



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 10 June 2009**

**1. Examination and approval of the financial statements and directors' reports of Fomento de Construcciones y Contratas, S.A. and its consolidated group for 2008, as well as the Board of Directors' conduct of business. (Item 1 of the Agenda)**

It is proposed: "To approve the financial statement and the directors' report of FOMENTO DE CONSTRUCCIONES Y CONTRATAS, S.A. and its consolidated group for 2008. 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 2008."

**2. Examination and approval of the proposed distribution of 2008 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 2008 income of FOMENTO DE CONSTRUCCIONES Y CONTRATAS, S.A., which amounts to a profit of 342,905,738.01 euro:

- At a meeting on 18 December 2008, the Board of Directors declared an interim dividend of 0.785 euro gross per share with dividend rights at the time of payment. There were 127,303,296 such shares; consequently, the total interim dividend distributed amounted to 99,933,087.36 euro.
  
- It is proposed now to pay a supplementary dividend of 0.785 euro per share with

dividend rights at the time of payment.

From the foregoing amount, an amount of 0.1413 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 0.6437 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 6 July next through the following banks: Banco Bilbao Vizcaya Argentaria (BBVA), Banco Santander (BS), 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 2008, which amounts to 2,059,430 euro, equivalent to 0.6% of consolidated income attributable to Fomento de Construcciones y Contratas, S.A."

### **3. Appointment of directors (Item 3 of the Agenda)**

#### **Three A: Reappointment of EAC INVERSIONES CORPORATIVAS, S.L. as proprietary director**

It is proposed "To re-appoint EAC INVERSIONES CORPORATIVAS, S.L. as a proprietary 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"

#### **Three B: Reappointment of Mr Rafael Montes Sánchez as a proprietary director**

It is proposed "To re-appoint MR RAFAEL MONTES SÁNCHEZ as a proprietary 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"

**Each paragraph (A and B) will be voted on separately.**

### **4. Amendments to the Articles of Incorporation (Item 4 of the Agenda)**

#### **4 A. Amendment to article 17 of the Articles of Incorporation ("Constitution of the General Meeting")**

"Based on the report by the Directors, which has been available to shareholders since the announcement of the General Meeting of Shareholders, a new wording is proposed for article 17 of the Articles of Incorporation of FOMENTO DE CONSTRUCCIONES Y CONTRATAS, S.A.

The amendment aims to adapt the article's content to the new wording of article 103 of the Public Corporations Act as amended by Act 3/2009, of 3 April, on Structural Amendments to Mercantile Companies, which imposes special quorum requirements for overriding or limiting pre-emptive subscription rights to new shares, transferring assets and liabilities en bloc, and transferring the corporate domicile to another country.

For those purposes, it is proposed to amend article 17.2 of the Articles of Incorporation to read as follows:

##### ***Article 17. Constitution of the General Meeting.***

*The Ordinary and Extraordinary General Meeting will be validly convened on the original meeting date when the shareholders present or represented account for at least fifty percent (50%) of the subscribed capital with voting rights; on the alternate date, the meeting shall be validly convened when the shareholders present or represented account for at least forty-five (45%) of the subscribed capital with voting rights.*

*Notwithstanding the provisions of the previous paragraph, in order for the Ordinary or Extraordinary General Meeting of Shareholders to validly pass resolutions on debenture issues, capital increases or decreases, the transformation, merger or division of the Company, the transfer en bloc of assets and liabilities, the overriding or limiting of pre-emptive subscription rights to new shares, the transfer of domicile to another country and, in general, any modification of the Articles of Incorporation, it shall be necessary for shareholders accounting for at least fifty percent (50%) of the subscribed capital with voting rights to be present or represented on the original meeting date, while on the alternate date it shall suffice to have shareholders accounting for at least forty-five percent (45%) of the subscribed capital with voting rights to be present or represented.*

*When the shareholders in attendance or represented account for less than fifty percent (50%) of the subscribed capital with voting right, the resolutions referred to in the previous paragraph may only be validly passed with the favourable vote of two-thirds of the share capital present or represented at the Meeting."*

#### **4 B. Amendment to article 42 of the Articles of Incorporation ("Annual accounts")**

"Based on the report by the Directors, which has been available to shareholders since the announcement of the General Meeting of Shareholders, a new wording is proposed for article 42 of the Articles of Incorporation of FOMENTO DE CONSTRUCCIONES Y CONTRATAS, S.A.

The amendment aims to adapt the article's content to the new wording of article 172 of the Public Corporations Act, as amended by Law 3/2009, of 3 April, on the reform and adaptation of mercantile law on accounting measures with a view to international harmonisation based on European Union regulation, which modifies the content of annual accounts.

For those purposes, it is proposed to amend article 42.2 of the Articles of Incorporation to read as follows:

##### ***Article 42. The Annual Accounts.***

*As mandated in the Commerce Code, the Company must keep orderly accounting records of its business activities which make it possible to follow its operations chronologically and must also prepare inventories and balance sheets. The accounting records must be authenticated by the Business Register where the company has its headquarters.*

*The Directors are obligated to compile, within three months of the end of the financial year, the Annual Accounts, the Directors' Report and the Proposal for the Application of Profits/Losses, as well as the consolidated Accounts and Directors' Report, where applicable. The annual accounts shall be written clearly and shall reflect a true image of the Company's wealth, its financial situation and its economic results, according to the provisions of the Public Corporations Act and the Commerce Code and shall be signed by the Directors."*

**Each paragraph (A and B) will be voted on separately.**

**5. Amendment to article 11 ("Constitution of the General Meeting") of the Rules of the General Meeting of Shareholders (Item 5 of the Agenda)**

"Based on the report by the Directors, which has been available to shareholders since the announcement of the General Meeting of Shareholders, a new wording is proposed for article 11 of the Rules of the General Meeting of Shareholders of FOMENTO DE CONSTRUCCIONES Y CONTRATAS, S.A.

This amendment aims, in coordination with the proposal to amend article 17 of the Articles of Incorporation in item 4 of the agenda, to adapt the content of article 11 of the Rules of the General Meeting of Shareholders to the new wording of article 103 of the Public Corporations Act, as amended by Law 3/2009, of 3 April, on Structural Amendments to Mercantile Companies, which imposes special quorum requirements for overriding or limiting pre-emptive subscription rights to new shares, transferring assets and liabilities en bloc, and transferring the corporate domicile to another country.

For those purposes, it is proposed to amend article 11.8 of the Rules of the General Meeting of Shareholders to read as follows:

***"Article 11. Constitution of the General Meeting of Shareholders***

*1. Starting two hours before the scheduled time for the meeting, on the date and at the time and place indicated in the announcement of the General Meeting of Shareholders, shareholders or their duly assigned proxies may present, to the personnel in charge of registering attendees, the documents accrediting their right to attend the meeting or to represent their principals, as the case may be. Meeting attendance rights will be accredited by presenting the certificate, issued by the entities in charge of registering the Company's shares, accrediting the registration, in the shareholders' name, of at least one share at least five days in advance of the Meeting date.*

*Shareholders wishing to cast their votes by distance means of communication, in those cases where this possibility is envisaged in the meeting announcement, will accredit their identity and shareholder status in the manner determined by the Board of Directors in the announcement.*

*2. The shareholders or their proxies who arrive at the meeting after it has been called to order and has begun to discuss the items on the agenda will not be included in the list of attendees.*

*3. The list of attendees will be included at the beginning of minutes or appended to it as an annex signed by the Secretary and countersigned by the Chairman.*

*Shareholders who vote using distance means, as provided for in the meeting announcement, will be counted as present for the purposes of determining the quorum of the General Meeting of Shareholders.*

*4. Once there is a quorum, the Meeting will be called to order at the pre-established place, date and time, at either first or second call.*

*5. The Chairman or Secretary will read the announcement, or may take it as read if none of the shareholders object, and then state the total figures from the attendance list, indicating the number of voting shareholders in attendance and represented at the meeting, the number of shares held by each category and the percentage of share capital they represent.*

*6. Once this information is publicly announced by the Chairman or the Secretary, the Chairman will then state whether or not the meeting is quorate. The notary public, if there is one, will ask the assembly if there are any objections to the Chairman's statements regarding the numbers of shareholders in attendance and the share capital they represent. Any questions or claims submitted to the notary or to the Secretary, if there is no notary, will be reflected in the minutes and resolved by the Chairman.*

*7. Following this, the Chairman will call the meeting to order, if appropriate.*

*8. Both ordinary and extraordinary General Meeting of Shareholders will be quorate:*

*- Generally speaking, on first call when the shareholders present or represented possess at least fifty percent of the subscribed capital with voting rights. On second call, when the shareholders present or represented possess at least forty-five percent of the subscribed voting capital.*

*- In order for the General Meeting of Shareholders to validly approve bond issues, capital increases or reductions, the change of corporate form, the merger or demerger of the company, the transfer en bloc of assets and liabilities, the overriding or limiting of pre-emptive subscription rights to new shares, the transfer of domicile to another country and, generally, any amendment of the Articles of Incorporation, at least fifty percent (50%) of the subscribed voting capital must be present at first call. At second call, it will suffice for shareholders accounting for at least forty-five percent (45%) of the subscribed voting capital to be present or represented.*

*- When the shareholders in attendance or represented account for less than fifty percent (50%) of the subscribed capital with voting rights, the resolutions referred to in the previous paragraph may only be validly passed with the favourable vote of two-thirds of the share capital present or represented at the Meeting.*

*9. If it is necessary, for any reason, to hold the meeting in separate rooms, audio-visual equipment will be set up to permit interactivity and intercommunication between the rooms in real time and, therefore, the transaction of the meeting as a single act."*

6. **Authorisation to the Board of Directors, with express power to delegate, to acquire own shares on the market 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 Spanish Corporations Law, rendering null and void that part not used of the authorisation granted by the General Meeting of Shareholders on 18 June 2008 for this purpose. (Item 6 of the Agenda)**

It is proposed:

"To authorise FOMENTO DE CONSTRUCCIONES Y CONTRATAS, S.A. (FCC) and the companies in its Group which meet any of the circumstances set out in article 42.1 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.
- No less than 10% lower 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 under the terms contained in article 75 of the Consolidated text of the Public Corporations Act.

The Board of Directors, the Executive Committee and the Managing Director, without distinction, may allocate some or all of the own shares so acquired to the execution of remuneration programmes consisting of the delivery of shares or stock options, in accordance with article 75.1 of the Public Corporations Act.

This authorisation is granted for the maximum period allowed by law, and must conform to the limit of capital stock that is applicable under the legislation in force at the time of the acquisition.

The acquisition of shares, which must be fully paid, must enable the FCC Group company that acquired them to appropriate the restricted reserves required in article 79.3 of the Public Corporations Act.

The authorisation to acquire own shares granted to the Board by resolution of the General Meeting of the Company on 18 June 2008 is hereby revoked."

**7. Reduction of capital through amortisation of own shares, delegating to the Board of Directors the necessary powers to execute this resolution (Item 7 of the Agenda)**

"In accordance with the Directors' Report, which has been available to the shareholders since the date of the meeting announcement, it is proposed:

One: To reduce the company's share capital by 3,182,582 euro through the amortisation of 3,182,582 own shares which were previously acquired in accordance with authorisation given by the General Meeting of Shareholders at the time, within the limits of articles 75 et seq. and additional provision 1, section 2, of the Public Corporations Act.

Consequently, the text regarding share capital in article 5 of the Articles of Incorporation is amended to read as follows:

*"Article 5. Share capital*

*The share capital is ONE HUNDRED TWENTY-FOUR MILLION, ONE HUNDRED TWENTY THOUSAND, SEVEN HUNDRED FOURTEEN (124,120,714) euro, represented by one hundred twenty-four million, one hundred twenty thousand, seven hundred fourteen (124,120,714) shares with a par value of one euro each. The shares are fully subscribed and paid up".*

The reduction in share capital, performed against voluntary reserves, requires the constitution of a reserve for amortised capital equal to the nominal value of the amortised shares which may only be used under the same requirements as for a reduction in share capital, by application of article 167.3 of the Public Corporations Act. Consequently, in accordance with that precept, the company's creditors shall not have the right of opposition referred to in article 166 of the Public Corporations Act as a result of the agreed capital reduction.

The reduction does not include the refund of contributions to shareholders as the amortised shares are owned by the company itself. Therefore, the purpose of the reduction will be to amortise own shares.

Two: To empower the Board of Directors so that, within one year from the date this resolution, it may determine any details not expressly set out in this decision or that may result from this decision, and adopt such resolutions, carry out such actions and grant such public or private documents as may be necessary or advisable for the enforcement of this resolution, including the ability not to perform the capital reduction having regard to the company's interests and, in particular, to market conditions and to any event or circumstance of social or economic relevance that make such a decision advisable, which must be notified to the first General Meeting of Shareholders held after that one-year period has elapsed, or at the next General Meeting of Shareholders if one is held before that period elapses. The powers of the Board of Directors shall include but not be limited to the publication of the legally-required notices, and the presentation of requests and communiqués that are required to delist the amortised shares, which powers may be delegated by the Board of Directors to the bodies or persons it deems appropriate."

**8. 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 2010, 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."

**9. To 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."

**10. 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.