



INFORMA

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REALIA LISTING

A BALANCED AND VERY PROFITABLE REAL ESTATE GROUP

*Desde siempre
invertimos en futuro*



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The FCC Board of Directors appoints two new members to the Advisory Committee

The appointment of Antonio Gómez Ciria and Gérard Ries to the Advisory Committee was approved by the FCC Board of Directors in its meeting on May 17 last.

In its last meeting, the FCC Board of Directors approved the resolution on the appointment of two new Advisory Committee members: Antonio Gómez Ciria, General Manager of the Internal Audit Department, and Gérard Ries, Financial-Economic Comptroller of FCC's investments in France, the United Kingdom, and Austria. Carmen Iglesias stepped down following her recent appointment as Independent Director of Realia.

The other members of the Advisory Committee, in addition to Antonio Gómez Ciria and Gérard Ries, are Jaime Zurita, Professor of Mercantile Law, and Borja Puig de la Bellacasa, CEO of Bassat Ogilvy.

The Advisory Committee's mission.

The mission of the Advisory Committee, which creation and objectives are contemplated in the FCC Articles of Association, is:

Submit proposals to the organizations to which it provides advisory services in the areas of their respective competencies.

Report to the company on how it is perceived in the sector, the business community, and society.

Study and report on issues submitted by the bodies it advises.

Inform on possibilities for new business and activities, in Spain and abroad, and on the modifications it deems appropriate to enhance the company's stability, development, and profitability.

The Advisory Committee, the Company's consulting body, is entrusted with the task of advising the AGM, the Board of Directors, Delegate Committees, Managing Director's, and the company's Executive Department.

FCC's headquarters in Calle Balmes, Barcelona. In 1925, Barcelona's City Council awarded a prize to this building, included in the city's Historic-Artistic Architecture Catalogue.

The first diplomas for IT Security Lead Auditors are awarded

Felipe Garcia, Secretary General of the FCC Group, presided the award ceremony on March 2 for the ISO 27001 Lead Auditor diplomas, accredited by the IRCA (International Register of Certified Auditors) to 14 FCC Group employees enrolled in the first training course for IT Security Lead Auditors.

The course, organized by the Information

Security and Risk Management Department, is designed for mid-management in all business areas.

With this initiative, the FCC Group aims to train an excellent team of professionals, enabling them to conduct internal control activities in the Information Security and Personal Data Protection areas.

Training advantages

Increases awareness in general and understanding on the organization's operations.

Encourages the exchange of ideas and solutions to common problems

Enhances personnel's understanding of internal control.

Acceptance of control related activities as useful and efficient processes.

Greater awareness on information security issues.



Felipe García FCC's Secretary General (third on the left) presided the ceremony. He is accompanied by, on the first row, from left to right: Carlos Alcolea; Juan Sánchez; Antonio Gómez; Gianluca D'Antonio, and Rocío Castrillo. Back row: Roberto Rosario; Leyre Duo; Miguel Cebrián; Guillem Carrasco; Manel Miranda; Ana Iparraguirre; Gonzalo Melero; Juan Carlos Rubio; Magdalena Sarto, and Carlos Bartolomé.

ISMS Forum Spain wins prize for its information security project

The Spanish Association for the Promotion of Information Security, ISMS Forum Spain, of which FCC is a founding member, currently presiding the association's governing body, was awarded one of the prizes given each year by SIC Magazine for creating an open associative framework for promoting the development, knowledge, and a culture of information security in Spain.

The award ceremony was held during the Spanish IT security convention, Securmática 2007. Gianluca D'Antonio, FCC's director of IT Security and Risk Management and chairman of ISMS

Forum Spain collected the award. He spoke on the Association's open approach, embracing the different points of view and concerns of all sectors involved in this professional activity and invited all those attending the event to join the organization and begin collaborating in the different work areas defined by the organization.

ISM Forum Spain, a non-profit organization, was founded last January at the initiative of several organizations and companies that are specially committed to IT security. Over 40 organizations have joined the Forum in just a few months.



Center, Gianluca D'Antonio, Director of IT Security and Risk Management at FCC and Chairman of ISMS Forum Spain, after receiving the award. He is accompanied by representatives from various founding members of ISMS Forum Spain.

REAL ESTATE



Realia floats 47.7% of its capital in the Stock Market

Realia made its debut in the continuous market on June 6 after floating 47.7% of its capital through an initial public offering (IPO).

Realia, the real estate company in which FCC and Caja Madrid have controlling stakes, has been listed in the Spanish stock exchanges following last May's initial public offering (IPO). The prospectus was registered at the Spanish Securities Exchange Commission on 18 May and the shares started to trade on 6 June. L

Simultaneously, FCC gains control of Realia, a company consolidated in FCC group accounts.

Free-float in national and international markets reaches 47.7%. FCC and Caja Madrid each kept a 25.5% stake, with these stakes integrated in Realia Business Holding, controlled by FCC.

Of the total amount of listed shares, 52.10% was part of the international tranche, 31.27% for minority shareholders, 15.63% for qualified Spanish investors, and 1% of Realia employees.

Of the total stock listing, 52.10% of the offering is allocated to the international tranche, 31.27% to the retail tranche, 15.63% to qualified Spanish investors, and 1% to employees

El Corte Inglés, a traditional Realia shareholder, maintains a 1.26% stake.

Objectives of this transaction

The purpose of the offering is to expand Realia's shareholder base and give it access to the capital markets, which will enable it to raise funds for future growth. Realia also wishes to enhance its prestige, transparency and image by being listed. Realia's initiative will provide its shareholders with more liquidity through trading on the Madrid, Barcelona, Bilbao and Valencia Stock Exchanges (electronic



Above and on the left: the Los Cubos Building owned by Realia in Madrid's M-30 beltway.

Realia results will be consolidated in FCC Group accounts

market), while enabling the selling shareholders to monetise part of their assets.

Background

Grupo Realia started its activities in 2000 following the integration of the property, real estate activities, and professional teams of FCC and Caja Madrid, whose presence in this sector dated back to the eighties.

Since its founding, Realia's corporate purposes contemplates the development, management, and exploitation of all types of properties, including commercial, recreation, and leisure centers.

It focuses its activities in two main areas: the property business and the housing

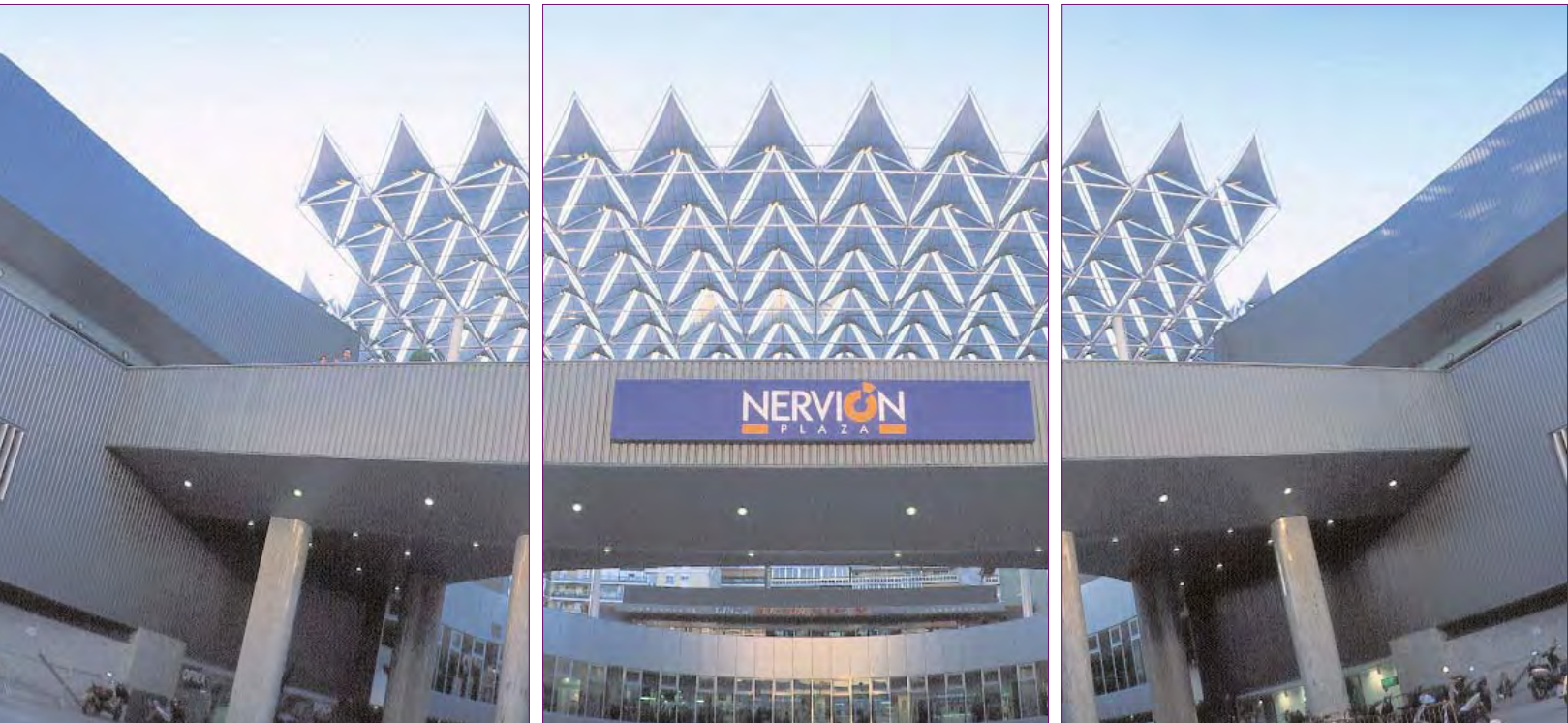
exchange. The French company's portfolio includes 40 properties in prime locations in Paris, totaling 130,000 m² of office space, all of which is for rental purposes. To date, Realia has invested over one billion euros in the French market.

After incorporating SIIC de París, Realia currently owns more than 739,000 m² distributed among 80 landmark buildings in the prime business locations in Spain and Paris.

Commercial Centers

The company has also pressed ahead in the commercial and leisure segments. It has new projects under development, such as the Business Fairgrounds in Guadalajara, Plaza Nueva Leganés in Madrid, La Noria Murcia

The Nervión Plaza
Commercial Center in Seville,
one of Realia's projects in
Andalusia.



developments and land management.

International drive

In 2006, Realia undertook an ambitious internationalization plan, acquiring SIIC de París, a real estate company listed in the Paris stock

Outlet Shopping in Murcia and As Cancelas in Santiago de Compostela.

Real estate development

The number of properties managed by the company in 2006 was more than 7,600 units,

broken down into 107 developments in coastal areas as well as in the interior in Spain, Portugal, and Poland.

It has a land portfolio of 11.3 million square meters, with 4.4 million square meters with building permits, ensuring its capacity for growth and expansion in the future.

Earnings

The Group's financial parameters, constantly on the rise, guarantee its real estate business. Realia reported 817.4 million euros sales at year-end 2006, 21% higher than in the 676.9 million euros posted a year earlier.

Net operating income (EBITDA) increased 15% year-on-year, reaching 289.4 million euros.

At 258.4 million euros, income before taxes was up 16% year-on-year.

Income after taxes totaled 176 million euros, growing 12% versus the previous year.

Net reported income in 2006 was 17% higher than in 2006, reaching 160.9 million euro.

IPO PRICE

Realia and the global coordinators set the price for all IPO tranches at 6.5 euro/share. This means that the resulting market cap at the IPO price was 1.8 billion euros for 100% of Realia's share capital.

Carmen Iglesias and José María Más, Realia's two new independent Directors

Two new independent Directors joined the Realia Board of Directors, after the AGM on 12 April approved the resolution for their appointment. The new board members are Carmen Iglesias, a historian and academic, and the lawyer José María Más.

Carmen Iglesias Cano is a member of the Spanish Royal Academy and an intellectual committed to the ideals of freedom and tolerance. She is also a History professor and was formerly the Director of the Center of

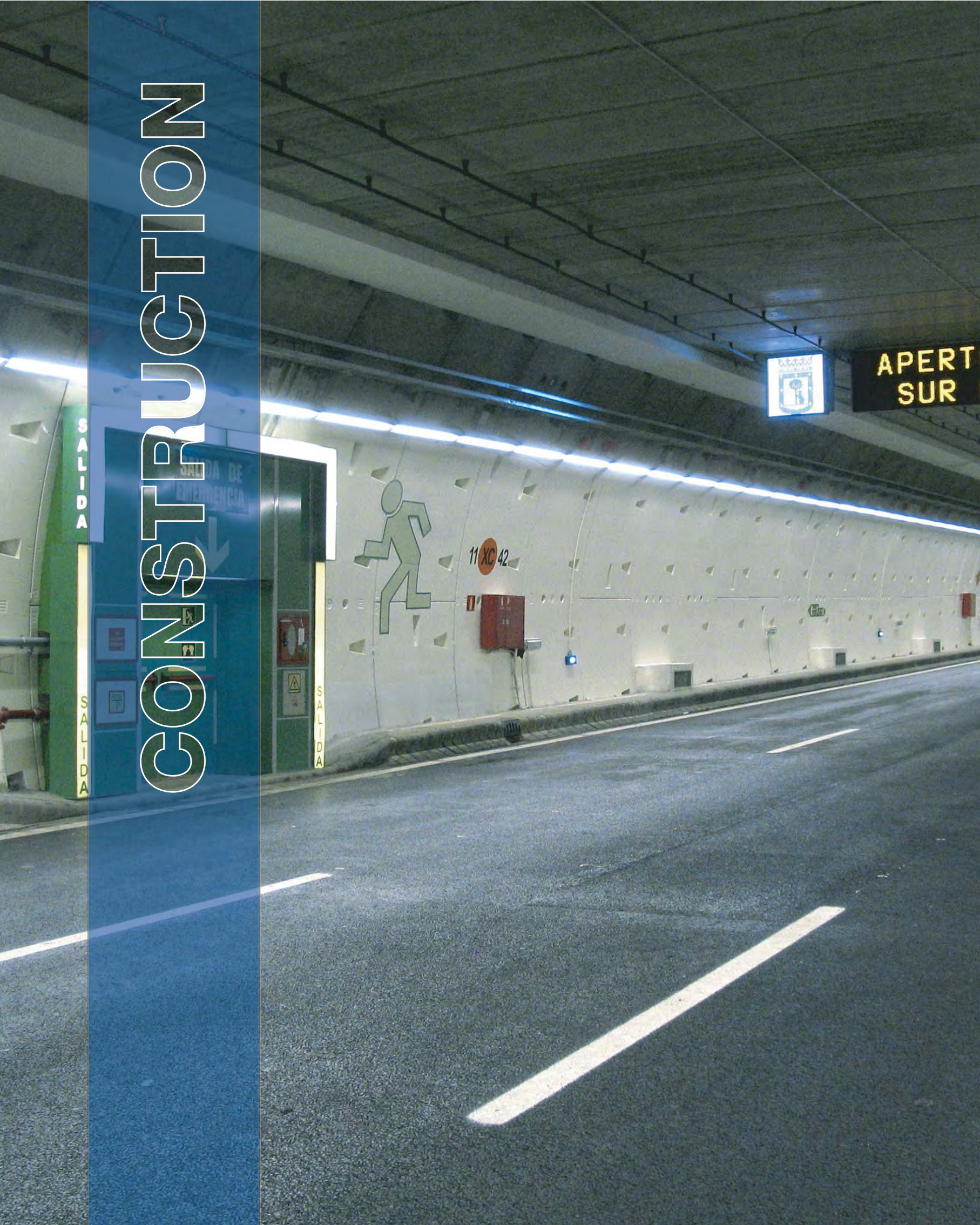
Political and Constitutional Studies. José María Más Millet, specializing in business, civil, and bankruptcy law, currently sits on several board of directors, including those of Banco Popular, NH Hoteles, and SOS Cuétara.

With these new appointments, Realia demonstrates its commitment to renovation and talent, aiming to give a new vision to its proven successful business strategy, backed by its excellent financial results.



Realia building in the Diagonal Boulevard in Barcelona.

CONSTRUCTION



Completion by FCC in Madrid M-30 beltway of the longest urban tunnel worldwide

An ambitious revamping project, burying part of the M-30 ringroad, eases the city's traffic and recovers over 50 hectares of green areas on the bank of the Manzanares River. A 12-Km long tunnel for crossing Madrid through an underground road from the West to the East side of the city.



On 8 May, at the inauguration ceremony for the south by-pass of the M-30, Madrid's Mayor, Alberto Ruiz Gallardón, said, "today is a historic day for our city". This was the last section of a major project completed by FCC in a joint venture with another company, to revamp the 30-year old ringroad, burying part of it underground. Several members of the local government attended this event, including Manuel Cobo, Pilar Martínez, Pedro Calvo, Paz González, Alicia Moreno, and Manuel Melis.

The south tunnel of the south by-pass was drilled by Tizona, the largest tunnel-boring machine in the world, in only seven months, five months less than initially contemplated in the 410 million euro budget for this project. This 4,227 meter-long stretch connects Paseo de Santa María de la Cabeza with the M-30 in the north of Conde de Casal and also connects with the A-3 road to Valencia. This 1.5 kilometer shortcut eases traffic congestion in the south node of the ringroad. It is estimated that 30% of the 260,000 vehicles that circulate in this region will use the new tunnel, saving a total of 120,000 km of driving per day, 40 million per year, thereby reducing fuel consumption considerably.

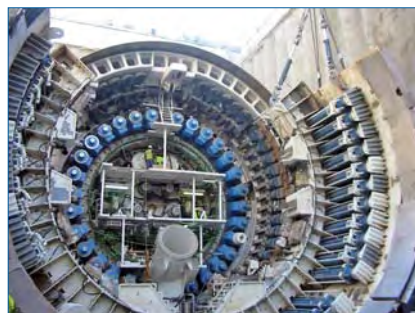
The safest tunnel

The inauguration ceremony marked the completion of the burial of several sections of the road and revamping work, in which FCC also participated, connecting Avenida Marqués de Monistrol with the A-6 road and Avenida de Portugal and the A-5 with the A-3, twelve continuous kilometers in addition to several side roads, making this the longest underground urban stretch in the world.

During the most difficult and costly part of the M-30 revamping project, Tizona drilled and simultaneously placed 0.60 meter-wide prefabricated sections. That is, a length of 3,644 meters more than 30 meters under the Arganzuela and Tierno Galván parks. The tunneling machine worked at a pace of 46 meters per day, advancing 136 meters in the first month and 800 meters in the last month. The tunnel has three 3.50 meter-wide two-way lanes, two 0.50 meter-wide hard shoulders, and two 0.70 meter-wide sidewalks. The road surface rests on top of prefabricated slabs.



Tizona beats the speed record.



Madrid's Mayor Alberto Ruiz Gallardón, above, points to the completion of the M-30 remodeling project, accompanied by Pilar Martínez, councillor for Urban Development, Housing, and Infrastructure; Manuel Melis, the General Coordinator of Infrastructures, and Manuel Cobo, the Deputy Mayor. Above, the tunnel-boring machine that made it possible to complete the project ahead of schedule.

Tizona, the tunneling machine built in Asturias using Japanese and German technology, has a 15.2 meter diameter, is 148 meters long, and weighs 4,200 tons. It can push 31,700 tons and has 14,000 kVA of power. A work team of 600 people took turns to operate this machine.

Several safety measures were implemented. These include a gallery for service vehicles and for emergencies going in each direction along the entire stretch of the tunnel. The tunnel also has 13 galleries for pedestrians at every 200 meters, five for vehicle evacuations at each 600 meters, plus seven emergency exits leading directly to

the exterior. All these features and the use of the most advanced technology make this one of the safest tunnels in the world.

Praga Bridge-Nudo Sur

Another project, in addition to the by-pass, which FCC built on its own, was inaugurated a few weeks earlier. This was the underground stretch of the M-30 between the Praga Bridge and the Southern Node. The City's Mayor, Alberto Ruiz Gallardón, attended the inauguration event, accompanied by the Deputy-Mayor Manuel Cobo, the Councillor for Urban Development,

Quality of life

This project makes it possible to improve the quality of life of the citizens of Madrid:

Optimizes mobility, saving 23 million hours per year of travel, 708 million hours over the next 30 years, equivalent to 3,915 million euros in fuel savings.

Reduces the overall accident rate by 53%, contributing enormously to social welfare and to 770 million euro savings in the coming years. A 35,000 ton reduction in 2007 of greenhouse gases. This amount will increase gradually

until reducing these gases by 64,700 tons.

Recovers the Manzanares Rivers, eliminating barriers and enhancing water quality thanks to the new water collectors.

The green areas are expanded thanks to the Madrid Río project, which contemplates the recovery of 50 hectares of green areas along the banks of the river and the construction of a new 3,000 hectare environmental corridor stretching from Getafe to El Pardo. To date, 270,000 trees have been planted.

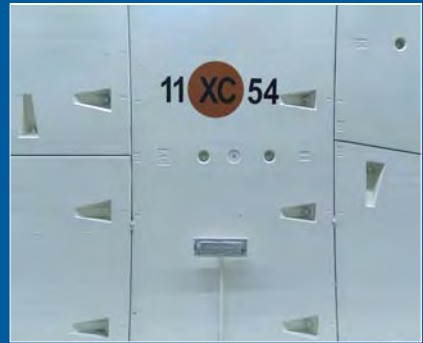
Housing and Infrastructures, the councilor for the Government Department for Safety and Services, and the councilors of the Central, Arganzuela, Usera, and Carabanchel districts.

“We are not only witnessing the inauguration of a tunnel, but the birth of a new balanced and sustainable city”, the mayor said at the ceremony. A highly complex project, requiring enormous planning and coordination, involved burying a road section measuring 1,600 meters in length: two 3-lane roads, one each way, from the south node to the Atocha-Parla railway bridge, also built by FCC. The entire project was completed in 20 months, 4 ahead of schedule. The initial budget was 231.9 million euros and the final amount was nearly 279.64 million euros.

“We are witnessing not just the inauguration of a tunnel but the birth of a new city”

The “cut & cover” method was used in the execution, placing 1 meter-thick screens and reinforced pre-stressed concrete blocks. The transversal section of the main branch consists of two 0.50 meter-wide sidewalks, two 0.85 meter wide hard shoulders, and between 3 and 5 lanes, each 3.50 meters wide. The lateral walls are lined with prefabricated concrete side walls, 1-meter high, on top of which a 2.30 meter wide vitreous panel was installed. Lighting was installed on the lateral walls of the tunnel, continuous on the main body and discontinued in tunnels branching out.

The tunnel also features all the safety systems, which are mandatory according to E.U. standards. It has 12 pressurized emergency exits and a particle-filtering system to clean the air expelled outside. The sewer system was also revamped to increase the size of water collectors, and basins were built to enhance the quality of the Manzanares River by reducing wastewater. This major project also included burial of the 132 kV power, parallel to the river bed and stretching over 6 km.



This localization code indicates that we are kilometer 11.540 of the tunnel or the XC branch of the tunnel. Below, the emergency gallery under the road.

Technical team of the South Tunnel-South By-pass

Department Manager:
Ricardo Gil Edo

Head of Project:
Javier Alañón Reol

Head of Production:
David Pérez Ayuso

Project Supervisor:
Bernardo Martínez Cid

Head of Administration:
Pedro J. Sánchez Vicent

Praga Bridge-South Node Technical Team

Project Supervisor:
Juan Manuel Dochao Salas

Department Manager:
Alberto Enciso García

Head of the Technical Office:
Maximiliano Rodríguez Inés

Head of Administration:
Ángel Luna Álvarez



Esperanza Aguirre, President of the Madrid Community, unveils the commemorative plaque, accompanied by Transportation and Infrastructures Secretary Elvira Rodríguez and Mayor Alberto Ruíz Gallardón.

The Metro reaches T4 at Barajas Airport and Madrid's Villaverde district

Within two-week period, the president of the Madrid Community, Esperanza Aguirre and the city's mayor, inaugurated two of the most important public transport projects in the city. The dream of the 160,000 residents of Villaverde and surrounding districts became a reality: having a subway. In addition, at the beginning of May the new T4 metro station, connecting to the city, started operations. FCC Construcción executed both projects in record time.

A tunnel measuring 8,704 meters between Legazpi Plaza and Villaverde Alto, with seven new stations, extends the historic Line 3 of the Madrid underground system. The other tunnel, 2,572 meters-long, from the town of Barajas to T4 enables users of this award-winning terminal building, inaugurated and year ago and also built by FCC Construcción, arrive in the city's midtown district in less than half an hour. A total of 11 kilometers underground, drilled by the tunnel-boring machines Guster and La Adelantada, already known for their work in other major civil work projects.

The tunnel was entirely executed using an Earth Pressure Balance (EPB) boring machine and lined with 32 cm-thick prefabricated sections, with an interior diameter of 8.43 cm. Both of the tunnel-boring machines, working from opposite directions, were used in this project to extend Line 3 of the subway system. Guster drilled towards the north side while La Adelantada bored from south to north. This is the first time that this system is used in any of Madrid's public transport projects.

The President of the regional executive department said in the inauguration ceremony that from now on, those

benefiting from this project would be able to enjoy more free time. It will only take half an hour to reach the Sol metro station in the city's midtown district. This subway line extension will also contribute to easing traffic congestion in the southern part of Madrid, near the Andalucía highway.

Residents of the following districts will benefit from the recently built seven subway stations: Almendrales and Las Carolinas, the areas close to the Andalucía Road the Doce de Octubre Hospital, Orcasitas, Orcasur, San Fermín, Moscardó, Zofio, Pradolongo, El Espinillo, Ciudad de los Ángeles, San Cristóbal, Butarque, Los Rosales, Villaverde Bajo and Villaverde Alto.

Investment totaling 620 million euros

It will be possible to connect from the last stop, Villaverde Alto, to the Renfe Suburban Train station. The new Villaverde Bajo-Cruce station also connects with the bus station. This will also benefit the residents of Parla, Humanes, and Fuenlabrada.

In addition to the enlargement of the subway line, the rest of Line 3 was totally revamped, improving connections with other lines, and increasing the size of width of the subway platforms, from 60 to 90 meters, to absorb increasing demand. The entire project required an investment of 620 million euros and was executed using the most modern operating and accessibility systems.

FCC Construcción was also involved in the following works in connection with Line 3: revamping the Moncloa subway station, extending it towards Cuatro Caminos,

T4 metro technical team

Head of Department:
Juan Girón Garrido

Head of Project:
Miguel Ángel Mayor Gamo

Head of Production:
Agustín Alonso Velasco
Pedro Cavero de Pablo

Project Supervisor:
Jesús Fernández Galán

Topography:
Julián García Puente

Administration Manager:
Álvaro San Miguel Martínez

refurbishment of the Legazpi station, and improving the connections with Line 6, enlargement of the platform in Sol Station, with a new entry and vestibule.

“Fantastic infrastructure”

At the inauguration ceremony, Esperanza Aguirre, the President of the Madrid Community highlighted the short time it took to complete this project, connecting the modern T4 station, which provides services to 74,000 travelers each day, with Line 8 of the subway system. "It is enormously gratifying to be able to tell Madrid's residents that it only took eleven months to execute a fantastic infrastructure", she said at the event, accompanied by the Madrid's

T4. In Europe, only Heathrow airport has two London Underground stations.

The tunnel-boring machine, La Adelantada, drilled 1.6 of the 2.5 km of the T4 tunnel, just right after being used in the Villaverde subway line. This “magnificent engineering project”, as described by the president of the Madrid Community, was awarded to an FCC-Caja Madrid consortium, with an investment of 58.5 million euros. The concession includes construction plus a 20-year operations contract. The consortium awarded the project was responsible for obtaining financing.

The initial number of users per day estimated at 20,000, thereby exceeding the estimated four million users in the first year of operations.

Besides London's Heathrow, Barajas is the only airport in Europe with two subway stations

Mayor, Alberto Ruiz Gallardón, the Vice-president of the Madrid Community, Ignacio González, and several representatives of the local government, including Elvira Rodríguez, Secretary of Transportation and Infrastructures.

Barajas Airport now has two conventional Metro stations: Airport T1-T2-T3 and Airport

Line 8, reaching the T4 terminal, connects at the Mar de Cristal station with Line 8 and with Lines 6,8 and 10 and the Renfe suburban rail service at the Nuevos Ministerios station. The ride from T4 to Nuevos Ministerios, near the city's financial district, will only take about 20 minutes. The subway ticket for travelers to and from Barajas airport will be the same as for other subway rides.



Top to bottom: Ruiz Gallardón and Esperanza Aguirre point to the T4 terminal in the subway map; the president and the mayor with the Metro team and the construction company, among the, José Mayor, President of FCC Construcción and Rafael Montes, CEO of FCC; Ruiz Gallardón and Aguirre at the information desk with an information leaflet. On the left, the inaugural ride in the Villaverde Metro line.



Villaverde Metro Technical Team

Head of Department:
Joaquín Arroyo Represa

Head of Project:
Oscar Díez Díaz

Production Managers:
David Carnero Pérez
Gonzalo Pérez Herrero
Ismael Romero Esteban
Rafael Carrasco Campos

Project Supervisor:
Eugenio Gómez Gavilán

Administration Manager:
Carlos García-Roco Tapeado

The Prime Minister of Spain visits the new San Pedro del Pinatar II desalination plant in Murcia

President José Luis Rodríguez Zapatero visited the new San Pedro del Pinatar II (Murcia) desalination plant. The new plant came on stream in record time and is in keeping with a water policy aimed at ensuring sufficient water for all territories in Spain in accordance with the present and future needs. The Minister of the Environment, Cristina Narbona, the President of the Murcia Autonomous Community, Ramón Luis Valcárcel, in addition to other regional and local personalities, accompanied the Prime Minister.

Representatives of FCC management were also present at this event. The company executed this project to bring seawater to the facilities. Classified by the Government in 2005 as an emergency project, the entire plant was built in 18 months and was worth an investment of 89 million euros. The San Pedro del Pinatar II

territorial balance". The San Pedro del Pinatar II facility will produce 24 MH3 of quality drinking water for the Riparian Association of the Taibilla Channels, in the Segura River basin. This implies 2.5 million inhabitants (three million in the summer months) living in different municipalities in this region: 43 in Murcia, 34 in Alicante, and 2 in Albacete. The president stated, "I am certain that these 89 million euros was a sound investment in a project executed in record time". Desalination plants currently in construction and in the planning stage will increase water production from 140 to 713 MH3.

The project to bring seawater to San Pedro del Pinatar II involved the construction, by FCC, of a 1,800 meter-long, 2m-diameter microtunnel to bring water to the desalination plant. The depth of this project varies from -3.30 metres to -16.4 metres.

Below: Cristina Narbona, José Luis Zapatero, Ramón Luis Valcárcel and other authorities drink a toast with water just produced by the desalination plant.

Built in only 18 months, it is part of the A.G.U.A. Program



Technical Team

Joint Venture Manager:
Miguel Ángel Lorente Sánchez

Topography:
José Ramón Galia Muñoz
José M^a Coca García

Administration:
Enrique Fernández Martínez
M^a Dolores Sánchez López

desalination plant is part of the Ministry of the Environment's A.G.U.A. (Water Use and Management) program. The facilities are adjacent to the Antonio León Martínez-Campos desalination plant (San Pedro del Pinatar I).

Rodríguez Zapatero highlighted the hydraulic policy is in keeping with E.U. framework for water resources, to "anticipate the future" and "without losing sight of the changes that the country will experience in respect to the environment and

The construction procedure consisted of using closed-shield tunnel boring machines for earthmoving operations from a wall situated at 615 metres from the pump well next to the desalination plant and 1,150 from the water pipe per se.

The size of the working shaft was 12 x 6.5 m. Water connection was resolved by means of an octagonal box placed at a height of 10 metres built of reinforced concrete and supported on the sea at a depth of -17.50 metres.



The León Museum for Contemporary Art wins the E.U. Mies van der Rohe prize

The European Union Prize for Contemporary Architecture, the Mies van der Rohe award has been given to the León Museum of Contemporary Art (MUSAC), designed by the architects Emilio Tuñón and Luis Moreno Mansilla and built by FCC.

This is the most prestigious E.U. award for modern architecture.

MUSAC, which received the award for its conceptual, technical and construction quality, was inaugurated in April 2005 and has established itself as a benchmark artistic institution in Spain.

Citation for its conceptual, technical, and construction quality

Other notable works by Tuñón and Mansilla that have been built by FCC include the Castellón Fine Art Museum, the Zamora Archaeological Museum, the León City Auditorium (which received the Spanish Architecture award in 2003), and the Royal Collections Museum (FCC is building the first phase).

The E.U. and the Mies van der Rohe Barcelona Foundation award the prize every two years in order to recognise and reward quality in architecture. The museum in León now joins the ranks of other award-winning projects, such as the Netherlands Embassy in Berlin, designed by OMA/Rem Koolhaas and Ellen van Loon (2005); the Hoenheim North parking facilities and terminal in Strasbourg by Zaha Hadid (2003); and the Kursaal in San Sebastián, by Rafael Moeno (2001).

9.700 m² of floor space

The museum, with 9,700 m² of floor space, was built on a more than 21,000 m² plot of land bordered by Avenida Reyes Leoneses Avenue and the Campanillas, Obispo Vilaplana and Padre Llorente streets.

It is a glass building with a structure and pillars made of white reinforced steel, with an ancillary structure made of laminated galvanised steel profiles. The main façade is made using multi-colour glass, over 3,300 pieces, supported by 500 iron pillars. The design is inspired by one of the oldest stained glass windows of the Cathedral of León, known as “El Halconero” dating back to the twelfth century. The building also has two types of roofing: an inverted structure covered with pebbles and another ventilated roof made of zinc.

FCC to build headquarters in Romania for Petrom, the country's leading oil and gas company

FCC, through its Austrian subsidiary Alpine, has won the tender to build the new headquarters building, in Romania, of Petrom, the leading producer of oil and gas in south-eastern Europe; the contract is worth 85 million euro.

The new Petrom City complex will be built beside Lake Straulesti, in northern Bucharest. The contract involves building an office block, a car park, a data centre and a power plant. The building will be fitted with the latest technology and will fulfil the most demanding international standards.

Work will commence at the end of 2007 and is scheduled to be completed late in 2009.

FCC landed the contract in competition against leading international players. This project strengthens Alpine's presence and competitive position in Romania.

Alpine projects in Romania

The dynamic situation in Romania makes it a very attractive market for Alpine. Its recent successes there include a large environmental project (22 million euro) financed by the European Union to install and clean up two landfill sites.

FCC projects in Romania

The FCC Group, through FCC Construction, is building the Basarab viaduct in Bucharest (135 million euro), a bridge over the Danube linking Bulgaria and Romania (100 million euro), and resurfacing the DNIC road in Clujalavida (25.3 million euro).

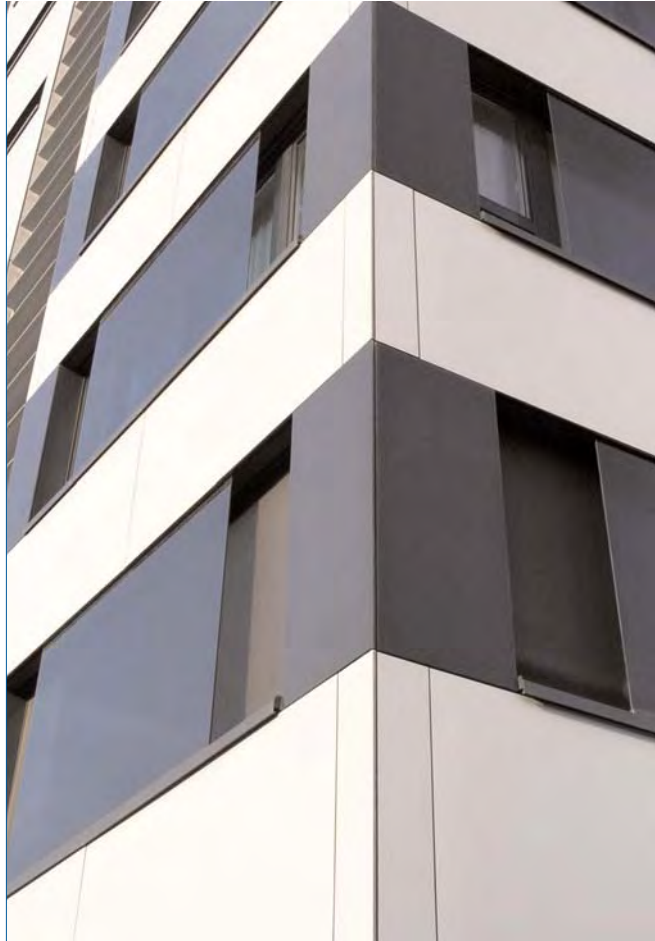
The contract awarded is worth 85 million euros

Austria's second construction company

The Alpine Group operates worldwide. With annual revenues of approximately 2.3 billion euro and a total staff of 10,700, Alpine is Austria's second-largest construction company. In recent years, the Group has more than doubled its volume of construction work, partly through acquisitions financed with cash flow. FCC acquired a majority stake in Alpine in 2006.



From left to right: several Alpine managers participating in this project: Gabriela Vasilii, Roman Esterbauer, Karl Gruber, Wolfgang Hösssl and Ioan Cismaru.



Environmental expertise

Alpine has extensive experience in environmental technologies and a worldwide reputation as an expert in this field. It has executed many projects in the field of waste processing and elimination, cleaning of contaminated areas, and construction of landfills and wastewater treatment plants, in both Austria and Germany.



Alpine lands two environmental projects in Romania and Bulgaria

The Austrian construction company, an FCC subsidiary, will undertake landfill and waste treatment projects worth 37 million euros.

Alpine will build the new “Titu” and “Aninoasa” landfills and refurbish existing ones in the Romanian district of Dambovita, 100 km from Bucharest. The contract includes closing and sealing five old landfills, cleaning 77 unauthorised dumps, and building a modern waste sorting and composting facility. The project is worth a total of 22 million euro.

The facilities will be powered with electricity generated from composted household waste from the neighbouring towns, where new waste collection points will be installed.

Alpine has also landed a contract in Bulgaria to build two water treatment plants, in the cities of Sevlievo and Bourgas Meden Rudnik. The project, which comprises planning, construction, outfitting and commissioning of the facilities, plus

staff training, is worth approximately 15 million euro.

The Sevlievo facility, about 200 km. north of Sofia, will supply water to about 53,000 people in that city and its hinterland. The Bourgas Meden Rudnik facility, on the shores of the Black Sea, will process sewage from a population of approximately 56,800 people.

International construction projects

Alpine is also currently building one of Europe's largest hydroelectric plants, in Bulgaria, and another hydroelectric plant in Turkey. In India, it is executing the penstock for a hydroelectric plant and in Singapore, it is building a metro station and tunnels. It has also completed projects in China, Croatia and Greece.

FCC signs contract for the N6 toll road between Galway and Ballinasloe in Ireland

The contract contemplates construction, financing, and a 30-year management concession

Ireland's National Roads Authority and the consortium comprising FCC (45%), Itinere (45%) and PJ Hegarty (10%) signed the contract for the design, construction, financing and management of the N6 Galway-Ballinasloe toll road in Ireland, under a 30-year concession.

The project includes 56 kilometres of dual carriageway between Galway and Ballinasloe, a 7-kilometre single-carriageway link to the Loughrea bypass, and 32 kilometres of access roads.

Investment amounts to 350 million euros

Among other singular elements, the project also contemplates the construction of 26 overpasses, 6 underpasses, 3 intersections, 3 bridges over railways, a viaduct over the Suck River, and one toll plaza.

The new toll road will connect with the N6 Ballinasloe-Athlone, the N-17 Tuam-Athenry, the N-18 Oranmore-Gort, and with Galway's future outer bypass.

Main structures

4 intersections: Glennascaul, Athenry, Carrowkeel and West Ballinasloe.

26 overpasses.

6 underpasses.

3 bridges over railways.

1 viaduct over the Suck River.

1 toll plaza near Cappataggle, between Gortnaohon and the Ballynaclough overpass



Second contract in Ireland: Dublin's M50

The consortium was also selected last week by Ireland's National Roads Authority as Preliminary Preferred Tenderer to design, build, finance and manage the M-50 ring road in Dublin.

The concession is for 35 years. The project includes 41 kilometres of the central roadway of Dublin's M50, between the junction with the M1, to the north of Dublin, and the southern junction with the N11.

The contract contemplates revamping, maintenance, and enlargement of three two-way carriageways between the M1 and N3 intersections, and the Ballymount and Sandyford intersections, 24 km in length as well as maintenance of the stretch between the N4 and N7 intersections, which design and construction is contemplated in another contract.

The road will have a free-flow tolling system. The concession company will receive a payment for availability from the government as consideration for the investment and services.

FCC's stake in these concessions will be integrated in Global Vía Infraestructuras, the joint venture established with Caja Madrid on 30 January 2007 to group the two partners' infrastructure concession holdings. The company's initial capital stock is 250 million euro and it has holdings in 35 infrastructure concessions, basically roads, commercial ports and marinas, metro and tramlines, and hospitals.



**FCC's stake
will be integrated
in Global Vía's
portfolio**



Some views of Dublin. The project includes 41 kilometres of the central roadway.





The project is divided into two stretches: the first one, 98 Km long, is the road connecting the southern part of Vera with the north-eastern part of Cartagena and the second stretch is the new 16 Km toll-free Cartagena ring road.

The Cartagena-Vera stretch of the AP-7 road opens to traffic

FCC built the new stretch of the AP-7 road connecting Cartagena (Murcia) with Vera (Almería). The project is worth an investment of 650 million euro.

The new stretch of the AP-7 connecting Cartagena and Vera was opened to traffic when the Ministry of Development gave its approval after conducting a quality and safety control audit.

Autopista de la Costa Cálida, S.A. (AUCOSTA), a company in which FCC Construcción holds a majority stake, was awarded a 36-year administrative concession for the construction, operations, and maintenance of this road.

The project, worth an investment of 650 million euro consists of two stretches. The first one, 98 Km long, runs from the southern part of Vera to the northeastern part of Cartagena. The second stretch is a 16 Km long ring road around the city of Cartagena.

Construction of this road required 324,143 m³ of concrete and nearly 22,000 tons of steel, and over 37 million m³ of earth removal.

Three tunnels and a false tunnel

Three tunnels and a false tunnel were built along the stretch of this road. The most important one is the one crossing Loma de Bas, 1,820 metres long. Another tunnel, crossing the Almagrera, de los Pinos, and Aguilón mountain ranges, considered Important Community Sites (LIC) has two tubes, one in each direction, measuring 1,209 metres in length

A false tunnel with three parallel tubes was built at the site where the road goes through the Las Moreras pass, and a third one at the MU-332

junction. By using this technique, the mountain range is at a different level than the infrastructures thereby contributing to the geographical continuity. The last tunnel, 296 metres long, goes through the Lo Alto mountain range, the highest point along the route.

181 structures were built

181 new structures were built to overcome several obstacles (streams, difficult terrain, and existing roads). These include 25 viaducts, 57 overpasses, 33 underpasses, in addition to 66 porticos and frames. The 404 metre long viaduct over the Almanzora River with 10 spans and the viaduct over the Canalejas esplanade, are among the most singular structures in this project.

The entire highway stretches over 114 Km, of which 16 Km correspond to the toll-free road

The road has thirteen intersections connecting with the existing highways and several local roads along its 114 kilometres.

The project and construction paid special attention to environmental issues as well as the protection of the cultural heritage. Especially significant are the works carried out in the surroundings of Km 67.000 for the recovery and conservation of archaeological finds in Finca Petén.

The toll areas feature the latest in control and management systems and the tunnels are fitted with the most modern security and surveillance equipment. All the installations are centralised and managed from a common control centre.



Special attention was paid in the project and construction to the protection and conservation of the environment and cultural heritage sites.



Technical Team

Head of Project:
Juan Antonio López

Head of Stretch II:
Francisco Torres

Head of Stretch IV:
José Fco. Muñoz

Head of Installations:
Alberto Ureña

Head of the Technical Office:
Lionel Gómez

SERVICIOS



Madrid City Council unveils the new ecological waste collection fleet

Paz González, the Councillor for the Environment and City Services, unveiled the new fleet of vehicles for waste collection services in Madrid's downtown district. The fleet consists of 166 vehicles powered with clean energy, designed by FCC, which won a nine-year service contract.

Last October, the Madrid City Council awarded FCC a nine-year waste collection contract for the city's midtown district. This area includes the Centre, Arganzuela, Retiro, Salamanca, Tetuán, and Chamberí districts as well as Fuencarral-El Pardo and Moncloa. These districts now have a new fleet of ecological vehicles, unveiled by Paz González, the Councillor for the Environment and City Services on 7 May.

The 166 vehicles, all powered by clean fuels (bioethanol, compressed natural gas, or electricity), produce less contamination and less noise than other conventional waste collection vehicles. Of these, 53 are double-compartment trucks, 16 have a single compartment, 26 are narrow vehicles, and 15 are electric-hybrid vehicles. In addition, there are 19 other vehicles for providing complementary services, 22 trucks with cranes, and 15 inspection vehicles.

The company plans to invest 48.1 million euros in vehicles and facilities.

As explained by the Councillor for the Environment and City Services, the new fleet will provide "a more environmentally-friendly and ambitious service than the one provided to date in the city". Benefiting 1,067,520 residents and "thanks to which we can affirm that 100% of the vehicles to be used for providing waste collection services in the city's midtown districts are completely ecological", she added.

These seven districts in the city generate over 480 million tons of waste per year, including regular waste, containers, paper-cardboard, glass, batteries, hospital waste, furniture, and fittings, nearly 1.25 kg per resident/day.

This implies the work of 592 employees providing 142 waste collection services each day, also collecting 138,711 different types of containers, including paper, glass, etc.



The fleet comprises 166 vehicles powered by clean energies.



FCC has, in fact, been awarded three contracts since the central district was divided into two geographical areas separated by the Paseo de la Castellana. The third contract contemplates the collection of paper, cardboard, glass, and batteries.

In the outskirts of the city, FCC also provides waste collection services as contemplated in the contract awarded in 2002 which expires in January 2013.

FCC spent four years developing the technology for a prototype of electricity-powered vehicle, which is not available in the market and was specifically designed by the company. Its narrow

width, 1.85 m, and great ease of movement for particularly difficult routes, are not an obstacle for having a load capacity of 3,700 kg. It runs totally on electricity with the batteries charged by means of a 220 CV thermal engine.

Its exceptional specifications with respect to performance, lower contaminant emissions, compacting power, geometry, engine, transmission, and safety systems make it superior to diesel-powered vehicles. Thanks to these features, the vehicle was officially unveiled as a Eureka project. The Polytechnic University of Madrid, through the Institute for Automobile Research and Standardisation (INSIA) has issued a favourable opinion on these technical specifications.

These seven Districts in Madrid generate 480 million kilos of urban waste per year



Fifteen of the vehicles are electric-hybrid trucks, characterised by low noise and contaminant gas emissions when providing waste collection services. On the left, Rafael Montes, CEO of FCC, discusses the technical specifications of the new equipment with Paz González, the Councillor for the Environment and City Services.



The newest and most ecological: the electric-hybrid vehicle

Of the total number of vehicles to be used for waste collection services in the midtown districts, 15 are electric-hybrid, very novel vehicles that do not produce any contaminant gas emissions and noise while providing services. They feature an electric traction system when performing waste collection services, being able to recover the energy used later, outside the waste collection route.



According to the Councillor for the Environment and City Services, “the most salient aspects of this new service, worth over 447 million euro and with a 9-year contract, are its suitable performance, protection of the environment, and waste collection services adapted to the needs of a growing and commercial city”.

Quality service

FCC will create a new specific Comprehensive Quality Control Department, implying an increase in the professional staff dedicated to controlling and working in different areas related to services and personnel performance.

The plan calls for creating two new inspection posts: Quality Supervisor and Supervisor for Detecting Inappropriate Behaviour. The advantage versus the role of municipal inspectors is that these new supervisors can quickly resolve any incidence that could arise in service provision. These professionals will record information to make it possible to address these types negative behaviour on the part of the employees, and identify the corrective measures that may be necessary.

Personnel training will be one of key underpinnings. Training will be ongoing, based on the conclusions arrived at by observing the incorrect behaviour of operators which will have to be addressed in order to obtain the desired optimal results.

In line with this new approach, monthly verifications will be performed, between 22,000 and 27,000, much more than the minimum number required by the contract, which calls for a total 700 monthly verifications. This will make it possible to obtain all the data necessary for implementing the corrective measures as may be deemed necessary in each particular case.

In addition to encouraging the use of latest generation mechanical resources that minimise noise and gas emissions in municipal services, the new fleet of vehicles complies with the new Local Air Quality Strategy for the city of Madrid.

The new waste collection trucks will operate in the Centre, Arganzuela, Salamanca, Retiro, Chamartín, Tetuán, and Chamberí districts.

Improvements incorporated in commercial Districts

These upgrades include improved collection and treatment of cardboard containers in commercial districts and management of difficult to recycle waste, such as expanded polystyrene.

Measures will be implemented to encourage the selective collection of glass, particularly from restaurants and hotels by using specific equipment to increase the volume of this type of selective waste collection.

Separate collection of this type of waste will reduce waste volumes, and its transformation will certainly facilitate its subsequent treatment in the recycling plant.



Cemusa wins street furniture contract in Pamplona

Pamplona City Council has awarded FCC subsidiary Cemusa, a leading street furniture and outdoor advertising company, the contract to supply and exploit an automated bicycle hire service and a number of information and advertising panels for an initial period of 12 years.



Cemusa, an FCC subsidiary and the leading Spanish multinational in outdoor advertising and city furniture, won a contract from the Pamplona City Council for exclusive exploitation of several types of advertising supports.

The contract, for an initial 12-year period, may be subsequently extended up to a maximum 17 years.

Cemusa competed with the other leading multinationals in this segment, such as JC Decaux and Clear Channel.

As part of this contract, Cemusa will install and

exploit 40 time-temperature panels, 50 “op-type” advertising supports, and up to 50 large billboards.

Solution for urban mobility

The company will also introduce an automatic bike rental service in Pamplona, an easy service which will allow the city’s residents, 24 hours a day, 365 days a year, to hire a bike in one station, use it for an indeterminate number of hours, and return it to the same station or another one at another point in the city.

Bike rental service to operate around the clock all year long

The system, using the latest technology, contributes to urban mobility in accordance

with principles of sustainable development and is born with the vocation of providing quick and easy access to the largest number of users.

The first phase envisages installing five bike rental stations with 100 bicycles, although local authorities may increase this service to up to 15 stations and 250 additional bicycles.

As a new service in the city of Pamplona, it is expected to encourage other cities to implement the same service, as has been traditionally the case with respect to other public services provided in the past.

Cemusa has also introduced this initiative in Malaga and Valladolid, complementing the service contract it has in both of these cities.

The contract is initially for 12 years and can be extended for an additional 5 years

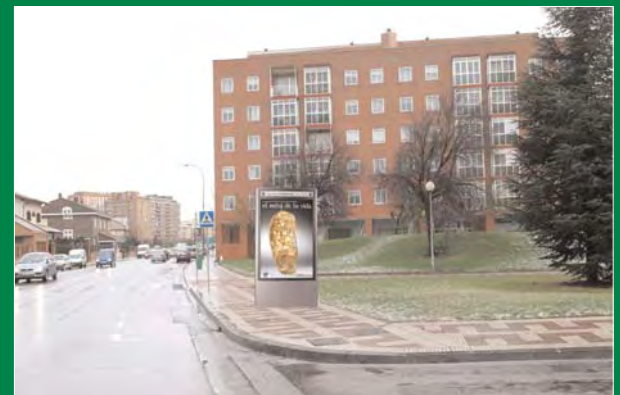
This contract is particularly important for Cemusa in Spain since Pamplona, as the capital of the Navarre Autonomous Community, has a population of nearly 200,000 and a dynamic commercial district, making it one of the cities in Europe with the best living standards.

With revenues of nearly five million euro, this contract consolidates Cemusa's positioning in northern Spanish cities. The company has won city furniture contracts in other cities in this region, such as Vitoria, Bilbao, and San Sebastian.

Operating in the sector since 1984

Cemusa, integrated into FCC's services subsidiary Versia, has been operating in the street furniture and outdoor advertising business since 1984. It currently manages the design, manufacture, installation and maintenance of over 160,000 items of street furniture in 160 cities in 13 countries, including New York, Milan, Rio de Janeiro, Miami, Lisbon and Madrid.

In 2006, Cemusa's revenues were up 27% year-on-year, totaling 119 million euro.



The automatic bike rental system is new to the city, and could encourage other cities to implement the same service, as has been traditionally the case with respect to other public services provided by Cemusa in the past. Above, several examples of city furniture in the capital of Navarre.



Flightcare increases operations with the acquisition of Genair Handling

Flightcare acquired a 100% stake in Genair Handling from the French company, European Cargo Services, S.A. (ECS). Genair Handling specialises in cargo handling, operating in Madrid, Barcelona, and Valencia, complementing the services currently provided by Flightcare.

This acquisition is a step forward for Flightcare, which will considerably increase its cargo handling operations, boosting sales by five million euro.

At the same time, Flightcare will incorporate new major European and intercontinental clients in its portfolio.

The company's consolidates its expansion strategy, becoming

the leading independent cargo and boarding operator in Spain.

Flightcare provides complete cargo handling services to third parties in accordance with IATA standards. Its data processing systems are totally computerised, enabling round-the clock operations.

Flightcare Ground Services offers its clients comprehensive passenger, boarding, and cargo services. The company aims not merely to meet requirements, but to exceed expectations. Quality and safety are the cornerstones of Flightcare services. The FCC Group handling operator provides services in 15 European airports, operating in Spain, Belgium, and Italy.

New Flightcare cargo facilities in Bilbao

Last 24 April, Flightcare inaugurated its new facilities at Bilbao Airport. The facilities of the company's cargo division in Bilbao have 700 square meters of floor space, with access to runways, refrigerator equipment, security boxes, and surveillance systems.

Thanks to this new transaction, Flightcare strengthens its cargo loading business, in keeping with its growth strategy for Spain and the rest of Europe.



The President of the Madrid Community launches the tram system in Parla

On 5 May, the President of the Madrid Community, Esperanza Aguirre, accompanied by Elvira Rodríguez, Secretary for Transport and Infrastructures, and the mayor of Parla, Tomás Gómez, launched the first phase for the tram in Parla, covering the entire town, connecting the different neighbourhoods with the Renfe suburban train network.

The authorities rode on the tram over the first nine stops and the 4.25 Km across the old part town's historic centre. The president of the Madrid Community said that the entire stretch of the tramline would be open to the public this summer. "The second phase should be completed on 31 August and, therefore, the entire Line 1 of the Parla Tram system will be fully operative when the project, with an additional 3.95 kilometres, seven stops, and a station connecting with the suburban rail line in North Parla, is completed", she said. The second line travels through Parla East.

The tramline covers 8.2 Km and has 16 stations

FCC Construcción and Detre, the FCC public transport subsidiary, were awarded the contract for this project in mid-2006. The contract also contemplates the draft and project execution, the supply of trams and systems, maintenance, and a 40-year operating concession. The project is worth an investment of 94 million, in addition to 21.2 million for the acquisition of new trams.

This new infrastructure was designed to connect the Parla's midtown district with the new urban developments in Parla Este, facilitating access to health centres, sports and commercial areas.

The urban rail line will circle the city, have two railways, stretch over 8.2 km, and 16 stations. All stations will be at a distance of 500 metres from each other. The schedule for services is every seven minutes at peak hours to be able to connect easily with the Renfe suburban rail system.

It is estimated that over 13,300 commuters will use the train on a daily basis. Demand for the first year is expected to reach 3.6 million users.



The President of the Madrid Community riding on the inaugural tram, which will provide services to 3.6 million users per year.

Saudi delegation meets in Madrid with FCC's CEO

The Saudi Deputy-Minister for Water and Energy, Ahmed Loay Almusallam, met last 28 March with Rafael Montes, the CEO of FCC, and Fernando Moreno, Managing Director of Aqualia. The Deputy-Minister headed the delegation from the National Water Company, a company dependent on the Ministry of Water and Electricity of Saudi Arabia. The objective of the meeting was to check, first-hand, FCC Group's potential after its subsidiary Aqualia, a specialist in comprehensive water management, was short-listed in a tender process for water and sanitation management in the city of Riyadh.

Following the meeting in Torre Picasso, FCC Group's headquarters in Madrid, the Saudi delegation visited Aqualia's Customer Care Center in San Sebastián de los Reyes, capping this trip with a visit to Aqualia's Service Department in Avila.

FCC is bidding for two major Arab contracts

FCC is competing in the Arab market against several international comprehensive water management experts. Aqualia was the only Spanish company, which was pre-qualified for bidding for the contract put out to tender by in Riyadh, the capital of the Kingdom of Saudi Arabia. This pre-qualification confirms Aqualia's possibilities as a competitor in the water management market in Arab countries.

The contract put out to tender contemplates management, operations, and maintenance of the

facilities currently supplying water to a population of 4.5 million. The volume of water distributed is 1.5 million cubic meters per day, of which amount, 55% is desalinated water, and 45% comes from groundwater.

The distribution network consists of over 9,000 Km of pipes, 33 water deposits with storage capacity for 3.7 million cubic meters, and other pumping and ancillary facilities.

In addition, Aqualia, in a consortium with the Italian Condotte, was one of the companies whose offer was accepted by the valuation committee in a tender for water supplies in Amman, the capital of Jordan. The tender is current in the evaluation phase and pending adjudication.

The contract contemplates the construction and 25-year concession for potable water supply in Amman. Investment is estimated at 921 million euros, and annual revenues are expected to reach over 125 million euros.

To be able to supply the population, distributing 100 m³ of water per year, it will be necessary to obtain water from an aquifer, by drilling 55 wells 500-500 meters deep in the Disi-Mudawarra region. From here, the water would be sent to Amman through a pipeline with 1,600 mm in diameter and stretching over 325 kilometers. A pumping station and a new deposit with a capacity of 150,000 m³, will also be built.

From left to right: Ahmed Loay Almusallam, the Saudi Arabian Deputy-Minister for Water and Energy; Rafael Montes, the CEO of FCC; Fernando Moreno, Managing Director of Aqualia; and Luis de Lope, Director of International Concessions.



Aqualia named the World's Water Management Company of the Year

Aqualia, the FCC Group's water subsidiary, has been named Water Company of the Year in recognition of its track record and international scope.

The award was given by Global Water Intelligence (GWI), one of the leading international magazines in the industry, for Aqualia's capacity to grow in the highly competitive international market by exporting its very successful business model from Spain. GWI also noted the speed with which Aqualia has adapted to the international scene.

Finalists for the award were Société des Eaux et d'Assainissement d'Algiers (Suez group), Shanghai Pudong Veolia Water (Veolia's Chinese subsidiary) and US company Black & Veatch, out of an initial field of close to eighty nominees.

Moreover, the Baix Llobregat wastewater reuse plant, on which the Aqualia-FCC joint venture is the main contractor, was named Water Reuse Project of the Year.

Also wins prize in the Best Water Reuse Project of the Year category

It beat stiff competition, including the Jianxing City Water Treatment Plant (China), the Reliance Jamnagar Refinery in Gujarat (India), and the Palm Jumeirah MBR, in Dubai.

The Global Water Awards were established to honor and reward innovation and commitment on the part of companies in the water business.

New intranet and services portal

Aqualia has a new Intranet with a more updated image, new structure, and sections with greater contents. The novelties incorporated include new departments, a directory of commercial offices, enhanced search criteria, a corporate video and catalogue, the marketing book, and many more.

Since last March Aqualia also has a new client-focused service portal. It comprises a corporate website (www.aqualia.es), which replaces the former one, plus a virtual office offering clients the possibility of taking care of their businesses without having to go personally to Aqualia's office.



Top, on the left: Javier Santiago, managing director of Aqualia Infraestructuras, collects the prize for the Best Water Reuse Project of the year awarded to the Baix Llobregat wastewater treatment plant. Above, on the left, Miguel Jurado, Aqualia's deputy manager for International Development, collects the Best Water Company of the Year prize





CEMENT

Inauguration of the Atlántica cement plant in the port of Bilbao

The cement company's facilities are in the industrial port of Bilbao, in Zierbana. The company invested 32 million euros in these facilities used for the reception, storage, grinding, and dispatch of cement products in addition to solid fuels and other products.

On 8 May, the Secretary of Industry of the Basque Government, Ana Aguirre, inaugurated the facilities of Atlántica de Graneles y Moliendas, a company in which Cementos Leona, a Valderrivas Group company, and Financiera Minera each hold a 50% stake.

The cement facility is situated in a 55,000 m² plot in the industrial zone of the port of Bilbao, in Zierbana.

Current sea traffic is 435,000 Mt/year, a figure expected to increase to 1 million tons per year.

The company invested 32 million euro in these facilities that are used for the reception, storage, grinding, and dispatch of cement products, specially ground slag and clinker for cement production, in addition to solid fuels and other products.

32 million euros investment

One of the singular structures of this new plant is the silo built by Ibérica de Servicios y Obras (ISO), an FCC subsidiary. Built with concrete, the silo has a 27-meter diameter and is 66 meters high, with four chambers, a central one and four other chambers each with a 7,500-ton capacity, and special conditions for its foundations. Half of the surface is on landfill, with a five-meter slab used for its foundation. Its construction required 9,000 m² of concrete and 2,800 tons of steel. Products are unloaded from its cone-shaped raised bottom, with two loading streets for trucks. Special emphasis was placed on environmental aspects in its design, and all installations are closed to prevent any possible emissions to air.

Grinding tests for slag for the furnaces were carried out last August. This product is will be used for manufacturing cement. The plant has been in full operations since October.

These installations, besides increasing traffic to the Bilbao port, provide an excellent logistics platform for the shareholder companies. Furthermore, the use of ground slag for cement production will contribute to a considerable reduction of greenhouse gases.

The 20-year concession, awarded in 2002, can be extended.

The silo has a 27 meter diameter and is 66 meters high

Main elements of the facilities

Ship unloading facilities in the Punta Sollana dock with two hopper wagons.

Conveyor belts, 500 meters and 1,000 tons per hour

Closed storage facility with a capacity of 40,000 m³, with an automated 1,000 t/h stacker, and 200 t/h parer.

3,150 kW vertical mill, one of the largest slag grinders in the world, with natural gas powered dryer and 100 t/h slag and 120 t/h cement grinding capacity.

4-chamber silo for different products for land transport and sea cargo deliveries.



Above, one of the conveyor belts. Above these lines, the Secretary of Industry, Commerce, and Tourism of the Basque Government, Ana Aguirre, with the President of Cementos Portland Valderrivas, José Ignacio Martínez-Ynzenga.



Atlántica de Graneles y Moliendas

Formerly Industrias del Cemento-Viguetas Castilla, the company was founded in 1949 for installing a slag cement factory in Sestao, commissioned by Altos Hornos de Vizcaya. Current shareholders acquired the company in 1969, and continued with the slag drying activity until AHV was closed in 1996. Since then, the company engages in storage of fly ash and cement.

Uniland holds its Annual Shareholders General Meeting

In its Annual General Meeting held on 10 May in Barcelona, Uniland announced its 2006 results, figures which reinforce the trend in place over the past few years, ensuring the success of the Uniland and Cementos Portland Valderrivas integration.

Uniland posted 569.9 million sales in 2006, 20.5% higher than in the previous year. Net income grew 7.9% to 80.8 million euro. Sales growth was as follows: Spain, up 68% Tunisia, up 13%; Argentina up 62%; Uruguay up 17.4%; and sales in the rest of the world increased by 5%.

So far, performance in 2007 is in line with the positive evidenced last year. Cement plants in

margins, and strong cash flow. Uniland has two cement plants Spain (Vallcarca and Monjos, in the Barcelona area) with a total capacity of 3.2 million tons per year, 28 readymix concrete plants, nine gravel quarries, 12 dry mortar plants, and a cement terminal at Barcelona port.

It owns 88% of Tunisian company Société de Ciments d'Enfidha, which has a 2.3 million tons/year cement plant, 4 readymix concrete plants, a gravel quarry and a shipping terminal.

In Argentina, it owns 50% of Cementos Avellaneda, which has two plants (Olavarria and San Luis) with a total capacity of 1.2 million tons/year, six readymix concrete plants and two gravel quarries.



Cataluña are working practically at full capacity while production in the mortar and concrete businesses is also exceeding budgeted figures.

Strong growth outlook

Uniland is the largest producer of cement in Catalonia, which access to Mediterranean markets with considerable strategic potential and others with strong growth prospects.

It has a balanced business portfolio, high

In Uruguay, it controls 50% of Compañía Cementos Artigas, which has a 300,000 tons/year cement plant close to Montevideo, four readymix plants and a gravel quarry.

In the UK, it owns 100% of Southern Cement, which has a cement terminal in Ipswich, near London.

It also has a specialized trading subsidiary in The Netherlands and owns 75% of Gulfland Cement (USA), which has three terminals in Louisiana.



On the left and above these lines, the Vallcarca concrete factory in Barcelona.

CPV holds a 59.02% stake in Uniland

Cementos Portland Valderrivas, S.A. acquired 130,000 shares of Corporación Uniland, S.A., representing 2.47% of share capital. With this new acquisition, Cementos Portland Valderrivas now has a 59.02% stake in this company. It has the option for acquiring up to 73.5% of Uniland shares in the same conditions. The option expires in five years.



The President of Cementos Portland Valderrivas, José Ignacio Martínez-Ynzenga, with the participating investment analysts.

Investment analysts tour the Cementos Portland Valderrivas El Alto cement factory

Cementos Portland Valderrivas organized a meeting with investment analysts at its El Alto cement factory in Madrid. The meeting, with the participation of nearly twenty analysts from Spain, Portugal, and the United Kingdom, was a special event for the company headed by José Ignacio Martínez-Ynzenga, who had the occasion to show the analysts the facilities of Europe's most energy-efficient cement plant.

During the visit, analysts witnessed a controlled explosion at a quarry near the Morata de Tajuña plant, and the procedures implemented to minimize its environmental impact.

The President of Cementos Portland Valderrivas hosted the meeting, accompanied by the General Manager of Planning and Control, José Manuel Revuelta, the General Manager of Administration and Finance, Jaime Úrculo, the General Technical Manager, Pablo Espeso, the General Manager of Institutional and Corporate Relations, Manuel Melgar, and the factory's Manager, Miguel Reche.

Following the presentation of the company's earnings performance, the milestones achieved last year - which bolstered Cementos Portland Valderrivas' positioning as the leading Spanish cement company - and of the company's outlook, analysts and executives had the opportunity to express their opinion on the financial situation

and the medium and long-term prospects.

Almost all agreed on the expected slowdown in the real estate sector, or, which is the same, the slower growth expected in the construction sector.

Nevertheless, for the cement group executives, this is only part of the construction market, and for the short, medium, and long-term, strong growth is expected, particularly in civil works.

Cementos Portland Valderrivas is confident on the future and expects growth momentum in public works to remain in place thanks to its considerable international diversification, which has been reinforced following the Cementos Uniland acquisition. Thanks to this acquisition, new factories have been incorporated in Argentina, Uruguay and Tunisia, in addition to the factory that Cementos

Portland Valderrivas was operating in the U.S. prior to the integration of the Catalan cement company. Thanks to the increasing industrial presence in North and South America, plus the modern factory in Tunisia, which gives the company a significant presence in the Maghreb, the company enjoys a sound positioning in view of possible changes in cycle with respect to public investment, infrastructures, and construction in general.

EL Alto is Europe's most energy-efficient cement plant



First open-door seminar at the Alcalá de Guadaíra cement factory

Last 24 April, Cementos Portland Valderrivas organized the first open-door seminar at its Alcalá de Guadaíra, Seville, factory.

The event was a great success, with over 400 people attending. The factory's manager, Jesús Álvarez, welcomed all those who came to the seminar before the screening of a documentary on the factory and its impact on its surroundings and on the environment.

A guided tour of the facilities was later organized, including the control room, the automatic laboratory, the furnace, the cement mills, and the palleting and baling facilities. The factory's

specialised personnel explained how the factory functioned and described all the technical and environmental upgrades that had been implemented at the facilities.

Over the past few years, Cementos Portland Valderrivas has invested 120 million euro on revamping the Alcalá de Guadaíra factory. This investment made it possible to increase production capacity by 40%, producing 1,250 million tons of clinker per year, equivalent to 1.65 million tons of cement. The new cement grinding capacity is two million tons. In addition, these investments have also contributed to more sustainable production methods, and to reduce particle emissions by 80%.



Start of the visit.



Detail of the factory.



Control Room.

EI ANÁLISIS

Recovery of used tyres in Spain

The recovery of used tyres in cement factories is a common practice in Europe. In Spain, however, very few factories apply this solution because of the lack of administrative authorisations.



Carlos Urcelay Gordóbil

Director of Industrial Development of the Cementos Portland Valderrivas Group

Over 300,000 Mt/year of used tyres are generated in Spain. Until just recently, most of this waste was sent to a dumping site or deposited in non-authorized zones.

CPV Group, a pioneer in waste recovery

After banning the dumping of used tyres, even after being cut into pieces, as of 16 July 2006, pursuant to Section 5.3d of Royal Decree 1481/2001, and the publication of Royal Decree 1619/2005 of December 30 on the correct management of used tyres, has made it possible to improve management of this waste material. Pursuant to this Royal Decree, tyre manufacturers are now responsible for their recovery at the very end of their useful lives. Manufacturers and importers have created Comprehensive Management Systems as a method for complying with these regulations.

The first Management System for used tyres, SIGNUS, started operations in August 2006. SIGNUS comprises the leading tyre manufacturers operating in Spain. Another management system, Treatment of Used Tyres (TNU) was implemented subsequently.

Tyre manufacturers contribute an amount for each unit to cover the costs involved in the correct treatment of used tyres. Three basic steps are involved: collection and CRC classification centres, which collect used tyres from repair shops and other sites, transports and classifies them for their reuse or retreading; the storage and CAP processing Centre, involved in the mechanical treatment; and the RECYCLING PLANT, where tyres are recycled into materials or into energy fuels.

In Spain, the recycling and recovery of tyres is quite limited. Small amounts of rubber recycled from tyres is used in sports tracks, playgrounds, and other specific purposes, and experimentally, on roads.



The capacity for recycling tyres into an energy source in the Spanish cement sector is 90,000 Mt/year. This capacity is limited because of the lack of administrative authorisations, not because of installed capacity.

The eight Cementos Portland Valderrivas cement factories in Spain are not an exception. Only the Lemona factory in Vizcaya has been able to recycle 70,000 Mt fuel derived from torn tyres to replace the same amount of conventional fuel. This has contributed to reducing greenhouse gas emissions by an amount equivalent to 63,000 Mt of CO₂.

Tyre recycling at the Lemona facility began in 1997. In order to be able to obtain this good type of fuel ten years ago in a

non-regulated market and to minimise the financial disadvantages of our solution versus its disposal, NEUCICLAJE was created as a plant for the collection, classification, and shredding of used tyres. This was 10 years before the CRC and CAP were introduced in current Management Systems, but without the financial support of tyre manufacturers. Cementos Portland Valderrivas was a pioneer in this field, understanding that this was the right path.

The change in regulations and the experience acquired by Cementos Portland Valderrivas Group should mark the starting point for converting used tyres generated in our surrounding area into fuel. The current recycling capacity is 120,000 Mt/year.

The FCC Group joins the UN Global Compact

The FCC Group has joined the U.N. Global Compact to reach great benefits in respect of human rights, the environment, and the fight against corruption, agreeing to abide by the Ten Principles of conduct.

FCC has formally joined the United Nations Global Compact and is now a member of the Global Compact Spanish Association (ASEPAM).

By adhering to the Global Compact, FCC makes a commitment to adhere to the 10 principles in respect to Human Rights, Labor, the Environment, and Anti-Corruption, incorporating these principles as an essential part of the group's strategy and operations.

FCC Construcción and Cementos Portland Valderrivas had previously joined this global initiative.



THE GLOBAL
COMPACT

The Global Compact is an initiative based on an ethical commitment to promote a global corporate citizenship in order to reconcile corporate processes and interests with the values and demands of civil society, as well as with the projects of the United Nations, International Sector Organizations, labor unions, and NGOs.

In Spain, the United Nations Global Compact has been very successful among companies, labor unions, educational entities, and NGO's, enjoying great support in favor of its Ten Principles.



The Ten Global Compact Principles

PRINCIPLE 1

Businesses should support and respect the protection of internationally proclaimed human rights in their area of influence.

PRINCIPLE 2

Businesses should ensure that they are not complicit in human rights abuses.

PRINCIPLE 3

Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.

PRINCIPLE 4

Businesses should support the elimination of all forms of forced and compulsory labor.

PRINCIPLE 5

Business should support the effective abolition of child labor.

PRINCIPLE 6

Businesses should support the elimination of discrimination in respect of employment and occupation.

PRINCIPLE 7

Businesses should support a precautionary approach to environmental challenges.

PRINCIPLE 8

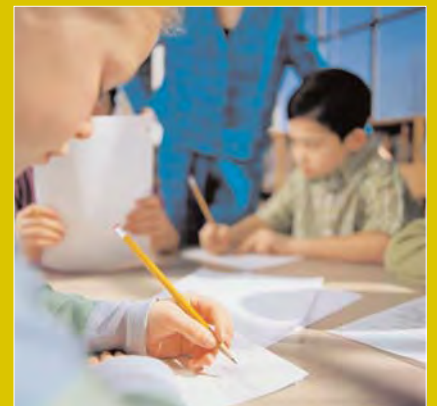
Businesses should undertake initiatives to promote greater environmental responsibility.

PRINCIPLE 9

Businesses should encourage the development and diffusion of environmentally friendly technologies.

PRINCIPLE 10

Businesses should work against corruption in all its forms, including extortion and bribery.



FCC agrees to gradually implement the 10 principles of conduct and action in respect of Human Rights, Labor, the Environment, and the fight against Corruption, incorporating these as an essential part of its strategy and operations



The agreement was signed by President of FCC Construcción, José Mayor, on the left, and by Emilio Zurutuza, the Chairman of Fundación Adecco.

Fundación Adecco and FCC Construcción sign an agreement for the integration of people with disabilities

The agreement, promoted by Esther Koplowitz, contemplates FCC Construcción's goal of hiring people with disabilities to fill job vacancies through Fundación Adecco.

FCC Construction, the FCC subsidiary which handles all its construction business, and Fundación Adecco have signed an agreement to implement social and employment integration programs for people with disabilities. The agreement runs initially for one year and may be extended each year up to three years by mutual agreement.

The main goal of the agreement is to enable FCC Construction to hire people with disabilities, through Fundación Adecco. The foundation will provide training to the future employees to prepare them for the job, and will monitor their progress in the early months to ensure that they integrate smoothly.

Also, as a fundamental component of FCC Construction's corporate social responsibility policy, Fundación Adecco will implement the "Familia" plan for disabled members of employees' families. The "Familia" plan seeks to provide beneficiaries with sufficient personal autonomy and the necessary resources to actively seek employment, and provides training to favor incorporation into society and work as well as leisure and adapted sport activities to foster social integration of people with disabilities.

José Mayor, Chairman of FCC Construction, and Emilio Zurutuza Reigosa, Chairman of Fundación Adecco signed the agreement, which was promoted by FCC's largest shareholder, Esther Koplowitz.

Ámbito wins Eco-Responsible Company Prize

The Andalusian Federation of Environmental Sciences gave Gestiones Medioambientales del Sur (Gematur), a company participated by Ámbito, the Eco-Responsible 2007 award for "its respect for the environment, its contribution to a common objective of sustainable development in Andalucía, and its track record in our region".

This is the first time that this federation awards this prize, coinciding with the Second Andalusian Congress for Sustainable Development and the Sixth Andalusian Congress of Environmental Sciences, held in Cadiz on 12, 13, and 14 of April. The dean of the Ocean and Environmental Sciences faculty, María Luisa González de Canales García, handed the prize to the winner.

Gematur's management expertise has been recognized, receiving several awards, including the Silver Broom given by the Technical Association for Waste Management and the Environment (ATEGRUS), and by the Silver Medal of Andalucía, prize granted by the Andalusian Government as recognition of the work carried out in benefit of the welfare and progress of Andalusian society. Gematur also has an AENOR-certified comprehensive Quality and Environment certificate in accordance the ISO 9001:2000 and ISO 14001:2004 standards.

Award for the professionalism and expertise in its business activities

Since its founding in Cordoba in 1992, Gematur has been the leading private company in Andalucía engaging in hazardous waste management. In addition to Andalucía, the company operates in other regions such as Murcia, Extremadura, Castile-La Mancha, Ceuta and Melilla. It handles 50,000 tons of industrial waste per year, specializing in comprehensive management of hazardous and non-hazardous waste, the recovery of contaminated soil, and other special environmental activities.

As an Inspection Entity accredited by ENAC and a collaborating entity of the Andalusian Government's Environment Department, the company performs inspection tasks on soil, spills, and waste.



Since its founding in Córdoba in 1992, Gematur has been the leading private company in Andalucía in hazardous waste management.



*Desde siempre
invertimos en futuro*



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