

FOMENTO DE CONSTRUCCIONES Y CONTRATAS, S.A.

Complete text of the resolutions proposed by the Board of Directors to the Ordinary General Meeting of Shareholders of 21 June 2005

1. **Examination and approval of the 2004 financial statements (balance sheets, profit and loss statements and notes to the financial statements) and directors' reports of Fomento de Construcciones y Contratas, S.A. and the consolidated group, as well as the Board of Directors' performance. (Agenda item 2)**

Proposal: Approval of the balance sheet, profit and loss account, notes to the financial statements and directors' report for fiscal year 2004 for FOMENTO DE CONSTRUCCIONES Y CONTRATAS S.A. and the Consolidated Group. These documents were checked by the Company's auditors.

It is also proposed: Approval of the performance of the Board of Directors for fiscal year 2004.

2. **Examination and approval of the proposed distribution of fiscal year 2004 profits (Agenda item 3).**

Proposal: "Approval of the following distribution of the fiscal year 2004 profits of FOMENTO DE CONSTRUCCIONES Y CONTRATAS, S.A., which totalled €196,627,787.05, formulated by the Board of Directors:

- The Board of Directors, at its meeting held on 22 December 2004, agreed to pay a gross interim dividend against 2004 profits of 0.680 euros per share with economic rights at the time of payment. A total of 130,133,161 were entitled to receive the dividend payment, which consequently totalled €88,490,549.48.
- It is now proposed that an additional dividend of 0.680 euros per share entitled to economic rights be paid at this time.

The aforesaid amount is subject to a withholding of 0.12 euros per share (15% of the gross amount of the complementary dividend) for personal income tax or corporate income tax, leaving a net complementary dividend of 0.578 euros per share.

- The balance remaining after deducting the interim dividend and the complementary dividend mentioned above from the total profits will be allocated to voluntary reserves.

The complementary dividend will be paid on 4 July 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 Bancoval.

- Furthermore, pursuant to article 36 of the Articles of Association, it is proposed that the shareholders approve the retribution of the Board of Directors for 2004 for a total amount of €1,548,117.00, equivalent to 0.4% of the profit shown on the consolidated income statements attributable to Fomento de Construcciones y Contratas, S.A.

3. **Amendment of the Articles of Association: articles 2 (Business Objective), 18 (Legitimacy for attending the General Meeting), 29 (Requirements and Terms of**

Office) 32 (Deliberations. Resolutions. Meeting Minutes), 35 (Executive Committee and Managing Director), 36 (Operation of the newly-created Executive Committee), 37 and 38 (Audit Committee) and 39 (Advisory Board)

In accordance with the Directors' report which has been available to shareholders since the announcement of the General Meeting, the following amendments are proposed to articles 2 (Business Objective), 18 (Legitimacy for attending the General Meeting), 29 (Requirements and Terms of Office) 32 (Deliberations. Resolutions. Meeting Minutes), 35 (Executive Committee and Managing Director), 36 (Operation of the newly-created Executive Committee), 37 and 38 (Audit Committee) and 39 (Advisory Board):

Article 2.- Business Objective

The Company's business objectives include:

- 1) Constructing, executing and maintaining public and private structures and operating all types of infrastructures.
- 2) Providing sanitation, cleaning, management, maintenance and repair services for public and private buildings, structures, ships, aircraft and in general all kinds of public or private installations. Providing all kinds of services on behalf of public administrations, which may include collaborating on the tasks inherent to the collection management of government agencies, provided that it does not involve exercising authority or guarding public funds.
- 3) Designing, researching, developing, building, operating, maintaining and commercialising wastewater treatment and purification plants. Supplying, transforming and commercialising all kinds of water.
- 4) Waste management and pollution control and any advisory, research or consulting activity related thereto. Designing, researching, developing, operating, maintaining and commercialising recycling plants and installations and waste recovery, elimination and storage facilities or transfer stations for waste and contaminated soil, and purchasing and selling the by-products obtained from such treatments and all types of waste.
- 5) Establishing and operating cement, line, plaster and prefab factories and concrete factories and creating and operating other industries related to these products. Investigating and mining mineral deposits; acquiring, using, enjoying permits, concessions and other mining rights and interests; industrialising and commercialising the mining products derived from such rights.
- 6) Promoting and selling plots, land, residential complexes, housing developments, commercial and office space and in general any kind of real estate. Operating such properties under leases or any other arrangement not involving the transmission of ownership and providing consulting, administration and management services for third party property owners.
- 7) Studying, designing, acquiring, assigning, disposing of, building, promoting, advising, administering, managing, and operating shopping centres under leasing agreements or other arrangements.
- 8) Designing, building, quality assurance, buying, selling, supplying, importing, exporting, leasing, maintaining, repairing distributing, representing and operating, including advertising, machinery and components; tools; vehicles; installations; materials and equipment; furniture and urban equipment in the broadest sense of the term, as well as signalling elements in cities and towns and on intercity roadways.
- 9) Creating, designing, buying, selling, operating and assigning patents, models, trademarks, licenses and other types of industrial or intellectual property.
- 10) Studying, planning, buying, assigning, disposing of, developing, advising, administering, managing and operating geriatric residences.
- 11) Studying, planning, buying, assigning, disposing of, developing, administering, managing and operating business related to the food sector.
- 12) Providing technical engineering services, including projects, studies and reports, as well as pre-investment studies, quality control, internal audits and electronic data operation.

- 13) Designing, manufacturing, installing, assembling, buying, selling, supplying, importing, exporting, leasing, maintaining, distributing, representing and operating electrical, computer, electronic, and telecommunications services and designing, researching, development and commercialising products related to such services.
- 14) Studying, planning, buying, assigning, disposing of, developing, administering, managing and operating business related to the energy sector.
- 15) Studying, planning, buying, assigning, disposing of, developing, advising, administering, managing and operating passenger and merchandise transport services, including medical transport services in specially-equipped vehicles, all kinds of bus and train stations, airports and ports and providing all kinds of services to transportation companies. Managing, operating and maintaining all kinds of parking areas and providing vehicle removal and towing services.
- 16) Studying, planning, buying, assigning, disposing of, developing, administering, managing and operating businesses related to logistics sector.
- 17) Studying, planning, buying, assigning, disposing of, developing, administering, managing and operating business related to the tourism and entertainment industry.
- 18) Studying, planning, buying, assigning, disposing of, developing, advising, administering, managing and operating cemeteries and morgues.
- 19) Studying, planning, buying, assigning, disposing of, developing, administering, managing and operating businesses related to the financial services sector.
- 20) Participating in other companies or concerns, domestic or foreign, by subscribing, acquiring, negotiating and possessing shares, participations and other titles, whether fixed or variable income. Under no circumstances shall the company participate in the activities reserved from collective investment institutions and companies regulated by Law 35/2003 of 4 November on collective investment institutions.

The Company may participate in the activities mentioned above, both in Spain and abroad, either directly or indirectly through interests in other domestic or foreign companies with analogous or identical business objectives. Such interests may include subscribing, purchasing or acquiring, by any legally acceptable means, mercantile bonds or securities entitling the owner to participate in the share capital or the profits of such companies, as well as other business association arrangements.

Those activities for which the law establishes special requirements with which the Company does not comply are excluded.

Article 18. Legitimation for attending General Meetings.

Shareholders possessing two thousand or more shares, including those without voting rights, shall 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.

Shareholders possessing fewer than two thousand shares may group together for the purpose of meeting attendance, choosing one shareholder to represent the group.

Directors, managers, technical personnel and others responsible for the management of the Company may also attend General Meetings upon request. Company directors shall 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 Corporation Act shall apply.

Article 29. Requirements and Term.

In order to be a board member it shall 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 shall 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 12/1995 of 11 May 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 32. Deliberations. Resolutions. Minutes.

The deliberations will be directed by the Chairman or, in his absence, by the Vice-President. In the latter's absence they will be directed by the oldest board member.

The Chairman will be assisted at the meeting by the Secretary or by the Assistant Secretary. If the latter is absent, he will be replaced by a board member chosen by the board.

The Chairman will give the floor to those board members who wish to speak until he considers that the matter has been sufficiently debated, after which it will be put up to vote.

Resolutions will be passed by absolute majority of the board members, with the exception of the permanent delegation of all or some of the powers which may legally be delegated by the Board of Directors to the Executive Committee, the Chairman or the Managing Directors, and the designation of the board members to occupy those posts, which shall require the favourable vote of two-thirds of the board members in order to be validly passed.

At the Chairman's initiative, the Board of Directors may pass resolutions in writing without a meeting, provided that no board member opposes this procedure.

When this voting method is used, the Secretary of the Board of Directors will make a note of the resolutions passed in the minutes, expressing the names of the board members and the voting system used, indicating how each board member voted. In this case, the resolutions will be considered to have been passed at the company's headquarters on the date when the last vote is received.

A note shall also be made indicating that no Board members has opposed the procedure.

Written votes must be handed in within ten days of receiving the request to cast a written vote. Otherwise, they will be invalid.

After the deadline for casting written votes, the Secretary will notify the board members of the outcome of the vote or of the impossibility of using this voting procedure because of a board member's opposition to it.

The discussions and resolutions of the Board will be set down in the minutes, which shall be signed by the Chairman and the Secretary or by their replacements.

The minutes shall be approved by the Board at the end of the meeting or at the next session.

Certifications of the minutes containing the resolutions of the Board shall be issued by the Secretary or by the Assistant Secretary, even if they are not board members, and approved by the Chairman or by the Vice-President.

Article 35.- Executive Committee and Managing Director

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

Under no circumstances may the following powers be delegated: 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, except when specifically authorised to do so.

The following powers may only be delegated to the Executive Committee: convening the General Meeting and setting the meeting agenda; approving interim dividends; supervising delegated bodies.

The designation of the Executive Committee and the Managing Directors and their powers must be registered in the Business 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 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 agreement 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 or fax to each Committee members at least 48 hours in advance of the meeting date.

The meetings shall be held at the Company's registered offices or other located 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. Retribution

Number changed due to the inclusion of the new article 36.

Section 3. The Audit and Control Committee

Article 38. The Audit and Control Committee

The Company will have an Audit and Control Committee composed of five 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, inasmuch as they are also re-elected to the board. A majority of the Committee members shall be non-executive directors.

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

The Secretary and Assistant Secretary, if any, shall 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 with voice but without vote.

Article 39. Competence

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

In particular, the Audit and Control Committee's powers include but are not limited to:

- Informing the General Meeting of Shareholders on the questions raised by shareholders which fall within its scope of authority.
- Making proposals to the Board of Directors, for submission to the General Meeting of Shareholders, on the appointment of external auditors referred to in Article 204 of the revised text of the Limited Liability Companies Act approved by Royal Legislative Decree 1564/1989 of 22 December.
- Supervising the Company's internal auditing services.
- Overseeing the Company's financial information processes and internal control systems.
- Requesting and receiving information from the external auditors on matters which could jeopardize the independence of the external auditors and on any other questions related to the auditing process and in relation to any and all communications foreseen in the auditing legislation and in auditing standards.

Article 40. The Advisory Board

The Board of Directors may set up an Advisory Board which shall be composed of a minimum of three and a maximum of nine members.

The Board of Directors is also responsible for appointing and removing the members of the Advisory Board.

The Advisory Board is a consultative body of the Company whose mission shall be to advise the General Meeting of Shareholders, the Board of Directors, Delegated Committees, Managing Directors and company management.

The members of the Advisory Board shall be subject to the same duties of diligence, confidentiality, non-competition, conflict of interest and business opportunities as the company's directors.

The Advisory Board will elect from among its members a Chairman to preside over the meetings. The meetings will be convened by the Chairman or at the request of other members. The Chairman will certify the Board's reports.

The mission of the Advisory Board shall include:

- a) Making proposals to the governing bodies it advises within the scope of their respective authorities.
- b) Informing the Company on the image it projects in the sector, in the business community and in society.
- c) Studying and reporting back on the issues submitted to it by the governing bodies it advises.
- d) Reporting on the possibility of new businesses or activities, both in Spain and abroad, and the modifications it believes would lead to improving the Company's stability, growth and profitability.

As a consequence of the inclusion of the new article 36, the numbering of articles 40 to 47 is changed to 41 to 48.

4. Amendment of the “Regulations of the General Meeting of Shareholders of Fomento de Construcciones y Contratas, S.A.”. Articles 9 (Attendance rights and obligations), 10 (General Meeting Committee) and 14 (Information) (Agenda item 4)

Proposal: “Amendment of the wording of Articles 9 (Attendance rights and obligations), 10 (General Meeting Committee) and 14 (Information) of the Regulations of the General Meeting of Shareholders of Fomento de Construcciones y Contratas, S.A. to read as shown in the following text, which has been available to shareholders since the publication of the meeting announcement:

Article 9, Attendance Rights and Obligations

1. Shareholders possessing at least two thousand shares registered in their name at least five days in advance of the Meeting date are entitled to attend the General Meeting.

Shareholders possessing fewer than two thousand shares may form groups to reach the required minimum for the purposes of attending and voting at the Meeting. Any one of the shareholders forming part of the group may represent them. The group must be accredited in writing and signed by all of the shareholders involved, with a special proxy for each General Meeting. Otherwise, any of them may grant a proxy to another shareholder entitled to attend the meeting and authorised to do so under the Law and the Articles of Association, grouping their shares together with those of the proxy.”

2. The members of the Board of Directors must attend the General Meetings. Directors, managers, technical personnel and others whom the Board of Directors considers to have an interest in the management of the Company may also attend General Meetings upon request. The Chairman of the General Meeting may authorise the attendance of others at his discretion, notwithstanding the power of the General Meeting to revoke the authorisation.

Article 10 The General Meeting Committee

1. The General Meeting Committee will be composed of the Chairman and Secretary.

2. The General Meeting of Shareholders is presided over by the Chairman and in his absence by the Vice Presidents of the Board of Directors in order. If the order is not predetermined, it goes in order of the Directors with the greatest seniority on the Board. If there is no Vice President in attendance, the General Meeting will be presided over by the oldest Director.

3. It is the Chairman's responsibility to:

- a) Direct the meeting so that the agenda items are debated in order.
- b) Answer any questions that arise regarding the list of shareholders and the agenda contents.
- c) Give the shareholders who have requested in writing prior to the commencement of the meeting the opportunity to speak, followed by those who have asked verbally or in writing during the meeting, until he or she considers that a certain issued has been sufficiently debated or that the meeting is being held up.
- d) Decide when an issue is to be voted on and proclaim the results of the votes.
- e) In general, exercise all of the powers required to ensure that the meeting runs smoothly, including interpreting the provisions of these Regulations.

In the performance of his duties, the Chairman of the Meeting will be assisted by the Secretary.

4. The Secretary of the Board will act as the Secretary of the General Meeting of Shareholders and in his absence the Assistant Secretary of the Board. If neither of them is available, the Secretary will be chosen by the shareholders as provided for in the second paragraph of article 21 of the Articles of Association.

5. If for any reason the Chairman or the Secretary has to leave the meeting while the session is underway, they will be replaced and the meeting will continue as provided for in parts 2 and 4 above.

Article 14. Information

1. The Directors must provide the information requested by shareholders, except under the circumstances foreseen in article 7.4 of these regulations or when the requested information is not available during the meeting. In this case, the information will be provided in writing within seven days of the meeting date, to which end the shareholders will indicate the mailing addresses where the information should be sent.

2. The requested information or clarifications will be provided by the Chairman or, at the Chairman's request, by the Chairman of the Audit Committee, the Secretary, a Director or any employee or expert on the subject at hand, in accordance with article 9.2 of these Rules."

5. Ratification, Appointment and Re-election of Directors. (Agenda item 6)

Proposal: "Ratification of the Directors appointed by the Board of Directors using the co-optation system at the meetings held on:

- 15 September 2004 in favour of:
 - Cartera Deva, S.A. (nominee director)
 - Fernando Falcó y Fernández de Córdova (nominee director)
 - Felipe Bernabé García Pérez (executive director)
 - Ibersuizas Alfa, S.L. (nominee director)

- Ibersuizas Holdings, S.L. (nominee director)
- Robert Peugeot (nominee directors)
- 13 January 2005 in favour of:
 - Larranza XXI, S.L. (nominee director)
- 30 March 2005 in favour of:
 - Antonio Pérez Colmenero (executive director)

whose terms of office expire today.

In order to fill the vacancies on the Board as indicated in the preceding paragraph and to fill three other vacancies arising as a result of the expiration of the mandates of the Directors Marcelino Oreja Aguirre, Gonzalo Anés Álvarez-Castrillón and Juan Castells Masana, on the recommendation of the Appointments and Retribution Committee, it is proposed that:

"The following Directors be re-elected to the Board of Directors, effective as of the date of this General Meeting for a term of five years:

- Gonzalo Anés Álvarez- Castrillón (independent director)
- Juan Castells Masana (nominee director)
- Marcelino Oreja Aguirre (nominee director)
- Cartera Deva, S.A. (nominee director)
- Fernando Falcó y Fernández de Córdova (nominee director)
- Ibersuizas Alfa, S.L. (nominee director)
- Ibersuizas Holdings, S.L. (nominee director)
- Robert Peugeot (nominee directors)
- Larranza XXI, S.L. (nominee director)
- Felipe Bernabé García Pérez (executive director)
- Antonio Pérez Colmenero (executive director)

6. Authorisation to increase the share capital within the next five years which may include the issue of non-voting shares and revocation of the previous authorisation. (Agenda item 7)

Proposal: "Authorisation of the Board of Directors, in accordance with the report prepared by the Directors which has been available to the shareholders, to increase the share capital in one or more operations over the next five years on the dates and in the amounts to be decided by the Board of Directors without having to consult with the General Meeting in advance.

The sum of the said capital increases may not exceed SIXTY-FIVE MILLION TWO HUNDRED EIGHTY-THREE THOUSAND SEVEN HUNDRED FORTY-ONE EUROS (65,283,741€), which is half the current share capital, and shall be carried out by means of cash investments and issues of ordinary non-voting shares, with or without a premium.

For each capital increase it is delegated to carry out hereunder, the Board is authorised to set the amount of the issue premium and the conditions of the capital increase, subject to the provisions of article 153.1 b) of the Public Corporations Act.

This delegation of powers shall remain in force until the expiration of the established deadline or until it is revoked by resolution of the General Meeting of Shareholders, even if the Directors change and even if the General Meeting subsequently approves one or more capital increases.

The power vested in the Board herein may not be delegated to the Executive Committee by the Board.

The authorisation to increase the share capital conferred upon the Board under the terms of article 153.1 b) of the Public Corporations Act by resolution of the General Meeting of Shareholders held on 28 June 2002 is hereby revoked."

7. Authorisation to issue debenture stock or other fixed income securities for a term of five years (Agenda item 8)

Proposal:

"In accordance with the report prepared by the Directors which, as indicated in the meeting announcement, has been available to the shareholders since that time, the Board of Directors is hereby authorised to create and issue, one or more times, and at the time deemed most suitable to the company's interests but within a period of five years from today's date, debenture stock, bonds or other fixed income securities of any kind except convertible securities, which recognise or create a debt, the sum total of which may not exceed the amount of the capital and reserves of the company on the date of issue, whether simple, mortgage or both, but without the total issue exceeding the maximum authorised amount at any time.

The Board of Directors is authorised to set the conditions of the issue or issues and in particular to determine the issue and interest rates; dates, formats and other redemption circumstances; interest payment dates; the person or persons who will act as the receiver or receivers of the issue or issues; the rules governing the syndicate or syndicates of the bondholders, both internally and in their relations with the issuing company, and to guarantee the issue or issues in any of the formats foreseen in article 284 of the Public Corporations Act. With regard to mortgage guarantees, the Board is specifically authorised to constitute such mortgages on the mortgaged properties or assets, all in the terms and under the conditions freely determined by the Board, and to reduce such mortgage liabilities and repay part or all of the mortgage or mortgages thus constituted, in conformity with articles 156 of the Mortgage Law and 211 of the Regulations and any other laws which may apply, in those cases where the total amount of the issue and the redemption of the issue is not fully subscribed and covered.

The company may request that the debentures, bonds or other securities issued under this authorisation be admitted for trading on official or unofficial, organised or unorganised, domestic or foreign secondary markets. The Board is further authorised to take all of the necessary actions and measures with the competent authorities controlling the different domestic and foreign stock markets to enable the securities to be admitted for trading.

The power vested in the Board herein may not be delegated to the Executive Committee by the Board."

8. Authorisation to purchase treasury stock and authorisation of subsidiaries to purchase stock in Fomento de Construcciones y Contratas, S.A.; all within the limits and meeting the requirements set forth in Article 75 and following of the Public Corporations Act. (Agenda item 9)

Proposal: FOMENTO DE CONSTRUCCIONES Y CONTRATAS, S.A. and the companies of the Group meeting any of the circumstances contained in article 42, paragraphs 1 and 2 of the Commerce Code are authorised to acquire treasury stock by purchasing such stock on any stock exchange where the stock is traded, at the market price on the date of purchase, which must be between the minimum and maximum values indicated below:

- Maximum value: the highest quoted price in the three months immediately prior to the acquisition date, plus ten percent.

- Minimum value: the lowest quoted price in the last three months immediately prior to the acquisition date, less ten percent.

By virtue of this authorisation, the Board, the Executive Committee or the Chairman, may acquire the treasury stock provided that at the time of purchase the total treasury stock, including that purchased, does not exceed 5% of the capital stock pursuant to the terms of article 75.2 of the Revised Text of the Public Corporations Act.

The term of the authorisation shall be 18 months from today's date.

The acquisition of treasury stock, which must be fully paid up, must allow the Company to record the provision stipulated in part 3 of article 79 of the Public Corporations Act, without decreasing the capital or the legal or unavailable reserves.

The authorisation to buy treasury stock granted to the Board by resolution of the General Meeting of Shareholders held on 23 June 2004 is hereby revoked."

9. Re-election of the Auditors of the Company and the Consolidated Group. (Agenda item 10)

Proposal: "Re-election of "DELOITTE & TOUCHE ESPAÑA, S.L.", with registered offices in Madrid, Plaza Pablo Ruiz Picasso nº 1, registered in the Madrid Business Register, volume 13,650, folio 188, Section 8, page M-54414, and registered in the Official Auditors' Register (ROAC) under number S-0692, fiscal identification number B-79104469 as the auditors of the company and its consolidated group for fiscal year 2006."

10. Authorisation of directors to develop, notarise, register, correct and execute the resolutions passed. (Agenda item 11)

Proposal: Authorisation of all of the members of the Board of Directors in the broadest possible sense, so that any one of them may have the resolutions passed by the General Meeting notarised and set down in a public instrument, with the power to correct, rectify or interpret the text based on the verbal or written instructions of the Registrar for the sole purpose of having them registered. This authorisation includes the signing of all kinds of public or private instruments as need for the execution, development and formalisation of all of the resolutions passed by the General meeting, without limitation."

11. Approval, where applicable, of the meeting minutes in any of the ways established in article 113 of the revised text of the Public Corporations Act or application of the provisions of article 114 of the same legal text. (Agenda item 12)

Although the Board proposes approving the meeting minutes in any of the ways established in Article 113 of the Public Corporations Act, the shareholders are informed that the Board of Directors will request the presence of a notary public to certify the minutes.

Madrid, 30 May 2005.