Earnings report
January-September 2006

14 November 2006

EARNINGS JANUARY - SEPTEMBER 2006

CONTENTS

1. Highlights of 2006

Acquisition of Waste Recycling Group *(17/07/06)*

FCC purchased, from WRG Holdings (controlled by Terra Firma), its environmental division (Waste Recycling Group Ltd.), incineration business and integrated waste management projects for a total of €1.963 billion and assumes €135 million of net debt. The acquisition of WRG makes FCC the leading waste management company in the UK, a sector in which it has been operating for 15 years via subsidiary FOCSA Services UK.

Cementos Portland Valderrivas buys Uniland (05/07/06)

Cementos Portland Valderrivas (CPL) acquired 51% of Uniland for 1.097 billion euro and a net cash position of €69 million. The other shareholders have a put option to sell another 22.5% of Uniland to CPL at the same price and terms. The option is valid for five years. The Uniland acquisition gives FCC a leading position in Cataluña and Spain.

Acquisition of Alpine Mayreder Bau *(26/07/06)*

FCC acquires 80.7% for an amount 480 million and €130 million of net debt. Alpine, Austria's second-largest construction and services group, has been controlled to date by the Pappas family. The acquisition provides FCC with a unique springboard for expansion in Eastern Europe.

Acquisition of Abfall Service AG (ASA) for 275 million euro *(08/03/06)*

Abfall Service AG is a leading waste management company in Central and Eastern Europe, with operations in Austria, the Czech Republic, Slovakia, Hungary, Romania and Poland. The investment is worth €227 million and FCC assumes net debt of €54 million.

Flotation of Realia and acquisition of SIIC de Paris (12/05/06)

FCC and Caja Madrid agreed to change the ownership structure in place at Realia since it was founded in 2000 to enable FCC to fully consolidate Realia, and they reiterated their plans to take steps to list Realia on the stock market while retaining a stable controlling stake.

Realia also acquired over 87% of SIIC de Paris, a French real estate rental company, for €510 million and Realia will also assume SIIC de Paris's existing debt (260 million euro).

Acquisition of Severomoravské Vodovody a Kanalizace Ostrava (SmVAK) *(11/04/06)*

SmVAK is the third-largest water company in the Czech Republic and the largest in Moravia and Silesia; it also supplies water in Poland and has begun commercial operations in Slovakia. The investment is worth 173 million euro and and FCC assumes net debt of €69 million.

Acquisition of Aeroporti di Roma *(07/08/06)*

FCC subsidiary Flightcare and Aeroporti di Roma (AdR) reached an agreement under which FCC bought 100% of AdR's handling subsidiary, ADRH, for a total of 71.0 million euro and a net cash position of €1.5 million. As a result of this acquisition, Flightcare will be the leading independent handling company at Rome's airports (Leonardo da Vinci - Fiumicino and Giovanni Battista Pastine - Ciampino) and will be well placed to expand to the rest of Italy.

2. KEY FIGURES

Financial			
	Sept. 06	Sept. 05	% Chg.
Net sales	6,368.1	5,117.4	24.4%
EBITDA	947.5	715.3	32.5%
Margin	*14.9%*	*14.0%*	
EBIT	645.0	480.5	34.2%
Margin	*10.1%*	*9.4%*	
Earnings before taxes (EBT) from continuing activities	670.0	504.1	32.9%
Income attributable to equity holders of the parent company	401.6	283.2	41.8%
Operating			
	Sept. 06	Sept. 05	% Chg.
Backlog	23,539.9	19,023.9	23.7%
Capital expenditure	4,445.6	473.2	826.4%
Operating cash flow	517.3	582.6	-11.2%
Net debt	-5,330.0	-403.0	1222.6%

- **REVENUES +24.4%.**
- **EBITDA MARGIN: 14.9% EBIT MARGIN: 10.1%**
- **NET INCOME** 402 MILLION EURO (+41.8%).
- NEW **RECORD BACKLOG** IN WORKS AND SERVICES: 23.540 BILLION EURO (+23.7%).
- **CAPITAL INVESTMENT:** 4.445 BILLION EURO **(A 9-FOLD INCREASE).**
- **OPERATING CASH FLOW:** 517 MILLION EURO

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SUMMARY BY BUSINESS AREA

	Sept. 06	Sept. 05	Chg. (%)	as % of 06 total	as % of 05 total
NET REVENUES					
Construction	2,889.8	2,393.0	20.8%	45.4%	46.8%
Environmental services	1,882.9	1,499.4	25.6%	29.6%	29.3%
Versia	623.9	509.4	22.5%	9.8%	10.0%
Cement	1,027.1	736.3	39.5%	16.1%	14.4%
Torre Picasso	14.6	13.6	7.7%	0.2%	0.3%
Other	-70.3	-34.3	104.9%	-1.1%	-0.7%
Total	**6,368.1**	**5,117.4**	**24.4%**	**100.0%**	**100.0%**
EBITDA					
Construction	177.4	137.0	29.5%	18.7%	19.2%
Environmental services	324.6	244.5	32.8%	34.3%	34.2%
Versia	77.3	74.6	3.6%	8.2%	10.4%
Cement	349.3	237.6	47.0%	36.9%	33.2%
Torre Picasso	12.4	12.0	3.1%	1.3%	1.7%
Other	6.6	9.6	-31.7%	0.7%	1.3%
Total	**947.5**	**715.3**	**32.5%**	**100.0%**	**100.0%**
EBIT					
Construction	163.3	115.4	41.5%	25.3%	24.0%
Environmental services	176.1	144.5	21.9%	27.3%	30.1%
Versia	38.4	36.4	5.5%	6.0%	7.6%
Cement	248.6	166.9	49.0%	38.5%	34.7%
Torre Picasso	11.2	10.1	10.6%	1.7%	2.1%
Other	7.4	7.2	2.8%	1.1%	1.5%
Total	**645.0**	**480.5**	**34.2%**	**100.0%**	**100.0%**
BACKLOG					
Construction	5,608.2	4,772.6	17.5%	23.8%	25.1%
Environmental services	17,670.0	13,982.9	26.4%	75.1%	73.5%
Versia	261.7	265.5	-1.4%	1.1%	1.4%
Other	0.0	2.9	N/A	0.0%	0.0%
Total	**23,539.9**	**19,023.9**	**23.7%**	**100.0%**	**100.0%**
INVESTMENTS					
Construction	579.1	99.0	484.9%	13.0%	20.9%
Environmental services	2,367.5	135.9	1642.1%	53.3%	28.7%
Versia	59.3	154.9	-61.7%	1.3%	32.7%
Cement	1,426.2	88.6	1509.7%	32.1%	18.7%
Other	13.5	-5.2	N/A	0.3%	-1.1%
Total	**4,445.6**	**473.2**	**826.4%**	**100.0%**	**100.0%**

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3. INCOME STATEMENT

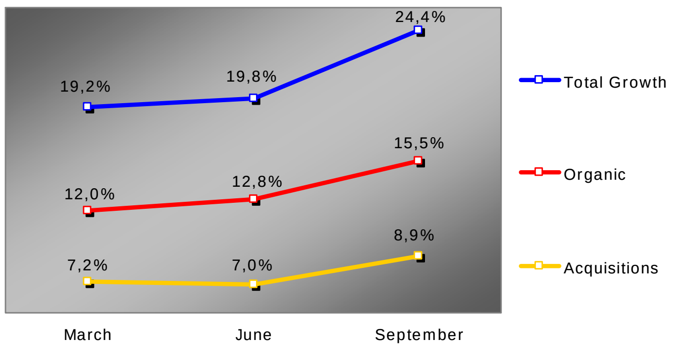
	Sept. 06	Sept. 05	Chg. (%)	as % of 06 revenues	as % of 05 revenues
Net revenues	**6,368.1**	**5,117.4**	**24.4%**	**100.0%**	**100.0%**
EBITDA	**947.5**	**715.3**	**32.5%**	**14.9%**	**14.0%**
Margin	***14.9%***	***14.0%***			
Depreciation and amortisation	-302.4	-220.2	37.3%	-4.7%	-4.3%
(Allocation)/reversal of operating provisions	-0.1	-14.6	-99.3%	0.0%	-0.3%
EBIT	**645.0**	**480.5**	**34.2%**	**10.1%**	**9.4%**
Margin	***10.1%***	***9.4%***			
Financial income	-26.8	-23.5	14.0%	-0.4%	-0.5%
Equity-accounted affiliates	54.1	57.7	-6.2%	0.8%	1.1%
Other operating income	-2.3	-10.5	-78.1%	0.0%	-0.2%
Earnings before taxes (EBT) from continuing activities	**670.0**	**504.1**	**32.9%**	**10.5%**	**9.9%**
Corporate income tax expense	-214.4	-173.4	23.6%	-3.4%	-3.4%
Minority interest	-54.1	-47.5	13.9%	-0.8%	-0.9%
Income attributable to equity holders of the parent company	**401.6**	**283.2**	**41.8%**	**6.3%**	**5.5%**

3.1 NET REVENUES

Revenues accelerated in 9M06 to 24.4% more than in 9M05.

The trend so far this year has been very positive, mainly due to organic growth in all areas.

GROWTH



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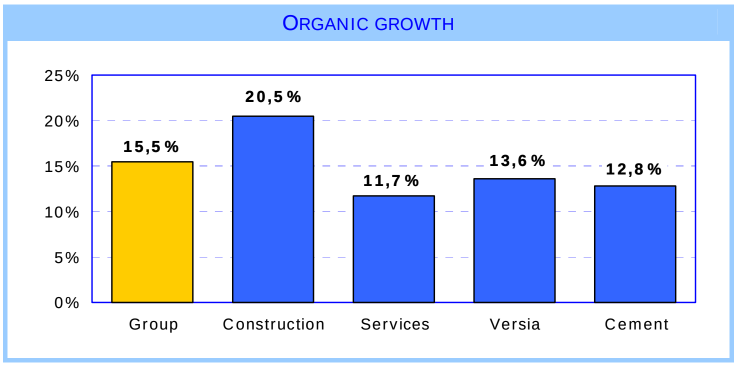
Organic growth, excluding changes in the consolidated group due to acquisitions (Grupo Logístico Santos, Entemanser, Marepa, ASA, Cementos Lemona, Uniland, etc.), was 15.5% year-on-year.

All areas attained over 10% organic growth and maintained strong momentum.



The first results of the Strategic Plan 2005-2008 are beginning to appear; the goal is for over 35% of total revenues to come from outside Spain. Through September, the international business accounted for 13.0% of total revenues, up from 9.6% in 9M05. The fastest-growing areas were Environmental Services (+134%), Construction (+60%) and Cement (+59%).

	Sept. 06	Sept. 05	Chg. (%)	as % of 06 total	as % of 05 total
Spain	5,537.7	4,619.5	19.9%	87.0%	90.4%
International	830.4	493.1	68.4%	13.0%	9.6%
Total	**6,368.1**	**5,112.584**	**24.6%**	**100.0%**	**100.0%**

3.2 EBITDA

EBITDA grew faster than revenues, with the result that the consolidated EBITDA margin increased by 90 basis points to 14.9%.

Although all areas contributed to that improvement, EBITDA increased by over 30% in Cement, Construction and Services, and EBITDA margins also improved notably.

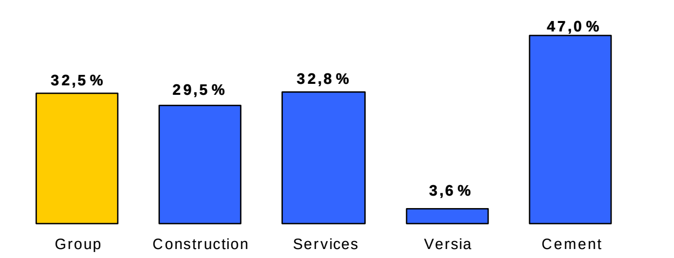
Operating expenses increased by 23.1%, although they fell to below 86% of revenues (86.8% in 9M05), evidencing the Group's greater efficiency and productivity. Personnel expenses increased by just 14.7%, and this was due mainly to the inclusion of the employees of the recently-acquired companies.

In the first nine months of 2006, the FCC Group's workforce averaged 72,148 (vs. 66,441 in 9M05), and it totalled 75,811 at 30 September 2006.

EBITDA margins

	Sept. 06	Sept. 05
Construction	6.1%	5.7%
Services	17.2%	16.3%
Versia	12.4%	14.6%
Cement	34.0%	32.3%
Torre Picasso	84.6%	88.4%
Total	**14.9%**	**14.0%**

EBITDA growth



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3.3 EBIT

EBIT increased faster than revenues, with the result that the EBIT margin rose by 70 basis points to 10.1% (9.4% in 9M05).

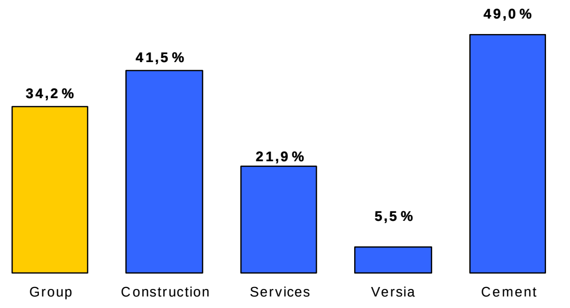
All areas performed very positively, especially Cement and Construction, both of which registered over 40% growth in EBIT.

Depreciation and amortisation increased sharply, for three main reasons:

- Depreciation of assets at recently-acquired companies.
- Depreciation of revalued assets at those companies (after allocating the difference between the price and the companies' equity). This item will continue to rise in the next few quarters as the newly-acquired companies are consolidated and the surplus paid with respect to equity is allocated to specific assets.
- Start-up of work on major concession contracts that guarantee future growth (water in Santander, urban sanitation on Oviedo, site furniture in New York, etc.).

EBIT margins		
	Sept. 06	Sept. 05
Construction	5.7%	4.8%
Services	9.4%	9.6%
Versia	6.2%	7.1%
Cement	24.2%	22.7%
Torre Picasso	76.5%	74.5%
Total	**10.1%**	**9.4%**

EBIT growth



3.4 EARNINGS BEFORE TAXES FROM CONTINUING ACTIVITIES

Earnings before taxes from continuing activities increased by 32.9% year-on-year to 670.0 million euro.

3.4.1 FINANCIAL INCOME

Financial loss grew up to -26.8 million euro due to the increase in net debt.

3.4.2 EQUITY-ACCOUNTED AFFILIATES

Income from equity-accounted affiliates declined slightly due to the change in the method of consolidating Cementos Lemona (equity-accounted until February 2006, when FCC acquired 100%, since when it has been fully consolidated).

Realia continued to perform well, contributing 48.9 million euro to the consolidated Group.

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3.5 INCOME ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT COMPANY

Income attributed to equity holders of the parent company increased by 41.8% in 9M06, setting a new record in absolute terms and as a percentage of revenues.

3.5.1 MINORITY INTEREST

The minority interest account reflects the consolidation of the additional 8.5% stake in Cementos Portland acquired in 2005. Nevertheless, excluding that effect, the sharp increase in net profit at Cementos Portland Valderrivas (+38.5%) increased this line-item by 13.9%.

3.5.2 CORPORATE INCOME TAX EXPENSE

The tax rate was 32.0%, i.e. slightly lower than in 9M05 (34.4%).

4. Cash Flow

		Jan. - Sept. 06	Jan. - Sept. 05	Chg. (%)
+	Operating cash flow	517.3	582.6	-11.2%
	Funds from operations	*954.5*	*702.4*	*35.9%*
	(Increase)/Decrease in working capital	*-275.3*	*-49.7*	*453.9%*
	Other items (taxes, dividends, etc.)	*-161.9*	*-70.2*	*130.6%*
-	**Investment cash flow**	**-4,235.2**	**-458.9**	**822.9%**
=	**Cash flow from business operations**	**-3,717.9**	**123.7**	**N/A**
-	**Financing cash flow**	**-302.6**	**-216.1**	**40.0%**
+	**Other cash flow (change in consolidation scope, etc.)**	**-906.5**	**-38.6**	**2248.4%**
=	**Increase in net debt**	**4,927.0**	**-130.9**	**N/A**
		Sep. 06	Sep. 05	Chg. (%)
	Net debt	**-5.330.0**	**-401.0**	**1229.2%**

- *Operating cash flow:* In the first nine months of 2006, funds from operations amounted to 954 million euro, a 35.9% increase. Working capital expanded due to a surge in business at the Environmental Services division and Versia.

- *Investment cash flow* increased nine-fold due to the acquisitions in 2006 under the Strategic Plan 2006-2008, which was announced in April 2005.

Main investments	
Company	**Amount**
Waste Recycling Group	1,963
Uniland	1,097
Alpine Mayreder Bau	480
Cementos Lemona	243
ASA	227
SmVAK	173

- The two largest items in *financing cash flow* through September 2006 were dividend payments (228 million euro) and interest payments (55 million euro).

- *Other cash flow* includes debt of acquired companies (WRG, Uniland, ASA and SmVAK) at the time of acquisition which was consolidated by FCC, and the debt of Cementos Lemona and Autopista Central Gallega, which are now fully consolidated.

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5. BALANCE SHEET

ASSETS	Sept. 06	Dec. 05	Difference
Tangible assets	4,871	2,182	2,690
Intangible assets	3,849	956	2,893
Investment in associated companies	550	512	38
Non-current financial assets	999	184	815
Other non-current assets	448	367	80
Non-current assets	**10,718**	**4,201**	**6,517**
Inventories	763	509	253
Accounts receivable and other assets	3,923	3,121	802
Other current financial assets	116	67	48
Cash and cash equivalents	1,163	1,042	121
Current assets	**5,964**	**4,739**	**1,225**
Total assets	**16,681**	**8,940**	**7,741**

LIABILITIES	Sept. 06	Dec. 05	Difference
Equity attributable to equity holders of parent company	2,575	2,232	343
Minority interest	698	376	322
Equity	**3,273**	**2,608**	**665**
Bank debt and other non-current financial liabilities	3,373	811	2,562
Non-current provisions	774	415	359
Other non-current liabilities	738	321	417
Non-current liabilities	**4,884**	**1,547**	**3,338**
Bank debt and other current financial liabilities	3,758	832	2,926
Trade accounts payable and other current liabilities	4,740	3,922	818
Current provisions	26	31	-5
Current liabilities	**8,524**	**4,785**	**3,740**
Total liabilities	**16,681**	**8,940**	**7,741**

The Group's balance sheet as of 30 September includes the impact of the acquisitions to date, mainly Waste Recycling Group (WRG), Uniland and Alpine.

The intangible asset account provisionally reflects, as goodwill, the surplus price paid over the book value for the acquisitions. As soon as that difference is assigned to the companies' assets, the balance of that account will be reduced accordingly.

WRG's balance sheet was consolidated by the FCC Group in September. The total investment was €1.963 billion and WRG's debt of €135 million.

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Uniland's financial statements were consolidated in August. The investment totalled 1.097 billion euro, including 69 million euro in net cash. In accordance with IAS 39, FCC booked 482 million euro for the impact of the possible exercise of a put option by Uniland's minority shareholders.

Alpine has not yet been consolidated. FCC has only consolidated the debt to finance the investment, with a contra-item in the form of a long-term deposit under assets until the payment is made.

5.1 NET DEBT

	Sept. 06	Dec. 05	Difference
Bank debt	-6,315.3	-1,396.3	-4,919.0
With recourse	*-5,556.0*	*-1,331.6*	*-4,224.4*
Without recourse	*-759.3*	*-64.7*	*-694.6*
Debt securities outstanding	-151.5	-50.2	-101.3
Other financial liabilities	-125.3	-54.6	-70.7
With recourse	*-62.0*	*-54.6*	*-7.4*
Without recourse	*-63.3*	*0.0*	*-63.3*
Current financial assets and cash	1,261.9	1,098.1	163.8
Total net debt	-5,330.0	-403.0	-4,927.0
NET DEBT WITH RECOURSE	**-4,507.6**	**-338.3**	**-4,169.3**

Implementation of the Strategic Plan, principally in the third quarter, led to a sharp increase in debt. At the end of 3Q06, all the debt had been consolidated except that relating to the acquisition of Aeroporti di Roma Handling.

The acquisition of Waste Recycling Group and Alpine Mayreder Bau has been financed provisionally with bridge loans until the definitive structure is arranged.

The non-recourse debt (project finance) amounts to 822.6 million euro; the increase with respect to December is due to full consolidation of Autopista Central Gallega (212.0 million euro) and non-recourse financing to buy Uniland (551.5 million euro).

Main ratios			
	Sept. 06	Dec. 05	Sept. 05
Financial leverage*	57.9%	11.5%	15.1%
Net debt with recourse/EBITDA**	3.57	0.34	0.50

** Net debt with recourse / (Net debt with recourse + equity)*
*** Annualised EBITDA*

5.2 WORKING CAPITAL

		Sept. 06	Sept. 05
+	(Increase)/Decrease in inventories and accounts receivable	-579.4	-432.4
-	Increase/(Decrease) in accounts payable	304.1	382.7
=	**(Increase)/Decrease in working capital**	**-275.3**	**-49.7**

The increase in working capital was due to higher accounts receivable as a result of a larger volume of business activity in all areas of Services.

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6. Business performance

6.1 Construction

➢ Consolidation

Alpine Mayreder Bau has not been consolidated; the balance sheet only reflects the financial asset and the corresponding financial debt.

➢ Earnings

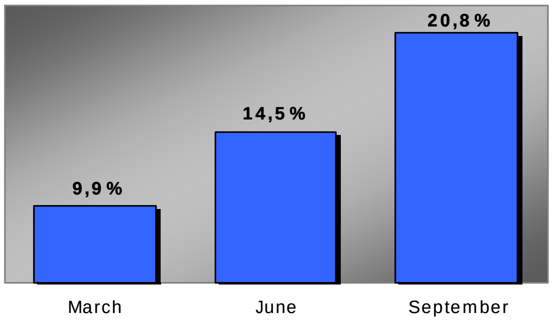
	Sept. 06	Sept. 05	% Chg.
Revenues	2,889.8	2,393.0	20.8%
Spain	*2,744.3*	*2,302.2*	*19.2%*
International	*145.5*	*90.8*	*60.2%*
EBITDA	177.4	137.0	29.5%
EBITDA margin	*6.1%*	*5.7%*	
EBIT	163.3	115.4	41.5%
EBIT margin	*5.7%*	*4.8%*	

The construction business remains strong, and growth accelerated with respect to previous quarters.

Alpine Mayreder Bau is not yet consolidated in the income statement and, therefore, all of this division's growth is organic.

This division registered rapid growth both in Spain and overseas.

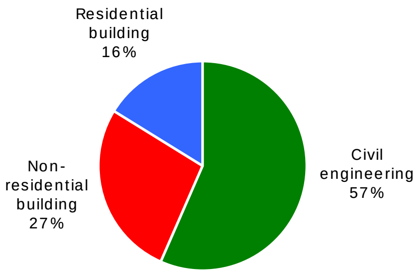
Accumulated growth



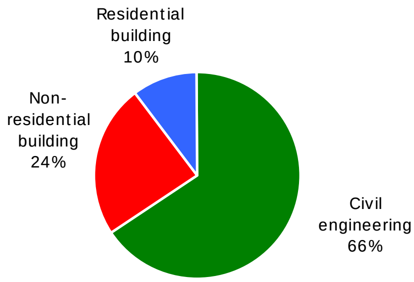
Civil engineering is steadily increasing its share of revenues and backlog, while residential building is declining as a percentage of the total, as shown in the figures.

Breakdown by type of construction

Revenues



Backlog



The rising exposure to civil engineering is boosting margins: the EBITDA margin rose by 40 basis points and the EBIT margin by 90 basis points.

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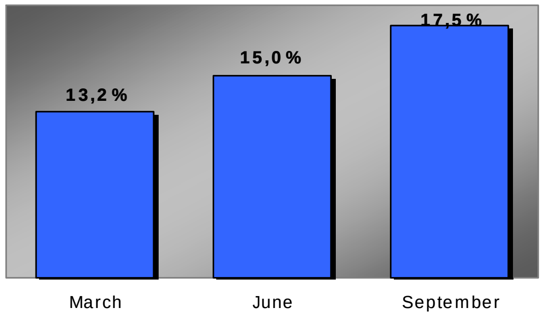
➤ BACKLOG AND CAPITAL EXPENDITURE

	Sept. 06	Sept. 05	Chg. (%)
Backlog	5,608.2	4,772.6	17.5%
Gross capital expenditure	579.1	99.0	484.9%

The construction backlog reached another record figure and assures 17.5 months' production (using a moving year). That sizeable increase in the backlog was attained, despite a rapid pace of construction, due to strong growth in the volume of new contracts.

As the figure on the right reveals, the backlog performed in line with revenues in 2006.

ACCUMULATED GROWTH



Total capital expenditure includes the acquisition of 80.7% of Alpine Mayreder Bau for 480 million euro. Of the other 100 million euro, 60% relates to financial investments, mainly in toll road concessions, including Autopista Central Gallega (13.5 million euro) and Autopista Costa Cálida (10.7 million euro).

➤ CASH FLOW

	Jan.-Sept. 06	Jan.-Sept. 05	Chg. (%)
Operating cash flow	40.5	137.7	-70.6%
Funds from operations	*176.8*	*138.8*	*27.4%*
(Increase)/Decrease in working capital	*-66.7*	*50.6*	*N/A*
Other items (taxes, dividends, etc.)	*-69.5*	*-51.7*	*34.4%*
Investment cash flow (net)	-565.9	-89.6	531.6%
Cash flow from business activities	**-525.4**	**48.1**	**N/A**
	Sept. 06	Dec. 05	Difference
Net cash (debt) at end of period	**7.1**	**769.5**	**-762.4**
Net cash	229.0	780.8	-551.8
Net debt without recourse	-221.9	-11.3	-210.6

Funds from operations increased sharply, in line with EBITDA. Working capital increased by 67 million euro, 14 million euro more than in the previous quarter.

The division's net cash, excluding the concession project finance (non-recourse), amounted to 229 million euro; the reduction is due mainly to the acquisition of Alpine for 480 million euro. The non-recourse debt increased as a result of full consolidation of la Autopista Central Gallega (212 million euro).

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6.2 ENVIRONMENTAL SERVICES

➢ CONSOLIDATION

Acquisitions under FCC's Strategic Plan led to the following changes in consolidation:

COMPANY	CONSOLIDATION DATE
Entemanser	October 2005
Marepa	October 2005
ASA	January 2006
SmVAK	June 2006
Waste Recycling Group	September 2006 (balance sheet only)

➢ EARNINGS

	Sept. 06	Sept. 05	Chg. (%)
Revenues	1,882.9	1,499.4	25.6%
Spain	*1,577.0*	*1,369.0*	*15.2%*
International	*305.9*	*130.4*	*134.6%*
EBITDA	324.6	244.5	32.8%
EBITDA margin	*17.2%*	*16.3%*	
EBIT	176.1	144.5	21.9%
EBIT margin	*9.4%*	*9.6%*	

Environmental Services was the second-fastest-growing area in the Group, supported by rapid organic growth in all businesses and consolidation of the acquisitions made in recent months (ASA, Entemanser, Marepa, SmVAK, etc.).

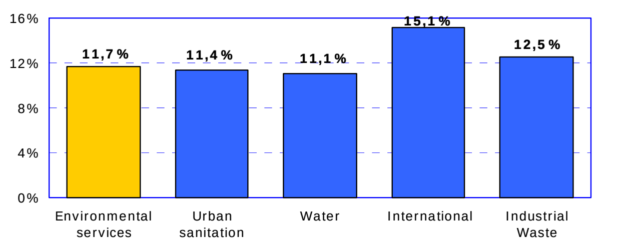
Revenues					
	Sept. 06	Sept. 05	Chg. (%)	as % of 06 total	as % of 05 total
Urban sanitation	975.2	874.2	11.6%	51.8%	58.3%
Water*	504.8	419.1	20.4%	26.8%	28.0%
International*	291.4	130.3	123.6%	15.5%	8.7%
Industrial waste	111.6	75.8	47.2%	5.9%	5.1%
Total	**1,882.9**	**1,499.4**	**25.6%**	**100.0%**	**100.0%**

** Czech water company SmVAK is consolidated in the Water division (not International).*

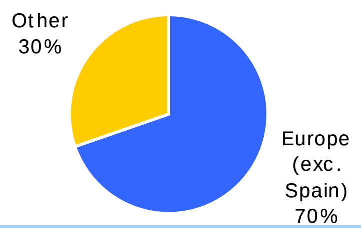
Excluding acquisitions, the Environmental Services division attained +11.7% growth, and all individual activities expanded by over 11%.

International was the fastest-growing area and it now accounts for 16.2% of the area's total revenues (8.7% in 2005).
The addition of ASA (in International) and SmVAK (in Water) sharply increased the share of revenues obtained in Europe (principally Eastern Europe), while reducing Latin America's contribution.

ORGANIC GROWTH



INTERNATIONAL REVENUES



EBITDA expanded faster than revenues, with the result that the EBITDA margin improved by 90 basis points.

EARNINGS JANUARY-SEPTEMBER 2006 (Unaudited figures, in million euro) 15

Finally, EBIT also increased despite additional asset depreciation at newly-consolidated companies after the assignment to assets of the surplus price paid over the equity value.

➢ BACKLOG AND CAPITAL EXPENDITURE

	Sept. 06	Sept. 05	Chg. (%)
Backlog	17,670.0	13,982.9	26.4%
Gross capital expenditure	2,367.5	135.9	1642.1%

The environmental services backlog continued to grow rapidly due to the addition of major contracts obtained in 9M06 in Water (Algeria, Italy, Portugal, etc.) and Urban Sanitation (Vitoria, Cartagena, Segovia, etc.).

After the end of the quarter, FCC obtained additional contracts that have not yet been included in the backlog, such as municipal solid waste collection in Madrid (480 million euro), urban sanitation in San Sebastián (86 million euro), and end-to-end water management in Badajoz (800 million euro).

Those figures do not include the backlog of Waste Recycling Group, which was recently awarded a 25-year municipal solid waste management contract in the UK municipalities of Reading, Bracknell Forest and Wokingham (890 million euro).

Finally, investments expanded due to the acquisition of WRG (1.963 billion euro), ASA (227 million euro) and SmVAK (173 million euro).

➢ CASH FLOW

	Jan.-Sept. 06	Jan.-Sept. 05	Chg. (%)
Operating cash flow	**196.8**	**166.9**	**17.9%**
Funds from operations	324.5	244.5	32.7%
(Increase)/Decrease in working capital	-89.6	-43.7	105.0%
Other items (taxes, dividends, etc.)	-38.1	-33.9	12.4%
Investment cash flow (net)	**-2,285.8**	**-144.6**	**x15**
Cash flow from business activities	**-2,089.0**	**22.3**	**N/A**
	Sept. 06	Dec. 05	Difference
Net debt at end of period	**-3,624.2**	**-910.1**	**-2,714.1**

Operating cash flow improved substantially as a result of excellent business performance and despite the increase in cash flow caused by rapid growth in the period.

Investment cash flow increased 15-fold due to the aforementioned acquisitions and the purchase of property, plant and equipment.

The division's net debt increased as a result of sizeable capital expenditure in the last year and strong business growth.

EARNINGS JANUARY-SEPTEMBER 2006 (Unaudited figures, in million euro) 16

6.3 VERSIA

➢ CONSOLIDATION

Acquisitions under FCC's Strategic Plan led to the following changes in consolidation:

COMPANY	CONSOLIDATION DATE
Grupo Logístico Santos	April 2005
SVAT	January 2006
Aeroporti di Roma Handling	Not yet consolidated

➢ EARNINGS

	Sept. 06	Sept. 05	% Chg.
Revenues	623.9	509.4	22.5%
Spain	*490.7*	*392.9*	*24.9%*
International	*133.2*	*116.5*	*14.3%*
EBITDA	77.3	74.6	3.6%
EBITDA margin	*12.4%*	*14.6%*	
EBIT	38.4	36.4	5.5%
EBIT margin	*6.2%*	*7.1%*	

The division's revenues increased by over 20% due to good performance in all areas and the consolidation of Grupo Logístico Santos and of SVAT (*Sistemas y Vehículos de Alta Tecnología*), which was included under "Other" until December 2005.

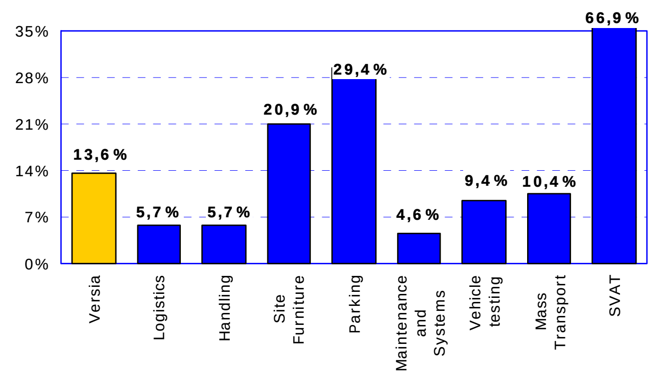
Revenues					
	Sept. 06	Sept. 05	Chg. (%)	as % of 06 total	as % of 05 total
Logistics	246.7	190.6	29.4%	39.5%	37.4%
Handling	129.6	122.6	5.7%	20.8%	24.1%
Site Furniture	75.3	62.3	20.9%	12.1%	12.2%
Parking	53.8	41.6	29.4%	8.6%	8.2%
Maintenance and Systems	42.0	40.2	4.6%	6.7%	7.9%
Vehicle testing	34.0	31.1	9.4%	5.5%	6.1%
Mass Transport	23.2	21.0	10.4%	3.7%	4.1%
SVAT*	19.1	0.0	N/A	3.1%	N/A
Total	**623.9**	**509.4**	**22.5%**	**100.0%**	**100.0%**

** SVAT's revenues amounted to 11.4 million euro in 9M05.*

Organic growth at Versia (including GLS and SVAT) continues to accelerate, having reached 13.6% (9.2% in June).

The fastest-growing businesses were Site Furniture, due to the addition of the recently-started New York contract, and Car Parks, following the recent award of a 25-year contract to manage on-street parking in Madrid.

ORGANIC GROWTH



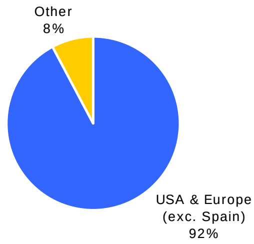
EARNINGS JANUARY-SEPTEMBER 2006 (Unaudited figures, in million euro) 17

The domestic market increased its share of revenues to 79% due to the consolidation of GLS, which operates mainly in Spain.

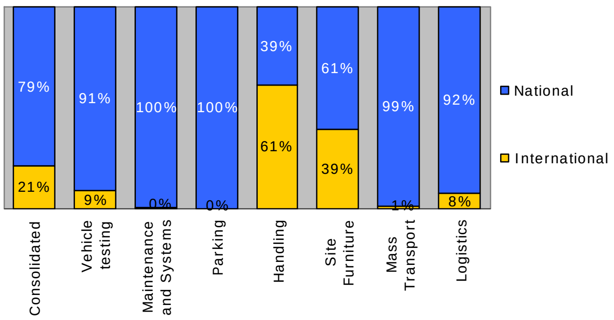
Business overseas was boosted mainly by international expansion by Site Furniture (39% of international revenues) and airport handling (61% of international revenues).

Cemusa (site furniture) has begun installing the equipment under the contract with New York, although the contribution to 2006 earnings will be very limited.

INTERNATIONAL REVENUES



GEOGRAPHICAL BREAKDOWN BY SUBSECTOR



The trend in the EBIT margin reflects:

- The new business mix, which involves a larger contribution from Logistics (less capital intensive and, therefore, with lower EBIT margins); and
- Rapid expansion by Site Furniture due to several long-term contracts (e.g. New York, 20 years) which are just beginning.

➢ BACKLOG AND CAPITAL EXPENDITURE

	Sept. 06	Sept. 05	% Chg.
Backlog*	261.7	265.5	-1.4%
Gross capital expenditure	59.3	154.9	-61.7%

** Logistics and Maintenance & Systems.*

Versia's backlog remained stable and capital expenditure declined due to the acquisition of Grupo Logístico Santos in 2005 for 133 million euro.

➢ CASH FLOW

	Jan.-Sept. 06	Jan.-Sept. 05	Chg. (%)
Operating cash flow	**51.2**	**57.5**	**-11.0%**
Funds from operations	77.4	72.7	6.5%
(Increase) / Decrease in working capital	-23.3	-13.0	79.2%
Other (Taxes, dividends, etc. ...)	-3.0	-2.2	36.4%
Investment cash flow (net)	**-95.9**	**-147.8**	**-35.1%**
Cash flow from business activities	**-44.7**	**-90.3**	**-50.5%**
	Sept. 06	Dec. 05	Difference
Net debt at end of period	**-433.6**	**-363.9**	**-69.7**

Operating cash flow totalled 51.2 million euro, in line with the same period of 2005.

EARNINGS JANUARY-SEPTEMBER 2006 (Unaudited figures, in million euro) 18

6.4 CEMENT

➢ CONSOLIDATION

Cementos Portland Valderrivas, which is owned 67.36% by FCC, is fully consolidated.

Acquisitions under FCC's Strategic Plan led to the following changes in consolidation:

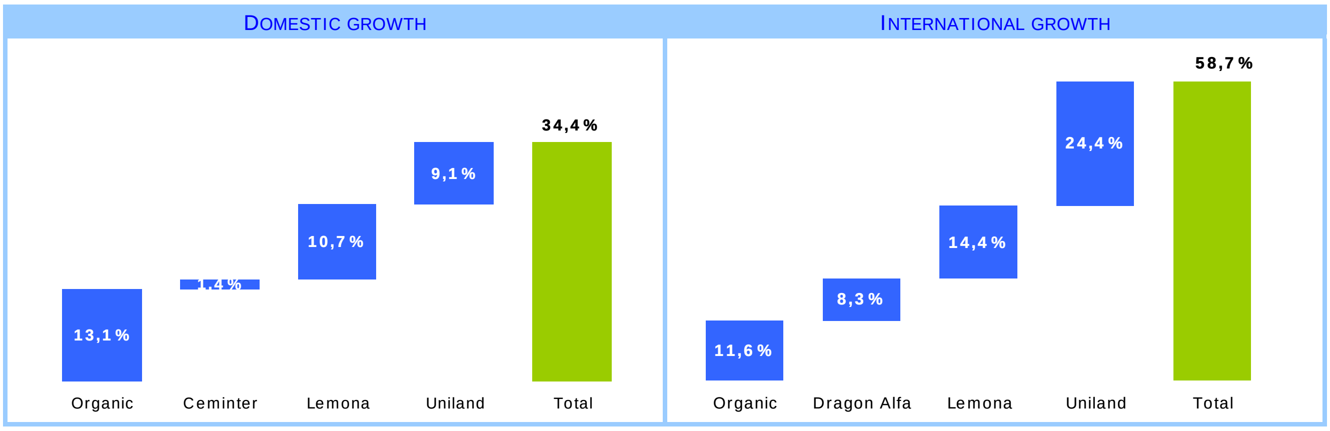
COMPANY	CONSOLIDATION DATE
Uniland	August 2006
Cementos Lemona	February 2006

➢ EARNINGS

	Sept. 06	Sept. 05	% Chg.
Revenues	1,027.1	736.3	39.5%
Spain	*781.3*	*581.4*	*34.4%*
International	*245.8*	*154.9*	*58.7%*
EBITDA	349.3	237.6	47.0%
EBITDA margin	*34.0%*	*32.3%*	*5.4%*
EBIT	248.6	166.9	49.0%
EBIT margin	*24.2%*	*22.7%*	*6.8%*
Net income	142.7	103.0	38.6%

The rapid increase in this area's revenues is due to positive performance in Spain, a recovery overseas (mainly in the US), and the consolidation of Cementos Lemona and Uniland.

Cementos Portland attained 12.8% organic growth in 9M06, basically as a result of an increase in prices and volumes in all markets where it operates.



EBITDA increased faster than revenues, resulting in a 170 basis point increase in the EBITDA margin.

Production efficiency improved significantly in the US due to the installation of dry-process kilns at the Maine and South Carolina plants. As a result of lower energy costs and lower raw material consumption, margins tripled in the US operations. That improvement, which commenced at the end of 2005, will gather pace as the dry-process kiln at the Pennsylvania plant becomes fully operational late in 2007.

EBIT also rose sharply despite the increase in depreciation after assigning to assets the surplus over book value paid in the acquisitions of Cementos Lemona and Uniland.

EARNINGS JANUARY-SEPTEMBER 2006 (Unaudited figures, in million euro) 19

CAPITAL EXPENDITURE

	Sept. 06	Sept. 05	Chg. (%)
Gross capital expenditure	1,426.2	88.6	1509.7%

Net capital expenditure increased substantially due to the acquisition of 69% of Cementos Lemona (Cementos Portland already owned 31%) for 243 million euro and of 51% of Uniland for 1.097 billion euro.

CASH FLOW

	Jan.-Sept. 06	Jan.-Sept. 05	Chg. (%)
Operating cash flow	**250.4**	**174.7**	**43.3%**
Funds from operations	354.8	227.5	56.0%
(Increase)/Decrease in working capital	-56.8	-37.5	51.5%
Other items (taxes, dividends, etc.)	-47.7	-15.3	211.8%
Investment cash flow (net)	**-1,292.0**	**-79.4**	**x15**
Cash flow from business activities	**-1,041.6**	**95.3**	**N/D**
	Sept. 06	Dec. 05	Difference
Net debt at end of period	**-1,407.9**	**-132.4**	**-1,275.5**
Net debt with recourse	-856.4	-132.4	-724.0
Net debt without recourse	-551.5	0.0	-551.5

Operating cash flow improved strongly due to excellent operating performance. There was a large increase in net debt due to the acquisitions of Cementos Lemona and Uniland.

The Uniland acquisition was financed partly without recourse to the parent company.

Main ratios	Sept. 06	Dec. 05
Financial leverage with recourse*	39.0%	11.7%
Net debt with recourse/EBITDA**	1.8	0.4

** Net debt with recourse / (Net debt with recourse + equity)*
*** Annualised EBITDA*

Leverage was 39% and net debt/EBITDA was 1.8 (although that ratio includes all of Uniland's debt in the balance sheet but only two months' of its EBITDA in the income statement).

EARNINGS JANUARY-SEPTEMBER 2006 (Unaudited figures, in million euro) 20

6.5 Real Estate

6.5.1 Torre Picasso

➢ Consolidation

FCC owns 80% of Torre Picasso, which is proportionately consolidated.

➢ Earnings

	Sept. 06	Sept. 05	Chg. (%)
Revenues	14.6	13.6	7.7%
EBITDA	12.4	12.0	3.1%
EBITDA margin	*84.6%*	*88.4%*	
EBIT	11.2	10.1	10.6%
EBIT margin	*76.5%*	*74.5%*	

Occupancy is currently 100% and monthly rents average 26 euro per square metre.

6.5.2 Realia

➢ Consolidation

FCC controls 49.17% of Realia. The holding is equity accounted.

The following change took place in the consolidation of Realia in 9M06:

Company	Consolidation date
SIIC de Paris	1 May 2006

The three buildings acquired recently by SIIC de Paris for 300 million euro have not yet been consolidated.

Realia's contribution to the equity-accounted affiliates line-item amounted to 48.9 million euro (+18.5%).

➢ Earnings

	Sept. 06	Sept. 05	Chg. (%)
Revenues	471.5	425.7	10.8%
Real estate development	*367.4*	*361.0*	*1.8%*
Rental	*65.9*	*54.7*	*20.3%*
Land sales	*27.7*	*0.0*	*N/A*
Services	*10.6*	*10.0*	*5.9%*
EBITDA	197.0	179.0	10.1%
EBITDA margin	41.8%	42.0%	
EBIT	180.4	166.1	8.6%
EBIT margin	38.3%	39.0%	
Net income	99,4	96,8	2,7%

Earnings January-September 2006 (Unaudited figures, in million euro) 21

Realia maintained the good performance observed in previous quarters, and all lines of business increased revenues despite the seasonal nature of the Real Estate Development business. Within the Rental area, SIIC de Paris contributed 14.3 million euro in revenues. Excluding that company's contribution, Realia attained 7.4% organic growth.

As for operating performance:

- The backlog of pre-sales in the Real Estate Development business is stable and guarantees 16.5 months' production (14.9 months' production at the end of September 2005).

- In Rental, the gross lettable area increased by 22.7% year-on-year to over 442,000 square metres following the inclusion of SIIC de Paris, and the occupancy level is 96.2%.

OPERATING DATA			
	Sept. 06	Sept. 05	Chg. (%)
Pre-sold backlog (€Mn)	713.7	714.0	0.0%
Leased space (square metres)	442,183	360,400	22.7%
Occupancy (%)	96.2%	95.8%	

7. MAIN NEW CONTRACTS IN 2006

City (Country)	Activity	Period	Estimated revenues	Estimated investment
FCC MEDIO AMBIENTE				
Madrid	Waste collection in central Madrid	9	470	48
San Sebastian	Street cleaning	8	86	5
Oviedo	Waste collection and street cleaning	10 + 10	330	12
Vitoria	Urban sanitation	8 + 2	200	15
Cartagena	Urban sanitation	10	210	24
Segovia	Waste collection and street cleaning	12 + 10	86	24
aqualia				
Caltanissetta (Italia)	Water	30	1,500	247
Santander	Water	25	725	132
Almería	Bajo Almanzora desalination plant	15		73
Badajoz	Water	38	800	12
Lezíria do Tejo (Portugal)	Water	40	1,500	200
FCC CONSTRUCCION				
Asturias	Cantabria Highway			110
Cataluña	Terrassa railway			173
Asturias	Pajares - Sotiello tunnel			160
Madrid	Caja Mágica			100
Bucharest (Romania)	Basarab viaduct			135
Athens (Greece)	Athens Metro			95
Galway (Ireland)	N6 Galway-Ballinasloe toll road	30 – 35		350
Madrid	Metro line to Barajas airport Terminal 4.	20		50
San José (Costa Rica)	San José-Caldera toll road	20		145
FCC versia				
New York (USA)	Site furniture	20	2,000	
Barcelona, Valencia...	Handling	7		
Madrid	On-street parking management	11 + 14	341	

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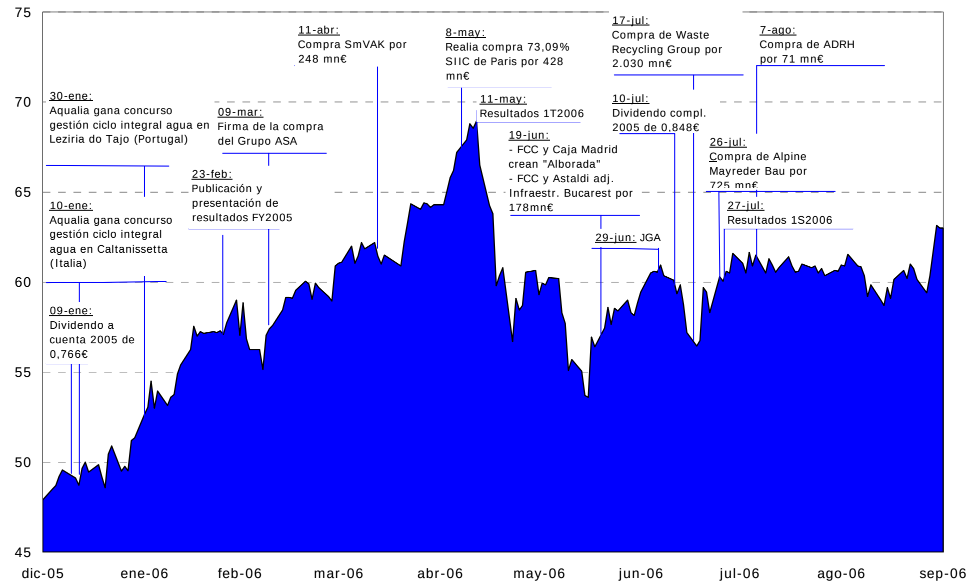
8. SHARE PERFORMANCE AND DIVIDENDS



	Jan. – Sept. 2006	Jan. – Sept. 2005
Closing price (euro)	63.00	49.59
Appreciation	31.5%	40.0%
High (euro)	68.95	47.80
Low (euro)	47.90	34.39
Average daily trading (shares)	326,671	330,921
Average daily trading (million euro)	19.1	13.9
Capitalisation at end of period (million euro)	8,225	6,474

The 2005 interim dividend paid on 9 January 2006 amounted to over 100 million euro, 12.6% more than the dividend distributed in January 2005 and on 10 July a supplementary dividend of 110 million euro (84.8 cent per share) was paid.

FCC has distributed a total of 1.614 euro/share out of 2005 income (18.7% more than in the previous year), which represents a 50% payout.

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