&

2005 annual report

abertis

Key data
(million euros)

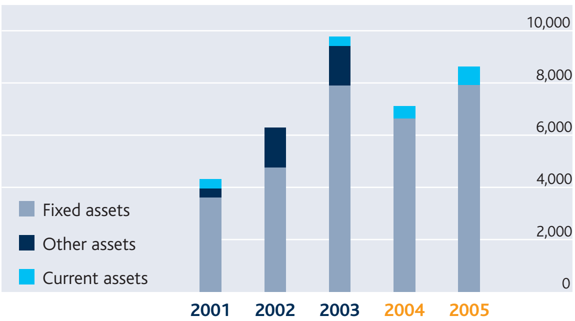
Consolidated	2001	2002	2003	2004	IFRS 2004	IFRS 2005
Total assets	4,267	6,459	9,685	9,940	7,095	8,447
Equity	1,765	2,033	3,107	3,318	2,904	3,036
Provisions	897	1,402	2,320	2,493	104	114
Debt	1,227	2,521	3,611	3,516	3,490	4,256
Operating income	710	794	1,283	1,534	1,549	1,906
EBITDA - Gross operating margin	476	534	915	1,043	1,050	1,204
Operating profit	359	402	695	743	740	833
Profit attributed to parent	172	195	355	467	489	511
Average number of employees	3,209	3,990	4,617	5,668	5,668	7,831

Parent Company	2001	2002	2003	2004	2005
Net profit	165	183	329	361	388
Total dividends	132	156	237	264	290

2004 and 2005 figures are prepared under the International Financial Reporting Standards (IFRS) which involves a series of reclassifications in the presentation of the financial statements. This has resulted in a decrease in assets and provisions, amongst other changes. The impact of the transition to IFRS is described in detail in the 2005 annual report.

What resources are used?

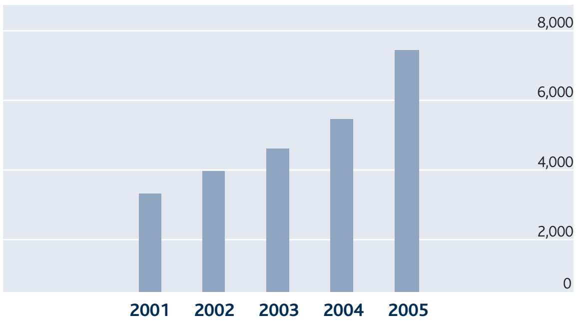
Resources
abertis Group - Distribution of assets



Group assets exceed 8,000 million euros

Increase due to inclusion of TBI. Fixed assets represent 94.3% of total assets, mainly consisting of concession assets and other assets associated with infrastructure businesses.

Human resources
Average workforce



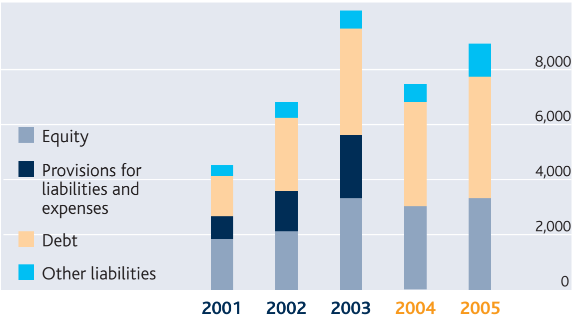
An workforce team of more than 7,800 people

The inclusion of TBI in the Group has caused the average workforce to increase to 7,831 employees in 2005.

(Please turn over)

What are the financial resources?

abertis Group - Distribution of liabilities

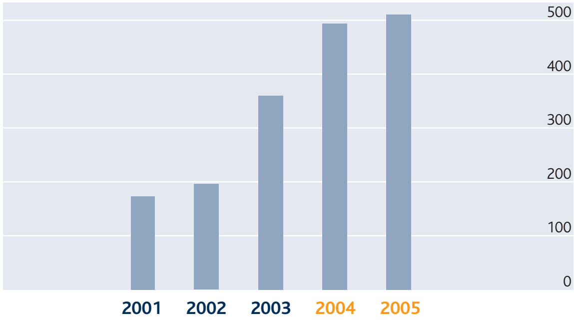


Balanced financial structure

Equity exceeds 3,000 million euros, representing 36% of total liabilities, with debt of 50 % due to the expansion of the Group. The provisions, mainly the reversion fund, have been reclassified as a reduction in assets (new IFRS rules).

What is obtained?

Profit attributed to parent company

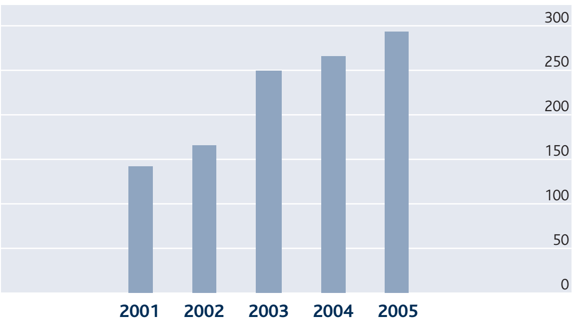


Profit of more than 500 million euros in 2005

The profit of 511 million represents a 4.6% increase compared to 2004. Excluding the effect of a series of non recurrent items, the comparable profit rose by 12%.

How are profits distributed?

Total dividends

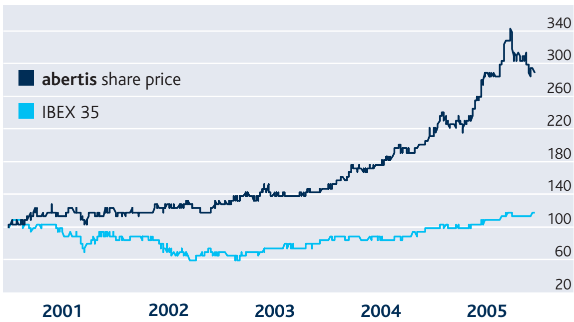


Policy of sustained, stable and increasing yield

Total dividends in 2005 rose to 290 million euros, up10% compared to 2004, with a payout of 0.5 euros per share. The policy of a sustained, stable and increasing dividend continues.

How is the company valued?

Evolution abertis vs Ibex 35
(Base 31/12/00 = 100)



abertis: Excellent rate of growth

The shares of **abertis** continued their excellent rate of growth, with a revaluation during 2005 of 37.8%, once again outperforming the return on the Ibex 35. This increase is added to the advances recorded in the previous four years, with an accumulated increase over the last five years of 191%.

For the third consecutive year, the Spanish stock market concluded the year with a gain, with the Ibex 35 up 18.2 from January, with an increase of 77.8% over the last three years.

abertis: The best performance in terms of return

In 2005 **abertis** has had the best performance in terms of return (+41%), based on the revaluation in the share price and the dividend yield, compared against the return obtained on the ten leading companies of the Ibex by market capitalisation.

Significant events of the year

1st quarter 2005

_ ACDL (90% held by **abertis** and 10% by Aena Internacional) acquired 29% of TBI in December 2004 and made a public takeover offer for 100% of the capital. TBI is a British operator of airports under concession and ownership, with 8 international airports (including London Luton, Cardiff and Belfast) and it fully or partially manages another 5 airports. In January 2005 the public takeover was successfully concluded, with ACDL controlling 100% of the capital.

_ The Council of Ministers of 30 December agreed to modify before summer 2005 the National Technical Plan for Digital Television, to assign frequencies that are currently free as soon as possible for new programmes, to start broadcasting of new programmes with country wide coverage in October 2005 and bring forward the switch off date for the period of transition to Digital Terresterial Television (from 2012 to 2010).

_ **saba** acquired from Autostrade a 40% share of its Italian subsidiary Saba Italia, gaining 100% control of the company.

_ The main Spanish toll highway concessions of **abertis** were paid compensation for the rate freeze in 2000.

_ Schemaventotto (in which **abertis** holds 13.33%) sold 2.053% of Autostrade reducing its shareholding from 52.2% to 50.1%, generating a capital gain for **abertis** of 22 million euros. The indirect shareholding of **abertis** in Autostrade was reduced from 6.95% to 6.68%.

_ The financial ratings agency Standard & Poor's held its "AA" rating for **abertis**, noting that the financial structure of the company was one of the key reasons for maintaining the rating.

_ **abertis** completed a 700 million euros bond issue placed with institutional investors.

2nd quarter 2005

_ The General Shareholders' Meeting of **abertis** approved the parent company and consolidated annual accounts for 2004, a final dividend of 0.25 euros per share and the bonus share issue to be charged against reserves of one new share for every 20 shares held.

_ Saba Italia acquired a car park in Mestre with a total of 1,418 parking spaces.

_ On 20 April the final dividend of 0.25 euros per share for 2004 was paid, with a total sum of 138 million euros.

_ Saba Chile acquired two companies in Chile, giving it a total of seven car parks under management with 3,156 spaces.

3rd quarter 2005

_ **abertis** made the bonus share issue approved in April for an amount of 82.7 million euros.

_ The Aragonese Radio y Television Corporation awarded **abertis telecom** the contract to provide audiovisual services for the autonomous radio and television channels.

_ **abertis** consolidated its presence in the international sustainability indexes on being included in the pan-European Dow Jones Stoxx Sustainability Index for two consecutive years.

_ **abertis** increased its shareholding in Accesos de Madrid (R-3 and R-5 in Madrid) from 23.3% to 31.2% and sold its 25% shareholding in Concesiones de Madrid and 18% holding in Autopista Central Gallega.

4th quarter 2005

_ TBI opened a new terminal in Luton, with an area of more than 7,400 square metres, to meet the demands of the forecast growth in passengars in the medium term.

_ Payment of an interim dividend for 2005 for an amount of 0.25 euros per share, representing a total sum of 145 million euros.

_ **saba** opened the Vignola car park (Módena), which will be managed under concession over a 90 year term.

_ **abertis telecom** was awarded the audiovisual service contract for the autonomous radio and television channels of Extremadura.

_ **saba** opened two car parks in Portugal, Leiria and Portimao (Algarve), which will be managed under concession over 50 years.

_ **abertis telecom**, Nokia and Telefónica carried out pilot testing of mobile digital TV in Spain.

_ **abertis telecom** commenced the transmission of Digital Terresterial Television (DTT), with a national coverage of more than 80%.

_ The consortium led by **abertis** was selected to purchase 75.7% of Sanef, the French highway concessionaire that manages 1,771 kilometres of toll highways in the north-west of France and Normandy until 2028. The operation was carried out through Holding d'Infraestructures de Transport SAS (HIT), comprised of **abertis** (with a majority position) and a group of leading French investors. The acquisition was completed at the beginning of February 2006, which was followed by a public takeover offer for the outstanding 24.3% of the share capital. As at 24 March 2006 the HIT consortium controlled 96% of Sanef.

_ **abertis** acquired 8,685,832 of its own shares at a unit price of 21.40 euros of which 1,000,000 were sold. At the end of the year 7,685,832 shares were held, representing 1.33% of the capital.

2005 annual report

abertis

index

1_ Governing bodies
page 08

1_1 Board of Directors
1_2 Board Committees
1_3 Senior Management
1_4 Business Units

2_ Strategy
page 14

3_ Activities of abertis group
page 18

3_1 Highways
3_2 Telecommunication infrastructures
3_3 Airports
3_4 Car Parks
3_5 Logistics Services

4_ Financial information
page 48

4_1 Business performance
Consolidated figures
Parent company figures
4_2 Shareholders and stock market

5_ Statutory financial statements
page 74

5_1 Consolidated annual accounts
Consolidated management report
Consolidated auditor's report
5_2 Parent company accounts
Parent company management report
Parent company auditor's report

Chairman's letter

Dear shareholders,

Once again the contents of the Annual Report give me the opportunity to share with you and comment on the most relevant issues for **abertis** in 2005. It has been a particularly significant year in terms of the internationalisation and diversification of the Group's activities. In January the integration of the TBI airports was completed and the year concluded with the successful tender for the French highway network of Sanef by the business consortium *Holding d'Infrastructures de Transport* led by our company.

Today our Group is more of a global leader in infrastructures than ever before. The geographical origin of the income from the businesses of **abertis** is more diverse and qualitatively better. In 2006 practically 50% of our business will be generated outside of Spain, with almost 40% coming from the highway business in France, which has one of the most coherent and reliable models in terms of planning and rates criteria on its high capacity road network.

The economic situation

Overall, the dynamism of the world economy has remained positive throughout 2005. In this sense, the disequilibrium of the US balance of trade, the increase in oil prices and the level of geopolitical uncertainty present, did not affect the relative strength shown by the leading indicators of the world economy.

The US continued to have growth rates well above 3% and Japan saw its GDP grow, after ten years of stagnation or negative growth. This trend coincides, in the case of EU countries, with still modest GDP growth rates, with the exception of Spain, Ireland and the newly admitted countries, but a certain improvement in the outlook due fundamentally to the impulse, and broad political consensus surrounding the structural reforms in Germany following the formation of the new coalition government.

This relatively optimistic context has influenced recent movements by the US Federal Reserve, the Bank of Japan and the European Central Bank, modifying the loose interest rate policy, with the start of a scaled and sustained increase in rates. In fact, the consistency and moderation in the policy of rate increases by the three monetary authorities, depends, to a large extent, on current growth rates being maintained. In the case of the Spanish economy this gradual increase in interest rates could contribute to moderate consumption, a necessary reduction of the inflation differential with respect to the rest of the EU, and a slowdown in housing prices.

We can expect the economy to moderate some of its main imbalances, with the conditions that favour continuity of growth remaining through 2006 and 2007.

The attraction of abertis

In this environment **abertis** has continued consolidating on the stock market the growth potential and confidence that investors have shown in our Group. The combination of our investment policy based on selectiveness and stability of cash flows and returns, the solid organic growth of our businesses and historically low interest rates, which I referred to above, have been decisive in significant revaluation of our shares on the market. With a market capitalisation above 12 billion euros, **abertis** is a leading European infrastructure concessions group.

Our shares continue to be of interest to investors, offering a potential for solid growth. The full consolidation of Sanef's figures into our balance sheet, which will increase our EBITDA to more than 2,000 million euros, the significant improvement in the mix of income of our telecommunications sector with the roll-out of digital terrestrial television (DTT) in Spain, or the stability of our policy on shareholder return – dividend plus bonus shares, are just some examples that support the perspectives for our shares. This outlook is set in a context where the increase in interest rates will represent a moderation in the rates of revaluation.

Reflecting our commitment to stability in the return for shareholders is the Board of Directors' proposal to pay a final dividend for 2005 of 0.25 gross euros per share, in addition to the interim dividend paid in October of the same amount. This raised the total dividend for 2005 to 0.50 euros, compared to 0.479 euros in 2004. A bonus share issue of one new share for every 20 shares held was also made. The total amount allocated to dividend payments in the 2005 financial year was 289.5 million euros, which represents a 9.6% increase on the previous year.

Keys to business in 2005

abertis has taken important steps which, as I mentioned earlier, have served to strengthen almost all business areas. The *Holding d'Infraestructures de Transport SAS (HIT)*, led by **abertis** (57.5%) and its French partners Caisse de Dépôts (10%), the insurance companies CNP Assurance (5%), Predica (12.4%), Groupe Axa (9%) and Foncière Financière et de Participaçons FPF (5.10%) completed in April 2006 the Sanef acquisition process that commenced in December, after being awarded the tender by the French State. The acquisition of Sanef has the characteristics that **abertis** demands of it strategic investment projects (soundness and return) and strengthens its international position as one of the world leaders in infrastructure management. With this investment, **abertis** more than doubles its current network in kilometres (Sanef manages 1,771 km) and increases the average remaining life of its concessions (Sanef's concession ends in 2028) and brings a management team of great quality and experience into the Group. The financial soundness of **abertis** has enabled this acquisition to be financed with external funding, which represents an optimisation of financial leverage, leading to a review of its rating. Nevertheless, the Company has maintained its highest quality rating (A from Standard & Poor's and Fitch Ratings).

In Spain, at the beginning of 2006, following a process which first began in 2000, we were able to announce the agreement with the Ministry of Works to widen the AP-7 to three lanes over 123 km, on the northern stretches to La Jonquera and in the south from El Vendrell to Salou. Given the social and economic impact that this work will have on the territory, it extends beyond the terms of the agreement. An innovative formula is established that is able to combine the execution of necessary projects for widening highways that are relatively close to termination – 2021 in the case of the AP-7 –, with the interest of shareholders in obtaining sufficiently attractive rates of return to justify an interest in the operation.

2005 was also a key year for our airport sector (**abertis airports**) which, thanks to the full integration of TBI in the consolidation scope of the Group, with its income of 282 million euros it has established itself as an important business of **abertis**.

Our telecommunications business (**abertis telecom**), with an income of 282 million euros, saw two processes in 2005 that are going to be decisive in its immediate development: the launch of DTT in Spain with a plan to be rolled out from the end of 2005 through 2010, and the start of pilot tests, together with the leading mobile telephone operators, for the distribution of TV signals to mobile telephones. Both processes, especially the launch of DTT, are going to have a very positive impact on quantitative improvement or income, and qualitative improvement or operating margin in the business mix of **abertis telecom**.

saba, our car park operator, without forgetting its growth in Spain, continued its international expansion with new projects in Italy, Portugal and, of particular note, Chile. The income derived from international operations increased to 30%. The investments on the improvement of access, safety, signage and user information, and the implementation of the pilot phase of dynamic payment systems based on the "Via T" system, also marked the year for **saba**.

In our logistics platforms business (**abertis logística**), 2005 saw the real extension of our activities beyond Catalonia. The commercialisation of the first phase of Sevisur in the ZAL of the Port of Seville was successfully completed and work also concluded on the first phase of the Arasur platform, located in an inter-modal communications node in the south of the Basque Country which was inaugurated this February. Whilst modest in relative terms, our activity in the sector of logistics infrastructure is of key importance given that it complements and generates synergies with the infrastructures and transport networks for goods and people.

Key figures

During the year, operating income of **abertis** rose to 1,906 million euros, a 23% increase on the previous year. Of total income, 63% was generated by the highway activity, 15% by the airport sector and 15% from telecommunication infrastructures. The car park sector contributed 6% and logistics infrastructures and services provided 1%. Of total income, 18% was generated outside of Spain. Following the acquisition of Sanef, the highway business will strengthen its leadership with 77% of the Group's total income.

Gross operating earnings (EBITDA) rose 15% in 2005 to 1,204 million euros, whilst cash flow reached 822 million euros, an increase of 16% respect to the previous year. The investments of **abertis** in this twelve month period totalled 942 million euros, of which 770 million (82%) went to growth projects and the balance of 172 million was on operational investment.

The main activity indicators confirmed this positive evolution in all the sectors. Highways recorded a 2.3% increase in daily average traffic (ADT) on the highway network of **abertis** in Spain. This increase has accelerated in the first quarter of 2006, with an increase in traffic ahead of our forecasts.

In airports there was an 11% increase in the number of passengers. Also of note was the positive evolution of **abertis telecom** with an income of 282 million euros. The car parks business recorded a 2.6% increase in vehicle rotation. Finally, the income of **abertis logística** rose by 8%.

In 2005 the number of employees rose to 7,800 with the inclusion of the TBI workforce. In 2006, **abertis** will have more than 11,000 employees, with the inclusion of Sanef, with 56% working outside of Spain.

Vision, mission and values of abertis

2005 has been a critical year in stating and defining the vision, mission and values that should pervade in the daily activity of **abertis** in its various facets. These will apply equally to relations with direct employees, and in the service provided to clients, through transparency in information to shareholders, analysts and the media, in the coherency of our strategy on relations with the areas and the communities where we carry out our activity. In short, in all aspects that the model of governance and management of a complex multinational corporation like **abertis** should inspire.

The corporate social responsibility and corporate governance reports that complement this annual report confirm and inform on the inclusion of the concepts of economic, social and environmental balance in our model of governance. These factors are intrinsic in the management of a corporation which, like **abertis**, has made the global markets its internal market.

In this sense, I want to highlight the goals that the process of internationalising our business presents for the development of our vision, mission and values. Beyond the local circumstances of each of our companies, we must ensure that the culture and values of **abertis** are integrated and take root across all our businesses regardless of where they are developed and in the management teams responsible.

Finally I wish to congratulate the professional team and management of our Group for their dedication, commitment and tenacity in the achievement of the objectives that we have set for them. To you, our shareholders, I wish to thank you for the confidence that you have entrusted in us and in the promising future of the **abertis** group.

Isidre Fainé, Chairman of **abertis**

1 Governing bodies

1_1 Board of Directors
page 10

1_2 Board Committees
page 11

1_3 Senior Management
page 12

1_4 Business units
page 13

1_1 board of directors

The members of the Board of Directors of **abertis**, at the time of preparing the 2005 annual accounts are:

Isidro Fainé Casas (Chairman)

Pablo Vallbona Vadell (1st Deputy Chairman)

G3T, S.L represented by Carmen Godia Bull (2nd Deputy Chairman)

Angel García Altozano (3rd Deputy Chairman)

Salvador Alemany Mas (Chief Executive Officer)

Caixa d'Estalvis de Catalunya represented by Josep Maria Loza Xuriach

Comunidades Gestionadas, S.A. represented by Antonio García Ferrer

Enrique Corominas Vila

Dragados, S.A. represented by Demetrio Ullastres Llorente

Carlos Godó Valls

Miguel Ángel Gutiérrez Méndez

Ernesto Mata López

Enric Mata Tarragó

Braulio Medel Cámara

Vasco de Mello

Jorge Mercader Miró

José Luis Olivas Martínez

Ramón Pascual Fontana

Leopoldo Rodés Castañé

Miquel Roca Junyent (Secretary, Non-Board Member)

Juan A. Margenat Padrós (Deputy Secretary, Non-Board Member)

During 2005 the following have ceased to act as board members: María Isabel Gabarró Miquel (replaced by Leopoldo Rodés Castañé), Carmen Godia Bull (replaced by G3T, S.L.) and Montes de Piedad y Caja de Ahorros de Ronda, Cádiz, Almería, Málaga y Antequera - Unicaja (replaced by Braulio Medel Cámara).

Executive Committee

Isidro Fainé Casas (Chairman)

Pablo Vallbona Vadell (1st Deputy Chairman)

G3T, S.L. represented by Carmen Godia Bull (2nd Deputy Chairman)

Angel García Altozano (3rd Deputy Chairman)

Salvador Alemany Mas (Chief Executive Officer)

Caixa d'Estalvis de Catalunya, represented by Josep Maria Loza Xuriach

José Luis Olivas Martínez

Miquel Roca Junyent (Secretary, Non-Board Member)

Juan A. Margenat Padrós (Deputy Secretary, Non-Board Member)

During 2005 Carmen Godia Bull ceased to be member of the committee (being replaced by G3T, S.L.).

Audit and Control Committee

Ernesto Mata López (Chairman)

Caixa d'Estalvis de Catalunya, represented by Josep Maria Loza Xuriach

Enrique Corominas Vila

Juan A. Margenat Padrós (Secretary)

Nomination and Remuneration Committee

Jorge Mercader Miró (Chairman)

Angel García Altozano

Miguel Angel Gutiérrez Méndez

Juan A. Margenat Padrós (Secretary)

In 2005 Maria Isabel Gabarró Miquel ceased to be member of the committee
(being replaced by Miguel Angel Gutiérrez Méndez).

Chief Executive Officer:	Salvador Alemany Mas
Company Secretary:	Juan A. Margenat Padrós
Director of Legal Services:	Marta Casas Caba
Managing Director of Corporate Management:	Josep Martínez Vila
Director of Operational Development:	Manuel Cruzado de la Hera
Director of Investment Analysis:	David Díaz Almazán
Director of Tax Planning:	José María García Martín
Director of Corporate Security:	Luis Jiménez Arrebola
Director of Planning and Control:	Jordi Lagares Puig
Director of Organisational Development:	Joan Rafel Herrero
Director of Construction:	Rodolfo Vicente Bach
Chief Financial Officer:	Francisco José Aljaro Navarro
Director of Finance:	Lluís Subirà Laborda
Director of Institutional Relations and Quality:	Ricard Maxenchs Roca
Director of Studies and Corporate Communication:	Antoni Brunet Mauri

Shared Services

*Managing Director of **serviabertis**:*	Manuel Cruces Socasau
Deputy Managing Director of Infrastructures and Technical Services:	Juan Rodríguez de la Rubia
Director of Administration and Purchasing:	Francesc Sánchez Farré
Director of Corporate Organisation and Systems:	Jordi Pujol-Xicoy Gimferrer

Highways

Managing Director Catalonia-Aragon (**acesa** and **aucat**):	Lluís Serra Serra
Managing Director Centre-North (**iberpistas**):	José Mª Morera Bosch
Managing Director East-South (**aumar**):	Américo Jiménez Rodríguez
Director of International Highways:	Jordi Graells Ferrández

Car Parks

Managing Director of **saba**:	Joan Font Alegret

Telecommunication infrastructures

Managing Director of **abertis telecom**:	Tobías Martínez Gimeno

Logistics services

Managing Director of **abertis logística**:	Josep Canós Ciurana

Airports

Managing Director of **abertis airports**:	Miquel Puig Raposo

2

Strategy

The development of **abertis** (to become a leading corporation in Europe in the management of infrastructures serving mobility and communications) makes it essential to define and clearly communicate the elements by which the company wishes to be identified in its relationship with clients, society, shareholders and employees.

The vision, mission and values of **abertis** reflect all these concepts that aspire to add value and are the base on which **abertis** builds its project.

Our vision

"To provide responses to the infrastructure requirements to serve mobility and telecommunications harmonising the satisfaction of our clients, shareholders and employees with the development of society."

Our mission

"To be a leading global operator in our infrastructure businesses through:

_ continuous and selective growth, with a long-term commitment;

_ excellence in service quality;

_ dialogue and compromise;

_ initiative in the search for solutions to provide the required infrastructures."

Our values

Dialogue and collaboration

We believe in dialogue as the main method of understanding the needs of our setting and internal collaboration as the means of building solutions that integrate all the knowledge and specific experience of **abertis**.

Credibility

We transmit credibility to those around us (shareholders, employees, clients, institutions, etc.) meeting our commitments in a serious and thorough manner. We work in a way that is open, transparent and responsible, respecting ethical principles and values.

Confidence in personnel

We trust the capacity of our personnel to meet challenges and we encourage their professional development based on their achievements and potential.

Client service

We focus on proposing, designing and providing our clients with top quality services that offer them added value compared to alternatives in the market.

Proactiveness and responsibility

We make a personal commitment to achieve our objectives through perseverance, energy and illusion.

Efficiency

Each of our activities is focused on efficiently achieving a specific tangible objective that has a clear value to the organisation and its shareholders.

Our strategy

In practice, all these concepts are reflected by:

_ the search for a balanced combination of investments that meet strict risk and yield requirements, enabling the steady sustainable dividend yield policy for shareholders to be maintained;

_ active involvement in management and use of all management knowledge, as well as a long-term commitment to all the projects in which the company is involved;

_ the development of an organisational model centred on the quality of client service, the generation of wealth and welfare in its vicinity and the surrounding area, and the integration and promotion of employees within the organisation.

3

Activities of the **abertis** group

3_1 Highways
page 23

3_2 Telecommunication infrastructures
page 33

3_3 Airports
page 37

3_4 Car parks
page 41

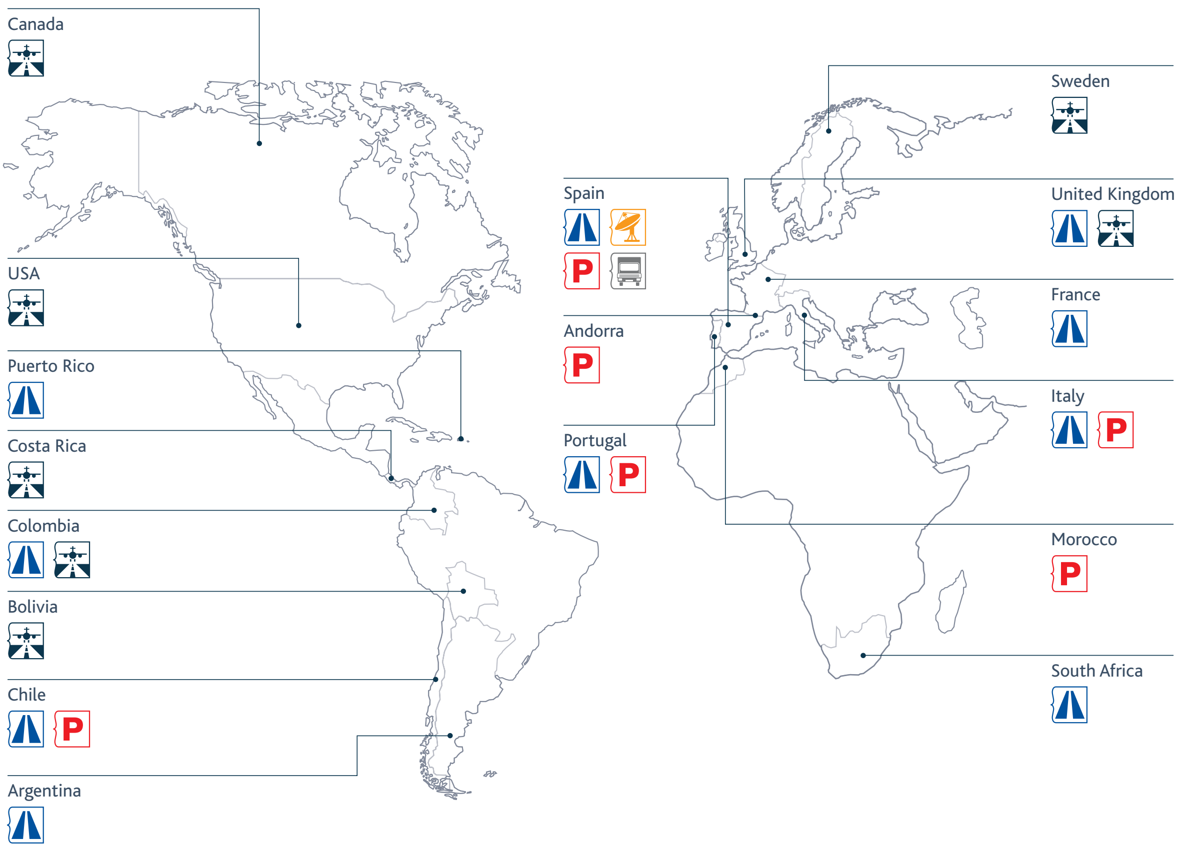
3_5 Logistics services
page 45

abertis operates in five business areas: highways, telecommunication infrastructures, airports, car parks and logistics services.

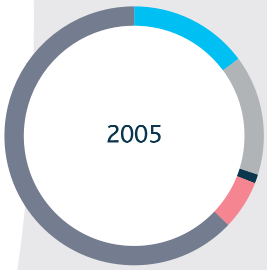
Corporate services

- **Highways**
  - Catalonia-Aragon
  - Centre-North
  - East-South
  - Europe
  - South America
- **Telecoms**
- **Airports**
- **Car parks**
- **Logistics**

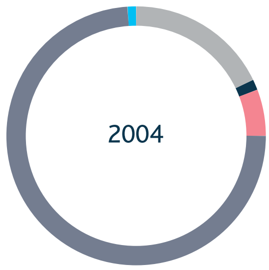
The **abertis** group has increased its presence in the world as shown in the following map:



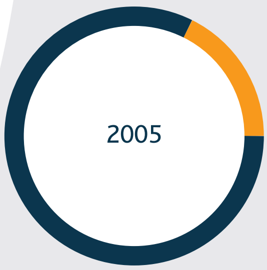
Share of operating income by sectors and geographical area:



63%_Highways
15%_Telecoms
15%_Airports
6%_Car Parks
1%_Logistics



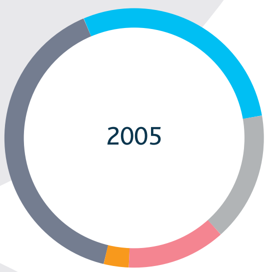
74%_Highways
18%_Telecoms
1%_Airports
6%_Car Parks
1%_Logistics



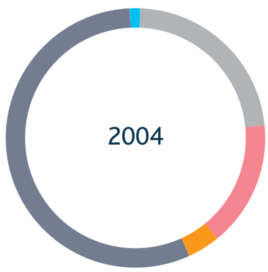
82%_National
18%_International

95%_National
5%_International

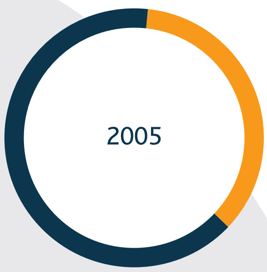
Average workforce by sectors and geographical area:



40%_Highways
16%_Telecoms
29%_Airports
12%_Car Parks
3%_Corporation
0.2%_Logistics



56%_Highways
23%_Telecoms
1%_Airports
16%_Car Parks
4%_Corporation
0.2%_Logistics



64%_National
36%_International

90%_National
10%_International

The inclusion of TBI at the end of 2004 has significantly increased the relative weight of the contribution from the airport sector and in turn it has increased the weight of international business. The inclusion of Sanef operations (and the resulting impact on the current contributions) will not occur until the 2006 financial year.

The toll highway concessionaire business unit continues to be the main activity of **abertis**, although its relative weight in the consolidated figures has decreased in recent years following large investment in telecommunication infrastructures and airports. This sector represents 63% of income and 81% of EBITDA, compared to 74% and 85% respectively in 2004.

abertis holds important concessions in Spain and internationally. The current portfolio of concessions provides an excellent combination both geographically and in the level of maturity of the projects (from established concessions to projects under construction or in the initial phase of their activity) which ensures a balanced combination of future cash flows for shareholders.

In Spain, the highways business unit is structured in three geographic areas, whose parent companies have been the leading operators historically in Spain: Catalonia-Aragon Area through **acesa**, Centre-North Area through **iberpistas** and East-South Area through **aumar**. Internationally **abertis** has shareholdings in highways in Europe and South America.

Spain			Europe	South America
Catalonia - Aragon	**Centre - North**	**East - South**		
Direct or shared management				
acesa **aucat**	**iberpistas** **castellana** Avasa Aulesa Trados 45	**aumar**	HIT (*)	GCO APR Gesa
Other shareholdings				
Túnel del Cadí Autema	Accesos de Madrid Henarsa	Ciralsa	Autostrade Brisa RMG	Coviandes Ausol Elqui

(*) At the end of the year, the French Government awarded the HIT consortium, led by **abertis**, 75.65% of the capital of Société des Autoroutes du Nord et de la France (Sanef). The acquisition of the French concessionaire was completed in February 2006, so consequently the figures of Sanef have not been included in the consolidated accounts at the end of the year.

Spain

abertis directly manages more than 1,500 km of highways in Spain, representing 58% of the toll highways in the country.

Direct management

	Km	Concessionaire	% holding	Concession end
Catalonia – Aragon Area				
Montgat-Palafolls (C-31 / C-32)	49	**acesa**	100%	2021
Barcelona-La Jonquera (AP-7)	150			
Barcelona-Tarragona (AP-7)	100			
Montmeló-El Papiol (AP-7)	27			
Zaragoza-Mediterráneo (AP-2)	216			
Castelldefels-El Vendrell (C-32)	58	**aucat**	100%	2039
Centre-North Area				
Villalba-Adanero (AP-6)	70	**iberpistas**	100%	2031
Villacastín-Ávila (AP-51)	23	**castellana**	100%	2031
San Rafael-Segovia (AP-61)	28			
León-Astorga (AP-71)	38	Aulesa	79.2%	2055
Bilbao-Zaragoza (AP-68)	294	Avasa	50.0%	2026
Tramo II (M-45)	15	Trados 45	50.0%	2029
East-South Area				
Tarragona-Alicante (AP-7)	374	**aumar**	100%	2019
Sevilla-Cádiz (AP-4)	94			
	1,534			

abertis also has a minority holding in a series of concessions with a total of 293 km, representing 11% of the toll highways in Spain.

Other shareholdings

	Km	Concessionaire	% holding	Concession end
Túnel del Cadí (C-16)	30	Túnel del Cadí	37.2%	2023
Madrid-Arganda del Rey (R-3)	33	Accesos de Madrid	31.2%	2049
Madrid-Navalcarnero (R-5)	53			
Circunvalación Alicante	48	Ciralsa	25.0%	2040
Sant Cugat-Manresa (C-16)	48	Autema	23.7%	2037
Madrid-Guadalajara (R-2)	81	Henarsa	22.5%	2024

Financial and business results

The Spanish highway concessions under direct management represent 61% of the total operating income of **abertis** increasing to 1,180 million euros, up 6% on the previous year. The contribution to EBITDA is 953 million, representing a 7% increase and 78% of total consolidated EBITDA.

Direct management

			Cons. Results*PGC (Mn€)					
Concessionaire	ADT 2005	Var %	Operating income	Var %	EBITDA	Var %	EBIT	Var %
acesa	40,639	2.7%	556	3%	427	3%	335	1%
aumar	24,648	2.1%	338	4%	287	4%	234	3%
iberpistas	30,776	1.6%	109	7%	83	4%	70	3%
castellana	5,526	3.7%	8	9%	4	13%	0	175%
aucat	30,120	4.1%	88	11%	74	12%	54	16%
Aulesa	3,944	5.2%	4	7%	2	6%	(1)	7%
Avasa	13,542	0.3%	132	3%	107	3%	86	5%
Trados 45	73,204	(1.0%)	23	6%	22	5%	15	6%

* Spanish GAAP

In general the performance of the Group's main concessions has been very good, with traffic increasing on almost all the highways.

Of note within "Other shareholdings" are the Madrid Radial Highways (R3, R5 and R2) with significant percentage increases, at more than 24%, as they are in the initial phase of activity.

Significant events

During 2005 work on increasing the number of lanes on the AP-6 highway and the construction of the third tunnel at Guadarrama by **castellana** have continued, as have the works on the Guadarrama road by **iberpistas**. These works will increase the capacity of the AP-6 highway and the access route from the centre of the Peninsula to the north-east of Spain (Castilla León, Asturias and Galicia).

During the year, as part of an operation in which **iberpistas** increased its shareholding in Accesos de Madrid (R3 and R5) to 31.2%, the company sold its shareholdings of 25% in Concesiones de Madrid and 18% in Autopista Central Gallega.

The toll highway concessionaires under State title received compensation in 2005 for the rate freeze in 2000, which totalled 10 million euros.

In 2006, the Ministry of Works and **acesa** have reached an agreement to widen the AP-7. The agreement, authorised by the Council of Ministers in April 2006 will represent a substantial improvement of the Mediterranean corridor. The project involves widening to 3 lanes over a 123 kilometre stretch, from the Mediterranean toll gate to Vila-seca Salou in Tarragona, and on the Maçanet – La Jonquera stretch in Girona. It also covers the widening to 4 lanes between Fornells de la Selva and Medinyà (Girona ring-road) and the replacement of 3 toll gates on the main highway with toll gates on the on and off-ramps. The agreement requires **acesa** to make an investment of 500 million euros without any increase in the toll rates or concession periods. To recover the investment, the increased income resulting from the extra traffic associated with the new lanes will be considered. If the income obtained is insufficient the concessionaire will be compensated by the Ministry at the end of the concession period.

During this year the automatic toll payment system Via T has consolidated its position, with the tele-toll being successfully introduced for heavy vehicles, and the number of transits by light vehicles using this payment method increased with respect to the previous year.

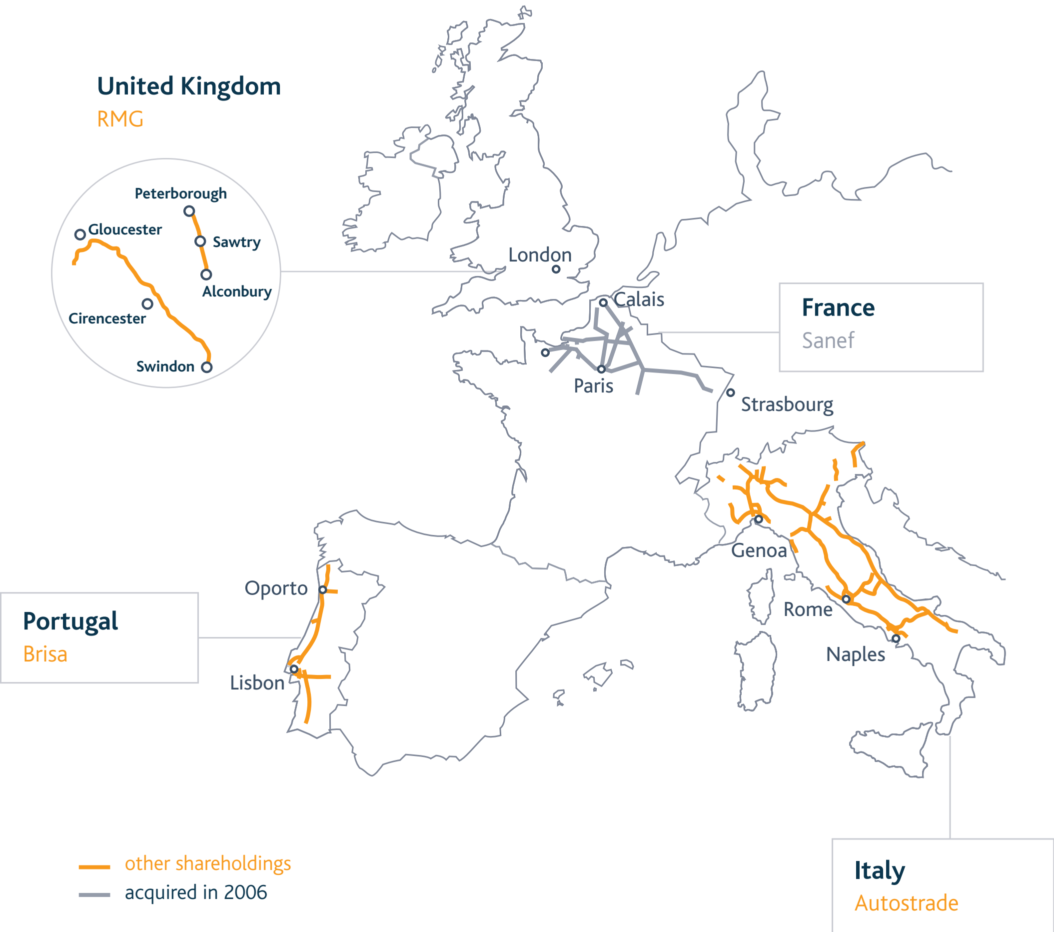
Europe

abertis has minority holdings in two of the leading European highway operators.

To these, the French concessionaire Sanef will be added in 2006, operating a network of 1,771 km.

Other shareholdings

Country	Concessionaire	% holding	Km	Concession end
Italy	Autostrade	6.68%	3,408	2038
Portugal	Brisa	10.00%	1,106	2032
United Kingdom	RMG A 417/419 i A1(M)	25.00%	74	2026



Financial and business results

Given the percentage shareholding, the investments in the United Kingdom and Italy (there is a significant influence in its management even though the holding is less than 20%) are consolidated by equity accounting. The shareholding in Brisa has been classified in accounting terms as an investment.

Significant events

During the year, Schemaventotto (company that groups together the core shareholders of Autostrade) sold 2.05% of Autostrade reducing its holding from 52.2% to 50.1%, with the final indirect shareholding of **abertis** in the Italian concessionaire being 6.7%. The share of the capital gain generated in Schemaventotto on the operation corresponding to **abertis** is approximately 22 million euros.

The shareholders of Schemaventotto, including **abertis**, have renewed for three years the agreements existing between them, whereby they agreed to keep their holdings in Schemaventotto for three years, the governing bodies are regulated and a higher quorum is established for taking significant decisions.

In December 2005 HIT, consortium led by **abertis**, was awarded 75.7% of Sanef, "Société des Autoroutes du Nord et de l'Est de la France". The acquisition was finalised at the beginning of 2006 and a takeover offer was made for the outstanding 24.3% of the shares. At 24 March 2006 the HIT consortium controlled 96% of Sanef. In April 2006 the compulsary public takeover offer has been completed, which will give HIT 100% control of Sanef.

The acquisition of Sanef involves the incorporation into the highway network managed by **abertis** of 1,771 kilometres of toll highways operating in the North of France, an area with a very dynamic economy and a high population density. Sanef manages four of the seven highway access routes to the Ile de France (Paris region) and also the traffic that connects Germany, Belgium and Luxembourg with the North of France and the United Kingdom.

South America

abertis has holdings in a series of projects in Argentina, Puerto Rico, Colombia and Chile:

Direct management

Country	Concessionaire	% holding	Km	Concession end
Puerto Rico	APR	75%	2	2027
Argentina	GCO	48.6% (*)	56	2018

(*) 57.6% of voting rights

Other shareholdings

Country	Concessionaire	% holding	Km	Concession end
Colombia	Coviandes	39.0%	86	2020
Argentina	Ausol	31.6%	119	2020
Chile	Elqui	25.0%	229	2022

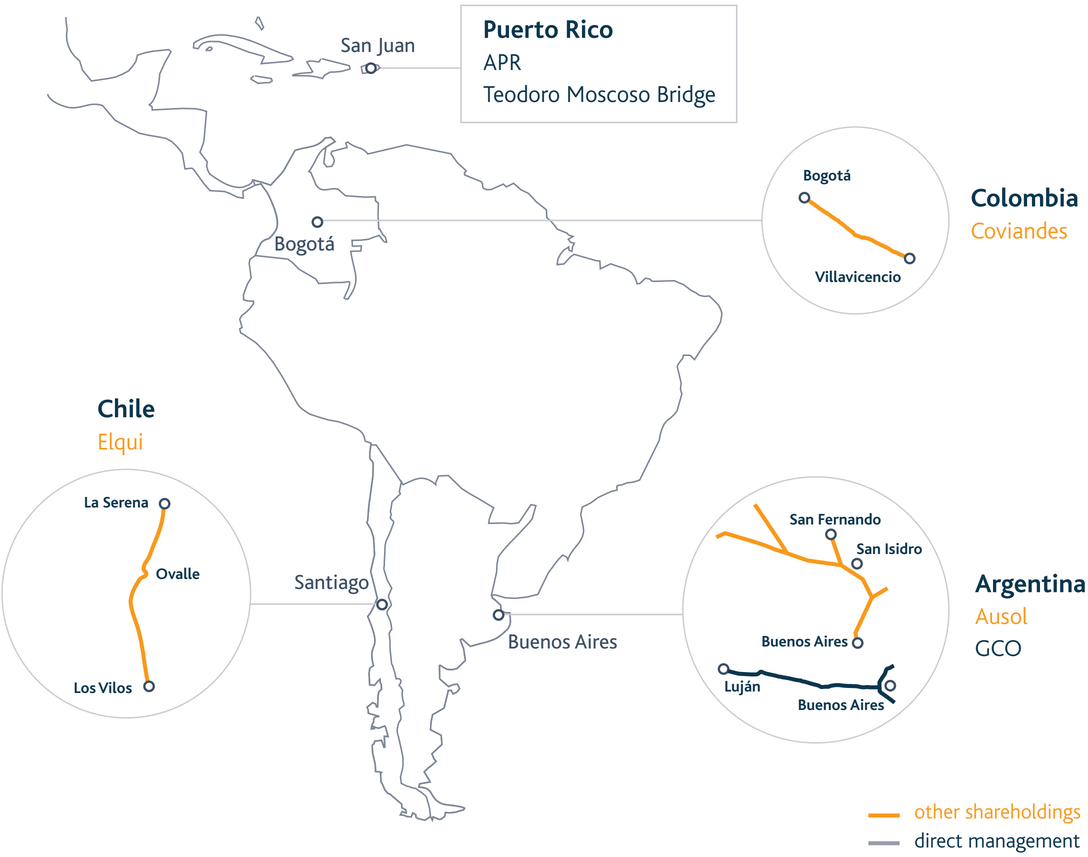
Financial and business results

In general the performance of the international activity has been very positive, with significant increases in traffic and income.

The recovery of the Argentine economy is of particular note, which commenced in 2003 and has consolidated in the last couple of years, leading to an 11% rise in trips of GCO with the resulting increase in income.

Other shareholdings

Activity	Km	2005	Var %
GCO (million trips)	56	75	11.1%
APR (ADT)	2	22,434	3.5%
Cons. results IFRS (Mn€)		**2005**	**Var %**
Operating income		**30**	**13%**
EBITDA		18	16%
EBIT		12	15%



Significant events

In Argentina, the process of renegotiating the concession contracts with the conceding authorities has commenced, which allows an optimistic outlook for the highway concessions that **abertis** has in this country. In March 2006 the first stage of this negotiation process concluded with the approval of a rate rise for GCO and Ausol of more than 13%.

Growth strategy for highway sector

The growth strategy of **abertis** in this sector involves the search for new business opportunities in Europe, consolidating its position in Spain and France and paying special attention to possible tenders for new infrastructures and privatisations in Eastern Europe.

In South America **abertis** seeks to strengthen its position in some countries where it is already present: Chile and Argentina.

abertis telecom is the parent company of the telecommunication infrastructures business, leader in Spain in this sector of activity.

In addition to holding the shareholdings of **abertis** in this sector, it also carries out technical assistance and operates fibre optic cabling.

Company	% holding	No. sites
abertis telecom	100.0%	-
tradia	100.0%	693
retevisión	100.0%	2,524
Alella	100.0%	-
Torre de Collserola	41.8%	-

The subsidiary companies of **abertis telecom** have an extensive distribution and transportation network, offering the following services:

- Analogue and digital transmission for television and radio
- Transporting signals
- Transmission of special events
- Operation and maintenance of networks
- Mobile radio communications for public security and emergency networks
- Telecommunication services for telephone operators

abertis telecom has a nationwide analogue and digital network, which includes landmark sites such as Torrespaña in Madrid and Torre de Collserola in Barcelona.

Financial and business results

The telecommunications infrastructure business is the second sector by income, at 282 million euros (15% of the **abertis** total) and EBIT, 99 million euros (8%). Both figures have increased with respect to the previous year, thanks to the positive performance of the activity which saw both **tradia** and **retevisión** record a positive EBITDA and net profit.

	2005	Var %
No. of sites	3,217	0.4%
Cons. result IFRS (Mn€)	**2005**	**Var %**
Operating income	282	3%
EBITDA	99	7%
EBIT	24	27%

Significant events

abertis telecom is the leading operator in Spain in the development of Digital Terrestrial Television (DTT) participating actively in this project from the outset. In November 2005 digital broadcasting commenced, with current national coverage exceeding 80%. The company forms part of the new Association for the Implementation and Development of DTT in Spain, which has been set up to promote DTT and develop its transition process, in direct collaboration with the administrations. In addition during 2005 planning and implementation of Local DTT has continued.

During the year, **abertis telecom** was successful in tendering for various contracts for the transmission of TV and radio signals in Aragon, Asturias and Extremadura. In addition it was selected to supply, install and operate the security and emergency networks in Murcia and Jerez.

abertis telecom, with a majority shareholding, Mediasat and Globecast reached an agreement to integrate their respective transmission services and mobile television links in Spain in a new company, Alella (currently called Overon). At 31 December 2005 Alella was 100% owned by **abertis telecom**.

abertis telecom, together with Nokia, Telefónica Móviles and Vodafone, has been involved in a pilot test for receiving television on mobile phones, based on DVB-H technology.

Growth strategy

The growth strategy of **abertis** in this sector is based on expanding DTT coverage, which is currently at 80%, as well as obtaining new audiovisual, regional and local DTT clients, and the provision of new Digital TV services, such as TV on mobile phones. There is also great potential for growth in private communication networks.

This will be done without ignoring the possibility of making the first moves towards internationalisation, once the business has consolidated in Spain.

abertis operates under ownership or concession eight international airports in Europe, US and South America through the British group TBI, including London Luton, one of the main airports in London. It also fully or partially manages 5 airports on behalf of governments or local authorities. Through Codad, it operates two runways under concession at the Eldorado airport, in Bogotá.

Airport	Country	Control
London Luton	U. Kingdom	Concession
Belfast International	U. Kingdom	Owned
Cardiff International	U. Kingdom	Owned
Stockholm Skavsta	Sweden	Owned
Orlando Sanford	Florida (U.S.)	Concession
El Alto (La Paz)	Bolivia	Concession
Viru Viru (Santa Cruz)	Bolivia	Concession
Jorge Wilstermann (Cochabamba)	Bolivia	Concession
Eldorado	Colombia	Concession
Atlanta	Atlanta (U.S.)	Mgmt. Contract
Burbank	Los Angeles (U.S.)	Mgmt. Contract
Toronto	Canada	Mgmt. Contract
San José	Costa Rica	Mgmt. Contract
Miami International	Miami (U.S.)	Mgmt. Contract

Financial and business results

With the acquisition of TBI, the weight of the airport sector has increased significantly compared to 2004, rising from 1% of **abertis** income in 2004 to 15% in 2005. Income totalled 282 million euros, a figure that is not comparable with 2004, as the previous year did not include TBI as the acquisition was concluded in 2005.

Activity	2005	Var %
No. passengers (thous) TBI	21,368	11.1%
No. flights CODAD	98,655	2.1%
Cons. Result IFRS (Mn€)	**2005**	**Var %**
Operating income	282	n.a
EBITDA	98	n.a
EBIT	33	n.a

Overall the activity in this sector has performed well with increases in both the number of passengers (in the case of TBI up by 11% to 21 million) and the number of flights (up by 2.1% for Codad). Codad operates under a guaranteed minimum income agreement and the real income for this year represented 92% of the level guaranteed.


Sweden
Belfast International
United Kingdom
London Luton
Cardiff International
Canada
Toronto
U.S.
Burbank
Atlanta
Orlando Sanford
Miami
Costa Rica
San José
Colombia
Eldorado
Bolivia
El Alto (La Paz)
Jorge Wilstermann
(Cochabamba)
Viru Viru (Santa Cruz)

Significant events

In December 2004 ACDL, held by **abertis** (90%) and Aena Internacional (10%), presented a takeover offer for all the shares of the British airport operator TBI. At 31 December 2004 it had acquired 29.2%. On 4 January 2005 ACDL completed the takeover offer, gaining 100% control of TBI.

The British Government, in its White Paper on *"The future of air transport in the United Kingdom"*, has estimated significant increases in traffic over the next 25 years. As a consequence the airports of Luton, Belfast and Cardiff presented the Master Plan 2030, which outlines the needs to expand these airports up to 2030. In the case of Luton, the Plan includes the construction of a new runway for landing, a new terminal and a control tower, amongst other installations.

During the year a new Terminal has been constructed at Luton airport to offer a better service to clients and provide the airport with the necessary installations to absorb the increase in passengers forecast in the medium term. This new terminal consists of new commercial area and food outlets, as well as a new arrivals area.

Growth strategy

The growth strategy of **abertis** in this sector is based firstly on making operative improvements in the current units, in line with the growth forecasts for the airport sector.

In addition **abertis** pays special attention to the possibility of acquiring private airports, as well as the processes of privatisation both in Spain and Eastern Europe.

Saba Aparcamientos S.A. (**saba**) is the parent company of the business unit in the car park sector and one of the leading operators in Spain and in Europe.

saba manages 83,532 spaces, up 6 % on 2004, located in a total of 154 operating units found in more 60 cities in Spain, Italy, Portugal, Chile, Morocco and Andorra.

Country	% holding	No. of spaces	No. cities present
Spain	99.3% (*)	45,391	42
Portugal	100%	16,251	6
Italy	100%	14,398	13
Chile	100%	3,804	3
Andorra	90%	295	1
Morocco	51%	3,393	1
		83,532	**66**

(*) **abertis** holds 99.3% of **saba**, which holds the shares in the other companies

Financial and business performance

The car park sector represents 6% of the operating income of **abertis** and totalled 111 million euros, 13% more than the previous year. The contribution to consolidated EBITDA was 42 million euros, representing 3% of the **abertis** total, with an increase of 12% on the previous year.

Activity	2005	Var %
No. car parks	154	6.2%
No. spaces	83,532	5.7%
Vehicle rotation (million)	47.2	2.6%
No. pass holders	26,785	14.5%
Cons. results IFRS (Mn€)	**2005**	**Var %**
Operating income	111	13%
EBITDA	42	12%
EBIT	26	13%

During this year the vehicle rotation through the car parks managed by **saba** totalled 47.2 million, up 2.6% on the previous year. This increase is mainly due to the growth in the international market, in Chile and Italy.

The number of pass holders increased by 14.5% in 2005 to a total of 26,785. This significant increase is due both to the contribution of the new Chilean and Italian centres, as well as the policy implemented by **saba** to capture pass holders in those centres that have more moderate growth rates in hourly rotation.


Spain
Portugal
Morocco
Italy
Chile
Andorra
Madrid
Barcelona
Lisbon
Seville
Rabat
Rome
Santiago
Concepción

Significant events

In Spain, the City Councils in Sabadell and Terrassa have approved a change in the rate system for the car parks managed under concession in those cities, where billing is calculated by 5 and 15 minute intervals respectively. In compensation, the concession period for some car parks has been extended.

During the year **saba** was awarded 1,031 new spaces in the provinces of Barcelona and Girona.

Internationally, **saba** has taken a new step in its growth strategy in Chile with the acquisition from the French company Vinci of Saba Park Chile and Saba Park Servicios. This operation involved the incorporation of 1,340 new spaces under concession, in four car parks, together with another two car parks under management with a further 1,458 spaces. Of the six car parks, five are located in Santiago de Chile and one in the city of Valparaiso. With this operation, **saba** has 5,262 parking spaces in Chile, distributed in 12 centres, which makes it the clear leader in this country.

In Europe the Group has consolidated its presence in Italy with the acquisition from Autostrade of 40% of Saba Italia, gaining 100% control over its Italian subsidiary. During the year Saba Italia acquired ownership of a parking building in Mestre (continental area of Venice) with a total of 1,350 spaces. It was also awarded a further 1,690 spaces in this country and opened a new car park with 293 spaces in the city of Vignola (Modena).

In Portugal, Spel (100% owned by **saba**) opened two new car parks in Leiria and Portimao (Algarve region) with 309 and 335 spaces respectively.

Growth strategy

The growth strategy of **abertis** in Spain for the car park sector is based on tendering for new car parks and on the search for acquisitions or agreements with other companies.

Internationally, it involves consolidating the Company's presence in Chile and Italy, as these are countries with greater potential than Spain. Additionally special attention will be given to the French market, a natural market for growth in the car park sector.

abertis logística is the subsidiary of **abertis** that holds its investments in the promotion and development of logistics spaces, equipment areas and services for logistics operators.

This business unit is made up of a combination of projects at various stages of maturity located in the area of Barcelona, Alava and Seville.

The activities in which it has invested are situated in strategic locations for the transportation of goods, being close to land (highways and railways), sea and air infrastructure networks.

Company	City	% holding	Total area of site (m^2)	Current status
abertis logística / CIM Vallès	Barcelona	100.0%	70,000	Operational
Sevisur	Seville	60.0%	250,000	Under construction
Parc Logístic Zona Franca	Barcelona	50.0%	408,897	Operational / Under construction
Arasur	Alava	42.6%	1,900,000	Operational (*) / Under construction
Cilsa	Barcelona	32.0%	2,270,000	Operational / Under construction

(*) Opened in January 2006

Financial and business results

The logistics services business unit contributes operating income of 18 million euros and EBITDA of 6 million euros to the consolidated accounts of **abertis**, representing 1% and 0.5% of the Group total.

The positive evolution of the activity in all the businesses as well as the start of operations in Sevisur has resulted in an 8% increase in income and a 7% increase in EBITDA compared to 2004.

Cons. result IFRS (Mn€)	2005	Var %
Operating income	18	8%
EBITDA	6	7%
EBIT	3	6%


Alava
Barcelona
Seville

Significant events

Of special note during 2005 was the significant investment made by **abertis** in this sector of activity and the start of operations for some businesses.

During the year the Zona Franca Logistics Park commenced a process of expansion with the construction of two new warehouses (21,369 m^2), a building (11,171 m^2) and an underground car park (8,330 m^2).

In the case of CILSA, now that the promotion of the logistics area ZAL Barcelona has been completed and is fully occupied, work has continued on the development of ZAL Prat.

Sevisur has completed the first phase of expansion of the Logistics Activities Zone (ZAL) in Seville and is in the midst of its commercialisation, with an average occupation of 32% and forecast occupation at the end of the first quarter of 2006 of 94%. During 2006 construction will accelerate to bring new areas for leasing to the market.

Arasur has completed the construction of the first four warehouses (opened in January 2006) and started their commercialisation.

Growth strategy

The growth strategy of **abertis** in this sector is based on consolidating the full operation of the platforms that are under construction or just beginning to operate, as well as seeking new business opportunities on the main axis in Spain, without ignoring possible internationalisation.

4

Financial information

4_1 Business performance

Consolidated figures
page 50

Parent company figures
page 58

4_2 Shareholders and the stock market
page 60

Consolidated figures

Profit and Loss Account

The results of **abertis** for 2005 are prepared under IFRS (International Financial Reporting Standards) accounting criteria for the first time. For comparative purposes, the 2004 results under IFRS are also provided.

(million euros)	Consolidated		
	2005	2004	VAR
Operating income	1,906	1,549	23%
Operating expenses	(702)	(499)	41%
EBITDA	**1,204**	**1,050**	**15%**
Amortisation and depreciation	(371)	(302)	
Impairment of assets	0	(8)	
Operating profit	**833**	**740**	**13%**
Financial result	(159)	(147)	
Companies under equity accounting	65	93	
Profit before tax	**739**	**686**	**8%**
Corporate income tax	(224)	(194)	
Profit for the year	**515**	**492**	**5%**
Minority interest	(4)	(3)	
Profit due to shareholders	**511**	**489**	**4.6%**

Result

For the first time the profit of **abertis** has exceeded 500 million euros in 2005, at 511 million, with a 4.6% increase on the previous year.

In making comparisons with 2004, the impact of the following non-recurring items recorded in 2004 and 2005 should be taken into consideration:

_ The 2004 profit included a capital gain of 70 million euros generated by Schemaventotto on the sale of 10% of Autostrade and on the sale made by Autostrade of a 5% holding that it had in **abertis**.

_ The 2005 profit includes a capital gain of 22 million on the sale by Schemaventotto of 2.05% in Autostrade.

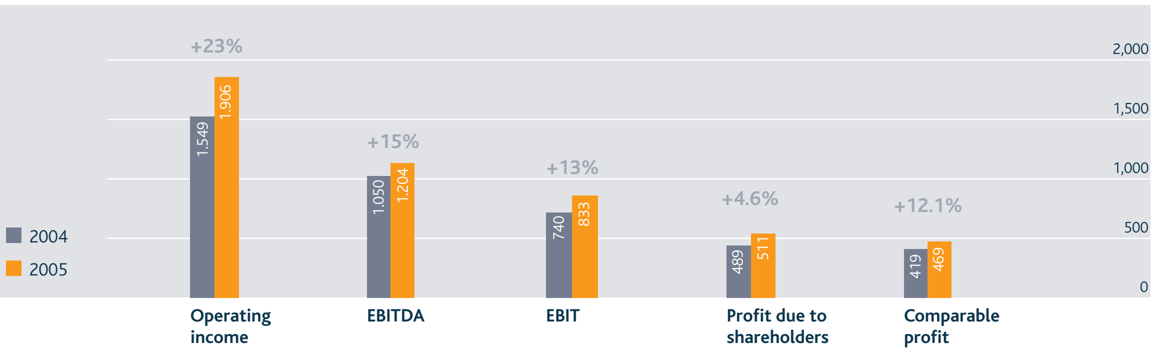
_ In 2005 a net amount of 10 million euros is recorded as compensation for the rate freeze in 2000 on toll highway concessions of the Spanish State.

_ During 2005 capital gains of 10 million net were recorded on the sale of shareholdings in Concesiones de Madrid and Autopista Central Gallega.

If we exclude the impact of the extraordinary or non-recurring items, the consolidated profit for the year due to shareholders has increased by 12.1% on a comparative basis.

Profit and loss account (Mn€)	2005	2004	Var %
Operating income	1,906	1,549	23%
EBITDA	1,204	1,050	15%
EBIT	833	740	13%
Profit due to shareholders	**511**	**489**	**4.6%**
Capital gain S28/ Autostrade	-22	-70	
Compensation 2000 rates	-10		
Capital gain sale Concema / Central gallega	-10		
Comparable profit	**469**	**419**	**12.1%**

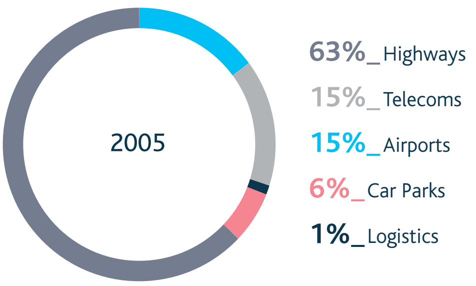
The main items in the profit and loss account show significant growth due to the expansion of the Group's activities and the positive performance in all lines of business.

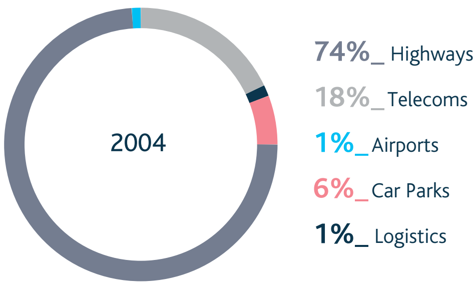


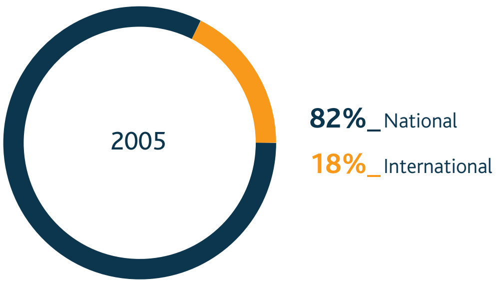
Income

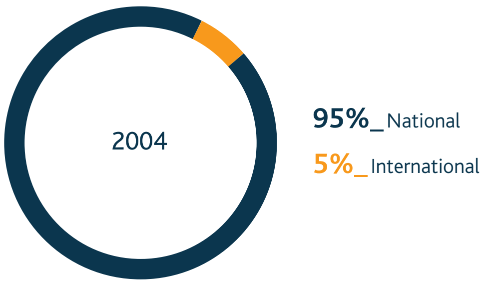
Operating income rose to 1,906 million euros (23% increase compared to 2004), propelled by the positive performance of all the Group's activities and reflecting the incorporation of TBI in the consolidation scope from January 2005 (contribution of 258 million euros), as well as the non-recurring income due to capital gains made on the sale of holdings in Concesiones de Madrid and Autopista Central Gallega and the extraordinary receipt of compensation for the rate freeze in 2000 on the Spanish State concessions. Excluding these items, recurring income rose by 5%.

The inclusion of TBI has altered the relative weight of the different business units in terms of income and has implied an increase in the income generated outside of Spain.





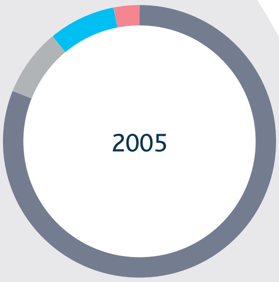


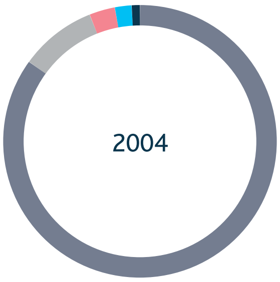


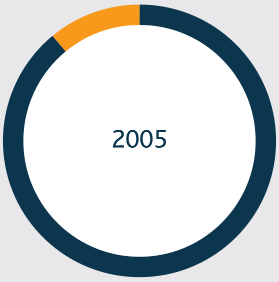
Gross operating income (EBITDA)

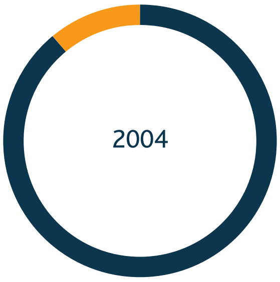
Operating expenses are concentrated in personnel expenses and the maintenance of infrastructures. The 41% increase in total expenses is basically due to the incorporation of TBI, which has seen the average workforce increase from 5,668 employees in 2004 to 7,831 employees. Excluding the impact of TBI, expenses rose by 5%. This change was achieved through containing expenses in the main companies of the Group and particularly in the telecommunications business.

EBITDA rose to 1,204 million euros, an increase of 15% on 2004.









Amortisation and impairment of assets

The allocations to amortisation increased by 23%. Excluding the impact of the incorporation of TBI, the increase was 3%.

Goodwill, under IFRS, is not amortised systematically, but is reduced on the basis of impairment testing of assets. On subjecting the existing goodwill in the **abertis** group to these tests no adjustments were required to be made.

Financial result

The negative financial result has increased due to the acquisition of TBI, which increased the financial load because of the financing associated with the acquisition and the existing debt held by TBI. Excluding the impact of TBI, there was a significant improvement in the financial result due to the negative impact of non-recurring items in 2004 related to the restructuring of hedges and the decline of the average debt.

Companies under equity accounting

The contribution from companies consolidated by equity accounting reflects a positive impact of 22 million euros due to the sale of 2.05% of Autostrade made in February 2005 by Schemaventotto (in which **abertis** holds 13.3%). The same account entry in 2004 included a gain of 70 million euros for capital gains generated on the sale of 10% of Autostrade by Schemaventotto and the sale by Autostrade of the 5% interest that it held in **abertis**.

Cash flow

During 2005 **abertis** has generated net cash flow (before investments and dividends) of 822 million euros, up 16% on 2004, thanks to the incorporation of TBI and the positive impacts of the increase in activity and the other items commented above.

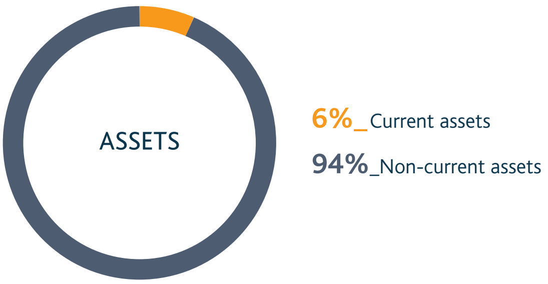
	2005	2004	Var %
Net cash flow (Mn€)	822	706	16%

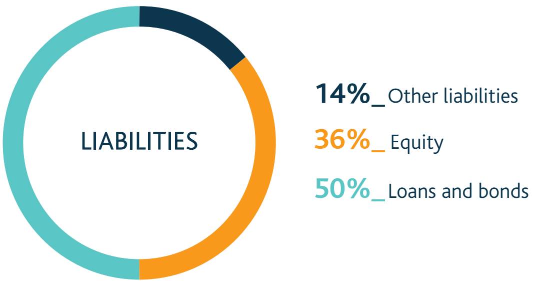
Balance sheet

(million euros)

ASSETS	Consolidated 2005	2004
Non-current assets	7,969	6,650
Fixed assets	4,597	4,074
Goodwill and other intangibles	1,790	892
Investments in associated companies	660	832
Other non-current assets	922	852
Current assets	478	445
Total assets	**8,447**	**7,095**

LIABILITIES	Consolidated 2005	2004
Equity	3,036	2,904
Capital and premium	1,572	1,654
Reserves	877	719
Profit	511	489
Minority interest	76	42
Non-current liabilities	3,836	3,110
Debt	3,227	2,801
Other long-term liabilities	609	309
Current liabilities	1,575	1,081
Debt	1,029	689
Other current liabilities	546	392
Total liabilities	**8,447**	**7,095**





The balance sheet reflects the impact of including the newly acquired companies and the expansion of existing businesses.

Total assets rose to 8,447 million euros, an increase of 19% with respect to December 2004. There has been an increase in both the fixed assets, due to the assets of the TBI airports, and the intangibles, related to concessions and licenses and the increased goodwill following the acquisition of TBI. Investment in associated companies has declined following the change in the consolidation scope where the TBI group is now fully consolidated and in December 2004 the 29% shareholding that had just been acquired was consolidated by equity accounting.

Equity has increased to 3,036 million euros, 5% more than in 2004. This equity includes the negative impact of 164 million euros, being a charge made against treasury stock acquired by **abertis** in December. The increase in debt amongst the liabilities is of note following the acquisition of the outstanding 71% of TBI and the inclusion of the existing debt of TBI on becoming fully consolidated.

Investments

Investments of the Group in 2005 totalled 941 million euros, of which 770 million, or 82%, related to growth projects and the balance of 172 million euros was in operational investments.

Investments (Mn€)	Operational	%	Growth	%
Highways	86	50%	124	16%
Car Parks	5	3%	65	8%
Logistics	10	6%	18	2%
Telecommunication infrastructures	41	24%	1	0%
Airports	30	17%	562	73%
Total	**172**	**100%**	**770**	**100%**

The most significant operational investments were made in highways, telecommunication infrastructures and the airports sectors. In the highways sector operational investments of note were made on safety, improvements and maintenance of the networks. In telecommunications the operational investments corresponded to improvements and developments of the network whilst in airports they mainly related to repaving runways and improvements in runways and installations.

The most significant investment in growth was in the airport sector, with the funds provided by **abertis** in 2005 to the company ACDL (90% held by **abertis**), which acquired 100% of the British airport operator TBI. The total investment made up ACDL in the acquisition of TBI was 788 million euros, 709 million corresponding to **abertis** of which 204 million were outlaid in December 2004 to purchase a 29% holding and 505 million euros was invested in 2005 to acquire the outstanding 71%. In turn, TBI has invested 56 million in the construction of the new Terminal of the London Luton airport.

In the highways sector, 124 million euros were invested on growth, highlighting the investments made by **castellana**, of more than 90 million euros on construction work for the third Guadarrama tunnel and the widening of lanes on the AP-6, and by **iberpistas**, with 10 million on the construction of the Guadarrama access highway.

In the car parks sector investment in growth totalled 65 million euros. Of note is the 30 million euros in the acquisition of a car park in Mestre (Venice), 11 million in the acquisition of 40% of Saba Italia, 11 million in the acquisition of various car parks in Italy and Portugal and 4 million for the acquisition of two companies in Chile that manage seven car parks.

Financial management

abertis displayed balanced growth in 2005 between its business and financial figures, with group debt totalling 4,256 million euros, compared to 3,490 million in 2004. The 22% increase in debt is in line with the 23% increase in income shown by the activity.

The acquisition of 90% of TBI during the year has been the main investment made in 2005. This is reflected in the 745 million euro increase in net debt.

This balanced financial structure enables the selective policy of investments in growth of **abertis**, investments in the improvement of infrastructures managed and the shareholder return policy to be undertaken with guarantees.

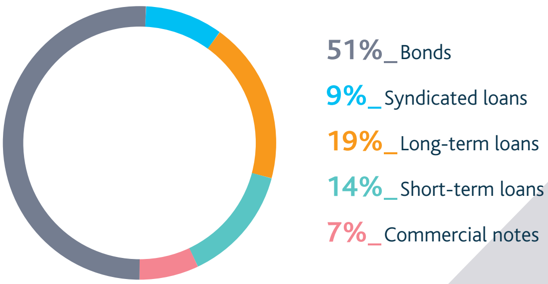
	2005	2004
Net debt	4,211	3,466
Net debt/EBITDA	3.5	3.4
Debt / Equity	1.4	1.2
Interest cover (Free Cash Flow+ Int) / Int	6.2	5.6

Financial structure / Financing policy

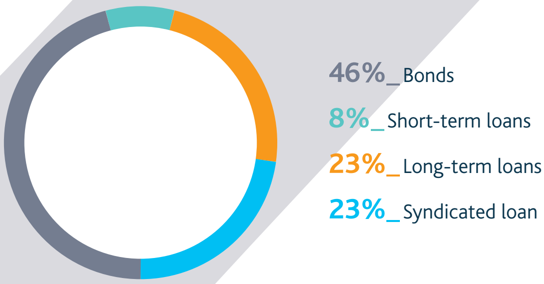
The financial structure of the Group has been consolidated during 2005.

abertis continues to enjoy the support of capital markets and this has enabled the Company to continue increasing the percentage of financing raised on the market (58%). During 2005 financing through bonds has increased from 46% to 51% and the issuing of commercial notes was begun, representing 7% of debt at the end of 2005.

Financing instruments 2005



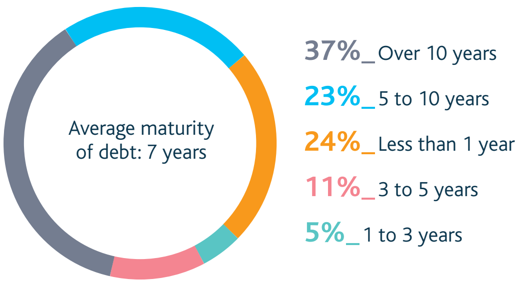
Financing instruments 2004



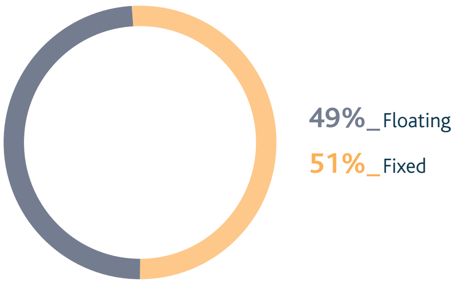
In line with the policy on treasury management and hedging risks, the financing of the acquisition of TBI has been predominantly covered by making two bond placements of 15 and 20 years for an amount of 700 million euros.

The terms of these debt issues have increased the average maturity of outstanding debt to 7 years.

Maturity of debt



Proportion fixed / floating



Hedging of financial risks

The activities of **abertis** are subjected to various financial risks: exchange rate risk, credit risk, liquidity risk and interest rate risk on cash flow. The management program for the Group's overall risk considers the uncertainty of the financial markets and aims to minimise the potential adverse affects on the financial return of the Group, using derivatives to hedge both the exchange rate and interest rate risks.

Credit Rating

abertis has a credit rating awarded by the agencies Standard & Poor's and Fitch Ratings:

_ **abertis** has an AA- rating (Investment grade-high credit quality) for long term debt ratified in December 2005, awarded by the international credit rating agency Standard & Poor's.

_ **abertis** has an "A+" rating (Investment grade-high credit quality), for long term debt, ratified in December 2005, and "F1" rating (highest credit quality), for short term debt, awarded and ratified on the same dates by the international credit rating agency Fitch Ratings.

Parent company figures

Profit and Loss Account

2005 and 2004 figures under PGC

(million euros)	2005	2004	Var
Operating income	18	15	21%
Operating expenses	(29)	(29)	1%
EBITDA - Result	**(11)**	**(14)**	**-21%**
Amortisation and depreciation	(19)	(20)	
Operating profit	**(30)**	**(34)**	**-12%**
Financial result	391	417	
Result ordinary activities	**361**	**383**	**-6%**
Extraordinary result	(7)	(42)	
Corporation income tax	34	20	
Profit for the year	**388**	**361**	**7%**

The main entries correspond basically to the financial result which reflects the dividends received from the subsidiary companies of the Group and the financial expenses and income arising from the activity of financing.

The negative operating result corresponds to the expenses derived from the structure of the Corporation that are partially allocated to subsidiary companies.

The charges for amortisation and depreciation include the amortisation of the goodwill as the main item generated as an intangible asset in the merger of **abertis** and **iberpistas** in 2004.

The financial result totalled 391 million euros, of which the positive amount of 438 million corresponds to financial income in the form of dividend payments from subsidiary companies and a negative amount of 47 million corresponding to the net expense of the financial load arising from the expansion of the Group and financing raised and ceded as part of the process of centralising the Group debt in **abertis** who is responsible for covering the funding requirements of the subsidiary companies.

The negative extraordinary result for 2004 corresponds to non-recurring adjustments in the valuation of the investment portfolio.

Net profit rose by more than 7% to a total of 388 million euros.

Balance sheet

2005 and 2004 figures under PGC

ASSETS (million euros)	Parent 2005	Parent 2004
Net fixed assets	6,298	5,584
Intangible assets	331	349
Fixed assets	14	14
Investments	5,906	5,221
Treasury stock	47	0
Deferred expenses	8	7
Current assets	543	415
Total assets	**6,849**	**6,006**

LIABILITIES (million euros)	Parent 2005	Parent 2004
Equity	3,175	3,187
Share capital	1,737	1,654
Share premium	580	580
Reserves	615	718
Profit	388	361
Interim dividend	(145)	(126)
Deferred income	4	0
Provisions for liabilities and expenses	37	41
Long-term creditors	2,545	2,158
Short-term creditors	1,088	620
Total liabilities	**6,849**	**6,006**

The balance sheet is mainly comprised of the investment portfolio, which represents 86% of the total, and the financing required for the acquisition of these shareholdings through equity (46%) and debt (51%). It also includes the financing raised and ceded to subsidiary companies as a consequence of centralising the Group's debt in **abertis** which is responsible for covering the funding requirements of the subsidiary companies.

During 2005 bonds for a total amount of 700 million euros have been placed with institutional investors and long-term financing operations have been negotiated to cover the new funding requirements of the Group.

Stock market performance

For the third consecutive year, the Spanish stock exchange has risen, with the IBEX gaining 18.2%, being up 77.8% over the three year period.

The good performance of the stock market is even more remarkable if the complex circumstances surrounding the markets are considered with expectations of inflation driven by the rise in oil prices and a tightening of monetary policy in the USA and Europe.

Imbalances between supply and demand together with an increasing speculative movement drove the price of crude to historical maximums in September, with an annual increase of around 40%.

This situation has brought risk of inflationary pressure, which has obliged central banks to respond with rate rises. The Federal Reserve raised interest rates eight times, increasing rates in the USA from 2.25% to 4.25%, during the last year in which Alan Greenspan headed the Federal Reserve. The ECB raised interest rates in December, for the first time in five years, by 25 basis points to 2.25%.

Not only did oil hit record highs, but the euro also rose to 1.36 dollars in January and an ounce of gold reached its highest price in 25 years.

In this situation, other factors of note were the weak economic growth in Europe, the natural disasters in the Gulf of Mexico and the reappearance of international terrorism in London.

Nevertheless, the stock market has risen above these circumstances, doing so especially thanks to the excellent results and strength of company balance sheets, also stimulated by numerous corporate operations.

The rise in equities in 2005 was supported by a high trading volume, which increased by 33% on the previous year, marking a record for the Spanish market. This is due to high liquidity in the market in spite of the rise in interest rates as in many countries the real interest rates, calculated by subtracting inflation, are still close to zero.

At the European level, the overall situation for the main European exchanges is very satisfactory. The Spanish market, however, has performed slightly below the Dutch, French or German market, which recorded more bullish performances due to their sector composition.

The USA concluded the year with a flat performance, following a year of steep rate rises. 2005 was the year that Japan saw the end of a terrible economic recession for the first time in 12 years.

abertis shares

The **abertis** share continued its excellent rhythm during the year, with a 37.8% rise over the last twelve months, once again outperforming the IBEX 35.

Until mid April the share price fluctuated in a narrow range. From this moment on, the market commenced a recovery prompted by the decline in oil prices, company results, the delay of interest rate hikes in Europe and the moderation of the outlook for inflation, with the market peaking in October. This recovery was also enjoyed by the **abertis** share in parallel with the market, and supported by speculation about the privatisation of the French highways.

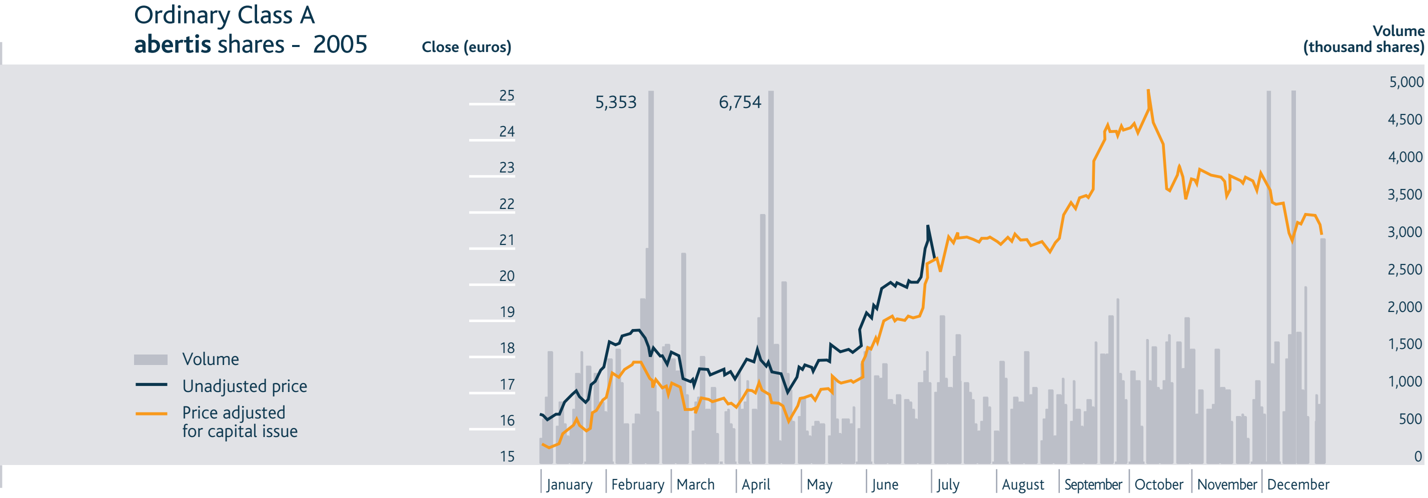
In five months, from May to October, the market rose more than 22% and the **abertis** share climbed 42%.

In the last quarter there was a slight correction, falling back to September levels, following the presentation of a firm offer to acquire Sanef and confirmation that the consortium led by **abertis** ended up being selected by the French government to acquire 75.7% of the capital of the concessionaire company *Société des Autoroutes du Nord et de l'Est de la France* (Sanef).

In 2005, **abertis** recorded the best performance in terms of return (+41%), based on the market revaluation and the dividend yield, when compared with the return obtained by the ten leading companies of the IBEX in terms of market capitalisation.

The performance of the **abertis** share continues to be the most positive amongst the main European highway companies that it is usually compared with, except for Sanef. This company, which the consortium led by **abertis** won the right to acquire in December, had a revaluation of 42.6% in 2005.

Ordinary Class A
abertis shares - 2005



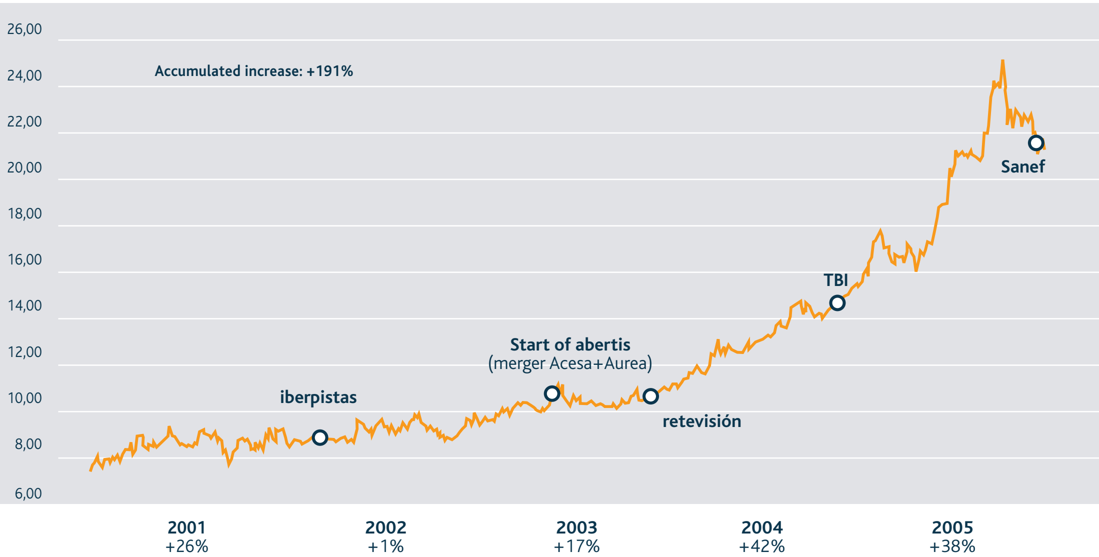
Note regarding the adjustment of the share price for bonus share issues:

The allocation of new bonus shares does not change the Company's equity, even though the number of shares increases. All shareholders that have invested prior to the share issue receive bonus shares without making any payment, so the investment of their portfolio does not change, although they hold more shares. Consequently, the historical prices prior to the share increase have to be adjusted to compare pre-issue and post-issue prices.

Last June marked the second anniversary of the merger between Acesa Infraestructuras and Aurea Concesiones de Infraestructuras which led to the birth of **abertis**. Since this merger shares have risen by 99% taking into account the adjustments for capital issues.

abertis is one of the three companies out of the 35 companies in the IBEX index that have shown an annual increase over these five years.

The rise of 37.8% is added to the increases recorded in the previous four years, with a cumulative increase of 191% in the last five years.



Market capitalisation **abertis**	multiplied by 5
Evolution **abertis** share	+24% per year accumulated (1)
Evolution IBEX 35	+3% per year accumulated (1)

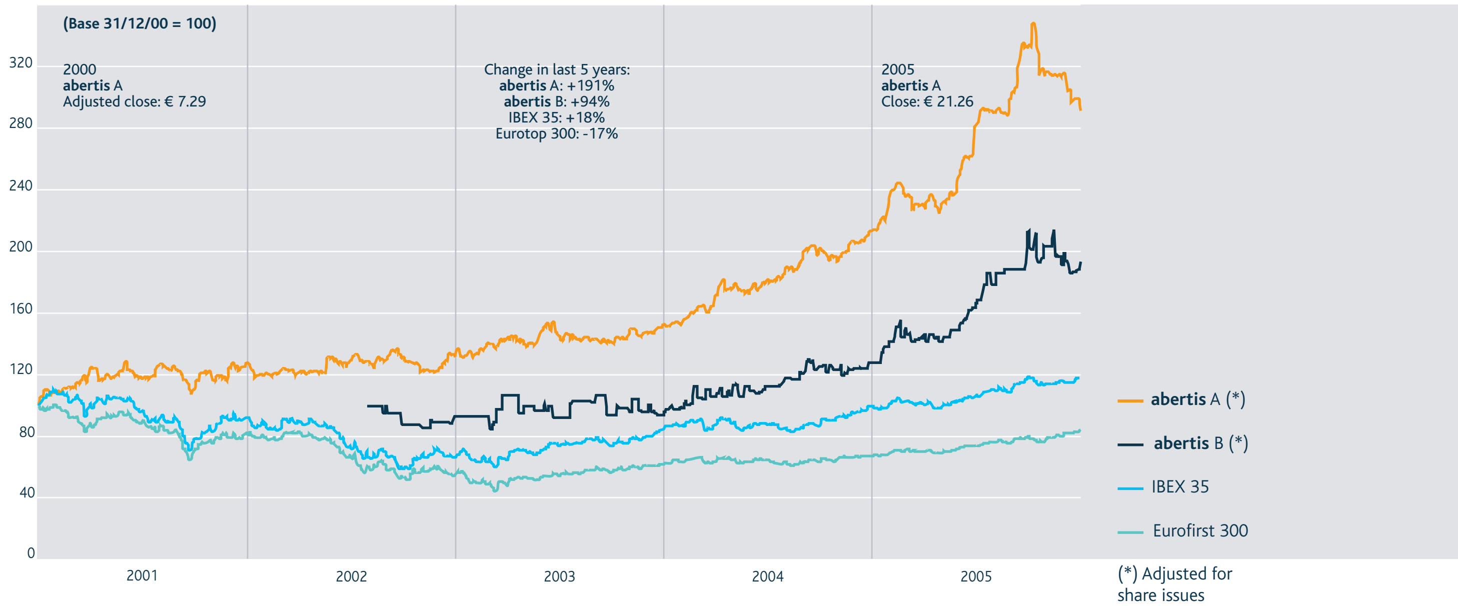
(1) Cumulative Annual Growth to close of 2005

This increase in the share price saw the market capitalisation of **abertis** at the close of the year reach 12,331 million euros, of which 11,523 million correspond to class "A" shares and 808 million to class "B" shares.

With respect to the market evolution of the preferential B class shares, they have had low liquidity and limited trading since they were first listed for trading on 29 July 2002. This is explained by the fact that their right to a preferential dividend is based on how long the shares have been held and the price of the ordinary class A shares, making it less attractive to trade them.

Due to this limited trading the 37,036,366 class B shares have since January 2004 been traded using the price fixing model, where a price is set at two daily auctions.

Comparison of the evolution of **abertis** and the main indices
5 year evolution (2001-2005)



All the Company's shares are listed on the stock exchanges of Barcelona, Bilbao, Madrid and Valencia, being traded on the Spanish interconnected electronic market. The ordinary class A share has formed part of the selective IBEX 35 index continuously since 1992. The shares are also included in other important international indices such as the Standard & Poor's Europe 350 and the FTSE Eurofirst 300.

In 2005 **abertis** maintained its position in the selective Dow Jones Sustainability World index for the second year running. This index groups together 10% of the companies in the world with the best sustainability criteria, representing 20% of the market capitalisation of its sector. In this way, **abertis** has consolidated its presence in the international sustainability indices.

abertis has obtained an above average score in the three dimensions analysed by the Dow Jones Sustainability World index: financial, social and environmental management.

In the financial area, the highest score that **abertis** received in this world index was for investor relations.

Shareholder return

Evolution of share capital - Increases

At the end of 2005 the share capital of **abertis** rose to 1,737 million euros, with 579,055,443 shares entered into the share register, of a nominal value of 3 euros each, being fully subscribed and paid up. Of these, 542,019,077 shares are ordinary class A shares and 37,036,366 are class B preference shares.

In the course of the 2005 the usual bonus share issue was made.

The Shareholders' General Meeting held on 12 April agreed to increase capital with a charge against reserves by an amount of 82.7 million euros, through the issue of 27,574,068 class A ordinary shares. The shares were issued to all holders of class A and class B shares, with one new share for every 20 shares held. Between 4 and 18 July 54.2 million rights were traded, with a high price of 1.08 euros and a low of 1.00 euros. The theoretical value of the rights was 1.03 euros.

The new shares were listed on 5 August, having the same voting and dividend rights as the other shares of its class, with holders having dividend rights from 1 January 2005.

Dividend

From 1993, **abertis** has based its shareholder yield policy on the payment of a steady annual dividend, in two payments, which increases through the annual bonus share issue.

abertis paid a final dividend for 2004 of 0.25 euros per share in April, and an interim dividend for 2005 of a gross amount of 0.25 euros per share was paid in October.

The Board of Directors of **abertis** has agreed to propose to the 2006 Shareholders' General Meeting a final dividend for 2005 of 0.25 euros gross per share, as well as the 1x20 bonus share issue.

This amount, together with the interim dividend paid in October, represents a total dividend per share of 0.50 euros gross charged against earnings for 2005, an increase of 4.4% on 2004. The total dividend payout has increased by 9.6%, given the greater number of shares following the bonus share issue. The total allocated to dividend payments in 2005 by **abertis** is 289.5 million euros.

	2004		2005	
EPS	€ 0.479	+4.4 % →	Forecast € 0.50 (1)	= +9.6 %
		+1/20 annual bonus share issue		

(1) Includes an interim dividend paid in October 2005

Return over a decade

The following table shows the stock market return on the **abertis** share over the last ten years, with shares being bought and sold at different intervals. The return on the **abertis** share is compared with the IBEX 35. The intersection indicates the return on the **abertis** share and the market, respectively, for the period selected (year of entry and year of exit).

Year of entry (1)		Year of exit (1) 1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
1995	abertis	-41.77%	74.80%	115.54%	65.44%	74.05%	118.71%	128.61%	166.83%	264.51%	388.62%
	IBEX-35	41.97%	99.83%	170.92%	220.63%	150.91%	131.29%	66.27%	113.10%	150.11%	195.64%
1996	abertis		24.25%	54.16%	17.38%	23.71%	56.49%	63.76%	91.83%	163.55%	254.68%
	IBEX-35		40.75%	90.83%	125.84%	76.73%	62.91%	17.11%	50.10%	76.16%	108.23%
1997	abertis			24.93%	-5.73%	-0.46%	26.87%	32.94%	56.33%	116.12%	192.08%
	IBEX-35			35.58%	60.45%	25.56%	15.74%	-16.79%	6.64%	25.16%	47.94%
1998	abertis				-25.30%	-20.95%	1.60%	6.60%	25.91%	75.25%	137.94%
	IBEX-35				18.35%	-7.39%	-14.63%	-38.63%	-21.34%	-7.68%	9.12%
1999	abertis					6.09%	37.66%	44.67%	71.69%	140.76%	228.52%
	IBEX-35					-21.75%	-27.86%	-48.14%	-33.54%	-22.00%	-7.80%
2000	abertis						31.17%	38.08%	64.76%	132.94%	219.58%
	IBEX-35						-7.82%	-33.73%	-15.07%	-0.32%	17.83%
2001	abertis							5.48%	26.62%	80.64%	149.29%
	IBEX-35							-28.11%	-7.86%	8.14%	27.82%
2002	abertis								20.86%	74.17%	141.91%
	IBEX-35								28.17%	50.42%	77.80%
2003	abertis									45.73%	103.84%
	IBEX-35									17.37%	38.73%
2004	abertis										40.96%
	IBEX-35										18.20%

(1) Entry and exit on the last day of the year indicated.
The revaluation on the stock market, bonus share issues and dividend yield are all taken into account. The possibility that the shareholder could have outlaid additional cash amounts apart from the day on which the shares were purchased is not considered.

If we consider the last decade on a cumulative basis, an investor who acquired shares of **abertis** at the end of 1995 and held onto the successive bonus share issues, would have obtained an annual yield of 17.2% (accumulated annual return) taking into account the dividends received.

Shareholders and investors

abertis, close to shareholders and investors

abertis endeavours to provide information that is clear, regular, complete, homogeneous and transparent to all its shareholders, to individual or institutional investors, stock market analysts and the investment community in general.

To meet this objective the Company has an Investor Relations / Shareholders' Office area which acts on the principles of transparency and active ongoing communication with shareholders and investors, responding to all the queries and doubts that are raised about the performance of the Company in all areas.

As a result of the Company's desire to get closer to shareholders and be more aware of their concerns the Dealing with Shareholders Program was launched in 2005.

Launch of the PRÓXIMO Program Pioneer initiative amongst IBEX companies other than banks

Keep their shareholders and investors informed more frequently and better. This is the main objective of the PRÓXIMO Program, an initiative that **abertis** launched in 2005, which brings it closer to the investment community through informative sessions.

The PRÓXIMO Program falls within the recommendations of good governance put forward by the Olivencia Code, as it represents the opening of new communication channels with shareholders of the company, in addition to the Shareholders general meetings. Nevertheless, given its characteristics, the way in which the PRÓXIMO Program is presented proves to be much more flexible and accessible.

The PRÓXIMO Program is a pioneer initiative based on the willingness of **abertis** to take the Company to the location of our shareholders and investors, to listen to their concerns, respond to their questions and to be open to their suggestions. The objective is present the Company's current reality and situation, explaining the characteristics of the **abertis** project, its path, the outlook and its attractiveness as a method of saving-investment on the stock market.

Through the PRÓXIMO Program, **abertis** has established and wishes to continue creating permanent communication channels with the shareholder, that complement existing channels, so that the required information can be obtained at any time.

The meetings

The Program commenced in June and July with a series of presentations for shareholders and investors in the Community of Valencia (Valencia, Castellon, Elche and Alicante).

Salvador Alemany, chief executive officer of **abertis**, Juan Arturo Margenat, general secretary, and representatives of the Shareholders' Office participated in the different sessions.

After the holiday period a second phase of the Program got underway, with a presentation in the Bilbao Stock Exchange, and in October meetings were held in the Oviedo Chamber of Commerce and the Zaragoza Chamber of Commerce.

In November the PRÓXIMO Program moved to the Financial Club of Vigo and the Atlantic Financial Club of A Coruña, concluding the year with a presentation in Barcelona in December.

In the course of 2005, **abertis** has met with shareholders/investors in 10 Spanish cities, attracting a total audience of 820 people. The PRÓXIMO program has travelled to the Autonomous Communities of Valencia, Basque Country, Asturias, Aragon, Galicia and Catalonia with visits to the following cities: Valencia, Castellón, Elche, Alicante, Bilbao, Oviedo, Zaragoza, Vigo, A Coruña and Barcelona.

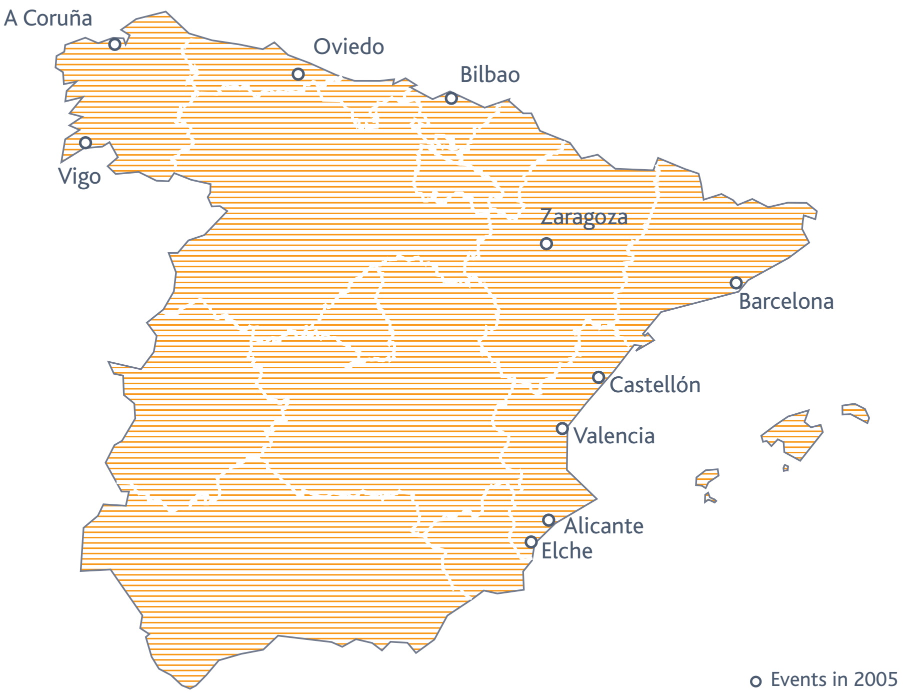
Meetings of the PRÓXIMO Program are not just held in cities that have a stock exchange. The aim is to reach all shareholders of **abertis** that are interested, as well as the investor community in general.

abertis also offers the possibility of arranging **"customised" meetings** for specific groups. If a shareholders club or a group of investors in a city are interested in getting to know the company, they only need to contact the Shareholders' Office to arrange a meeting.

At the Shareholders' Office we are convinced that this is the best method to gain creditability in the market and win the confidence of shareholders.

Our shareholders have been the first ones to thank us for this effort, something which they have done throughout the course of the Program.

Transparency and communication with shareholders that is active and fluid are key principles of the **abertis** approach.



Information policy recognized and awarded

"Llotja" award for the best company information for shareholders and the market

The "Llotja" awards are given to distinguish those listed companies that carry out good information policies for shareholders and the market in general. Both the information systems and contents are considered, with special importance given to the information available on the company websites and the annual reports.

On previous occasions this prize was awarded to different companies within the IBEX 35 index.

This year the jury, made up of 14 members who are chairman and members of leading companies, awarded the prize to **abertis**, in recognition of the preparation of information that is increasingly transparent, complete and structured for our shareholders and the public in general.

In addition to these two significant events in 2005, **abertis** provides shareholders and the investment community different channels to contact the Company: **www.abertis.com**.

In 2005 **abertis** published its new corporate portal in internet, *www.abertis.com*, with a fresh image and new contents.

The new website has been designed to be user friendly following strict criteria of functionality. Contents are organised into five main sections: Corporate information, Business areas, Shareholders and investors, Press room and Social responsibility.

The new *abertis.com* has a complete section dedicated to shareholders and investors which is given greater importance. This section has been completely renovated, with more contents, services and interesting features such as the "Shareholders' Corner". It includes information about **abertis** on the stock market, financial information, corporate governance and all matters related to the Shareholders' General Meeting.

This is a new section for shareholders and investors that is more complete, simpler and easier.

This was the most visited section of the **abertis** website in 2005.

The new website of **abertis** includes other improvements, such as a search engine, an attractive system of highlighting contents, as well as interesting improvements in functionality, allowing the text size to be changed as the user requires, or any page to be printed quickly and easily.

Participation in trade shows for shareholders and investors

On 24, 25 and 26 February **abertis** participated in Bolsalia 2005, the trade show of the Stock Exchange and other financial markets held in Madrid.

In addition, on 1, 2 and 3 of December, **abertis** participated in Borsadiner, the same trade fair held in Barcelona.

abertis participates in these trade shows for shareholders and investors as a further step to get closer to our shareholders.

These trade shows together with the PRÓXIMO Program allow us to have a two way communication channel for **abertis**. We can explain the most significant features of the company, whilst shareholders and investors can also voice their concerns, express their doubts and we are able to identify areas for improvement to keep them better informed. This mutual knowledge allows us to constantly improve.

abertis magazine

A corporate publication that provides the latest news about **abertis**, with a more in-depth view than the news reports covered by the media. It contains a specific section for shareholders and investors with contents related to financial performance and the stock market, which has become a strong link with the investment community.

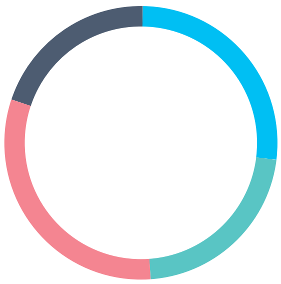
During 2005 more than 12,000 copies were sent to shareholders, institutional investors and analysts.

Shareholders' Telephone Service: 902 30 10 15

24 hour a day service, 365 days a year to respond to any doubt or suggestion of shareholders.

The queries are especially related to matters such as increases in capital, the Shareholders' General Meeting and dividends.

Breakdown of queries received through the Shareholders' Telephone Service
(Percentage)



27%_Shareholders' meeting
22%_Dividends
31%_Others
20%_Share issues

The 31% classified as "Others" are questions about the PRÓXIMO program, results, evolution of the share price, significant events, new investments and requests for documents.

Mail

E-mail, relaciones.inversores@abertis.com

Postal address,
Av. del Parc Logístic, 12-20, 08040 Barcelona

Direct channels with the Company that allow an open dialogue with shareholders, so that they can raise their specific concerns and the Company can provide whatever information or clarification that might be required.

In 2005 some 5,000 information requests and invitations have been handled and over 1,400 e-mails managed.

Shareholders' General Meeting

The Shareholders' Office provides support on questions related to the organisation and attendance at the Shareholders' General Meeting, in response to the shareholders' right to information under articles 212 and 144 of the Companies Act and article 7 of the Regulations of the Shareholders' General Meeting.

All the information referring to the Shareholders' General Meeting is available on the corporate website from the day the meeting is called. Requests can also be made from the website for information to be sent to shareholder's residence.

The Shareholders' General Meeting was retransmitted by live webcast in video format in three different languages. After the meeting was held the webcast could also be viewed.

The Shareholders' General Meeting held in 2005 was held with the representation of 391,703,238 shares, 155,615,973 present and 236,087,265 by proxy, with a quorum of 71.02% of the share capital (28.21% present and 42.81% represented by proxy).

The shareholders' telephone service responded to more than 600 calls related to the Shareholders' General Meeting, 27% of all the calls received.

The Shareholders' Office also received more than 300 requests for information.

Analysts and investors

abertis responds to queries from analysts and investors on a daily basis, providing them with information on a continuous basis on the significant events affecting the Company.

In addition, meetings are held regularly in different countries.

The most intense periods for informing analysts and investors revolve around the publication of results for **abertis**, which is done quarterly. In 2005 they were sent all the necessary documentation to interpret the results. This information was also made available on the **abertis** website, with a quarterly conference call being held to resolve any doubts.

In addition to the publication of results, presentations were made in live in Madrid and Barcelona, attracting more than 180 analysts and investors who were invited to raise questions directly.

More than 82 meetings were held in Europe during 2005 and 26 notifications were sent to analysts and investors regarding significant events affecting the Company.

The Investor Relations / Shareholders' Office area has made a series of commitments to its shareholders, private and institutional investors, stock market analysts and the investment community in general:

Commitment to proximity
PRÓXIMO Program

Commitment to accessibility
New abertis website, with an extensive section for shareholders and investors, meetings with analysts.

Commitment to availability
Shareholders' Telephone Service 24h, 365 days a year. Direct e-mail to the department.

IN SHORT, COMMITMENT TO DIALOGUE

Significant shareholders

The significant shareholders in the Company are those listed in the Corporate Governance Report that is provided as an annex to this annual report.

Shareholder structure of abertis

The structure of the share capital of **abertis**, based on the information provided by Iberclear at 22 March 2005, prepared for the last Shareholders' General Meeting, showed the following distribution: 87.7% of the shares are held by people resident in Spain and 12.3% by non-residents. In turn, 16.1% of the shares held by residents are in the hands of individual investors and 83.9% are held by institutional investors.

Market information

2005 and 2004 data:

	Class A shares		Class B shares	
	2005	2004	2005	2004
Trading frequency	100%	100%	54%	60%
Trading days	256	251	138	150
Traded volume adjusted for share issues (no shares)	269,001,790	309,826,837	159,315	372,503
Equivalent percentage of total adjusted shares	50%	60%	0.4%	1.0%
Cash value traded (Mn€)	5,440,23	4,210,55	3.13	5.45
Market capitalisation (at 30/12) (Mn€)	11,523,33	8.334,01	808.13	562.95
Options on **abertis** shares	29,194	37.140	n.a	n.a
Total number of shares (A+B, at 30/12)	579,055,443	551,481.375		
Consolidated equity attributable to shareholders (Mn€)	2,960	2,862		
Capitalisation / Book value	4.2	3.1		

Evolution of the last five years:

	2005		2004		2003		2002		2001	
IBEX 35										
Close	10,733.9		9,080.8		7,737.2		6,036.9		8,397.6	
Annual change	18.2%		17.4%		28.2%		-28.1%		-7.8%	
High / low	10,919.2	8,945.7	9,100.7	7,578.3	7,760.4	5,452.4	8,554.7	5,364.5	10,132.0	6,498.4
Eurofirst 300										
Close	1,275.5		1,041,8		957.9		857.0		1,264,9	
Annual change	22.4%		8.8%		11.8%		-32.2%		-17,5%	
High / low	1,284.7	1,038.6	1,042.2	940.9	957.9	682.7	1,279.7	797.2	1,545.5	998.9
Class A shares										
Close / Adjusted close (1)	21.26	21.26	16.20	15.43	11.99	10.88	10.80	9.33	11.19	9.21
Annual change / Adjusted annual change (1)	31.2%	37.8%	35.1%	41.9%	11.0%	16.6%	-3.5%	1.3%	20.2%	14.5%
High / low	25.30	16.18	16.26	12.03	12.90	10.80	11.99	10.28	11.89	9.26
High / low (adjusted) (1)	25.30	15.41	15.49	10.91	11.14	9.33	9.86	8.46	9.32	7.26
Weight in IBEX 35	2.80		2.42		2.14		1.55		1.12	
Class B shares										
Close / Adjusted close (1)	21.82	21.82	15.20	14.42	11.95	10.78	12.19	10.53		
Annual change / Adjusted annual change (1) (2)	43.6%	51.3%	27.2%	33.7%	-2.0%	2.4%	-10.7%	-6.4%		
High / low	24.50	15.20	15.42	11.97	14.00	11.05	13.65	11.77		
High / low (adjusted) (1)	24.50	14.42	14.63	10.80	12.09	9.55	11.25	9.70		

Note: high and low at close.
(1) Adjustment for bonus share issues.
(2) In 2002, the annual change for Class B shares is calculated using the closing price on the first day of admission (29/07/02).

5

statutory financial statements

Consolidated balance sheet at 31 December
page 76

Consolidated profit and loss account at 31 December
page 78

Consolidated statement of recognised income and expense
page 79

Consolidated cash flow statement
page 80

Notes to the 2005 Consolidated Annual Accounts
page 82

01_ General information
page 82

02_ Basis of presentation
page 82

03_ Accounting policies
page 89

04_ Management of financial risk
page 98

05_ Fixed assets and revertible assets
page 99

06_ Goodwill and other intangible assets
page 101

07_ Investment in associated companies
page 104

08_ Available-for-sale financial assets
page 106

09_ Derivative financial instruments
page 107

10_ Debtors and other accounts receivable
page 109

11_ Cash and cash equivalents
pág.109

12_ Net equity
page 110

13_ Financial debt
page 119

14_ Deferred income
page 121

15_ Trade creditors and sundry creditors
page 122

16_ Corporation income tax
page 122

17_ Liabilities for employee benefits
page 125

18_ Provisions and other liabilities
page 128

19_ Income and expenses
page 129

20_ Contingencies and commitments
page 131

21_ Business combinations
page 131

22_ Shareholdings in multigroup companies
page 132

23_ Information on the environment
page 133

24_ Segment reporting
page 134

25_ Related parties
page 139

26_ Other information
page 145

27_ Subsequent events
page 147

28_ Transition to the International Financial Reporting Standards (IFRS)
page 147

Annex I. Subsidiary companies included in the consolidation scope
page 154

Annex II. Multigroup companies included in consolidation scope
page 162

Annex III. Associate companies included in the consolidation scope
page 164

Consolidated Management Report for 2005
page 168

Consolidated balance sheet at 31 December
(thousand euros)

ASSETS	Notes	2005	2004
Non-current assets			
Fixed assets and revertible assets	5	4,596,431	4,074,445
Goodwill	6	1,082,456	769,019
Other intangible assets	6	707,909	123,409
Investment in associated companies	7	660,338	831,767
Deferred tax	16	391,033	403,428
Available-for-sale investments	8	438,905	414,726
Derivative financial instruments	9	61,369	14,219
Debtors and other accounts receivable	10	29,896	18,936
Non-current assets		**7,968,337**	**6,649,949**
Current assets			
Inventories	—	10,106	5,393
Debtors and other accounts receivable	10	379,637	295,655
Derivative financial instruments	9	—	120,649
Cash and cash equivalents	11	88,592	23,537
Current assets		**478,335**	**445,234**
Assets		**8,446,672**	**7,095,183**

This consolidated balance sheet should be read together with the Notes to the accounts on pages 82 to 153.

Consolidated balance sheet at 31 December
(thousand euros)

NET EQUITY	Notes	2005	2004
Capital and reserves attributable to Company shareholders			
Capital	12	2,152,379	2,234,134
Reserves	12	117,383	71,512
Retained earnings and other reserves	12	690,226	556,133
		2,959,988	**2,861,779**
Minority interest	12	76,145	42,473
Net equity		**3,036,133**	**2,904,252**
LIABILITIES			
Non-current liabilities			
Financial debt	13	3,227,323	2,801,297
Derivative financial instruments	9	46,550	52,651
Deferred income	14	86,096	87,302
Deferred tax liabilities	16	264,986	31,267
Obligations for employee benefits	17	32,488	8,661
Provisions and other liabilities	18	178,815	128,832
Non-current liabilities		**3,836,258**	**3,110,010**
Current liabilities			
Financial debt	13	1,089,196	721,824
Derivative financial instruments	9	14,385	46,382
Trade creditors and sundry creditors	15	262,287	192,482
Current tax liabilities	16	113,114	93,693
Provisions and other liabilities	18	95,299	26,540
Current liabilities		**1,574,281**	**1,080,921**
Liabilities		**5,410,539**	**4,190,931**
Net equity and liabilities		**8,446,672**	**7,095,183**

This consolidated balance sheet should be read together with the Notes to the accounts on pages 82 to 153.

Consolidated profit and loss account at 31 December
(thousand euros)

	Notes	2005	2004
Rendering of services	19	1,824,240	1,490,491
Other operating income	19	57,470	51,585
Work on fixed assets	—	4,382	3,296
Other income	19	19,788	3,375
Operating income		**1,905,880**	**1,548,747**
Personnel expenses	19	(313,521)	(241,704)
Other operating expenses	—	(382,793)	(252,082)
Variation in trading provisions	—	158	(2,299)
Variation in impairment provision	—	—	(7,665)
Amortisation and depreciation of fixed assets	—	(371,500)	(302,390)
Other expenses	—	(5,555)	(2,479)
Operating expenses		**(1,073,211)**	**(808,619)**
Operating profit		**832,669**	**740,128**
Variation in valuation of financial instruments	—	5,091	(22,973)
Financial income	19	54,460	22,969
Financial expenses	19	(218,809)	(147,631)
Net financial result		**(159,258)**	**(147,635)**
Result for companies under equity accounting	12	65,095	93,699
Profit before tax		**738,506**	**686,192**
Corporation income tax	16	(223,638)	(194,516)
Profit for the year		**514,868**	**491,676**
Due to minority interest	12	3,635	2,908
Due to company shareholders		**511,233**	**488,768**
Earnings per share (expressed in € per share)			
Basic	12	0.905	0.906
Diluted	12	0.905	0.906

This consolidated profit and loss account should be read together with the Notes to the accounts on pages 82 to 153.

Consolidated statement of recognised income and expense
(thousand euros)

	Notes	2005	2004
Net fair value gains, gross of tax:			
Available-for-sale financial assets	8	24,600	55,890
Cash flow hedges	12	714	(6,149)
Exchange differences	12	23,094	(23,627)
Other	12	(57)	14,769
Actuarial profit and loss	12	(5,943)	—
Tax on items taken directly to or transferred from equity	—	(250)	2,152
Net income recognised directly in equity		42,158	43,035
Profit for the year		514,868	491,676
Total recognised income for the year		**557,026**	**534,711**
Attributable to:			
- Shareholders of the Company		549,746	533,774
- Minority interest		7,280	937
		557,026	**534,711**

This consolidated statement of recognised income and expense should be read together with the Notes to the accounts on pages 82 to 153.

Consolidated cash flow statement

(thousand euros)

Net cash flow from operating activities	**Notes**	**2005**	**2004**
Profit for the year		514,868	491,676
Adjustments in:			
Taxes	16	223,638	194,516
Depreciation and amortisation for the year	—	371,500	302,390
Change in asset impairment provision	—	—	7,665
(Profit)/loss on sale of fixed assets and intangible assets	—	5,555	(896)
(Profit)/loss on financial instruments	—	(5,091)	22,973
Change in pension provision	17	5,663	1,659
Change in other provisions	18	11,990	2,708
Dividend income	19	(17,026)	(13,885)
Interest income	19	(37,434)	(9,084)
Interest expense	19	218,809	147,631
Deferred income released to results	14	(11,833)	(8,469)
Share in results of associated companies under equity accounting	7	(65,095)	(93,699)
		1,215,544	**1,045,185**
Changes in current assets/liabilities:			
Inventories		(4,713)	1,703
Receivables and sundry debtors		(83,982)	99,672
Derivative financial instruments		120,649	—
Accounts payable and sundry creditors		69,805	(8,276)
Other current liabilities		68,759	(41,239)
		170,518	**51,860**
Cash flow generated by operations		**1,386,062**	**1,097,045**
Income tax paid		(197,287)	(189,676)
Interest paid		(218,809)	(147,631)
Non-current receivables and sundry debtors		874	89,843
(A) Total Net Cash Flow from Operating Activities		**970,840**	**849,581**

This consolidated net cash flow statement should be read together with the Notes to the accounts on pages 82 to 153.

Consolidated cash flow statement

(thousand euros)

Net cash flow from investing activities	Notes	2005	2004
Business combinations and changes in consolidation scope		(719,220)	20,240
Acquisition of shareholdings in associated companies	7	(20,448)	(265,578)
Proceeds from sale of fixed assets		47,249	11,691
Purchases of fixed assets and intangibles	5/6	(589,992)	(251,509)
Purchases of available-for-sale financial assets	8	(1,038)	(5,715)
Application pension provision	17	(6,855)	(1,969)
Application other provisions	18	(13,910)	(7,053)
Interest received	19	37,434	9,084
Dividends received from associated companies	7/19	41,915	34,171
Sundry creditors	18	38,827	501
Other	—	4,397	11,402
(B) Total Net Cash Flow from Investing Activities		**(1,181,641)**	**(444,735)**
Net cash flow from financing activities:			
Receipt / (Payment) of financial debt		718,349	(162,162)
Dividends paid to shareholders of Parent Company	12	(282,634)	(243,414)
Receipt / Refund of subsidies and other deferred income	14	4,618	(2,026)
Treasury shares	12	(164,477)	—
(C) Total Net Cash Flow from Financing Activities		**275,856**	**(407,602)**
Net (decrease) / increase in cash and cash equivalents (A)+(B)+(C)		**65,055**	**(2,756)**
Opening balance of cash and cash equivalents		23,537	26,293
Closing balance of cash and cash equivalents		**88,592**	**23,537**

This consolidated net cash flow statement should be read together with the Notes to the accounts on pages 82 to 153.

ABERTIS INFRAESTRUCTURAS, S.A.
NOTES TO THE 2005 CONSOLIDATED ANNUAL ACCOUNTS

NOTE 1_ GENERAL INFORMATION

Abertis Infraestructuras, S.A. (hereinafter **abertis** or the Company) was incorporated in Barcelona on 24 February 1967. The registered office of the company is Avenida del Parc Logistic nº 12-20, Barcelona. On 30 May 2003 the company name was changed from Acesa Infraestructuras, S.A. to its current name.

abertis is the parent company of a group engaged in to the management of transport and communications infrastructures that operates in five sectors of activity: highway concessions, car parks, logistics services, telecommunications and airports.

Its objects consist of the construction, maintenance and operation of highways under concession; the management of highway concessions in Spain and internationally; the construction of roads; the complementary construction activity, maintenance and operation of highways such as service stations, integrated logistics and/or transport centres and/or car parks, as well as any other activity related with transport infrastructures and communications and/or telecommunications required for the transport and movement of people, goods and information, with the necessary authorisation, as the case may be.

The Company can undertake its objects, especially its concessionary activity, directly or indirectly through its shareholding in other companies, being subject, in this respect, to the legal provision in force.

Note 26 includes information on the concession contracts entered into by the Group.

The list of subsidiary companies of **abertis**, which, together with the parent company, make up the consolidated group (hereinafter, the Group) at 31 December 2005 is set out in Annex 1.

The figures contained in all the financial statements that form part of the Consolidated Annual Accounts (consolidated balance sheet, consolidated profit and loss account, consolidated statement of recognised income and expense, consolidated cash flow statement and the notes to the Consolidated Annual Accounts) are expressed in thousand euros.

NOTE 2_ BASIS OF PRESENTATION

a) Basis of presentation

These Consolidated Annual Accounts have been prepared in accordance with the International Financial Accounting Standards adopted by the European Union under Regulation (EC) No. 1606/2002 of the European Parliament of the Council on 19 July 2002 (hereinafter, IFRS). In addition, the obligation to present Consolidated Annual Accounts under IFRS approved by the European Union is regulated by the final eleventh provision of the Law 62/2003, of 30 December (BOE of 31 December 2004).

These Consolidated Annual Accounts prepared under IFRS, have been prepared by the Administrators of **abertis** with the objective of providing a true and fair view of its equity and financial position for the year ended 31 December 2005, the consolidated profit and loss account for its operations, the changes in the consolidated, equity and cash flow in accordance with the above-mentioned legislation in force.

In compliance with current legislation in force, these Consolidated Annual Accounts are the first accounts presented under IFRS. Due to this obligation, IFRS-1 "First-time Adoption of the International Financial Reporting Standards" has been applied at the changeover date (1 January 2004). In accordance with IFRS-1, the application of IFRS for the first-time must be made to for each and every IFRS, and the interpretations in force at the time of first adoption, requiring a retrospective application. However, IFRS-1 also allows for certain exceptions to the retrospective application of the Standards for practical reasons or when the costs incurred in compliance would in all likelihood exceed the benefits provided to users of the financial statements.

On the date of preparing these Consolidated Annual Accounts, there are standards and interpretations (especially those for concession contracts) that are under review and being studied by the corresponding international regulatory bodies. The application of these will be considered by the Group once they are approved by the European Union, should this occur.

Up until and including the year ended 31 December 2004, the Consolidated Annual Accounts of the Group have been prepared in accordance with mercantile legislation in force, the standards established in the General Accounting Plan (Spanish GAAP-PGC) and Royal Decree 1815/1991, which approved the standards for the preparation of Consolidated Annual Accounts.

In application of IFRS-1, the consolidated balance sheet, the consolidated profit and loss account, the consolidated statement of recognised income and expense, the consolidated cash flow statement and the notes to the Consolidated Annual Accounts corresponding to 2005, include the figures for the previous year obtained from the 2004 consolidated accounts adjusted to the IFRS, except in the cases expressly mentioned in the accounting policies (see Note 28), for comparative purposes with the current year's figures.

The reconciliation and description of the effect of the changeover from Spanish GAAP-PGC to IFRS on the equity of the Group at 1 January 2004 and on the profit for that year is set out in Note 28.

The preparation of the Consolidated Annual Accounts under IFRS requires Management to make certain accounting estimates and certain judgements. These are continuously evaluated and are based on the historical experience and other factors, including the expectations of future events, which are considered reasonable under the circumstances. Whilst the estimations have been made based on the best information available at the time of preparing these Consolidated Annual Accounts, in accordance with IAS-8, any modification in the future of these estimations would be applied from that point on, recognising the impact of the change in the estimation made in the consolidated profit and loss account of the year in question.

The main estimates and judgements considered in preparing the Consolidated Annual Accounts are the following:

- Estimated loss for impairment of goodwill (see Notes 3.c and 6).
- Fair value of derivatives and other financial instruments (see Notes 3.e and 9).
- Fair value of assets and liabilities in business combinations (see Note 21).
- Useful life of fixed assets and intangible assets (see Notes 3.a and 3.b).
- Actuarial hypotheses used in determining the liabilities for pension obligations (see Notes 3.k and 17).
- Deferred taxes (see Notes 3.j and 16).

The Consolidated Annual Accounts have been prepared on the basis of historical cost, except in the cases specifically mentioned in this annual report.

The Consolidated Annual Accounts, as well as the notes to the accounts and the breakdowns in the annual report, have been prepared on the basis of uniformity in recognition and valuation. The changes in the valuation principles are shown in the consolidated financial statements and the comparative figures have been adjusted accordingly.

Some amounts in the consolidated profit and loss account and the consolidated balance sheet have been grouped together for the purpose of clarity, with their breakdown being shown in the Notes to the Consolidated Annual Accounts.

The distinction presented in the balance sheet between current and non-current entries has been made on the basis of collection or maturity of assets and liabilities within one year or in more than one year.

Additionally, the Consolidated Annual Accounts include all the information that is considered necessary for their correct presentation under mercantile law in force in Spain.

The Consolidated Annual Accounts of Abertis Infraestructuras, S.A. together with the parent company annual accounts and the accounts of subsidiary companies will be presented at their respective Shareholders' General Meetings in the established periods. The Administrators of the Group expect these accounts to be approved without significant changes.

b) Consolidation principles

i) Consolidation methods

Subsidiary Companies

Subsidiary Companies are all those entities in which **abertis** directly or indirectly controls the financial and operational policies. This normally occurs with a holding of more than half of the voting rights. Additionally, to evaluate whether **abertis** controls another entity, we also take into account the existence and effect of potential voting rights that can be currently exercised or convertible. Subsidiary companies are consolidated as from the date on which control passes to **abertis**, and they are no longer consolidated on the date that control ceases to exist.

Subsidiary companies are fully consolidated, except in the case of those companies that do not represent a significant interest in the context of the Consolidated Annual Accounts. These companies are consolidated by equity accounting or the shareholding method (see Annex I).

Annex I to these Notes gives a breakdown of key data for all the subsidiary companies included in the consolidation scope as fully consolidated companies at 31 December 2005.

Multigroup Companies (Joint businesses)

Corresponds to the companies that have a contractual agreement with a third party to share the control of its activity and the strategic decisions related to the activity, both financial and operational, require the unanimous agreement of all the parties that share control.

The interests of the Group in jointly controlled companies are accounted for under the method of proportional consolidation, except those companies that do not represent a significant interest in the context of the Consolidated Annual Accounts, which are consolidated by equity accounting or the shareholding method (see Annex II).

Annex II to these Notes gives information on the companies consolidated by the method of proportional consolidation at 31 December 2005.

Associated Companies

Those companies in which **abertis** has significant influence and maintains long-term link that favours and influences the activity but with a less significant representation in the management and control mechanisms, generally accompanied by a shareholding of between 20% and 50% of the voting rights.

Investments in associated entities and those excluded from the above two categories are accounted for by the shareholding method (equity accounting) and initially recorded at cost. The shareholding of **abertis** in associated companies includes goodwill (net of any loss or accumulated impairment) recorded at acquisition.

Subsequent to the acquisition, the share of **abertis** in the result and reserves of the associated companies is recognised in the consolidated profit and loss account and as consolidation reserves, respectively, with the value of the shareholding as the balancing entry in both cases. Dividend payments after acquisition are adjusted against the amount of the shareholding. In the event that the Group's share in the losses of an associated company is equal or greater than the financial value of its shareholding, including any other unsecured account pending, additional losses will not be recognised unless it has incurred obligations or made payments in name of the associated company.

Annex III to these Notes gives details of the associated companies included in the consolidation scope by the method of equity accounting at 31 December 2005.

ii) Standardisation of timing and valuation

All the companies included in the consolidation scope close their financial year on 31 December and, for the purposes of the consolidation process, the respective financial statements prepared under IFRS principles have been used. However, in accordance with current legislation, these companies present individual annual accounts in accordance with the standards applicable in their country of origin.

The standards of valuation applied by the Group companies largely coincide. However, whenever necessary the corresponding adjustments are made to standardise valuation to ensure uniformity of the accounting policies of the companies included in the consolidation scope with the policies adopted by the Group.

iii) Differences on first consolidation

The Group uses the acquisition method to account for the acquisition of subsidiary companies. The acquisition cost is the reasonable value of the assets, the equity and the liabilities on acquisition date, plus the costs directly attributed to the acquisition itself. The assets acquired and the liabilities and contingencies assumed are initially valued by their reasonable value on acquisition date, including the corresponding minority interest. The excess of the acquisition cost over the reasonable value of the shareholding is accounted for as goodwill on consolidation.

On the other hand, if the acquisition cost is less than the reasonable value of the equity (net assets) of the company acquired, the difference is immediately recognised directly in the consolidated profit and loss account for the year.

In accordance with the provisions of IFRS-1 "First-time adoption of the International Financial Reporting Standards" goodwill funds resulting from business combinations prior to 1 January 2004 (transition date) have not been re-estimated based on the criteria described above.

Furthermore, in accordance with IFRS-3, consolidation goodwill ceased to be systematically amortised as from 1 January 2004 (transition date).

The possible impairment of this type of asset is reviewed annually by an impairment test to determine if its value has declined to an amount below the net cost existing at the transition date, recording, if necessary, the necessary charge against the consolidated profit and loss account for the year (see Note 3.c). Losses for impairment of consolidation goodwill cannot be subsequently reviewed.

Goodwill related to acquisitions of associated entities is included as higher value of the corresponding shareholding, and is valued in accordance with the procedures set out in Note 3.b.iv.

iv) Elimination of internal operations

The balances and intercompany transactions between companies of the Group are eliminated, as are the unrealised profits from third parties due to transactions between Group companies. Unrealised losses are also eliminated, unless the transaction provides evidence of a loss due to the impairment of the transferred asset.

In transactions with jointly controlled entities (multigroup companies) the share in the profit or loss from operations with Group companies is only recorded for the part corresponding to other participants.

v) Conversion of financial statements in foreign currencies

The financial statements of foreign companies, none of which operate in hyperinflation economies, prepared in a currency (that of the main economic area in which the entity operates) other than the currency used for presentation of the Consolidated Annual Accounts (euros) are converted to euros using the year-end exchange rate, whereby:

- Capital and reserves are converted at historical exchange rates.
- Entries in the profit and loss account are converted using the average exchange rate for the period as an approximation for the exchange rate at the transaction date.
- The other balance sheet entries are converted at the year-end exchange rate.

As a result of applying the aforementioned method, the exchange differences generated are included under “Reserves – Exchange differences” in net equity of the consolidated balance sheet.

The Group has availed itself of the exemption included in IFRS-1 referring to the exchange differences existing at 1 January 2004 (transition date), transferring the accumulated balance at said date to Accumulated Profits.

vi) Others

Those exchange differences that arise from the conversion of a net investment in foreign companies, and from loans and other instruments in foreign currencies designated as hedges on these investments, are recorded against net equity. When they are sold, said exchange differences are recognised in the profit and loss account as part of the gain or loss on sale.

The adjustments to goodwill and the fair value that arise from the acquisition of a foreign entity are considered as assets and liabilities of the foreign entity and are converted using the year-end exchange rate. For acquisitions prior to 1 January 2004, said amounts are considered to correspond to assets and liabilities in the acquiring entity rather than assets and liabilities of the foreign entity, in application of IFRS-1.

vii) Changes in the consolidation scope

The most significant changes in the consolidation scope and in the companies included therein during 2005 were the following:

- On 24 November 2004 the company Airport Concessions Development Limited (ACDL), in which **abertis** holds 90%, launched a Public Takeover Bid for all the shares of TBI, with ACDL having a 29% holding at the end of 2004. At the start of 2005 the Public Takeover Bid was completed, with ACDL obtaining all the shares of TBI. As a result ACDL/TBI has been fully consolidated in 2005 (equity accounting in 2004).
- Transfer from **abertis** to **iberpistas** (100% owned by **abertis**) of the shareholdings in Aulesa, Trados 45, Concesiones de Madrid (Concema) and Infraestructuras y Radiales (shareholding in Henarsa and Radial 2 of Madrid).
- Increase of the shareholding of **iberpistas** in Alazor (shareholder of Accesos de Madrid Concesionaria Española, S.A., Radiales 3 and 5 of Madrid) from 23.3% to 31.2% and sale of its shareholding of 25% in Concema and 18% in Autopista Central Gallega.
- Acquisition of 99.40% and 100% of the companies Saba Park Chile and Saba Park Servicios respectively, owned by **saba** through its sub-group Saba Estacionamientos de Chile, S.A.
- Merger of **iberpistas** with Iberacesa, Iberavasa, Proconex and Isgasa with retroactive effect from 1 January 2004.
- Schemaventotto, in which **abertis** holds 13.33%, sold 2.053% of its shareholding in Autostrade reducing it to 50.08%. As a result the indirect shareholding of **abertis** in Autostrade was reduced from 6.95% to 6.68%.
- Increase of the shareholding of **abertis logística** in Araba Logística from 39.77% to 42.61%.
- Incorporation of **abertis airports,** fully owned by **abertis**.
- Acquisition of 40% of **saba** Italia, giving Saba full control over the company.
- Incorporation of Servicios Audiovisuales Alella (Servicios Audiovisuales Overon at the time of preparing these Consolidated Annual Accounts) in which **retevisión** holds 78.37% and **tradia** holds 21.63%, giving **abertis** a 100% indirect shareholding in Alella through these companies.

- Incorporation of Consorcio de Telecomunicaciones Avanzadas (Cota), in which **tradia** holds 25%.
- Incorporation of Holding d'Infrastructures de Transport S.A.S (HIT), fully owned by **abertis**.

NOTE 3_ ACCOUNTING POLICIES

The most significant Accounting Policies applied in the preparation of these Consolidated Annual Accounts are as follows:

a) Fixed assets and revertible assets

Fixed assets are accounted for at cost of acquisition less depreciation and the accumulated amount of any loss in value. The fixed assets include legal revaluations applied in years prior to 1 January 2004 allowed under local accounting standards, which value has been taken as cost of acquisition as permitted under IFRS-1, "Adoption of International Financial Reporting Standards for the first time".

Personnel costs and other expenses, as well as net financing costs directly imputable to fixed assets, are capitalised as part of the investment until brought into use.

Costs of refurbishment, enlargement or improving fixed assets are capitalised only when they increase capacity, productivity or extend the useful life of the asset, provided that it is possible to know or estimate the net book value of the assets which are removed from the list, having been replaced.

The costs of repairs and maintenance are charged to the profit and loss account in the year in which they are incurred.

The investment in highways recorded by the concessionaire companies mainly includes the following: acquisition of land, studies and construction permits, financial costs, investment in tunnels, signage, installations and toll machinery, etc. These investments are refunded to the awarding Administration at the end of the concession.

In the case of highway concessionaire companies, the future investments in replacement or substitution that can be reasonably estimated and which estimated useful life exceeds the date when the concession ends, are provided for the projected net book value (based on their useful life) at that date, recorded against fixed assets for the present value calculated to the beginning of the concession, with a charge to results for each year related to the present value of said provision using the real interest rate.

The depreciation of fixed assets is calculated systematically using the straight line method, based on the estimated useful life of the assets, taking into consideration wear and tear derived from normal use. For those assets assigned to the investment in highways, if their useful life exceeds the outstanding term of the concession, they are depreciated over the useful life of the concession.

The depreciation rates used to calculate the decline in value of the fixed assets are as follows:

Asset	Rate
Buildings and other constructions	2-14 %
Machinery	6-30 %
Tooling	7-30 %
Other installations	7-20 %
Furniture	10-20 %
Computer equipment	20-33 %
Other fixed assets	8-25 %
Investment in highways	(*)

(*) The main investment in highways (land acquisitions, studies and construction permits, etc) are depreciated over the period of the concession, whilst the depreciation rates for the most significant components that additionally make up the investment in highways are as follows:

Asset	Rate
Pavement	2.5-6.25 %
Tunnels	2-2.5 %
Signage	2.5-12 %
Toll installations	2.5-12 %
Toll machinery	2.5-12 %

When the net book value of an asset exceeds the estimated sale price, its value is immediately reduced to represent the market value.

b) Goodwill and other intangible assets

The intangible assets indicated below are recorded at acquisition cost less the accumulated amortisation and any loss due to impairment of their value, with the useful life evaluated on the basis of a prudent estimate.

The net book value of intangible assets is reviewed for the possible impairment of their value when certain events or changes indicate that the net book value may not be recoverable.

i) Development expenses

Research expenses are expensed as they are incurred, whilst the expenses on development incurred in a project are capitalised if this is viable from a technical and commercial perspective if there are sufficient technical and financial resources to complete it, and if the costs incurred can be determined in a reliable manner as established by international standards and if the generation of future profits is probable.

The amortisation is made on the basis of the estimated useful life of each project (between 3 and 5 years).

ii) Computer applications

Refers principally to the amounts paid for access to ownership or for the right to use computer programs, only in the cases where it is foreseen that usage will cover several years.

The computer applications are stated at acquisition cost and amortised over their useful life (between 3 and 5 years). Maintenance expenses for these computer applications are charged to the profit and loss account in the year in which they are incurred.

iii) Administrative concessions

Administrative concessions are stated as assets at the total amount of the payments made to obtain them. These have a finite useful life and their cost is charged to results. They are amortised over the period of the concession by the straight line method.

Administrative concessions acquired through business combinations after 1 January 2004 (transition date) are stated at their fair value (in accordance with IFRS-3) and amortised over the concession period.

iv) Goodwill

Goodwill generated in different business combinations represents the surplus of the acquisition cost over the fair or market value of the identifiable net assets of the company acquired at acquisition date. However, under the provisions of IFRS-1 "First-time adoption of International Financial Reporting Standards" those goodwill resulting due to business combinations prior to 1 January 2004 (transition date) have not been re-estimated based on the criteria described above, with the net amounts that come from the application of the criteria established in the 2004 annual accounts and previously maintained at the cited transition.

In accordance with international standards (IFRS-3), the goodwill is no longer amortised on a straight-line basis as from 1 January 2004 (transition date). The possible impairment of this asset is reviewed annually using an impairment test to determine whether its value has declined to a level below the existing net cost at the aforementioned transition date, recording if necessary the required charge against the profit and loss account for the year (see Notes 3.c and 6). The losses for goodwill impairment cannot be subsequently revised.

The loss or profit obtained by the sale of an entity includes the book value of the goodwill related to the entity sold.

v) Other intangible assets

Primarily includes licences for the management of airport infrastructures, which are stated as assets in the consolidated balance sheet at fair value, having being acquired in business combinations after 1 January 2004. These are charged to results and amortised on a straight-line basis.

c) Losses on asset impairment

The Group evaluates, at each balance date, whether there is any indication of impairment in the value of any asset. Should such an indication exist, or when an annual impairment test is required (goodwill), the Group will estimate the recoverable value of the assets, which is the higher of the fair value of an asset less its cost of sale and the value in use. To determine the value in use of an asset, the future cash income that it is expected to generate is discounted from its net present value using an interest rate that reflects the current value of money at long-term rates and the specific risks of the assets (risk premium). In the event that the asset analysed does not generate cash flow independently of other assets, the fair value or value in use of the cash generating unit that includes the asset (smallest identifiable group of assets separate from other assets or groups of assets) will be estimated.

Losses for impairment (surplus of the asset's book value over its recoverable value) are recognised in the profit and loss account for the year.

With the exception of goodwill where the losses for impairment are irreversible, if the Group has recognised losses for impairment of assets at the end of each financial year, an evaluation will be made to determine whether the indications of impairment have disappeared or lessened, estimating the recoverable value of the impaired asset if applicable. A loss due to impairment recognised in earlier years will only be reversed if there is a change in the estimations used to determine the recovery value of the asset since the last loss due to depreciation was recognised. If this is the case, the book value of the asset will increase to its recoverable value, which cannot exceed the book value that would have been recorded, net of amortisation, if the loss for impairment of the asset in previous years had not been recorded. This reversion is recorded in the profit and loss account for the year.

d) Investments and other financial assets (excluding derivative financial instruments)

The Group determines the classification of its financial assets after initial recognition and, when it is permitted and appropriate, said classification is revalued at the close of each financial year. At the close of 31 December 2005 the financial assets have been classified under the following categories:

i) Shareholdings in associated companies

Corresponds to shareholdings valued under the equity accounting method and recorded in accordance with the criteria described in Note 2.b.i.

ii) Available-for-sale financial assets

This entry in the consolidated balance sheet includes those investments in companies in which the Group does not exert any significant influence or control (see Note 8). These are classified as non-current assets unless there is an intention to dispose of the investment in the twelve months as from the consolidated balance sheet date, in which case they will be classified as current assets.

These investments are valued at fair value, recording profits or losses arising from changes in the value against net equity until the investment is sold or suffers losses due to impairment, at which point the accumulated profit or loss presented previously in the net equity under "Reserves – Available-for-sale financial assets" is transferred to results as a loss or profit on the corresponding investments.

The fair value of the investments that are actively traded in official financial markets is taken as the trading price at the close of the market at year end. In the case of investments where there is an active market, the fair value is determined using valuation methods. If their market value cannot be determined in a reliable manner, they will be valued at cost or at a lower amount if there is evidence of impairment.

iii) Trade debtors and other accounts receivable

This entry corresponds primarily to:

- Loans granted to associated or related entities which are valued at their nominal amount (this does not differ significantly from their valuation at amortised cost using the real interest rate method).
- Deposits and bonds made in accordance with the legislation in force.
- Accounts receivable for commercial trade, which are valued at the nominal value of the debt, which is similar to their original fair value. Said value is decreased, if necessary, by the corresponding provision for bad debts (loss for asset impairment) when there is objective evidence that the total amount owed will not be collected, and is charged against the consolidated profit and loss account for the year.

e) Derivative financial instruments

The Group uses derivative financial instruments to manage its financial risk arising principally from fluctuations in interest rates and exchange rates (see Note 4). These derivative financial instruments, whether or not they have been classified as hedges, have been recorded at fair value, which is the market value at the year-end for listed instruments, or valuations based on the analysis of discounted cash flows considering hypotheses that are principally based on market conditions existing at close in the case of unlisted derivative instruments.

The fair value of derivative financial instruments used for hedging purposes is detailed in Note 9, and the change in the hedging reserve recorded under consolidated net equity is shown in Note 12.

The criteria used to account for these instruments are as follows:

i) Fair value hedges

The changes in the fair value of the derivatives designated, which meet the conditions to be classified as hedges of the fair value of assets or liabilities, are recorded in the profit and loss account for the year, together with any change in the fair value of the asset or liability covered by the hedge that is attributable to the risk hedged. This corresponds principally to those derivative financial instruments contracted by the Group companies to convert fixed interest debt into floating rate debt.

ii) Cash flow hedges

The positive or negative changes in the valuation of the derivatives classified as cash flow hedges are carried, in the cash component, net of any tax impact, under consolidated equity in "Reserves – Hedge reserve", until the hedge instrument matures, is sold, ceases to meet the requirements to be classified as a hedge or when it is no longer probable that the transaction will take place, at which point the accumulated profits or losses in net equity are transferred to the consolidated profit and loss account for the year.

The positive or negative differences in the valuation of the derivatives corresponding to the non-cash component, should there be any, are recorded directly in the profit and loss account for the year.

This type of hedge corresponds primarily to those derivatives contracted by the Group companies that convert floating rate debt to fixed rate debt.

iii) Hedge of net investment

In some cases, **abertis** finances its activities in the same currency in which the international investments are held so as to reduce the exchange rate risk. This is done by raising finance in the corresponding currency or by contracting currency swaps.

The hedge of net investments in international operations is accounted for in a way that is similar to the cash flow hedge. The profits or losses on the hedging instrument for the cash component are recorded in the net equity and the profits or losses related to the non-cash component are recognised immediately in the consolidated profit and loss account for the year.

The accumulated profit or loss in net equity is included in the profit and loss account when the international operation is disposed of.

iv) Derivatives not qualified as hedges in accounting terms

At year end there are certain derivatives that do not meet the criteria established to be classified as hedges. In this case the positive or negative variation arising from recalculating the fair value of these derivatives is recorded directly in the consolidated profit and loss account for the year.

f) Inventories

Inventories consist primarily of spare parts for fixed assets and are valued at cost, calculated using the weighted average price method, making the necessary valuation adjustments and raising the corresponding provisions.

g) Cash and cash equivalents

Cash and cash equivalents include cash on hand, demand deposits in credit entities and short-term investments in highly liquid instruments with a term of three months or less.

h) Treasury shares

In the event that any entity of the Group of the Parent Company itself acquires shares of **abertis**, these are recorded in the entry "Capital – Treasury shares", reducing consolidated net equity, and are valued at acquisition cost, without making any valuation adjustments.

When these shares are sold, any amount received, net of any directly attributable additional transaction costs and the corresponding effect of the tax on the profit, are included in the same account entry of net equity attributable to the shareholders of the Parent Company.

i) Debt

The financial debt is initially recorded at its fair value, also including the costs incurred in raising the debt. In subsequent periods the difference between the funds obtained (net of the costs involved in raising the funds) and the reimbursement value, should it exist and if it is significant, are recorded in the profit and loss account over the life of the debt based on the real interest rate.

Financial debt at a fixed interest rate hedged using derivatives that change the fixed rate to a floating rate is valued at fair value, where changes in the value are recorded in the profit and loss account, offsetting the impact on results of the variation in the fair value of the derivative instrument.

j) Corporation income tax

The tax expense on profits is the total amount accrued for this purpose during the year, representing both current and deferred tax.

The tax effect is recorded in the net equity related to the entries that are taken directly to net equity.

Deferred tax is calculated, in accordance with the liabilities method based on the balance sheet, for the timing differences that arise between the tax assessment base for assets and liabilities and their book profit in the Consolidated Annual Accounts, applying the regulations and tax rates in force, or pending approval, on balance sheet dates that are expected to be applied when the corresponding deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recorded to the extent that it is probable that there will be future tax benefits against which the deductible timing differences, losses or unused tax credits can be offset.

k) Employee benefits

Meeting the corresponding labour agreements, various companies in the Group have the following commitments with their employees:

a) Post-employment obligations:

- Defined contribution to welfare instruments (employee pension plans).
- Defined payments, in the form of bonuses or payments for retirement from the company.

b) Other long-term benefits, related to length of service of an employee in the company.

In the welfare instruments with defined contribution, the company makes defined contributions to an external entity and does not have a legal or real obligation to make additional contributions in the event that this entity should not have sufficient assets to cover the employee payments that are related to the services provided in the current year and previous years. The annual expense recorded is the corresponding contribution made in the year.

In the defined contribution commitments, where the company assumes certain actuarial and investment risks, the liability recorded in the balance sheet is the present value of the obligations at the balance sheet date less the fair value of the possible assets for this commitment on this date, plus or minus any unrealised actuarial profit or loss, less any amount arising from the cost of past services not yet recognised.

The projected credit unit method is used to determine both the current value of the defined benefit obligations and the cost of the services provided in the current and previous years. The actuarial profits and losses arising from changes in the actuarial hypotheses are recognised in the year in which they occur. They are not included in the profit and loss account, but presented in the statement of income and expenses recognised in net equity.

Costs for past services are recognised as an expense and allocated on a straight-line basis over the average period remaining until the right to receive the benefits is finally consolidated. Nevertheless, when the benefits are immediately irrevocable on the introduction of a defined benefits plan, or following any change in the plan, the costs for past services are recognised immediately.

The hedging of commitments by making contributions to an insurance policy, where the legal or implied obligation to meet the agreed benefits remains, is always treated as a defined benefit.

l) Transactions in foreign currencies

Transactions in foreign currencies are converted to the reporting currency of the Group (euro) using the exchange rates applicable on the transaction date. The profits and losses on foreign currencies that arise from the settlement of these transactions and from the conversion of monetary assets and liabilities held in foreign currency to the year end exchange rates are recorded in the profit and loss account, unless they are deferred in net equity such as the cash flow hedges and the hedges on net investments, as noted in section e) of this note.

m) Provisions

The provisions are recorded when the Group has a present obligation, be it legal or implied, as the result of past events where it is probable that it will be necessary to make a disbursement to settle the obligation and its amount can be estimated in a reliable manner.

In the cases in which the effect of the time value of money is significant, the amount of the provision is calculated as the present value of the future cash flows that are estimated to be required to settle the existing obligation.

n) Recognition of income and expenses

Income and expenses are recorded on an accruals basis.

Income for the provision of services is recognised when it is probable that the benefits corresponding to the transaction will be received by the Group and can be reliably quantified.

Interest income is recognised on an accruals basis and does not vary significantly from having applied the real interest rate method.

Dividend income is recognised when the right to receive payment is established.

o) Actions with impact on environment

Amounts allocated annually to meeting legal requirements related to the environment are recorded either as an expense or an investment, depending on their nature. The amounts recorded as investments are amortised over their useful life.

No allocation has been made for liabilities or expenses of an environmental nature, given that there are no contingencies related to the protection of the environment.

p) New IFRS standards and IFRIC interpretations

At the time of preparing these Consolidated Annual Accounts, new accounting standards (IFRS) and interpretations (IFRIC) have been approved and published and have come into force for the accounting years commencing 1 January 2006 or subsequent to this date. The Group has not considered their early application, as they are not expected to have a significant impact on the Consolidated Annual Accounts.

NOTE 4_ MANAGEMENT OF FINANCIAL RISK

The activities of the Group are exposed to various financial risks: exchange rate risk, credit risk, liquidity risk and interest rate risk on cash flow. The overall risk management program of the Group contemplates the uncertainty of the financial markets and endeavours to minimise the potential adverse affects on the Group's financial return. The Group uses derivatives to hedge certain risks.

The management of financial risk is controlled by Corporate Financial Management under authorisation of the Board of Directors / Executive Committee. This Corporate Management unit identifies, evaluates and hedges the financial risks, working closely with the operating units of the Group.

i) Exchange rate risk

The Group operates internationally and holds assets in the United Kingdom, the United States and South America, and is exposed to exchange rate risks on currency operations, particularly in the pound sterling, the US dollar and the Argentine peso.

The exchange rate risk on net assets of Group operations in the United Kingdom, United States and South America are managed, mainly, by raising debt in the corresponding currencies and through the use of currency *swaps* and exchange rate insurance.

ii) Credit risk

The Group does not have significant concentrations of credit risk. The derivative operations and the spot operations are only made with financial institutions with strong credit ratings.

iii) Liquidity risk

The Group carries out prudent management of the liquidity risk, which involves maintaining cash and having access to a sufficient amount of finance through established credit lines.

iv) Interest rate risk

The changes in the interest rates alter the fair value of those assets and liabilities that have a fixed interest rate and the future cash flows of those assets and liabilities referenced to floating interest rates.

The purpose of managing interest rate risk is to reach equilibrium in the debt structure that enables the cost of debt to be minimised over a period of years with reduced volatility in the profit and loss account.

Depending on the estimates and objectives of the structure of the debt, hedging operations are undertaken by contracting derivatives that mitigate these risks.

The policy of the Group is to hold approximately 60% of its debt in instruments with fixed interest rates. At the close of the year 44% of the debt was at fixed interest rates or fixed through hedges.

NOTE 5_ FIXED ASSETS AND REVERTIBLE ASSETS

The movements in the main entries that make up fixed assets were as follows:

	Investment in highways	Land and buildings	Technical installations and machinery	Other installations, tooling and furniture	Others	Total
At 1 January 2005						
Cost	6,142,156	56,404	768,949	145,511	468,899	7,581,919
Accumulated depreciation	(2,813,943)	(6,719)	(466,315)	(65,964)	(154,533)	(3,507,474)
Net Book Value	3,328,213	49,685	302,634	79,547	314,366	4,074,445
2005						
Opening net book value	3,328,213	49,685	302,634	79,547	314,366	4,074,445
Exchange difference	—	(886)	458	157	246	(25)
Increase	71,900	21,924	50,600	5,874	226,415	376,713
Decrease	—	(7,941)	(5,878)	(2,088)	(34,451)	(50,358)
Transfer	3,503	944	26,876	13,813	(48,861)	(3,725)
Change in scope	12,823	119,671	144,785	23,325	252,301	552,905
Depreciation charge	(212,719)	(2,379)	(85,640)	(15,429)	(25,317)	(341,484)
Other	(11,185)	—	236	(18)	(1,073)	(12,040)
Closing net book value	**3,192,535**	**181,018**	**434,071**	**105,181**	**683,626**	**4,596,431**
At 31 December 2005						
Cost	6,231,292	190,116	1,031,844	198,622	850,816	8,502,690
Accumulated depreciation	(3,038,757)	(9,098)	(597,773)	(93,441)	(167,190)	(3,906,259)
Net Book Value	**3,192,535**	**181,018**	**434,071**	**105,181**	**683,626**	**4,596,431**

	Investment in highways	Land and buildings	Technical installations and machinery	Other installations, tooling and furniture	Other	Total
At 1 January 2004						
Cost	6,048,085	54,597	751,354	136,170	421,664	7,411,870
Accumulated depreciation	(2,612,646)	(4,728)	(422,280)	(59,209)	(132,854)	(3,231,717)
Net Book Value	**3,435,439**	**49,869**	**329,074**	**76,961**	**288,810**	**4,180,153**
2004						
Opening net book value	3,435,439	49,869	329,074	76,961	288,810	4,180,153
Exchange difference	—	—	—	—	—	—
Increase	78,883	1,425	11,402	6,217	62,773	160,700
Decrease	(100)	(1,120)	(675)	(2,460)	(2,685)	(7,040)
Transfer	15,287	560	12,009	8,963	(34,288)	2,531
Change in scope	—	471	31	20	41	563
Depreciation charge	(201,296)	(1,991)	(49,207)	(10,407)	(18,841)	(281,742)
Other	—	471	—	253	18,556	19,280
Closing net book value	**3,328,213**	**49,685**	**302,634**	**79,547**	**314,366**	**4,074,445**
At 31 December de 2004						
Cost	6,142,156	56,404	768,949	145,511	468,899	7,581,919
Accumulated depreciation	(2,813,943)	(6,719)	(466,315)	(65,964)	(154,533)	(3,507,474)
Net Book Value	**3,328,213**	**49,685**	**302,634**	**79,547**	**314,366**	**4,074,445**

The incorporations in 2005 due to changes in the consolidation scope correspond primarily to ACDL/TBI, which has been fully consolidated for the first time in 2005 (equity accounting in 2004) after gaining full control of its share capital (see Note 21).

The entry "Other" at 31 December 2005 principally includes assets of ACDL/TBI (gross amount of 374 million euros) mainly corresponding to investments in airport runways.

It is Group policy to contract the insurance policies considered necessary to cover possible risks that might affect the fixed assets.

The fixed assets include 6,943 million euros (6,464 million euros in 2004) of revertible assets under the concessions obtained. These are mainly investments in highways and, to a lesser extent, car park concessions and airport installations. Additionally, the majority of the buildings and other constructions are linked to the administrative concessions conceded by distinct public corporations, which must revert to them at the end of the concession.

NOTE 6_ GOODWILL AND OTHER INTANGIBLE ASSETS

The movements in the main entries under this account heading were as follows:

	Goodwill	Administrative concessions, patents and trademarks	Computer applications	Other	Total
At 1 January 2005					
Cost	769,019	94,724	36,393	67,954	968,090
Accumulated amortisation and loss in value (impairment)	—	(26,018)	(24,590)	(25,054)	(75,662)
Net accounting value	769,019	68,706	11,803	42,900	892,428
2005					
Opening net book value	769,019	68,706	11,803	42,900	892,428
Exchange difference	8,685	—	—	1,404	10,089
Increase	206,355	5,245	2,647	13,035	227,282
Decrease	—	(1,057)	(820)	(569)	(2,446)
Transfer	—	—	2,237	(2,237)	—
Changes in scope	98,397	322,380	4	280,197	700,978
Amortisation charge	—	(19,486)	(5,197)	(15,045)	(39,728)
Loss in value	—	—	—	—	—
Reversal of loss in value	—	—	—	—	—
Other	—	1,444	66	252	1,762
Closing net book value	**1,082,456**	**377,232**	**10,740**	**319,937**	**1,790,365**
At 31 Decembre 2005					
Cost	1,082,456	422,989	32,479	359,420	1,897,344
Accumulated amortisation and loss of value (impairment)	—	(45,757)	(21,739)	(39,483)	(106,979)
Net accounting value	**1,082,456**	**377,232**	**10,740**	**319,937**	**1,790,365**

	Goodwill	Administrative concessions, patents and trademarks	Computer applications	Other	Total
At 1 January 2004					
Cost	767,265	48,508	34,046	81,301	931,120
Accumulated amortisation and loss in value (impairment)	—	(19,966)	(18,785)	(23,311)	(62,062)
Net book value	767,265	28,542	15,261	57,990	869,058
2004					
Opening net book value	767,265	28,542	15,261	57,990	869,058
Exchange difference	—	—	—	—	—
Increase	1,899	3,484	3,276	248	8,907
Decrease	(145)	(1,620)	(577)	(256)	(2,598)
Transfer	—	9,475	3	(9,478)	—
Change in scope	—	32,589	46	35	32,670
Amortisation charge	—	(4,644)	(5,460)	(4,348)	(14,452)
Loss in value	—	—	—	—	—
Reversal of loss in value	—	—	—	—	—
Other	—	880	(746)	(1,291)	(1,157)
Closing net book value	**769,019**	**68,706**	**11,803**	**42,900**	**892,428**
At 31 December 2004					
Cost	769,019	94,724	36,393	67,954	968,090
Accumulated amortisation and loss in value (impairment)	—	(26,018)	(24,590)	(25,054)	(75,662)
Net book value	**769,019**	**68,706**	**11,803**	**42,900**	**892,428**

The increases in the year corresponding to goodwill are mainly due to the acquisition of TBI to gain full control completed at the beginning of 2005 (see Note 21), and the resulting transfer of goodwill recorded at the end of 2004 in which the company held 29%, which was included as the higher value of the shareholding under equity accounting in 2004 (98,397 thousand euros).

The additions in 2005 due to changes in the consolidation scope in other intangible assets correspond mainly to TBI, which has been fully consolidated for the first time in 2005 (equity accounting in 2004) on acquisition of all its capital.

The entry "Others" mainly includes the intangible assets of ACDL/TBI (280 million euros) primarily corresponding to operating licences for certain airports, recorded at fair value following the acquisition at the beginning of the year of ACDL/TBI.

The breakdown of goodwill in subsidiary companies assigned to each of the different cash generating units defined by Group Management, in accordance with their respective business segment and the concession where the goodwill was recorded, is as follows:

	2005	2004
Highways		
iberpistas	362,615	362,615
aucat	178,447	178,447
Avasa	65,445	65,445
Other	9,635	9,635
	616,142	**616,142**
Car Parks		
saba	**111,247**	**107,085**
Telecommunications		
tradia	**42,014**	**42,014**
Airports		
ACDL/TBI	309,275	—
Other	3,778	3,778
	313,053	**3,778**
Goodwill	**1,082,456**	**769,019**

As indicated in Note 3.b., at the close of the year an evaluation is made to determine if any of the goodwill recorded has suffered losses due to impairment based on the calculation of value in use of its corresponding cash generating unit. Said value in use has been calculated using estimates and forecasts of available cash flow for the Group, and as applicable, for the periods established for the concession (see Note 26.c), which present increases coherent with the business and past experience. The net present value of these projections has been calculated using a discount rate equal to the sum of the long-term interest rate and the risk premium assigned by the market to the business.

As a result of the impairment test made, the different cash generating units to which the various goodwill funds are assigned are deemed capable of recovering the net value of each goodwill fund recorded at 31 December 2005. Consequently, there is no need to make any provision for impairment.

NOTE 7_ INVESTMENT IN ASSOCIATED COMPANIES

The movement recorded in this entry on the consolidated balance sheet was as follows:

	2005	2004
At 1 January	**831,767**	**489,545**
Increase and business combinations	29,466	265,578
Changes in scope	(235,720)	—
Share in (loss)/profit (1)	65,095	93,699
Exchange differences	3,637	3,231
Dividends received	(24,889)	(20,286)
Other	(9,018)	—
At 31 December	**660,338**	**831,767**

(1) The share in (loss)/profit is after tax and minority interest of associates.

The changes in scope during the year mainly correspond to ACDL/TBI (220,653 thousand euros), which has been fully consolidated for the first time in 2005 (equity accounting in 2004) after the shareholding increased to 100% of the capital (see Note 21).

The breakdown of the shareholdings in associated companies and/or companies consolidated by equity accounting at 31 December is as follows:

	2005	2004
Acesa Italia (Schemaventotto/Autostrade)	422,045	369,132
Trados 45	43,913	45,379
Alazor	43,590	(3,344)
Aulesa	37,797	39,630
Cilsa	25,541	25,026
Elqui	17,990	19,603
Ciralsa	12,542	12,542
Coviandes	11,942	11,603
Autema	11,637	11,268
Túnel del Cadí	10,001	7,035
Aurea Limited	9,172	7,221
Arasur	6,475	2,209
Torre de Collserola	3,494	5,153
Iberpistas Chile	1,248	1,166

	2005	2004
Parcheggi Biocca	1,175	825
PTY	583	512
Gicsa	502	358
Cota	250	—
La Mercedes	389	189
Centro Ippico	389	—
serviabertis	184	19
Port Mobility	150	150
Adesal	3	3
Irasa	(674)	6,353
ACDL/TBI	—	220,653
Iberacesa	—	32,269
Concema	—	17,313
Proconex	—	547
Autopista Central Gallega	—	(1,047)
Holdings in associated companies	**660,338**	**831,767**

See information on the associated companies in Annex III.

The investment in Schemaventotto Group, a holding company in which the subsidiary Acesa Italia has a 13.33% share, which in turn owns 50.08% of the Italian highway concessionaire company Autostrade, is considered as an associated company due to the notable influence that the Group exercises in these companies mainly through the agreements that exist between shareholders and representation on their Boards of Directors.

The shares of Autostrade are listed on the Milan Stock Exchange. The share price at year end was 20.26 euros, giving a fair value of the indirect shareholding that **abertis** has on that date in Autostrade (6.68%) of 774 million euros.

The shareholdings in associated companies at 31 December 2005 include goodwill of 76,149 thousand euros (188,183 thousand euros in 2004), principally corresponding to Trados (29,876 thousand euros), Autema (27,861 thousand euros) and Cilsa (12,116 thousand euros).

NOTE 8_ AVAILABLE-FOR-SALE FINANCIAL ASSETS

The movement in this entry during the year was as follows:

	2005	2004
At 1 January	**414,726**	**360,786**
Increase	1,038	5,715
Change in the provision for losses due to impairment	—	(7,665)
Capital gains for revaluations transferred to net equity	24,600	55,890
Other	(1,459)	—
At 31 December	**438,905**	**414,726**

The investments available for future sale at 31 December 2005 mainly correspond to the shareholding in Brisa of 429,600 thousand euros (405,000 thousand euros at 31 December 2004).

The increase during the year corresponds to the increase in the shareholding in Xfera Móviles, with the holding rising to 8.70% of the company's capital. The investment in this company has been fully provided for.

The revaluations during the year correspond entirely to the listed company Brisa. The shares held by **abertis** have increased in value by 24,600 thousand euros during the year (55,890 thousand euros in 2004).

NOTE 9_ FINANCIAL DERIVATIVE INSTRUMENTS

The detail of the fair value of the financial derivative instruments at year end is as follows:

	2005		2004	
	Assets	Liabilities	Assets	Liabilities
Interest rate swaps:				
Cash flow hedges	171	40,142	108	23,892
Fair value hedges	41,280	—	14,551	—
Not classified as hedges	—	14,385	209	46,330
Cross currency interest rate swaps:				
Cash flow hedges	—	6,408	—	28,811
Fair value hedges	19,918	—	—	—
Not classified as hedges	—	—	120,000	—
Financial derivative instruments	**61,369**	**60,935**	**134,868**	**99,033**
Cross currency interest rate swaps:				
Cash flow hedges	171	46,550	108	23,840
Fair value hedges	61,198	—	14,111	28,811
Non-current portion	**61,369**	**46,550**	**14,219**	**52,651**
Current portion	**—**	**14,385**	**120,649**	**46,382**

The Group has contracted interest rate swaps and cross currency swaps, in accordance with the financial risk management policy outlined in Note 4.

The following tables show the derivative financial instruments existing at 31 December 2005 classified by swap type, with their notional or contractual values, maturities and fair values:

	Notional value	2006	2007	2008	2009	2010	After 2010	Fair value
Interest rate swaps:								
Cash flow hedges	961,362	120,000	121,000	192,500	54,000	420,362	53,500	(39,971)
Fair value hedges	1,090,000	300,000	150,000	—	—	—	640,000	41,280
Not classified as hedges	426,478	30,051	—	150,253	73,121	60,101	112,952	(14,385)
	2,477,840							
Cross currency and/or interest rate swaps:								
Cash flow hedges	682,882	—	—	—	—	—	682,882	(6,408)
Fair value hedges	378,436	—	—	—	—	—	378,436	19,918
Not classified as hedges	—	—	—	—	—	—	—	—
	1,061,318							

a) Interest rate swaps

The notional principal amount of the interest rate swaps outstanding at 31 December 2005 total 2,477,840 thousand euros (2,047,752 thousand euros in 2004).

At 31 December 2005 the fixed interest rates were between 3.16% and 5.73% and the floating interest rates were Euribor and Libor.

b) Cross currency interest rate swaps

The part of the Group's financial debt denominated in euros (682,882 thousand euros) and translated into Pound sterling (and floating interest rate indexed to Libor) by a cross currency interest rate swap is designed as a hedge on the net investment in ACDL/TBI. The fair value of these financial instruments for hedging at 31 December 2005 has a credit balance of 6,408 thousand euros.

In addition, the subsidiary company Abertis Finance has contracted derivative financial instruments (cross currency interest rate swaps) for a nominal value of 371,463 thousand euros, whereby a bond issue in US dollars at a fixed interest rate is transformed into Euro-denominated debt with a floating interest rate indexed to Euribor (fair value hedge).

NOTE 10_ DEBTORS AND OTHER ACCOUNTS RECEIVABLE

The breakdown of this entry at year end was as follows:

	2005	2004
Trade debtors	148,266	118,307
Bad debt provision (impairment of value)	(9,117)	(7,781)
Trade debtors – net	139,149	110,526
Accounts receivable – related companies	449	6,443
Loans granted – related companies	—	27,630
Debtors for compensation from Public Administration	141,764	116,882
Current tax assets	17,680	21,689
Other accounts receivable	110,491	31,421
Debtors and other accounts receivable	**409,533**	**314,591**
Non-current debtors and other accounts receivable		
Loans granted – related companies	—	13,274
Other accounts receivable	29,896	5,662
Non-current debtors and other accounts receivable	**29,896**	**18,936**
Current debtors and other accounts receivable	**379,637**	**295,655**

The entry “Debtors for compensation from Public Administration” includes the amounts pending to be received from the Public Administrations granting concessions related to various agreements reached (rate rebates, free-transit and others). These debtor balances accrue interest in favour of the Group once the agreed expiry date has passed.

The debtor balances are shown at their nominal value and there are no significant differences with respect to their fair value.

NOTE 11_ CASH AND CASH EQUIVALENTS

The breakdown of the cash balance and other equivalent assets at 31 December was as follows:

	2005	2004
Cash and banks	42,728	23,537
Term deposits in credit institutions of less than 3 months	45,864	—
Cash and cash equivalents	88,592	23,537

NOTE 12_ NET EQUITY

The movement in consolidated net equity during the year was as follows:

		Reserves (b)						
	Capital (a)	Hedge Reserve	Available-for-sale financial assets	Exchange differences	Total	Accumulated profit and other reserves (c)	Minority interest	Net Equity
At 1 January 2005	**2,234,134**	**(3,997)**	**99,136**	**(23,627)**	**71,512**	**556,133**	**42,473**	**2,904,252**
Income (expenses) carried to equity:								
Available-for-sale financial assets	—	—	24,600	—	24,600	—	—	24,600
Cash flow hedges	—	464	—	—	464	—	—	464
Exchange differences	—	—	—	20,807	20,807	—	2,287	23,094
Actuarial profits and losses	—	—	—	—	—	(5,442)	(501)	(5,943)
Other	—	—	—	—	—	(1,916)	1,859	(57)
Profit for the year	**—**	**—**	**—**	**—**	**—**	**511,233**	**3,635**	**514,868**
2004 final dividend	—	—	—	—	—	(137,870)	—	(137,870)
2005 interim dividend	—	—	—	—	—	(144,764)	—	(144,764)
Changes in scope	—	—	—	—	—	(4,426)	26,392	21,966
Treasury shares	(164,477)	—	—	—	—	—	—	(164,477)
Increase in capital	82,722	—	—	—	—	(82,722)	—	—
At 31 December 2005	**2,152,379**	**(3,533)**	**123,736**	**(2,820)**	**117,383**	**690,226**	**76,145**	**3,036,133**

Note: Income and expenses recorded in net equity are shown net of any tax.

	Capital (a)	Reserves (b) Hedge Reserve	Reserves (b) Available-for-sale financial assets	Reserves (b) Exchange differences	Reserves (b) Total	Accumulated profit and other reserves (c)	Minority interest	Net Equity
At 1 January 2004	**2,155,351**	**—**	**43,246**	**—**	**43,246**	**372,822**	**19,325**	**2,590,744**
Income (expenses) carried to equity:								
Available-for-sale financial assets	—	—	55,890	—	55,890	—	—	55,890
Cash flow hedges	—	(3,997)	—	—	(3,997)	—	—	(3,997)
Exchange differences	—	—	—	(23,627)	(23,627)	—	—	(23,627)
Pension differences	—	—	—	—	—	—	—	—
Other	—	—	—	—	—	16,740	(1,971)	14,769
Profit for the year	**—**	**—**	**—**	**—**	**—**	**488,768**	**2,908**	**491,676**
2003 final dividend	—	—	—	—	—	(117,125)	—	(117,125)
2004 interim dividend	—	—	—	—	—	(126,289)	—	(126,289)
Change in scope	—	—	—	—	—	—	22,211	22,211
Increase in capital	78,783	—	—	—	—	(78,783)	—	—
At 31 December 2004	**2,234,134**	**(3,997)**	**99,136**	**(23,627)**	**71,512**	**556,133**	**42,473**	**2,904,252**

Note: Income and expenses recorded in net equity are shown net of any tax.

a) Capital

The amount and movement in the entry "Capital" during the year was as follows:

	Share capital	Share premium	Treasury shares	Total
At 1 January 2005	**1,654,444**	**579,690**	**—**	**2,234,134**
Net change in treasury shares	—	—	(164,477)	(164,477)
Increase	82,722	—	—	82,722
At 31 December 2005	**1,737,166**	**579,690**	**(164,477)**	**2,152,379**
At 1 January 2004	**1,575,661**	**579,690**	**—**	**2,155,351**
Net change in treasury shares	—	—	—	—
Increase	78,783	—	—	78,783
At 31 December 2004	**1,654,444**	**579,690**	**—**	**2,234,134**

At 31 December 2005, the share capital of **abertis** was made up of 579,055,443 shares with a nominal value of 3 euros per share, fully subscribed and paid up and represented in the share register, of which 542,019,077 shares are class A and 37,036,366 are Class B preference shares that have the same rights as the ordinary shares and additionally will have the right to a preferential dividend that will be paid once to holders of said shares in 2007. The maximum amount of the preferential dividend on each preference share will be the difference at the time between the reference price of 14.87 euros per share and the weighted average price of the ordinary **abertis** shares in the quarter prior to the due date, with a maximum payment of 4.25 euros per share. Therefore, if the weighted average trade price in the last quarter prior to payment date (2007) were greater than or equal to 14.87 euros per share, no preferential dividend would be paid. At the close of 2004 the trading price of the shares was 21.82 euros per share.

On 12 April 2005, the Annual Shareholders' Meeting of **abertis** approved a bonus share issue to be charged against the Revaluation Reserve Account of Royal Decree-law 7/1996, dated 7 June, with one new share for every 20 shares held, representing a sum of 82,722 thousand euros. The movement in the number of **abertis** shares during the year was as follows:

	Number of ordinary shares	
	2005	2004
At 1 January	**551,481,375**	**525,220,358**
Bonus share issue	27,574,068	26,261,017
At 31 December	**579,055,443**	**551,481,375**

As the shares of **abertis** are bearer shares, the exact interest of shareholders in the share capital is not known. However, based on the information available, the most significant holdings at 31 December 2005 are the following:

ACS, Actividades de Construcción y Servicios, S.A.	24.83%
Caixa d'Estalvis i Pensions de Barcelona ("la Caixa") (1)	23.28%
Caixa d'Estalvis de Catalunya	5.69%
Sitreba, S.L.	5.50%
	59.30%

(1) Caixa Barcelona Seguros de Vida, S.A. de Seguros y Reaseguros (11.66%), VidaCaixa, S.A. de Seguros y Reaseguros (0.50%), Inversiones Autopistas, S.L. (7.75%) and CaixaHolding, S.A., Sociedad Unipersonal (3.35%).

All the shares of **abertis** are listed on the stock exchanges of Barcelona, Bilbao, Madrid and Valencia, being traded on the Spanish electronic trading system. The ordinary Class A shares are traded on the main board and also form part of the Ibex 35 index. The Class B preference shares are traded under the Fixing mode, where unique prices are set.

The Board of Directors was authorised by the Annual General Meeting of 8 April 2003 to increase share capital, through one or more capital issues, up to a maximum amount of 518,445 thousand euros, during the period up to 8 April 2008. This power remains fully operative.

Using the powers delegated by the Annual Shareholders' Meeting during 2005 **abertis** has acquired and sold its own shares on various occasions.

The movement recorded in the treasury shares portfolio during 2005 was as follows:

	Number	Nominal value	Acquisition cost
At 1 January 2005	—	—	—
Bought	8,685,832	26,057	185,877
Sold	(1,000,000)	(3,000)	(21,400)
At 31 December 2005	**7,685,832**	**23,057**	**164,477**

On 16 December 2005, **abertis** acquired 8,685,832 of its own shares at a price of 21.40 euros each; of these it sold 1,000,000 on 22 December 2005 at a price of 21.75 euros each. Consequently, on 31 December 2005 **abertis** held 7,685,832 of its own shares. In accordance with the mercantile law in force, **abertis** has raised the corresponding unavailable reserve, which must be held until the shares are disposed of or amortised.

b) Reserves

i) Hedge reserve

Corresponds to the reserve generated by the cash component of changes in the fair value of the derivative financial instruments designed and classified as cash flow hedges.

ii) Available-for-sale financial assets

Corresponds to the unrealised profits and losses that arise from changes in the fair value of investments classified as available for future sale. The increase during the year corresponds to the revaluation of shares held in the company Brisa (see Note 8).

iii) Exchange difference

The breakdown of this entry at 31 December was as follows:

	2005	2004
Group	(8,201)	(19,789)
Associates	5,381	(3,838)
	(2,820)	**(23,627)**

c) Accumulated profit and other reserves

The breakdown and movement in this entry at 31 December is as follows:

	1 January 2005	Actuarial profits and losses	Distribution of result	Profit	Interim dividend	Change in scope	Capital increase	Other	31 December 2005
31 December 2005									
Revaluation reserve of Royal Decree Law 7/1996, of 7 June	400,712	—	—	—	—	—	(82,722)	—	317,990
Legal reserve	191,570	—	36,108	—	—	—	—	—	227,678
Accumulated profits (excluding results for the year)	(398,628)	(5,442)	188,501	—	—	(4,426)	—	(1,916)	(221,911)
Results for the year	488,768	—	(488,768)	511,233	—	—	—	—	511,233
Interim dividend	(126,289)	—	126,289	—	(144,764)	—	—	—	(144,764)
Reserves	**556,133**	**(5,442)**	**(137,870)**	**511,233**	**(144,764)**	**(4,426)**	**(82,722)**	**(1,916)**	**690,226**

	1 January 2004	Actuarial profits and losses	Distribution of result	Profit	Interim dividend	Change in scope	Capital increase	Other	31 December de 2005
31 December 2004									
Revaluation reserve of Royal Decree Law 7/1996, of 7 June	479,495	—	—	—	—	—	(78,783)	—	400,712
Legal reserve	158,668	—	32,902	—	—	—	—	—	191,570
Accumulated profits (excluding results for the year)	(487,783)	—	72,415	—	—	—	—	16,740	(398,628)
Results for the year	342,717	—	(342,717)	488,768	—	—	—	—	488,768
Interim dividend	(120,275)	—	120,275	—	(126,289)	—	—	—	(126,289)
Reserves	**372,822**	**—**	**(117,125)**	**488,768**	**(126,289)**	**—**	**(78,783)**	**16,740**	**556,133**

On 12 April 2005, the Annual Shareholders' Meeting of **abertis** approved payment of a final dividend for 2004 of 0.25 euros gross per share, which represents 137,870 thousand euros.

i) Revaluation Reserve of Royal Decree law 7/1996, of 7 June

This reserve originates from the revaluation of the fixed assets in the balance sheet of the Company, by virtue of Article 5 in the above legislation.

If three years have passed since the balance sheet date when the revaluation was made without an audit by the Tax Authorities, the revaluation operations are deemed to be correct and the balance of the account accepted by the Tax Inspection, and accordingly, the balance is available for distribution to:

- Offset book losses.
- Increase share capital.
- Create reserves freely available for distribution, ten years from the balance sheet date, containing the revaluation operations.

The balance in this account cannot be distributed, directly or indirectly, unless the capital gain has been realised, with the understanding that this is the case when the revalued assets have been fully depreciated, transferred or written off the books. Given the line of business transferred to the subsidiary company **acesa** in 2002, the requirement that the capital gain has been realised can only be understood to be met when the company acquiring the revalued assets as part of the new activity has depreciated those assets, or transferred or written them off the books.

ii) Legal reserve

In accordance with the Spanish Companies Act, 10% of the annual profits must be allocated to the legal reserve until this reserve reaches at least 20% of share capital. The legal reserve cannot be distributed to shareholders unless the Company is wound up.

The legal reserve can be used to increase capital, in the part that exceeds 10% of the capital increased.

Apart from the purpose mentioned above, so long as this reserve does not exceed 20% of share capital, it can only be used to offset losses in the event of no other reserves being available.

iii) Profit for the year

The contribution from each company within the consolidation scope to consolidated profit is set out below, with the minority interest shown separately:

	Consolidated result	Result due to minority interest	Consolidated profit due to parent company
acesa	213,612	—	213,612
aumar	145,362	—	145,362
iberpistas	41,612	—	41,612
aucat	27,508	—	27,508
saba	16,094	(196)	15,898
Acesa SGPS	16,046	—	16,046
Avasa	12,626	—	12,626
retevisión	8,386	—	8,386
Codad	8,009	(1,201)	6,808
GCO	6,077	(3,124)	2,953
tradia	2,245	—	2,245
Areamed	1,097	—	1,097
Parc Logístic de la Zona Franca	943	—	943
Alella	172	—	172
Abertis Finance BV	165	—	165
Sevisur	(330)	132	(198)
abertis logística	(354)	—	(354)
abertis airports	(507)	—	(507)
castellana	(2,507)	—	(2,507)
abertis telecom	(3,411)	—	(3,411)
ACDL/TBI	(7,541)	754	(6,787)
abertis	(35,531)	—	(35,531)
Group	**449,773**	**(3,635)**	**446,138**

	Consolidated result	Profit due to minority interest	Consolidated profit due to parent company
Acesa Italia	70,000	—	70,000
Coviandes	5,654	—	5,654
Trados 45	3,255	—	3,255
Autema	2,295	—	2,295
Túnel del Cadí	2,185	—	2,185
Elqui	989	—	989
PTY	574	—	574
Cilsa	433	—	433
Gicsa	264	—	264
Aurea Ltd	243	—	243
serviabertis	165	—	165
Torre de Collserola	113	—	113
Iberpistas Chile	88	—	88
Arasur	(174)	—	(174)
saba associated companies	(557)	—	(557)
Aulesa	(1,744)	—	(1,744)
Irasa	(7,077)	—	(7,077)
Alazor	(11,611)	—	(11,611)
Equity Accounting	**65,095**	**—**	**65,095**
Results for the year	**514,868**	**(3,635)**	**511,233**

d) Interim dividend and proposed dividends

The decision on the distribution of dividends is made on the basis of the parent company accounts of Abertis Infraestructuras, S.A., under the mercantile legislation in force in Spain.

The dividends to be distributed to shareholders are recorded as liabilities in the Consolidated Annual Accounts as soon as the dividends are approved by the Annual Shareholders' Meeting (or by the Board of Directors in the case of interim dividends) until their payment.

In 2005 an interim dividend totalling 144,764 thousand euros was paid, equivalent to 0.25 euros gross per share, payable on all the shares that make up the share capital of Abertis Infraestructuras, S.A.

The following provisional accounting statement was prepared by Abertis Infraestructuras, S.A., in accordance with the legal requirements, demonstrating that there was sufficient profit in the period to enable the distribution of the interim dividend, and justifying the existence of sufficient liquidity to make the payment:

Net profit for the period from 1 January to 31 August 2005	173,793
Less:	
Legal reserve	(17,379)
Maximum amount available for distribution	156,414
Amount proposed and distributed	144,764

Liquidity available prior to payment	1,011,226
Gross amount of interim dividend	(144,764)
Liquidity available after payment	866,462

The Administrators of Abertis Infraestructuras, S.A. will also submit the following proposed distribution of results of **abertis** for 2005 to the Shareholders' Meeting for approval:

Available for distribution	**387,551**
Distribution:	
Dividends	289,528
Legal reserve	38,755
Voluntary reserves	59,268
	387,551

In the event that on the dividend distribution date **abertis** were to hold treasury shares, these shares would have the right to the final dividend and the corresponding amount would be transferred to voluntary reserves.

e) Earnings per share

As shown below, the earnings per share are calculated by dividing the net profit for the year due to the shareholders of **abertis**, by the weighted average number of shares in circulation during the year, excluding the average number of treasury shares held by the Group.

	2005	2004
Net profit due to shareholders	511,233	488,768
Weighted average number of ordinary shares in circulation (thousand)	565,125	539,250
Basic earnings per share (€/share)	**0.905**	**0.906**
Diluted earnings per share (€/share)	**0.905**	**0.906**

The increase in the weighted average number of ordinary shares is due to the bonus share issue of one share for every 20 existing shares, approved by the Shareholders' Meeting on 12 April 2005,

During the year, **abertis** has not carried out any operations that would make the basic earnings per share different from the diluted earnings per share (which is obtained by making the above-mentioned calculation on including the effect of potential shares that might exist – options, convertible bonds – as if they were ordinary shares of **abertis**).

NOTE 13_FINANCIAL DEBT

The financial debt is comprised as follows:

	2005	2004
Non-current		
Loans from credit institutions	988,867	1,405,439
Bonds and other loans	2,238,456	1,395,858
Non-current financial debt	**3,227,323**	**2,801,297**
Current		
Loans from credit institutions	1,014,917	492,960
Debts with companies under equity accounting	3,114	17,891
Bonds and other loans	10,773	178,050
	1,028,804	688,901
Interest on loans and bonds	60,392	32,923
Current financial debt	**1,089,196**	**721,824**
Financial debt	**4,316,519**	**3,523,121**

The maturity of the non-current financial debt breaks down as follows:

	2005	2004
Between 1 and 2 years	211,261	261,710
Between 2 and 5 years	336,398	618,362
More than 5 years	2,679,664	1,921,225
Non-current financial debt	**3,227,323**	**2,801,297**

The weighted average interest rate in 2005 of the bond issues and debt with credit institutions was approximately 3.8%, and there were no significant fluctuations between currencies.

The book value and fair value of the non-current financial debt at the close of the year was as follows:

	2005		2004	
	Book value	Fair value	Book value	Fair value
Loans from credit institutions	988,867	988,867	1,405,439	1,405,439
Bonds	2,238,456	2,268,542	1,395,858	1,443,802
Non-current financial debt	**3,227,323**	**3,257,409**	**2,801,297**	**2,849,241**

The book value of the current financial debt is similar to its fair value.

Group's financial debt (without taking into account the currency swaps mentioned in Note 9) is denominated in the following currencies:

	2005	2004
Euro	3,060,437	2,747,170
US Dollar	889,433	534,538
Pound Sterling	230,422	204,224
Other currencies	136,227	37,189
Financial debt	**4,316,519**	**3,523.121**

The Group has the following credit lines available and unused:

	2005	2004
Floating rate:		
Maturity in less than one year	2,010,278	40,347
Maturity in more than one year	86,750	4,412
	2,097,028	**44,759**
Fixed rate:		
Maturity in less than one year	6,062	516
Maturity in more than one year	—	29,289
	6,062	**29,805**
Unused credit lines	**2,103,090**	**74,564**

The unused credit lines correspond primarily to a credit facility contracted at the end of the year in relation to the acquisition of the concessionaire company Société des Autoroutes du Nord et de l'Est de la France (Sanef) made at the beginning of 2006 (see Note 27).

NOTE 14_DEFERRED INCOME

The movement recorded during the year was as follows:

	Capital subsidies	Other deferred income	Total
At 1 January 2005	**31,163**	**56,139**	**87,302**
Change in scope	888	5,329	6,217
Increase	4,472	146	4,618
Decrease	(4,953)	(6,880)	(11,833)
Exchange difference	—	(208)	(208)
At 31 December 2005	**31,570**	**54,526**	**86,096**
At 1 January 2004	**35,506**	**58,239**	**93,745**
Increase	1,684	342	2,026
Decrease	(6,027)	(2,442)	(8,469)
Exchange difference	—	—	—
At 31 December 2004	**31,163**	**56,139**	**87,302**

The capital grants basically correspond to **retevisión** and they have been granted by the European Regional Development Fund (FEDER). These are recorded when the requirements for payment are met and are released to results on a straight-line basis over the useful life of the asset financed.

"Other deferred income" at 31 December 2005, mainly includes:

- Compensation to **aumar** from the Public Administration for works carried out in Sagunto of 18,248 thousand euros (19,277 thousand euros in 2004). This is released to results over the life of the concession (until 2019).
- Income for the cession of the use of assets (parking spaces of **saba** and fibre optic channels of **acesa**) which are released to results on a straight-line basis over the life of the concession of the assets subject to reversion. At year end the balance to be transferred to the profit and loss account totalled 13,324 thousand euros and 8,001 thousand euros, respectively (13,871 thousand euros and 10,603 thousand euros in 2004).

NOTE 15_TRADE CREDITORS AND SUNDRY CREDITORS

The breakdown of this account entry at 31 December was as follows:

	2005	2004
Trade creditors	203,114	148,174
Debts with associated companies	33,629	22,074
Remuneration pending	16,443	14,971
Sundry creditors	9,101	7,263
Trade creditors and sundry creditors	**262,287**	**192,482**

NOTE 16_CORPORATION INCOME TAX

a) Fiscal information

Within the Group, **abertis** pays tax on a consolidated basis, as parent company of the tax group that includes all subsidiary companies in which it holds at least a 75% interest and with tax residence in Spain. The companies with tax residence in the United Kingdom pay tax on a combined basis in the income-tax applied there. The other companies included in the consolidation scope are taxed individually.

In general, the tax returns of companies with tax residence in Spain that form part of the Group are open to inspection for the last four years for all the applicable taxes. The Tax Authorities have raised tax assessments based on audits made between 1990 and 1993 for Corporation Tax and Payroll Tax, and for 2000 and 2001 for Corporation Tax, of a general character for all companies in a tax consolidation regime. These assessments, which have all been signed in disagreement, have been appealed and are pending the decision of the Authorities.

The impact that may arise from these assessments, or other existing fiscal litigation, on the Group's equity is duly provided for.

Additionally, due to possible differences in the interpretation of the tax legislation applicable to certain operations, there are specific tax liabilities of a contentious nature that are difficult to quantify. Nevertheless, the tax that may be payable would not have a material impact on these Consolidated Annual Accounts.

b) Tax expense on profit

The general Corporate Tax rate applicable in Spain is 35%. The reconciliation of the difference between the reported profit before tax in the accounts and taxable profit is broken down in the annual report of each company. The reconciliation of the theoretical tax imposed and the tax expense recorded is as follows:

	2005	2004
Profit before tax	738,506	686,192
Theoretical tax (35%)	258,477	240,167
Non-taxable income	(28,473)	(8,882)
Not deductible expenses	21,771	23,018
Offset of tax losses and tax credits	(20,771)	(8,014)
Other tax effects	(7,366)	(51,773)
Income tax expense	**223,638**	**194,516**

The main components of the Corporation Tax expense for the year are as follows:

	2005	2004
Current tax	210,533	188,140
Deferred tax	6,930	6,376
Other	6,175	—
Tax expense	**223,638**	**194,516**

The tax expense reflected in the 2005 profit and loss account includes an additional net amount of 6,175 thousand euros corresponding to taxes paid in other countries by Group companies of a similar nature to Corporation Tax and regularisation in the calculation of the expense accrued in 2004, once the corresponding final returns were filed.

c) Deferred taxes

The balance of the deferred tax assets and liabilities and their movements during the year are as follows:

	2005		2004	
	Deferred tax asset	Deferred tax liability	Deferred tax asset	Deferred tax liability
At 1 January	**408,322**	**(31,606)**	**408,197**	**(27,257)**
Charges/(credits) in profit and loss account	(1,213)	(5,717)	(2,027)	(4,349)
Charges/(credits) for inclusion in consolidation scope	—	(241,443)	—	—
Charges/(credits) to net equity	106	1,967	2,152	—
At 31 December	**407,215**	**(276,799)**	**408,322**	**(31,606)**

The balances of the deferred taxes shown in the balance sheet are as follows:

	2005			2004		
	Non-current	Current	Total	Non-current	Current	Total
Deferred tax assets	391,033	16,182	407,215	403,428	4,894	408,322
Deferred tax liabilities	(264,986)	(11,813)	(276,799)	(31,267)	(339)	(31,606)
Net deferred taxes	**126,047**	**4,369**	**130,416**	**372,161**	**4,555**	**376,716**

The inclusion of deferred tax liabilities due to changes in the consolidation scope correspond to TBI (see Note 21), and relate mainly to the tax effect associated with recording the net assets and liabilities acquired in the business combination at fair value.

The deferred tax assets recorded at the close of 2005 mainly correspond to the tax effects of the IFRS adjustments made by the subsidiary companies in relation to the reversion of the financial debt and the reversion fund recorded under the principles of the Spanish General Accounting Plan (PGC).

Current deferred taxes are recorded under "Current tax liabilities" which also includes the net debt held with the Public Administration in relation to the various taxes that Group companies are subject to pay.

The recoverability of the deferred tax assets is evaluated when they are generated on the basis of the evolution of the companies' expected results in the respective business plans.

The tax losses available for offset at 31 December 2005 total 140,331 thousand euros (161,102 thousand euros in 2004), with periods of maturity mainly between 2006 and 2018. Of these tax losses, an amount of 38,835 thousand euros is included amongst deferred tax assets.

NOTE 17_LIABILITIES FOR EMPLOYEE BENEFITS

Amongst the liabilities with its employees, **abertis**, **abertis logística**, **acesa**, **aucat**, **saba** and **retevisión** have commitments for defined pension plans on behalf of their employees, acting as sponsors of Employment Pension Plans.

The different companies of the Group in Spain have defined benefit or defined contribution pension liabilities, managed through insurance policies, as established in the legislation regarding the outsourcing of pension commitments. In the international operations, these commitments are managed through separate entities, except in those countries where the legislation allows internal funds to be maintained.

Together with the above-mentioned liabilities, an amount of 4,909 thousand euros is included as a liability in the balance sheet corresponding to this account entry, relating to the valuation of the commitments of **retevisión** with its employees arising from various long-term liabilities for the employees' length of service in the company.

The economic-actuarial information of the existing liability related to pension commitments of the Group's various companies with their employees is as follows:

a) Defined contribution commitments

The amount recorded for the year as personnel expense in the profit and loss account due to defined contribution commitments totals 3,459 thousand euros (2,483 thousand euros in 2004).

b) Defined benefit commitments

Except in those countries where the legislation allows internal funds to be maintained, pension commitments are covered using insurance policies or separate entities, in accordance with the applicable legislation in each country, with the amounts taken off the balance sheet. Nevertheless, this account entry includes the hedging instruments (liabilities and assets affected) where the legal obligation or implied obligation to meet the agreed benefits remains.

In relation to the defined benefit commitments maintained by different companies of the Group with their employees, the reconciliation between the opening and closing balances of the actuarial value of these liabilities is as follows:

	2005	2004
At 1 January	**14,454**	**12,433**
Included in scope (*)	96,295	—
New commitments	92	—
Service costs for the year	5,358	1,319
Interest costs	6,230	546
Actuarial losses/(profits)	15,557	807
Benefit payments	(2,357)	(651)
Exchange difference	3,190	—
At 31 December	**138,819**	**14,454**

(*) Corresponds to ACDL/ TBI

The reconciliation between opening and closing balances of the actuarial fair value of the assets for these liabilities is as follows:

	2005	2004
At 1 January	**13,412**	**11,081**
Included in scope (*)	75,365	—
New commitments	5	—
Expected yield on assets	6,061	455
Actuarial (losses)/profits	9,614	558
Contributions from Promoter	6,855	1,969
Benefits payments	(2,357)	(651)
Expenses	(49)	—
Exchange differences	2,334	—
At 31 December	**111,240**	**13,412**

(*) Corresponds to ACDL/ TBI

Amongst the affected assets linked to insurance policies, an amount of 15,616 thousand euros is held with related entities.

The annual movement in the liability recorded on the balance sheet was as follows:

	2005	2004
At 1 January	**1,042**	**1,352**
Included in scope (*)	20,930	—
Increase charged to:		
Profit and loss account	5,663	1,659
Net equity	5,943	—
Contributions from Sponsor	(6,855)	(1,969)
Exchange difference	856	—
At 31 December	**27,579**	**1,042**

(*) Corresponds to ACDL/ TBI

The expected overall yield on the assets has been calculated in the following manner:

• For the commitments of Spanish companies, by the discount rate used in determining the liability.

• For the commitments of international companies, market yield expectations for assets with similar characteristics (money market, fixed income or equity) over the entire life of the liabilities related to the assets in question.

The main actuarial hypotheses used at the balance sheet date are as follows:

	2005	2004
Discount rate (based on type of commitment and country)	2.88% - 4.85%	3.92%
Rate of salary increase (based on type of commitment and country)	3% - 4%	3% anual
Pension commitments in Spain:		
Mortality tables	PERMF200p	PERMF200p
Disability tables	InvAbs_SS90	InvAbs_SS90

NOTE 18_PROVISIONS AND OTHER LIABILITIES

The balance of provisions and other liabilities is as follows:

	2005	2004
Provisions	70,246	59,090
Other creditors	108,569	69,742
Provisions and other liabilities	**178,815**	**128,832**

The breakdown and movement of the provisions is as follows:

	2005	2004
At 1 January	**59,090**	**63,435**
Included in scope (*)	13,031	—
Charge in consolidated profit and loss account	17,014	6,554
Amounts not applied and reversed	(5,024)	(3,846)
Applications for the year	(13,910)	(7,053)
Exchange difference	45	—
At 31 December	**70,246**	**59,090**

(*) Corresponds to ACDL/ TBI

The provisions at close on 31 December 2005 include a tax provision of 5,418 thousand euros (11,402 thousand euros in 2004) corresponding mainly to the settlement of Taxes on Real Estate claimed by certain City Councils, which have been appealed in the courts. Furthermore, the provision for tax assessments that have been appealed has been included. These appeals are pending resolution by the authorised judicial bodies.

“Other creditors” includes the balance due to the Public Treasury by the subsidiary company **acesa** following the commitment assumed in the merger agreement of the company that previously held the concession on the Montmeló-El Papiol stretch (20,973 thousand euros). This amount will be reimbursed during the last five years of the concession period (2017-2021). Similarly, provisions are included for future investments in replacement and substitution as described in Note 3.a.

NOTE 19_INCOME AND EXPENSES

a) Rendering of services

Details of the rendering of services by category are as follows:

	2005	2004
Toll income	1,191,931	1,136,285
Discounts and rebates on tolls	(37,852)	(35,757)
Other services rendered	668,224	388,612
Other	1,937	1,351
Rendering of services	**1,824,240**	**1,490,491**

The other services rendered include income from car park operations, income from the management of telecommunication infrastructures and in 2005, income for management of airports.

b) Other operating income and other income

These account entries include income for rate compensation, disposal of assets, etc.

During 2005 the compensation for rate revisions not authorised by the Ministry of Public Works from the year 2000 corresponding to the concessionaire companies of Spanish highways under state title were received and recorded as “Other operating income”. The amounts had been claimed in the corresponding tribunals.

“Other income” principally includes the profit obtained from the disposal of fixed assets and investments in companies.

c) Personnel expenses

The breakdown of personnel expenses by item is as follows:

	2005	2004
Wages and salaries	240,719	185,649
Social Security levies	51,161	47,049
Pension costs, defined contribution plan	3,459	2,483
Pension costs, defined benefits plan	5,663	1,232
Cost of other long-term commitments	516	632
Other social expenses	12,003	4,659
Personnel expenses	**313,521**	**241,704**

The average number of employees in **abertis** and its subsidiary companies during the year, broken down by category, is as follows:

	2005	2004
Permanent:		
Management	185	174
Middle management	1,410	1,287
Other employees	5,286	3,363
Temporary employees	950	844
Average number of employees	**7,831**	**5,668**

d) Financial results

The breakdown of financial income and expenses by item is as follows:

	2005	2004
Interest and other income	37,434	9,084
Dividends	17,026	13,885
Financial income	**54,460**	**22,969**
Interest on loans from credit institutions and other loans	(218,809)	(147,631)
Financial expenses	**(218,809)**	**(147,631)**

NOTE 20_CONTINGENCIES AND COMMITMENTS

At 31 December 2005 the Group had guarantees to third parties provided by financial institutions for an amount of 371,147 thousand euros (337,501 thousand euros in 2004). Of this amount, 111,863 thousand euros (92,098 thousand euros in 2004) corresponds to guarantees related to operating commitments of the different companies of the Group. The rest corresponds to certain commitments assumed by investee companies (investments, financing, etc). These commitments are not expected to generate significant costs.

At the end of the financial year there are no significant investments committed that have not been explained in these Consolidated Annual Accounts.

The subsidiary company **acesa**, has set up guarantees in certain situations on bank loans granted to its subsidiary company GCO, with the outstanding balance of these loans of 33, 819 thousand euros (121,325 thousand Argentine pesos) at 31 December 2005. The toll income is pledged as guarantee of the repayment of this debt.

NOTE 21_BUSINESS COMBINATIONS

The fair value at acquisition date of the assets and liabilities acquired is basically determined using valuation techniques. The most significant acquisition made in 2005 was of the company TBI, Plc. as explained below, consisting mainly of net assets acquired in tangible and intangible assets (concessions and licences to operate in certain airports, commercial agreements with certain airports and airlines, etc). The main valuation method used has been the analysis of discounted cash flows that the identified intangible assets generate.

At the beginning of 2005 the **abertis** Group completed the acquisition of all the share capital of TBI, Plc. through its subsidiary Airport Concessions Development Limited (ACDL) in which **abertis** holds 90 %, following a Public Takeover Bid for the shares made at the end of the previous year.

The TBI Group, which is basically engaged in the management of airport services under various companies in different countries, operates (under concession or through ownership) eight international airports (Europe, the United States and South America) and fully or partially manages, on behalf of governments or local authorities, another six airports.

The business acquired in ACDL/TBI generated income for the Group of 252,626 thousand euros in 2005 and a net loss of 6,787 thousand euros.

The net assets acquired and the goodwill generated on acquisition of the TBI group by ACDL breaks down as follows:

Acquisition price (*):

Total acquisition price	795,126
Fair value of net assets acquired	491,841
Goodwill on acquisition	303,285

(*) Information expressed in thousand euros using the exchange rate applicable at time of acquisition

The fair value of the net assets acquired includes the valuation of some identified intangible assets, consisting mainly of a concession contract on an airport, licences to operate in the other airports, commercial agreements with airlines, etc.

The goodwill on acquisition, which is generated mainly as the balancing entry for the recognition of deferred taxes corresponding to the higher fair value attributed to the net assets acquired compared to the tax value, is justified by the profitability of the business acquired and the synergies that are expected to be generated following the acquisition by the Group.

The assets and liabilities resulting from the acquisition are as follows:

	Fair value Debit/(Credit)	Book value
Cash and cash equivalents	52,377	52,377
Fixed assets	528,892	528,892
Concessions and licences (Intangible assets)	569,003	279,671
Inventories	1,593	1,593
Accounts receivable	46,294	28,723
Accounts payable	(127,192)	(121,760)
Retirement obligations	(19,169)	(19,169)
Debt	(324,020)	(317,878)
Net deferred tax liabilities	(234,081)	(22,491)
Net assets	**493,697**	**409,958**
Minority interest	1,856	1,856
Net assets acquired	**491,841**	**408,102**
Total acquisition price	795,126	795,126
Cash and cash equivalents	(52,377)	(52,377)
Cash outgoings in acquisition	**742,749**	**742,749**

NOTE 22_ SHAREHOLDINGS IN MULTIGROUP COMPANIES

The Group has shareholdings in the following multigroup companies consolidated by proportional integration:

Company	Activity	% Shareholding
Avasa	Highway concessionaire	50%
Areamed	Operation of service areas	50%
PLZF	Logistic services	50%

The effect of the proportional integration of multigroup companies on the annual consolidated accounts of the Group is as follows:

	2005	2004
ASSETS		
Non-current assets	381,155	404,725
Current assets	9,832	12,134
	390,987	416,859
LIABILITIES		
Non-current liabilities	315,325	320,661
Current liabilities	19,716	28,817
	335,041	349,478
NET ASSETS	**55,946**	**67,381**
RESULTS		
Income	81,304	79,848
Expenses	(66,634)	(63,127)
Profit attributed to shareholders of the Company	**14,670**	**16,721**

Note: These amounts have been included in the consolidated balance sheet and the consolidated profit and loss account

NOTE 23_INFORMATION ON THE ENVIRONMENT

The criteria of the Group is to give maximum attention to environmental protection and conservation activities, with each subsidiary company adopting the necessary measures to minimise the environmental impact of the infrastructures managed in order to achieve the maximum possible integration with their respective surroundings.

The Group has invested the amount of 4,282 thousand euros in 2005 on improving the environment through the following activities:

- Cleaning, landscaping, planting and clearing along the highways, as well as improvement in services and rest areas, and carrying out work to reduce the visual impact and noise levels.
- Collection and removal of dangerous urban waste.
- Implementation of measures to reduce noise pollution in airports, optimisation of water management and energy consumption, and the promotion of various recycling systems for the waste generated by aircraft.

NOTE 24_SEGMENT REPORTING

The different activities of the Group are organised and administrated separately according to the nature of the infrastructures managed, with each segment forming a strategic business unit that manages different types of infrastructures in different markets.

The business segments have been defined as primary segments with secondary segments based on geographical area, in accordance with the origin and predominant nature of the risks and rewards, growth opportunities and expectations of the Group, which are much more closely linked to the different activities undertaken than to the geographic areas where the operations occur.

The business segments have been defined as the combination of assets and operations allocated to the management of infrastructures subject to risks and rewards that are distinct from other business segments. The main factors considered in the identification of business segments has been the nature of the infrastructures managed and the operations carried out.

The Group has decided to provide the results of each of these segments, including the profit on operations, as this is the level at which the entries for ordinary operating income and expenses can be directly attributed or reasonably allocated to the segments, coinciding with the management information used by the administrators to control the results of each segment.

a) Business segments

Management of the Group is organised by the following business segments:

- Highways: construction, conservation and operation of highways under concession; management of highway concessions in Spain and internationally; construction of highway infrastructures and complementary activities to construction, conservation and operation of highways.
- Car parks: construction and/or operation or sale or car parks, garages, service stations, commercial premises and other services directly related with these activities.
- Telecommunications: establishment of all types of infrastructures and/or communication networks, as well as the supply, management, commercialisation and distribution of all types of related services, including the establishment and operation of fixed and mobile telecommunication networks and the supply of any type of service for these networks.
- Airports: construction and management of airports that are owned or under concession.
- Logistic services: protection, promotion, management, maintenance and operation of all types of infrastructures for logistics of every aspect.

Others: corresponds mainly to the activity carried out by the Parent Company (holding company, leadership and management of the Group companies) and other companies that provide services and financing to Group companies,

The operating result for each segment in the financial year and the share of the associated companies in the results are broken down as follows:

31 December 2005

	Highways	Car Parks	Telecom	Airports	Logistics	Other	Eliminated	Total
Rendering of services to third parties	1,155,465	100,008	273,712	275,432	16,921	2,702	—	1,824,240
Rendering of services between segments	—	—	—	—	—	14,937	(14,937)	—
Profit on operations of segment	757,545	26,751	25,400	32,704	2,896	(12,627)	—	832,669
Share in result of associated companies	65,115	(557)	113	—	259	165	—	65,095

31 December 2004

	Highways	Car Parks	Telecom	Airports	Logistics	Other	Eliminated	Total
Rendering of services to third parties	1,104,066	88,046	260,489	20,692	15,588	1,610	—	1,490,491
Rendering of services between segments	—	—	—	—	—	14,165	(14,165)	—
Profit on operations of segment	702,556	23,168	15,813	14,951	1,963	(18,323)	—	740,128
Share in result of associated companies	94,106	(342)	—	—	(118)	53	—	93,699

Other items, which do not generate cash flows, included in the operating profit of the segments are:

31 December 2005

	Highways	Car Parks	Telecom	Airports	Logistics	Other	Total
Allocation to amortisation	(213,492)	(15,310)	(73,675)	(64,955)	(3,058)	(1,010)	(371,500)
Trading provisions	(927)	(70)	(678)	689	(7)	1,151	158
	(214,419)	**(15,380)**	**(74,353)**	**(64,266)**	**(3,065)**	**141**	**(371,342)**

31 December 2004

	Highways	Car Parks	Telecom	Airports	Logistics	Other	Total
Allocation to amortisation	(208,091)	(14,042)	(71,380)	(3,411)	(2,700)	(2,766)	(302,390)
Provision for asset impairment	—	—	(4,451)	—	(3,214)	—	(7,665)
Trading provisions	(489)	(78)	(1,586)	—	—	(146)	(2,299)
	(208,580)	**(14,120)**	**(77,417)**	**(3,411)**	**(5,914)**	**(2,912)**	**(312,354)**

The assets and liabilities of the segments at 31 December, as well as the investment in assets made during the year are as follows:

31 December 2005

	Highways	Car Parks	Telecom	Airports	Logistics	Other	Eliminated (*)	Total
Assets	3,982,119	470,236	717,202	1,579,213	89,645	4,927,899	(3,979,980)	7,786,334
Associated Co's	621,963	2,103	3,747	—	32,525	—	—	660,338
Total assets	**4,604,082**	**472,339**	**720,949**	**1,579,213**	**122,170**	**4,927,899**	**(3,979,980)**	**8,446,672**
Total liabilities	**2,322,810**	**224,263**	**406,591**	**980,636**	**39,500**	**3,765,514**	**(2,328,775)**	**5,410,539**
Investment in fixed and intangible assets	**183,637**	**58,033**	**57,151**	**85,553**	**11,670**	**1,596**	**—**	**397,640**

(*) Corresponds only to the elimination of assets and liabilities of the Group assigned to different segments

31 December 2004

	Highways	Car Parks	Telecom	Airports	Logistics	Other	Eliminated (*)	Total
Assets	4,204,414	296,745	762,210	62,508	82,321	6,805,995	(5,950,777)	6,263,416
Associated Co's	577,031	1,164	5,156	220,653	27,744	19	—	831,767
Total assets	**4,781,445**	**297,909**	**767,366**	**283,161**	**110,065**	**6,806,014**	**(5,950,777)**	**7,095,183**
Total liabilities	**2,431,534**	**142,284**	**449,893**	**69,169**	**45,287**	**3,493,483**	**(2,440,719)**	**4,190,931**
Investment in fixed and intangible assets	**105,280**	**49,556**	**34,104**	**104**	**13,513**	**282**	**—**	**202,839**

(*) Corresponds only to the elimination of assets and liabilities of the Group assigned to different segments

The assets of the segments mainly include the tangible fixed assets, intangible assets, inventories, accounts receivable, operating cash and deferred taxes.

The liabilities of the segments are operating liabilities, which include the debt raised to finance the activity.

Investment in fixed and intangible assets represents the addition of tangible fixed assets and intangible assets.

b) Geographic segments

Income from the rendering of services, assets and investment in assets by geographical segment is shown below, based on their location.

31 December 2005

	Rendering of services	Assets	Investment in assets
Spain	1,490,796	6,542,120	308,825
Rest of Europe	234,530	2,051,556	80,586
Latin America and USA	95,665	504,978	8,229
Other countries	3,249	11,779	—
Associated companies	—	660,338	—
Eliminated (*)	—	(1,324,099)	—
Total	**1,824,240**	**8,446,672**	**397,640**

(*) Corresponds only to the elimination of Group assets assigned to different segments

31 December 2004

	Rendering of services	Assets	Investment in assets
Spain	1,421,870	5,697,364	198,161
Rest of Europe	18,463	483,930	104
Latin America and USA	49,201	223,499	4,574
Other countries	957	414	—
Associated companies	—	831,767	—
Eliminated (*)	—	(141,791)	—
Total	**1,490,491**	**7,095,183**	**202,839**

(*) Corresponds only to the elimination of Group assets assigned to different segments

NOTE 25_RELATED PARTIES

a) Administrators and Senior Management

Annual remuneration of the Board Members for their services to the Board of Directors of the Company is fixed as a share in the liquid profits. It can only be paid out once the payment of dividends and obligatory transfers to reserves are covered, and it can not exceed, under any circumstances, two percent of the profits. The Board of Directors may distribute this sum amongst its members in the form and amount it decides. Overall remuneration paid to directors of Abertis Infraestructuras, S.A., as members of the Board of Directors, totalled 1,562 thousand euros in 2005, which is less than the statutory limit

Total remuneration received by the Board Members of Abertis Infraestructuras, S.A. was 2,096 thousand euros, in fixed remuneration.

In addition, other benefits that Board Members of Abertis Infraestructuras, S.A. have received are contributions made to cover pension liabilities and life insurance, totalling 1,713 thousand and 34 thousand euros, respectively.

The total remuneration to Board Members of Abertis Infraestructuras, S.A. in the other companies of the group was 674 thousand euros and in associated companies it was 150 thousand euros.

Remuneration, corresponding to 2005, of the members of Senior Management, (managing directors and senior personnel of the **abertis** Group that carry out their management functions under direct control of the Board of Directors, Executive Committee or Chief Executive Officer of Abertis Infraestructuras, S.A.), totalled 3,780 thousand euros.

In addition, members of Senior Management have received, as other benefits, contributions related to pension and life insurance obligations of an amount of 112 thousand and 18 thousand euros, respectively.

The retirement benefits received by former members of Senior Management totalled 629 thousand euros in 2005.

Abertis Infraestructuras, S.A. does not use any remuneration systems linked to the evolution of the Company's share price for any of its employees or any of the members of the Board of Directors.

b) Significant shareholders

A shareholder with a significant influence in the Parent Company is defined as having the right to propose a board member for appointment or having an interest of more than 5% (see Note 12.a).

The breakdown of balances and transactions with significant shareholders is as follows:

i) Bond issues, loans and credit lines received

	2005	2004
At 1 January	**304,269**	**369,057**
Loans/bonds received during the year	90,000	100,000
Amortisations made of loans/bonds	(76,800)	(85,406)
Credit lines drawn down (annual net)	(7,672)	(79,382)
Accrued interest	35,306	27,890
Interest paid	(35,306)	(27,890)
At 31 December	**309,797**	**304,269**

ii) Swaps contracted

The swaps contracted with related entities as exchange rate and/or interest rate hedges total 1,024,831 thousand euros (780,910 thousand euros in 2004).

iii) Financing retirement obligations

Contributions of an amount of 3,734 thousand euros have been made to an insurance policy taken out with a related company to cover the obligations for benefits to Group employees.

iv) Purchase of goods and services

	2005	2004
Purchase of goods:		
Acquisition of fixed assets	8,946	22,010
Construction permits	83,083	5,225
Financial leases	2,893	3,012
Services purchased:		
Reception services	7,287	9,310
Credit card commissions	4,629	4,081
Purchase of goods and services	**106,838**	**43,638**

v) Obligations and contingencies

There are obligations for the purchase of goods and services in the amount of 57 million euros related to successful tenders for works pending certification.

The limit conceded by related entities and not drawn down on the credit lines at the end of the year totalled 480,000 thousand euros.

There are lines of guarantees in place with related entities with a limit of 108,000 thousand euros. At the end of the year of 75,339 thousand euros has been used up.

c) Other information on the Board of Directors

In accordance with the provisions of article 127. 4 of the Spanish Public Companies Act, introduced by Law 26/2003, of 17 July, which amended the Securities Market Act, Law 24 of 28 July 1988, and the Spanish Companies Act, aimed at increasing the transparency of listed companies, the companies with the same, similar or complementary nature as the activity of the Company in which members of the Board of Directors have shareholdings, as well as the functions that they carry out, if applicable, are shown below:

Shareholder	Company held	Activity	Shareholding % capital	Functions
Isidro Fainé Casas	Telefónica, S.A.	Telecommunications	0.003	Deputy Chairman
Pablo Vallbona Vadell	ACS, Actividades de Construcción y Servicios, S.A.	Construction and services	0.0160	—
Ángel García Altozano	ACS, Actividades de Construcción y Servicios, S.A.	Construction and services	0.0113	Corporate General Manager
	Saba Aparcamientos, S.A.	Car Parks	0.0000055	Board Member
Caixa d'Estalvis de Catalunya	Retevisión Móvil, S.A.	Telecommunications	2.10	—
Dragados, S.A.	Ferrocarriles del Norte de Colombia, S.A.	Infrastructure concessionaire	5.32	—
	Aufe, S.A.	Infrastructure concessionaire	78.00	—
	Aunor, S.A.	Infrastructure concessionaire	85.00	—
	Concesionaria Vial del Sur, S.A.	Infrastructure concessionaire	25.00	—
	Autopistas del Sol, S.A.	Infrastructure concessionaire	6.40	
Antonio García Ferrer, representing Comunidades Gestionadas, S.A.	ACS, Actividades de Construcción y Servicios, S.A.	Construction and services	0.002	Deputy Chairman

Shareholder	Company held	Activity	Shareholding % capital	Functions
José Luis Olivas Martínez	Fomento de Construcciones y Contratas, S.A.	Construction and services	0.00004	—
	Telefónica, S.A.	Telecommunications	0.00039	—
Montes de Piedad y Caja de Ahorros de Ronda, Cádiz, Almería, Málaga y Antequera (Unicaja) (until 29/11/2005)	Ausur Servicios de la Autopista, S.A.	Logistics	5.00	—
	Autopista del Sol Concesionaria Española, S.A.	Infrastructure concessionaire	20.00	—
	Autopista del Sureste, Concesionaria Española de Autopistas, S.A.	Infrastructure concessionaire	5.00	—
	Inversora de Autopistas del Sur, S.L.	Infrastructure concessionaire	10.00	—
	Autopista de la Costa Cálida, Concesionaria Española de Autopistas, S.A.	Infrastructure concessionaire	4.50	Board member
	Sociedad Municipal de Aparcamientos y Servicios, S.A.	Car Parks	24.50	—
	Sevisur Logística, S.A.	Logistics	10.00	—
	Centro Integral de Mercancías, S.A.	Logistics	10.28	—
	Red de Banda Ancha de Andalucía, S.A.	Telecommunications	5.83	—
	Islalink, S.A.	Telecommunications	13.70	—
	Val Telecomunicaciones, S.L.	Telecommunications	7.77	—

With respect to positions or functions, in accordance with the abovementioned text, a list is provided below of the Board Members that hold positions in companies with activities that are the same, similar or of a complementary nature to the business purpose of Abertis Infraestructuras, S.A.

Board Member	Company	Position
Isidro Fainé Casas	Brisa Auto-Estradas de Portugal, S.A.	Board Member
Pablo Vallbona Vadell	ACS, Actividades de Construcción y Servicios, S.A.	Deputy Chairman
	Iberpistas, Sociedad Anónima Concesionaria del Estado	Chairman
G3T, S.L.	Iberpistas, Sociedad Anónima Concesionaria del Estado	Board Member
Ángel García Altozano	ACS, Servicios, Comunicaciones y Energía, S.L.	Board Member
	ACS, Servicios y Concesiones, S.L.	Board Member
	Dragados Concesiones de Infraestructuras, S.A.	Board Member
	Dragados, S.A.	Board Member
	ACS Telefonía Móvil, S.L.	Personal representative of the Sole Administrator of ACS, Actividades de Construcción y Servicios, S.A.
	Xfera Móviles, S.A.	Chairman
	Abertis Telecom, S.A.	Board Member
	Saba Aparcamientos, S.A.	Board Member
	Inversora de Infraestructuras, S.L.	Personal representative of the Sole Administrator of ACS, Actividades de Construcción y Servicios, S.A.
	TBI plc	Board Member
Salvador Alemany Mas	Autopistas Concesionaria Española, S.A.	Chairman and Chief Executive Officer
	Iberpistas, S.A. Concesionaria del Estado	Board Member
	Autopistes de Catalunya, S.A. Concessionària de la Generalitat de Catalunya Aucat, S.A.	Sole Administrator
	Acesa Italia, S.R.L.	Chairman
	Castellana de Autopistas, S.A. Concesionaria del Estado	Sole Administrator

Board Member	Company	Position
Salvador Alemany Mas	Autostrade S.p.A.	Board Member
	Saba Aparcamientos, S.A.	Sole Administrator
	Societat Pirenaica d'Aparcaments, S.A.	Board Member
	Areamed 2000, S.A.	Deputy Chairman
	Parc Logístic de la Zona Franca, S.A.	Deputy Chairman
	Centro Intermodal de Logística, S.A.	Deputy Chairman
	Abertis Telecom, S.A.	Chairman and Chief Executive Officer
	Retevisión I, S.A.	Sole Administrator
	Tradia Telecom, S.A.	Sole Administrator
	Abertis Aeroports, S.A.	Sole Administrator
Caixa d'Estalvis de Catalunya	Abertis Logística, S.A.	Deputy Chairman
Dragados, S.A.	Abertis Logística, S.A.	Board Member
Antonio García Ferrer, representing Comunidades Gestionadas, S.A.	ACS, Servicios y Concesiones, S.L.	Board Member
Vasco de Mello	Brisa Auto-estradas de Portugal, S.A.	Chairman
Miguel Ángel	Telefónica Internacional	Board Member
Gutiérrez Méndez	Telesp – Brasil	Board Member
Ernesto Mata López	Autopistas Aumar, S.A. Concesionaria del Estado	Board Member

Finally, the Company is not aware that any of the above-mentioned Board members carry out on their own account or on behalf of others the same, similar or complementary activity as that which constitutes the business purpose of Abertis Infraestructuras, S.A.

NOTE 26_OTHER INFORMATION

a) Remuneration of auditors

During 2005 the fees invoiced by PricewaterhouseCoopers Auditores, S.L. and other companies trading under the PricewaterhouseCoopers mark for auditing the annual accounts of the Group totalled 495 thousand and 635 thousand euros, respectively.

In addition, the fees received during the year by other companies trading under the name PricewaterhouseCoopers for other services provided totalled 946 thousand euros.

Additionally, the fees invoiced during 2005 by other auditors for auditing the annual accounts of Group companies and other services provided totalled 158 thousand and 196 thousand euros, respectively.

b) Financial plan

In accordance with the provisions laid down in current legislation, the concessionary companies of Spanish highways have their respective financial plans approved by the corresponding Administration.

c) Concession contracts

The main concession contracts held by the subsidiary Companies of the **abertis** Group are as follows:

- Concession contract for the construction, maintenance and operation of highways signed between the Government of Catalonia (Generalitat de Catalunya) and the Ministry of Public Works (Ministerio de Fomento) with **acesa** of the C-32 and C-33 highways of the Catalan Government and the AP-7 and AP-2 highways of the Central Government, with the contract ending on 31 August 2021.
- Concession contract for the construction, maintenance and operation of the C-32 Pau Casals highway, between the Catalan Government and **aucat**, with the contract ending on 26 January 2039.
- Concession contract for the construction, maintenance and operation of the toll Highways AP-7 (Tarragona-Valencia and Valencia-Alicante) and AP-4 (Seville-Cadiz) entered into by the Ministry of Public Works and **aumar**, which terminates on 31 October 2019. **aumar**, in turn, has contracted with the Ministry of Public Works the provision of maintenance services and the operation of the bridge over the Bay of Cadiz, which is toll free, for extendible four year periods, which was extended in 2004 until 31 December 2008.

- Concession contract for the construction, maintenance and operation of the Villalba-Adanero Highway, entered into by the Ministry of Public Works and **iberpistas** (AP-6), which terminates on 29 January 2018.
- Concession contract for the construction, maintenance and operation of the stretches of the AP-6 toll highway connection with Segovia (AP-61) and AP-6 connection with Ávila (AP-51) entered into by the Ministry of Public Works and **castellana**, which terminates in November 2031.
- Concession contract for the construction, maintenance and operation of the Bilbao-Zaragoza section of the Ebro Highway, now known as the AP-68 highway, entered into by the Ministry of Public Works and **avasa**, which terminates on 11 November 2026.
- Concession contract for the construction, maintenance and operation of the Autopista del Oeste, entered into by the Argentine Government and GCO, which terminates on 31 December 2018.
- Concession contract for the construction, maintenance and operation of the second runway of the El Dorado Airport in the city of Bogota, Colombia, entered into by the Unidad Administrativa Especial de la Aeronáutica Civil (Special Civil Aeronautic Administrative Unit) and Codad, which terminates on 8 June 2025.

saba operates various car parks under concession (contracts signed with local Administrations in the different countries where it operates):

- Spain: 66 operating centres (car parks and metered street parking areas) with a total of 25,388 spaces. The average time to maturity of all the concessions is 24 years.
- Italy: 33 operating centres with 13,952 spaces and an average time to maturity of all the concessions of 27 years.
- Portugal: 16 car parks providing 6,034 spaces under various concessions, with an average time to maturity of 21 years.
- Chile: 3,804 spaces in 10 operating centres with an average time to maturity of the concessions of 27 years.
- Morocco: 5 operating centres with a total of 3,393 parking spaces and an average time to maturity of 11 years.

Sevisur is located on land owned by the Seville Port Authority released under an administrative concession for a period of 30 years.

TBI operates five airports under concession:

- London Luton, with 9.1 million passengers in 2005, whose concession runs to August 2028.
- Orlando Sandford, with 1.6 million passengers in 2005.
- La Paz, Santa Cruz and Cochabamba, Bolivian airports with 2.2 million passengers in 2005, whose concessions conclude in March 2022.

NOTE 27_SUBSEQUENT EVENTS

In February 2006, Holding d'Infrastructures de Transport SAS (HIT), a company in which **abertis** holds a majority shareholding together with other shareholders (Caisse des Dépôts, Predica, Axa, and the Société Foncière, Financière et des Participations), acquired from the French State 75.65% of the toll highway concessionaire Société des Autoroutes du Nord et de l'Est de la France (Sanef). This operation was duly authorised by the French Government through the signing of a ministerial decree, with the acquisition being completed by the transfer of its shareholding in Sanef to the consortium HIT for an amount of 4,028 million euros.

In addition, HIT has presented a Public Takeover Bid to the French Financial Markets Authority for the outstanding 24.35% that is traded on the Paris Stock Exchange.

In February 2006, the Ministry of Public Works (Ministerio de Fomento) and **acesa** reached an agreement to widen the AP-7. The agreement (pending authorisation of the Ministerial Council) will represent a substantial improvement of the Mediterranean corridor (widening to 3 lanes for a stretch of 123 kilometres, to 4 lanes on the Girona ring-road and the replacement of 3 trunk road tollgates with on and off-ramp tollgates), whereby the increased capacity will lead to a better service for clients.

NOTE 28_TRANSITION TO THE INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS)

As indicated in Note 2.a) these Consolidated Annual Accounts for the year ended 31 December 2005 are the first accounts prepared in accordance with the International Financial Reporting Standards (IFRS). Accordingly, the IFRS-1 "First time adoption of the International Financial Reporting Standards" has been applied at the transition date (1 January 2004), with the corresponding opening balance sheet having been prepared under IFRS at that date to provide comparative consolidated accounts for 2004. The date of adopting the IFRS by the Group is from 1 January 2005.

The conversion of the consolidated financial statements prepared under Spanish GAAP to the IFRS requires the use of these accounting policies backdated to the transition date, except in those cases established by IFRS-1, be they of an obligatory or voluntary nature. The exemptions adopted by the Group are detailed below:

a) Business combinations

It has been decided not to restate the business combinations which took place prior to the transition date (1 January 2004), maintaining the existing net goodwill in the consolidated annual accounts of 31 December 2003 prepared under Spanish GAAP.

b) Fair value as attributed cost

Fixed assets have been valued at the book value on the transition date recorded under local accounting standards, which in some cases include revaluations permitted under legislation in force at that date. No asset has been revalued to its fair value at the transition date of 1 January 2004.

c) Employee remuneration

In application of IAS-19, all accumulated actuarial profits and losses at 1 January 2004 have been recognised, with an impact on net equity of very little significance given that under Spanish GAAP actuarial profits and losses were recognised practically in full.

d) Accumulated exchange differences

The accumulated exchange differences at 1 January 2004 have been valued at zero (with the existing balance on that date transferred to accumulated Profits).

e) Retrospective application of IAS-32 and IAS-39 (Financial Instruments)

IAS-32 and IAS-39 on derivative financial instruments and financial assets and liabilities have been applied retrospectively, as well as the hedges existing in the 2004 comparative information.

Consequently, accounting of hedges has been practiced since 1 January 2004, only if the hedge relationship meets the requirements of efficiency established in IAS-39 (Financial instruments: recognition and valuation).

f) Designation of financial assets and liabilities

The Group has reclassified various assets as available-for-sale investments at 1 January 2004.

g) Accounting estimates

The accounting estimates made under IFRS at 1 January 2004 are coherent with those made on the same date under Spanish GAAP, given that there is no evidence that these estimates were erroneous.

h) Assets held for sale and discontinued activities

Management of the Group has decided to apply IFRS 5 prospectively from 1 January 2005, whereby any asset held for sale or any discontinued activity is only recognised from 1 January 2005.

In the preparation of the consolidated balance sheet at 1 January 2004 (transition date) and at 31 December 2004 under IFRS, the Group has made certain adjustments and reclassifications with respect to figures included in the 2004 consolidated accounts under Spanish GAAP. The reconciliation between the consolidated net equity of the Group at 1 January 2004 and 31 December 2004 and the consolidated profit for 2004 obtained under Spanish GAAP and IFRS is detailed as follows:

	Note	1 January 2004	2004 profit attributed to shareholders of abertis	Reserves, accumulated profit and other reserves	Minority interest	31 December 2004
Net equity under Spanish GAAP		**3,107,354**	**467,291**	**(256,951)**	**—**	**3,317,694**
Fixed assets	a)	(178,333)	(26,934)	(2,435)	—	(207,702)
Goodwill	b)	—	54,727	—	—	54,727
Reversal of financial debt recorded	c)	(440,467)	(18,327)	6,955	—	(451,839)
Changes in consolidation scope	d)	43,246	—	55,890	—	99,136
Minority interest	e)	19,325	—	—	23,148	42,473
Derivative financial instruments	f)	(38,350)	(14,950)	(2,600)	—	(55,900)
Deferred taxes	g)	80,923	(3,567)	(1,847)	—	75,509
Intangible assets	h)	(12,001)	1,190	1,145	—	(9,666)
Negative consolidation differences	i)	40,889	(1,474)	—	—	39,415
Other	j)	(31,842)	30,812	1,435	—	405
Net equity under IFRS		**2,590,744**	**488,768**	**(198,408)**	**23,148**	**2,904,252**

The equity adjustments are shown net of the corresponding tax impacts that may exist, including for each item the amounts for fully and proportionally consolidated companies, as well as companies consolidated under equity accounting.

The main differences in net equity at 1 January and 31 December 2004 and in 2004 profit between Spanish GAAP and IFRS are as follows:

a) Fixed assets

Under the sector adaptation of Spanish GAAP, concession assets are depreciated on a straight line basis over their useful life and, in addition, allocations are made to a reversion fund so that the asset to be returned is fully depreciated at the end of the concession. The annual allocation to the reversion fund is calculated in line with income (generally increasing) from the concession, where the resulting depreciation of the assets increases.

Under IFRS the fixed assets should be depreciated on a straight-line basis over their useful life or the concession period, whichever is less. This adjustment has been recorded against reserves at 1 January 2004, net of its corresponding tax impact.

The breakdown of the net impact on the main entries affected in the balance sheet is as follows:

Debit / (Credit)	1 January 2004	31 December 2004
Cancellation reversion fund	2,212,528	2,382,664
Accumulated depreciation of fixed assets	(2,414,629)	(2,617,747)
Provision for replacement of investments	(48,045)	(50,680)
Tax impact of previous adjustments	87,551	100,017
Impact on companies consolidated by equity accounting	(19,096)	(25,429)
Other adjustments	3,358	3,473
	(178,333)	**(207,702)**

b) Goodwill

Under IFRS-3 goodwill is no longer amortised on a straight-line basis as it was under the Spanish GAAP. Instead it is subject to an annual impairment test.

The adjustment recorded corresponds to the reversal of the allocation made for the amortisation of goodwill under Spanish GAAP in 2004.

c) Reversal of the financial debt recorded

Under the sector adaptation of Spanish GAAP, once operations have commenced the financial charge generated from financing investments in the construction of highways under concession must deferred over the life of the concession, based on the income forecast over the concession period. Independently of the financial charge accrued, each year a financial expense is charged to results, which is calculated in line with the income for the year and the total income forecast over the concession period. If the difference between the financial charge accrued and that charged to results is positive, it is recorded as a deferred expense in the balance sheet, whereas the amount recorded is reduced when the accrued expense is less than that charged to results.

Under IFRS, in general, financial expenses cannot be recognised once an investment in assets has become operative. The adjustment of the interest recognised has been recorded against accumulated profits, under IFRS, net of their corresponding tax impact.

The breakdown of the net impact on the main balance sheet entries affected is as follows:

Debit / (Credit)	**1 January 2004**	**31 December 2004**
Reversal of financial charge recorded	(542,568)	(534,048)
Tax impact of previous adjustments	189,899	186,917
Impact on companies consolidated by equity accounting	(91,324)	(101,409)
Other adjustments	3,526	(3,299)
	(440,467)	**(451,839)**

d) Changes in consolidation scope

Under Spanish GAAP it is assumed that a company exercises significant influence in the company in which it has invested (and therefore it is an associated company and can be consolidated by equity accounting) if its shareholding is more than 20%, or 3% in the case of listed companies.

Under IFRS, the shareholdings in listed companies that do not meet with the definition of associated companies outlined in Note 2.b) (under Spanish GAAP shareholdings of more than 3% in listed companies is not contemplated) are classified as available-for-sale investments and recorded at fair value.

The impact recorded due to changes in the consolidation scope corresponds to the Brisa shareholding (a listed Portuguese highway concessionaire in which **abertis** holds 10%), which is not consolidated by equity accounting because it is considered that **abertis** does not exert significant influence, and consequently, is recorded at market value (listed price).

Debit / (Credit)	**1 January 2004**	**31 December 2004**
Goodwill Brisa as per Spanish GAAP	(176,674)	(170,578)
Investment in associated companies as per Spanish GAAP	(131,080)	(135,286)
Value of Brisa shares	351,000	405,000
	43,246	**99,136**

e) Minority interest

In accordance with IFRS, minority interest should be presented as part of net equity, separated from the equity attributed to the shareholders of **abertis**. The amount of the adjustment includes the incorporation of the balance recognised under Spanish GAAP at 1 January 2004 of 27,844 thousand euros (46,187 thousand euros at 31 December 2004), and the negative effect of the minority interest of the other IFRS adjustments, of 8,519 thousand euros at 1 January 2004 and 3,714 thousand euros at 31 December 2004, generated mainly in relation to the entries for tangible and intangible fixed assets and the reversal of financial debt recorded.

f) Derivative financial instruments

As indicated in Note 3.e, under IFRS the derivative financial instruments must be recorded at fair value, with an impact on reserves or profit and loss depending on their nature and whether they are classified as hedges, and the type of hedge.

At 1 January 2004 the impact of all the derivative financial instruments existing on that date was recorded against reserves on first-time adoption of IFRS, net of their corresponding tax impact.

The amounts in the balance sheet at 31 December 2004 are those shown in Note 9.

g) Deferred taxes

This corresponds mainly to the accounting treatment under IAS 12 (Corporation Tax) of certain deferred taxes not considered under Spanish GAAP. The effect recorded includes an amount of 68,993 thousand euros corresponding to the amount of a deferred tax recognised under IAS in the company Autostrade (included in the consolidated accounts of the associated company Schemaventotto).

h) Intangible assets

Under Spanish GAAP criteria, the intangible assets that are expected to generate profits in future years are recognised at cost, adjusted for the accumulated amortisation calculated on a straight-line basis over the period in which they are expected to generate said profits. These intangible assets do not meet the conditions which define an asset under IFRS and have been eliminated from the balance sheet with a charge against accumulated profits, net of their tax effect.

i) Negative consolidation differences

Under Spanish GAAP, the negative consolidation differences (negative goodwill) arising from the elimination of investments against the net equity of the investment on the date of acquisition that were not included in the value of the assets and liabilities of the entity being consolidated, were recorded as a liability as "Negative consolidation differences", which was reversed annually against the profit and loss account. In accordance with IFRS-3, the negative consolidation difference pending reversal has been adjusted against accumulated profits.

j) Others

Under this entry different items are included that were accounted for under Spanish GAAP in 2004 whilst under IFRS they are recorded against first-time adoption reserves.

In addition to the impacts on the consolidated balance sheet indicated above as counterpart to the IFRS equity adjustments, the following significant reclassifications have made in the balance sheet at 31 December 2004 under IFRS compared to the balance sheet under Spanish GAAP at the same date:

- Under IFRS the goodwill corresponding to associated companies of a value of 188,183 thousand euros is shown as a higher amount of the shareholdings in associated companies instead of under the Goodwill entry.
- Those deferred tax assets classified as "Other long-term credits" under Spanish GAAP for an amount of 151,038 thousand euros, are shown as "Deferred tax assets" in the assets of the consolidated balance sheet under IFRS.
- As mentioned above, the total amount of the accumulated exchange differences at 1 January 2004 recorded under Spanish GAAP of 165,194 thousand euros has been transferred to accumulated profits under IFRS.

As a result of the transition to IFRS, there have not been significant reclassifications in the profit and loss account for 2004, other than those arising due to the impacts on the profit and loss account detailed above.

ANNEX I

Subsidiary companies included in the consolidation scope

Company	Registered office
DIRECT SHAREHOLDINGS	
Abertis Infraestructuras Finance, B.V.	Rokin, 55 1012KK. Amsterdam. Netherlands
Serviabertis, S.L.	Av. del Parc Logístic, 12-20. Barcelona
Highway operations	
Autopistas, C.E.S.A. (**acesa**)	Av. del Parc Logístic, 12-20. Barcelona
Autopistas Aumar, S.A.C.E. (**aumar**)	Paseo de la Alameda, 36. Valencia
Iberpistas, S.A.C.E.	Pío Baroja, 6. Madrid
Aurea Limited	180 Strand. London. United Kingdom
Holding d'Infraestructures de Transport	105 Rue de l'Abbe Groult 75015. Paris 15. France
Promoción de Autopistas de Chile Limitada (Iberpistas Chile)	Gertrudis Echenique, 30. Las Condes-Santiago. Chile
Gestión Integral de Concesiones S.A. (GICSA)	Montalbán, 5. Madrid
Autopistas de Puerto Rico y Compañía, S.E. (APR)	Montellano Sector Embalse San José. San Juan de Puerto Rico 00923. Puerto Rico
Car Parks	
Saba Aparcamientos, S.A. (**saba**)	Av. del Parc Logístic, 12-20. Barcelona
Logistics	
Abertis Logística, S.A.	Av. del Parc Logístic, 12-20. Barcelona
Telecommunications	
Abertis Telecom, S.A.	Av. del Parc Logístic, 12-20. Barcelona
Airports	
Abertis Aeroports, S.A.	Av. del Parc Logístic, 12-20. Barcelona
Airport Concession and Development Limited (ACDL)	159, New Bond Street. London W1S 2UD. United Kingdom
Compañía de Desarrollo Aeropuerto Eldorado, S.A. (CODAD)	Aeropuerto Eldorado, Muelle Internacional, piso 2, Costados Sur. Bogotá D.C. Colombia

(*) Corresponds to % shareholding of Abertis Infraestructuras, S.A. (direct or indirect) with respect to each of the companies held.
This annex forms part of Note 2.b of the notes to the 2005 annual accounts with which it should be read.

Shareholding Cost (thousand euros)	% (*)	Company owning shareholding	Consolidation method	Activity	Auditor
2,000	100,00%	**abertis**	Fully consolidated	Financial services	PwC
3	100.00%	**abertis**	Equity accounting	Administrative management services	PwC
1,647,187	100.00%	**abertis**	Fully consolidated	Toll highway concessionaire	PwC
991,587	100.00%	**abertis**	Fully consolidated	Toll highway concessionaire	PwC
223,560	100.00%	**abertis**	Fully consolidated	Toll highway concessionaire	PwC
23,363	100.00%	**abertis**	Equity accounting	Holding company	Other auditors
42	100.00%	**abertis**	Fully consolidated	Holding company	PwC
805	100% (1)	**abertis** / Gicsa	Equity accounting	Toll highway concessionaire	PwC
60	99.80%	**abertis**	Equity accounting	Infrastructure administration and management	N/A
4,640	75.00%	**abertis**	Equity accounting	Infrastructure concessionaire	Other auditors
231,296	99.28%	**abertis**	Fully consolidated	Car park operator	PwC
72,993	100.00%	**abertis**	Fully consolidated	Logistics promotion and technical assistance	PwC
326,433	100.00%	**abertis**	Fully consolidated	Telecommunication services	Other auditors
2,256	100.00%	**abertis**	Fully consolidated	Promotion, construction, management and operation of airports	PwC
531,314	90.00%	**abertis**	Fully consolidated	Holding company	PwC
45,751	85.00%	**abertis**	Fully consolidated	Construction and maintenance of airports	Other auditors

Subsidiary companies included in the consolidation scope

Company	Registered office
INDIRECT SHAREHOLDINGS	
Through Autopistas, C.E.S.A.	
Autopistas-Conces. Espanhola, SGPS, S.A.	Rua General Norton de Matos, 21-A. Arquiparque Algés Oeiras. Portugal
Acesa Italia, S.R.L.	Via delle Quatro Fontane, 15. Rome. Italy
Autopistes de Catalunya, S.A. (**aucat**)	Av. del Parc Logístic, 12-20. Barcelona
Grupo Concesionario del Oeste, S.A. (GCO) (2)	Ruta Nacional nº 7, km 25,92. Ituzaingó. Argentina
Through Iberpistas, S.A.C.E.	
Castellana de Autopistas, S.A.C.E.	Pío Baroja, 6. Madrid
Autopistas de León, S.A.C.E. (AULESA)	Villadangos del Páramo. Ctra. Santa María del Páramo. León
Ibermadrid de Infraestructuras, S.A.	Pío Baroja, 6. Madrid
Through Iberpistas Chile	
Gestora de Autopistas, S.A. (GESA)	Andrés Bello, 2777. Las Condes. Santiago. Chile
Through Saba Aparcamientos, S.A.	
Spel-Sociedade de Parques de Estacionamiento, S.A. (SPEL)	Guedes de Azevedo, 148-180. Porto. Portugal
Saba Italia, S.p.A.	Via delle Quatro Fontane, 15. Rome. Italy
Parbla, S.A.	Sabino Arana, 38. Barcelona
Saba Estacionamientos de Chile, S.A.	Andrés Bello, 2777. Las Condes. Santiago. Chile
Societat Pirenaica d'Aparcaments, S.A. (SPASA)	Pau Casals, 7. Escaldes-Engordany. Principality of Andorra
Societat d'Aparcaments de Terrassa, S.A. (SATSA)	Plaça Vella, subsuelo. Terrassa
Rabat Parking S.A.	Rue de Larache, 8. Rabat. Morocco
Liz Estacionamientos	Guedes de Azevedo, 148-180. Oporto. Portugal
Saba Campo San Giacomo	Via delle Quatro Fontane, 15. Rome. Italy
Parcheggi Pisa	Via delle Quatro Fontane, 15. Rome. Italy
Saba Park Chile, S.A.	Andrés Bello, 2777. Las Condes. Santiago. Chile
Concesionaria Subterra	Andrés Bello, 2777. Las Condes. Santiago. Chile
Concesionaria Subterra Dos	Andrés Bello, 2777. Las Condes. Santiago. Chile
Saba Park Chile Servicios, S.A.	Andrés Bello, 2777. Las Condes. Santiago. Chile
Concesionaria Estacionamientos Paseo Bulnes, S.A.	Andrés Bello, 2777. Las Condes. Santiago. Chile

(*) Corresponds to % shareholding of Abertis Infraestructuras, S.A. (direct or indirect) with respect to each of the companies held.
This annex forms part of Note 2.b of the notes to the 2005 consolidated annual accounts with which it should be read.

Shareholding Cost (thousand euros)	Shareholding % (*)	Company owning shareholding	Consolidation method	Activity	Auditor
309,353	100.00%	**acesa**	Fully consolidated	Holding company	Other auditors
194,291	100.00%	**acesa**	Equity accounting	Holding company	PwC
162,352	100.00%	**acesa**	Fully consolidated	Toll highway concessionaire	PwC
24,498	48.60%	**acesa**	Fully consolidated	Toll highway concessionaire	PwC
234,000	100.00%	**iberpistas**	Fully consolidated	Toll highway concessionaire	PwC
43,168	79.20%	**iberpistas**	Equity accounting	Toll highway concessionaire	PwC
352	100.00%	**iberpistas**	Equity accounting	Dormant	N/A
1,041	51.00%	Iberpistas Chile	Equity accounting	Toll highway concessionaire	PwC
38,418	99.28%	**saba**	Fully consolidated	Car park operator	PwC
23,326	99.28%	**saba**	Fully consolidated	Car park operator	PwC
1,880	99.28%	**saba**	Fully consolidated	Car park operator	N/A
11,500	99.27%	**saba**	Fully consolidated	Car park operator	PwC
100	89.35%	**saba**	Fully consolidated	Car park operator	N/A
5,874	87.41%	**saba**	Fully consolidated	Car park operator	PwC
1,138	50.63%	**saba**	Fully consolidated	Car park operator	Other auditors
250	50.63%	Spel	Fully consolidated	Car park operator	PwC
100	98.29%	Saba Italia	Fully consolidated	Car park operator	PwC
35	69.50%	Saba Italia	Fully consolidated	Car park operator	PwC
1,606	98.68%	Saba Estacionamientos de Chile, S.A.	Fully consolidated	Car park operator	PwC
1,248	99.26%	Saba Estacionamientos de Chile, S.A.	Fully consolidated	Car park operator	PwC
805	99.26%	Saba Estacionamientos de Chile, S.A.	Fully consolidated	Car park operator	PwC
52	99.26%	Saba Estacionamientos de Chile, S.A.	Fully consolidated	Car park operator	PwC
312	98.68%	Saba Park Chile, S.A.	Fully consolidated	Car park operator	PwC

Subsidiary companies included in the consolidation scope

Company	Registered office
Through abertis logística	
Sevisur Logística, S.A.	Moratín, 1. Seville
Through abertis telecom	
Retevisión I, S.A.	Gran Via de les Corts Catalanes, 130-136. Barcelona
Tradia Telecom, S.A.	Motors, 392. L'Hospitalet de Llobregat. Barcelona
Servicios Audiovisuales Alella, S.L.	Gran Via de les Corts Catalanes, 130-136. Barcelona
Adquisición de Emplazamientos, S.L. (ADESAL)	Motors, 392. L'Hospitalet de Llobregat. Barcelona
Through ACDL	
TBI plc	159, New Bond Street. London W1S 2UD. United Kingdom
TBI Finance Ltd	159, New Bond Street. London W1S 2UD. United Kingdom
Airport Group International Holdings LLC	c/o Corporation Trust Center, 1209 Orange Street, Wilmington, Delaware 19801. USA
TBI International Airports Limited	159, New Bond Street. London W1S 2UD. United Kingdom
TBI Global Limited	159, New Bond Street. London W1S 2UD. United Kingdom
TBI Aiviation Limited	159, New Bond Street. London W1S 2UD. United Kingdom
TBI Financial Investments Limited	c/o PricewaterhouseCoopers LLP, 68-73 Queen Street. Edinburgh UK
TBI (US) Holdings Limited	159, New Bond Street. London W1S 2UD. United Kingdom
TBI Airport Holdings Limited	159, New Bond Street. London W1S 2UD. United Kingdom
TBI Costa Rica SRL	Forum Business Park, Building G, Fourth Floor. Santa Ana. Costa Rica
Stockholm Skavsta Flygplats AB	Box 44, 611 22 Nyköping. Sweden
TBI Global (Business Travel) Limited	159, New Bond Street. London W1S 2UD. United Kingdom
TBI US Operations Inc	c/o Corporation Service Company, 2711 Centreville Road, Suite 400, Wilmington, Delaware, 19808. USA
Belfast International Airport Holdings Limited	159, New Bond Street. London W1S 2UD. United Kingdom
LLAG Investors (UK) Limited	159, New Bond Street. London W1S 2UD. United Kingdom
London Luton Airport Group Limited	159, New Bond Street. London W1S 2UD. United Kingdom
Cardiff International Airport Limited	159, New Bond Street. London W1S 2UD. United Kingdom

(*) Corresponds to % shareholding of Abertis Infraestructuras, S.A. (direct or indirect) with respect to each of the companies held.
This annex forms part of Note 2.b of the notes to the 2005 consolidated annual accounts with which it should be read.

Shareholding					
Cost (thousand euros)	% (*)	Company owning shareholding	Consolidation method	Activity	Auditor
5,402	60.00%	**abertis logística**	Fully consolidated	Construction and operation of logistic parks	PwC
181,152	100.00%	**abertis telecom**	Fully consolidated	Telecommunications infrastructure operator	Other auditors
134,497	100.00%	**abertis telecom**	Fully consolidated	Telecommunications infrastructure operator	Other auditors
4,968	100% (3)	**retevisión / tradia**	Fully consolidated	Audiovisual and telecommunication services	Other auditors
3	100.00%	**tradia**	Equity accounting	Dormant	N/A
810,803	90.00%	ACDL	Fully consolidated	Holding company	PwC
132,278	90.00%	TBI plc	Fully consolidated	Financial services	PwC
125,141	90.00%	TBI plc	Fully consolidated	Holding company	PwC
59,003	90.00%	TBI plc	Fully consolidated	Holding company	PwC
-	90.00%	TBI plc	Fully consolidated	Dormant	PwC
-	90.00%	TBI plc	Fully consolidated	Aircraft leasing	PwC
102	90.00%	TBI Finance Ltd	Fully consolidated	Finance company	PwC
38,452	90.00%	TBI International Airports Limited	Fully consolidated	Holding company	PwC
12,916	90.00%	TBI International Airports Limited	Fully consolidated	Holding company	PwC
-	90.00%	TBI International Airports Limited	Fully consolidated	Technical consulting services	PwC
27,166	81.09%	TBI International Airports Limited	Fully consolidated	Airport management and operation	PwC
-	90.00%	TBI Global Limited	Fully consolidated	Dormant	PwC
56,609	90.00%	TBI (US) Holdings Limited	Fully consolidated	Holding company	PwC
105,647	90.00%	TBI Airport Holdings Limited	Fully consolidated	Holding company	PwC
88,148	90.00%	TBI Airport Holdings Limited	Fully consolidated	Holding company	PwC
76,143	90.00%	TBI Airport Holdings Limited	Fully consolidated	Holding company	PwC
56,037	90.00%	TBI Airport Holdings Limited	Fully consolidated	Airport management and operation	PwC

Subsidiary companies included in the consolidation scope

Company	Registered office
TBI Overseas Holdings Inc	c/o Corporation Service Company, 2711 Centreville Road, Suite 400, Wilmington, Delaware, 19808. USA
Orlando Sanford International Inc	2 Red Cleveland Boulevard, Suite 210, Sanford, Florida, FL32773. USA
TBI Real Estate Holdings LLC	2711 Centreville Road, Suite 400, Wilmington, Delaware 19808. USA
TBI Airport Management Inc	PO Box 6041, Toronto AMF, Toronto, Ontario, L5P 1B2. Canada
Orlando Sanford Domestic Inc	2711 Centreville Road, Suite 400, Wilmington, Delaware 19808. USA
TBI Cargo Inc	2711 Centreville Road, Suite 400, Wilmington, Delaware 19808. USA
Belfast International Airport Limited	Belfast International Airport, Aldergrove, BT29 4AB. Ireland
Aldergrove Airports Limited	159 New Bond Street. London W1S 2UD. United Kingdom
Aldergrove International Airports Limited	Belfast International Airport, Aldergrove, BT29 4AB. Ireland
London Luton Airport Operations Limited	159 New Bond Street. London W1S 2UD. United Kingdom
MB 121 Limited	159 New Bond Street. London W1S 2UD. United Kingdom
TBI Overseas (UK) LLC	c/o Corporation Service Company, 2711 Centreville Road, Suite 400, Wilmington, Delaware, 19808. USA
TBI (US) LLC	2711 Centreville Road, Suite 400, Wilmington, Delaware 19808. USA
TBI Toronto Inc	PO Box 6041, Toronto AMF, Toronto, Ontario, L5P 1B2. Canada
Airport Group New York Inc	c/o CT Corporation System, 818 West 7th Street, Los Ángeles, CA 90017. USA
TBI Airport Management Canada Inc	66 Wellington Street West, Suite 3600, Toronto, Ontario. Canada
Aldergrove Car Parks Limited	Belfast International Airport, Aldergrove, BT29 4AB. Ireland
TBI Overseas (Bolivia) LLC	c/o Corporation Service Company, 2711 Centreville Road, Suite 400, Wilmington, Delaware, 19808. USA
TBI Partnership	PO Box 6041, Toronto AMF, Toronto, Ontario, L5P 1B2. Canada
Servicios de Aeropuertos Bolivianos, S.A.	Santa Cruz de la Sierra. Santa Cruz, Bolivia

(*) Corresponds to % shareholding of Abertis Infraestructuras, S.A. (direct or indirect) with respect to each of the companies held.
This annex forms part of Note 2.b of the notes to the 2005 consolidated annual accounts with which it should be read.

Shareholding Cost (thousand euros)	% (*)	Company owning shareholding	Consolidation method	Activity	Auditor
120,594	90.00%	TBI US Operations Inc	Fully consolidated	Holding company	PwC
6,616	90.00%	TBI US Operations Inc	Fully consolidated	Airport management and operation	PwC
2,667	90.00%	TBI US Operations Inc	Fully consolidated	Real estate	PwC
781	90.00%	TBI US Operations Inc	Fully consolidated	Airport management and operation	PwC
-	90.00%	TBI US Operations Inc	Fully consolidated	Airport management and operation	PwC
-	90.00%	TBI US Operations Inc	Fully consolidated	Air cargo	PwC
486,695	90.00%	Belfast International Airport Holdings Limited	Fully consolidated	Airport management and operation	PwC
-	90.00%	Belfast International Airport Holdings Limited	Fully consolidated	Dormant	PwC
-	90.00%	Belfast International Airport Holdings Limited	Fully consolidated	Dormant	PwC
7,696	90.00%	London Luton Airport Group Limited	Fully consolidated	Airport management and operation	PwC
-	90.00%	Cardiff International Airport Limited	Fully consolidated	Dormant	PwC
25,452	90.00%	TBI Overseas Holdings Inc	Fully consolidated	Technical consulting services	PwC
17,597	90.00%	TBI Overseas Holdings Inc	Fully consolidated	Holding company	PwC
779	90.00%	TBI Airport Management Inc	Fully consolidated	Airport management and operation	PwC
1	90.00%	TBI Airport Management Inc	Fully consolidated	Dormant	PwC
-	90.00%	TBI Airport Management Inc	Fully consolidated	Airport management and operation	PwC
-	90.00%	Belfast International Airport Limited	Fully consolidated	Car park operator	PwC
17,597	90.00%	TBI (US) LLC	Fully consolidated	Holding company	PwC
-	90.00%	TBI Toronto Inc	Fully consolidated	Airport management and operation	PwC
3,225	90.00%	TBI Overseas (Bolivia) LLC	Fully consolidated	Airport management and operation	PwC

ANNEX II

Multigroup companies included in the consolidation scope

Company	Registered office
Through Iberpistas S.A.C.E.	
Autopistas Vasco-Aragonesa, C.E.S.A. (AVASA)	Barrio de Anuntzibai, s/n 48410. Orozco. Vizcaya
Through abertis logísitica	
Areamed 2000, S.A.	Vía Augusta, 21-23. Barcelona
Parc Logístic de la Zona Franca, S.A. (PLZF)	Av. del Parc Logístic, 2-10. Barcelona

(*) Corresponds to % shareholding of Abertis Infraestructuras, S.A. (direct or indirect) with respect to each of the companies held.
This annex forms part of Note 2.b of the notes to the 2005 consolidated annual accounts with which it should be read.

Shareholding Cost (thousand euros)	% (*)	Company owning shareholding	Consolidation method	Activity	Auditor
219,996	50	**iberpistas**	Proportional integration	Toll highway concessionaire	PwC
35	50	**abertis logística**	Proportional integration	Operation of service areas	Other auditors
11,871	50	**abertis logística**	Proportional integration	Promotion and operation of logistic parks	Other auditors

ANNEX III

Associate companies included in the consolidation scope

Company	Registered office	Shareholding Cost (thousand euros)	% (*)	Assets
DIRECT SHAREHOLDINGS				
Concesionaria Vial de los Andes, S.A. (COVIANDES)	Carretera novena, 126-91. Santafé Bogotá. Colombia	17,789	39.04	131,618
Pt Operational Services Limited (PTY)	1, Lavender Road. Bon Accord 009. Pretoria. South Africa	0	33.30	4,890
Autopistas del Sol, S.A. (AUSOL)	Leandro N. Alem, 986, piso 4. Buenos Aires. Argentina	147,548	31.59	203,543
Sociedad Concesionaria del Equi, S.A. (ELQUI)	Av. Andrés Bello, 2777. Las Condes. Santiago. Chile	22,748	25.00	461,092
INDIRECT SHAREHOLDINGS				
Through Autopistas C.E.S.A.				
Túnel del Cadí, S.A.C.	Carretera de Vallvidrera a St. Cugat, km 5,3. Barcelona	26,205	37.19	124,012
Autopista Terrassa-Manresa, Autema, Concessionària de la Generalitat de Catalunya, S.A. (AUTEMA)	Autopista C-16, km 41. Barcelona	46,292	23.72	238,402
Schemaventotto, S.p.A.	Corso Trieste. 170. 10024 Moncalieri (Italy)	194,107	13.33	2,329,850
Autostrade, S.p.A. (4)/(5)	Via Bergamini, 50. Rome. Italy	2,044,204	6.68	16,142,250
Through Aumar, S.A.C.E				
Ciralsa, S.A.C.E.	Av. Maisonnave, 41. Alicante	12,542	25.00	162,574
Through Iberpistas, S.A.C.E.				
Autopista Trados-45, S.A. (TRADOS-45)	Ctra. M-203 P.K. 0,280. Madrid	46,150	50.00	193,873
Alazor Inversiones, S.A.	Carretera M-50, km. 67,5. Área de Servicio la Atalaya Villaviciosa de Odón. Madrid	66,460	31.22	745,754
Infraestructuras y Radiales, S.A. (IRASA)	Golfo de Salónica, 27. Madrid	20,032	22.5 (6)	473,280
M-45 Conservación, S.A.	Ctra. M-203 P.K. 0,280. Madrid	277	25.00	761
Accesos de Madrid, C.E.S.A.	Carretera M-50, km. 67,5 Área de Servicio la Atalaya Villaviciosa de Odón. Madrid	212,205	31.22	1,043,799

(*) Corresponds to % shareholding of Abertis Infraestructuras, S.A. (direct or indirect) with respect to each of the companies held.
This annex forms part of Note 2.b of the notes to the 2005 consolidated annual accounts with which it should be read.

Liabilities	Income	Profit/ (Loss)	Company owning shareholding	Consolidation method	Activity	Auditor
101,391	31,773	22,761	**abertis**	Equity accounting	Infrastructure concessionaire	Other auditors
3,055	8,961	1,724	**abertis**	Equity accounting	Operation and maintenance	Other auditors
332,132	43,166	(4,052)	**abertis**	Equity accounting	Toll highway concessionaire	PwC/Other auditors
362,180	23,885	15,403	**abertis**	Equity accounting	Toll highway concessionaire	Other auditors
96,823	20,082	6,555	**acesa**	Equity accounting	Toll highway concessionaire	Other auditors
306,986	35,619	9,677	**acesa**	Equity accounting	Toll highway concessionaire	PwC
270,609	-	394,606	Acesa Italia	Equity accounting	Holding company	Other auditors
12,777,877	2,223,279	662,376	Schemaventotto	Equity accounting	Toll highway concessionaire	Other auditors
112,407	9,360	-	**aumar**	Equity accounting	Constrution, maintenance and operation of toll highways	Other auditors
165,792	22,482	6,510	**iberpistas**	Equity accounting	Infrastructure concessionaire	PwC
550,418	178	(6,886)	**iberpistas**	Equity accounting	Holding company	Other auditors
468,945	-	(15,479)	**iberpistas** / Avasa	Equity accounting	Administration and management of infrastructures	Other auditors
208	1,291	-	Trados-45	Equity accounting	Conservation and maintanence of highways	Other auditors
898,808	16,981	(37,143)	Alazor Inversiones	Equity accounting	Toll highway concessionaire	Other auditors

Associate companies included in the consolidation scope

Company	Registered office	Shareholding Cost (thousand euros)	% (*)	Assets
Autopista del Henares, S.A.C.E. (HENARSA)	Golfo de Salónica, 27. Madrid	426,550	22.50	451,002
Erredosa Infraestructuras,S.A. (ERREDOSA)	Golfo de Salónica, 27. Madrid	61	22.50	55
Through Aurea Ltd.				
Road Management Group (RMG)	130, High Street Old. Woking Surrey. United Kingdom	9,242	25.00	454,729
Through saba				
Las Mercedes Sociedad Concesionaria, S.L.	Las Mercedes, s/n. Las Arenas-Getxo. Vizcaya	539	33.09	10,134
Parcheggi Bicocca	Via delle Quatro Fontane, 15, Rome. Italy	44	24.82	21,541
Port Mobility	Via delle Quatro Fontane, 15. Rome. Italy	150	9.93	2,040
Through abertis logística				
Araba Logística, S.A. (ARASUR)	Fueros, 15. Vitoria	7,469	42.61	58,348
Centro Intermodal de Logística, S.A. (CILSA)	Av. Ports d'Europa, 100. Barcelona	25,429	32.00	131,561
Through abertis telecom				
Torre de Collserola, S.A.	Ctra. de Vallvidrera al Tibidabo, s/n. Barcelona	3,483	41.75	22,511
Consorcio de Telecomunicaciones Avanzadas	Av. Juan Carlos I, 59. Espinardo. Murcia	250	25.00	989
Emissions Digitals de Catalunya, S.A.	Av. Diagonal, 477, planta 1ª. Barcelona	300	10.00	3,078

(*) Corresponds to % shareholding of Abertis Infraestructuras, S.A. (direct or indirect) with respect to each of the companies held.
This annex forms part of Note 2.b of the notes to the 2005 consolidated annual accounts with which it should be read.

(1) **abertis** shareholding: 100%. Direct 99.75%; indirect through Gicsa 0.25%.

(2) The shares of GCO are traded on the Argentina Stock Exchange. The average share price of the last quarter of 2005 was 1.91 Argentine pesos. At the end of the year, the share price was 1.85 Argentine pesos. The company holds 57.6% of the voting rights.

(3) Indirect shareholding of **abertis**: 100%. Indirect through **retevisión**: 78.37% and **tradia**: 21.63%.

Liabilities	Income	Profit/ (Loss)	Company owning shareholding	Consolidation method	Activity	Auditor
54,513	16,232	(11,493)	Infraestructuras y Radiales	Equity accounting	Toll highway concessionaire	Other auditors
1	-	(2)	Infraestructuras y Radiales	Equity accounting	Administration and management of infrastructures	Other auditors
441,342	59,035	971	Aurea Limited	Equity accounting	Toll highway concessionaire	Other auditors
9,859	180	-	**saba**	Equity accounting	Car park operator	PwC
21,467	254	(1,426)	Saba Italia	Equity accounting	Car park operator	PwC
540	-	-	Saba Italia	Equity accounting	Car park operator	Other auditors
41,955	-	(387)	**abertis logística**	Equity accounting	Construction and operation of logistic parks	PwC
89,605	13,144	1,352	**abertis logística**	Equity accounting	Construction and operation of logistic parks	Other auditors
13,684	3,976	173	**retevisión**	Equity accounting	Construction and operation of telecommunication infrastructures	Other auditors
17	-	(27)	**tradia**	Equity accounting	Provision of services for operators and telecommunication concessions	N/A
32	53	16	**tradia**	Equity accounting	Radio and TV signal transmission	N/A

(4) The shares of Autostrade, S.p.A. are traded on the Milan Stock Exchange. The average share price of the last quarter of 2005 was 19.45 euros. At the end of the year, the share price was 20.26 euros.

(5) Consolidated information at 30 September 2005.

(6) Indirect shareholding of **abertis**: 22,5%. Indirect through **iberpistas**, S.A.C.E.:15% and Avasa: 7,5%.

ABERTIS INFRAESTRUCTURAS, S.A.
CONSOLIDATED MANAGEMENT REPORT FOR 2005

The **abertis** Group provides its services in the area of infrastructure management serving mobility and communications. It operates in the sectors of highways, car parks, logistics infrastructure, telecommunication infrastructure and airports.

Significant events

There have been a number of significant events in the Group during 2005:

- In the highways sector, the sale by Schemaventotto (the company that groups the core shareholders of Autostrade) of 2.053% of Autostrade, reducing the indirect shareholding of **abertis** to 6.68%, the sale of shareholdings in Concesiones de Madrid (25%) and Autopista Central Gallega (18%) and the increase in the shareholding in Accesos de Madrid (to 31.2%). In December 2005, a consortium led by **abertis** was selected by the French Government to acquire the highway concessionaire Sanef. The effective acquisition of 75.7% of this company took place at the beginning of February 2006, and the Public Takeover Bid for the outstanding 24.3% commenced.
- In the car park sector, **saba** acquired 40% of Saba Italia (raising its shareholding to 100%) during the year and has continued its expansion in Chile (acquisition of companies that manage 7 car parks), Italy (acquisition in Venice and opening in Modena) and Portugal (opening of two car parks).
- In the logistics infrastructure sector the development of the logistics projects in Álava, Seville and ZAL Prat continues, in which **abertis** is participating and the Parc Logístic de la Zona Franca and ZAL Barcelona remain fully occupied.
- In the telecommunication infrastructures sector the initiation of Digital Terrestrial Television is of particular note, with significant involvement of subsidiary companies of **abertis telecom** as sole providers of the distribution of this new type of signal, as well as the award of two tenders for the transmission of autonomous TV and radio signals.
- Finally, in the airports sector the company ACDL, in which **abertis** holds 90%, took full control of the company TBI, having launched a Public Takeover Bid in 2004, giving it a 29% stake at the end of 2004. Also of note was the inauguration of the expansion of the London-Luton airport terminal managed by TBI.

New financial standards

This is the first year the annual financial statements of the Group have been prepared under International Financial Reporting Standards (IFRS). These standards promoted by the European Union and applicable to listed companies from 1 January 2005 have led to a series of changes that are summarised as follows:

- Changes in presentation with new financial statements (statement of income and expenses affecting equity and cash flow statement) and changes in the structure, quantity and type of information provided compared to the local Spanish accounting standards in force up until this date.

- Changes in the accounting principles whose impact on the **abertis** Group is mainly concentrated on the derivatives, whereby the current Spanish accounting standard for the sector covering toll highway concessionaire companies is no longer applicable. This sector adaptation of the Spanish accounting standards (Spanish GAAP) allowed, amongst other things, the deferral of certain costs over the life of the concession (financial charges and amortisation/reversion fund).

In the Consolidated Annual Accounts the full impact arising from these new financial reporting standards is shown. As the Group's activity is diversified across different sectors and a significant part of the highway concessions are in a mature phase, the effects on the consolidated results and equity have not been significant.

For comparative purposes, the figures for 2004 have also been converted to IFRS and consequently these figures do not coincide with the 2004 Consolidated Annual Accounts presented.

Activity and results

2005 has been a good year for **abertis**, with all business units reporting an increase in their activity. In the case of the highways, which represents the main sector of activity in terms of consolidated income, average daily traffic (the main indicator for measuring activity) on the combined Spanish network rose 2.3% to 28,993 vehicles.

The other sectors have also increased their recurring income, with the increase in the number of passengers registered by the airport operator TBI (more than 11% up on the previous year) of special note.

In the analysis of the evolution of the profit and loss account for 2005, the following two factors make comparability difficult:

- The inclusion of TBI from January has represented an increase across the board in income and expenses for the year.
- Extraordinary or non-recurrent items in 2005 and in the previous year also affect comparability. The result for 2004 included a capital gain of 70 million euros generated from the sale by Schemaventotto of 10% of Autostrade and the sale by Autostrade of a 5% holding that it had in **abertis**. The result for 2005, in contrast, includes 42 million euros corresponding to capital gains from the sale by Schemaventotto of 2% of Autostrade, capital gains from the sale of holdings in Concesiones de Madrid and Autopista Central Gallega and compensation for the rate freeze in previous years.

Taking this into account, the consolidated profit for the year attributed to shareholders was 511 million euros, which represents a 4.6% increase on the previous year (or 12.1% on a comparable basis, excluding the impact of extraordinary items and non-recurring items).

Operating income reached 1,906 million euros (up 23% on 2004). The inclusion of TBI has altered the relative weight of the various business units in terms of income. The highway sector has gone from 74% to 63% of total income, car parks continue to contribute 6%, telecommunication infrastructures have dropped from 17% to 15%, airports have increased from 2% to 15% and logistic infrastructures remain at around 1%.

Balance Sheet

The balance sheet reflects the effect of the inclusion of the new companies acquired and the expansion of existing businesses. Total assets have increased from 7,095 million euros at 31 December 2004 to 8,447 million euros at the end of 2005. Of total assets, more than 50% correspond to fixed assets in accordance with the nature of the Group's businesses related to infrastructure management.

Total investment of the Group in 2005 was more than 900 million euros, with the majority related to investment in expansion (close to 80% of the total).

Consolidated shareholders' funds increased to 3,036 million euros, 5% more than the previous year.

Debt at 31 December 2005 (4,256 million euros) represented 140% of the shareholders' funds and 50% of liabilities, percentages that are lower than the other large European infrastructure operators. As part of the continuous process of optimising the financial structure of the Group (increasing the period of maturity and diversifying the different financial instruments), a long term bond issue of 700 million euros was placed with institutional investors during the year.

The financial equilibrium of **abertis** must allow it to undertake with guarantees new investments in improving infrastructures already under management and to continue the policy of selective investments carried out in recent years without the need for additional capital contributions from the shareholders.

Shareholder return

As in previous years, **abertis** has maintained its policy of shareholder return that combines the dividend payout with a bonus share issue of one share for every 20 shares held.

The Board of Directors of **abertis** has agreed to propose to the Ordinary Shareholders' Meeting a final dividend for 2005 of 0.25 euros gross per share.

The total dividend to be charged against profit for 2005 will be 289.5 million euros, rising to 0.5 euros gross per share with the interim dividend already paid, an increase of 9.6% on the dividend distributed and charged against results in the previous year. The willingness to set an annual dividend at this new level is an indication of the confidence in the consolidation of the return on investments made in recent years and their growing contribution to profits.

Outlook

In 2006 a significant change in the key figures is expected as a result of the inclusion of the shareholding in the French group Sanef (which holds a concession until 31 December 2018 of 1,771 kilometres of highways in the north and east of France) and the financing associated with its acquisition, whilst trusting that the positive contribution of all the business units will continue, accentuated by the progressive contribution of all new projects and the most recent incorporations in the Group, with the policy on shareholder return being maintained.

Furthermore, those investment opportunities that meet the strict requirements of soundness and return demanded by the Group will continue to be analysed, in order to continue providing shareholders with a balanced combination of investments in sectors related with transport and communication infrastructures.

Treasury shares

Under the authorisation approved by the Shareholders' Meeting and in response to the offer from a core shareholder interested in selling its shareholding, in December 2005 the Company acquired own shares for the sum of 185.9 million euros (1.5% of the capital). During the month of December part of these shares (0.173% of the capital) were sold, generating a capital gain of 0.35 million euros.

At the close of the financial year the Company held 7,685,832 own shares (1.33% of the capital). In accordance with the regulations in force, it has raised a provision up to the book value as indicated in the notes to the annual accounts. It is the Company's intention to continue placing this packet of shares in the market during 2006.

PRICEWATERHOUSECOOPERS

Edifici Caja de Madrid
Avinguda Diagonal, 640
08017 Barcelona
Tel. +34 902 021 111
Fax +34 93 405 90 32

A free translation from the original in Spanish. In the event of a discrepancy, the Spanish language version prevails

AUDIT REPORT ON THE CONSOLIDATED ANNUAL ACCOUNTS

To the Shareholders of Abertis Infraestructuras, S.A.

1. We have audited the consolidated annual accounts of Abertis Infraestructuras, S.A. and its Group Companies, set out on pages 76 to 167, consisting of the consolidated balance sheet at 31 December 2005, the consolidated profit and loss account, the consolidated cash flow statement, the consolidated statement of recognised income and expense and the related notes to the consolidated annual accounts for the year then ended, the preparation of which is the responsibility of the Directors of Abertis Infraestructuras, S.A. Our responsibility is to express an opinion on the aforementioned consolidated annual accounts taken as a whole, based on the work performed in accordance with auditing standards generally accepted in Spain, which require the examination, on a test basis, of evidence supporting the consolidated annual accounts, as well as an evaluation of their overall presentation, the accounting principles applied and the estimates made. Our work did not include the audit of the individual, or, as the case may be, the consolidated annual accounts for 2005 of certain direct or indirect investee companies indicated in Note 2 b) to the accompanying consolidated annual accounts, which assets and net results represent, respectively, 16% and 15% of the corresponding consolidated annual accounts. The aforementioned annual accounts of these investee companies are audited by other auditors and our opinion expressed in this report on the consolidated annual accounts of Abertis Infraestructuras, S.A. and its Group Companies is based, in relation to the contribution of these companies, solely on the reports of other auditors.

2. The accompanying consolidated annual accounts for 2005 correspond to the first consolidated annual accounts prepared by the Group in accordance with International Financial Reporting Standards as adopted by the European Union (IFRS-EU), which generally require that the financial statements include comparative information. In this respect, for comparative purposes and in compliance with Spanish Corporate Law, the Directors of Abertis Infraestructuras, S.A. have presented, for each item of the consolidated balance sheet, the consolidated profit and loss account, the consolidated cash flow statement, the consolidated statement of recognised income and expense and the related notes to the consolidated annual accounts, together with the amounts for 2005, the corresponding amounts for the previous year, which have been obtained by applying IFRS-EU in force at 31 December 2005. Consequently, the figures relating to last year differ from those in the approved consolidated annual accounts for 2004, that were formulated under accounting principles in force that year. The differences resulting from the application of the IFRS-EU in relation to consolidated net equity at 1 January and 31 December 2004 and consolidated results for 2004 are set out in Note 28 to the accompanying consolidated annual accounts. Our opinion refers exclusively to the consolidated annual accounts for 2005. On 11 March 2005, we issued our audit report on the 2004 consolidated annual accounts, formulated under accounting principles in force during that year, in which we expressed an unqualified opinion.

PricewaterhouseCoopers Auditores, S. L. - R. M. Madrid, hoja 87.250-1, folio 75, tomo 9.267, libro 8.054, sección 3ª
Inscrita en el R.O.A.C. con el número S0242 - CIF: B-79031290

PRICEWATERHOUSECOOPERS

3. In our opinion, based on our audit and the reports of other auditors, the accompanying consolidated annual accounts for 2005 present fairly, in all material respects, the consolidated shareholders' equity and consolidated financial position of Abertis Infraestructuras, S.A. and its Group Companies at 31 December 2005 and the consolidated results of their operations, changes in consolidated recognised income and expense and consolidated cash flow for the year then ended, and contain all the information necessary and relevant for their interpretation and comprehension in accordance with International Financial Reporting Standards adopted by the European Union, which are consistent with those applied in the preparation of the consolidated financial statements of the previous year, which are included in the accompanying consolidated annual accounts for 2005 for comparative purposes.

4. The accompanying consolidated Directors' Report for 2005, set out on pages 168 to 171, contains the information that the parent Company's Directors consider relevant to the position of Abertis Infraestructuras, S.A. and its Group Companies, the evolution of its business and other matters and does not form an integral part of the consolidated annual accounts. We have verified that the accounting information contained in the aforementioned Directors' Report agrees with that of the consolidated annual accounts for 2005. Our work as auditors is limited to checking the consolidated Directors' Report within the scope already mentioned in this paragraph and it does not include a review of information other than that obtained from the accounting records of Abertis Infraestructuras, S.A. and its Group Companies.

PricewaterhouseCoopers Auditores, S.L.

Xavier Brossa Galofré
Audit Partner

16 March 2006

PwC-061

Balance sheet at 31 December

(thousand euros)

ASSETS	**2005**	**2004**
Fixed assets	**6,297,888**	**5,583,787**
Intangible assets	*330,615*	*349,121*
Computer software	361	296
Goodwill	368,488	370,438
Studies and projects	87	947
Other intangible assets	3	3
Amortisation	(38,324)	(22,563)
Tangible assets	*13,980*	*14,033*
Land and natural resources	4,407	3,015
Buildings and other constructions	6,117	7,511
Machinery and vehicles	349	349
Installations, tooling and furniture	3,552	3,405
Other fixed assets	3,438	3,197
Depreciation	(3,883)	(3,444)
Investments	*5,906,179*	*5,220,633*
Shareholdings in subsidiary and associated companies	4,291,375	4,080,016
Long-term loans to group companies	1,858,875	1,376,804
Long-term share portfolio	7,513	7,513
Long-term deposits and guarantees	66	62
Other loans	5,397	6,613
Provisions	(257,047)	(250,375)
Treasury shares	*47,114*	—
Treasury shares in special circumstances	164,477	—
Provisions for treasury shares in special circumstances	(117,363)	—
Deferred expenses	**7,654**	**7,286**
Current assets	**543,081**	**414,529**
Debtors	*8,101*	*11,448*
Advance payments to creditors	686	23
Group company debtors	4,397	2,192
Sundry debtors	3,891	10,342
Personnel	27	10
Public Treasury	827	1,632
Provisions	(1,727)	(2,751)
Short-term investments	*528,511*	*399,226*
Short-term loans to group companies	515,968	372,127
Short-term share portfolio	3,563	1,325
Other loans	8,980	25,774
Cash and cash equivalents	*5,284*	*3,855*
Cash	43	39
Banks and credit institutions	5,241	3,816
Prepayments and accrued income	*1,185*	—
Total assets	**6,848,623**	**6,005,602**

Balance sheet at 31 December
(thousand euros)

LIABILITIES	2005	2004
Equity	**3,175,252**	**3,186,622**
Share capital	*1,737,166*	*1,654,444*
Share premium	*579,690*	*579,690*
Reserves	*615,609*	*717,701*
Revaluation reserve RDL 7/1996	317,990	400,712
Legal reserve RD 1564/1989	227,678	191,570
Treasury shares reserve	47,114	—
Voluntary reserve	22,827	125,419
Profit and loss account	*387,551*	*361,076*
Interim dividend	*(144,764)*	*(126,289)*
Deferred income	**3,793**	**—**
Positive exchange differences	*3,793*	*—*
Provisions for liabilities and charges	**36,926**	**41,397**
Other provisions	*36,926*	*41,397*
Long-term creditors	**2,545,065**	**2,157,993**
Bond issues	*1,570,000*	*870,000*
Bank loans	*491,000*	*801,000*
Payment pending on shares in group companies	*—*	*2,227*
Amounts owed to subsidiary and associated companies	*484,065*	*482,255*
Other creditors	*—*	*2,511*
Short-term creditors	**1,087,587**	**619,590**
Bond issues	*41,634*	*193,685*
Bonds	—	170,000
Interest on bonds	41,634	23,685
Bank loans	*953,831*	*323,933*
Loans	939,827	318,600
Interest on loans	14,004	5,333
Loans with group companies	*31,686*	*42,205*
Trade creditors	*3,066*	*4,203*
Trade creditors	*3,066*	*4,203*
Other non-trade creditors	*57,370*	*55,564*
Public Treasury	55,391	53,790
Accrued wages and salaries	1,089	1,253
Other debts	888	509
Deposits and guarantees received	2	12
Total liabilities	**6,848,623**	**6,005,602**

Profit and loss account for the year ended 31 December

(thousand euros)

EXPENSES	2005	2004
Personnel expenses	*12,127*	*12,157*
Salaries and wages	10,901	11,055
Social security	973	870
Pension fund and other personnel related expenses	253	232
Amortisation and depreciation of fixed asset	*19,139*	*20,274*
Variation in trade provisions	*(1,150)*	*146*
Other operating expenses	*18,178*	*16,898*
External services	18,048	16,814
Taxes	130	84
Total operating expenses	**48,294**	**49,475**
Financial costs, related expenses and change in investment provision	*128,230*	*92,529*
Total financial expenses	**128,230**	**92,529**
Net financial results	**391,033**	**416,872**
Profit on ordinary activities	**360,860**	**382,645**
Losses on disposal of fixed assets and extraordinary expenses	*2,778*	*25,996*
Movement in fixed asset provisions	*6,672*	*31,765*
Extraordinary profit	—	—
Profit before tax	**353,664**	**340,419**
Corporation income tax	*(33,887)*	*(20,657)*
Profit for the year	**387,551**	**361,076**

INCOME	2005	2004
Net revenue	*17,456*	*14,704*
Rendering of services	17,456	14,704
Other operating income	*665*	*544*
Other operating income	665	544
Total operating income	**18,121**	**15,248**
Operating loss	**30,173**	**34,227**
Income from investment in Group and associated companies	*437,861*	*464,702*
Other interests and related income	*81,402*	*44,699*
Total financial income	**519,263**	**509,401**
Profits from disposal of fixed assets and extraordinary income	*2,254*	*15,535*
Extraordinary loss	**7,196**	**42,226**

ABERTIS INFRAESTRUCTURAS, S.A.
NOTES TO THE 2005 ANNUAL ACCOUNTS

NOTE 1_ ACTIVITY

ABERTIS INFRAESTRUCTURAS, S.A. (hereinafter **abertis** or the Company) was incorporated in Barcelona on 24 February 1967 and its registered office is at Avenida del Parc Logistic nº 12-20, Barcelona.

On 27 April 2004 and 26 April 2004, the Shareholders' Meetings of Abertis Infraestructuras, S.A. (absorbing company) and Ibérica de Autopistas, S.A. (company absorbed) respectively approved the merger by absorption of both companies, effective for accounting purposes from 1 January 2004.

abertis is currently the parent of a group engaged in to the management of transport and communications infrastructures that operates in five sectors of activity: highway concessions, car parks, logistics services, telecommunications and airports.

Its objects consist of the construction, maintenance and operation of highways under concession; management of highway concessions in Spain and internationally; construction of road infrastructures; complementary construction activity, maintenance and operation of highways, such as service stations, integrated centres for logistics and/or transport and/or parking, as well as any other activity related with infrastructures for transport and communications and/or telecommunications required for the transport and movement of people, goods and information, with the necessary authorisation, as the case may be.

The Company can undertake its objects, especially its concessionary activity, directly or indirectly through shareholdings in other companies, subject, in this respect, to the legal provisions in force.

NOTE 2_ BASIS OF PRESENTATION OF THE ANNUAL ACCOUNTS

The Annual Accounts are obtained from the accounting records of the Company and have been prepared according to the generally accepted accounting principles in Spain and established in the current legislation.

The figures contained in the balance sheet, profit and loss account and the notes to these accounts are expressed in thousand euros.

The 2005 Consolidated Annual Accounts of the **abertis** Group are presented separately from the parent company accounts.

The key figures in the 2005 Consolidated Annual Accounts, prepared in accordance under the requirements of the eleventh final provision of law 62/2003 30 of December applying the International Financial Reporting Standards approved by the European Union Regulations, are as follows:

Total assets	8,446,672
Net equity (of parent company)	2,959,988
Net equity (of minority interest)	76,145
Income from consolidated operations	1,905,880
Result for the year due to	
Parent company – Profit	511,233
Result for the year due to	
Minority interest – Profit	3,635

NOTE 3_PROPOSED DISTRIBUTION OF RESULTS

The following distribution of results will be submitted to the Shareholders' Meeting for approval:

Basis of distribution	**Amount**
Profit	387,551
Distribution	
Dividends	289,528
Legal reserve	38,755
Voluntary reserve	59,268
	387,551

In the event that the Company holds treasury shares on the date for distribution of dividends, those shares will not be entitled to the final dividend and the corresponding amount due will be transferred to the voluntary reserve.

During 2005 an interim dividend of 144,764 thousand euros was paid. This interim dividend represented a gross amount of 0.25 euros per share on all issued shares.

In accordance with the requirements of article 216 of the Revised Text of the Companies Act, the table showing sufficient profit for the period to allow the distribution of the interim dividend is included, as well as the liquidity statement that establishes the existence of sufficient cash funds to make the interim dividend payment as indicated.

	Amount
Net profit from 1 January to 31 August 2005	173,793
Less:	
Legal reserve	(17,379)
Maximum amount available for distribution	156,414
Amount proposed and distributed	144,764

	Amount
Cash funds available prior to payment	1,011,226
Gross amount of interim dividend	(144,764)
Cash funds available after payment	866,462

NOTE 4_ACCOUNTING POLICIES

The most significant accounting policies used in the preparation of the 2005 Annual Accounts, in accordance with the General Accounting Plan, are as follows:

a) Intangible fixed assets

The items included under this heading are valued at acquisition price or the cost of production and amortised as follows:

- Goodwill fund is amortised on a straight line basis over the estimated period in which it will contribute to profit generation, with a maximum period of 20 years.
- Computer applications are amortised at a rate of between 25% and 33% per year.

b) Tangible fixed assets

Tangible fixed assets are valued at acquisition cost, revalued in accordance with various legal measures.

Costs of refurbishment, enlargement or improving tangible fixed assets are capitalised only when they increase capacity, productivity or extend the useful life of the asset, provided that it is possible to know or estimate the net book value of the assets which are written off or replaced.

The costs of repair and maintenance are charged to the profit and loss account in the year in which they are incurred.

The amortisation of tangible fixed assets is calculated systematically using the straight line method, based on the estimated useful life of the assets, taking into consideration wear and tear derived from normal use.

The depreciation rates used to calculate the decline in the value of the fixed assets are as follows:

	Rate
Buildings and other constructions	2–8 %
Machinery and vehicles	6–30 %
Tooling	7–37.5 %
Other installations	7–20 %
Furniture	10–20 %
Computer equipment	20–37.5 %
Other fixed assets	3–30 %

c) Financial assets and investments

Investments in Group and associated companies and long-term securities are shown in the balance sheet at the lower of acquisition cost or market value.

The market price for investments in Group or associated companies, or other traded securities that are not publicly listed is calculated as the theoretical book value, plus the acquisition goodwill remaining at balance date.

The difference between the acquisition cost and the net book value of the subsidiary and associated companies at the time of acquisition is recorded as goodwill, which is amortised over a maximum period of twenty years, or in the case of highways or other types of concessions, over the remaining life of the concession, given that this is the most appropriate period for generating the resources required to recover the goodwill, to the extent that the recovery is not realised through increases in the theoretical book value of the subsidiary and associated companies.

The Company undertakes currency hedges against exchange rate risks on investments using the necessary financial instruments (see note 4.l).

d) Treasury shares

In the event that there is no plan for their redemption, own shares are valued at acquisition cost or theoretical book value, if this was lower, creating an unavailable reserve for this purpose (see Note 11).

If the market value of these shares (being the lower of the closing price at the end of the financial year and the average price for the last quarter) is lower than the acquisition cost, the necessary provision to cover this difference will be charged against extraordinary results in the profit and loss account.

If in the above situation the theoretical book value of these shares were lower than the market value, a provision would be made to cover this difference with a charge against unrestricted reserves.

e) Deferred expenses

Loan origination fees are amortised on a straight line basis over the period of the loans (see note 9).

f) Other provisions

Pursuant to the prudence principle, the Company makes the provisions which it considers necessary in relation to the inherent risks in the business that could affect the company (see note 12).

g) Pension commitments and other personnel related liabilities

Meeting the corresponding employment agreements, the Company has commitments to contribute to a Pension Plan within the employment system (defined Contribution Plan) and, in respect of some employees, the obligation to pay a retirement bonus or lump sum, under certain conditions. These commitments are externalised through an insurance policy.

h) Trade and non-trade debtors and creditors

The debits and credits incurred in operations, whether or not produced in the ordinary course of business, are recorded at nominal value, making the necessary valuation adjustments to cover bad debt provisions. Amounts due within one year of the balance-sheet date are classified as short-term and amounts due after this date are considered long-term.

i) Corporation income tax

The profit and loss account includes the charge for corporation income tax, the calculation of which incorporates the full amount of tax accrued for the year, the effect of timing differences between the corporation income tax assessment basis and book profit, and all credits or allowances to which the Company is entitled. The corporation income tax charge is calculated as explained in Note 15.

The Company pays tax on a consolidated basis together with other companies of the Group, of which **abertis** is the parent company, in accordance with current legislation.

Prepaid taxes are only recognised as assets so long as their future realisation is reasonably certain, or whenever there are deferred taxes that offset them.

j) Foreign currency transactions

Transactions in currencies other than the euro are recorded at the exchange rate on the transaction date. At the close of the financial year the Company restates all foreign exchange credits and debits using the official exchange rate at that date. Exchange rate differences generated at close on transactions are recorded as a loss in the profit and loss account, if negative, or deferred until maturity in the case of profits. These unrealised positive differences are shown in the liabilities of the balance sheet as “Deferred income” until they are realised.

Exchange differences generated by debts in foreign currency to finance investments in foreign companies in the same currency, where there is consequently an exchange rate hedge associated with said debt, are recorded if they are significant either as "Positive exchange differences" or "Deferred expenses" and can be taken to profit and loss as the associated debt is settled and when the hedge of said risk disappears.

k) Accounting for income and expenses

Income and expenses are recorded on an accruals basis. That is, at the time the transaction occurs, irrespective of when payment is made or received.

l) Financial derivatives and hedging instruments

abertis uses financial derivative instruments to manage its financial risk arising from fluctuations in interest rates and exchange rates.

In certain cases the Company finances activities in the same currency in which the foreign investments are held in order to reduce the exchange rate risk. This is done by raising finance in the corresponding currency or through the use of currency swaps (see note 13.c).

At the close of each year, as indicated in note 4.j. both the loans and the contracts that act as exchange rate hedges are adjusted to the exchange rate at this date and the resulting exchange differences are recorded in the balance sheet if significant, as deferred income or expense, as applicable, with a corresponding increase or decrease in the amount of the debt.

m) Actions affecting the environment

Annually, amounts outlaid in meeting legal requirements related to the environment are recorded either as an expense or investment, depending on their nature. Amounts recorded as an investment are amortised over their useful life.

No provision has been made for liabilities and expenses related to the environment, given that no contingencies exist with respect to environmental protection.

n) Joint ventures

To account for operations undertaken as joint ventures, both in the balance sheet and the profit and loss account, the method of proportional consolidation has been used, in accordance with the General Accounting Plan.

NOTE 5_INTANGIBLE FIXED ASSETS

The movement during 2005 and balances in the accounts that make up intangible fixed assets were as follows:

	Balance at 31.12.04	Increase	Transfer	Decrease	Balance at 31.12.05
Computer applications	296	65	–	–	361
Goodwill	370,438	–	(1,950)	–	368,488
Studies and projects	947	87	(947)	–	87
Other intangible assets	3	–	–	–	3
Total cost	**371,684**	**152**	**(2,897)**	**–**	**368,939**

The goodwill mainly corresponds to that generated in the merger by absorption with **iberpistas** in 2004.

The movements in the accumulated amortisation during the year were as follows:

	Balance at 31.12.04	Increase	Transfer	Decrease	Balance at 31.12.05
Computer applications	93	100	–	–	193
Goodwill	21,520	18,556	(1,950)	–	38,126
Studies and projects	947	2	(947)	–	2
Other intangible assets	3	–	–	–	3
Total amortisation	**22,563**	**18,658**	**(2,897)**	**–**	**38,324**

NOTE 6_TANGIBLE FIXED ASSETS

The movements in the entries under tangible fixed assets in 2005 were as follows:

	Balance at 31.12.04	Increase	Transfer	Decrease	Balance at 31.12.05
Land and natural resources	3,015	-	1,392	-	4,407
Buildings and other constructions	7,511	-	(1,392)	(2)	6,117
Machinery and vehicles	349	-	-	-	349
Tooling	1	-	-	-	1
Other installations	2,621	3	(175)	(6)	2,443
Furniture	783	270	55	-	1,108
Computer equipment	247	-	120	-	367
Other fixed assets	2,950	121	-	-	3,071
Total	**17,477**	**394**	**-**	**(8)**	**17,863**

The changes in accumulated depreciation during the year were:

	Balance at 31.12.04	Increase	Transfer	Decrease	Balance at 31.12.05
Buildings and other constructions	1,040	134	-	-	1,174
Machinery and vehicles	222	54	-	-	276
Tooling	1	-	-	-	1
Other installations	1,475	140	(117)	(8)	1,490
Furniture	513	64	24	-	601
Computer equipment	193	55	93	-	341
Total	**3,444**	**447**	**-**	**(8)**	**3,883**

The following items are fully depreciated:

	Amount
Machinery and vehicles	28
Furniture	585
Computer equipment	307
Other fixed assets	244
Total gross book value	**1,164**

It is Company policy to arrange all the insurance policies considered necessary to cover all possible risks that could affect tangible fixed assets.

NOTE 7_INVESTMENTS

The movements recorded in the different entries under investments were:

	Balance at 31.12.04	Increase	Transfer	Decrease	Balance at 31.12.05
Shareholdings in subsidiary and associated companies	4,080,016	335,873	-	(124,514)	4,291,375
Long-term loans to group companies	1,376,804	778,699	(149,866)	(146,762)	1,858,875
Long-term share portfolio	7,513	-	-	-	7,513
Long-term deposits and guarantees	62	6	-	(2)	66
Other credits	6,613	-	-	(1,216)	5,397
Less: Provisions	(250,375)	(17,695)	-	11,023	(257,047)
Total	**5,220,633**	**1,096,883**	**(149,866)**	**(261,471)**	**5,906,179**

a) Shareholdings in subsidiary and associated companies

The detail of direct and indirect shareholdings in subsidiary and associated companies, together with the breakdown of their shareholders' funds at 31 December 2005 or of the latest public information available, is shown in the Annex.

The main movements recorded were:

- At the beginning of 2005, Airport Concessions and Development Limited (ACDL) completed the Public Takeover Offer for the TBI group, obtaining 100% of the capital (29.2% at 31 December 2004). The investment made in this financial year in ACDL totalled 327,091 thousand euros.
- Increase in capital of **abertis logística** in the amount of 6,000 thousand euros fully, subscribed by **abertis**; at 31 December 50% of this amount was still pending payment.
- In the context of the corporate reorganisation and simplification of the highway businesses of **abertis** in the centre/north zone, the following companies were transferred at book value from **abertis** to Iberpistas: Infraestructuras y Radiales (22.5%) for 12,191 thousand euros; Aulesa (79.2%) for 43,168 thousand euros; Trados (50%) for 46,746 thousand euros and Concesiones de Madrid (25%) for 21,977 thousand euros.
- On 21 March 2005 **abertis airports** was incorporated, a company formed to become the future controlling entity for the shareholdings that the **abertis** Group has in the airport sector, with a share capital of 60.11 thousand euros, made up of 6,011 shares with a par value of 10 euros each. In December 2005, it increased capital by 181,499 shares with a par value of 10 euros and a share premium of €2.10/share. **abertis** is the sole shareholder of the company.
- Incorporation of Holding d'Infrastructures de Transport SAS (HIT), 100% owned by **abertis**, for an amount of 42 thousand euros to participate in the acquisition of Société des Autoroutes du Nord et de l' Est de la France (Sanef) (see note 20).

The provisions correspond, basically, to the Argentine company Ausol and the Columbian company Codad (147,548 and 45,751 thousand euros respectively, with 100% of the value of the shareholdings in both companies having been provisioned in previous years) and **abertis telecom** (33,184 thousand euros, during 2005 part of the existing provision for **abertis telecom** has been reversed).

The appropriation made in the year corresponds basically to the subsidiaries ACDL and Coviandes.

abertis does not have any commitments with the subsidiary and associated companies apart from the investment made, with the exception as indicated in note 19.b.

b) Long-term loans to Group companies

The long-term loans with Group companies have the following maturities:

	2007	2008	2009	2010	Other	TOTAL
Group company loans	420,155	310,400	274,885	256,245	597,190	1,858,875

All of them accrue interest at market rates, based on Euribor or Libor plus a spread (see note 14).

NOTE 8_TREASURY SHARES

Under the protection of the authorisations given by the Shareholders' Meeting, **abertis** has bought and sold its own shares during 2005.

On 16 December 2005, **abertis** acquired 8,685,832 own shares at a price of 21.40 euros per share; of those 1,000,000 were disposed of on 22 December 2005 at a price of 21.75 euros per share, generating a profit of 350 thousand euros, which is included in the extraordinary results (see note 16).

At 31 December 2005, the Company held 7,685,832 treasury shares, with a market value (the lower of the year end closing price of 21.26 euros for class "A" shares and the average price for the last quarter of 22.55 euros) is 21.26 euros per share. As this is less than acquisition cost a provision has been made charged against results of an amount of 1,076 thousand euros to cover it. As the book value of these shares is lower than the market value, an additional provision has been made to cover this with a charge against freely available reserves of an amount of 116,287 thousand euros (see note 11). It is not the intention of the Company to amortise these shares.

NOTE 9_DEFERRED EXPENSES

The changes in the entries that make up the deferred expenses were as follows:

	Balance at 31.12.04	Increase	Decrease	Balance at 31.12.05
Loan origination fees	3,355	4,941	(642)	7,654
Other deferred expenses	3,931	-	(3,931)	-
Total	**7,286**	**4,941**	**(4,573)**	**7,654**

The loan origination fees correspond to premiums on bond issues by the Company. The increases in this entry correspond to the premiums on two issues made during the year for 160,000 and 540,000 thousand euros (see note 13).

"Other deferred expenses" include the appropriation of the expenses incurred in hedging operations contracted in 2000 in relation to the acquisition of 48.6% of Grupo Concesionario del Oeste, S.A. (GCO) which expired in October 2005.

NOTE 10_ SHORT-TERM INVESTMENTS

The Company has credit lines with group companies of 1,089,747 thousand euros with interest at market rates. The outstanding balance at 31 December 2005 was 515,968 thousand euros (see details in note 14).

The amount of "Other credits" includes accrued interest pending payment on interest rate hedges that the Company has contracted with different financial institutions.

NOTE 11_ EQUITY

The amount and movements in equity during 2005 were as follows:

	Balance 31.12.04	Distribution of result for year	Increase in capital	Other movements	Balance 31.12.05
Share capital	1,654,444	-	82,722	-	1,737,166
Share premium	579,690	-	-	-	579,690
Revaluation reserve	400,712	-	(82,722)	-	317,990
Legal reserve RD 1564/1989	191,570	36,108	-	-	227,678
Treasury shares reserve	-	-	-	47,114	47,114
Voluntary reserve	125,419	60,809	-	(163,401)	22,827
Result for the year	361,076	(361,076)	-	387,551	387,551
Interim dividend	(126,289)	126,289	-	(144,764)	(144,764)
Total	**3,186,622**	**(137,870)**	**-**	**126,500**	**3,175,252**

a) Share capital

The share capital of **abertis** is made up of 579,055,443 shares that are entered in the share register, with a nominal value of 3 euros each, fully subscribed and paid up. Of these, 542,019,077 shares are Class A and 37,036,366 are Class B preference shares that have the same rights as the ordinary shares and the right to a preference dividend to be paid once to holders of those shares in 2007. The maximum amount of the preference dividend corresponding to each preference share will be determined by the difference between the reference price of 14.87 euros per share and the weighted average price of the ordinary **abertis** shares in the quarter prior to the due date, with a maximum payment of 4.25 euros per share. Therefore, if the weighted average share price in the last quarter prior to the reconciliation date (2007) were equal or greater than 14.87 euros per share, no preferential dividend would be payable. At the close of 2005 the share price was 21.82 euros.

As the shares of **abertis** are bearer shares, the exact interest of shareholders in the share capital is not known. However, based on the information available, the most significant holdings at 31 December 2005 are the following:

ACS, Actividades de Construcción y Servicios, S.A.	24.83 %
Caixa d'Estalvis i Pensions de Barcelona ("la Caixa") (1)	23.28 %
Caixa d'Estalvis de Catalunya	5.69 %
Sitreba, S.L.	5.50 %
	59.30 %

(1) Caixa Barcelona Seguros de Vida, S.A. de Seguros y Reaseguros (11.66%), VidaCaixa, S.A. de Seguros y Reaseguros (0.50%), Inversiones Autopistas, S.L. (7.75%) and CaixaHolding, S.A., Sociedad Unipersonal (3.35%).

All the shares of the Company are listed on the stock exchanges of Barcelona, Bilbao, Madrid and Valencia, and are traded on the Spanish electronic trading system. The ordinary Class A shares are traded on the main board and also form part of the Ibex 35 index. The Class B preference shares are traded under the Fixing mode, where unique prices are set.

The Company's Annual Shareholders' Meeting on 12 April 2005, agreed to pay a final dividend for 2004 of 0.25 euros gross per share, which represents 137,870 thousand euros. In said Shareholders' Meeting a bonus share issue was also approved, to be charged against the Revaluation Reserve Account of Royal Decree-Law 7/1996, dated 7 June, with one new share for every 20 shares held, representing a sum of 82,722 thousand euros.

On 27 September 2005 payment of an interim dividend of 0.25 euros per share against the profit for the year was agreed, representing a total sum of 144,764 thousand euros.

The Board of Directors was authorised by the Annual General Meeting of 8 April 2003 to increase share capital, through one or more capital issues, up to a maximum amount of 518,445 thousand euros, during the period up to 8 April 2008. This power remains fully operative.

b) Share premium

The Spanish Companies Act expressly allows the use of the balance in the share premium reserve to increase capital and does not lay down any specific requirements with respect to the availability of said balance.

c) Revaluation Reserve Royal Decree-Law 7/1996, of 7 June

This reserve originates from the revaluation of the fixed assets in the balance sheet, by virtue of Article 5 of said Royal Decree, which the Company adopted.

Since three years have elapsed since the balance-sheet date when the revaluation was made without an audit by the Tax Authorities, the revaluation operations are deemed to be correct and the balance of the account accepted by the Tax Authorities, and accordingly, the balance is available for distribution to:

- Offset book losses.
- Increase share capital.
- Create reserves freely available for distribution, ten years from the balance sheet-date, containing the revaluation operations.

The balance in this account cannot be distributed, directly or indirectly, unless the capital gain has been realised, with the understanding that this is the case when the revalued assets have been fully depreciated, transferred or written off the books. Given the line of business transferred of the subsidiary company **acesa** in 2002, the requirement that the capital gain has been realised can only be understood to be met when the company acquiring the revalued assets as part of the new activity has depreciated those assets, or transferred or written them off in the books.

d) Legal reserve

In accordance with the Spanish Companies Act, 10% of the annual profits must be transferred to the legal reserve until this reserve reaches at least 20% of the capital. The legal reserve cannot be distributed to shareholders unless the Company is wound up.

The legal reserve can be used to increase in capital, in the part that exceeds 10% of the capital increased. With the exception of the purpose mentioned above, as along as this reserve does not exceed 20% of share capital, it can only be used to offset losses in the event of no other reserves being available.

e) Treasury shares reserve

The reserve for own shares set aside this financial year (see note 8) cannot be freely distributed and must be maintained until the stock is sold or amortised.

NOTE 12_ PROVISIONS FOR LIABILITIES AND CHARGES

The movements in this account during the year ended 31 December 2005 were as follows:

	Balance 31.12.04	Increase	Applications	Balance 31.12.05
Other provisions (see notes 4f and 15)	41,397	-	(4,471)	36,926

NOTE 13_ BOND ISSUES AND LOANS WITH CREDIT INSTITUTIONS

The table below details the situation at the close of 2005:

	2006	2007	2008	2009	2010	Other exp.	TOTAL
Bonds issued	-	-	-	180,000	20,000	1,370,000	1,570,000
Syndicated loans	-	103,500	17,500	10,000	10,000	50,000	191,000
Loans	-	50,000	25,000	65,000	50,000	110,000	300,000
Credit lines/bills	939,827	-	-	-	-	-	939,827
Total	**939,827**	**153,500**	**42,500**	**255,000**	**80,000**	**1,530,000**	**3,000,827**

Part of the loan and credit operations shown as loans with credit institutions at 31 December 2005 (70,000 thousand euros on long-term) were signed with related credit institutions (shareholders of the Company that held 5% or more of the capital). Financial charges accrued on operations with related financial entities during the year totalled 39,676 thousand euros.

a) Bond issues:

Of the bond issues, 40,000 thousand euros are at an annual interest rate of Euribor plus 0.45%, 180,000 thousand euros at 3.53%, 200,000 at 4.95%, 450,000 at 4.75%, 540,000 at 4.375% and 160,000 at Euribor plus 0.44%.

583 million euros of the bonds issued correspond to debt translated into Pound sterling by creating cross currency interest and exchange rate swaps.

b) Other debts with credit institutions

The credit lines have a limit of 2,509,000 thousand euros of which 2,229,000 accrued an interest rate of Euribor plus a spread and 280,000 thousand euros at Libor plus a spread. At 31 December 2005 the amount drawn down totalled 664,827 thousand euros.

The Company had contracted promissory notes for an amount of 275,000 thousand euros at 31 December 2005 with short-term maturities, which accrue interest at an interest rate calculated on the basis of Euribor.

In addition there are loans in Pound sterling for an amount of 205,520 thousand euros.

c) Hedging operations

The operations in place at 31 December 2005 are:

- Cross currency interest rate swaps. The Company holds cross currency interest rate swaps with a nominal value of 583 million euros maturing in 2015, whereby debt denominated in euros has been transformed into pound sterling (see note 4.l).
- Interest rate swaps, both floating rate to fixed and fixed to floating. At the end of the financial year the Company had contracted interest rate hedges for the total sum of 1,675 million euros.

Of these hedging operations, a total of 668 million euros has been contracted with credit institutions related to the Company.

On 7 November 2005 the Company signed a syndicated loan with various credit institutions, with a total limit of 1,500,000 thousand euros and maturity on 6 November 2006. This loan, which has not been drawn down at the close of the financial year, accrues interest calculated on the basis of Euribor. A related company has contributed 400 million euros of this loan.

NOTE 14_TRANSACTIONS AND BALANCES WITH SUBSIDIARY AND ASSOCIATED COMPANIES

The creditor and debtor balances recorded by **abertis** with subsidiary and associated companies at 31 December 2005, in thousand euros, were as follows:

	Debtors			Creditors	
	Financial investments				
	Long-term	Short-term	Other debt	Long-term	Short-term
acesa	301,798	187,348	551	-	16
aumar	180,000	27,171	78	-	19,551
aucat	424,508	17,710	-	-	-
iberpistas	446,144	6,271	165	-	2,369
castellana	-	40,255	-	-	-
Sucursal Puerto Rico	-	400	-	12,665	-
saba	35,250	13,396	131	-	-
abertis logística	-	-	12	-	5,295
abertis telecom	-	17,347	1	-	552
retevisión	163,000	1,390	82	-	234
tradia	94,885	807	-	-	87
serviabertis	-	12,481	10	-	1,098
Abertis Finance BV	-	-	-	471,400	435
ACDL (*)	102,145	190,621	-	-	-
TBI (*)	102,145	395	-	-	-
abertis airports	-	-	6	-	2,027
Saba Italia	9,000	55	55	-	22
GICSA	-	65	-	-	-
Alella	-	76	-	-	-
Satsa	-	180	-	-	-
GCO	-	-	988	-	-
Accesos de Madrid	-	-	370	-	-
Alazor	-	-	114	-	-
Autopistas del Sol	-	-	1,234	-	-
Aurea	-	-	2	-	-
Elqui	-	-	22	-	-
Codad	-	-	573	-	-
Parc Logístic	-	-	3	-	-
Total	**1,858,875**	**515,968**	**4,397**	**484,065**	**31,686**

(*) Balances in pound sterling converted to euros at year end exchange rate.

The long-term balances payable to Abertis Infraestructuras Finance BV have the same maturities (between 2011 and 2024) and amounts as the bonds issued in foreign currencies made by this subsidiary company. These amounts have market interest rates.

The operations of **abertis** for services provided to Group companies basically corresponds to corporate and management services, for the following amounts:

	Income			Expenses	
	Services provided	Interest received	Shareholdings	Services received	Interest paid
acesa	5,687	18,099	230,000	32	-
aumar	3,833	6,368	134,748	-	723
aucat	629	11,440	-	-	-
iberpistas	1,695	11,610	50,000	-	247
Iberacesa	-	276	-	-	-
Alazor	99	-	-	-	-
Accesos de Madrid	319	-	-	-	-
Central Gallega	8	-	-	-	-
Autostrade	1	-	-	-	-
castellana	-	183	-	-	166
P.T. Operational	-	-	523	-	-
GICSA	-	-	120	-	-
Aurea Limited	-	22	-	-	-
Sucursal Puerto Rico	243	-	-	-	-
Autopista del Sol	1,234	-	-	-	-
Coviandes	-	-	9,108	-	-
saba	679	1,370	12,677	-	-
abertis logística	123	-	-	62	60
Sevisur	-	258	-	-	-
Parc Logístic	30	-	-	-	-
abertis telecom	2	401	-	-	-
retevisión	852	5,846	-	-	-
tradia	359	3,333	-	36	-
serviabertis	85	222	-	4,290	-
Codad	869	-	685	-	-
Abertis Finance BV	-	-	-	-	12,350
ACDL	-	9,238	-	-	-
TBI	-	4,058	-	-	-
abertis airports	78	2	-	-	-
Saba Italia	-	134	-	-	-
Total	**16,825**	**72,860**	**437,861**	**4,420**	**13,546**

NOTE 15_TAX SITUATION

The Company calculates Corporation Income Tax on a consolidated basis, under Group No. 142/99, as parent company, together with those subsidiary companies that meet the requirements established in the tax regulations in force.

The reconciliation of the difference between the reported pre-tax profit in the accounts and the profit subject to Corporation Income Tax for 2005 is as follows:

(thousand euros)	
Profit before tax	353,664
Permanent differences	(423,315)
Timing differences	
Arising during the year	222
From previous years	5,178
Tax assessment base	(64,251)

The accrued Corporation Income Tax expense that appears in the profit and loss account of the Company is calculated taking into account the following factors, in addition to the parameters to be considered in the case of calculating tax for an individual company:

- Dividends from consolidated subsidiary companies, value adjustments and the elimination of results for transactions between group companies that have been eliminated to determine the consolidated tax assessment base are considered as permanent differences.
- The consolidated tax group has exercised its right to offset the negative tax base generated by the Company in 2005, and apply the deductions generated. The corresponding inter-group offset has been recorded in the balance sheet.
- Taxes paid outside of Spain of a similar nature to Corporation Tax have been recorded as well as the adjustments in the calculation of the expense accrued in 2004, together representing income of 8,634 thousand euros.

The balance at 31 December 2005 of prepaid tax totalled 6,126 thousand euros (8,171 thousand euros to 31 December 2004), which corresponds to the valuation differences between the tax criteria and accounting criteria relating to the Company's assets.

The deferred tax balance at 31 December 2005 was 576 thousand euros (3,183 thousand euros at 31 December 2004), which arises from applying the cash method for tax purposes to income from deferred payment operations.

The amount of the deductions applied in 2005 is 875 thousand euros, for deductions for the reinvestment of extraordinary profits obtained in transfers of assets, training expenses, contributions to pension plans, and deductions for donations made to entities under Law 49/2002.

The amount of income covered by the deduction for reinvestment was 787 thousand euros. The entire amount obtained from asset transfers was reinvested during 2005.

During 2002, 2003 and 2004 the Company was involved in various company transactions where it opted for the application of the special tax regime under Chapter VIII of Title VIII of the Law of Corporation Tax, now Chapter VIII of Title VII of the Royal Decree legislation 4/2004. The information on these transactions is provided in the annual reports for 2002, 2003 and 2004. These operations were as follows:

- The non-monetary transfer of the branch of concession activity which the Company held for highway operations to the company Autopistas Concesionaria Española, S.A, Sociedad Unipersonal (2002), and the increase in share capital of the subsidiary company Abertis Logística, S.A., subscribed by the Company through the non-monetary transfer of shares in various subsidiary and associated companies (2002).
- The increase of the Company share capital to cover the share exchange established in the Public Takeover Offer made by the Company for the shares in the company Ibérica de Autopistas, S.A. (2002).
- The merger of the company Acesa Infraestructuras, S.A. through the complete absorption of Aurea, Concesiones de Infraestructuras, S.A. (2003) and Ibérica de Autopistas, S.A. (2004), and the resulting dissolution without liquidation of these two companies.

Assessments have been raised against the Company from inspections made between 1990 and 1993 for corporation income tax and personel income tax; and for 2000 and 2001 for corporation income tax, of a general nature. These assessments have all been signed in disagreement and appealed, and are currently pending the decision of the authorities.

The potential impact on the Company's capital that could result, once the outcome of the appeal is known, is adequately provisioned. Nevertheless, the amount of tax that might be payable would not have a material impact on the Company's Annual Accounts.

NOTE 16_INCOME AND EXPENSES

a) Income

abertis operates in five sectors of activity: highway concessions, car parks, logistics and services, telecommunications and airports, indirectly through its shareholdings in other companies, whereby its income corresponds basically to dividends and the rendering of services to Group companies.

b) Personnel

The average number of employees during 2005 was as follows:

Permanent employees	99
Total	99

c) Extraordinary results

Includes extraordinary expenses and extraordinary income related to the changes in provisions for shareholdings in Group companies (see note 7).

In addition, the capital gains generated on the disposal of treasury shares is recorded under this entry, representing 350 thousand euros (see note 8).

NOTE 17_INFORMATION ON THE ENVIRONMENT

At 31 December 2005, **abertis**, as the parent company of the Group, did not have significant assets dedicated to the protection and improvement of the environment, nor had it incurred expenses of this nature during the year. Furthermore, it has not received any subsidies of an environmental nature during the year ended 31 December 2005.

NOTE 18_OTHER INFORMATION ON BOARD MEMBERS

In accordance with the provisions of article 127 ter. 4 of the Spanish Public Companies Act, introduced by Law 26/2003, of 17 July, which amended the Securities Market Act, Law 24 of 28 July 1988, and the Spanish Companies Act, aimed at increasing the transparency of listed companies, the companies with the same, similar or complementary nature as the activity of the Company in which members of the Board of Directors have shareholdings, as well as the functions that they carry out, if applicable, are shown below:

Shareholder	Company held	Activity	Shareholding % s/capital	Functions
Isidro Fainé Casas	Telefónica, S.A.	Telecommunications	0.003	Deputy Chairman
Pablo Vallbona Vadell	ACS, Actividades de Construcción y Servicios, S.A.	Construction and services	0.0160	...
Ángel García Altozano	ACS, Actividades de Construcción y Servicios, S.A.	Construction and services	0.0113	Corporate General Manager
	Saba Aparcamientos, S.A.	Car Parks	0.0000055	Board Member
Caixa d'Estalvis de Catalunya	Retevisión Móvil, S.A.	Telecommunications	2.10	...
Dragados, S.A.	Ferrocarriles del Norte de Colombia, S.A.	Infrastructure concessionaire	5.32	...
	Aufe, S.A.	Infrastructure concessionaire	78.00	...
	Aunor, S.A.	Infrastructure concessionaire	85.00	...
	Concesionaria Vial del Sur, S.A.	Infrastructure concessionaire	25.00	...
	Autopistas del Sol, S.A.	Infrastructure concessionaire	6.40	...
Antonio García Ferrer, representing Comunidades Gestionadas, S.A.	ACS, Actividades de Construcción y Servicios, S.A.	Construction and services	0.002	Deputy Chairman
José Luis Olivas Martínez	Fomento de Construcciones y Contratas, S.A.	Construction and infrastructure concessionaire	0.00004	...
	Telefónica, S.A.	Telecommunications	0.00039	...
Montes de Piedad y Caja de Ahorros de Ronda, Cádiz, Almería, Málaga y Antequera (Unicaja) (until 29/11/2005)	Ausur Servicios de la Autopista, S.A.	Logistics	5.00	...
	Autopista del Sol Concesionaria Española, S.A.	Infrastructure concessionaire	20.00	...
	Autopista del Sureste, Concesionaria Española de Autopistas, S.A.	Infrastructure concessionaire	5.00	...

Shareholder	Company held	Activity	Shareholding % s/capital	Functions
Montes de Piedad y Caja de Ahorros de Ronda, Cádiz, Almería, Málaga y Antequera (Unicaja) (until 29/11/2005)	Inversora de Autopistas del Sur, S.L.	Infrastructure concessionaire	10.00	...
	Autopista de la Costa Cálida, Concesionaria Española de Autopistas, S.A.	Infrastructure concessionaire	4.50	Board Member
	Sociedad Municipal de Aparcamientos y Servicios, S.A.	Car Parks	24.50	...
	Sevisur Logística, S.A.	Logistics	10.00	...
	Centro Integral de Mercancías, S.A.	Logistics	10.28	...
	Red de Banda Ancha de Andalucía, S.A.	Telecommunications	5.83	...
	Islalink, S.A.	Telecommunications	13.70	...
	Val Teleconicaciones, S.L.	Telecommunications	7.77	...

With respect to positions or functions, in accordance with the abovementioned text, a list is provided below of the Board Members that hold positions in companies with activities that are the same, similar or of a complementary nature to the business purpose of the Company Abertis Infraestructuras, S.A.,

Board Member	Company	Position
Isidro Fainé Casas	Brisa Auto-Estradas de Portugal, S.A.	Board Member
Pablo Vallbona Vadell	ACS, Actividades de Construcción y Servicios, S.A.	Deputy Chairman
	Iberpistas, Sociedad Anónima Concesionaria del Estado	Chairman
G3T, S.L.	Iberpistas, Sociedad Anónima Concesionaria del Estado	Board Member
Ángel García Altozano	ACS, Servicios, Comunicaciones y Energía, S.L.	Board Member
	ACS, Servicios y Concesiones, S.L.	Board Member
	Dragados Concesiones de Infraestructuras, S.A.	Board Member
	Dragados, S.A.	Board Member
	ACS Telefonía Móvil, S.L.	Personal representative of the Sole Administrator of ACS, Actividades de Construcción y Servicios, S.A.
	Xfera Móviles, S.A.	Chairman
	Abertis Telecom, S.A.	Board Member
	Saba Aparcamientos, S.A.	Board Member
	Inversora de Infraestructuras, S.L.	Personal representative of the Sole Administrator of ACS, Actividades de Construcción y Servicios, S.A.
	TBI plc	Board Member

Board Member	Company	Position
Salvador Alemany Mas	Autopistas Concesionaria Española, S.A.	Chairman and Chief Executive Officer
	Iberpistas, S.A. Concesionaria del Estado	Board Member
	Autopistes de Catalunya, S.A. Concessionària de la Generalitat de Catalunya Aucat, S.A.	Sole Administrator
	Castellana de Autopistas, S.A. Concesionaria del Estado	Sole Administrator
	Autostrade S.p.A.	Board Member
	Saba Aparcamientos, S.A.	Chief Executive Officer
	Societat Pirenaica d'Aparcaments, S.A.	Board Member
	Areamed 2000, S.A.	Deputy Chairman
	Parc Logístic de la Zona Franca, S.A.	Deputy Chairman
	Centro Intermodal de Logística, S.A.	Deputy Chairman
	Abertis Telecom, S.A.	Chairman and Chief Executive Officer
	Retevisión I, S.A.	Sole Administrator
	Tradia Telecom, S.A.	Sole Administrator
	Abertis Aeropuertos, S.A.	Sole Administrator
	Acesa Italia S.R.L	Chairman
Caixa d'Estalvis de Catalunya	Abertis Logística, S.A.	Deputy Chairman
Dragados, S.A.	Abertis Logística, S.A.	Board Member
Antonio García Ferrer, representing Comunidades Gestionadas, S.A.	ACS, Servicios y Concesiones, S.L.	Board Member
Vasco de Mello	Brisa Auto-estradas de Portugal, S.A.	Chairman
Miguel Ángel Gutiérrez Méndez	Telefónica Internacional	Board Member
	Telesp – Brasil	Board Member
Ernesto Mata López	Autopistas Aumar S.A. Concesionaria del Estado	Board Member

Finally, the Company is not aware that any of the above-mentioned Board Members carry out on their own account or on behalf of others the same, similar or complementary activity as that which constitutes the business purpose of Abertis Infraestructuras, S.A.

NOTE 19_ OTHER INFORMATION

a) Annual remuneration of the directors for their service as members of the Board of Directors of the Company is fixed as a share in net profits. It can only be paid out once the payment of dividends and transfers to reserves required by law are covered, and it should not exceed, under any circumstances, two percent of the profits. The Board of Directors may distribute this sum amongst its members in the form and amount it decides. Overall remuneration paid to directors of Abertis Infraestructuras, S.A., as members of the Board of Directors, totalled 1,562 thousand euros in 2005, which is less than the statutory limit.

Total remuneration received by the Board Members of Abertis Infraestructuras, S.A. was 2,096 thousand euros, which corresponds to fixed remuneration.

In addition, other benefits that Board Members of Abertis Infraestructuras, S.A. have received are contributions made to cover pension liabilities (1,713 thousand euros) and life insurance (34 thousand euros).

Abertis Infraestructuras, S.A. does not use any remuneration system linked to the Company's share price for any of its employees or any of the members of the Board of Directors.

b) At 31 December the Company had guarantees with third parties for a total amount of 110,811 thousand euros, which principally correspond to guarantees given by financial institutions to Public Administrations for certain commitments (investments, rendering of services, financing, etc.) contracted by investee companies. These guarantees are not expected to lead to material liabilities.

c) Fees received by PricewaterhouseCoopers Auditores, S.L. for statutory auditing services corresponding to the 2005 financial year totalled 158 thousand euros. In addition, the fees received by other companies trading under the name PricewaterhouseCoopers for other services provided totalled 227 thousand euros.

NOTE 20_ SUBSEQUENT EVENTS

In February 2006, Holding d'Infraestructures de Transport SAS (HIT), a company in which **abertis** holds a majority shareholding together with other shareholders (Caisse des Dépôts, Predica, Axa, and the Société Foncière, Financière et des Participations), acquired from the French State 75.65% of the toll highway concessionaire Société des Autoroutes du Nord et de l'Est de la France (Sanef). This operation was duly authorised by the French Government through the signing of a ministerial decree, with the acquisition being completed by the transfer of its shareholding in Sanef to the HIT consortium for an amount of 4,028 million euros.

In addition, HIT has presented a Public Takeover Offer to the French Financial Markets Authority for the outstanding 24.35% that is traded on the Paris Stock Exchange.

In February 2006, the Ministry of Works (Ministerio de Fomento) and **acesa** reached an agreement to widen the AP-7. The agreement (pending authorisation of the Ministerial Council) will represent a substantial improvement of the Mediterranean corridor (widening to 3 lanes for a stretch of 123 kilometres, to 4 lanes in the Girona ring-road and the replacement of 3 trunk road tollgates with on and off-ramp tollgates), whereby the increased capacity will lead to a better service for customers.

NOTE 21_STATEMENT OF SOURCE AND APPLICATION OF FUNDS

(thousand euros)

SOURCE	2005	2004
Resources from operations		
Net profit for the year	387,551	361,076
Charge for depreciation of fixed assets	19,105	20,274
Charge to investment provision	6,672	20,098
Charge for amortisation of deferred expenses	4,573	6,514
Losses on fixed assets	—	—
Charge to provision for expenses and liabilities	(1,721)	2,627
Profit from financial investments	—	—
Profit from fixed assets	—	(850)
Profit from treasury shares	(350)	—
Provision treasury shares	1,076	—
	416,906	**409,739**
Increase in long-term creditors due to merger	—	*234,118*
Long-term debt		
Bonds	700,000	450,000
Loans	—	37,235
Loans with group companies	1,810	472,725
Deferred income	*3,793*	
Disposal of assets		
Intangible assets	—	53
Fixed assets	—	3,548
Investments	124,514	638,373
Sale treasury shares	21,750	—
Early cancellation and transfer to short-term investments		
Long-term credits to group companies	296,628	—
Other financial investments	1,218	—
Total sources	**1,566,619**	**2,245,791**

APPLICATIONS	2005	2004
Acquisition of assets		
Start-up costs	—	197
Intangible assets	152	255
Fixed assets	394	21
Investments		
Group companies	335,873	217,991
Other financial investments	6	—
Long-term loans to group companies	778,699	1,030,904
Acquisition treasury shares	185,877	—
Increase fixed assets and deferred expenses due to merger	—	*239,313*
Increase deferred expenses	*4,941*	*3,355*
Cancellation long-term debt	*162,511*	*234,118*
Dividends	*282,634*	*243,414*
Provision for liabilities and expenses	*2,750*	*1,759*
Reduction payments pending	*2,227*	*1,126*
Transfer long-term debt to short term	*150,000*	*170,000*
Total applications	**1,906,064**	**2,142,453**
Excess of sources over applications / (Applications over sources)		
Increase / (Decrease) in working capital	**(339,445)**	**103,338**
Change in working capital		
Increase / (Decrease) current assets		
Receivables	(3,347)	2,229
Short-term investments	129,285	(176,120)
Treasury	1,429	566
Prepayments and accruals	1,185	—
	128,552	**(173,325)**
(Increase) / Decrease current liabilities		
Short-term creditors	(467,997)	276,663
Change in working capital	**(339,445)**	**103,338**

ANNEX

DIRECT SHAREHOLDINGS
(thousand euros)

Company	Address	Activity
Abertis Infraestructuras Finance, B.V.	Rokin, 55 1012KK. Amsterdam (Netherlands)	Financial services
Serviabertis, S.L.	Av. Parc Logístic ,12-20. Barcelona	Administrative management services
Highways		
Autopistas, C.E.S.A. (**acesa**)	Av. Parc Logístic, 12-20. Barcelona	Toll highway concessionaire
Autopistas Aumar S.A.U.C.E. (**aumar**)	Paseo de la Alameda, 36. Valencia	Toll highway concessionaire
Iberpistas, S.A.U.C.E.	Pío Baroja, 6. Madrid	Toll highway concessionaire
Holding d'Infraestructures de Transport	105 Rue de l'Abbe Groult. 75015 Paris 15 (France)	Holding company
Aurea Limited	180 Strand. London (United Kingdom)	Holding company
Promoción de Autopistas Chile Limitada (Iberpistas Chile)	Gertrudis Echenique, 30. Las Condes-Santiago (Chile)	Toll highway concessionaire
Gestión Integral de Concesiones, S.A. (GICSA)	Montalbán, 5. Madrid	Infrastructure administration & management
Autopistas de Puerto Rico y Compañía, S.E. (APR)	Montellano, sector embalse. San José (Puerto Rico)	Infrastructures concessionaire
Concesionaria Vial de los Andes, S.A. (COVIANDES) (2)	Carrera novena, 126-91. Santafé de Bogotá (Colombia)	Infrastructures concessionaire
Pt Operational Services Limited (PTY)	1, Lavender Road. Bon Accord 009 Pretoria (S. Africa)	Operation and maintenance
Autopistas del Sol, S.A. (AUSOL)	Leandro N.Alem, 986 piso 4. Buenos Aires (Argentina)	Toll highway concessionaire
Sociedad Concesionaria del Elqui, S.A. (ELQUI)	Av. Andrés Bello. 2777- Las Condes Santiago (Chile)	Toll highway concessionaire
Car Parks		
Saba Aparcamientos, S.A. (**saba**)	Av. Parc Logístic, 12-20. Barcelona	Car parks
Logistic Services		
Abertis Logística, S.A.	Av. Parc Logístic, 12-20. Barcelona	Logistic promotion and technical support
Telecommunication		
Abertis Telecom, S.A.	Av. Parc Logístic, 12-20. Barcelona	Telecommunication services
Airports		
Abertis Aeropuertos, S.A.U.	Av. Parc Logístic, 12-20. Barcelona	Promotion, construction, operation and management of airports
Airport Concession and Development Limited (ACDL)	159, New Bond Street. London W1S 2UD (United Kingdom)	Holding company
Compañía de Desarrollo Aeropuerto Eldorado, S.A. (CODAD) (2)	Aeropuerto El Dorado, Muelle Internacional, piso 2. Costados Sur Bogotá D.C. (Colombia)	Airport construction and maintenance

This annex is an integral part of note 7 to the 2005 annual accounts with which it should be read
Currencies other than the euro are converted using the year end exchange rate

Auditors	% Holding	Share capital	Reserves (less interim div.)	Result for year	Net value of shreholding	Dividends received
PwC	100.00	18	1,959	165	2.000	—
PwC	100.00	3	16	165	3	—
PwC	100.00	876,465	559,481	262,433	1,647,187	230,000
PwC	100.00	436,295	430,304	146,710	991,587	134,747
PwC	100.00	50,000	127,777	60,758	223,560	50,000
PwC	100.00	42	—	—	42	—
Other auditors	100.00	14,592	2,086	1,555	23,363	—
PwC	100 (1)	652	1,732	59	805	—
—	99.80	60	178	264	60	120
Other auditors	75.00	1,262	(54,717)	(1,084)	0	—
Other auditors	39.04	10,128	(7,924)	21,987	10,221	9,109
Other auditors	33.30	0	6	1,829	—	523
PwC/Other auditors	31.59	48,891	(155,590)	(4,434)	0	—
Other auditors	25.00	72,293	49,569	18,929	22,748	—
PwC	99.28	18,243	101,736	14,433	231,296	12,677
PwC	100.00	60,832	11,606	(123)	72,993	—
Other auditors	100.00	300,000	3,212	(2,777)	293,249	—
PwC	100.00	1,875	381	(507)	1,749	—
PwC	90.00	40,973 (3)	366,619 (3)	(5,158) (3)	520,978	—
Other auditors	85.00	13,486	(23,666)	3,910	0	685
					4,041,841	**437,861**

INDIRECT SHAREHOLDINGS
(thousand euros)

Company	Address	Activity
Through AUTOPISTAS, C.E.S.A.		
Autopistas-Conces. Espanhola, SGPS, S.A.	Rua General Norton de Matos, 21-A. Arquiparque Algés Oeiras. (Portugal)	Holding company
Brisa, Auto-estradas de Portugal, S.A. (4)	Quinta da Torre da Aguilha, Edificio Brisa, 2785-589. São Domingos de Rana (Portugal)	Toll highway concessionaire
Acesa Italia, S.R.L.	Via delle Quattro Fontane, 15. Roma (Italy)	Holding company
Schemaventotto, S.p.A.	Corso Trieste, 170. 10024 Moncalieri (Italy)	Holding company
Autostrade, S.p.A. (6)	Via A. Bergamini, 50. Roma (Italy)	Toll highway concessionaire
Autopistes de Catalunya, S.A. (**aucat**)	Av. Parc Logístic, 12-20. Barcelona	Toll highway concessionaire
Grupo Concesionario del Oeste, S.A. (GCO) (2 and 8)	Ruta Nacional nº 7, km 25,92. Ituzaingó (Argentina)	Toll highway concessionaire
Túnel del Cadí, S.A.C.	Carretera de Vallvidrera a St. Cugat, km 5,3. Barcelona	Toll highway concessionaire
Autopista Terrassa-Manresa, Autema, Concessionària de la Generalitat de Catalunya, S.A. (AUTEMA)	Autopista C-16, km 41. Barcelona	Toll highway concessionaire
Through AUMAR, S.A		
Ciralsa, S.A.C.E.	Av. Maisonnave, 41. Alicante	Constructions, maintenance and operation of toll highway
Through IBERPISTAS, S.A.C.E.		
Castellana de Autopistas, S.A.U.C.E.	Pío Baroja, 6. Madrid	Toll highway concessionaire
Autopistas de León, S.A.C.E. (AULESA)	Villadangos del Páramo. Ctra. Santa María del Páramo. León	Toll highway concessionaire
Autopistas Vasco-Aragonesa, C.E.S.A. (AVASA)	Barrio de Anuntzibai, s/n. 48410 Orozco. Vizcaya	Toll highway concessionaire
Áreas de servicio y mantenimiento, S.A.	Autopista A68, km. 6. Vizcaya	Restoration
Vasco-Aragonesa de Servicios y Concesiones, S.A.	Barrio de Anuntzibai, s/n. Vizcaya	Dormant
Autopista Trados-45, S.A. (TRADOS-45)	Ctra.M-203 P.K. 0,280. Madrid	Toll highway concessionaire
M-45 Conservación, S.A	Ctra.M-203 P.K. 0,280. Madrid	Highway conservation and maintenance
Infraestructuras y Radiales, S.A. (IRASA)	Golfo de Salónica, 27. Madrid	Infrastructure administration and management
Autopista del Henares, S.A.C.E. (HENARSA)	Golfo de Salónica, 27. Madrid	Toll highway concessionaire
Erredosa Infraestructuras, S.A. (ERREDOSA)	Golfo de Salónica, 27. Madrid	Infrastructure administration and management

This annex is an integral part of note 7 to the 2005 annual accounts with which it should be read
Currencies other than the euro are converted using the year end exchange rate

Auditors	% Indirect holding	Company owning indirect holding	Share capital	Reserves (excl. interim div.)	Result for year
Other auditors	100.00	**acesa**	1,000	300,400	16,046
Other auditors	10.00	Autopistas-Conces. Espanhola, SGPS	600,000 (3)	1,138,295 (3)	163,400 (3)
PwC	100.00	**acesa**	20,400 (5)	173,871 (5)	29,596 (5)
Other auditors	13.33	Acesa Italia	445,536	1,219,099	394,606
Other auditors	6.68	Schemaventotto	571,712 (7)	1,856,641 (7)	662,376 (7)
PwC	100.00	**acesa**	96,160	10,253	26,678
PwC	48.60	**acesa**	22,300	(10,829)	6,421
Other auditors	37.19	**acesa**	105,504	10,776	5,024
PwC	23.72	**acesa**	69,411	(3,082)	16,143
Other auditors	25.00	**aumar**	50,167	—	—
PwC	100.00	**iberpistas**	46,800	187,500	298
PwC	79.20	**iberpistas**	34,642	10,517	(722)
PwC	50.00	**iberpistas**	234,395	8,044	42,158
—	50.00	Avasa	600	637	(2)
—	50.00	Avasa	110	6	1
PwC	50.00	**iberpistas**	26,457	2,293	8,533
Other auditors	25.00	Trados 45	553	—	0
Other auditors	22.5 (9)	**iberpistas**/Avasa	8,746	81,147	(3,545)
Other auditors	22.50	Infraestructuras y Radiales	96,700	327,522	(888)
Other auditors	22.50	Infraestructuras y Radiales	61	(5)	(2)

INDIRECT SHAREHOLDINGS
(thousand euros)

Company	Address	Activity
Through IBERPISTAS, S.A.C.E.		
Alazor Inversiones, S.A.	Carretera M-50, km 67,5. Área de Servicio la Atalaya Villaviciosa de Odón (Madrid)	Holding company
Accesos de Madrid, C.E.S.A.	Carretera M-50, km 67,5. Área de Servicio la Atalaya Villaviciosa de Odón (Madrid)	Toll highway concessionaire
Ibermadrid de Infraestructuras, S.A.	Pío Baroja, 6. Madrid	Dormant
Through Aurea Ltd.		
Road Management Group (RMG)	130, High Street Old Woking. Surrey (U. Kingdom)	Toll highway concessionaire
Through Iberpistas Chile		
Gestora de Autopistas, S.A. (GESA)	Andrés Bello, 2777. Las Condes - Santiago (Chile)	Toll highway concessionaire
Through SABA		
Saba Estacionamientos de Chile, S.A.	Andrés Bello, 2777. Las Condes - Santiago (Chile)	Car park operator
Concesionaria Subterra	Andrés Bello, 2777. Las Condes - Santiago (Chile)	Car park operator
Concesionaria Subterra Dos	Andrés Bello, 2777. Las Condes - Santiago (Chile)	Car park operator
Saba Park Chile, S.A.	Andrés Bello, 2777. Las Condes - Santiago (Chile)	Car park operator
Saba Park Chile Servicios, S.A.	Andrés Bello, 2777. Las Condes - Santiago (Chile)	Car park operator
Concesionaria Estacionamientos Paseo de Bulnes, S.A.	Andrés Bello, 2777. Las Condes - Santiago (Chile)	Car park operator
Spel-Sociedade de Parques de Estacionamento, S.A. (SPEL)	Guedes de Azevedo, 148-180. Oporto (Portugal)	Car park operator
Liz Estacionamientos	Guedes de Azevedo, 148-180. Oporto (Portugal)	Car park operator
Parbla, S.A.	Sabino Arana, 38. Barcelona	Car park operator
Societat Pirenaica d'Aparcaments, S.A. (SPASA)	Pau Casals, 7. Escaldes-Engordany (Principality of Andorra)	Car park operator
Societat d'Aparcaments de Terrassa, S.A. (SATSA)	Plaça Vella, subsuelo. Terrassa	Car park operator
Rabat Parking, S.A.	Rue de Larache, 8. Rabat (Morocco)	Car park operator
Las Mercedes Sociedad Concesionaria, S.L.	Las Mercedes, s/n. Las Arenas-Getxo. Vizcaya	Car park operator
Saba Italia, S.p.A.	Via delle Quattro Fontane, 15. Rome (Italy)	Car park operator
Saba Campo San Giacomo	Via delle Quattro Fontane, 15. Rome (Italy)	Car park operator
Parcheggi Pisa	Via delle Quattro Fontane, 15. Rome (Italy)	Car park operator
Parcheggi Bicocca	Via delle Quattro Fontane, 15. Rome (Italy)	Car park operator
Port Mobility	Via delle Quattro Fontane, 15. Rome (Italy)	Car park operator

This annex is an integral part of note 7 to the 2005 annual accounts with which it should be read
Currencies other than the euro are converted using the year end exchange rate

Auditors	% Indirect holding	Company holding indirect share	Share capital	Reserves (excl. interim div.)	Result for year
Other auditors	31.22	**iberpistas**	212,200	(6,073)	(6,885)
Other auditors	31.22	Alazor Inversiones	212,200	(6,073)	(6,885)
—	100.00	**iberpistas**	500	(143)	6
Other auditors	25.00	Aurea Limited	36,969	69,419	9,939
PwC	51.00	Iberpistas Chile	1,267	1,086	137
PwC	99.27	**saba**	11,500	(342)	511
PwC	99.26	Saba Estacionamientos de Chile, S.A.	1,248	(102)	91
PwC	99.26	Saba Estacionamientos de Chile, S.A.	805	(158)	642
PwC	98.68	Saba Estacionamientos de Chile, S.A.	1,606	(690)	483
PwC	99.26	Saba Estacionamientos de Chile, S.A.	52	73	6
Pwc	98.68	Saba Park Chile, S.A.	312	4	96
PwC	99.28	**saba**	6,000	25,869	272
PwC	50.63	Spel	500	69	(150)
-	99.28	**saba**	3	1,199	(3)
-	89.35	**saba**	301	172	153
PwC	87.41	**saba**	7,163	549	929
Other auditors	50.63	**saba**	1,879	(362)	59
PwC	33.09	**saba**	611	(38)	(298)
PwC	99.28	**saba**	28,600	1,009	(1,280)
PwC	98.29	Saba Italia	100	-	(16)
PwC	69.50	Saba Italia	50	-	(17)
PwC	24.82	Saba Italia	1,500	-	(1,426)
Other auditors	9.93	Saba Italia	1,500	-	-

INDIRECT SHAREHOLDINGS

(thousand euros)

Company	Address	Activity
Through ABERTIS LOGÍSTICA, S.A.		
Sevisur Logística, S.A.	Moratín, 1. Seville	Construction and operation of logistics parks
Parc Logístic de la Zona Franca, S.A. (PLZF)	Av. Parc Logístic, 2-10. Barcelona	Promotion and operation of logistics parks
Areamed 2000, S.A.	Vía Augusta, 21-23. Barcelona	Operation of service areas
Araba Logística, S.A. (ARASUR)	Fueros, 15. Vitoria	Construction and operation of logistics parks
Centro Intermodal de Logística, S.A. (CILSA)	Av. Ports d'Europa, 100. Barcelona	Promotion and operation of logistics parks
Through ABERTIS TELECOM, S.A.		
Tradia Telecom, S.A.	Motors, 392. L'Hospitalet de Llobregat (Barcelona)	Telecommunications infrastructure operator
Retevisión I, S.A.	Gran Via de les Corts Catalanes, 130-136. Barcelona	Telecommunications infrastructure operator
Consorcio de Telecomunicaciones Avanzadas, S.A.	Av. Juan Carlos I, 59. Espinardo (Murcia)	Provision of services related to Telecommunication operators and concessions
Emissions Digitals de Catalunya, S.A.	Diagonal, 477, 1ª planta. Barcelona	Radio and TV signal distribution
Adquisición de emplazamientos, S.L. (ADESAL)	Motors, 392. L'Hospitalet de Llobregat (Barcelona)	Dormant
Torre de Collserola, S.A.	Ctra. de Vallvidrera al Tibidabo, s/n. Barcelona	Construction and operation of telecommunication infrastructures
Servicios audiovisuales Alella, S.L.	Gran Via de les Corts Catalanes, 130-136. Barcelona	Telecommunication and audiovisual services
Through ACDL		
TBI, plc	159 New Bond Street, London W1S 2UD. (U. Kingdom)	Holding company
TBI Finance Ltd	159 New Bond Street, London W1S 2UD. (U. Kingdom)	Financial services
TBI International Airports Limited	159 New Bond Street, London W1S 2UD. (U. Kingdom)	Holding company
TBI Global Limited	159 New Bond Street, London W1S 2UD. (U. Kingdom)	Dormant
TBI Aiviation Limited	159 New Bond Street, London W1S 2UD. (U. Kingdom)	Aircraft leasing
Airport Group International Holdings LLC	c/o Corporation Trust Center, 1209 Orange Street, Wilmington, Delaware 19801. USA	Holding company
Stockholm Skavsta Flygplats AB	Box 44, 611 22 Nyköping. Sweden	Airport management and operations
TBI Airport Holdings Limited	159 New Bond Street, London W1S 2UD. (U. Kingdom)	Holding company
TBI Costa Rica SRL	Forum Business Park, Building G, Fourth Floor Santa Ana. Costa Rica	Technical consulting services
LLAG Investors (UK) Limited	159 New Bond Street, London W1S 2UD. (U. Kingdom)	Holding company
London Luton Airport Group Limited	159 New Bond Street, London W1S 2UD. (U. Kingdom)	Holding company

This annex is an integral part of note 7 to the 2005 annual accounts with which it should be read
Currencies other than the euro are converted using the year end exchange rate

Auditors	% Indirect holding	Company holding indirect share	Share capital	Reserves (excl. interim div.)	Result for year
PwC	60.00	**abertis logística**	7,500	1,271	(311)
Other auditors	50.00	**abertis logística**	23,742	(139)	1,884
Other auditors	50.00	**abertis logística**	70	9,490	2,196
PwC	42.61	**abertis logística**	14,016	3,233	(367)
Other auditors	32.00	**abertis logística**	15,467	26,348	1,596
Other auditors	100.00	**abertis telecom**	131,488	(32,804)	1,538
Other auditors	100.00	**abertis telecom**	81,270	123,703	10,907
-	25.00	**tradia**	1,000	-	(27)
-	10.00	**tradia**	3,000	29	16
-	100.00	**tradia**	3	-	-
Other auditors	41.75	**retevisión**	8,020	670	137
Other auditors	100.00 (10)	**retevisión/tradia**	1,247	3,720	172
PwC	90.00	ACDL	86,448	457,054	(15,856)
PwC	90.00	TBI plc	131,402	10,102	12,941
PwC	90.00	TBI plc	59,003	0	1,138
PwC	90.00	TBI plc	0	(115)	0
PwC	90.00	TBI plc	0	(3,137)	(646)
PwC	90.00	TBI plc	80,250	2,609	9,994
PwC	81.09	TBI International Airports Limited	1,093	11,529	1,369
PwC	90.00	TBI International Airports Limited	73	1,230	(20,547)
PwC	90.00	TBI International Airports Limited	0	(406)	323
PwC	90.00	TBI Airport Holdings Limited	0	473	472
PwC	90.00	TBI Airport Holdings Limited	7,696	(884)	0

INDIRECT SHAREHOLDINGS
(thousand euros)

Company	Address	Activity
Through ACDL		
Cardiff International Airport Limited	159 New Bond Street, London W1S 2UD. (U. Kingdom)	Airport management and operation
Belfast International Airport Holdings Limited	159 New Bond Street, London W1S 2UD. (U. Kingdom)	Holding company
London Luton Airport Operations Limited	159 New Bond Street, London W1S 2UD. (U. Kingdom)	Airport management and operation
MB 121 Limited	159 New Bond Street, London W1S 2UD. (U. Kingdom)	Dormant
Belfast International Airport Limited	Belfast International Airport., Aldergrove, BT29 4AB. (Ireland)	Airport management and operation
Aldergrove Airports Limited	159 New Bond Street, London W1S 2UD. (U. Kingdom)	Dormant
Aldergrove International Airports Limited	Belfast International Airport., Aldergrove, BT29 4AB. (Ireland)	Dormant
Aldergrove Car Parks Limited	Belfast International Airport., Aldergrove, BT29 4AB. (Ireland)	Car park operator
TBI Global (Business Travel) Limited	159 New Bond Street, London W1S 2UD. (U. Kingdom)	Dormant
TBI Financial Investments Limited	c/o PricewaterhouseCoopers LLP, 68-73 Queen Street, Edinburgh. (Scotland)	Financing vehicle
TBI (US) Holdings Limited	159 New Bond Street, London W1S 2UD. (U. Kingdom)	Holding company
TBI US Operations Inc	c/o Corporation Service Company, 2711 Centreville Road, Suite 400, Wilmington. Delaware, 19808. USA	Holding company
TBI Airport Management Inc	PO Box 6041, Toronto AMF, Toronto, Ontario, L5P 1B2. Canada	Airport management and operation
Orlando Sanford International Inc	2 Red Cleveland Boulevard, Suite 210, Sanford, Florida, FL32773. USA	Airport management and operation
Orlando Sanford Domestic Inc	2711 Centreville Road, Suite 400, Wilmington. Delaware, 19808. USA	Airport management and operation
TBI Cargo Inc	2711 Centreville Road, Suite 400, Wilmington. Delaware 19808. USA	Air freight transport
TBI Overseas Holdings Inc	c/o Corporation Service Company, 2711 Centreville Road, Suite 400, Wilmington. Delaware, 19808. USA	Holding company
TBI Real Estate Holdings LLC	2711 Centreville Road, Suite 400, Wilmington. Delaware 19808. USA	Property
TBI Toronto Inc	PO Box 6041, Toronto AMF, Toronto, Ontario, L5P 1B2. Canada	Airport management and operation
TBI Airport Management Canada Inc	66 Wellington Street West, Suite 3600, Toronto, Ontario, Canada	Airport management and operation
Airport Group New York Inc	c/o CT Corporation System, 818 West 7th Street, Los Ángeles, CA 90017. USA	Dormant

This annex is an integral part of note 7 to the 2005 annual accounts with which it should be read
Currencies other than the euro are converted using the year end exchange rate

Auditors	% Indirect holding	Company holding indirect shares	Share capital	Reserves (excl. interim div.)	Result for year
PwC	90.00	TBI Airport Holdings Limited	36,135	33,549	(6,611)
PwC	90.00	TBI Airport Holdings Limited	219	1,154	(6,642)
PwC	90.00	London Luton Airport Group Limited	7,696	(15,860)	8,235
PwC	90.00	Cardiff International Airport Limited	0	0	0
PwC	90.00	Belfast International Airport Holdings Limited	0	101,875	(396)
PwC	90.00	Belfast International Airport Holdings Limited	0	0	0
PwC	90.00	Belfast International Airport Holdings Limited	0	0	0
PwC	90.00	Belfast International Airport Limited	0	107	6,828
PwC	90.00	TBI Global Limited	73	(29)	0
PwC	90.00	TBI Finance Ltd	15	(317)	(1)
PwC	90.00	TBI International Airports Limited	51,488	3,941	649
PwC	90.00	TBI (US) Holdings Limited	98,419	0	(144)
PwC	90.00	TBI US Operations Inc	0	114	192
PwC	90.00	TBI US Operations Inc	2,108	(11,555)	(1,284)
PwC	90.00	TBI US Operations Inc	1	(4,003)	(830)
PwC	90.00	TBI US Operations Inc	0	(1,341)	(257)
PwC	90.00	TBI US Operations Inc	73,469	(10,376)	2
PwC	90.00	TBI US Operations Inc	2,665	109	(30)
PwC	90.00	TBI Airport Management Inc	1,157	6,250	1,759
PwC	90.00	TBI Airport Management Inc	0	3	0
PwC	90.00	TBI Airport Management Inc	0	0	0

INDIRECT SHAREHOLDINGS
(thousand euros)

Company	Address	Activity
Through ACDL		
TBI Partnership	PO Box 6041, Toronto AMF, Toronto, Ontario, L5P 1B2. Canada	Airport management & operation
TBI (US) LLC	2711 Centreville Road, Suite 400, Wilmington, Delaware, 19808. USA	Holding company
TBI Overseas (Bolivia) LLC	c/o Corporation Service Company, 2711 Centreville Road, Suite 400, Wilmington. Delaware, 19808. USA	Holding company
Servicios de Aeropuertos Bolivianos, S.A.	Santa Cruz de la Sierra, Santa Cruz. Bolivia	Airport management & operation
TBI Overseas (UK) LLC	c/o Corporation Service Company, 2711 Centreville Road, Suite 400, Wilmington. Delaware, 19808. USA	Technical consulting services

This annex is an integral part of note 7 to the 2005 annual accounts with which it should be read
Currencies other than the euro are converted using the year end exchange rate

(1) Holding of **abertis**: 100 %. Direct 99.75 %; indirect through Gicsa: 0.25 %.

(2) Financial statements at 31 December 2005, excluding the effect of inflaction considered in local criteria.

(3) Consolidated information (IFRS criteria). The amount of minority interest is included in reserves.

(4) Shares of Brisa, Auto-estradas do Portugal, S.A. are traded on the Lisbon Stock Exchange. The average price for the last quarter 2005 was 6.84 euros. At the close of the year the price was 7.16 euros.

(5) Information at 30 November 2005.

(6) The shares of Autostrade, S.p.A. are traded on the Milan Stock Exchange. The average price for the last quarter of 2005 was 19.45 euros. At the close of the year the price was 20.26 euros.

(7) Information consolidated at 30 September 2005 (IFRS criteria).

(8) The shares of GCO trade on the Argentine Stock Exchange. The average price for the last quarter of 2005 was 1.91 Argentine pesos. At the close of the year the price was 1.85 Argentine pesos. 57,6% of the voting rights are held.

(9) Indirect shareholding **abertis**: 22.5 %. Indirect through Iberpistas, S.A.C.E. : 15 % and AVASA: 7.5 %.

(10) Indirect shareholding **abertis**: 100 %. Indirect through **retevisión** 78.37 % and **Tradia**: 21.63 %.

Auditors	% Indirect holding	Company holding indirect shares	Share capital	Reserves (excl. interim div.)	Result for year
PwC	90.00	TBI Toronto Inc	(208)	23	0
PwC	90.00	TBI Overseas Holdings Inc	23,037	(6,277)	0
PwC	90.00	TBI (US) LLC	4,861	0	(128)
PwC	90.00	TBI Overseas (Bolivia) LLC	3,282	5,291	1,017
PwC	90.00	TBI Overseas Holdings Inc	2,509	1,054	1,697

ABERTIS INFRAESTRUCTURAS, S.A.
MANAGEMENT REPORT FOR 2005

Abertis Infraestructuras, S.A. (**abertis**) is parent of a business group that provides its services in the areas of infrastructure management serving mobility and communications. It operates in the sectors of highways, car parks, logistics infrastructure, telecommunication infrastructure and airports.

During 2005 the following significant events have occurred in the Group that it leads:

- In the highways sector, the sale by Schemaventotto (the company that groups the core shareholders of Autostrade) of 2.053% of Autostrade, reducing the indirect shareholding of **abertis** to 6.68%, the sale of shareholdings in Concesiones de Madrid (25%) and Autopista Central Gallega (18%) and the increase in the shareholding in Accesos de Madrid (to 31.2%). In December 2005, a consortium led by **abertis** was selected by the French Government to acquire the highway concessionaire Sanef. The effective acquisition of 75.7% of this company took place at the beginning of February 2006, and the Public Takeover Offer for the outstanding 24.3% commenced.

- In the car park sector, Saba acquired 40% of Saba Italia (raising its shareholding to 100%) during the year and has continued its expansion in Chile (acquisition of companies that manage 7 car parks), Italy (acquisition in Venice and opening in Modena) and Portugal (opening of two car parks).

- In the logistics infrastructure sector the development of the logistics projects in Álava, Seville and ZAL Prat continues, in which **abertis** participates and the Parc Logístic de la Zona Franca and ZAL Barcelona remain fully occupied.

- In the telecommunication infrastructures sector the initiation of Digital Terrestrial Television is of particular note, with significant involvement of subsidiary companies of **abertis telecom** as sole providers of the distribution of this new type of signal, as well as the award of two tenders for the transmission of autonomous TV and radio signals.

- Finally, in the airports sector the company ACDL, in which **abertis** holds 90%, took 100% control of the company TBI, having launched a Public Takeover Offer in 2004, giving it a 29% stake at the end of 2004. Also of note was the inauguration of the expansion of the London-Luton airport terminal managed by TBI.

All these actions, combined with the positive performance of the other businesses and activities, have had a positive impact on the key figures and results for the year. The financial statements of **abertis** reflect the consequences of this investment activity and role as parent of the Group.

The balance sheet is mainly comprised of the portfolio of shareholdings and the financing of these holdings through equity and debt. It also includes the financing obtained and ceded as a result of the centralisation of the Group's debt in **abertis** which is responsible for covering the funding requirements of its subsidiaries.

During 2005, and as part of the ongoing process of optimising the Group's financial structure, bonds were issued for the amount of 700 million euros amongst institutional investors for terms of between 15 and 20 years, and long-term financial operations have been arranged to cover the new funding requirements of the Group.

The balance of the financial structure of **abertis** is illustrated by maintaining one of the highest debt ratings awarded to private companies in Spain.

The profit and loss account basically reflects the transfer of the results generated in the different companies of the Group through the dividend policy, the financial expenses and income related to the financing activity, as well as the costs derived from the corporation structure.

The profit for the year rose to 387.5 million euros, which represents an increase of 7.3% on the previous year and allows **abertis** to ensure, in turn, its policy of shareholder return.

As in previous years, **abertis** has maintained its policy of shareholder return that combines the dividend payout with a bonus share issue of one share for every 20 shares held.

The Board of Directors of **abertis** has agreed to propose to the Ordinary Shareholders' Meeting a final dividend for 2005 of 0.25 euros gross per share.

The total dividend to be charged against profit for 2005 will be 289.5 million euros, rising to 0.5 euros gross per share with the interim dividend already paid, an increase of 9.6% on the dividend distributed and charged against results in the previous year. The willingness to set an annual dividend at this new level is an indication of the confidence in the consolidation of the return on investments made in recent years and their growing contribution to profits.

In 2006 a significant change in the key figures is expected as a result of the inclusion of the shareholding in the French group Sanef and the financing associated with its acquisition, whilst trusting that the positive contribution of all the business units will continue, accentuated by the progressive contribution of all new projects and the most recent incorporations in the Group, with the policy on shareholder return being maintained.

Furthermore, those investment opportunities that meet the strict requirements of soundness and return demanded by the Group will continue to be analysed, in order to continue providing shareholders with a balanced combination of investments in sectors related with transport and communication infrastructures.

Under the authorisation approved by the Shareholders' Meeting and in response to the offer from a core shareholder interested in selling its shareholding, in December 2005 the Company acquired own shares for the sum of 185.9 million euros (1.5% of the capital). During the month of December part of these shares (0.173% of the capital) were sold, generating a capital gain of 0.35 million euros.

At the close of the financial year the Company held 7,685,832 own shares (1.33% of the capital). In accordance with the regulations in force, it has raised a provision up to the book value as indicated in the notes to the annual accounts. It is the Company's intention to continue placing this packet of shares in the market during 2006.

PRICEWATERHOUSECOOPERS

Edifici Caja de Madrid
Avinguda Diagonal, 640
08017 Barcelona
Tel. +34 902 021 111
Fax +34 93 405 90 32

A free translation from the original in Spanish. In the event of a discrepancy, the Spanish language version prevails

AUDIT REPORT ON THE ANNUAL ACCOUNTS

To the Shareholders of Abertis Infraestructuras, S.A.

1. We have audited the annual accounts of Abertis Infraestructuras, S.A., set out on pages 174 to 217, consisting of the balance sheet at 31 December 2005, the profit and loss account and the related notes to the annual accounts for the year then ended, the preparation of which is the responsibility of the Directors of the Company. Our responsibility is to express an opinion on the aforementioned annual accounts taken as a whole, based on the work performed in accordance with auditing standards generally accepted in Spain, which require the examination, on a test basis, of evidence supporting the annual accounts, as well as an evaluation of their overall presentation, the accounting principles applied and the estimates made. Our work did not include the audit of the individual, or, as the case may be, the consolidated annual accounts for 2005 of certain direct or indirect investee companies indicated in Note 7 to the accompanying annual accounts, which net book value on the accompanying balance sheet totals Euros 303,470 thousand, in terms of direct shareholdings, and Euros 631,291 thousand on the balance sheets of the subsidiaries that directly hold the indirect shareholdings. The aforementioned annual accounts of these investee companies are audited by other auditors and our opinion expressed in this report on the annual accounts of Abertis Infraestructuras, S.A. is based, in relation to the shareholdings in these companies, solely on the reports of other auditors.

2. In accordance with Spanish Corporate Law, the Company's Directors have presented, for comparative purposes only, for each item of the balance sheet, the profit and loss account and statement of source and application of funds, the corresponding amounts for the previous year as well as the amounts for 2005. Our opinion refers exclusively to the annual accounts for 2005. On 11 March 2005, we issued our audit report on the 2004 annual accounts in which we expressed an unqualified opinion.

3. In our opinion, based on our audit and the reports of other auditors, the accompanying annual accounts for 2005 present fairly, in all material respects, the shareholders' equity and financial position of Abertis Infraestructuras, S.A. at 31 December 2005 and the results of its operations and its source and application of funds for the year then ended, and contain all the information necessary and relevant for their interpretation and comprehension in accordance with generally accepted accounting principles in Spain, applied on a basis consistent with that of the previous year.

PricewaterhouseCoopers Auditores, S. L. - R. M. Madrid, hoja 87.250-1, folio 75, tomo 9.267, libro 8.054, sección 3ª
Inscrita en el R.O.A.C. con el número S0242 - CIF: B-79031290

PRICEWATERHOUSECOOPERS

4. The accompanying Directors' Report for 2005, set out on pages 218 to 220, contains the information that the Company's Directors consider relevant to the position of Abertis Infraestructuras, S.A., the evolution of its business and other matters and does not form an integral part of the annual accounts. We have verified that the accounting information contained in the aforementioned Directors' Report agrees with that of the annual accounts for 2005. Our work as auditors is limited to checking the Directors' Report within the scope already mentioned in this paragraph and it does not include a review of information other than that obtained from the Company's accounting records.

PricewaterhouseCoopers Auditores, S.L.

Xavier Brossa Galofré
Audit Partner

16 March 2006

PwC-061

abertis www.abertis.com