropped by CAD 450 million with respect to 2012, mainly as a result of inclusion of profit for the year of CAD 231 million and the payment of a dividend of CAD 680 million to shareholders.

Income statement 2013-2012

The following table shows the changes in the income statement of 407 ETR in the year ended 31 December 2013 with respect to 2012:

407 ETR (100%) CAD (millions)	2013	2012	Change
Operating income	801	734	67
Operating expenses	-136	-126	-11
Gross profit from operations	**665**	**608**	**57**
Depreciation and amortisation charge	-63	-61	-2
Net profit from operations	**602**	**548**	**55**
Financial result	-265	-304	39
Profit before tax	**338**	**244**	**94**
Income tax	-89	-69	-20
Net profit	**249**	**174**	**74**
Intangible asset amortisation	-18	-17	0
Profit attributable to Ferrovial (millions of euros)	**65**	**42**	**23**

The income statement above includes, in addition to the profit earned by the concession operator, the amortisation of the intangible asset recognised as a result of the remeasurement at fair value of the investment retained after the sale of a 10% ownership interest in 2010. It also includes net fair value adjustments of CAD 24 million (EUR 7 million attributable to Ferrovial) relating to 407 ETR's Synthetic Inflation Protected Securities (SIPS); a SIP is a hybrid instrument between a conventional nominal bond and a Real Return Bond whose carrying amount is adjusted to its market value as if it were a derivative.

9.3 Other associates

The detail of the other investments in associates is shown in the following table:

Millions of euros	Division	% of ownership	2013
Emesa - Calle 30	Services	50%/10%	10
Amey joint ventures	Services	From 2% to 50%	19
Inusa Ing. Urbana, S.A.	Services	35%	7
Reciclaje y Compostaje Piedra Negra	Services	49%	4
Indiana Toll Road	Toll Roads	50%	0
Nea Odos	Toll Roads	33.34%	0
Central Greece	Toll Roads	33.34%	0
Serranopark	Toll Roads	50%	0
Other	Other	-	15
Allowances	Toll Roads	-	-14
TOTAL			**41**

As can be observed, the main companies with positive carrying amounts are those from the Services Division. They include most notably EMESA, holder of a contract for the maintenance of the Calle 30 road in Madrid and in turn owner of 20% of the Calle 30 concession operator (10% attributable to Ferrovial), and various joint ventures in which Amey and other venturers perform certain services contracts. Noteworthy among these contracts are a UK Ministry of Justice contract for prisoner escorting and custody services and several Ministry of Defence contracts for the maintenance of service family accommodation.

In addition, there are four Toll Roads Division associates whose carrying amounts are zero. Under IAS 28, if an investor's share of losses of an associate equals or exceeds its interest in the associate, the investor discontinues recognising its share of further losses, unless the investor has incurred legal or constructive commitments that make it necessary to recognise a liability for additional losses after the investor's interest is reduced to zero. The main associates with respect to which the value of Ferrovial's interest, in accordance with the foregoing, is zero are as follows:

- The Indiana Toll Road concession operator, in which Ferrovial has a 50% ownership interest. At 31 December 2013, this company had an equity deficit of EUR -267 million (in proportion to Ferrovial's ownership interest), including a net loss for the year of EUR -175 million (not recognised). The equity deficit arose mainly as a result of changes in the fair value of the derivative arranged for the concession. This derivative, which has a notional amount of EUR 2,683 million and matures in 2026, had a total value of EUR -714 million. Lastly, at 2013 year-end Indiana Toll Road's period revenue amounted to EUR 155 million, its assets totalled EUR 2,875 million and its borrowings stood at EUR 2,783 million. The borrowings mature in 2015 and are currently being renegotiated with the respective banks.

- The Nea Odos and Central Greece toll road concession operators, in which Ferrovial has a 33.34% ownership interest. At 31 December 2013, a provision has been recognised for the full amount of the investment. In December 2013 the consortium partners, the creditor banks and the Greek government reached an agreement aimed at ensuring the viability of these projects. As a result of this agreement, Ferrovial will not make any additional capital contributions to the projects and, therefore, in the coming months its ownership interest will be diluted, through new contributions scheduled to be made by the Greek partners, down to 21% in Ionian and 28% in Central Greece. Also, the guarantees that Ferrovial had granted for the projects were released and, accordingly, a provision of EUR 55 million for contingencies and charges (in respect of possible liability under the guarantees) was reversed (see Note 23 and Note 17). Lastly, as a result of the agreement, Ferrovial Agroman withdrew from the construction contract and received EUR 37 million in cash.

- Serrano Park, the car park concession operator in Madrid, in which the Group has a 50% ownership interest. The fall in demand led to the recognition of a provision of EUR -14 million, of which EUR -10 million relate to a loan granted to the operator's parent, Cintra Infraestructuras, classified under "Non-Current Financial Assets", and EUR -4 million to guarantees granted (see Note 22).

See Appendix I for a detail of the associates, including their carrying amount accounted for using the equity method and their main aggregates.

9.4 Other disclosures relating to companies accounted for using the equity method

There are no significant restrictions on the capacity of associates to transfer funds to the Parent in the form of dividends, debt repayments or advances other than such restrictions as might arise from the financing agreements of those associates or from their own financial situation, and there are no contingent liabilities relating to associates that might ultimately be assumed by the Group.

The only company accounted for using the equity method in which the ownership interest is below 20% is Madrid Calle 30. The equity method is used because, although Ferrovial only has an indirect ownership interest of 10%, it has the power to appoint one member of the Board of Directors.

There are no significant companies in which the ownership interest exceeds 20% that are not accounted for using the equity method.

The guarantees granted by Group companies to companies accounted for using the equity method are detailed in Note 22.

The changes in "Investments in Associates" in the consolidated statement of financial position in 2012 were as follows:

2012 Millions of euros	HAH (33.65%)	407 ETR (43.23%)	Other	TOTAL
Balance at 31/12/11	**2,353**	**2,823**	**23**	**5,199**
Changes in the scope of consolidation	-791	0	0	**-791**
Share of results	223	45	7	**275**
Dividends received and equity reimbursed	-143	-201	0	**-345**
Exchange differences	72	21	0	**92**
Other	-109	-9	11	**-108**
Balance at 31/12/12	**1,604**	**2,678**	**40**	**4,322**

10. Non-current financial assets

The changes in "Non-Current Financial Assets" in the year ended 31 December 2013 were as follows:

CHANGES IN 2013	Millions of euros				
	Long-term accounts receivable relating to infrastructure projects	Available-for-sale financial assets	Restricted cash	Other non-current financial assets	TOTAL
Balance at 01/01/13	**1,334**	**1**	**148**	**192**	**1,674**
Additions	52	0	19	24	**95**
Disposals	-48	0	-1	-20	**-68**
Transfers	0	0	0	-42	**-42**
Changes in the scope of consolidation	4	0	160	0	**164**
Exchange rate effect	-2	0	-9	-2	**-13**
Balance at 31/12/13	**1,341**	**1**	**317**	**152**	**1,810**

Note: balances presented net of allowances.

• **"Long-Term Accounts Receivable relating to Infrastructure Projects"** includes financial assets arising from the application of IFRIC 12 (see Note 2.5.3) and relates mainly to amounts receivable at long term (more than twelve months) from governments in return for services rendered or investments made under a concession arrangement. The amounts receivable at short term in this connection are recognised under "Trade Receivables for Sales and Services" (see Note 13).

Following is a detail of the main concession arrangements accounted for using the financial asset model and of the balances of the accounts receivable at 31 December 2013 and 2012:

				Balances at 31/12/13			Balances at 31/12/12		
Concession operator	Country	Concession term (years)	First year of concession	Long-term account receivable	Short-term account receivable (Note 13)	Total 2013	Long-term account receivable	Short-term account receivable (Note 13)	Total 2012
Autema	Spain	50	1986	513	84	596	490	75	565
Auto-Estradas Norte Litoral	Portugal	30	2001	286	50	336	305	47	353
Eurolink M3	Ireland	30	2003	216	29	245	223	29	252
Toll roads				**1,015**	**162**	**1,177**	**1,018**	**152**	**1,170**
Concesionaria de Prisiones Lledoners	Spain	32	2008	73	1	74	74	1	75
Concesionaria de Prisiones Figueras	Spain	32	2008	127	0	127	122	0	122
Budimex Parking Wrocław	Poland	30	2012	5	0	5	0	0	0
Construction				**205**	**1**	**206**	**196**	**1**	**196**
Waste treatment plants in Spain	Spain	15-20	2006-2013	31	4	35	32	4	36
Waste treatment plants in the UK	UK	18-28	2008-2013	90	3	93	88	0	88
Services				**121**	**7**	**127**	**120**	**4**	**124**
Total Group				**1,341**	**170**	**1,511**	**1,334**	**157**	**1,490**

• **"Restricted Cash"** relates to deposits at toll road concession operators, the use of which is limited to certain purposes established in the concession arrangement, such as payment of future investments or operating expenses, and debt servicing. The most significant change in the year arose at the NTE 3A-3B toll road and related to the cash obtained on the recent bond issue, the use of which is restricted to meeting future investment commitments This heading also includes the deposits corresponding to Chicago Skyway (EUR 59 million; 2012: EUR 58 million), Auto-Estradas Norte Litoral (EUR 34 million at 31 December 2013; 2012: EUR 29 million) and Euroscut Algarve (EUR 21 million at 31 December 2013; 2012: EUR 16 million).

- Lastly, **"Other Non-Current Financial Assets"** includes:
    - Participating loans to associates amounting to EUR 46 million (2012: EUR 12 million).
    - Loans to associates of the Services Division amounting to EUR 20 million (2012: EUR 70 million).
    - Trade accounts receivable by the Services and Construction Divisions from various public authorities, mainly municipal councils and autonomous community governments, which had been renegotiated at long term, amounting to approximately EUR 34 million (2012: EUR 16 million).
    - Other trade receivables, mainly from various public authorities in connection with long-term contracts, amounting to EUR 36 million (31 December 2012: EUR 80 million).
    - Long-term deposits and guarantees amounting to EUR 14 million (December 2012: EUR 14 million).

The changes in these items in 2012, for information purposes, were as follows:

CHANGES IN 2012	Millions of euros				
	Long-term accounts receivable relating to infrastructure projects	Available-for-sale financial assets	Restricted cash	Other non-current financial assets	TOTAL
Balance at 01/01/12	**1,279**	**0**	**390**	**243**	**1,912**
Changes in accounting policies	0	0	0	6	**6**
Additions	58	0	14	61	**133**
Disposals	-6	0	-256	-111	**-373**
Changes in the scope of consolidation	0	0	0	-8	**-8**
Exchange rate effect	3	1	-1	1	**4**
Balance at 31/12/12	**1,334**	**1**	**147**	**192**	**1,674**

11. Derivative financial instruments at fair value

a) Breakdown by type of derivative, changes, maturities and main features

The table below includes a detail of the fair values of the derivatives arranged at 31 December 2013 and 2012, as well as the maturities of the notional amounts to which the derivatives relate (maturities of notional amounts are shown as positive figures and already-arranged future increases are presented as negative amounts):

Millions of euros	Fair value		Notional amount maturities					
Type of instrument	Balances at 31/12/13	Balances at 31/12/12	2014	2015	2016	2017	2018 and subsequent years	TOTAL
ASSET BALANCES	**162**	**166**	**624**	**259**	**-2**	**-2**	**56**	**934**
Index linked swaps, Toll Roads	141	157	-2	-3	-2	-2	56	46
Interest rate swaps, Corporate	1	0	0	250	0	0	0	250
Equity swaps	4	0	0	12	0	0	0	12
Exchange rate derivatives, Corporate	4	9	384	0	0	0	0	384
Other derivatives	12	0	242	0	0	0	0	242
LIABILITY BALANCES	**1,019**	**1,633**	**334**	**71**	**337**	**73**	**3,342**	**4,157**
Equity swaps (*)	16	89	129	43	152	0	0	324
Interest rate swaps, Toll Roads	948	1,446	16	22	30	61	2,967	3,096
Interest rate swaps, Corporate	5	14	0	0	0	0	250	250
Exchange rate derivatives, Corporate	2	5	226	0	0	0	0	226
Other derivatives	48	79	-37	6	155	12	125	261
NET BALANCES (LIABILITY)	**-857**	**-1,467**	**958**	**330**	**335**	**71**	**3,398**	**5,091**

The cash flows composing the fair value of the derivatives mature as follows:

Millions of euros	Fair value		Cash flow maturities					
Type of instrument	Balances at 31/12/13	Balances at 31/12/12	2014	2015	2016	2017	2018 and subsequent years	TOTAL
ASSET BALANCES	**162**	**166**	**18**	**8**	**4**	**5**	**127**	**162**
Index linked swaps, Toll Roads	141	157	2	4	4	5	126	141
Interest rate swaps, Corporate	1	0	0	0	0	0	1	1
Equity swaps	4	0	0	4	0	0	0	4
Exchange rate derivatives, Corporate	4	9	4	0	0	0	0	4
Other derivatives	12	0	12	0	0	0	0	12
LIABILITY BALANCES	**1,019**	**1,633**	**154**	**126**	**70**	**216**	**452**	**1,019**
Equity swaps (*)	16	89	17	9	-9	0	*0*	16
Interest rate swaps, Toll Roads	948	1,446	119	111	90	215	414	948
Interest rate swaps, Corporate	5	14	-1	-2	-1	1	7	5
Exchange rate derivatives, Corporate	2	5	2	0	0	0	0	2
Other derivatives	48	79	17	9	-9	0	31	48
NET BALANCES (LIABILITY)	**-857**	**-1,467**	**-136**	**-119**	**-66**	**-211**	**-325**	**-857**

(*) The items indicated are the main derivatives arranged by the Group that do not qualify for hedge accounting, as explained in this Note.

Following is a description of the main types of derivatives and of the most significant changes therein in 2013: It should be noted that initial application of IFRS 13, Fair Value Measurement, which entails the inclusion of credit risk in the measurement of derivative financial instruments, took place in 2013. This resulted in a reduction of EUR 197 million in liabilities relating to derivatives, mainly interest rate derivatives (with an impact on reserves and profit attributable to the Parent of EUR 73 million and EUR 4 million, respectively), and a reduction of EUR 46 million in assets relating to index linked derivatives (impact of EUR -25 million on reserves attributable to the Parent). The methodology used to calculate the spread is described in Note 2.3.

Toll Road Division derivatives

Interest rate swaps -Toll Roads

In order to hedge the interest rate risk in toll road infrastructure projects, the concession holders have arranged interest rate hedges on the projects' debt, establishing a fixed or increasing interest rate for a total notional amount of EUR 3,096 million at 31 December 2013.

Taken as a whole, the fair value of these hedges rose from EUR -1,446 million at 31 December 2012 to EUR -948 million at 2013 year-end, due to the across-the-board rise in long-term interest rates and the application of IFRS 13, as mentioned above.

Since these derivatives are considered to be effective, the changes in their fair value had a positive impact on reserves of EUR 509 million (EUR 203 million attributable to the Parent, after tax and non-controlling interests), while the changes in settlements and accruals gave rise to an impact of EUR -156 million on the financial result and a net cash outflow of EUR 114 million.

Index linked swaps -Toll Roads

This item relates exclusively to Autema, which in 2008 arranged an index linked swap to hedge income variability, by means of which an annual CPI of 2.50% was fixed. This hedge, which was considered effective, had an impact of EUR -19 million on reserves (EUR -10 million after tax, attributable to the Parent).

Corporate derivatives

Interest rate swaps - Corporate

The main change with respect to the consolidated financial statements for the year ended 31 December 2012 was the cancellation of IRSs with a notional amount of EUR 300 million, which were hedging the corporate debt, substantially all of which was repaid in 2013 and replaced by bonds, as described in Note 18. Also, in relation to the aforementioned bond issues launched in the year, new interest rate derivatives were arranged for a notional amount of EUR 500 million, maturing in 2015 (EUR 250 million) and in 2021 (EUR 250 million). Since they convert a portion of the fixed interest rate on the bonds into a floating interest rate, these derivatives constitute a partial fair value economic hedge of the aforementioned bond issues; however, only one of them (with a notional amount of EUR 250 million) qualifies for hedge accounting.

Equity swaps

Ferrovial has arranged equity swaps in order to hedge against the possible impact on equity resulting from the exercise of the share-based remuneration schemes granted to its employees.
The modus operandi of these equity swap contracts is as follows:

- The calculation base is a given number of Ferrovial shares and a reference price, which is normally the market price of the share on the grant date.
- For the duration of the contract, Ferrovial pays interest equivalent to a given interest rate (EURIBOR plus a spread, to be applied to the result of multiplying the number of shares by the exercise price) and receives the dividends corresponding to those shares.
- When the swap matures, if the share price has increased, Ferrovial will receive the difference between the market price and the reference price. If the share price has fallen, Ferrovial will pay the difference to the bank.

These equity swaps do not qualify for hedge accounting and the related gains or losses are recognised as fair value adjustments under "Financial Result". The change in value in 2013 was due to the increase in the Ferrovial share price from EUR 11.20 at 31 December 2012 to EUR 14.07 at 31 December 2013, which gave rise to income of EUR 68 million (net result of EUR 48 million). The change in 2012 gave rise to income of EUR 46 million (net result of EUR 32 million). It should be noted that the impact on cash in the year was a net cash inflow of EUR 1 million (outflow of EUR 13 million in settlements and interest payments, offset by dividend proceeds of EUR 14 million).

At 2013 year-end, these derivatives had a notional amount equivalent to 23 million shares, which, based on the exercise price of the equity swaps (the price at which they must be settled with the banks), represented a total notional amount of EUR 336 million.

Exchange rate derivatives - Corporate

These derivatives relate to corporate hedges of foreign currency risk, the main aim of which is to protect against the volatility of future cash flows in foreign currencies (basically the pound sterling and the US dollar). Their notional amount totalled EUR 610 million at 31 December 2013 and they mature in the short term.

Other derivatives

"Other Derivatives", with an aggregate notional amount of EUR 205 million, includes mainly interest rate hedges of the Construction and Services Divisions, as well as certain exchange rate derivatives of the Toll Roads and Construction Divisions.

In addition to the derivatives described in this Note, it should be noted that HAH, which is accounted for using the equity method, has arranged derivatives with a notional amount of EUR 13,701 million (GBP 11,404 million), as described in greater detail in Note 9.

b) Main effects on profit or loss and equity

The changes for accounting purposes in the main derivatives arranged by fully consolidated companies, detailing the fair values thereof at 31 December 2013 and 2012, and the impact on reserves, profit or loss and other statement of financial position items are as follows:

Millions of euros	Fair value			Impacts						
Type of instrument	Balance at 31/12/13	Balance at 31/12/12	Change	Impact on reserves (I)	Impact on profit or loss of fair value changes (II)	Impact on financial result (III)	Cash (IV)	Exchange rate (V)	Other impacts on equity or profit or loss (VI)	TOTAL
Index linked swaps, Toll Roads	141	157	-16	-19	-1	0	-1	0	5	-16
Interest rate swaps, Toll Roads	-948	-1,446	497	509	0	-156	114	30	0	497
Interest rate swaps, Corporate	-3	-14	11	4	-3	0	10	0	0	11
Equity swaps	-12	-90	78	0	68	11	-1	0	0	78
Exchange rate derivatives, Corporate	1	2	0	-18	0	0	15	0	3	0
Other derivatives	-36	-76	40	23	6	-11	14	10	-1	40
TOTAL	**-857**	**-1,467**	**609**	**499**	**71**	**-157**	**150**	**40**	**7**	**609**

Derivatives are recognised at market value at the arrangement date and are subsequently measured at fair value. Changes in the value of these derivatives are recognised for accounting purposes as follows:

- The changes in the year in the fair value of the derivatives that qualify for hedge accounting are recognised in reserves (column I).

- The changes in fair value of the derivatives that do not qualify for hedge accounting or that are considered to be held for speculative purposes are recognised as a fair value adjustment in Group profit or loss (column II) and are reflected separately in the income statement.
- "Impact on Financial Result" (column III) reflects the impact on "Financial Result on Financing" arising from the interest flows accrued during the year.
- "Cash" (column IV) indicates net payments and collections during the year.
- The impact of the difference between closing exchange rates at December 2013 and 2012 is also presented separately (column V).
- Lastly, "Other Impacts" shows the impacts on profit or loss from operations or other impacts not considered in the other columns (column VI).

The fair value adjustments presented in the consolidated income statement include, in addition to the EUR 71 million shown in the table above, a positive impact of EUR 8 million relating to the fair value of the bond issued by Ferrovial, S.A. in May 2013 (see Note 18) on which a partial fair value hedge was arranged, as mentioned above, and, accordingly, both the associated hedging instrument (IRS) and the hedged item (the bond) are recognised at fair value through profit or loss. Including this impact, the total fair value adjustment under the Group's "Financial Result" amounted to EUR 79 million.

c) Derivative measurement methods

All the Group's derivative financial instruments and other financial instruments carried at fair value are included in LEVEL 2 of the fair value measurement hierarchy, since although they are not quoted on regulated markets, the inputs on which their fair values are based are observable, either directly or indirectly.

Although the fair value measurements are performed by the Company using an internally developed valuation tool, in any event they are compared against the valuations received from the counterparty banks, on a monthly basis.

Equity swaps are measured as the sum of the difference between the market price of the share on the calculation date and the unit settlement price agreed at inception, multiplied by the number of shares under the contract, and the present value of the finance cost agreed upon in the contract.

The other instruments are measured by quantifying the net future cash inflows and outflows, discounted to present value, with the following specific features:

- Interest rate swaps: the future cash flows with floating reference rates are estimated by using current market assessments of the time value of money; and each flow is discounted using the market zero-coupon rate for the respective settlement period and currency at the measurement date.

- Index linked swaps: the future cash flows are estimated by projecting the future behaviour implicit in the market curves on the measurement date, for both reference interest rates and reference inflation rates. As in the cases described above, the flows are discounted using the discount rates obtained at the measurement date for each flow settlement period and currency.

Lastly, credit risk, which pursuant to IFRS 13 has been included in the measurement of derivatives for the first time, is estimated as follows:

- With regard to the cash flows payable by the banks, as a general rule the credit risk premium applicable to the bank's credit rating is considered.
- With regard to the cash flows payable by the Group company itself, if that company has a rating, the credit risk premium attributable to that rating is considered. If the Group company does not have a rating, the company's solvency ratios are analysed and, based on public information on rating methods, a hypothetical rating level is determined and, therefore, the corresponding risk premium. This risk premium could be modified in the future in the event of a substantial change in the company's solvency position.

12. Inventories

The detail of inventories at 31 December 2013 and 2012 is as follows:

	Balance at 31/12/13	Balance at 31/12/12	Change 2013-2012
Commercial inventories	183	228	-45
Raw materials and other supplies	105	123	-18
Precontract expenses and general fixtures	37	43	-6
Total	**325**	**394**	**-69**

Of the goods held for resale recognised at 31 December 2013, EUR 152 million relate to the Real Estate business in Poland, comprising land and building lots amounting to EUR 86 million (2012: EUR 107 million) and property developments at various stages of completion amounting to EUR 66 million (2012: EUR 70 million).

EUR 81 million of raw materials and other supplies relate to the Construction Division, mainly at its Webber (EUR 37 million) and Budimex (EUR 21 million) subsidiaries. In addition, at December 2013, EUR 22 million were recognised for the Services Division, mainly in relation to its UK subsidiaries Amey (EUR 13 million) and Enterprise (EUR 7 million).

Lastly, the balance of "Precontract Expenses and General Fixtures" corresponds mainly to the Construction Division (EUR 33 million).

At 31 December 2013, there were no inventories of a significant amount, other than those associated with property developments (amounting to EUR 21 million), that were subject to ownership restrictions or had been pledged to secure liabilities.

13. Trade and other receivables

a) Trade receivables for sales and services

The detail of "Trade Receivables for Sales and Services" at 31 December 2013 and 2012 is as follows:

	Millions of euros		
	Balances at 31/12/13	Balances at 31/12/12	Change 2013-2012
Trade receivables	1,268	1,409	-141
Amounts to be billed for work performed	627	538	89
Retentions as guarantees	57	90	-32
Allowances	-317	-394	77
Total trade receivables for sales and services	**1,635**	**1,642**	**-8**

"Trade Receivables for Sales and Services" decreased by EUR 8 million from EUR 1,642 million at 31 December 2012 to EUR 1,635 million at 31 December 2013. This change was due mainly to two factors: on the one hand, the acquisitions of Enterprise and Steel (described in Note 1.2), whose inclusion in the Group's scope of consolidation increased trade receivables by EUR 157 million and EUR 9 million, respectively (EUR 109 million and EUR 7 million, respectively, at 31 December 2013); and, on the other hand, the amounts collected under Royal Decree-Law 8/2013 extending the financing mechanism for payments to suppliers of local authorities and autonomous community governments. The Group received payments under this Royal Decree-Law totalling EUR 129 million (31 December 2012: EUR 690 million), of which EUR 117 million related to the Services Division and EUR 12 million to the Construction Division.

Also, at 31 December 2013 a total of EUR 160 million (31 December 2012: EUR 145 million) had been deducted from "Trade Receivables for Sales and Services" relating to assets derecognised as a result of deferred financing arrangements, since it was considered that they met the conditions stipulated in IAS 39.20 regarding the derecognition of financial assets. In addition, at 31 December 2012 a further EUR 3 million had been deducted relating to assets derecognised as a result of factoring arrangements that also met the conditions of IAS 39.20.

Following is a detail, by type of debtor, of the main trade receivables.

	Construction		Services		Other and adjustments		Total	
Public authorities	315	37%	828	82%	27	n/a	1,170	72%
Private-sector customers	210	25%	141	14%	32	n/a	383	23%
Group companies and associates	329	39%	36	4%	-284	n/a	81	5%
Total	**853**	**100%**	**1,006**	**100%**	**-225**	**n/a**	**1,635**	**100%**

This detail shows that 72% of the Group's customers are public authorities and the rest are private-sector customers.

In order to manage credit risk relating to private customers, the Group has implemented pre- and post-contracting measures. Pre-contracting measures include the consultation of debtor registers, ratings and solvency studies, etc., while post-contracting measures during the execution of construction work include the follow-up of contractual incidents, non-payment events, etc.

The changes in operating provisions and allowances were as follows:

	Millions of euros		
Changes in provisions and allowances	**2013**	**2012**	**Change 2013-2012**
Beginning balance	394	342	52
Changes in the scope of consolidation	1	0	1
Amounts charged to profit or loss	-69	49	-118
Charge for the year	*21*	*102*	-81
Reversals	*-90*	*-52*	-37
Amounts used	-6	0	-6
Exchange rate effect	-1	3	-4
Transfers and other	-2	0	-2
Ending balance	**317**	**394**	**-77**

Group management considers that the carrying amount of trade receivables approximates their fair value.

b) Other receivables

The detail of “Other Receivables” at 31 December 2013 and 2012 is as follows:

	Millions of euros		
	Balances at 31/12/13	**Balances at 31/12/12**	**Change 2013-2012**
Advances to suppliers	68	40	27
Sundry accounts receivable	104	99	5
Infrastructure project receivables	175	167	9
Receivable from public authorities	123	130	-7
Total other receivables	**470**	**436**	**33**

The most significant change in “Advances to Suppliers” was due to the inclusion in consolidation of Enterprise, which at the date of its inclusion in the scope of consolidation had paid advances to its suppliers totalling EUR 16 million (31 December 2013: EUR 19 million).

“Sundry Accounts Receivable” includes mainly receivables not relating to normal business activities amounting to EUR 79 million (at December 2012: EUR 80 million). There are no items included in the change that are material taken individually.

Also, “Infrastructure Project Receivables” includes current financial assets arising from the application of IFRIC 12 relating mainly to amounts receivable from public authorities in return for services rendered or investments made under a concession arrangement, as detailed in Note 10, Non-current financial assets.

Lastly, “Receivable from Public Authorities” includes tax receivables from public authorities other than income tax receivables.

c) Other supplementary information on construction contracts and other contracts under which the related revenue and costs are recognised by reference to the stage of completion

Contract revenue associated with construction contracts and certain services contracts is recognised by reference to the stage of completion pursuant to IAS 11, as described in Note 2.5.5.1 summarising the accounting policy for revenue recognition.

As indicated in that Note, the difference between the revenue recognised and the amounts actually billed to the customer is analysed systematically on a contract-by-contract basis. If the amount billed is lower than the revenue recognised, the difference is recognised as an asset under “Trade Receivables for Sales and Services - Amounts to Be Billed for Work Performed” (see Note 13-a), whereas if the amount of revenue recognised is lower than the amount billed, a liability is recognised under “Trade Payables - Amounts Billed in Advance for Construction Work” (see Note 20).

Also, in certain construction contracts “advances” are agreed upon that are paid by the customer when work is commenced on the contract, the balance of which is offset against the various progress billings as the contract work is performed (these balances are recognised under “Trade Payables” in liabilities in the consolidated statement of financial position - see Note 20).
In contrast to the “advances”, in certain contracts the customer retains a portion of the price to be paid in each progress billing to guarantee the satisfaction of certain commitments under the contract. These “retentions” are not reimbursed until the contract is

definitively settled (these balances are recognised under "Trade Receivables for Sales and Services" in assets in the consolidated statement of financial position (see Note 13-a).

Unlike "Amounts to Be Billed for Work Performed" and "Amounts Billed in Advance for Construction Work", the "advances" and "retentions" are balances that will have an impact on future cash flows, since in the case of the "advances" a lower amount will be collected in the future as the "advances" are discounted from the progress billings, whereas the "retentions" will give rise to higher collections in the future, since the customer will reimburse the related amounts as and when the contract work is settled.

The detail of the amounts recognised in this connection at 31 December 2013 and 2012 is as follows:

Millions of euros	31/12/13	31/12/12	Change
Amounts to be billed for work performed (Note 13-a)	627	538	89
Amounts billed in advance for construction work (Note 20)	-596	-509	-88
Construction contracts, net	**31**	**29**	**1**
Retentions (Note 13-a)	57	90	-32
Advances (Note 20)	-154	-128	-25
Net advances and retentions	**-96**	**-39**	**-58**

14. Equity

a) General changes in equity

The detail of the main impacts net of taxes that affected the changes in equity in 2013 and which explain the changes in equity in the period from December 2012 to December 2013 is as follows:

	2013		
	Attributable to equity holders	Attributable to non-controlling interests	Total equity
Equity at 31/12/12	**5,660**	**121**	**5,780**
Consolidated profit for the year	727	-26	701
Income and expense recognised in equity, fully consolidated companies	*70*	*153*	*224*
Impact on reserves of hedging instruments	*119*	*159*	*278*
Impact on reserves of defined benefit plans	*-22*	*0*	*-22*
Translation differences	*-27*	*-5*	*-33*
Income and expense recognised in equity, companies accounted for using the equity method	*-267*	*0*	*-267*
Impact on reserves of hedging instruments	71	0	71
Impact on reserves of defined benefit plans	-28	0	-28
Translation differences	-311	0	-311
Amounts transferred to profit or loss, fully consolidated companies	-4	0	-4
Amounts transferred to profit or loss, companies accounted for using the equity method	15	0	15
Total income and expense recognised directly in equity	**541**	**127**	**668**
Dividends paid	-477	-14	-491
Capital increases/reductions	0	116	116
Other transactions with equity holders	-6	0	-6
Transactions with equity holders	**-483**	**103**	**-380**
Other changes	**0**	**5**	**5**
Equity at 31/12/13	**5,719**	**355**	**6,074**

Following is a description of the main changes in shareholders' equity in 2013, which gave rise to an increase of EUR 59 million in equity attributable to the equity holders.

- The profit for the year attributable to the Parent totalled EUR 727 million.

- Hedging instruments: recognition of the changes in value of the effective portion of derivatives qualifying for hedge accounting (see Note 11), the positive impact of which was EUR 119 million (net of taxes) attributable to the Parent in the case of the fully consolidated companies and EUR 71 million in the case of the companies accounted for using the equity method (mainly Heathrow Airport Holdings).

- Defined benefit plans: this item includes the impact on equity of actuarial gains and losses arising from adjustments and changes to the Group's defined benefit plan assumptions, as described in Note 16, which had an impact for the Parent of EUR -50 million net of taxes (EUR -22 million at fully consolidated companies (Amey) and EUR -28 million at the companies accounted for using the equity method (HAH)).

- Translation differences: most of the currencies in which Ferrovial has investments (see Note 3) have depreciated against the euro, most notably the Canadian dollar and the pound sterling, the currencies to which the Group is most exposed in terms of equity. The impact for the companies accounted for using the equity method (mainly 407 ETR and Heathrow Airport Holdings) amounted to EUR -311 million. With regard to the fully consolidated companies, the impact of the appreciation of the euro against the US dollar and the Chilean peso amounted to EUR -12 million and EUR -8 million, respectively. The remainder of the change in this line item relates to the impact of the other currencies.

- Amounts transferred to profit or loss: this item includes the transfer to profit or loss of valuation adjustments on derivatives and translation differences relating to the divestments of the Amey joint ventures (EUR 15 million) and of 8.65% of HAH (EUR -4 million) (see Note 23, Impairment and disposals of non-current assets).

- Dividends paid: includes the distribution of the EUR 0.25 per share dividend approved at the Annual General Meeting in March (EUR -183 million). In addition, in October the distribution of an interim dividend of EUR 294 million out of 2013 profit (EUR 0.40 per share) was approved. The difference between the dividend figure included in the consolidated statement of changes in equity (EUR -477 million) and that reflected in the consolidated statement of cash flows (EUR -525 million) corresponds mainly to tax withholdings from income from movable capital relating to the interim dividends paid in December 2012 and 2013, since the cash effect of these withholdings arises one month later, i.e. in January 2013 and 2014.

- Capital increases relating to non-controlling interests: increase of EUR 116 million in the equity attributable to non-controlling interests, principally at Cintra's US companies LBJ, NTE 1-2, NTE 3A-3B and SH-130.

b) Share capital

At 31 December 2013, the share capital amounted to EUR 147 million and had been fully subscribed and paid. The share capital is represented by 733,510,255 ordinary shares of a single class and with a par value of twenty euro cents (EUR 0.20) per share. There were no changes with respect to 31 December 2012.

At 31 December 2013, the only shareholder holding more than 10% of the share capital of Ferrovial, S.A. was Portman Baela, S.L., with 41.053%. The shares of the Parent are traded on the Spanish Stock Market Interconnection System (SIBE) and all carry the same voting and dividend rights.

c) Share premium and merger premium

At 31 December 2013, the Company's share premium amounted to EUR 1,202 million, and the merger premium, which arose as a result of the merger of Grupo Ferrovial S.A. with Cintra in 2009, totalled EUR 1,454 million. Both line items are considered to be unrestricted reserves.

d) Treasury shares

There were no treasury shares at 31 December 2013. In 2013 a total of 2,708,701 treasury shares were acquired, representing 0.4% of the share capital and with a total par value of EUR 541 thousand, which were subsequently delivered to beneficiaries under share-based remuneration schemes. The total acquisition cost of the aforementioned shares was EUR 34 million and they were delivered at a value of EUR 32 million, giving rise to a result of EUR -2 million in the Company's equity.

e) Valuation adjustments

“Valuation Adjustments” in the consolidated statement of changes in equity, the balance of which at 31 December 2013 was EUR -1,058 million, includes mainly the cumulative amount in reserves of the valuation adjustments made to derivatives (EUR -738 million), pension plans (EUR -329 million) and translation differences (EUR -261 million).

As regards the requirements of IAS 1 in relation to the disclosure of “income and expense recognised directly in equity”, it is important to note that the only items that under the related accounting legislation may not be transferred in a future period to profit or loss are the valuation adjustments relating to pension plans.

f) Restricted reserves of the Parent

The restricted reserves of the Parent, included under “Retained Earnings and Other Reserves”, relate to the legal reserve amounting to EUR 29 million.

g) Proposed distribution of profit**:** the Board of Directors will propose to the Company’s duly convened Annual General Meeting that the profit of FERROVIAL, S.A. be distributed as follows:

Profit of FERROVIAL, S.A. (euros)	477,965,213.37
Distribution (euros)	
To voluntary reserves (euros)	184,561,111.37
Interim dividend (euros)	293,404,102.00

The legal reserve has reached the legally stipulated level.

Liquidity statement and interim dividend: at its meeting held on 28 October 2013, the Board of Directors resolved to:

- Prepare, pursuant to Article 277 of the Spanish Limited Liability Companies Law, the following accounting statement evidencing the Company's liquidity, for subsequent inclusion in the notes to the Company's financial statements.

Liquidity summary	Data at 30/09/13
(thousands of euros)	
Available cash (Corporate + FA + FS + Cintra)	626,153
Available credit Ferrovial, S.A.	772,000
Available credit Ferrovial Agroman, S.A.	8,000
Available credit Ferrovial Servicios, S.A.	10,000
Available credit Cintra Infraestructuras, S.A.	2,000
Total liquidity available for distribution	**1,418,153**

- Pay an interim dividend for 2013 of EUR 0.40 gross per share.

The maximum amount to be paid in respect of this interim dividend was EUR 293,404,102. This amount did not exceed the separate profit earned by Ferrovial, S.A. since the end of the previous financial year, after deducting the items established in Article 277 of the Spanish Limited Liability Companies Law (EUR 316,432,502).

The aforementioned interim dividend was paid on 10 December 2013. The withholdings payable amounting to EUR 29 million were recognised at year-end under "Other Accounts Payable to Public Authorities" and were paid in January 2014.

h) Non-Group companies with significant ownership interests in subsidiaries

At 31 December 2013, the non-controlling interests with holdings of 10% or more in the share capital of the most significant fully consolidated Group companies were as follows:

FERROVIAL GROUP SUBSIDIARY	NON-GROUP %	NON-GROUP EQUITY HOLDER
Construction		
Budimex S.A.	41%	Listed company
Toll roads		
Autopista del Sol	20%	Unicaja
Autopista Terrassa-Manresa	23.72%	Acesa (Autopista Concesionaria Española, S.A.)
Eurolink Motorway Operation N4/N6 LTD.	34%	DIF Infra 3 M4 Ireland Ltd.
Inversora de Autopistas de Levante, S.L.	40%	Sacyr Concesiones, S.L.
Inversora de Autopistas del Sur, S.L.	35% - 10%	Sacyr Concesiones, S.L. - Inversiones Corporativas, S.A.
LBJ Infrastructure Group Holding LLC	42.40%	Meridiam Infrastructure S.a.r.l.
NTE Mobility Partners Holding, LLC	33.33% - 10%	Meridiam Infrastructure S.a.r.l. - Dallas Police and Fire Pension System
NTE Mobility Partners SEG 3 Holding LLC	13.94% - 10% - 25.96%	Meridiam Infrastructure NTE 3A/3B LLC - Dallas Police and Fire Pension System - NTE Segments 3 Blocker, Inc. (APG)
NTE Mobility Partners SEG 2-4 LLC	25%	Meridiam Infrastructure S.a.r.l.
SH 130 Concession Company, LLC	35%	Zachry Toll Road 56 LLP
Skyway Concession Company Holding LLC	45%	MIG Chicago Holdings LLC

15. Deferred income

The balance of "Deferred Income" totalled EUR 503 million at the end of 2013 (2012: EUR 356 million), of which EUR 494 million correspond to grants related to assets received from the infrastructure concession grantors, primarily in the Toll Roads Division (EUR 469 million) and in the Services Division (EUR 25 million).

These grants related to assets are recognised in profit or loss over the periods and in the proportions in which depreciation expense on those assets is recognised. The impact of these grants on cash flows is presented as a reduction of cash flows from investing activities.

The main change in the year arose at the concession operator NTE 3A -3B, a Cintra subsidiary in the US, which received a further EUR 135 million, bringing its total grants to EUR 311 million, and at the company NTE 3A - 3B, which received EUR 25 million, in keeping with the performance of its operating activities.

In addition, Eurolink Motorway Operation (N4-N6) Ltd. Ireland had recognised EUR 130 million at December 2013.

16. Pension plan deficit

This line item reflects the deficit relating to pension and other employee retirement benefit plans, including both defined benefit and defined contribution plans. At 31 December 2013, the provision recognised in the consolidated statement of financial position amounted to EUR 107 million (31 December 2012: EUR 105 million). Of this amount, EUR 105 million (31 December 2012: EUR 104 million) relate to defined benefit plans of the Amey Group in the UK.

	Millions of euros	
AMEY GROUP DEFINED BENEFIT PLANS	**2013**	**2012**
Liability recognised in consolidated statement of financial position		
Obligation at end of year	878	747
Fair value of plan assets at end of year	772	643
Pension plan deficit	**105**	**104**

The Amey Group has eleven defined benefit plans covering a total of 8,427 employees and nine defined contribution plans covering 12,951 employees. The most significant changes in 2013 that led to a EUR 1 million worsening of the deficit were as follows:

- A net impact of EUR -14 million arising from actuarial gains and losses which increased the pension plan deficit (an increase in the related liability): in relation to the commitments , there was a worsening of the actuarial assumptions used such as a decrease in the discount rate and an increase in the inflation rate. This adverse effect was offset by the increased returns on the pension plan assets as a result of the positive evolution of the markets associated with them. More details are provided in section a) of this Note.

- Contributions of EUR +22 million made by the company to the pension plans, which reduced the pension plan deficit (a decrease in the related liability). The ordinary contributions amounted to EUR 5 million, while the extraordinary contributions aimed at improving the pension plan deficit totalled EUR 17 million.

- A negative impact of EUR -12 million on profit or loss, which increased the pension plan deficit (an increase in the related liability), as detailed in section b) of this Note.

- A positive impact of EUR +2 million due to the exchange rate effect.

- The acquisition of Enterprise (see Note 1.2, Changes in the scope of consolidation) resulted in the addition of EUR 91 million of commitments and EUR 92 million of plan assets, giving rise to a net improvement of EUR +1 million in the pension plan deficit.

Also, although they did not have any effect on the pension plan deficit, there were curtailments and settlements as a result of the payment of commitments to employees, which therefore reduced the related commitment at year-end and gave rise to a reduction of the same amount in the plan assets. In 2013 these curtailments and settlements totalled EUR 23 million.

a) Actuarial losses and gains recognised in reserves:

The effects of changes in the actuarial assumptions relating to the defined benefit pension plans of the Amey Group are recognised directly in equity and are summarised (before taxes) in the following table:

	Millions of euros	
AMEY GROUP DEFINED BENEFIT PLANS	**2013**	**2012**
Actuarial gains/losses on obligations	-33	-45
Actuarial gains/losses on plan assets due to the difference between the expected return at the beginning of the year and the actual return	19	17
Impact on equity recognised	**-14**	**-28**

The main actuarial assumptions used to calculate the defined benefit pension plan obligations are summarised as follows:

AMEY GROUP DEFINED BENEFIT PLANS	2013	2012
Main assumptions		
Salary increase	2.00%	4.00%
Discount rate	4.40%	4.60%
Expected inflation rate	3.30%	3.00%
Expected returns on assets	4.40%	4.60%
Mortality (years)	86-91	84-91

The mortality assumptions used by the Amey Group to calculate its pension obligations are based on the actuarial mortality tables, entailing an estimated life expectancy of between 86 and 91 years.
The summary, by type, of the defined benefit pension plan assets stated at their fair value for 2013 and 2012 is as follows:

AMEY GROUP DEFINED BENEFIT PLANS	Millions of euros 2013	2012
Plan assets (fair value)		
Equity instruments	304	335
Debt instruments	175	209
Buildings	39	35
Cash and other	255	65
Total plan assets	**772**	**643**

As mentioned in Note 2.3, in 2013 and retrospectively for 2012, the Group applied the amendments to IAS 19, which required the expected return on plan assets to be calculated using the same interest rate as the discount rate used to calculate the future commitments . This discount rate was 4.40% in 2013 (2012: 4.60%).

b) Impact on profit or loss:

The detail of the impact of the defined benefit pension plans on profit or loss is as follows:

AMEY GROUP DEFINED BENEFIT PLANS	Millions of euros 2013	2012
Impact on profit before tax		
Current service cost	-6	-7
Interest cost	-35	-32
Expected return on assets	31	38
Other	-1	7
Total amount recognised in profit or loss	**-12**	**7**

c) Complete actuarial reviews:

The Amey Group performs complete actuarial valuations every three years, depending on the plan, and the most recent reviews were completed in April 2011. Based on these reviews, the extraordinary contributions to be made in the coming years have been reduced.

For 2014 the ordinary contributions agreed upon with the trustees amount to EUR 5 million. Also, the extraordinary contributions will be reduced from EUR 17 million in 2013 to EUR 15 million in 2014.

d) Sensitivity analysis:

Set forth below is a sensitivity analysis showing the impact on the income statement and on equity of a change of 50 basis points in the discount rate.

AMEY GROUP DEFINED BENEFIT PLANS	Annual impact on profit or loss		Annual impact on equity	
Sensitivity analysis discount rate (+ / - 50 b.p.)	Before tax	After tax	Before tax	After tax
+ 50 b.p.	4	3	94	75
- 50 b.p.	-4	-3	-94	-75

17. Provisions

This note provides a breakdown of all the items composing "Long-Term Provisions" and "Operating Provisions and Allowances" in liabilities in the consolidated statement of financial position.

In addition to these items, there are other allowances that are presented as a reduction of certain asset line items and which are disclosed in the notes relating to those specific assets.

The changes in the long- and short-term provisions presented separately in liabilities in the consolidated statement of financial position in 2013 were as follows:

	Provision for landfills	Provision for compulsory purchases	Provision for replacements and upgrades pursuant to IFRIC 12	Provisions for litigation and taxes	Provisions for other long-term risks	TOTAL LONG-TERM PROVISIONS	Short-term provisions	TOTAL
Balance at 1 January 2013	**88**	**388**	**89**	**434**	**168**	**1,167**	**415**	**1,582**
Changes in the scope of consolidation	0	0	0	0	112	112	-1	111
Charged/credited to profit or loss	6	100	37	43	-112	74	-14	60
Charge for the year	*8*	*102*	*39*	*110*	*38*	*297*	*136*	*433*
Reversals	*-2*	*-2*	*-2*	*-67*	*-150*	*-223*	*-149*	*-373*
Transfers and other	0	0	0	-1		-1	1	-1
Exchange differences	0	0	-1	-1	0	-2	-12	-14
Closing balance	**94**	**488**	**125**	**474**	**169**	**1,350**	**389**	**1,738**

The provisions recognised by the consolidated Group are intended to cover the risks arising from its various operating activities. They are recognised using the best estimates of the existing risks and uncertainties and their possible evolution. Following is a description of the nature and amounts of the main provisions recognised:

Provision for landfills

"Provision for Landfills" contains the estimated cost of landfill closure and post-closure activities relating to the landfills operated by the Ferrovial Services business in Spain. The provision is calculated based on a technical estimate of the consumption to date of the total capacity of the respective landfills.

Provision for compulsory purchases

The provision for compulsory purchases recognised by the Spanish toll roads, totalling EUR 488 million, relates primarily to the R4 - Madrid Sur toll road (EUR 446 million at 31 December 2013; 2012: EUR 345 million). The increase recognised in the year, the balancing entry for which was an addition to the assets of the concession operator, as explained in Note 7, was due to the updating of estimates, the accrual of interest and the discounting of the amounts payable, net of the amounts already paid.

Provision for replacements pursuant to IFRIC 12

This line item includes the provisions for investments in replacements established by IFRIC 12 (see Note 2.5.2). At 31 December 2013, the balance of this line item was EUR 126 million, of which EUR 93 million relate to the Toll Road Division.

Provisions for litigation and tax-related claims

This line item includes:

- Provisions to cover the possible risks resulting from litigation in progress, amounting to EUR 195 million (31 December 2012: EUR 165 million), of which EUR 190 million (31 December 2012: EUR 157 million) were recognised in the Construction Division to cater for possible third-party liability arising from construction contracts.

- Provisions for tax-related claims (EUR 277 million; 31 December 2012: EUR 269 million) filed in relation to local or central government duties, income taxes and other taxes due to the varying interpretations that can be made of the tax legislation in the different countries in which the Group operates.

Provisions for other long-term risks

This line item includes the provisions recognised to cover certain long-term risks other than those attributable to litigation or tax-related claims, such as third-party liability resulting from the performance of contracts, guarantees granted with enforcement risk, the impairment of certain assets and other similar items, which amounted to EUR 169 million at 31 December 2013 (31 December 2012: EUR 168 million). Although the total change in the balance of this provision was not material, following is an explanation of the changes in the scope of consolidation, charges for the year and reversals which, taken separately, were material:

- Changes in the scope of consolidation:
  - Recognition of the purchase option on 30% of Steel Ingeniería mentioned in Note 5, amounting to EUR 16 million.
  - Recognition of the long-term provisions for budgeted losses disclosed following allocation of the purchase price of Enterprise, amounting to EUR 71 million at 31 December 2013 (GBP 79 million, equivalent to EUR 95 million, at the date of inclusion of Enterprise in the scope of consolidation, as detailed in Note 5).

- Charges for the year:

  - Recognition of a provision of EUR 11 million for the investment commitments at the Euroscut Azores toll road for 2014 to 2017, included in the commitments described in Notes 22.3 and 23.
  - Recognition of a provision of EUR 6 million for guarantees with enforcement risk in relation to the M-203 toll road, as mentioned in Note 23.

- Reversals:
  - Reversal of the provision for guarantees with enforcement risk of the Toll Roads Division, amounting to EUR 61 million, of which EUR 55 million correspond to the Greek toll roads and EUR 6 million to the provision for possible claims arising from the sale of the Chilean toll roads, as described in Note 23.
  - Reversal of the impairment recognised in 2012 in relation to a UK waste treatment plant, amounting to EUR 30 million, as mentioned in Note 23.

Short-term provisions

These relate mainly to the Construction Division, consisting of provisions for construction work completion, site removals and losses amounting to EUR 347 million (2012: EUR 368 million).

18. Net cash position

In order to present an analysis of the Group's net debt position, the following table contains a breakdown of the net cash position, distinguishing between infrastructure project companies and the other companies. The net cash position is understood to be the balance of items included in cash and cash equivalents (including short-term restricted cash) and long-term restricted cash of infrastructure projects, less current and non-current borrowings (bank borrowings and bonds).

NET CASH POSITION 2013	Bank borrowings/Bonds	Cash and cash equivalents	Net borrowing position	Intra-Group balances	TOTAL
NON-INFRASTRUCTURE PROJECT COMPANIES	-1,168	2,851	1,683	-20	1,663
INFRASTRUCTURE PROJECT COMPANIES	-7,631	596	-7,035	20	-7,015
TOTAL	**-8,799**	**3,447**	**-5,352**	**0**	**-5,352**

18.1. Infrastructure projects

A) Cash and cash equivalents and restricted cash

As indicated in the Note on financial risks, infrastructure project financing agreements occasionally impose the commitment to arrange certain restricted accounts to cover short-term or long-term commitments relating to the repayment of the principal or interest on the borrowings and to infrastructure maintenance and operation.

Restricted cash is classified as short-term or long-term depending on whether it must remain restricted for less than or more than one year. In any event, these funds are invested in highly-liquid financial products earning floating interest. The type of financial product in which the funds may be invested is also restricted by the financing agreements or, where no restrictions are stipulated, the decision is made on the basis of the Group's policy for the placement of cash surpluses.

Short-term balances are recognised under "Cash and Cash Equivalents" in the consolidated statement of financial position whereas long-term balances are classified as financial assets.

There was an overall increase of EUR 185 million in restricted cash with respect to December 2012. The main change in restricted cash arose at NTE 3A-3B since, as a result of the funds obtained in the year from the bond issue at this company (see section B.1 below), a portion of these funds were pledged in relation to the financing of the construction (see Note 7), with respect to which the balance of the long-term restricted cash at NTE 3A-3B amounted to EUR 155 million at 31 December 2013.

The other cash and cash equivalents relate to bank accounts and highly-liquid investments subject to interest rate risk.

B) Infrastructure project borrowings

B.1) Breakdown by project, significant changes in the year and main characteristics of the borrowings

Following is a breakdown of the borrowings by project, distinguishing between bonds and bank borrowings and short- and long-term debt, and of the changes in the year.

	31/12/13			31/12/12			Change 2013 - 2012		
Millions of euros	Bonds	Bank borrowings	Total	Bonds	Bank borrowings	Total	Bonds	Bank borrowings	Total
LONG TERM	**2,029**	**4,374**	**6,403**	**1,899**	**3,926**	**5,826**	**130**	**448**	**577**
- US toll roads	1,930	1,805	3,735	1,800	1,316	3,117	130	489	618
- Spanish toll roads		1,150	1,150		1,139	1,139	0	11	11
- Portuguese toll roads	99	692	791	99	716	815	0	-24	-24
- Other toll roads		326	326		337	337	0	-11	-11
- Construction		147	147		152	152	0	-5	-5
- Services		254	254		266	266	0	-12	-12
SHORT TERM	**0**	**1,228**	**1,228**	**0**	**1,167**	**1,167**	**0**	**61**	**61**
- Spanish toll roads		1,156	1,156		1,115	1,115	0	41	41
- Other		72	73		52	52	0	20	21
TOTAL	**2,029**	**5,602**	**7,631**	**1,899**	**5,093**	**6,992**	**130**	**509**	**639**

Infrastructure project borrowings increased by EUR 639 million with respect to December 2012, due mainly to the following:

- An additional amount of EUR 448 million drawn down against the facilities already arranged at 2012 year-end, of which EUR 320 million relate to the LBJ toll road and EUR 169 million to North Tarrant Express Managed Lanes - NTE, which have, inter alia, TIFIA debt tranches to finance a portion of the construction work in progress.

- Issue of 25-year and 30-year Private Activity Bonds (PABs) totalling USD 274 million (EUR 197 million) associated with the North Tarrant Express toll road extension, the contract for which was awarded in March 2013.

- The higher drawdowns were offset mainly by the appreciation of the euro against the US dollar, which reduced borrowings by EUR 168 million at 31 December 2013.

The main characteristics of the borrowings of each of the projects are summarised as follows:

US toll roads

<u>Chicago Skyway</u>
This concession operator is financed by a senior bond issue guaranteed by Assured Guaranty, structured as follows: (i) Series A of USD 439 million maturing in 2017 (3-month LIBOR of 0.25%+0.28%) and (ii) Series B of USD 961 million with final maturity in 2026 (3-month LIBOR of 0.25%+0.38%).

It should be pointed out that this company has arranged derivatives in relation to the Series A and Series B bonds, with notional amounts of USD 439 million and USD 961 million, respectively, maturing in 2017. The guaranteed fixed interest rates in 2013 are 4.76% for the Series A bonds and 3.37% for Series B. It should be noted, however, that the fixed interest rate of this derivative will increase over the life of the derivative. Chicago Skyway also has syndicated subordinated bank borrowings maturing in 2035, against which USD 181 million had been drawn down at 31 December 2013 (USD 150 million of principal, USD 22 million of interest added to the principal and USD 9 million relating to the capitalisation of the latest swap settlement) (6-month LIBOR of 0.41%+3.00%).

<u>SH-130</u>
This project's borrowings comprise syndicated bank financing in three tranches: tranche A of USD 686 million to finance a portion of the construction work, which had been drawn down in full at 31 December 2013 and has final maturity in 2038 (6-month LIBOR of 0.35%+1.55%); tranche B of USD 35 million to provide liquidity, which has been drawn down in full (6-month LIBOR of 0.35%+1.55%) and tranche C of USD 29 million (not drawn down), both with final maturity in 2038. SH-130 also has a TIFIA debt tranche of USD 504 million, drawn down in full at 31 December 2013 (USD 430 million of principal and USD 74 million of interest added to the principal), to finance part of the construction work, with final maturity in 2047 (fixed interest rate: 4.46%). Also, this concession operator has a derivative with a notional amount of USD 709 million and a fixed interest rate of 5.18%, which matures in 2038.

The credit quality of these borrowings is rated by credit rating agencies. In this regard, current traffic levels are below those initially estimated at the project's financial close. As a result, on 16 October the credit rating agency Moody's downgraded the rating assigned to the toll road concession operator from B1 to Caa3, with a negative outlook.

At 31 December 2013, the company was complying with the covenants in force and had honoured all the related commitments. However, the company recently commenced negotiations to restructure its current financial debt, with a view to bringing its debt servicing into line with the expected trend in traffic levels.

North Tarrant Express Managed Lanes - NTE
This project is financed through a USD 400 million issue of Private Activity Bonds (PABs) with final maturity in 2039 (USD 60 million bearing fixed interest at 7.50% with final maturity in 2031 and USD 340 million bearing fixed interest at 6.88% with final maturity in 2039). It also has a TIFIA loan of USD 650 million granted by the US Federal Government with a repayment profile of 35 years from the entry into service of the infrastructure, against which USD 427 million had been drawn down at 31 December 2013 (USD 407 million of principal and USD 19 million of interest added to the principal). This loan bears interest at a fixed rate of 4.52% and has final maturity in 2050.

NTE 3A-3B
In September the financial close of the concession arrangement for the extension of the North Tarrant Express (NTE) toll road in Texas was achieved. The borrowings for this project were structured through the issue of USD 274 million of Private Activity Bonds (PABs), maturing at 25 and 30 years (7.00% fixed interest on USD 128 million and 6.75% fixed interest on USD 146 million), and a TIFIA loan of USD 531 million bearing fixed interest of 3.84%, which had not been drawn down at year-end.

LBJ
This concession operator is financed through a USD 615 million issue of PABs with final maturity in 2040 (7.00% fixed interest on USD 473 million, of which USD 418 million have final maturity in 2040 and USD 55 million in 2034; and 7.50% fixed interest on USD 142 million, of which USD 91 million have final maturity in 2032 and USD 51 million in 2033). LBJ also has a TIFIA loan of USD 850 million granted by the US Federal Government with a repayment profile of 35 years from the entry into service of the infrastructure, against which USD 757 million had been drawn down at 31 December 2013 (USD 729 million of principal and USD 28 million of interest added to the principal). This loan bears interest at a fixed rate of 4.22% and has final maturity in 2050.

Spanish toll roads

Ausol I and II
The debt is structured in two syndicated loans: (i) AUSOL I, with a notional amount of EUR 360 million; and (ii) AUSOL II, with a notional amount of EUR 126 million, both maturing in 2016 and bearing interest at 6-month EURIBOR of 0.39%+3.25%. Also, Ausol has a derivative with a notional amount of EUR 246 million and a fixed interest rate of 3.80%, which matures in 2022.

Cintra Inversora Autopistas de Cataluña / A. Terrasa Manresa
Following the refinancing transaction in 2008 through a syndicated structuring arrangement, the company is now financed through a credit facility with a tranche A and a tranche B with limits of EUR 300 million and EUR 316 million, respectively, both bearing interest at 6-month EURIBOR of 0.39%+1.40%. Both tranches have been drawn down in full and have final maturity in 2035. The company has also been granted a liquidity line of EUR 92 million, against which it has drawn down EUR 62 million (bearing interest at 6-month EURIBOR of 0.39%+1.40%). It should also be noted that this company has a derivative with a notional amount of EUR 606 million, a guaranteed interest rate of 4.58% and maturity in 2035.

Inversora A. Sur / A. R-4 Madrid Sur
The net debt associated with this asset amounts to EUR 606 million, of which EUR 34 million are interest added to the principal amount of the borrowings (EUR 28 million relating to the debt and EUR 5 million relating to the capitalisation of the latest swap settlement, bearing interest at interbank EONIA of 3.80% and 2.00%, respectively). Since 14 September 2012, this company has been involved in insolvency proceedings, as indicated in the note relating to contingent liabilities (see Note 22).

Inversora A. Levante / A. Madrid Levante

The net debt associated with this asset amounts to EUR 549 million, of which EUR 27 million are interest added to the principal amount (EUR 23 million relating to the debt and EUR 4 million relating to the capitalisation of the latest swap settlement, bearing interest at interbank EONIA of 3.10% and 1.00%, respectively). Since 19 October 2012, this company has been involved in insolvency proceedings, as indicated in the note relating to contingent liabilities.

Portuguese toll roads

Euroscut Algarve
This company has structured debt in two tranches secured by Syncora Guarantee Inc., one of which comprises bonds totalling EUR 101 million with final maturity in 2027 (bearing 6.40% fixed interest) and the other comprises EIB borrowings of EUR 112 million with final maturity in 2025 (bearing 6.50% fixed interest).

Euroscut Azores
Syndicated bank financing amounting to EUR 358 million with final maturity in 2033, against which EUR 347 million had been drawn down at 31 December 2013 (bearing interest at 6-month EURIBOR of 0.34%+0.80%). In relation to these borrowings, the concession operator has arranged a derivative with a notional amount of EUR 300 million, a guaranteed fixed interest rate of 4.12% and maturity in 2033.

Auto-Estradas Norte Litoral
Financing structure based on a syndicated loan for an outstanding amount of EUR 272 million, with final maturity in 2026 (bearing interest at 6-month EURIBOR of 0.38%+1.25%). In addition, the concession operator has a derivative with a notional amount of EUR 204 million and a fixed interest rate of 3.69%, which matures in 2026.

Other toll roads

Eurolink M4-M6
This toll road's financing consists of an EIB loan for an outstanding amount of EUR 91 million, with final maturity in 2027 (3-month EURIBOR of 0.28%+0.19%), and bank financing of EUR 47 million with final maturity in 2027 (bearing interest at 6-month EURIBOR of 0.37%+1.53%). Also, this concession operator has arranged derivatives with a notional amount of EUR 104 million and fixed interest rates ranging from 5.04% to 5.39%. The derivatives mature in 2017 and 2028.

It has also been granted several credit lines totalling EUR 14 million to finance VAT payments, operating costs and interest payments. No amounts have yet been drawn down against these lines, which have spreads of 1.50% and 2.00%, respectively.

Eurolink M3
A syndicated bank loan maturing in 2025 against which EUR 210 million had been drawn down at 31 December 2013 (6-month EURIBOR of 0.39%+0.85%). Its financial structure is based on financing of EUR 265 million with final maturity in 2025. It should also be noted that this company has a derivative with a notional amount of EUR 107 million, a guaranteed fixed interest rate of 4.53% and maturity in 2025.

There are also currently undrawn credit facilities totalling EUR 29 million with a spread of 0.85%.

B.2) Maturities by currency and fair value of infrastructure project borrowings

	Currency	Fair value 2013	Fair value 2012	Carrying amount 2013	2014	2015	2016	2017	2018	2019 and subsequent years	Total maturities
Infrastructure project bonds		**2,102**	**2,069**	**2,029**	**0**	**1**	**0**	**319**	**3**	**1,728**	**2,052**
Toll roads		**2,102**	**2,069**	**2,029**	**0**	**1**	**0**	**319**	**3**	**1,728**	**2,052**
	USD	2,003	1,949	1,930	0	0	0	318	0	1,632	1,950
	EUR	99	120	99	0	1	0	1	3	96	101
Bank borrowings of infrastructure projects		**5,602**	**5,117**	**5,602**	**59**	**64**	**593**	**62**	**81**	**3,670**	**4,528**
Toll roads		**5,180**	**4,692**	**5,180**	**39**	**48**	**539**	**52**	**68**	**3,349**	**4,094**
	USD	1,814	1,325	1,814	0	0	0	0	1	1,850	1,852
	EUR	3,367	3,366	3,367	39	48	539	52	67	1,498	2,242
Construction		**150**	**153**	**150**	**2**	**3**	**5**	**2**	**2**	**139**	**152**
	EUR	150	153	150	2	3	5	2	2	139	152
Services		**271**	**273**	**271**	**17**	**14**	**49**	**8**	**11**	**182**	**282**
	GBP	75	70	75	1	2	15	2	1	60	81
	EUR	197	203	197	16	12	35	6	10	122	201
Total financial debt of infrastructure projects		**7,705**	**7,186**	**7,631**	**59**	**65**	**593**	**381**	**84**	**5,398**	**6,580**

The maturities of the toll road bank borrowings denominated in euros shown in the foregoing table do not include the balances relating to R4 and Madrid Levante, amounting to EUR 606 million and EUR 549 million, respectively (2012: EUR 581 million and EUR 522 million, respectively) because, as indicated above, these companies are involved in insolvency proceedings and their borrowings matured in 2012.
The differences between the total maturities of bank borrowings and the carrying amounts of the debt at 31 December 2013 are explained mainly by the difference between the nominal values and carrying amounts of the debts, as certain adjustments are made in accordance with applicable accounting standards (especially accrued interest payable and the application of the amortised cost method). The debt maturities do not include interest. The fair value reflected in the table above is calculated as follows:

- For fixed-rate bonds, subject to changes in value due to fluctuations in market interest rates: since they are quoted in an active market, the related market value is used.

- For fixed-interest bank borrowings, also subject to changes in value due to fluctuations in rates: future cash flows are discounted using a market interest rate, calculated using an internal valuation model.

- Lastly, for floating-rate bank borrowings: no significant differences are deemed to exist between the fair value of the borrowings and their carrying amount and, therefore, the carrying amount is used.

B.3) Exposure to interest rate risk of infrastructure project borrowings

As indicated in Note 3, Management of financial risks and capital (section 3.1, Interest rate risk), the Ferrovial Group tends to keep a percentage of the debt tied to fixed interest rates, either arranged at inception or hedged by means of derivative financial instruments. The detail of the percentage of borrowings exposed to interest rate fluctuations is shown in that Note. At 31 December 2013, 88% of the infrastructure project borrowings were hedged against interest rate fluctuations (2012: 87%).

The debt balances are hedged by IRSs (interest rate swaps), which are derivatives that convert the floating-rate bank borrowings into fixed-rate debt (see Note 11).

B.4) Information on credit limits and credit drawable for infrastructure projects

Set forth below is a comparative analysis of borrowings not drawn down at year-end:

Millions of euros	2013 Debt limit	2013 Amount drawn down	2013 Amount drawable	2013 Carrying amount of debt	2012 Debt limit	2012 Amount drawn down	2012 Amount drawable	2012 Carrying amount of debt
Toll roads	**8,052**	**7,300**	**752**	**7,209**	**7,579**	**6,658**	**920**	**6,567**
US toll roads	4,471	3,802	669	3,743	4,017	3,191	826	3,126
Spanish toll roads	2,347	2,319	29	2,306	2,298	2,258	40	2,253
Other toll roads	1,234	1,180	54	1,160	1,263	1,209	54	1,188
Construction	**152**	**152**	**0**	**150**	**141**	**141**	**0**	**153**
Services	**444**	**282**	**162**	**271**	**287**	**277**	**9**	**273**
Total financial debt	**8,648**	**7,734**	**914**	**7,631**	**8,006**	**7,076**	**930**	**6,993**

The differences between the total bank borrowings drawn down and the carrying amount of the related debt at 31 December 2013 are explained mainly by the difference between the nominal values and carrying amounts of the debts, as certain adjustments are made in accordance with applicable accounting standards (especially accrued interest payable and the application of the amortised cost method).

Of the EUR 914 million drawable (31 December 2012: EUR 930 million), EUR 669 million relate mainly to amounts not drawn down against borrowings that were obtained to finance toll roads under construction in the US. It should be noted that this drawable amount is associated exclusively with the projects, based on the nature and performance thereof, as discussed below.

B.5) Guarantees and covenants for toll road borrowings

The toll road borrowings are without recourse to the shareholders of the projects or with recourse limited to the guarantees provided. The guarantees provided by subsidiaries of Ferrovial in connection with these projects are described in Note 22 on contingent liabilities.

The financial conditions (applicable interest rates) of the toll road debts are subject to the achievement of certain ratios based on financial aggregates such as gross profit from operations (EBITDA), net debt and consolidated shareholders' equity. In general, the aforementioned financing arrangements include pledges of concession operator assets (insurance policy receivables, current accounts, concession receivables, etc.), forming a package of guarantees for lenders. In certain cases there is also a security interest in the concession operator's shares.

Also, most agreements include certain conditions the infringement of which gives rise to commitments for the borrower. These covenants are used by banks to ensure that the concession operators fulfil their debt commitments .

At 31 December 2013, all the toll road concession operators were achieving the covenants in force, except for:

- The R4 and Madrid Levante toll road concession operators, whose borrowings had matured because they are involved in insolvency proceedings, as described in Note 22.

18.2. Net cash position excluding infrastructure projects

A) Borrowings of non-infrastructure project companies

A.1) Breakdown between current and non-current borrowings, changes in the year and main characteristics

Millions of euros	2013			2012			Change 2013-2012
	Non-current	Current	TOTAL	Non-current	Current	TOTAL	
Corporate debt	24	0	24	1,008	0	1,008	-984
Bonds	985	25	1,010	0	0	0	1,010
Other	84	50	133	164	63	226	-93
Total borrowings excluding infrastructure projects	**1,093**	**75**	**1,168**	**1,171**	**63**	**1,234**	**-66**

Corporate debt and bonds

The debt of Ferrovial, S.A. was restructured as a result of two corporate bond issues in the first half of 2013, which replaced bank borrowings with bonds. Firstly, on 30 January 2013, Ferrovial completed its first corporate bond issue, amounting to EUR 500 million and maturing on 30 January 2018, which bears annual interest of 3.375% payable annually. The net funds obtained (EUR 496 million) were used to repay the corporate debt existing at that date.

Secondly, on 29 May 2013, Ferrovial completed an additional bond issue, amounting to EUR 500 million and maturing in eight years, which bears annual interest of 3.375%. The net funds obtained (EUR 497 million) were also used to repay corporate debt.

The two transactions enabled Ferrovial to repay early corporate bank borrowings of EUR 993 million and, consequently, the nominal balance of these borrowings at 31 December 2013 was EUR 27.9 million.

In connection with the corporate bank borrowings, Ferrovial S.A. has undertaken to fulfil the following financial commitments during the term of the financing, which will be assessed every six months:

i. The Group's Net Financial Debt/EBITDA ratio must not exceed certain pre-established levels.
ii. The Group's EBITDA/Net Finance Costs ratio must not fall below certain pre-established levels.

For the purpose of achieving the above-mentioned ratios, the Group is deemed to include the consolidated Group companies excluding infrastructure projects and other companies (mainly Amey, Budimex, Webber and BNI).

The Parent was achieving both ratios at 31 December 2013.

Additionally, in relation to the corporate bonds, the bond guarantors must be the same as the guarantors of the corporate debt for each analysis period (reviewed annually). Should the contractual terms and conditions of the relevant financing agreement prohibit the inclusion of a company as an additional guarantor, this company may be released from its commitments in respect of the bond and will not have to be replaced by another company falling within the specific scope to qualify as a guarantor.

Other

The borrowings shown under "Other" in the foregoing table relate mainly to bank loans and finance leases of the Services Division (EUR 30 million and EUR 30 million, respectively) and of the Construction Division (EUR 12 million and EUR 6 million, respectively). The year-on-year change related mainly to the reduction (EUR 86 million) of the amount drawn down against the Amey Group's syndicated credit facility.

A.2) Maturities by currency and fair value of borrowings excluding infrastructure projects

Borrowings	Currency	Fair value 2013	Carrying amount 2013	2014	2015	2016	2017	2018	2019 and subsequent years	Total maturities
Corporate debt and bonds		**1,053**	**1,034**	**0**	**30**	**0**	**0**	**500**	**500**	**1,030**
	EUR	1,053	1,034	0	30	0	0	500	500	1,030
Other		**134**	**134**	**53**	**13**	**20**	**11**	**1**	**12**	**111**
	EUR	74	74	14	11	9	10	1	6	52
	GBP	42	42	37	0	5	0	0	0	42
	PLZ	11	11	0	1	6	1	0	3	11
	CLP	6	6	2	1	1	0	0	3	6
Total borrowings excluding infrastructure projects		**1,187**	**1,168**	**53**	**43**	**20**	**11**	**501**	**512**	**1,141**

The differences between the total maturities of bank borrowings and the carrying amounts of the debt at 31 December 2013 are explained mainly by the difference between the nominal values and carrying amounts of the debts, as certain adjustments are made in accordance with applicable accounting standards (especially accrued interest payable and the application of the amortised cost method).

The fair value of bank borrowings excluding infrastructure projects coincides with the related carrying amount because the borrowings are tied to floating market interest rates and, therefore, changes in the benchmark interest rates do not affect their fair value.

Since the corporate bonds are fixed-interest bonds traded on an active market, their fair value was taken to be the market price at the analysis date. In addition, interest rate derivatives with a notional amount of EUR 500 million were arranged in relation to these bonds, as mentioned in Note 11.

Based on the aforementioned criteria, the estimated total fair value of bank borrowings and bonds excluding infrastructure projects was EUR 1,187 million at 31 December 2013 (31 December 2012: EUR 1,233 million).

The EUR 53 million maturing in 2014 correspond mainly to the borrowings in the Services Division relating to Enterprise (EUR 18 million - see Note 1) and Amey (EUR 15 million). The debt maturities do not include interest.

A.3) Information on credit limits and drawable credit

Set forth below is a comparative analysis of borrowings not drawn down at year-end:

	2013				2012			
Millions of euros	Debt limit	Amount drawn down	Amount drawable	Consolidated debt	Debt limit	Amount drawn down	Amount drawable	Consolidated debt
Corporate debt	1,675	1,030	645	1,034	1,792	1,020	772	1,006
Other	403	111	292	134	456	210	245	226
Total financial debt	**2,078**	**1,141**	**937**	**1,168**	**2,247**	**1,230**	**1,017**	**1,233**

The differences between total bank borrowings and the carrying amount thereof at 31 December 2013 are explained mainly by the difference between the nominal values and carrying amounts of the debts, as certain adjustments are made in accordance with applicable accounting standards.

The drawable balance of the corporate debt includes the renewal of the working capital credit line of EUR 541 million, which has not yet been drawn down, maturing in 2015, and a EUR 100 million bilateral credit facility, against which no amounts have been drawn down and which matures in September 2014.

In 2012 the balance of the available financial debt was very similar to that for 2013 (EUR 1,017 million).

A.4) Corporate rating

The financial rating agencies Standard & Poor's and Fitch issued their opinion on the credit rating of Ferrovial's corporate debt at December 2013, which was assigned ratings of BBB and BBB-, respectively, with a stable outlook, and, therefore, came under the "**investment grade**" category.

B) Cash and cash equivalents of other companies

The items classified as cash and cash equivalents at both short and long term correspond to bank accounts and highly liquid investments subject to interest rate risk. The changes therein are analysed in Note 28, Cash flows.

Also, at 31 December 2013 certain restricted accounts had been recognised as security for capital contributions or investment commitments, including most notably the account at the Amey Group (EUR 38 million), as mentioned in Note 22.3. Similarly, "Restricted Cash" includes EUR 1 million in relation to the equity commitment provided for the LBJ toll road.

19. Other non-current payables

"Non-Current Liabilities - Other Payables" includes mainly the following:

- The participating loans granted by the State to several infrastructure project concession operators amounting to EUR 161 million (31 December 2012: EUR 155 million), of which EUR 114 million relate to the Toll Roads Division, EUR 35 million to the Services Division and EUR 11 million to the Construction Division.
- Long-term deposits and guarantees amounting to EUR 23 million (31 December 2012: EUR 28 million).
- Loans granted to Group companies by non-controlling shareholders of the consolidated Group, amounting to EUR 13 million (December 2012: EUR 9 million), of which EUR 4 million are participating loans.
- Long-term trade payables of the Services business in the UK, amounting to EUR 9 million.

20. Trade and other payables

a) Trade payables

The detail of "Trade Payables" at 31 December 2013 and 2012 is as follows:

	Balances at 31/12/13	Balances at 31/12/12	Change 2013-2012
Trade payables	1,693	1,774	-80
Amounts billed in advance for construction work (Note 13-c)	596	509	88
Customer advances (Note 13-c)	154	128	25
Retentions made from suppliers	222	234	-12
Total trade payables	**2,665**	**2,644**	**21**

The balance of "Trade Payables" fell by EUR 80 million with respect to that recognised at 31 December 2012. This decline relates mainly to the EUR 128 million decrease in the Construction business in Spain, as well as to the effect of the agreements reached with the Greek government regarding the Greek toll roads, mentioned in Note 9, which reduced the balance of "Trade Payables" by EUR 94 million. The decreases were offset by the effect of the inclusion of Steel and Enterprise in the scope of consolidation, amounting to EUR 192 million at the date of inclusion in the scope (EUR 143 million at 2013 year-end).

The carrying amount of the trade payables approximates their fair value.

In relation to the disclosure commitment established in Additional Provision Three of Law 15/2010 and the Spanish Accounting and Audit Institute (ICAC) Resolution of 29 December 2010, it should be noted that Law 11/2013, of 26 July, on measures to support entrepreneurs, stimulate growth and create employment has amended the payment periods provided for in Law 3/2004, of 29 December, establishing a general payment period of 30 calendar days, unless otherwise agreed by the parties, who may extend the payment period to a maximum of 60 calendar days. The table below shows the information relating to the payment periods to suppliers, as required by the aforementioned legislation:

	Millions of euros		
	31/12/13	**31/12/12**	**Change**
Paid in the maximum payment period	1,181	1,462	-281
Remainder	46	74	-27
TOTAL	1,227	1,535	-308
Weighted average period of late payment (days)	80	47	33
Amount deferred	9	8	1

"Weighted Average Period of Late Payment" is considered to be the amount calculated as the quotient whose numerator is the result of multiplying the payments made in the year to suppliers outside the maximum payment period by the number of days of late payment and whose denominator is the total amount of the payments made in the year outside the maximum payment period.

"Remainder" includes the payments that exceed the maximum payment period.

"Amount Deferred" includes the balance payable to suppliers past due by more than the maximum payment period at year-end.

b) Other non-trade payables

The detail of "Other Non-Trade Payables" is as follows:

	Balances at 31/12/13	Balances at 31/12/12	Change 2013-2012
Remuneration payable	150	154	-4
Other accounts payable to public authorities	328	288	40
Other payables	50	105	-55
Total other non-trade payables	**528**	**547**	**-19**

"Remuneration Payable" relates to the employee remuneration earned but not paid during the year amounting to EUR 150 million. Also, "Other Accounts Payable to Public Authorities" includes tax payables other than income tax, mainly VAT and employer social security taxes.

21. Tax matters

21.1 Reconciliation of the income tax expense to the profit before tax:

The income tax expense for 2013 amounted to EUR 168 million compared with an accounting profit of EUR 494 million, after having adjusted the figure for the results of companies accounted for using the equity method (which pursuant to accounting legislation are already presented net of the related tax effect), representing a tax rate of 34%.

In order to reconcile the expense recognised to the applicable tax rates in the main countries in which the Group operates, the items corresponding to income and expenses without an effect on taxes, or to adjustments to prior years' deferred taxes must be identified.

The detail of this reconciliation is shown in the table below:

	Millions of euros				
	2013				
	Spain	UK	US	Other countries	Total
Profit before tax	**126**	**500**	**-13**	**256**	**869**
Result of companies accounted for using the equity method	3	303	0	69	375
Adjusted profit deducting the result of companies accounted for using the equity method	**123**	**197**	**-13**	**187**	**494**
Permanent differences	40	-3	50	63	151
Other	97	-89	-3	148	153
Taxable profit	**260**	**105**	**35**	**399**	**798**
Income tax expense for the year	79	25	12	71	188
Effective tax rate	**30%**	**24%**	**36%**	**18%**	**24%**
Theoretical effective tax rate of the country	30%	23%	36%	23%	
Adjustment of prior years' taxes					-20
Total tax expense					**168**
Total effective rate applicable to taxable profit					**19%**

The main items included in the profit before tax that are not taxable and which, therefore, need to be adjusted in order to obtain the taxable profit are as follows:
1. - Permanent differences: permanent differences relate to either profits or losses which are not subject to taxation or which do not generate a deductible expense.

- Spain: relates mainly to non-tax-deductible provisions.
- US: the profit or loss attributable to non-controlling interests of certain companies taxed under the pass-through tax rules is adjusted. Under these rules, the parents settle the taxes of their subsidiaries in proportion to the related percentages of ownership.
- Other countries: relates mainly to exempt gains on disposals in the Construction Division.

2. Other items:

   - Spain: these relate mainly to the non-recognition of the tax asset corresponding to the unrecoverable losses incurred in 2013 by the R4 and Ocaña La Roda toll roads and at certain Construction Division companies.
   - UK: these relate mainly to the effect of the change in the tax rate in 2013.
   - Other countries: these relate mainly to the non-recognition of tax assets arising from losses abroad.

With these adjustments, the taxable profit amounted to EUR 798 million and, applying the effective rate for each country, the income tax expense totalled EUR 188 million, which corresponds to an average effective tax rate of 24%.

The following table shows the reconciliation of the income tax expense for 2012:

	Millions of euros				
	2013				
	Spain	UK	US	Other countries	Total
Profit before tax	**204**	**427**	**-10**	**113**	**733**
Result of companies accounted for using the equity method	6	227	0	41	275
Adjusted profit deducting the result of companies accounted for using the equity method	**198**	**200**	**-10**	**71**	**459**
Permanent differences	-8	-120	33	2	-92
Other	58	8	0	17	83
Taxable profit	**248**	**88**	**23**	**91**	**450**
Income tax expense for the year	74	24	9	23	130
Effective tax rate	**30%**	**27%**	**39%**	**25%**	**29%**
Theoretical effective tax rate of the country	**30%**	**25%**	**38%**	**25%**	
Adjustment of prior years' taxes					-24
Total tax expense					**106**
Total effective rate applicable to taxable profit					**24%**

21.2 Difference between deferred tax and current tax:

The breakdown of the accrued tax for 2013 and 2012, differentiating between current tax and deferred tax, is as follows:

Millions of euros	2013	2012
Income tax expense for the year	188	130
Deferred tax expense	*106*	*83*
Current tax expense	*82*	*47*
Adjustment of prior years' taxes	-20	-24
TOTAL tax expense	**168**	**106**

21.3 Changes in deferred tax assets and liabilities

The detail of the changes in the deferred tax assets and deferred tax liabilities in 2013 is as follows:

Millions of euros	Balance at 01/01/13	Transfers	Adjustments and other	Charge/Credit to profit or loss	Charge/Credit to equity	Exchange rate effect	Balance at 31/12/13
Deferred tax assets							
Tax assets	**677**	0	8	23	0	-9	**699**
Differences between tax and accounting income and expense recognition methods	**424**	7	15	-40	0	-3	**402**
Deferred tax assets arising from valuation adjustments	**474**	1	-42	31	-241	-5	**218**
Other	**34**	-2	1	-18	10	1	**25**
Total	**1,608**	**6**	**-18**	**-4**	**-232**	**-16**	**1,344**

Millions of euros	Balance at 01/01/13	Transfers	Adjustments and other	Charge/Credit to profit or loss	Charge/Credit to equity	Exchange rate effect	Balance at 31/12/13
Deferred tax liabilities							
Deferred tax liabilities relating to goodwill	**183**	-1	22	4	0	-1	**209**
Differences between tax and accounting income and expense recognition methods	**830**	0	-103	92	0	-18	**802**
Deferred tax liabilities arising from valuation adjustments	**59**	-6	-1	4	-4	0	**52**
Other	**7**	1	44	2	0	0	**54**
Total	**1,080**	**-5**	**-37**	**102**	**-4**	**-19**	**1,117**

The deferred tax assets and liabilities recognised at 31 December 2013 arose mainly from:

a) Tax assets

These relate to tax assets which have not yet been used by the Group companies. This item does not include all the existing tax assets, but rather only those that, based on Group projections, are expected to be used before they expire. The balance recognised totalled EUR 699 million, of which EUR 667 million related to recognised tax losses and the remainder to unused tax credits. The detail of the total tax loss carryforwards, distinguishing between the maximum tax asset and the tax asset recognised based on the projected recoverability thereof, is as follows:

	Millions of euros			
Country	**Tax loss carryforwards**	**Last years for offset**	**Maximum tax asset**	**Tax asset recognised**
Spanish consolidated tax group	1,479	2026-2030	444	444
Rest of Spain	827	2026-2030	248	3
US consolidated tax group	1,375	2025-2033	481	208
Other	169	2014-No expiry date	41	10
Total	**3,849**		**1,214**	**667**

Additionally, Ferrovial had unused double taxation, reinvestment and other tax credits of EUR 194 million at 31 December 2013 (2012: EUR 221 million), of which EUR 32 million have been recognised.

Spanish consolidated tax group:

For the purpose of analysing the recoverability of its tax assets, the Ferrovial consolidated tax group in Spain has created a model in order to be able to compare them with those that have been recognised for accounting purposes. This model takes into account the changes in Spanish tax legislation announced in recent months and uses the Group companies' latest available earnings projections. Based on this model, all the tax loss carryforwards totalling EUR 444 million and EUR 30 million of the tax credits will be recovered before they expire and, accordingly, they have been retained in the statement of financial position.

US consolidated tax group:

A corporate restructuring process was carried out in the US in 2013 to group together under a single parent all of the Group's activities in the country, which has resulted in the creation of the US consolidated tax group. This consolidated group is composed of Ferrovial Holding US Corp, together with the parents of each of the businesses in the US, which are Cintra Holding US Corp for toll roads and Ferrovial Construction US Corp for construction, and, as subsidiaries of the latter, Webber LLC and Ferrovial Agroman US Corp. The remaining subsidiaries of each of the companies mentioned above are taxed with their parents under the pass-through rules in proportion to the percentage of ownership held and, accordingly, their earnings are also included in the US consolidated tax group.

A model has been created in order to analyse the recoverability of this group's tax assets. Following the performance of several sensitivity analyses, in certain scenarios not all the available tax assets will be recovered and, therefore, an asset of EUR 208 million was recognised, compared with a maximum tax asset of EUR 481 million.

b) Assets and liabilities arising from timing differences between the accounting and tax income and expense recognition methods

This item relates to the tax impact resulting from the fact that the timing of recognition of certain expenses or depreciation and amortisation charges is different for accounting and tax purposes.

The recognition of a tax asset in this connection means that certain expenses have been recognised for accounting purposes before their recognition for tax purposes and, therefore, the Company will recover these expenses for tax purposes in future years. Conversely, a liability represents an expense that is recognised for tax purposes before its recognition for accounting purposes.

The deferred tax assets include most notably:
- Provisions recognised for accounting purposes which do not have a tax effect until they are materialised (EUR 207 million).
- Deferred tax assets of EUR 99 million arising as a result of differences between the tax and accounting methods used to recognise income, mainly in the Construction Division.
- Differences arising in relation to the capitalisation of borrowing costs (EUR 75 million).

The balance of the deferred tax liabilities relates mainly to:

- Accelerated depreciation and amortisation for tax purposes (EUR 158 million).
- Differences between tax and accounting criteria in relation to the recognition of provisions (EUR 312 million).
- Differences between the tax base and carrying amount of associates (EUR 214 million).

c) Deferred taxes arising from the revaluation of derivatives, pension funds and translation differences (valuation adjustments)

This reflects the cumulative tax impact resulting from valuation adjustments recognised in reserves. This impact appears as an asset or liability since there is generally no direct tax effect until this amount in reserves is transferred to profit or loss.

The asset balance relates to accumulated losses in reserves that will result in tax income when it is recognised in profit or loss. The liability balance relates to gains not yet recognised for tax purposes. Noteworthy is the deferred tax asset relating to financial derivatives, amounting to EUR 191 million.

d) Deferred taxes relating to goodwill

These relate to deferred tax liabilities arising as a result of the amortisation of goodwill for tax purposes amounting to EUR 209 million.

The detail of the changes in the deferred tax assets and deferred tax liabilities in 2012 is as follows:

Millions of euros	Balance at 01/01/12	Transfers	Adjustments and other	Charge/Credit to profit or loss	Charge/Credit to equity	Exchange rate effect	Balance at 31/12/12
Deferred tax assets							
Tax assets	**807**	-160	3	29	0	-2	**677**
Differences between tax and accounting income and expense recognition methods	**508**	79	-82	-72	-12	9	**431**
Deferred tax assets arising from valuation adjustments	**658**	-144	-18	-28	9	-4	**474**
Other	**46**	4	-27	6	0	-2	**27**
Total	**2,018**	**-221**	**-124**	**-65**	**-3**	**2**	**1,608**

Millions of euros	Balance at 01/01/12	Transfers	Adjustments and other	Charge/Credit to profit or loss	Charge/Credit to equity	Exchange rate effect	Balance at 31/12/12
Deferred tax liabilities							
Deferred tax liabilities relating to goodwill	**171**	7	0	4	0	2	**184**
Differences between tax and accounting income and expense recognition methods	**934**	-79	-173	9	107	-2	**795**
Deferred tax liabilities arising from valuation adjustments	**37**	-13	0	1	11	0	**36**
Other	**156**	-111	16	5	0	0	**66**
Total	**1,298**	**-197**	**-157**	**18**	**118**	**-1**	**1,080**

21.4 Years open to tax audit

Contingent tax liabilities which cannot be objectively quantified may arise from the criteria that tax authorities may adopt in relation to the years open for review.
The main tax audits in progress currently affect the following entities: Ferrovial, S.A. (Ferrovial, S.A. Group), Ferrovial Servicios, S.A. and Ferroser Servicios Auxiliares, S.A. (audit of income tax, 2007 to 2011; VAT, December 2009 to 2011; withholdings on salary income, December 2009 to 2011; withholdings on income from movable capital, December 2009 to 2011 and non-resident income tax withholdings, December 2009 to 2011).

It is considered that any possible material tax contingencies are adequately provided for at year-end.

22. Contingent liabilities, contingent assets and commitments

22.1 Litigation

In carrying on its activities the Group is subject to possible contingent liabilities of varying kinds. These contingent liabilities lead to lawsuits or litigation in relation to which a provision is recognised based on the best estimate of the foreseeable disbursements required to settle the commitment (see Note 17). Therefore, it is not expected that any significant liabilities will arise, other than those for which provisions have already been recognised, that might represent a material adverse effect.

The detail of the most significant litigation, in terms of amount, in the Group's various business divisions is as follows:

a) Litigation in relation to the Toll Road business

Litigation and risk in relation to the increase in the cost of compulsory purchases for toll roads on land in the Autonomous Community of Madrid

R-4 toll road:
Compulsory purchase cost overruns

The company has been involved in various lawsuits for several years in relation to compulsory purchases of land on which the toll roads were built. The subject-matter of the lawsuits is the valuation of the land on the basis of its classification for development purposes. In general, the land has been valued at much higher amounts than those considered by the company. The value was set by the Madrid Provincial Compulsory Purchase Board and the High Court of Madrid and, subsequently, ratified by the Supreme Court.

In order to mitigate this risk, in 2010 the Spanish Government approved a measure to restore the economic and financial equilibrium of concessions, thus entitling the company to obtain a participating loan to meet compulsory purchase cost overruns where the land value set was more than 175% of the amount envisaged in the tender bid. Although the concession operator has made various requests to the authorities, they have been dismissed due to administrative silence and, accordingly, appeals have been filed against such dismissals in the courts.

Therefore, a provision of EUR 446 million had been recognised in this connection at 31 December 2013 (31 December 2012: EUR 345 million) on the basis of the best estimate at year-end.

In addition to the problems relating to compulsory purchases, the R-4 toll road has been affected by significant reductions in traffic in recent years. In order to mitigate these reductions, the Government introduced a measure to restore the economic and financial equilibrium of the concession consisting of the possibility of obtaining a traffic-shortfall compensation account from the concession grantor (as well as a supplementary participating loan from 2013 to 2018, inclusive). The requests made in 2012 and 2013 were expressly dismissed due to lack of budget and, therefore, these decisions were challenged in the courts.

The evolution of the two factors described above (the compulsory purchase cost overruns and the significant reduction in traffic) made it impossible to refinance the debt of EUR 582,408 thousand relating to the project.

In this situation the commitment to pay compensation for certain compulsory purchases fell due, which meant that the two companies managing the project (Autopista Madrid Sur and Inversora de Autopistas del Sur) became insolvent and prompted them to resolve to petition for the initiation of the related voluntary insolvency proceedings on 14 September 2012. Madrid Commercial Court no. 4 order of 4 October 2012 declared the two companies to be in a state of voluntary insolvency. The insolvency proceeding is currently in the common phase.

At 31 December 2013, Ferrovial had recognised a provision for the full amount of the investment and the financial guarantees granted in the aforementioned project.

Madrid-Levante toll road:

The AP-36 toll road has been affected by significant reductions in traffic in recent years.

In order to mitigate these reductions, the Government introduced a measure to restore the economic and financial equilibrium of the concession consisting of the possibility of obtaining a traffic-shortfall compensation account from the concession grantor (as well as a supplementary participating loan in 2013). The requests made in 2012 and 2013 were expressly dismissed due to lack of budget and, therefore, these decisions were challenged in the courts.

On 19 October 2012, due to the adverse changes in traffic and faced with the impossibility of meeting the repayments on their financial debt -which at 31 December 2012 amounted to EUR 531,844 thousand and was going to mature at the end of that year- the two companies managing this project, Autopista Madrid Levante and Inversora Autopistas de Levante, petitioned for voluntary insolvency proceedings to be initiated. Madrid Commercial Court no. 2 order of 4 December 2012 declared the two companies to be in a state of voluntary insolvency. After the phase for challenging the insolvency manager's reports had concluded and all of the insolvency incidents had been resolved, on 20 January 2014 the company was notified of the order terminating the common phase of the insolvency proceeding and initiating the creditors' arrangement, in addition to calling the creditors' meeting for 30 April 2014. However, since a decision has not yet been handed down on an appeal against the order, the creditors' meeting could be postponed.

At 31 December 2013, Ferrovial had recognised a provision for the full amount of the investment in the aforementioned project.

M-203 toll road:

The M-203 toll road is an administrative concession for a road in the Madrid Autonomous Community, the construction project for which has been on hold for several years and which also exhibits risks relating to compulsory purchase cost overruns. After implementing various measures to attempt to restore the economic and financial equilibrium of the concession, on 31 October 2012 the concession operator submitted a request for the termination of the arrangement for a cause attributable to the grantor. The request was dismissed due to administrative silence and, therefore, on 20 February 2013 the company filed an appeal for judicial review of the purported dismissal at the Judicial Review Chamber of the High Court of Madrid. On 9 August 2013, the company was notified of an order to impose penalties due to breach of the term for the completion of the project. On 10 September 2013, an appeal for judicial review was filed against the above order which the court agreed to stay during the review process. Both appeals were joined in a single proceeding at the High Court of Madrid.

In 2013 a provision of EUR 6 million was recognised in relation to the guarantees provided for the execution of the project, as indicated in Note 23, and the provision for compulsory purchases was re-estimated, recognising an additional EUR 2 million against concession assets (see Note 7), and, therefore, the provisions for contingencies associated with this company totalled EUR 18 million (2012: EUR 10 million).

b) Litigation relating to the Construction business

The Group's Construction Division is involved in various lawsuits relating primarily to possible defects in the construction of completed projects and claims for third-party liability.

The provisions recognised in relation to these risks at 31 December 2013 totalled EUR 190 million (2012: EUR 157 million) and relate to a total of approximately 160 lawsuits. The most significant litigation, in terms of amount, in this business area is as follows:

Muelle del Prat: this corresponds to a claim relating to the construction project for the new container terminal at the Port of Barcelona. The work was performed by Ferrovial Agroman as part of an unincorporated temporary joint venture (UTE) with other companies. The claim -for an amount of EUR 97 million- was lodged by the Port of Barcelona in September 2011 against all the companies involved in the performance of the project and arose as a result of the damage caused by an accident during construction work. A judgment was handed down in 2013 partially upholding the claim filed by the customer, ordering the defendants jointly and severally to pay EUR 20.9 million plus interest. The period for appealing this judgment expires in March.

Sociedad Cooperativa de Viviendas Cuatro Olmos: this corresponds to a claim by the customer (Cuatro Olmos) in relation to construction defects. The amount claimed is EUR 6 million.

Gran Casino Real de Aranjuez: this corresponds to a claim for EUR 15.7 million filed by the customer in relation to construction defects.

Viviendas Sanchinarro comunidad Ana de Austria: a claim by the Community Association valued at EUR 6.7 million in relation to various items. In February 2014 a judgment was handed down at first instance which concluded that the amount claimed should be met jointly and severally together with the developer. This decision was appealed by Ferrovial Agroman.

Torre Woermann: this corresponds to a claim amounting to EUR 15 million filed in May 2011 by the owners of a building in Tenerife in relation to various construction defects.

Arbitration in relation to the construction project for Warsaw airport: this corresponds to a claim filed against the UTE made up of Ferrovial Agroman and Budimex in relation to the termination of the contract to construct Terminal 2 of Warsaw Airport. In 2007 the customer executed the guarantee provided amounting to EUR 13.5 million and filed a claim against the construction joint venture for a total of EUR 67 million. In turn, the construction joint venture filed claims against the customer for the unlawful execution of the guarantee and for uncollected amounts totalling EUR 54.5 million. In September 2012, after the favourable award of the Arbitration Court (confirmed in 2013 by the Supreme Court), the customer returned the executed guarantee and paid the interest accrued from when the guarantee was executed. The Arbitration Court has not yet handed down an award on the core issue.

c) Litigation relating to the Services business

The Services business is involved in lawsuits relating to the ordinary course of the business which correspond to employment and environment-related claims and claims relating to defects or delays in the provision of services, as well as claims relating to the recoverability of trade receivables for which a provision of EUR 1 million had been recognised at year-end (2012: EUR 2 million).

With respect to the Services business in Spain, the main lawsuit that had been in progress at 31 December 2012 related to the claim filed by the owner of the land of the Guadalajara landfill, claiming EUR 27 million in damages from Cespa. On 1 October 2013, an award was issued by the sole arbitrator, thereby ending the proceeding and dismissing the claim filed.

With respect to the Services business in the UK, the main lawsuit relates to the settlement of the Services contract with Cumbria County Council (CCC). As a result of the termination of the contract in 2012, Amey claimed GBP 27.2 million from the customer and, in answer to the claim, CCC filed a counterclaim for GBP 22.4 million. In November 2013 Amey instigated a court proceeding which is expected to have a favourable outcome in 2014. Accordingly, no provision had been recognised in this connection at 31 December 2013.

In addition, in 2012, as a result of the accident that obliged it to halt activity at the waste treatment plant operated by it under a concession arrangement, Amey Cespa WM, Ltd filed a claim against the company that built the plant. In 2013, a judgment was handed down on the claim and the company received damages from the construction company that cover the repair of the plant. In 2013 the Group reversed the provision of EUR 30 million recognised in 2012 (see Note 23).

d) Tax litigation

As indicated in Note 17, the Group companies are involved in various tax-related claims that arose from tax assessments issued by the Spanish tax authorities mainly in relation to income tax and VAT for the years from 2006 to 2010.

e) Other litigation

In addition to the litigation discussed above, of particular note are certain claims that have been filed by Promociones Habitat, S.A. in relation to the guarantees provided under the agreement for the purchase of Ferrovial Inmobiliaria, S.A. These claims are currently pending resolution or payment and a provision for the amount thereof has been duly recognised in the financial statements.

22.2 Guarantees

a) Guarantees provided to third parties

In carrying on its activities the Group is subject to possible contingent liabilities -uncertain by nature- relating to the liability arising from the performance of the various contracts that constitute the activity of the various business divisions.

A portion of these risks is covered by insurance policies such as third-party liability or construction-defect insurance policies.

In order to cover the aforementioned liability, the Group has provided guarantees primarily to customers. At 31 December 2013, the balance of guarantees provided amounted to EUR 4,038 million (2012: EUR 4,044 million).

The following table contains a breakdown of guarantees by business area. The most significant item relates to the Construction Division (EUR 2,751 million), consisting basically of guarantees required in bidding processes to cover the liability of construction companies for the performance and completion of their construction work contracts.

Millions of euros	2013	2012
Construction	2,751	2,881
Toll roads	190	322
Services	740	586
Airports	6	6
Other	351	248
Total	**4,038**	**4,044**

Of the total amount of the Group's guarantees, EUR 219 million secure its commitments to invest in the capital of infrastructure projects, mentioned in Note 22.3, and EUR 30 million secure possible disbursements of additional capital for projects only where certain events arise (contingent capital), as described in section b.1) below.

b) Guarantees provided by Group companies to other companies in the Group

In general, the guarantees provided among Group companies cover third-party liability arising from contractual, commercial or financial relationships which does not have an effect on the consolidated Group.

However, there are certain guarantees provided to infrastructure project companies by other Group companies which, due to the classification of project borrowings as being without recourse, it is relevant to disclose.
It is also important to detail the guarantees provided to companies accounted for using the equity method, whether or not they are infrastructure project companies, to the extent that they could entail additional future investments in the capital of these companies if the secured events should arise.

b.1) Guarantees provided to fully consolidated infrastructure project companies (contingent capital)

As mentioned in Note 18, Net cash position, the borrowings for infrastructure projects are without recourse to the shareholders. However, there are certain guarantees provided by non-infrastructure project companies to infrastructure project companies which, if they are executed due to the occurrence of the event guaranteed, could result in disbursements to the latter other than the committed capital (such guarantees are called contingent capital).

The detail, by beneficiary company, purpose and maximum amount, of the outstanding guarantees of this nature at 31 December 2013 is as follows:

Beneficiary company (infrastructure project)	Guarantee purpose	Amount
Auto-Estradas Norte Litoral	Guarantee limited to cover compulsory purchase cost overruns	2
Azores	Capital contribution guarantee in the event of an equity imbalance at the concession operator from 2014 to 2017	11
R4 Madrid Sur	Guarantee covering termination of the concession	15
Ausol	Guarantee to cover the debt service reserve account and the maintenance reserve account in the event of a cash deficit	30
SH-130	Guarantee for compulsory purchase cost overruns (EUR 13 million) and capital contributions in the event of a cash deficit (EUR 2 million)	15
LBJ	Guarantee to cover the debt service reserve account if there is a cash deficit at the date of entry into operation.	32
NTE	Guarantee to cover the debt service reserve account if there is a cash deficit at at the date of entry into operation.	25
Subtotal guarantees - Cintra projects		**130**
Alicante desalination plant	Guarantees relating to refund obligations to the bank arising from termination of the contract	14
Conc. de Prisiones Lledoners, S.A.	Guarantees relating to refund obligations to the bank arising from termination of the contract	59
Figueras prisons concession	Guarantees relating to refund obligations to the bank arising from termination of the contract	76
Subtotal guarantees - Construction projects		**149**
Total guarantees - Fully consolidated infrastructure projects		**279**

The amounts relating to the guarantees correspond to the Ferrovial Group's percentage interest in the various projects. At 31 December 2013, a provision of EUR 26 million had been recognised in relation to the guarantees relating to R4 Madrid Sur and the Azores toll road (see Note 17).

b.2) Guarantees provided to companies accounted for using the equity method

The detail of the amounts of the guarantees (corresponding to the Ferrovial Group's percentage interest) in relation to the financing of the infrastructure projects accounted for using the equity method (contingent capital) is as follows:

Beneficiary company	Guarantee purpose	Amount
407 East Extension (Cintra)	Contingent capital to cover the potential exposure of the banks to a lack of funds at the concession operator during the construction period	13
A-66 Benavente-Zamora (Cintra)	Guarantee in the event of compulsory purchase cost overruns and collection delays	3
Serrano Park (Cintra)	Guarantee to cover the debt service and maintenance reserve accounts in the event of a cash deficit	4
Urbicsa (Construction)	Guarantee to cover the debt service and maintenance reserve accounts in the event of a cash deficit	53
Total guarantees - Infrastructure projects accounted for using the equity method		**73**

In addition, there are various companies accounted for using the equity method that perform certain services contracts. Since these companies are incorporated with other shareholders solely for the purpose of performing a contract, the shareholders are obliged to provide certain technical guarantees to the customer in relation to the correct performance of the services rendered. Such guarantees therefore cover the entire amount of the contract.

Notable in this respect are the guarantees provided by Amey for the companies that perform various prisoner transport contracts for the Ministry of Justice in the UK (EUR 396 million relating to Amey's percentage interest) and the contracts relating to housing maintenance for the UK Ministry of Defence (EUR 199 million relating to Amey's percentage interest), as well as the guarantee provided for the company that performs maintenance at Doha Airport (EUR 87 million relating to Ferrovial Servicios' percentage interest).

c) Assets pledged as collateral

The assets pledged as collateral are described in the notes as follows:

- Pledges of property, plant and equipment, see Note 8.
- Pledges of inventories, see Note 12.
- Pledges of deposits or restricted cash, see Note 18.

d) Guarantees received from third parties

At 31 December 2013, Ferrovial had received guarantees from third parties totalling EUR 673 million, mainly in the Construction Division in relation to the fulfilment of certain rights held mostly by the Ferrovial Agroman companies in the United States (EUR 497 million), the Budimex Group (EUR 88 million) and the other construction companies (EUR 82 million).

22.3 Investment commitments

As described in Note 1, the infrastructure projects carried out by the Group are performed through long-term contracts where the concession operator is a company in which the Group has interests, either alone or together with other partners, and the borrowings necessary for financing the project are allocated to the project itself, without recourse to the shareholders, under the terms set forth in Note 18. From the management viewpoint, therefore, Ferrovial takes into account only the investment commitments relating to the capital of the projects, since the investment in the assets is financed by the borrowings of the projects themselves.

The investment commitments of the Group in relation to the capital of its projects are as follows:

	Maturities				
Millions of euros	**2014**	**2015**	**2016**	**2017 and subsequent years**	**TOTAL**
Investments in fully consolidated infrastructure projects	**81**	**75**	**56**	**156**	**368**
Toll roads	81	75	43	55	254
Services	0	0	13	101	114
Investments in infrastructure projects accounted for using the equity method	**11**	**37**	**20**	**0**	**68**
Toll roads	11	10	0	0	21
Services	0	27	20	0	47
TOTAL INVESTMENTS IN INFRASTRUCTURE PROJECTS	**92**	**112**	**76**	**156**	**436**

At 31 December 2013, the total investment commitments amounted to EUR 436 million (2012: EUR 356 million). This net increase of EUR 101 million was associated mainly with the new projects awarded to the Amey and Cespa Groups amounting to EUR 114 million, as well as the capital commitments in the new NTE 3A-3B toll road totalling EUR 144 million. In addition, disbursements of EUR 111 million associated with the LBJ and NTE toll roads currently under construction fell due in 2013.

As indicated in Note 22 a), a portion of these commitments, amounting to EUR 222 million, are secured by a part of the guarantees mentioned therein. Also, the guarantees mentioned in Note 22 b.1) include EUR 15 million relating to contingent capital, payment of which is considered highly probable.

There are also property, plant and equipment purchase commitments totalling EUR 321 million (2012: EUR 253 million) with respect to the acquisition of machinery or the construction of treatment plants in the Services Division, and other outstanding investment commitments of EUR 21 million relating mainly to the purchase of an additional 30% of Steel in the long term, which has been provided for (see Note 17). The maturity schedule is as follows:

Millions of euros	**2014**	**2015**	**2016**	**2017 and subsequent years**	**TOTAL**
Services	**88**	**90**	**44**	**120**	**342**

a) Commitments under operating and finance leases

The expense recognised in relation to operating leases in the income statement for 2013 totals EUR 240 million (2012: EUR 211 million).
The future total minimum lease payments for non-cancellable operating leases are shown below:

Millions of euros	CORPORATE	CONSTRUCTION	2013 TOLL ROADS	SERVICES	AIRPORTS	TOTAL
Within one year	5	21	3	39	0	**63**
Between one and five years	14	22	6	53	0	**83**
After five years	27	1	0	13	0	**41**
LESSEE	**45**	**44**	**9**	**104**	**0**	**186**

Millions of euros	CORPORATE	CONSTRUCTION	2012 TOLL ROADS	SERVICES	AIRPORTS	TOTAL
Within one year	5	28	3	40	0	73
Between one and five years	18	20	7	68	0	105
After five years	29	4	0	12	0	51
LESSEE	**52**	**52**	**10**	**120**	**0**	**230**

The Group does not have any significant commitments as a lessor under operating leases.

b) Environmental commitments

Any operation designed mainly to prevent, reduce or repair damage to the environment is treated as an environmental activity.

Costs incurred to protect and improve the environment are taken to the income statement in the year in which they are incurred, irrespective of when the resulting monetary or financial flow takes place.

Provisions for probable or certain environmental liability, litigation in progress and indemnities or other outstanding commitments of undetermined amount not covered by insurance policies are recorded when the liability or commitment giving rise to the indemnity or payment arises. These provisions include most notably the provisions for landfill closure discussed in Note 17, the balance of which at 31 December 2013 was EUR 94 million (31 December 2012: EUR 88 million).

23. Impairment and disposals of non-current assets

The detail of the main gains and losses relating to impairment and disposals is as follows:

Gains and losses recognised in 2013:

Millions of euros	Impact on profit or loss before tax Before fair value adjustments	Fair value adjustments	Total 2013	Impact on net profit or loss
Gains from disposals:	**108**	**0**	**108**	**131**
Heathrow Airport Holdings	*40*	*0*	*40*	*82*
Construction Division - Poland	*46*	*0*	*46*	*27*
Amey joint ventures	*20*	*0*	*20*	*20*
Other	*1*	*0*	*1*	*1*
Impairment losses	**0**	**18**	**18**	**4**
Impairment and gains and losses on disposals of non-current assets	**108**	**18**	**126**	**135**

Gains from disposals

In 2013 a partial divestment took place of the ownership interest held by the Group in HAH (Heathrow Airport Holdings, formerly BAA) (see Note 1.2). Effective from 24 October 2013, Hubco Netherlands sold a 8.65% ownership interest held by it in HAH, giving rise to the recognition of a gain of EUR 40 million (EUR 82 million in the net profit attributable to the Parent). This transaction gave rise to a benefit for income tax purposes of EUR 41 million (with no impact on cash), since the divestment resulted in the definitive use of a tax asset generated by the difference between the initial amount invested in the company's share capital and the final price at which it was sold, which until then had been recognised as a deferred tax liability. As a result of this transaction Ferrovial's indirect ownership interest in HAH stands at 25%.

In December 2013 the Construction Division sold its subsidiary Danwood Sp. Z.o.o. to the investment fund Enterprise Investors for EUR 57 million (see Note 1.2). This transaction gave rise to a gain of EUR 46 million (EUR 27 million in net profit).

Lastly, in March 2013 Amey completed the sale of 40% of its joint ventures carrying out long-term projects (see Note 1.2), for GBP 37 million, giving rise to a gain of EUR 20 million (EUR 20 million in the net profit attributable to the Parent). After the sale, the UK subsidiary of Ferrovial Servicios now holds a 10% stake in this company and the operation of the contracts.

Impairment

Net impairment losses recognised in 2013 (charges less reversals) amounted to EUR 18 million.

On the one hand, impairment losses amounting to EUR 91 million were reversed in the Toll Roads Division (EUR 61 million with an impact on net profit of EUR 45 million) and the Services Division (EUR 30 million (see Note 17) with an impact on net profit of EUR 23 million), mainly because the grounds which gave rise to their recognition in prior years ceased to exist. With respect to the Toll Roads Division, the main impact relates to the Greek toll roads (EUR 55 million before tax, representing an effect of EUR 39 million on net profit), since provisions for guarantees were reversed after an agreement was reached with the Greek authorities on the project's viability (see Note 9 and 17), as well as to the reversal of EUR 6 million relating to a provision to cover potential claims in connection with the sale of the Chilean toll roads in 2010 (see Note 17). As regards the Services Division, an impairment loss recognised in prior years relating to a waste treatment plant in the United Kingdom was reversed (see Note 17).

Conversely, impairment losses amounting to EUR -73 million were recognised for certain assets whose carrying amounts the Company estimated to be higher than their recoverable amounts. The most significant impairment losses arose at the Toll Roads Division (EUR -55 million), including most notably Ausol (EUR -31 million, see table in Note 5.1), Euroscut Azores (EUR -11 million, see Note 17), SH-130 (EUR -7 million, see Note 7), M-203 toll road (EUR -6 million, see Note 17) and at the Services Division for the Albaida waste plant (EUR -12 million, see Note 8).

The impact on net profit, after tax and non-controlling interests, of aggregate impairment charges and reversals amounted to EUR 4 million.

Gains and losses recognised in 2012:

The breakdown of the main gains and losses recognised in 2012 in relation to sales and impairment of significant assets and of their impact on the net profit or loss recognised is as follows:

	Impact on profit or loss before tax			
Millions of euros	**Before fair value adjustments**	**Fair value adjustments**	**Total 2012**	**Impact on net profit or loss**
Gains from disposals:	**115**	**0**	**115**	**186**
Heathrow Airport Holdings	*115*	*0*	*115*	*186*
Impairment losses	**0**	**-63**	**-63**	**-46**
Impairment and gains and losses on disposals of non-current assets	**115**	**-63**	**52**	**140**

24. Operating income

The detail of the Group's operating income at 31 December 2013 is as follows:

	Millions of euros	
	2013	**2012**
Revenue	8,166	7,630
Other operating income	10	17
Total operating income	**8,176**	**7,647**

"Revenue" includes the interest on the consideration for the services provided by the concession operators that apply the financial asset model, amounting to EUR 149 million (2012: EUR 144 million), as described in Note 2.5.3.

"Other Operating Income" includes mainly grants related to income received in 2013 amounting to EUR 9 million (2012: EUR 13 million).

25. Staff costs

The detail of the staff costs is as follows:

	Millions of euros	
	2013	2012
Wages and salaries	1,922	1,704
Social security costs	382	357
Pension plan contributions	6	7
Share-based payments	18	12
Other employee benefit costs	23	22
TOTAL	**2,351**	**2,102**

The detail of the number of employees at 31 December 2013 and 2012, by professional category and gender, is as follows:

	2013			2012			Change
	Men	Women	Total	Men	Women	Total	
Directors	11	1	**12**	11	1	**12**	0.00%
Senior executives	11	1	**12**	11	1	**12**	0.00%
Executives	374	61	**435**	362	55	**417**	4.32%
University and further education college graduates	6,607	2,057	**8,664**	5,618	1,867	**7,485**	15.75%
Clerical staff	1,049	2,534	**3,583**	962	2,243	**3,205**	11.79%
Manual workers and unqualified technicians	39,382	14,010	**53,392**	30,187	12,537	**42,724**	24.97%
Total	47,434	18,664	**66,098**	37,151	16,704	**53,855**	22.73%

The average number of employees, by business division, is as follows:

	2013			2012			Change
	Men	Women	Total	Men	Women	Total	
Construction	11,347	1,529	**12,875**	12,238	1,717	**13,956**	-1,081
Corporate	195	141	**336**	193	140	**333**	3
Real estate	41	51	**92**	25	41	**66**	26
Services	31,204	16,151	**47,355**	25,967	14,706	**40,673**	6,682
Toll roads	608	292	**900**	606	301	**907**	-7
Airports	19	10	**29**	17	10	**27**	2
Total	43,414	18,174	**61,587**	**39,046**	**16,915**	**55,962**	5,625

The main change in 2013 was due to the inclusion in the scope of consolidation of Enterprise, as indicated in Note 1.2, which resulted in the incorporation of 7,700 employees in 2013.

26. Financial result

The table below shows the detail of the changes in the financial result from 2012 to 2013: The result of infrastructure projects is presented separately from the result of non-infrastructure project companies and in each of them a further distinction is made between the financial result on financing -which includes the finance costs on bank borrowings and bonds, and the returns on financial assets and loans granted- and the financial result on derivatives and other items, which includes the impact of the fair value measurement of ineffective hedges and other income and expenses not related to financing.

Millions of euros	2013	2012	Change (%)
Finance income on financing	2	3	-38%
Finance costs on financing	-339	-301	13%
Financial result on financing of infrastructure projects	**-337**	**-298**	**13%**
Result on derivatives and other fair value adjustments	7	2	199%
Other financial results	-7	-6	17%
Other financial results of infrastructure projects	**0**	**-4**	**-104%**
Total financial result of infrastructure projects	**-337**	**-302**	**12%**
Finance income on financing	20	25	-18%
Finance costs on financing	-73	-57	29%
Financial result on financing - non-infrastructure project companies	**-53**	**-32**	**64%**
Result on derivatives and other fair value adjustments	72	46	58%
Other financial results	-15	-13	16%
Other financial results of non-infrastructure project companies	**57**	**33**	**75%**
Total financial result of non-infrastructure project companies	**5**	**1**	**709%**
Financial result	**-333**	**-301**	**10%**

The financial result on the financing of the infrastructure project companies amounted to EUR -337 million (31 December 2012: EUR -298 million). Of this net result, EUR -339 million relate to these companies' borrowing costs, which were offset slightly by the interest earned on cash and cash equivalent and non-current financial asset balances (mainly restricted cash) amounting to EUR 2 million.

The financial result on financing also includes the effect of capitalised borrowing costs relating to construction projects, the detail being as follows:

Millions of euros	2013			2012		
Financial result on financing of infrastructure projects	Accrued finance income and costs	Borrowing costs capitalised during construction period	Finance income and costs recognised in profit or loss	Accrued finance income and costs	Borrowing costs capitalised during construction period	Finance income and costs recognised in profit or loss
Total	**-421**	**84**	**-337**	**-405**	**107**	**-298**

The other financial results of infrastructure projects include mainly the effect of ineffective derivatives, exchange differences and other results considered to be of a financial nature but not directly related to financing.

The financial result on the financing of the non-infrastructure project companies amounted to EUR -53 million (31 December 2012: EUR -32 million), corresponding to borrowing costs (EUR -73 million), which include the impact of the repayment of the corporate loan in the year (EUR -16 million, see Note 18), and to the interest obtained mainly from financial investments (EUR 20 million).

The other financial results of non-infrastructure project companies relate mainly to the impact of the derivatives considered to be ineffective, including most notably the equity swaps arranged by the Group to hedge the impact on equity of the share option plans (see Note 11), with a positive impact in 2013 of EUR 68 million due to the increase in the share price. This heading also includes other items such as the cost of bank guarantees and late-payment interest.

27. EARNINGS PER SHARE

a) Basic earnings per share:

The calculation of basic earnings per share attributable to the Parent is as follows:

	2013	2012
Net profit attributable to the Parent (millions of euros)	**727**	**692**
Weighted average number of shares outstanding (thousands of shares)	733,510	733,510
Less average number of treasury shares (thousands of shares)	0	0
Average number of shares to calculate basic earnings per share	**733,510**	**733,510**
Basic earnings per share (euros)	**0.99**	**0.94**

b) Diluted earnings per share:

At 31 December 2013 and 2012, the Group did not have any dilutive potential ordinary shares, since no convertible debt instruments were issued and the share-based or stock option remuneration plans discussed in Note 32 will not give rise to any capital increases at the Group, as explained in that Note. Consequently, no dilutive impact is envisaged when employee rights under the plans are exercised.

28. Cash flow

The consolidated statement of cash flows was prepared in accordance with IAS 7. This Note provides an additional breakdown in this connection. This breakdown is based on internal criteria established by the Company for business purposes, which in certain cases differ from the provisions of IAS 7. The main criteria applied are as follows:

- In order to provide a clearer explanation of the cash generated, the Group separates cash flows into "Cash Flows Excluding Infrastructure Projects" where infrastructure project concession operators are treated as financial assets and the investments in the capital of these companies are therefore included in cash flows from investing activities and the yields from the investments (dividends and capital reimbursements) are included in cash flows from operating activities, and "Cash Flows of Infrastructure Projects", consisting of cash flows from the operating and financing activities of infrastructure project concession operators.

- The treatment given to interest received on cash and cash equivalents differs from that of the statement of cash flows prepared in accordance with IAS 7, since this interest is included in cash flows from financing activities as a reduction of the amount of interest paid recognised under "Interest Cash Flows".

- Lastly, these flows endeavour to present the changes in the net cash position as the net amount of borrowings, cash and cash equivalents and restricted cash. This method also departs from that established in IAS 7, which explains the changes in cash and cash equivalents.

December 2013

	December 2013 (figures in millions of euros)			
	Cash flow excluding infrastructure projects	Cash flow of infrastructure projects	Eliminations	CONSOLIDATED CASH FLOW
EBITDA	569	365	0	934
Dividends received	489	0	-24	465
Taxes paid	-48	-34	0	-82
Changes in receivables, payables and other	39	-59	0	-20
Cash flows from operating activities	**1,048**	**272**	**-24**	**1,296**
Investments	-754	-704	152	-1,307
Disposals	564	0	0	564
Cash flows from investing activities	**-191**	**-704**	**152**	**-743**
Cash flows from operating and investing activities	**858**	**-433**	**128**	**553**
Interest cash flows	-44	-286	0	-330
Capital proceeds from non-controlling interests	0	269	-152	117
Dividends paid	-523	-26	24	-525
Exchange rate effect	-47	151	0	104
Exclusions from scope of consolidation/assets held for sale/companies accounted for using the equity method	-15	0	0	-15
Other changes in borrowings (not giving rise to cash flows)	-49	-97	0	-146
Cash flows from financing activities	**-678**	**12**	**-128**	**-794**
Change in net cash position	**180**	**-421**	**0**	**-241**
Opening position	1,484	-6,595	0	-5,111
Closing position	1,663	-7,015	0	-5,352

December 2012

	December 2012 (figures in millions of euros)			
	Cash flow excluding infrastructure projects	Cash flow of infrastructure projects	Eliminations	CONSOLIDATED CASH FLOW
EBITDA	569	358	0	927
Dividends received	387	0	-24	363
Taxes paid	-30	-19	0	-50
Changes in receivables, payables and other	-12	-44	0	-56
Cash flows from operating activities	**914**	**295**	**-24**	**1,184**
Investments	-320	-798	168	-949
Disposals	893	0	0	893
Cash flows from investing activities	**573**	**-798**	**168**	**-56**
Cash flows from operating and investing activities	**1,486**	**-503**	**145**	**1,128**
Interest cash flows	-33	-286	0	-318
Capital proceeds from non-controlling interests	0	303	-168	135
Dividends paid	-826	-25	24	-827
Exchange rate effect	6	56	0	62
Exclusions from scope of consolidation/assets held for sale/companies accounted for using the equity method	0	0	0	0
Other changes in borrowings (not giving rise to cash flows)	-57	-63	0	-120
Cash flows from financing activities	**-909**	**-14**	**-145**	**-1,068**
Change in net cash position	**577**	**-517**	**0**	**60**

Opening position	907	-6,077	0	-5,171
Closing position	1,484	-6,595	0	-5,111

The directors' report includes detailed disclosures on the changes in cash flows.

29. Remuneration of the Board of Directors

29.1.- Bylaw-stipulated directors' remuneration

The table below shows the itemised bylaw-stipulated emoluments of the members of the Board of Directors earned in 2013 and 2012. This table does not include the remuneration received by the executive directors for the discharge of their executive functions at the Company, which is detailed in Note 29.2.

	(Amounts in thousands of euros) 2013				2012			
DIRECTOR (a)	Fixed remuneration	Attendance fees	Remainder	Total	Fixed remuneration (a)	Attendance fees	Remainder	Total
Rafael del Pino y Calvo-Sotelo	35.0	85.8	110.2	231.0	35.0	86.0	105.0	226.0
Santiago Bergareche Busquet	35.0	47.9	96.4	179.3	35.0	48.5	91.9	175.4
Joaquín Ayuso García	35.0	42.9	68.9	146.8	35.0	43.0	65.6	143.6
Iñigo Meirás Amusco	35.0	42.9	55.1	133.0	35.0	43.0	52.5	130.5
Jaime Carvajal Urquijo	35.0	47.3	55.1	137.4	35.0	47.5	52.5	135.0
Portman Baela, S.L.	35.0	45.1	55.1	135.2	35.0	45.0	52.5	132.5
Juan Arena de la Mora	35.0	64.9	55.1	155.0	35.0	62.5	52.5	150.0
Gabriele Burgio	35.0	58.3	55.1	148.4	35.0	55.0	52.5	142.5
María del Pino y Calvo-Sotelo	35.0	39.6	55.1	129.7	35.0	40.0	52.5	127.5
Santiago Fernández Valbuena	35.0	45.1	55.1	135.2	35.0	41.0	52.5	128.5
José Fernando Sánchez-Junco Mans	35.0	42.9	55.1	133.0	35.0	40.0	52.5	127.5
Karlovy, S.L.	35.0	36.3	55.1	126.4	35.0	33.0	52.5	120.5
TOTAL	**420.0**	**599.0**	**771.4**	**1,790.4**	**420.0**	**584.5**	**735.0**	**1,739.5**

(a) Period in office. Full year, unless otherwise stated.

Under the Company's current remuneration scheme, regulated by Article 57 of its bylaws, the shareholders at the General Meeting determine the total annual remuneration for all the members of the Board of Directors.

The shareholders at the Company's General Meeting held on 22 October 2009[1] set the annual remuneration for the Board of Directors as a whole at EUR 1,772.7 thousand, based on the number of Board members at the date of approval (thirteen). As per the resolutions of that same General Meeting, if the number of Board members were to increase or decrease, the overall annual amount is to be adjusted accordingly based on the period of Board membership of the incoming or outgoing members.

The shareholders at the General Meeting also decided that, for financial years after 2009, this amount would be automatically revised in line with the changes in the Consumer Price Index.

In accordance with these resolutions[2] the overall annual amount for 2013 was set at EUR 1,790.2 thousand for the twelve members of the Board of Directors.

Pursuant to Article 57 of the bylaws, each year the Board of Directors must distribute among its members the overall annual amount set by the General Meeting, comprising the following items:

(i) A fixed emolument, set at a gross annual amount of EUR 420 thousand for the twelve members of the Board of Directors at the end of 2013. This total did not change with respect to 2012.

(ii) Fees for actual attendance at meetings of the Board of Directors and its committees or advisory bodies.

Attendance fees for 2013 totalled EUR 599.0 thousand. The amounts per meeting increased by 10% in 2013 and are now set at: Board of Directors: EUR 3,300/meeting; Executive Committee: EUR 2,200/meeting; Audit and Control Committee: EUR 2,200/meeting; Nomination and Remuneration Committee: EUR 1,700/meeting. The amount of the attendance fees earned by the chairman of each of these bodies is twice the sum indicated.

(iii) And the lower of the following amounts: (a) the amount remaining, after deducting the preceding two items, to reach the overall total amount determined by the shareholders at the General Meeting; and (b) a sum equal to 0.5% of the consolidated profit for the year attributable to the Company.

For 2013, since the figure of 0.5% of consolidated profit for the year attributable to the Company was higher, the remainder described in letter (a), i.e., the gross sum of EUR 771.2 thousand is to be distributed. The resulting amount is distributed by dividing it into 14, and the following factors are applied to the quotient in allocating the individual amounts: Chairman of the Board: *2; First Deputy-Chairman: *1.75; Second Deputy-Chairman: *1.25 and the other Board members: *1.

Pursuant to the resolutions of the Board of Directors, the amount earned for this third item must be invested in shares of the Company. The acquisition of shares, in a single transaction, shall take place at the first trading session following the deadline set by the Spanish National Securities Market Commission (CNMV) to send the periodic financial information once the Annual General Meeting approving the financial statements for the year has been held. The shares acquired can only be divested by the interested party once three full years have elapsed after the year of acquisition.

With regard to 2013, the Board of Directors of Ferrovial, S.A. intends to prepare and make available to shareholders the "Annual Report on Directors' Remuneration" referred to in Article 61 ter. of the Spanish Securities Market Law.

This report will include a description of matters relating to the Company's remuneration policy for 2013, the policy planned for future years, an overview of how the remuneration policy was applied in 2013 and a detail of the individual remuneration earned by each of the directors in 2013.

29.2.- Individual remuneration of the executive directors

a) Remuneration earned in 2013 and 2012

The two executive directors in 2013 and the three executive directors in 2012 earned the following remuneration for discharging their functions, in addition to the remuneration discussed in the preceding section.

[1] Under the name of Cintra Concesiones de Infraestructuras de Transporte, S.A.
[2] The year-on-year increase in the Consumer Price Index (CPI) in December 2012 was 2.9%, the percentage that was applied to the automatic revision of the remuneration of the Board of Directors.

(Amounts in thousands of euros)			2013				
REMUNERATION OF EXECUTIVE DIRECTORS	**Fixed remuneration**	**Variable remuneration**	**Relating to boards of other subsidiaries**	**Exercise of share options**	**Life insurance premiums**	**Share plans (1)**	**Total 2013**
Rafael del Pino y Calvo-Sotelo	1,175.00	2,063.00	0	0	5.01	1,875.00	5,118.01
Joaquín Ayuso García	0	0	37.77	413.38	0	625.00	1,076.15
Iñigo Meirás Amusco	970.00	1,854.00	0	118.65	3.14	1,875.00	4,820.79
TOTAL	**2,145.00**	**3,917.00**	**37.77**	**532.03**	**8.15**	**4,375.00**	**11,014.95**

(1) In March 2013, since the agreed conditions had been complied with in full, a number of shares equivalent to the units allocated in 2010 were delivered, after the relevant withholdings were performed. The CNMV was notified thereof on 12/03/13.

(Amounts in thousands of euros)			2012				
REMUNERATION OF EXECUTIVE DIRECTORS	**Fixed remuneration**	**Variable remuneration**	**Relating to boards of other subsidiaries**	**Exercise of share options**	**Life insurance premiums**	**Share plans**	**Total 2012**
Rafael del Pino y Calvo-Sotelo	1,150.00	1,970.00	0	318.61	4.67	0	3,443.28
Joaquín Ayuso García (2)	900	848.02	46.87	318.2	5.65	0	2,118.74
Iñigo Meirás Amusco	950	1,770	0	127.44	2.97	0	2,850.41
TOTAL	**3,000.00**	**4,588.02**	**46.87**	**764.25**	**13.29**	0	**8,412.43**

(2) As compensation for the loss of the position of senior executive at the Company and the concomitant annulment of the senior executive relationship, EUR 8,100 thousand gross were paid to Joaquín Ayuso in 2012 (an amount subject in full to personal income tax). Joaquín Ayuso ceased to discharge his executive functions on 29 November 2012.

b) Share-based payment systems

The detail of the outstanding share option plans and performance-related share award plans for executive directors at 31 December 2013 is as follows:

SHARE OPTION PLANS EXECUTIVE DIRECTORS Situation at 31/12/13	Share options		No. of equivalent shares	Exercise price (euros)	% of share capital
Rafael del Pino y Calvo-Sotelo	2006 Plan	786,400	786,400	15.94	0.107
	2008 Plan	1,179,600	1,179,600	11.69	0.161
Joaquín Ayuso García (1)	2006 Plan	786,400	786,400	15.94	0.107
	2008 Plan	929,600	929,600	11.69	0.132
Íñigo Meirás Amusco	2006 Plan	400,000	400,000	15.94	0.055
	2008 Plan	590,000	590,000	11.69	0.08

(1) J. Ayuso retains entitlement to these plans, which were granted to him when he was an executive director.

As indicated in Note 30-a, the exercise prices of the these plans were revised for the reasons described therein. Specifically, this adjustment led to exercise price reductions of EUR 0.54 for the 2006 plan and EUR 0.43 for the 2008 plan, resulting in exercise prices of EUR 15.94 for the 2006 plan and EUR 11.69 for the 2008 plan. The premiums charged to the beneficiaries were EUR 0.5 for the 2006 plan and EUR 0.495 for the 2008 plan.

PERFORMANCE-RELATED SHARE AWARD PLAN EXECUTIVE DIRECTORS Situation at 31/12/13	Units		No. of voting rights	% of voting power
Rafael del Pino y Calvo-Sotelo	2011 Allocation	132,000	132,000	0.018%
	2012 Allocation	122,000	122,000	0.017%
	2013 Allocation	104,650	104,650	0.014%
Íñigo Meirás Amusco	2011 Allocation	132,000	132,000	0.018%
	2012 Allocation	122,000	122,000	0.017%
	2013 Allocation	104,650	104,650	0.014%

The general characteristics of the two plans are detailed in section a) of Note 30, Share-based payment.

29.3. Remuneration of the members of the Board of Directors due to membership of other managing bodies of Group companies or associates

The executive and non-executive directors of Ferrovial S.A. who are in turn members of the managing bodies of other Group companies or associates received EUR 37.7 thousand in this connection in 2013 (EUR 46.9 thousand in 2012).

29.4.- Pension funds and plans or life insurance premiums

As in 2012, no contributions were made in 2013 to pension plans or funds for former or current members of the Company's Board of Directors. No such commitments were incurred during the year.

As regards life insurance premiums, the Company has insurance policies covering death (for which premiums totalling EUR 8.15 thousand were paid in 2013; EUR 13.3 thousand in 2012), of which the executive directors are beneficiaries.

No contributions were made and no commitments were incurred in respect of pension funds or plans for the directors of Ferrovial, S.A. who are members of other boards of directors and/or senior executives of Group companies or associates. No life insurance premiums were paid in this regard. The situation has not changed since 2012.

29.5.- Advances and loans

At 31 December 2013, no advances or loans had been granted by the Company to the directors in their capacity as such or as members of other boards of directors and/or as senior executives of Group companies or associates.

29.6.- Remuneration of senior executives

The joint remuneration earned by the Company's senior executives in 2013 was as follows:

REMUNERATION OF SENIOR EXECUTIVES	*(thousands of euros)*	
	2013	2012
Fixed remuneration	4,403.8	4,431.7
Variable remuneration	5,165.0	5,348.6
Performance-based share award plan	6,712.5	0
Exercise of share options and/or other financial instruments (see description)	1,388.7	1,386.8
Remuneration as members of managing bodies of other Group companies, jointly controlled entities or associates	25.0	24.5
Contributions to pension funds or plans, or related obligations	[-]	[-]
Insurance premiums	16.8	19.7
TOTAL	**17,711.8**	**11,211.3**

The aforementioned remuneration corresponds to the following posts: General Secretary, Chief Financial Officer, General Director of HR, General Director of Construction, General Director of Real Estate, General Director of Services, General Director of Airports, General Director of Toll Roads, General Director of Information Systems and Innovation, Director of Internal Audit, Director of Communications and Corporate Responsibility and Director of Corporate Strategy.

This does not include remuneration for senior executives who were also executive directors, which was addressed previously.

The Company has also introduced a flexible remuneration system called the Flexibility Plan, which provides employees with the possibility of voluntarily modifying their remuneration package based on their personal needs, replacing a portion of their remuneration with the award of certain payments in kind. These products include a group life and retirement-related savings insurance plan. Participants may request that a portion of their gross annual remuneration be paid by the Company in the form of a premium for a group life and retirement-related savings insurance policy.

In this connection, the senior executives requested contributions of EUR 215.0 thousand from the Company, instead of the equivalent remuneration shown in the foregoing table (2012: EUR 301.5 thousand).

29.7.- Relationship between remuneration obtained and profit/loss of the Company

In keeping with the best practices for director and senior executive remuneration, a portion of Ferrovial, S.A. directors' remuneration is linked to the consolidated profit for the year attributable to the Company. Similarly, the variable remuneration of the executive directors and senior executives of the Company is linked to various profit and profitability metrics at both corporate and business area level.

The variable remuneration scheme of Ferrovial, S.A. is therefore linked closely to the Company's performance metrics.

Since the consolidated profit attributable to the Company in 2013 amounted to EUR 727.2 million, the members of the Board of Directors were paid remuneration of EUR 771.2 thousand in respect of the remainder of their annual emoluments.

Having achieved the objectives for profit and profitability established at the beginning of 2013, the members of the Board of Directors who perform executive duties received total aggregate variable remuneration of EUR 3,917 thousand.

29.8.- Other disclosures on remuneration

The agreements between the Company and senior executives, including one executive director, specifically provide for the right to receive the indemnities referred to in Article 56 of the Workers’ Statute in the event of unjustified dismissal.

In order to encourage loyalty and long-service, a deferred remuneration scheme was recognised for ten senior executives, including one executive director. The scheme consists of extraordinary remuneration that will only be paid when one of the following circumstances occurs:

- Removal of the senior executive by mutual agreement upon reaching a certain age.
- Unjustified dismissal or termination by the Company at its discretion without any justification for dismissal, prior to the senior executive reaching the age initially agreed upon, if the amount of this remuneration exceeds that resulting from applying the Workers' Statute.
- The death or disability of the senior executive.

To cover this incentive, each year the Company makes contributions to a group savings insurance policy, of which the Company is both policy-holder and beneficiary. These contributions are quantified on the basis of a certain percentage of the total monetary remuneration of each senior executive. The contributions made in 2013 amounted to EUR 1,883.5 thousand (2012: EUR 2,580.6 thousand), of which EUR 437.8 thousand correspond to executive directors.

Individuals are occasionally hired to hold executive positions, mainly abroad, in areas unrelated to senior management. The contracts of these individuals include certain clauses that provide for indemnities in the event of unjustified dismissal.

The contracts entered into with two senior executives stipulate additional rights in their favour, including prior-notice commitments incumbent upon the Company in the event of unjustified dismissal.

30. Share-based payment

a) Share option plans

Until 2008 Ferrovial used a remuneration system based on the delivery of share options. The share option plans outstanding at 31 December 2013 were as follows:

Participants	Approval date	Exercise deadline	Exercise price	Outstanding options (2013)
Executives 05 - Ferrovial (additional)	01/08/06	31/07/14	EUR 14.89	160,000
Executives 05 - Ferrovial (additional)	30/10/06	29/10/14	EUR 16.02	115,200
Executives 05 - Ferrovial (additional)	25/01/07	24/01/15	EUR 17.59	73,600
Executives 05 - Ferrovial (additional)	03/07/07	02/07/15	EUR 17.74	14,400
Executives 05 - Cintra (additional)	25/07/07	24/07/15	EUR 10.65	39,582
Senior executives 06 - Ferrovial	04/05/06	03/05/14	EUR 15.94	2,908,800
Senior executives 06 - Ferrovial (additional)	03/07/07	02/07/15	EUR 17.74	228,000
Executives 07 - Ferrovial	23/11/07	22/11/15	EUR 14.35	5,004,600
Executives 07 - Cintra	23/11/07	22/11/15	EUR 10.35	364,262
Senior executives 08 - Ferrovial	26/04/08	25/04/16	EUR 11.69	4,958,200
	Number of shares at end of year			**13,866,644**

These share option plans include the plans described above in Note 29 on remuneration of executive directors and senior executives.

In 2013 changes were made to the exercise price of these options (which were notified to the CNMV on 25/02/13). This adjustment was in response to the change in value of the outstanding options, since the dividends effectively distributed were ultimately higher than those considered on the grant date for the calculation of the premium to be paid by the executives. The impact of this change on the income statement for 2013 was an expense amounting to EUR 2.6 million.

All the share option plans include a three-year vesting period as from the grant date followed by a five-year exercise period, provided that certain minimum returns on consolidated equity or certain ratios of returns on productive assets are achieved.

The changes in the Company's share option plans in 2013 and 2012 are summarised as follows:

	2013	2012
Number of options at beginning of year	**20,021,771**	**25,533,963**
Plans granted	0	0
Options surrendered and other	-840,436	-490,800
Plans expired	-4,076,960	0
Options exercised	-1,237,731	-5,021,392
Number of options at end of year	**13,866,644**	**20,021,771**

Since the aforementioned plans are in the exercise period, they do not give rise to staff costs on a regular basis. However, in 2013 cost adjustments were recognised amounting to EUR -1 million due to the reversal of staff costs incurred in prior years for options that were surrendered by the beneficiaries (EUR -1 million in 2012).

b) Performance-based share award plan

In 2009 the Company decided to implement a remuneration system based on the performance-related award of shares.

Thus, on 17 December 2009 the Company decided to use as a remuneration system a three-year plan consisting of the award of shares of Ferrovial, S.A.

The total number of shares granted annually under the plan may not exceed 2,420,000, representing 0.33% of Ferrovial, S.A.'s share capital.

The plan consists of the allocation to beneficiaries of a number of units that will serve as a basis in order to determine the final number of shares that they will be able to receive as a result of their participation in the plan.

Delivery is conditional upon at least three years' service at the Company (barring special circumstances) and is subject to the achievement during this period of ratios based, on the one hand, on cash flows from operating activities and, on the other, on EBITDA as a percentage of net productive assets.

The plan is aimed at executive directors, senior executives and other executives. The application of this programme to executive directors and senior executives was authorised by the Annual General Meeting held on 29 June 2010.

On 19 December 2012, the Board of Directors approved a new three-year remuneration plan consisting of the award of shares of Ferrovial, S.A. The total number of shares that can be granted annually under the plan may not exceed 1,900,000, representing 0.26% of Ferrovial, S.A.'s share capital. The terms and conditions concerning award and duration are similar to those of the previous plan explained above, with the inclusion of an additional condition related to total shareholder return in relation to a comparable group. The application of this plan to executive directors and senior executives was authorised by the Annual General Meeting held on 22 March 2013.

The changes in the aforementioned remuneration schemes in 2013 and 2012 are summarised as follows:

	2013	2012
Number of shares at beginning of year	**5,829,974**	**4,117,600**
Plans granted	1,581,049	1,854,969
Plans settled	-2,003,400	0
Shares surrendered and other	-129,299	-94,671
Shares exercised	-77,499	-47,924
Number of shares at end of year	**5,200,825**	**5,829,974**

These share award plans include the plans described above in Note 29 on remuneration of executive directors and senior executives.

In 2013 the staff costs recognised in relation to these remuneration systems amounted to EUR 18 million (2012: EUR 13 million). These costs were measured as futures and, therefore, the value of the shares and the foreseeable dividends up to the delivery date is discounted to the value of the shares at the grant date, using a rate of return equal to the average cost of borrowings over the share award period.

31. Related party transactions

Approval of transactions

In accordance with the Board of Directors Regulations, all professional or commercial transactions of the persons referred to below with Ferrovial, S.A. or its subsidiaries require the authorisation of the Board of Directors, subject to a report from the Audit and Control Committee. In the case of ordinary transactions involving Ferrovial, S.A. the general approval of the Board of Directors for the related line of transactions will suffice. This authorisation is not necessary, however, for transactions that simultaneously fulfil the following three conditions:

1. Performed under contracts containing standard terms and conditions and applied en masse to numerous customers.
2. Effected at prices or rates established on a general basis by the party acting as the supplier of the good or service in question.
3. Amount does not exceed 1% of the Company’s annual income.

The following persons are subject to these rules:
- Directors of Ferrovial, S.A. The person requesting authorisation shall vacate the meeting room while the Board deliberates and votes and may not exercise or delegate his or her voting rights.
- Controlling shareholders.
- Natural persons representing directors that are legal persons.
- The Company's senior executives.
- Such other executives as might be designated individually by the Board of Directors.
- Persons related to the persons listed above, as defined in the Board of Directors Regulations.

Related party transactions

The main arm’s length transactions with related parties carried out in 2013 in the ordinary course of business of the Company and of the Group are disclosed below.

Where the profit or loss from a transaction cannot be stated, as it pertains to the entity or individual supplying the related good or service, the transaction has been marked with an asterisk (*).

a) Significant shareholders

The following table contains a breakdown of the transactions carried out in 2013 with significant shareholders, with members of the “controlling family group” (except for the natural persons who are in turn directors or representatives of directors of the Company, included in the following section) or entities related through shareholdings to persons from the “controlling family group” (1):

TRANSACTIONS WITH SIGNIFICANT SHAREHOLDERS				2013			2012		
Name/ Company name	Ferrovial Group company	Nature of transaction	Type of transaction	Amount	Profit or loss	Balance	Amount	Profit or loss	Balance
Members of "controlling family group" / their related entities	Ferrovial Agroman, S.A. / subsidiaries	Commercial	Construction and renovation work	(-)	(-)	(-)	140	14	0
	Ferrovial Servicios, S.A. / subsidiaries	Commercial	Integral management of services at Madrid offices	450	47	178	461	124	143
	Ferrovial Servicios, S.A. / subsidiaries	Commercial	Integral management of services	2	0	0	(-)	(-)	(-)

(1) According to the "Notification of Voting Rights" form submitted to the CNMV and the Company on 31 July 2013, the family group formed by María, Rafael, Joaquín, Leopoldo and Fernando del Pino y Calvo-Sotelo controls, as defined in Article 4 of the Spanish Securities Market Law, through Karlovy, S.L. (Karlovy), the majority of the share capital of Portman Baela, S.L. (Portman). Also, Casa Grande de Cartagena, S.L.U. is controlled by certain members of the aforementioned family group. At the aforementioned date, Portman held 41.053% of the share capital of Ferrovial, S.A. At that date, Karlovy held a direct ownership interest of 0.002% in the share capital of Ferrovial, S.A. The family group formed by the persons listed above controlled, at the aforementioned date, through Karlovy and Portman, 41.055% of the share capital of Ferrovial, S.A. The concerted action described is merely de facto and independent of the shareholders agreements notified to the CNMV as a relevant event on 29 December 2009 (entry no. 2009118302) with regard to the restrictions on the free transferability of the shares of Karlovy and Portman. Based on this notification, the sum of the shares held directly and indirectly by all the members of the family group, i.e. María, Rafael, Joaquín, Leopoldo and Fernando del Pino y Calvo-Sotelo, as well as by Karlovy, S.L., Portman Baela, S.L. and Casa Grande de Cartagena, S.L.U., amounted to 319,413,835 shares, representing 43.546% of the share capital of Ferrovial, S.A.

b) Transactions with directors, senior executives and related companies

The transactions performed with the Company's directors, representatives of directors and senior executives in 2013 are shown below. The table also includes the transactions performed with companies considered to be related to the foregoing (if they were so considered during a portion of the year, the transactions performed in that period are indicated):

TRANSACTIONS WITH DIRECTORS, SENIOR EXECUTIVES AND RELATED COMPANIES (1 of 2)				*(thousands of euros)*					
				2013			2012		
Name/ Company name	Ferrovial Group company	Nature of transaction	Type of transaction	Amount	Profit or loss	Balance	Amount	Profit or loss	Balance
Rafael del Pino y Calvo-Sotelo	Ferrovial Servicios, S.A. / subsidiaries	Commercial	Maintenance, cleaning and gardening services	18	2	2	15	5	1
	Ferrovial Agromán / subsidiaries	Commercial	Construction and renovation work	2,122	60	105	25	0	0
Joaquín Ayuso García	Ferrovial Agromán / subsidiaries	Commercial	Real estate renovation	1	0	0	8	0	0
Person related to Iñigo Meirás Amusco	Ferrovial Servicios, S.A. / subsidiaries	Commercial	Maintenance and gardening services	(-)	(-)	(-)	31	0	0
María del Pino y Calvo-Sotelo	Ferrovial Agromán / subsidiaries	Commercial	Real estate renovation	1	0	0	2	0	20
Person related to Jaime Aguirre de Cárcer	Ferrovial Inmobiliaria, S.A.	Commercial	Sale of buildings/land	(-)	(-)	(-)	129	1	38
Álvaro Echániz and related person	Ferrovial Inmobiliaria, S.A.	Commercial	Sale of buildings/land	(-)	(-)	(-)	396	0	114
	Ferrovial Agromán / subsidiaries	Commercial	Real estate renovation	8	0	0	(-)	(-)	(-)
Santiago Olivares and related person	Ferrovial Inmobiliaria, S.A.	Commercial	Sale of buildings/land	(-)	(-)	(-)	260	1	76
Almirall Laboratorios	Ferrovial Servicios, S.A. / subsidiaries	Commercial	Provision of waste collection services	29	1	4	122	10	17
Aviva	Ferrovial Group companies	Commercial	Arrangement of insurance policies	2,440	(*)	0	2,581	(*)	149
Maxam Europe and group companies	Ferrovial Agromán / subsidiaries	Commercial	Receipt of supplies of explosives and detonators	147	(*)	-48	232	(*)	46
Cepsa	Ferrovial Agromán / subsidiaries	Commercial	Construction work	(-)	(-)	(-)	45	0	0
	Ferrovial Group companies	Commercial	Receipt of fuel supplies	14,129	(*)	-339	16,933	(*)	-1,250
	Ferrovial Servicios, S.A. / subsidiaries	Commercial	Provision of maintenance services	16	2	0	3	3	0
Everis and group companies	Cintra	Commercial	Receipt of communication services	23	(*)	-27	16	(*)	0
	Ferrovial Servicios, S.A. / subsidiaries	Commercial	Receipt of communication services	685	(*)	0	(-)	(-)	(-)
Asea Brown Bovery	Ferrovial Group companies	Commercial	Receipt of equipment repair, upkeep and maintenance services	141	(*)	-49	21	(*)	0
	Ferrovial Servicios, S.A. / subsidiaries	Commercial	Provision of waste collection services	6	1	0	12	1	4

(*) No profit or loss is stated as the relevant amount pertains to the entity or person providing the service.

TRANSACTIONS WITH DIRECTORS, SENIOR EXECUTIVES AND RELATED COMPANIES (2 of 2)				*(thousands of euros)*					
				2013			2012		
Name/ Company name	Ferrovial Group company	Nature of transaction	Type of transaction	Amount	Profit or loss	Balance	Amount	Profit or loss	Balance
Telefónica	Ferrovial Group companies	Commercial	Receipt of telecommunications services	9,218	(*)	-1,618	8,449	(*)	-2,095
	Corporate	Commercial	Rebilling of cancellation costs	1,500	0	0	704	0	99
Meliá Hotels and group companies	Ferrovial Group companies	Commercial	Receipt of hotel and catering services	3	(*)	-1	5	(*)	-1
	Ferrovial Servicios, S.A. / subsidiaries	Commercial	Provision of maintenance and waste collection services	55	4	15	26	0	22
Acerinox	Ferrovial Servicios, S.A. / subsidiaries	Commercial	Provision of waste collection services	(-)	(-)	(-)	-1	0	0
Indra	Ferrovial Servicios, S.A. / subsidiaries	Commercial	Provision of maintenance services	535	49	297	(-)	(-)	(-)
	Corporate	Commercial	Receipt of IT services	2,266	(*)	-156	(-)	(-)	(-)
	Ferrovial Servicios, S.A. / subsidiaries	Commercial	Receipt of IT services	343	(*)	-266	(-)	(-)	(-)
	Cintra	Commercial	Receipt of IT services	114	(*)	-5	(-)	(-)	(-)
	Ferrovial Agromán / subsidiaries	Commercial	Fire prevention systems	6	(*)	-44	(-)	(-)	(-)
Holcim	Ferrovial Agromán / subsidiaries	Commercial	Purchase of cement	539	(*)	-278	1	(*)	0
Bankia	Ferrovial Group companies	Commercial	Provision of financial services	13,334	(*)	0	7,078	(*)	0
	Ferrovial Group companies	Commercial	Financing agreements. Guarantee	297,900	(*)	0	301,200	(*)	0
	Ferrovial Group companies	Commercial	Interest paid	266	266	0	731	731	0
	Ferrovial Group companies	Commercial	Payment of interest	6,163	(*)	0	5,511	(*)	0
	Ferrovial Group companies	Commercial	Balance drawn down against guarantee facilities	227,800	(*)	227,800	268,600	(*)	268,600
	Ferrovial Servicios, S.A. / subsidiaries	Commercial	Provision of maintenance services	14	2	1	(-)	(-)	(-)
Fundación Seres	Corporate	Commercial	Donation	18	(*)	0	6	(*)	0
La Rioja Alta	Ferrovial Servicios, S.A. / subsidiaries	Commercial	Receipt of food services	1	(*)	0	1	(*)	0
Panda Security	Ferrovial Agromán / subsidiaries	Commercial	Receipt of IT services	4	(*)	0	(-)	(-)	(-)
Zurich Insurance	Ferrovial Group companies	Commercial	Arrangement of insurance policies	566	(*)	0	216	(*)	-3
	Ferrovial Servicios, S.A. / subsidiaries	Commercial	Lease of offices	448	(*)	-28	(-)	(-)	(-)
	Ferrovial Servicios, S.A. / subsidiaries	Commercial	Provision of maintenance services	4	1	5	2	-2	0
La Rioja Alta	Ferrovial Servicios, S.A. / subsidiaries	Commercial	Receipt of food services	1	(*)	0	1	(*)	0

(*) No profit or loss is stated as the relevant amount pertains to the entity or person providing the service.

The information on remuneration and loans to directors and senior executives may be consulted in Note 29.

c) Intra-Group transactions

Set forth below is information on transactions between Ferrovial, S.A. companies which, in any case forming part of their ordinary businesses as regards purpose and conditions, were not eliminated on consolidation for the following reason.

As explained in detail in Note 2.4., the balances and transactions relating to construction work performed by the Construction Division for the Group's infrastructure concession operators are not eliminated on consolidation since, at consolidated level, contracts of this type are classed as construction contracts in which the work -to the extent that it is completed- is deemed to be performed for third parties, as the ultimate owner of the work is the grantor both from a financial and legal viewpoint.

In 2013 Ferrovial's Construction Division billed those concession operators for EUR 782,347 thousand (EUR 717,361 thousand in 2012) for work performed and related advance payments and, in this respect, recognised sales totalling EUR 819,530 thousand (EUR 617,106 thousand in 2012).

In 2013 the profit from these transactions attributable to Ferrovial, S.A.'s holdings in the concession operators in question and not eliminated on consolidation, net of taxes and non-controlling interests, was EUR 40,224 thousand. In 2012 it was EUR 24,700 thousand.

32. Directors' ownership interests in and positions or functions at companies engaging in an activity that is identical, similar or complementary to the company object of Ferrovial

Article 229 of the Spanish Limited Liability Companies Law requires the directors to notify the Company of the following information:

- Any conflicts of interest that they may have with the Company.
- Any ownership interests they may have in the share capital of a company engaging in an activity that is identical, similar or complementary to the Company's object.
- Any positions held or functions discharged at such companies.

In accordance with paragraph 3 of the aforementioned Article 229, this information is to be included in the notes to the financial statements. Furthermore, Article 230 of the Spanish Limited Liability Companies Law establishes that directors may not engage, as independent professionals or as employees, in activities that are identical, similar or complementary to the activity that constitutes the Company's object, except in the event of receiving express authorisation to do so from the Company, through a resolution by the General Meeting, which shall require notice to be given as required under Article 229 of the law.

In this regard, the information furnished to the Company by those persons who served on the Board of Directors of Ferrovial, S.A. in 2013 is as follows:

Conflicts of interest:

No conflicts, direct or indirect, were disclosed vis-à-vis the Company's interests, without prejudice to the agreements relating to the appointment or re-appointment of each of the directors, to the renewal of positions and to the remuneration of the executive directors.

Ownership interests in share capital:
The directors do not have any ownership interests in the share capital of companies as provided for in Article 229 of the Spanish Limited Liability Companies Law.

Positions or functions:
For information purposes, the positions held by Ferrovial directors at Group subsidiaries are as follows:

- Joaquín Ayuso García: Chairman of the Board of Directors of Autopista del Sol, S.A.
- Iñigo Meirás Amusco: Chairman of the Board of Directors of Ferrovial Agromán, S.A., Ferrovial Aeropuertos, S.A., Cintra Infraestructuras, S.A., Ferrovial Servicios, S.A. and Ferrovial Fisa, S.L.; Chairman and CEO of Finecofer, S.L.

33. Fees paid to auditors

Pursuant to Spanish Audit Law 12/2010, of 30 June, following is a disclosure of the total fees relating to the "audit services" and "other consultancy services" provided by the auditors of the 2013 and 2012 financial statements of the Group companies, including both the principal auditor of Ferrovial S.A. and the other auditors of all its investees, both in Spain and abroad.

"Fees for Audit Services" includes the following items:

- "Audit Services" relates to statutory audit services in the true sense of the term.
- "Audit-Related Services" relates to services other than statutory audit which by law or by regulation can only be provided by the Company's auditor, for example the review of financial information in bond issues.
- "Other Attest Services" includes services that because of their nature are normally performed by the Company's auditor, for example the review of tax returns.

The total of "Other Consultancy Services" provided by the principal auditor represented 7% of the total fees for audit services in 2013.

	Millions of euros	
	2013	2012
Fees for audit services	**4.3**	**4.1**
Principal auditor	4.3	3.4
Audit services	3.6	2.6
Audit-related services	0.2	0.5
Other attest services	0.5	0.3
Other auditors	0.0	0.7
Audit services	0.0	0.7
Audit-related services	0.0	0.0
Other attest services	0.0	0.0
Other consultancy services	**0.3**	**0.8**
Principal auditor	0.3	0.6
Other auditors	0.0	0.2

34. Events after the reporting period

In January 2014 the UK Civil Aviation Authority (CAA) published its final decision on economic regulation at Heathrow for the next five years, reducing airport charges by an amount in line with inflation (Retail Price Index), i.e. -1.5%. This reduction will entail a fall in income per passenger in real terms from GBP 20.71 in 2013/14 to GBP 19.10 in 2018/19.

35. Appendix I

Appendix I contains a list of Group companies, making a distinction between fully consolidated companies and companies accounted for using the equity method.

The net cost of the ownership interest presented relates to that recognised at the individual company which holds the direct ownership interest in each subsidiary.

APPENDIX I

Ferrovial, S.A. and Subsidiaries

SUBSIDIARIES (fully consolidated companies)

Individual information

Company	Auditor	Parent	% of ownership	Net cost of ownership interest (millions of euros)	Country	Registered office
CORPORATE						
SPAIN						
Ferrovial, S.A. (a)	Deloitte					Príncipe de Vergara, 135, 28002, Madrid
Can-Am, S.A. (Sole-Shareholder Company) (a)		Ferrovial, S.A.	100.0%	2	Spain	Príncipe de Vergara, 135, 28002, Madrid
Ferrovial Inversiones, S.A. (a)		Ferrovial, S.A. (i)	100.0%	0	Spain	Príncipe de Vergara, 135, 28002, Madrid
Ferrofin, S.L. (a)	Deloitte	Ferrovial, S.A. (iii)	100.0%	1,481	Spain	Príncipe de Vergara, 135, 28002, Madrid
Betonial, S.A. (a)		Ferrovial, S.A. (i)	100.0%	32	Spain	Príncipe de Vergara, 135, 28002, Madrid
Burety, S.L. (a)		Ferrovial, S.A. (i)	100.0%	9	Spain	Príncipe de Vergara, 135, 28002, Madrid
Frin Gold, S.A. (a)		Ferrovial, S.A. (i)	100.0%	0	Spain	Príncipe de Vergara, 135, 28002, Madrid
Inversiones Trenza, S.A. (a)		Ferrovial, S.A. (i)	100.0%	1	Spain	Príncipe de Vergara, 135, 28002, Madrid
Promotora Ibérica de Negocios, S.A. (a)		Ferrovial, S.A. (i)	100.0%	0	Spain	Príncipe de Vergara, 135, 28002, Madrid
Remtecolex, S.A. (a)		Ferrovial, S.A. (i)	100.0%	0	Spain	Príncipe de Vergara, 135, 28002, Madrid
Triconitex, S.L. (a)		Ferrovial, S.A. (i)	100.0%	6	Spain	Príncipe de Vergara, 135, 28002, Madrid
Finecofer, S.L. (a)	Deloitte.	Ferrovial, S.A. (i)	100.0%	2,138	Spain	Príncipe de Vergara, 135, 28002, Madrid
Ferrovial Emisiones, S.A. (a)	Deloitte	Ferrovial, S.A. (i)	100.0%	0	Spain	Príncipe de Vergara, 135, 28002, Madrid
Ferrovial Corporación, S.A. (a)	Deloitte	Ferrovial, S.A. (i)	100.0%	5	Spain	Príncipe de Vergara, 135, 28002, Madrid
Ferrovial Telecomunicaciones, S.A. (a)		Ferrovial, S.A. (i)	100.0%	0	Spain	Príncipe de Vergara, 135, 28002, Madrid
UNITED KINGDOM						
Ferrocorp UK	BDO	Ferrovial, S.A.	100.0%	1	UK	Edmund Halley Road, Oxford OX4 4DQ
IRELAND						
Alkes Reinsurance Limited	Deloitte	Ferrovial, S.A.	100.0%	3	Ireland	13-17 Dawson Street, Dublin 2

Company	Auditor	Parent	% of ownership	Net cost of ownership interest (millions of euros)	Country	Registered office
CONSTRUCTION						
SPAIN						
Ferrovial Agromán, S.A. (a)	Deloitte	Finecofer, S.L. (i)			Spain	Ribera del Loira, 42, 28042, Madrid
Ferrovial Conservación, S.A. (a)	Deloitte	Ferrovial Agromán, S.A. (i)	99.0%	20	Spain	Ribera del Loira, 42, 28042, Madrid
Aplicación de Recursos Naturales, S.A. (a)		Ferrovial Agromán, S.A. (i)	100.0%	1	Spain	Ribera del Loira, 42, 28042, Madrid
Discota XXI, S.L. (Sole-Shareholder Company) (a)	Deloitte	Ferrovial Agromán, S.A.	100.0%	98	Spain	Príncipe de Vergara, 135, 28002 Madrid
Encofrados Deslizantes y Técnicas Especiales, S.A. (a)		Ferrovial Agromán, S.A. (i)	99.1%	2	Spain	Ribera del Loira, 42, 28042, Madrid
Cadagua, S.A. (a)	Deloitte	Ferrovial Agromán, S.A. (i)	100.0%	81	Spain	Gran Vía 45, 48011 Bilbao/Vizcaya
Compañía de Obras Castillejos, S.A. (a)	Deloitte	Ferrovial Agromán, S.A. (i)	100.0%	8	Spain	Ribera del Loira, 42, 28042, Madrid
Ditecpesa, S.A. (a)	Deloitte	Ferrovial Agromán, S.A. (i)	100.0%	1	Spain	Ribera del Loira, 42, 28042, Madrid
Norvarem, S.A.U. (a)	BDO	Ferrovial Agromán, S.A.	100.0%	65	Spain	Príncipe de Vergara, 135, 28002 Madrid
Técnicas del Pretensado y Servicios Auxiliares, S.A. (a)	Deloitte	Encofrados Deslizantes y Técnicas Especiales, S.A. (i)	100.0%	3	Spain	Ribera del Loira, 42, 28042, Madrid
Concesionaria de Prisiones Lledoners, S.A. (a)	Deloitte	Ferrovial Agromán, S.A.	100.0%	16	Spain	Santaló 10, 08021 Barcelona
Urbaoeste, S.A. (a)		Ferrovial Agromán, S.A. (i)	99.0%	8	Spain	Ribera del Loira, 42, 28042, Madrid
Concesionaria de Prisiones Figueras, S.A.U. (a)	Deloitte	Ferrovial Agromán, S.A.	100.0%	11	Spain	Provenza 392, 08025 Barcelona
Ferrovial Railway, S.A. (a)		Ferrovial Agromán, S.A. (ii)	98.8%	0	Spain	Ribera del Loira, 42, 28042, Madrid
Ferrovial Railway, S.A. (a)		Técnicas del Pretensado y Servicios Auxiliares, S.L.	1.2%		Spain	Ribera del Loira, 42, 28042, Madrid
Ferrovial Medio Ambiente y Energía, S.A. (a)		Ferrovial Agromán, S.A. (i)	99.0%	0	Spain	Ribera del Loira, 42, 28042, Madrid
Autovía de Aragón, Sociedad Concesionaria, S.A.	Deloitte	Ferrovial Agromán, S.A y Ferroser Infraestructuras	25.0%	5	Spain	Príncipe de Vergara, 135, 28002 Madrid
MEXICO						
Cadagua Ferrovial Industrial México		Cadagua, S.A.	75.1%	0	Mexico	Cataratas 3, 1 Jardín Del Pedreg, 01900, Mexico City
Cadagua Ferrovial Industrial México		Ferrovial Medio Ambiente y Energía, S.A.	24.9%	0	Mexico	Cataratas 3, 1 Jardín Del Pedreg, 01900, Mexico City
INDIA						
Cadagua Ferrovial India Pr Ltd. (a)		Cadagua, S.A.	95.0%	0	India	214, Vigyapan Lok Apartments, 110091, New Delhi
Cadagua Ferrovial India Pr Ltd. (a)		Ferrovial Medio Ambiente y Energía, S.A.	5.0%	0	India	214, Vigyapan Lok Apartments, 110091, New Delhi
PUERTO RICO						
Ferrovial Agroman, LLC	BDO	Compañía de Obras Castillejos, S.A.	100.0%	0	Puerto Rico	Ponce De Leon Ave, 711

POLAND						
Tecpresa Techniniki Sprezan	Deloitte Polska Sp. z o.o. Sp. k.	Técnicas del Pretensado y Servicios Auxiliares, S.L.	70.0%	0	Poland	01-040 Warsaw ul. Stawki 40
Tecpresa Techniniki Sprezan	Deloitte Polska Sp. z o.o. Sp. k.	Budimex, S.A.	30.0%	0	Poland	01-040 Warsaw ul. Stawki 40
SPV-BN 1 Sp. z o.o.		Budimex Nieruchomości Sp. z o.o.	100.0%	0	Poland	ul. Racławicka 99 1B/32, 02-634 Warsaw
SPV-BN 2 Sp. z o.o.		Budimex Nieruchomości Sp. z o.o.	100.0%	0	Poland	ul. Racławicka 99 1B/32, 02-634 Warsaw
Mostostal Kraków, S.A.	Deloitte Polska Sp. z o.o. Sp. k.	Budimex, S.A.	100.0%	3	Poland	31-752 Kraków ul. Mrozowa 5
Elektromontaż Warszawa, S.A.	Morison Finansista Audit sp. z o.o.	Elektromontaż Poznań, S.A.	50.7%	0	Poland	ul. Bagno 2/231 00-112 Warsaw
Elektromontaż Import Sp. z o.o.		Elektromontaż Poznań, S.A.	50.7%	0	Poland	ul. Wieruszowska 12/16 60-166 Poznań
Elektromontaż Poznań, S.A.	Deloitte Polska Sp. z o.o. Sp. k.	Budimex, S.A.	50.7%	0	Poland	ul. Wieruszowska 12/16 60-166 Poznań
Instal Polska Sp. z o.o.		Elektromontaż Poznań, S.A.	50.7%	0	Poland	ul. Wieruszowska 12/16 60-166 Poznań
Tecpresa Sp. z o.o.	Deloitte Polska Sp. z o.o. Sp. k.	Budimex, S.A.	30.0%	0	Poland	01-040 Warsaw ul. Stawki 40
Budimex, S.A.	Deloitte	Valivala Holding, B.V.	59.1%	98	Poland	01-040 Warsaw ul. Stawki 40
Budimex Kolejnictwo, S.A.	Deloitte Polska Sp. z o.o. Sp. k.	Budimex, S.A.	100.0%	2	Poland	ul. Stawki 40, 01-040 Warsaw
Budimex Parking Wrocław Sp. z o.o.	Deloitte Polska Sp. z o.o. Sp. k.	Budimex, S.A.	100.0%	1	Poland	ul. Stawki 40, 01-040 Warsaw
Budimex B Sp. z o.o.		Budimex, S.A.	100.0%	0	Poland	ul. Stawki 40, 01-040 Warsaw
Budimex Nieruchomości Sp. z o.o.	Deloitte Polska Sp. z o.o. Sp. k.	Budimex, S.A.	100.0%	157	Poland	01-040 Warsaw ul. Stawki 40
Budimex Budownictwo Sp. z o.o.	Deloitte Polska Sp. z o.o. Sp. k.	Budimex, S.A.	100.0%	0	Poland	ul. Stawki 40, 01-040 Warsaw
CHILE						
Constructora Agromán Ferrovial Limitada		Ferrovial Agromán Chile, S.A.	97.2%	0	Chile	Avda San Andrés Bello 2711
Constructora Agromán Ferrovial Limitada		Ferrovial Agromán, S.A.	2.8%	0	Chile	Avda San Andrés Bello 2711
Ferrovial Agromán Chile, S.A. (a)		Ferrovial Agromán Empresa Constructora Ltda.	100.0%	10	Chile	C/ Mac Iver, 225, Dpto 20101, Santiago de Chile
Ferrovial Agromán Empresa Constructora Ltda.		Ferrovial Agromán, S.A.	100.0%	0	Chile	Avda San Andrés Bello 2711
CANADA						
Ferrovial Agromán Canada, Inc.	Deloitte	Constco Holdings B.V.	100.0%	0	Canada	100 King St West 41st Floor
NETHERLANDS						
Constco Holdings B.V.		Ferrovial Agromán, S.A.	100.0%	3	Netherlands	Naritaweg 165, 1043 BW Amsterdam
Valivala Holdings, B.V.		Discota XII, S.L.	100.0%	99	Netherlands	Naritaweg 165, 1043 BW Amsterdam
UNITED STATES						
Webber Management Group, LLC	Deloitte	Norvarem, S.A.U.	100.0%	41	US	9303 New Trails Drive, Suite 200, The Woodlands, TX 77381
Southern Crushed Concrete, LLC	Deloitte	Norvarem, S.A.U.	100.0%	88	US	9303 New Trails Drive, Suite 200, The Woodlands, TX 77381
Indiana Toll-Roads Contractors, LLC	Deloitte	Ferrovial Agromán Indiana, LLC	75.0%	0	US	9600 Great Hills Trail, Suite 200E, Austin, TX 78759
Ferrovial Agromán Texas, LLC	Deloitte	Ferrovial Agromán US Corp.	100.0%	0	US	9600 Great Hills Trail, Suite 200E, Austin, TX 78759
Ferrovial Agromán 56, LLC	Deloitte	Ferrovial Agromán Texas, LLC	100.0%	0	US	9600 Great Hills Trail, Suite 200E, Austin, TX 78759
Central Texas Highway Constructors, LLC	Deloitte	Ferrovial Agromán 56, LLC	50.0%	0	US	9600 Great Hills Trail, Suite 200E, Austin, TX 78759
Webber, LLC	Deloitte	Ferrovial US Construction Corp.	100.0%	62	US	9303 New Trails Drive, Suite 200, The Woodlands, TX 77381
Webber Barrier Services, LLC	Deloitte	Webber, LLC	100.0%	5	US	9303 New Trails Drive, Suite 200, The Woodlands, TX 77381
Bluebonnet Contractors, LLC	Deloitte	Ferrovial Agromán Texas, LLC	60.0%	0	US	6851 N.E. Loop 820, Suite 102, North Richard Hills, TX 76180
Bluebonnet Contractors, LLC	Deloitte	DBW Construction, LLC	40.0%	0	US	6851 N.E. Loop 820, Suite 102, North Richard Hills, TX 76180
Trinity Infrastructure, LLC	Deloitte	Ferrovial Agromán Texas, LLC	60.0%	0	US	5520 LBJ Freeway, Suite 150, Dallas, TX 75240
Trinity Infrastructure, LLC	Deloitte	DBW Construction, LLC	40.0%	0	US	5520 LBJ Freeway, Suite 150, Dallas, TX 75240
DBW Construction, LLC	Deloitte	Webber, LLC	100.0%	0	US	9303 New Trails Drive, Suite 200, The Woodlands, TX 77381
Ferrovial Agromán Indiana, LLC	Deloitte	Ferrovial Agromán US Corp.	100.0%	0	US	9600 Great Hills Trail, Suite 200E, Austin, TX 78759
US 460 Mobility Partners, LLC	Deloitte	Ferrovial Agromán Southeast, LLC	70.0%	0	US	7025 Harbour View Boulevard, Suite 18, Suffolk, VA 23435
Ferrovial Agromán US Corp.	Deloitte	Ferrovial US Construction Corp.	100.0%	80	US	9600 Great Hills Trail, Suite 200 E A, Texas
Central Texas Mobility Constructors, LLC		Webber, LLC	55.0%	0	US	8200 Cameron Road, Suite C-150, Austin, TX 78754
North Tarrant Infrastructure, LLC	Deloitte	Ferrovial Agromán Texas, LLC	75.0%	0	US	4282 North Freeway, Fort Worth, TX 76137
North Tarrant Infrastructure, LLC	Deloitte	DBW Construction, LLC	25.0%	0	US	4282 North Freeway, Fort Worth, TX 76137
Ferrovial Agromán Southeast, LLC	Deloitte	Ferrovial Agromán US Corp.	100.0%	0	US	1230 Peachtree Street NE, Suite 1921, Atlanta, GA 30309
Ferrovial US Construction Corp.	Deloitte	Ferrovial Holding US Corp.	100.0%	189	US	Orange Street 1209, Wilmington-Newcastle
IRELAND						
Ferrovial Agromán Ireland (a)	Deloitte	Ferrovial Agromán Holding UK	100.0%	0	Ireland	Damastown Road (Plato Business Park), 15, Mulhuddart
Ferrovial Agromán Ireland, Ltd. (2) (a)	Deloitte	Ferrovial Agromán, Ltd. Holding UK	100.0%	0	Ireland	Monastery Road, Clondalkin
NORTHERN IRELAND						
Ferrovial Agromán Northern Ireland, Ltd.	Deloitte	Ferrovial Agromán Ireland, Ltd.	100.0%	0	Northern Ireland	N1 Road Carrickcarnan, County Louth, Ireland
UNITED KINGDOM						
Ferrovial Agromán United Kingdom, Ltd.	Deloitte	Ferrovial Agromán Holding UK	100.0%	18	UK	1st Floor Raynham House, Capital Park West,
Ferrovial Agromán, Ltd. Holding United Kingdom	Deloitte	Ferrovial Agromán, S.A.	100.0%	20	UK	389 Chiswick High Road, London, UK
Cadagua Al Ghubrah		Cadagua, S.A.	100.0%	0	UK	389 Chiswick High Road, London, UK
GERMANY						
Budimex Bau, GmbH		Budimex, S.A.	100.0%	0	Germany	Pferdmengestrasse 5, 50968 Cologne
AUSTRALIA AND NEW ZEALAND						
Ferrovial Agromán New Zealand Limited		Ferrovial Agromán Australia, Pty Ltd.	100.0%	0	Australia	Duncan Cotterill, 6011 Wellington, New Zealand
Ferrovial Agromán Australia, Pty Ltd.		Ferrovial Agromán Holding UK	100.0%	7	Australia	Level 12 95 Pitt Street, Sydney, NSW 2000

BRAZIL						
Ferrovial Agromán, Ltda. Brazil (a)		Ferrovial Agromán, S.A.	99.0%	0	Brazil	Av. Paulista 107, Bela Vista, São Paulo, Brazil

AIRPORTS

Company	Auditor	Parent	% of ownership	Net cost of ownership interest (millions of euros)	Country	Registered office
SPAIN						
Ferrovial Aeropuertos, S.A. (a)	Deloitte	Finecofer, S.L. (i)	100.0%	0	Spain	Príncipe de Vergara, 135, 28002, Madrid
CHILE						
Aeropuerto Cerro Moreno Sociedad Concesionaria, S.A.	Price Waterhouse Coopers	Ferrovial Aeropuertos, S.A.	100%	0	Chile	Avda. Andrés Bello 2711, Las Condes, Santiago
NETHERLANDS						
Aeroco Netherlands B.V.	Deloitte	Ferrovial Aeropuertos, S.A.	100.0%	0	Netherlands	Naritaweg 165, 1043 BW Amsterdam, the Netherlands
Hubco Netherlands, B.V.	Deloitte	Ferrovial Aeropuertos, S.A.	100.0%	1,588	Netherlands	Naritaweg 165, 1043 BW Amsterdam, the Netherlands
Faero Latam, B.V.	Deloitte	Ferrovial Aeropuertos, S.A.	100.0%	0	Netherlands	Naritaweg 165, 1043 BW Amsterdam, the Netherlands

TOLL ROADS

Company	Auditor	Parent	% of ownership	Net cost of ownership interest (millions of euros)	Country	Registered office
SPAIN						
Cintra Infraestructuras, S.A. (a)	Deloitte	Ferrovial, S.A. (i)	100.0%	1,922	Spain	Plaza Manuel Gómez Moreno, 2. Edificio Alfredo Mahou, 28020, Madrid
Autopista del Sol, C.E.S.A. (a)	Deloitte	Cintra Infraestructuras, S.A.	80.0%	84	Spain	Plaza Manuel Gómez Moreno, 2. Edificio Alfredo Mahou, 28020, Madrid
Cintra Inversora Autopistas de Cataluña, S.A. (a)	Deloitte	Cintra Infraestructuras, S.A.	100.0%	0	Spain	Plaza Manuel Gómez Moreno, 2. Edificio Alfredo Mahou, 28020, Madrid
Inversora Autopistas de Cataluña, S.A. (a)	Deloitte	Cintra Inversora Autopistas de Cataluña, S.A.	100.0%	0	Spain	Plaza Manuel Gómez Moreno, 2. Edificio Alfredo Mahou, 28020, Madrid
Autopista Terrasa Manresa, S.A. (a)	Deloitte	Inversora Autopistas de Cataluña, S.A.	76.3%	445	Spain	Autopista C - 16 Km. 41 Castellbell i El Vilar, 08296, Barcelona
Cintra Inversiones, S.L. (a)	Deloitte	Cintra Infraestructuras, S.A.	100.0%	320	Spain	Plaza Manuel Gómez Moreno, 2. Edificio Alfredo Mahou, 28020, Madrid
Cintra Servicios de Infraestructura, S.A. (a)	Deloitte	Cintra Infraestructuras, S.A.	100.0%	21	Spain	Plaza Manuel Gómez Moreno, 2. Edificio Alfredo Mahou, 28020, Madrid
Inversora de Autopistas del Sur, S.L. (c)	Deloitte	Cintra Infraestructuras, S.A.	55.0%	0	Spain	Plaza Manuel Gómez Moreno, 2. Edificio Alfredo Mahou, 28020, Madrid
Autopista Madrid Sur C.E.S.A. (c)	Deloitte	Inversora de Autopistas del Sur, S.L.	100.0%	504	Spain	Plaza Manuel Gómez Moreno, 2. Edificio Alfredo Mahou, 28020, Madrid
Inversora de Autopistas del Levante, S.L. (d)	Deloitte	Cintra Infraestructuras, S.A.	51.8%	0	Spain	Plaza Manuel Gómez Moreno, 2. Edificio Alfredo Mahou, 28020, Madrid
Autopista Madrid Levante, C.E.S.A. (d)	Deloitte	Inversora de Autopistas del Levante, S.L.	100.0%	451	Spain	Plaza Manuel Gómez Moreno, 2. Edificio Alfredo Mahou, 28020, Madrid
Lacértida, S.L. (a)	Deloitte	Cintra Infraestructuras, S.A.	100.0%	1,126	Spain	Plaza Manuel Gómez Moreno, 2. Edificio Alfredo Mahou, 28020, Madrid
Cintra Autopistas Integradas, S.A. (a)		Cintra Infraestructuras, S.A.	100.0%	0	Spain	Plaza Manuel Gómez Moreno, 2. Edificio Alfredo Mahou, 28020, Madrid
M-203 Alcalá-O'Donnell (a)	Deloitte	Cintra Autopistas Integradas, S.A.	100.0%	59	Spain	Plaza Manuel Gómez Moreno, 2. Edificio Alfredo Mahou, 28020, Madrid
PORTUGAL						
Euroscut Norte Litoral, S.A.	Deloitte	Cintra Infraestructuras, S.A.	75.5%	57	Portugal	Rua de Agra Nova 704, 4485 - 040 Aveleda - Vila do Conde
Euroscut -Sociedade Concessionaria da Scut do Algarve, S.A.	Deloitte	Cintra Infraestructuras, S.A.	77.0%	20	Portugal	Sítio da Franqueada, Apartado 1087, P8101-1904 Loulé
Euroscut Azores, S.A.	Deloitte	Cintra Infraestructuras, S.A.	89.0%	0	Portugal	Rua Hintze Ribeiro, 39, 1º andar, 9500-049 Ponta Delgada, the Azores
Via Livre, S.A.	Deloitte	Cintra Infraestructuras, S.A.	84.0%	0	Portugal	Rua de Agra Nova 704, 4485 - 040 Aveleda - Vila do Conde
NETHERLANDS						
Algarve International B.V.	Deloitte	Cintra Infraestructuras, S.A.	77.0%	0	Netherlands	Naritaweg 165, 1043 BW Amsterdam
407 Toronto Highway B.V.		Cintra Infraestructuras, S.A.	100.0%	369	Netherlands	Naritaweg 165, 1043 BW Amsterdam
POLAND						
Autostrada Poludnie, S.A.	Deloitte	Cintra Infraestructuras, S.A.	93.6%	0	Poland	Stawki 40, 01-040 Warsaw
CANADA						
4352238 Cintra Canada Inc.	Deloitte	407 Toronto Highway B.V.	100.0%	0	Canada	6600 -100 King St W First Canadian Place Toronto, Ontario, M5X 1B8
IRELAND						
Eurolink Motorway Operation (M4-M6), Ltd.	Deloitte	Cintra Infraestructuras, S.A.	66.0%	3	Ireland	Toll Plaza Cappagh Nicholastown, Co. Kildare
Financinfrastructures	Deloitte	Cintra Infraestructuras, S.A.	100.0%	58	Ireland	Toll Plaza Cappagh Nicholastown, Co. Kildare
Cinsac, Ltd.	Deloitte	Cintra Infraestructuras, S.A.	100.0%	0	Ireland	Administration Building Blackbull Toll Plaza, Quarryland, Dunboyne Co. Meath
Eurolink Motorway Operation (M3), Ltd.	Deloitte	Cinsac, Ltd.	95.0%	6	Ireland	Administration Building Blackbull Toll Plaza, Quarryland, Dunboyne Co. Meath
UNITED STATES						
Ferrovial Holding US Corp.		Laertida, S.L. (a)	100.0%	409	US	1209 Orange Street, Wilmington, Delaware 19801
Cintra Holding US Corp.		Ferrovial Holding US Corp.	100.0%	239	US	9600 Great Hills Trail, Suite 250E, Austin, Texas 78759
Cintra Texas Corp.		Cintra Holding US Corp.	100.0%	2	US	9600 Great Hills Trail, Suite 250E, Austin, Texas 78759
Cintra US Services, LLC		Cintra Texas Corp.	100.0%	0	US	9600 Great Hills Trail, Suite 250E, Austin, Texas 78759
Cintra Skyway LLC		Cintra Holding US Corp.	100.0%	184	US	233 North Michigan Avenue, Suite 1980, Chicago, Illinois 60601
SCC Holdings LLC	Deloitte	Cintra Skyway LLC	55.0%	184	US	233 North Michigan Avenue, Suite 1980, Chicago, Illinois 60601
Skyway Concession Co. LLC	Deloitte	SCC Holding LLC	100.0%	406	US	233 North Michigan Avenue, Suite 1980, Chicago, Illinois 60601
Cintra ITR LLC		Cintra Holding US Corp./Cintra Texas Corp.	Between 1% and 49%	0	US	52551 Ash Road, Granger, Indiana 46530

Cintra Texas 56, LLC		Cintra Holding US Corp.	100.0%	42	US	10800 N US 183 Hwy NB, Buda, 78610, Texas
SH-130 Concession Company, LLC	Deloitte	Cintra Texas 56, LLC	65.0%	161	US	10800 N US 183 Hwy NB, Buda, 78610, Texas
Cintra LBJ, LLC		Cintra Holding US Corp.	100.0%	199	US	9600 Great Hills Trail, Suite 250E, Austin, Texas 78759
LBJ Infrastructure Group Holding, LLC		Cintra LBJ, LLC	51.0%	199	US	4545 LBJ Freeway, Dallas, 75244 Texas
LBJ Infrastructure Group	Deloitte	LBJ Infrastructure Group Holding, LLC	100.0%	389	US	4545 LBJ Freeway, Dallas, 75244 Texas
Cintra NTE, LLC		Cintra Holding US Corp.	100.0%	142	US	9600 Great Hills Trail, Suite 250E, Austin, Texas 78759
NTE Mobility Partners Holding, LLC		Cintra NTE, LLC	56.7%	142	US	9001 Airport Freeway, Suite 600, North Richland Hills, 76180 Texas
NTE Mobility Partners, LLC	Deloitte	NTE Mobility Partners Holding, LLC	100.0%	253	US	9001 Airport Freeway, Suite 600, North Richland Hills, 76180 Texas
NTE Mobility Partners Segment 2 - 4 LLC		Cintra NTE, LLC	75.0%	0	US	9600 Great Hills Trail, Suite 250E, Austin, Texas 78759
Cintra NTE Mobility Partners Seg 3, LLC		Cintra Holding US Corp.	100.0%	12	US	9600 Great Hills Trail, Suite 250E, Austin, Texas 78759
NTE Mobility Partners Seg 3 Holding, LLC		Cintra NTE Mobility Partners Seg 3, LLC	50.1%	12	US	9001 Airport Freeway, Suite 600, North Richland Hills, 76180 Texas
NTE Mobility Partners Seg 3, LLC	Deloitte	NTE Mobility Partners Seg 3 Holding, LLC	100.0%	25	US	9001 Airport Freeway, Suite 600, North Richland Hills, 76180 Texas
Cintra Toll Services, LLC		Cintra Holding US Corp.	100.0%	0	US	9600 Great Hills Trail, Suite 250E, Austin, Texas 78759
AUSTRALIA						
Cintra Developments Australia, Pty Ltd.		Cintra UK	100.0%	0	Australia	Level 5, 95 Pitt Street, NSW, 2000, Sydney
COLOMBIA						
Cintra Colombia		Cintra Infraestructuras, S.A.	100.0%	0	Colombia	AK7 71 52 IN 1 OF 504, Bogotá
UNITED KINGDOM						
Cintra UK		Cintra Infraestructuras, S.A.	100.0%	0	UK	1 Edmund Halley Road, OX4 4GB, Oxford

SERVICES

Company	Auditor	Parent	% of ownership	Net cost of ownership interest (millions of euros)	Country	Registered office
SPAIN						
Ferrovial Servicios, S.A. (a)	Deloitte	Ferrovial, S.A. (i)	99.90%	572,475	Spain	Príncipe de Vergara, 135. Madrid
Ferroser Servicios Auxiliares, S.A. (a)	Deloitte	Ferrovial Servicios, S.A. (i)	99.90%	9,778	Spain	Príncipe de Vergara, 135. Madrid
Ferroser Infraestructuras, S.A. (a)	Deloitte	Ferrovial Servicios, S.A.	100.00%	18,497	Spain	Príncipe de Vergara, 135. Madrid
Viales de Castilla y León, S.A. (a)	Deloitte	Ferroser Infraestructuras, S.A.	100.00%	259	Spain	Polígono Industrial Herverencias, fase 4, parcela 2, Ávila
Andaluza de Señalizaciones, S.A. (a)	Deloitte	Ferroser Infraestructuras, S.A.	100.00%	627	Spain	San Cristóbal, 16, Antequera (Málaga)
Autovía de Aragón Sociedad Concesionaria, S.A. (ii) (a)	Deloitte	Ferroser Infraestructuras, S.A.	60.00%	11,324	Spain	Príncipe de Vergara, 135. Madrid
FerroFin, S.L.	Deloitte	Ferrovial Servicios, S.A.	5.00%	15,000	Spain	Príncipe de Vergara, 135. Madrid
FerroFin, S.L.	Deloitte	Compañía Española de Servicios Públicos Auxiliares, S.A.	0.10%	56	Spain	Príncipe de Vergara, 135. Madrid
Sitkol, S.A. (a)		Compañía Española de Servicios Públicos Auxiliares, S.A. (i)	100.00%	4,831	Spain	Príncipe de Vergara, 135. Madrid
Empresa Mixta Almendralejo, S.A.		Compañía Española de Servicios Públicos Auxiliares, S.A.	51.00%	132	Spain	Mérida, 4. Almendralejo (Badajoz)
Gestión Medioambiental de Toledo, S.A.	Deloitte	Compañía Española de Servicios Públicos Auxiliares, S.A.	60.00%	7,683	Spain	Plaza de la Merced, 4. Toledo
Albaida Residuos, S.L. (a)	Deloitte	Cespa Gestión Residuos, S.A.	100.00%	2,330	Spain	Avda. Catedral 6-8. 08002-Barcelona
Técnicas Medioambientales Avanzadas, S.L.		Albaida Residuos, S.L.	55.00%	220	Spain	Playa de las Almadrabillas, 17 Edificio Presidente, Fase B - Almería
Tratamiento de Residuos Medioambientales, S.L.		Albaida Residuos, S.L.	54.99%	-373	Spain	Playa de las Almadrabillas, 17 Edificio Presidente, Fase B - Almería
Ayora Gestión Biogás, S.L. (a)	Deloitte	Compañía Española de Servicios Públicos Auxiliares, S.A.	80.00%	448	Spain	Rosario, 6 planta 4ª Albacete
Ecoparc de Can Mata, S.L. (a)	Deloitte	Compañía Española de Servicios Públicos Auxiliares, S.A.	100.00%	11,000	Spain	Avda. Catedral 6-8. 08002-Barcelona
Cespa Servicios Urbanos de Murcia, S.A. (a)	Deloitte	Compañía Española de Servicios Públicos Auxiliares, S.A.	100.00%	10,060	Spain	Avda. Catedral 6-8. 08002-Barcelona
Compañía Española de Servicios Públicos Auxiliares, S.A. (a)	Deloitte	Ferrovial Servicios, S.A. (i)	100.00%	560,901	Spain	Avda. Catedral 6-8. 08002-Barcelona
Cespa Jardinería, S.A. (a)	Deloitte	Compañía Española de Servicios Públicos Auxiliares, S.A.	100.00%	6,579	Spain	Henao, 20. Bilbao (Vizcaya)
Cespa Gestión Residuos, S.A. (a)	Deloitte	Compañía Española de Servicios Públicos Auxiliares, S.A.	100.00%	43,354	Spain	Avda. Catedral 6-8. 08002-Barcelona
Contenedores Reus, S.A. (a)	Deloitte	Cespa Gestión Residuos, S.A.	75.50%	-228	Spain	Camí Mas de Can Blasi s/n, Partida Mas Calbó. Reus (Tarragona)
Cespa Gestión Tratamientos de Residuos, S.A. (a)	Deloitte	Cespa Gestión Residuos, S.A.	100.00%	20,603	Spain	Avda. Catedral 6-8. 08002-Barcelona
Ingeniería Ambiental Granadina, S.A. (a)	Deloitte	Compañía Española de Servicios Públicos Auxiliares, S.A.	81.00%	2,606	Spain	Plaza de los Campos, 4 - 1ª planta 18009. Granada
Econenergía Can Mata AIE	Deloitte	Cespa Gestión Residuos, S.A.	70.00%	141	Spain	Avda. Catedral 6-8. 08002-Barcelona
Econenergía Can Mata AIE	Deloitte	Compañía Española de Servicios Públicos Auxiliares, S.A.	30.00%	54	Spain	Avda. Catedral 6-8. 08002-Barcelona
Tratamientos, Residuos y Energías Valencianas, S.A.		Cespa Gestión Residuos, S.A.	55.00%	873	Spain	Antonio Suarez, 48 Escalera 1, Entresuelo - Valencia
Oñeder, S.A.	Deloitte	Cespa Gestión Residuos, S.A.	51.61%	1,202	Spain	Egino Berri s/n. Azkoitia (Guipúzcoa)
SMART Hospital Cantabria, S.A.		Ferrovial Servicios, S.A.	85.00%	8,430	Spain	Calle La Albericia 7, Santander
Ecoparc del Mediterrani, S.A.	Deloitte	Compañía Española de Servicios Públicos Auxiliares, S.A.	48.00%	2,517		Avda. Eduard Maristany, s/n. 08930-Sant Adrià del Besós (Barcelona)
PORTUGAL						
Cespa Portugal, S.A.	Deloitte	Compañía Española de Servicios Públicos Auxiliares, S.A.	100.00%	11,813	Portugal	Avda. Severiano Falçao, Lote 2. Edificio ambiente. Prior Velho (Loures)
Ferrovial Construcoes Gestao e Manutencao, S.A.	BDO	Ferrovial Servicios, S.A.	100.00%	362	Portugal	Av. 24 de Julho. 102-E Lisbon

Citrup, Lda.	Deloitte	Cespa Portugal, S.A.	70.00%	4	Portugal	Lugar do Sendal, Freguesia de Moreira. Maia
Novipav Invesstimentos SGES, S.A.	BDO	Ferroser Infraestructuras, S.A.	100.00%	1,113	Portugal	Rua Gil Vicente, lote 33. Quinta do Serpa (Vialonga)
Sopovico Soc. Port. Vías de Com-Cons. Infraestructuras	BDO	Novipav SGPS	100.00%	18,580	Portugal	Rua Gil Vicente, lote 33. Quinta do Serpa (Vialonga)
UNITED KINGDOM						
Amey UK plc (a)	Deloitte	Ferrovial Servicios, S.A.	100.00%	310,753	UK	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Amey plc	BDO LLP	Amey UK plc	100.00%	-	UK	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Amey plc (c.3)	BDO LLP	Ferrovial Servicios, S.A.	100.00%	-	UK	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
TPI Holdings Limited	Deloitte	Amey OW Limited	100.00%	-	UK	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Transportation Planning International Limited	Deloitte	TPI Holdings Limited	100.00%	-	UK	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Amey Airports Ltd.		Amey plc	100.00%	-	UK	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Amey Building Ltd.	Deloitte	Amey plc	100.00%	-	UK	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Amey Community Ltd.	Deloitte	Amey plc	100.00%	-	UK	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Amey Construction Ltd.	Deloitte	Amey plc	100.00%	-	UK	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Amey Datel Ltd.	Deloitte	Amey OW Ltd.	100.00%	-	UK	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Amey Facilities Partners Ltd.	BDO	Comax Holdings Ltd.	100.00%	-	UK	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Amey Fleet Services Ltd.	Deloitte	Amey plc	100.00%	-	UK	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Amey Group Information Services Ltd.	Deloitte	Amey plc	100.00%	-	UK	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Amey Group Services Ltd.	Deloitte	Amey plc	100.00%	-	UK	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Amey Highways Ltd.	Deloitte	Amey plc	100.00%	-	UK	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Amey Insurance Company PCC Ltd.	Deloitte	Amey plc	100.00%	-	UK	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Amey Investments Ltd.	Deloitte	Amey plc	100.00%	-	UK	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Amey IT Services Ltd.	Deloitte	Amey plc	100.00%	-	UK	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Amey LG Ltd.	Deloitte	Amey plc	100.00%	-	UK	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Amey LUL 2 Ltd.	Deloitte	Amey Tube Ltd.	100.00%	-	UK	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Amey Mechanical & Electrical Services Ltd.	Deloitte	Amey Community Limited	100.00%	-	UK	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Amey OW Group Ltd.	Deloitte	Amey plc	100.00%	-	UK	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Amey OW Ltd.	Deloitte	Amey OW Group Ltd.	100.00%	-	UK	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Amey OWR Ltd.	Deloitte	Amey OW Group Ltd.	100.00%	-	UK	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Amey plc (c.3)	Deloitte	Amey UK plc	100.00%	-	UK	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Amey Programme Management Ltd.	Deloitte	Amey plc	100.00%	-	UK	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Amey Rail Ltd.	Deloitte	Amey plc	100.00%	-	UK	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Amey Railways Holding Ltd.		Amey plc	100.00%	-	UK	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Amey Roads (North Lanarkshire) Ltd.	BDO LLP	Amey LG Ltd.	66.67%	-	UK	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Amey Services Ltd.	Deloitte	Amey plc	100.00%	-	UK	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Amey Technology Services Ltd.		Amey plc	100.00%	-	UK	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Amey Tramlink Ltd.		Amey Technololgy Services, Ltd.	100.00%	-	UK	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Amey Tube Ltd.	Deloitte	JNP Ventures Ltd.	100.00%	-	UK	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Amey Ventures Asset Holdings Ltd.	Deloitte	Amey Investments Ltd.	100.00%	-	UK	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Amey Ventures Ltd.	Deloitte	Amey plc	100.00%	-	UK	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Amey Ventures Management Services Ltd.	Deloitte	Amey Investments Ltd.	100.00%	-	UK	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Amey Wye Valley Ltd.	BDO LLP	Amey LG Ltd.	80.00%	-	UK	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Comax Holdings Ltd.	Deloitte	Amey plc	100.00%	-	UK	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
JNP Ventures 2 Ltd.	Deloitte	Amey Tube Ltd.	100.00%	-	UK	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
JNP Ventures Ltd.	Deloitte	Amey Ventures Ltd.	100.00%	-	UK	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Sherard Secretariat Services Ltd.	Deloitte	Amey plc	100.00%	-	UK	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Wimco Ltd.		Amey Railways Holding Ltd.	100.00%	-	UK	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Amey Public Services LLP	BDO LLP	Amey LG Ltd.	66.67%	-	UK	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Nationwide Distribution Services Limited	BDO LLP	Amey LG Ltd.	100.00%	-	UK	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
AmeyCespa (MK) ODC Limited		AmeyCespa Limited	100.00%	-	UK	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
AmeyCespa (AWRP) Holding Co. Limited		Amey Ventures Asset Holdings Limited	100.00%	-	UK	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
AmeyCespa (AWRP) SPV Limited		AmeyCespa (AWRP) Holding Co. Limited	100.00%	-	UK	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Amey Consulting USA, Inc.		Amey OW Limited	100.00%	-	UK	Corporation Trust Centre, 1209 Orange St, Wilmington, New Castle,19801, DE, USA
Amey Consulting Australia, Pty Limited		Amey OW Limited	100.00%	-	UK	181 William Street, Melbourne, VIC 3000, Australia
A.R.M. Services Group Limited	Deloitte	Enterprise Holding Company No 1 Limited	100.00%	-	UK	Lancaster House, Centurion Way, Leyland, Lancs, PR26 6TX
Access Hire Services Limited	Deloitte	Enterprise Managed Services Limited	100.00%	-	UK	Lancaster House, Centurion Way, Leyland, Lancs, PR26 6TX
Accord Asset Management Limited	Deloitte	Accord Limited	100.00%	-	UK	Lancaster House, Centurion Way, Leyland, Lancs, PR26 6TX
Accord Consulting Services Limited	Deloitte	Accord Limited	100.00%	-	UK	Lancaster House, Centurion Way, Leyland, Lancs, PR26 6TX
Accord Environmental Services Limited		Accord Limited	100.00%	-	UK	Lancaster House, Centurion Way, Leyland, Lancs, PR26 6TX
Accord Leasing Limited	Deloitte	Accord Limited	100.00%	-	UK	Lancaster House, Centurion Way, Leyland, Lancs, PR26 6TX
Accord Limited	Deloitte	Enterprise Limited	100.00%	-	UK	Lancaster House, Centurion Way, Leyland, Lancs, PR26 6TX
Accord Network Management Limited	Deloitte	Accord Asset Management Limited	100.00%	-	UK	Lancaster House, Centurion Way, Leyland, Lancs, PR26 6TX
Arkeco Environmental Services Limited	Deloitte	MRS Environmental Services Limited	100.00%	-	UK	Lancaster House, Centurion Way, Leyland, Lancs, PR26 6TX

Brophy Enterprise Limited		Brophy Grounds Maintenance Limited	100.00%	-	UK	Lancaster House, Centurion Way, Leyland, Lancs, PR26 6TX
Brophy Grounds Maintenance Limited	Deloitte	Enterprise Public Services Limited	100.00%	-	UK	Lancaster House, Centurion Way, Leyland, Lancs, PR26 6TX
Byzak Contractors (Scotland) Limited		Byzak Limited	100.00%	-	UK	2A-E International House, Stanley Boulevard, Hamilton International Technology Park, High Blantyre, Glasgow, G72 0BN
Byzak Limited	Deloitte	Globemile Limited	100.00%	-	UK	Lancaster House, Centurion Way, Leyland, Lancs, PR26 6TX
C.F.M. Building Services Limited (registered in Scotland)	Deloitte	Enterprise Managed Services Limited	100.00%	-	UK	2A-E International House, Stanley Boulevard, Hamilton International Technology Park, High Blantyre, Glasgow, G72 0BN
CCMR Limited	Deloitte	Enterprise Holding Company No 1 Limited	100.00%	-	UK	Lancaster House, Centurion Way, Leyland, Lancs, PR26 6TX
Countrywide Property Inspections Limited	Deloitte	Durley Group Holdings Limited	100.00%	-	UK	Lancaster House, Centurion Way, Leyland, Lancs, PR26 6TX
CRW Maintenance Limited	Deloitte	Enterprise Holding Company No 1 Limited	100.00%	-	UK	Lancaster House, Centurion Way, Leyland, Lancs, PR26 6TX
Datamerse Limited		Durley Group Holdings Limited	100.00%	-	UK	Lancaster House, Centurion Way, Leyland, Lancs, PR26 6TX
Durley Group Holdings Limited	Deloitte	Enterprise Holding Company No 1 Limited	100.00%	-	UK	Lancaster House, Centurion Way, Leyland, Lancs, PR26 6TX
Enterprise (AOL) Limited	Deloitte	Accord Limited	100.00%	-	UK	Lancaster House, Centurion Way, Leyland, Lancs, PR26 6TX
Enterprise (ERS) Limited	Deloitte	Trinity Group Holdings Limited	100.00%	-	UK	Lancaster House, Centurion Way, Leyland, Lancs, PR26 6TX
Enterprise (Venture Partner) Limited	Deloitte	Enterprise Holding Company No 1 Limited	100.00%	-	UK	Lancaster House, Centurion Way, Leyland, Lancs, PR26 6TX
Enterprise Building Services Limited	Deloitte	First Claims Response (Manchester) Limited	100.00%	-	UK	Lancaster House, Centurion Way, Leyland, Lancs, PR26 6TX
Enterprise Consulting and Solutions Limited		Enterprise Holding Company No. 1 Limited	100.00%	-	UK	Lancaster House, Centurion Way, Leyland, Lancs, PR26 6TX
Enterprise Foundation (ETR) Limited		Enterprise Holding Company No. 1 Ltd (Member only)	100.00%	-	UK	Lancaster House, Centurion Way, Leyland, Lancs, PR26 6TX
Enterprise Holding Company No.1 Limited	Deloitte	Enterprise Limited	100.00%	-	UK	Lancaster House, Centurion Way, Leyland, Lancs, PR26 6TX
Enterprise Lighting Services Limited	Deloitte	Enterprise Holding Company No. 1 Limited	100.00%	-	UK	Lancaster House, Centurion Way, Leyland, Lancs, PR26 6TX
Enterprise Maintenance Services Limited	Deloitte	First Claims Response (Manchester) Limited	100.00%	-	UK	Lancaster House, Centurion Way, Leyland, Lancs, PR26 6TX
Enterprise Managed Services (BPS) Limited	Deloitte	Enterprise Managed Services Limited	100.00%	-	UK	Lancaster House, Centurion Way, Leyland, Lancs, PR26 6TX
Enterprise Managed Services (E&CS) Limited	Deloitte	Enterprise Managed Services Limited	100.00%	-	UK	Lancaster House, Centurion Way, Leyland, Lancs, PR26 6TX
Enterprise Managed Services Limited	Deloitte	Enterprise Utility Services Limited	100.00%	-	UK	Lancaster House, Centurion Way, Leyland, Lancs, PR26 6TX
Enterprise Limited	Deloitte	Amey plc	100.00%	-	UK	Lancaster House, Centurion Way, Leyland, Lancs, PR26 6TX
Enterprise Power Services Limited	Deloitte	Enterprise Managed Services Limited	100.00%	-	UK	Lancaster House, Centurion Way, Leyland, Lancs, PR26 6TX
Enterprise Public Services Limited	Deloitte	Enterprise Holding Company No. 1 Limited	100.00%	-	UK	Lancaster House, Centurion Way, Leyland, Lancs, PR26 6TX
Enterprise Security Support Services Limited		Accord Limited	100.00%	-	UK	Lancaster House, Centurion Way, Leyland, Lancs, PR26 6TX
Enterprise Transport Services Limited		Accord Limited	100.00%	-	UK	Lancaster House, Centurion Way, Leyland, Lancs, PR26 6TX
Enterprise Utility Services (DCE) Limited	Deloitte	Enterprise Holding Company No. 1 Limited	100.00%	-	UK	Lancaster House, Centurion Way, Leyland, Lancs, PR26 6TX
Enterprise Utility Services (Holdings) Limited		Enterprise Holding Company No. 1 Limited	100.00%	-	UK	Lancaster House, Centurion Way, Leyland, Lancs, PR26 6TX
Enterprise Utility Services (TBC) Limited	Deloitte	Enterprise Holding Company No. 1 Limited	100.00%	-	UK	Lancaster House, Centurion Way, Leyland, Lancs, PR26 6TX
Enterprise Utility Services Limited	Deloitte	ARM Services Group Limited	100.00%	-	UK	Lancaster House, Centurion Way, Leyland, Lancs, PR26 6TX
Enterprisekeepmoat Limited		Accord Limited	100.00%	-	UK	Lancaster House, Centurion Way, Leyland, Lancs, PR26 6TX
Enterprise-Peterborough Limited		Accord Limited	100.00%	-	UK	Lancaster House, Centurion Way, Leyland, Lancs, PR26 6TX
First Claims Response (Manchester) Limited	Deloitte	Enterprise Holding Company No. 1 Limited	100.00%	-	UK	Lancaster House, Centurion Way, Leyland, Lancs, PR26 6TX
First Claims Response Limited	Deloitte	First Claims Response (Manchester) Limited	100.00%	-	UK	Lancaster House, Centurion Way, Leyland, Lancs, PR26 6TX
Fleet and Plant Hire Limited	Deloitte	Enterprise Managed Services Limited	100.00%	-	UK	The Matchworks, Units 3-7, Speke Road, Garston, Liverpool, Merseyside, L19 2PH
Globemile Limited	Deloitte	Enterprise Managed Services Limited	100.00%	-	UK	Lancaster House, Centurion Way, Leyland, Lancs, PR26 6TX
Haringey Enterprise Limited	Deloitte	Accord Limited	100.00%	-	UK	Lancaster House, Centurion Way, Leyland, Lancs, PR26 6TX
Heating and Building Maintenance Company Limited	Deloitte	Enterprise Holding Company No. 1 Limited	100.00%	-	UK	Lancaster House, Centurion Way, Leyland, Lancs, PR26 6TX
Hillcrest Developments (Yorkshire) Limited	Deloitte	Durley Group Holdings Limited	100.00%	-	UK	Lancaster House, Centurion Way, Leyland, Lancs, PR26 6TX
ICE Developments Limited		Enterprise Holding Company No. 1 Limited	100.00%	-	UK	Lancaster House, Centurion Way, Leyland, Lancs, PR26 6TX
J J McGinley Limited	Deloitte	Enterprise Holding Company No. 1 Limited	100.00%	-	UK	Lancaster House, Centurion Way, Leyland, Lancs, PR26 6TX
JDM Accord Limited		Accord Limited	100.00%	-	UK	Lancaster House, Centurion Way, Leyland, Lancs, PR26 6TX
Lancashire Enterprises (Europe) Limited		Enterprise Holding Company No. 1 Limited	100.00%	-	UK	Lancaster House, Centurion Way, Leyland, Lancs, PR26 6TX
MRS Environmental Services Limited	Deloitte	Enterprise Holding Company No. 1 Limited	100.00%	-	UK	Lancaster House, Centurion Way, Leyland, Lancs, PR26 6TX
MRS St Albans Limited	Deloitte	MRS Environmental Services Limited	100.00%	-	UK	Lancaster House, Centurion Way, Leyland, Lancs, PR26 6TX
Prism Research Limited		Enterprise Holding Company No. 1 Limited	100.00%	-	UK	Lancaster House, Centurion Way, Leyland, Lancs, PR26 6TX
Rhoburt Street Lighting Limited		Enterprise Public Services Limited	100.00%	-	UK	Lancaster House, Centurion Way, Leyland, Lancs, PR26 6TX
Schofield Lothian Group Limited		Accord Limited	100.00%	-	UK	Lancaster House, Centurion Way, Leyland, Lancs, PR26 6TX
Trinity Group Holdings Limited	Deloitte	Enterprise Holding Company No. 1 Limited	100.00%	-	UK	Lancaster House, Centurion Way, Leyland, Lancs, PR26 6TX
TSG Services Limited		Trinity Group Holdings Limited	100.00%	-	UK	Lancaster House, Centurion Way, Leyland, Lancs, PR26 6TX
W.M.Y. Consulting Limited		Enterprise Holding Company No. 1 Limited	100.00%	-	UK	Lancaster House, Centurion Way, Leyland, Lancs, PR26 6TX
Zaxco Limited		Globemile Limited	100.00%	-	UK	Lancaster House, Centurion Way, Leyland, Lancs, PR26 6TX
66/70 South Lambeth Road Management Co. Limited		Ice Developments Limited	50.00%	-	UK	Lancaster House, Centurion Way, Leyland, Lancs, PR26 6TX
Enterprise Business Solutions 2000 Limited	Deloitte	Enterprise Holding Company No. 1 Limited	90.00%	-	UK	Lancaster House, Centurion Way, Leyland, Lancs, PR26 6TX
Enterprise Islington Limited	Deloitte	Accord Limited	99.00%	-	UK	Lancaster House, Centurion Way, Leyland, Lancs, PR26 6TX
Enterprise-Liverpool Limited	Deloitte	Enterprise Public Services Ltd.	80.00%	-	UK	Newton Road, Liverpool, Merseyside L13 3HS
Enterprise Manchester Partnership Limited	Deloitte	Enterprise Managed Services Limited	80.00%	-	UK	Lancaster House, Centurion Way, Leyland, Lancs, PR26 6TX
Newhall Refurbishments Limited	In-House	Enterprise Holding Company No. 1 Limited	50.00%	-	UK	Bridge Place, Anchor Boulevard, Admirals Park Crossways, Dartford, Kent DA2 6S
Slough Enterprise Limited	Deloitte	Accord Environmental Services Limited	99.00%	-	UK	Lancaster House, Centurion Way, Leyland, Lancs, PR26 6TX
Enterprise South Liverpool Academy	HBD Accountancy Services	Member only (not-for-profit company)		-	UK	Lancaster House, Centurion Way, Leyland, Lancs, PR26 6TX

Enterprise Fleet Limited	In-House	Enterprise Managed Services Limited	54.50%	-	UK	Lancaster House, Centurion Way, Leyland, Lancs, PR26 6TX
AmeyCespa, Ltd.	BDO LLP	Amey LG Ltd.	50.00%	-	UK	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
AmeyCespa, Ltd.	BDO LLP	Cespa UK, S.A.	50.00%	-	UK	The Sherard Building, Edmund Halley Road, Oxford
AmeyCespa (East) Holdings Limited	BDO LLP	AmeyCespa, Ltd.	100.00%	-	UK	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
AmeyCespa (East) Limited	BDO LLP	AmeyCespa (East) Holdings Limited	100.00%	56,426	UK	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
AmeyCespa Services (East) Limited	BDO LLP	AmeyCespa (East) Limited	100.00%	-	UK	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
AmeyCespa WM (East) Limited	BDO LLP	AmeyCespa Services (East) Limited	100.00%	117	UK	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Allerton Waste Recovery Park Interim SPV Limited	BDO LLP	AmeyCespa Limited	100.00%	-	UK	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
AmeyCespa (MK) Holding Co. Limited		Amey Ventures Asset Holdings Limited	50.00%	-	UK	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
AmeyCespa (MK) SPV Limited		AmeyCespa (MK) Holding Co. Limited	100.00%	29	UK	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Cespa Ventures, Ltd.	Deloitte	Cespa UK, S.A.	100.00%	33	UK	The Sherard Building, Edmund Halley Road, Oxford
Cespa UK, S.A.	Deloitte	Compañía Española de Servicios Públicos Auxiliares, S.A.	100.00%	8,035	UK	The Sherard Building, Edmund Halley Road, Oxford
CHILE						
Grupisa Chile, S.A.		Ferrovial Servicios, S.A. (i)	66.00%	-	Chile	Andrés Bello 2711 P18 Las Condes-Santiago
Ferrovial Servicios Chile, S.L.		Ferrovial Servicios, S.A.	78.00%	6,039	Chile	Andrés Bello 2711 P18 Las Condes-Santiago
Ferrovial Servicios Chile, S.L.		Ferroser Infraestructuras, S.A.	11.00%	794	Chile	Andrés Bello 2711 P18 Las Condes-Santiago
Ferrovial Servicios Chile, S.L.		Compañía Española de Servicios Públicos Auxiliares, S.A.	11.00%	793	Chile	Andrés Bello 2711 P18 Las Condes-Santiago
Ferrovial Servicios Salud, S.L.		Ferrovial Servicios, S.A.	99.90%	11	Chile	Andrés Bello 2711 P18 Las Condes-Santiago
Ferrovial Servicios Salud, S.L.		Ferroser Infraestructuras, S.A.	0.10%	0	Chile	Andrés Bello 2711 P18 Las Condes-Santiago
Steel Ingeniería, S.A.	Deloitte	Ferrovial Servicios Chile, S.L.	100.00%	20,013	Chile	Los Aromos 36 Jardines Familiares - Los Andes
POLAND						
FBSerwis, S.A.	Deloitte	Ferrovial Servicios, S.A.	51.00%	1,875	Poland	Ul. Stawki 40, 01-040 Warsaw
FBSerwis, S.A.	Deloitte	Budimex, S.A.	49.00%	1,802	Poland	Ul. Stawki 40, 01-040 Warsaw
Elektromontaż Poznań, S.A.		Budimex, S.A.	50.66%	0	Poland	60-166 Poznań ul. Wieruszowska 12/16
MOROCCO						
Cespa Nadafa, S.A.R.L.		Compañía Española de Servicios Públicos Auxiliares, S.A.	98.76%	-1,030	Morocco	Siège Social Villa Daryam, Lot 23 Golf, Cap Spartel - Tangiers
Cespa Nadafa, S.A.R.L.		Cespa Gestión Residuos, S.A.	0.74%	-8	Morocco	Siège Social Villa Daryam, Lot 23 Golf, Cap Spartel - Tangiers
IRELAND						
Landmille, Ltd.	Deloitte	Ferrovial Servicios, S.A.	100.00%	521,151	Ireland	Eurolink Motorway Toll Plaza, Cappagh, Nicholastown, Kilcock, Co. Kildare
COLOMBIA						
Ferrovial Servicios Colombia, S.A.S.		Ferrovial Servicios, S.A.	100.00%	49.95	Colombia	Bogotá
Ferrovial Servicios Públicos Colombia, SAS ESP		Ferrovial Servicios, S.A.	40.00%	1.86	Colombia	Bogotá
Ferrovial Servicios Públicos Colombia, SAS ESP		Compañía Española de Servicios Públicos Auxiliares, S.A.	21.00%	0.98	Colombia	Bogotá
Ferrovial Servicios Públicos Colombia, SAS ESP		Cespa Gestión Residuos, S.A.	21.00%	0.98	Colombia	Bogotá
Ferrovial Servicios Públicos Colombia, SAS ESP		Ferroser Infraestructuras, S.A.	15.00%	0.70	Colombia	Bogotá
Ferrovial Servicios Públicos Colombia, SAS ESP		Ferrovial Servicios Colombia, S.A.S.	3.00%	0.14	Colombia	Bogotá

REAL ESTATE

Company	Auditor	Parent	% of ownership	Net cost of ownership interest (millions of euros)	Country	Registered office
SPAIN						
Grimaldi Invest, S.L. (a)		Ferrovial, S.A. (i)	100.0%	14	Spain	Naritaweg 165, 1043 BW, Amsterdam
Ferrovial FISA, S.L. (a)		Ferrovial, S.A. (i)	100.0%	72	Spain	Príncipe de Vergara, 135, 28002, Madrid

(i) Remaining ownership interest through Can-am, S.A.U.
(ii) The remaining percentage is owned by Ferrovial Agromán, S.A. (25%) and Ferrovial, S.A. (15%)
(iii) The remaining percentage is owned by Ferrovial Agromán (19%), Ferrovial Aeropuertos (13%), Ferrovial Servicios (1%), Ferrovial FISA, S.L. (0.002%), Finecofer (0.004%) and Cespa (0.004%)
(a) Belong to tax group of Ferrovial, S.A. and subsidiaries
(b) Belong to tax group of Cintra Concesiones de Infraestructuras de Transporte, S.A.
(c) Belong to tax group of Inversora de Autopistas del Sur, S.L.
(d) Belong to tax group of Inversora de Autopistas de Levante, S.L.

APPENDIX I (continued)

ASSOCIATES (companies accounted for using the equity method)

(Millions of euros)

CONSTRUCTION

Company	Auditor	Parent	% of ownership	Equity-accounted value	Country	Assets	Liabilities	Revenue	Profit/Loss	Address
						Millions of euros				
SPAIN										
Boremer, S.A.	Deloitte	Cadagua, S.A.	50.0%	1	Spain	23	20	17	-2	Ribera del Loira, 42, 28042, Madrid
Investments in associates - Ferrovial Agromán (*)	Deloitte	Ferrovial Agromán, S.A.	between 22% and 50.0%	2	Spain	367	298	34	-4	-
POLAND										
Investments in associates - Budimex (*)		Budimex, S.A.	between 26.0% and 49.0%	1	Poland	7	6	6	-2	-
OMAN										
Muscat City Desalination Company SAOC	Deloitte	Cadagua, S.A.	10.00%	0	Oman	94	93	0	0	P.O. Box 1935, 114, North Ghubrah

AIRPORTS

Company	Auditor	Parent	% of ownership	Equity-accounted value	Country	Assets	Liabilities	Revenue	Profit/Loss	Address
UNITED KINGDOM										
FGP Topco Limited	Deloitte	Hubco Netherlands, B.V.	25.00%	1,261	UK	24,081	19,037	3,160	917	The Compass Centre, Nelson Road, Hounslow, Middlesex, TW6 2GW

TOLL ROADS

Company	Auditor	Parent	% of ownership	Equity-accounted value	Country	Assets	Liabilities	Revenue	Profit/Loss	Address
SPAIN										
Serrano Park, S.A.	Deloitte	Cintra Infraestructuras, S.A.	50.00%	-14	Spain	108	104	5	-4	Plaza Manuel Gómez Moreno, 2. Edificio Alfredo Mahou, 28020, Madrid
A-334 Autovía del Almanzora	Ernst & Young	Cintra Infraestructuras, S.A.	23.75%	1	Spain	7	4	1	0	Carretera de la Esclusa, nº 3, 41011, Seville
A66 Benavente - Zamora	Deloitte	Cintra Infraestructuras, S.A.	25.0%	2	Spain	51	41	47	1	Plaza Manuel Gómez Moreno, 2. Edificio Alfredo Mahou, 28020, Madrid
CANADA										
407 International Inc./407 East Development GGP	Deloitte	4352238 Cintra Canada Inc.	43.23%/50%	2,260	Canada	3,870	5,023	670	246	Operation Center 6300 Steels Avenue West Woodbridge, Ontario L4H 1J1
UNITED STATES										
ITR Concession Company, LLC	Deloitte	ITR Concession Company Holdings	49.00%	0	US	3,764	3,542	155	0	52551 Ash Road, 46530 Granger, Indiana
GREECE										
Nea Odos, S.A.	Deloitte	Ferrovial, S.A.	33.33%	0	Greece	448	119	56	0	Nea Odos Themistokleous, 87, 10683
Central Greece Motorway	Deloitte	Ferrovial, S.A.	33.34%	0	Greece	774	442	8	0	1st Km Lamia, Athens
Hellas Tolls, S.A.		Ferrovial, S.A.	33.34%	0	Greece	0	1	2	0	13 Sorou Street, Athens

SERVICES

Company	Auditor	Parent	% of ownership	Equity-accounted value	Country	Assets	Liabilities	Revenue	Profit/Loss	Address
SPAIN										
Concesionaria Madrid Calle 30, S.A.	KPMG	Empresa de Mantenimiento y Explotación M-30, S.A.	10.00%	10	Spain	548,627	548,627	125,549	56,983	Calle Méndez Alvaro, 95, Madrid

Ingeniería Urbana, S.A.	Deloitte	Compañía Española de Servicios Públicos Auxiliares, S.A.	35.00%	7	Spain	33,592	33,592	27,754	270	Pol. Ind. Pla de la Vallonga, parcela 92. 03006 Alicante
Reciclados y Compostaje Piedra Negra, S.A.	Deloitte	Cespa Gestión Residuos, S.A.	49.00%	4	Spain	16,387	16,387	6,950	362	Partida El Feliu. Pasaje Piedra Negra s/n. Ctra Nacional 340, Km. 761.75. Xixona (Alicante)
Investments in associates - Services (*)			between 9.20% and 50.00%	5	Spain	272,956	272,956	62,437	8,775	-
PORTUGAL										
Investments in associates - Compañía Española de Servicios Públicos Auxiliares, S.A. (*)		Cespa Portugal, S.A.	between 20.00% and 50.00%	1	Portugal	21,560	19,432	2,876	-116	-
UNITED KINGDOM										
Investments in associates - Amey (*)			0.33%/50.00%	19	UK	222,090	226,890	244,317	6,436	-
QATAR										
Investments in associates - Ferrovial Servicios (*)	Deloitte	Ferrovial Servicios, S.A.	49.00%	2	Qatar	35,847	35,847	18,462	3,707	-

REAL ESTATE

Company	Auditor	Parent	% of ownership	Equity-accounted value	Country	Assets	Liabilities	Revenue	Profit/Loss	Address
SPAIN										
Promociones Hábitat (i)		Ferrovial FISA, S.A.	20.00%	0	Spain	0	0	0	0	Avenida Diagonal, 458, 08006 Barcelona
Total equity-accounted value				**3,562**						

(i) Information on auditor not available
(*) Relate to all the investments in associates of the Amey Group, the Budimex Group, Cespa, Ferrovial Agromán and Ferrovial Servicios, and the assets, liabilities, revenue and profit/loss correspond to the total aggregate figures.

36. Explanation added for translation to English

These consolidated financial statements are presented on the basis of the regulatory financial reporting framework applicable to the Group (see Note 2.1). Certain accounting practices applied by the Group that conform with that regulatory framework may not conform with other generally accepted accounting principles and rules.

The foregoing pages contain the consolidated financial statements of FERROVIAL, S.A. -i.e. the consolidated statement of financial position, consolidated income statement, consolidated statement of changes in equity, consolidated statement of cash flows and notes to the consolidated financial statements- for the year ended 31 December 2013, which were authorised for issue by the Company's Board of Directors at the meeting held in Madrid on 25 February 2014 and which, pursuant to Article 253 of the Spanish Limited Liability Companies Law, are signed below by all the directors who attended the meeting.

Rafael del Pino y Calvo-Sotelo
Chairman

Santiago Bergareche Busquet
Deputy Chairman

Joaquín Ayuso García
Deputy Chairman

Íñigo Meirás Amusco
CEO

Jaime Carvajal Urquijo
Director

Leopoldo del Pino y Calvo-Sotelo
Director
for Portman Baela, S.L.

Juan Arena de la Mora
Director

Gabriele Burgio
Director

María del Pino y Calvo-Sotelo
Director

Santiago Fernández Valbuena
Director

José Fernando Sánchez-Junco Mans
Director

Joaquín del Pino y Calvo-Sotelo
Director
for Karlovy, S.L.

Certificate issued by the Secretary of the Board of Directors attesting that Santiago Fernández Valbuena did not sign this document due to absence for unavoidable professional obligations and that he appointed the Chairman of the Board of Directors as his proxy.

Santiago Ortiz Vaamonde
Secretary of the Board of Directors