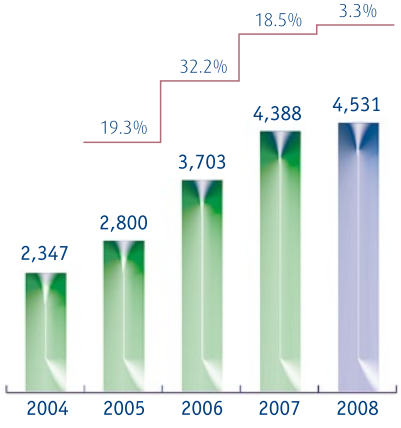
services

Ever since 1911 the urban **service business** has been a cornerstone of FCC. It contributes 32.3% of the overall turnover and 39.1% of the gross operating profit (Ebitda).

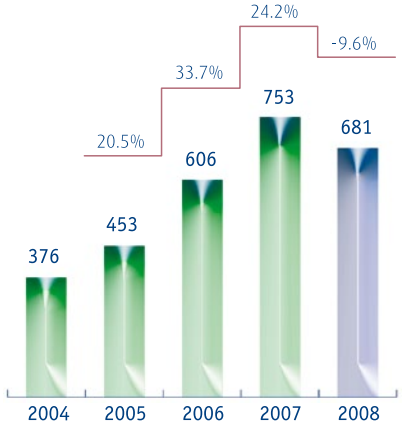
FCC divides services into two major groups. There are environmental services, which include all the businesses related with city sanitation, such as garbage collection, street cleaning, urban waste treatment, garden maintenance and similar work, end-to-end water management and industrial waste recycling. Then there are the services belonging to Versia: logistics, airport handling, urban furniture, parking facilities, conservation and systems, vehicle inspection, passenger transport and industrial vehicle sales.

The environmental services portfolio (urban sanitation, water management and industrial waste) came to 22,547.3 million euro at the end of the fiscal year, which was 5.7% more than the previous fiscal year.

Turnover
Million euro



Gross operating profit (Ebitda)
Million euro



City sanitation | Turnover: 2,498 million euro

FCC MEDIO AMBIENTE, S.A.

Analysis of the sector

In the last fiscal year 538 contracts were awarded in tenders in the city sanitation field, for solid waste collection and treatment, street cleaning and sewer system maintenance. This is many more contracts than in 2007, when there were 188, and is in line with the forecasts made for this fiscal year, since municipal and regional elections were held in 2007. The joint annual allocation for the tenders came to 1,586 million euro, or 2.4 times more than in the previous fiscal year.

The activity registered in the building, commercial space and department store cleaning and maintenance subsectors and the park and garden maintenance and upkeep sector (where 1,700 million euro in contracts were won) was 3.4 times higher than the activity registered in the previous fiscal year (500 million euro). The number of tenders, 1,596, was also much higher than that of the previous fiscal year (306).

The forecasts for 2009 are similar to those for fiscal year 2008.

SOLID URBAN WASTE COLLECTION, EL CAMPELLO, ALICANTE.

FCC's activity

In 1911 FCC commenced cleaning Barcelona's sewers and four years later it began to collect the city's rubbish. It continues to provide these two services in Catalonia's capital as the winner of successive public tenders.

Of the 8,100 cities and towns in Spain, FCC provides these services in 3,597, whom it invoiced for 1,440 million euro in 2008, compared to the 1,350 million euro of the year before.

In addition, FCC does business in numerous countries of Europe, America and Africa. It has got a special hold on market share in the United Kingdom, where it is the urban waste treatment leader, thanks to its subsidiary WRG; in central Europe, where it does business through its Austrian subsidiary ASA; and in Latin America, where it provides services through Proactiva Medio Ambiente, a company owned in equal shares with Veolia Environmental.

Here are some of the contracts FCC won in 2008:

Barcelona. Rubbish collection management and street cleaning in the city's centre until the year 2017. This is the biggest contract the Barcelona city government has ever awarded. The new contract calls for the renovation of the waste collection and street-cleaning vehicle fleet and the replacement of all bins. The new bins will be lower in height and will be specially labelled for the blind, to make them accessible to all citizens.

Barnsley, Doncaster and Rotherham, United Kingdom. These are the three South Yorkshire cities where WRG will be managing 14 recycling centres over the next seven years. They will process 86,000 mt of urban waste yearly.

Calatayud, Zaragoza. Rubbish collection and street cleaning for the next 11 years.

Chester, United Kingdom. Management of solid urban waste, recyclable and green waste collection services

and recycling plant operation and maintenance for seven years. FCC has been rendering these services in Chester since 1995, and this is the third time it has renewed its contract under open bidding conditions. The English city of Chester has a population of 119,000 inhabitants, and FCC will be treating the more than 50,000 mt of waste their homes produce each year.

The collection vehicles will have a number of special features endowing them with a greater loading capacity and enhanced collection performance without losing manoeuvrability, at the minimum cost, minimum fuel consumption and a lower noise and pollution emissions level, as dictated by the concept of clean technologies.

Eastern Community of Madrid Association. Design, financing, construction and 24 years' operation of an environmental complex for waste management, conceived to treat 233,000 mt of rubbish per year. To start with, the waste from over 300,000 people living in 20 municipal areas of eastern Madrid will be managed. The residual waste from the different facilities will be taken to the plasma-technology-based plant that turns waste into energy (treatment capacity: 15,000 mt/year), and the rest will go to a controlled landfill. The outcome of this process is a synthesis gas that is marketed to produce methanol or generate electricity.

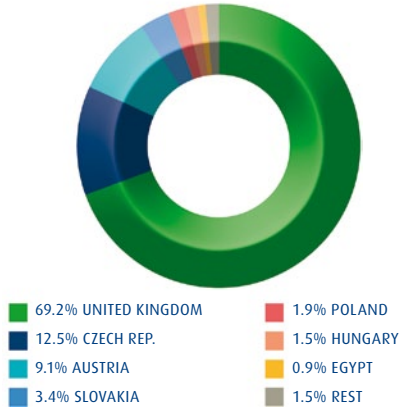
Pamplona. Pneumatic urban waste collection system in the historic centre of Navarra's capital. Waste deposited at 54 collection points will be pushed through about five and a half kilometres of pipes to a pneumatic collection plant. Each container will have a counterweighted hinged mouth custom-decorated with a motif reminiscent of the historic centre of Pamplona. These containers will be used to separate organic waste, cartons and tins, paper and cardboard. All technical measures will be implemented to make these facilities easy for persons with physical and visual disabilities to use.

Pozuelo de Alarcón, Madrid. Management of public services for solid urban waste collection and street cleaning, for a ten-year period. Motors running on ecological fuels (compressed natural gas, electricity and biodiesel) and equipped with the highest quality and safety technology will be skilfully combined to meet different needs.

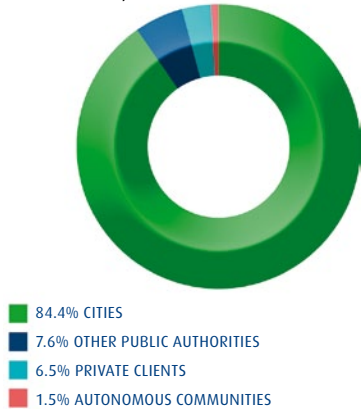
Zaragoza. Management of the city's street cleaning and urban waste collection and transport services for a 12-year period. During the contract's term FCC plans to make over 50 million euro in investments in vehicles, technology, environmental improvements and citizen awareness. FCC will be increasing both its human resources and its physical resources to stay on top of the needs of the city of Zaragoza, which has been relying on the company for services of this kind since 1940.

Geographical area
Contracts in Spain

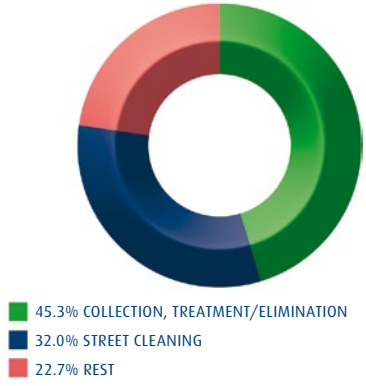
Contracts abroad



Breakdown by client type
Contracts in Spain



Breakdown by service type
Contracts in Spain



Technological innovation

SOLID URBAN WASTE COLLECTION, ZARAGOZA.

Emissions reduction and environmental improvements

Environmental issues are gaining importance in bids and designs for tenders, where environmental requirements are becoming more and more demanding. We are forced to develop new technologies to cut down the polluting emissions of machinery and non-mobile facilities, control effluents and reduce water consumption.

Emissions treatment is now applied to over 800 vehicles in FCC's fleet, thanks to the technology applied for using natural gas as a fuel at high-pressure natural gas filling plants and in all the vehicles demanded by tenders for street cleaning, garbage collection, gardening, fountains and even in the cleaning and maintenance of sewer pipes, a job that has called for the development of more than thirty different vehicles.

This technology largely solves the problems of exhaust gases and noise emissions. The available technology has in fact vaulted ahead of the legal requirements set on emissions by the EU. FCC has also rolled out its "future" vehicles powered solely by electricity. This achievement places the company in a highly advanced position, technologically speaking, due to the sustainable possibilities inherent in using exclusively electricity-driven collection vehicles that perform on a par with diesel and natural gas vehicles. There are already 32 units of this sort in service.

The other wide-scope environmental issue is water consumption. City sanitation consumes up to two litres of water per inhabitant, because water is needed for sweeping and scrubbing streets, for mechanical sweeping, for washing out recipients, for washing vehicles and for maintenance and daily consumption in locker rooms and other facilities. Obviously the services FCC offers demand a lot of water, and it is vital to apply technologies to reduce water consumption or at all events to avoid consuming drinking water. However, for reasons of hygiene and health and safety requirements, the water we use must be nearly of drinking-water quality. Our response has been to design a water process and management system to cut FCC's net consumption of clean or drinking water to zero.

The treatment consists in water purification and treatment right at the purifying plant. A process is used to make water available in the necessary quantities and of a quality fit for use in services, in line with the yearly seasonality curve and the daily demand. Of course, the water used in the locker rooms at FCC's facilities has got to be fit for drinking, so after use locker room water is treated in the motor pools' own purifiers and immediately used to wash vehicles. With procedures like these, the overall drinking-water consumption balance has been brought down to zero.

Electrical vehicles

Because of the very substantial progress being made in electrical drive systems and electricity storage and control, the fleet in cities like Barcelona is already 40% electrical.

Two kinds of units have been developed, subjected to experimentation and rolled out for service. Both completely eliminate polluting gas and noise emissions while at work. One is a hybrid electrical vehicle for rubbish collection work, and the other is an entirely electrical vehicle for street-cleaning

work. They both have the features and performance to equal or surpass comparable conventionally driven machines.

The solution implemented thus far for rubbish collection is to use a hybrid machine. The unit is a ZEV (zero-emissions vehicle) during its collection regimen, when it is run exclusively on electricity, and it is a hybrid during its transport regimen, when it recharges its batteries using a conventional engine and generator.

The noise it makes does not stand out from the background noise of the city, even in night shifts, because the conventional engine is not run during collection. This means there are no polluting emissions whatsoever. This is the only vehicle that is configured so that collection service is always done in the electrical mode; has autonomy enough to do all the hauling scheduled for a seven-m^3 compactor-collector unit, recovering the energy consumed during collection when it shifts into the hybrid mode; and affords the same useful loading space as other collection units while boasting extremely small outer vehicle dimensions.

This vehicle has been equipped with a seven-m^3 collection bin for gathering rubbish in the narrowest, most vehicle-unfriendly areas of the city. In addition, it can accelerate quickly, wasting no time in reaching high-enough speeds to travel on the motorway without falling below the lower limit set by traffic regulations.

For street-cleaning work, an auxiliary electrical drive vehicle has been developed that emits a great deal less pollution than its diesel equivalent, while maintaining the same properties as a diesel vehicle in terms of manoeuvrability and useful load.

This vehicle's contribution to pollution reduction comes from its power source and drive system. The vehicle runs on electricity and draws the necessary energy from an electrical battery that has the unique feature of requiring no maintenance at all. Because the battery is maintenance-free, there are no gas emissions (acid fumes) from the battery's internal chemical reactions and no electrolyte spillage or other such emissions. So, "maintenance-free" means "air pollution-free".

For auxiliary cleaning work, the unit wears a closed, rocking fibreglass chassis of a new design, and for auxiliary collection work it is clad with a different chassis that is also closed, rocking and of new design, but of a lower capacity and incorporates a plastic container between the chassis and the cab that can be handled using a fold-down ramp.

STREET CLEANING, BARCELONA.

Technologies for water use in city services

As explained above, a great deal of water is used to render city services. To achieve a net drinking-water consumption balance equivalent to zero is a highly ambitious goal from the environmental standpoint. To reach it a process is needed that applies different technologies and is compatible with the very special conditions of water demand that each and every one of the services involved requires.

The water treatment and provision process must take into account a consumption rate of close to two litres per inhabitant per day. The process must also take place under very special conditions of water demand: Demand varies according to the time of day, sufficient water must be available 'round the clock and each city places certain demands of its own on the service. Trucks holding up to 20,000 litres apiece have to be filled, and fast, so as not to compromise work hours with down time. Furthermore facilities need a very considerable volume of water for ancillary work such as washing machinery and containers.

The process consists in the continuous collection of the water FCC uses, separately from the conventional water purification process, with real-time analysis of the facility's input flow. The water is ultra-filtered, followed by chemical treatment for sulphur removal, deodorisation, disinfection and ultraviolet light, concluding with end chlorination and, some places, even reverse osmosis.

The entire process is automated. Systems continuously analyse flow, conductivity, turbidity, dissolved chlorine and organic matter (chemical oxygen demand, COD). The processed water is necessarily regulated through storage, followed by transport and distribution.

This new technology and the water purification process used in locker rooms provide a solution for complete drinking-water savings. For a city like Zaragoza, it is as if people stopped consuming nearly 400,000 m^3 of drinking water each year.

However, this is not enough to optimise water use. Measures must also be taken to lower consumption. To give just a slight idea of the amount of water our services require, sweeper and scrubber vehicles alone consume up to 13 m^3 of water per day per vehicle. These units are built to hold different volumes, and they are fundamental tools for providing high-quality cleaning service, but their high yet necessary level of water consumption has made it necessary for us to equip them with not only drinking-water-saving technologies, but also mechanisms for optimising consumption

DRINKING-WATER TREATMENT PLANT, VALMOJADO, TOLEDO.

WASTEWATER TREATMENT PLANT, SUANCES, CANTABRIA.

during service. We have drastically modified units by installing high-pressure, low-flow pumps and automatic systems that optimise water use. The savings in comparison to previous units and services range from 30 to 80%, depending on the unit and the type of scrubbing operation in question. Water-spraying units have been adapted to the kinds of working conditions required by the combined scrubbing procedure and maximum performance optimisation for saving the water used. The result is that water-spraying vehicles have been re-thought and redesigned to be different from the vehicles used hitherto and to use "regenerated" water always.

A new system of water optimisation has been incorporated in the units, which features adjustable scrubbers controlled through a programmable automaton. Water volume and pressure can be adjusted to match the vehicle's speed, thus helping enormously to optimise scrubbing performance while slashing water consumption.

The new system is complemented by a newly installed second water pump that provides 40 bar of pressure at a flow rate of 1.5 m^3/hour. That is enough for those areas of the city where not much volume is needed to carry waste away. The water savings are more than 90% in these cases.

Water management | Turnover: 845 million euro

aqualia

Analysis of the sector

Water is still a differential factor in the degree of social and economic evolution found in the different regions of the world. Because of the scarceness of water and the need to build and manage new additions to water infrastructure, all the stakeholders involved have to make a big effort.

Water administrators continued working in this direction during 2008, a year when there were critical episodes of drought and other environmental imbalances in various parts of the world, including Spain. Coordinated work by the various levels of government and companies in the water management business made it possible by and large to palliate the consequences of the adverse environment.

Spain follows the spirit and the letter of the European Union's Framework Directive on Water. Implementing these directives and keeping up the last few years' pace of development while making that development sustainable over time is going to take a considerable effort in terms of investment in building new water infrastructure and renovating existing water infrastructure, as well as increasing the quality of services. These circumstances open a great vista of opportunities for Aqualia, which can furnish solutions in this new scenario. Aqualia can combine its technological and management capacity with clients' new financing needs by investing in mixed public/private projects.

Although the economic setting has deteriorated appreciably this fiscal year, Aqualia has not flagged in its commitment to the cities and towns

where it renders services, through the implementation of the various master plans for network and infrastructure improvement. Moreover it has fostered and cooperated actively in user awareness campaigns about best practices for water conservation and responsible water use. The prestigious publication Global Water Intelligence gave second prize in the Environmental Contribution category to the Aragón Environment Department's Special Plan for Sanitation and Purification, which was drawn up by Aqualia.

In line with the FCC Group's Strategic Plan, Aqualia is carrying on in its international development, consolidating its presence in the various countries where it is involved in end-to-end water service management, especially Italy, Portugal and the Czech Republic. Despite the difficulties stemming from doing business in markets with different characteristics and regulatory environments, the improvements Aqualia has made in the management of the various services has helped strengthen the firm's image in those countries.

Activity in the FCC Group

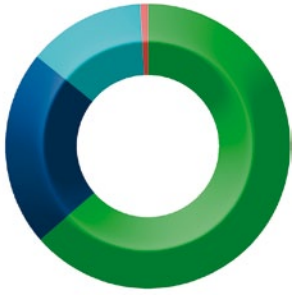
In 2008 the turnover at Aqualia, the company that spearheads FCC's activity in end-to-end water management, was 845 million euro, 7.1% more than in the previous fiscal year. One hundred and twenty contracts were awarded or renewed in fiscal year 2008.

Aqualia Infraestructuras has consolidated its activity as a firm responsible for water treatment plant design and construction. Aqualia Infraestructuras México has been created because of the importance of the Mexican market and to provide coverage for projects begun in that country.

Breakdown by service type

- 69.8% WATER SUPPLY
- 8.9% PURIFICATION
- 21.3% OTHER

Breakdown by client type



- 68.9% CITIES
- 20.0% PRIVATE CLIENTS
- 10.3% OTHER PUBLIC AUTHORITIES
- 0.9% AUTONOMOUS COMMUNITIES

Geographical area

- 16.9% ANDALUCÍA
- 9.4% CASTILLA-LA MANCHA
- 8.4% CATALUÑA
- 7.6% CANARIAS
- 6.5% GALICIA
- 4.8% EXTREMADURA
- 4.5% MURCIA
- 4.4% VALENCIA
- 4.3% CASTILLA Y LEÓN
- 4.3% ASTURIAS
- 13.3% REST OF SPAIN
- 15.5% INTERNATIONAL

WASTEWATER TREATMENT PLANT, SAN PANTALEÓN, SANTANDER.

Most important contracts awarded in 2008

Water management

Comillas, Cantabria: Twenty-five-year contract to manage the end-to-end water service.

Elvas, Portugal: Thirty-year concession to supply drinking water and sewer services.

Gáldar, Las Palmas: Renovation of the drinking-water supply contract for 25 years.

Nerja, Málaga: Creation of a mixed company with the city as a partner, to manage municipal services encompassing the comprehensive water cycle.

Puebla de Montalbán, Toledo: Management of end-to-end water service for 25 years.

Purification

Arroyo Culebro, Madrid: Indirect management of the mid- to upper basin.

Municipal athletic centre management

Denia, Alicante: Contract to complete the municipal swimming pool and manage it for 25 years.

Villajoyosa, Alicante: Operation and maintenance of the municipal swimming pool and connected facilities for 20 years.

Water infrastructure concessions

Twenty-year concession for the operation, maintenance and upkeep of the purification plants in zone 11 of the Aragón Government's Special Purification Plan.

Industrial water

Lares, Portugal: Supply of filters for water from cooling pipes, demineralisation and effluent plant.

Mejillones, Chile: Vapour-compression desalination, demineralisation and treatment to produce drinking water at a power plant.

Tenerife: Europe's first facility for the sequential biological treatment of effluents from the Cepsa refinery.

Industrial waste | Turnover: 290 million euro

FCC Ámbito, S.A., specialises in full-service management of all kinds of industrial waste, including hazardous waste, non-hazardous waste, recyclable waste, innocuous waste, soil and environmental liabilities. Through FCC Ámbito, S.A., the FCC Group continued to have significant growth in its activity in 2008.

During 2008 the turnover experienced a 53% increase, thanks largely to international expansion, especially in the United States, and the opening of a new full-service waste management centre in Portugal. The number of facilities in operation is now 98, of which 40 lie outside Spain.

A total of 2,560,000 mt of waste were managed in Spain during 2008, which means the growth over the year before was 8%. In the USA Ámbito managed 60.3 million gallons of used oil that were recycled and returned to industry as an alternative fuel.

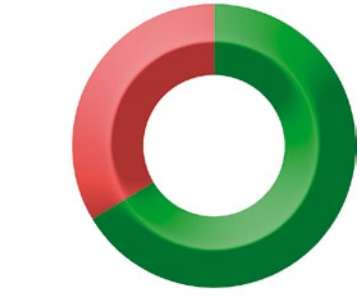
Early last fiscal year FCC acquired full ownership of Hydrocarbon Recovery Services and International Petroleum Corporation, two US companies basically in the business of collecting and treating oils and hydrocarbon waste. These companies are currently operating under the FCC Environmental name. The move put FCC in position as the main hydrocarbon waste manager for the central and east coast US and the number-two manager for the entire country. FCC Environmental employs more than 600 people and has ownership of facilities in 22 states.

In July Ecodeal, a company in which FCC holds a majority interest, opened facilities in Portugal. Ecodeal owns a centre that provides full-service recycling, energy from waste and waste elimination. This centre, with 32 hectares of waste reception and treatment facilities, will furnish a local solution for a great deal of the nearly 200,000 mt of industrial waste that Portugal used to export to Spain for proper treatment.

Another important event of the fiscal year was the award of the contract for the biggest environmental decontamination operation ever performed in Europe, to a joint venture featuring FCC Construcción. The job consists in extracting close to one million mt of sedimented waste from a depth of more than 20 metres in the bed of the Ebro River, at the reservoir in Flix, Tarragona, treating that waste and then decontaminating it. This operation began early in 2009 and is anticipated to take close to three years to complete.

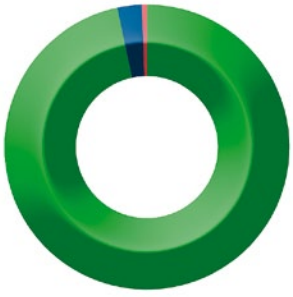
Another major award was the contract for the full decontamination of the US aircraft carrier John Fitzgerald Kennedy, the biggest non-nuclear aircraft carrier in the world. More than 5,000 mt of oil, grease and hydrocarbons have been extracted and managed in a period of more than six months by FCC Environmental's foreign action teams at a Philadelphia military base.

Geographical area



66.4% SPAIN
33.6% ABROAD

Breakdown by client type
Contracts in Spain



96.6% PRIVATE CLIENTS
2.9% OTHER PUBLIC AUTHORITIES
0.5% CITIES

Geographical area
Contracts in Spain

32.2% CATALUÑA
21.8% MADRID
20.8% NORTH
9.9% ARAGÓN
5.4% SOUTH
4.8% LEVANTE
5.1% OTHER

Versia

BUS STOP, NEW YORK.

FCC Versia is responsible for the following activities:

- > Logistics
- > Airport handling
- > Urban furniture
- > Parking facilities
- > Conservation and systems
- > Vehicle inspections
- > Passenger transport
- > Sales of cleaning vehicles and specialty vehicles

The difficult economic circumstances of 2008 affected some of the companies in the Versia cluster, especially those having to do with private consumption and air transport. Nevertheless, Versia did manage to hold its activity level steady at figures similar to those of the previous year. Its consolidated turnover was 897.4 million euro, 2.8% lower than the previous fiscal year, with the exception already mentioned that this fiscal year the subsidiaries where the FCC Group holds a 50% interest are consolidated by the equity method.

Of the total turnover, 31.4% (281.6 million euro) were generated abroad.

Vehicle inspection was the most dynamic area of activity. Its turnover grew by nearly 13%.

PARKING METER IN LOJA, GRANADA.

Logistics | Turnover: 323 million euro

FCC Logística renders services on the Iberian Peninsula through its business units specialising in specific logistics operations areas or geographical areas. It provides storage, order preparation, shipping and distribution services. It rounds out its offer with added-value services for the top companies in a number of sectors, such as the automotive, food, cleaning product, perfume, cosmetic, personal care, appliance, pharmaceutical, optical and telecommunications sectors. It has self-managed mass distribution, customs warehouse and goods-shipping platforms. It has become consolidated as one of the biggest firms in its sector in the peninsula.

FCC Logística is a member of LOGICA, the business organisation of logistics operators established in Spain, and it adheres to LOGICA's Good Practice Code. In 2008 it renewed its LOGICA Quality Seal, which guarantees compliance with the Good Practice Code, and it renewed its ISO 9001-2000 quality certification and 14001 environmental certification as well.

Over the past year a number of operations were launched and contracts renewed with FCC Logística, a token of the company's leadership in the various sectors where it is active. The clients who have signed on or renewed with FCC Logística are:

ALCAMPO	LABORATORIOS ALTER	RENAULT ESPAÑA ASTHON
BSH	MAHOU SAN MIGUEL	CARGO
CARREFOUR	MIELE	ROBERT BOSCH
COLGATE	OSBORNE	SMURFIT KAPPA
DECATHLON	PREFABRICADOS DELTA	VARTA AUTOBATERÍAS
INDESIT	PROMOÇÖES	VODAFONE
JOHNSON & JOHNSON	RED BULL	VOLKSWAGEN
KRAFT	REFRIGE (COCA COLA)	

VODAFONE WAREHOUSE FOR SPARE PARTS AND ACCESSORIES.

In 2008 the firm carried on with the process of enlarging, renewing and upgrading its infrastructure:

Alcampo Centre in Valdemoro, Madrid: Installation of a package classifier in the controlled-temperature operations area.

Azambuja Centre, Portugal: Construction of a cold room for Kraft products.

Alovera Centre, Guadalajara: Storage capacity increase.

Introduction of the Call Center management tool.

Airport handling | Turnover: 252.8 million euro

PUSHBACK, BRUSSELS AIRPORT.

Flightcare, S.L., is the FCC service company that provides ramp-, passenger- and cargo-handling services. It can be found at 15 airports in Spain, Belgium and Italy, where last fiscal year it served more than 250 companies, made more than 340,000 movements, attended to more than 36 million passengers and handled more than 280,000 mt of cargo.

In Spain Flightcare provides ramp- and passenger-handling services at the airports in Barcelona, Málaga, Alicante, Valencia, Fuerteventura, Jerez and Almería. It holds a steady share of around 38% of the free market at the bases where it operates. In addition, it offers cargo-handling services in Madrid, Barcelona, Valencia, Alicante and Bilbao, where in 2008 it managed 110,000 mt of cargo.

Belgium is one of the key pillars of Flightcare's business in Europe. Flightcare operates at the airports in Brussels, Ostend-Bruges, Liège and, since October 2008, in Charleroi, where it secured a ten-year license. In Brussels Flightcare holds a 65% market share. The company handled 170,000 mt of cargo during 2008, which represents more than 25% of Belgium's cargo market.

Flightcare is the leading independent handling agent in Rome. At Leonardo da Vinci Airport (Fiumicino), it holds over 46% of the free market, and it is the only independent operator at Giovanni Battista Pastine Airport (Ciampino).

During the fiscal year Flightcare upgraded and modernised its facilities at the Madrid-Barajas Airport Air Cargo Centre for greater capacity and enhanced process efficiency.

PASSENGER HANDLING.

Urban furniture | Turnover: 132.8 million euro

Cemusa makes urban furniture out of high-quality recycled and recyclable materials. It produces bus stop hoardings, informative columns, electronic panels and large panels, newsstands, public lavatories, time-and-temperature displays, bus and taxi stop marker posts, benches, rubbish bins, selective waste collection containers and automated bicycle-parking stations. Architects of worldwide prestige such as Nicholas Grimshaw, Richard Rogers, Oscar Niemeyer and Giorgetto Giugiaro have worked with the company to design furniture that helps make public spaces more beautiful and functional.

ADVERTISING BANNER, NEW YORK.

Cemusa specialises in urban furniture design, manufacture, installation and maintenance and markets the advertising possibilities urban furniture offers. Right now, with close to 800 employees on its workforce, Cemusa is the number-one Spanish firm in its sector and one of the foremost outdoor advertising groups internationally speaking. The advertising structures it manages can be found in more than 160 cities of Europe and America and give an advertising coverage of over 80 million people. New York, Madrid, Barcelona, Boston, Lisbon, Rome, Milan, Brasilia and Rio de Janeiro all have contracts with Cemusa.

Recent achievements

On the international level, the company was selected by New York's 34th Street Partnership, an association that works to revitalise the 34th Street district in the heart of Manhattan, to market information banners on the lampposts in midtown Manhattan, one of the city's most privileged areas and a tourist hot spot. This new format is a welcome addition to the company's catalogue of advertising structures and increases the number of spaces available to Cemusa's clients in the city of New York.

In the Spanish market, Cemusa sealed agreements to extend existing contracts in Barcelona and Madrid. Entitat Metropolitana del Transport, a transport authority covering eighteen cities and towns in the local Barcelona area, extended its arrangements with Cemusa for the installation and maintenance of bus stop hoardings for three years. Also, a five-year extension was signed for the contract to install and operate advertising panels at the Madrid Xanadú shopping centre.

During the last fiscal year a cooperation agreement was also reached with Empresa Municipal de Transportes de Madrid, the Madrid city transport authority, to facilitate access to buses at bus stops for visually impaired travellers. Information panels in Braille have been set up, and specially roughened areas of pavement have been installed to make it safer to approach buses. This project falls under Cemusa's corporate responsibility policy.

XANADU SHOPPING CENTRE, MADRID.

Parking facilities | Turnover: 74.4 million euro

FCC does an active business in **parking facilities**, which include:

> Management, operation, control and maintenance of regulated on-street parking.

> Construction, operation and management of underground parking garages.

> Municipal vehicle-towing and impoundment services.

> Development and implementation of computer applications to handle traffic violations (eys@net).

FCC manages 140,000 regulated on-street parking spaces and 12,300 underground parking spaces in the more than 80 cities where it provides services, including 23 cities where it furnishes towing services to remove improperly parked vehicles.

The most important contracts awarded last year were:

Regulated on-street parking

Almuñecar, Granada: An additional 654 parking spaces for a four-year period.

Calahorra, La Rioja: 383 parking spaces for a ten-year period.

Granollers, Barcelona: 1,090 parking spaces. One-year contract extension.

Motril, Granada: An additional 339 parking spaces for 15 years, extendable to 50 years.

Vic, Barcelona: 959 parking spaces. Extension of the contract for a 14-year period.

Construction and operation of underground parking garages

Madrid: Operation of 254 parking spaces in the ABC Serrano shopping centre for two years.

Mollet del Vallès, Barcelona: Construction and operation of 522 parking spaces for a 50-year period.

Vehicle towing and impoundment

Mataró, Barcelona: For a five-year period.

San Sebastián, Guipúzcoa: For a six-year period.

Conservation and systems | Turnover: 49.9 million euro

Conservación y Sistemas, S.A. is a technological firm specialising in the design, installation, operation and maintenance of traffic management and shadow toll projects in interurban road systems, safety facilities in road and railway tunnels and urban infrastructure maintenance and upkeep.

Its areas of action are:

> City upkeep and other services: Pavements, sewer tunnels and systems, irrigation and water distribution.

> Traffic management systems: Toll motorways and dual carriageways.

> Tunnel safety and control systems: Road and railway tunnels.

> Remote control and security systems: Buildings and special installations.

Conservación y Sistemas has got permanent offices in Spain (Madrid and Barcelona) and Portugal (Madeira).

REMODELLED STREET, CALLE MONTERA, MADRID.

BUS LANE DIVIDER BEING CLEANED, MADRID.

ITV Vehicle inspection | Turnover: 46.2 million euro

VEHICLE INSPECTION POINT, PROVINCE OF BUENOS AIRES, ARGENTINA.

FCC furnishes vehicle inspection services in Spain and Argentina.

In 2008 more than 2,430,000 inspections were performed at the 78 stations the FCC Group manages in these two countries. This figure represents a 9% increase over the previous year. Although the biggest growth was in Argentina (approximately 15%), the increase in Spain was a not-insignificant 6.5%.

Four new stations went into business in Spain in 2008, three in the Autonomous Community of Aragón and one in Comunidad Valenciana. In both regions FCC is the number-one vehicle inspection operator.

Two new stations were opened in Argentina as well, in the province of Buenos Aires.

Transport | Turnover: 20.5 million euro

Corporación FCC connex

FCC-Connex Corporación, S.L. a company owned in equal shares by FCC Versia's CGT Corporación General de Transportes, S.A., and by Veolia Transport, a subsidiary of Veolia Environnement, operates in the passenger transport sector. It runs buses (Corporación Jerezana de Transportes Urbanos, S.A., or Cojetusa), trams and trains (Detren Compañía General de Servicios Ferroviarios, S.L.).

Detrén is one of the holders of the Barcelona tram concessions and it is the number-one operator in Barcelona's tram systems. After lines T3 and T5 were opened in 2007, the number of travellers in 2008 shot up to 21 million.

Cojetusa runs the urban passenger transport concession in Jerez de la Frontera, Cádiz. It has a fleet of 55 buses and in 2008 it carried more than seven million passengers.

Industrial vehicle sales | Turnover: 22.0 million euro

RAVO 560 STREET SWEEPER, ANDRATX, MALLORCA.

Sistemas y Vehículos de Alta Tecnología (SVAT) sells high-tech equipment and vehicles for city sanitation, coastal water and beach cleaning and industrial cleaning.

COMBINED VACUUM/SPRAYER UNIT.

In 2008 SVAT remained the leader in sales of compact city sweepers, which have evolved technologically enough to achieve sharp reductions in their air pollution emissions, noise emissions and fuel and water consumption.

Sales were bigger in the central area of the peninsula, where major city sanitation contracts were secured in cities such as Madrid, Alcalá de Henares, Toledo, Valladolid and Guadalajara, although our machines were also shipped out to non-peninsular regions such as Melilla, Baleares and Canarias.

Machines featuring cleaning systems with water-recycling and tile-scrubbing capabilities, which first went on sale in 2006, are meeting with great success. They are highly valued in regional capitals where special requirements must be met, such as Barcelona, Madrid, Valladolid, Seville and Palma de Mallorca, and in 2008 they made up 20% of the units delivered.

The 68-craft fleet of floating-waste collection units worked hard over the summer along the coasts of Cataluña and Baleares. They performed very satisfactorily and became firmly consolidated as one of the services that tourists in those areas appreciate the most. Both regions have pioneering programmes that are models for all of Europe.

Sales of units that combine vacuum features and high-pressure water-spraying capabilities for cleaning out sewer systems and industrial cleaning jobs maintained their rate of growth. The units delivered under the Zaragoza contract deserve special mention, for their quality as well as their quantity.

A sustainable company

construction

REFURBISHED CITY HALL, LAS PALMAS DE GRAN CANARIA.

PONTE DA GALA, PORTUGAL.

Analysis of the sector

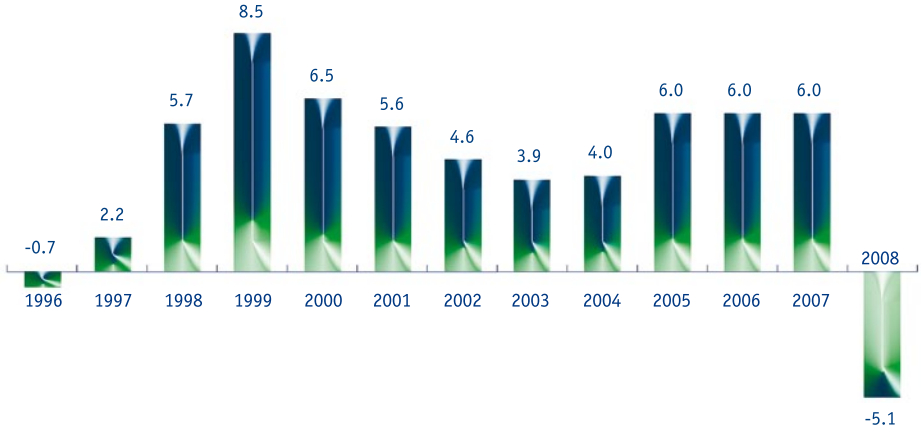
Current situation

The Spanish economy is now in a period of serious adjustment, in an international scenario of wrenching financial crisis. The crisis has manifested itself in the real economy as a lack of competitiveness and plummeting figures in residential construction, which had been showing signs of fatigue since mid-2006.

The financial crisis that set off the current situation and the bursting of the real estate bubble have had an impact on the construction sector. The chain reaction has travelled on to non-residential construction and, to a lesser degree, civil engineering.

After a fiscal year plagued by uncertainty, construction as a whole is facing a third consecutive year of production declines that are affecting the four traditional subsectors, residential, non-residential, refurbishment and civil works.

The construction sector wound up the fiscal year with a total production of 193,280 million euro and a downward variation of 5.1% in real terms, in comparison with 2007 (a 9.1% reduction in building and a 4.5% increase in civil works). This variation was 6.3 points less than the national economy lost in terms of gross domestic product, which was penalised by almost an entire point by the fall-off in construction. The investment in construction, which accounted for 18.6% of the GDP in 2007, ebbed to 16.6% in 2008.



Annual variation rates in construction activity.
In constant terms (Source: Seopan)

ASSUT D'OR BRIDGE, VALENCIA.

In civil works, which has provided the underlying energy of the construction sector, the financial crisis is having the effect of postponing the start of projects that have already been through the tender process and require the builder to provide financing until the time comes for final settlement with the government.

Because of the investment in infrastructure, the infrastructure subsector will keep its leading role, and it is not farfetched to think that in 2010 and 2011 infrastructure will resume growing at rates higher than those of the GDP. The activities called for in the PEIT (the Spanish government's strategic plan for infrastructure and transport) will furnish the foundations for growth in civil works.

Housing construction is feeling the lack of enough financing to reinvigorate sales and get new developments going. In addition the number of housing units available on the market is less than expected, due to the inertia of developments in progress during 2008. Therefore, in a context of a high supply and a demand cowed by the weight of circumstances, the only thing that can be expected is a severe slump in production.

The non-residential market is hard beset by severe crisis conditions as well. It has followed the same patterns as the construction sector as a whole, and the outlook is also one of decline, although without quite the spectacular nosedive the residential market took in 2008.

Looking at the construction industry by subsectors, **residential building** in 2008 accounted for 32% of the entire construction industry. The number of homes finished came to 615,000, 4% fewer than in the previous fiscal year.

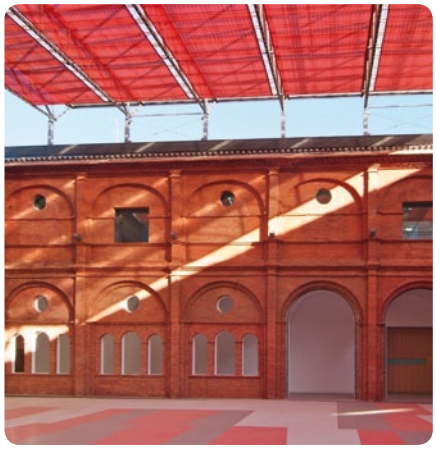
Non-residential building accounted for 16% of construction activity, with a reduction of 6% over the previous fiscal year. **Building refurbishment and maintenance**, which made up 24% of the total, declined by 4.5%. This subsector continues to display investment figures 13 points below the same figures for the EU, due, amongst other reasons, to the fact that families' financial difficulties have cut back the demand, and this effect has not yet been offset by public plans to foster refurbishing.

During 2008 263,000 residential construction permits were secured, 60% fewer than in fiscal year 2007. This volume places the demand at the same level as in 1995. Construction permits in non-residential building experienced a drop of 30%, while the estimate of the cost of work under enlargement and alterations permits has come down 3% in nominal terms.

Civil works accounted for 28% of the sector's total overall production, with an annual rate of increase over the previous fiscal year of 4.5%, just one point below the rate for 2007. The national government has made a telling effort to keep this subsector from collapsing.

Spain holds fourth place in the European Union construction market, with 13.5% of the total, after France, with 19.3%, Germany, with 18.3%, and the UK, with 13.8%.

On average government tenders for the 1995-2007 period grew by more than 15% per annum in current terms. Last fiscal year government tenders reached 40,588.46 million euro, with a growth rate of 0.6% in homogeneous terms with respect to 2007, with a central government participation of 43.7%. The tenders concentrated on roads and railways, social services, urban development, hydraulic works, etc. (The Ministry of Development alone was responsible for more than 36% of all tenders). Autonomous communities maintained their rate of investment, although local governments reduced theirs by nearly 8%.



FIRE MUSEUM, ZARAGOZA.

The volume of tenders for concessions out of the total worth of government tenders in 2008 came to 4,993 million euro (12% of all tenders), which was 48% less than in 2007.

One highly revealing indicator of the deterioration of domestic construction activity is the apparent consumption of cement, which recorded a drop of 23.8%, its first decline in the last ten years.

GOLF-RESORT APARTMENTS, MIJAS, MALAGA.

The job market

The working population (11.9% of which is employed in the construction sector) experienced a decline of 10.9%, with an average of 2,404,200 jobs. That means close to 300,000 jobs no longer exist. Taking the fourth quarter of the year as the benchmark, employment has come down to 2,135,000 jobs and the number of jobs lost has risen to 560,000.

The average number of persons registered with social security in the construction sector in November 2008 was 1,996,400, 20% fewer than in the same month in 2007. That brought the figure down to the same level as in early 2004. The decline may be foreseen to be somewhat gentler in 2009 than in 2008, although employment in construction will continue to fall.

Forecasts

The forecasts for 2009 point to a trend consistent with recession, with a reduction of between 8 and 12% in the sector's overall production in constant terms.

Investment in infrastructure is a fundamental tool for injecting fresh vigour into the economy in sluggish periods, and, although the overall resources earmarked for infrastructure will grow in 2009 less than other expenditures (4.5%), the investment in infrastructure scheduled in successive national budgets is a consolidated investment aimed at giving priority to recovery.

The allocations of the Ministries of Development and the Environment call for an investment 3.4% higher than in 2008 in current terms, earmarked for the infrastructure policy.

PUERTA DE EUROPA, MADRID.

The Ministry of Development, with a nominal investment growth rate of 5.8%, will be focusing on the creation and upkeep of new road, rail, port and airport infrastructure.

The Ministry of the Environment and its regional counterparts will have a 4.4% nominal reduction with respect to 2008, earmarked for water infrastructure and environmental activities within the framework of the AGUA programme.

Residential building will go down 21 to 26%, the same as investment in the sector. It is thought that the process of getting the housing sector back on track may be a long one, until the gap between supply and demand is adjusted. The gap is anticipated to continue widening until mid-2009 because of housing construction started in 2006 and 2007, when the sector was not yet expected to come to such a startling halt.

The forecasts for new permits and the start of work on new construction call for 250,000 and 350,000 new homes. The market would be able to assimilate the latter, larger figure under normal conditions. If these forecasts are accurate, in 2010 residential activity would begin to speed up, as the demand would be favoured by the lessened economic effort families would have to make due to the reduction in mortgage rates and the price of flats.

Non-residential building will go down between 8 and 12%, the same as investment in the sector.

Civil works will continue to keep construction activity going. The investment in infrastructure in the upcoming fiscal year is expected to reach 3% more than in 2008.

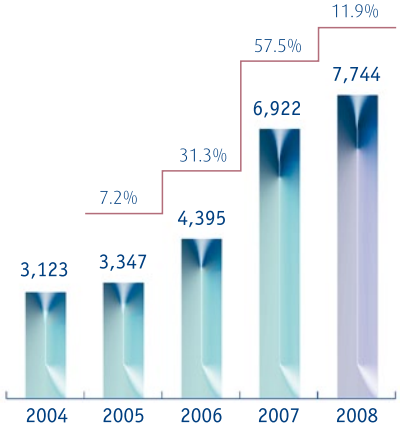
FCC's activity

FCC Construcción runs the Group's construction activity. In 2008 its turnover was 7,744 million euro, 11.9% more than in the preceding fiscal year. Of the total turnover, 49.5% was generated outside Spain. Construction continues to be the area that has the biggest quantitative impact on the Group's overall turnover, accounting for 55.2%.

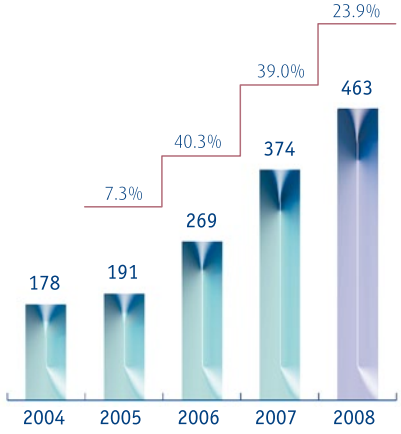
The gross operating income was 463.1 million euro, 23.9% more than the previous fiscal year and 26.6% of FCC's total gross operating income.

In 2008 FCC Construcción won contracts valued at 8,479.7 million euro with a backlog valued at 10,159.4 million euro. This is up 14.5% over 2007.

Turnover
Million euro



Gross operating profit (Ebitda)
Million euro



Breakdown by client type
International turnover

92% EUROPE
1% UNITED STATES
7% OTHER COUNTRIES

Backlog

77.8% CIVIL WORKS
16.4% NON-RESIDENTIAL BUILDING
5.8% RESIDENTIAL BUILDING

Motorways, dual carriageways and roads

I-95 Miami-Dade, Florida.
Highway I-95 was widened by one lane in each direction over a 17.7-kilometre-long stretch to provide two separate limited-access lanes in each direction. Communications and toll systems were also included. The limited-access lanes are for buses, ambulances, taxis and specially registered vehicles only.

Cantabrian Motorway (Motorway A-8). Section: Unquera to Pendueles, Asturias. The section is 11.8 kilometres long and includes one 700-metre-long tunnel in one direction and one 500-metre long tunnel in the other. The longer tunnel holds three lanes of traffic. The job also included six viaducts a total of 1,200 metres long and a 410-metre-long cut-and-cover tunnel.

Bridge over the Ebro River between Deltrebe and Sant Jaume d'Enveja, Tarragona. This unique cable-stayed bridge has a span of 112 metres between pylons and lateral spans of 69 metres (total length: 250 metres). The deck is a combination structure. Above it has box-shaped metal segments with a central spine, assembled from abutments and pushed centreward until they came together and closed the gap. Below is a post-stressed reinforced deck slab 25 centimetres thick.

Motorway from Ávila Camacho to Thihuatlán. Puebla and Veracruz, Mexico. A 47.3-kilometre-long section of road that involved over five million cubic metres of clearing work and embankments and 33 masonry constructions.

Dual Carriageway VA-30, East Outer Ring Road. Section: Duero Dual Carriageway (A-11) to Castilla Dual Carriageway (A-62), Valladolid,
13 kilometres long. It included the construction of 11 viaducts, four flyovers and seven undercrossings.

New southbound roadway through Despeñaperros. Section: Venta de Cárdenas to Santa Elena, Jaén and Ciudad Real. This is a nine-kilometre-long section of two-lane roadway. It called for six viaducts ranging from 156 to 579 metres in length and two tunnels, the longest of which was 1,623 metres long, over extremely rough terrain. FCC is currently engaged in building the northbound roadway.

N-340 bypass at Benicarló-Vinaroz, Castellón. This is a single roadway seven metres wide, with 2.50-metre-wide verges and one metre of berms. It is 18.25 kilometres long, nearly all on an embankment (2.4 million m3), with five junctions and 29 structures, which include viaducts over the Seco River and the Fervol River. Each viaduct has six spans.

Design and construction of the Constanza Bypass, Romania. This dual carriageway follows a freshly designed route 22 kilometres long. It has five junctions, two 3.75-metre-wide lanes in each direction, a four-metre-wide central reserve, a three-metre-wide emergency lane and a 0.5-metre-wide berm.

Concession to operate the Auto-estrada Trasmontana, in Portugal.
This highway lies between the cities of Amarante, Vila Real and Bragança, in the region of Tras-os-Montes. The concession is good for 30 years. Global Vía has an interest in the company that holds the concession, FCC belongs to the joint venture building the road and Ramalho Rosa Cobetar and Matinsa are participating in the maintenance work. The highway is around 196 kilometres long and involves two kinds of work:

> A4/IP4: 140 kilometres of new construction.
> IP4: 56 kilometres of road to be improved and/or upgraded.

Arad-Timisoara Motorway, Romania.
The work will include the construction of 32.3 kilometres of motorway a total of 26 metres wide. There will be four 3.75-metre-wide lanes for regular traffic, two three-metre-wide safety lanes and a four-metre-wide central reserve in the middle. Thirty-one bridges and 13 cross-drainage structures will be built. A service area housing the operations, maintenance and police buildings is also included.

CANERO BRIDGE, ASTURIAS.

Airports

TENERIFE SOUTH AIRPORT.

Instrumentation, retrofitting and enlargement of fuel facilities to meet ATEX standards at San Javier Air Base, Murcia. This includes the construction of three fuel storage tanks having a capacity of 1,100 m^3 apiece, the control building and a platform for filling tanker lorries.

Civil works at Getafe Air Base, Madrid. This job covered the enlargement of the aircraft parking apron by 65,000 m^2 and the development work for the access roads to the future terminal area.

Hydraulic works

Alcollarín Dam, Cáceres.
The winning solution is a vibrated-concrete gravity dam standing a maximum of 31 metres tall over its foundation. Its crown is some 630 metres long and holds a ten-metre-wide road.

Elimination of chemical pollution at Flix Reservoir, Tarragona, awarded to a joint venture between FCC Construcción and FCC Ámbito.
The work was partly construction and partly decontamination. A protected zone had to be created by installing a 1.6-kilometre-long double wall of sheet piles to separate the work area from the Ebro River's bed and thus prevent shifting. The riverbank was protected by a pile wall to ensure its stability. Environmental dredging operations extracted the 800,000 mt of sludge at the bottom of the reservoir and the sludge was then treated in dedicated plants set up in the site area.

Replacement of the adduction pipes from Beas Reservoir to El Conquero drinking-water treatment plant, Huelva. This included 24 kilometres of reinforced-concrete and fibreglass-reinforced polyester pipe plus 4.5 kilometres of channel repairs and a tunnel.

The "Autovía del Agua" water-piping system, section from Polanco Tank to Vispieres drinking-water treatment plant, Cantabria, which consisted in a 7.6-kilometre-long pipeline made of ductile cast-iron pipes with socket joints. The pipes were 800 mm in diameter and most were laid in open-air trenches. There are seven crossings where the pipes were jacked underneath roads.

IMPROVED USE OF THE SIERRA DE TRAMONTANA'S WATER RESOURCES, PALMA DE MALLORCA.

Marine construction

Extension of the east dock, dredging and improvement of access to the south basin of Castellón harbour. The contract-winning version of the solution called for 13 caissons to be built by the floating dock Mar del Teide with rectangular cells. Some 100,000 m3 of material had to be dredged out.

Remodelling of platform and outer basin of the east jetty in Málaga harbour. The platform of the current jetty will be enlarged to accommodate new city streets after dredging has been done and a protective breakwater has been put up.

A 50-metre-long, ten-metre-wide spur off the east jetty was built to protect the outer basin.

Phase one of the harbour development of the right-hand bank of the Avilés Ria.
Phase one is a 506-metre-long pier in a depth of 14 metres of water. The superstructure rests on 1.65-metre-diameter piles set in four parallel lines to form a six-by-nine-metre grid pattern. The pier yard is 54,000 m^2 in area, and about 800,000 m^3 of dredging will be done in the course of the work.

Quay, seawall and new bulk liquid berthing line at Algeciras harbour, Cádiz. The quay is 585 metres long, made up of 13 reinforced-concrete caissons, with windows to dissipate wave energy. Because of the poor quality of the underlying terrain, the bank support has got to be strengthened with gravel columns 800 mm in diameter.

CASTELLÓN HARBOUR.

Rail infrastructure

Conversion to double track in the section from the Airport to north Jerez, Cádiz. The section is 6.8 kilometres long and traffic will continue to run while the conversion is in progress. The two tracks will run side by side for four kilometres and separately for the remainder. The project includes rail assembly, electrification, safety and communications facilities and a new electrical substation to provide drive power for the trains.

Bed for the new País Vasco railway network. Section from Ordizia to Itsasondo, Guipúzcoa. The biggest features of the job are a 2,814-metre-long tunnel and a 428-metre-long evacuation tunnel.

Adaptation for high-speed use. Subsection from Alhama to Totana, Murcia. The subsection is 6.5 kilometres long. It is presently a single track and is not electrified. It will be completely renovated and doubled, with a 60-kg rail and multi-purpose sleepers that make it possible to shift between Iberian gauge and international gauge.

Track assembly between Siete Aguas and Valencia and between Valencia and Almussafes. The Siete Aguas-Valencia section is 43 kilometres long and has a double track. The Almussafes-Valencia section is 17.4 kilometres long and is also double-track. There is also a three-rail (two-gauge), 19.1-kilometre-long freight spur line.

Bed. High-Speed Atlantic Corridor. Section: A Vacariza to Rialiño, La Coruña. The section is eight kilometres long and its main features include the construction of two tunnels (866 and 372 metres long) with a 90-m^2 cross-section using the Austrian method, plus five viaducts of lengths ranging between 345 and 915 metres.

Tunnel from Atocha to Chamartín, international gauge rail connection between Atocha and Chamartín stations, Madrid. The idea is to enable high-speed trains to run between the northern and southern peninsula through Madrid. The tunnel is 7.33 kilometres long and has a 10.4-metre inner diameter with two sets of slab tracks. Six kilometres of the tunnel will be bored by TBM.

Extension of Madrid Metro Line 2 to Barrio de las Rosas. This is a 4.5-kilometre underground section of rail with four stations, four ventilation shafts and one emergency exit.
The tunnel will be bored by TBM to an inner diameter of 8.43 metres and lined with 32-cm-thick segments, and the stations will be built in a shielded area.
The project includes jet-grouting column treatment, slab tracks, auscultation, safety facilities, mechanical facilities, fire protection facilities, communications facilities and information facilities.

Thirty-two year concession (two years' construction and 30 years' operation) of section I of Barcelona Metro Line 9. The section covers 13 stations and the civil works contracts for some of those stations, architecture, facilities and finishing work.

MADRID METRO, LINE 9

Urban development and parking facilities

HACIENDA DEL SOL, MÁLAGA.

Urbanización Área Empresarial La Llorera, zone A, in Gijón, Asturias. This covers the development of 98 hectares of land for industrial use.

Development of Pla de Baix de Domeny in Girona and development work in **Sector Residencial El Torrental (Phase 1), in Calldetenes, Barcelona,** for Serviá Cantò.

Renovation of plaza Domingo Gascón in Teruel. The project consists in the demolition of the market and its reconstruction underground, forming a new square at ground level.

Development of Parque Empresarial A Laracha, La Coruña, and connections between the business park and outside. This includes sanitation and water supply systems, a 2,500-m^3 regulator tank, power and lighting, telecommunications and urban furniture.

Residential

AGUASERENA, ALMERÍA.

The most significant contract awards were:

> 114 apartments and development of the inner grounds at Residencial Aguamarina, in Moncófar, Castellón.

> 100 homes in Plaza de Europa in Hospitalet de Llobregat, Barcelona.

> 116 homes and garages in Montecarmelo, Madrid.

> 100 homes in southern Móstoles, Madrid.

> 175 homes in Polígono Aeropuerto, in Seville.

> 451 homes in Ciudad del Campo, on Gran Canaria.

HATO VERDE, SEVILLA.

> 102 homes in Cambre, La Coruña.

> 336 homes in the Ensanche Sur area of Alcorcón, Madrid, in three contracts.

> 150 homes in Sagunto and another 86 in the La Torre sector of Valencia.

> 181 homes in Torre-Sana in Tarrasa, Barcelona.

> 132 homes in Peri "La Madraza" in Granada.

> 107 homes in Bargas, Toledo.

> Surface rights for the construction of 439 homes in Pinomontano, Sevilla.

> 144 homes on lots R2 and R5 in Polígono Residencial de Benquerencia in Toledo.

> 146 homes and the Pueblo Mediterráneo shopping centre in Urbanización Las Colinas in Orihuela, Alicante.

Non-residential construction

Included under this heading is construction of administrative buildings, schools, health service buildings, cultural, athletic and commercial facilities, hotels and industrial buildings.

Administrative and office buildings

Torre Bami in Parque Empresarial Adequa in Madrid, a skyscraper with three basements and 26 floors above ground. This is a landmark office building in a business park where we have already built another building for the same client. The contract does not include installation work.

Galería office building in Barós Square, Budapest, Hungary. It has 32,000 m^2 of floor area.

Schools

Earthworks, foundations and structure, masonry and roof of the Conocimiento building (Building B), TecnoCampus Mataró headquarters, Mataró, Barcelona.

Health service centres

Civil works and finishing work on the new Hospital Comarcal de Sant Boi, Barcelona. The floor area is about 45,200 m^2. The building is compact, 120 by 75 metres, in eight levels. There are

BODEGAS PROTOS, PEÑAFIEL, VALLADOLID.

two underground levels for parking. The rooms are on the upper levels, and the examination rooms and operating rooms are on the floors between. The outer walls of the building feature ventilated natural stone, zinc sheathing, concrete panels and a curtain wall.

Health centre and high-resolution speciality centre in Córdoba. The building is laid out in the shape of four "combs". There are two corridors bracketing the combs, one for the public and the other for health staff. There are three floors and four basements. There are also one- and two-story linear buildings on both sides of the health area, one for administration and the other for emergencies.

New Hospital Comarcal de Ronda, Ronda, Málaga. It will have a floor area of about 38,000 m^2. Its layout is in the shape of a comb, with four blocks joined along one side, plus another area for administration services.

Concession for the design, construction, financing and operation of the new hospital in Enniskillen, Northern Ireland, in County Fermanagh. It will take three years to build. The floor area of 60,000 m^2 will hold 315 beds in single rooms. The job includes another building for employee housing. The hospital will also have a power demand management centre, making it one of Europe's most modern buildings in terms of energy efficiency, as it will need one-third less energy to operate than other, similar facilities. The contract also includes the design and construction of the new building, the rendering of certain non-health-related support services, power control, maintenance and management of the facilities' life cycle.

Cultural, athletic and entertainment complexes

Tito Bustillo Cave Art Centre in Ribadesella, Asturias. The boxy building measures 136 by 16.7 by 8.4 metres and occupies a section of the bed of a former road. It mostly rests on micropile foundations.

Córdoba Contemporary Creation Centre. This is a landmark building designed by Fuensanta Nieto and Enrique Sobejano for galleries and an auditorium, in irregular hexagons of unpainted concrete. It has a floor area of about 12,300 m^2, with a public address system, a CCTV system and voice and data systems in addition to the usual facilities.

New technology innovation and expression centre in the former Boetticher industrial building in Madrid. The idea was to convert an old reinforced-concrete industrial building designed by Eduardo Torroja into a new technology expression centre with a

SOLAR PANELS, SAN JUAN DE AZNALFARACHE, SEVILLA.

floor area of some 18,000 m². It includes an auditorium, classrooms, coffee shop and parking facility, with wiring, heating and cooling, plumbing, public address, CCTV, security and solar photovoltaic and thermal energy systems.

Museum of Royal Collections (Phase 2, Structure), Madrid. The job is to build the white concrete structure with marble aggregate and cement of the same colour to house the royal collections.

Shopping centres, fairgrounds and conference facilities

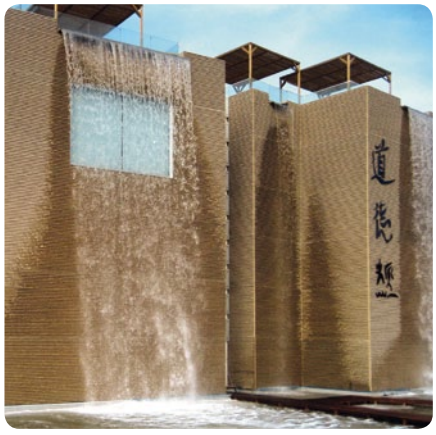
El Corte Inglés in Talavera de la Reina, Toledo. The project includes finishing work, equipment and furniture for the bus station located in the shopping centre building; demolition and construction of roundabouts at the **Hipercor store in Mijas, Málaga**; the concrete structure of the **El Corte Inglés shopping centre in Salamanca**; masonry work and sanitation at **Hipercor El Egido, Almería**; and enlargement of the parking facilities at Mercasevilla shopping centre.

Structure for a retail, hotel and office complex in A Grela, La Coruña. This was phase 1 of the job, which covered foundations, structure, plumbing and the grounding system. The floor area is about 344,000 m², split into three basements and above-ground sections of three and four storeys.

Industrial construction

Alterations and enlargement of the bulk package admission and classification centre and post office, Barcelona, for Sociedad Estatal de Correos y Telégrafos. The job consists in refurbishing the existing inadequate industrial space, enlarging basements and unloading docks, various remodelling jobs and renovation of building systems. The area in question is 18,000 m². At the same time, current postal services must not be interrupted.

FERIA DE VALENCIA EXHIBIT HALL.



ACUARIO BUILDING, 2008 WORLD FAIR IN ZARAGOZA .

Electrical infrastructure development

Deneo Energía e Infraestructuras is the Group company in the business of electrical infrastructure projects in a number of fields (rail, airports, land development, roads) and activities (laying overhead and/or underground power cables, installation of transformer stations, power and light distribution in large facilities, installation of photovoltaic plants on roofs and solar farms, etc.).

Since it joined the FCC Group in late 2003, Deneo has undergone technical upgrading, bringing in engineers with various levels of qualifications and other university graduates. They have made the company's management the feature that sets Deneo apart from the other firms in its sector.

This technical upgrading process has expanded the company's range of activity. Adapting its traditional skills in businesses such as railway catenaries, power line installation and transformer plant installation, Deneo has created new lines of business in the power sector that offer higher added value, such as project development and comprehensive management, support for civil works in power resource management and technical/economic feasibility studies of sustainable power generation systems.

Electrical installations

Especialidades Eléctricas, S.A. (Espelsa), designs and installs electrical wiring; plans, designs and manufactures electric panels; and builds and maintains distribution networks and transformation substations and advanced command-control and simulation computer systems.

HIGH-VOLTAGE WORK.

In fiscal year 2008 its most important jobs were the design and installation of wiring at Hospital Son Dureta in Palma de Mallorca; the Plaza Nova shopping centre in Madrid; Madrid City Hall; stations on Barcelona Metro Line 9; the Telefónica building in Madrid; construction, operation and maintenance of the 20-mW Espejo photovoltaic farm in Córdoba; maintenance of the Air Navigation Control Centre in Seville; maintenance of the Teatro Real in Madrid; maintenance of the Sogecable building in Madrid; maintenance of the National Library in Madrid; plus construction and maintenance of the distribution networks, substations and transformer stations of the power companies Endesa, Iberdrola and Unión Fenosa in Barcelona, Madrid and Castilla-La Mancha.

PHOTOVOLTAIC SOLAR FARM, ESPEJO, CÓRDOBA.

Heating and air conditioning

Internacional Tecair, S.A. is the subsidiary devoted to designing and installing equipment and systems for heating and cooling, mechanical equipment and systems, fire protection equipment and systems and system management equipment for all kinds of buildings.

During the last fiscal year it won the following contracts:

System installation

> Parque Empresarial Omega. Alcobendas, Madrid.
> New Hospital de Cáceres.
> Castellón Airport.
> New Hospital Son Dureta, Baleares.
> Vía Norte office complex, Metrovacesa, Madrid.
> Vallsolana Garden office building, Sant Cugat, Barcelona.
> Plaza Nueva shopping centre, Leganés, Madrid.
> Palacio de Comunicaciones, Madrid.

Maintenance

> Full maintenance of Sanofi-Aventis España's research and development building.
> Central maintenance of steam production, Hospital Virgen del Puerto, Plasencia.
> Energy audit, Ciudad Deportiva Valdelasfuentes athletic complex, Alcobendas, Madrid.

Conservation and infrastructure

The FCC Group operates in this sector through **Mantenimiento de Infraestructuras, S.A. (Matinsa)**, in the following areas:

Motorways and dual carriageways

Significant work during fiscal year 2008 included:

Maintenance of more than 1,100 kilometres of dual carriageways and 3,500 kilometres of conventional roads.

Renovation of the following road upkeep contracts:
> H-0304 dual carriageway A-49 from Seville to Huelva
> P-0103 Palencia to the provincial border with Santander
> H-0202 Roads in northern Huelva
> Extension of the Goierri sector in the province of Guipúzcoa

Maintenance of of hydraulic infrastructure

Operation and maintenance of SAIH, the Júcar River Hydrographic Confederation's automatic hydrographic information system. SAIH models the hydrographic behaviour of river basins to predict flooding and to provide the information needed to manage the water in each basin.

Maintenance and upkeep of the Alarcón, Amatorio, Bellús, Beniarrés, Contreras, Escalona, Forata, Gadalafest and Tous dams and reservoirs in the provinces of Alicante, Cuenca and Valencia.

New supplementary contract awarded to improve the Júcar SAIH.

Forestry work

Forest repopulation, silvicultural treatments and environmental restoration of river banks, landfills and beaches for the autonomous communities of Madrid, Andalucía, Extremadura and Comunidad Valenciana, hydrographic confederations and the Directorate-General of Coasts.

Forest fire prevention and extinguishing. The fire protection services for the eastern part of the Community of Madrid include a total of 234 operators, eight heavy forest fire pumps, 15 lightweight pumps, two high-mobility vehicles (VAMTACs) and one biturbine helicopter, as well as eight forestry engineers. This service was renewed in 2009.

Extension of the fire-extinguishing service for Madrid's Casa de Campo park.

Upkeep of parks and gardens requiring special protection in Madrid, including the Templo de Debod, the Sabatini gardens, El Capricho park, Dehesa de la Villa park, Oeste park, Quinta de los Molinos and the Tres Cantos forest area.

Engineering

Proyectos y Servicios, S.A. (Proser), studies and designs engineering plans. The contracts awarded during the fiscal year included the following:

Dual carriageways and roads

Construction plans for alteration activities and start-up under the contract for the upkeep and operation concession on dual carriageways A-3 and A-31. Section: Provincial border between Madrid and Cuenca to provincial border between Cuenca and Albacete.

Informative study and layout design of the structuring system to be improved in Zaragoza Sector 2. The work includes the comprehensive improvement of six sections of roads having a total length of 103 kilometres and the resurfacing of nine sections of road having a total length of 212 kilometres.

Design to build the new M-404 dual carriageway between the towns of Griñón and Ciempozuelos, part of the South Network Plan put into motion by the Community of Madrid.

Informative study on general improvement. New road C-35 from kilometre marker 28+000 to kilometre marker 40+800. Section: Parets del Vallès to La Roca del Vallès, Barcelona. Study of a 12.8-kilometre section of dual carriageway for a design speed of 80 km/hour.

Layout and construction design. Northeast dual carriageway A-2 from Barcelona to the French border. Section: Pont de Molins to Agullana. The section designed is about 8.6 kilometres long and improves on the A-2, a major corridor, by twinning the current section.

Conventional and urban railways

Informative study of the High-Performance Cantabrian Corridor. Section: Bilbao to Santander. The study is to find the best alternative for the lie of a new high-speed railway line between Santander and Bilbao. The section at issue is 95 kilometres long.

Bed construction design. High-Speed North-Northwest Corridor. Section: Palencia to León. Subsection: Becerril de Campos to Valle del Retortillo. The job is to define a dual-track, international-gauge bed for design speeds of 300 to 350 km/hour. The subsection is 12.8 kilometres long and has got a 130-metre-long open-air covered walkway over the current Palencia-León railway line and a 250-metre-long viaduct over the Retortillo River.

Design of a variation on railway line 1 in the Finca Adoc section, Alicante. This job consists in building a double-track variation on Alicante Tram Line 1. The variation is 1,830 metres long, and 1,470 metres of that length run through a tunnel underneath the Serra Grossa massif.

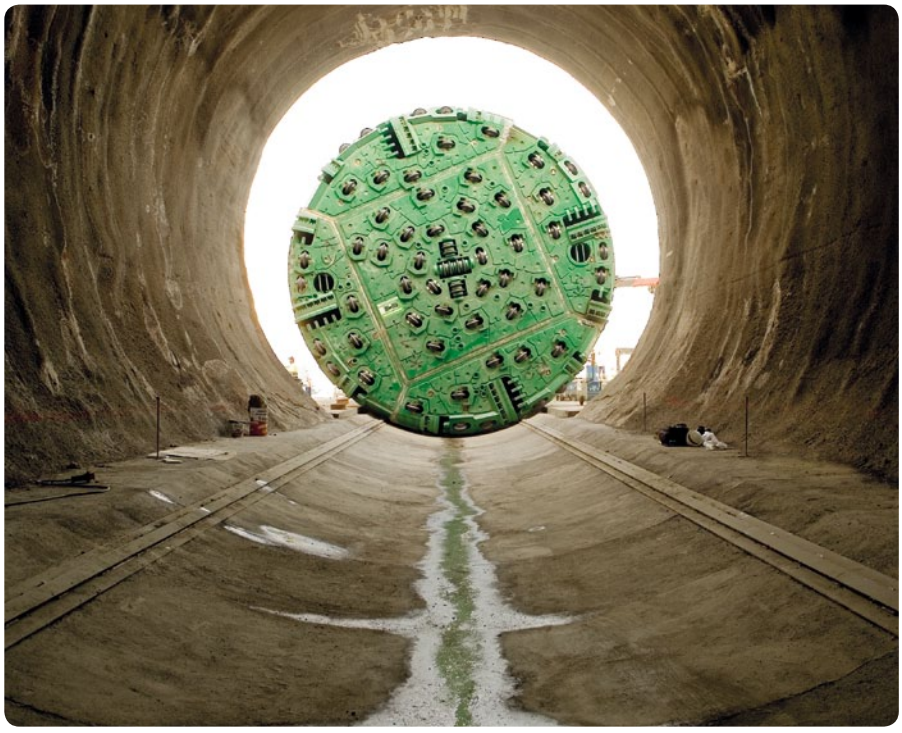
AMOREBIETA FOOTBRIDGE, VIZCAYA.

Design to build the Costa del Sol railway corridor. Section: San Pedro de Alcántara to Estepona. This consists in building a section of double electrified tracks to accommodate a design speed of 220 km/hour. The section is approximately 17.75 kilometres long and runs practically entirely through tunnels.

Hydraulic works

Design to build the Segarra-Garrigues system irrigation distribution network. Sector 4-1. Distribution/Transformation Network floors C1 and C2. The work consists in 55,878 metres of irrigation pipe for floor C1 and 40,074 metres of pipe for floor C-2. The area to be irrigated is 4,990 hectares. The diameters of the 95,952 metres of pipe range between 1,200 mm and 75 mm, and the pipe is made of high-density polyethylene and fibreglass-reinforced polyethylene.

Design to consolidate and improve irrigation of the left bank of the Segre River. Towns of Alas, Cerc, Seo de Urgell and Ribera del Urgellet. An area of approximately 1,000 hectares.



TUNNEL BORER IN THE SIETE AGUAS-BUÑOL TUNNEL, VALENCIA.

Technical assistance for architectural supervision teams

Architectural supervision and technical assistance on sanitation work on the right bank of the Pudio River in Coria del Río. System of sewage mains and wastewater treatment plant. The job consists in building two mains, one with a diameter of 2,000 mm and the other, 1,200 mm. These mains run to the pumping station arrival site. The discharge is run through a pipe with a diameter of 2,500 mm.

Technical assistance for the architectural supervision team in infrastructure and land development for Málaga Metro Line 1. Section: Doctor Domínguez to the Depots. The section is 3,055 metres long. The section features slab tracks embedded in the pavement.

KLAGENFURT STADIUM, AUSTRIA.

Corporate image

In the FCC Group, **Megaplas, S.A.**, is the company that provides corporate image services at the European level through its two production and management centres in Madrid and Turin.

Megaplas's strong commitment to electronics has been rewarded by a contract with Disa, the owner of the Shell oil company's network in Spain, to replace the manual price displays on their service station posts with electronic displays.

In the automobile sector, as a consequence of Megaplas's long, close relationship with the Fiat Group, the FCC Group has been chosen as the European supplier for the development and implementation of the new image for Case New Holland, a world leader in construction and farm machinery, thus cementing our partnership with the Fiat Group even more firmly. In addition Megaplas has been approved by Fiat as a supplier of the new red Fiat logo and the new Lancia logo, which are now being introduced in new dealerships and will make a change-over programme necessary in Europe.

In the hospitality sector, Megaplas has expanded the range of services it used to provide for McDonald's España with a contract to supply and install a novel architectural component of the restaurant chain's corporate image, the new folded canopy. Moreover McDonald's still relies on Megaplas as the exclusive supplier of the rest of its image components in Spain.

Oil and gas pipelines

Auxiliar de Pipelines, S.A., has spent over twenty years working in the construction and industrial assembly of pipelines, particularly under API (American Petroleum Institute) specifications, for the top energy operators in the Spanish market. It does turnkey projects for all kinds of fluids, from primary transport systems, oil pipelines and gas pipelines to distribution systems for heating, hot water and cooling. In 2008 the company got into sealines (underwater oil and gas pipelines) and consolidated its large-site heating/cooling business.

Main contract awards:

La Loteta Reservoir alternative (9.5 kilometres of polyethylene-coated API 5L X-60 steel pipe, Ø 26". Design pressure 80 bar).

The district heating and cooling system for the synchrotron in Cerdanyola del Valles. Pre-insulated steel pipes that form closed water circulation circuits, various diameters, from 800 mm to 400 mm.

Installation, pipe shipment and landing for the Denia-Ibiza-Palma de Mallorca underwater gas pipeline. Length 269.6 kilometres, Ø 20", API 5L X-70 pipe, sheathed externally with concentric concrete. Design pressure 220 bar.

Assembly of the overland section to connect the underwater gas pipeline from Algeria (Medgaz) to the Almería reception station. Length 516 metres, Ø 24", API 5L X-70 pipe. Design pressure 220 bar.

Alterations to the heating and cooling system for Madrid-2 La Vaguada shopping centre. Replacement and revamping of the entire old system with preinsulated pipes (steel and flexible polyethylene) in different diameters ranging from 450 mm to 20 mm, over a total of 15,000 metres of pipes. Metering modules were installed in all shops as well.

Precast components

PREFABRICADOS DELTA S.A.

For **Prefabricados Delta** 2008 was a record year. Production and turnover were greater in 2008 than in the previous two years, which had hit the highest business figures Prefabricados Delta had seen in its already lengthy career.

The goals the company had set for itself were achieved thanks to the continuation of work under the National Irrigation Plan (in which Prefabricados Delta has been strongly represented as the supplier for a great number of government and private jobs) and the high-speed railway to the Levante area of the Mediterranean coast.

Water pipe supplies

The company supplied 164 kilometres of water pipes. Seventy-seven kilometres were post-stressed concrete pipes with metal sleeves and elastic joints, and 87 kilometres were FRP (fibreglass-reinforced polyester).

The post-stressed concrete pipes with metal sleeves came very close to matching the production figures of 1986, which was historically the second-best year ever for manufacturing and supplies of this type of pipe.

The most significant works contracts included the following:

Pipeline from Valmojado water purification plant to El Viso de San Juan, Toledo, for Aguas de Castilla-La Mancha. More than 18 kilometres of metal-sleeved post-stressed concrete with flexible joints, 1,200 mm in diameter, for maximum design pressures of 5 to 17.5 atmospheres.

Pipeline for the construction project to modernise and consolidate irrigation facilities in the Balazota-La Herrera, Albacete, Irrigation Association, phases 1 and 2. Almost 26 kilometres of pipes supplied, practically 14 of these being metal-sleeved post-stressed concrete in diameters of 1,000 and 1,200 mm, and 12 kilometres being fibreglass-reinforced polyester in rated diameters of 700 and 800 mm.

Railway sleeper supplies

In 2008 193,000 sleepers were supplied, primarily for the new high-speed access to the Levante region for the Xátiva-Almusafes and Cuenca-Motilla del Palancar (phase I) sections.

Infrastructure concessions

The most important event in fiscal year 2008 under the heading of concessions was the development of the Group's new model of operations in the infrastructure concessions field. The new model calls for the Group to work through four companies:

- **FCC Construcción** (Concessions Division)
- **The Alpine Group** (79.27%)
- **Global Vía Infraestructuras** (50% FCC)
- **Cedinsa** (27.2%)

Global Vía Infraestructuras is a company belonging in equal shares to FCC and Caja Madrid. It has now completed the introduction process and will be the platform for large-scale infrastructure projects in the years to come.

The new company's introduction was embodied in two lines: consolidation of the process of bringing companies into the Globalvia perimeter, and award of new concession contracts and purchases or takeovers of concession-holding companies, according to the Globalvia Strategic Plan.

To foster this new company's development and growth, most of the concessions FCC holds are being integrated into Global Vía Infraestructuras.

Nevertheless, FCC is holding onto its interest in the following concession-holders:

Cedinsa Eix Llobregat (34%)

Holder of the concession for the construction and shadow toll operation of the road between Berga and Puig-Reig, Barcelona, as well as the upkeep and maintenance of the San Fruitós de Bages-Puig-Reig section, all of which are part of the C-16 (Llobregat Artery). Two thousand and eight was the first full year of operation, and the average daily traffic on these sections was 21,282 vehicles.

Cedinsa d'Aro (27.2%)

In December 2005 Cedinsa won the contract for another shadow toll concession, for 33 years, for the 27.7 kilometres of the Maçanet-Platja d'Aro dual carriageway, which comprises the design, construction and operation of the section of the C-35 between Vidreres and Alou and the operation of the Maçanet-Vidreres section of the C-35, the Alou-Santa Cristina d'Aro section of the C-65 and the Santa Cristina d'Aro-Platja d'Aro section of the C-31. Work was finished in 2008 and the road went into operation on 1 January 2009.

Cedinsa Ter (27.2%)

In 2006 FCC Construcción was awarded the concession for the 48.6-kilometre Vic-Ripoll shadow toll dual carriageway, 25.2 kilometres of which are new route, running between Centelles and Ripio. The term of the concession is 33 years including three years for construction and 30 years for operation. The road was under construction in 2008.

Cedinsa Eix Transversal (27.2%)

In June 2007 the company was awarded a 33-year shadow toll concession for a 150-kilometre stretch of the Eje Transversal dual carriageway, a 712-million-euro investment. The contract calls for the design, construction and operation of the Cervera-Caldes de Malavella section of the C-25. Most of the work involves twinning the C-25. In 2008 expropriation proceedings were instituted so that construction can be got underway in 2009.

Urbicsa (29%)

Company awarded a public works concession contract for the construction, maintenance and operation of the buildings and facilities of the City of Justice project in Barcelona and L'Hospitalet de Llobregat. The project

WORLD TRADE CENTER, BARCELONA.

comprises buildings reserved for the use of the Catalan regional government (159,878 m²), other ancillary uses, offices and commercial premises (26,628 m²) and a 45,628-m² car park for 1,750 vehicles.

Autovía Conquense (100%)

In 2007 the Ministry of Development awarded FCC Construcción a 19-year public works concession to keep up and operate the portion of the A-3 and A-31 that runs through the province of Cuenca.

Tema Concesionaria, S.A. (100%)

FCC Construcción was awarded the concession to refurbish and operate the new head offices of Radio Televisión de Mallorca for 40 years.

World Trade Center Barcelona, S.A. (16.52%)

This company holds the 50-year concession to manage the World Trade Center buildings at the port of Barcelona, comprising an area of 36,000 m² of offices and commercial premises, 6,000 m² of conference space and meeting rooms and a 280-bed hotel. It currently has an occupancy rate of over 95%.

Parc Tecnologic World Trade Center Cornellà, S.A. (12.5%)

This company is building a complex consisting of seven office buildings, a shopping area and a 27-storey apartment hotel. Work has been completed on the first phase, which included three buildings having a floor area of 37,500 m², an underground garage for 500 vehicles and a 10,000-m² garden.

The following public works concession contracts were awarded to FCC in 2008:

LLOBREGAT ARTERY C-16, BARCELONA TO PUIG-CERDÀ.

New Acute Hospital for the Southwest

In September 2008 a preferred bidder letter was signed between Sperrin Lakeland Health and Social Care Trust (Health Administration) and the winning consortium (in which FCC holds a 39% interest) for the construction, maintenance and operation (non-health services) of the New Acute Hospital for the Southwest, in Eniskillen, Northern Ireland, for a 33-year period. The new hospital will have 315 beds.

Línea 9 del Metropolitano de Barcelona (49%)

In late 2008 IFERCAT (Infraestructures Ferroviaries de Catalunya) awarded the contract for the construction, maintenance and upkeep of 13 stations and their ventilation shafts on section I of line 9 of the Barcelona Metro for 32 years. The total investment comes to 1,000 million euro, of which sum 876 million euro are for construction.

Global Vía Infraestructuras

The main relevant events were the contract for the Trasmontana Motorway in Portugal, the purchase of Autopistas de Itata y Aconcagua in Chile and the purchase from Acciona, S.A., of a controlling interest in Tranvía de Parla, Túnel de Envalira, Ruta de los Pantanos and Transportes Ferroviarios de Madrid (TFM). Lastly we should add the consolidation of transfers of companies including Marina Port Vell, Concesiones Aeroportuarias, Concesiones de Madrid, Nautic Tarragona, Oligsa, Portsur Castellón, Hospital de Sureste, Scutvias Autostradas Beira Interior and Madrid 407.

Here is a list of the concessions Global Vía Infraestructuras is already managing.

AUTOVÍA DEL CAMINO DUAL CARRIAGEWAY, NAVARRA.

Concessions awarded during fiscal year 2008:

Autopista del Itata (100%)

The Itata Motorway. Global Vía Infraestructuras holds the contract to build and operate for 13 years this Chilean toll motorway between Concepción and Chillán, a total of 98 kilometres. It is operational and in 2008 saw an average daily traffic of 5,278 vehicles.

Autopista del Aconcagua (100%)

The Aconcagua Motorway. The company holds the contract to build and operate for 15 years the Route 5 toll motorway between Santiago and Los Vilos, Chile, a total of 218 kilometres. It is operational and in 2008 saw an average daily traffic of 10,538 vehicles.

Autopista Trasmontana (50%)

The Transmontana Motorway, in Portugal. The company holds the contract to build and operate for 30 years the mixed toll motorway between Vilareal and Bragança, a total of 194 kilometres. Currently in the design and construction phase.

Concessions brought within the consolidation perimeter of Global Vía as of 31 December 2008:

Autopista Central Gallega Española, S.A. (61.39%)

This company holds the contract for the construction and 75 years' operation of the toll motorway between Santiago de Compostela and Alto de Santo Domingo, a total of 56.8 kilometres. In 2008 it saw an average daily traffic of 5,683 vehicles.

Compañía Concesionaria del Túnel de Sóller, S.A. (56.53%)

Two-way toll tunnel through the Sierra de Alfabía, part of the corridor from Palma de Mallorca to Sóller. In 2008 it saw an average daily traffic of 8,212 vehicles.

Terminal Polivalente de Castellón, S.A. (45%)

The company that won the contract to build and operate a 9.5-hectare container- and general goods-handling terminal in Castellón Harbour. In operation since 2006.

Autopista de la Costa Cálida (35.75%)

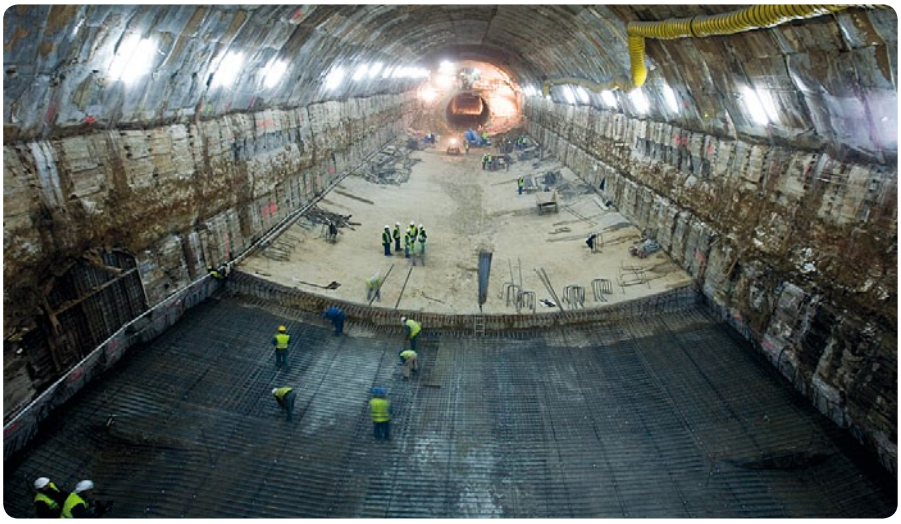
The company that won the 36-year government concession for the construction, operation and upkeep of the 98-kilometre-long toll motorway from Cartagena to Vera and the 16-kilometre-long stretch of the Cartagena toll-free dual carriageway for internal bypass traffic. In 2008 it went into operation and it sees an average daily traffic of 2,553 vehicles.

Metro Barajas Sociedad Concesionaria, S.A. (100%)

FCC Construcción won the contract for the concession to build and operate the new 2.5-kilometre-long underground line between the old Barajas terminals and the new T-4 terminal. In 2008 it had an average of 246,015 passengers per month.

Madrid 404, Sociedad Concesionaria, S.A. (100%)

The company that won the concession to design, build, keep up and operate the 27 kilometres of dual carriageway M-404 between roads M-407 and M-506, as a shadow toll operation. Concession awarded in December 2007. The road is scheduled to be opened to traffic in 2011.



SOL LOCAL TRAIN STATION, MADRID.

Marina Port Vell, S.A. (60.49%)
Government concession from the Barcelona Port Authority with mooring capacity for 413 large ships and 4,800 m² of commercial premises. The marina was fully occupied this fiscal year.

Concesiones Aeroportuarias, S.A. (45%)
The company that won a 50-year contract to build and operate Castellón Airport. The future airport will be situated between Benlloch and Villanueva de Alcolea at an exceptionally well-chosen site that lies within less than 50 kilometres of anywhere in the province. At the end of 2007, approximately 67% of the work had been completed and the entire job was expected to be concluded by mid-2009, with the airport becoming operational in the second half of the year.

Nàutic Tarragona, S.A. (25%)
The company that won the concession to build and for 30 years to operate this marina in Tarragona. The marina has the mooring capacity for 417 large ships, 95% of which had been either rented or sold in 2007, plus 8,000 m² of retail space, which has all been sold.

Oligsa (20%)
The company that won the concession to build and for 30 years to operate a 168,000-m² bulk goods terminal in the port of Gijón. In 2008 it moved 2.8 million mt of goods.

Portsur Castellón, S.A. (30%)
The company that won the concession to build and for 35 years to operate the solid bulk goods terminal in the southern enlargement of Castellón Harbour, with 300 linear metres of wharf and 60,000 m² of attached yard. The award was made in September 2005 and in 2008 the terminal went into operation.

Hospital del Sureste, S.A. (66.66%)
The company that won the concession for the construction and comprehensive management of the new hospital at Arganda del Rey, Madrid, for 30 years. The hospital has been operational since 2007.

Scutvias, Autoestradas da Beira Interior, S.A. (8.33%)
Shadow toll motorway located in the Beira Interior area of Portugal. The road is divided into eight sections together measuring a total of 198 kilometres. In 2008 it saw an average daily traffic of 10,527 vehicles.

Madrid 407, Sociedad Concesionaria, S.A.(50%)
This company holds the concession for the design, construction, upkeep and operation of the 11.6 kilometres of the M-407 dual carriageway between the M-404 and the M-506 as a shadow toll operation. The concession was awarded in August 2005 and has been in operation since 2007. In 2008 it saw an average daily traffic of 27,932 vehicles.

Concesiones de Madrid, S.A. (100%)
Government concession for the stretch of the M-45 dual carriageway ringing Madrid from the O'Donnell artery to the N-II, a total of 14.1 kilometres, for a period of 25 years under a shadow toll arrangement. During fiscal year 2008 it saw an average daily traffic of 82,048 vehicles.

Túnel d´Envalira, S.A. (80%)
The company that won the concession to build and for 50 years to operate the three-kilometre-long toll tunnel that links the Grau Roig winter resort to El Pas de la Casa and holds traffic between Andorra and France on the Barcelona-Toulouse artery. During fiscal year 2008 the tunnel was used by an average of 1,485 vehicles daily.

Tranvía de Parla, S.A. (75%)
The company that won the 40-year contract for the construction, supply of rolling stock, operation and maintenance of the 8.5 kilometres of double tram track in Parla, Madrid. This concession was awarded in 2005 and became operational in July 2007. The tram was used by an average of 4,458,040 passengers per year in 2008.

Transportes Ferroviarios de Madrid, S.A. (49.37%)
Holder of the 32-year concession of the extension of Line 9 of the Madrid Metro between Vicálvaro and Arganda, comprising a total stretch of

20 kilometres and three stations in between. During 2008 it was used by 6,760,000 passengers.

Ruta de los Pantanos, S.A. (66.66%)
This concession is for the construction, management and upkeep for a 25-year period of the twinned 21.8-kilometre section of roadway on the M-511 and the M-501 between the M-40 and the M-522, in the Community of Madrid. In 2008 it saw an average daily traffic of 36,100 vehicles.

The following concessions are anticipated to be transferred to Global Vía at some point in 2009:

M-50 Concessions Ltd (45%)
The company that holds a concession for the construction and 35 years' operation of Dublin's M-50 ring road, the city's primary bypass. The project consists in building 24 kilometres of motorway and operating and maintaining that stretch along with an additional 19.3 kilometres. The work is under way while at the same time maintenance work is being done on the motorway's full ring.

Nuevo Necaxa-Tihuatlán (50%)
Auneti, S.A. de C.V., is the company that won the concession to build and operate for 30 years 85 kilometres of motorway starting in Nueva Necaxa and ending in Tihuatlán in the states of Puebla and Veracruz in Mexico. Construction is in progress.

Autovía del Camino, S.A. (40%)
The company that won the contract to build and operate the dual carriageway from Pamplona to Logroño using the shadow toll system. This stretch is divided into five completion phases comprising a total of 70.25 kilometres. It has been operational since 2004. In 2008 it saw an average daily traffic of 11,807 vehicles.

Port Torredembarra, S.A. (24.08%)
The company that holds the concession to build and operate for 30 years the Torredembarra Marina. It has 820 moorings, more than 95% of which were occupied in 2008, while the entire 4,000 m2 of its retail space was rented.

Tramvia Metropolità, S.A. (19.03%)
The company that won the contract to build and operate for 25 years the transport infrastructure between southern Barcelona and the towns in the Baix Llobregat district. It has been in service since 2005. In 2008 it was used by 15,659,554 travellers.

Tramvia Metropolità del Besòs, S.A. (19.03%)
This company was awarded a 27-year contract to build, operate and maintain the tram that links the Estación del Norte and the Villa Olímpica in Barcelona with Sant Adrià del Besòs and Badalona. It is 15 kilometres long. During 2008 it was used by 7,496,273 travellers.

Metro de Málaga (24.50%)
Company that holds the 35-year concession to design, build, supply rolling stock and operate Lines 1 and 2 of the Málaga Metro, covering a total length of 16.5 kilometres, 11.7 kilometres of which is underground. Nineteen stations will be built along the route. During 2008 it was in the construction stage

Ibisan Sociedad Concesionaria, S.A. (50%)
In September 2005 this consortium led by FCC Construcción was awarded the 25-year concession for the design, construction, upkeep and operation of the 14 kilometres of twinned road from Ibiza to San Antonio. During 2008 the job was in the pre-operational stage..

Marina de Laredo, S.A. (42.5%)
Government concession for the construction and operation of 540 moorings, 497 m^2 of retail space, a car park and a dry storage yard at the port at Laredo, Cantabria, awarded in July 2005 for a 40-year period. It is currently under construction.

S.C.L. Terminal Aéreo de Santiago, S.A. (14.78%)
Concession for the operation of Arturo Merino Benítez International Airport in Santiago de Chile for 21.5 years. During 2008 the terminal was used by 9,017,718 passengers.

Autopistas del Valle, S.A. (48%)
In June 2004 this company was awarded the concession for the construction and shadow toll operation of the San José-San Ramón motorway in Costa Rica for 25 years. The motorway is 60 kilometres long. It is estimated that the motorway will be opened sometime in 2010.

Autopista San José-Caldera (48%)
The company that won the contract to build and operate for 25 years the San José-Caldera motorway in Costa Rica under a shadow toll arrangement. The road comprises three sections, a total of 76.8 kilometres, connecting the country's capital with one of Costa Rica's main Pacific ports. Construction is in progress.

Concesionaria Túnel de Coatzacoalcos, S.A. de C.V. (70%)
The company that won the contract to build and for 30 years to operate the underwater tunnel in Coatzacoalcos, in the state of Veracruz, Mexico, under a shadow toll arrangement. This is a 2,200-metre tunnel, 1,200 metres of which are underwater, built using six segments of prestressed concrete precast in a drydock. Construction began in 2007 and the tunnel is expected to be operational in late 2010.

Hospital de Son Dureta (32%)
The company that won the contract to build and operate the new Hospital Universitario de Son Dureta in Palma de Mallorca. The new hospital has got 987 beds and the concession is for 30 years. Construction is currently in progress.

N6 Galway-Ballinasloe (45%)
The company that won the contract to build and operate the N6 Galway-Ballinasloe motorway along the strategic east-west corridor from Galway to Dublin, complying with the requirements of the National Development Plan. It consists of a 56-kilometre-long toll motorway between Galway and Ballinasloe, a seven-kilometre junction to the Loughrea bypass (single lane) and approximately 32 kilometres of access roads. The concession is for 30 years and the motorway is scheduled to open in 2010. Construction is currently underway.

Accesos de Madrid, Cesa (20%)
This is the company that won a contract to operate the R3 and R5 toll motorways. The R3 is a 33.9-kilometre toll motorway between the M-40 and Arganda del Rey that runs parallel to the toll-free alternative A-3 road. The R5 is a 28.3-kilometre toll motorway between the M-45 and Navalcarnero that runs parallel to the A-5. Both have been in operation since 2004 and the concession is for 50 years. The average daily traffic in 2008 was 13,885 vehicles.

R-2 Autopista del Henares (10%)
Henarsa is the company that won the contract to build and operate the R2 toll motorway, a 62-kilometre stretch of road that runs between the M-40 and Guadalajara. There are two sections. The inner section, which runs from the M-40 to the M-50, is an alternative route for avoiding traffic jams on the A-1 in San Sebastián de los Reyes and Alcobendas. The outer section is an alternative route to the heavy traffic on the A-2 between Guadalajara and the M-50. The term of the concession is 24 years. The average daily traffic during the last fiscal year was 10,601 vehicles.

Alicante ring road (25%)
Ciralsa is the holder of the concession to build and operate the 28.5-kilometre Alicante ring road. The concession is for 36 years. The ring road has been in operation since December 2007, with an average daily traffic of 9,862 vehicles.

Sanchinarro light metro (42.5%)
In 2006 Metro Ligero de Madrid, S.A., was awarded the contract to operate and maintain the 5.4-kilometre-long Pinar de Chamartín-Sanchinarro-Las Tablas light metro line that connects Lines 1 and 4 of the Madrid Metro system. This line has been operational since May 2007. The concession is for 30 years. In 2008 4,148,395 travellers rode on the light metro.

Austrian subsidiary Alpine holds an interest in the following concessions:

Design, financing, construction and 30 years' operation of the first section of the A5 motorway in Austria.
This is the country's first motorway concession, a 51-kilometre section of road. It includes the construction of the first part of the A5 from Vienna toward the Czech Republic between the towns of Eibesbrunn and Schrick and the prolongation of the north-eastern ring around Vienna, which will connect to the S1 and S2 fast lanes. It is currently under construction. Phase 1 is scheduled to enter operation in November 2009 and Phase 2 in March 2010.

The following table summarises all the infrastructure concessions managed by GVI and FCC, including the contracts managed by Alpine as well:

COLONIA-JARDÍN STATION. METRO LINE 10, MADRID.

Concession	Company	Type	Investment (million €)	Term (years)
Galician Central Motorway	GVI	Toll road	303	75
Costa Cálida Motorway (Murcia)	GVI	Toll road	649	36
San José-San Ramón Motorway (Costa Rica)	GVI	Toll road	213	25
San José-Caldera Motorway (Costa Rica)	GVI	Toll road	264	25
N6 Galway–Ballinasloe (Ireland)	GVI	Toll road	340	30
R3 and R5 accesses to Madrid	GVI	Toll road	1,003	50
R-2 Henares Motorway	GVI	Toll road	563	24
Alicante ring road	GVI	Toll road	445	36
A-5 (Austria)	Alpine	Toll road	875	30
Envalira Tunnel (Andorra)	GVI	Toll tunnel	54	50
Sóller Tunnel	GVI	Toll tunnel	51	33.5
Autovía del Camino Dual Carriageway (Navarra)	GVI	Shadow toll road	356	30
M-45 (Madrid)	GVI	Shadow toll road	214	34
M-407 (Madrid)	GVI	Shadow toll road	74	30
M-404 (Madrid)	GVI	Shadow toll road	162	30
Ibiza-San Antonio road twinning	GVI	Shadow toll road	101	25
Autoestradas da Beira Interior (Portugal)	GVI	Shadow toll road	933	30
Ruta de los Pantanos	GVI	Shadow toll road	107	25
Coatzacoalcos Tunnel (Mexico)	GVI	Toll tunnel	185	30
N. Necaxa-Tihuatlán (Mexico)	GVI	Toll road	493	30
M-50 Dublin (Ireland)	GVI	Pay-as-you-use toll road	419	35
Itata Motorway (Chile)	GVI	Toll road	198	15
Aconcagua Motorway (Chile)	GVI	Toll road	457	13
Trasmontana Motorway (Portugal)	GVI	Shadow and real toll road	706	30
Cedinsa Eix Llobregat	FCC	Shadow toll road	174	33
Cedinsa d'Aro	FCC	Shadow toll road	54	33

Concession	Company	Type	Investment (million €)	Term (years)
Cedinsa Vic-Ripoll	FCC	Shadow toll road	221	32
Cedinsa Eix Transversal	FCC	Shadow toll road	712	33
Cuenca Dual Carriageway	FCC	Shadow toll road	120	19
Parla Tram	GVI	Rail infrastructure	104	40
Baix Llobregat Tram	GVI	Rail infrastructure	249	25
El Besòs Tram	GVI	Rail infrastructure	225	27
Madrid Metro Line 9	GVI	Rail infrastructure	124	32
Barajas Metro	GVI	Rail infrastructure	47	20
Málaga Metro	GVI	Rail infrastructure	504	35
Sanchinarro light metro (Madrid)	GVI	Rail infrastructure	293	30
Barcelona Metro Line 9	FCC	Rail infrastructure	1,000	32
Laredo Marina (Cantabria)	GVI	Marina	70	40
Port Vell Marina (Barcelona)	GVI	Marina	15	30
Nàutic de Tarragona	GVI	Marina	12	30
Port Torredembarra	GVI	Marina	15	30
Portsur Castellón	GVI	Marina	30	35
Castellón Multi-purpose Terminal	GVI	Logistics port	35	30
Gijón Harbour Bulk Goods Terminal	GVI	Logistics port	17	30
Santiago Air Terminal (Chile)	GVI	Airport	249	21.5
Castellón Airport	GVI	Airport	127	50
Hospital del Sureste (Madrid)	GVI	Hospital	71	30
Hospital de Son Dureta (Mallorca)	GVI	Hospital	243	31.5
Enniskillen Hospital (Northern Ireland)	FCC	Hospital	372	33
World Trade Center Barcelona	FCC	Service building	134	50
City of Justice, Barcelona	FCC	Service building	263	35
Tema Concesionaria (Mallorca)	FCC	Service building	33	40

Technological development

L'ASSUT DE L'OR BRIDGE, VALENCIA.

FCC Construcción upholds its policy of technological development. It upholds ongoing innovation in its work. It actively participates in landmark construction projects and designs such projects itself. It conducts R&D&i projects to improve the company's processes and systems. And it increases and improves the machinery and auxiliary resources available to it.

Fully committed to sustainability in construction, FCC belongs to several international technical committees, such as CEN/TC 350 on the Sustainability of Construction Works and ISO/TC 59/SC 17 on Building Construction/Sustainability in Building Construction, as well as Spanish committees such as AEN/CTN 198/SC on Sustainability in Infrastructure, which is chaired by FCC Construcción.

Here are a few examples of special designs and construction and how the company is increasing and improving its resources.

Bridges and special structures

During the fiscal year FCC Construcción beefed up its bridge-building resources with new moveable formwork able to place segments weighing 65 metric tonnes apiece in progressive cantilever systems for spans of up to 75 metres. It will be used to build the Concha de Artedo viaduct on dual carriageway A8 (the Cantabrian Dual Carriageway). This formwork can be easily modified to act as upper formwork in building in-situ concrete bridges with spans of up to 60 metres and a weight of 30 metric tonnes per metre.

The company began construction on the ten viaducts on the Despeñaperros relief road of dual carriageway A4. These viaducts measure a total of 3,640 metres in length, with precast segments weighing 50 metric tonnes apiece. The span-by-span system is being used, where previous experience indicates that an output of two spans a week can be expected to be reached.

During the fiscal year FCC Construcción finished high-tech bridges such as:

L'Assut de l'Ór Bridge

Serrería Bridge, dubbed Pont de L'Assut de L'Or since the day it was opened, is a cable-stayed bridge with a free span of 160 metres. It is located in the City of Arts and Sciences of Valencia.

The bridge is transversally symmetrical, with a straight ground plan and a slightly curved elevation. Its total width varies from 39.2 to 35.5 metres. It accommodates six automobile lanes and two bus or tram lanes.

The pylon springs from one end of the bridge. It is 125 metres high from ground level and it has a curved directrix approximately following the antifunicular load polygon.

There are 29 cables arranged along the bridge's axis to hold it up, and the pylon's guy wire contains four components made of metal pipes and 85-strand cables.

Almozara Park Footbridge
(the Volunteer's Footbridge)

This footbridge crosses the Ebro River in Zaragoza. It is a cable-stayed footbridge with a curved ground plan and a span of 235 metres.

The pylon is set on the outer side of the curve, at a distance of four-tenths of the total length of the footbridge, and it leans toward the outside of the same curve. The deck is held up by a fan-shaped array of cables that run from the pylon. The pylon is counterstayed by two cables anchored to the foundations.

The deck is a closed metal box whose cross section is shaped like a segment of a circle. It is 4.5 metres wide and 1.0 metres thick. The box is embedded torsionally in the abutments, where its longitudinal movement is also dealt with. Its resistant section is made entirely of metal.

The cables holding up the bridge and those holding up the pylon are closed. The staying cables were put in place and tensioned by BBR PTE.

Powder Magazine/Weapons Factory Footbridge

This footbridge, located in Toledo, replaced the footbridge over the Tagus River that used to join the weapons factory with the powder magazines but was washed out by a flood.

The new footbridge is a hanging structure with a span of 105 metres. Its useful width is six metres, but its total width is nine metres, which the same as the transverse separation of the hanger/catenary/pylon/retaining cable assemblage.

The deck has a combined cross section. There is a U-shaped central metal box two metres wide and 0.8 metres thick. The concrete slab is 200 millimetres tall by six metres wide. In the box are embedded 3.5-metre-long I-beams set crosswise every three metres. The deck is embedded torsionally in the abutments.

The hangers (2x32 units) are open, spiral cables. They are 16 millimetres in diameter and are anchored to the ends of the cross beams. The catenaries are closed cables 84 millimetres in diameter. They are anchored to the pylons with fork-shaped anchoring fixtures.

The pylons, which have a constant cross section and are made of metal, are embedded in the foundations and retained by two pairs of steel tubes 219 millimetres in diameter, anchored to the concrete mooring points.

Marine construction

Various improvements have been made to the company's marine construction machinery. One big improvement was to increase the height of the towers on the Mar del Teide dock so that the depth of the caissons that can be made there could be increased from 22.00 to 24.70 metres.

An R&D&i project was conducted to develop floating pontoons made of concrete reinforced with metal fibres instead of structural steel.

Underground construction

FCC Construcción continues to amass an ever-greater pool of special tunnel-building machinery. At the end of the fiscal year it or joint ventures in which it was participating owned nine tunnel-boring machines whose boring diameters ranged from 9.38 to 15.01 metres. These included EPB, dual (rock + EPB), single rock shield and double rock shield TBMs. An additional four TBMs are being built for FCC to work at the following sites:

UIC-gauge connecting tunnel between Atocha Station and Chamartín Station, in Madrid. Boring diameter: 11.50 metres. Machine type: EPB.

Terrassa-Rambla Can Roca Tunnel. Two TBMs with a boring diameter of 6.85 metres. Machine type: EPB.

Girona Tunnels (for AVE high-speed trains). Boring diameter: 12.16 metres. Machine type: EPB.

One achievement of the fiscal year was the construction of the second La Cabrera Tunnel on the Siete Aguas-Buñol section of the high-speed line to the Levante area of Spain's coast. The double-shield TBM bored the six kilometres between the completed sections using conventional methods from 8 May to 25 September, beating the world record set in the first tunnel. The first tunnel's record was 83 metres built in one day, and the second tunnel pushed past that to 92.8 metres.

Special buildings

The following are some of the more outstanding special building projects FCC Construcción finished.

Wall of the Museum of Royal Collections

Before the museum could be built, a retaining pile wall had to be built near Almudena Cathedral and the Royal Palace in Madrid, so that the necessary excavation work could be done 36 metres below the level of the cathedral courtyard.

The wall was anchored with up to seven levels of anchors of different capacities ranging up to a maximum of 180 metric tonnes.

Because the terrain is argillaceous soil formed in Madrid's Tertiary period, these

anchors' capacity may be regarded as the highest performance current technology can provide.

Exhaustive auscultation was done during anchoring, using inclinometers, anchor load cells, pile integrity checks, topographical checks, etc.

The anchors were by Alpine subsidiary Grund Pfahl und Sonderbau (GPS).

Magic Box

The Magic Box high-performance tennis centre is located in the San Fermín district of Madrid, on the banks of the Manzanares River. It is called the Magic Box because its main building has a nearly square 170-by-160-metre ground plan, and inside it hides three stadiums able to seat 12,000, 3,500 and 2,500 spectators. These stadium's main feature is that they have removable roofs that can be shifted and turned so that three games can be played at the same time under outdoor or indoor conditions.

The main stadium is Manuel Santana Stadium. It has a 105-by-73-metre metal roof. The roof trusses measure four metres along the edge and are made of S460 and S355 steel. To them a triangulate structure is connected. There are two hydraulic jacks weighing 60 metric tonnes apiece and each able to move 1,000 metric tonnes, one installed on each side of the stadium. They open and close a set of 17-metre-long, A-shaped legs. The roof can be revolved 12º and shifted 56 metres along two rail beams set at a height of 20 metres.

The other two stadiums, the larger of which is Arantxa Sánchez Vicario Stadium, have 62-by-43-metre roofs made with roof trusses four metres long along the edge. These roofs can revolve 25º and shift 43 metres, leaving both courts completely open to the sky.

RCD Español Stadium roof

The roof has four main beams in a lattice pattern, two 195.6-metre-long longitudinal beams and two 155.5-metre-long cross beams. They rest on eight concrete pillars two metres in diameter located outside the stadium.

The edges of these trusses measure nine metres in the central area and narrow to 3.9 metres at the place where they rest on the pillars. The chords are four tubes 610 millimetres in diameter. They are set one metre apart in the upper chord, and in the lower chord they are set six metres apart in the central area, narrowing to 3.5 metres apart where they meet the pillars. The diagonals are tubes 298 millimetres in diameter set approximately seven metres apart.

Along the outside edge of the roof there are band joists, also in a lattice pattern, which help support the roof's side-wavers. They rest on the ends of the main trusses and on articulated metal pillars.

MAGIC BOX (LA CAJA MÁGICA), MADRID.

R&D&I projects

PROJECT ARFRISOL, BIOCLIMATIC OFFICES WITH SOLAR COOLING SYSTEMS.

Some of the most notable projects conducted in fiscal year 2008 are mentioned below.

Projects undertaken in preceding fiscal years were continued, such as the Tunconstruc Project to optimise underground construction; ManuBuild, on the industrialisation of construction; Arfrisol, on developing bioclimatic architecture and solar energy; Hatcons, to study different aspects of underground construction, such as high-efficiency concrete and the interaction between machines, linings and soil; Integral Bridges, for the design of integral bridges without joints; Cleam, focusing on efficient, environmentally friendly construction; Safe Port, to develop a system capable of linking the natural environment with the occupational risks inherent in marine construction; and the Submerged Tunnels project, focusing on submerged tunnels in seismic areas. Under Project Arfrisol a bioclimatic building was built for the Barredo Foundation in Asturias, and under Project Safe Port a system was developed to improve safety in the construction of Laredo Marina.

A number of new projects were started up in 2008. The foremost were Project Olin, to study, test and find a basis for expanding the range of soils to be used in embankments and the formation of E3 graded surfaces using soil treated with lime only; Urban Tunnels, whose objective is to develop an integrated model for the design and study of tunnels in urban areas; Pontoon, to develop the system of fibre-reinforced concrete pontoons mentioned above; and Project Continuous Wall, to develop slipformed continuous parts made of concrete reinforced with structural fibres.

This fiscal year was the fourth year when the Fomento Award for Innovation went to the project entitled, “Automation of the railway sleeper-manufacturing process” by Prefabricados Delta, a subsidiary of FCC Construcción. This project consists in the automation of tensioning and detensioning in the manufacturing of sleepers, establishment of a dimension-measuring and automatic weighing system and the introduction of a computerised traceability system. The project has achieved major technical and economic improvements.

cement

Firm commitment to sustainability

Cementos Portland Valderrivas has made a firm commitment to sustainability. That means improving its environmental management, boosting its energy efficiency and gradually phasing out fossil fuels at its factories, to be replaced by alternative fuels that produce lower atmospheric emissions of CO_2.

Analysis of the sector

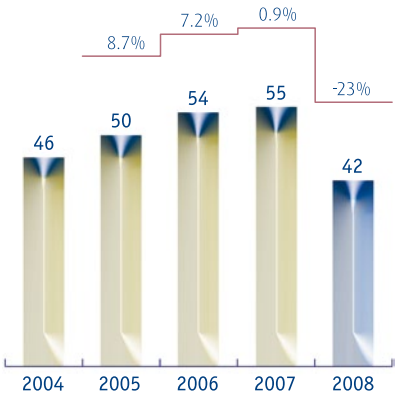
In 2008 the Cementos Portland Valderrivas Group was hit by the financial and real estate crisis. The negative consequences for the Group's business were felt in Spain as well as the USA and the UK. The impact was lighter in Tunisia, Argentina and Uruguay, where the Group also has cement factories.

According to statistics provided by the National Association of Cement Manufacturers, apparent consumption of cement in Spain reached the figure of 42.7 million mt in 2008. That is 23.8% less than the year before and implies a radical change in preceding years' trend in consumption.

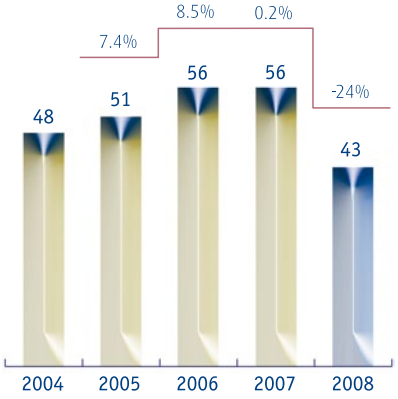
Total imports of cement and clinker fell by 6.2 million mt, for a total of 7.7 million mt. Total exports amounted to 2.2 million mt in 2008, as compared to 1.1 million in 2007.

In the USA, where the South Carolina, Maine and Pennsylvania factories are located, according to provisional data from the Department of the Interior, cement consumption declined in 2008 to 98.6 million mt, 18.1 million less than the year before.

Cement production in Spain
Million mt



Cement consumption in Spain
Million mt



Cementos Portland Valderrivas

CEMENTOS PORTLAND VALDERRIVAS

Between direct and indirect holdings, FCC owns 67.361% of the capital in **Cementos Portland Valderrivas**. The remainder is free float.

Cementos Portland Valderrivas in turn holds 65.49% of the capital in Uniland, after exercising a number of call options in the course of the fiscal year, with an investment of 135.7 million euro.

Cementos Portland Valderrivas currently controls 15 cement factories, 159 prepared concrete plants, 56 aggregate quarries, 19 dry mortar plants, 13 maritime terminals and nine terrestrial terminals. These facilities are located in Spain, the United States, Canada, Tunisia, Argentina, Uruguay and the United Kingdom. It also has a trading business in Holland.

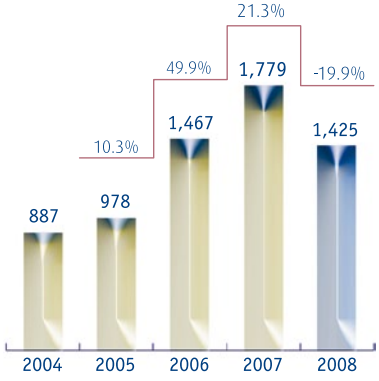
Cement

Cement and clinker sales in 2008 were affected by the downturn in the international and domestic economy and in the residential sector, which entailed a considerable decline in cement consumption in Spain and the US alike. Total sales for Spain and the US fell from 18,168,128 mt in 2007 to 15,449,994 mt in 2008.

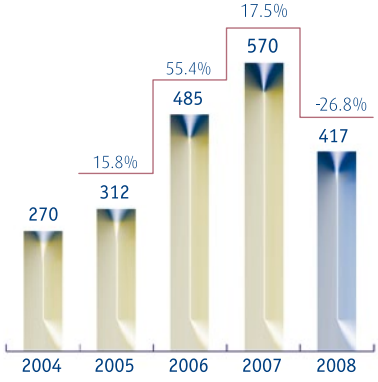
The 2,718,134-mt drop in fiscal year 2008 from the level of the preceding year was less than anticipated, thanks to the Group's effort to export surplus production and thus at least partially to palliate the decline in sales in the countries where we do business. Thus, 977,939 mt of sales in 2008 were exports. That is 6.3% of the total, while in 2007 3.72% of total sales were made outside these two core markets.

In 2008 Spain contributed 729,503 mt, 7.3% of the 10,030,781 mt sold by the country. The rest of the exports were made primarily from Tunisia, with 130,896 mt of the total of 1,875,218 mt sold.

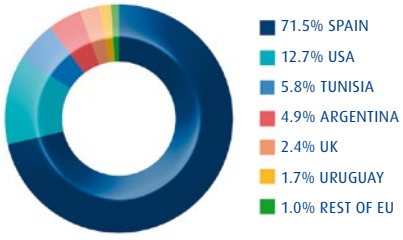
Turnover
Million euro



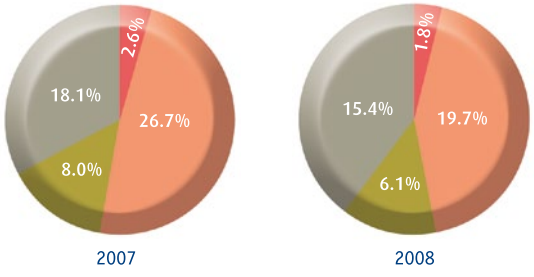
Gross operating profit (Ebitda)
Million euro



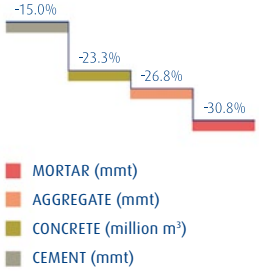
Breakdown of turnover by countries



Sales in physical units



Variation %



FACTORY AT ENFIDHA, TUNISIA.

By companies, **Cementos Portland Valderrivas** accounted for 35% of total sales, with 5,413,811 mt, 20.1% less than the year before. Uniland contributed 39.6%, or 6,124,027 mt, which meant sales declined 9.4% from the year before.

Giant Cement Holding sold 1,870,132 mt, a 17% reduction over the figure of the year before, and furnished 12.1% of the total tonnage. Cementos Alfa and Cementos Lemona experienced negative variations over 2007, of 14.6% and 17.1% respectively. Their respective sales were 909,040 mt and 784,828 mt, furnishing 5.9% and 5.1% of the total sold.

Dragon Alfa sold 211,537 mt and other companies accounted for 136,619 mt. Their respective negative year-on-year variation rates were 5.4% (Dragon Alfa) and 2.6% (other companies), and altogether they contributed 2.3% of the total tonnage sold.

Concrete

At the close of 2008 Cementos Portland Valderrivas had 134 prepared concrete plants in Spain, ten in the USA, six in Argentina, five in Tunisia and four in Uruguay, for a total of 159 industrial facilities.

In 2008 the total sales of prepared concrete by the Cementos Portland Valderrivas Group came to 6,120,323 m^3, as opposed to 7,976,861 m^3, which means sales declined 23.3% over the previous year.

The Spanish concrete division works in the communities of Andalucía, Aragón, Cantabria, Castilla-La Mancha, Castilla y León, Cataluña, Extremadura, La Rioja, Madrid, Navarra and País Vasco. The fleet that supplies the product comprises over 1,000 concrete lorries in constant operation. During 2008 prepared concrete of many different qualities was supplied at a vast variety of sites in Spain. The most important sites were these:

- Twinning of road C35 from Vidreres to Llagostera, in Gerona.
- High-speed line from Constanti to Perafort and third lane on the AP7, in Tarragona.
- Dual carriageway SE-40, section I, section II, in Sevilla.
- Enlargement of the Palacio de Congresos exhibit hall in Málaga.
- South Dual Carriageway / Despeñaperros, in Jaén.
- Railway lines from Móstoles to Navalcarnero and from Torre Bami to Las Tablas, in Madrid.
- Southern Metropolitan Bypass and Metro line from Santurce to Cabieces, in Bilbao.
- Ring road, section from Villatoro to Quinta de Dueña, and Modubar Wind Farm, in Burgos.
- Celada 1 Wind Farm, in Palencia.
- Work on the V-30, in Valladolid.
- Hospital de Reinosa, in Cantabria.
- Navarra Canal.

Aggregate

The Group produces aggregate at 50 quarries in Spain, two in the USA and Argentina, one in Tunisia and another in Uruguay.

In 2008 the Aggregate division sold 19,700,385 mt of aggregate, as compared to 26,906,817 mt in 2007. That means a reduction of 7,206,432 mt and a year-on-year negative variation of 26.8%.

Declines in aggregate sales affected all countries except the United States, where 19.8% more was sold than in the previous year.

The aggregate division in Spain operates in the same autonomous communities as does the concrete business.

During 2008 the different products were supplied to a great number of sites, the foremost of which were:

- Enlargement of the military harbour at Rota, Cádiz.
- Bilbao Metro.
- Ronda Nuevo Torneo office building in Seville.
- Third runway at El Prat Airport, Barcelona.
- Remodelling of a section of the M-30 and Torre Repsol in Madrid.
- Enlargement of Málaga Airport.

Dry mortar

Portland Valderrivas has got 19 production facilities, all in Spain. Dry mortar was the business that grew the most in 2007, with a 54.3% increase in sales over the year before to the historical record of 2,589,431 mt. In 2008, with the shrinking demand, the Group sold 1,792,339 mt, with a negative year-on-year variation of 30.8%.

There were two different scenarios in the mortar business in 2008. Up until June production, which went in lockstep with sales, displayed levels similar to those of 2007. Then there was a very sharp drop starting in September.

During 2008 dry mortar was supplied to different sites, the most important of which were these:

- New headquarters for Caja Vital in Segovia.
- Epsilon Euskadi's headquarters in the Technological Centre in Álava.
- The Super-Sur Bypass in Bilbao.
- An auditorium in Burgos.
- The Twentieth Century Bridge and the Hotel Hiberus for Expo Zaragoza.
- El Corte Inglés in Valencia.
- Hospital de Son Dureta in Palma de Mallorca.
- Metro Line 9 and the City of Justice in Barcelona.
- The Las Arenas entertainment centre and the Porta Fira building in Hospitalet, both in Barcelona as well.

GIANT CEMENT FACTORY, USA.

CEMENTOS VILLAVERDE PLANT, MADRID.

GRAVEL PLANT, PERALTA, NAVARRA.

Transport

Cementos Portland Valderrivas, through Atracemsa and Natrasa, the companies that form the Raw Materials and Cement Transport Division, were also hit by the sector's crisis. In 2008 they moved 2,008,025 mt and 598,954 mt, respectively, which makes for a total transported volume of 2,606,979 mt, down 23% (or 777,548 mt) from the year before.

Results

Portland Valderrivas' 2008 results and their comparison with the 2007 results reflect the new method of equity instead of proportional consolidation.

In fiscal year 2008 the turnover was 1,425.1 million euro, down 19.9% from the turnover earned in 2007. The gross operating income (Ebitda) was 417.3 million euro, which is 26.8% less than in 2007. In terms of operating margin, that figure represents 29.3% of the turnover, as opposed to 32.1% in the preceding fiscal year. The increase in costs was due to the increase in fuel prices. The larger variation is due to the reduction in business volume. The effect of exchange rates was practically neutral.

The net result attributable to the controlling company was 101.8 million euro, 49.60% less than in 2007. In fiscal year 2008 financial expenses were reduced by 7.7% over 2007, and the average rate of taxation on corporate income was optimised. Also, as a consequence of the exercise of options to purchase shares in Corporación Uniland during the course of 2008, as discussed above, the interests of minority shareholders were reduced by Cementos Portland Valderrivas's increase in its holdings in Corporación Uniland.

Investments

Total intangible and tangible asset investments plus financial investments totalled 315.3 million euro in 2008, as opposed to 322.1 million in 2007, a decrease of 2.6%. The policy of optimising industrial investments is being upheld, in view of the fact that the cement business is capital-intensive and requires continuing investment in order to toe the line drawn by increasingly demanding environmental legislation.

In 2008 financial investments came to 153.6 million euro, 88.3% of which was for the purchase of shares in Corporación Uniland.

Tangible fixed-asset investments in 2008 reached 161.7 million euro and were 12.5% lower than in 2007.

CEMENT FACTORY IN VALLCARCA, BARCELONA.

Industrial development

FCC's Strategic Plan supports the use of alternative energy sources. Support this year appeared in the form of approval to foster the use of waste to produce energy in cement factories. This move promotes the sustainability of natural resources, because cement production is very intensive in its consumption of both heat energy and electricity.

Accordingly, biomass consumption has been encouraged further in production plants. The results are satisfactory. For example, the Vallcarca, Barcelona, cement factory achieved an energy substitution of 4.64% in 2008. The alternative fuels obtained from biomass were sludge from urban purification plants (whose use as fuel is permitted under the integrated environmental authorisation), detritus from pruning and the residual fraction. Tests were conducted with this fuel mix, with satisfactory results.

It has also been planned to introduce this type of fuel for the rest of the factories in the next few years.

Work continues on the incorporation of decarbonised materials into the process, to reduce greenhouse gas emissions. The use of these by-products has steadily been becoming consolidated in the different production centres, to favour energy recovery and to minimise CO_2 emissions at the same time. This year a central power-purchasing office was opened for the country's biggest electricity consumers, one of which is Cementos Portland Valderrivas. The office's job is to create a favourable position in the new market scenario and to favour improvement in the way the Spanish electricity system manages energy.

Information systems

Project SIVA, the Cementos Portland Valderrivas Group's information system, is scheduled to start at the close of fiscal 2008. SIVA is a corporate tool that integrates all the ratios and indicators management uses at all the Group's companies, regardless of the information procedures they currently employ for daily operations. This new system will considerably simplify and speed up the process of obtaining the Group's monthly figures, and it will enable fast, effective monitoring of the development of the key indicators of the different businesses.

Stock market analysis

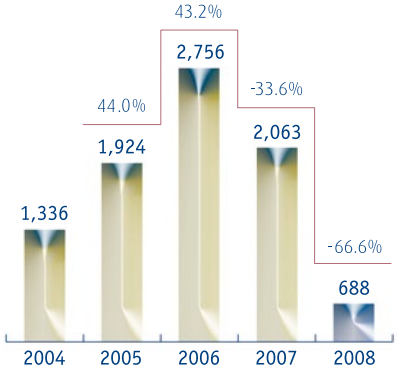
Shares in Cementos Portland Valderrivas, S.A., are included in the Index of Commodities, Industry and Construction on the Madrid and Bilbao stock markets, and therefore they have followed a very similar trend during 2008.

On 2 January 2008 the shares were quoted at 72.50 euros. That was the year's high, as it was the year's high for the Madrid Stock Market's Index, which closed in that same session at 1,624.84, while the record for the Commodities Index was set on 19 May at 2,243.82.

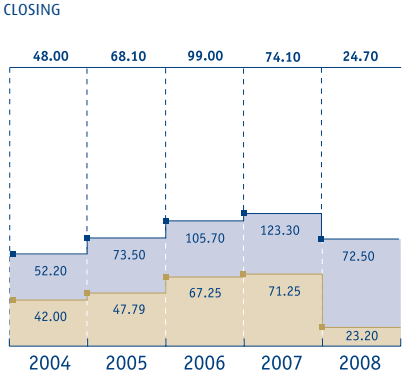
The company's shares were traded on all 254 sessions of the continuous market, with a total movement of 5,376,144 shares, which accounted for 19.3% of the volume in circulation.

On 12 December 2008 the trading price hit its annual low of 23.20 euro. It closed on the thirtieth of that same month, the last session of the year, at 24.70 euro, which made for a stock market capitalisation of 687,594,105 euro.

Stock market capitalisation as of 31 December
Million euro



High, low and closing price of shares
In euro



EL ALTO CEMENT FACTORY, MADRID.

A sustainable company

energy

Analysis of the sector

Energy production and consumption, the foundation of economic development, have been experiencing something like 4% annual increases in recent years. In Spain this increase has been made by relying significantly on renewable energy sources.

Spain is considered a model country in the development of renewable energy sources and it has succeeded at establishing a powerful domestic industry.

Thus, in 2008 wind energy accounted for 10% of the country's total energy production.

Solar photovoltaic energy also experienced quite a considerable increase. By late 2008 there were some 3,000 mW of solar power capacity installed.

Government plans call for growth that will double these figures in the next few years.

Activity at FCC

In its strategic plan (PLAN 10), FCC posed diversification toward the energy sector as one of its main objectives. FCC is especially interested in the areas of cogeneration, energy efficiency, renewable energies and energy from waste. To handle these activities, on 4 September 2008 FCC Energía, S.A., was created to head up the future Energy and Sustainability area. The company's initial capital is four million euro.

To get this new business off to a good start, in September 2008 full ownership of two solar photovoltaic farms in the province of Córdoba was purchased. These farms have an installed power capacity of 20 mW. They were both connected to the power mains in September last, so they have qualified for payment at the maximum rate. On 31 December 2008 these assets were transferred to FCC Energía, S.A. The investment cost 144 million euro.

During the fiscal year it was resolved to buy from the Australian group Babcock & Brown Wind Partners the fourteen wind farms it owned in the communities of Andalucía, Galicia, Aragón, Castilla y León and Castilla-La Mancha. They have an annual turnover of 100 million euro. Their total production capacity is 420.7 mW, with an additional development capacity of 45 mW that is estimated to be brought into operation before 2012. The acquisition took place on 8 January 2009.

These assets' power output covers the electrical needs of some 200,000 persons and saves 700,000 million tonnes of CO_2.

In addition to these wind power assets, a half interest has been purchased in Im Future, a wind farm operation and maintenance company that boasts a team of 60 professionals with great experience in the wind power sector. Wind farm operation and maintenance is an increasingly important business, as Spain is home to 16,000 mW of wind power facilities. Work is also going on to develop the capacity to repair critical components such as blades and gearboxes. At present continuous monitoring is being conducted at the facilities the Group has acquired.

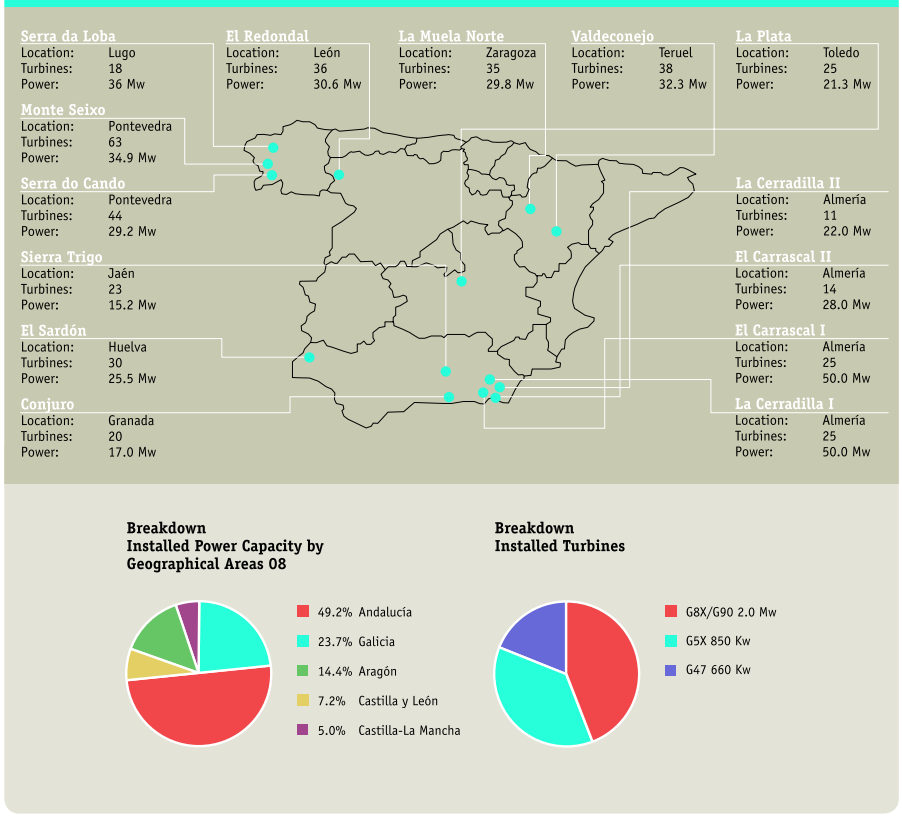
The cost of the transaction came to a total of some 800 million euro.

In the course of 2009 the investments already made in power-producing assets will be consolidated, and investments will be undertaken in new assets in concordance with the term of FCC's strategic plan, Plan 10.

RENEWABLE ENERGY ASSETS

Location		Capacity (mW)	Percentage of total	Investment (M€)	Status	FCC's share
Zabalgarbi	Spain	29	5%	49	Operational	30%
Allington	United Kingdom	35	6%	178	Operational	100%
Eastcroft	United Kingdom	27	5%	-	Operational	100%
Zisterdorf	Austria	13	2%	78	Development	100%
Total waste		**104**	**18%**	**305**		
14 farms	Spain	422	71%	760	Operational	100%
2 farms	Spain	45	8%	45	Development	100%
Total wind		**467**	**79%**	**805**		
2 farms	Spain	20	3%	144	Operational	100%
Total photovoltaic		**20**	**3%**	**144**		
TOTAL		**591**	**100%**	**1254**		

Breakdown of Farms by Geographical Areas



Breakdown Installed Power Capacity by Geographical Areas 08

Breakdown Installed Turbines

In the new investments, priority will go to asset promotion projects over any opportunities that may arise to acquire assets already in operation. Asset promotion will make it possible to consolidate and increase FCC's position in the renewable energy sector and, with the companies in the Group, to develop the necessary technological capacities for the construction, operation and maintenance of facilities. The geographical areas given top investment priority will be Spain, eastern EU member countries and the USA. The common denominator of all these geographical areas is that they all offer the legal certainty necessary to commit medium-term investments and their respective governments have stated their political willingness to boost the development and promotion of renewable energy sources.

In the production technology area, the trend will be to draw on all existing technologies that are mature enough to ensure asset profitability. Therefore the top-priority technologies will be wind, solar photovoltaic and solar thermal.

Furthermore, under its Social Responsibility and Sustainability Plan, FCC is developing and implementing systems to improve the efficiency of its own energy consumption by incorporating new technologies, improving purchasing and provisioning processes and using alternative fuels in certain production processes. These steps will make for major cost savings and will moreover generate new business opportunities through the implementation of new-won processes at our clients' facilities. FCC has decided to create an energy service company to handle activities in efficiency and energy savings, under Spain's anticipated new Act on Energy Saving and Efficiency and Renewable Energy Sources.

In the field of energy from waste, active work is being done to analyse the opportunities with the goal of getting the most out of FCC's waste management capacity by minimising the final volume of waste left over. At the same time, this will produce renewable, autochthonous, competitive, greenhouse-gas-free electricity.

real estate

LE GUYNEMER BUILDING, PARIS.

HATO VERDE, SEVILLA.

FCC controls 30.023% of **Realia**, and since 31 December 2008 it has been consolidating its Realia accounts by the equity method. Before that date it had been using the full consolidation method.

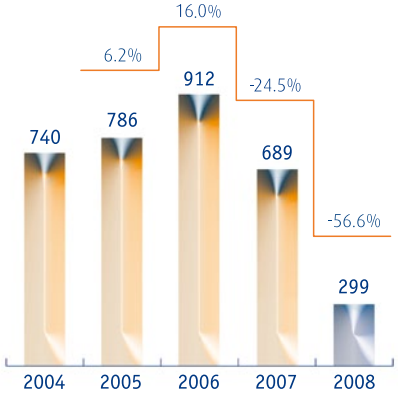
Realia was created in 2000 after the merger of the property and real estate development assets of FCC and Caja Madrid. Since its creation the company's purpose has been to develop, manage and operate all manner of real estate, including office buildings, shopping centres, housing and land management.

Property

Realia is currently managing 723,069 m^2 of property assets. Of this figure, 498,581 m^2 are in operation and 224,488 m^2 are in development.

Of the buildings in operation, Realia has got 63 office buildings, eight shopping centres and four buildings put to other uses (industry, hospitality and residential). They are all located at strategic points of the major business districts of Spain and Paris. Leading amongst them are Torre Realia and the Los Cubos building, fine examples of Madrid architecture, and Diagonal 640 in Barcelona.

Residential construction started in Spain
Thousands of housing units



SOURCE: SPANISH MINISTRY OF DEVELOPMENT

Offices in Spain

Realia has currently got two Spanish office projects under development that will eventually furnish 41,159 m² for lease. The larger and more advanced of the two is Torre Realia BCN, a turnkey project whose developer is Torres Porta Fira, a company in which FCC holds 40%.

These projects will be added to the Group's assets currently in operation, a pool of real estate characterised by the high quality of its buildings, which are located primarily in prime zones of Madrid and Barcelona. The office property portfolio in Spain currently holds 32 buildings in operation, fundamentally in Madrid. Madrid is Spain's number-one office market, with more than 11 million m².

SIIC de Paris

In May 2006 Realia took control of SIIC de Paris, a company listed on the Paris stock market. At the close of the fiscal year Realia held an 82.97% interest in SIIC de Paris. However, the medium-term objective is to dilute the holding to under 60% in order to comply with new French regulations on French real estate investment companies (SIICs).

The real estate in Paris is fundamentally office buildings located in zones CBD and BD, the zones investors find most attractive. Additionally, three office buildings are in the refurbishing/ development process and will eventually contribute an additional 17,756 m² of above-ground area to lease.

SIIC de Paris owns a number of significant buildings, including 85-89 Quai André Citroën, 61-63 rue des Belles Feuilles and 142 Boulevard Haussmann.

Shopping centres

Realia has carved out a place for itself as one of the most active developers and operators of shopping centres. It owns eight operational shopping and entertainment centres at excellent locations with a good mix of operators including the leading fashion, home, food service and entertainment names.

Amongst the projects in development are the Plaza Nueva shopping centre in Leganés, a three-phase job that will bring Realia 98,684 m² of gross area for lease. According to estimates, the first

RUE TILSIT, PARIS.

PLACE VENDOME, PARIS.

CENTRO DE NEGOCIOS EISENHOWER, MADRID.

LA NORIA MURCIA OUTLET SHOPPING CENTRE.

RESIDENCIAL HACIENDA DEL SOL, MÁLAGA.

phase will be inaugurated in the first half of 2009.

In recent years the shopping-centre sector has registered the entry of numerous investors, domestic and foreign alike, particularly investment funds and real estate companies.

The newly started centres included La Noria Murcia Outlet Shopping, which Realia opened in June 2008 with a gross area of 13,807 m^2 to lease out. In 2007 Realia opened Ferial Plaza in Guadalajara.

Residential

Realia is one of the best-positioned companies to deal with the current situation because of its financial solidity. In addition, more than 80% of the housing in its product portfolio is primary residences located in high-growth regions, and all of the housing in its portfolio is situated near urban nuclei. The company's objective is to focus its commercial management on reducing residential stock, and its rule of thumb is to adjust to the market, albeit reasonably.

It is maintaining its parallel business in land management so as to miss out on no possibilities of solid growth in future. At present Realia has about three million square metres of land available for building in its portfolio.

While Spain's housing stock is under constrained management, new housing developments are still going strong abroad, in Poland. In the capital, Warsaw, Realia has started the Pulavska 228 development, which is a set of high-rises.

Results

Despite the crisis and its effects on the residential sector in Spain, Realia closed fiscal year 2008 with a healthy balance sheet, a solid operating result and growing recurring income from leases.

During 2008 Realia reduced its turnover by 42% to 468.7 million euro. The restriction of credit and loss of confidence of consumers and employers meant that few land sales transactions were closed and the residential promotion business lost steam.

Although total income did go down, income from leases of property assets were strengthened by 14% to 177 million euro. The improvement of this income confirms the high quality and exceptional location of the portfolio, particularly special office buildings in Spain and

Paris and shopping centres in Spain. Altogether these assets maintained an occupation of 97%, with a considerable improvement in margins.

The strength of this income buffered the drop in development and land and enabled Realia to keep its Ebitda on the positive side of the line: 211.7 million euro at the close of 2008.

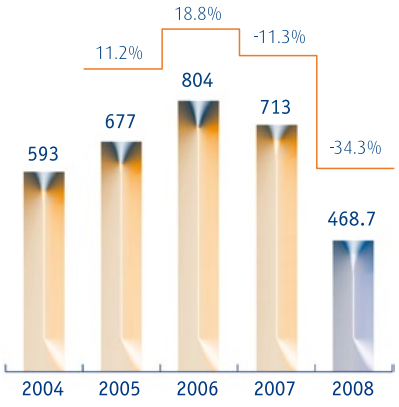
However, because of the reduction in the valuation of Realia's assets at market prices conducted by CB Richard Ellis on 31 December 2008 to 5,145 million euro and the subsequent need to make a 126.1-million-euro provision, the net result shown is a negative 45.8 million. The effects of this result are in book terms only, as no outflow of actual cash is involved. The result/Ebit holds steadily to the positive side, at 51.5 million.

Furthermore, the reduction in the book value of assets does not influence all items on the balance sheet, only some of the assets incorporated in recent years, because Realia applies the most prudent of accounting principles and lists real estate at its historical value or purchase price. For this reason it still has 1,268 million euro in net latent capital gains.

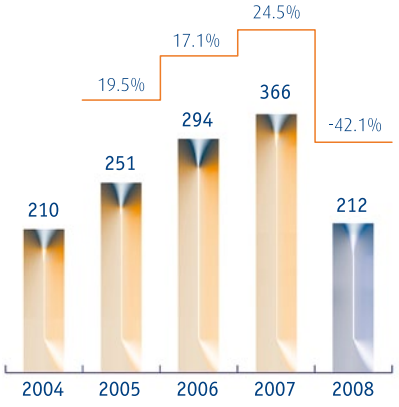
These assets are backed up by a solid financial structure. Realia holds a ten-year, 1,632-million-euro syndicated loan signed in 2007 to finance its property business and several of the projects it has under way. On 6 June of that same year the company went public, with its shares at a price of 6.5 euro apiece. The closing quotation for fiscal year 2008 was 1.55 euro per share.

RESIDENCIAL AGUASERENA. ALMERÍA

Total revenue
Million euro



Gross operating profit (Ebitda)
Million euro



Torre Picasso

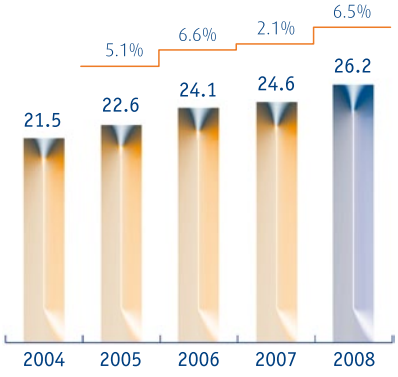
TORRE PICASSO, MADRID.

Torre Picasso is wholly owned by FCC. With its area of 121,000 m² of offices, it is one of Madrid's most striking buildings. It stands in the city's most exclusive business area, surrounded by large shopping centres, gardens and the finest selection of public transport.

Occupation in 2008 was 100% with an average price of €28.59/m²/month.

Torre Picasso is still in the process of renovating its facilities and is also introducing new services for its clients.

Turnover
Million euro



Gross operating profit (Ebitda)
Million euro