60 años

ferrovial

2012 consolidated financial statements

Ferrovial, S.A. and Subsidiaries

Board of Directors
19 February 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 38). In the event of a discrepancy, the Spanish-language version prevails.

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION FOR 2012 AND 2011

Assets (Millions of euros)	Notes	2012	2011
Non-current assets		**16,638**	**17,500**
Goodwill	5	1,487	1,482
Intangible assets	6	116	103
Investments in infrastructure projects	7	6,755	5,960
Investment property		35	64
Property, plant and equipment	8	507	627
Investments in associates	9	4,304	5,199
Non-current financial assets	10	1,668	1,912
Accounts receivable relating to infrastructure projects		1,334	1,279
Available-for-sale financial assets		1	0
Restricted cash		148	390
Other receivables		186	243
Deferred tax assets	21	1,609	2,018
Non-current derivative financial instruments at fair value	11	158	134
Current assets		**5,580**	**5,452**
Assets classified as held for sale		2	2
Inventories	12	394	427
Trade and other receivables	13	2,203	2,673
Trade receivables for sales and services		1,647	2,083
Other receivables		436	539
Current tax assets		120	50
Cash and cash equivalents	18	2,972	2,349
Infrastructure project companies		237	188
Restricted cash		25	24
Other cash and cash equivalents		212	164
Other companies		2,735	2,161
Current derivative financial instruments at fair value	11	8	1
TOTAL ASSETS		**22,217**	**22,951**

Equity and liabilities (Millions of euros)	Notes	2012	2011
Equity	14	**5,762**	**6,246**
Equity attributable to the equity holders		**5,642**	**6,113**
Equity attributable to non-controlling interests		121	133
Deferred income	15	**356**	**292**
Non-current liabilities		**11,117**	**10,806**
Pension plan deficit	16	105	110
Long-term provisions	17	1,166	1,010
Borrowings	18	6,996	6,695
Debt securities and bank borrowings of infrastructure projects		5,825	5,503
Bank borrowings of other companies		1,171	1,192
Other payables	19	203	179
Deferred tax liabilities	21	1,080	1,298
Derivative financial instruments at fair value	11	1,567	1,514
Current liabilities		**4,982**	**5,606**
Borrowings	18	1,229	1,214
Debt securities and bank borrowings of infrastructure projects		1,168	1,145
Bank borrowings of other companies		61	69
Derivative financial instruments at fair value	11	65	7
Trade and other payables	20	3,273	3,882
Trade payables		2,648	3,223
Current tax liabilities		75	51
Other non-trade payables		549	608
Operating provisions and allowances	17	415	502
TOTAL EQUITY AND LIABILITIES		**22,217**	**22,951**

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 38 and Appendix I are an integral part of the consolidated statement of financial position at 31 December 2012.

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 38). In the event of a discrepancy, the Spanish-language version prevails.

CONSOLIDATED INCOME STATEMENTS FOR 2012 AND 2011

		2012			2011		
Millions of euros	Notes	**Before fair value adjustments**	**Fair value adjustments (*)**	**Total 2012**	**Before fair value adjustments**	**Fair value adjustments (*)**	**Total 2011**
Revenue		7,686	0	7,686	7,446	0	7,446
Other operating income		17	0	17	15	0	15
Total operating income	25	**7,703**	**0**	**7,703**	**7,461**	**0**	**7,461**
Materials consumed		1,299	0	1,299	1,299	0	1,299
Staff costs	26	2,142	0	2,142	2,018	0	2,018
Other operating expenses		3,335	0	3,335	3,326	0	3,326
Total operating expenses		**6,776**	**0**	**6,776**	**6,643**	**0**	**6,643**
Gross profit from operations		**927**	**0**	**927**	**817**	**0**	**817**
Depreciation and amortisation charge		219	0	219	192	0	192
Profit from operations before impairment and non-current asset disposals		**708**	**0**	**708**	**625**	**0**	**625**
Impairment and disposals of non-current assets	24	115	-63	52	229	-130	99
Profit from operations		**823**	**-63**	**760**	**854**	**-130**	**724**
Financial result on financing		-298	*0*	-298	-265	0	-265
Result on derivatives and other financial results		-6	2	-4	-11	-3	-13
Financial result of infrastructure projects		-304	**2**	**-302**	**-276**	**-3**	**-279**
Financial result on financing		-26	0	-26	-82	0	-82
Result on derivatives and other financial results		-7	46	38	-2	60	58
Financial result of other companies		**-34**	**46**	**12**	**-84**	**60**	**-25**
Financial result	27	**-338**	**48**	**-290**	**-360**	**57**	**-303**
Share of profits of companies accounted for using the equity method	9	222	62	284	18	1	20
Consolidated profit before tax		**707**	**47**	**754**	**512**	**-72**	**440**
Income tax	21	-108	0	-108	-63	2	-61
Consolidated profit from continuing operations		**599**	**47**	**646**	**449**	**-70**	**379**
Net profit from discontinued operations	28	0	0	0	165	679	844
Consolidated profit for the year		**599**	**47**	**646**	**614**	**609**	**1,223**
Loss for the year attributable to non-controlling interests		60	3	64	0	20	19
Profit for the year attributable to the Parent		**660**	**50**	**710**	**614**	**629**	**1,243**

Net earnings per share attributable to the Parent	29		
Basic		0.97	1.69
Diluted		0.97	1.69

(*) Relating to gains and losses arising from changes in the fair value of derivatives, other financial assets and liabilities and asset and liability impairment (see Note 24). The accompanying Notes 1 to 38 and Appendix I are an integral part of the consolidated income statement for the year ended 31 December 2012.

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 38). In the event of a discrepancy, the Spanish-language version prevails.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR 2012 AND 2011

	Millions of euros	
	2012	**2011**
a) Consolidated profit for the year	**646**	**1,223**
Attributable to the Parent	710	1,243
Attributable to non-controlling interests	-64	-19
b) Income and expense recognised directly in equity	**-228**	**-541**
Fully consolidated companies	**-185**	**-396**
Impact on reserves of hedging instruments	-100	-494
Impact on reserves of defined benefit plans (*)	-29	-73
Translation differences	-13	22
Tax effect	-43	149
Companies accounted for using the equity method/discontinued operations	**-43**	**-145**
Impact on reserves of hedging instruments	-37	-210
Impact on reserves of defined benefit plans (*)	-122	3
Translation differences	92	25
Tax effect	24	38
c) Transfers to profit or loss	**-24**	**433**
Fully consolidated companies	-21	-63
Companies accounted for using the equity method/discontinued operations	-2	497
a+b+c) TOTAL COMPREHENSIVE INCOME	**394**	**1,116**
Attributable to the Parent	464	1,288
Attributable to non-controlling interests	-70	-171

The accompanying Notes 1 to 38 and Appendix I are an integral part of the consolidated statement of comprehensive income for the year ended 31 December 2012.

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

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR 2012 AND 2011

	2012								
Millions of euros	Share capital	Share premium	Merger premium	Treasury shares	Valuation adjustments	Retained earnings and other reserves	**Attributable to equity holders**	**Attributable to non-controlling interests**	**Total equity**
Balance at 31/12/11	**147**	**1,202**	**1,821**	**0**	**-638**	**3,582**	**6,113**	**133**	**6,246**
Consolidated profit for the year						710	**710**	-64	**646**
Income and expense recognised in equity					-246		-246	-6	**-252**
Total recognised income and expense	**0**	**0**	**0**	**0**	**-246**	**710**	**464**	**-70**	**394**
Dividends paid			-183			-734	-917	-28	**-945**
Capital increases/reductions						0	0	125	**125**
Transactions with shareholders	**0**	**0**	**-183**	**0**	**0**	**-734**	**-917**	**97**	**-820**
Changes in the scope of consolidation							0		**0**
Other changes						-18	**-18**	-40	**-58**
Balance at 31/12/12	**147**	**1,202**	**1,637**	**0**	**-884**	**3,540**	**5,642**	**121**	**5,762**

	2011								
Millions of euros	Share capital	Share premium	Merger premium	Treasury shares	Valuation adjustments	Retained earnings and other reserves	**Attributable to equity holders**	**Attributable to non-controlling interests**	**Total equity**
Balance at 31/12/10	**147**	**1,202**	**1,821**	**0**	**-679**	**2,705**	**5,195**	**1,434**	**6,629**
Consolidated profit for the year						1,243	**1,243**	-19	**1,223**
Income and expense recognised in equity					45		45	-152	**-107**
Total recognised income and expense	**0**	**0**		**0**	**45**	**1,243**	**1,288**	**-171**	**1,116**
Dividends paid						-367	-367	-30	**-396**
Capital increases/reductions						0	0	77	**77**
Transactions with shareholders	**0**	**0**		**0**	**0**	**-367**	**-367**	**47**	**-320**
Changes in the scope of consolidation							**0**	**-1,144**	**-1,144**
Other changes					**-3**	**0**	**-3**	**-33**	**-36**
Balance at 31/12/11	**147**	**1,202**	**1,821**	**0**	**-638**	**3,581**	**6,113**	**133**	**6,246**

The accompanying Notes 1 to 38 and Appendix I are an integral part of the consolidated statement of changes in equity for the year ended 31 December 2012.

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 38). In the event of a discrepancy, the Spanish-language version prevails.

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR 2012 AND 2011

Millions of euros	Notes	December 2012	December 2011
Net profit attributable to the Parent		**710**	**1,243**
Adjustments for:		**217**	**-425**
Non-controlling interests		*-64*	*-19*
Tax		*108*	*61*
Result of companies accounted for using the equity method		*-284*	*-20*
Financial result		*290*	*303*
Impairment and gains or losses on disposals of non-current assets		*-52*	*-943*
Depreciation and amortisation charge		*219*	*192*
Income taxes paid		-50	-92
Changes in receivables, payables and other		-60	-170
Dividends from infrastructure project companies received		363	157
Cash flows from operating activities	**30**	**1,180**	**713**
Investments in property, plant and equipment and intangible assets		-118	-96
Investments in infrastructure projects		-798	-780
Investments in non-current financial assets		-26	-96
Divestment of infrastructure projects		0	0
Divestment of non-current financial assets		893	1,264
Cash flows from investing activities	**30**	**-50**	**291**
Cash flows before financing activities		**1,130**	**1,004**
Proceeds from capital and non-controlling interests		135	126
Dividends paid		-827	-382
Other changes in shareholders' equity		0	0
Cash flows from shareholders and non-controlling interests		**-692**	**-256**
Interest paid		-342	-436
Interest received		25	29
Increase in bank borrowings		650	918
Decrease in bank borrowings		-403	-1,141
Change in borrowings held for sale		0	0
Cash flows from financing activities	**30**	**-762**	**-886**
Change in cash and cash equivalents	**18**	**368**	**117**
Cash and cash equivalents at beginning of year		2,349	2,701
Cash and cash equivalents at end of year		2,972	2,349
Effect of foreign exchange rate changes on cash and cash equivalents		-255	-19
Change in cash and cash equivalents held for sale		0	0
Change in cash and cash equivalents relating to discontinued operations		0	488
Discontinued operations			
Cash flows from operating activities			1,160
Cash flows from investing activities			-765
Cash flows from financing activities			-555
Net cash flows from discontinued operations			**-161**

The accompanying Notes 1 to 38 and Appendix I are an integral part of the consolidated statement of cash flows for the year ended 31 December 2012.

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 38). In the event of a discrepancy, the Spanish-language version prevails.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR 2012

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 primary reporting segments pursuant to IFRS 8:

-Construction: design and performance of all types 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.

In addition, and for the purposes 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 Divisions.

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 flow called "ex projects", which comprises the flows generated by the construction and services businesses and the dividends from the capital invested in infrastructure projects, is presented separately from the cash flow of the projects themselves, which includes the flows generated by the concession operators.

It is also important to highlight that two of the Group's main assets are its investments of 33.65% in Heathrow Airport Holdings (HAH), the company that owns Heathrow Airport in London 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 main change regarding the fully consolidated companies was the exclusion from the scope of consolidation of PNI, a subsidiary of Budimex (head of the Group's construction business in Poland), following the institution of insolvency proceedings that led to the loss of control over this subsidiary, as discussed in greater detail in Note 5-b on goodwill.

With regard to the companies accounted for using the equity method, in 2012 the indirect ownership interest held by Ferrovial in HAH was reduced from 49.99% to 33.65% as a result of the sale in August 2012 of 10.62% of HAH (formerly BAA Ltd.) to Qatar Holding LLC for GBP 478 million (approximately EUR 607 million). Subsequently, in October 2012 a further 5.72% of the shareholding was sold to Stable Investment Corporation, a subsidiary of CIC International Co., Ltd., for GBP 257.4 million (EUR 319.3 million).

2. Basis of presentation and accounting policies.

2.1. Basis of presentation

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

As a result of new information obtained in 2012 about facts and circumstances that existed at the time of the acquisition of PNI, the Budimex subsidiary, and within the twelve months following the acquisition date, the purchase price of the assets and liabilities included in the acquisition transaction was reallocated and, in this connection, the comparative balance sheet for 2011 included in the financial statements in accordance with IFRS 3 was restated (see Note 5 for further information).

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, amendments and interpretations adopted by the European Union mandatorily applicable in 2012

The new accounting standards adopted by the European Union that were mandatorily applicable for the first time in 2012 are as follows:

New standards and amendments		Obligatory application in annual reporting periods beginning on or after:
Approved for use in the EU		
Amendments to IFRS 1	First-time Adoption of IFRSs - Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters	1 July 2011
Amendments to IFRS 7	Disclosures - Transfers of Financial Assets	1 July 2011
Amendments to IAS 12	Income Taxes - Deferred Tax. Recovery of Underlying Assets	1 January 2012

None of these new rules had a significant impact on the preparation of these consolidated financial statements.

2.3.b) New standards, amendments and interpretations mandatorily applicable in annual reporting periods subsequent to 2012:

The new accounting standards approved by the IASB but which are not yet mandatorily applicable are as follows:

New standards, amendments and interpretations		Obligatory application in annual reporting periods beginning on or after:
Approved for use in the EU		
Amendments to IAS 1	Presentation of Items of Other Comprehensive Income	1 July 2012
IFRS 13	Fair Value Measurement	1 January 2013
Amendments to IAS 19	Employee Benefits	1 January 2013
IFRIC 20	Stripping Costs in the Production Phase of a Surface Mine	1 January 2013
Amendments to IFRS 7	Disclosures - Offsetting Financial Assets and Financial Liabilities	1 January 2013
Amendments to IAS 32	Financial Instruments: Presentation - Offsetting Financial Assets and Financial Liabilities	1 January 2014
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.

Not yet approved for use in the EU		
IFRS 9	Financial Instruments: Classification and Measurement	1 January 2015
Amendments to IFRS 1	Government Loans	1 January 2013
Amendments to IFRS 10, 11 and 12	Transition Guidance	1 January 2013 (**)
Amendments to IFRS 10, IFRS 12 and IAS 27	Investment Entities	1 January 2014
Improvements to IFRSs 2009-2011		1 January 2013

(**) Or, alternatively, on the date of first-time application of IFRS 10, 11 and 12, which enter into force on 1 January 2014, as mentioned above.

At the date of preparation of these consolidated financial statements, Group management was assessing the impact that the application of these standards and amendments might have on the Group's consolidated financial statements. In principle, the standards which may have a significant impact for the Group are the amended IAS 19, as a result of the limit on the return on plan assets, which will be calculated using the same interest rate as that used to discount plan liabilities; and IFRS 13, which requires the credit risk of the two contracting parties to be included in the measurement of derivatives. Had the amendments to IAS 19 been applied early, their impact on these consolidated financial statements would have been to reduce net profit by EUR 17 million (of which EUR 6 million relate to HAH, in proportion to Ferrovial's ownership interest, and EUR 11 million to Amey). As regards IFRS 13, the Group is currently assessing the possible impact that this standard might have on the measurement of its derivatives portfolio.

The only standard, amendment or interpretation that was applied early was the amendment to IAS 1, in relation to the disclosure in the consolidated statement of comprehensive income of the items which in the future can be reclassified from equity to profit or loss (see Note 14).

2.4. Basis of consolidation

In 2012 and 2011 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:

- in accordance with the alternative provided for in IAS 31, the companies over which Ferrovial , S.A. exercises joint control are accounted for using the equity method. In this case, the Group considers that the equity method is the method that best ensures fair presentation, since in these cases of joint control the Group does not control the assets or have any present obligation with respect to the liabilities of the investee, but rather only effectively controls the ownership interest in the entity. The new IFRS 11, Joint Arrangements, which will come into force on 1 January 2014, also takes this stance in relation to joint ventures.

- the contracts that are undertaken through unincorporated temporary joint ventures (UTEs) or similar entities are proportionately consolidated. Unlike the previous case, it is considered that in these cases of joint control, the venturers have a direct involvement in the assets, liabilities, income, expenses and joint and several liability in these entities. Operations of this nature contributed to the consolidated Group assets, profits and sales of EUR 1,240 million, EUR 121 million and EUR 1,479 million, respectively, in 2012 (2011: EUR 1,119 million; EUR 88 million and EUR 1,255 million, respectively). The method used in accounting for contracts of this kind is similar to that established in IFRS 11, Joint Arrangements for what it calls "joint operations".

- 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 detail of the transactions not eliminated on the basis of the foregoing is shown in Note 33, 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 2.2 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 made in infrastructure projects by concession operators within the scope of IFRIC 12 (mainly toll roads), for which the intangible asset model is applied and whose remuneration consists of the right to collect the related charges based on the extent to which the public service is used.

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.

<u>IFRIC 12 - Intangible asset model</u>

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 for replacement investments, 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 obligation 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 obligations 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.

Due to their nature, the aforementioned calculations are subject to significant judgements and estimates, including most notably estimates of the future number of vehicles and the volume of projected replacement investments. These estimates are systematically updated and reviewed by the relevant technical departments.

Set forth below is a detail of the main toll road concessions in force, showing their duration and the accounting method applied:

<u>Toll road concessions:</u>

Concession operator	Country	Concession term (years)	First year of concession	Consolidation/ accounting method
Skyway Concession Co.	US	99	2005	Full
SH 130 Concession Co. (1)	US	50	2007	Full
North Tarrant Express (2)	US	52	2009	Full
LBJ Express (2)	US	52	2009	Full
Autopista del Sol	Spain	55	1996	Full
M-203 Alcalá O'Donnell	Spain	30	2005	Full
Autopista Madrid Sur	Spain	65	2000	Full
Autopista Madrid-Levante (3)	Spain	36	2004	Full
Euroscut Algarve	Portugal	30	2000	Full
Euroscut Azores	Portugal	30	2006	Full
Eurolink Motorway Operations	Ireland	30	2003	Full
407 ETR International Inc. (4)	Canada	99	1999	Equity method
Indiana Toll Roads	US	75	2006	Equity method
Nea Odos	Greece	30	2007	Equity method
Central Greece	Greece	30	2008	Equity method
Autopista de Almanzora	Spain	30	2012	Equity method
A66 Benavente - Zamora	Spain	30	2012	Equity method

(1) Concession term of 50 years as from completion of the construction work (November 2012).
(2) Concession term of the shorter of 50 years of operation and 52 years as from the contract execution date.
(3) The concession term may be extended by four years if certain service quality parameters are achieved.
(4) Concession outside the scope of IFRIC 12, since the operator has substantial freedom to set prices.

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.

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 and the consolidation method applied:

Concession operator	Country	Concession term (years)	First year of concession	Consolidation method
Autopista Terrasa Manresa	Spain	50	1986	Full
Autopista Norte Litoral	Spain	30	2001	Full
Eurolink M3	Ireland	30	2003	Full

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 obligations relating to the payment of debt principal and interest and to the maintenance and operation of the infrastructure.

Pension plan deficit

For defined benefit plans, the liability recognised in the statement of financial position is the present value of the accrued obligation at the end of the reporting period, minus the fair value of the plan assets and any unrecognised past service cost. The accrued defined benefit obligation is calculated by actuaries each year by discounting the estimated future cash outflows on the basis of market yields on high quality corporate bonds of a currency and term consistent with the currency and term of the defined benefit obligations.

For the aforementioned defined benefit plans, the Group has elected to apply the option of recognising actuarial gains and losses in full in equity in the period in which they arise, in keeping with the approved amendment to IAS 19, mandatorily applicable from 1 January 2013, which eliminated the alternative "corridor" approach.

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 Company habitually uses the units-of-production method, 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 do not apply to construction projects carried out by Budimex, in which revenue is 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 bears 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 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 recognised under "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.

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).

It should be noted in this connection that in the case of IFRIC 12 financial assets, the income from the concessions that apply this model is classified in these financial statements as revenue, in accordance with paragraph 7 of 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 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 2012, the consideration recognised as revenue amounted to EUR 144 million (31 December 2011: EUR 155 million). Also, the borrowing costs associated with the financing of concessions to which the financial asset model is applied amounted to EUR 80 million in 2012 (2011: EUR 75 million).

2.5.5.3 Service business

In general, revenue from services of this nature is recognised in the income statement on a straight-line basis over the term of the contract. In the case of contracts for a number of different services and prices, revenue and costs are recognised with reference to the stage of completion, applying the same methods and conditions as those described for the Construction business (see Note 2.5.5.1). Where this is not possible, the percentage of completion method is used based on the costs incurred as a percentage of total estimated costs.

Lastly, it should be noted that in the case of certain contracts performed by Amey in the UK which fall within the scope of IFRIC 12, revenue is recognised using the financial asset model provided for in that IFRIC.

2.6 Accounting estimates and judgements

In the consolidated financial statements for 2012 estimates were made to measure certain of the assets, liabilities, income, expenses and obligations reported herein. These estimates relate basically to the following:

- The assessment of possible impairment losses on certain assets (see Note 5, Goodwill and Acquisitions, 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 obligations with employees (see Note 16, Pension Plan Deficit).
- The measurement of stock options and share award plans (see Note 32, 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 on long-term provisions).

Although these estimates were made using the best information available at 31 December 2012 and 2011 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.

3.1 Interest rate risk

The Ferrovial Group finances its business activities with fixed or floating-rate borrowing products. In managing risk it seeks to optimise the cost of financing and income statement volatility, thereby guaranteeing the fulfilment of its business plans.

3.1.a.- Risk management at ex project level (Other companies)

The Ferrovial Group aligns its debt with its income by keeping a percentage of the debt tied to fixed rates, either arranged at inception or hedged by means of derivative financial instruments. The portion of the debt tied to floating rates is managed pro-actively, paying particular attention to changes in market rates.

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

As regards infrastructure project financing, the finance-providers and rating agencies set criteria to minimise the exposure of projects to interest rate fluctuations, resulting in a higher percentage of debt tied to fixed rates, which is usually between 70% and 90% of the total project financing.

Occasionally, in certain infrastructure projects whose revenue is tied to inflation through an explicit contractual formula, financing structures are designed the cost of which is indexed to observed changes in inflation, thus obtaining a natural hedge between income and expenses. This structuring can be set up directly with the debt or through derivative financial instruments.

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 ex project or 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	2.012			
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
Airports	0	0%	0	0
Toll roads	0	0%	0	0
Corporate and other	1,018	19%	821	8
Other companies	**1,233**	**0%**	**1,010**	**10**
BAA	0	0%	0	0
Other airports	0	0%	0	0
Toll roads (*)	6,567	87%	851	9
Construction	153	92%	13	0
Services	273	84%	42	0
Infrastructure projects	**6,993**	**0%**	**906**	**9**
Total borrowings	**8,225**	**0%**	**1,916**	**19**

Millions of euros	2.011			
Borrowings	Total gross debt	% of debt hedged	Net debt exposed to interest rate risk	Impact on results of + 100 b.p.
Construction	64	20%	51	1
Services	182	10%	164	2
Airports	0	0%	0	0
Toll roads	0	0%	0	0
Corporate and other	1,015	0%	1,015	10
Other companies	**1.261**	**2%**	**1,230**	**12**
BAA	0	0%	0	0
Other airports	0	0%	0	0
Toll roads (*)	6,222	74%	1,621	16
Construction	155	92%	13	0
Services	271	56%	119	1
Infrastructure projects	**6,649**	**74%**	**1,753**	**18**
Total borrowings	**7,909**	**62%**	**2,983**	**30**

(*) 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, 77% of the Group's debt is hedged against the risk of changes in interest rates. 87% of the project borrowings are hedged (2011: 74%).

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 33.65% 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 variation of 100 basis points in the market yield curves at 31 December 2012 would increase the finance costs in the income statement by an estimated EUR 19 million, of which EUR 9 million relate to infrastructure projects and EUR 10 million to the other companies, with a net impact on the profit attributable to Ferrovial of EUR -14 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 by the Company, 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 variation of 100 basis points in the market yield curves at 31 December 2012 would, in the case of the effective hedges, have a net impact of EUR -463 million on the equity attributable to the Parent (EUR -222 million at companies accounted for using the equity method and EUR -241 million at fully consolidated companies).

3.2 Foreign currency risk

Foreign currency risk management is generally centralised through the global policies of the Group Finance Division, which seeks to minimise, by means of hedging mechanisms, the impact caused by fluctuations in the euro exchange rates of the currencies in which Ferrovial operates.

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 ex project level (Other companies)

Ferrovial manages its exposure to foreign currency cash flows 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.

Ferrovial ensures that the net flows for the coming years are optimally hedged by establishing strategies that optimise finance costs, 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 2012:

Millions of euros	2012			
Currency	Assets	Liabilities	Equity of the Parent	Non-controlling interests
Euro	10,453	10,722	-371	102
Pound sterling	2,916	525	2,390	1
US dollar	4,969	4,228	763	-22
Canadian dollar	2,763	58	2,706	0
Polish zloty	970	816	113	40
Chilean peso	74	31	43	0
Other	66	68	-2	0
Total Group	**22,211**	**16,448**	**5,642**	**121**

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

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 -601 million, of which 40% would relate to the impact of the pound sterling and 45% to that of the Canadian dollar. This fluctuation in the value of the euro would have an impact on total assets of EUR -1,176 million, of which 42% would relate to the investments in US dollars, 25% to the investments in pounds sterling and 24% to the investments in Canadian dollars.

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

Millions of euros	Net profit	
Currency	**2012**	**2011**
Euro	245	1,145
Pound sterling (*)	394	93
US dollar	15	-36
Canadian dollar	43	27
Polish zloty	14	11
Chilean peso	5	5
Other	-8	-3
Total Group	**710**	**1,243**

(*) The profit in pounds sterling includes the pre-tax gains obtained on the divestments in BAA in the year.

In this regard, the impact of a 10% appreciation of the euro on the income statement would have amounted to EUR -39 million.

As indicated above, in terms of net assets Ferrovial has a strong foreign currency position, particularly in the Canadian dollar and the pound sterling. The value of the euro depreciated against the Canadian dollar (0.34%) and the pound sterling (2.72%).

The table below shows the closing rates at 2012 and 2011 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		
	2012	**2011**	**CHANGE 12/11 (*)**
Pound sterling	0.8130	0.8357	-2.72%
US dollar	1.3200	1.2960	1.85%
Canadian dollar	1.3130	1.3175	-0.34%
Polish zloty	4.0850	4.4627	-8.46%
Chilean peso	632.09	673.28	-6.12%

	Average exchange rate		
	2012	**2011**	**CHANGE 12/11 (*)**
Pound sterling	0.8107	0.8690	-6.71%
US dollar	1.2911	1.3998	-7.77%
Canadian dollar	1.2896	1.3787	-6.46%
Polish zloty	4.1675	4.1380	0.71%
Chilean peso	628.20	674.94	-6.92%

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

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 obligations must be instrumented.

With respect to risks related to trade receivables (included in letter d) and non-current receivables (letter b), there is a wide variety of customers, a large proportion of which are public-sector entities, as indicated in Note 13.

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 the preservation of the Company's liquidity and on settling financial transactions before they mature.

3.4.a.- Liquidity risk management at ex project level (Other companies)

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 obligations 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 obligations 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 BBB- investment grade ratings by S&P and Fitch).

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 2012 were as follows:

- At 31 December 2012, total cash and cash equivalents amounted to EUR 2,735 million (2011: EUR 2,161 million).

- Also, at that date, undrawn credit lines totalled EUR 1,017 million (2011: EUR 1,108 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, certain infrastructure project financing contracts stipulate the need to hold accounts (restricted cash) the availability of which is restricted under the financing contracts as security for certain short-term obligations 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 in 2012 relating to infrastructure projects are detailed in Note 18.

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

To conclude on all the preceding sections, the liquidity position of the infrastructure projects in 2012 is explained below:

- At 31 December 2012, total cash and cash equivalents (including short-term restricted cash) amounted to EUR 237 million (2011: EUR 188 million).

- Also, at that date, undrawn credit lines amounted to EUR 930 million (2011: EUR 1,333 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.

Lastly, as regards liquidity risk management, both at Group level and in each business area and project, systematic forecasts are prepared on cash generation and needs in order to determine 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 at Fair Value, 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 22 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 6,718 million (GBP 5,462 million) on total borrowings of more than EUR 16,000 million (GBP 13,000 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 adverse effect on the net profit of Ferrovial (in proportion to its percentage of ownership) of EUR -198 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 a negative effect on reserves of EUR 132 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, at ex project level, such that it can retain its investment grade credit rating. In order to achieve this target it has established as a yardstick a maximum ratio of net debt ex projects to gross profit from operations plus dividends from projects of 2:1.

For the purpose of calculating this ratio, "net debt ex 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 2012 and 2011, 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: 2012 (millions of euros)

Assets	Construction	Toll roads	Airports	Services	Other	Total
Non-current assets	**750**	**12,178**	**1,586**	**2,025**	**98**	**16,638**
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	507
Investments in associates	6	2,668	1,585	44	0	4,304
Non-current financial assets	220	1,193	0	244	11	1,668
Deferred tax assets	231	789	0	110	479	1,609
Non-current derivative financial instruments at fair value	2	156	0	0	0	158
Current assets	**4,033**	**1,046**	**76**	**1,266**	**-841**	**5,580**
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	1,036	-413	2,203
Cash and cash equivalents	2,745	582	51	209	-615	2,972
Receivable from Group companies	1,664	0	36	3	-1,703	0
Other	1,081	582	16	206	1,087	2,972
Current derivative financial instruments at fair value	0	1	0	0	7	8
TOTAL ASSETS	**4,784**	**13,224**	**1,662**	**3,291**	**-743**	**22,217**

Equity and liabilities	Construction	Toll roads	Airports	Services	Other	Total
Equity	**631**	**3,217**	**1,579**	**1,080**	**-744**	**5,762**
Equity attributable to the equity holders	**657**	**3,140**	**1,579**	**1,075**	**-809**	**5,642**
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**	**1,181**	**-1,117**	**4,982**
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	730	-626	3,273
Operating provisions and allowances	391	0	0	24	0	415
TOTAL EQUITY AND LIABILITIES	**4,784**	**13,224**	**1,662**	**3,291**	**-743**	**22,217**

Segment statement of financial position: **2011 (millions of euros)**

Assets	Construction	Toll roads	Airports	Services	Other	Total
Non-current assets	**830**	**11,828**	**2,354**	**2,141**	**347**	**17,500**
Goodwill	187	393	0	903	0	1,482
Intangible assets	9	0	0	92	3	103
Investments in infrastructure projects	0	5,982	0	250	-273	5,960
Investment property	0	0	0	0	64	64
Property, plant and equipment	143	25	0	391	68	627
Investments in associates	14	2,814	2,353	19	0	5,199
Non-current financial assets	215	1,353	0	329	16	1,912
Deferred tax assets	262	1,140	1	158	458	2,018
Non-current derivative financial instruments at fair value	0	123	0	0	11	134
Current assets	**4,396**	**1,307**	**59**	**1,511**	**-1,822**	**5,452**
Assets classified as held for sale	0	0	0	2	0	2
Inventories	202	12	0	19	194	427
Trade and other receivables	1,413	528	5	1,223	-497	2,673
Cash and cash equivalents	2,780	766	55	267	-1,519	2,349
Receivable from Group companies	1,697	150	51	145	-2,042	0
Other	1,084	617	3	122	523	2,349
Current derivative financial instruments at fair value	1	0	0	0	0	1
TOTAL ASSETS	**5,226**	**13,135**	**2,413**	**3,652**	**-1,475**	**22,951**

Equity and liabilities	Construction	Toll roads	Airports	Services	Other	Total
Equity	**460**	**3,650**	**2,365**	**1,236**	**-1,464**	**6,246**
Equity attributable to the equity holders	**405**	**3,578**	**2,365**	**1,231**	**-1,467**	**6,113**
Equity attributable to non-controlling interests	54	71	0	4	3	133
Deferred income	**7**	**254**	**0**	**31**	**0**	**292**
Non-current liabilities	**846**	**7,776**	**28**	**1,196**	**959**	**10,806**
Pension plan deficit	4	0	0	107	0	110
Other provisions	140	665	0	149	56	1,010
Borrowings	564	5,090	0	637	404	6,695
Payable to Group companies	371	0	0	234	-605	0
Other	192	5,090	0	403	1,010	6,695
Other payables	26	118	28	35	-28	179
Deferred tax liabilities	100	623	0	219	356	1,298
Derivative financial instruments at fair value	13	1,280	0	50	171	1,514
Current liabilities	**3,913**	**1,456**	**19**	**1,189**	**-970**	**5,606**
Borrowings	19	1,173	15	380	-372	1,214
Payable to Group companies	3	1	6	317	-327	0
Other	16	1,172	10	63	-46	1,214
Current derivative financial instruments at fair value	0	7	0	0	0	7
Trade and other payables	3,413	276	4	788	-598	3,882
Operating provisions and allowances	481	0	0	21	1	502
TOTAL EQUITY AND LIABILITIES	**5,226**	**13,135**	**2,413**	**3,652**	**-1,475**	**22,951**

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	2,951	0	2,951	20	0	20	7,686	0	7,686
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**	**2,960**	**0**	**2,960**	**21**	**0**	**21**	**7,703**	**0**	**7,703**
Materials consumed	1,044	0	1,044	4	0	4	0	0	0	230	0	230	21	0	21	1,299	0	1,299
Staff costs	627	0	627	55	0	55	4	0	4	1,395	0	1,395	61	0	61	2,142	0	2,142
Other operating expenses	2,324	0	2,324	51	0	51	2	0	2	1,022	0	1,022	-64	0	-64	3,335	0	3,335
Total operating expenses	**3,995**	**0**	**3,995**	**110**	**0**	**110**	**7**	**0**	**7**	**2,646**	**0**	**2,646**	**18**	**0**	**18**	**6,776**	**0**	**6,776**
Gross profit from operations	**337**	**0**	**337**	**272**	**0**	**272**	**2**	**0**	**2**	**314**	**0**	**314**	**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 disposals of non-current assets	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**	**174**	**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 other companies	40	0	40	9	0	9	4	0	4	-12	0	-12	-68	0	-68	-26	0	-26
Result on derivatives and other financial results, other companies	-5	0	-5	-5	0	-5	-2	0	-2	0	0	0	6	46	52	-7	46	38
Financial result of other companies	**35**	**0**	**35**	**4**	**0**	**4**	**2**	**0**	**2**	**-13**	**0**	**-13**	**-62**	**46**	**-16**	**-34**	**46**	**12**
Financial result	**25**	**0**	**25**	**-271**	**2**	**-269**	**2**	**0**	**2**	**-32**	**0**	**-32**	**-62**	**46**	**-16**	**-338**	**48**	**-290**
Share of results of companies accounted for using the equity method	-1	0	-1	45	-3	42	166	65	231	12	0	12	0	0	0	222	62	284
Consolidated profit or loss before tax	**322**	**-11**	**311**	**-22**	**0**	**-22**	**285**	**65**	**349**	**184**	**-30**	**154**	**-61**	**23**	**-38**	**707**	**47**	**754**
Income tax	-94	2	-92	-50	0	-50	69	0	69	-39	7	-32	5	-9	-3	-108	0	-108
Consolidated profit or loss from continuing operations	**228**	**-9**	**219**	**-71**	**-1**	**-72**	**354**	**65**	**418**	**145**	**-23**	**122**	**-56**	**14**	**-42**	**599**	**47**	**646**
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**	**-71**	**-1**	**-72**	**354**	**65**	**418**	**145**	**-23**	**122**	**-56**	**14**	**-42**	**599**	**47**	**646**
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	3	64
Profit or loss for the year attributable to the Parent	**209**	**-5**	**204**	**11**	**-1**	**10**	**354**	**65**	**418**	**145**	**-23**	**122**	**-59**	**14**	**-45**	**660**	**50**	**710**

(*) Relating to gains and losses arising from changes in the fair value of derivatives (see Note 11), other financial assets and liabilities and asset impairment (see Note 24).

Segment income statement: 2011

(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	4,244	0	4,244	390	0	390	10	0	10	2,821	0	2,821	-19	0	-19	7,446	0	7,446
Other operating income	4	0	4	0	0	0	0	0	0	9	0	9	1	0	1	15	0	15
Total operating income	**4,248**	**0**	**4,248**	**390**	**0**	**390**	**10**	**0**	**10**	**2,830**	**0**	**2,830**	**-17**	**0**	**-17**	**7,461**	**0**	**7,461**
Materials consumed	1,099	0	1,099	3	0	3	0	0	0	199	0	199	-2	0	-2	1,299	0	1,299
Staff costs	600	0	600	53	0	53	4	0	4	1,308	0	1,308	53	0	53	2,018	0	2,018
Other operating expenses	2,302	0	2,302	51	0	51	17	0	17	1,011	0	1,011	-55	0	-55	3,326	0	3,326
Total operating expenses	**4,001**	**0**	**4,001**	**107**	**0**	**107**	**21**	**0**	**21**	**2,518**	**0**	**2,518**	**-4**	**0**	**-4**	**6,643**	**0**	**6,643**
Gross profit or loss from operations	**246**	**0**	**246**	**283**	**0**	**283**	**-11**	**0**	**-11**	**312**	**0**	**312**	**-13**	**0**	**-13**	**817**	**0**	**817**
Depreciation and amortisation charge	32	0	32	53	0	53	1	0	1	104	0	104	2	0	2	192	0	192
Profit or loss from operations before impairment and non-current asset disposals	**214**	**0**	**214**	**230**	**0**	**230**	**-11**	**0**	**-11**	**207**	**0**	**207**	**-15**	**0**	**-15**	**625**	**0**	**625**
Impairment and disposals of non-current assets	0	-44	-44	34	-87	-52	0	0	0	195	0	195	0	0	0	229	-130	99
Profit or loss from operations	**214**	**-44**	**170**	**265**	**-87**	**178**	**-11**	**0**	**-11**	**402**	**0**	**402**	**-15**	**0**	**-15**	**854**	**-130**	**724**
Financial result on financing of infrastructure projects	-9	0	-9	-243	0	-243	0	0	0	-16	0	-16	2	0	2	-265	0	-265
Result on derivatives, other fair value adjustments and other financial results, infrastructure projects	0	0	0	-10	-2	-12	0	0	0	0	-1	-1	0	0	0	-11	-3	-13
Financial result of infrastructure projects	**-10**	**0**	**-10**	**-253**	**-2**	**-255**	**0**	**0**	**0**	**-16**	**-1**	**-17**	**2**	**0**	**2**	**-276**	**-3**	**-279**
Financial result on financing of other companies	51	0	51	12	0	12	2	0	2	-29	0	-29	-118	0	-118	-82	0	-82
Result on derivatives, other fair value adjustments and other financial results, other companies	-11	0	-11	7	0	7	0	0	0	-14	0	-14	15	60	75	-2	60	58
Financial result of other companies	**40**	**0**	**40**	**19**	**0**	**19**	**3**	**0**	**3**	**-43**	**0**	**-43**	**-103**	**60**	**-43**	**-84**	**60**	**-25**
Financial result	**31**	**0**	**31**	**-234**	**-2**	**-236**	**3**	**0**	**3**	**-59**	**-1**	**-60**	**-101**	**60**	**-41**	**-360**	**57**	**-303**
Share of results of companies accounted for using the equity method	0	0	0	31	-4	28	-20	10	-10	7	-5	2	0	0	0	18	1	20
Consolidated profit or loss before tax	**245**	**-44**	**201**	**62**	**-92**	**-30**	**-29**	**10**	**-19**	**350**	**-6**	**344**	**-116**	**60**	**-56**	**512**	**-72**	**440**
Income tax	-73	0	-73	12	19	31	2	0	2	-24	0	-23	20	-18	2	-63	2	-61
Consolidated profit or loss from continuing operations	**172**	**-44**	**128**	**73**	**-72**	**1**	**-27**	**10**	**-17**	**327**	**-6**	**321**	**-96**	**42**	**-54**	**449**	**-70**	**379**
Net profit from discontinued operations	0	0	0	0	0	0	165	679	844	0	0	0	0	0	0	165	679	844
Consolidated profit or loss for the year	**172**	**-44**	**128**	**73**	**-72**	**1**	**138**	**689**	**827**	**327**	**-6**	**321**	**-96**	**42**	**-54**	**614**	**609**	**1,223**
Profit or loss for the year attributable to non-controlling interests	-24	18	-6	26	2	28	0	0	0	0	0	0	-2	0	-2	0	20	19
Profit or loss for the year attributable to the Parent	**148**	**-26**	**122**	**99**	**-71**	**29**	**138**	**689**	**827**	**326**	**-6**	**320**	**-98**	**42**	**-56**	**614**	**629**	**1,243**

(*) Relating to gains and losses arising from changes in the fair value of derivatives (see Note 11), other financial assets and liabilities and asset impairment (see Note 24).

The detail, by segment, of the asset additions, 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	
	2012	2011	2012	2011	2012	2011	2012	2011
Construction	6	0	41	40	0	40	0	0
Airports	0	0	0	0	0	0	0	2,426
Toll roads	896	685	26	13	0	0	4	0
Services	32	102	66	85	7	10	0	0
Other	0	0	0	13	0	0	0	0
Total	**935**	**787**	**133**	**150**	**7**	**50**	**4**	**2,426**

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

The detail, by segment, of revenue in 2012 and 2011 is as follows:

	Millions of euros					
	2012			2011		
	External sales	Inter-segment sales	Total	External sales	Inter-segment sales	Total
Construction	3,560	765	4,326	3,508	736	4,244
Airports	380	1	381	388	2	390
Toll roads	8	0	8	9	1	10
Services	2,944	7	2,951	2,810	11	2,821
Other and adjustments	77	-57	20	66	-85	-19
Total	**6,970**	**717**	**7,686**	**6,781**	**665**	**7,446**

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

The breakdown of assets, additions and revenue by geographical area is as follows:

	Millions of euros					
	Total assets		Additions to infrastructure projects, property, plant and equipment, intangible assets, goodwill and companies accounted for using the equity method		Sales	
	2012	2011	2012	2011	2012	2011
Spain	8,556	8,927	112	240	2,903	3,369
UK	2,923	3,631	15	2,429	1,924	1,554
US	4,969	4,371	912	585	1,095	746
Canada	2,763	2,825	0	0	9	0
Poland	970	1,192	0	53	1,460	1,394
Chile	74	50	0	0	36	45
Portugal	1,140	1,133	0	102	127	196
Rest of Europe	758	815	1	0	59	80
Other	66	7	0	3	72	61
Total	**22,217**	**22,951**	**1,040**	**3,413**	**7,686**	**7,446**

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.
- Note 30 contains a detail of cash flows, distinguishing between infrastructure projects and other companies, including a breakdown by segment for the two areas.

5. Goodwill and acquisitions

The table below details the changes in goodwill in 2012:

	Millions of euros				
CHANGES IN 2012	**Balances at 01/01/12**	**Exchange difference**	**Investment/Disposal /Other**	**Impairment**	**Balances at 31/12/12**
Services	**903**	**13**	**4**	**0**	**919**
Amey	453	13	4	0	470
Cespa	421	0	0	0	421
Other services	29	0	-2	0	27
Construction	**186**	**7**	**-15**	**0**	**178**
Webber	107	-1	0	0	106
Budimex	79	8	-15	0	72
Toll roads	**393**	**-2**	**0**	**0**	**391**
Europe	291	0	0	0	291
US	102	-2	0	0	100
Total	**1,482**	**18**	**-13**	**0**	**1,487**

No significant acquisitions affecting goodwill took place in 2012.

Also, the Group did not recognise any material impairment losses, except for those relating to PNI, a company forming part of the construction business in Poland, as described in more detail in Note 5.B below.

The following section describes the methodology and assumptions used in the impairment tests, as well as the impairment losses recognised in the year.

A. Services Division goodwill (Amey and Cespa):

The goodwill of these two business areas, amounting to EUR 470 million and EUR 421 million, respectively, at 31 December 2012 (31 December 2011: EUR 453 million and EUR 421 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 deleveraged 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.

The discount rates (WACC) used to test for impairment ranged from 7.3% to 8.9% (compared with the prior year rates which ranged from 8.1% to 8.4% in December 2011) and perpetuity growth rates (g) ranged from 2.0% to 3.0% (same perpetuity growth as in December 2011).

The value of Amey resulting from application of this impairment test model is 195.6% higher than its carrying amount. In the case of Cespa, the difference is 26.2%.

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.

The Group considers that there have not been any reasonable changes in the main assumptions that would give rise to the need to recognise an impairment loss.

B. Construction Division goodwill (Webber and Budimex):

The goodwill of Webber and Budimex amounted to EUR 106 million and EUR 72 million, respectively, at 31 December 2012 (31 December 2011: EUR 107 million and EUR 79 million, respectively).

Budimex:

On 17 November 2011, Budimex, a Polish subsidiary of Ferrovial Agromán, acquired the construction company Przedsiebiorstwo Napraw Infrastruktury (PNI), which specialises in civil engineering work and railway infrastructure. The inclusion of this company in the scope of consolidation resulted in a EUR 28 million increase in goodwill at 31 December 2011. As a result of new information obtained in 2012 about facts and circumstances that existed at the acquisition date, and since less than twelve months had elapsed since that date, the value of the assets acquired and liabilities assumed in the acquisition was adjusted. This adjustment gave rise to a further increase of EUR 30 million in goodwill at December 2011. Also, the value of the equity interest was re-estimated, giving rise to the recognition of an impairment loss of PLN 180 million (EUR 43 million), which, pursuant to IFRS 3.49, was not recognised in profit or loss but rather in consolidated reserves. As a result of the value adjustment performed, the comparative information presented in the 2011 financial statements in relation to the aforementioned company was restated.

In addition, in August 2012 the Board of Directors of Budimex S.A. resolved to discontinue the financial support provided by it to its subsidiary PNI, and filed a petition for insolvency proceedings with the Polish authorities. Consequently, on 4 December the Polish courts appointed an insolvency manager and revoked the powers of attorney of the Board of Directors of Budimex. As a result, due to the inviability of the company in question, the Group wrote off the remaining amount of the related goodwill (EUR 15 million).

Accordingly, the goodwill existing at December 2012 relates in full to that initially generated on the acquisition of Budimex.

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 2012 was 115% higher than its carrying amount.

Webber:

The impairment test method used for Webber was similar to that described above for the services companies and included a discount rate (WACC) of 9.0% (compared with 10.0% in December 2011) and a perpetuity growth rate of 2.0% (2.5% in December 2011). The Company considers that the aforementioned WACC is the maximum discount rate at which Webber should be valued as the market value of the ten-year US bond has been adjusted upwards.

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.

The value of Webber resulting from application of this impairment test model is 58% 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.

The Group considers that there have not been any reasonable changes in the main assumptions that would give rise to the need to recognise an impairment loss.

C. Toll Road Division goodwill:

The Toll Road Division goodwill amounted to EUR 391 million at 31 December 2012 (31 December 2011: EUR 393 million), of which EUR 100 million relate to US toll roads and EUR 291 million to European toll roads. 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 (in particular, the adverse trend in traffic during the year was taken into account, adjusting the future projections) and specific features of each asset, using sophisticated, 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 9.1% to 11.8% (10.3% to 11.2% in December 2011) based on a risk-free rate 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 toll road concessions where there is goodwill, 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.

The carrying amount of two toll road concession operators was negative, while the value in use of the remaining concessions was between 24.5% and 47.4% higher than their carrying amount.

No evidence of the impairment of this goodwill was identified. The Group considers that there have not been any reasonable changes in the main assumptions that would give rise to the need to recognise an impairment loss.

6. Intangible assets

"Intangible Assets" includes basically contractual rights that arose from the acquisition of certain services companies; specifically, the two main items relate to:
- 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 35.9 million; and
- 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 46.4 million.

The changes in "Intangible Assets" in 2012 were not material.

No impairment losses were recognised or reversed in relation to these intangible assets in 2012.

7. Investments in infrastructure projects

The detail, by project, of "Investments in Infrastructure Projects" and of the changes therein in 2012 is as follows:

CHANGES IN 2012	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	-688	-21	14	85	1	-609
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	**-720**	**-39**	**12**	**85**	**1**	**-661**
TOTAL NET INVESTMENT	**5,960**	**895**	**-16**	**-5**	**-79**	**6,755**

The most significant changes in 2012 were as follows:

As regards the toll roads in the US, there were significant increases in the assets of the SH 130 toll road, in operation since November 2012 (EUR 253 million -2011: EUR 246 million-), and in those of the North Tarrant Express (EUR 302 million -2011: EUR 233 million-) and LBJ (EUR 339 million -2011: EUR 96 million-) toll roads, currently under construction.

Exchange rate fluctuations resulted in a decrease of EUR 79 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.

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 2012 are detailed in Note 27.

The changes in these assets in 2011 were as follows:

CHANGES IN 2011	Balance at 31/12/10	Exclusion from consolidation of BAA	Changes in the scope of consolidation	Additions	Disposals and transfers	Exchange rate effect	Balance at 31/12/11
Spanish toll roads	2,481		0	9	89		2,579
US toll roads	2,163		0	574	-5	119	2,852
Other toll roads	885			102	-6	0	981
Investment in toll roads	**5,529**		**0**	**685**	**78**	**119**	**6,412**
Amortisation/Impairment	-669		0	-7	-10	-2	-688
Net investment in toll roads	**4,860**		**0**	**678**	**68**	**117**	**5,723**
Total investment in airports	**22,679**	**-22,670**	**-9**	**0**	**0**	**0**	**0**
Total amortisation - Airports	-6,158	6,149	9	0	0	0	0
Net investment in airports	**16,521**	**-16,521**	**0**	**0**	**0**	**0**	**0**
Investment in other infrastructure projects	**130**	**0**	**0**	**102**	**3**	**1**	**236**
Amortisation - Other infrastructure projects	1	0	0	0	0	-1	0
Total net investment - Other infrastructure projects	**131**	**0**	**0**	**102**	**3**	**0**	**236**
TOTAL INVESTMENT	**28,338**	**-22,670**	**-9**	**787**	**81**	**120**	**6,648**
TOTAL AMORTISATION	**-6,826**	**6,149**	**9**	**-7**	**-10**	**-3**	**-688**
TOTAL NET INVESTMENT	**21,512**	**-16,521**	**0**	**780**	**71**	**117**	**5,960**

8. Property, plant and equipment

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

CHANGES IN 2012	Millions of euros			
	Land and buildings	Plant and machinery	Other fixtures, tools and furniture	TOTAL
Investment: Balance 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: Balances at 01/01/12	**-23**	**-569**	**-410**	**-1,002**
Charge for the year	-5	-61	-52	**-117**
Disposals	-	47	27	**75**
Changes in the scope of consolidation and transfers	-1	1	-25	**-25**
Exchange rate effect	-	-3	-1	**-4**
Balances at 31/12/12	**-28**	**-585**	**-461**	**-1,074**
Carrying amount at 31/12/12	**104**	**188**	**215**	**507**

Additions:

The most significant additions in 2012, totalling EUR 62 million, related to the Services Division, specifically those at the Cespa Group in relation to the construction and fitting-out of the container and waste transfer plants and the renewal of cleaning and transport equipment associated with contracts in force. Also, Ferrovial Agromán acquired specific construction machinery for EUR 28 million.

Disposals or reductions:

The disposals arose mainly in the Construction Division, specifically at the Webber Group, amounting to EUR 24 million in relation to obsolete or fully depreciated assets, and at the Services Division, amounting to EUR 25 million.

Changes in the scope of consolidation and transfers:

The most significant changes in the scope of consolidation in 2012 arose as a result of the exclusion from consolidation of the property, plant and equipment of Przedsiebiorstwo Napraw Infrastruktury (PNI) amounting to EUR 35 million, as described in Note 5. None of the other changes, considered individually, were material.

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. No impairment losses were recognised or reversed during the year.

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 39 million (2011: EUR 86 million), corresponding mainly to the items under construction at the Cespa Group (EUR 30 million).

At 31 December 2012, the Amey-Cespa Group had items of property, plant and equipment totalling EUR 49 million that had been pledged as security for bank borrowings amounting to EUR 18 million.

	Millions of euros			
CHANGES IN 2011	**Land and buildings**	**Plant and machinery**	**Other fixtures, tools and furniture**	**TOTAL**
Investment:				
Balance at 01/01/11	**139**	**783**	**573**	**1,495**
Additions	31	31	88	150
Disposals	-8	-55	-36	-99
Changes in the scope of consolidation and transfers	26	28	38	92
Exchange rate effect	-1	-5	-2	-8
Balance at 31/12/11	**187**	**782**	**660**	**1,629**
Accumulated depreciation:				
Balance at 01/01/11	**-18**	**-557**	**-368**	**-943**
Charge for the year	-5	-56	-69	-130
Disposals	3	48	51	102
Changes in the scope of consolidation and transfers	-3	-8	-24	-35
Exchange rate effect	0	4	0	4
Balance at 31/12/11	**-23**	**-569**	**-410**	**-1,002**
Carrying amount at 31/12/11	**163**	**213**	**250**	**627**

9. Investments in associates

The detail of the investments in companies accounted for using the equity method at 2012 year-end and of the changes therein in 2012 is shown in the table below. Due to their significance, the investments in 407 ETR (43.23%) and Heathrow Airport Holdings (HAH) (33.65%) are presented separately.

2012 Millions of euros	**407 ETR (43.23%)**	**HAH (33.65%)**	**Other**	**TOTAL**
Balance at 31/12/11	**2,823**	**2,353**	**23**	**5,199**
Changes in ownership interest	0	-791	0	**-791**
Share of results	45	231	8	**284**
Dividends received and equity reimbursed	-201	-143	0	**-345**
Translation differences	21	72	0	**92**
Other	-10	-135	10	**-136**
Balance at 31/12/12	**2,678**	**1,585**	**41**	**4,304**

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 16.34% divestment carried out in the year, which is described in Notes 1.2 and 24. As a result of this sale, the Group owns 33.65% of the share capital of HAH, down from 49.99% at 2011 year-end. Also noteworthy among the changes relating to HAH are the dividends received from this investee, amounting to EUR 143 million, and the inclusion of the share in its profit for the year, EUR 231 million, as well as the positive impact of EUR 72 million resulting from the appreciation of the pound sterling against the euro. The other changes relate mostly to the effects of changes in the value of derivatives and pension funds recognised in reserves.

- The change in the value of 407 ETR was due basically to the dividends of EUR 201 million received in the year, the EUR 45 million share in its profit, and the translation differences amounting to EUR 21 million at 31 December 2012.

9.1 Information relating to HAH

a. Impairment test

An impairment test was performed on this investment at year-end. The main assumptions used were as follows:

- For the Heathrow business plan, the Group uses the “building blocks” approach applied by the Civil Aviation Authority (CAA), the UK airports regulator, in which revenue yields are determined by reference to the existing regulatory 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.
- It is assumed that from 1 April 2014 there will be a slight improvement in the return on assets used by the regulator for the purpose of calculating airport tariffs. The improvement in returns is based on the parameters set in other regulated sectors in the UK.
- In the long term, the development of a third runway at Heathrow is considered.
- The deleveraged discount rate (Ku) is 7.6% and the tax shield generated by the debt is discounted at the cost of the debt.

Sensitivity analyses were performed on the main assumptions (non-development of the third runway at Heathrow, maintenance of current remuneration, liquidation of assets in divestment process, etc.) and no reasonable changes were disclosed that would give rise to the need to recognise an impairment loss on the investment. It should also be noted that the sales of HAH shares conducted by Ferrovial in 2012 described in Note 1.2 are a further indication that that this investment is not impaired. In this regard, the price of these sale transactions was approximately 19% higher than the carrying amount of the asset and is in line with the average of the various valuation sensitivities analysed in the impairment test.

b. Changes in the balance sheet and income statement 2012-2011

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 2012.

The balance sheet figures shown relate to the full balances of HAH and are presented in pounds sterling. The exchange rates used in 2012 are EUR 1=GBP 0.8130 (2011: GBP 0.8357) for the balance sheet figures and EUR 1=GBP 0.8107 (2011: GBP 0.8690) for the income statement.

33.65% 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 this company in October 2011. The gain was recognised as an addition to goodwill.

Balance sheet

HAH (100%) GBP (millions)	12/12	12/11	Change
Non-current assets	**16,551**	**18,241**	**-1,690**
Goodwill	2,914	3,065	-151
Investments in infrastructure projects	13,276	14,545	-1,269
Non-current financial assets	39	40	-1
Pension surplus	0	39	-39
Deferred tax assets	0	0	0
Financial derivatives	322	552	-230
Other non-current assets	0	0	0
Assets classified as held for sale	**1,436**	**0**	**1,436**
Current assets	**456**	**481**	**-25**
Trade and other receivables	305	311	-7
Cash and cash equivalents	143	160	-17
Other current assets	8	9	-1
TOTAL ASSETS	**18,443**	**18,722**	**-279**

HAH (100%) GBP (millions)	12/12	12/11	Change
Equity	**1,841**	**1,933**	**-92**
Equity attributable to Ferrovial	*620*	*966*	*-347*
Deferred income	0	1	-1
Non-current liabilities	**14,871**	**14,992**	**-120**
Pension plan deficit	133	29	105
Bank borrowings	12,359	11,920	439
Deferred tax liabilities	1,209	1,739	-530
Financial derivatives	1,158	1,298	-140
Other non-current liabilities	12	6	6
Liabilities classified as held for sale	**263**	**0**	**263**
Current liabilities	**1,467**	**1,796**	**-329**
Bank borrowings	715	1,102	-387
Trade and other payables	653	679	-26
Financial derivatives	91	0	91
Other current liabilities	9	16	-7
TOTAL EQUITY AND LIABILITIES	**18,443**	**18,722**	**-279**

- *Investments in infrastructure projects*

The balance of "Investments in Infrastructure Projects" fell by GBP 1,269 million in 2012. This decrease was due mainly to the reclassification of the Stansted Airport assets, amounting to approximately GBP 1,268 million, to "Assets Classified as Held for Sale", and the sale of Edinburgh Airport in May 2012, which gave rise to a reduction of GBP 761 million in assets. Also, the depreciation and amortisation charge for the year reduced the balance of this heading by approximately GBP 583 million.

The aforementioned reductions were offset by additions of approximately GBP 1,282 million, recognised mainly in "Assets in the Course of Construction" (GBP 1,235 million) and relating largely to the investments made in Heathrow Terminal 2 and its satellite building, as well as the baggage handling system.

- *Assets and liabilities classified as held for sale*

Following the decision of the UK Competition Commission, which obliged the Group to dispose of Stansted Airport, this heading includes the assets (GBP 1,436 million) and liabilities (GBP 263 million) relating to this airport. This asset was ultimately sold on 18 January 2013, as indicated in Note 36, Events after the Reporting Period.

- *Equity*

Equity amounted to GBP 1,841 million at 31 December 2012, down GBP 92 million with respect to 2011 due mainly to the dividends paid (GBP 240 million), the profit for the year (GBP 375 million) and the adverse impact of GBP 224 million recognised in reserves in relation to effective derivatives and pension plans.

- *Pension plan surplus/deficit*

At 31 December 2012, HAH had a pension plan deficit of GBP 133 million, as compared with a net surplus of GBP 10 million at the end of 2011 (at 31 December 2011, one plan had a surplus of GBP 39 million while two plans had deficits totalling GBP 29 million). This negative change was due mainly to, among other factors, an actual return on plan assets that was lower than expected and a reduction in the rate used to discount the plan liabilities. The impact on equity resulting from the updating of actuarial assumptions was GBP -169 million, as mentioned in the preceding section.

- *Bank borrowings*

In 2012 bond issues with a nominal value of approximately GBP 3,300 million were launched, in various formats and currencies, including most notably the first issue in Canadian dollars (CAD 400 million), as well as new issues in US dollars (USD 500 million), euros (EUR 800 million), Swiss francs (CHF 400 million) and pounds sterling (GBP 1,850 million).

The financing raised was used mainly to repay short-term debt, alter the debt mix, replacing bank debt with bonds in various currencies, and extend scheduled maturities. Noteworthy in this regard was the redemption of the bonds that matured in February 2012 (EUR 1,000 million/GBP 835 million), which accounted for most of the change in short-term borrowings. Also, in 2012 GBP 1,395 million of the Capex Facility were repaid; GBP 475 million of the Class B loan maturing in 2014 were repaid early; and GBP 698 million of the senior term loan were repaid.

It should also be noted that in June 2012 HAH completed the refinancing of its credit and liquidity facilities. The refinancing amounted to GBP 2,750 million (GBP 2,000 million of revolving credit facility -structured into a tranche A of GBP 1,500 million, a tranche B of GBP 400 million and a working capital facility of GBP 100 million- and GBP 750 million of liquidity facilities.) The new debt matures in June 2017 and replaces the debt that matured in August 2013. Tranches A and B have spreads of 150 and 225 basis points, respectively.

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

GBP (millions)	12/12	12/11	Change (%)
Senior loan facility	588	684	-97
Subordinated debt	717	538	179
Securitised Group borrowings	11,315	10,663	652
Unsecuritised Group borrowings	337	1,036	-698
Other	-26	-60	33
Total	**12,931**	**12,862**	**69**

Of the total debt of HAH recognised for accounting purposes at 31 December 2012, GBP 10,980 million relate to bond issues (31 December 2011: GBP 8,526 million).

- *Derivative financial instruments at fair value*

The notional principal amount of HAH's derivatives portfolio totals GBP 11,752 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) (EUR 5,462 million), equity swaps (GBP 142 million) and exchange rate derivatives (GBP 34 million).

The change in the net value (asset/liability position) of these financial instruments gave rise to a GBP 180 million increase in liabilities in 2012. Of this change, GBP -55 million related to a negative impact on reserves, and fair value adjustments were also made, including mainly the income generated by the index-linked securities (GBP 107 million) as a result of the fall in the UK inflation rate and the impact relating to the cross currency swaps (GBP -228 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.

- *Deferred tax liabilities*

The decrease in HAH's deferred tax liabilities was due mainly to the effect of the reduction of the tax rate in the UK in 2012 from 25% to 23%, which reduced liabilities by GBP 151 million (positive impact on the income statement). Also noteworthy is the decrease in the balance of "Deferred Tax Liabilities" resulting from the sale of Edinburgh Airport (GBP 160 million) and the reclassification of Stansted Airport as held for sale (GBP 234 million).

Income statement 2012-2011

The following table shows the changes in HAH's income statement in 2012 with respect to 2011.

HAH (100%) GBP (millions)	12/12	12/11	Change
Operating income	2,646	2,524	122
Operating expenses	-1,291	-1,227	-63
Gross profit from operations	1,355	1,297	59
Depreciation and amortisation charge	-583	-653	70
Profit from operations before impairment and non-current asset disposals	772	644	129
Impairment and disposals of non-current assets	151	0	151
PROFIT FROM OPERATIONS	**924**	**644**	**280**
Financial result	-670	-933	263
Profit or loss before tax	254	-289	543
Income tax	121	268	-147
Net profit or loss	**375**	**-21**	**396**
Profit or loss attributable to Ferrovial (millions of euros)	**231**	**-13**	**243**

The last heading in the foregoing table shows the profit or loss attributable to Ferrovial. Pursuant to IFRS 5, in 2011 the loss for the first ten months of the year (EUR 3 million) was reported as a loss from discontinued operations and the loss for the last two months (EUR 10 million) was shown under "Share of Results of Companies Accounted for Using the Equity Method". The full amount of the profit for 2012 is reported under "Share of Results of Companies Accounted for Using the Equity Method".

It should be borne in mind that the profit attributable to Ferrovial for 2012 does not correspond to the 33.65% equity interest at year-end, since it is calculated by reference to the various percentages of ownership held by the Company during the year based on the successive disposals carried out. Thus, the attributable profit for first ten months of the year was calculated at 49.99%, that for November at 44.27% and that for December at 33.65%.

Noteworthy in relation to the profit for 2012 were certain non-recurring positive effects, including most notably the impact of fair value adjustments on derivatives (GBP 101 million after tax -effect of EUR 65 million on the net profit attributable to Ferrovial-) and the impact of the change of tax rate in the UK, which had an effect of GBP 151 million on the balance of deferred tax liabilities (effect of EUR 90 million on the net profit attributable to Ferrovial). Profit for 2012 also includes the gain obtained on the disposal of Edinburgh Airport in May 2012, which resulted in a net gain of GBP 159 million (EUR 98 million attributable to Ferrovial).

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. The expected flows for the shareholders were discounted at an estimated cost of capital of 8.0% (December 2011: 8.7%). No indications of impairment were detected and there were no reasonable changes in the main assumptions that would have led to the recognition of an impairment loss on the investment. The value of 407 ETR resulting from application of the impairment test model is more than 50% higher than the carrying amount of the asset.

b. Changes in the balance sheet and income statement 2012-2011

In view of the importance of this investment, following is a detail of the balance sheet and income statement relating to this group of companies at 31 December 2012 and 2011.

These figures relate to the full balances of 407 ETR and are presented in millions of Canadian dollars. The exchange rates used in 2012 are EUR 1=CAD 1.3130 (2011: CAD 1.3175) for the balance sheet figures and EUR 1=CAD 1.2896 (2011: CAD 1.3787) 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 2012-2011

407 ETR (100%) CAD (millions)	12/12	12/11	Change	407 ETR (100%) CAD (millions)	12/12	12/11	Change
Non-current assets	**5,878**	**5,814**	**64**	**Equity**	**63**	**458**	**-395**
Goodwill	1,319	1,294	24	*Attributable to Ferrovial*	*27*	*198*	*-171*
Investments in infrastructure projects	3,966	3,939	27	**Non-current liabilities**	**6,160**	**5,692**	**467**
Non-current financial assets	301	270	31	Bank borrowings	5,766	5,349	*417*
Deferred tax assets	285	303	-18	Deferred tax liabilities	385	334	*51*
Other non-current assets	7	7	0	Other non-current liabilities	9	9	*0*
Current assets	**472**	**460**	**11**	**Current liabilities**	**127**	**124**	**3**
Trade and other receivables	140	134	6	Bank borrowings	76	72	3
Cash and cash equivalents	322	320	1	Trade and other payables	40	41	-1
Other current assets	9	6	4	Other current liabilities	11	11	1
TOTAL ASSETS	**6,350**	**6,275**	**75**	**TOTAL EQUITY AND LIABILITIES**	**6,350**	**6,275**	**75**

Set forth below is a description of the main changes in the balance sheet of 407 ETR at 31 December 2012 with respect to the preceding year-end:

- *Equity*

Equity dropped by CAD 395 million with respect to 2011, basically as a result of a profit for the year of CAD 174 million and the payment of a dividend of CAD 600 million to the shareholders.

- *Bank borrowings*

Bank borrowings increased by CAD 419 million from CAD 5,422 million at 2011 year-end to CAD 5,841 million at 31 December 2012. 99.8% of the total debt relates to bond issues. This is due mainly to the launch of two new bond series (12-A1 and 12-A2) with nominal values of CAD 400 million and CAD 200 million, respectively. These bonds mature in 2042 and 2052 and bear interest at 4.19% and 3,98%, respectively. Conversely, bond series 09-A2, with a nominal value of CAD 200 million and originally maturing in 2014, was redeemed early.

Income statement 2012-2011

The following table shows the changes in the income statement of 407 ETR in 2012.

407 ETR (100%) CAD (millions)	12/12	12/11	Change
Operating income	734	675	59
Operating expenses	-126	-121	-5
Gross profit from operations	608	554	54
Depreciation and amortisation charge	-61	-58	-2
Net profit from operations	548	495	52
Financial result	-304	-326	21
Profit before tax	244	170	74
Income tax	-69	-42	-28
Net profit	**174**	**128**	**46**
Intangible asset amortisation (millions of euros)	-13	-13	0
Profit attributable to Ferrovial (millions of euros)	**45**	**27**	**18**

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 and the loss of control in 2010, as indicated earlier.

9.3 Other companies accounted for using the equity method

Appendix I includes a list of the investments in companies accounted for using the equity method, indicating their name, the country in which they were incorporated, the business segment to which they belong, the proportion of ownership interest, the aggregate assets and liabilities, revenue and the profit or loss for the year.

This list includes certain associates with a carrying amount of zero. Under IAS 28, if an entity's share of losses of an associate equals or exceeds its interest in the associate, the entity discontinues recognising its share of further losses, unless the entity has incurred legal or constructive obligations that make it necessary to recognise a liability for additional losses after the entity's interest is reduced to zero. The main company with an equity deficit that is not recognised in the Group's consolidated financial statements is the Indiana Toll Road concession operator, which had a deficit of EUR 834 million attributable to Ferrovial's percentage of ownership at 2012 year-end. This toll road reported a loss, proportional to Ferrovial's equity interest, of EUR 77 million for the year ended 31 December 2012 (not recognised). The equity deficit arose mainly as a result of the drop in fair value of the derivative arranged for the concession. This derivative, which was arranged by the concession operator, had a total value of EUR -1,841 million at 2012 year-end and a notional amount of EUR 2,807 million. It expires in 2026.

Lastly, at 31 December 2012 Indiana Toll Road had total borrowings of EUR 2,835 million, maturing in 2015, total assets of EUR 3,136 million and revenue totalling EUR 152 million.

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 changes in "Investments in Associates" in the consolidated statement of financial position in 2011 were as follows:

2011 Millions of euros	407ETR (43.23%)	HAH (49.99%)	Other	TOTAL
Balance at 31/12/10	**2,919**	**0**	**191**	**3,110**
Exclusion from consolidation of HAH	0	2,365	0	**2,365**
Changes in the scope of consolidation	0	0	-159	**-159**
Share of results	27	-10	2	**20**
Dividends received and equity reimbursed	-144	0	-6	**-151**
Translation differences	22	76	0	**98**
Other	0	-78	-4	**-83**
Balance at 31/12/11	**2,823**	**2,353**	**23**	**5,199**

10. Non-current financial assets

The changes in "Non-Current Financial Assets" in the year ended 31 December 2012 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**
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	2	0	-1	1	**3**
Balance at 31/12/12	**1,334**	**1**	**148**	**186**	**1,668**

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 existing financial assets relate basically to the Toll Road Division concession operators Autopista Terrasa Manresa, Auto-Estradas Norte and Eurolink M3, amounting to EUR 490 million, EUR 305 million and EUR 223 million, respectively (2011: EUR 467 million, EUR 285 and EUR 218 million, respectively).

They also include the accounts receivable relating to concession operators in the Construction Division (amounting to EUR 196 million -December 2011: EUR 194 million-) and the Services Division (amounting to EUR 120 million -December 2011: EUR 115 million-).

The additions in 2012 relate mainly to the increases in the accounts receivable from the following toll roads: Autema (EUR 22 million), Auto-Estradas Norte (EUR 20 million) and Eurolink M3 (EUR 6 million).

• "**Restricted Cash**" includes basically the deposits securing bond issues associated with the financing of infrastructure currently under construction, corresponding mainly to Chicago Skyway (EUR 58 million -2011: EUR 52 million-), LBJ (EUR 18 million at 31 December 2012 -2011: EUR 178 million-) and North Tarrant Express (EUR 2 million at 31 December 2012 -2011: EUR 81 million-). In this connection, the most significant change in this heading corresponded to the LBJ and North Tarrant Express toll roads in Texas, whose restricted cash decreased by EUR 241 million, due basically to the payments made to the construction company based on the stage of completion of the construction work (see Note 7, Investments in Infrastructure Projects).

- Lastly, "**Other Non-Current Financial Assets**" includes:
    - loans to associates of the Services Division amounting to EUR 55 million (2011: EUR 88 million)
    - trade accounts receivable by the Services Division from various public authorities, mainly municipal councils and autonomous community governments, which had been renegotiated at long term, amounting to approximately EUR 16 million (2011: EUR 75 million) The change in this item is explained basically by the collections totalling EUR 72 million made pursuant to Royal Decree Laws 4/2012 and 7/2012, as described in Note 13, Trade and Other Receivables.
    - other trade receivables, mainly from various public authorities in connection with long-term contracts, amounting to EUR 86 million (31 December 2011: EUR 57 million)
    - long-term deposits and guarantees amounting to EUR 14 million (December 2011: EUR 17 million)

The changes in these items in 2011, for information purposes, were as follows:

CHANGES IN 2011	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 01/01/11	1,344	34	551	255	2,184
Exclusion from consolidation of BAA		-34		-45	-79
Additions	107		35	36	178
Disposals	-77		-197	-28	-302
Transfers	-97			37	-60
Allowance				-12	-12
Exchange rate effect	2		1		3
Balance at 31/12/11	**1,279**	**0**	**390**	**243**	**1,912**

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 2012 and 2011, 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 maturities					
Type of instrument	Balances at 31/12/12	Balances at 31/12/11	2013	2014	2015	2016	2017 and subsequent years	TOTAL
ASSET BALANCES	**166**	**135**	**348**	**-2**	**-3**	**-2**	**53**	**394**
Index linked swaps, Toll Roads	157	123	-3	-2	-3	-2	53	43
Interest rate swaps, Corporate	0	3	0	0	0	0	0	0
Exchange rate derivatives, Corporate	7	8	321	0	0	0	0	321
Other derivatives	2	1	30	0	0	0	0	30
LIABILITY BALANCES	**1,633**	**1,521**	**572**	**97**	**172**	**105**	**3,644**	**4,590**
Equity swaps (*)	89	135	150	67	134	1	37	389
Interest rate swaps, Toll Roads	1,446	1,287	83	16	22	30	3,108	3,259
Interest rate swaps, Corporate	14	35	0	0	0	0	300	300
Exchange rate derivatives, Corporate	5	0	260	0	0	0	0	260
Other derivatives	79	64	79	14	16	75	199	383
NET BALANCES (LIABILITY)	**-1,467**	**-1,386**	**920**	**95**	**169**	**103**	**3,697**	**4,985**

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 31/12/12	Balances at 31/12/11	2013	2014	2015	2016	2017 and subsequent years	TOTAL
ASSET BALANCES	**166**	**135**	**10**	**1**	**1**	**2**	**152**	**166**
Index linked swaps, Toll Roads	157	123	1	1	1	2	152	157
Interest rate swaps, Corporate	0	3	0	0	0	0	0	0
Exchange rate derivatives, Corporate	7	8	7	0	0	0	0	7
Other derivatives	2	1	2	0	0	0	0	2
LIABILITY BALANCES	**1,633**	**1,521**	**180**	**156**	**157**	**123**	**1,017**	**1,633**
Equity swaps (*)	89	135	33	21	30	5	0	89
Interest rate swaps, Toll Roads	1,446	1,287	117	120	116	109	984	1,446
Interest rate swaps, Corporate	14	35	10	3	1	0	-1	14
Exchange rate derivatives, Corporate	5	0	5	0	0	0	0	5
Other derivatives	*79*	*64*	*14*	*12*	*10*	*9*	*33*	*79*
NET BALANCES (LIABILITY)	**-1,467**	**-1,386**	**-170**	**-155**	**-156**	**-121**	**-865**	**-1,467**

(*) 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 2012:

Toll Road Division derivatives

Interest rate swaps -Toll Roads

In order to hedge the interest rate risk in 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 3,259 million at 31 December 2012.

Taken as a whole, the fair value of these hedges fell from EUR -1,287 million at 31 December 2011 to EUR -1,446 million at 2012 year-end, due to the overall drop in long-term interest rates.

Since these derivatives are considered to be effective, the changes in their fair value had a negative impact on reserves of EUR -128 million (EUR -75 million after tax, attributable to the Parent), while the changes in settlements and accruals gave rise to an impact of EUR -121 million on the financial result and a net cash outflow of EUR 86 million.

Index linked swaps -Toll Roads

This item relates exclusively to Autema, which in 2009 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 34 million on reserves (EUR 18 million after tax, attributable to the Parent).

Corporate derivatives

Interest rate swaps - Corporate

These derivatives were arranged in order to hedge the interest rate risk exposure of the corporate borrowings. These swaps, which had a notional amount of EUR 300 million at 2012 year-end, have a fixed interest rate of between 0.6630% and 0.8080%, equivalent to an effective rate of between 3.363% and 3.508%, and expire in 2017.

Equity swaps

In order to hedge against the possible losses resulting from the exercise of the share option plans granted to its employees, Ferrovial arranged equity swaps on the grant date of each plan. These swaps ensure that Ferrovial will receive an amount equal to the rise in the share price when the options are executed by employees.

Also, the bank undertakes to pay Ferrovial cash amounts equal to the return on Ferrovial's shares, in return for a payment by Ferrovial. The main features of the equity swaps are as follows:

- The number of shares used to calculate the returns is equal to the number of options granted under each plan.
- The share price used to calculate the returns coincides with the exercise price employed to calculate the increase in the share's value.
- Ferrovial will pay a return to the bank calculated by applying EURIBOR plus a margin to the result of multiplying the number of shares by the exercise price.
- The bank will pay Ferrovial an amount equal to all the dividends generated by those shares.

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 2012 was due to the increase in the Ferrovial share price from EUR 9.33 at 31 December 2011 to EUR 11.20 at 31 December 2012, which gave rise to income of EUR 46 million (net result of EUR 32 million). The change in 2011 gave rise to income of EUR 58 million (net result of EUR 41 million).

At 2012 year-end, these derivatives had a notional amount equivalent to 27 million shares, which, based on the exercise price of the plans, amounted to EUR 389 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 the deposits held by the Group in foreign currencies (basically the pound sterling and the US dollar). Their notional amount totalled EUR 581 million at 31 December 2012 and they mature in the short term.

Other derivatives

"Other Derivatives", with an aggregate notional amount of EUR 413 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 14,455 million (GBP 11,752 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 2012 and 2011, 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 31/12/12	Balance at 31/12/11	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	157	123	34	34	0	0	-1	0	1	34
Interest rate swaps, Toll Roads	-1,446	-1,286	-160	-128	2	-121	86	18	-17	-160
Interest rate swaps, Corporate	-14	-32	18	-4	-1	-1	24	0	0	18
Equity swaps	-89	-135	46	0	46	-8	8	0	0	46
Exchange rate derivatives, Corporate	2	8	-6	0	23	0	-26	-4	0	-6
Other derivatives	-76	-63	-13	-2	1	-6	2	-1	-7	-13
TOTAL	**-1,467**	**-1,386**	**-80**	**-100**	**72**	**-136**	**93**	**14**	**-23**	**-80**

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

- The changes in fair value of the derivatives that qualify for hedge accounting during the year 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 2012 and 2011 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 shown in the consolidated income statement also include a negative impact of EUR 24 million relating to exchange differences arising on the investments held in currencies other than the euro that is considered to be hedged in a fair value hedge associated with the exchange rate derivatives. Including this impact, the total fair value adjustment under "Financial Result" amounted to EUR 48 million.

c) Hedge 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 thereof on the calculation date and the unit settlement price agreed at inception, multiplied by the number of swaps, and the present value of the finance cost agreed upon in the contract.

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

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

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

12. Inventories

The detail of inventories at 31 December 2012 and 2011 is as follows:

	Balance at 31/12/12	Balance at 31/12/11	Change 2012-2011
Commercial inventories	228	243	-15
Raw materials and other supplies	123	146	-23
Precontract expenses and general fixtures	43	38	5
Total	**394**	**427**	**-32**

Of the commercial inventories recognised at 31 December 2012, EUR 177 million relate to the Real Estate business in Poland, comprising land and building lots (EUR 107 million) and property developments at various stages of completion (EUR 70 million).

EUR 108 million of raw materials and other supplies relate to the Construction Division, mainly at Webber (EUR 51 million) and Budimex (EUR 31 million).

Lastly, the balance of "Precontract Expenses and General Fixtures" corresponds mainly to the Construction Division (EUR 40 million).

At 31 December 2012, there were no inventories of a significant amount, other than those associated with property developments (amounting to EUR 31 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 2012 and 2011 is as follows:

	Millions of euros		
	Balances at 31/12/12	Balances at 31/12/11	Change 2012-2011
Trade receivables	1,409	1,847	-438
Amounts to be billed for work performed	542	490	53
Retentions as guarantees	90	89	1
Provisions	-394	-342	-52
Total trade receivables for sales and services	**1,647**	**2,083**	**-436**

"Trade Receivables for Sales and Services" decreased by EUR 436 million from EUR 2,083 million at 31 December 2011 to EUR 1,647 million at 31 December 2012. This change was due mainly to two factors. Firstly, the most significant change in this line item relates to collections arising from Royal Decree-Law 4/2012 and Royal Decree-Law 7/2012 establishing special financing mechanisms so that local authorities and autonomous community governments could meet their outstanding payment obligations to their suppliers. The Group received payments as a result of these Royal Decree-Laws totalling EUR 690 million, of which EUR 500 million related to the Services Division and EUR 190 million related to the Construction Division. In relation to that amount, a portion of the collections received relate to customers which had refinanced their debts to long term and, therefore, the related amounts, totalling EUR 72 million, were recognised under "Non-Current Financial Assets - Other Receivables" (see Note 10) in the consolidated statement of financial position at 31 December 2011. Accordingly, the net impact of the aforementioned collections on the balance of trade receivables amounted to EUR 618 million.

Also, at 31 December 2012, a total of EUR 148 million (31 December 2011: EUR 299 million) had been deducted from "Trade Receivables" relating to assets derecognised as a result of factoring arrangements, since it was considered that they met the conditions stipulated in IAS 39.20 regarding the derecognition of financial assets.

Following is a detail, by type of debtor, of the main trade receivables. This information does not coincide with the balance of "Trade Receivables" because it does not include the allowance for doubtful debts.

	Construction		Services		Other and adjustments		Total	
Public authorities	498	39%	807	80%	31	n/a	1,336	65%
Private-sector customers	394	31%	169	17%	3	n/a	566	28%
Group companies and associates	377	30%	31	3%	-268	n/a	140	7%
Total	**1,269**	**100%**	**1,007**	**100%**	**-235**	**n/a**	**2,041**	**100%**

This detail shows that 65% 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:

Changes in provisions and allowances	Millions of euros 2012	2011
Beginning balance	342	225
Amounts charged to profit or loss	49	137
Reductions/Amounts used	0	-1
Exchange rate effect	3	-4
Transfers	0	-14
Ending balance	**394**	**342**

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 2012 and 2011 is as follows:

	Millions of euros		
	Balances at 31/12/12	Balances at 31/12/11	Change 2012-2011
Advances paid to suppliers	41	36	5
Sundry accounts receivable	99	157	-58
Infrastructure project receivables	167	174	-8
Receivable from public authorities	130	172	-41
Total other receivables	**436**	**539**	**-102**

"Sundry Accounts Receivable" includes mainly receivables not relating to normal business activities amounting to EUR 81 million (2011: EUR 113 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. These financial assets relate mainly to the concession operators Auto-Estrada Norte, Autopista Terrasa Manresa and Eurolink M3, amounting to EUR 47 million, EUR 75 million and EUR 29 million, respectively.

"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 on 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" on the liability side of the consolidated statement of financial position (see Note 20).

In exchange for 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 obligations 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" on the asset side of 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 2012 and 2011 is as follows:

	Millions of euros		
	Balances at 31/12/12	Balances at 31/12/11	Change 2012-2011
Amounts to be billed for work performed (Note 13-a)	542	490	53
Amounts billed in advance for construction work (Note 20)	-509	-658	149
Construction contracts, net	**34**	**-168**	**202**
Retentions (Note 13-a)	90	89	1
Advances (Note 20)	-128	-158	30
Advances net of retentions	**-39**	**-70**	**31**

14. Equity

a) General changes in equity

The detail of the main impacts net of taxes that affected the changes in equity in 2012 and which explain the changes in equity in the period from December 2011 to December 2012 is as follows:

	2012		
	Attributable to equity holders	Attributable to non-controlling interests	Total equity
Equity at 31/12/11	**6,113**	**133**	**6,246**
Consolidated profit for the year	710	-64	646
Income and expense recognised in the equity of fully consolidated companies	*-179*	*-6*	*-185*
Impact on reserves of hedging instruments	*-59*	*-5*	*-64*
Impact on reserves of defined benefit plans	*-28*	*0*	*-28*
Translation differences	*-92*	*-1*	*-93*
Income and expense recognised in the equity of companies accounted for using the equity method	*-43*	*0*	*-43*
Impact on reserves of hedging instruments	-38	0	-38
Impact on reserves of defined benefit plans	-97	0	-97
Translation differences	92	0	92
Amounts transferred to profit or loss of fully consolidated companies	-21	0	-21
Amounts transferred to profit or loss of companies accounted for using the equity method	-2	0	-2
Total income and expense recognised directly in equity	**464**	**-70**	**394**
Dividends paid	-917	-28	-945
Capital increases/reductions	0	125	125
Transactions with equity holders	**-917**	**97**	**-820**
Changes in the scope of consolidation	**0**	**0**	**0**
Other changes	**-18**	**-40**	**-58**
Equity at 31/12/12	**5,642**	**121**	**5,762**

Following is a description of the main changes in shareholders' equity in 2012, which gave rise to a reduction of EUR 471 million in the balance attributable to the equity holders.

- The profit for the year attributable to the Parent totalled EUR 710 million.

- Hedging instruments: recognition of the changes in value of the effective portion of derivatives qualifying for hedge accounting (see Note 11), the negative impact of which was EUR 59 million net of taxes attributable to the Parent in the case of the fully consolidated companies and EUR 38 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 -125 million net of taxes (EUR -28 million at fully consolidated companies (Amey) and EUR -97 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 increased in value against the euro, particularly the Canadian dollar and the pound sterling, 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 92 million. The impact of the appreciation of the euro against the US dollar in the case of the fully consolidated companies amounted to EUR -33 million. The remainder of the change in this line item relates to the impact of the other currencies and to certain adjustments to deferred taxes associated with translation losses.

- Amounts transferred to profit or loss: these relate to the transfer to profit or loss of valuation adjustments associated with derivatives cancelled as a result of the sale of Edinburgh Airport (EUR -3 million) and with the translation differences and derivatives corresponding to the sale of 16.34% of HAH (EUR -21 million).

- Dividends: dividend payments reduced the Group's total equity by EUR 917 million, of which EUR 183 million relate to the dividend approved by the shareholders at the Annual General Meeting and EUR 734 million relate to the interim dividend approved by the Board of Directors in November 2012.

- Capital increases relating to non-controlling interests: increase of EUR 125 million in the equity attributable to non-controlling interests, principally at the US companies of Cintra, LBJ, North Tarrant and SH-130.

b) Share capital

At 31 December 2012, 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 2011.

At 31 December 2012, the only shareholder holding more than 10% of the share capital of Ferrovial, S.A. was Portman Baela, S.L., with 43.61%. The shares of the Parent are listed on the Spanish Stock Market Interconnection System and they all carry the same voting and dividend rights.

c) Share premium and merger premium

At 31 December 2012, the Company's share premium amounted to EUR 1,202 million, and the merger reserve, which arose as a result of the merger of Grupo Ferrovial S.A. with Cintra in 2009 totalled EUR 1,637 million. Both line items are considered to be unrestricted reserves.

d) Treasury shares

There were no treasury shares at 31 December 2012. In 2012, 2,807,305 shares were acquired (directly and indirectly), which were sold with an impact on equity of EUR 21 thousand.

e) Valuation adjustments

"Valuation Adjustments" in the consolidated statement of changes in equity, the balance of which at 31 December 2012 was EUR -884 million, includes mainly the cumulative amount in reserves of the valuation adjustments made to derivatives (EUR -935 million), pension plans (EUR -297 million) and translation differences (EUR 96 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 shareholders at 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)	739,354,361.44
Distribution (euros)	
To voluntary reserves (euros)	5,844,106.44
Interim dividend (euros)	733,510,255.00

The legal reserve has reached the legally stipulated level.

Liquidity statement and interim dividend: at its meeting held on 29 November 2012, the Board of Directors resolved to:

- Pay an interim dividend for 2012 of EUR 1 per share, equal to a total interim dividend of EUR 734 million.
- Prepare the following accounting statement supporting the Company's liquidity, pursuant to Article 277 of the Spanish Limited Liability Companies Law, evidencing sufficient liquidity (cash and cash equivalents and credit lines).

Liquidity summary	2012
(Millions of euros)	
Available cash (Corporate + FA + FS + Cintra)	857
Available credit Ferrovial, S.A.	742
Available credit Ferrovial Agroman, S.A.	88
Other credit lines of subsidiaries	14
Total liquidity available for distribution	**1,701**

Pursuant to Article 277 of the Spanish Limited Liability Companies Law, the amounts to be distributed did not exceed the profit earned since the end of the previous financial year, after deducting the estimated income tax payable on such profit and the amounts that must be appropriated to legal reserves.

The interim dividend was paid on 13 December 2012. The amount shown in the statement of cash flows in relation to dividends paid (EUR 832 million) does not match the amount shown in the statement of changes in equity (EUR 917 million) since the figure in the statement of cash flows is presented net of tax withholdings. The account payable in this connection amounts to EUR 85 million and was recognised at year-end under "Other Payables" (see Note 20-b). The related tax withholdings were paid in January 2013.

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

At 31 December 2012, 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%	Siac Infrastructure Fund Limited
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%-6.60%	Meridiam Infrastrucuture S.a.r.l.- Dallas Police and Fire Pension System
NTE Mobility Partners Holding LLC	33.33% - 10%	Meridiam Infrastrucuture S.a.r.l.- Dallas Police and Fire Pension System
SH 130 Concession Company, LLC	35%	Zachry Toll Road 56 LLP
Skyway Concession Company Holding LLC	45%	MIG Chicago Holdings LLC
CZ GP, LLC	15%	Zachry Infrastructure Investments Inc.
Cintra Zachry, LP	14.85%	Zachry Development LLC

15. Deferred income

Of the total balance of this heading at the end of 2012 (EUR 356 million), EUR 340 million correspond to grants related to assets received from the toll road infrastructure concession grantors (2011: EUR 260 million), relating specifically to Eurolink Motorway Operation (N4-N6) Ltd. Ireland (EUR 134 million) and to the concession operator NTE Mobility Partners (EUR 176 million). The increase in the year was due to the fact that the concession operator NTE Mobility Partners received an additional EUR 87 million.

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 2012, the provision recognised in the consolidated statement of financial position amounted to EUR 105 million (31 December 2011: EUR 110 million). Of this amount, EUR 104 million (31 December 2011: EUR 107 million) relate to defined benefit plans of the Amey Group in the UK.

	Millions of euros	
DEFINED BENEFIT PLANS	**2012**	**2011**
Liability recognised in consolidated statement of financial position		
Obligation at end of year	748	670
Fair value of plan assets at end of year	643	563
Amey Group pension plan deficit	**105**	**107**

The Amey Group has 9 defined benefit plans covering a total of 6,882 employees and 24 defined contribution plans covering 4,499 employees. The most significant changes in 2012 that led to a EUR 3 million improvement in the deficit were as follows:

- A net impact of EUR -28 million arising from actuarial losses and gains which increased the pension plan deficit (an increase in the related liability): in relation to the obligations, 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 28 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 6 million, while the extraordinary contributions aimed at improving the pension plan deficit totalled EUR 22 million.

- A positive impact of EUR 7 million on profit or loss, which reduced the pension plan deficit (a decrease in the related liability), as detailed in section b) of this Note.

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 the obligations with employees, which therefore reduced the related obligation at year-end and gave rise to a reduction of the same amount in the plan assets. In 2012 these curtailments and settlements totalled EUR 22 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	
	2012	**2011**
Actuarial gains/losses on obligations	-45	-37
Actuarial gains/losses on plan assets due to the difference between the expected return at the beginning of the year and the actual return	17	-35
Other impacts on equity	0	0
Impact on equity recognised	**-28**	**-72**

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

DEFINED BENEFIT PLANS	2012	2011
Main assumptions		
Salary increase	4.00%	2.5% / 3.95% / 4.45%
Discount rate	4.60%	4.70%
Expected inflation rate	3.00%	2.95%
Expected returns on assets	2.6%-8.0%	2.7%-8.0%
Mortality (years)	84.0-91.0	84.2-90.9

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 84 and 91 years.

The summary of the defined benefit pension plan assets by type stated at their fair value and including the expected percentage return thereon for 2012 and 2011 is as follows:

	Amey Ltd Group			
	Euros	%	Euros	%
Plan assets (fair value)				
Equity instruments	335	8.00%	336	8.00%
Debt instruments	209	2.7%-4.6%	175	2.8%-4.7%
Buildings	35	7.50%	29	7.50%
Cash and other	65	2.60%	22	2.70%
Total plan assets	**643**		**563**	

To assess the expected returns on the Amey Group plan assets, the actuaries used the following criteria:

Equity instruments: expected returns of 8.00%.

Debt instruments: the returns on sovereign debt and the performance of the corporate bonds debt making up the plan are used to calculate the returns on these instruments.

Buildings: forecast returns 0.5% below returns on equity instruments.

Cash and other: long-term returns available for swaps.

There are no financial assets issued by the company or buildings occupied by it.

b) Impact on profit or loss:

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

	Millions of euros	
DEFINED BENEFIT PLANS	2012	2011
Impact on profit before tax		
Current service cost	-7	-10
Interest cost	-32	-33
Expected return on assets	38	38
Other	7	18
Total amount recognised in profit or loss	**7**	**13**

"Other" in the table of the impact on profit or loss before tax includes income of EUR 7 million due to the re-estimate of the pension obligations under one of the Group's plans at 31 December 2011 effective from 1 January 2012 onwards, assuming an increase in pensions of an RPI of 1% instead of an RPI of 1.5%.

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 2013 the ordinary contributions agreed upon with the trustees amount to EUR 5 million. Also, the extraordinary contributions will be reduced from EUR 22 million in 2012 to EUR 17 million in 2013.

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.

Sensitivity analysis discount rate (+ / - 50 b.p.)	Annual impact on profit or loss		Annual impact on equity	
	Before tax	After tax	Before tax	After tax
+ 50 b.p.	3	3	86	66
- 50 b.p.	-3	-3	-86	-66

17. Provisions

The detail of the long- and short-term provisions in 2012 and 2011 is as follows:

	Millions of euros						
Changes	Provision for landfills	Provision for compulsory purchases	Provision for replacements and upgrades pursuant to IFRIC 12	Provisions for litigation and taxes	TOTAL LONG-TERM PROVISIONS	SHORT-TERM PROVISIONS	TOTAL PROVISIONS
Balance at 1 January 2012	83	421	73	434	**1,010**	**501**	**1,511**
Charged/(Credited) to profit or loss	4	-33	16	94	81	-85	-5
Transfers and other	1	0	0	75	76	0	76
Provisions used during the year	0	0	0	-2	-2	-15	-17
Translation differences	0	0	0	1	1	14	16
Balance at 31 December 2012	**88**	**388**	**89**	**601**	**1,166**	**415**	**1,581**

Provision for landfills

"Provision for Landfills" contains the estimated cost of landfill closure and post-closure activities relating to the Cespa Group. The provision is calculated based on a technical estimate of the consumption to date of the total capacity of landfills.

Provision for compulsory purchases

This provision relates mainly to the provision for compulsory purchases recognised by the Spanish toll roads amounting to EUR 388 million (primarily the R4, amounting to EUR 345 million), as explained in Note 22.

Provision for replacements pursuant to IFRIC 12

This line item relates to all the provisions for investments in replacements established by IFRIC 12 (see Note 2.5.2). At 31 December 2012, the balance of this line item was EUR 89 million, of which EUR 76 million relate to the Toll Road Division.

Provisions for litigation and tax-related claims

This line item relates mainly to the provisions for litigation and lawsuits (EUR 164 million in 2012) (31 December 2011: EUR 142 million) and for tax-related claims (EUR 269 million in 2012) (31 December 2011: EUR 174 million).

The provisions for litigation and lawsuits relate mainly to those recognised in the Construction Division, amounting to EUR 157 million in 2012 (2011: EUR 134 million), to cater for possible liability arising from construction contracts.

The most significant change in the provisions for tax-related claims arose as a result of the recognition by Ferrovial S.A. of a provision for income tax audit assessments for 2006 amounting to EUR 95 million.

Also, "Long-Term Provisions" includes provisions amounting to EUR 168 million at 31 December 2012 (31 December 2011: EUR 116 million) relating mainly to impairment losses on certain assets.

Short-term provisions

These relate mainly to the Construction Division, consisting of provisions for construction work completion, site removals and losses amounting to EUR 368 million (2011: EUR 440 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	Borrowings	Cash and cash equivalents	Total net borrowing position	Intra-Group balances	TOTAL
NON-INFRASTRUCTURE PROJECT COMPANIES	-1,233	2,735	1,503	-13	1,489
INFRASTRUCTURE PROJECT COMPANIES	-6,993	385	-6,608	13	-6,595
TOTAL	**-8,225**	**3,120**	**-5,106**	**0**	**-5,106**

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 obligation to arrange certain restricted accounts to cover short-term or long-term obligations 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 decrease of EUR 242 million in restricted cash with respect to December 2011. The main changes in restricted cash arose at both LBJ Infrastructure Group and NTE Mobility Partners in relation to the pledge of funds arising from the bond issues the proceeds from which have been used to finance construction (see Note 10). The long-term restricted cash of these companies dropped from EUR 178 million to EUR 18 million and from EUR 81 million to EUR 2 million, respectively, in the period from 31 December 2011 to 31 December 2012.

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.

	31/12/12			31/12/11			Change 2012 - 2011		
Amounts in millions of euros	Bonds	Bank borrowings	Total	Bonds	Bank borrowings	Total	Bonds	Bank borrowings	Total
LONG TERM	**1,899**	**3,926**	**5,825**	**1,918**	**3,585**	**5,503**	**-19**	**341**	**322**
US toll roads	1,800	1,316	3,117	1,819	974	2,793	-19	342	324
Spanish toll roads		1,139	1,139		1,135	1,135		4	4
Portuguese toll roads	99	716	815	99	713	812		3	3
Other toll roads		337	337		350	350		-13	-13
Construction		152	152		154	154		-2	-2
Services		266	266		259	259		7	7
SHORT TERM	**0**	**1,167**	**1,167**	**2**	**1,143**	**1,146**	**-2**	**24**	**22**
Spanish toll roads		1,115	1,115		1,085	1,085		30	30
Other		52	52	2	59	61	-2	-7	-9
TOTAL	**1,899**	**5,093**	**6,992**	**1,920**	**4,729**	**6,649**	**-21**	**364**	**344**

Infrastructure project borrowings increased by EUR 344 million with respect to December 2011, mainly at the US toll roads, for the following reasons:

- An additional amount of EUR 364 million drawn down against the facilities already arranged at 2012 year-end, of which EUR 146 million relate to the LBJ toll road; EUR 124 million to the SH-130 toll road; and EUR 94 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.

- The higher drawdowns were offset by the appreciation of the euro against the US dollar, which reduced borrowings by EUR 57 million at 31 December 2012.

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

US toll roads

Chicago Skyway
This concession operator is financed by a senior bond issue underwritten by Assured Guaranty, structured as follows: (i) Series A of USD 439 million maturing in 2017, and (ii) Series B of USD 961 million with final maturity in 2026. It also has syndicated subordinated bank borrowings maturing in 2035, against which USD 166 million had been drawn down at 31 December 2012.

SH-130
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 2012 and has final maturity in 2038; tranche B of USD 35 million to provide liquidity, against which USD 12 million have been drawn down; and tranche C of USD 29.1 million (not drawn down), both with final maturity in 2038. There is also a TIFIA debt tranche of USD 482.6 million, drawn down in full at 31 December 2012, to finance part of the construction work, with final maturity in 2047.

North Tarrant Express Managed Lanes - NTE
This project is financed through the issue of PABs (Private Activity Bonds) amounting to USD 400 million with final maturity in 2039. There is also a TIFIA loan granted by the US Federal Government of USD 650 million with a repayment profile of 35 years from the entry into service of the infrastructure, against which USD 186 million had been drawn down at 31 December 2012.

LBJ

This concession operator is financed through the issue of PABs (Private Activity Bonds) amounting to USD 615 million.
The final maturity of these bonds is in 2040. There is also a TIFIA loan granted by the US Federal Government of USD 850 million with a repayment profile of 35 years from the entry into service of the infrastructure, against which USD 275 million had been drawn down at 31 December 2012.

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.

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 tranches have been drawn down in full, with final maturity in 2035 which eliminates the future financing risk as the debt is repayable in full at maturity. The company has also been granted a liquidity line of EUR 92 million, against which EUR 52 million have been drawn down.

Inversora A. Sur / A. R-4 Madrid Sur
The net debt associated with this asset amounts to EUR 582 million. Since 14 September 2012 this company has been involved in insolvency proceedings, as indicated in Note 22 on contingent liabilities.

Inversora A. Levante / A. Madrid Levante
The net debt associated with this asset amounts to EUR 532 million, of which EUR 9 million relate to interest added to the principal amount of the borrowings. Since 19 October 2012 this company has been involved in insolvency proceedings, as indicated in Note 22 on 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 maturing in 2027 and the other comprises EIB borrowings of EUR 120 million maturing in 2025.

Euroscut Azores
Syndicated bank financing amounting to EUR 358 million maturing in 2033, against which EUR 347 million had been drawn down at 31 December 2012.

Euroscut Norte Litoral
Financing structure based on a syndicated loan for an outstanding amount of EUR 282 million, with final maturity in 2016.

Other toll roads

Eurolink M4-M6
The financing of this toll road is structured in the form of an EIB loan with an outstanding balance of EUR 91 million and with final maturity in 2027, and bank financing totalling EUR 48 million with final maturity in 2027. It has also been granted various credit lines totalling EUR 14 million to finance VAT payments, operating costs and interest payments, against which no amounts have yet been drawn down.

Eurolink M3
A syndicated bank loan maturing in 2025 against which EUR 221 million had been drawn down at 31 December 2012. Its financial structure is based on financing of EUR 265 million with final maturity in 2025. There are also credit facilities totalling EUR 29 million, against which no amounts have yet been drawn down.

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

	Currency	Fair value 2012	Fair value 2011	Carrying amount 2012	2013	2014	2015	2016	2017	2018 and subsequent years	Total maturities
Infrastructure project bonds		**2,069**	**1,968**	**1,899**	**0**	**0**	**1**	**0**	**333**	**1,597**	**1,931**
Toll roads		**2,069**	**1,968**	**1,899**	**0**	**0**	**1**	**0**	**333**	**1,597**	**1,931**
	USD	1,949	1,867	1,800	0	0	0	0	333	1,497	1,830
	EUR	120	101	99	0	0	1	0	1	100	101
Bank borrowings of infrastructure projects		**5,117**	**4,764**	**5,093**	**42**	**60**	**64**	**583**	**62**	**3,231**	**4,042**
Toll roads		**4,692**	**4,337**	**4,668**	**30**	**39**	**48**	**541**	**52**	**2,915**	**3,624**
	USD	1,325	983	1,325	0	0	0	0	0	1,361	1,361
	EUR	3,366	3,355	3,342	30	39	48	541	52	1,554	2,263
Construction		**153**	**155**	**153**	**2**	**2**	**3**	**5**	**2**	**127**	**141**
	EUR	153	155	153	2	2	3	5	2	127	141
Services		**273**	**271**	**273**	**10**	**19**	**14**	**37**	**8**	**189**	**277**
	GBP	70	202	70	1	1	2	2	3	63	71
	EUR	203	70	203	9	18	12	35	6	127	206
Total financial debt of infrastructure projects		**7,186**	**6,732**	**6,993**	**42**	**60**	**65**	**583**	**395**	**4,828**	**5,973**

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 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 2012 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 2012, 87% of the infrastructure project borrowings was hedged against interest rate fluctuations.

The debt balances hedged by IRSs (interest rate swaps) relates to derivatives that convert floating-rate bank borrowings to fixed interest rates (see Note 11).

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

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

	2012				2011			
	Debt limit	Amount drawn down	Amount drawable	Carrying amount of debt	Debt limit	Amount drawn down	Amount drawable	Carrying amount of debt
Toll roads	**7,579**	**6,658**	**920**	**6,567**	**7,644**	**6,332**	**1,311**	**6,222**
US toll roads	4,017	3,191	826	3,126	4,073	2,888	1,185	2,802
Spanish toll roads	2,298	2,258	40	2,253	2,270	2,225	45	2,219
Other toll roads	1,263	1,209	54	1,188	1,301	1,220	81	1,202
Construction	**141**	**141**	**0**	**153**	**146**	**146**	**0**	**155**
Services	**287**	**277**	**9**	**273**	**299**	**277**	**22**	**271**
Total financial debt	**8,006**	**7,076**	**930**	**6,993**	**8,089**	**6,756**	**1,333**	**6,649**

The differences between the total bank borrowings drawn down and the carrying amount of the related debts at 31 December 2012 are due mainly to 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 930 million drawable (31 December 2011: EUR 1,333 million), EUR 826 million relate mainly to amounts not drawn down against borrowings that were obtained to finance toll roads under construction in the US.

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 are subject to 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 obligations for the borrower. These covenants are used by banks to ensure that the concession operators fulfil their debt obligations.

At 31 December 2012, all the toll road concession operators were achieving the covenants in force, except for those relating to the R4 and Madrid Levante toll roads because the related debt has matured since the operations are subject to insolvency proceedings, as indicated in Note 22.

18.2. Net cash position excluding infrastructure projects

A) Bank 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	2012			2011			Change 2012 - 2011
	Non-current	Current	TOTAL	Non-current	Current	TOTAL	
Corporate debt	1,008	0	1,008	1,004	3	1,007	1
Other	164	63	226	187	67	254	-28
Total bank borrowings excluding infrastructure projects	**1,171**	**63**	**1,234**	**1,191**	**70**	**1,261**	**-27**

Corporate debt

The main component of the borrowings excluding infrastructure projects relates to the syndicated loan of Ferrovial, S.A. from 32 Spanish and foreign banks amounting to EUR 1,020 million and maturing in 2015. The loan bears interest at EURIBOR plus a spread and is exposed to fluctuations in interest rates. However, 29% of these borrowings are hedged with an interest rate derivative with a notional value of EUR 300 million.

In connection with these borrowings, Ferrovial S.A. must fulfil the following financial obligations 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 2012.

As indicated in Note 36, Events after the Reporting Period, on 30 January 2013 a corporate bond for an effective amount of EUR 496 million was issued. The proceeds from this bond issue were used in full to partially repay the syndicated loan (for the same amount).

Other

The borrowings shown under "Other" in the foregoing table relate mainly to bank loans granted to Amey and Cespa in the Services Division and to loans and obligations under finance leases of the Construction Division.

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

Bank borrowings	Currency	Fair value 2012	Carrying amount 2012	2013	2014	2015	2016	2017	2018 and subsequent years	Total maturities
Corporate debt		**1,006**	**1,006**	**0**	**90**	**929**	**0**	**0**	**0**	**1,020**
	EUR	1,006	1,006	0	90	929	0	0	0	1,020
Other		**226**	**226**	**58**	**21**	**98**	**16**	**11**	**6**	**210**
	EUR	87	87	24	9	11	9	11	5	70
	GBP	118	118	33	0	86	0	0	0	120
	USD	1	1	0	0	0	0	0	0	0
	PLZ	20	20	0	12	1	7	1	0	21
Total bank borrowings excluding infrastructure projects		**1,233**	**1,233**	**58**	**111**	**1,028**	**16**	**11**	**6**	**1,230**

The differences between the total maturities of bank borrowings and the carrying amounts of the debt at 31 December 2012 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 regulations (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 a floating market interest rate and, therefore, changes in the benchmark interest rates do not affect their fair value. The total fair value of bank borrowings excluding infrastructure projects at 31 December 2012 was EUR 1,233 million (31 December 2011: EUR 1,261 million).

The EUR 58 million maturing in 2013 relate mainly to Amey and Cespa in the Services Division. 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:

	2012			
	Debt limit	Amount drawn down	Amount drawable	Consolidated debt
Corporate debt	1,792	1,020	772	1,006
Other	456	210	245	226
Total financial debt	**2,247**	**1,230**	**1,017**	**1,233**

The differences between total bank borrowings and the carrying amount thereof at 31 December 2012 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 been drawn down, maturing in 2015, and two bilateral credit facilities totalling EUR 220 million arranged with two different banks, against which no amounts have been drawn down and which mature in December 2013 and September 2014.

In 2011 the balance of the available financial debt was very similar to that for 2012 (EUR 1,109 million).

A.4) Corporate rating

The financial rating agencies Standard & Poor's and Fitch issued their opinion on the credit rating of credit Ferrovial at December 2012, which in both cases was BBB- with a stable outlook and, therefore, was in the category of "**investment grade**".

19. Other non-current payables

"Non-Current Liabilities - Other Payables" includes mainly the participating loans granted by the State to several infrastructure project concession operators amounting to EUR 155 million at 31 December 2012 (31 December 2011: EUR 163 million), of which EUR 111 million relate to the Toll Roads Division and EUR 33 million to the Services Division.

20. Trade and other payables

a) Trade payables

The detail of "Trade Payables" at 31 December 2012 and 2011 is as follows:

	Balances at 31/12/12	Balance at 31/12/11	Change 2012 - 2011
Trade payables	1,777	2,188	-411
Amounts billed in advance for construction work (Note 13-c)	509	658	-149
Customer advances (Note 13-c)	128	158	-30
Retentions made from suppliers	234	219	15
Total trade payables	**2,648**	**3,223**	**-575**

The most significant change arose in trade payables, which dropped by EUR 411 million with respect to December 2011, of which EUR 327 million relate to the Construction Division and EUR 38 million to the Services Division. Both decreases were due mainly to the fall in activity in Spain (by EUR 302 million in Construction and EUR 38 million in Services).

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

The table below presents the disclosures on the payment periods to suppliers as provided for in the Spanish Accounting and Audit Institute (ICAC) Resolution of 29 December 2010, implementing the disclosure obligation provided for in Additional Provision Three of Law 15/2010, of 5 July, on measures to combat late payment in commercial transactions.

	Millions of euros		
	31/12/12	31/12/11	Change
Paid in the maximum payment period	1,462	1,797	-335
Remainder	74	67	7
TOTAL	1,535	1,863	-328
Weighted average period of late payment	47	70	-23
Amount deferred	8	7	0

"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 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 31 December 2012.

b) Other non-trade payables

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

	Balances at 31/12/12	Balance at 31/12/11	Change 2012 - 2011
Remuneration payable	154	167	-13
Other accounts payable to public authorities	290	303	-13
Other payables	105	139	-33
Total other non-trade payables	**549**	**608**	**-59**

"Remuneration Payable" relates to the employee remuneration earned but not paid during the year amounting to EUR 154 million. Also, "Other Accounts Payable to Public Authorities" includes tax payables other than income tax, mainly VAT and employer social security taxes.

Lastly, "Other Payables" relates mainly to withholdings from income from movable capital relating to the dividend paid in December, amounting to EUR 85 million, which were paid in January 2013 (see Note 14).

21. Tax matters

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

Set forth below is the reconciliation of the income tax expense to the profit before tax for 2012 and 2011.

In view of the significance of the Group's activities in Spain, the UK and the US, the following detail shows the above-mentioned reconciliation for those countries:

	Millions of euros				
	2012				
	Spain	UK	US	Other countries	Total
Tax rate	**30%**	**25%**	**38%**	**25%**	
Profit before tax	**204**	**447**	**-10**	**113**	**754**
Results of companies accounted for using the equity method	-6	-236	0	-41	-284
Adjusted profit deducting the result of companies accounted for using the equity method	**198**	**211**	**-10**	**71**	**470**
Permanent differences	-8	-120	33	2	-92
Other	58	8	0	17	83
Taxable profit	**248**	**99**	**23**	**91**	**461**
Current income tax expense	74	24	9	23	130
Effective tax rate	**37%**	**11%**	**N/A**	**32%**	**28%**
Adjustment of prior years' taxes					-23
Total tax expense					**108**
Total effective tax rate applicable to profit adjusted by results of companies accounted for using the equity method					**23%**

The income tax expense recognised by Ferrovial in its income statement amounted to EUR 108 million, representing an effective tax rate of 23% of the accounting profit earned, after having adjusted the figure for the result of companies accounted for using the equity method (which pursuant to accounting legislation is already presented net of the related tax effect).

Certain items included in the profit before tax that are not taxable need to be taken into consideration in order to be able to understand this figure:

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.

- UK: relates mainly to the exemption of the capital gain of EUR 115 million arising from the sales in August and October 2012 of 10.62% and 5.72%, respectively, of the ownership interest in HAH for EUR 607 million and EUR 319 million, respectively, as indicated in Note 1.2 in relation to changes in the scope of consolidation.

- 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.

2. Other items: these relate mainly to the impact in Spain of not recognising the tax asset corresponding to the losses incurred in the year by the R4 and Ocaña-La Roda toll roads amounting to EUR 54 million.

With these adjustments, the taxable profit amounted to EUR 461 million and, applying the effective rate of each country, the income tax expense totalled EUR 130 million, with an average effective tax rate of 28%.

The following table shows the reconciliation of the income tax expense for 2011:

	Millions of euros				
	2011				
	Spain	UK	US	Other countries	Total
Tax rate	**30%**	**27%**	**40%**	**24%**	
Profit before tax	**241**	**113**	**0**	**87**	**440**
Result of companies accounted for using the equity method	2	7	0	-29	-20
Adjusted profit deducting the result of companies accounted for using the equity method	**242**	**119**	**0**	**58**	**421**
Permanent differences	-190	-7	-4	51	-150
Other	11	-14	26	34	57
Taxable profit	**64**	**99**	**21**	**143**	**327**
Current income tax expense	19	26	8	35	88
Effective tax rate applicable to tax base	**8%**	**22%**	**N/A**	**60%**	**27%**
Adjustment of prior years' taxes					-27
Total tax expense					**61**
Total effective tax rate applicable to profit adjusted by results of companies accounted for using the equity method					**15%**

21.2 Difference between deferred tax and current tax:

The breakdown of the accrued tax for 2012 and 2011, differentiating between current tax and deferred tax is as follows:

	Millions of euros	
	2012	2011
Income tax expense for the year	130	88
Deferred tax expense	*83*	*39*
Current tax expense	*47*	*49*
Adjustment of prior years' taxes	-23	-27
TOTAL tax expense	**108**	**61**

21.3 Changes in deferred tax assets and liabilities

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	-25	6	0	-2	**28**
Total	**2,018**	**-221**	**-122**	**-65**	**-3**	**2**	**1,609**

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**
Deferred tax liabilities arising from valuation adjustments	**37**	-13	0	1	11	0	**36**
Differences between tax and accounting income and expense recognition methods	**934**	-79	-173	9	107	-2	**795**
Other	**156**	-111	16	5	0	0	**66**
Total	**1,298**	**-197**	**-157**	**18**	**118**	**-1**	**1,080**

The deferred tax assets and liabilities recognised at 31 December 2012 arose mainly from:

a) Tax assets

These relate to tax assets which have not been used by the Group companies. This item does not include all the existing tax assets, but rather only those that, based on company projections, are expected to be used before they expire. The balance recognised totalled EUR 677 million, of which EUR 618 million related to recognised tax losses and the remainder to unused tax credits. The detail of the total tax losses, distinguishing between the maximum tax asset and the tax asset recognised based on the projected recoverability thereof, is as follows:

Country	Tax losses	Millions of euros Last years for offset	Maximum tax asset	Tax asset recognised
Spanish consolidated tax group	1,538	2026-2030	462	462
Rest of Spain	763	2019-2030	229	4
US	1,229	2026-2033	488	136
Other	193	2013-No expiry date	41	16
Total	**3,723**		**1,220**	**618**

Additionally, Ferrovial had unused double taxation, reinvestment and other tax credits of EUR 217 million at 31 December 2012 (2011: EUR 166 million), of which EUR 59 million have been recognised.

A model has been created in order to analyse the recoverability of the tax assets of the Ferrovial consolidated tax group in Spain and 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 the future projections have been updated. Based on this model, all the tax loss carryforwards and EUR 59 million of the tax credits will be recovered before they expire and, accordingly, they have been retained in the statement of financial position.

In addition, a model has been created in order to analyse the recoverability of Cintra's tax assets in the US. It should be noted that all the toll roads are taxed under the pass-through rules with Cintra US Corp. for the payment of federal and state income tax and taxes on the repatriation of funds. The model uses the tax information of each toll road (mainly the taxable profit or tax loss in proportion to the percentage of ownership) and analyses the recoverability of the tax assets based on the future taxable profits and the statute-of-limitations periods. After performing several sensitivity analyses, in certain scenarios not all the tax assets will be recovered and, therefore, for the purposes of calculating their recoverability, the most conservative scenario was used and an asset of EUR 136 million was recognised.

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 212 million).
- Deferred tax assets arising as a result of differences between the tax and accounting methods used to recognise income, mainly in the Construction Division (EUR 97 million).
- Differences arising in relation to the capitalisation of borrowing costs (EUR 64 million).

The balance of the deferred tax liabilities relates mainly to:
- Accelerated depreciation and amortisation for tax purposes (EUR 149 million).
- Differences between tax and accounting criteria in relation to the recognition of provisions (EUR 394 million).
- Deferred tax liabilities arising as a result of differences between the tax and accounting methods used to recognise income, mainly in the Construction Division (EUR 48 million).
- Differences between the tax base and carrying amount of associates (EUR 142 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 462 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 183 million.

The detail of the changes in the deferred tax assets and deferred tax liabilities in 2011 is as follows:

Millions of euros	Balance at 01/01/11	Exclusion from the scope of consolidation of HAH	Transfers	Adjustments and other	Charge/Credit to profit or loss	Charge/Credit to equity	Exchange rate effect	Balance at 31/12/11
Deferred tax assets								
Tax assets	**1,127**	-213	-2	-93	-17	0	5	**807**
Differences between tax and accounting income and expense recognition methods	**496**	-112	98	25	2	1	-2	**508**
Deferred tax assets arising from valuation adjustments	**93**	-93	0	0	0	0	0	**0**
Other	**751**	-153	-67	-4	-15	129	16	**658**
Total	**59**	113	-133	-32	48	0	-9	**46**
Deferred tax assets	**2,526**	**-458**	**-104**	**-104**	**18**	**131**	**10**	**2,018**

Millions of euros	Balance at 01/01/11	Exclusion from the scope of consolidation of HAH	Transfers	Adjustments and other	Charge/Credit to profit or loss	Charge/Credit to equity	Exchange rate effect	Balance at 31/12/11
Deferred tax liabilities								
Deferred tax liabilities relating to goodwill	**1,003**	-777	0	-74	12	0	7	**171**
Deferred tax liabilities arising from valuation adjustments	**130**	0	-69	0	0	-20	-3	**37**
Differences between tax and accounting income and expense recognition methods	**989**	-649	294	-3	17	0	4	**652**
Indust. Building Allow.	**1,392**	-1,392	0	0	0	0	0	**0**
Other	**895**	-58	-344	-82	29	-3	1	**439**
Total	**4,409**	**-2,876**	**-119**	**-158**	**57**	**-23**	**8**	**1,299**

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 Ferrovial Servicios, S.A. and Amey UK Plc (partial audit of income tax for 2006) and Ferrovial Agromán, S.A. (audit of personal income tax withholdings for the years from 2008 to 2011).

22. Contingent liabilities, contingent assets and commitments

a) Contingent liabilities

a.1) Guarantees

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 2012, the balance of guarantees provided amounted to EUR 4,044 million (2011 EUR 4,240 million).

The following table contains a breakdown of guarantees by business area. The most significant item relates to the Construction Division (EUR 2,881 million), consisting basically of guarantees required in bidding processes to cover the liability of construction companies for the performance and completion of construction work contract.

Millions of euros	2012	2011
Construction	2,881	3,226
Toll roads	322	328
Services	586	543
Airports	6	7
Other	248	136
Total	**4,044**	**4,240**

a.2) Litigation

On certain occasions 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 obligation (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:

Litigation in relation to the Toll Road business

<u>R-4 toll road</u>

The companies that manage this project are involved in various lawsuits relating to the valuation of land subject to compulsory purchase required to build the toll roads. There was a provision amounting to EUR 345 million in this connection at 31 December 2012.

In addition to the problems relating to compulsory purchases, the R-4 toll road was affected by significant reductions in vehicle numbers in recent years. The evolution of the two factors meant that it was impossible to refinance the borrowings of EUR 345 million corresponding to this project. In this situation the obligation 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 resolved 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.

At 31 December 2012, Ferrovial had recognised a provision for the full amount of the investment in the aforementioned project.

Madrid-Levante toll road

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 532 million 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. On 4 December 2012, this petition was accepted by Madrid Commercial Court no. 2 and the companies were officially declared to be in a state of voluntary insolvency.

At 31 December 2012, 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 restore the economic and financial equilibrium of the concession, on 31 October 2012 the concession operator requested the termination of the arrangement for reasons attributable to the grantor, although a decision has not yet been adopted in this regard. If there is no response from the Madrid Autonomous Community Government within three months, the request will be deemed to have been dismissed due to administrative silence and, therefore, an appeal for judicial review will have to be filed.

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 2012 totalled EUR 157 million (2011: EUR 134 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 Agromán 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.

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 Agromán and Budimex in relation to the termination of the contract to construct Terminal 2 of Warsaw Airport. In 2007 the client executed the guarantee provided amounting to EUR 13.5 million and filed a claim against the UTE construction company for a total of EUR 67 million. In turn, the UTE construction company filed claims against the client 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, the client 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.

Arbitration in relation to the claim of a subcontractor with respect to work performed in Tunisia: This corresponds to a claim amounting to EUR 22.5 million filed against Ferrovial Agromán by Electra Essid, a subcontractor in the project to construct the Tunisia Olympic Stadium, in relation to work amounting to just EUR 2.25 million with respect to which the subcontractor had stated its conformity when the amount was settled.

Litigation relating to the Services business

The Group's Services Division is involved in various lawsuits relating primarily to claims for third-party liability arising from the services provided. The provisions recognised in relation to these lawsuits at 31 December 2012 totalled EUR 2 million.

The most notable lawsuit is a claim amounting to EUR 27 million in relation to the Guadalajara landfill for breach of contract and non-compliance with environmental legislation. This claim will be subject to an Arbitration Court award.

Tax audit assessments

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 2002 to 2006.

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.

a.3) Financing guarantees

As mentioned in Note 18, Net Cash Position, the borrowings for infrastructure projects are without recourse to the shareholders. However, there are certain guarantees of a limited nature in relation to the borrowings of these projects. The guarantees that Ferrovial and its subsidiaries have provided in relation to the financing of certain projects in which they have ownership interests are listed below:

- **Norte Litoral.-** Guarantee limited to the compulsory purchase cost overruns during the compulsory purchase period.
- **R4 Madrid Sur.-** There is a guarantee that covers EUR 15 million in the event that the concession is terminated.
- **Ausol.-** Guarantee limited to EUR 28 million for debt service and recognition of a debt service reserve fund in the event of a cash shortfall on the project.
- **Azores.-** Guarantee limited to EUR 10 million until 2017 as required by Article 35 of the Portuguese Companies Law.
- **SH130.-** Guarantee limited to USD 19 million for compulsory purchase cost overruns during the compulsory purchase period.
- **Serrano Park**.- Guarantee for the recalculation of the base case for a maximum of EUR 4 million, executable in 2014.
- **Inagra.-** Guarantee limited to the amount of this company's credit facilities (EUR 11 million at 31 December 2012).
- **Projects at Amey**.- Guarantees provided by Amey in relation to the subordinated debt of certain projects, amounting to GBP 2 million.
- **Other small infrastructure projects in the Services Division.-** Totalling EUR 6.5 million.

The amounts relating to the guarantees correspond to the Ferrovial Group's percentage interest in the various projects.

Additionally, in some projects and construction work, there are technical guarantees applicable up to the entry into service of the project or completed construction work, which are the standard guarantees demanded from shareholders in the framework of the financing transactions.

b) Contingent assets

The Group had not received any significant guarantees from third parties at 31 December 2012 or 2011.

c) 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 it is the project itself to which the borrowings necessary for financing are allocated, 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	**2013**	**2014**	**2015**	**2016**	**2017 and subsequent years**	**TOTAL**
Investments in fully consolidated infrastructure projects	**140**	**47**	**51**	**2**	**1**	**240**
Toll roads	139	46	50	2	1	238
Services	1	1	1	1	--	3
Investments in infrastructure projects accounted for using the equity method	**43**	**13**	**39**	**20**	**--**	**116**
Toll roads	41	13	11	--	--	65
Services	2	--	28	20	--	50
TOTAL INVESTMENTS IN INFRASTRUCTURE PROJECTS	**183**	**59**	**90**	**22**	**1**	**356**

There are also property, plant and equipment purchase commitments amounting to EUR 253 million in connection with the acquisition of machinery or the construction of treatment plants in the Services Division, the maturity schedule being as follows:

Millions of euros	Maturities					
	2013	2014	2015	2016	2017 and subsequent years	TOTAL
Services	54	51	20	15	114	**253**

d) Commitments under operating and finance leases

The expense recognised in relation to operating leases in the income statement for 2012 totals EUR 211 million.

The future total minimum lease payments for non-cancellable operating leases are shown below:

	2012					
Millions of euros	CORPORATE	CONSTRUCTION	TOLL ROADS	SERVICES	AIRPORTS	TOTAL
Within one year	3	28	3	40	0	73
Between one and five years	10	20	7	68	0	105
After five years	35	4	0	12	0	51
LESSEE	**48**	**52**	**10**	**120**	**0**	**230**

	2011					
Millions of euros	CORPORATE	CONSTRUCTION	TOLL ROADS	SERVICES	AIRPORTS	TOTAL
Within one year	2	28	4	39	0	**73**
Between one and five years	10	20	5	80	0	**115**
After five years	37	4	0	16	0	**58**
LESSEE	**49**	**52**	**9**	**135**	**0**	**246**

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

e) 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 related 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 obligation 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 2012 was EUR 88 million.

23. Fair value adjustments

The "Fair Value Adjustments" column in the income statement relates to gains or losses arising from changes in the fair value of derivatives that are not considered effective (see Note 11, Derivative Financial Instruments at Fair Value) and impairment of assets and liabilities (see Note 24, Impairment and Disposals).

24. Impairment and disposals

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

Gains and losses recognised in 2012:

Millions of euros	Impact on profit or loss before tax			Impact on net profit or loss
	Before fair value adjustments	Fair value adjustments	Total 2012	
Gains from disposals:	**115**	**0**	**115**	**186**
Heathrow Airport Holdings	*115*	*0*	*115*	*186*
Impairment losses	**0**	**-63**	**-63**	**-40**
Impairment and gains and losses on disposals of non-current assets	**115**	**-63**	**52**	**145**

Gains

In 2012 there were two partial disposals of the ownership interest held by the Group in HAH (Heathrow Airport Holdings, formerly BAA). Effective from 31 October 2012, Hubco Netherlands sold a 5.72% ownership interest held by it in HAH to Stable Investment Corporation, giving rise to the recognition of a gain of EUR 41 million (EUR 65 million in the net profit attributable to the Parent). Also, effective from 20 December 2012, the Group completed the process to sell an additional 10.62% of HAH to Qatar Holding LLC. The gain on this transaction amounted to EUR 74 million (EUR 121 million in the net profit attributable to the Parent).

As a result of these transactions Ferrovial's indirect ownership interest in HAH stands at 33.65%.

Impairment

In 2012 several impairment losses were recognised, relating mainly to the Services business due to the impairment of a waste treatment plant in the UK amounting to EUR -30 million (impact on net profit of EUR -23 million), and to the impairment of certain plots of land amounting to EUR -23 million (impact on net profit of EUR -18 million). This heading also includes the impairment of the goodwill of PNI amounting to EUR -11 million (EUR -5 million in the net profit attributable to Ferrovial), described in Note 5, Goodwill.

Gains and losses recognised in 2011

The breakdown of the main gains and losses recognised in 2011 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 2011**	**Impact on net profit or loss**
Gains from disposals:	229	0	229	220
Swissport	*195*	*0*	*195*	*200*
Trados 45	*41*	*0*	*41*	*27*
Chilean toll roads	*-6*	*0*	*-6*	*-6*
Impairment losses	0	-130	-130	-92
Impairment and gains and losses on disposals of non-current assets	**229**	**-130**	**99**	**129**

25. Operating income

The detail of the Group's operating income at 31 December 2012 is as follows:

	Millions of euros	
	2012	**2011**
Revenue	7,686	7,446
Other operating income	17	15
Total operating income	**7,703**	**7,461**

"Revenue" includes the interest on the consideration for the services provided by the concession operators that apply the financial asset model, amounting to EUR 235 thousand (2011: EUR 260 thousand), as described in Note 2.5.3.

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

26. Staff costs

The detail of the staff costs is as follows:

	Millions of euros 2012	2011
Wages and salaries	1,743	1,647
Social security costs	359	333
Pension plan contributions	7	10
Share-based payments	12	7
Other employee benefit costs	21	22
Total	**2,142**	**2,018**

At 31 December 2012 and 2011, the detail of the number of employees, by professional category and gender, is as follows:

	2012			2011			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	365	56	**421**	378	56	**434**	-3.00%
University and further education college graduates	5,618	1,867	**7,485**	5,904	2,046	**7,950**	-5.85%
Clerical staff	995	2,277	**3,272**	1,091	2,322	**3,413**	-4.13%
Manual workers and unqualified technicians	30,944	13,023	**43,967**	32,974	13,402	**46,376**	-5.19%
Total	37,935	17,224	**55,159**	40,369	17,828	**58,197**	-5.22%

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

	2012			2011			Change
	Men	Women	Total	Men	Women	Total	
Construction	12,238	1,717	**13,956**	10,843	1,649	**12,492**	12,238
Corporate	193	140	**333**	186	135	**321**	193
Real estate	25	41	**66**	30	54	**85**	25
Services	26,760	15,227	**41,987**	30,322	16,956	**47,278**	26,760
Toll roads	606	301	**907**	733	423	**1,156**	606
Airports	17	10	**27**	5,259	3,399	**8,658**	17
Total	39,839	17,437	**57,276**	47,374	22,616	**69,990**	39,839

27. Financial result

The table below shows the detail of the changes in the financial result in 2011 and 2012: The result of projects is presented separately from the result of other companies and in each of them a further distinction is made between the financial result on financing -which includes the finance costs on credit facilities and loans arranged with banks and other entities, 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	2012	2011	Change %
Finance income on financing	3	19	-86%
Finance costs on financing	-301	-284	6%
Financial result on financing of infrastructure projects	**-298**	**-265**	**12%**
Result on derivatives and other fair value adjustments	2	-3	-196%
Other financial results	-6	-11	-43%
Other financial results of infrastructure projects	**-4**	**-13**	**-72%**
Total financial result of infrastructure projects	**-302**	**-279**	**8%**
Finance income on financing	31	38	-20%
Finance costs on financing	-57	-120	-53%
Financial result on financing of other companies	**-26**	**-82**	**-68%**
Results on derivatives and other fair value adjustments	46	60	-24%
Other financial results	-7	-2	274%
Other financial results of other companies	**38**	**58**	**-34%**
Total financial result of other companies	**12**	**-25**	**-148%**
Financial result	**-290**	**-303**	**-5%**

The financial result on the financing of the infrastructure project companies amounted to EUR -298 million (31 December 2011: EUR -265 million). Of this net result, EUR -301 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 3 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	2012			2011		
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	**-405**	**107**	**-298**	**-363**	**98**	**-265**

The other financial results of infrastructure projects include mainly the effect of derivatives, exchange differences, the interest cost relating to provisions for pensions and the returns on pension plan assets.

The financial result on the financing of the other companies amounted to EUR -26 million (31 December 2011: EUR -82 million), corresponding to borrowing costs (EUR -57 million) net of the interest obtained mainly from financial investments (EUR 31 million). The improvement in this financial result was due mainly to the repayment of borrowings by the Parent of the Group, Ferrovial, S.A., in 2011, as described in the consolidated financial statements at 31 December 2011, and the improved cash position in 2012.

The other financial results of other 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 2012 of EUR 46 million due to the increase in the share price. "Other Financial Results of Other Companies" also includes the impact of certain foreign currency derivatives that are fair value hedges of the deposits held by the Group in foreign currency. Thus, the variation caused by the changes in the exchange rates affecting these investments (EUR -24 million) was offset by the fluctuation in the value of these derivatives (EUR 24 million).

28. Net profit from discontinued operations

At 31 December 2012 there was no profit or loss from discontinued operations. At 31 December 2011, "Net Profit from Discontinued Operations" included mainly the gain from the sale of a 5.88% interest in BAA held by the Group at 31 December 2010, which reduced its holding to 49.99% at 31 December 2011. Of the total EUR 844 million, EUR 142 million related to the net amount of the gain arising on this sale while EUR 706 million related to the gain arising from remeasuring the fair value of the investment retained following the loss of control. This gain was not subject to tax since it related to the reversal of an impairment loss recognised in prior years. No gain was obtained with respect to the historical tax base of the Group's ownership interest in this subsidiary.

In 2011 the loss of BAA was included under this heading until October (EUR -3 million) at which time it began to be recognised under "Share of Profits of Companies Accounted for Using the Equity Method".

29. Earnings per share

a) Basic earnings per share:

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

	2012	2011
Net profit attributable to the Parent (millions of euros)	**710**	**1,243**
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)	**0.97**	**1.69**

b) Diluted earnings per share:

At 31 December 2012 and 2011, 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.

30. Cash flow

The consolidated statement of cash flows was prepared in accordance with IAS 7. This Note provides an additional breakdown in this regard. 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 cash 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 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 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	-16	-44	0	-60
Cash flows from operating activities	**909**	**295**	**-24**	**1,180**
Investments	-313	-798	168	-942
Disposals	893	0	0	893
Cash flows from investing activities	**580**	**-798**	**168**	**-50**
Cash flows from operating and investing activities	**1,489**	**-503**	**145**	**1,130**
Interest cash flows	-32	-286	0	-317
Proceeds from capital and non-controlling interests	0	303	-168	135
Dividends paid	-826	-25	24	-827
Exchange rate effect	6	56	0	62
Decrease in net debt relating to 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)	-54	-62	-1	-117
Cash flows from financing activities	**-906**	**-13**	**-146**	**-1,065**
Change in net cash position	**583**	**-516**	**-1**	**65**
Opening position	907	-6,102	25	-5,171
Closing position	1,489	-6,618	24	-5,106

December 2011

	December 2011 (figures in millions of euros)			
	Cash flow excluding infrastructure projects	Cash flow of infrastructure projects	Eliminations	CONSOLIDATED CASH FLOW
EBITDA	463	356	0	819
Dividends received	182	0	-25	157
Taxes paid	-67	-25	0	-92
Changes in receivables, payables and other	-68	-103	0	-171
Cash flows from operating activities	**510**	**228**	**-25**	**713**
Investments	-328	-780	135	-973
Disposals	1,264	0	0	1,264
Cash flows from investing activities	**936**	**-780**	**135**	**291**
Cash flows from operating and investing activities	**1,446**	**-552**	**109**	**1,004**
Interest cash flows	-114	-293	0	-407
Proceeds from capital and non-controlling interests	-1	263	-136	126
Dividends paid	-376	-32	25	-382
Exchange rate effect	-27	-97	0	-124
Decrease in net debt relating to assets held for sale/companies accounted for using the equity method	0	14,529	0	14,529
Other changes in borrowings (not giving rise to cash flows)	-53	-85	11	-127
Cash flows from financing activities	**-571**	**14,286**	**-100**	**13,614**
Change in net cash position	**875**	**13,733**	**9**	**14,618**
Opening position	31	-19,836	16	-19,789
Closing position	907	-6,102	25	-5,171

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

31. Remuneration of directors

31.1.- Bylaw-stipulated directors' remuneration

The table below shows the itemised bylaw-stipulated emoluments of the members of the Board of Directors earned in 2012 and 2011. This table does not include the remuneration received by the executive directors for the discharge of their executive functions at the Company, which are detailed in section 31.2.

	(Amounts in thousands of euros)							
	2012				2011			
DIRECTOR (a)	Fixed remuneration	Attendance fees	Remainder	Total	Fixed remuneration (a)	Attendance fees	Remainder	Total
Rafael del Pino y Calvo-Sotelo	35.0	86.0	105.0	226.0	35.0	98.0	94.4	227.4
Santiago Bergareche Busquet	35.0	48.5	91.9	175.4	35.0	48.5	82.6	166.1
Joaquín Ayuso García	35.0	43.0	65.6	143.6	35.0	53.0	59.0	147.0
Iñigo Meirás Amusco	35.0	43.0	52.5	130.5	35.0	49.0	47.2	131.2
Jaime Carvajal Urquijo	35.0	47.5	52.5	130.5	35.0	49.5	47.2	131.7
Portman Baela, S.L.	35.0	45.0	52.5	132.5	35.0	39.0	47.2	121.2
Juan Arena de la Mora	35.0	62.5	52.5	150.0	35.0	44.5	47.2	126.7
Gabriele Burgio	35.0	55.0	52.5	142.5	35.0	52.5	47.2	134.7
María del Pino y Calvo-Sotelo	35.0	40.0	52.5	127.5	35.0	51.0	47.2	133.2
Santiago Fernández Valbuena	35.0	41.0	52.5	128.5	35.0	51.0	47.2	133.2
José Fernando Sánchez-Junco Mans	35.0	40.0	52.5	127.5	35.0	49.0	47.2	131.2
Karlovy, S.L.	35.0	33.0	52.5	120.5	35.0	33.0	47.2	115.2
TOTAL	**420.0**	**584.5**	**735.2**	**1,739.7**	**420.0**	**618.0**	**660.9**	**1,698.9**

(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 Annual General Meeting determine the total, fixed annual remuneration for all the members of the Board of Directors.

The shareholders at the General Meeting held on 22 October 2009 [1] set annual fixed remuneration for the Board of Directors as a whole at EUR 1,772.7 thousand in consideration of 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 fixed and 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 reviews in accordance with the changes in the Consumer Price Index.

In accordance with these resolutions[2] the fixed annual amount for 2012 was set at EUR 1,739.7 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 Annual 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 2012. This total did not change with respect to 2011.

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

Attendance fees for 2012 totalled EUR 584.5 thousand. The amounts per meeting are the same in 2012 and 2011: Board of Directors: EUR 3,000/meeting; Executive Committee: EUR 2,000/meeting; Audit and Control Committee: EUR 2,000/meeting; Nomination and Remuneration Committee: EUR 1,500/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 Annual General Meeting; and (b) a sum equal to 0.5% of the consolidated profit for the year attributable to the Company.

For 2012, 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 735.2 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 2012, the Board of Directors of Ferrovial S.A. intends to prepare and make available to shareholders the "Annual Report on Directors' Remuneration" required by Article 61 ter. of the Spanish Securities Market Law.

This report will describe the matters relating to the Company's remuneration policy for 2012, the policy planned for future years, an overview of how the remuneration policy was applied in 2012 and a detail of the individual remuneration earned by each of the directors.

[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 2011 was 2.4%, the percentage that was applied to the automatic revision of the remuneration of the Board of Directors.

31.2.- Individual remuneration of the Executive Directors

a) Remuneration earned in 2012

In 2012 the three executive directors earned the following remuneration for the discharge of their functions, in addition to the remuneration discussed in the preceding section.

(Amounts in thousands of euros)												
	2012 (*)						2011 (*)					
REMUNERATION OF EXECUTIVE DIRECTORS	Fixed remuneration	Variable remuneration	Relating to boards of other subsidiaries	Exercise of share options	Life insurance premiums	Total 2012	Fixed remuneration	Variable remuneration	Relating to boards of other subsidiaries	Exercise of share options	Life insurance premiums	Total 2011
Rafael del Pino y Calvo-Sotelo	1,150.00	1,970	0.00	318.61	4.67	3,443.28	1,150.00	1,679.02	0.00	0.00	4.06	2,833.08
Joaquín Ayuso García (1)	900.00	848.02	46.87	318.20	5.65	2,118.70	900.00	702.05	51.98	285.67	5.32	1,945.02
Iñigo Meirás Amusco	950.00	1,770	0.00	127.44	2.97	2,847.44	950.00	1,543.82	0.00	0.00	2.58	2,496.40
TOTAL	3,000.00	4,588.02	46.87	764.23	13.29	8,412.41	3,000.00	3,924.89	51.98	285.67	11.96	7,274.50

(1) In addition to the information disclosed above, 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 (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 in 2012

The detail of the outstanding share option plans and performance-related share award plans for executive directors at 31 December 2012 is as follows:

SHARE OPTION PLANS EXECUTIVE DIRECTORS Situation at 31/12/12	Share options		No. of equivalent shares	Exercise price (euros)	% of share capital
Rafael del Pino y Calvo-Sotelo	2006 Plan	786,400	786,400	16.48	0.107
	2008 Plan	1,179,600	1,179,600	12.12	0.161
Joaquín Ayuso García	2006 Plan	786,400	786,400	16.48	0.107
	2008 Plan	1,179,600	1,179,600	12.12	0.161
Íñigo Meirás Amusco	2006 Plan	400,000	400,000	16.48	0.055
	2008 Plan	660,000	660,000	12.12	0.09

PERFORMANCE-RELATED SHARE AWARD PLAN EXECUTIVE DIRECTORS Situation at 31/12/12	Units		No. of voting rights	% of voting power
Rafael del Pino y Calvo-Sotelo	2010 Allocation	150,000	150,000	0.020%
	2011 Allocation	132,000	132,000	0.018%
	2012 Allocation	122,000	122,000	0.017%
Joaquín Ayuso García	2010 Allocation	50,000	50,000	0.007%
Íñigo Meirás Amusco	2010 Allocation	150,000	150,000	0.020%
	2011 Allocation	132,000	132,000	0.018%
	2012 Allocation	122,000	122,000	0.017%

The general characteristics of the two plans are detailed in Note 32, Share-based Payment.

31.3. 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 earned EUR 46.9 thousand in this respect in 2012 (EUR 52.0 thousand in 2011).

31.4.- Pension funds and plans or life insurance premiums

As in 2011, no contributions were made in 2012 to pension plans or funds for former or current members of the Company's Board of Directors. No such obligations were incurred during the year.

As regards life insurance premiums, the Company has insurance policies covering death, for which premiums totalled EUR 13.3 thousand in 2012 (EUR 12.0 thousand in 2011), of which the executive members are beneficiaries.

No contributions were made and no obligations 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 2011.

31.5.- Advances and loans

At 31 December 2012, 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.

31.6.- Remuneration of senior executives

The joint remuneration earned by the Company's senior executives in 2012 was as follows:

REMUNERATION OF SENIOR EXECUTIVES	*(thousands of euros)*	
	2012	2011
Fixed remuneration	4,431.7	4,305.6
Variable remuneration	5,348.6	4,508.3
Exercise of share options and/or other financial instruments [see description]	1,386.8	573.7
Remuneration as members of managing bodies of other Group companies, jointly controlled entities or associates	[24.5]	18.8
Contributions to pension funds or plans, or similar obligations	[-]	(-)
Insurance premiums	19.7	15.0

No loans were granted to the senior executives.

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. Lastly, it should be noted that in 2012 EUR 2,274.3 thousand were paid in termination benefits.

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 whereby participants may request that a portion of their gross annual remuneration is 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 amounting to EUR 301.5 thousand from the Company, instead of the equivalent remuneration shown in the foregoing table.

31.7.- 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 the Ferrovial 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 return-metrics at both corporate and business/ area level.

Ferrovial's variable remuneration scheme is therefore linked closely to the Company's performance metrics.

Since the consolidated profit attributable to the Company in 2012 amounted to EUR 710 million, the members of the Board of Directors were paid remuneration of EUR 735.2 thousand in respect of the remainder of their annual emoluments

Having achieved the objectives for profit and return established at the beginning of 2012, the members of the Board of Directors who perform executive duties received total aggregate variable remuneration of EUR 4,588.02 thousand.

31.8.- Other disclosures on remuneration

The agreements between the Company and senior executives, including two executive directors, 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, deferred remuneration was recognised for eleven senior executives, including two executive directors. The deferred remuneration 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 on 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 2012 amounted to EUR 2,580.6 thousand (2011: EUR 2,653.7 thousand), of which EUR 1,060.7 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 of two senior executives stipulate additional rights in their favour, including prior-notice obligations incumbent upon the Company in the event of unjustified dismissal.

32. 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 2012 were as follows:

Participants	Approval date	Exercise deadline	Exercise price	Outstanding options (2012)
Executives 03 - Ferrovial (additional)	11/03/05	10/03/13	EUR 11.40	56,000
Executives 05 - Ferrovial	31/10/05	30/10/13	EUR 15.88	4,421,360
Executives 05 - Ferrovial (additional)	01/08/06	31/07/14	EUR 15.42	180,000
Executives 05 - Ferrovial (additional)	30/10/06	29/10/14	EUR 16.60	115,200
Executives 05 - Ferrovial (additional)	25/01/07	24/01/15	EUR 18.21	73,600
Executives 05 - Ferrovial (additional)	03/07/07	02/07/15	EUR 18.38	14,400
Executives 05 - Cintra	31/10/05	30/10/13	EUR 8.98	316,134
Executives 05 - Cintra (additional)	25/07/07	24/07/15	EUR 10.90	94,178
Senior executives 06 - Ferrovial	04/05/06	03/05/14	EUR 16.48	2,952,000
Senior executives 06 - Ferrovial (additional)	03/07/07	02/07/15	EUR 18.38	228,000
Senior executives 06 - Cintra	22/11/06	21/11/14	EUR 10.54	67,720
Executives 07 - Ferrovial	23/11/07	22/11/15	EUR 14.99	5,366,800
Executives 07-Cintra	23/11/07	22/11/15	EUR 10.72	447,670
Senior executives 08 - Ferrovial	26/04/08	25/04/16	EUR 12.12	5,603,200
Senior executives 08 - Cintra	26/04/08	25/04/16	EUR 9.09	85,509
	Number of shares at end of year			**20,021,771**

All share option plans have 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 detail of the changes in the Company's share option plans in 2012 and 2011 is as follows:

	2012	2011
Number of options at beginning of year	**25,533,963**	**30,496,105**
Plans granted	-	-
Options not taken up and other	-490,800	-1,276,762
Options exercised	-5,021,392	-3,685,380
Number of options at end of year	**20,021,771**	**25,533,963**

Since the aforementioned plans are in the exercise period, they do not give rise to staff costs on a regular basis. However, in 2012 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 2011).

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 to be granted each year 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), subject to the achievement during this period of ratios based partly on cash flows from operating activities and partly 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 senior executives was authorised by the Annual General Meeting held on 29 June 2010.

The changes in the aforementioned remuneration schemes in 2012 and 2011 are summarised as follows:

	2012	2011
Number of shares at beginning of year	**4,117,600**	**2,302,300**
Plans granted	1,854,969	2,050,478
Shares surrendered and other	-94,671	-168,134
Shares exercised	-47,924	-67,044
Number of shares at end of year	**5,829,974**	**4,117,600**

The main requirements established for the award of shares to the employees under the plan are as follows:

- Service at the Company for three years from the date of execution, barring certain exceptional circumstances.
- Achievement of certain objectives based on cash flows from operating activities and the ratio of EBITDA to net productive assets during that period.

In 2012 the staff costs recognised in relation to these remuneration systems amounted to EUR 13 million (2011: EUR 8 million). These costs were measured as futures and, therefore, 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.

In relation to the remuneration systems based on the performance related award of shares related to performance, 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 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 plan granted previously explained above, with the inclusion of an additional condition related to total shareholder return in relation to a comparable group. The plan will be formally executed in 2013.

33. 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 must 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.
- 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 most significant arm's length transactions with related parties carried out in 2012 in the ordinary course of the Company's and the Group's business are analysed below.

The Company provides this information in compliance with the definitions and criteria set forth in Ministry of Economy and Finance Order EHA/3050/2004 of 15 September, and in CNMV Circular 1/2008, of 30 January.

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 (*).

Significant shareholders
The following table contains a breakdown of the transactions carried out in 2012 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				2012			2011		
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 Agromán, S.A. / subsidiaries	Commercial	Construction work	137	14	0	423	38	0
	Ferrovial Servicios, S.A. / subsidiaries	Commercial	Integrated management of services at Madrid offices	459	122	143	434	127	145
	Ferrovial Conservación, S.A.	Commercial	Lease to Ferrovial of offices in Madrid owned by shareholders	(-)	(-)	(-)	136	(*)	0
	Ferrovial Servicios, S.A. / subsidiaries	Commercial	Integrated management of services at Madrid offices	2	2	0	84	2	0

(1) According to the "Notification of Voting Rights" form submitted to the Spanish National Securities Market Commission (CNMV) and the Company on 22 May 2012, ´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, the majority of the share capital of Portman. Portman holds an ownership interest of 43.614% in the share capital of Ferrovial. In turn, Karlovy, S.L. directly holds 0.00158% of the share capital of Ferrovial. The family group formed by the persons listed above controls, through Karlovy and Portman, 43.615% of the share capital of Ferrovial´. Based on this notification the sum of the direct and indirect shares of all the members of the family group, i.e. María, Rafael, Joaquín, Leopoldo and Fernando del Pino y Calvo-Sotelo, as well as Karlovy, S.L. and Portman Baela, S.L., amounted to 329,328,707 shares, representing 44.898% of the share capital of Ferrovial.
(*) 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
The transactions performed with the Company's directors, representatives of directors and senior executives in 2012 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)					
				2012			2011		
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 and cleaning services	15	5	1	61	7	1
Person related to Iñigo Meirás	Ferrovial Servicios, S.A. / subsidiaries	Commercial	Maintenance and gardening services	31	0	0	(-)	(-)	(-)
Álvaro Echániz and related person	Ferrovial Inmobiliaria, S.A.	Commercial	Sale of buildings/land	396	0	114	(-)	(-)	(-)
Santiago Olivares and related person	Ferrovial Inmobiliaria, S.A.	Commercial	Sale of buildings/land	260	1	76	(-)	(-)	(-)
Person related to Jaime Aguirre de Cárcer	Ferrovial Inmobiliaria, S.A.	Commercial	Sale of buildings/land	129	1	38	(-)	(-)	(-)
Almirall Laboratorios	Ferrovial Servicios, S.A. / subsidiaries	Commercial	Provision of waste collection services	122	10	17	122	10	20
Universidad de Deusto	Ferrovial Servicios, S.A. / subsidiaries	Commercial	Provision of maintenance services	180	54	45	168	31	56
Aviva	Ferrovial Group companies	Commercial	Arrangement of insurance policies	2,581	(*)	149	2,653	(*)	0
Maxam Europe and Group companies	Ferrovial Agromán / subsidiaries	Commercial	Receipt of supplies of explosives and detonators	32	(*)	46	104	(*)	-100
Banesto	Ferrovial Group companies	Commercial	Payment of bank commissions and fees and settlements arising from derivative instrument transactions	(-)	(-)	(-)	11,254	(*)	0
		Commercial	Interest received	338	338	0	2,171	2,171	0
		Commercial	Payment of interest	2,019	(*)	0	12,179	(*)	0
		Commercial	Balance drawn down against guarantee facilities	(-)	(-)	(-)	256,400	(*)	-256,400
		Commercial	Balance drawn down against reverse factoring and documentary credit facilities	(-)	(-)	(-)	28,400	(*)	-28,400
		Commercial	Balance drawn down against credit facilities	(-)	(-)	(-)	302,900	(*)	302,900
		Commercial	Payment for cleaning and maintenance services	0	(*)	70	0	(*)	70
Cepsa	Ferrovial Agromán / subsidiaries	Commercial	Construction work	45	0	0	227	15	20
	Ferrovial Group companies	Commercial	Receipt of fuel supplies	16,933	(*)	-1,250	16,160	(*)	-1,525
	Ferrovial Servicios, S.A. / subsidiaries	Commercial	Provision of maintenance services	3	3	0	53	6	8
ESADE	Corporate	Commercial	Receipt of training services	(-)	(-)	(-)	222	(*)	0
Everis and group companies	Cintra	Commercial	Receipt of advertising services	16	(*)	0	5	(*)	0
	Corporate	Commercial	Receipt of IT-project services	(-)	(-)	(-)	198	(*)	-80
Asea Brown Bovery	Ferrovial Group companies	Commercial	Receipt of electrical equipment repair and maintenance services / spare parts	21	(*)	0	8	(*)	0
	Ferrovial Servicios, S.A. / subsidiaries	Commercial	Provision of waste collection services	12	1	4	19	2	8

(*) 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)* 2012			2011		
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	8,449	(*)	-2,095	12,309	(*)	-1,733
	Corporate	Commercial	Rebilling of cancellation costs	704	0	99	(-)	(-)	(-)
Meliá Hotels and group companies	Ferrovial Group companies	Commercial	Receipt of hotel and catering services	5	(*)	-1	43	(*)	-1
	Ferrovial Servicios, S.A. / subsidiaries	Commercial	Provision of maintenance and waste collection services	26	0	22	9	0	9
Bimarán and group companies	Ferrovial Agromán, S.A. / subsidiaries	Commercial	Construction work	(-)	(-)	(-)	1,439	89	0
Empark and group companies	Ferrovial Servicios, S.A. / subsidiaries	Commercial	Provision of waste collection services	28	2	7	21	2	5
	Ferrovial Servicios, S.A. / Ferrovial Agromán / subsidiaries	Commercial	Receipt of parking-space rental services	19	(*)	-125	19	(*)	-106
	Ferrovial Servicios, S.A. / subsidiaries	Commercial	Provision of maintenance services	1	1	0	21	4	21
	Cintra	Commercial	Rebilling of expenses, trade receivable balances and inventories yet to be sold	1,223	0	1,947	17	(*)	3,094
	Ferrovial Agromán, S.A. / subsidiaries	Commercial	Construction work	2,816	0	1,842	847	55	336
	Corporate	Commercial	Sale of computer hardware	0	0	4	(-)	(-)	(-)
Acerinox	Ferrovial Servicios, S.A. / subsidiaries	Commercial	Provision of waste collection services	-1	0	0	7	1	1
Dornier	Ferrovial Servicios, S.A. / subsidiaries	Commercial	Provision of upkeep services	4	0	2	41	0	2
	Ferrovial Servicios, S.A. / subsidiaries	Commercial	Provision of maintenance services	(-)	(-)	(-)	4	2	2
	Corporate	Commercial	Sale of computer hardware	0	0	1	(-)	(-)	(-)
Holcim	Ferrovial Agromán / subsidiaries	Commercial	Purchase of cement	1	(*)	0	1	(*)	0
Bankia	Ferrovial Group companies	Commercial	Arrangement of financial services	7,078	(*)	0	(-)	(-)	(-)
	Ferrovial Group companies	Commercial	Financing agreements. Guarantee	301,200	(*)	0	(-)	(-)	(-)
	Ferrovial Group companies	Commercial	Interest received	731	731	0	(-)	(-)	(-)
	Ferrovial Group companies	Commercial	Payment of interest	5,511	(*)	0	(-)	(-)	(-)
	Ferrovial Group companies	Commercial	Balance drawn down against guarantee facilities	268,600	(*)	268,600	(-)	(-)	(-)
Fundación Seres	Corporate	Commercial	Donation	6	(*)	0	(-)	(-)	(-)
La Rioja Alta	Ferrovial Servicios, S.A. / subsidiaries	Commercial	Receipt of food services	1	(*)	0	(-)	(-)	(-)
Marsh	Ferrovial Group companies	Commercial	Receipt of insurance services	993	(*)	-378	(-)	(-)	(-)
Spencer Stuart	Ferrovial Agromán / subsidiaries	Commercial	Receipt of consultancy services	66	(*)	0	(-)	(-)	(-)
Zurich Insurance	Ferrovial Group companies	Commercial	Arrangement of insurance policies	216	(*)	-3	(-)	(-)	(-)
	Ferrovial Servicios, S.A. / subsidiaries	Commercial	Provision of maintenance services	2	-2	0	(-)	(-)	(-)

(*) No profit or loss is stated as the relevant amount pertains to the entity or person providing the service.

In addition to the aforementioned transactions, four arm's length transactions were performed in 2012 with members of the controlling family group or entities related to them, directors and senior executives, directly or through related persons, for an overall total of EUR 38 thousand (EUR 44 thousand in 2011), comprising collections for/performance of minor construction work in private residences or corporate headquarters; provision of fitting, repair and maintenance services at facilities; provision of waste collection and integrated management services; and sundry services received, all for a limited duration and amount. Where companies of Ferrovial acted as service providers, the profit obtained totalled EUR 0 thousand (EUR 3 thousand in 2011) and the balance was EUR 20 thousand (EUR 17 thousand in 2011).

The information on remuneration and loans relating to directors and senior executives may be consulted in the section "Remuneration of Directors and Senior Executives".

Intra-Group transactions

Set out below is information on transactions between Ferrovial companies which, since they form 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, during the performance of the contract, the work 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 2012 Ferrovial's Construction Division billed those companies for EUR 746,854 thousand (EUR 668,368 thousand in 2011) for work performed and related advance payments and, in this respect, recognised sales totalling EUR 716,511 thousand (EUR 664,820 thousand in 2011).

In 2012 the profit from these transactions attributable to Ferrovial's holdings in the concession operators in question and not eliminated on consolidation, net of taxes and non-controlling interests, was EUR 23,813 thousand. In 2011 it was EUR 32,148 thousand.

34. 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:

- 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.
- 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 Annual 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 2012 is as follows:

Conflicts of interest:
There were no conflicts of interest.

Ownership interests in the 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 directorships held at the Group's subsidiaries are as follows:

- Joaquín Ayuso García: Chairman of Autopista Alcalá O'Donell, S.A., Autopista del Sol, S.A., Autopista Madrid Levante Concesionaria Española, S.A. and Inversora de Autopistas de Levante, S.L., and director of Inversora de Autopistas del Sur, S.L. and Autopista Madrid Sur Concesionaria Española, S.A.

- Iñigo Meirás Amusco: Chairman 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., and director of Ferrovial Qatar LLC.

35. 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 2012 and 2011 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 main auditor represented 18% of the total audit services in 2012.

	Millions of euros	
	2012	2011
Fees for audit services	**4.1**	**3.3**
Principal auditor	3.4	2.7
Audit services	2.6	2.3
Audit-related services	0.5	0.2
Other attest services	0.3	0.2
Other auditors	0.7	0.6
Audit services	0.7	0.6
Audit-related services	0.0	0.0
Other attest services	0.0	0.0
Other consultancy services	**0.8**	**1.0**
Principal auditor	0.6	1.0
Other auditors	0.2	0.0

36. Events after the reporting period

On 30 January 2013, Ferrovial completed its first corporate bond issue, amounting to EUR 500 million and maturing on 30 January 2018, with the guarantee of Ferrovial and of some of its subsidiaries. The bonds bear an annual rate of interest of 3.375% payable annually. The issue will be traded on the secondary market of the London Stock Exchange once the habitual conditions precedent for bonds of this kind have been met. The net funds obtained (approximately EUR 496 million) were used to repay existing corporate debt.

In addition, on 18 January 2013 HAH announced the completion of the sale of London Stansted Airport to Manchester Airports Group for approximately GBP 1,500 million (around EUR 1,800 million). This sale came about as a result of the decision of the UK Competition Commission, which in 2009 ruled that HAH had to sell three of its seven airports in the UK in order to break its monopoly. After the sale of Gatwick (December 2009) and Edinburgh (May 2012) and several appeals against the sale of Stansted, in August 2012 HAH announced its decision not to appeal against the Competition Commission ruling at the Supreme Court of the United Kingdom and to put this airport up for sale.

37. 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 and proportionately consolidated companies)

Individual information

CORPORATE						
Company	**Auditor**	**Parent**	**% of ownership**	**Net cost of ownership interest (millions of euros)**	**Country**	**Registered office**
SPAIN						
Ferrovial, S.A. (a)	Deloitte				Spain	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)	67.0%	903	Spain	Príncipe de Vergara, 135, 28002, Madrid
Betonial, S.A. (a)		Ferrovial, S.A. (i)	99.0%	32	Spain	Príncipe de Vergara, 135, 28002, Madrid
Burety, S.L. (a)		Ferrovial, S.A. (i)	99.1%	9	Spain	Príncipe de Vergara, 135, 28002, Madrid
Frin Gold, S.A. (a)		Ferrovial, S.A. (i)	99.0%	0	Spain	Príncipe de Vergara, 135, 28002, Madrid
Inversiones Trenza, S.A. (a)		Ferrovial, S.A. (i)	99.0%	1	Spain	Príncipe de Vergara, 135, 28002, Madrid
Promotora Ibérica de Negocios, S.A. (a)		Ferrovial, S.A. (i)	99.0%	0	Spain	Príncipe de Vergara, 135, 28002, Madrid
Remtecolex, S.A. (a)		Ferrovial, S.A. (i)	99.0%	0	Spain	Príncipe de Vergara, 135, 28002, Madrid
Sotaverd, S.A.		Ferrovial, S.A. (ii)	49.0%	0	Spain	Calvet, 30, 08021, Barcelona
Triconitex, S.L. (a)		Ferrovial, S.A. (i)	99.0%	7	Spain	Príncipe de Vergara, 135, 28002, Madrid
Finecofer (a)	Deloitte	Ferrovial, S.A. (i)	99.0%	3,026	Spain	Príncipe de Vergara, 135, 28002, Madrid
Ferrovial Emisiones, S.A. (a)		Ferrovial, S.A. (i)	99.0%	0	Spain	Príncipe de Vergara, 135, 28002, Madrid
Ferrovial Corporación, S.L. (a)	Deloitte	Ferrovial, S.A. (i)	99.0%	27	Spain	Príncipe de Vergara, 135, 28002, Madrid
Ferrovial Telecomunicaciones, S.A. (a)		Ferrovial, S.A. (i)	99.0%	0	Spain	Príncipe de Vergara, 135, 28002, Madrid
UNITED KINGDOM						
Ferrocorp UK	BDO	Ferrovial, S.A.	100.0%	1	United Kingdom	Edmund Halley Road, Oxford OX4 4DQ
IRELAND						
Alkes Reinsurance Limited	Deloitte	Ferrovial, S.A.	100.0%	3	Ireland	13-17 Dawson Street, Dublin 2

CONSTRUCTION

Company	Auditor	Parent	% of ownership	Net cost of ownership interest (millions of euros)	Country	Registered office
SPAIN						
Ferrovial Agromán, S.A. (a)	Deloitte	Finecofer, S.L.	100.0%	3,094	Spain	Ribera del Loira, 42, 28042, Madrid
Aplicación Recursos Naturales, S.A. (a)		Ferrovial Agromán, S.A. (i)	100.0%	0	Spain	Ribera del Loira, 42, 28042, Madrid
Cadagua, S.A. (a)	Deloitte	Ferrovial Agromán, S.A. (i)	100.0%	119	Spain	Gran Vía 45, 48011 Bilbao/Vizcaya
Compañía de Obras Castillejos (a)	Deloitte	Ferrovial Agromán, S.A. (i)	100.0%	7	Spain	Ribera del Loira, 42, 28042, Madrid
Encofrados Deslizantes y Técnicas Especiales, S.A. (a)	Deloitte	Ferrovial Agromán, S.A. (i)	99.1%	2	Spain	Ribera del Loira, 42, 28042, Madrid
Ditecpresa, S.A. (a)	Deloitte	Ferrovial Agromán, S.A. (i)	100.0%	1	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
Urbaoeste, S.A. (a)		Ferrovial Agromán, S.A. (i)	99.0%	1	Spain	Ribera del Loira, 42, 28042, Madrid
Ferrovial Medio Ambiente y Energía, S.A. (a)	Deloitte	Ferrovial Agromán, S.A. (i)	99.0%	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
Norvarem, S.A.U. (a)	Deloitte	Ferrovial Agromán, S.A.	100.0%	4	Spain	Príncipe de Vergara, 135, 28002 Madrid
Técnicas del Pretensado y Servicios Auxiliares, S.L. (a)	Deloitte	Edytesa, S.A. (i) (a)	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
Concesionaria de Prisones Figueres (a)	Deloitte	Ferrovial Agromán, S.A. (i)	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. (a)	1.2%	0	Spain	Ribera del Loira, 42, 28042, Madrid
MEXICO						
Cadagua Ferr. Indust. México		Ferrovial Medio Ambiente, S.A.	24.9%	0	Mexico	Cataratas 3, 1 Jardín Del Pedreg, 01900, Mexico City
Cadagua Ferr. Indust. México		Cadagua, S.A. (a)	75.1%	0	Mexico	Cataratas 3, 1 Jardín Del Pedreg, 01900, Mexico City
INDIA						
Cadagua Ferrovial India Pr Ltd.		Ferrovial Medio Ambiente, S.A.	5.0%	0	India	214, Vigyapan Lok Apartments, 110091, New Delhi
Cadagua Ferrovial India Pr Ltd.		Cadagua, S.A. (a)	95.0%	0	India	214, Vigyapan Lok Apartments, 110091, New Delhi
PUERTO RICO						
COCSA Puerto Rico	VGMM	Compañía de Obras Castillejos, S.A.	100.0%	0	Puerto Rico	Ponce De León Ave, 711
POLAND						
Budimex, S.A.	Deloitte Audit Sp. z.o.o.	Valivala Holdings B.V.	59.1%	98	Poland	01-040 Warsaw ul. Stawki 40
Budimex Danwood, Sp. z.o.o.	Deloitte Audit Sp. z.o.o.	Budimex, S.A.	100.0%	8	Poland	17-100 Bielsk Podlaski ul. Brańska 132
Budimex Sygnity, S.j.	Deloitte Audit Sp. z.o.o.	Budimex, S.A.	67.0%	0	Poland	01-040 Warsaw ul. Stawki 40
Mostostal Kraków, S.A.	Deloitte Audit Sp. z.o.o.	Budimex, S.A.	100.0%	3	Poland	31-752 Kraków ul. Mrozowa 5
Budimex Nieruchomości Sp. z.o.o. (PC)	Deloitte Audit Sp. z.o.o.	Budimex, S.A.	100.0%	176	Poland	01-040 Warsaw ul. Stawki 40
Budimex S.A. Ferrovial Agromán S.A. Sp.j.	Deloitte Audit Sp. z.o.o.	Budimex, S.A.	50.0%	0	Poland	01-040 Warsaw ul. Stawki 40
Budimex S.A. Ferrovial Agromán S.A. Sp.j.	Deloitte Audit Sp. z.o.o.	Ferrovial Agromán, S.A.	50.0%	0	Poland	01-040 Warsaw ul. Stawki 40
Tecpresa-Techniki Sprezan		Técnicas del Pretensado y Servicios Auxiliares, S.L. (a)	70.0%	0	Poland	01-040 Warsaw ul. Stawki 40
Tecpresa-Techniki Sprezan		Budimex, S.A.	30.0%	0	Poland	01-040 Warsaw ul. Stawki 40

CHILE						
Ferrovial Agromán Chile, S.A.		Ferrovial Agromán, S.A.	13.4%	4	Chile	C/ Mac Iver, 225, Dpto 20101, Santiago de Chile
Ferrovial Agromán Chile, S.A.		Ferrovial Agromán Empresa Constructora Ltda.	86.6%	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
Constructora Agromán Ferrovial Limitada		Ferrovial Agromán, S.A.	56.9%	0	Chile	Avda San Andrés Bello 2711
Constructora Agromán Ferrovial Limitada		Ferrovial Agromán Chile, S.A.	2.8%	0	Chile	Avda San Andrés Bello 2711
Constructora Agromán Ferrovial Limitada		Ferrovial Agromán Empresa Constructora Ltda.	40.4%	0	Chile	Avda San Andrés Bello 2711
Ferrovial Agromán Compañía Constructora Ltda.		Ferrovial Agromán, S.A.	99.95%	0	Chile	C/ Mac Iver, 225, Dpto 20101, Santiago de Chile
Ferrovial Agromán Compañía Constructora Ltda.		Ferrovial Agromán Chile, S.A.	0.05%	0	Chile	C/ Mac Iver, 225, Dpto 20101, Santiago de Chile
Ferrovial Agromán Latinoamérica, Ltda.		Ferrovial Agromán Empresa Constructora Ltda.	50.0%	0	Chile	C/ Mac Iver, 225, Dpto 20101, Santiago de Chile
Ferrovial Agromán Latinoamérica, Ltda.		Constructora Agromán Ferrovial Limitada	50.0%	0	Chile	C/ Mac Iver, 225, Dpto 20101, Santiago de Chile
CANADA						
Ferrovial Agromán Canada, Inc.	Deloitte	Constco Holdings B.V.	100.0%	1	Canada	100 King St West 41st Floor
NETHERLANDS						
Valivala Holdings B.V.		Discota XXI, S.L. (Sole-Shareholder Company) (a)	100.0%	99	Netherlands	Naritaweg 165, 1043 BW Amsterdam
Constco Holdings B.V.		Ferrovial Agromán, S.A. (i)	100.0%	3	Netherlands	Naritaweg 165, 1043 BW Amsterdam
UNITED STATES						
Ferrovial Agromán US Corp.	Deloitte	Ferrovial Agromán, S.A.	100.0%	11	US	7700 Chevy Chase Drive Suite 500
Ferrovial Agromán Indiana, LLC	Deloitte	Ferrovial Agromán US Corp.	100.0%	0	US	5960, Evergreen Av
Indiana Toll-Roads Contractors, LLC	Deloitte	Ferrovial Agromán Indiana, LLC	75.0%	0	US	1531 South Calumet Road, Chesterton, US
Ferrovial Agromán Texas, LLC	Deloitte	Ferrovial Agromán US Corp.	100.0%	0	US	7700 Chevy Chase Drive Suite 500
Ferrovial Agromán 56, LLC	Deloitte	Ferrovial Agromán Texas, LLC	100.0%	0	US	7700 Chevy Chase Drive Suite 500
Central Texas Highway Constructors, LLC	Deloitte	Ferrovial Agromán 56, LLC	50.0%	0	US	Lockhart, Texas 78644
W.W.Webber, LLC	Deloitte	Norvarem	100.0%	49	US	14333 Chrisman Road, Houston, Texas, 77039
Webber Management Group, Inc.	Deloitte	Norvarem	100.0%	41	US	14333 Chrisman Road, Houston, Texas, 77039
Southern Crushed Concrete, Inc.	Deloitte	Norvarem	100.0%	88	US	14333 Chrisman Road, Houston, Texas, 77039
Webber Barrier Services, LLC	Deloitte	Norvarem	100.0%	0	US	14333 Chrisman Road, Houston, Texas, 77039
Bluebonnet Contractors, LLC	Deloitte	Ferrovial Agromán Texas, LLC	60.0%	0	US	14333 Chrisman Road, Houston, Texas, 77039
Bluebonnet Contractors, LLC	Deloitte	DBW Construction, LLC	40.0%	0	US	14333 Chrisman Road, Houston, Texas, 77039
Trinity Infrastructure, LLC	Deloitte	Ferrovial Agromán Texas, LLC	60.0%	0	US	14333 Chrisman Road, Houston, Texas, 77039
Trinity Infrastructure, LLC	Deloitte	DBW Construction, LLC	40.0%	0	US	14333 Chrisman Road, Houston, Texas, 77039
DBW Construction, LLC	Deloitte	W.W. Webber, LLC	100.0%	0	US	14333 Chrisman Road, Houston, Texas, 77039
IRELAND						
Ferrovial Agromán Ireland Ltd.	Deloitte	Ferrovial Agromán, S.A.	100.0%	0	Ireland	Monastery Road, Clondalkin

NORTHERN IRELAND						
Ferrovial Agromán Irlanda del Norte, Ltda.	Deloitte	Ferrovial Agromán Ireland Ltd.	100.0%	0	Northern Ireland	N1 Road Carrickcarnan County Louth, Ireland
UNITED KINGDOM						
Ferrovial Agromán UK, Ltd.	Deloitte	Ferrovial Agromán, S.A.	100.0%	20	United Kingdom	1st Floor Raynham House, Capital Park West,
Ferrovial Agromán Airports UK, Ltd.	Deloitte	Ferrovial Agromán, S.A.	100.0%	0	United Kingdom	Heathrow Building, 4
GERMANY						
Budimex Bau		Budimex, S.A.	100.0%	0	Germany	50968 Köln (Niemcy) Pferdmengesstrasse 5
AUSTRALIA						
Ferrovial Agromán Australia Pty Ltd.		Ferrovial Agromán UK, Ltd.	100.0%	2	Australia	Level 12 95 Pitt Street, Sydney, NSW 2000

AIRPORTS

Company	Auditor	Parent	% of ownership	Net cost of ownership interest (millions of euros)	Country	Registered office
SPAIN						
Ferrovial Aeropuertos, S.A. (a)	Deloitte	Ferrovial, S.A.	100.0%	171	Spain	Príncipe de Vergara, 135, 28002, Madrid
CHILE						
Aeropuerto Cerro Moreno Sociedad Concesionaria, S.A. (Concession operator)	Price Waterhouse Coopers	Ferrovial Aeropuertos, S.A.	99.9999%	0	Chile	Avda. Andrés Bello 2711, Las Condes, Santiago
NETHERLANDS						
Aeroco Netherlands B.V.		Ferrovial Aeropuertos, S.A.	100.0%	-0	Netherlands	Naritaweg 165, 1043 BW Amsterdam, the Netherlands
Hubco Netherlands, B.V.	Deloitte	Finecofer, S.L.	100.0%	189	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.	100.0%	1,782	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%	199	Spain	Área de Peaje San Pedro - Ctra. del Pantano Roto, s/n, 29670, San Pedro de Alcántara (Málaga)
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, S.L. (a)	Deloitte	Cintra Infraestructuras, S.A.	100.0%	19	Spain	Plaza Manuel Gómez Moreno, 2. Edificio Alfredo Mahou, 28020, Madrid
Inversora de Autopistas del Sur, S.L.	Deloitte	Cintra Infraestructuras, S.A.	55.0%	0	Spain	Salida 4 Parla-Pinto Edificio de Oficinas, 28320, Pinto (Madrid)
Autopista Madrid Sur C.E.S.A.	Deloitte	Inversora de Autopistas del Sur, S.L.	100.0%	633	Spain	Salida 4 Parla-Pinto Edificio de Oficinas, 28320, Pinto (Madrid)
Inversora de Autopistas del Levante, S.L.	Deloitte	Cintra Infraestructuras, S.A.	51.8%	0	Spain	Autopista Radial 4, Salida 4 Parla-Pinto, Edificio de Oficinas, Apartado de Correos nº 50, 28320, Pinto (Madrid)
Autopista Madrid Levante, C.E.S.A.	Deloitte	Inversora de Autopistas del Levante, S.L.	100.0%	460	Spain	Autopista Radial 4, Salida 4 Parla-Pinto, Edificio de Oficinas, Apartado de Correos nº 50, 28320, Pinto (Madrid)
Laertida, S.L. (a)	Deloitte	Cintra Infraestructuras, S.A.	100.0%	531	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%	60	Spain	Autopista Radial 4, Salida 4 Parla-Pinto, Edificio de Oficinas, Apartado de Correos nº 50, 28320, Pinto (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
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.	93.7%	0	Poland	Stawki 40, 01-040 Warsaw
CANADA						
4352238 Cintra Canada Inc.	Deloitte	407 Toronto Highway B.V.	100.0%	0	Canada	Operation Centre 6300 Steels Avenue West, Woodbridge, ON L4H 151
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%	65	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						
Cintra Zachry, LP		Cintra Texas Corp	84.2%	2	US	Chevy Chase One, 7700 Chevy Chase Drive, Suite 500, 78752 Austin, Texas
Cintra Zachry, GP		Cintra Texas Corp	85.0%	0	US	Chevy Chase One, 7700 Chevy Chase Drive, Suite 500, 78752 Austin, Texas
Cintra Texas Corp.		Cintra Holding US Corp	100.0%	2	US	Chevy Chase One, 7700 Chevy Chase Drive, Suite 500, 78752 Austin, Texas
Cintra US, LLC		Cintra Texas Corp	100.0%	0	US	Chevy Chase One, 7700 Chevy Chase Drive, Suite 500, 78752 Austin, Texas
Cintra Skyway LLC		Cintra Holding US Corp	100.0%	192	US	233 North Michigan Avenue, Suite 1980, Chicago, Illinois 60601
Cintra Holding US Corp		Laertida	100.0%	839	US	Chevy Chase One, 7700 Chevy Chase Drive, Suite 500, 78752 Austin, Texas
SCC Holdings LLC	Deloitte	Cintra Skyway LLC	55.0%	192	US	233 North Michigan Avenue, Suite 1980, Chicago, Illinois 60601
Skyway Concession Co. LLC	Deloitte	SCC Holding LLC	100.0%	424	US	233 North Michigan Avenue, Suite 1980, Chicago, Illinois 60601
Cintra ITR LLC		Cintra Holding US Corp/Cintra Texas Corp	68% / 1%	132	US	52551 Ash Road, Granger, Indiana 46530
Cintra Texas 56, LLC		Cintra Holding US Corp	100.0%	155	US	Chevy Chase One, 7700 Chevy Chase Drive, Suite 500, 78752 Austin, Texas
SH-130 Concession Company, LLC	Deloitte	Cintra Texas 56, LLC	65.0%	155	US	Chevy Chase One, 7700 Chevy Chase Drive, Suite 500, 78752 Austin, Texas
Cintra NTE, LLC		Cintra Holding US Corp	100.0%	106	US	Chevy Chase One, 7700 Chevy Chase Drive, Suite 500, 78752 Austin, Texas
Cintra LBJ, LLC		Cintra Holding US Corp	100.0%	139	US	Chevy Chase One, 7700 Chevy Chase Drive, Suite 500, 78752 Austin, Texas
LBJ Infrastructure Group Holding, LLC		Cintra LBJ, LLC	100.0%	139	US	Chevy Chase One, 7700 Chevy Chase Drive, Suite 500, 78752 Austin, Texas
LBJ Infrastructure Group	Deloitte	LBJ Infrastructure Group Holding, LLC	51.0%	273	US	4100 McEwen Road Suite 500, 75244 Dallas, Texas
NTE Mobility Partners Holding, LLC	Deloitte	Cintra NTE, LLC	56.7%	106	US	Chevy Chase One, 7700 Chevy Chase Drive, Suite 500, 78752 Austin, Texas
NTE Mobility Partners, LLC	Deloitte	NTE Mobility Partners Holding, LLC	100.0%	187	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	Chase Park Building 1, 7700 Chevy Chase Dr, Suite 500, Austin (Texas)
Tex Toll Services, LLC		Cintra Holding US Corp	100.0%	0	US	Chase Park Building 1, 7700 Chevy Chase Dr, Suite 500, Austin (Texas)
AUSTRALIA						
Cintra Developments Australia PTY Ltd.		Cintra Infraestructuras, S.A.	100.0%	0	Australia	Level 5, 95 Pitt Street, Sydney, NSW 2000

Company	Auditor	Parent	% of ownership	Net cost of ownership interest (millions of euros)	Country	Registered office
SERVICES						
SPAIN						
Ferrovial Servicios, S.A. (a,i)	Deloitte	Ferrovial, S.A.	99.9%		Spain	Príncipe de Vergara, 135. Madrid
Ferroser Servicios Auxiliares, S.A. (a,i)	Deloitte	Ferrovial Servicios, S.A.	99.0%	10	Spain	Príncipe de Vergara, 135. Madrid
Ferroser Infraestructuras, S.A. (a)	Deloitte	Ferrovial Servicios, S.A.	100.0%	18	Spain	Príncipe de Vergara, 135. Madrid
Viales de Castilla y León S.A. (a)	Deloitte	Ferroser Infraestructuras, S.A.	100.0%	0	Spain	Polígono Industrial Hervencias, Fase 4, Parcela 2, Ávila
Andaluza de Señalizaciones S.A. (a)	Deloitte	Ferroser Infraestructuras, S.A.	100.0%	1	Spain	San Cristóbal, 16, Antequera (Málaga)
Autovía de Aragón, Sociedad Concesionaria, S.A. (a,ii)	Deloitte	Ferroser Infraestructuras, S.A.	60.0%	8	Spain	Príncipe de Vergara, 135. Madrid
Compañía Española de Servicios Públicos Auxiliares, S.A. (a,i)	Deloitte	Ferrovial Servicios, S.A.	99.9%	561	Spain	Avda. Catedral 6-8. 08002-Barcelona
Cespa Conten, S.A. (a)	Deloitte	Compañía Española de Servicios Públicos Auxiliares, S.A.	100.0%	13	Spain	Avda. Catedral 6-8. 08002-Barcelona
Oñeder, S.A.	Deloitte	Cespa Conten, S.A.	51.6%	0	Spain	Egino Berri s/n. Azkoitia (Guipúzcoa)
Cespa Gestión Residuos, S.A. (a)	Deloitte	Compañía Española de Servicios Públicos Auxiliares, S.A.	100.0%	75	Spain	Avda. Catedral 6-8. 08002-Barcelona
Contenedores Reus, S.A. (a)	Deloitte	Cespa Gestión Residuos, S.A.	75.5%	0	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.	100.0%	21	Spain	Avda. Catedral 6-8. 08002-Barcelona
Econenergía Can Mata AIE	Deloitte	Cespa Gestión Residuos, S.A.	70.0%	0	Spain	Avda. Catedral 6-8. 08002-Barcelona
Econenergía Can Mata AIE	Deloitte	Cespa, S.A.	30.0%	0	Spain	Avda. Catedral 6-8. 08002-Barcelona
Tratamientos, Residuos y Energías Valencianas, S.A.		Cespa Gestión Residuos, S.A.	55.0%	1	Spain	Antonio Suarez, 48 Escalera 1, Entresuelo - Valencia
Albaida Residuos, S.L. (a)	Deloitte	Cespa Gestión Residuos, S.A.	100.0%	2	Spain	Avda. Catedral 6-8. 08002-Barcelona
Técnicas Medioambientales Avanzadas, S.L.		Albaida Residuos, S.L.	55.0%	0	Spain	Playa de las Almadrabillas, 17 Edificio Presidente, Fase B - Almería
Tratamiento de Residuos Medioambientales, S.L.		Albaida Residuos, S.L.	54.9%	0	Spain	Playa de las Almadrabillas, 17 Edificio Presidente, Fase B - Almería
Cespa Inversiones Ambientales S.A. (a)		Compañía Española de Servicios Públicos Auxiliares, S.A.	60.0%	4	Spain	Avda. Catedral 6-8. 08002-Barcelona
Cespa Inversiones Ambientales, S.A. (a)		Cespa Conten, S.A.	40.0%	2	Spain	Avda. Catedral 6-8. 08002-Barcelona
Cespa Jardinería, S.A.	Deloitte	Compañía Española de Servicios Públicos Auxiliares, S.A.	100.0%	7	Spain	Henao, 20. Bilbao (Vizcaya)
Sitkol, S.A. (a,i)		Compañía Española de Servicios Públicos Auxiliares, S.A.	99.0%	5	Spain	Príncipe de Vergara, 135. Madrid
Emp. Mixta Almendralejo, S.A.		Compañía Española de Servicios Públicos Auxiliares, S.A.	51.0%	0	Spain	Mérida, 4. Almendralejo (Badajoz)
Ingeniería Ambiental Granadina, S.A. (a)	Deloitte	Compañía Española de Servicios Públicos Auxiliares, S.A.	80.0%	3	Spain	Plaza de los Campos, 4 - 1ª planta 18009. Granada
Gestión Medioambiental de Toledo, S.A.	Deloitte	Compañía Española de Servicios Públicos Auxiliares, S.A.	60.0%	8	Spain	Plaza de la Merced, 4. Toledo
Ayora Gestión Biogás, S.L. (a)	Deloitte	Compañía Española de Servicios Públicos Auxiliares, S.A.	80.0%	0	Spain	Rosario, 6 planta 4ª Albacete
Ecoparc de Can Mata, S.L.U. (a)	Deloitte	Compañía Española de Servicios Públicos Auxiliares, S.A.	100.0%	11	Spain	Avda. Catedral 6-8. 08002-Barcelona
Cespa Servicios Urbanos de Murcia, S.A. (a)	Deloitte	Compañía Española de Servicios Públicos Auxiliares, S.A.	100.0%	10	Spain	Avda. Catedral 6-8. 08002-Barcelona
PORTUGAL						
Cespa Portugal, S.A.	Deloitte	Compañía Española de Servicios Públicos Auxiliares, S.A.	100.0%	12	Portugal	Avda. Severiano Falçao, Lote 2. Edificio Ambiente. Prior Velho (Loures). Portugal
Citrup Lda	Deloitte	Cespa Portugal, S.A.	100.0%	1	Portugal	Lugar do Sendal, Freguesia de Moreira. Maia (Portugal)
Ferrovial Construcoes Gestao e Manutencao, S.A.	BDO	Ferrovial Servicios, S.A.	97.5%	0	Portugal	Av. 24 de Julho. 102-E Lisbon
Novipav Investimentos SGES, S.A.	BDO	Ferroser Infraestructuras, S.A.	100.0%	1	Portugal	Rua Gil Vicente, Lote 33. Quinta do Serpa. (Vialonga)
Sopovico Soc. Port. Vías de Com- Cons. Infraestructuras	BDO	Novipav Investimentos SGES, S.A.	100.0%	19	Portugal	Rua Gil Vicente, Lote 33. Quinta do Serpa. (Vialonga)
UNITED KINGDOM						
Amey UK Plc (a)	BDO LLP	Ferrovial Servicios, S.A. (iv)	100.0%	311	United Kingdom	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ

Amey UK plc	BDO LLP	Ferrovial, S.A.	0.0%	0	United Kingdom	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Amey plc	BDO LLP	Amey UK plc	100.0%	0	United Kingdom	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Amey plc	BDO LLP	Ferrovial, S.A.	0.0%	0	United Kingdom	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Amey 1321 Ltd.	BDO LLP	Amey plc	100.0%	0	United Kingdom	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Amey Airports Ltd.	BDO LLP	Amey plc	100.0%	0	United Kingdom	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Amey Building Ltd.	BDO LLP	Amey plc	100.0%	0	United Kingdom	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Amey Community Ltd.	BDO LLP	Amey plc	100.0%	0	United Kingdom	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Amey Construction Ltd.	BDO LLP	Amey plc	100.0%	0	United Kingdom	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Amey Datel Group Ltd.	BDO LLP	Amey plc	100.0%	0	United Kingdom	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Amey Datel Ltd.	BDO LLP	Amey OW Ltd.	100.0%	0	United Kingdom	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Amey Datel Security and Communications Ltd.	BDO LLP	Amey Datel Group Ltd.	100.0%	0	United Kingdom	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Amey Datel Technology Ltd.	BDO LLP	Amey Datel Group Ltd.	100.0%	0	United Kingdom	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Amey Facilities Partners Ltd.	BDO LLP	Comax Holdings Ltd.	100.0%	0	United Kingdom	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Amey Fleet Services Ltd.	BDO LLP	Amey plc	100.0%	0	United Kingdom	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Amey Group Information Services Ltd.	BDO LLP	Amey plc	100.0%	0	United Kingdom	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Amey Group Services Ltd.	BDO LLP	Amey plc	100.0%	0	United Kingdom	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Amey Highways Ltd.	BDO LLP	Amey plc	100.0%	0	United Kingdom	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Amey Holdings Ltd.	BDO LLP	Amey plc	100.0%	0	United Kingdom	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Amey Information Services Ltd.	BDO LLP	Amey plc	100.0%	0	United Kingdom	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Amey Insurance Company PCC Ltd.	BDO Guernsey	Amey plc	100.0%	0	United Kingdom	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Amey Insurance Company PCC Ltd.	BDO Guernsey	Sherard Secretariat Services Limited	holds 1 share	0	United Kingdom	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Amey Investments Ltd.	BDO LLP	Amey plc	100.0%	0	United Kingdom	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Amey IT Services Ltd.	BDO LLP	Amey plc	100.0%	0	United Kingdom	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Amey LG Ltd.	BDO LLP	Amey plc	100.0%	0	United Kingdom	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Amey LUL 2 Ltd.	BDO LLP	Amey Tube Ltd.	100.0%	0	United Kingdom	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Amey LUL Ltd.		Amey plc	100.0%	0	United Kingdom	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Amey Mechanical & Electrical Services Ltd.	BDO LLP	Amey Community Limited	100.0%	0	United Kingdom	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Amey OW Group Ltd.	BDO LLP	Amey UK plc	100.0%	0	United Kingdom	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Amey OW Ltd.	BDO LLP	Amey OW Group Ltd.	100.0%	0	United Kingdom	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Amey OWR Ltd.	BDO LLP	Amey OW Group Ltd.	100.0%	0	United Kingdom	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Amey Procurement Solutions Ltd.	BDO LLP	Amey plc	100.0%	0	United Kingdom	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Amey Programme Management Ltd.	BDO LLP	Amey plc	100.0%	0	United Kingdom	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Amey Properties Ltd.	BDO LLP	Amey plc	100.0%	0	United Kingdom	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Amey Property Ltd.		Amey plc	100.0%	0	United Kingdom	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Amey Rail Ltd.	BDO LLP	Amey plc	100.0%	0	United Kingdom	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Amey Railtech Ltd.		Amey OW Ltd.	100.0%	0	United Kingdom	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Amey Railways Holding Ltd.	BDO LLP	Amey plc	100.0%	0	United Kingdom	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Amey Roads (North Lanarkshire) Ltd.	BDO LLP	Amey LG Ltd.	66.7%	0	United Kingdom	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Amey Services Ltd.	BDO LLP	Amey plc	100.0%	0	United Kingdom	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Amey Technology Services Ltd.	BDO LLP	Amey plc	100.0%	0	United Kingdom	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ

Amey Tramlink Ltd.	BDO LLP	Amey Technololgy Services, Ltd.	100.0%	0	United Kingdom	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Amey Tube Ltd.	BDO LLP	JNP Ventures Ltd.	100.0%	0	United Kingdom	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Amey Ventures Asset Holdings Ltd.	BDO LLP	Amey Investments Ltd.	100.0%	0	United Kingdom	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Amey Ventures Ltd.	BDO LLP	Amey plc	100.0%	0	United Kingdom	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Amey Ventures Management Services Ltd.	BDO LLP	Amey Investments Ltd.	100.0%	0	United Kingdom	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Amey Wye Valley Ltd.	BDO LLP	Amey LG Ltd.	80.0%	0	United Kingdom	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Bushclose Ltd.	BDO LLP	Treasurepark Ltd.	100.0%	0	United Kingdom	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Comax Holdings Ltd.	BDO LLP	Amey plc	100.0%	0	United Kingdom	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
JNP Ventures 2 Ltd.	BDO LLP	Amey Tube Ltd.	100.0%	0	United Kingdom	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
JNP Ventures Ltd.	BDO LLP	Amey Ventures, Ltd.	100.0%	0	United Kingdom	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Sherard Secretariat Services Ltd.	BDO LLP	Amey plc	100.0%	0	United Kingdom	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Treasurepark Ltd.	BDO LLP	Amey Technololgy Services, Ltd.	100.0%	0	United Kingdom	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Wimco Ltd.	BDO LLP	Amey Railways Holding Ltd.	100.0%	0	United Kingdom	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Amey Public Services LLP	BDO LLP	Amey LG Ltd.	66.7%	0	United Kingdom	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
TPI Holdings Limited	BDO LLP	Amey OW Limited	100.0%	0	United Kingdom	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Transportation Planning International Limited	BDO LLP	TPI Holdings Limited	100.0%	0	United Kingdom	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Nationwide Distribution Services Limited	BDO LLP	Amey LG Ltd.	100.0%	0	United Kingdom	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Cespa UK, Ltd.	BDO LLP	Cespa, S.A.	100.0%	0	United Kingdom	Sherard Building. Edmund Halley Road. Oxford
Cespa Ventures, Ltd.	BDO LLP	Cespa UK, S.A.	100.0%	0	United Kingdom	Sherard Building. Edmund Halley Road. Oxford
Amey Cespa Ltd.	BDO LLP	Cespa UK, S.A.	50.0%	0	United Kingdom	Sherard Building. Edmund Halley Road. Oxford
Amey Cespa Ltd.	BDO LLP	Amey LG Ltd.	50.0%	0	United Kingdom	Sherard Building. Edmund Halley Road. Oxford, OX4 4DQ
AmeyCespa (East) Holdings Limited	BDO LLP	AmeyCespa, Ltd.	100.0%	59	United Kingdom	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
AmeyCespa (East) Limited	BDO LLP	AmeyCespa (East) Holdings Limited	100.0%	0	United Kingdom	Sherard Building. Edmund Halley Road. Oxford, OX4 4DQ
AmeyCespa Services (East) Limited	BDO LLP	AmeyCespa (East) Limited	100.0%	0	United Kingdom	Sherard Building. Edmund Halley Road. Oxford, OX4 4DQ
AmeyCespa WM (East) Limited	BDO LLP	AmeyCespa Services (East) Limited	100.0%	0	United Kingdom	Sherard Building. Edmund Halley Road. Oxford, OX4 4DQ
Allerton Waste Recovery Park Interim SPV Limited	BDO LLP	AmeyCespa Limited	100.0%	0	United Kingdom	Sherard Building. Edmund Halley Road. Oxford, OX4 4DQ
CHILE						
Grupisa Chile, S.A.		Ferroser Infraestructuras, S.A.	66.0%	0	Chile	Andrés Bello 2711 P18 Las Condes-Santiago
Ferrovial Servicios Chile, S.L.		Ferrovial Servicios, S.A.	99.9%	0	Chile	Andrés Bello 2711 P18 Las Condes-Santiago
Ferrovial Servicios Chile, S.L.		Ferroser Infraestructuras, S.A.	0.1%	0	Chile	Andrés Bello 2711 P18 Las Condes-Santiago
Ferrovial Servicios Antofagasta, S.L.		Ferrovial Servicios, S.A.	99.9%	0	Chile	Andrés Bello 2711 P18 Las Condes-Santiago
Ferrovial Servicios Antofagasta, S.L.		Ferroser Infraestructuras, S.A.	0.1%	0	Chile	Andrés Bello 2711 P18 Las Condes-Santiago
POLAND						
FBSerwis, S.A.	Deloitte	Ferrovial Servicios, S.A.	51.0%	2	POLAND	Ul. Stawki 40, 01-040 Warsaw
FBSerwis, S.A.	Deloitte	Budimex, S.A.	49.0%	2	POLAND	Ul. Stawki 40, 01-040 Warsaw
MOROCCO						
Cespa Nadafa, S.A.R.L.		Compañía Española de Servicios Públicos Auxiliares, S.A.	98.8%	-1	Morocco	Siège Social Villa Daryam, Lot 23 Golf, Cap Spartel - Tangiers
Cespa Nadafa, S.A.R.L.		Cespa Gestión Residuos, S.A.	0.7%	0	Morocco	Siège Social Villa Daryam, Lot 23 Golf, Cap Spartel - Tangiers
IRELAND						
Landmille, Ltd.	BDO LLP	Ferrovial Servicios, S.A.	100.0%	76	Ireland	Eurolink Motorway Toll Plaza, Cappagh, Nicholastown, Kilcock, Co. Kildare

(i) The remaining percentage is owned by Can-am, S.A.
(ii) The remaining percentage is owned by Ferrovial Agromán, S.A. (25%) and Ferrovial, S.A. (15%)

REAL ESTATE

Company	Auditor	Parent	% of ownership	Net cost of ownership interest (millions of euros)	Country	Registered office
SPAIN						
Grimalinvest, S.L. (a)		Ferrovial, S.A. (i)	99.5%	14	Spain	Naritaweg 165, 1043 BW, Amsterdam
Ferrovial FISA, S.L. (a)		Ferrovial, S.A. (i)	99.0%	202	Spain	Príncipe de Vergara, 135, 28002, Madrid

(i) Remaining ownership interest through Can-am, S.A. (Sole-Shareholder Company)

(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.

(PC) Proportionate consolidation

APPENDIX I (continued)

ASSOCIATES (companies accounted for using the equity method)

(Millions of euros)

AIRPORTS										
Company	**Auditor**	**Parent**	**% of ownership**	**Net cost of ownership interest (millions of euros)**	**Registered Office**	**Assets**	**Liabilities**	**Revenue**	**Profit/Loss**	**Address**
UNITED KINGDOM										
Heathrow Airport Holdings, Ltd.	Deloitte	Hubco Netherlands	34%	1,592	United Kingdom	18,443	16,602	2,646	375	The Compass Centre, Nelson Road, Hounslow, Middlesex, TW6 2GW
Goya Airports S.a.r.l.		Ferrovial Aeropuertos	30%	0	Luxembourg	0	0 -	0 -	0	Rue Eugène Ruppert 19, L-2453 Luxembourg

TOLL ROADS										
Company	**Auditor**	**Parent**	**% of ownership**	**Net cost of ownership interest (millions of euros)**	**Registered Office**	**Assets**	**Liabilities**	**Revenue**	**Profit/Loss**	**Address**
CANADA										
407 International Inc. (a)	Deloitte	4352238 Cintra Canada Inc.	43%	254	Canada	3,827	4,788	569	135	Operation Center 6300 Steels Avenue West Woodbridge, ON L4H 1S1
407 East Development Group General Partnership	Deloitte	Toronto Highway, BV	50%	0	Canada	442	441	63	1	400 Dundas Street East, Unit 2, Whitby Ontario L1N 0K1
OMR and R407 East Development Group General Partnership		Toronto Highway, BV	50%	0	Canada	1	0	1	1	401 Dundas Street East, Unit 2, Whitby Ontario L1N 0K1
SPAIN										
Serrano Park, S.A. (a)	Deloitte	Cintra Infraestructuras, S.A.	50%	0	Spain	108	101	5	-4	Plaza Manuel Gómez Moreno, 2. Edificio Alfredo Mahou, 28020, Madrid
A-334 Autovía del Almanzora	Ernst & Young	Cintra Infraestructuras, S.A.	24%	3	Spain	10	6	5	0	Méndez Núñez, 8, 2º.1 - 04001 Almería
A66 Benavente - Zamora	Deloitte	Cintra Infraestructuras, S.A.	25%	10	Spain	10	0	0	0	Plaza Manuel Gómez Moreno, 2. Edificio Alfredo Mahou, 28020, Madrid
UNITED STATES										
Statewide Mobility Partners LLC (PC) (a)	Deloitte	Cintra ITR LLC / Cintra Holding US Corp	49% / 1%	262	US	532	0	0	0	52551 Ash Road, 46530 Granger, Indiana
ITR Concession Company Holdings (PC) (a)	Deloitte	Statewide Mobility Partners LLC	100%	532	US	532	0	0	0	52551 Ash Road, 46530 Granger, Indiana
ITR Concession Company (PC) (a)	Deloitte	ITR Concession Company Holdings	100%	532	US	2,906	4,746	152	0	52551 Ash Road, 46530 Granger, Indiana
GREECE										
Nea Odos, S.A.	Deloitte	Ferrovial, S.A.	33.3%	0	Greece	559	189	58	0	Nea Odos Themistokleous, 87, bajo dcha, 10683
Central Greece Motorway	Deloitte	Ferrovial, S.A.	33.3%	0	Greece	523	366	8	0	1st Km Lamia, Athens

CONSTRUCTION

Company	Auditor	Parent	% of ownership	Net cost of ownership interest (millions of euros)	Registered Office	Assets	Liabilities	Revenue	Profit/Loss	Address
SPAIN										
Urbs Iudex et Causidicus, S.A.		Ferrovial Agromán, S.A.	22.0%	8	Spain	370	458	33	-4	c/ Tarragona 161, 08014 Barcelona
Boremer, S.A.	Deloitte	Cadagua, S.A.	50.0%	2	Spain	25	20	26	0	Ribera del Loira, 42, 28042, Madrid
Dirgenfin, S.L.	Deloitte	Aplicación Recursos Naturales, S.A. (a)	20.0%	0	Spain	51	53	3	-3	Paseo de la Castellana, 103, 28046 Madrid
Tecnológica Lena, S.L.	Attest Consulting	Ferrovial Agromán, S.A.	50.0%	0	Spain	0	1	0	0	c/ La Vega 5, 33620 Campomanes, Asturias
Sociedade Concesionaria Baio		Ferrovial Agromán, S.A.	50.0%	2	Spain	4	0	0	0	Polígono Industrial LALIN 2000, PAR C 26, 36430 Pontevedra
POLAND										
Elektromontaż Poznań, S.A.	Deloitte	Budimex, S.A.	30.8%	5	Poland	20	10	26	-2	60-166 Poznań ul. Wieruszowska 12/16
PPHU PROMOS Sp. z.o.o.		Budimex, S.A.	26.1%	0	Poland	2	0	2	0	31-750 Kraków ul. Kocmyrzowska 13A

SERVICES

Company	Auditor	Parent	% of ownership	Net cost of ownership interest (millions of euros)	Registered Office	Assets	Liabilities	Revenue	Profit/Loss	Address
SPAIN										
Empresa de Mantenimiento y Explotación M-30, S.A.	Deloitte	Ferrovial Servicios, S.A.	50.0%	0	Spain	229	222	29	1	Calle Méndez Alvaro, 95, Madrid
Concesionaria Madrid Calle 30, S.A.	KPMG	Empresa de Mantenimiento y Explotación M-30, S.A.	20.0%	77	Spain	557	134	122	55	Calle Méndez Alvaro, 95, Madrid
Aetec, S.A.		Ferroser Infraestructuras, S.A.	9.2%	0	Spain	0	0	0	-0	c/ Isaac Peral, 1 Nave 44 - Leganés-28914 Madrid
Ferronats Air Traffic Services, S.A.	Deloitte	Ferrovial Servicios, S.A.	50.0%	-	Spain	3	5	0	-3	Príncipe de Vergara, 135. Madrid
Valdedominguez 2000, S.A.	Deloitte	Compañía Española de Servicios Públicos Auxiliares, S.A.	20.0%	1	Spain	12	8	6	0	Albarracín, 44 28037 Madrid
Ingeniería Urbana, S.A.	Deloitte	Compañía Española de Servicios Públicos Auxiliares, S.A.	35.0%	4	Spain	38	21	41	3	Pol. Ind. Pla de la Vallonga, Parcela 92. 03006 Alicante
Recollida de Residuos D´Osona, S.L.		Compañía Española de Servicios Públicos Auxiliares, S.A.	45.0%	0	Spain	4	3	6	0	Historiador Ramon d'Abadal i de Vinyals, 5. Edifici Sucre. Vic (Barcelona)
Reciclados y Compostaje Piedra Negra, S.A.	Moore Stephens Ibergrup, S.A.P.	Cespa Gestión Residuos, S.A.	49.0%	2	Spain	17	9	8	1	Partida El Feliu. Pasaje Piedra Negra s/n. Ctra Nacional 340, Km. 761.75. Xixona (Alicante)
Companya Especial de Recuperacions i Recondicionaments, S.L.		Cespa Gestión Residuos, S.A.	42.1%	1	Spain	1	3	0	-0	Avda. Catedral 6-8. 08002-Barcelona

Ecocat, S.L.	Deloitte	Compañía Española de Servicios Públicos Auxiliares, S.A.	50.0%	7	Spain	30	22	25	-1	Camí Can Bros, 6. Martorell (Barcelona)
Sogarisa, S.A.	Deloitte	Ecocat, S.L.	50.0%	1	Spain	16	14	9	-1	Parque Empresarial Somozas, s/n. 15565-As Somozas (A Coruña)
Ecocem, S.A.		Ecocat, S.L.	51.0%	0	Spain	1	1	1	-0	Camí Can Bros, 6. Martorell (Barcelona)
Gestó de Residuos Especials de Catalunya, S.A.	Deloitte	Ecocat, S.L.	33.3%	-	Spain	8	13	25	3	Avda. Europa s/n. Pol Ind de Constantí. 43120-Constantí (Tarragona)
Novalis Medioambiente, S.A.		Cespa Gestión Residuos, S.A.	50.0%	-	Spain	5	5	2	0	Avda. Alfonso El Sabio, 36. Alicante
MOVITEC		Ecocat, S.L.	50.0%	0	Spain	0	0	0	-0	Francesc Macià, 1. Martorell (Barcelona)
Ecoparc del Mediterrani, S.A.	Deloitte	Cespa Gestión Residuos, S.A.	48.0%	3	Spain	15	5	11	1	Avda. Eduard Maristany, s/n. 08930-Sant Adrià del Besós (Barcelona)
Nora, S.A.		Compañía Española de Servicios Públicos Auxiliares, S.A.	40.0%	0	Spain	9	8	9	0	Passeig de Sant Salvador, 25-27. Santa Coloma de Forners (Girona)
Vialnet Vic., S.L.	BDO Auditores, S.L.	Compañía Española de Servicios Públicos Auxiliares, S.A.	49.0%	0	Spain	1	1	2	0	Mataró, 18. Pol Ind Sot dels Pradals. Vic (Barcelona)
Nevasa	BDO Auditores, S.L.	Sitkol, S.A.	49.0%	3	Spain	16	8	3	1	Plaza Mayor 1, Valladolid
PORTUGAL										
Valorhospital, S.A.		Cespa Portugal, S.A.	35.3%	0	Portugal	1	0	0	0	Rua Quinta d'Alem, 79. Fregesia de Pedroso. Vila Nova de Gaia (Portugal)
Ecobeirao	Martins Pereira & Associados	Cespa Portugal, S.A.	20.0%	0	Portugal	11	11	0	-0	Carregal do Sal. Portugal
Valor-Rib Industrial Residuos	Martins Pereira & Associados	Compañía Española de Servicios Públicos Auxiliares, S.A.	45.0%	0	Portugal	6	4	0	-0	Avda. Carlos Bacelas, 174. Vila Nova de Famalicao. Portugal
Cespa Portugal - Ecoambiente ACE	Deloitte	Cespa Portugal, S.A.	50.0%	-	Portugal	1	1	0	0	Rua Sousa Aroso, 352, 1º andar, sala 12. 4450-286 Matosinhos (Portugal)
ANDORRA										
Centre de Tractament de Residus d´Andorra	Gaudit, S.L.	Cespa Gestión Residuos, S.A. (a)	29.0%	2	Andorra	140	134	0	0	Ctra. De La Comella, s/n. Andorra la Vella
UNITED KINGDOM										
Amey Ventures Investments Ltd.	BDO LLP	Amey Investments Ltd.	49.834%	-	United Kingdom	0	0	0	0	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Amey Ventures Investments Ltd.	BDO LLP	Amey Fleet Services Limited	0.332%	-	United Kingdom	0	0	0	0	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
AHL Holdings (Manchester) Ltd.	Deloitte LLP	Amey Ventures Investments Ltd.	50%	-	United Kingdom	11	12	0	-2	1 Kingsway, London WC2B 6AN
Amey Highways Lighting (Manchester) Ltd.	Deloitte LLP	AHL Holdings (Manchester) Ltd.	100%	-	United Kingdom	0	0	0	0	1 Kingsway, London WC2B 6AN
AHL Holdings (Wakefield) Ltd.	Deloitte LLP	Amey Ventures Investments Ltd.	50%	-	United Kingdom	7	8	0	-1	1 Kingsway, London WC2B 6AN
Amey Highways Lighting (Wakefield) Ltd.	Deloitte LLP	AHL Holdings (Wakefield) Ltd.	100%	-	United Kingdom	0	0	0	0	1 Kingsway, London WC2B 6AN
ALC (Superholdco) Ltd.	KPMG LLP	Amey Ventures Investments Ltd.	50%	-	United Kingdom	51	44	6	7	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
ALC (FMC) Ltd.	KPMG LLP	ALC (Superholdco) Ltd.	100%	-	United Kingdom	0	0	0	0	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ

ALC (Holdco) Ltd.	KPMG LLP	ALC (Superholdco) Ltd.	100%	-	United Kingdom	0	0	0	0	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
ALC (SPC) Ltd.	KPMG LLP	ALC (Holdco) Ltd.	100%	-	United Kingdom	0	0	0	0	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Amey Belfast Schools Partnership HoldCo. Ltd.	BDO LLP	Amey Ventures Investments Ltd.	100%	-	United Kingdom	72	82	-1	-11	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Amey Belfast Schools Partnership PFI Co. Ltd.	BDO LLP	Amey Belfast Schools Partnership HoldCo. Ltd.	100%	-	United Kingdom	0	0	0	0	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Amey Birmingham Highways Holdings Ltd.	BDO LLP	Amey Ventures Asset Holdings Ltd.	33.334%	-	United Kingdom	74	90	-0	-16	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Amey Birmingham Highways Ltd.	BDO LLP	Amey Birmingham Highways Holdings Ltd.	100%	-	United Kingdom	0	0	0	0	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Amey FMP Belfast Strategic Partnership Holdco. Ltd.	BDO LLP	Amey Ventures Management Services Ltd.	70%	-	United Kingdom	0	0	-0	-0	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Amey FMP Belfast Strategic Partnership SP Co. Ltd.	BDO LLP	Amey FMP Belfast Schools Partnership Holdco. Ltd.	100%	-	United Kingdom	0	0	0	0	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Amey Lagan Roads Holdings Ltd.	BDO LLP	Amey Ventures Investments Ltd.	50%	-	United Kingdom	94	94	-0	-1	Rosemount House, 21-23 Sydenham Rd, Belfast BT3 9HA
Amey Lagan Roads Financial plc	BDO LLP	Amey Lagan Roads Holdings Ltd.	99.997%	-	United Kingdom	0	0	0	0	Rosemount House, 21-23 Sydenham Rd, Belfast BT3 9HA
Amey Lagan Roads Financial plc	BDO LLP	Amey Ventures Investments Limited	0.002%	-	United Kingdom	0	0	0	0	Rosemount House, 21-23 Sydenham Rd, Belfast BT3 9HA
Amey Lagan Roads Ltd.	BDO LLP	Amey Lagan Roads Holdings Ltd.	100%	-	United Kingdom	0	0	0	0	Rosemount House, 21-23 Sydenham Rd, Belfast BT3 9HA
Amey Lighting (Norfolk) Holdings Ltd.	BDO LLP	Amey Ventures Investments Ltd.	100%	-	United Kingdom	22	27	0	-5	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Amey Lighting (Norfolk) Ltd.	BDO LLP	Amey Lighting (Norfolk) Holdings Ltd.	100%	-	United Kingdom	0	0	0	0	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
E4D & G Holdco. Ltd.	BDO LLP	Amey Ventures Investments Ltd.	85.0%	-	United Kingdom	66	73	0	-6	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
E4D & G Project Co. Ltd.	BDO LLP	E4D & G Holdco. Ltd.	100%	-	United Kingdom	0	0	0	0	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
EduAction (Waltham Forest) Ltd. (PC)	PKF (UK) LLP	Amey plc	50%	-	United Kingdom	0	-0	0	0	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Integrated Bradford Hold. Co. One Ltd.	KPMG LLP	Amey Ventures Investments Ltd.	25.167%	-	United Kingdom	20	23	0	-3	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Integrated Bradford Hold. Co. One Ltd.	KPMG LLP	Integrated Bradford LEP Ltd.	8.0%	-	United Kingdom	0	0	0	0	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Integrated Bradford PSP Ltd. (PC)	KPMG LLP	Amey Ventures Asset Holdings Ltd.	50%	-	United Kingdom	3	2	0	1	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Integrated Bradford Hold. Co. Two Ltd.	KPMG LLP	Amey Ventures Asset Holdings Ltd.	2%	-	United Kingdom	14	15	0	-1	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Integrated Bradford Hold. Co. Two Ltd.	KPMG LLP	Integrated Bradford LEP Ltd.	4%	-	United Kingdom	0	0	0	0	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Integrated Bradford LEP Ltd.	KPMG LLP	Integrated Bradford PSP Ltd.	80%	-	United Kingdom	0	0	0	0	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Integrated Bradford LEP Fin. Co. One Ltd.	KPMG LLP	Integrated Bradford LEP Ltd.	100%	-	United Kingdom	0	0	0	0	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Integrated Bradford SPV One Ltd.	KPMG LLP	Integrated Bradford Hold. Co. One Ltd.	100%	-	United Kingdom	0	0	0	0	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ

Company	Auditor	Parent	% of ownership	Net cost of ownership interest (millions of euros)	Registered Office	Assets	Liabilities	Revenue	Profit/Loss	Address
Integrated Bradford SPV Two Ltd.	KPMG LLP	Integrated Bradford Hold. Co. Two Ltd.	100%	-	United Kingdom	0	0	0	0	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
RSP (Holdings) Ltd.	KPMG LLP	Amey Ventures Investments Ltd.	35.0%	-	United Kingdom	25	31	0	-6	Capella Bldg (10th floor), 60 York Street, Glasgow G2 8JX
The Renfrewshire Schools Partnership Ltd.	KPMG LLP	RSP (Holdings) Ltd.	100%	-	United Kingdom	0	0	0	0	Capella Bldg (10th floor), 60 York Street, Glasgow G2 8JX
Services Support (Avon & Somerset) Holdings Ltd.	Deloitte LLP	Amey Ventures Investments Ltd.	20.004%	-	United Kingdom	8	9	0	-2	1 Kingsway, London WC2B 6AN
Services Support (Avon & Somerset) Ltd.	Deloitte LLP	Services Support (Avon & Somerset) Holdings Ltd.	100%	-	United Kingdom	0	0	0	0	1 Kingsway, London WC2B 6AN
Yarls Wood Immigration Ltd.	KPMG LLP	Amey Programme Management Ltd.	50%	-	United Kingdom	0	0	0	0	Southside, 50 Victoria Street London SW1E 6QT
GEO Amey PECS Limited	Grant Thornton	Amey Community Limited	50%	-	United Kingdom	0	0	0	0	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Amey Hallam Highways Holdings Limited	BDO LLP	Amey Ventures Asset Holdings Ltd.	33.333%	-	United Kingdom	19	22	0	-2	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
Amey Hallam Highways Limited	BDO LLP	Amey Hallam Highways Holdings Ltd.	100%		United Kingdom	0	0	0	0	The Sherard Building, Edmund Halley Road, Oxford OX4 4DQ
QATAR										
Ferrovial Qatar LLC	Deloitte	Ferrovial Servicios, S.A.	49.0%	1	Qatar	1	2	0	-1	Address: PO Box 19517 Doha - Qatar

REAL ESTATE										
Company	**Auditor**	**Parent**	**% of ownership**	**Net cost of ownership interest (millions of euros)**	**Registered Office**	**Assets**	**Liabilities**	**Revenue**	**Profit/Loss**	**Address**
SPAIN										
Promociones Hábitat (i)		Ferrovial FISA	20.0%	0	Spain	0	0	0	0	Avenida Diagonal, 458, 08006 Barcelona

(i) Information on auditor not available

38. 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, initialled by the Secretary of the Board of Directors, 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 2012, which were authorised for issue by the Company's Board of Directors at the meeting held in Madrid on 19 February 2013 and which, pursuant to Article 253 of the Spanish Limited Liability Companies Law, all the directors sign below.

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
for Portman Baela, S.L.
Director

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
for Karlovy, S.L.
Director