

FOMENTO DE CONSTRUCCIONES Y CONTRATAS, S.A.

Full texts of the resolutions proposed by the Board of Directors to the General Meeting of Shareholders on 28 June 2007

1. **Examination and approval of the financial statements (balance sheet, income statement and notes to financial statements) and directors' reports of Fomento de Construcciones y Contratas, S.A. and its consolidated group for 2006, as well as the Board of Directors' conduct of business. (Item 1 of the Agenda)**

It is proposed: "To approve the balance sheet, income statement, notes to financial statements and directors' reports of FOMENTO DE CONSTRUCCIONES Y CONTRATAS, S.A. and its consolidated group for 2006. Those documents have obtained a favourable report from the Audit and Control Committee and the Company's auditors."

It is also proposed: "To approve the Board of Directors' conduct of the company's business in 2006."

2. **Examination and approval of the proposed distribution of 2006 income. (Item 2 of the Agenda)**

It is proposed: "To approve the following proposal by the Board of Directors as to the application of the 2006 income of FOMENTO DE CONSTRUCCIONES Y CONTRATAS, S.A., which amounts to a profit of 295,235 thousand euro:

- At a meeting on 19 December 2006, the Board of Directors declared an interim dividend of 1.00 euro gross per share with dividend rights at the time of payment. There were 130,567,483 such shares; consequently, the total interim dividend distributed amounted to 130,567,483 euro.
- It is proposed now to pay a supplementary dividend of 1.05 euro per share with dividend rights at the time of payment.

From the foregoing amount, an amount of 0.189 euro per share (18% of the gross amount of the supplementary dividend) will be withheld on account of personal or corporate income tax, as appropriate, leading to a net supplementary dividend of 0.861 euro per share.

- The amount obtained by subtracting the interim dividend and the aforementioned supplementary dividend from total income will be appropriated to voluntary reserves.

The supplementary dividend will be paid on 9 July next through the following banks: Banco Bilbao Vizcaya Argentaria (BBVA), Banco Santander Central Hispano (SCH), Caja de Ahorros y Monte de Piedad de Madrid (Cajamadrid), Caja de Ahorros y Pensiones de Barcelona (La Caixa) and RB Dexia (Bancoval).

- Additionally, in accordance with article 37 of the Articles of Incorporation, and following a favourable report by the Appointments and Remuneration Committee, it is proposed to approve the remuneration for the Company's Board of Directors for 2006, which amounts to 1,773,781 euro, equivalent to 0.331% of consolidated income attributable to Fomento de Construcciones y Contratas, S.A.

3. **Amendment to the Articles of Incorporation to a) ensure close coordination in the implementation of the Rules of the Board of Directors with the recommendations from the Unified Code on Good Corporate Governance approved by the CNMV on 22**

May 2006, and b) introduce various technical improvements in order to clarify and resolve certain issues. (Item 3 of the Agenda).

Three A: articles 18 (Legitimation for attending General Meetings) and 23 (Right to Information)

"In accordance with the Directors' Report, which has been available to the shareholders since the date of the meeting announcement, it is proposed to reword articles 18 (Legitimation for attending General Meetings) and 23 (Right to Information) of the Articles of Incorporation of Fomento de Construcciones y Contratas, S.A. to read as follows (Item 3 A of the Agenda):

Article 18. Legitimation for attending General Meetings.

Shareholders possessing one or more shares, including those without voting rights, will be entitled to attend the General Meeting, provided that the ownership of the shares is registered in the ledger of account entries at least five days in advance of the Meeting date and the shareholder accredits such ownership at the Company's registered offices or any other location indicated by the Company, by exhibiting the pertinent certificate or attendance card issued by the Company, or in any other form permitted by law.

Directors, managers, technical personnel and others responsible for the management of the Company may also attend General Meetings upon request. Company directors will be obliged to attend. For any matter not specifically addressed in this Article with regard to the right to attend General meetings, the provisions of the Public Corporations Act will apply.

Shareholders may attend and vote at the General Meeting of Shareholders and appoint representatives by means of distance communication, in accordance with the Rules of the General Meeting of Shareholders, provided that the governing body so decides.

When each General Meeting of Shareholders is announced, the Board of Directors will evaluate whether there are distance communication methods available that permit the shareholders to vote and/or delegate their votes remotely, duly guaranteeing the identity of the shareholder exercising the right to vote or, in the case of a proxy, the identity of the principal and agent and whether the use of such methods is feasible. If the Board of Directors determines that such methods are available and can be used, it will mention this in the announcement, specifying the communication methods that shareholders may use to exercise their representation rights, exercise or delegate their vote and attendance. It will also contain the deadlines, forms and ways in which shareholders can attend the Meeting by electronic or telematic means."

Article 23 (Right to Information)

Shareholders may request, either prior to the meeting in writing or verbally during the meeting, copies of the reports or explanations they deem necessary regarding the items contained on the meeting agenda. The Directors will be obliged to provide such information, except in those instances where, in the Chairman's opinion, the publication of such information could be harmful to the Company's interests. Shareholders may request, either in writing or using other electronic or distance communication media, up to seven calendar days before the date of the General Meeting on first call, any information or explanations they require or pose any questions they may have on the agenda items or about the information available to the public provided by the Company to the National Securities Market Commission since the last General Meeting was held. The information so requested will be provided by the directors in writing no later than the date of the General Meeting.

Any information or explanations requested verbally from the Chairman by the shareholders in relation to the items on the agenda during the General Meeting itself before the Meeting turns to the items contained in the agenda, or requested in writing up to the seventh day before the scheduled meeting date, will be provided verbally during the General Meeting by any one of the directors in attendance, at the Chairman's request. If the requested information or explanations refer to items falling under the jurisdiction of the Audit

Committee, they will be provided by any one of the members or advisors of that Committee in attendance at the meeting. If in the Chairman's opinion it is not possible to provide the shareholder with the requested information or explanations during the Meeting, they will be provided in writing to the requesting shareholder within six calendar days of the Meeting date.

The Directors are obliged to provide the information referred to in the two preceding paragraphs unless, in the Chairman's opinion, the publication of the requested information could be harmful to the Company's interest.

This exception will not apply when the request is supported by shareholders representing at least one-fourth of the share capital.

The Company has a website which contains the legally-required information and through which the Company can respond to the shareholders' requests for information, according to the legislation in force at any given time."

Three B: articles 26 (The Board of Directors), 27 (Composition), 28 (Appointment and Separation of Board Members), 29 (Requirements and Term), 35 (Executive Committee and Managing Director), 36 (Operation of the Executive Committee) and 37 (Remuneration).

"In accordance with the Directors' Report, which has been available to the shareholders since the date of the meeting announcement, it is proposed to reword articles 26 (The Board of Directors), 27 (Composition), 28 (Appointment and Separation of Board Members) and 29 (Requirements and Term), 35 (Executive Committee and Managing Director), 36 (Operation of the Executive Committee) and 37 (Remuneration) of the Articles of Incorporation of Fomento de Construcciones y Contratas, S.A. to read as follows (Item 3 B of the Agenda):

Article 26. The Board of Directors.

The Board of Directors is the governing body in charge of the management, administration and representation of the Company, in and out of court, notwithstanding the powers attributed to the General Meeting of Shareholders, either by law or these Articles of Association. Its main activity focuses on the supervision and control of the ordinary management of the Company, which is carried out by the executive directors and senior managers, and the consideration of any issues of particular relevance to the Company.

Article 27. Composition.

The Board of Directors will be exactly the right size to enable it to function in an efficient and participatory manner, and, accordingly, will be composed of no fewer than five and no more than 22 members.

The General Meeting will decide the exact number of board members.

Article 28. Appointment, re-appointment, ratification and separation of board members

The General Meeting of Shareholders is responsible for appointing board members.

If a vacancy arises on the board during a board member's term, the Board may appoint a shareholder to replace that board member until the next General Meeting of Shareholders.

The General Meeting of Shareholders may decide at any time to remove a board member.

The Board of Directors, in its proposals for the appointment, re-appointment, ratification or removal of directors submitted to the General Meeting of Shareholders, and in its appointments using the powers of co-option attributed to it by law, will follow the criteria and guidelines established in the Rules of the Board of Directors in this regard.

Article 29. Requirements and Term.

In order to be a board member it will not be necessary to be a shareholder. Both individuals and legal entities may be shareholders, but in the case of the latter the legal entity will designate an individual to represent it on the board.

Those affected by any of the circumstances of incapacity or incompatibility are prohibited from being board members, particularly those set forth in Law 5/2006, of 10 April and 53/1984 of 26 December and any others which may be enacted in the future.

Board members will hold their seats for five (5) years, but may be re-elected indefinitely, one or more times, for terms of equal length."

Article 35. Executive Committee and Managing Director.

The Board of Directors may set up an Executive Committee and Managing Directors and permanently delegate to them and to the Chairman part or all of the delegable powers, notwithstanding the powers of attorney which may be granted to others.

In addition to the powers that the Rules of the Board of Directors reserve for the Board, the powers relating to the rendering of accounts and presentation of balance sheets to the General Meeting of Shareholders and any other powers vested by the General Meeting in the Board of Directors may not be delegated under any circumstances, except when specifically authorised to do so.

The powers to convene the General Meeting and set the meeting agenda may only be delegated to the Executive Committee.

The designation of the Executive Committee and the Managing Directors and their powers must be registered in the Companies Register.

In order for the Board of Directors to proceed with the appointments and delegation of powers set out in this Article, it must resolve to do so with the favourable vote of at least two thirds of the board members, as established in Article 32 herein. The designations and appointments may be revoked by majority decision of the board members.

Article 36. Operation of the Executive Committee.

The Board of Directors, when setting up the Executive Committee, will determine its power and appoint the Directors who will sit on the Committee.

The Executive Committee will be convened by the Chairman himself or upon the request of two Committee members. The notice will be sent by letter, telegram, e-mail or fax to each of the Committee members at least 48 hours in advance of the meeting date. The Executive Committee may be convened immediately for reasons of urgency, in which case the meeting agenda will be limited to the issues which caused the urgency.

The meetings will be held at the Company's registered offices or other location designated by the Chairman and indicated in the announcement.

In order for the Executive Committee to be validly convened, there must be a majority of members present or represented.

Absent members may be represented by another member of the Executive Committee by notifying the Chairman in writing.

The deliberations will be directed by the Chairman. If the Chairman is absent, the meeting will be chaired by a Committee member chosen by majority vote of those in attendance.

The Chairman will give the floor to those attendees who wish to speak.

Resolutions will be passed by absolute majority of the Committee members.

In the event of a tie, the matter will be forwarded to the Board of Directors. In this case, the members of the Executive Committee will request that a meeting be convened as provided for in article 30 of the Articles of Association, unless a Board meeting is already scheduled to be held within the next thirty calendar days, in which case the Committee will ask the Chairman of the Board to include the matters on which the Committee is tied on the meeting agenda.

Article 37. Remuneration.

The post of board member is remunerated. The remuneration will consist of a share of the net profits which will not be less than two percent (2%) of the financial year results attributed to Fomento de Construcciones y Contratas, S.A. on the Group's consolidated annual accounts. This amount will be paid to the Board of Directors once all legal reserves have been covered and a minimum dividend of four percent (4%) has been paid to shareholders. The remuneration for each financial year will be decided by the General Meeting of Shareholders.

The Board will distribute among its members the remuneration resolved at the General Meeting of Shareholders, taking into account the functions and responsibilities of each one in the Board or its Delegate Committees and other criteria envisaged in the Rules of the Board of Directors, including, within the amount referred to in the previous paragraph of this article, fixed remuneration as well as attendance fees, variable remuneration and benefit schemes.

The remuneration mentioned in the preceding paragraphs for board members will be compatible with the other waged, service or professional remuneration paid to the board members for the performance of their duties, whether managerial, executive, advisory or of any other nature, other than the directors' functions of supervision and collective decision-making, which they perform for the Company, under the form of hired employment, lease of services or any other form legally applicable to them based on their nature."

Three C: heading in Section 3 of Title Three and articles 38 (The Audit and Control Committee) and 39 (Competence).

"In accordance with the Directors' Report, which has been available to the shareholders since the date of the meeting announcement, it is proposed to reword the heading of section 3 A of title three, articles 38 (The Audit and Control Committee) and 39 (Competence). (Item 3 C of the Agenda)

Section 3. Committees of the Board of Directors

Article 38. Committees of the Board of Directors

The Board of Directors must set up and permanently maintain, within itself, an Audit and Control Committee and an Appointments and Remuneration Committee.

The Board of Directors, however, may also set up other Committees with the powers, composition and functions that the Board of Directors itself determines in each case.

Article 39. Audit and Control Committee and Appointments and Remuneration Committee.

1. The basic function of the Audit and Control Committee and Appointments and Remuneration Committee will be to support the Board of Directors in its duties of supervision and control of the ordinary management of the Company; their competences will, therefore, include powers of information, advising and proposing. Its members will be designated by the Board of Directors, to which they will be accountable with regard to the performance of their functions.

2. The Audit and Control Committee will be composed of a minimum of three (3) board members, appointed by the Board of Directors for a period not to exceed that of their terms on the board, notwithstanding the possibility of being re-elected indefinitely, provided that

they are also re-elected to the board. All of the Committee members will be external directors.

The Committee will choose a Chairman and may also elect a Vice Chairman from among its members. Their terms of office may not exceed four years or their terms of office as Committee members, although they may be re-elected one year after stepping down.

The Secretary and Assistant Secretary, if any, will be chosen by the Committee and need not be board members.

The Committee members may be assisted at their meetings by persons of their choice acting as their advisers, up to two advisers per member. These advisers will attend the meetings and may speak but not vote.

The basic function of the Audit Committee is to support the Board of Directors in its supervisory duties by periodically reviewing the processes used to prepare the economic-financial information, the internal controls and the independence of the external auditors. Its basic functions will include the following:

- a) Informing the General Meeting of Shareholders on the questions raised by shareholders which fall within its scope of authority.
- b) Making proposals to the Board of Directors, for submission to the General Meeting of Shareholders, on the appointment of external auditors of the Company.
- c) Supervising the Company's internal auditing services.
- d) Overseeing the Company's financial information processes and internal control systems.
- e) Requesting and receiving information from the external auditors on matters which might jeopardise the independence of the external auditors and on any other questions related to the auditing process and in relation to any and all communications envisaged in the audit legislation and in audit technical standards.
- f) Ensuring compliance with the Internal Code of Conduct and the Corporate Governance guidelines.
- g) Any other functions which are attributed by these Articles of Incorporation or by the Rules of the Board of Directors.

To ensure the proper functioning of the Committee, it will convene, if the Chairman sees fit, as many times as deemed necessary for the execution of its duties and at least once per quarter.

The Committee will be quorate only when those in attendance or represented account for one more than half of its members, and resolutions will be passed by majority vote of the members present or represented. In the event of a tie, the Chairman will have the casting vote.

Each year, the Audit and Control Committee will draft an action plan for the coming year which it will submit to the Board of Directors.

These regulations relating to the Audit and Control Committee will be implemented via the Rules of the Board of Directors, with the goal of ensuring its independent functioning at all times.

3. The Appointments and Remuneration Committee will be composed of a minimum of three (3) board members, appointed by the Board of Directors. The majority of its members will be external directors and the Chairman will be appointed from among the latter. The

term of its members must not exceed their terms as directors, notwithstanding the possibility of being re-elected indefinitely, provided that they are also re-elected to the board.

The main functions of the Appointments and Remuneration Committee will be to support and aid the Board of Directors mainly with regard to proposals for the appointment, re-appointment, ratification and removal of directors, the establishment and control of the remuneration policy for directors and senior executives of the Company, and monitoring of the performance of the directors' duties, particularly in situations of conflicts of interest and related events.

To ensure the proper functioning of the Committee, it will convene as often as the Chairman deems necessary to discharge its duties, and at least once per quarter.

The Committee will be quorate only when those in attendance or represented account for one more than half of its members, and resolutions will be passed by majority vote of the members present or represented. In the event of a tie, the Chairman will have the casting vote.

These regulations relating to the Appointments and Remuneration Committee will be implemented via the Rules of the Board of Directors; they will contain any other aspects that may be necessary with regard to its composition, roles, competences and duties, and will ensure its independent functioning at all times."

The proposed amendments to the articles in paragraphs A, B and C will be voted on separately.

4. **Amendment to the Rules of the General Meeting of Shareholders of Fomento de Construcciones y Contratas, S.A. in order to a) adapt its contents to the recommendations of the Unified Code on Good Corporate Governance approved by the CNMV on 22 May 2006 and b) introduce various technical improvements in order to clarify and resolve certain issues:**

The proposed amendments to the articles in paragraphs A and B will be voted on separately.

Four A: articles 5 (Announcement of the meeting), 6 (Information available as soon as the General Meeting is announced) and 8 (Proxies)

It is proposed: "To reword articles 5 (Announcement of the meeting), 6 (Information available as soon as the General Meeting is announced) and 8 (Proxies) of the Rules of the General Meeting of Shareholders of Fomento de Construcciones y Contratas, S.A., to read as follows, which text has been available to the shareholders since the publication of the meeting announcement:

Article 5. Meeting Announcement

1. The General Meeting of Shareholders will be convened by placing an announcement in the Official Gazette of the Mercantile Register and in one of the daily newspapers with the largest circulation in the province and on the Company's website at least one month in advance of the meeting date.

The Board of Directors must consider the advisability of publishing the meeting announcement in other media.

The announcement will be sent to the National Securities Market Commission on the day it is published.

2. The meeting announcement will contain:

a) The name of the Company, and the place, date and time of the meeting at first call and at second call; there must be at least twenty-four hours between the times of first and second call.

b) The agenda of the General Meeting of Shareholders will be written clearly and precisely and will include the business to be transacted at the meeting, and it must be drafted so as not to prevent issues which are substantially independent from being voted on separately, in order that the shareholders may express their preferences separately.

c) The requirements for attending the General Meeting and for accrediting one's attendance rights.

d) The right of shareholders to be represented at the meeting by a proxy, who need not be a shareholder, and the requirements and procedures for exercising this right.

e) Shareholders' right to information and the procedures for exercising this right.

3. When each General Meeting of Shareholders is announced, the Board of Directors will evaluate whether there are distance communication methods available that permit the shareholders to vote and/or delegate their votes remotely, duly guaranteeing the identity of the shareholder exercising the right to vote or, in the case of a proxy, the identity of the principal and agent and whether the use of such methods is feasible. If the Board of Directors determines that such methods are available and can be used, it will mention this in the announcement, specifying the communication methods that shareholders may use to exercise their representation rights, exercise or delegate their vote and attendance. It will also contain the deadlines, forms and ways in which shareholders can attend the Meeting by electronic or telematic means.

4. The agenda contained in the announcement will be determined by the Board of Directors, although shareholders who own at least 5% of capital may request the publication of a supplement to the meeting announcement, adding one or more items to the agenda. The shareholders who wish to exercise that right must send that supplement via certifiable means to the company's registered offices within five days from publication of the meeting announcement. The supplement must be published at least fifteen days prior to the scheduled meeting date.

Article 6. Information available as soon as the General Meeting is announced

As from the date of the meeting announcement, the Company will make available to its shareholders, at its registered offices, at the National Securities Market Commission, on the stock exchanges where its stocks are traded and on the Company's website, the following:

a) The full text of the announcement.

b) The text of all of the motions to be submitted by the Board of Directors in relation to the items on the agenda.

When the proposal consists of the appointment or ratification of directors, the following information with regard to the directors will also be included: (i) professional and biographical profile; (ii) other Boards of Directors to which they have belonged, both listed and unlisted companies; (iii) indication of the category of director to which they belong, specifying, in the case of proprietary directors, the shareholder at whose request the appointment, ratification or re-appointment has been proposed, or with whom they have ties; (iv) date of their first appointment as a director of the Company, and date of their subsequent appointments; (v) Company shares and share options which they possess.

c) The documents or information which by law must be made available to the shareholders on the items on the meeting agenda as from the date of the announcement of the General Meeting of Shareholders.

d) Information on the channels of communication between the company and its shareholders for the purposes of obtaining information or making suggestions, in accordance with the applicable regulations.

Article 8. Proxies

1. Shareholders entitled to attend the General Meeting of Shareholders may appoint a proxy, who need not be a shareholder, to represent them.

The proxy will be granted according to the terms and within the scope established in the Public Corporations Act (Ley de Sociedades Anónimas), in writing, and separately for each General Meeting, except when the proxy is a spouse, ascendant or descendant of the shareholder or holds a general power of attorney to administer all of the shareholder's assets in Spain.

2. The proxy may also be granted by post, whereby a written document is handed to the Company indicating the representation granted, accompanied by the attendance card issued by the Company or entities responsible for keeping a record of account entries. However, the attendance card itself may suffice when used for the purposes of delegation by post.

Representation may also be granted by other means of distance communication provided that they are expressly permitted by the Board of Directors when the General Meeting of Shareholders is announced, which will be publicised in the meeting announcement and on the Company's website.

3. Representation granted by any of the above means of distance communication must be received by the Company five (5) hours before the day and time scheduled for the General Meeting at first call. Otherwise, proxies will not be recognised.

4. The Chairman and Secretary of the General Meeting of Shareholders will have broad powers to grant the validity of the document or other proof of representation; they may only refuse to recognise that which lacks the minimum necessary requirements, provided that they are irremediable.

5. When directors of the Company make a public solicitation of proxies, the rules contained in the Public Corporations Act, in the Securities Market Act and in the implementing regulations will play. In particular, the proxy document must contain the agenda or include it as an annex, as well as the request for instructions on how to exercise the right to vote and indicating how the proxy should vote in the absence of specific instructions. The proxy may also include items that, although not provided for on the agenda of the meeting, can be dealt with, as permitted by law, at the meeting, and may also provide for the substitution of the director by another member in attendance at the general meeting when he is in a conflict of interests which prevents him from voting the proxy.

6. Proxies are always revocable. The shareholder's attendance at the General Meeting of Shareholders constitutes a revocation of the proxy, regardless of the date of the proxy."

Four B: articles 9 (Right to attend, obligation to attend) and 15 (Voting on Proposals)

It is proposed: "To reword articles 9 (Right to attend, obligation to attend) and 15 (Voting on Proposals) of the Rules of the General Meeting of Shareholders of Fomento de Construcciones y Contratas, S.A., to read as follows, which text has been available to all the shareholders since the publication of the meeting announcement:

Article 9. Right to attend, obligation to attend

1. Shareholders possessing one or more shares will be entitled to attend the General Meeting, provided that their ownership of the shares is registered in the ledger of account entries at least five days in advance of the Meeting date and the shareholder accredits such ownership at the Company's registered offices or any other location indicated in the notice of meeting, by exhibiting the pertinent certificate or attendance card issued by the Company, or in any other form permitted by law.

The member entities of the Sociedad de Gestión de Sistemas de Registro, Compensación y Liquidación de Valores S.A. (Iberclear) may be authorised by the Company to issue General Meeting attendance cards to the shareholders who have deposited their shares;

these cards are also provided, where appropriate, by the Company itself, upon proof of share ownership.

The Company will advise these entities about the format of the attendance card that must be issued to the shareholders, ensuring that the cards issued by these entities are uniform and include a bar code or another system which allows the card to be read electronically to record meeting attendance automatically, and the form in which this document may be used to grant proxy to another shareholder. The attendance card may indicate the identity of the proxy where the shareholder represented has not expressly indicated it, and possible conflicts of interest.

2. The members of the Board of Directors are obliged to attend the General Meeting of Shareholders. Executives, managers, technical personnel and others responsible for the management of the Company may also attend General Meetings when the Board of Directors sees fit and considers that their participation in the Meeting may be useful to the Company. The Chairman of the General Meeting may authorise any other person to attend, as he sees fit, but the General Meeting is entitled to revoke such authorisation."

Article 15 (Voting on Proposals)

1. Upon conclusion of the shareholders' addresses and once the questions have been answered as provided for in these Rules, the proposed resolutions in the agenda and any others which by law need not be included in the agenda will be voted on.

2. The Secretary will ask the shareholders whether or not they wish to have the proposed resolutions read, the text of which was delivered to the shareholders before the meeting and is available on the Company's website. If any shareholder wishes them to be read or if the Chairman deems it appropriate, the proposed resolutions will be read aloud. In any event, the shareholders will be informed of the agenda item to which each proposed resolution refers.

3. Notwithstanding the alternative systems which may be employed at the Chairman's initiative, the procedure for voting on the proposed resolutions referred to above will be as follows:

a) The system for voting on the proposed resolutions relating to the items on the agenda will be by a negative deduction system. This means that, for each proposal, the votes corresponding to all of the shares present and represented will be considered as votes in favour, deducting those corresponding to the shares whose owners or representatives state that they are voting against or abstaining, to which will be added the votes corresponding to proxies received by the Board of Directors, indicating whether voters are against the motion or abstentions. Votes against and abstentions will be counted separately.

b) The system for voting on the proposed resolutions relating to items not on the agenda, when such proposals may legitimately be voted upon, will be a positive deduction system. This means that for each proposal, the votes corresponding to all of the shares present and represented will be considered votes against, deducting those corresponding to the shares whose owners or representatives state that they are voting for the proposal or abstaining.

c) When technically possible and provided that compliance with all legal requirements can be guaranteed, the Board of Directors may establish the use of electronic vote counting systems.

d) If, in accordance with the terms of article 5 of these Rules, the meeting announcement makes provisions for voting electronically using one or more distance voting methods, and without detriment to the specific instructions for each particular case in order to be valid and accepted by the Company, the document containing the vote must contain the following information at the very least:

- (i) Meeting date and agenda.
- (ii) The shareholder's identity.

- (iii) The number of shares owned.
- (iv) The shareholder's vote on each of the items on the agenda.

Issues which are substantially independent will be voted on separately so that the shareholders can exercise separately their voting preferences; this rule will be applied when adopting resolutions on: (i) the appointment or ratification of directors, which must be voted on individually; and (ii) amendments to the Articles of Incorporation where each article or group of articles is substantially independent.

f) Provided that it is legally possible and that the requirements provided for in this respect are met, financial intermediaries who are legitimised as shareholders, but who act on behalf of different customers, will be allowed to split the vote as per the instructions of their customers.

4. The statements containing votes submitted to the notary or the meeting officers as envisaged in paragraph 3 above may be made individually for each of the proposals or jointly for several or all of them, indicating to the notary or the officers the identity of the shareholder or representative, the number of shares in question, and whether the shareholders/representative votes in favour or against, or abstains."

5. Establishing the number of members of the Board of Directors at twenty one, appointment and re-appointment of directors. (Item 5 of the Agenda).

Five A: Establishing the number of members of the Board of Directors at twenty one (21)

It is proposed: "To establish at twenty-one (21) the number of members of the Board of Directors, within the limits set out in article 27 of the Articles of Incorporation."

In order to fill the existing vacancies, two of which were by expiry today of the term of the directors B1998, S.L. and Francisco Mas-Sardá Casanelles, who were appointed at the meeting of 28 June 2002, to re-appoint or appoint, as appropriate, the persons stated in the following motions:

Five B: Re-appointment of B 1998, S.L. as a proprietary director.

It is proposed "To re-appoint **B 1998, S.L.** as a member of the Board of Directors, based on a favourable report by the Appointment and Remuneration Committee, effective from the date of this General Meeting and for a term of five years, as a proprietary director"

Five C: Re-appointment of Francisco Mas-Sardá Casanelles as an independent director.

It is proposed "To re-appoint **Francisco Mas-Sardá Casanelles as an independent member** of the Board of Directors, based on a proposal by the Appointment and Remuneration Committee, effective from the date of this General Meeting and for a term of five years."

Five D: Appointment of César Ortega Gómez as an independent director.

It is proposed "To appoint **César Ortega Gómez as an independent member of the Board of Directors**, based on a proposal by the Appointment and Remuneration Committee, effective from the date of this General Meeting and for a term of five years."

Five E: Appointment of Luis Manuel Portillo Muñoz as a proprietary director.

It is proposed "To re-appoint **Luis Manuel Portillo Muñoz as a member of the Board of Directors**, based on a favourable report by the Appointment and Remuneration Committee, effective from the date of this General Meeting and for a term of five years, as a proprietary director".

Five F: Appointment of Mariano Miguel Velasco as a proprietary director.

It is proposed "To re-appoint **Mariano Miguel Velasco** as a member of the Board of Directors, **based on a favourable report by the Appointment and Remuneration Committee**, effective from the date of this General Meeting and for a term of five years, **as a proprietary director**".

Each paragraph (A, B, C, D, E and F) will be voted on separately.

6. Authorisation to buy back own shares and authorisation to the subsidiaries to acquire shares of Fomento de Construcciones y Contratas, S.A., within the limits and requirements established in article 75 et seq. of the Public Corporations Act. (Item 7 of the Agenda)

It is proposed: "To authorise FOMENTO DE CONSTRUCCIONES Y CONTRATAS, S.A. and the companies in its Group which meet any of the circumstances set out in article 42.1 and 42.2 of the Commerce Code, to acquire own shares on the market, by purchase in any of the Stock Exchanges on which they are listed, at the stock market price on the day of acquisition, which must be between the following minimum and maximum values:

- At most 10% more than the highest market price in the three months prior to the acquisition.
- The minimum value will be 10% less than the lowest market price in the three months prior to the time of the acquisition.

By virtue of this authorisation, the Board of Directors, the Executive Committee and the Managing Director, without distinction, may acquire own shares provided that, at the time of acquisition, and including the acquired shares, the own shares do not exceed 5% of capital stock in the terms contained in article 75.2 of the Consolidated text of the Public Corporations Act.

This authorisation will run for 18 months from this date.

The acquisition of shares, which must be fully paid, must enable the company to appropriate the reserve required in article 79.3 of the Public Corporations Act without reducing capital, the legal reserve or other reserves that the Articles of Incorporation designate as restricted.

The authorisation to acquire own shares granted to the Board by resolution of the General Meeting of the Company on 29 June 2006 is hereby revoked."

7. Reappointment of auditors for the company and its consolidated group. (Item 8 of the Agenda)

It is proposed: "To re-appoint, as auditor of the Company and of its consolidated group for 2008, following a favourable report from the Audit and Control Committee, DELOITTE, S.L., with registered office in Madrid, Plaza Pablo Ruiz Picasso 1, Registered in the Madrid Mercantile Register, volume 13,650, sheet 188, section 8, page M-54414, and registered in ROAC under no. S-0692 and with company tax number B79104469."

8. Give broad powers to the directors to implement, notarise, register, rectify and execute the adopted resolutions. (Item 9 of the Agenda)

It is proposed: "To empower all the members of the Company's Board of Directors, in the broadest terms, so that any of them, without distinction, may notarise the resolutions adopted by the General Meeting, with the powers to remedy, rectify and interpret their wording on the basis of the verbal or written comments by the Mercantile Register and for the sole purpose of registration therein. That authorisation also extends to granting any type of public or private document that may be required to enforce, implement and formalise all the resolutions adopted by the Meeting, without limitation."

9. Approval, where applicable, of the Meeting's minutes in any of the ways established

in article 113 of the consolidated text of the Public Corporations Act, or application of the provisions of article 114 of said Act. (Item 10 of the Agenda)

Although it is proposed to approve the minutes of the Meeting in any of the ways established in article 113 of the Public Corporations Act, shareholders are informed that the Board of Directors intends to engage a notary to attend and minute the Meeting.