



INFORMA

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Baldomero Falcones
Vicepresidente y Consejero Delegado

FCC reports strong earnings performance in 2007

In 2007, FCC posted 739.9 million euros in net income, up 37.8%, with sales reaching 13.88 billion euros and gross operating income climbing 47.2%.



At 13.88 billion euros, FCC's net revenues in 2007 were 46.7% higher year-on-year. This increase was achieved thanks to the consolidation of companies acquired in 2006 (WRG, Alpine, Uniland, SmVaK, Lemona, and Flightcare Italy) and organic growth. All core business areas reported double-digit growth.

International sales accounted for 36% of the total (4,996 million euros), a three-fold increase over the previous year. The divisions with the greatest proportion of overseas revenues were Construction (41%) and Environmental Services (36%). Of total international sales, 83% are generated in Europe and 5% in the United States.

New contracts in 2007 totaled 13.5 billion euro (+23%) and the backlog of pending projects at 31 December was 33,148 million euros, up 8% year-on-year.

Environmental Services

Environmental Services posted 32.5% revenue growth, increasing the profitability of all its activities, particularly abroad where the company generates 36% of its activity. The revenue breakdown is as follows:

- **Urban Sanitation:** 1,445.9 million euros (+9.1%).
- **Water:** 827.8 million euros (+16.3%).
- **International:** 1,278.9 million euros (+101.4%).
- **Industrial Waste:** 200 million euros (+22.5%).

Versia

Versia, which covers non-environmental services, increased revenues by 10.8% to 960.8 million euros. The breakdown per business line is as follows:

- **Logistics:** 340.6 million euros (+2%).
- **Handling:** 258.4 million euros (+40.0%).
- **Urban Furniture:** 136.3 million euros (14.7%).
- **Car parks:** 74.8 million euros (+3.7%).
- **Maintenance and Systems:** 50 million euros (-13.2%).
- **Vehicle Testing:** 47.3 million euros (+6.3%).
- **SVAT:** 24.6 million euros (+1.5%).



Fleet of vehicles powered by clean energies for waste collection in Madrid's midtown district.

Construction

The Construction division reported 58.3% annual earnings growth, with sales reaching 6,957 million euros. International business contributed 41.2% of total growth, particularly Central and Eastern European countries such as Germany, Austria, and Switzerland.

FCC's Austrian subsidiary, Alpine, generated 2,595 million euros, of which 1,752.5 million come from civil engineering; 604.5 million from non-residential building, and 238 million from residential construction.

The overall breakdown of Construction revenue is as follows:

- **Civil Works:** 63,6%.
- **Non-residential building:** 24,7%.
- **Residential building (homes):** 11,7%.

At 31 December, the order book backlog of the Construction division was 9,075 million

euros, broken down as follows:

- **Civil Works:** 69,5%.
- **Non-residential building:** 21%.
- **Residential building (homes):** 9,5%.

Cement

Consolidated revenues at Cementos Portland Valderrivas, S.A. reached 1,888.7, 28.8% above the previous year's figure.

The results of Cementos Leona and Corporación Uniland, included in the scope of consolidation in the financial statements as of their acquisition date, March and August 2006, respectively, consolidated for the full year in 2007.

Revenues in Spain totaled 1,430.7 million euros, up 28.5%, while international revenues climbed 29.8% to 458.1 million euros.

Cement and clinker sales were higher in all

Breakdown of revenues by business lines (million euros)

	dec-07	dec-06	% change	% of sales dec-07
Environmental Services	3.752,7	2.835,6	32,3	27,0
Versia	960,8	867,1	10,8	6,9
Construction	6.957,0	4.395,3	58,3	50,1
Cement	1.888,7	1.466,6	28,8	13,6
Realia	472,4	N/A	N/A	3,4
Torre Picasso	21,8	19,5	11,8	0,2
Other	-172,8	-103,2	67,4	-1,2
TOTAL	13.880,6	9.480,9	46,4	100,0

countries, particularly in Tunisia, Argentina, Uruguay, and the United Kingdom, with the U.S. market also showing good performance despite the slowdown in the second half of the year.

Prices also performed satisfactorily in the various markets and in some cases, improved with respect to the first half of the year. The sharpest increases were in Spain, the United States, Tunisia, Argentina, and the United Kingdom.

Real Estate

Realia was carried by the equity method in FCC accounts until the IPO on June 2007. Since then, FCC has fully consolidated the RB Holdings Business, the holding company that owns a 51% stake and fully consolidates it. Revenues increased 3.1% to 751.6 million euros,

Contract worth 13.88 billion euros in revenues (+46.4%)

boosted by the property business (+32%) turnover of land (+70%).

On 25 July 2006, FCC acquired the 20% stake in Torre Picasso that it did not own. Since that date, Torre Picasso has been consolidated in group accounts. Its revenues were up 11.5%, reaching 21.8 million euros.

Earnings

Gross operating income (EBITDA) totaled 2,042.1 million euros, 47.2% higher than a year earlier, with the sales margin increasing 0.1 points to 14.7%.

EBITDA breakdown by business lines (million euros)

	Amount	% Total	% sales margin
Environmental Services	739,8	36,2	19,7
Cement	620,8	30,4	32,9
Construction	357,7	17,5	5,1
Realia	210,8	10,3	44,6
Versia	95,6	4,7	10,0
Torre Picasso	18,6	0,9	85,5
Other	-1,2	-0,1	
TOTAL	2.042,1	100,0	14,7





FCC completed building the section of the AP-7 highway stretching through Cartagena (Murcia) and Vera (Almería) in 2007.

Net operating income (EBIT) increased 47.4% to 1,299.4 million and the EBIT margin was 9.4% higher thanks to strong performance in environmental services.

Earnings before Taxes (EBT) were 1.27 billion euros, growing 43.2%.

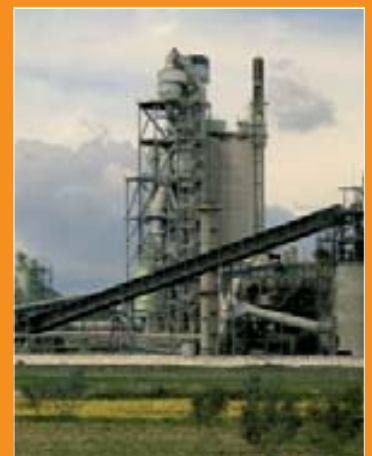
**International sales
increase three-fold, generating
26% of the total**

Income attributed to the parent company after deducting minority interests and taxes, was 737 million euros, 38% higher year-on-year. The tax rate was 27.5% versus 31.4% a year earlier.

Investments totaled 1,732 million euros, of which amount, 1,362 million represent investments in tangible and intangible assets and 370 million were financial investments.

Net financial debt was 7,967 million euros, of which 4,846 euros is with recourse to the parent company and the remaining amount is project finance. Net financial debt with recourse is 2.71 times EBITDA.

At 31 December, there were 96,137 employees, implying 3,500 new jobs in the year.





Esther Koplowitz donates biomedical research center for Barcelona

Esther Koplowitz, chairman of the foundation bearing her name and FCC's largest shareholder, with José Montilla, the President of the Generalitat (Catalan regional government), and Jordi Hereu, the mayor of Barcelona. On her left, the dean of the university and director of the Clínic Foundation, Marius Rubiralta.

Esther Koplowitz met with Jordi Hereu, Mayor of Barcelona, to finalize plans to start construction of one of Spain's most ambitious research projects: the Esther Koplowitz Centre for Biomedical Research (CIBEK), worth an initial investment of 15 million euros.

CIBEK, with more than 9,500 square meters of floor space, will be fitted and in full operations in 2010. With work space for between 350 and 400 researchers, the centre will focus on research into the origin, diagnosis and treatment of diseases and will promote teaching in medical research, with particular emphasis on attracting researchers from other regions of Spain, Latin America and Africa.

The CIBEK will provide space in which the researchers from the Institut d'Investigacions Biomèdiques August Pi i Sunyer (IDIBAPS) can develop their full scientific potential. The IDIBAPS was founded in 1996 as a joint initiative of Spain's Higher Council for Scientific Research (CSIC) and

Barcelona's Hospital Clínic. This project has been made possible by the generosity of the Esther Koplowitz Foundation. The construction of the centre is the largest single work of sponsorship of scientific research in Spain and one of the most important in Europe.

The new centre will specialize in studying:

- Diseases of the liver and digestive tract.
- Metabolic diseases, nutrition and obesity.
- Oncology.
- Neurological diseases.
- Poverty-related diseases.
- Development of diagnostic and therapeutic techniques.

Its activity will focus specifically on applied research, that is, research which combines basic research (developed in basic research institutes and centers) and clinical research (conducted in hospitals).

Constantly supporting the community

The Esther Koplowitz Foundation is one of the largest private charitable institutions in Spain and Europe. Financed exclusively with donations from its founder and President, the Foundation has funded a number of programs to assist patients, prevent diseases such as leprosy, and research Alzheimer's disease.

Biomedical research and the fight against disease are among the main areas addressed by the Esther Koplowitz Foundation. The Foundation has previously supported the construction of the University of Navarra's Applied Medical Research Centre (CIMA) and donated a Da Vinci surgical robot to Hospital Clínico San Carlos, in Madrid.



Above these lines, Emilio Hermida Alberti, Deputy General Manager of FCC Group Human Resources; to his left, María del Prado Bautista, Secretary of the Women and Equal Rights Department of the Spanish Federation of Public Services, on her right, María Teresa Montaner Soria.

UGT acknowledges FCC's contributions to equal rights

The Public Services Federation of the UGT of the Valencia Autonomous Region (FSP-UGT-PV) has rewarded FCC for its contributions and efforts in implementing and defending equal opportunity policies among its workers. The ceremony was held at the La Petxina Cultural-Sports center in Valencia where María del Prado Bautista, Secretary of the Spanish Federation of Public Services Department of Women and Equal Rights, handed the awards diploma to Emilio Hermida Alberti, deputy manager of Human Resources of the FCC Group,

The official ceremony coincided with handing of the Avanzado Equal Rights award which, in its first edition was given to María Emilia Casas Baamonde, President of the Constitutional Court. The representative from Greuges (Valencia), Emilia Caballero Álvarez gave the opening speech at the award

ceremony, stressing the equal rights of both sexes and praising the personal and professional qualities of the president of the Constitutional Court.

Rosa María Peris Cervera, General Director of the Institute of Women of the Ministry of Labor and Social Affairs, gave the second speech, highlighting the award-winner's enormous contribution in this area.

Personalities from various social, business, and political sectors from the Valencia Community and other regions of Spain attended this ceremony.

On this occasion, the organization also wanted to acknowledge and show its appreciation for the work carried out by Estudio Mariscal, which was in charge of designing the prize.

Juan Sánchez receives ComputerWorld Prize

Juan Sánchez, FCC Director of Information Systems and Technologies, receives ComputerWorld award in the Chief Information Officer (CIO) category.

ComputerWorld, the prestigious magazine specializing in IT sciences, awarded Juan Sánchez, Manager of FCC's Information Systems and Technologies Department, its annual prize in recognition for the company's constant efforts in innovation and its commitment to promoting information and communication technologies.

FCC launched a plan last year for good governance in the field of information technologies to provide the group with a system that serves as the foundation for growth and expedites the integration of its international businesses.

Effective management

ComputerWorld prizes are awarded to professionals in communications and information technologies who have succeeded in instilling a sense of the importance of these technologies for positive business performance within their companies, improving client services, and positioning their companies at the vanguard in the Spanish market. The award ceremony for the 17th edition of this



Juan Sánchez, Director of FCC's Information Systems and Technologies Department jointly with María José Marzal, Director of ComputerWorld. Below, all the award-winners.

prize was held on the 4th of March at the Ritz Hotel in Madrid. Manuel Pastor, General Manager of IDG Communications handed the prize to Juan Sánchez, Chief Information Officer (CIO) at FCC



CONSTRUCTION





FCC built Telefónica's new corporate headquarters

The corporate campus of the first Spanish telecommunications operator is one of the largest business projects in Europe, with 15 buildings, 400,000 square meters of floor space, and 6,000 parking spaces.

Communications City, District C, is Telefónica's new corporate headquarters. The complex is situated in Las Tablas, the new residential district situated in the triangle formed by the intersection of the M-40, the Burgos highway (A-1), and the M-607, in the northern part of the city of Madrid. Executed by a joint venture comprising FCC and another company in the sector, the project is worth an investment of 446.4 million euros.

Designed by the architect Rafael de la Hoz, the new corporate campus was built on a 200,000 m² plot of land. It will be able to accommodate 14,000 people, visitors and company personnel, nearly 30% of Telefónica's total workforce.

**The new corporate
campus will accommodate
14,000 people**

The complex comprises 15 buildings with 400,000 m² of floor space. The buildings are symmetric blocks surrounding a large central square, which has a park and an artificial lake, plus 6,000 parking spaces.

This new corporate campus is divided into four areas, each of which has four 4-storey buildings and a ten-storey tower. There is also a corporate building for the company's management, a training centre, an auditorium, a visitors' center, another building housing all restaurant and general services. The third building in each of these areas has children's day-care center, gymnasium, and a fitness center for company employees.

The largest solar panel in Europe

The huge rooftop solar energy production installation is one of the most outstanding features of this complex. The canopy is one



Its size makes it one of the largest corporate projects in Europe

kilometer long with a surface area of 50,388 m² of which 25,000 m² are occupied by 16,600 photovoltaic solar panels, making it one of the largest installations of its kind in Europe, producing approximately 2,200 Kw.

The canopy acts as a heat insulator and protects against harsh weather conditions. The installations will be able to produce sufficient electric power to meet all energy needs at the complex. One of the most important advantages is that CO₂ emissions will be reduced by approximately 1,600 tons per year, complying with Kyoto Protocol objectives, and at the same time protecting the building and surrounding areas from solar radiation.

The double-glass panes in the exterior wall of the buildings consist of an interior “skin” with the glass ribs placed in this layer supporting the double panes. The 140,000 m² of glass exterior walls is one of the most important urban projects in Spain and the rest of Europe using glass as one of the main components.

The type of glass used in the project provides a double visual effect: from the exterior, the façade looks opaque while from the interior of the building, the glass is totally transparent.



The largest urban project ever undertaken in Spain using glass. The glass used was specifically created for this project.

A city without any architectural barriers

Basic materials were used in the interiors, such as wood, stone, glass, or steel, combined with innovative designs inside the office buildings, providing multifunctional and comfortable work spaces for the company's employees.

The design of the outdoor areas is inspired by the urban planning philosophy of open spaces, with the absence of obstacles or architectural barriers, and public spaces, gardens, and common recreation areas.

Telefónica District C won the Special Price for Architectural Concept and the 2004 Best Urban Project Award given by La Gaceta de los Negocios (a Spanish financial newspaper) in the Best Real Estate Developments in Spain category.

Main Features

- Built on a 200,000 m² plot of land.
- Fifteen buildings with 400,000 m² of floor space.
- 6,000 parking spaces.
- 1 km-long canopy for protection and for solar energy production.
- 14,000 m² of glass panes.



FCC wins road construction contract in Romania

The Romanian Roads Authority has awarded FCC a 37 million euros, 20-month contract to widen and resurface the Timisoara-Lugoj section of National Highway NR6.

The project calls for the resurfacing of 52.2 kilometers of highway, and widening it to 10 meters with two 3.5-metre lanes and 1.5-metre shoulders. Along the last 2.6 kilometers, leading into Timisoara, the second largest city in the country, the width of the highway will increase to 19 meters, with four 3.5-metre lanes and 2.5-metre shoulders.

Additionally, nine bridges will be revamped and three new ones will be built. Earth movements will total 294,348 m³ and approximately

280,000 tons of asphalt mixtures will be used.

Other projects in Romania

At the end of 2004, the Romanian Roads Authority awarded FCC Construcción the contract to resurface 30 kilometers of the DN1C highway, between Cluj and Livada in northern Romania. In 2007, the company won road-building and widening contracts: the DN1C Livada-Dej-Cluj County Limit, the DN66 Filasi-Petrosanti and the Bucharest north bypass (which includes a 240-metre cable-stayed bridge).

It is also building the Basarab viaduct in Bucharest and a bridge over the Danube,

connecting Bulgaria and Romania, in addition to the bridge's access roads. FCC Construcción has a backlog of close to 500 million euro in projects in Romania in addition to the nearly 200 million euros backlog in Romania of ALPINE, the company's Austrian subsidiary.

Among other contracts, ALPINE landed projects for two landfills and the construction of two sewage treatment plants. In Bucharest, the company is building the new headquarters for Petrom, the largest oil and gas production company in south-eastern Europe, as well as a cable-stayed bridge. ALPINE has just opened its third Romanian office, in Timisoara, in order to improve its coverage of the country.



Model of the future headquarters of the German insurance company AachenMünchener, in Aachen (Germany).

ALPINE to build new office building in Germany

FCC's Austrian subsidiary ALPINE will build new head offices for the German insurance company AachenMünchener in Aachen, near Dusseldorf. The project includes the construction of four buildings and two underground car parks in the centre of Aachen, allowing the company's entire staff to work under one roof. The core of the new building complex will be a seven-storey building. All parts of the complex will be connected and accessible via a second-floor walkway. The complex will be surrounded by a park and will have direct access to the train station, representing a major improvement in Aachen's urban development. Due to the limited space available in the city's midtown district, excavations will be protected with temporary retaining walls, foundation piles, and a special shoring system.

Leader in Germany

ALPINE began operating in Munich in 1989. With ten subsidiaries and more than 750 employees in

Germany, Poland and the United Arab Emirates, ALPINE guarantees top quality on a continuous basis in executing highly complex construction projects, in Austria and abroad. The company's activities span diverse fields and include construction (Allee Hotel in Frankfurt and the Canadian Embassy in Berlin), civil engineering, underground mining, and the construction of power plants and bridges. As a general contractor and specialist in building stadiums, ALPINE completed the Allianz Arena (Munich) in just two and a half years.

With approximately 3.3 billion euros in construction revenues and nearly 14,300 employees, ALPINE is Austria's second-largest construction group. In 2007, ALPINE landed new contracts worth over three billion euros. FCC acquired 80% of Alpine in 2006 as part of the 2005-2008 Strategic Plan promoted by the company's leading shareholder, Esther Koplowitz.

Austrian subsidiary lands contract to build sports stadium in the Ukraine

ALPINE, FCC's Austrian subsidiary, has been selected as preferred bidder to build a new sports stadium in the city of Lemberg, Ukraine, which is to host the UEFA EURO 2012 soccer championship.

The complex, on a 25-hectare site near the Lemberg hippodrome, will seat 33,000 and comply with UEFA standards. The project includes the construction of other facilities such as a multi-function sports stadium,

a car park and a hotel. The stadium was designed by architect Albert Wimmer, who also designed the new stadiums in the Austrian cities of Innsbruck and Klagenfurt, as well as the refurbishment of the Salzburg's stadium.

The construction of this stadium strengthens FCC's international profile and puts it in the vanguard in construction of large sports facilities worldwide.

Track record in stadium construction

ALPINE has broad experience in building large stadiums. After completing construction of the Allianz Arena stadium in Munich, which hosted the opening ceremony of the 2006 FIFA World Cup, and one of the world's most spectacular sports venues, ALPINE is currently building the Dubai Cricket Stadium. For the Euro 2008 Soccer Championship, ALPINE is building the Wörthersee-Stadion and Tivoli-Stadion, as well as the enlargement of the Wals-Siezenheim in Salzburg. FCC has broad

experience building football stadiums in Spain. It revamped and expanded the Santiago Bernabéu and Vicente Calderón stadiums (Madrid) and Nou Camp (Barcelona); and built the Sardinero soccer stadium (Santander), Ciudad Deportiva Joan Campes (Barcelona), Real Madrid's new training ground in Valdebebas, and the new field for the Español soccer team (Cornellá). Last year, the company was awarded the contract to build the new Valencia Football Club's new stadium.

Reinforcing the river harbor in Austria's capital

ALPINE has won a contract to build a new lock at Vienna harbour to enable it to withstand floods in the Danube. The contract is worth 15 million euros.

The project consists of building a new gate 13.5 metres high and 26.5 wide in the area at the proximity of the Freudenu bridge. Work will be performed on the dike and Danube canal sides, and

the dike will be sealed to a depth of 32 metres. ALPINE will also build a pumping station to handle any increase in underground water flow due to heavy precipitation or floods, in order to avoid the consequences of a rise in water level, even when the gate is closed. The work will be completed by the end of 2010, and shipping traffic will not be impeded at any time.



From top to bottom: some of the projects of similar characteristics built by FCC in other cities: Allianz Arena in Munich; the new Real Murcia soccer field known as Nueva Condomina; and the Santiago Bernabéu soccer stadium in Madrid.



The harbor will be fully protected against Danube River flooding.



Juan Manuel de Brandica y Luxán, Spanish Ambassador to Austria; ALPINE Bau GmbH Managing Director, Peter Preindl, and the artist, Voka.

Art and Paintings at ALPINE's Vienna Headquarters

ALPINE is hosting an exhibit at its Vienna headquarters "Cities of the World – the World of Cities" by the spontaneous realism artist Voka. The artist's paintings are of Austria and neighboring countries in Central and Eastern Europe, and are characterized by their rich color and formal singularity. Peter Preindl, Managing Director of ALPINE Bau GmbH, said that the goal of these exhibits was to add an artistic flair to everyday construction life while

offering a platform to artists. The exhibit, inaugurated by Federal Chancellor Alfred Gusenbauer, will be accessible to staff and customers for an entire year.

Numerous representatives from the business and political world attended the opening ceremony, including Juan Manuel de Brandica y Luxán, the Spanish Ambassador to Austria, and various ALPINE executives.

Technical team

Department Manager:
Pablo Marchito Guilmain

Head of Project:
Guillermo Jerez Ortega

Heads of Production:
Javier Vaquero Robledo
Daniel Molera González-Cotorruelo

Technical Office Manager:
José González García

Supervisor:
Fernando García

FCC participates in the most important urban project in northern Madrid

Parque de Valdebebas, spanning over more than 10 million square meters, is one of the most important urban projects that has ever been undertaken in Madrid. The project is in the north of Madrid, near Barajas Airport and the IFEMA fair grounds.

FCC Construcción will be involved in building various phases of this new project. It recently completed work in Lot 1 "Urbanización Norte" and Lot 12 "Remates Encinar de los Reyes". This part of the project was worth 39.9 million euros.



The client, satisfied with the work carried out by FCC, has shown its confidence in the company by awarding it two more lots, "Puentes sobre R-2" and Lot XI "Acabados de urbanización", both totaling 39.9 million euros.

Parque Valdebebas represents a comprehensive urban strategy, providing innovative solutions particularly with regards to environmental aspects. Nearly five million square meters will be dedicated to parks, five times the size of El Retiro Park in Madrid, a 34,000 m² artificial lake with an island, and large recreational areas.

Residential projects will take up 1,250,000 m². This includes 12,500 new homes, 45% of which will be subsidized housing; and another 1,250,000 m² will be for tertiary use, including all types of shops, hotels, restaurants, and office buildings.



ALPINE participated in the installation of the largest Deep Space antenna, 40 meters high, weighing 620 tons, and with a reflector diameter of 35 meters.

ALPINE to build solar energy plant in Almería

ALPINE wins Meinl International Power contract to build a solar energy plant in Almeria for 87 million euros.

The plant, with a total capacity of 15.4 megawatts, is expected to be completed by next September. It will be built in a 300,000 m² area, where more than 91 photovoltaic modules will be installed. The plant will produce approximately 24 million kilowatts per hour (Kwh), equivalent to the energy consumption of 6,000 homes.

ALPINE in Spain

This is not ALPINE's first contract in Spain. The company is also involved in building the new Museo de las Colecciones Reales (New Museum of Royal Collections) in Madrid, a project awarded to FCC

Construcción, where ALPINE is involved in building the retaining wall currently in progress.

The new museum in Madrid's midtown district, near the Almudena Cathedral and the Royal Palace, will house the royal collection of art, suits of armor, weapons, tapestries, etc.

The Austrian subsidiary was previously involved in the installation of a space antenna at Villafranca del Castillo (Madrid) for the European Space Agency (ESA). The contract called for the installation of the Tracking Telemetry & Command Antenna, the largest Deep Space antenna; 40 meters high, weighing 620 tons, and with a reflector diameter measuring 35 meters. The antenna was manufactured and developed by Vertex Antennentechnik GMBH.



Above, the largest Deep Space antenna in Villafranca del Castillo (Madrid).



Terminal T4 in Madrid-Barajas Airport wins International Prize

The San Benito de Alcántara Foundation, in the tenth edition of its prize, awarded the International Puente de Alcántara Prize to Terminal T4 at Madrid-Barajas Airport, a project executed by FCC Construcción.

This award recognizes the relevance of this singular project, one of the most important projects of its kind executed in Europe.

The Barajas Plan was developed by AENA to meet the challenge of increasing air traffic. The project contemplates the construction of two runways, public and private transport connections, and a new terminal area comprising three buildings: the new Terminal Building built by FCC, the Satellite Building, and a parking facility.

Awarded every two years, the prize is given to Spanish

and Latin American public works which, in the opinion of the panel of judges, are important for their cultural, technological, aesthetic, functional and social aspects in addition to technical quality and excellence in execution. The prize is shared by the sponsor company, designers, and construction companies involved in the award-winning projects.

This prestigious international initiative, launched in 1985, aims to give recognition to the main public works executed in Spain, Portugal, and Latin America.

The panel of judges, headed by Enrique Iglesias, Latin American Secretary General, decided to award this prize, in the Iberian Peninsula category, to Terminal 4 “one of the key boosters of the economy and employment in the Madrid Community”, also valuing its futuristic aspect and light-filled spaces.

Created in 1988

One of the first initiatives of the San Benito Foundation was to create the International Puente de Alcántara award in February 1988. Public works (construction or civil engineering construction projects) in Spain, Portugal, and Latin America are eligible for this prize.

The cultural, technological, aesthetic, functional and social aspects of the project are taken into account by the panel of judges which also considers the technical and aesthetic quality and excellence in project execution.

The Minister of Culture inaugurates the Archivo General de Simancas in Valladolid

The refurbishment and enlargement project of the Simancas General Archives commenced in 2003; a project sponsored by the Ministry of Culture through the Department of Infrastructures and Cultural. On 14 January of this year, Cesar Antonio Molina, the Spanish Minister of Culture, inaugurated the new facilities of this landmark and historic building. FCC Construcción was responsible for enlargement and rehabilitation work.

The project called for the refurbishment and restructuring of this historic archive, urban development works in Paseo de Ronda, landscaping of the moat surrounding the building to convert it into a public space, enlargement of the halls used by investigators as well as the administration and management areas, in addition to the document restoration workshop and a new exhibit hall.

Coinciding with the completion of Simancas Archives project, FCC Construcción has published a book, "Casa Archivo de Simancas. La Intervención 1999-2007".

Jose Luis García de Diego, the Director of the Simancas Archives wrote the introduction to the book which also includes texts by the architects Mario Pérez Fernández and Gema Martín Fernández. The book dwells on the history and evolution of the Simancas General Archives from the early days as a medieval fortress up to the present time. It also includes a detailed description of the refurbishment project carried out by FCC. The annex of the book contains blueprints of the entire project.

Technical Team

Project Managers:

Luis Hernández Blanco
Ignacio Rodríguez de Guzmán Cantalapiedra

Head of Department:

Sergio Ramos Alonso

Head of Production:

Ignacio Rodríguez

Administrative Staff:

José González García

Supervisors:

José Franco Carpio/ Carmen Ollero Cuesta



The Minister of Development inaugurates a section of the Ruta de la Plata Highway

Magdalena Álvarez, Minister of Development, and the President of the Extremadura Government, Guillermo Fernández Vara, inaugurated the Villar de Plasencia – Plasencia (West) stretch of the Ruta de la Plata highway, also called the A-66. This civil works project was worth an investment of 52.7 million euros.

The new section of the highway spans over 14.3 kilometers and includes two intersections. The first intersection, diamond-shaped, at Oliva de Plasencia, links the CC-122 with the N-630. The other raised intersection, Carcaboso, connects with the EX-370.

The trunk section comprises a 10 meter-wide

median (except in certain sections where it measures 8 meters), two seven-meter wide carriageways with two 3.5 meter-wide one-way lanes, 2.5 meter wide exterior shoulders, and a one-meter wide interior shoulder.

Twenty-nine structures were built in this section of the highway, including: two double viaducts, six overpasses, six underpasses, seven animal crossings, and other structures for crossing various waterways. Prefabricated pillars were used in the construction of the viaducts. The first viaduct stretches over 145 meters and the second one, measuring 155 meters, spans over the Jerte River. In addition, the project called for the construction of 137 specific drainage works, links, and paths

Environmental measures

In compliance with the Environmental Impact Declaration, several measures were implemented to minimize or eliminate any negative impact that the new highway could have on the environment and on the surrounding areas. These measures mainly consist of the planting of native species, intersections, medians, etc., transplanting holm oak and cork tree groves, planting olive trees, perennial

plants, installation of protective screens, archeological works, animal crossings, for all types of animals and others built specifically for lynxes, revamping of dumping sites, as well as several ancillary installations. The project also involves environmental follow-up and monitoring during the construction phase and for the first three years of road operations.





The President of the Generalitat inaugurates the Llobregat road section

José Montilla, the President of the Generalitat (Catalan Regional Government), accompanied by Joaquim Nadal, the Secretary of Territorial Policy and Public Works, inaugurated the new stretch of the Llobregat road extension.

The project, worth an investment of 235 million euros, had been awarded by the Catalan regional government to Cedinsa, an FCC group company. Cedinsa will also be in charge of road maintenance over a 33-year concession period. This project involved the construction of eight intersections and a

21 km-long road corresponding to the Llobregat highway, also known as the Puig-Reig to Berga stretch, in the province of Barcelona. The first 6 km of this road and three intermediate kilometers correspond to the extension of the C-16 road, with the other 12 kilometers part of the new road.

Construction involved excavation of 4 million cubic meters and 1.8 million cubic meters of embankment, 370,000 cubic meters of stabilized road surface and surface-cement; 260,000 tons of aggregate, and more than 11 million kilograms of steel.

Technical Team

Project Manager:
Carlos Loscertales
Administration Manager:
Carne Capsada
Production Managers:
Antonio Molina
Javier González
Pere Garrigó
Technical Office:
Julio Santamaría
Head of Topography:
Marcelo Serracanat
Quality and Environment Manager:
Patricia Golobardes

New kindergarten and primary school in San Sebastián de los Reyes (Madrid)

FCC has completed construction of a kindergarten and primary school in San Sebastián de los Reyes (Madrid). The new school facilities occupy a 10,000 m² plot of land contributed by the town's local authorities.

The building, with 3,900 m² of floor space, comprises three separate blocks. The main block, providing access to the school, has two floors. Administration offices, dining hall, kitchen, and public areas are on the ground floor. Locker rooms, a

gymnasium, and other installations occupy the first floor.

Technical Team

Department Manager:
Francisco Garrido
Project Manager:
Jesús Ramírez
Head of Production:
Rubén Palacios
Installations Technician:
Marco Gallego
Administration:
Antonio Ruiz
Supervisor:
José Carnal

A lateral block houses children's activities in a single floor with six classrooms and washrooms. The primary school is housed on the west side block, which has two floors with 12 classrooms, washrooms, library, and a computer room. Sports facilities, playgrounds, a vegetable garden, landscaped gardens, and parking facilities occupy the remaining part of the plot.



SERVICES



Zaragoza awards street cleaning and waste collection contract for an additional 12 years

The city's government once again shows its confidence in FCC thanks to the company's experience, the financial conditions of its bid, and its technological innovations.

FCC has been awarded, by competitive tender, a contract with Zaragoza City Government to manage street cleaning and municipal solid waste collection and transport services in the city for the next 12 years. The contract is worth a total of 736 million euros, not counting CPI indexation.

The company received the highest ratings by the municipal technicians responsible for assessing the bids submitted by four companies. FCC's offer obtained 394.27 points out of a maximum 500 points, beating Urbaser (397.36), Sufi-Ildeconsa (311), and Cespa (200.84).

As part of its commitment to sustainable development, FCC has sought real solutions for a city that is constantly changing and evolving, where FCC has been working uninterruptedly since 1940.

During the contract term, FCC plans to invest over 50 million euros in vehicles, facilities, technology, environmental improvements and citizen awareness-raising campaigns.

FCC will increase the human and material resources in line with Zaragoza's needs. It will have a trained team that is committed to the people, using innovative, and environmentally-friendly technology developed in-house by FCC that is not available on the market.

The equipment and services will be adapted to the city of Zaragoza. The vehicles will be specially-designed for greater carrying capacity and waste collection performance without sacrificing



Zaragoza City Hall on the left. Vehicles are fitted with the latest technologies complying with the strictest E.U. regulations. Above these lines, cleaning services in the vicinity of the Virgin of Pilar Basilica.



Vehicles will have greater carrying capacity and waste collection performance without sacrificing maneuverability, with the lowest possible cost, fuel consumption, and noise and pollutant emissions, in line with the concept of clean technology. Vehicles will be powered by ecological fuels (biodiesel and electricity).



Gum and stain removal in sidewalks.

**Initial revenue
will reach 736 million
euros**

maneuverability, with the lowest possible cost, fuel consumption and noise and pollutant emissions, in line with the concept of clean technology. According to needs, vehicles will be powered by ecological fuels (biodiesel and electricity) and equipped with leading-edge technology in terms of quality and safety.

The new fleet will consist of 34 side-loading vehicles, seven of which will come into service before the International Fair in Zaragoza, in addition to another 255 new vehicles, 225 of which will run on biodiesel in a clear wager for environmental sustainability as contemplated in the U.N. Intergovernmental Panel on Climate change. Along these lines, all vehicles used in these services will be adapted to EURO IV standards for emissions to air and sound pollution.

FCC has designed an innovative service control system and for data transmission in real time supported by a geographic information system (GIS). Equipment will feature mobile telephony, a GPS system, and an on-board computer with the capacity to send and receive notifications on incidences and images.

Waste containers will have electronic labels and waste collection, cleaning, and maintenance vehicles will be fitted with scanners to read waste emptying, cleaning, or maintenance operations in real time.

FCC uses an ecological architecture approach for fixed installations in order to reduce water and energy consumption. The company will install solar panels for sanitary hot water and will incorporate an exterior vehicle-washing train, a robotized tunnel for intensive washing of containers, a treatment plant for recycling water used in cleaning operations, and a waste transfer station for optimizing resources.

As regards on-the-job safety and health, it will have the material resources with the required mechanisms for accident prevention as well

as all types of individual safety protection and signage. The company will set up a technical department and establish a safety plan for employees involved in waste collection and street cleaning services.

As to social-labor management aspects, FCC will implement a labor relations plan to integrate the disabled and people who have difficulties in joining the work force.

In this new phase, FCC will also design a new, innovative corporate image to be displayed on vehicles, bins, uniforms, etc. The company has plans to open a customer service office in the city's midtown district to provide information about contractual activities and encourage actions to raise awareness.

FCC first began working in urban sanitation in 1915 after being awarded a waste collection contract in Barcelona; today it is a leader in the sector, operating in more than 4,000 municipalities in Europe, Africa and Latin America, providing services for more than 26 million people.



Several new vehicles will start operations before the Zaragoza International Fair. Above these lines, street cleaning services in the city's historic district.



Mechanical washing of pedestrian areas in Plaza José Sinues".

Advanced technology and environmentally-friendly

Some of the waste-collection vehicles will be electric-hybrid trucks that do not emit pollutant gases or noise while providing services. The vehicles incorporate an electric traction system during waste collection procedures that recover the energy used.

Aqualia to expand Tordera desalination plant in Blanes (Girona)

The project contemplates increasing the production capacity of the installations to 20 Hm³/year, making it possible to provide drinking water to a population of more than 500,000.

Agrupación de Interés Económico (AIE), a joint venture in which Aqualia has a majority stake jointly with Aqualia Infraestructuras, FCC Construcción, and a fourth company, has been awarded a contract for enlarging the Tordera desalination plant (ITAM) in Blanes (Girona) and the operating concession up to the year 2018. The contract is worth over 56.4 million euro and construction is expected to take 18 months.

The project involves expanding the plant's production capacity to 20 Hm³/year, which will enable it to supply drinking water to over 500,000 people. To that end, the existing well-water intake system will be replaced with an open intake system directly from the sea, providing scope to expand plant output to 80 Hm³/year.

A new 20,000 m³ buffer water tank will also be built.

Technical improvements will be made that contribute to sustainable development of the surroundings; in particular, the turbines currently used for energy recovery will be replaced with the latest isobaric chambers for the entire plant, which should reduce the plant's unit energy consumption by approximately 8%.

Aqualia has been involved in managing the Tordera seawater desalination plant since 2003. It was Catalonia's first large seawater desalination plant, supplying a number of municipalities in the Maresme Norte and Costa Brava area; the plant has been running at 100% capacity since it came on stream five years ago.

The plant is situated in Blanes, in the southern part of the province of Girona, at two kilometers from the coast. It provides water supply to the towns in this region and is the first large seawater desalination plant built in Cataluña.





FCC to build a wastewater treatment plant in Zaragoza, providing services to a population of more than 133,000

The Aragón Government has awarded FCC's subsidiary Aqualia, a specialist in end-to-end water management, a 20-year contract for the design, construction and operation of the wastewater treatment plant in Utebo, Zaragoza. The contract represents more than 92 million euros in revenues.

The plant will have a treatment capacity of 40,000 m³/day and will serve more than 133,000 people in seven municipalities, including several areas of Zaragoza city: Utebo, La Joyosa, Pinseque, Sobradíel, Torres de Berrellén, and three districts in the city of Zaragoza: Casetas, Garrapinillos, and Villarapa. The contract includes the execution of an extensive investment program worth over 28 million euros.

The new contract is part of the Special Sewage Plan (PED) implemented by the Aragón Government in 2004. As part of this Plan, in 2006 Aqualia obtained the contract to design and build another 13 wastewater plants and sewers in various municipalities of Teruel province and to subsequently operate them for 20 years. Through this project, the Aragón

Government will treat wastewater in towns with more than 1,000 inhabitants, meaning that 60% and 90% of the region's wastewater will be treated. The ambitious plan, which is currently being studied by the OECD as a prime example of public-private partnership, envisages the construction of 132 plants and more than 40 sewers, which would benefit more than 600,000 people. This plan places Aragón at the forefront in fulfilling the European Directives, which require that all wastewater is treated by 2015.

Aqualia operates in over 850 municipalities worldwide, serving over 23 million people. It operates in Spain, Italy, Portugal, Algeria, Czech Republic, Poland, Mexico and China. In recognition of its rapid international expansion, its will to lead and its commitment to its service territories, in 2007 Aqualia was named "Water Company of the Year" by prestigious international magazine Global Water Intelligence, a fitting tribute to its track record and international scope. The company had also been awarded the "Customer Service Leadership of the Year" prize by the famous British consulting firm Frost & Sullivan.



Wastewater, after being treated, can be used again for different purposes, depending on its composition after treatment, or returned to the source with sufficient quality to ensure conservation.

AqualiaOnline, Aqualia's new virtual office

Aqualia opened its "aqualiaOnline" virtual office last January, a new interactive communications channel complementing the existing channels aqualia contact and offices opened to the public.

The virtual office will be opened 24 hours a day, 365 days a year, enabling clients to carry out procedures from their homes or place of work

Clients can now handle contract procedures through aqualiaOnline at the company's website: www.aqualia.es

without having to go to the office. Available through Aqualia's website (www.aqualia.es) the new virtual office offers AA accessibility.

Various other procedures could also be handled

through the Public Access area without the need for registering. These procedures include requests for new connections or water supply, changes in the name of contract holders, or questions and suggestions.

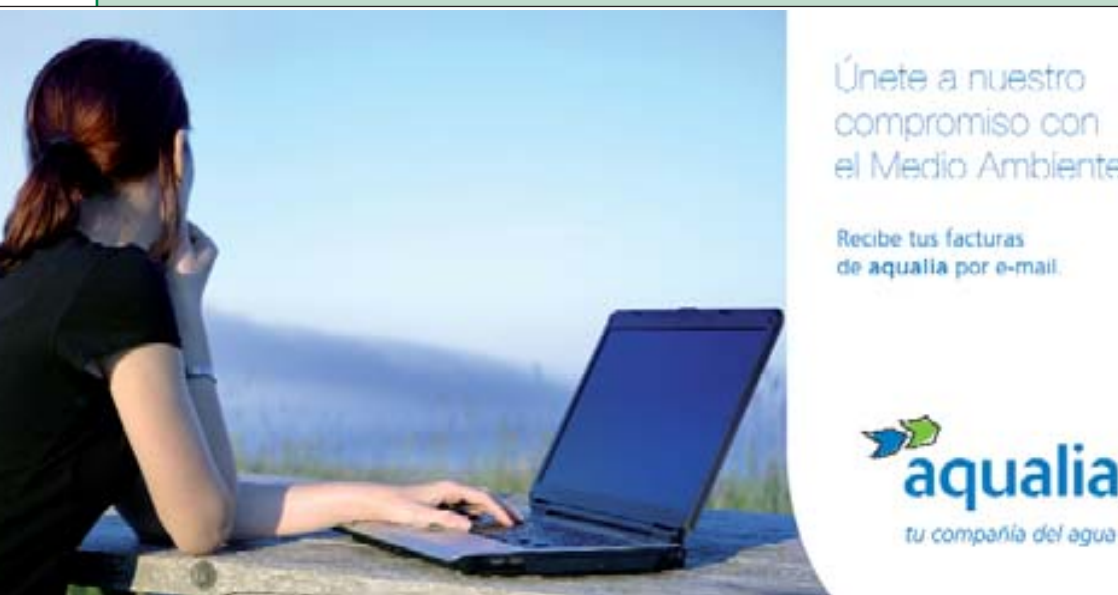
Registered users can request meter readings, pay invoices online, access contract data, and many other procedures from the Client Access section in the virtual office. AqualiaOnline allows users to choose the language for accessing this service: Castilian, Catalan, English, Basque, and Galician.

The project posed an important challenge for the company due to the enormous technological



development that was required since it was necessary to respect the infrastructure, integrating online with services already provided by the company and the workflows of its commercial DIVERSA and CAC systems. Various functional areas of the company were involved in the development of this project

e-billing implemented



To expedite procedures, clients can now obtain invoices on line, the e-invoice.

This new service, free-of-charge, means that clients can now receive their invoices by e-mail, complying with the same tax regulations as the conventional invoice. The e-invoice offers many advantages, such as safety, speed, and guaranteed forwarding and reception. It also respects the client's confidentiality and is easy to file and check. Clients can also request the original document.

The e-invoice is a new support that reinforces the company's commitments as envisaged in the Aqualia Corporate Social Responsibility Report, contributing to sustainable development and respecting the environment by using a clean and non-pollutant support.



Flightcare, authorized cargo agent

The Spanish Ministry of Development recently announced the resolution of the Civil Aviation Department of 29 February 2008 by which Flightcare, S.L. has been included in the Registry of Authorized Cargo Agents, Registry Number ES-RA-0094, fulfilling the safety requisites pursuant to section SA-12 of the National Safety Plan. This authorization is valid for all Flightcare Cargo bases in Spain for a five-year period.

American Airlines chooses Flightcare as its ramp handling provider in Barcelona

American Airlines has chosen Flightcare as its ramp handling provider for the new route, New York – Barcelona, which will begin on 24 April with one non-stop flight on a B767-300 aircraft.

With this new route awarded to the only independent third party handling company in Barcelona, Flightcare will now be handling 85% of El Prat's intercontinental traffic on the ramp, which includes Delta Airlines, US Airways, Air Transat, Singapore Airlines, Avianca, Aeromexico and Jade Cargo Airlines, in addition to the new American Airline frequencies.

Flightcare also handles many of these airlines at its other main bases at Brussels and Rome Fiumicino airports.

Over 170 companies

Flightcare has more than 170 companies worldwide as part of its client portfolio, all responding to the current different business models in the airline business: traditional companies, some with long-haul international flights, as well as charter companies and low-cost carriers.

British Airways renews Flightcare contract

British Airways is extending its working relationship with Flightcare Italia S.p.A. at Fiumicino airport through a new three-year full handling contract for handling, ramp, and passenger services.

The airline operates daily passenger services from Fiumicino to London Heathrow (5 flights per day) and from Fiumicino to London Gatwick (2 daily flights), mostly operated in B757, B734 and A321 aircraft.



ANALYSIS

Measures to fight climate change

FCC Environment has designed a protocol for measuring greenhouse gas emissions and has implemented measures aimed at reducing these emissions thereby contributing to the fight against climate change.



Catherine Milhau
Manager of the Coordination
and Development Department
FCC Environment Division

In keeping with the policies defined for the fight against climate change, a core target of the FCC Group Corporate Responsibility master plan, the Environment division shares many common goals with other business units. Among the measures to achieve these goals is a protocol that has been designed for measuring greenhouse gas emissions, programs developed to reduce such emissions, and the promotion of renewable energies as alternative energy sources.

After identifying the sources of emissions in each of the production processes that the company manages, we discovered that the most critical of these emissions were those generated at landfills and dumping sites.

**FCC Group's
Environment
Division
operates
more than
forty dumping
sites**

1. Demanding and mandatory regulations

Council Directive 96/61/EC of 24 September concerning integrated pollution prevention and control, known as IPPC, is one of the most ambitious initiatives of the European Union, imposing the principle of prevention in operations at industrial facilities that are the most pollutant. IPPC makes it mandatory for installations to obtain a permit known as the Integrated Environmental Permit (IEP), a new administrative measure replacing and combining various environmental permits required until now. Section 15 of IPPC contemplates a European inventory of emissions and pollutant sources, known as the EPER register, implemented in Spain in 2002 pursuant to Decision 200/479/EC which aims to identify and create an inventory of emissions of 50 pollutant substances from the installations affected by Annex 1 of the IPPC, making these public and accessible when such emissions exceed threshold levels (IHOBE, 2003).

European Regulation 166/2006/EC, E-PRTR (European PRTR), which



entered into force in 2008, establishes the European Pollutant Release and Transfer Register which goes beyond the EPER by enforcing reporting on more pollutants, more activities, releases to land, releases from diffuse sources, and off-site transfers, for controlling and monitoring the traceability of generated waste.

The objective of this Regulation is to apply at the European Union level the European Protocol CEPE/UN PRTR on the register of emissions and pollutant transfers, signed by the European Community and 23 member states in May 2003 in Kiev, within the framework of the Aarhus Convention which grants the public rights regarding access to information, public participation, and access to justice with regards to environmental issues.

2. Finding and contributing a coherent response

FCC Group's Environment Division operates over forty dumping sites. In 83% of these solid urban waste treatment facilities, it is necessary to report diffused greenhouse gas emissions: methane and carbon dioxide; pollutant gases: sulfur oxide and nitrogen in the event of combustion (flares, engines, etc.).

As a company involved in management of dumping sites, we must often evaluate these emissions and therefore, must face the challenge of IPPC implementation with regards to the lack of consensus on the process for gathering data on emissions since that Law, as implemented in Spain, allows for a wide range of measurement methods. With

the enforcement of the E-PRTR register and the expiry of the period for adapting to IPPC requirements, FCC Environment believed it would be advisable to carry out a study to analyze various emission calculation methods that are widely accepted by the scientific community and local administrations. The purpose of this decision was to confirm if the business model implemented at FCC until now, was sufficiently adapted to comply with requirements that could be enforced in the future.

3. Collaboration with the scientific community

The study was carried out over the second half of 2007 and managed by the CIEMAT Environmental Department. The

support and collaboration of prestigious national scientific institution provided the credibility required for a project of this nature and resulted in an enriching exchange of analysis between both entities. After the situation in Spain had been analyzed, the Environmental Protection Agency (EPA) and the Intergovernmental Panel on Climate Change (IPCC) were models for calculating emissions since these are the most widely accepted by administrations in charge of validating pollutant gas emissions, reported within the scope of the IPPC. When the study on the various models for calculating biogas emissions from dumping sites, for reporting methane and carbon dioxide emissions to the EPER register (E-PRTR as of 2008) had been completed, FCC decided to use the emission calcu-

lation model proposed by IPCC for the following reasons:

1. The percentage of biodegradable fraction currently delivered to FCC dumping sites, due to the implementation of waste treatment plants in the waste management process, is close to the one included in the IPCC model (50%).
2. The IPCC model makes it possible to enter different k values adapted to the conditions of each installation. The k values provided by IPCC by default have been calculated in numerous research studies and meet the climate conditions in the zone where each of the facilities is located.

It was considered that the use of this calculation model created by a group of global experts of good

standing in the scientific community would be the most suitable for complying with current and future legal requirements, since it enjoyed a strong backing from the scientists. Furthermore, application of this calculation model is practical not just for companies, but also by administrations.

4. A tool that has been soundly tested was the result of this study. It will enable the company to sequentially meet the objectives in the fight against climate change. Thanks to this tool, we will be able to handle any changes in our professional environment with greater knowledge, making it possible for us to be able to efficiently advise our clients on the possible measures that they can implement in order to achieve the objective of reducing greenhouse gas emissions.





CEMENT

Cementos Portland Valderrivas upgrades its Keystone Cement plant

FCC's cement subsidiary undertakes revamping and upgrading project at its Keystone Cement facilities to bring plant in Bath, Pennsylvania, to the technological forefront in the region.

The northern part of the Lehigh Valley in Pennsylvania is famous for its huge limestone deposits and for many years was considered the cement capital of the United States. Keystone Cement, which has its facilities in this region, is owned by Giant Holding, Inc., acquired by Cementos Portland Valderrivas in 1999.

**Upgrades
will increase capacity
by 45%**

For nearly 80 years, Keystone Cement, with its cement production, has contributed to growth in this region. With a workforce of more than 180 employees, the company is a pioneer in liquid waste recycling and complies with the most stringent guidelines of various environmental departments. One of the best examples of its environmental achievements is its plan for controlling waste effluents to protect the Monocacy River which runs through its facilities before reaching the city of Bethlehem. In order to boost economic development in the region and adapt its processes to current energy efficiency and sustainable environment

standards, Cementos Portland Valderrivas announced its plans for revamping and upgrading the Keystone Cement installations, most of which date back to the early twentieth century. On 12 January 2006, with the support of the State of Pennsylvania, the company launched the keystone Cement Upgrading Project to bring the plant in Bath, Pennsylvania, to the forefront in technological development in the region.

Dry furnace

A dry furnace with production capacity of 3,000 tons/day which will replace the two existing wet cement furnaces is s part of the Upgrading Project. This will boost capacity by 45%. The new line, from the quarry up to the cement silos, will consist of modern equipment featuring the best in current technology in terms of performance, energy efficiency, and environmental quality. The new equipment includes a 930 meter long

Beumer tubular belt conveyor, a totally covered Aumund pre-homogenizer, a vertical FLS 270 t/h vertical mill, a FLS clinker line with a 4.35 x 56 m furnace, and a Polysus cylinder rolling mill with a 100 t/h capacity.

A team of 32 people will be in charge of managing and supervising the execution of this project, handling aspects in connection with project management, budget control, planning, safety, hiring, procurement, engineering, documentation and storage, mechanical construction, electrical installations, and roll-out. The project will be executed in two phases.

The cement grinding system, expected to start operations in August 2008, will be installed in the first phase. The installation from the quarry to the clinker line will be built and assembled in the second phase and should be ready to start operations in June 2009.



From the quarry to the cement silos, the new line will feature equipment with the best available technology in terms of performance, energy efficiency, and environmental quality. Above these lines, work currently in progress.



General view of the Keystone Cement plant in Bath (Pennsylvania).

REALIA expands its rental business by buying an office building in Madrid

Located in the Arroyo de la Vega business park, one of the most desirable business districts in the capital, the building is appraised at 38.5 million euros and is the home of BP Oil's headquarters.

REALIA has acquired an office building in the Arroyo de la Vega business park, in Alcobendas (Madrid), for 38.5 million euros.

The newly-acquired building is currently under a long-term lease to a single tenant: BP Oil. Leasable floor space, comprised of offices and service areas,

**8,856 m²
of leasable floor
space**

is 8,856 m², in addition to 243 parking spaces. Thanks to this transaction, REALIA has expanded its rental portfolio in Spain to 241,000 m². REALIA also has 135,753 m² (gross leasable space) of office space in Paris through its listed subsidiary, SIIC de Paris.

The Arroyo de la Vega building was built on a turnkey basis for BP Oil to house its Spanish headquarters. The building is located in one of the most desirable business districts of northern Madrid, where prices are expected to appreciate considerably over the next few years as new buildings are completed. The new asset generates annual revenues of 1.9 million euros, secured by a lease which expires in 2011; given its location, potential for revenue appreciation is estimated at over 18%.

This investment is part of REALIA's strategy to

increase exposure to the rental business in prime office and shopping properties. In 2007, REALIA invested more than 210 million euros in the rental business, and made divestments worth 92 million euros (of which 33.3 million euros were capital gains). As a result of this strategy, 2007 was the first year in which REALIA's rental business surpassed the house building and land management divisions in terms of total asset value. REALIA, which is controlled by FCC and Caja Madrid, had assets (GAV) worth 6,341.8 million euros at 31 December 2007 according to an appraisal by CB Richard Ellis. Rental property

accounted for 53% of that figure, and property development and land for the other 47%.

Sale of an industrial plot

REALIA has also sold an industrial plot in Calle Aguacate, Carabanchel (Madrid) which has permission for 48,627 m² of building. The plot was sold because the company considered it a non-core asset. The sale price was 40.5 million euros, 1.4% higher than CB Richard Ellis' appraisal, realizing 13.5 million in capital gains.

A diversified company

Realia is one of the leading Spanish real estate companies, listed in the stock exchange since 2007. The company, managed by Ignacio Bayón, is primarily involved in leasing office space and commercial premises, housing office space and shopping centre space, residential building and land management.

REALIA posted 813 million euros in revenues in 2007; EBITDA was 366.2 million euros and net reported income was 140.4 million euros.

REALIA Invests 12.2 million euros in Romania

Company begins to market residential property in Romania REALIA has bought SC Parnu Real Estate SRL, proprietor of an urban plot in Bucharest's upmarket sector 5, for 12.2 million euros. This is the real estate company's first development in Bucharest. A total of 25,182 m² can be built on the 8,394 m² plot.

The project includes the construction of a gated community of between 240 and 260 homes with parking spaces and storage rooms. Buyers may choose between studios and one- and two-bedroom apartments. Construction is set to begin between the fourth quarter of 2008 and the beginning of 2009, as all of the paperwork has been

submitted and approved. This project confirms REALIA's focus on Romania, one of the countries with the greatest real estate potential in Eastern Europe. Romania also has very good growth prospects: according to estimates from the National Commission for Forecasts, GDP will increase by 6.3% in 2008.

International expansion

This project is in keeping with REALIA's international diversification strategy. REALIA has already invested 1.1 billion euro in France, mainly in the purchase of SIIC de Paris, and in increasing its portfolio of buildings in central Paris. The company also has investments in Portugal, Poland and Romania.



Investment is part of Realia's strategy of increasing its asset portfolio in office space well as in commercial centers. The company invested over 210 million euros last year, and divestments totaled 93 million euros.



The project contemplates the construction of several buildings and a gated residential community with 240 to 260 homes with parking spaces and storage areas.

FCC presents its corporate volunteers program

The program aims to encourage the company's employees to become involved in social work. In the first stage, the objectives of this program will be aligned to those of the Esther Koplowitz foundation which, for many years, has been intensely active in projects to help those with the greatest needs.

Last February, FCC unveiled its corporate volunteer program at its work sites in Madrid, where the program will be implemented in the first phase, and then subsequently extended to work centers in other cities. The project is based on the idea of sharing the values, concerns, and aspirations of the communities where FCC conducts its business activities.

Felipe García, Secretary General of the FCC Group and chairman of the Corporate Responsibility Committee, was in charge of presenting the program which aims to have FCC employees become involved in resolving some of the problems in their communities.

FCC's Corporate Responsibility division, responsible for managing the project, will also cover expenses incurred in this initiative, such as insurance, professional consulting fees, and any training that could be required. An online platform will be created for this purpose to manage and promote interrelations and leisure activities among volunteers.

In the first stage, the objectives of this program will be aligned to those of the Esther Koplowitz foundation which, for many years, has been intensely and actively involved in charity and social



The principal beneficiaries of this initiative will be the elderly with limited resources and dependency problems who will be able to enjoy the company of volunteers.

projects, helping those in need. Volunteers in the Madrid area will focus on the needs of the Collado Villalba retirement home, helping and providing company to the elderly. Subsequently, the plan aims to provide these same volunteer services in the other retirement homes located in Barcelona and Valencia, and then in Valladolid, where a home is currently under construction. The volunteer

program will also be presented in these cities according to the specific characteristics of each of these centers.

FCC employees, their friends and family who are interested in this volunteer program will be able to contact the FCC's Social Responsibility division for further details.

Esther Koplowitz Foundation

The activities of the Esther Koplowitz Foundation are of such importance that it seems most appropriate for FCC to launch a corporate volunteer program that complements the work being carried out by the foundation in the field of social work.

In 2001, the Esther Koplowitz Foundation donated the Nuestra Casa de Collado Villalba, a retirement home, to the Madrid Autonomous Community. The residence has two floors, with the first floor occupied by senior citizens suffering from serious diseases such as Alzheimer or arteriosclerosis, and those who enjoy a better quality of life occupying the second floor. The home also has healthcare day center for the elderly.

In keeping with this initiative, the Foundation delivered the La Nostra Casa de Fort Pienc in 2003 to the city of Barcelona. This home has 137 beds in single or double rooms, plus 30 other beds at its daycare center.

The La Nostra Casa was donated to the city of Valencia in 2004. This home provides services to people with severe mental disabilities or other physical handicaps. Fitted with the most modern medical equipment to treat these disabilities, the home has 60 inpatient beds and another 40 at its daycare centre.

The Foundation also plans to build another similar residence in Valencia, a retirement home in Valladolid, and also to enlarge the home run by the Nido Foundation for people suffering from cerebral palsy.



Above these lines, some of the rooms at the Nuestra Casa de Collado Villalba (Madrid) retirement home.



FCC recovers ponds of great ecological value

Aqualia, the FCC subsidiary specializing in end-to-end water management, contributes to the recovery of the ponds in Medina del Campo thanks to a sustainable project for wastewater treatment and recycling.

Aqualia, the concession company in charge of comprehensive water management in Medina del Campo (Valladolid) is working on a project to improve the habitat and the ecosystems in the ponds in this town to increase the number of species living there as well as their population.

Since the company started to manage the wastewater treatment plant in the summer of 2004, it has implemented several upgrades in the installations to optimize the treatment process and capacity, and reduce the time required in these processes. As a result of the work carried out, the

contamination of organic matter has been gradually reduced, thereby significantly improving the quality of water in the Zapardiel River, the habitat, and the conditions of fauna interacting with this river.

To ensure flow of water into the ponds, Aqualia built a water distribution collector at a site before the water reaches the river. Thanks to this measure, water which has already been treated can flow into the two ponds. Because of the strong correlation between the amount of water and the number of birds, the wastewater treatment plant provides a constant flow of water to both ponds through the

Improving the habitat

- Recommendations for determining the level of water in both ponds.
- Possible creation of two different ecosystems.
- Creation of islands for nest-building by certain species, protected from predators. Repopulation of fish in the ponds.
- Burial of the high-voltage lines at the borders of the ponds.

above-mentioned water collector system.

The bird population in the area around the ponds has increased considerably over the past few years. This population includes nest-builders, such as mallards, as well as migrating birds, mainly storks and egrets. Artificial islands have been created for these birds where they can build their nests and be safe from predators. Floating nests have also been built. In addition, several measures have been implemented with the objective of increasing the fish population of the

two ponds. The high-voltage lines have been buried underground at the border of the ponds to protect the birds. Aqualia will be organizing open-house seminars at the wastewater treatment plants and at the ponds. The company also plans to launch an information campaign to build awareness on the need for reducing pollution and on the proper disposal of household and industrial used oils and fat. Aqualia will be organizing meetings to provide information on the progress achieved in this ecological project and on the measures that the company has implemented.

Environmental Awareness

- Provide information on the installation of the wastewater treatment plan.
- Open-door seminars.
- Program of visits by students to the ponds.
- Build awareness among the population on reducing pollutants in wastewater.
- Create a new tourist site in Medina del Campo.



The better quality of the water in the river has redounded in an improved habitat and the conditions for fauna interacting with the river.



FCC employees have advantages on Realia home purchases

Realia offers FCC Group employees and their families a selection of home developments at very advantageous and exclusive conditions. The agreement, permanent and dynamic, aims to offer various products from time to time.

The FCC Group Human Resources Department and Realia, an FCC and Caja Madrid real estate company, have entered into an agreement to offer, on an exclusive basis, all FCC Group employees and their direct family, a choice of real estate developments at very advantageous conditions. The approach of this agreement

is permanent and dynamic since various products, either main residences or vacation homes, will be offered to employees in special promotions, with discounts, special forms of payments, gifts, etc.

Realia is now offering incredible discounts in two great developments in Alicante: Aquamaris

(Denia), with a 20% discount, and Cala Green (Finestrat) with a 15% discount.

Aquamaris is 300 meters from Marinas beach. There is a choice of 1, 2, and 3 bedroom homes, ground floor apartments with gardens, and penthouses. The residential development has landscaped gardens,

AQUAMARIS, IN DENIA (ALICANTE)

- 1, 2, and 3 bedroom homes. Ground floor apartments with garden and penthouse.
- Landscaped areas, paddle courts, children's playgrounds.
- 300 meters from Las Marinas beach. Immediate occupancy.
- 20% discount.
- Offer good until 31 Mayo 2008.
- Offer cannot be accumulated with any other current offer.



swimming pool, paddle courts, and children's playgrounds.

Cala green is in the coastal and mountainous town of Finestrat, a few minutes from Benidorm and the Terra Mítica amusement park. The development consists of one-family homes with three bedrooms, common garden areas, and next to a golf course.

Although the homes are available for immediate occupancy, Realia offers the possibility of executing a private contract and paying only 10% of the final price as a down payment. The balance payable upon execution of deed, until November of 2008.

In addition, for those who want to see the homes before deciding on the purchase, Realia invites them to spend a weekend at the home at no cost whatsoever, by just requesting it, and according to availability.

Those who are interested in this promotion should contact Realia directly, identifying themselves as FCC employees or members of their immediate family, by calling 902 33 45 33. Further information is available at the company's website: www.Realia.es. This offer cannot be accumulated with another current offer and is good until 31 May 2008.

CALA GREEN, IN FINESTRAT (ALICANTE)

- One-family homes with 3 bedrooms.
- Common garden areas with swimming pool.
- A few minutes from Benidorm and Terra Mítica.
- Next to a golf course.
- Immediate occupancy.
- 15% discount
- Offer good until 31 Mayo 2008.
- Offer cannot be accumulated with any other current offer.



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