



Infrastructure



Services



Energy



2010 EARNINGS REPORT



El Redondal Wind Farm (León- Spain)

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1. HIGHLIGHTS

FCC Construction obtains more than 3,100 million euro in railway contracts

In the international arena, in October a consortium including FCC was awarded the contract to build Line 1 of the Panama City Metro, valued at more than 1,000 million euro. In May, a consortium led by FCC was awarded the contract to build a railway line in northern Algeria, valued at 935 million euro. The execution period is 54 months. In December, Alpine in consortium obtained a contract from Crossrail to build tunnels in London for 250 million pounds. The company also obtained a contract in February for the construction of a city railway tunnel in Karlsruhe (Germany) for 310 million euro.

High-speed railway construction in Spain continues at a rapid pace; the company was awarded a contract in November valued at 129 million euro to connect the Mediterranean Corridor with the Madrid-France line. The company was awarded two projects in September worth 122 million euro for different sections of the Madrid-Lisbon line and the North-Northwest railway line in Palencia. Previously, the group obtained a contract in Guipúzcoa for a section of the new railway network in the Basque Region, valued at more than 106 million euro, and construction of railway station accesses in Sagrera, Barcelona, valued at 223 million euro.

Aqualia expands its backlog by 5% to almost 13,000 million euro.

Aqualia, Spain's leading end-to-end water management company reached a new record backlog due to various contracts awarded in 2010 which total more than 1,000 million euro in future revenues. It obtained two end-to-end water management contracts in Portugal, one for 35 years in Cartaxo worth more than 277 million euro and another in Fundao for 30 years, valued at over 190 million euro. In December, the company obtained its first contract in Chile, worth 17 million euro, to build a desalination plant.

In Spain, Aqualia obtained new contracts in Andalucía, for over 426 million euro, and in Castilla y León and Castilla-La Mancha, valued at 127 million euro.

FCC strengthens its presence in end-to-end municipal solid waste (MSW) management

FCC Services will manage collection of municipal solid waste, street cleaning, recycling centres, and beach cleaning in Castellón de la Plana under a 15-year contract worth 210 million euro in revenues. Its UK subsidiary, Waste Recycling Group (WRG), was awarded a contract to manage municipal solid waste collection in Thurrock and subsequent treatment in Energy from Waste (EfW) plants.

FCC Energía signs development agreement with Mitsui group

In November, FCC and Japanese company Mitsui & Co, Ltd signed an agreement for the joint development of solar thermal energy projects in Spain. The first joint project will be the commissioning of a 50 MW plant in Córdoba.

FCC agrees to the sale of non-core assets worth 300 million euro

The company's policy for the active management of non-core assets led to the sale of its vehicle-testing business and underground car parks, neither of which coincide with its strategic growth areas (infrastructure, environmental services and energy). In June, FCC reached an agreement to sell 31 underground car parks (4 of which are under construction) for 120 million euro. In December, the company reached an agreement to sell its vehicle testing business for 180 million euro; the deal was formalised at the end of 2010.

FCC extends syndicated loan worth 1,287 million euro to 2014

In September 2010, FCC reached an agreement with 14 financial institutions from Spain and other countries to extend the group's largest syndicated loan (1,287 million euro). The maturity date was extended from May 2011 to spring 2014. The agreement extends loan maturity by three years and constitutes recognition by the market of the Group's solvency.

2. EXECUTIVE SUMMARY

- ◇ **Net attributable profit AMOUNTED TO 301.3 MILLION EURO**, 1.8% HIGHER THAN IN 2009
- ◇ **EBITDA** reached 1,434.6 million euro, and the EBITDA margin **improved 0.1** percentage points to **11.8%**, attributable to improvements in operating efficiency
- ◇ EBITDA in **Services and Energy increased 11.3%** and represents **60.0% of the total**
- ◇ The **BACKLOG expanded 2.2%** to **35.309** billion euro; projects outside Spain increased 7.0%
- ◇ **Revenues from outside Spain** accounted for **45.9%** of the total
- ◇ The group maintained its **solvency**, with debt on par with 2009 levels

Earnings in 2010 reflect the positive performance of the more recurring businesses such as Services and Energy, where EBITDA expanded a notable 11.3%, broadly offsetting the impact of the decline in activity in Spain in the Construction and Cement areas and contributing to a net profit of 301.3 million euro.

Despite the difficult scenario, the EBITDA margin improved to 11.8%, due in large part to the efficiency measures adopted and to the focus on activities with greater added value, enhancing the Group's competitive profile going forward. The three strategic growth areas (environmental services, energy and construction) increased their weight in EBITDA, accounting for more than 75% of the figure in 2010.

The sharp growth in order flow outside Spain in 2010 is visible in the increase in the international backlog: 7% with respect to December 2009. This provides visibility to the goal of increasing the Group's international operations, which accounted for 45.9% of total revenues in 2010.

KEY FIGURES			
<i>(million euro)</i>	Dec. 10	Dec. 09	Chg. (%)
Net sales	12,114.2	12,699.6	-4.6%
EBITDA	1,434.6	1,484.9	-3.4%
<i>EBITDA margin</i>	<i>11.8%</i>	<i>11.7%</i>	<i>0.1 p.p.</i>
EBIT	773.7	789.5	-2.0%
<i>EBIT margin</i>	<i>6.4%</i>	<i>6.2%</i>	<i>0.2 p.p.</i>
Earnings before taxes (EBT) from continuing activities	393.6	439.0	-10.3%
Income attributable to equity holders of parent company	301.3	296.0	1.8%
Operating cash flow	1,011.1	1,602.1	-36.9%
Investing cash flow	(576.6)	(843.1)	-31.6%
<i>(million euro)</i>	Dec. 10	Dec. 09	Chg. (%)
Equity (excl. minority interests)	2,562.9	2,444.9	4.8%
Net interest-bearing debt	(7,748.7)	(7,655.2)	1.2%
Backlog	35,309.0	34,547.5	2.2%

3. SUMMARY BY BUSINESS AREA

Area	Dec. 10	Dec. 09	Chg. (%)	% of 2010 total	% of 2009 total
<i>(million euro)</i>					
REVENUES					
Environmental services	3,672.2	3,601.7	2.0%	30.3%	28.4%
Construction	6,693.6	7,201.2	-7.0%	55.3%	56.7%
Cement	886.7	1,035.4	-14.4%	7.3%	8.2%
Versia	846.3	820.0	3.2%	7.0%	6.5%
Energy	86.3	81.9	5.4%	0.7%	0.6%
Others*	(70.9)	(40.6)	74.7%	-0.6%	-0.3%
Total	12,114.2	12,699.6	-4.6%	100.0%	100.0%
REVENUES IN SPAIN					
Environmental services	2,361.0	2,346.3	0.6%	36.0%	33.2%
Construction	3,022.3	3,386.6	-10.8%	46.1%	47.9%
Cement	592.6	740.2	-19.9%	9.0%	10.5%
Versia	564.7	559.6	0.9%	8.6%	7.9%
Energy	82.6	81.9	0.9%	1.3%	1.2%
Others*	(71.0)	(40.5)	75.2%	-1.1%	-0.6%
Total	6,552.2	7,074.1	-7.4%	100.0%	100.0%
INTERNATIONAL REVENUES					
Environmental services	1,311.3	1,255.4	4.5%	23.6%	22.3%
Construction	3,671.3	3,814.6	-3.8%	66.0%	67.8%
Cement	294.1	295.2	-0.4%	5.3%	5.2%
Versia	281.7	260.4	8.2%	5.1%	4.6%
Energy	3.6	0.0	N.S.	0.1%	0.0%
Others*	0.0	(0.1)	N.S.	N.S.	N.S.
Total	5,562.0	5,625.5	-1.1%	100.0%	100.0%
EBITDA					
Environmental services	657.7	610.1	7.8%	45.8%	41.1%
Construction	355.5	406.1	-12.5%	24.8%	27.3%
Cement	219.7	289.0	-24.0%	15.3%	19.5%
Versia	139.0	98.9	40.5%	9.7%	6.7%
Energy	65.5	65.8	-0.5%	4.6%	4.4%
Others*	(2.8)	15.0	-118.7%	-0.2%	1.0%
Total	1,434.6	1,484.9	-3.4%	100.0%	100.0%
EBIT					
Environmental services	323.5	297.4	8.8%	41.8%	37.7%
Construction	241.6	282.1	-14.4%	31.2%	35.7%
Cement	67.0	128.6	-47.9%	8.7%	16.3%
Versia	192.9	6.5	N.S.	24.9%	0.8%
Energy	19.7	23.2	-15.1%	2.5%	2.9%
Others*	(71.0)	51.7	-237.3%	-9.2%	6.6%
Total	773.7	789.5	-2.0%	100.0%	100.0%

* Others includes Central Services and Torre Picasso

Area	Dec. 10	Dec. 09	Chg. (%)	% of 2010 total	% of 2009 total
<i>(million euro)</i>					
NET DEBT					
Environmental services	4,352.6	4,192.4	3.8%	56.2%	54.8%
Construction	519.6	413.7	25.6%	6.7%	5.4%
Cement	1,287.5	1,419.3	-9.3%	16.6%	18.5%
Versia	290.8	459.4	-36.7%	3.8%	6.0%
Energy	924.0	905.4	2.1%	11.9%	11.8%
Others*	374.2	265.0	41.2%	4.8%	3.5%
Total	7,748.7	7,655.2	1.2%	100.0%	100.0%
BACKLOG					
Environmental services	25,325.0	23,691.2	6.9%	71.7%	68.6%
Construction	9,984.0	10,856.3	-8.0%	28.3%	31.4%
Total	35,309.0	34,547.5	2.2%	100.0%	100.0%

* Others includes Central Services and Torre Picasso

➤ **Change in accounting criteria in Versia contracts.**

In coherence with IAS 8 for the purposes of comparison with 2009, in 2010 FCC changed the accounting policy regarding operating permits for contracts which require the operator to make specific minimum payments, primarily in the urban furniture business performed by Versia.

The new approach led FCC to book the present value of the committed flow of minimum payments as an intangible asset, representing the operating right, with the contra-item in liabilities, representing payment obligations incurred. The application of this approach led the company to book an expense for amortisation of intangible assets and a financial expense for discounting liabilities. The impact of this modification on FCC Group's equity and earnings in the restated 2009 accounts is visible in the following table.

<i>(million euro)</i>	2009 ReSTATED	2009	Chg. (M€)
Intangible assets	5,009.3	4,462.3	546.9
Deferred tax assets	604.0	599.2	4.8
Other assets	16,199.2	16,199.2	—
Total assets	21,812.5	21,260.7	551.8
Equity attributable to equity holders of the parent company before earnings	2,148.9	2,176.6	(27.9)
Earnings attributable to the parent company	296.0	307.2	(11.2)
Other non-current financial liabilities	741.0	182.1	558.9
Other current financial liabilities	190.3	158.5	31.8
Other liabilities	18,436.3	18,436.3	—
Total liabilities	21,812.5	21,260.7	551.8

4. INCOME STATEMENT

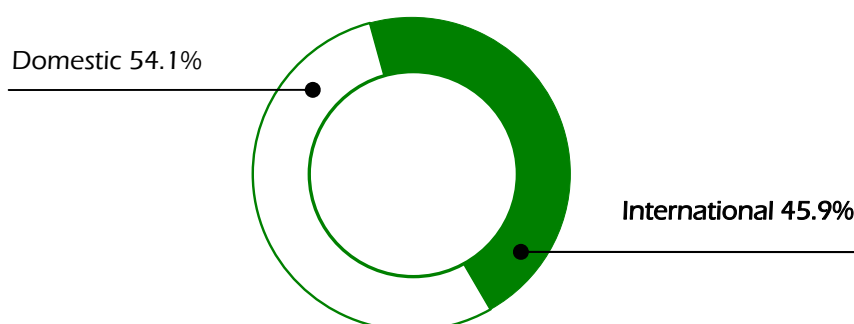
<i>(million euro)</i>	Dec. 10	Dec. 09	Chg. (%)
Net sales	12,114.2	12,699.6	-4.6%
EBITDA	1,434.6	1,484.9	-3.4%
EBITDA margin	11.8%	11.7%	0.1 p.p.
Depreciation and amortisation	(732.1)	(752.4)	-2.7%
Other operating income	71.3	57.0	25.1%
EBIT	773.7	789.5	-2.0%
EBIT margin	6.4%	6.2%	0.2 p.p.
Financial income	(382.3)	(311.5)	22.7%
Equity-accounted companies	16.8	18.4	-8.7%
Other financial results	(14.6)	(57.3)	-74.5%
Earnings before taxes (EBT) from continuing activities	393.6	439.0	-10.3%
Corporate income tax expense	(80.0)	(115.2)	-30.6%
Minority interest	(12.3)	(27.8)	-55.8%
Income attributable to equity holders of the parent company	301.3	296.0	1.8%

4.1 Revenues

Consolidated revenues amounted to 12,114.2 million euro in 2010, down 4.6% year-on-year. This performance reflects a combination of sustained growth in the Environmental Services, Urban Services and Energy divisions in 2010 and a slight weakness in the Construction and Cement divisions, which is more visible in Spain than in other markets.

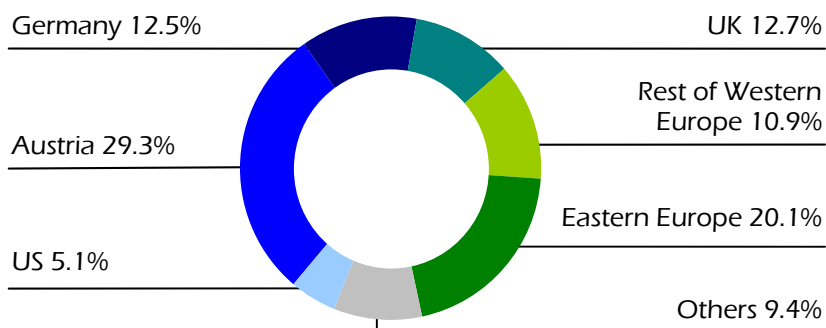
Revenues in Spain declined by 7.4%, while revenues outside Spain (which account for 45.9% of the Group total) fell by just 1.1%.

% Revenues by Region



Europe (other than Spain), where FCC has a strong presence in infrastructure and environmental services, accounts for 85.5% of total foreign revenues. The "Others" caption reflects the group's selective activity in the fast-growing economies of Latin America, North Africa and Southeast Asia (China, India and Singapore).

International Revenue Breakdown

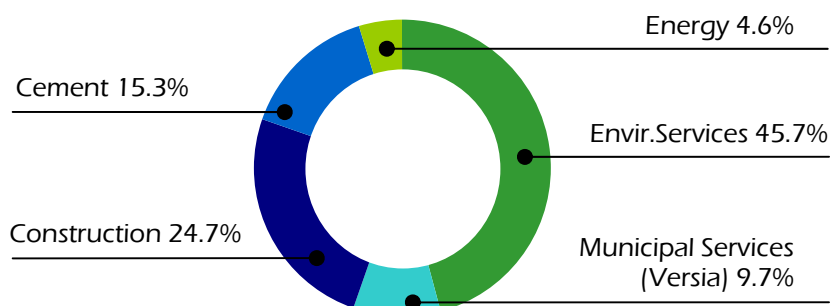


4.2 EBITDA

EBITDA amounted to 1,434.6 million euro in the year, i.e. a 3.4% decline compared with 2009, but the EBITDA margin improved by 0.1 percentage points to 11.8%.

EBITDA in the most recurring businesses, Services and Energy, expanded by 11.3% and accounts for 60% of the consolidated total, while the Construction and Cement divisions were affected by a decline in activity in Spain.

EBITDA* by business area



* Aggregate data

4.3 EBIT

The depreciation and amortisation charge decreased slightly, by 2.7% with respect to 2009, to 732.1 million euro. That figure includes 87.6 million euro of depreciation taken on assets that were stepped up on consolidation in the FCC Group.

"Other operating income", amounting to 71.3 million euro, includes gains on the sale of subsidiaries and assets. In 2010, the company sold its vehicle testing business and 19 underground car parks; this contrasts with 2009, when this item amounted to 57 million euro, primarily reflecting the sale of FCC Global Insurance Services. The divestment of the underground car park business is expected to be completed with the sale of another 7 in 2011.

EBIT in 2010 totalled 773.7 million euro, i.e. down 2.0% with respect to 2009.

4.4 Earnings before taxes from continuing activities (EBT)

EBT amounted to 393.6 million euro in the period, down 10.3% compared with the previous year, after including the following items in EBIT:

4.4.1 Financial income

A net financial expense and other financial results amounting to 396.9 million euro, up 7.6% with respect to 2009.

4.4.2 Equity-accounted affiliates

Equity-accounted companies provided a 16.8 million euro contribution, compared with 18.4 million euro in 2009. This item in 2009 included gains on the sale of companies in the Construction area totalling 24.5 million euro, primarily related to the transfer of companies to Global Vía (owned 50% by FCC). Excluding those gains in 2009, equity-accounted companies improved by 16.4 million euro, due basically to the improvement of net profit from Realia in 2010.

4.5 Profit attributable to equity holders of the parent company

Net attributable profit amounted to 301.3 million euro in 2010, i.e. 1.8% higher than in 2009.

4.5.1 Corporate income tax expense

The corporate income tax expense amounted to 80 million euro, and the tax rate (adjusted for the contribution from equity-accounted affiliates) was 21.2%. The reduction in the tax cost is the result of the application in 2010 of tax credits for foreign investments.

4.5.2 Minority interest

Income attributable to minority interests fell by 15.5 million euro in the year to 12.3 million euro, due primarily to a decline in earnings in the Cement division.

5. BALANCE SHEET

<i>(million euro)</i>	Dec. 10	Dec. 09	Chg. (M€)
Intangible assets	5,063.7	5,009.3	54.4
Property, plant and equipment	6,092.8	6,221.6	(128.8)
Equity-accounted affiliates	1,222.9	1,145.8	77.1
Non-current financial assets	415.8	404.0	11.8
Deferred tax assets and other non-current assets	598.6	604.0	(5.4)
Non-current assets	13,393.7	13,384.7	9.0
Inventories	1,138.4	1,103.3	35.1
Trade and other accounts receivable	5,542.6	5,439.2	103.4
Other current financial assets	225.8	231.0	(5.2)
Cash and cash equivalents	1,678.7	1,654.5	24.2
Current assets	8,585.4	8,427.9	157.5
TOTAL ASSETS	21,979.1	21,812.5	166.6
Equity attributable to equity holders of parent company	2,562.9	2,444.9	118.0
Minority interest	643.4	652.7	(9.3)
Equity	3,206.3	3,097.6	108.7
Subsidies	104.7	85.7	19.0
Non-current provisions	1,047.8	906.5	141.3
Long-term interest-bearing debt	7,877.4	8,211.5	(334.2)
Other non-current financial liabilities	751.6	741.0	10.7
Deferred tax liabilities and other non-current liabilities	1,181.0	1,234.2	(53.2)
Non-current liabilities	10,962.5	11,178.9	(216.4)
Current provisions	143.2	110.8	32.4
Short-term interest-bearing debt	1,775.8	1,329.1	446.7
Other current financial liabilities	212.4	190.3	22.1
Trade and other accounts payable	5,678.8	5,905.9	(227.1)
Current liabilities	7,810.3	7,536.0	274.3
TOTAL LIABILITIES	21,979.1	21,812.5	166.6

5.1 Equity-accounted affiliates

The investment in equity-accounted companies (1,222.9 million euro) comprises mainly the following:

- 1) 484.2 million euro corresponding to the 50% stake in Global Vía (GVI - infrastructure concessions).
- 2) 145.3 million euro related to the 30% stake in Realía (real estate).
- 3) 86.3 million euro attributable to concession companies not contributed to Global Vía.
- 4) 44.1 million euro corresponding to the 50% stake in the Proactiva group (Environmental Services).

The carrying value of FCC's holdings in infrastructure concessions amounted to 613.5 million euro at the end of 2010. That figure includes the value attributable to FCC for its 50% stake in GVI (484.2 million euro) and the value of its holdings in other concession companies, both equity-accounted (86.3 million euro) and fully consolidated (43.0 million euro).

The book value of stakes in transport infrastructure concessions is gradually being adjusted to the earnings they generate. As they are in an early stage of activity (construction and ramp-up), their contribution is negative, which temporarily decreases the value of the investment but which will reverse during the course of their long average lifetime (more than 23 years).

5.2 Equity

Equity attributable to the parent company amounted to 2,562.9 million euro at the end of 2010, an increase of 118 million euro with respect to 2009 year-end. This increase is primarily attributable to the allocation of consolidated income for the year (301.3 million euro) adjusted for dividends distributed in 2010 (201.2 million euro). The remainder is due to the combined effect of the purchase of own shares, exchange rate fluctuations, and changes in the fair value of interest rate hedges.

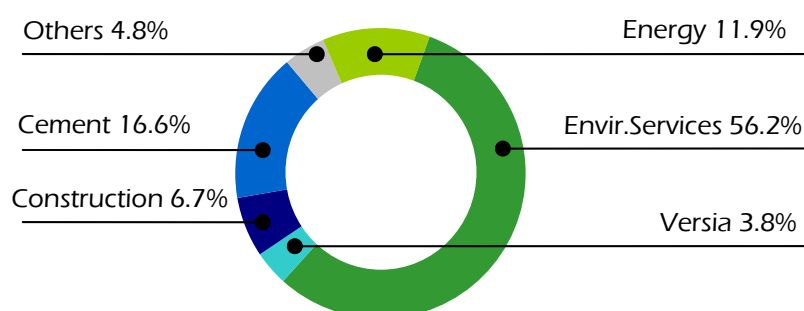
5.3 Net interest-bearing debt

<i>(million euro)</i>	Dec. 10	Dec. 09	Chg. (M€)
Bank debt	8,524.8	8,517.4	7.4
<i>With recourse</i>	<i>6,083.7</i>	<i>5,970.4</i>	<i>113.3</i>
<i>Without recourse</i>	<i>2,441.1</i>	<i>2,547.0</i>	<i>(105.9)</i>
Debt instruments and other loans	680.6	563.3	117.3
Accounts payable due to financial leases	154.1	171.6	(17.5)
Derivatives and other financial liabilities	293.6	288.3	5.3
Gross interest-bearing debt	9,653.1	9,540.6	112.5
Cash and other financial assets	(1,904.4)	(1,885.4)	(19.0)
<i>With recourse</i>	<i>(1,689.9)</i>	<i>(1,701.8)</i>	<i>11.9</i>
<i>Without recourse</i>	<i>(214.5)</i>	<i>(183.6)</i>	<i>(30.9)</i>
Net interest-bearing debt	7,748.7	7,655.2	93.5
<i>With recourse</i>	<i>4,988.2</i>	<i>4,773.4</i>	<i>214.8</i>
<i>Without recourse</i>	<i>2,760.5</i>	<i>2,881.8</i>	<i>(121.3)</i>

At the end of December 2010, net interest-bearing debt amounted to 7,748.7 million euro, i.e. just 1.2% higher than at the end of December 2009. Free cash flow from operations after net investments and interest payments totalled 137.5 million euro. A total of 201.2 million euro were distributed in dividends in the year, and net investment in equity instruments totalled 64.8 million euro. Exchange rate fluctuations and the change in value of derivatives reduced the debt by 35.0 million euro.

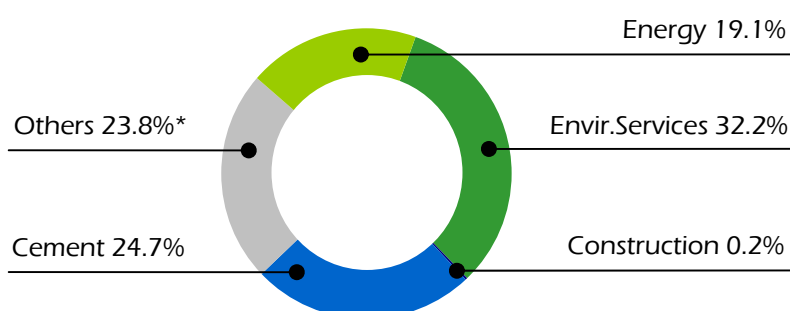
The breakdown of debt by business area reflects their nature, cash flow, and asset volume. Services and Energy together account for 71.9% of net debt, connected to stable, regulated long-term public utility contracts. Cement, a business which accounts for a large proportion of fixed assets on the balance sheet and is strongly cash-generative, accounts for 16.6% of total net debt. Construction accounts for 6.7%, and the Corporate area for 4.8%.

Net debt by Area



Moreover, 2,760.5 million euro of net debt (35.6% of the total) are without recourse.

Net debt without recourse, by Area



* Others includes convertible bonds of FCC, S.A.

5.4 Other current and non-current financial liabilities

The balance of other current and non-current financial liabilities amounted to 964.0 million euro and includes other financial liabilities not classified as interest-bearing debt, such as those linked to suppliers of property, plant and equipment (operation permits for urban furniture at Versia), short-term deposits and guarantees received, interim dividends and put options.

6. CASH FLOW

<i>(million euro)</i>	Dec. 10	Dec. 09	Chg. (%)
Funds from operations	1,501.5	1,562.6	-3.9%
(Increase)/decrease in working capital	(447.9)	138.9	-422.5%
Other items (taxes, dividends, etc.)	(42.5)	(99.4)	-57.2%
Operating cash flow	1,011.1	1,602.1	-36.9%
Investing cash flow	(576.6)	(843.1)	-31.6%
Cash flow from business operations	434.5	759.0	-42.8%
Financing cash flow	(587.3)	(862.2)	-31.9%
Other cash flow (exchange differences, change in consolidation scope, etc.)	59.2	(658.9)	91.0%
(Increase) / decrease in net interest-bearing debt	(93.6)	(762.1)	-87.7%

6.1 Operating cash flow

Funds from operations in 2010 amounted to 1,501.5 million euro, slightly less than the previous year. Operating cash flow totalled 1,011.1 million euro in 2010, 36.9% less than in 2009 due mainly to the performance of working capital, which increased in the Construction and Environmental Services areas in Spain. Both areas were affected by financial adjustments at certain clients in the year. This investment in working capital should tend to reverse in the coming years, in line with financial consolidation of certain clients in these areas.

The variation in working capital in the period, by business area, is as follows:

<i>(million euro)</i>	2010
Construction	(362.3)
Environmental services	(155.2)
Versia	18.3
Cement	53.3
Energy and adjustments	(2.0)
Total (Increase)/ decrease in working capital	(447.9)

The seasonality of this component of operating cash flow was notable, as it expanded during most of the year and declined considerably in the last quarter. Compared with the third quarter, working capital declined by 529 million euro in the fourth quarter to 447.9 million euro.

6.2 Investing cash flow

Net investments amounted to 576.6 million euro in 2010, i.e. 31.6% less than in 2009, which included 215.4 million euro in own funds for the acquisition of 14 wind farms by the Energy area.

This item also includes divestments in 2010, such as the sale of the vehicle inspection business for 180.0 million euro and of 19 underground car parks for 72.2 million euro, both part of Versia.

Investments include 175 million euro in various transport infrastructure concessions in different stages of development in the Construction area, and 42.5 million euro in the construction of one of the two solar thermal energy plants in the Energy area's project pipeline.

6.3 Financing cash flow

Cash outflow due to financing transactions was 587.3 million euro. In addition to debt servicing, this item includes 201.2 million euro in dividend payments to shareholders of Group companies, and 64.8 million euro for the net variation of equity instruments.

6.4 Other cash flow

This item, amounting to 59.2 million euro, mainly reflects adjustments in 2010 for the currency effect on foreign currency debt and changes in the value of financial instruments (derivatives).

In 2009, this item included the interest-bearing debt on the wind assets acquired in January 2009, amounting to 569 million euro.

7. BUSINESS PERFORMANCE

7.1 Environmental services

7.1.1 Earnings

<i>(million euro)</i>	Dec. 10	Dec. 09	Chg. (%)
Revenues	3,672.2	3,601.7	2.0%
<i>Spain</i>	2,361.0	2,346.3	0.6%
<i>International</i>	1,311.3	1,255.4	4.5%
EBITDA	657.7	610.1	7.8%
<i>EBITDA margin</i>	17.9%	16.9%	1.0 p.p.
EBIT	323.5	297.4	8.8%
<i>EBIT margin</i>	8.8%	8.3%	0.6 p.p.

FCC Group's main activity, Environmental Services and Water, registered moderate growth in revenues and a notable increase in operating profit. The Industrial waste area continued to recover. In total, revenues expanded by 2% in the year, to 3,672.2 million euro.

<i>(million euro)</i>	Dec. 10	Dec. 09	Chg. (%)
Revenues Domestic	2,361.0	2,346.3	0.6%
<i>Environment</i>	1,501.1	1,489.0	0.8%
<i>Water</i>	694.8	710.8	-2.3%
<i>Industrial Waste</i>	165.1	146.5	12.7%
Revenues International	1,311.3	1,255.4	4.5%
<i>Environment</i>	1,022.2	1,002.1	2.0%
<i>Water</i>	173.2	161.2	7.4%
<i>Industrial Waste</i>	115.9	92.0	26.0%

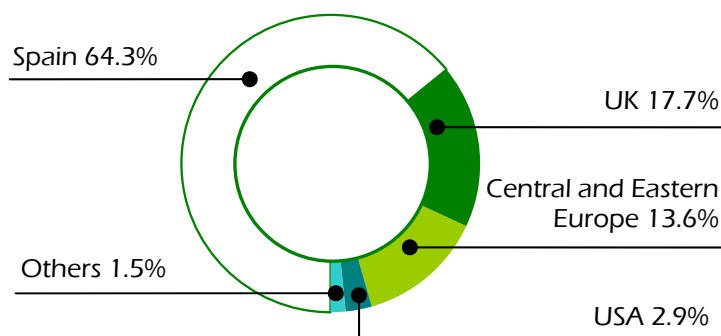
The area's performance in Spain was moderate but positive; outside Spain it advanced solidly, expanding revenues by 4.5%.

In Spain, the Environmental Services division was stable (revenues +0.8%), focusing on municipal waste management, and Water revenues declined slightly (due to a lower execution volume of water infrastructure, although the end-to-end water distribution business performed well). FCC's Industrial Waste area in Spain continues to recover strongly, due to the rising price of materials (particularly paper and cardboard) and the stabilisation of demand.

The Environmental Services division in Spain extended its municipal services contract in Barcelona and some new contracts entered into service, such as pneumatic waste collection in Pamplona and waste management and street cleaning in Telde and Orense.

International revenues expanded by 2% in the Environmental Services division, due to contributions from new contracts in Central Europe and to the commissioning of the end-to-end waste treatment plant in Zistersdorf (Austria) in the second half of 2009. Revenues from the Water area increased 7.4%, supported by the ramp-up of new concessions in Italy and the Czech Republic and the execution of desalination projects in Algeria. Industrial Waste performed notably, due to the recovery by the oil and hydrocarbon treatment business in the US, together with contributions from new treatment and recovery plants in Portugal.

Revenue breakdown by area



This division's international activity reached a record high in 2010: 35.7% of total revenues. The main foreign markets were: the UK (municipal solid waste treatment and abatement); Central and Eastern Europe, primarily the Czech Republic and Austria (municipal solid waste and end-to-end water management); and the US (industrial waste).

EBITDA amounted to 657.7 million euro, and the EBITDA margin was 17.9%, compared with 16.9% the previous year. All activities contributed to this improvement in operations, particularly the international industrial waste and environment businesses, due to a more favourable price situation and the contribution from value-added waste treatment activities.

The division's backlog also performed well both in Spain and other countries, and had expanded by 6.9% at 31 December 2010. The international backlog expanded by 13.2%, which boosted the overall backlog to 25.325 billion euro, almost seven times 2010 revenues.

Backlog breakdown by region

<i>(million euro)</i>	Dec. 10	Dec. 09	Chg. (%)
Spain	17,324.7	16,623.2	4.2%
International	8,000.3	7,068.0	13.2%
Total	25,325.0	23,691.2	6.9%

7.1.2 Proactiva

Proactiva, the leading municipal waste and end-to-end water management company in Latin America, operates in the main countries in that region (Brazil, Argentina, Chile, Mexico, Colombia, etc.). The group is owned 50% by FCC and is equity-accounted, in line with FCC accounting policy.

Overall revenues in 2010 amounted to 419.8 million euro, 4.3% more than in 2009, despite the negative impact of the exchange rate in Venezuela. EBITDA amounted to 78.5 million euro, and the EBITDA margin rose to 18.7%. Net interest-bearing debt amounted to 77.3 million euro at 31 December.

7.1.3 Cash flow

<i>(million euro)</i>	Dec. 10	Dec. 09	Chg. (%)
Funds from operations	695.6	649.0	7.2%
(Increase) / decrease in working capital	(155.2)	43.4	-457.6%
Other items (taxes, dividends, etc.)	(50.8)	(9.7)	423.7%
Operating cash flow	489.6	682.7	-28.3%
Investing cash flow	(356.2)	(406.3)	-12.3%
Cash flow from business operations	133.4	276.4	-51.7%
Financing cash flow	(232.4)	(267.4)	-13.1%
Other cash flow (exchange differences, change in consolidation scope, etc.)	(61.3)	(132.5)	-53.7%
(Increase) / decrease in net interest-bearing debt	(160.3)	(123.5)	29.8%

<i>(million euro)</i>	Dec. 10	Dec. 09	Chg. (M€)
Net interest-bearing debt	4,352.6	4,192.4	160.2
<i>With recourse</i>	<i>3,464.4</i>	<i>3,289.2</i>	<i>175.2</i>
<i>Without recourse</i>	<i>888.2</i>	<i>903.2</i>	<i>(15.0)</i>

Funds from operations increased by 7.2% to 695.6 million euro. Working capital increased by 155.2 million euro, after a 47.5 million euro decline in the fourth quarter, with the result that operating cash flow totalled 489.6 million euro.

Net capital expenditure, which declined by 356.2 million euro, was used mainly for maintenance purposes, although 17.7 million euro were invested in new contracts by a number of Group companies.

After counting financing cash flow, the division's net debt amounted to 4,352.6 million euro at 31 December 2010, an increase of 160.2 million euro year-on-year, of which 60.5 million euro are due to variations in exchange rates and fair value changes in interest rate hedges.

7.2 Construction

7.2.1 Earnings

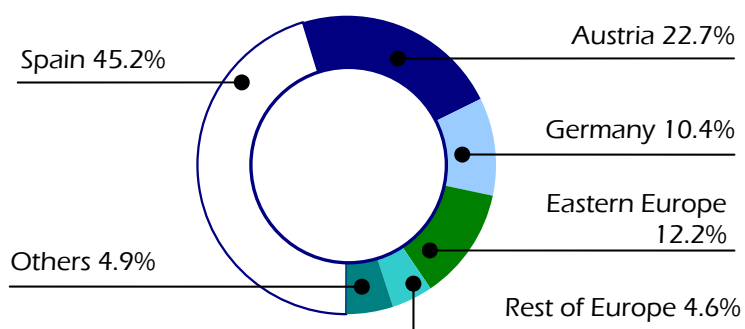
<i>(million euro)</i>	Dec. 10	Dec. 09	Chg. (%)
Revenues	6,693.6	7,201.2	-7.0%
<i>Spain</i>	3,022.3	3,386.6	-10.8%
<i>International</i>	3,671.3	3,814.6	-3.8%
EBITDA	355.5	406.1	-12.5%
<i>EBITDA margin</i>	5.3%	5.6%	-0.3 p.p.
EBIT	241.6	282.1	-14.4%
<i>EBIT margin</i>	3.6%	3.9%	-0.3 p.p.

The Construction area obtained 6,693.6 million euro in revenues in 2010. The reduction in activity in the year was due to the combination of a sharper decline in Spain (-10.8%) than in other local markets such as Austria, included in the International area, whose revenues fell by 3.8% overall.

The International area predominates in this division, accounting for 3,671.3 million euro in revenues in 2010 (54.8% of the total). Additionally, order flow in the second half of 2010, when major contracts were obtained that have not yet been commenced and were not included in the backlog at year-end, suggest that the international area will increase steadily as a proportion of the total; it already represents a majority of revenues, due to a combination of markets where the Group has an established local presence (e.g. Austria, Germany, and some countries of Eastern Europe and the EU) and new countries such as Algeria, Canada, Panama and the UK.

The decline in revenues in Spain is due to adjusting the pace of execution to customers' ability to invest and obtain finance. Nevertheless, business was dynamic, and a considerable volume of value-added contracts (e.g. railway infrastructure) were obtained during the year, which enables us to maintain our operating margins and strong competitive position despite demand contraction.

Revenue breakdown by region



The international area accounted for almost 55% of revenues and proved to be very stable in the Central European countries of the euro area, which accounted for 64.5% of the international area (via locally established subsidiaries). FCC has notable exposure to Austria (41.4% of

international revenues) and Germany (18.9%). Other notable contributors among the EU's emerging countries are Poland (5%), Romania (5%) and Bulgaria (3.4%). As for other regions, Latin America accounted for 5.5% and Asia (China, India and Singapore) for 2.7%.

Civil engineering, which is more selective and has greater added value, accounted for 71.3% of revenues and 75.9% of the total backlog at 31 December.

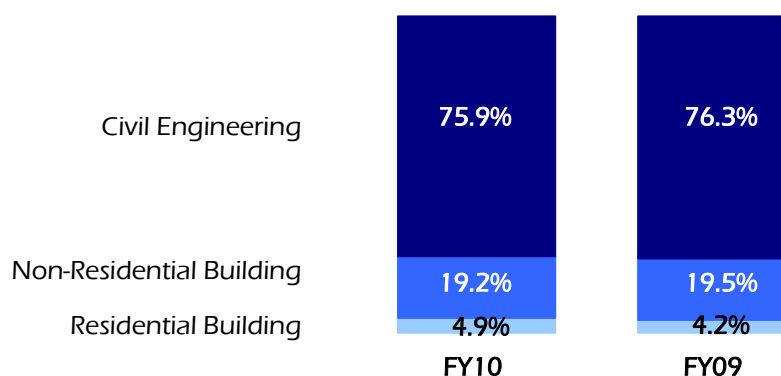
Revenue breakdown by project type			
<i>(million euro)</i>	Dec. 10	Dec. 09	Chg. (%)
Civil engineering	4,769.9	4,936.6	-3.4%
Non-residential building	1,467.1	1,603.2	-8.5%
Residential building	456.6	661.4	-31.0%
Total	6,693.6	7,201.2	-7.0%

The considerable exposure to large civil engineering projects coupled with optimisation of procurement costs enabled the division to attain an EBITDA margin of 5.3%, compared with 5.6% in 2009.

The backlog stood at 9,984 million euro at 2010 year-end. The International area, which accounts for the bulk of revenues, did not decline as much as Spain. Nevertheless, it is important to note that the backlog at 31 December 2010 does not include a number of major international contracts that have not yet commenced and amount to over 1 billion euro, mainly in Panama and Algeria. Accordingly, the international backlog can be expected to increase in 2011.

Backlog breakdown by region			
<i>(million euro)</i>	Dec. 10	Dec. 09	Chg. (%)
Spain	5,512.0	6,280.0	-12.2%
International	4,472.0	4,577.0	-2.3%
Total	9,984.0	10,856.4	-8.0%

Backlog breakdown by project type			
<i>(million euro)</i>	Dec. 10	Dec. 09	Chg. (%)
Civil engineering	7,576.5	8,278.2	-8.5%
Non-residential building	1,919.9	2,114.7	-9.2%
Residential building	487.6	463.5	5.2%
Total	9,984.0	10,856.4	-8.0%



7.2.2 Alpine

Alpine, which heads this area in domestic markets in Central Europe (Austria, Germany and other significant countries in the Eastern EU), attained 3,201.1 million euro in revenues, i.e. 87.2% of the international area's total.

<i>(million euro)</i>	Dec. 10	Dec. 09	Chg. (%)
Revenues	3,201.1	3,364.9	-4.9%
EBITDA	97.6	138.7	-29.6%
<i>EBITDA margin</i>	3.0%	4.1%	-1.1 p.p.
EBIT	44.2	65.9	-32.9%
<i>EBIT margin</i>	1.4%	2.0%	-0.6 p.p.

The decline in activity during the year is the result of the temporary deceleration in demand in the main regions where the division operates (principally Austria and Germany, which together account for 69.2% of total revenues). Nevertheless, performance in the year reveals a steady recovery in revenues that promises to continue, based on improvements in fundamentals at the main customers and in the main regions of interest.

The backlog at year-end amounted to 3,323 million euro, very similar to the figure at 2009 year-end.

7.2.3 Cash flow

<i>(million euro)</i>	Dec. 10	Dec. 09	Chg. (%)
Funds from operations	380.2	431.4	-11.9%
(Increase) / decrease in working capital	(362.3)	(206.9)	75.1%
Other items (taxes, dividends, etc.)	19.4	(78.0)	124.9%
Operating cash flow	37.3	146.5	-74.5%
Investing cash flow	(288.5)	263.3	-209.6%
Cash flow from business operations	(251.2)	409.8	-161.3%
Financing cash flow	62.1	(239.8)	125.9%
Other cash flow (exchange differences, change in consolidation scope, etc.)	83.2	84.1	-1.1%
(Increase) / decrease in net interest-bearing debt	(105.9)	254.1	-141.7%

<i>(million euro)</i>	Dec. 10	Dec. 09	Chg. (M€)
Net interest-bearing debt	519.6	413.7	105.9
<i>With recourse</i>	<i>513.6</i>	<i>407.6</i>	<i>106.0</i>
<i>Without recourse</i>	<i>6.0</i>	<i>6.1</i>	<i>(0.1)</i>

Funds from operations amounted to 380.2 million euro; combined with the 362.3 million euro increase in working capital, this resulted in 37.3 million euro of operating cash flow. Working capital continued to improve in the fourth quarter, as it had in the previous quarters, falling by 398 million euro between October and December.

Net investing cash flow amounted to 288.5 million euro in the period, contrasting with a positive balance of 263.3 million euro in 2009. This was the result of two differences between years. In 2010, the division invested 175 million euro in capital and funding for a number of infrastructure concessions that are at various stages of development, including notably the Murcia tramway, the Cuenca highway, and Barcelona Metro line 9. In contrast, during 2009 the division recognised the transfer of GVI's shares amounting to 507.9 million euro to the FCC Group parent company, a transaction that had no impact at consolidated Group level.

Financing activities in 2010 also include the 250 million euro capital increase in the area to make it more competitive and strengthen the capital base with a view to the planned expansion in international activity, in line with the strategic goal of continuing to increase the international area's dominant position. This contribution of funds had no impact on consolidated Group debt.

Overall, the division ended 2010 with 519.6 million euro in net debt.

7.3 Cement

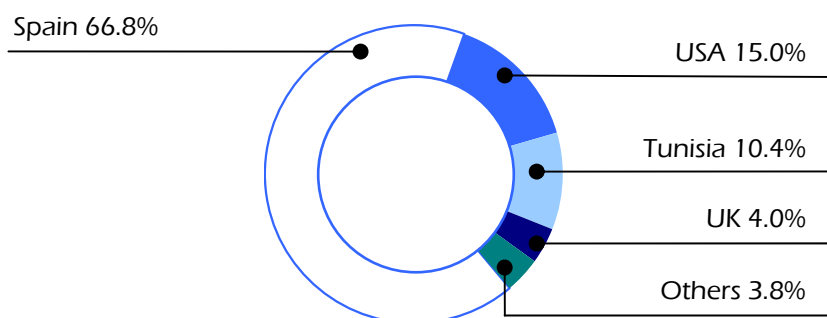
7.3.1 Earnings

<i>(million euro)</i>	Dec. 10	Dec. 09	Chg. (%)
Revenues	886.7	1,035.4	-14.4%
<i>Spain</i>	<i>592.6</i>	<i>740.2</i>	<i>-19.9%</i>
<i>International</i>	<i>294.1</i>	<i>295.2</i>	<i>-0.4%</i>
EBITDA	219.7	289.0	-24.0%
<i>EBITDA margin</i>	<i>24.8%</i>	<i>27.9%</i>	<i>-3.1 p.p.</i>
EBIT	67.0	128.6	-47.9%
<i>EBIT margin</i>	<i>7.6%</i>	<i>12.4%</i>	<i>-4.9 p.p.</i>

Cement revenues amounted to 886.7 million euro in 2010. Sales in Spain fell more sharply in the first half of 2010, while the situation stabilised in the second half. Revenue performance in Spain overall was the combination of an 11.5% contraction in volume and the knock-on effect of a smaller adjustment in prices in the second half of 2009.

In 2010, international revenues performed very similarly to 2009, falling by just 0.4% to 294.1 million euro. There was a slight improvement in the US, though it came later than expected, leading to a -1.4% variation in sales; the recovery that began in the second half of 2010 should gain in strength in 2011, in terms of both prices and volumes, in line with the expectations of economic recovery. Tunisia maintained the sustained growth trend, with revenues rising 3.5%. Finally, exports increased by 0.5% overall, focused mainly on the UK, which accounted for 4% of total revenues.

Revenue breakdown by region



EBITDA amounted to 219.7 million euro, and the EBITDA margin was 24.8%, reflecting the decline in sales in Spain. Overall, efficiency and operating cost saving measures broadly mitigated the impact of lower business volume in 2010.

The area continues to increase the rate of energy-from-waste (EfW) production through greater use of alternative fuels at Spanish plants. The level of substitution attained in 2010 ranged from 11% to 32% and the goal of a 30% average is being maintained for 2013, which will significantly reduce CO2 emissions and fossil fuel consumption.

7.3.2 Cash flow

<i>(million euro)</i>	Dec. 10	Dec. 09	Chg. (%)
Funds from operations	225.9	298.9	-24.4%
(Increase) / decrease in working capital	53.3	96.4	-44.7%
Other items (taxes, dividends, etc.)	(28.3)	(35.0)	-19.1%
Operating cash flow	250.9	360.3	-30.4%
Investing cash flow	(13.1)	79.2	-116.5%
Cash flow from business operations	237.8	439.5	-45.9%
Financing cash flow	(114.9)	(101.2)	13.5%
Other cash flow (exchange differences, change in consolidation scope, etc.)	8.9	4.7	89.4%
(Increase) / decrease in net interest-bearing debt	131.8	343.0	-61.6%

<i>(million euro)</i>	Dec. 10	Dec. 09	Chg. (M€)
Net interest-bearing debt	1,287.5	1,419.3	-131.8
<i>With recourse</i>	<i>606.5</i>	<i>660.6</i>	<i>-54.1</i>
<i>Without recourse</i>	<i>681.0</i>	<i>758.7</i>	<i>-77.7</i>

Funds from operations amounting to 225.9 million euro, coupled with a 53.3 million euro reduction in working capital, resulted in 250.9 million euro of operating cash flow.

The slower pace of activity was matched by a curtailment of capital expenditure to maintenance needs, amounting to 34.4 million euro. Divestment of financial assets not associated with operations amounting to 21.3 million euro led to net investing cash flow of only 13.1 million euro in 2010, contrasting with 79.2 million euro in 2009 (which included 170.9 million euro to acquire 8.3% of Corporación Uniland).

After deducting debt-servicing costs and despite the impact of the economic cycle on operating cash flow, the division reduced net interest-bearing debt by 9.3% (i.e. 131.8 million euro) to 1,287.5 million euro at 31 December 2010.

7.4 Versia

7.4.1 Earnings

<i>(million euro)</i>	Dec. 10	Dec. 09	Chg. (%)
Revenues	846.3	820.0	3.2%
<i>Spain</i>	564.7	559.6	0.9%
<i>International</i>	281.7	260.4	8.2%
EBITDA	139.0	98.9	40.5%
<i>EBITDA margin</i>	16.4%	12.1%	4.3 p.p.
EBIT	192.9	6.5	N.S.
<i>EBIT margin</i>	22.8%	0.8%	22.0 p.p.

Revenues from Urban Services (Versia) rose 3.2% to 846.3 million euro; in particular, revenue from the Urban Furniture business increased by 19.7%. As for the two businesses with the greatest revenue, Airport Services (Handling) experienced a steady recovery in demand (+7.2%), while Logistics managed to progressively stabilise, resulting in a 1.6% reduction in revenues in 2010 as a whole, compared with the 10.6% decline in 2009.

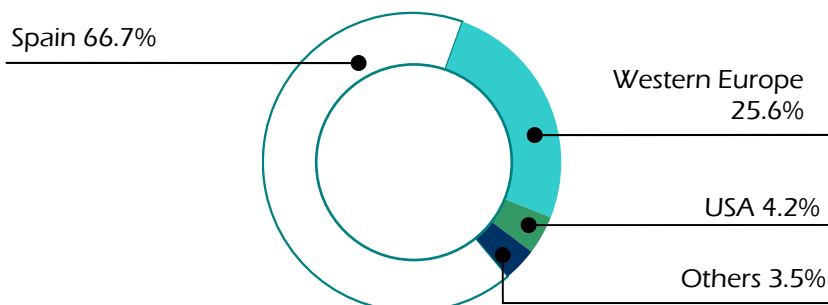
In 2010, it was decided to divest a number of Versia's business units that are not part of the FCC Group's strategic growth areas. In the last week of December 2010, it sold the vehicle inspection business and some underground car parks; consequently, for reasons of materiality, their entire contribution to revenues in 2010 is included. It is important to note that FCC will continue to operate in the on-street parking business. The vehicle inspection business and the 19 underground car parks that were sold generated combined revenues of 66 million euro in 2010.

Breakdown of revenues by business			
<i>(million euro)</i>	Dec. 10	Dec. 09	Chg. (%)
Logistics	284.9	289.6	-1.6%
Handling	244.4	228.1	7.2%
Urban Furniture	129.4	108.1	19.7%
Car Parks	76.8	77.2	-0.6%
Vehicle Testing	55.8	51.7	7.9%
Others*	55.1	65.3	-15.6%
Total	846.3	820.0	3.2%

*Incl. SVAT and Maintenance-Systems

International revenues account for 33.3% of the total. The international component is particularly important in Handling (69.6% of revenues) and Urban Furniture (54.4%).

Revenue breakdown by region



EBITDA amounted to 139.0 million euro, a 40.5% increase with respect to the previous year, consolidating the trend observed since the beginning of this year. As a result, the EBITDA margin increased from 12,1% to 16.4%. This superb recovery in the margin is attributable to the Urban Furniture and Handling businesses. The rebound by Urban Furniture is due to revived demand for advertising space and to optimisation of operating expenses. Handling managed to contain operating expenses while air traffic increased, and performed a number of special winter maintenance operations at a number of airports in December.

There was a change in the accounting method in 2010 which affects the comparison with 2009: Urban Furniture concessions are now recognised as intangible assets for the value of the payments to be made, with a corresponding contra-item in liabilities. Consequently, the annual expense is recognised as period amortisation along with a financial expense due to discounting the liability; previously, this was recognised as an operating expense. The change in accounting method has no impact on the area's cash flow or debt.

7.4.2 Cash flow

<i>(million euro)</i>	Dec. 10	Dec. 09	Chg. (%)
Funds from operations	146.4	108.0	35.6%
(Increase) / decrease in working capital	18.3	17.5	4.6%
Other items (taxes, dividends, etc.)	(8.5)	12.8	-166.4%
Operating cash flow	156.2	138.3	12.9%
Investing cash flow	31.9	(67.1)	147.5%
Cash flow from business operations	188.1	71.2	164.2%
Financing cash flow	(110.8)	(14.7)	653.7%
Other cash flow (exchange differences, change in consolidation scope, etc.)	91.3	(6.5)	N.S.
(Increase) / decrease in net interest-bearing debt	168.6	50.0	237.2%

<i>(million euro)</i>	Dec. 10	Dec. 09	Chg. (M€)
Net interest-bearing debt	290.8	459.4	-168.6
<i>With recourse</i>	<i>290.8</i>	<i>459.4</i>	<i>-168.6</i>
<i>Without recourse</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>

The increase in revenues and margins is reflected in the 35.6% growth in funds from operations to 146.4 million euro in 2010. The reduction in working capital enabled operating cash flow to increase by 12.9% to 156.2 million euro.

Investing cash flow reflects the impact of the sale in December 2010 of the vehicle inspection business (for 180 million euro) and a number of underground car parks (for 72.7 million euro). The remainder are expected to be sold in 2011.

The main component of the finance cash flow is the 91.2 million euro in dividends paid to the Group parent company.

Good operating performance plus the aforementioned divestments enabled this division to reduce debt considerably: by 36.7% with respect to 2009 year-end, to 290.8 million euro.

7.5 Energy

7.5.1 Energy

<i>(million euro)</i>	Dec. 10	Dec. 09	Chg. (%)
Revenues	86.3	81.9	5.4%
<i>Spain</i>	82.6	81.9	0.9%
<i>International</i>	3.6	0.0	N.S.
EBITDA	65.5	65.8	-0.5%
<i>EBITDA margin</i>	75.9%	80.3%	-4.4 p.p.
EBIT	19.7	23.2	-15.1%
<i>EBIT margin</i>	22.8%	28.3%	-5.5 p.p.

The Energy division increased revenues by 5.4% to 86.3 million euro. This increase is attributable to wind power: a combination of higher production volume and a slight increase in prices. Solar photovoltaic revenues decline slightly since the guaranteed fixed tariff was kept stable and insolation was lower than last year.

Wind accounted for 83.9% of sales, with a load factor of 24.2% (22.4% in 2009). The remaining 16.1% of revenues came from solar photovoltaic, where the average load factor was 16.5%.

The decline in the margin to 75.9% was the result of wind survey and bidding costs, and new project commissioning costs (particularly two new solar thermal plants).

7.5.2 Cash flow

<i>(million euro)</i>	Dec. 10	Dec. 09	Chg. (%)
Funds from operations	58.4	65.8	-11.2%
(Increase) / decrease in working capital	(7.8)	11.8	-166.1%
Other items (taxes, dividends, etc.)	2.0	(5.9)	133.9%
Operating cash flow	52.6	71.7	-26.6%
Investing cash flow	(50.8)	(208.0)	75.6%
Cash flow from business operations	1.8	(136.3)	101.3%
Financing cash flow	(2.4)	(29.7)	-91.9%
Other cash flow (change in consolidation scope, etc.)	(18.0)	(586.1)	-96.9%
(Increase) / decrease in net interest-bearing debt	(18.6)	(752.1)	-97.5%

<i>(million euro)</i>	Dec. 10	Dec. 09	Chg. (M€)
Net interest-bearing debt	924.0	905.4	18.6
<i>With recourse</i>	396.5	355.1	41.4
<i>Without recourse</i>	527.5	550.3	-22.8

Funds from operations amounted to 58.4 million euro in 2010, compared with 65.8 million euro the year before, because of expenditure on new projects and assets. Since working capital increased by 7.8 million euro, operating cash flow amounted to 52.6 million euro.

Investing cash flow amounted to 50.8 million euro, mainly for the development of solar thermal power plants, whereas in 2009 this item reflected not only the variation in other flows due to the change in consolidation scope but also the 784 million euro expended on acquiring 14 wind farms.

Indebtedness was maintained on a par with 2009, and the slight increase was due to commissioning the aforementioned investments.

7.6 Torre Picasso

7.6.1 Earnings

<i>(million euro)</i>	Dec. 10	Dec. 09	Chg. (%)
Revenues	25.4	26.1	-2.9%
EBITDA	21.9	22.7	-3.5%
<i>EBITDA margin</i>	<i>86.3%</i>	<i>86.9%</i>	<i>-0.5 p.p.</i>
EBIT	17.9	18.9	-4.9%
<i>EBIT margin</i>	<i>70.7%</i>	<i>72.2%</i>	<i>-1.5 p.p.</i>

Torre Picasso's revenues declined slightly, by 0.7 million euro, with respect to 2009 as a result of the slight adjustment in rents that were revised in the period. Offices, which account for the bulk of the building, maintained occupancy at very close to 99%.

8. SHARE DATA

8.1 Share performance

	Jan. - Dec. 2010	Jan. - Dec. 2009
Closing price (euro)	19.66	29.45
<i>Price Change</i>	<i>(33.2%)</i>	<i>26.2%</i>
<i>Yield*</i>	<i>(28.4%)</i>	<i>33.0%</i>
High (euro)	31.98	32.30
Low (euro)	17.48	18.38
Average daily trading (shares)	618,005	463,802
Average daily trading (million euro)	13.5	12.5
Market capitalisation at end of period (million euro)	2,503	3,749
No. of shares outstanding	127,303,296	127,303,296
Basic EPS	2.60	2.43

*Includes dividend payment.

8.2 Dividends

At a meeting on 17 December 2009, the Board of Directors declared an interim dividend of 0.715 euro gross per share; it was paid on 12 January 2010.

Additionally, in accordance with the decision by the General Meeting of Shareholders on 27 May 2010, the supplementary 2009 dividend, amounting to 0.715 euro per share, was paid on 7 June 2010.

Following year-end, and according to the decision by the Board of Directors on 16 December 2010, the interim dividend out of 2010 income, amounting to 0.715 euro gross per share, was paid on 4 January 2011.

8.3 Own shares

At the end of December 2010, the FCC Group held a total of 12,614,951 own shares directly and indirectly (9.909% of the company's capital).

On 30 November 2009, the Extraordinary Shareholders' Meeting approved a programme to buy back shares of the Company for the sole purposes of:

- Meeting obligations to deliver own shares as a result of the 450 million euro convertible bond issue.
- Reducing capital by amortising shares acquired under the programme or already held in treasury stock.

In view of the number of own shares held at year-end and the number of shares needed to cover the potential conversion of bonds (i.e. 9.108% of capital stock), the risk of shareholder dilution as a result of the convertible bond issue is entirely eliminated.

9. DISCLAIMER

This document has been drafted by Fomento de Construcciones y Contratas, S.A. (the "Company") to be used solely in the presentation of 2010 earnings.

No liability whatsoever is assumed by the Company, its advisors or representatives, whether for negligence or otherwise, with respect to any loss or damage arising from any use whatsoever of this document or its contents.

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10. CONTACT DETAILS

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