

ANALYSIS OF RESULTS

• KEY FIGURES

FINANCIAL FIGURES

(millions of euros)	2000	1999	%
Net sales	3,597.6	2,645.2	36.0
Operating profit	271.2	194.5	39.5
Net profit	159.2	111.2	43.2
EPS	1.14	0.78	46.1
ROE	16.1%	14.7%	
Net debt	417	339	
Leverage	39%	36%	
Gross capital expenditure	602	698	

OPERATING FIGURES

(millions of euros)	2000	1999	%
Construction backlog	5,283.0	4,022.2	31.4
Real estate pre-sales	601.4	429.8	39.9
Services backlog	729.3	586.0	24.5
Toll road traffic			
Canada	57,105	52,007	9.8
Ausol *	10,905	9,650	28.0
Autema	13,163	10,877	21.0

(*) growth in comparable periods.

Size	Order	BID	Trade	ASK	Order	Size
4307	2	6.64	6.64	6.65	4	84
2024	5	6.63	Volume	6.69	1	60

Attributable net profit increased by 43.2% to €159.2 million in 2000 (€111.2 million in 1999). Net profit has grown (CAGR) by 34% since 1996 and by 37% in the two years since the IPO.

Earnings per share amounted to €1.14 in 2000, i.e. a 46.1% increase over 1999. This increase was higher than the growth in attributable net profit as a result of the redemption of 1,867,404 shares of treasury stock in June 2000.

The return on average equity increased to 16.1% from 14.7% in 1999.

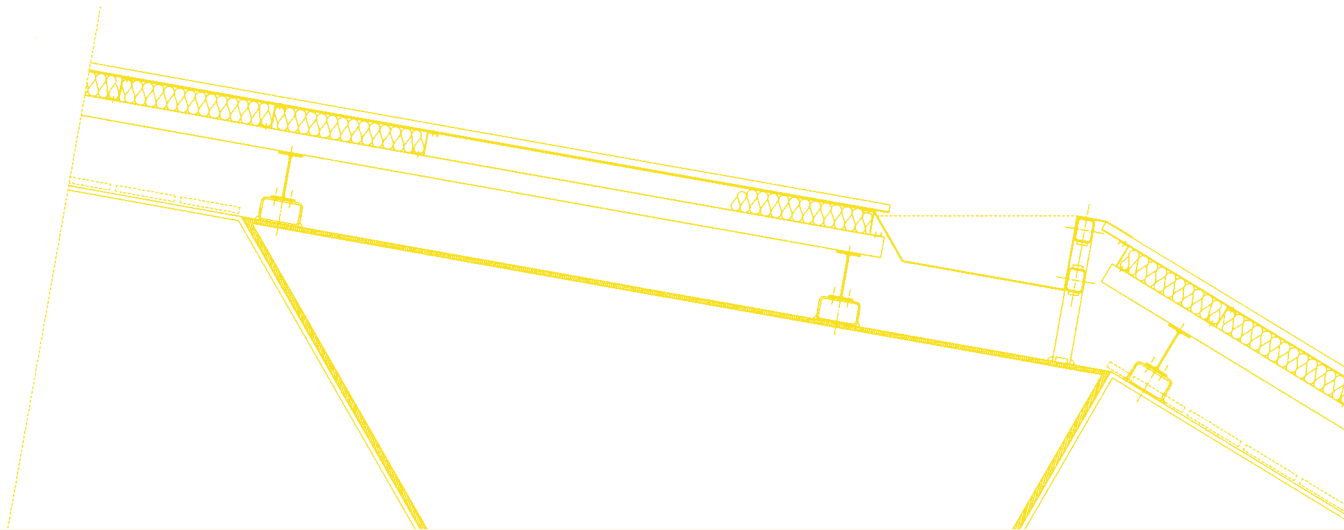
Gross capital expenditure amounted to €602 million in 2000, which was similar to the figure in the preceding two years; accordingly, Ferrovial invested close to €2 billion between 1998 and 2000.

Net debt with recourse to Ferrovial totaled €417 million, i.e. 39% leverage (€339 million and 36% in 1999).

Ferrovial increased foreign exposure, and activities in other countries accounted for 32% of total revenues in 2000 (14% in 1999).

Highlights in 2000 were as follows:

- Acquisition of Polish construction company Budimex for €139 million.
- Acquisition of Grupisa, a leading infrastructure maintenance and management company, for €21 million.
- Airport concessions: Bristol (UK) and Niagara Falls (USA). Toll road concessions: R-4 (Spain) and Scut del Algarve (Portugal).
- Closure of financing for concessions in Canada, Chile and Portugal.
- Consolidation of leadership in home-building in Spain.



• INCOME STATEMENT ANALYSIS

Millions of euros	2000	1999	%	% revenues	
				2000	1999
Net revenues	3,597.6	2,645.2	36.0	100.0	100.0
Total operating expenses	3,364.4	2,499.6	34.6	93.5	94.5
NET OPERATING PROFIT	271.2	194.5	39.5	7.5	7.4
Financial results	-8.6	7.8	-210.2	-0.2	0.3
Equity-accounted affiliates	11.8	7.9	49.5	0.3	0.3
Amortization of goodwill in consolidation	-8.2	-3.0	171.7	-0.2	-0.1
ORDINARY PROFIT	266.2	207.1	28.5	7.4	7.8
Extraordinary items	-29.9	-12.2	143.6	-0.8	-0.5
CONSOLIDATED EBT	236.3	194.9	21.3	6.6	7.4
Corporate income tax	-56.8	-66.1	-14.1	-1.6	-2.5
CONSOLIDATED PROFIT	179.6	128.7	39.5	5.0	4.9
Profit attributable to external shareholders	-20.3	-17.5	16.3	-0.6	-0.7
ATTRIBUTABLE NET PROFIT	159.2	111.2	43.2	4.4	4.2

Net revenues

Net revenues increased by 36%. The break-down by business is as follows:

Millions of euros	2000	1999	%
Construction	2,969.5	2,212.0	34.2%
Real estate	305.3	244.6	24.8%
Concessions	257.0	179.2	43.4%
Services	194.2	91.3	112.7%
Adjustments	-128.4	-81.9	
TOTAL	3,597.6	2,645.2	36.0%

The main reasons for the increase are as follows:

- Construction: acquisition of Budimex, which contributed €616 million in revenues.
- Concessions: full-year consolidation of the ETR 407 and Málaga-Estepona toll roads plus a significant increase in traffic.
- Real estate: the large number of pre-sales attained in previous years materialized in 2000.
- Services: acquisition of Grupisa, which contributed €72 million in revenues.

Excluding the acquisitions, revenues grew by 10%.

The percentage contribution by each business area to revenues was as follows:

	%
Construction	79.7
Real estate	8.2
Concessions	6.9
Services	5.2
TOTAL	100.0

The break-down of revenues by geographic areas was as follows:

Millions of euros	2000	1999	%
Spain	2,449.9	2,282.2	7.3
Other countries	1,147.7	362.9	216.1
TOTAL	3,597.7	2,645.2	36.0

Ferrovial's foreign business increased rapidly in 2000 and it now accounts for 32% of total revenues (13.7% in 1999). The acquisition of Budimex (€616 million in revenues) and the profits from concessions outside Spain (both the construction and the concessions themselves) were the main contributors to growth abroad.

Comp/CLOSE/PRICE

EUROPISTAS, CONCESIONARIA (EUR SM)

PRICE 5.32 0

Page 1 / 3

Range 9/11/00 to 3/9/01

Period I Daily

HI 5.61

ON 10/5/00

AVE 4.8718

VL 32310

LOW 3.95

ON 12/29/00

DATE	PRICE	VOLUME	DATE	PRICE	VOLUME	DATE	PRICE	VOLUME
F 3/9	5.32	4648	F 2/16	5.36	14639	F 1/26	5.15	31484
T 3/8	5.31	5484	T 2/15	5.36	11224	T 1/25	5.20	76352
W 3/7	5.35	17832	W 2/14	5.40	16963	W 1/24	5.03	17642
T 3/6	5.32	12464	T 2/13	5.45	31001	T 1/23	4.96	28767
M 3/5	5.31	8460	M 2/12	5.40	24922	M 1/22	5.00	37982
F 3/2	5.30	30805	F 2/9	5.35	5841	F 1/19	5.10	90903
T 3/1	5.31	15075	T 2/8	5.45	15950	T 1/18	5.17	160926
W 2/28	5.37	16275	W 2/7	5.25	33654	W 1/17	5.12	316513

External and operating expenses, and personnel expenses

External and operating expenses grew by 38.7% and personnel expenses by 20% due mainly to the addition of Budimex and Grupisa and the full-year consolidation of the ETR 407 and Ausol.

Operating profit

Operating profit grew by 39.5% and the margin on sales was 7.5%. The break-down by business area is as follows:

Millions of euros	2000	1999	%
Construction	96.0	79.2	21.1
Real estate	75.0	42.8	75.5
Concessions	103.6	63.4	63.4
Services	7.0	3.7	90.8
Adjustments	-10.4	5.4	
TOTAL	271.2	194.5	39.5

Excluding acquisitions, operating profit grew by 31% and the margin on sales was 8.8%, due mainly to the fact that Budimex, which contributed sizeable revenues, has a narrower operating margin than the other businesses.

The percentage contribution by each business area to operating profit was as follows:

	%
Construction	34.1
Real estate	26.6
Concessions	36.8
Services	2.5
TOTAL	100,0

Equity-accounted affiliates

Income from equity-accounted affiliates grew by 49.5% to €11.8 million (from €7.9 million).

The break-down by business area at 31 December 2000 was as follows:

Millions of euros	2000
Construction (Budimex companies)	0.9
Real estate (capital gains on building sales)	2.8
Concessions (Europistas/Eurovías: 5.1)	7.7
Services	0.3
TOTAL	11.8

Aggregate operating profit

This item combines operating profit plus income from Ferrovial's equity-accounted affiliates (owned under 50%).

The percentage contribution by each business area to aggregate operating profit was as follows:

	%
Construction	33.0
Real estate	26.5
Concessions	37.9
Services	2.5
TOTAL	100.0

Extraordinary items

The largest item was the cost of a lawsuit regarding houses in Gibraltar that was filed against the former Agromán before its acquisition by Grupo Ferrovial. To conclude this dispute, the company booked an extraordinary loss of €14 million in 2000.

Other expenses totaling €6 million include restructuring at Ferrovial Agromán, Grupisa and the industrial construction area.

• BUSINESS AREAS

CONSTRUCTION

The main figures in construction were as follows:

Millions of euros	2000	1999	%
Revenues	2,969.5	2,212.0	34.2
Operating profit	96.0	79.2	21.1
Operating margin	3.2%	3.6%	
Backlog	5,283.0	4,022.2	31.3

Because of the acquisition of Budimex, a homogeneous comparison with the 1999 figures is as follows:

Millions of euros 1999	Construction	Budimex	Total
Revenues	2,212.0	0	2,212.0
Operating profit	79.2	0	79.2
Margin	3.6%		3.6%

Millions of euros 2000	Construction	Budimex	Total
Revenues	2,353.8	615.7	2,969.5
Operating profit	83.4	12.6	96.0
Margin	3.5%	2.0%	3.2%

Excluding Budimex, construction operating profit and margin growth was impaired because of the industrial construction area, which adjusted income by €8.4 million in order to unify accounting criteria with the rest of the division. This adjustment did not decrease the construction margin, but merely implies a delay in recognition. Excluding this effect, the margin grew to 4.0% (3.6% in 1999).

The **construction backlog** reached a record high: it grew by 31% and, at the current pace of execution, guarantees 21 months of production (24 months, excluding Budimex).

CONCESSIONS

Millions of euros	2000	1999	%
Revenues	257.0	179.2	43.4
Operating profit	103.6	63.4	63.4
Operating margin	40.3%	35.4%	

Full-year consolidation of the ETR 407 toll road (8 months in 1999) and the contribution from the Málaga-Estepona toll road (not operational in the first half of 1999) plus a considerable increase in traffic on all roads were the main reasons for growth in concessions.

The break-down of the car park and toll road business is as follows:

Millions of euros	Revenues	Operating profit	Margin
Toll roads	192.0	90.0	46.9%
Car parks	65.0	13.6	20.9%
Total	257.0	103.6	40.3%

Toll roads represent 75% of the division's revenues and 87% of operating profit.

The main contributions in the toll roads area were as follows:

Millions of euros	Revenues	Operating profit	Margin
ETR 407 ⁽¹⁾	138.2	66.1	47.8%
Autema	22.8	16.8	73.5%
Málaga-Estepona ⁽²⁾	22.2	13.6	61.3%

⁽¹⁾ The ETR 407 toll road was added to Ferrovial's accounts in May 1999. Revenues increased by 24.6% in the comparable period May-December 2000.

⁽²⁾ The Málaga-Estepona toll road was opened to traffic in July 1999. Revenues increased by 29.7% in the comparable period July-December 2000.

✓	ENDESA	19,40	1,20
	FERROVIAL	17,76	0,91
	REPSOL YPF	19,07	-0,94
	TELEFONICA	18,74	-1,30

Ticker9 (Tendencia Sesión anterior)

X35	FERR
17,76	17,76

Average daily traffic (ADT) performed as follows:

	2000	1999	%
Europistas (Bilbao-Behobia) ⁽¹⁾	29,279	27,932	4.8
Europistas (Burgos-Armiñón) ⁽¹⁾	17,339	15,550	11.5
Autema	13,163	10,877	21.0
Ausol	10,905	9,650	27.7 ⁽²⁾
ETR 407	57,105	52,007	9.8

⁽¹⁾ Europistas is equity-accounted.

⁽²⁾ Traffic increase in comparable period July-December 2000 with respect to the same period in the previous year.

• ETR 407 – TORONTO (CANADA)

Financing

The C\$2,300 million bridge loan obtained in May 1999 to finance the acquisition of the ETR 407 toll road was refinanced in the first quarter of 2000, twenty-six months ahead of schedule, and the subordinated debt amounting to C\$775 million which the shareholders had undertaken to pay within three years was refinanced in the second quarter of 2000.

The subordinated debt was refinanced with bank loans, meaning that the shareholders recovered the part of the subordinated debt that they had already paid and were relieved from paying the remainder; in the case of Ferrovial, this implies a reduction in capital expenditure or a reduction in risk amounting to €300 million (C\$475 million) with respect to initial estimates.

The initial financing structure (May 1999) was as follows (in millions of Canadian dollars):

Total investment in project	4,000
Financing:	
Equity (19%)	775
Subordinated debt (19%)	775
Junior debt (4%)	150
Senior debt (58%)	2,300

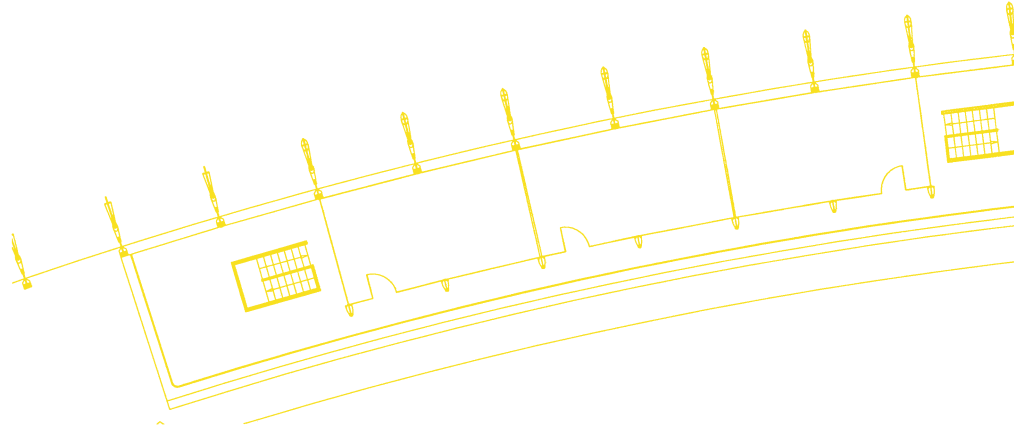
The risk assumed by the shareholders was C\$775 million in equity and C\$775 million in subordinated debt. The risk assumed by Ferrovial (which owns 61.29% of the consortium) was C\$475 million in equity and C\$475 million in subordinated debt.

The refinancing of the subordinated debt in May 2000 has eliminated this investment commitment, releasing the funds for use in other investments by the group.

The bonds issued to finance the Canadian toll road are detailed below:

(amounts in millions of Canadian dollars)

Issue	Amount	Term (years)	Maturity	Rate
July 1999	400	10	2009	6.05%
July 1999	400	20	2029	6.47%
July 1999	300	40	2039	6.75%
August 1999	162.5	17	2016	5.33%
	162.5	22	2021	5.33%
	162.5	27	2026	5.33%
	162.5	32	2031	5.33%
October 1999	400	7	2006	6.55%
February 2000	325	39	2039	5.29%
March 2000	430	7	2007	6.90%
May 2000	710	7	2007	9.00%
June 2000	165	10	2010	7.00%



Toll reviews

The changes in the tolls on the ETR 407 road are detailed below:

Initial tolls

April 1999	Daytime peak	Daytime off-peak	Nighttime
	\$ 0.10 /km	\$ 0.07 / km	\$ 0.04 / km

First toll increase

September 1999	Daytime peak	% increase
	\$ 0.08 / km	14.20%

Second toll increase

	Daytime peak	Daytime off-peak	Nighttime
May 2000	\$ 0.105 / km	\$ 0.105 / km	\$ 0.05 / km
% increase	5%	31%	25%

The latest toll review brought the daytime peak and off-peak tolls into line, so the road now charges a flat rate per kilometer except at night (11 p.m. to 6 a.m.).

Traffic figures

Traffic surveys performed last year revealed that traffic was relatively inelastic to price increases so it was decided to bring the daytime off-peak toll into line with the peak toll and take the risk of a temporary reduction in traffic in the short term.

However, traffic did not decline; in fact it increased by 10% after the toll review.

Average number of transits per day following the toll increase (May 2000)

	1999	2000	%
May average	197,973	218,685	10.40
June average	209,001	233,275	11.60

Average traffic growth (2000)

	1999	2000	%
January - December	197,415	217,871	10.4

• **SCUT DEL ALGARVE (PORTUGAL)**

Local-currency financing for the project was completed by means of a 23-year 54,000 million escudos loan.

Ferrovial's equity investment involved a disbursement of €35.8 million.

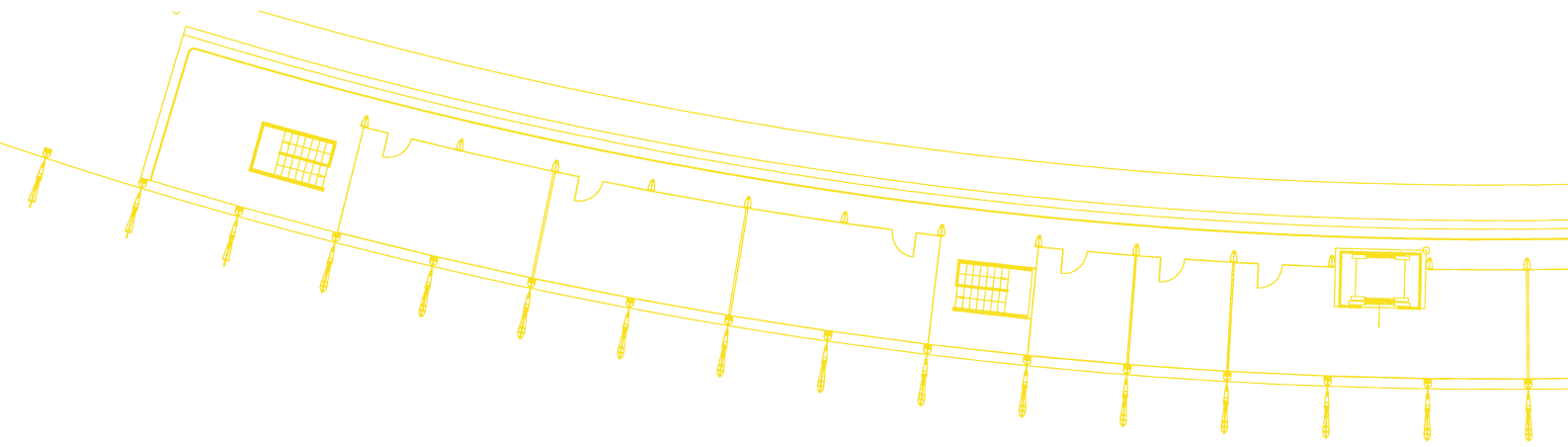
Awarded to Ferrovial early in 2000, this project requires an investment of €228 million under a 30-year shadow-toll concession to build and operate the road.

Ferrovial owns 79% of the successful consortium; the other 21% is owned by a number of Portuguese companies.

The road, which runs along the coast in the main tourist area of southern Portugal, is 179 kilometers long (39 kilometers newly-built) and is due to come into service in 2003.

• **COLLIPULLI - TEMUCO (CHILE)**

Financing for this toll road has been successfully completed entirely in local currency (equivalent to €228 million) at 20 years.



REAL ESTATE

Millions of euros	2000	1999	%
Revenues	305.3	244.6	24.8
Operating income	75.0	42.8	75.5
Operating margin	24.6%	17.5%	
Committed sales	601.4	429.8	39.9

All financial and management variables increased considerably in 2000.

Revenues increased by 24.8%, reflecting the rapid growth in the sector in recent years. Operating profit grew by 75.5% and the operating margin reached 24.6%.

Committed sales grew by 40% and surpassed €600 million, assuring the business's future growth.

In line with the **active land management and profitability policy**, Ferrovial sold land to regional and local real estate companies, obtaining sizeable capital gains.

The break-down of land sales and development is as follows:

Millions of euros	Revenues	Operating profit	Margin
Developments	218.7	41.0	18.7%
Land	86.6	34.1	39.3%
TOTAL	305,3	75.0	24.6%

SERVICES

Millions of euros	2000	1999	%
Revenues	194.2	91.3	112.7
Operating income	7.0	3.7	90.8
Operating margin	3.6%	4.0%	
Backlog	729.3	586.0	24.5

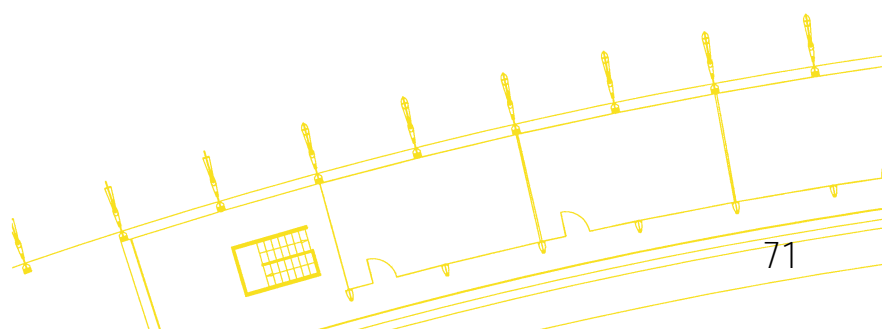
Revenues doubled in the services business due to:

- New contracts obtained in 1999
- The addition of Grupisa (infrastructure maintenance)

Without Grupisa, organic growth would have been 35%.

Operating income increased by 91% although the sales margin declined to 3.6% due to the investments required in the current growth phase and to the expenses incurred in examining new business opportunities, such as the acquisition of 100% of Grupisa in May 2000.

The backlog increased by 24% to reach €729 million.





GROSS CAPITAL EXPENDITURE

Millions of euros	2000
Construction	213.2
Real estate	235.1
Concessions	96.5
Services	31.8
Telecommunications	25.3
TOTAL	601.9

The most noteworthy investment in the construction business was the acquisition of 59.1% of Polish construction company Budimex for €122 million. The subsequent capital increase at Budimex raised the total investment to €139 million.

The construction division invested €2 million in the Build2Build portal. Though not a major amount, this is a strategic business area and Ferrovial has a 20% stake in the sector's leading portal, in partnership with FCC, ACS, Acciona and Sacyr and 25 other mid-sized companies in the sector.

The real estate division continues to buy land to match the rapid pace of growth in business. The company has all the land required for the property developments planned for the next two years.

Significant investment in concessions include the Scut del Algarve toll road (€35.8 million), the payment of €4.1 million for equity, assets and rights at Antofagasta airport (Chile), and the €6.2 million paid to establish a company in order to bid in Poland.

The principal investment in the services area was the acquisition of Grupisa for €21 million.

NET CASH POSITION

As a result of full consolidation of the toll road concession companies owned more than 50% by Ferrovial, the amount of debt in the consolidated Group's balance sheet may give an erroneous impression of Ferrovial's indebtedness and solvency.

Accordingly, the table below distinguishes between the debt relating to toll road concession companies (which is without recourse to Ferrovial) and the debt of the other companies.

Millions of euros	Ferrovial	Concession companies	Total
Debt	818.5	3,694.3	4,512.9
Long term	604.2	3,623.0	4,227.2
Short term	214.4	71.3	285.7
Cash & cash equivalents	401.4	219.4	620.8
Net cash	-417.1	-3,474.9	-3,892.1
% of total	10.7%	89.3%	100%
Leverage	39%		

Only 10.7% of the total net debt in the construction balance sheet is with recourse to Ferrovial.

The detail of the net debt by division is as follows:

Millions of euros	2000
Construction	608.1
Real Estate	-267.9
Concessions	-442.8
Services	-80.9
Other	-233.6
TOTAL	-417.1

