

Message from Chief Executive Officer



“We have the foundation for sustained growth and increased profitability through the medium term.”

TO THE SHAREHOLDERS:

The last few years have witnessed a renaissance of infrastructure development in Mexico and, indeed, throughout Latin America. We have seen an increased understanding by governments, the financial community, and society at large of the contribution infrastructure development can make in spurring economic growth, creating a more equitable society, and addressing the challenges of sustainability.

ICA is playing a key role in this renaissance. Never in our 64 years have we been involved in so many key projects, on so many different fronts, at the same time.

In western Mexico, we are entering the final stages of the La Yesca hydroelectric project, the second highest dam of its type in the world, which will generate enough renewable energy to power the entire Guadalajara metropolitan region. The 25 km Line 12 of the Mexico City Metro is the largest single expansion of this world-class subway system in its history, and will serve almost 400,000 passengers per day.

The Eastern Discharge Tunnel deep drainage project is expected to definitively solve the flooding problems of the northern parts of Mexico City and its suburbs. We are building, or recently completed, 18 hospitals and clinics across Mexico as part of an unprecedented expansion of the country's health care system. We are simultaneously carrying out four refinery modernizations as part of the Clean Fuels program that will increase the supply of ultra-low sulfur gasoline by 157,000 b/d, reducing pollution and cutting imports.

We are also building two urban developments, called Ciudad Natura, outside Monterrey and Cancun that will each provide up to 10,000 affordable homes, in environments that meet the highest criteria of sustainable living. In Panama, we are the contractor for one of the key parts of the expansion

of the Panama Canal, which will ensure its future as the centerpiece of the global maritime transportation network. These are just some of the projects that are currently under construction at ICA. Their economic and social impact will be substantial, and they demonstrate our capacity to structure, finance, execute, and operate complex projects.

Our financial performance mirrors the growth of our operations. In each of 2008 and 2009 we set new records; 2010 was no exception. Last year, we had record revenues, Adjusted EBITDA generation, Adjusted EBITDA margin, and Net Income. With a construction backlog that continues at the record levels of the past three years and ten new concessions for highways, water projects, and prisons scheduled to start operations over the next three years, ICA has the foundation for sustained growth and increased profitability through the medium term.

The results for the year solidify ICA's position as the leading construction and infrastructure operations company in Mexico. Our financial performance in 2010 speaks for itself, but it is not enough. We need to increase, even more, our return on capital and generate the strong returns that our shareholders seek.

Given the pace of change and fierce competition, we must constantly re-invent ourselves, and honestly examine the way in which we carry out our business, looking to better serve our clients, improve the returns on our investments, strengthen our market position, and contribute to improving the lives of those who work with us and all those whose lives we affect.

A new generation of leaders is taking shape within ICA. All of our activities require attracting, developing, and keeping the best human resources. Today, ICA employs more than 35,000 persons in Mexico and abroad, including affiliates. We want to ensure that we have the skills, the commitment, and the leadership that will keep us at the forefront of our industry. We are not just hiring more people, we are completely re-engineering the way we manage our human resources. We are taking major steps to improve our recruitment, retention, training, team-building, compensation, and career planning programs. Our programs include strong components in business ethics and in instilling ICA's core values: team work, integrity, an attitude of service, and determination. We provided more than 611,000 man-hours of education and training in 2010, at all levels of the organization.

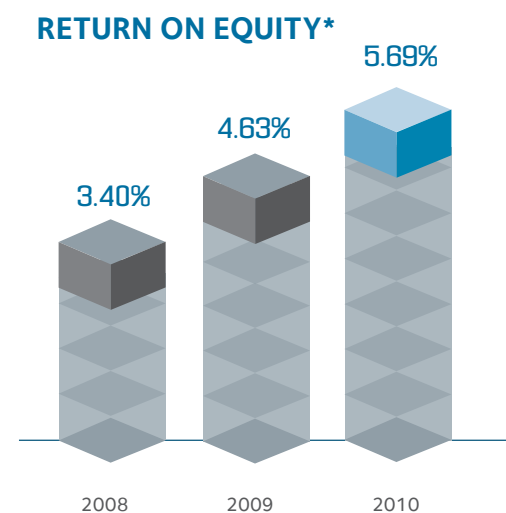
We have a series of initiatives underway that are transforming the way we do business: sustainability, engineering, innovation, and information technology.

Sustainability is now one of our watchwords. ICA touches literally millions of lives, through the employment opportunities we provide, both directly and through our subcontractors and suppliers, and the impact that our projects have on the communities where we operate and the economic and social benefits that our infrastructure can provide. Tens of thousands of air passengers, motorists, and water consumers use our concession services every day.

The decision to create a new civil engineering division was one of the year's major initiatives. While we have long had one of the major engineering teams in Mexico in ICA Fluor working on industrial projects, public sector contracting laws until this year called for a complete separation of design engineering and construction. This has now changed. We see the creation of this civil engineering division as a great opportunity that will increase our value added and, we believe, improve the quality of the projects that are put out to bid by the public sector and that we execute.

Innovation continues to transform our business practices. The ICA of the future will be increasingly a knowledge-driven company, using the latest information technology, developing new and better ways to increase the value added of our engineering, procurement, and project management competencies. We constantly need to seek new and better ways to carry out our projects. This includes deploying the talents of the new engineering division, reducing fuel and water usage on the job site, enhanced steps to mitigate the environmental impacts of our projects especially in areas with fragile ecology, and to use better –and more sustainable– materials.

Better and more reliable information technologies, in both the administration and finance areas will also become a reality in 2011.



* Return on equity is calculated by dividing consolidated net income by the average of stockholders' equity at the beginning and end of each period.

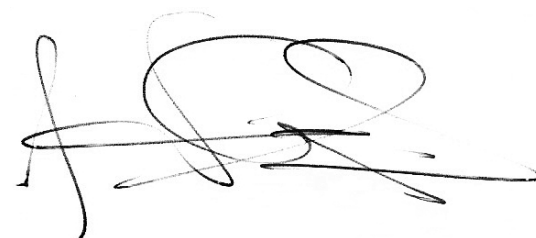
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We have greatly improved our processes for assessing, mitigating, and managing risks at the project and enterprise level. This includes risk assessment during the bidding process, the financial and operational structuring of projects, and monitoring during project execution. ICA's processes for project control management have been greatly enhanced over the past several years. At the enterprise level, our hedging programs for interest rate and exchange risks has always been oriented to minimize our exposure, and we have intensified our day to day monitoring of our hedges.

Finally, international expansion into select other markets of Latin America is also an important element in our growth and profitability strategy. In 2010, we increased our participation in Los Portales in Peru, in the homebuilding and real estate sector, where we have been partners since 1996. In early 2011, we also re-entered the Colombian market, winning the contract to build the Medellín water diversion tunnel, and won the project to rebuild and expand the Avenida Domingo Díaz in Panama. Peru, Colombia, and Panama are attractive markets, with high growth and macroeconomic stability, and we have solid local partners.

With our historic level of construction backlog and our portfolio of infrastructure concessions under construction, as well as the actions undertaken to improve skills, use of technology, value-added in engineering and project controls, there is no doubt that the outlook for ICA is promising, both domestically and internationally, aided by intense work on the guiding principles of our strategy.

ICA is determined to become even better and to generate increased value for our shareholders and better service for our clients. We will improve the development of our personnel and seek to provide better opportunities for our providers and subcontractors. We are determined to increase our bonds with society at large and the communities where we operate, in being ever more professional and transparent in our corporate governance. We will always strive to be a key player in society and in the development of the countries where we work, in making great ideas sustainable.



DR. JOSÉ LUIS GUERRERO
CHIEF EXECUTIVE OFFICER
EMPRESAS ICA, S.A.B. de C.V.



NUEVO NECAXA - TIHUATLÁN HIGHWAY