Citizen Services

Infrastructures

Environmental Services

Water

2011
EARNINGS REPORT

Dow Jones Sustainability Indexes

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FCC completes 123 million dollar financing for the Chicho Fábrega Hospital in Panama

1. HIGHLIGHTS

FCC strengthens its presence in municipal and industrial waste treatment

The company obtained major contracts in Spain in 2011, including the construction of a municipal waste treatment complex in Guipúzcoa and its management for 5 years with the possibility of 5-year extensions, for 322 million euro. The contract includes mechanical-biologic treatment and energy-from-waste plants together with ancillary facilities.

In the UK, the company commenced construction of an end-to-end municipal waste treatment and incineration plant in Lincolnshire. The facilities, which are financed by the local government and will have the capacity to treat up to 150,000 tonnes/year and generate 12 MW of electric power, will be managed by WRG for 25 years, representing a backlog of 329 million pounds.

In 2011, FCC Ambito started up one of the first refuse-derived fuel (RFD) plants in Spain (Castellbisbal), which will produce up to 30,000 tonnes of alternative fuel per year. The company has also commenced construction of the first plant on the east coast of the US (Baltimore) for the recovery and reuse of base lube; the estimated cost is 35 million euro. The raw materials for both projects will come from Group-managed plants and waste collection networks.

FCC's backlog of international infrastructure projects increased by 9.7% (accounting for more than 50% of the total infrastructure backlog), and amounts to 9.5 billion euro

FCC expanded its international backlog by 436 million euro in 2011; those projects account for 52% of the total. The company's strong share in several local markets together with the adjudication of important contracts in certain activities where the Group has extensive experience increased the total backlog to 9.5 billion euro.

Major contracts include a railway line in northern Algeria (407 million euro), and metros in Panama (483 million euro), Toronto (134 million euro) and Bucharest (close to 100 million euro).

FCC advanced its policy to strengthen its financial position by divesting non-core assets worth 575 million euro

In December, FCC sold Torre Picasso for 400 million euro and completed the reorganisation of its real estate assets with the sale of two buildings, in Madrid and Barcelona, for 60 million euro. Also in December, it completed the sale of Eyssa (Estacionamientos y Servicios, S.A.), which was part of Versia, for 115 million euro. Eyssa manages a total of 160,000 on-street parking spaces in 60 Spanish cities.

These operations pursue FCC's goal of strengthening its financial position and focusing on the development of core activities.

Globalvia commences a new phase with the support of large international funds

Globalvia, owned 50% by FCC, successfully included new financial partners for its future projects by issuing a 5-year 400 million euro convertible bond, with the possibility of a 250 million euro tap. This operation commences a new phase of growth for the company, which will focus on managing road and railway concessions and expanding its portfolio in OECD countries.

FCC signs several agreements to develop electric mobility infrastructure

FCC has signed a strategic agreement with Siemens to develop electric mobility technologies. FCC will participate in research projects and will implement the necessary infrastructure in the future. FCC also signed an agreement with Citroën España and BlueMobility to build the electrical installations for the charging points at Citroën vehicle dealerships and provide battery charging equipment for Citroën's own fleet of electric and hybrid vehicles.

Bond placement by Alpine, which heads the Group's international infrastructure business

In June, FCC's Austrian subsidiary, Alpine, completed a 90 million euro 5.25% bond issue. Strong demand led the company to increase the issue from the initial 75 million euro. This is FCC Group's third bond issue in the last two years, and Alpine's second, after having successfully raised 100 million euro in June 2010.

Citizen Services

2. EXECUTIVE SUMMARY

- ◊ **Revenues from outside Spain expanded by 13.6%** and accounted for 52.4% of the total.
- ◊ **The international backlog expanded by 8.5%**, providing a total backlog of 35,238 million euro.
- ◊ **Ebitda** from **Services increased 5.3%** in like-for-like terms, representing 64.9% of the total.
- ◊ **Net attributable profit** amounted to **108.2 million euro.**
- ◊ **Net interest-bearing debt declined 19.0%** to 6,277.2 million euro.

Earnings in 2011 reflect progress with internationalisation, as revenues from outside Spain expanded by 13.6% and the international backlog by 8.5%, broadly offsetting the decline in infrastructure-related demand in Spain. Services reported solid recurring performance, with EBITDA up 5.3% like-for-like (adjusted for Versia divestments), accounting for 64.9% of the Group total.

Strong capital gains on the sale of several real estate assets and Eyssa were used in full to write down goodwill and certain fixed assets in the Cement area by a total of 300.8 million euro, in line with projected demand in Spain. Following that adjustment, which did not impact cash flow, net attributable profit was 108.2 million euro.

The free cash flow from operations, together with the divestment of non-core assets, reduced net interest-bearing debt by 1,471.5 million euro (19%) year-on-year.

ACTIVITIES DESIGNATED AS DISCONTINUED OPERATIONS:

The assets and liabilities corresponding to certain business lines and geographic areas (FCC Energía, and Cement in the US) have been designated as "discontinued operations" in the 2011 consolidated financial statements and are classified under assets and liabilities available for sale (see note 5.2). For this reason, to enable comparison, the income statement and cash flow statement for 2010 have been restated.

KEY FIGURES

(million euro)	**Dec. 11**	**Dec. 10**	**Chg. (%)**
Net sales	11,754.8	11,908.1	-1.3%
Ebitda*	1,252.3	1,366.1	-8.3%
Ebitda margin	*10.7%*	*11.5%*	*-0.8 p.p.*
Ebit	400.8	777.9	-48.5%
Ebit margin	*3.4%*	*6.5%*	*-3.1 p.p.*
Income attributable to equity holders of the parent company	108.2	301.3	-64.1%
Operating cash flow	999.4	967.8	3.3%
Investing cash flow	5.2	(507.4)	-101.0%

**In like-for-like terms, the change is -6.6%*

(million euro)	**Dec. 11**	**Dec. 10**	**Chg. (%)**
Equity (excl. non-controlling interests)	2,378.9	2,562.9	-7.2%
Net interest-bearing debt	(6,277.2)	(7,748.7)	-19.0%
Backlog	35,237.6	35,309.0	-0.2%

Citizen Services

3. SUMMARY BY BUSINESS AREA

Area	Dec. 11	Dec. 10	Chg. (%)	% of 2011 total	% of 2010 total
(million euro)					
REVENUES BY BUSINESS AREA					
Environmental services	3,735.4	3,672.2	1.7%	31.8%	30.8%
Construction	6,686.2	6,693.6	-0.1%	56.9%	56.2%
Cement	609.1	753.3	-19.1%	5.2%	6.3%
Versia	767.3	846.3	-9.3%	6.5%	7.1%
Parent company and other*	(43.2)	(57.3)	-24.6%	-0.4%	-0.5%
Total	**11,754.8**	**11,908.1**	**-1.3%**	**100.0%**	**100.0%**
REVENUES BY GEOGRAPHIC AREA					
Spain	5,591.5	6,483.1	-13.8%	47.6%	54.4%
Austria and Germany	2,446.9	2,327.2	5.1%	20.8%	19.5%
Eastern Europe	1,299.3	1,115.9	16.4%	11.1%	9.4%
United Kingdom	770.4	705.8	9.2%	6.6%	5.9%
Rest of Europe	657.1	607.8	8.1%	5.6%	5.1%
America and others	989.7	668.3	48.1%	8.4%	5.6%
Total	**11,754.8**	**11,908.1**	**-1.3%**	**100.0%**	**100.0%**
EBITDA					
Environmental services	697.9	657.7	6.1%	55.7%	48.1%
Construction	303.9	355.5	-14.5%	24.3%	26.0%
Cement	150.1	216.7	-30.7%	12.0%	15.9%
Versia	114.9	139.0	-17.3%	9.2%	10.2%
Parent company and other*	(14.5)	(2.8)	N.A.	-1.2%	-0.2%
Total	**1,252.3**	**1,366.1**	**-8.3%**	**100.0%**	**100.0%**
EBIT					
Environmental services	366.2	323.5	13.2%	91.4%	41.6%
Construction	212.3	241.6	-12.1%	53.0%	31.1%
Cement	(293.1)	91.0	N.A.	-73.1%	11.7%
Versia	36.2	192.9	-81.2%	9.0%	24.8%
Parent company and other*	79.2	(71.1)	N.A.	19.8%	-9.1%
Total	**400.8**	**777.9**	**-48.5%**	**100.0%**	**100.0%**

** Other includes Torre Picasso, restructuring costs and consolidation adjustments*

NET DEBT					
Environmental services	4,303.9	4,352.6	-1.1%	68.6%	56.2%
Construction	656.0	519.6	26.3%	10.4%	6.7%
Cement	942.5	1,287.5	-26.8%	15.0%	16.6%
Versia	189.6	290.8	-34.8%	3.0%	3.8%
Parent company**	185.2	1,298.2	-85.7%	3.0%	16.8%
Total	**6,277.2**	**7,748.7**	**-19.0%**	**100.0%**	**100.0%**
BACKLOG					
Environmental services	25,719.4	25,325.0	1.6%	73.0%	71.7%
Construction	9,518.2	9,984.0	-4.7%	27.0%	28.3%
Total	**35,237.6**	**35,309.0**	**-0.2%**	**100.0%**	**100.0%**

*** In 2011,"Parent company" includes funding of equity-accounted affiliates (with a book value of 1,115.7 million euro at 31 December). In 2010, it also includes debt linked to Torre Picasso.*

4. INCOME STATEMENT

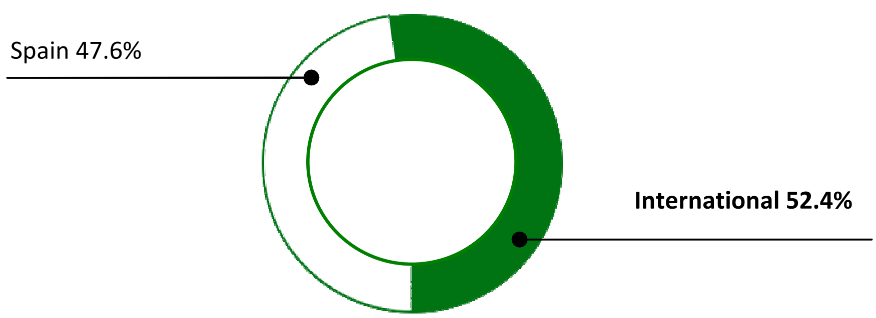
(million euro)	Dec. 11	Dec. 10	Chg. (%)
Net sales	**11,754.8**	**11,908.1**	**-1.3%**
Ebitda	**1,252.3**	**1,366.1**	**-8.3%**
Ebitda margin	*10.7%*	*11.5%*	*-0.8 p.p.*
Depreciation and amortisation	(643.5)	(659.2)	-2.4%
Other operating income	(208.0)	71.0	N.A.
Ebit	**400.8**	**777.9**	**-48.5%**
Ebit margin	*3.4%*	*6.5%*	*-3.1 p.p.*
Financial income	(411.5)	(332.0)	23.9%
Other financial results	32.4	(14.6)	N.A.
Equity-accounted companies	33.3	12.9	158.1%
Earnings before taxes (EBT) from continuing activities	**55.0**	**444.3**	**-87.6%**
Corporate income tax expense	(27.2)	(97.8)	-72.2%
Income from continuing operations	**27.8**	**346.5**	**-92.0%**
Income from discontinued operations	(24.9)	(32.9)	-24.3%
Net profit	**2.9**	**313.6**	**-99.1%**
Non-controlling interests	105.3	(12.3)	N.A.
Income attributable to equity holders of the parent company	**108.2**	**301.3**	**-64.1%**

4.1 Revenues

Revenues amounted to 11,754.8 million euro in 2011, a decline of 1.3% year-on-year. That decline (-0.8% in like-for-like terms) is very small considering the effect of the sale of Versia assets in 2010.

The company registered solid growth in international markets in 2011, with revenues expanding by 13.6%, driven by Construction and Environmental Services, which almost entirely offset the 13.8% decline in revenues in Spain due to the poor performance by Construction and Cement.

% Revenues by Geographic Area

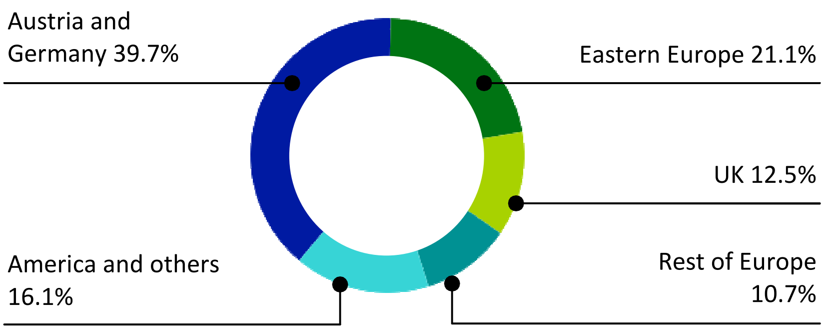


Notably, for the first time in the history of FCC Group, international revenues exceeded revenues from Spain and accounted for 52.4% of the total in 2011.

International revenue breakdown

(million euro)	**Dec. 11**	**Dec. 10**	**Chg. (%)**
Austria and Germany	2,446.9	2,327.2	5.1%
Eastern Europe	1,299.3	1,115.9	16.4%
United Kingdom	770.4	705.8	9.2%
Rest of Europe	657.1	607.8	8.1%
America and others	989.6	668.3	48.1%
Total	**6,163.2**	**5,425.0**	**13.6%**

% International Revenues by Geographic Area

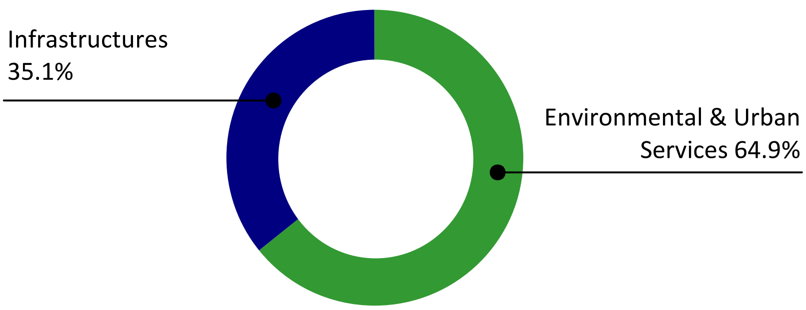


4.2 EBITDA

Ebitda amounted to 1,252.3 million euro in the year, i.e. an 8.3% decline compared with 2010 (6.6% in like-for-like terms), due primarily to reduced activity in the infrastructure divisions in Spain (Construction and Cement).

Ebitda expanded notably in Services (+5.3% in like-for-like terms), and accounts for 64.9% of the Group total, offsetting the deterioration in infrastructure activity.

EBITDA by Business Area



EBITDA also includes smaller components, such as restructuring costs (18.5 million euro) and the contribution from Torre Picasso (22.2 million euro).

4.3 EBIT

The depreciation and amortisation charge in 2011 decreased by 2.4% with respect to 2010, to 643.5 million euro. That figure includes 77.9 million euro for the depreciation of assets that were stepped up on consolidation in the FCC Group.

Other operating income reflects two items:

First, the capital gains booked on the sale of Eyssa (on-street parking management, under Versia), Torre Picasso, and other real estate assets in the fourth quarter of 2011, providing a total of 195.2 million euro. In 2010, that item reflected the capital gains booked on the sale of the vehicle testing businesses and 19 underground car parks.

The adjustment in goodwill at some companies in the Cement area (mainly Grupo Unliand) and other productive fixed assets, for a total of 300.8 million euro. This adjustment is attributable to demand performance in the Spanish market in 2011 and that projected in the future.

As a result, EBIT amounted to 400.8 million euro in 2011, i.e. a decline of 48.5% with respect to 2010.

4.4 Earnings before taxes (EBT) from continuing activities

EBT from continuing activities amounted to 55 million euro after including the following items in EBIT:

4.4.1 Financial income

A net financial expense and other financial results amounting to 379.1 million euro, up 9.4% with respect to 2010.

The Other financial income item primarily reflects the effect of fair value changes in financial instruments and of exchange rate fluctuations.

4.4.2 Equity-accounted affiliates

The contribution from equity-accounted affiliates increased notably, to 33.3 million euro; of special note is the contribution from companies in the Environmental Services area.

4.5 Profit attributable to equity holders of the parent company

Net attributable profit in 2011 amounted to 108.2 million euro, i.e. 64.1% less than in 2010. This variation is completely due to the mentioned value adjustment in certain assets from the cement area, and:

4.5.1 Corporate income tax expense

The corporate income tax expense amounted to 27.2 million euro, and the tax rate (adjusted for the contribution from equity-accounted affiliates) declined slightly with respect to 2010 due to the Cement area's tax credit.

4.5.2 Non-controlling interests

Income attributable to non-controlling interests amounted to -105.3 million euro, which improved FCC's attributable income and is entirely due to the decline in the contribution from the Cement division, where non-controlling interests are concentrated.

5. BALANCE SHEET

(million euro)	**Dec. 11**	**Dec. 10**	**Chg. (M€)**
Intangible assets	4,317.0	5,063.7	(746.7)
Property, plant and equipment	4,636.4	6,092.8	(1,456.4)
Equity-accounted affiliates	1,115.7	1,222.9	(107.2)
Non-current financial assets	462.0	415.8	46.2
Deferred tax assets and other non-current assets	542.9	598.6	(55.7)
Non-current assets	**11,074.1**	**13,393.7**	**(2,319.6)**
Non-current assets available for sale	1,847.0	0.0	1,847.0
Inventories	1,271.4	1,138.4	133.0
Trade and other accounts receivable	5,556.7	5,542.6	14.1
Other current financial assets	395.7	225.8	169.9
Cash and cash equivalents	2,302.6	1,678.7	623.9
Current assets	**11,373.4**	**8,585.4**	**2,788.0**
TOTAL ASSETS	**22,447.5**	**21,979.1**	**468.4**
Equity attributable to equity holders of parent company	2,378.9	2,562.9	(184.0)
Non-controlling interests	536.1	643.4	(107.3)
Equity	**2,914.9**	**3,206.3**	**(291.4)**
Grants	159.7	104.7	55.0
Long-term provisions	1,083.1	1,047.8	35.3
Long-term interest-bearing debt	4,365.4	7,140.4	(2,775.0)
Other non-current financial liabilities	794.9	1,488.6	(693.7)
Deferred tax liabilities and other non-current liabilities	1,132.2	1,181.0	(48.8)
Non-current liabilities	**7,535.3**	**10,962.5**	**(3,427.2)**
Liabilities linked to non-current assets available for sale	1,396.7	0.0	1,396.7
Current provisions	178.9	143.2	35.7
Short-term interest-bearing debt	4,607.2	1,588.9	3,018.3
Other current financial liabilities	223.4	399.3	(175.9)
Trade and other accounts payable	5,591.0	5,678.8	(87.8)
Current liabilities	**11,997.2**	**7,810.3**	**4,186.9**
TOTAL LIABILITIES	**22,447.5**	**21,979.1**	**468.4**

5.1 Equity-accounted affiliates

The investment in equity-accounted companies (1,115.7 million euro) comprised mainly the following at the end of the year:

1) 424.6 million euro corresponding to the 50% stake in Globalvia Infraestructuras (GVI).
2) 139.4 million euro corresponding to the 30% stake in Realia.
3) 78.7 million euro corresponding to concession companies not contributed to GVI.
4) 47.8 million euro corresponding to the 50% stake in the Proactiva group (Environmental Services).
5) 425.2 million euro corresponding to all other equity-accounted companies.

The carrying value of FCC's holdings in infrastructure concessions amounted to 543.1 million euro at the end of 2011. That figure includes the value attributable to FCC for its 50% stake in GVI (424.6 million euro) and the value of its holdings in other concession companies, both equity-accounted (78.7 million euro) and fully consolidated (39.8 million euro).

5.2 Non-current assets and liabilities held for sale

Of the 1,847.0 million euro in non-current assets available for sale at 31 December 2011, 1,162.4 million euro correspond to FCC Energía and 684.5 million euro to Giant Cement (the cement business activity in the US).

Those assets had liabilities amounting to 1,396.7 million euro; of which 931.9 million euro correspond to FCC Energía and 464.8 million euro to Giant Cement.

5.3 Equity

Equity attributable to the parent company amounted to 2,378.9 million euro, down 184 million euro with respect to 2010. This is due primarily to the allocation of consolidated income for the period (108.2 million euro), dividend distribution to shareholders of FCC, S.A. and minority interests in the FCC Group (173.2 million euro), and other items, including changes in the fair value of hedging instruments.

5.4 Net interest-bearing debt

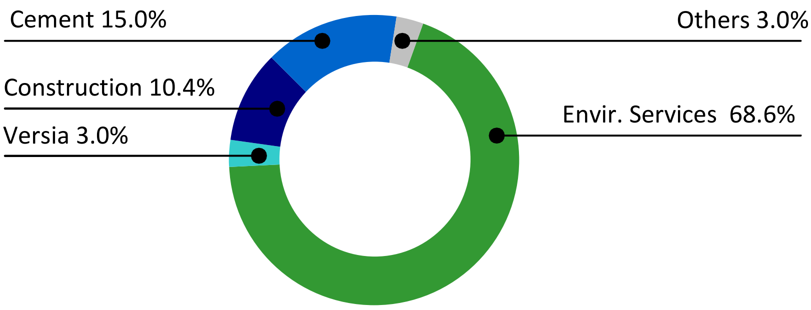
At the end of December 2011, net interest-bearing debt amounted to 6,277.2 million euro, down 1,471.5 million euro (-19%) year-on-year.

(million euro)	**Dec. 11**	**Dec. 10**	**Chg. (M€)**
Bank debt	8,072.1	8,524.8	(452.7)
Debt instruments and other loans	705.2	680.6	24.6
Accounts payable due to financial leases	96.0	154.1	(58.1)
Other financial liabilities	99.3	293.6	(194.3)
Gross interest-bearing debt	**8,972.6**	**9,653.1**	**(680.5)**
Cash and other financial assets	(2,695.4)	(1,904.4)	(791.0)
Net interest-bearing debt	**6,277.2**	**7,748.7**	**(1,471.5)**
With recourse	*4,224.9*	*4,988.2*	*(763.3)*
Without recourse	*2,052.3*	*2,760.5*	*(708.2)*

Interest-bearing debt was reduced through a combination of factors—free cash flow from operations during the year, together with divestments of non-core assets—which together amounted to 623.8 million euro. Moreover, exchange rate fluctuations and the change in value of derivatives reduced the debt by 157.3 million euro. Net interest-bearing debt at FCC Energía and Giant Cement, classified as non-current assets available for sale, amounted to 572.5 million euro and 311.9 million euro, respectively, at 31 December 2010.

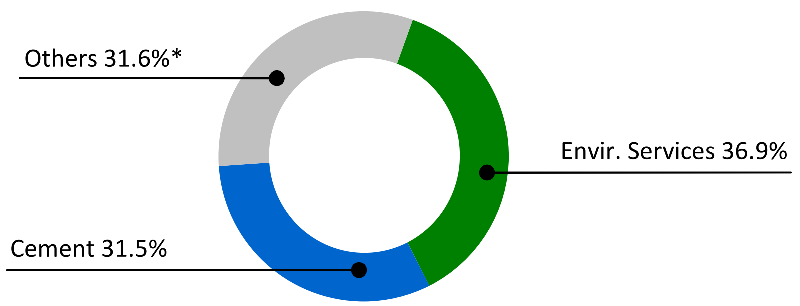
The breakdown of debt by business area is in line with their nature, cash flow, and asset volume. Environmental Services accounted for 68.6% of net debt, connected to stable, regulated long-term public utility contracts. Cement, a business which accounts for a large proportion of fixed assets on the balance sheet, accounts for 15.0% of total net debt. Construction accounts for 10.4%, Versia for 3.0% and the Corporate area for just 3.0%.

Net debt by Area



Moreover, 2,052.3 million euro of net debt, i.e. 32.7% of the total, is without recourse. The reduction with respect to December 2010 corresponds in large part to the debt of the Energy area, which is classified as an asset available for sale. The breakdown of debt without recourse by activity is as follows:

Net debt without recourse, by Area



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

5.5 Other current and non-current financial liabilities

The balance of other current and non-current financial liabilities amounted to 1,018.3 million euro and includes other financial liabilities not classified as interest-bearing debt, such as those linked to suppliers of property, plant and equipment (operation permits for urban furniture at Versia), deposits and guarantees received, and stock options.

6. CASH FLOW

From continuing activities

(million euro)	Dec. 11	Dec. 10	Chg. (%)
Funds from operations	1,286.4	1,437.7	-10.5%
(Increase)/decrease in working capital	(230.6)	(424.5)	-45.7%
Other items (taxes, dividends, etc.)	(56.4)	(45.4)	24.2%
Operating cash flow	**999.4**	**967.8**	**3.3%**
Investing cash flow	5.2	(507.4)	-101.0%
Cash flow from business operations	**1,004.6**	**460.4**	**118.2%**
Financing cash flow	(574.8)	(586.7)	-2.0%
Other cash flow (exchange differences, change in consolidation scope, etc.)	157.3	98.2	60.2%
(Increase) / decrease in net interest-bearing debt	**587.1**	**(28.1)**	**N.A.**
Decline in net interest-bearing debt due to discontinued activities	**884.4**	**(65.4)**	**N.S.**
(Increase) / decrease in net interest-bearing debt	**1,471.5**	**(93.6)**	**N.A.**

6.1 Operating cash flow

Operating cash flow amounted to 999.4 million euro in 2011, i.e. 3.3% more than in 2010. The decline in funds from operations, in line with the reduction in EBITDA, was amply offset by the reduction in working capital (-193.9 million euro year-on-year).

6.2 Investing cash flow

	Dec. 11	Dec. 10	Chg. (%)
Environmental services	(317.0)	(356.2)	-11.0%
Construction	(73.5)	(288.5)	-74.5%
Cement	(35.4)	(7.1)	N.A.
Versia	(7.0)	31.9	N.A.
Parent company and other	438.1	112.5	N.A.
Total	**5.2**	**(507.4)**	**-101.0%**

The divestment of Eyssa, Torre Picasso and other real estate assets for a total of 575 million euro, results in a positive 5.2 million euro Investing cash flow in 2011. Torre Picasso and other real estate are included under Parent company and other consolidation adjustments. In 2010, investing cash flow reflected the sale of the vehicle inspection business and 19 underground car parks, for a total of 252 million euro.

This item also includes 64.3 million euro of capital expenditure at several companies and business units in the environmental services and construction divisions.

6.3 Financing cash flow

Financing cash flow decreased by 2% with respect to 2010. In addition to debt servicing, this item includes 173.2 million euro in dividend payments by the Group's consolidated companies, and 20.7 million euro for the net variation of equity instruments, compared with 76.0 million euro in 2010.

6.4 Other

This item primarily reflects the currency effect on foreign currency debt and changes in the value of financial instruments.

7. BUSINESS PERFORMANCE

7.1 Environmental services

7.1.1 Results

(million euro)	**Dec. 11**	**Dec. 10**	**Chg. (%)**
Revenues	3,735.4	3,672.2	1.7%
Spain	*2,321.1*	*2,361.0*	*-1.7%*
International	*1,414.3*	*1,311.2*	*7.9%*
Ebitda	697.9	657.7	6.1%
Ebitda margin	18.7%	17.9%	*0.8 p.p.*
Ebit	366.2	323.5	13.2%
Ebit margin	9.8%	8.8%	*1.0 p.p.*

Environmental Services performed well in 2011, with revenues increasing 1.7%, to 3,735.4 million euro. Revenues expanded in international markets, by 7.9%, but fell slightly in Spain, by 1.7%.

(million euro)	**Dec. 11**	**Dec. 10**	**Chg. (%)**
Revenues – Spain	2,321.2	2,361.0	-1.7%
Environment	*1,493.4*	*1,501.1*	*-0.5%*
Water	*668.4*	*694.8*	*-3.8%*
Industrial Waste	*159.4*	*165.1*	-3.5%
Revenues – International	*1,414.3*	*1,311.2*	7.9%
Environment	*1,078.4*	*1,022.2*	5.5%
Water	*176.6*	*173.2*	2.0%
Industrial Waste	*159.3*	*115.9*	37.4%

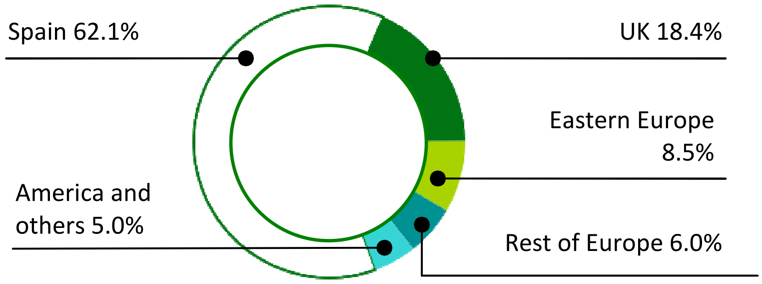
Revenues in the International Environment area rose by a notable 5.5%, driven by the start of construction of a new waste treatment plant in Lincolnshire (UK) and by increased activity at ASA, where a soil decontamination project in the Czech Republic made a significant contribution. Industrial Waste revenues maintained a notable pace of growth, rising 13.4% due to the larger volume of waste treated in the US and Portugal and to appreciation by petroleum-based products. The 2.7% decline in revenues in the Water division is due primarily to a decline in the execution of water infrastructure in Spain and to the baseline effect of the construction of two desalination plants in Algeria in 2010.

International Revenue Breakdown

(million euro)	**Dec. 11**	**Dec. 10**	**Chg. (%)**
United Kingdom	688.3	648.6	6.1%
Eastern Europe	317.5	297.8	6.6%
Rest of Europe	222.4	201.5	10.4%
America and others	186.1	163.4	13.9%
Total	**1,414.3**	**1,311.2**	**7.9%**

The most important international markets are the UK (accounting for 18.4% of revenues), for municipal solid waste treatment and elimination; Central and Eastern Europe (14.5%), primarily the Czech Republic and Austria, for municipal solid waste and end-to-end water management; and the US (3.7%), for industrial waste management.

Revenue breakdown by geographic area



Ebitda increased by 6.1% in 2011, to 697.9 million euro, and the Ebitda margin was 18.7%, compared with 17.9% in 2010. This significant improvement in the Ebitda margin is essentially due to the commitment by all areas to improving efficiency and cutting costs, to operational improvements in the international waste treatment businesses, and to the impact of several non-recurring items amounting to 12 million euro.

The division's backlog performed well, expanding 1.6% with respect to 31 December 2010. In Spain, the MSW management contract in Tarragona was renewed until 2023 and FCC obtained contracts to build and manage an end-to-end treatment plant in Guipúzcoa province and a wastewater treatment plant in Cádiz. Outside Spain, FCC obtained a 30-year contract for water treatment and supply in Fundao (Portugal) and a 25-year contract for the operation and maintenance of the desalination plant it built in Algeria.

Backlog breakdown by geographic area

(million euro)	**Dec. 11**	**Dec. 10**	**Chg. (%)**
Spain	17,092.6	17,324.7	-1.3%
International	8,626.8	8,000.3	7.8%
Total	**25,719.4**	**25,325.0**	**1.6%**

7.1.2 Proactiva

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

Proactiva's revenues totalled 470.1 million euro in 2011, i.e. growth of 12.0% year-on-year. Ebitda amounted to 98.9 million euro (+25.8% year-on-year), and the Ebitda margin was 21%. Net interest-bearing debt amounted to 97.9 million euro at 31 December.

7.1.3 *Cash flow*

(million euro)	**Dec. 11**	**Dec. 10**	**Chg. (%)**
Funds from operations	**714.4**	**695.6**	**2.7%**
(Increase) / decrease in working capital	(130.9)	(155.2)	-15.7%
Other items (taxes, dividends, etc.)	(43.4)	(50.8)	-14.6%
Operating cash flow	**540.1**	**489.6**	**10.3%**
Investing cash flow	(317.0)	(356.2)	-11.0%
Cash flow from business operations	**223.1**	**133.4**	**67.2%**
Financing cash flow	(318.5)	(232.4)	37.0%
Other cash flow (exchange differences, change in consolidation scope, etc.)	144.1	(61.4)	-334.7%
(Increase) / decrease in net interest-bearing debt	**48.7**	**(160.4)**	**-130.4%**

(million euro)	**Dec. 11**	**Dec. 10**	**Chg. (M€)**
Net interest-bearing debt	**4,303.9**	**4,352.6**	**(48.7)**
With recourse	*3,545.8*	*3,464.9*	*80.9*
Without recourse	*758.1*	*887.7*	(129.6)

Operating cash flow in the year totalled 540.1 million euro, up 10.3% with respect to 2010. In addition to the increase in funds from operations, working capital declined by 24.3 million euro.

Net investments declined by 11.0%, to 317 million euro, primarily for maintenance capex and fulfilment of operating contracts. Of that amount, 15.3 million euro correspond to new projects, most of which were water concessions outside Spain.

After financing cash flow and other changes (primarily fair value changes in hedging instruments), net debt fell by 1.1% in 2011, to 4,303.9 million euro.

7.2 Construction

7.2.1 Results

(million euro)	Dec. 11	Dec. 10	Chg. (%)
Revenues	6,686.2	6,693.6	-0.1%
Spain	*2,320.4*	*3,022.3*	*-23.2%*
International	*4,365.8*	*3,671.3*	*18.9%*
Ebitda	303.9	355.5	-14.5%
Ebitda margin	4.5%	5.3%	*-0.8 p.p.*
Ebit	212.3	241.6	-12.1%
Ebit margin	3.2%	3.6%	*-0.4 p.p.*

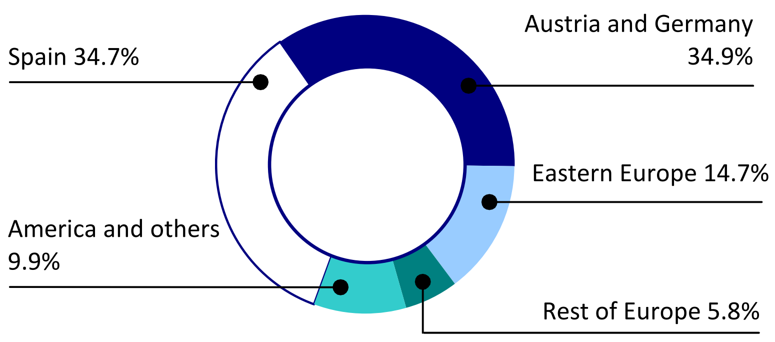
Revenues in the Construction area amounted to 6,686.2 million euro, in line with 2010, due to notable 18.9% growth in international revenues, which offset the decline in activity in Spain.

International Revenue Breakdown

(million euro)	Dec. 11	Dec. 10	Chg. (%)
Austria and Germany	2,335.4	2,216.9	5.3%
Eastern Europe	981.7	818.1	20.0%
Rest of Europe	386.5	308.1	25.4%
America and others	662.2	328.2	101.8%
Total	**4,365.8**	**3,671.3**	**18.9%**

By geographic area, revenues in Austria and Germany expanded by 5.3%, driven by the execution of major contracts, such as the Karlsruhe tunnel in Germany. Revenues increased in Eastern Europe by 20.0% due to the development of projects such as the A-1 and S-5 toll roads in Poland, and revenues expanded in the rest of Europe by 25.4%, notably including construction of the Enniskillen Hospital in Northern Ireland. Activity in America and other countries doubled compared with 2010, due primarily to the progress of major contracts in Panama (the metro and other infrastructure).

Revenue breakdown by geographic area



Civil engineering projects account for 57.4% of revenues, non-residential building for 20.7%, industrial services for 13.2% and residential building for 8.7%.

Revenue breakdown by segment			
(million euro)	**Dec. 11**	**Dec. 10**	**Chg. (%)**
Civil engineering	3,840.2	4,080.6	-5.9%
Non-residential building	1,386.5	1,153.3	20.2%
Industrial services	880.0	693.0	27.0%
Residential building	579.5	766.7	-24.4%
Total	**6,686.2**	**6,693.6**	**-0.1%**

This year FCC has included a new business area, industrial services and facilities, which includes the activities performed by Alpine Energy (100% subsidiary of Alpine) in various countries of the EU, and other subsidiaries in Spain in the area of network construction and maintenance (energy, electricity, telecommunications and railways), as well as construction and maintenance of electromechanical facilities.

EBITDA totalled 303.9 million euro in 2011, and the EBITDA margin was 4.5% (5.3% in 2010). This decline is attributable to lower exposure to civil engineering and the fact that several large international projects are still in the initial phases.

The international backlog expanded by 9.7%, due to large contracts such as the railway line in northern Algeria (407 million euro), and the metros in Panama (483 million euro), Toronto (134 million euro) and Bucharest (close to 100 million euro).

The backlog does not reflect recent contracts, such as a second railway line in Algeria (66 kilometres; 628 million euro), a hospital complex in Panama (445 million euro), and road network reorganisation in Panama City (284 million euro).

Backlog breakdown by geographic area			
(million euro)	**Dec. 11**	**Dec. 10**	**Chg. (%)**
Spain	4,610.2	5,512.0	-16.4%
International	4,908.0	4,472.0	9.7%
Total	**9,518.2**	**9,984.0**	**-4.7%**

At the end of 2011, civil engineering and industrial services continued to account for the bulk of the backlog, i.e. 76.2% of the total, while non-residential building accounted for 20.1% and residential building for 3.7%.

Backlog breakdown by segment			
(million euro)	**Dec. 11**	**Dec. 10**	**Chg. (%)**
Civil engineering	6,601.2	6,920.0	-4.6%
Non-residential building	1,913.0	2,143.0	-10.7%
Industrial services	653.0	604.0	8.1%
Residential building	351.0	317.0	10.7%
Total	**9,518.2**	**9,984.0**	**-4.7%**

7.2.2 Cash flow

(million euro)	**Dec. 11**	**Dec. 10**	**Chg. (%)**
Funds from operations	**361.5**	**380.2**	**-4.9%**
(Increase) / decrease in working capital	(243.9)	(362.3)	-32.7%
Other items (taxes, dividends, etc.)	(58.2)	19.4	-400.0%
Operating cash flow	**59.4**	**37.3**	**59.2%**
Investing cash flow	(73.5)	(288.5)	-74.5%
Cash flow from business operations	**(14.1)**	**(251.2)**	**-94.4%**
Financing cash flow	(175.2)	62.1	-382.1%
Other cash flow (exchange differences, change in consolidation scope, etc.)	52.8	83.2	-36.5%
(Increase) / decrease in net interest-bearing debt	**(136.5)**	**(105.9)**	**28.9%**

(million euro)	**Dec. 11**	**Dec. 10**	**Chg.(M€)**
Net interest-bearing debt	**656.0**	**519.6**	**136.4**
With recourse	*670.0*	*513.1*	*156.9*
Without recourse	*(14.0)*	*6.5*	(20.5)

Operating cash flow amounted to 59.4 million euro, down 22.1% with respect to 2010, due primarily to the decrease in working capital, which offset lower funds from operations.

Investing cash flow fell by 74.5%, to 73.5 million euro (in contrast with 288.5 million euro in 2010, which included capex of 175 million euro in several infrastructure concessions).

After applying financing cash flow and other changes (mainly in the value of hedging instruments), the area's net debt amounted to 656 million euro.

7.3 Cement

7.3.1 Results

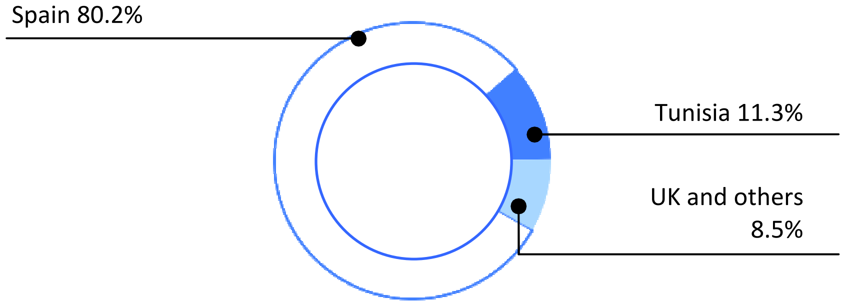
(million euro)	Dec. 11	Dec. 10	Chg. (%)
Revenues	609.1	753.3	-19.1%
Spain	*488.2*	*592.6*	*-17.6%*
International	*120.9*	*160.7*	*-24.8%*
Ebitda	150.1	216.7	-30.7%
Ebitda margin	*24.6%*	*28.8%*	*-4.1 p.p.*
Ebit	(293.1)	91.0	N.A.
Ebit margin	*-48.1%*	*12.1%*	*-60.2 p.p.*

Revenues in the Cement area totalled 609.1 million euro in 2011, a decline of 19.1% year-on-year. The decline in revenues in Spain is attributable to the 17.2% reduction in cement consumption in Spain, to 20.2 million tonnes, while international revenues were affected by the socio-political tensions in Tunisia from the first quarter until November of 2011.

International Revenue Breakdown

(million euro)	Dec. 11	Dec. 10	Chg. (%)
Tunisia	68.8	92.4	-25.5%
UK and others	52.0	68.3	-23.8%
Total	**120.9**	**160.7**	**-24.8%**

Revenue breakdown by geographic area



Ebitda declined by 30.7% to 150.1 million euro and the EBITDA margin fell by 4.1 percentage points, to 24.6%. This is due primarily to the situation in Tunisia (where Ebitda declined by 16.5 million euro in 2011) and to the lower utilisation rate of Spanish cement plants, due to the decline in demand.

Of special note is the increase in alternative fuel use; the company replaced 13.4% of its fossil fuel usage (compared with 7% in 2010), which cushioned the impact of lower revenues on Ebitda.

Ebit reflects the impact of value adjustments to the goodwill in the Uniland subgroup and other companies (259.3 million euro) and to certain property, plant & equipment (41.5 million euro), for a total of 300.8 million euro. The decline in their book value did not impact the area's debt or cash flow, and is

attributable to the performance of revenues in Spain in 2011 together with lower demand projections this year.
This section also includes 23.8 million euro in the year for restructuring costs to align production capacity in Spain with current demand.

7.3.2 Cash flow

Continuing activities

(million euro)	**Dec. 11**	**Dec. 10**	**Chg. (%)**
Funds from operations	**117.1**	**220.5**	**-46.9%**
(Increase) / decrease in working capital	0.0	68.9	N.A.
Other items (taxes, dividends, etc.)	(19.5)	(29.2)	-33.2%
Operating cash flow	**97.6**	**260.2**	**-62.5%**
Investing cash flow	(35.4)	(7.1)	N.A.
Cash flow from business operations	**62.2**	**253.1**	**-75.4%**
Financing cash flow	(59.8)	(104.2)	-42.6%
Other cash flow (exchange differences, change in consolidation scope, etc.)	30.8	26.3	17.1%
(Increase) / decrease in net interest-bearing debt	**33.1**	**175.2**	**-81.1%**
Decline in net interest-bearing debt due to discontinued activities	**311.9**	**(43.2)**	**N.S.**
(Increase) / decrease in net interest-bearing debt	**345.0**	**131.8**	**N.A.**

(million euro)	**Dec. 11**	**Dec. 10**	**Chg. (M€)**
Net interest-bearing debt	**942.5**	**1,287.5**	**(345.0)**
With recourse	*295.8*	*606.5*	*(310.7)*
Without recourse	*646.7*	*681.0*	*(34.3)*

Operating cash flow in the area in 2011 totalled 97.6 million euro, down 62.5% year-on-year due primarily to lower funds from operations in the year and to lower recovery of working capital.

Investing cash flow amounted to 35.4 million euro. The 28.3 million euro change with respect to 2010 is attributable to greater capex for new projects with a view to progressively increasing the use of alternative fuels, and to the comparative effects of divesting 19.3 million euro of idle assets in 2010.

After applying financing cash flow (which reduced debt by 33.1 million euro) and reclassifying cement assets in the US as discontinued operations, net debt declined to 942.5 million euro.

7.4 Versia

7.4.1 Results

(million euro)	**Dec. 11**	**Dec. 10**	**Chg. (%)**
Revenues	767.3	846.3	-9.3%
Spain	*504.1*	*564.7*	-10.7%
International	*263.3*	*281.6*	-6.5%
Ebitda	114.9	139.0	-17.3%
Ebitda margin	15.0%	16.4%	*-1.4 p.p.*
Ebit	36.2	192.9	-81.2%
Ebit margin	4.7%	22.8%	*-18.1 p.p.*

Revenues from municipal services (Versia) declined by 9.3% to 767.3 million euro due to the divestment of the vehicle testing business and 19 underground car parks at the end of 2010. Excluding that effect, revenues would have declined by just 2.0% in like-for-like terms.

Breakdown of revenues by business

(million euro)	**Dec. 11**	**Dec. 10**	**Chg. (%)**
Logistics	270.8	284.9	-4.9%
Handling	239.1	244.4	-2.2%
Urban Furniture	135.9	129.4	5.0%
Car Parks*	65.0	76.8	-15.3%
Vehicle testing	0.0	55.8	N.A.
Other**	56.5	54.9	2.9%
Total	**767.3**	**846.3**	**-9.3%**

**Partially divested in 2010.*
***Other include SVAT and Maintenance-Systems*

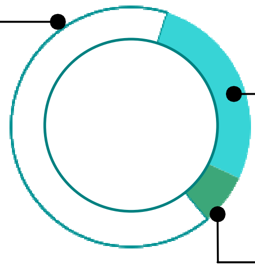
The division reported sustained growth in the urban furniture business, and a recovery in Maintenance & Systems activities (under "Others"). Revenues were lower in car parks and zero in vehicle testing due to the above-mentioned divestments.

International Revenue Breakdown

(million euro)	**Dec. 11**	**Dec. 10**	**Chg. (%)**
Europe	205.3	217.0	-5.4%
US, Brazil and others	57.9	64.7	-10.5%
Total	**263.2**	**281.7**	**-6.6%**

Revenues in Spain accounted for 65.7% of the total. The international component is particularly important in Handling (66.1% of revenues; mainly in Belgium and Italy) and Urban Furniture (55.1%; mainly USA, Portugal and Brazil). The 10.5% decline in international revenues is due to the sale of the vehicle testing business in Argentina in 2010.

Revenue breakdown by geographic area



Ebitda totalled 114.9 million euro in 2011, a 17.3% decrease. Excluding the effect of the sale of the vehicle testing business and underground car parks in 2010, Ebitda would have increased by 0.7% in like-for-like terms. The Urban Furniture division performed especially well, which provided for an increase in operating profitability in like-for-like terms (from 14.6% in 2010 to 15% in 2011).

7.4.2 Cash flow

(million euro)	**Dec. 11**	**Dec. 10**	**Chg. (%)**
Funds from operations	**115.9**	**146.4**	**-20.8%**
(Increase) / decrease in working capital	7.4	18.3	-59.6%
Other items (taxes, dividends, etc.)	(20.6)	(8.5)	142.4%
Operating cash flow	**102.7**	**156.2**	**-34.3%**
Investing cash flow	(115.4)	31.9	-461.8%
Cash flow from business operations	**(12.7)**	**188.1**	**-106.8%**
Financing cash flow	(27.6)	(110.8)	-75.1%
Other cash flow (exchange differences, change in consolidation scope, etc.)	141.5	91.3	55.0%
(Increase) / decrease in net interest-bearing debt	**101.2**	**168.6**	**-40.0%**

(million euro)	**Dec. 11**	**Dec. 10**	**Chg. (M€)**
Net interest-bearing debt	**189.6**	**290.8**	**(101.2)**
With recourse	*189.6*	*290.8*	*(101.2)*
Without recourse	*0.0*	*0.0*	*0.0*

Operating cash flow amounted to 102.7 million euro in 2011, down 34.3% year-on-year, due primarily to the effects of divesting the vehicle testing business and car parks.

Investing cash flow increased by 147.3 million euro year-on-year, attributable mainly to the difference in divestments between years. In 2010, this item included the sale of the vehicle testing business and 19 underground car parks for a total of 252.7 million euro, while in 2011 it included the sale of Eyssa for 115 million euro. Moreover, the sale of the underground car parks agreed at the end of 2010 was completed in 2011, yielding 14.3 million euro.

After applying financing cash flow and other changes, net interest-bearing debt declined considerably, by 34.8%, to 189.6 million euro.

8. SHARE DATA

8.1 Share performance

	Jan.- Dec. 2011	Jan. - Dec. 2010
Closing price (euro)	20.04	19.66
Appreciation	*1.9%*	*(33.2%)*
*Yield**	*9.2%*	*(28.4%)*
High (euro)	23.95	31.98
Low (euro)	15.11	17.48
Average daily trading (shares)	587,074	618,005
Average daily trading (million euro)	11.7	13.5
Market capitalisation at end of period (million euro)	2,551	2,503
No. of shares outstanding	127,303,296	127,303,296
Basic EPS	0.94	2.60

*Includes dividend payment.

8.2 Dividends

At a meeting on 16 December 2010, the Board of Directors declared an interim dividend of 0.715 euro gross per share charged to 2010 income; it was paid on 4 January 2011.

Subsequently, in accordance with the decision by the General Meeting of Shareholders on 1 June 2011, the supplementary 2010 dividend, amounting to 0.715 euro gross per share, was paid on 6 July 2011.

Both dividend amounts are identical to those paid the previous year.

8.3 Own shares

At the 31 December 2011, the FCC Group held a total of 12,700,124 own shares directly and indirectly (9.976% of the company's capital).

Almost all of the own shares are held to cover the risk of shareholder dilution arising from a 450 million euro convertible bond issued in October 2009.

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

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

In view of the number of own shares held at the end of December 2011 and the number of shares needed to cover the potential conversion of bonds (i.e. 9.22% of capital stock), the risk of shareholder dilution as a result of the convertible bond issue is practically eliminated.

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10. CONTACT DETAILS

FINANCE DEPARTMENT	
INVESTOR RELATIONS DEPARTMENT	
> Postal address:	C/ Federico Salmón, 13. 28016 - Madrid. Spain.
> Telephone:	902 109 845
> Fax:	+34 91 350 71 54
> Web site:	www.fcc.es
> E-mail:	ir@fcc.es