



ANNUAL REPORT ON DIRECTOR REMUNERATION
OF
FOMENTO DE CONSTRUCCIONES Y CONTRATAS, S.A.
(2012 AND ALLOCATION CORRESPONDING TO 2011)

1. INTRODUCTION

On 4 March 2011, the Spanish Official State Gazette published Act 2/2011, of 4 March, on the Sustainable Economy, which, except as provided in its final provision sixteen, came into force on the day following publication. That Act amended a number of legislative texts, including Act 24/1988, of 28 July, on the Securities Market, by adding a new article 61 ter, which states as follows:

Article 61. Ter. Annual report on director remuneration (Securities Market Act)

Added by final provision 5.3 of Act 2/2011, of 4 March. RCL\2011\384.

1. In addition to the annual corporate governance report, the board of a listed company must draw up a report on its directors' remuneration which must include complete, clear and comprehensible information about the company's remuneration policy approved by the board for the current year and for future years, as appropriate. It must also include an overall summary of how the policy was applied during the year, with disclosure of the individual remuneration accrued by each director.

2. The annual report on director remuneration, the company's remuneration policy approved by the board for the current year, that planned for future years, an overall summary of how the remuneration policy was applied during the year, and the itemized individual remuneration accrued by each director shall be made public and submitted for a consultative vote as a separate item on the agenda of the ordinary Shareholders' Meeting.

...

5. The Minister of Economy and Finance and, by express authorisation, the National Securities Market Commission shall establish the minimum content and structure of the remuneration report, which may include the following, among other matters: the amount of the fixed component, the variable remuneration items and the performance benchmarks chosen for their design, and the role of the Remuneration Committee, if one exists.

Those obligations are already enshrined in article 37 of the Articles of Incorporation and article 32 of the Rules of the Board of Directors of FOMENTO DE CONSTRUCCIONES Y CONTRATAS, S.A. (hereafter, the Company, or FCC), which establish that the Board of Directors must distribute among its members the remuneration decided upon at the General Meeting of Shareholders and draft a report on the directors' remuneration policy for the current year and for future years, as the case may be, an overview of how it applied the remuneration policy in the preceding year, and an itemised breakdown of the remuneration earned by each director, to be made public, placed at the disposal of the shareholders from the date of notice of the General Meeting of Shareholders, and voted upon, on an advisory basis, as a separate item on the agenda of the General Meeting of Shareholders.

That report must address the various aspects referred to under article 32 of the Rules of the Board of Directors, except those potentially entailing the disclosure of commercially sensitive information, while also referring to the role of the Appointments and Remuneration Committee in designing the remuneration policy.

Based on the foregoing, on 12 April 2012, the Board of Directors approved the aforementioned report, in order to make it available to shareholders on the occasion of giving notice of the 2012 General Meeting of Shareholders and submit it to a vote, on an advisory basis, as a separate item on the agenda of that General Meeting of Shareholders.

The Sustainable Economy Act entrusts the Minister of Economy and Finance and, by express authorisation, the National Securities Market Commission with the task of issuing secondary legislation on the content and structure of the Annual Report on Remuneration.

Nevertheless, since the secondary legislation implementing the new form of the report has not yet been approved, the Company has followed the instructions from the National Securities Market Commission to listed companies and has drawn up this document with the new disclosures required under Article 61 ter of the Securities Market Act.

2. ROLE OF THE NOMINATIONS AND REMUNERATION COMMITTEE IN DRAFTING THIS REPORT.

As provided in Article 42 of the Rules of the Board of Directors of FOMENTO DE CONSTRUCCIONES Y CONTRATAS, S.A., the Nominations and Remuneration Committee has the following function, among others:

f) Overseeing compliance with the Company's remuneration policy and, in particular, proposing to the Board of Directors the remuneration policy for directors and senior executives, the remuneration of the executive directors and the other conditions of their contracts, and the basic conditions for the contracts for senior executives, advising and proposing on multi-year incentive plans for the Company's senior management, particularly those related to the value of the shares.

Proposing to the Board of Directors the distribution among the Directors of the remuneration for Board membership decided by the General Meeting of Shareholders in accordance with the Articles of Incorporation and these Rules.

2.1. Composition:

FOMENTO DE CONSTRUCCIONES Y CONTRATAS SA			
APPOINTMENTS AND REMUNERATION COMMITTEE			
Director	Representative	Position	Appointment
Anés Alvarez-Castrillón, Gonzalo		Member	31/01/2007
CARTERA DEVA SA	Llantada Aguinaga, Jaime	Member	22/12/2004
Castells Masana, Juan		Member	07/04/2011
DOMINUM DESGA SA	Alcocer Koplowitz, Esther	Chairman	22/12/2004
DOMINUM DIRECCION Y GESTION SL	Alcocer Koplowitz, Carmen	Member	30/09/2008
EAC INVERSIONES CORPORATIVAS SL	Alcocer Koplowitz, Alicia	Member	30/09/2008
Falcó y Fernández de Cordova, Fernando		Member	22/12/2004
Montes Sánchez, Rafael		Member	22/12/2004
Pérez Colmenero, Antonio		Member	21/06/2005
Verdú Ramos, José María		Secretary (not a member):	01/12/2005

The status of the directors who participated in defining the remuneration policy is as follows:

Director	Representative	Status
Anés Alvarez-Castrillón, Gonzalo		Independent
CARTERA DEVA SA	Llantada Aguinaga, Jaime	Proprietary
Castells Masana, Juan		Proprietary
DOMINUM DESGA SA	Alcocer Koplowitz, Esther	Proprietary
DOMINUM DIRECCION Y GESTION SL	Alcocer Koplowitz, Carmen	Proprietary
EAC INVERSIONES CORPORATIVAS SL	Alcocer Koplowitz, Alicia	Proprietary
Falcó y Fernández de Cordova, Fernando		Proprietary
Montes Sánchez, Rafael		Proprietary
Pérez Colmenero, Antonio		Proprietary

2.2 Process of drafting the report.

All members of the Nominations and Remuneration Committee participated actively in drafting this report under the coordination of the Chair, and their comments and suggestions were taken into account.

The Board of Directors also had information and advice from the Company's own departments, no advice having been received from external consultants in this connection. (Art. 32.2 of the Rules of the Board of Directors)

The Board also considered data regarding remuneration paid in the market by companies of a similar size and activity, and the recommendations and indications regarding the remuneration structure for directors contained in the Unified Code of Good Corporate Governance published by the National Securities Market Commission.

3. OVERVIEW OF HOW THE REMUNERATION POLICY WAS APPLIED IN 2011 AND ITEMISED BREAKDOWN OF INDIVIDUAL REMUNERATION EARNED BY EACH DIRECTOR

3.1. Director remuneration for membership of the Board of Directors and its Committees in 2011

The Board proposes that the 2012 Ordinary General Meeting of Shareholders approve remuneration totalling 1,974,356.00 euro, to be distributed among all its members as a function of their membership of the various Board Committees. The remuneration will consist of a share of the net profit (1.82%) which is less than two per cent (2%) of the profit for the financial year attributed to Fomento de Construcciones y Contratas, S.A. in the consolidated financial statements of the Group of which it is the parent company, for the Board of Directors as a whole, once the legal reserves have been covered and a minimum dividend of four per cent (4%) has been allocated to shareholders.

The various remuneration items to be paid to the members of the Board for discharging their duties in 2011 is based on a module of 66,720 euro, which has been frozen at the same amount as in 2007, 2008, 2009 and 2010.

REMUNERATION	TOTAL IN EURO
For membership of the Board	66,720
For membership of the Executive Committee	44,480
For membership of the Audit Committee	33,360
For membership of the Appointments and Remuneration Committee	33,360

There is no other type of compensation, such as attendance fees or per diems, or variable remuneration.

3.2. Breakdown of individual remuneration earned by each director in 2011

On the basis of the foregoing criteria, the Board of Directors has decided on the following individual remuneration for the year 2011:

CONSEJERO	TIPOLOGIA DE CONSEJERO	MODULO POR PERTENENCIA AL CONSEJO	2/3 DEL MODULO POR PERTENENCIA A LA CE	50% DEL MODULO POR PERTENENCIA AL CAC	50% DEL MODULO POR PERTENENCIA AL CNR	TOTAL RETRIBUCIÓN FIJA (devengada)
Baldomero Falcones Jaquotot	EJECUTIVO	66.720,00	44.480,00			111.200,00
Rafael Montes Sánchez	DOMINICAL	66.720,00			33.360,00	100.080,00
B-1998, S.L.representada por Esther Koplowitz Romero de Juseu	DOMINICAL	66.720,00				66.720,00
Dominum Desga, S.A. representada por Esther Alcocer Koplowitz	DOMINICAL	66.720,00	44.480,00	33.360,00	33.360,00	177.920,00
Dominum Dirección y Gestión, S.L. representada por Carmen Alcocer Koplowitz	DOMINICAL	66.720,00			33.360,00	100.080,00
EAC Inversiones Corporativas, S.L.representada por Alicia Alcocer Koplowitz	DOMINICAL	66.720,00	44.480,00	33.360,00	33.360,00	177.920,00
Fernando Falcó Fernández de Córdova	DOMINICAL	66.720,00	44.480,00	33.360,00	33.360,00	177.920,00
Gonzalo Anes y Alvarez de Castrillón	INDEPENDIENTE	66.720,00		33.360,00	33.360,00	133.440,00
Marcelino Oreja Aguirre	DOMINICAL	66.720,00				66.720,00
Juan Castells Masana (1)	DOMINICAL	66.720,00	44.480,00	33.360,00	24.464,00	169.024,00
Felipe Bernabé García Pérez	EJECUTIVO	66.720,00				66.720,00
Robert Peugeot (2)	DOMINICAL	25.576,00			12.788,00	38.364,00
CARTERA DEVA, S.A. representada por Jaime Llantada Aguinaga	DOMINICAL	66.720,00	44.480,00		33.360,00	144.560,00
Larranza XXI, S.L.representada por Lourdes Martínez Zabala (3)	DOMINICAL	48928 (2)				48.928,00
Antonio Pérez Colmenero	DOMINICAL	66.720,00			33.360,00	100.080,00
Miguel Blesa de la Parra (4)	DOMINICAL	27.800,00				27.800,00
Javier Ribas	INDEPENDIENTE	66.720,00				66.720,00
CESAR ORTEGA GOMEZ	INDEPENDIENTE	66.720,00				66.720,00
HENRI PROGLIO	INDEPENDIENTE	66.720,00				66.720,00
Nicolás Redondo Terreros	INDEPENDIENTE	66.720,00				66.720,00
TOTAL		1.187.616,00	266.880,00	166.800,00	304.132,00	1.974.356,00

- (1) Member of the Appointments and Remuneration Committee since 7 April 2011, i.e. 264 days
- (2) Director and member of the Appointments and Remuneration Committee until 18 May 2011, i.e. 138 days
- (3) Director since acceptance of the appointment on 7 April 2011, i.e. 264 days
- (4) Director until 30 May 2011, i.e. 150 days

3.3. Remuneration of directors for discharging managerial or executive duties.

3.3.1. Remuneration system linked to the company's share price:

The members of the Board who perform executive functions have a remuneration system linked to the company's share price.

The beneficiaries of this system are as follows: (i) Mr Baldomero Falcones Jaquotot, Chairman and CEO, and (ii) Mr Felipe Bernabé García Pérez, executive director and General Secretary, did not earn any amount in 2011.

3.3.2. Fixed and variable remuneration for executive and/or senior management functions

The 2011 Annual Corporate Governance Report (section B.1.11) and the 2011 Notes to Financial Statements (Notes 22 and 32 in the separate and consolidated financial statements, respectively) supplement and elaborate upon this information on Director remuneration.

The Board of Directors agreed to maintain in 2011 the structure of the remuneration that those Directors had been receiving for the performance of executive functions, which is structured as follows:

- Mr Baldomero Falcones Jaquotot:
 - Fixed remuneration: 3,000,000 euro
 - Variable remuneration: 750,000 euro
- Mr Felipe Bernabé García Pérez□
 - Fixed remuneration: 545,900.04 euro¹
 - Variable remuneration based on "management by results": 0 euro
- Mr Fernando Falcó y Fernández de Córdova□
 - Fixed remuneration: 333,440 euro
 - Variable remuneration: 36,600 euro

Mr Fernando Falcó has ceased to collect remuneration for executive functions effective in 2012.

¹ Of that amount, 101,200 euro correspond to 2010. In the past, an amount of "variable" remuneration was paid to a group of executives including Mr. Felipe García Pérez. This variable part was paid in the year following the year in which it was earned and, in fact, remained unchanged from year to year; consequently, it was, in fact, "fixed". This remuneration was eliminated in 2011, leaving only the variable remuneration for "management by results".

4. OBJECTIVE AND STRUCTURE OF THE REMUNERATION POLICY FOR THE CURRENT YEAR (2012)

4.1. Objective

Under article 37 of the Articles of Incorporation, the remuneration policy for FCC directors considers the functions and responsibilities of each of them as a member of the Board and its Committees, and is commensurate with the dedication of each one to the Company, with a view to motivating and retaining the most qualified professionals.

Accordingly, the remuneration policy for Directors seeks to ensure that they receive a competitive market remuneration that is in line with the remuneration paid in the market by companies of similar size and activity and it is reviewed periodically by the Appointments and Remuneration Committee so that the latter may propose any appropriate amendments to the Board of Directors.

The remuneration policy must respect the criteria stipulated in article 32.2 of the Rules of the Board of Directors.

- (i) external directors' remuneration should sufficiently compensate them for the dedication, abilities and responsibilities that the post entails, but should not be so high as to compromise their independence;*
- (ii) remuneration comprising the delivery of shares in the Company or other companies in the Group, share options or other share-based instruments, variable remuneration linked to the Company's performance or membership of pension schemes should be confined to executive directors except where directors are obliged to retain the shares until the end of their tenure;*
- (iii) in the case of remuneration linked to Company earnings, it should take account of any qualifications in the external auditor's report that lead to a reduction in such earnings; and*
- (iv) in the case of variable awards, remuneration policies should include technical safeguards to ensure they reflect the professional performance of the beneficiaries and not simply the general progress of the markets or the Company's sector, atypical or exceptional transactions or circumstances of this kind.*

4.2. Structure

Article 37 of the Articles of Incorporation ("Remuneration") establishes that: *"The office of board member is remunerated. The remuneration shall consist of a share of the net profits which shall not be more than two per cent (2%) of the financial year results attributed to Fomento de Construcciones y Contratas, S.A. in 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 per cent (4%) has been allocated 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.

In accordance with the resolution adopted by the General Meeting, and regardless of the provisions of the foregoing paragraphs, director remuneration may also consist of the delivery of shares or stock options, or may be referenced to the value of the Company shares.

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.

The annual report on director remuneration, containing the company's remuneration policy approved by the Board for the current year, that projected for future years, an overview of how the remuneration policy was applied during the year and the detailed individual remuneration accrued by each director, will be published and voted on, on a consultative basis, as a separate item on the agenda for the General Meeting."

The Board of Directors has decided to propose to the General Meeting of Shareholders scheduled for 31 May 2012, at first call, and 1 June 2012, at second call, in the agenda, an amendment of Article 37 of the Articles of Incorporation, which regulates the director remuneration system, replacing the current system established by Article 37 of the Articles of Incorporation of FOMENTO DE CONSTRUCCIONES Y CONTRATAS, S.A. in order to take account of actual attendance at meetings of the Board and its Committees and the consequent dedication to preparing for and debating the business transacted at such meetings, as required of directors, as an item eligible for remuneration that is not linked directly to the year's profits.

Accordingly, it is proposed that the General Meeting approve specific regulation for this matter ("remuneration for actual attendance") which is separate from the share in profits.

With this amendment, directors will be remunerated for attending Board and Committee meetings. To this end, the General Meeting of Shareholders will determine the amount under this heading each year, to be distributed by the Board among its members based on their actual attendance at meetings of the Board and of its internal Committees of which they are members.

In accordance with the framework of the law and the Articles as described above, the remuneration for each director is structured as follows:

4.2.1. Director remuneration for membership of the Board of Directors.

The Board shall distribute among its members the remuneration resolved at the General Meeting of Shareholders, considering the functions and responsibilities of each one in the Board or its Internal Committees. Accordingly, the members of the Board of Directors will collect an annual amount comprising the sum of the following two components:

- Fixed remuneration that is referenced to the company's earnings
- Remuneration for actual attendance at meetings of the Board and its Committees

A) Fixed remuneration:

The directors' remuneration is structured as follows:

- Fixed annual remuneration for membership of the Board: Directors will receive a fixed annual remuneration for discharging their duties as members of the Board of Directors.
- Supplementary fixed amount for membership of the Executive Committee: Directors who are members of the Executive Committee will also receive a supplementary fixed annual amount.
- Supplementary fixed amount for membership of the Audit and Control Committee and the Appointments and Remuneration Committee: Members of these Committees will also receive an additional fixed annual amount for each Committee of which they are a member.

This fixed annual remuneration will be reviewed in line with the Consumer Price Index (General National Index); the Board of Directors may waive indexation.

The various remuneration items received by members of the Board for discharging their duties in 2012 will be reduced (by 37.5%) with respect to the amount that was established for 2007, 2008, 2009, 2010 and 2011.

REMUNERATION	AMOUNT (EURO)
For membership of the Board	41,720
For membership of the Executive Committee	27,744
For membership of the Audit and Control Committee	20,850
For membership of the Appointments and Remuneration Committee	20,850

B) Remuneration for actual attendance

For the current year, directors will earn remuneration for actual attendance, either in person or by ²means of distance communication (e.g. videoconference or teleconference), at meetings of the Board or its Committees.

The amount of that remuneration per meeting will be as follows in the current year:

REMUNERATION FOR ACTUAL ATTENDANCE	AMOUNT (EURO) PER MEETING
Board of Directors	2,500
Executive Committee	1,875
Audit and Control Committee	1,500
Appointments and Remuneration Committee	1,500

4.2.2. Director remuneration for discharging managerial or executive duties

A) Payment for executive and/or senior management functions

1. Remuneration structure.

Under article 37 of the Articles of Incorporation, director remuneration 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.

Accordingly, without prejudice to the remuneration they receive as Board members, Executive Directors are remunerated for discharging executive or senior management duties attributed to them on the basis of a fixed annual amount and a variable component in line with market conditions in the industries in which the company operates.

The structure of the remuneration for directors who perform executive functions is as follows:

- **Mr Baldomero Falcones Jaquotot:**

The remuneration for the Chairman and CEO is covered in the contract approved by the Board of Directors at the time he joined the FCC Group (meeting on 18 December 2007).

² Personally: i.e. in person and not by proxy.

That remuneration comprises:

- Fixed remuneration: 3,000,000 euro
 - Variable remuneration: Each year, the Board of Directors decides the specific amount for the previous year on the basis of the following three factors:
 - ✓ Degree of attainment of the Group's objectives
 - ✓ Comparative performance of consolidated profit within the industry
 - ✓ Comparative performance of the share price within the industry
-
- **Mr Felipe Bernabé García Pérez**□
 - Fixed remuneration: 444,700.04 euro
 - Variable remuneration, based on "management by results", of up to 40% of his salary depending on attainment of the company's objectives and his own personal objectives. Within this variable remuneration, up to 2.5% of the fixed salary for 2012 will be paid in the form of shares of the company if the following three requirements are met simultaneously:
 - ✓ FCC's objectives are attained
 - ✓ His personal objectives are attained
 - ✓ The share price gains at least 15% in 2012

2. Basic conditions of the Executive Directors' contracts: Mr Baldomero Falcones Jaquotot and Mr Felipe Bernabé García Pérez

Apart from their status as Directors, the two Executive Directors (the Chairman/CEO and the General Secretary) have a contractual relationship with the company which regulates the performance of their executive or management duties.

Both contracts are for an indefinite term and are generally subject to the regulations governing: (i) contracts for the provision of services, in the case of the Chairman-CEO; and (ii) senior management employment contracts, in the case of the General Secretary.

These contracts may be terminated by either party, and these directors are entitled to receive compensation in the following terms provided that the termination of the contractual relationship was not due to breach of duties on the part of the Director or to voluntary resignation:

- Chairman and CEO: the equivalent of 3 times the annual salary, if termination takes place before 31 December 2015. After that date, the indemnity provided by law for senior management (7 days' salary per year, capped at six months' salary).
- General Secretary: the equivalent of 3.5 times the annual salary. He will be entitled to that amount if the employment relationship is severed due to death or permanent disability or to other forms of incapacity, a substantial change in professional conditions, including dissolution of the company for any reason, or resignation by unilateral decision of the executive after reaching the age of 65.

For the duration of the contract and for a period thereafter that is established in the contract itself, directors are bound by a duty not to compete in the activities carried on by the Company and companies in its Group, and they are forbidden to hold, directly or through interposed parties, other contracts of a labour, civil or mercantile nature with other companies that perform activities similar to those performed by the FCC Group.

The contracts also establish a duty of confidentiality which applies for the duration of the contract and for a period thereafter that is established in the contract itself; upon termination of the relationship, Executive Directors must return all documents in their possession to FCC, regardless of the medium (paper, software, etc.).

Travel insurance:

In trips they must make as a result of their professional responsibilities in the company, whether by air, train or ship, both executives benefit from the same travel insurance policy that the company has arranged for all its employees. Amount of cover: 601,012.10 euro per person, capped at 4,207,091.00 euro per claim. The entire amount of the premium is paid by the company.

Insurance covering accidental death or total permanent disability:

Both directors benefit from the insurance policy covering accidental death and total permanent disability which the company has arranged for all its employees to cover the events of fatal accident or total permanent disability arising inside or outside working hours, according to the terms and conditions of the policy itself: the cover for both contingencies is the amount of one year's fixed remuneration. The entire amount of the premium is paid by the company.

Medical insurance:

Both directors are covered by the medical insurance policy that the company makes available to its employees. In this case, the company pays 50% of the premium.

Amount of annual premium subsidised by the company for:

- Mr Baldomero Falcones Jaquotot: 1,978.18 euro
- Mr Felipe B. García Pérez: 1,187.40 euro

B) Remuneration system for members of the Board of Directors with executive functions, tied to the Company's share price

There is a remuneration system for members of the Board of Directors with executive functions that is linked to the Company's share price.

The beneficiaries of this remuneration system are:

- Mr Baldomero Falcones Jaquotot, Chairman and CEO
- Mr Felipe García, executive director and General Secretary.

This remuneration system has the following objectives:

- Increase loyalty on the part of the company's best professionals
- Encourage the creation of value in the company and link human capital to the interests of shareholders, especially with the goals of profitability and sustained earnings growth, in line with the Group's Strategic Plan ("Plan 10"), for the benefit of all shareholders.

By a decision of the Board of Directors on 29 July 2008, the FCC Group established a remuneration plan for executive directors and executives linked to the value of the shares of the Parent Company which is settled by differences, i.e. **participants in the**

plan will receive a cash amount equal to the difference between the share value on the exercise date and the plan's reference value.

The main characteristics of the plan, which is established in two tranches, are as follows:

First tranche

- Starting date: 1 October 2008.
- Period of exercise: from 1 October 2011 to 1 October 2013.
- Number of shares: 1,800,000 shares, of which 700,000 are allocated to executive directors and senior executives (12 persons) and the other 1,100,000 to other executives (43 persons).
- The **option strike price** is 34.22 euro per share.

Second tranche:

- Starting date: 6 February 2009.
- Period of exercise: from 6 February 2012 to 5 February 2014.
- Number of shares: 1,500,000 shares, of which 147,500 are allocated to executive directors and senior executives (12 persons) and the other 1,352,500 to other executives (approximately 225 persons).
- The option strike price is 24.71 euro per share.

1st tranche			
DIRECTOR	No. of options granted	Strike price (euro)	Period of exercise
Mr Baldomero Falcones Jaquotot	80,000	34.22	1-10-2011 to 1-10-2013
Mr Felipe B. García Pérez	60,000	34.22	1-10-2011 to 1-10-2013

2nd TRANCHE			
DIRECTOR	No. of options granted	Strike price (euro)	Period of exercise
Mr Baldomero Falcones Jaquotot	15,000	24.71	6-02-2012 to 5-02-2014
Mr Felipe B. García Pérez	12,500	24.71	6-02-2012 -02-2014

5. APPLICATION OF THE DIRECTOR REMUNERATION POLICY FOR FUTURE YEARS

The remuneration system detailed in this report is expected to continue to apply in future years unless the company's governing bodies decide to amend it where circumstances warrant a change.