



**Finance Area**  
IR & Stock Exchange Department



# 2010 Earnings

1 March 2011

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## Introduction

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- 1.6. Operating efficiency*
- 1.7. Revenues visibility*
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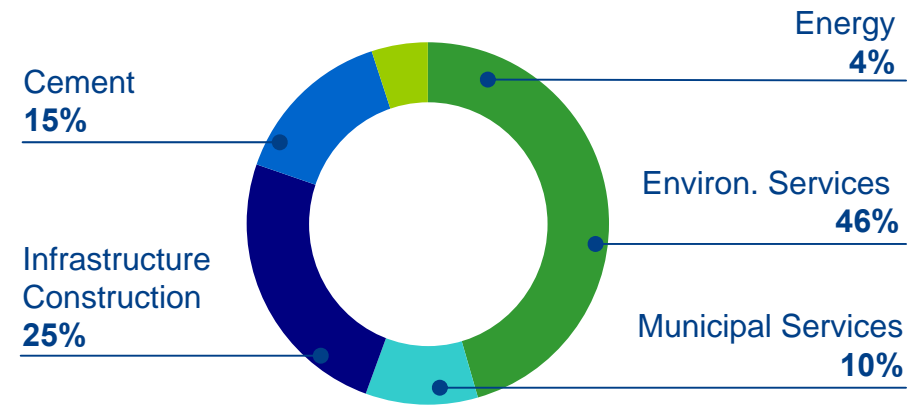
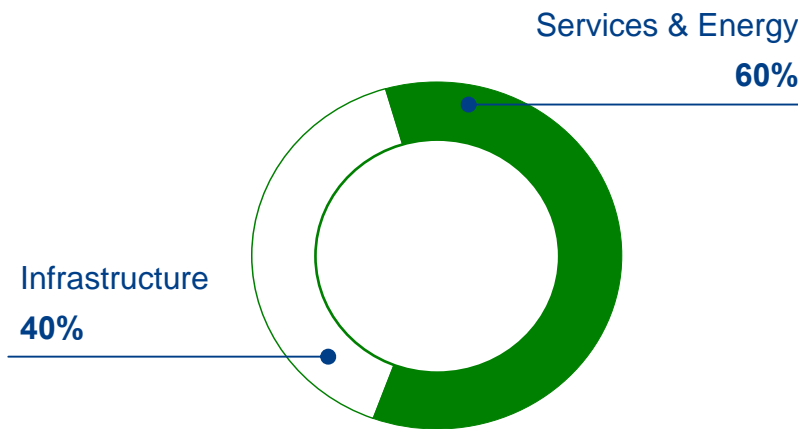
**Mr Baldomero Falcones**  
Chairman and CEO

- ✓ **Increase in net attributable income:** to €301.3 mn (+1.8%), even though the worst of the economic cycle adjustment occurred in the last two years (2009-2010).
- ✓ **Solid growth in utilities:** Services and Energy, the most recurring areas, with strong long-term demand, increased their weight to 60% of the total EBITDA, after expanding 11.3% in 2010.
- ✓ **Ongoing expansion of international presence:**
  - International revenues accounted for 46% of the total.
  - Increased in international backlog to €12.472 bn.
  - More than €4.5 bn in Infrastructure and Environmental Services order flow.
- ✓ **Improved operating margins:** Efforts to improve efficiency and cut costs increased the EBITDA margin to 11.8% FCC adopted a more competitive structure to capitalise on future growth.
- ✓ **Sustained solvency and fulfilment of financial commitments:**
  - Extension of the group's largest syndicated loan (€1.287 bn) to 2014.
  - Debt and leverage on par with 2009.
- ✓ **Sustained shareholder remuneration:** Dividend of €1.43/share, with a dividend yield of 6.5% (with respect to average share price in 2010).

	2010 (€mn)	Chg./2009 (%)
Revenues	12,114.2	- 4.6%
EBITDA	1,434.6	- 3.4%
EBITDA margin	11.8%	+ 0.1 p.p.
<b>Net profit</b>	<b>301.3</b>	<b>+ 1.8%</b>

	2010 (€mn)	Chg./2009 (%)
Backlog	35,309.0	+ 2.2%
Net debt	7,748.7	+ 1.2%

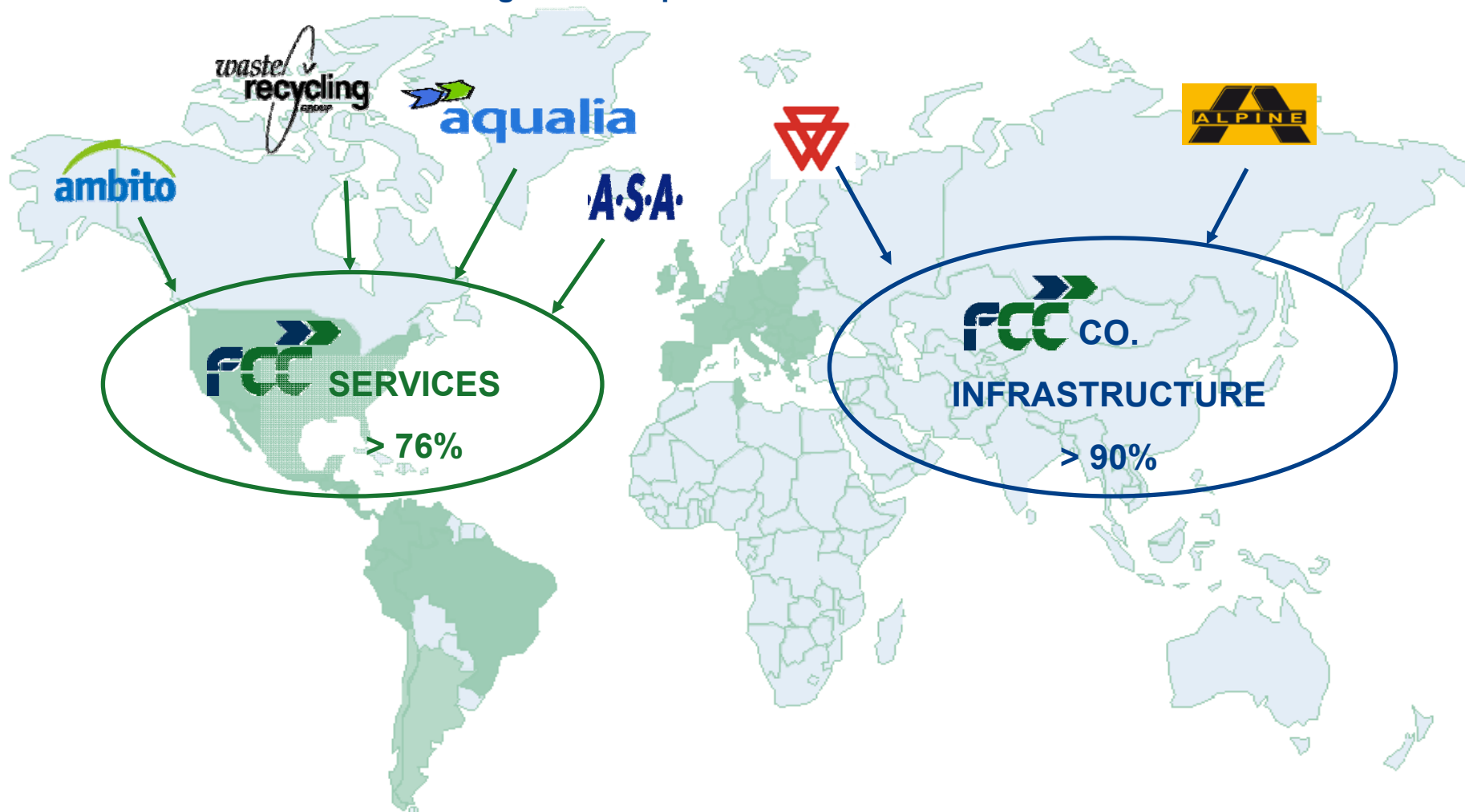
## EBITDA by business area in 2010



- 11.3% growth in EBITDA in the most recurring activities—Environmental Services, Municipal Services, and Energy—to €862.2 mn.
- Utilities account for more than 60% of the group's EBITDA.

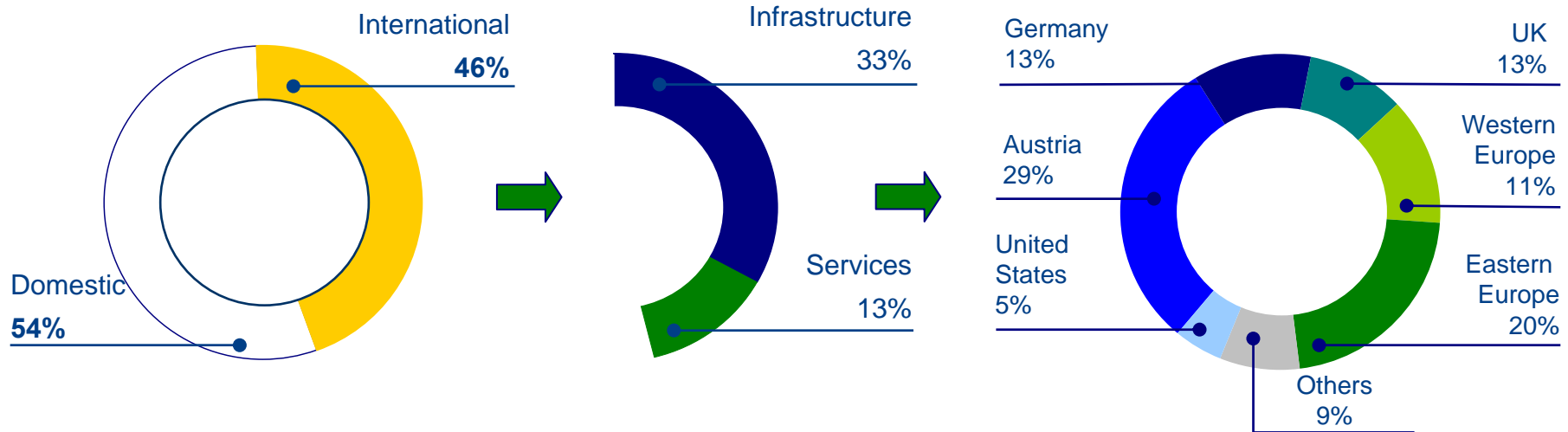


Leading local companies and revenues in 2010



- In 2010, 85% of revenues came from markets where FCC is one of the top three local operators

**International revenues in 2010**



- Increase in international backlog to €12.472 bn
- More than €4.5 bn in new contracts in Infrastructure and Environmental Services
- Operations in 53 countries on 5 continents, and 33,768 employees

**Important contracts and projects outside Spain**



**St. Gotthard Tunnel in Switzerland**



**Singapore Metro**



**Construction and management of a macro-desalination plant in Algeria.**



*Photo credit: LCR*

**Crossrail tunnels in the UK**



**Xicoteppec Tunnel in Mexico**

- Maintained leading local position and added 5-6 new areas with high growth potential.
- Most recent contracts (2010-January 2011): Panama (€1.2 bn), Algeria (€1.293 bn), UK (€366 mn), Canada (€304 mn), Mexico (€266 mn).

## Increased profitability and efficiency of operations

### ✓ 2010 Earnings

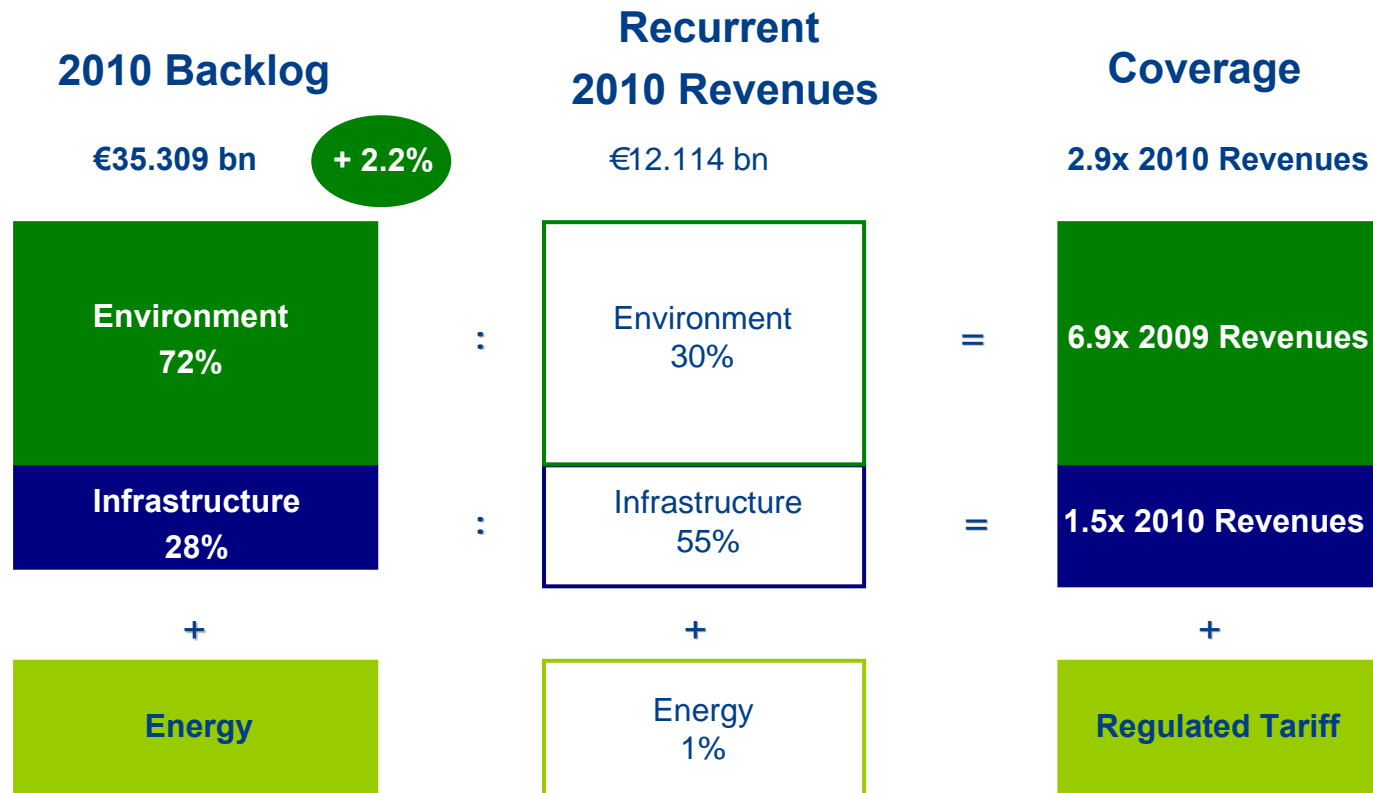
- Contained personnel costs at €3.3 bn, on par with 2009
- Reduced structural and other indirect sales costs by €64 mn
- Created the centralised Procurement Department in February 2010 to manage FCC Group procurements



## Increased EBITDA margin to 11.8%, despite the context

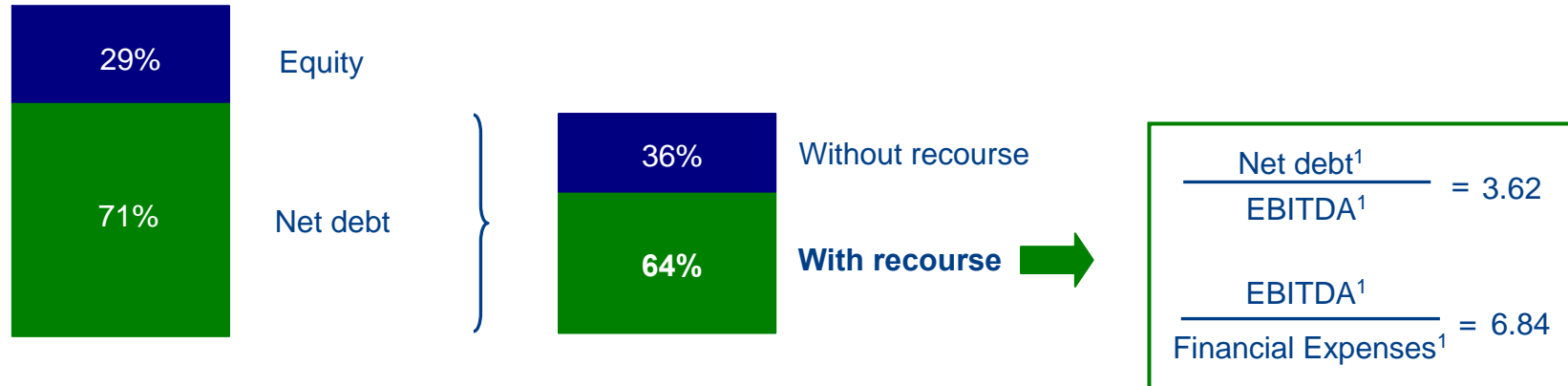
### ✓ Actions under way to reinforce competitive position:

- Outsourcing IT and non-core processes
- Coordination and growth in innovation, with tax optimisation
- Excellence Plan 2011 in CPV, after Plan 100+ in 08/10 (€122 mn savings achieved)

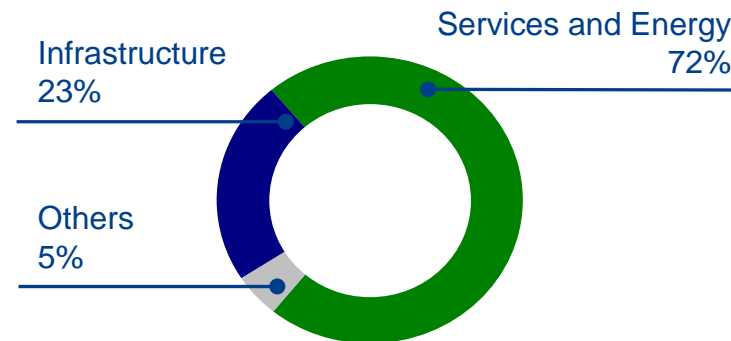


- High visibility for 86% of revenues
- Environmental Services linked to regulated and long-term public utility contracts
- Recurring revenues with guaranteed minimum tariffs in renewable energy

## Leverage

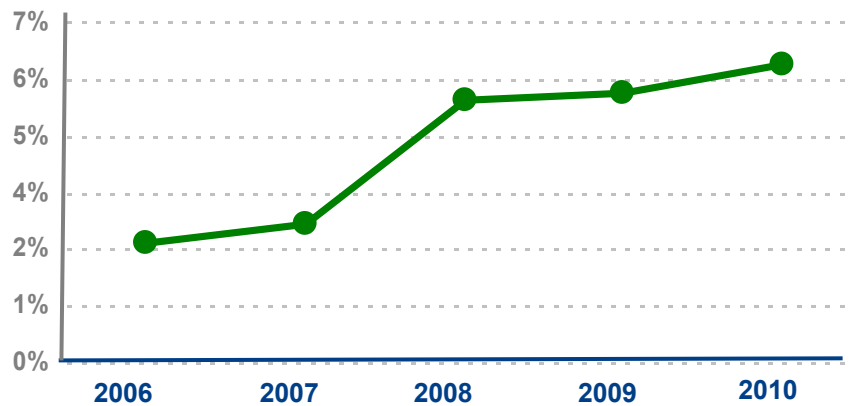


## Debt structure

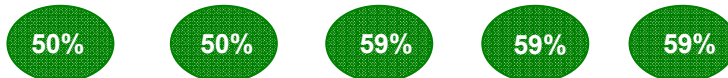


- Refinanced the Group's largest loan (€1.287 bn) in 2010, with no major maturities in 2011
- Leverage and debt on par with 2009 levels
- Strong liquidity position with over €3.4 bn in cash and available credit lines

## Dividend yield<sup>1</sup>

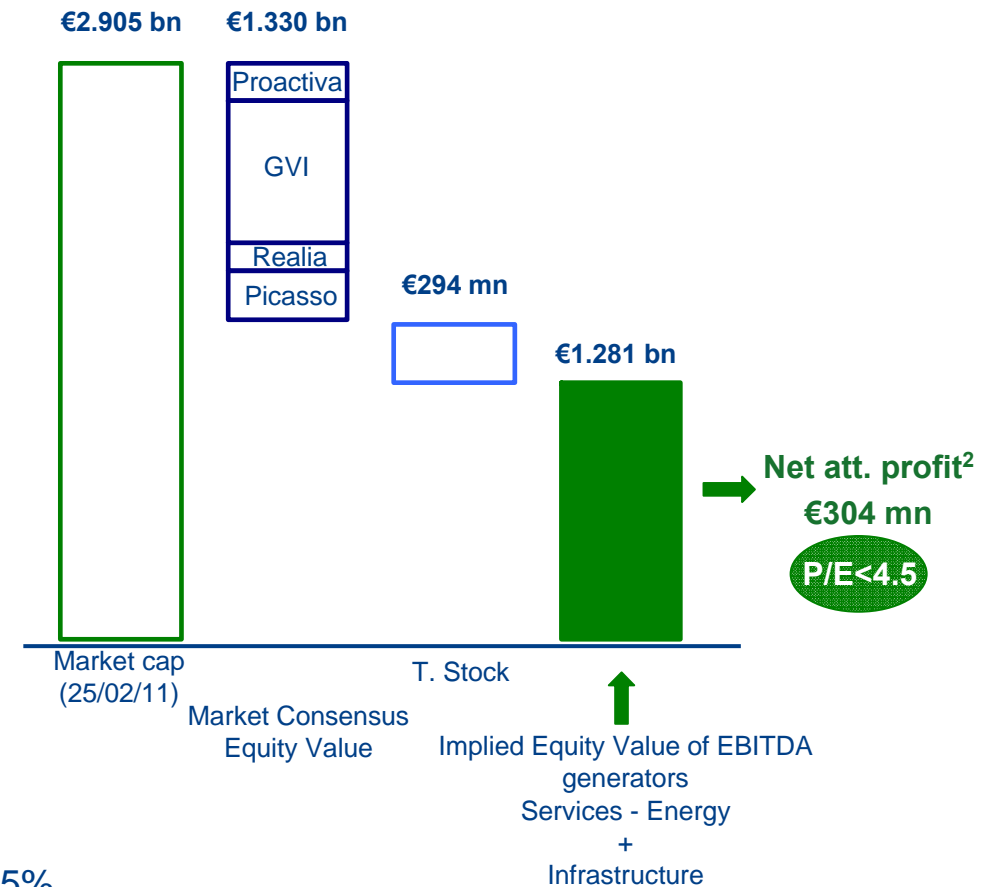


Pay-out:



- €1.43/share in 2010, with a dividend yield of 6.5%

## Attractive valuation





## 2010 Earnings

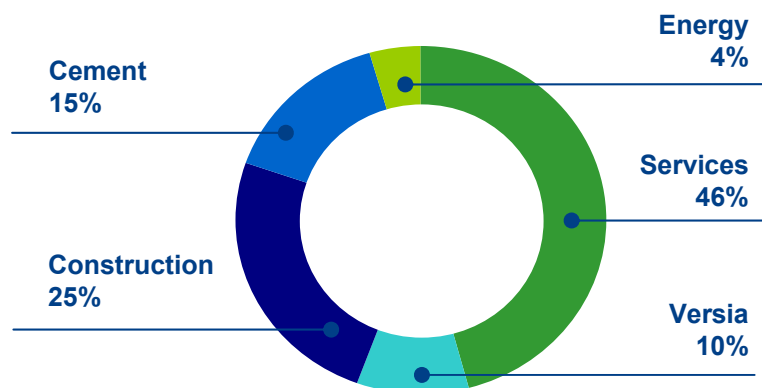
- 2.1 Revenues and EBITDA*
- 2.2. Cash flow*
- 2.3 Capital expenditure by area*
- 2.4 Net debt by area*
- 2.5 Debt structure and maturity*
- 2.6 Breakdown of earnings by business area*

Mr Victor Pastor  
CFO

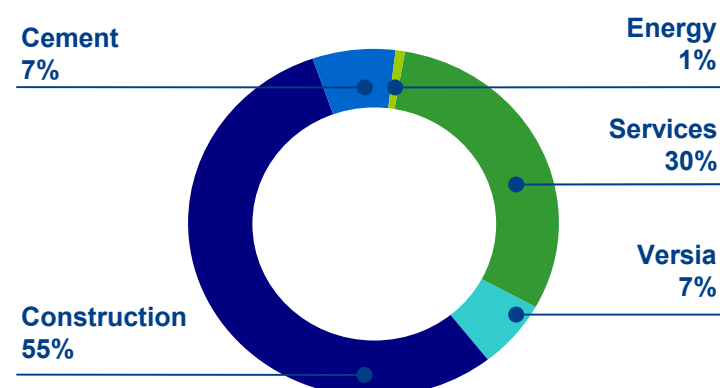


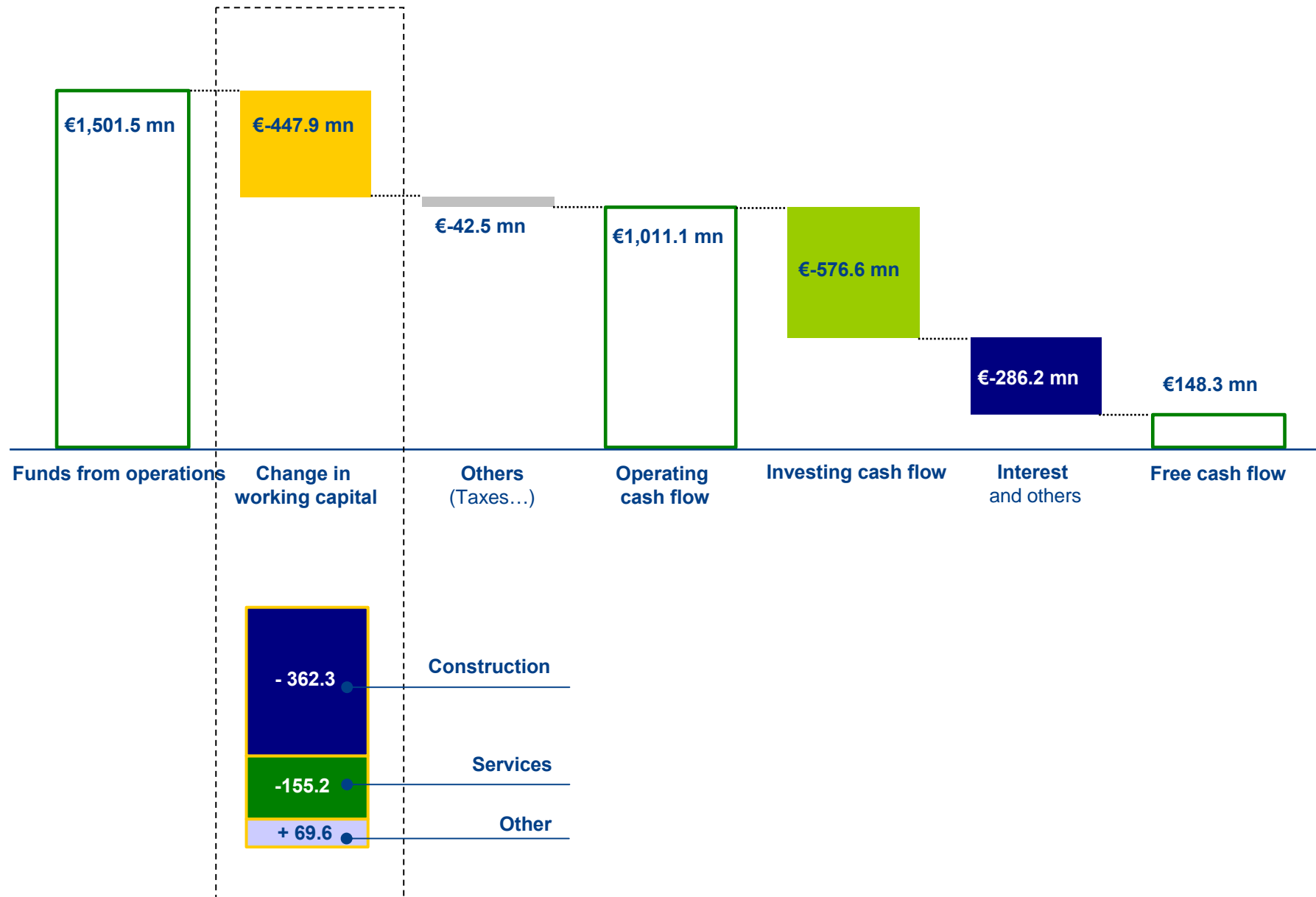
	2010 EBITDA (€mn)	Chg./09 (%)	2010 Revenues (€mn)	Chg./09 (%)
Environment	657.7	+ 7.8%	3,672.2	+ 2.0%
Construction	355.5	- 12.5%	6,693.6	- 7.0%
Cement	219.7	- 24.0%	886.7	- 14.4%
Versia	139.0	+86.3%	846.3	+ 3.2%
Energy	65.5	- 0.5%	86.3	+ 5.4%
Other	(2.8)	- 107.1%	(70.9)	+ 74.7%
<b>Total</b>	<b>1,434.6</b>	<b>- 3.4%</b>	<b>12,114.2</b>	<b>- 4.6%</b>

EBITDA by business area

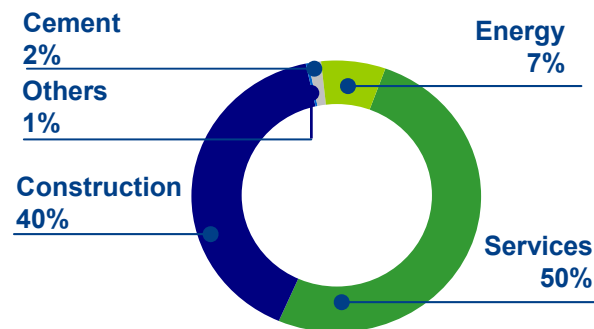


Revenues by business area





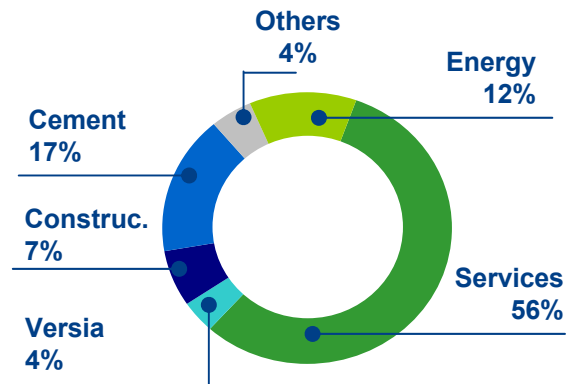
2010	Net cap expen (€mn)	Investments (€mn)	Divestments (€mn)
Environment	- 356.2	- 403.7	+ 47.5
Construction	- 288.5	- 358.9	+ 70.4
Cement	- 13.1	- 34.4	+ 21.3
Versia	+ 140.1	- 111.1	+ 251.3
Energy	- 50.8	- 51.0	+ 0.2
Other	-8.1	+25.4	- 33.6
<b>Total</b>	<b>- 576.6</b>	<b>- 933.7</b>	<b>+ 357.1</b>



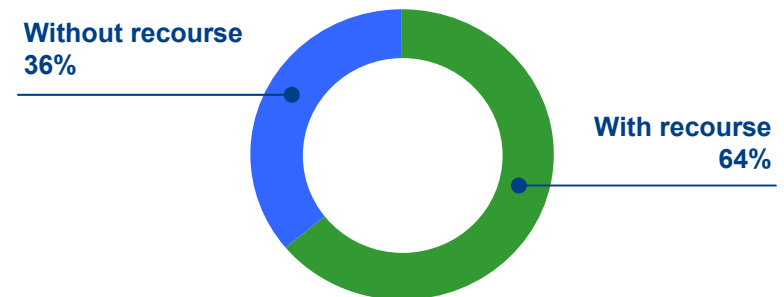
- 50% of total capex is attributable to the Environment area
- Significant capex includes €175 mn to develop infrastructure concessions and €42 mn in Energy
- Major divestments include €180 mn from the vehicle testing business and €72 mn from underground car parks.

	2010 (€mn)	Chg./09 (%)
Environment	4,352.6	+ 3.8%
Construction	519.6	+ 25.6%
Cement	1,287.5	- 9.3%
Versia	290.8	- 36.7%
Energy	924.0	+ 2.1%
Other	374.2	+ 41.2%
<b>Total</b>	<b>7,748.7</b>	<b>+ 1.2%</b>

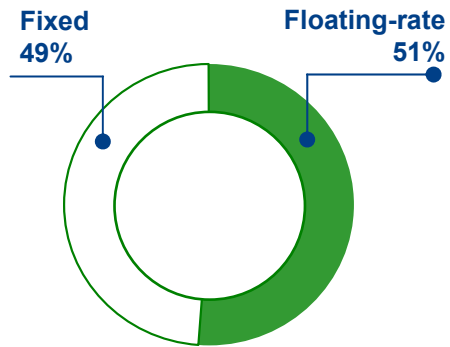
By business area



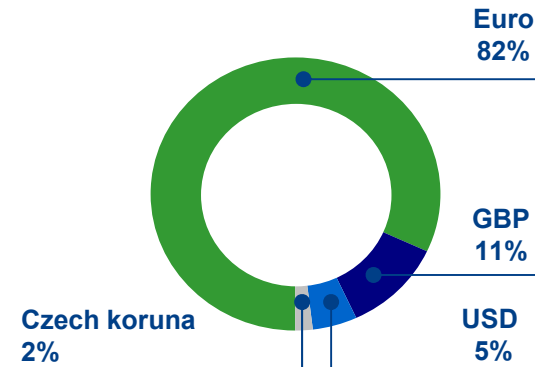
With and without recourse



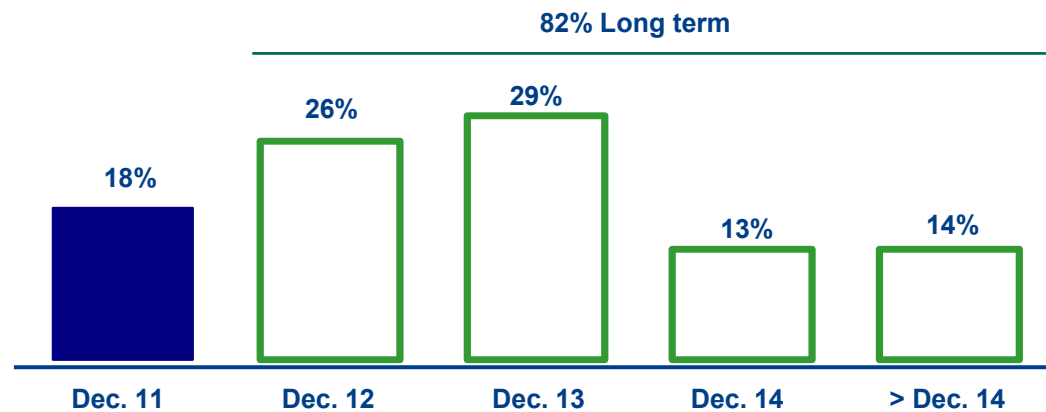
By type



By currency

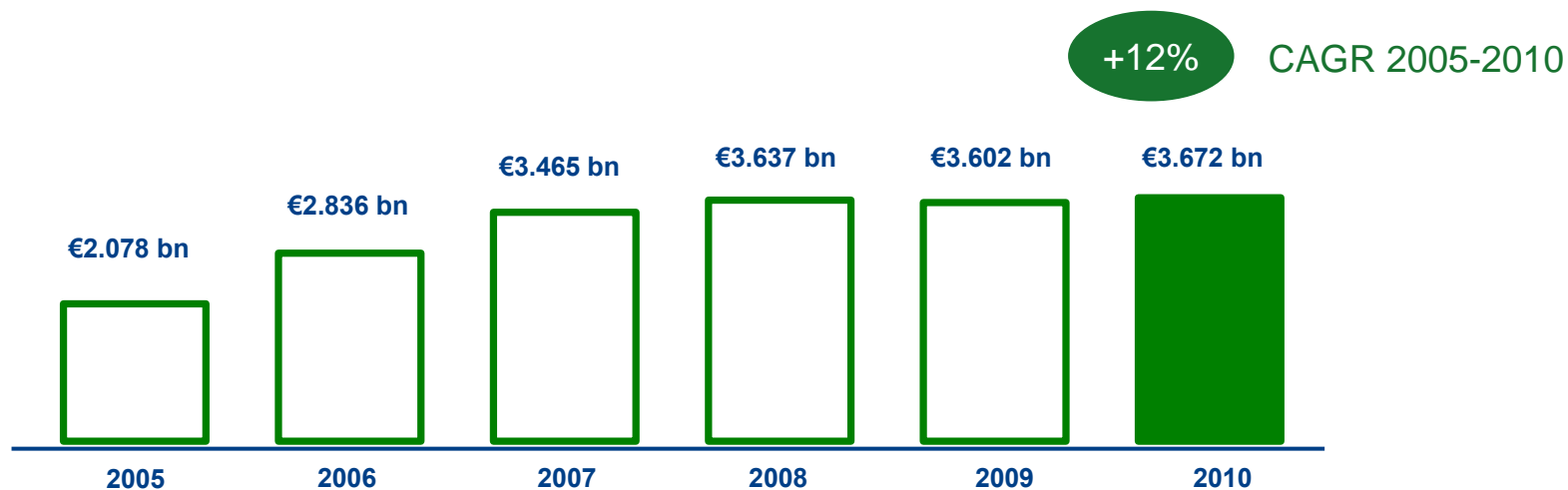


By maturity



	2010 (€mn)	Chg./2009 (%)
Revenues	3,672.2	+ 2.0%
EBITDA	657.7	+ 7.8%
EBITDA margin	17.9%	+ 1.0 p.p.
EBIT	323.5	+ 8.8%
Backlog	25,325	+ 6.9%

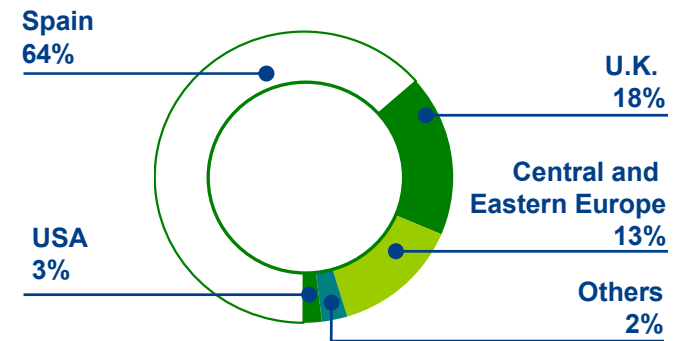
2005-2010 Revenues



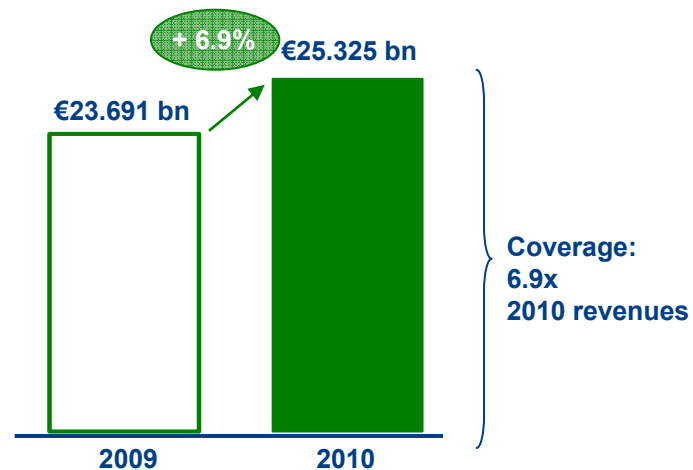
Revenues by area

Business	2010 Revenues (€mn)	%/ Total	Chg./09 (%)
Environment Spain	1,501.1	41%	+ 0.8%
Environment International	1,022.2	28%	+ 2.0%
Water	868.0	23%	- 0.5%
Ind. Waste	281.0	8%	+ 17.8%
<b>Total</b>	<b>3,672.3</b>	<b>100%</b>	<b>+ 2.0%</b>

Revenue breakdown by region

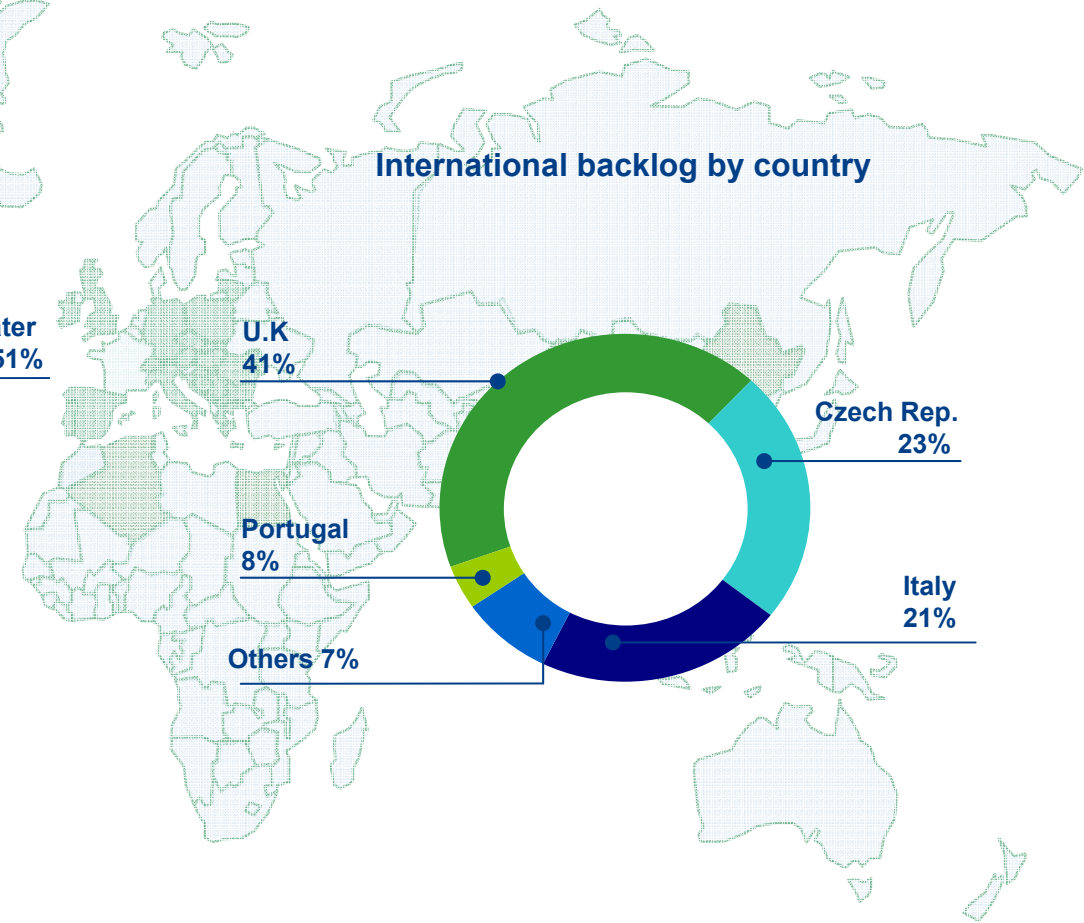
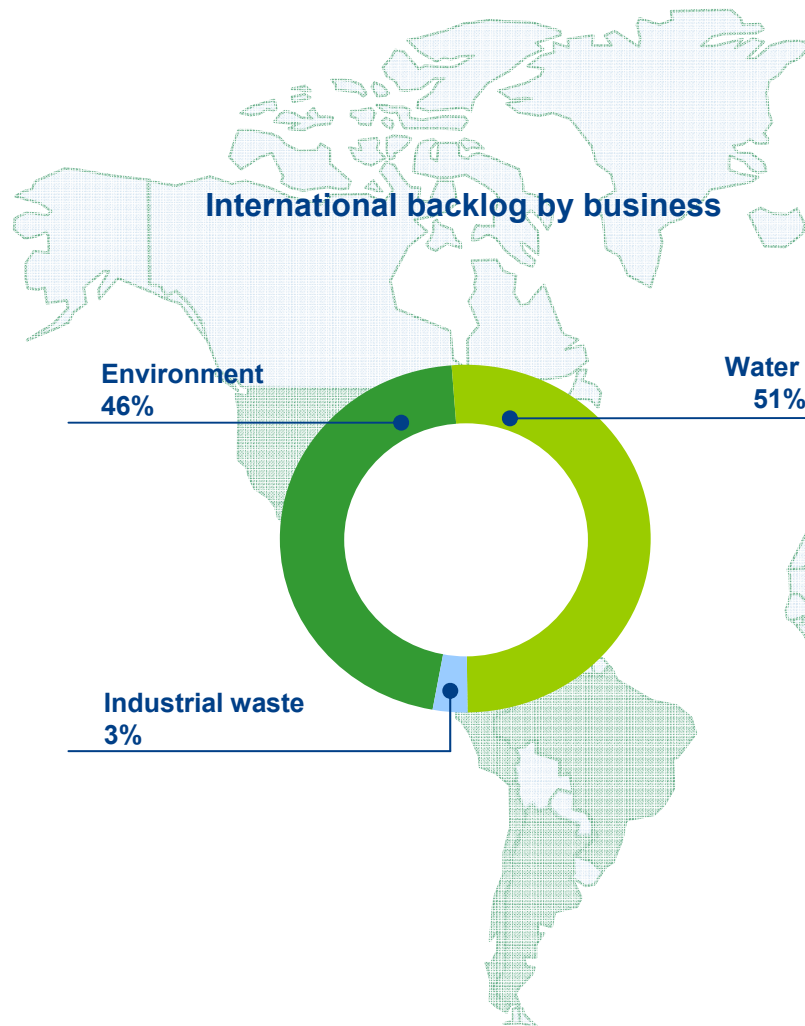


Revenues



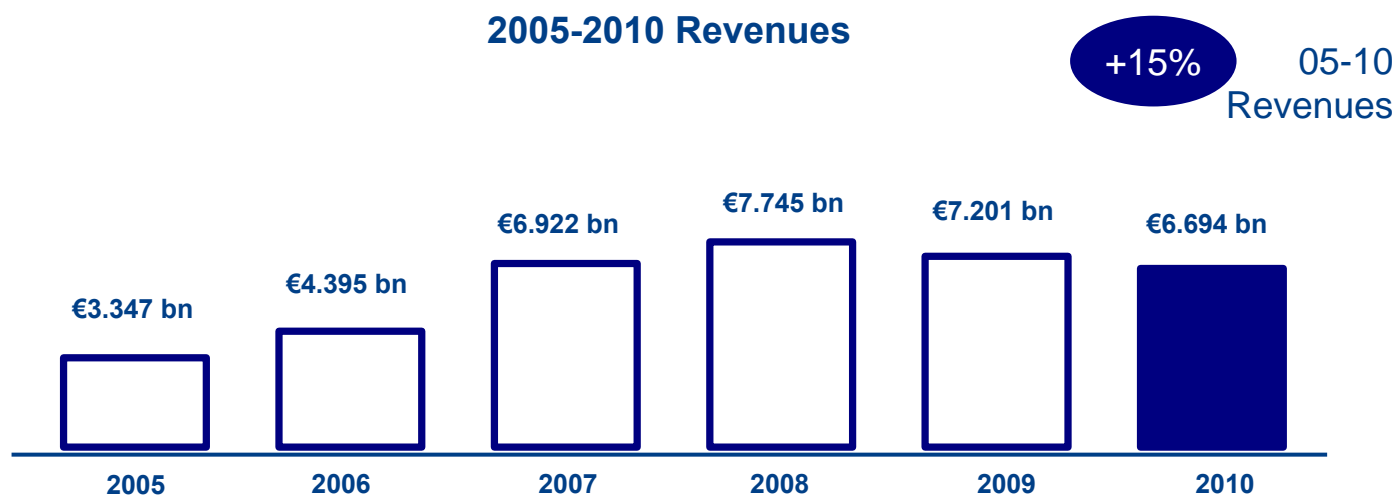
**International Revenues: €1.311 bn**  
**36% of total**

**International backlog: €8 bn**  
**31% of total**





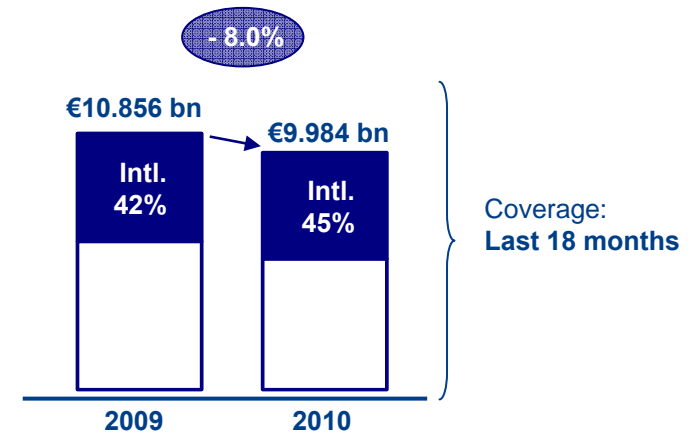
	2010 (€mn)	Chg./2009 (%)
Revenues	6,693.6	- 7.0%
EBITDA	355.5	- 12.5%
EBITDA margin	5.3%	- 0.3 p.p.
EBIT	241.6	- 14.4%
Backlog	9,984	- 8.0%



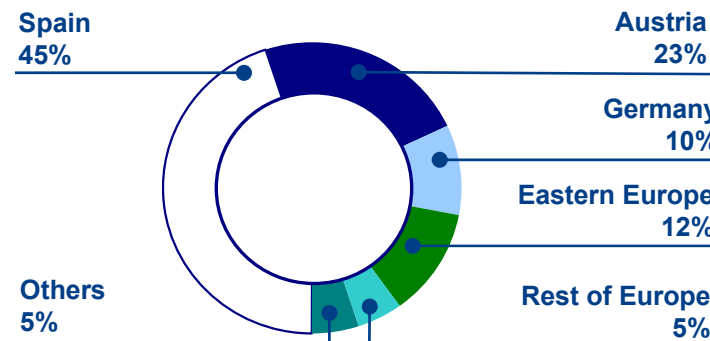
### Revenues by area

Area	2010 Revenues (€mn)	%/ Total	Chg./09 (%)
Civil Engineering	4,769.9	71%	- 3.4%
Non-residential building	1,467.1	22%	- 8.5%
Residential building	456.6	7%	- 31.0%
<b>Total</b>	<b>6,693.6</b>	<b>100%</b>	<b>-7.0%</b>

### Backlog

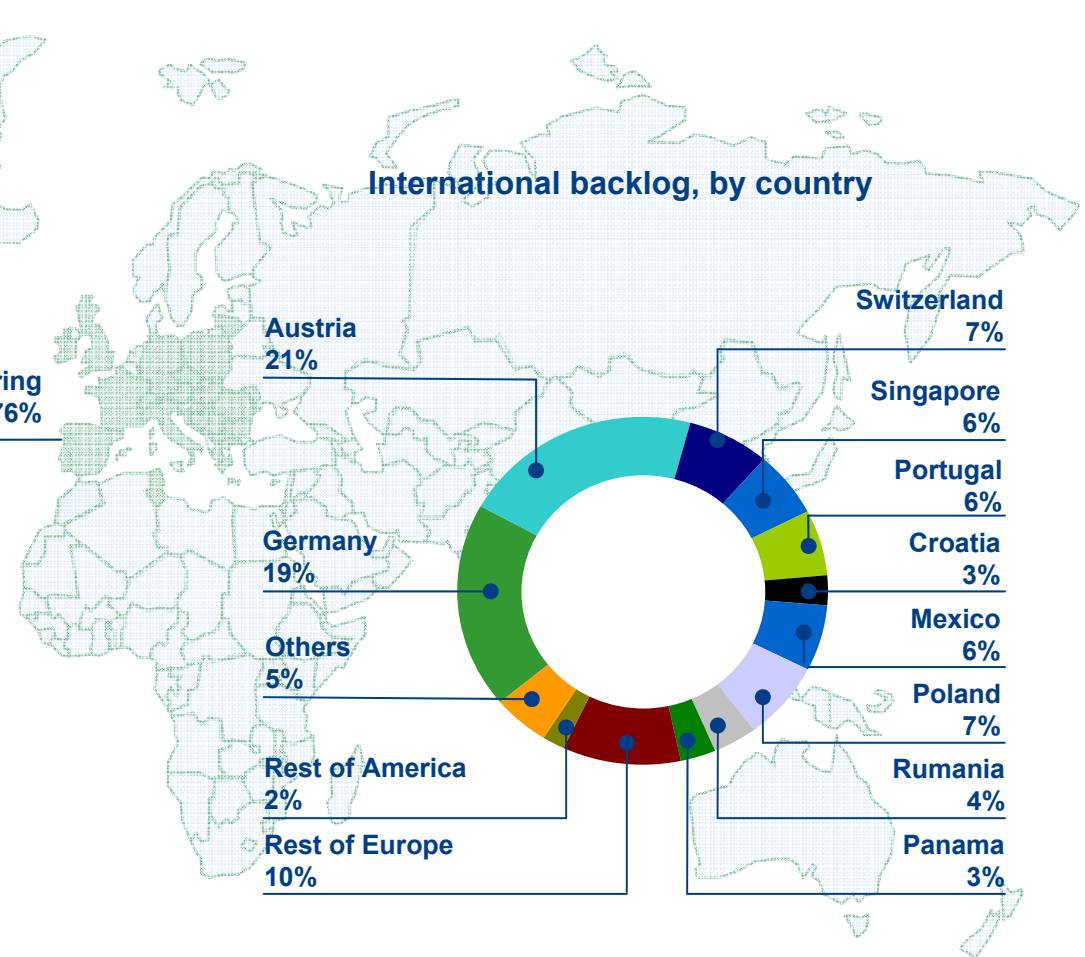
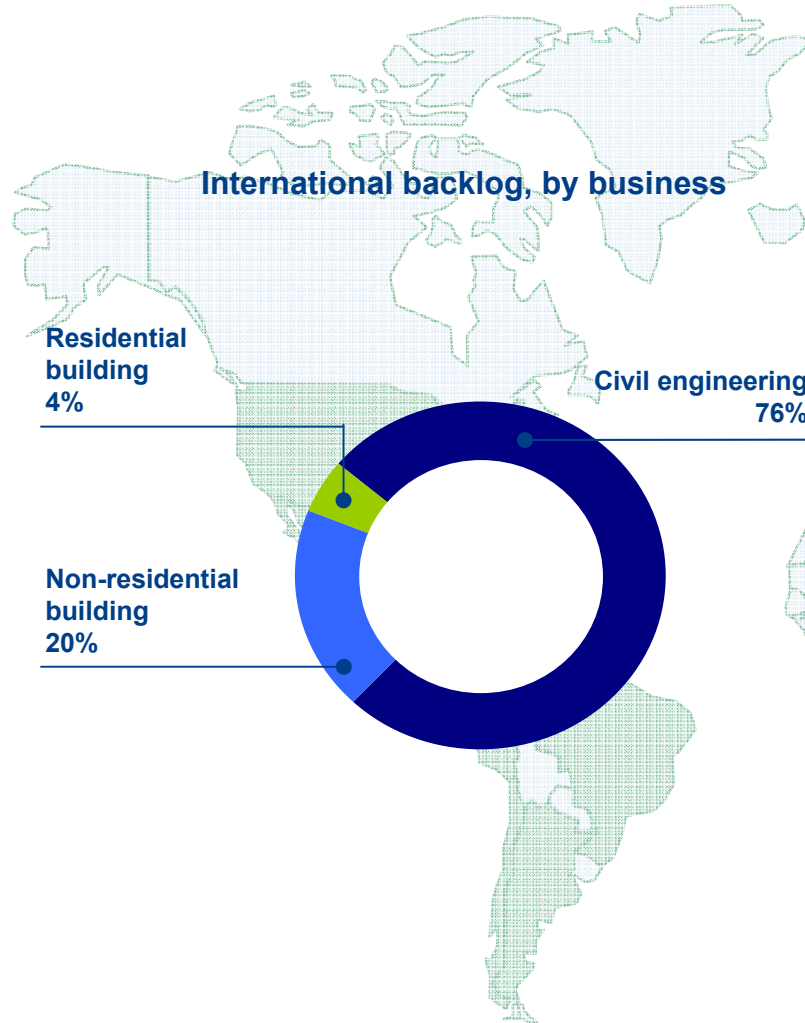


### Revenue breakdown by region

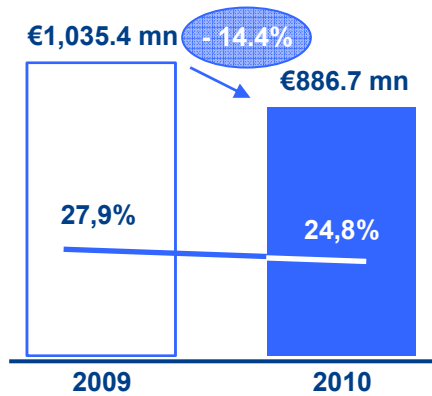


**International revenues: €3.671 bn**  
**55% of Total**

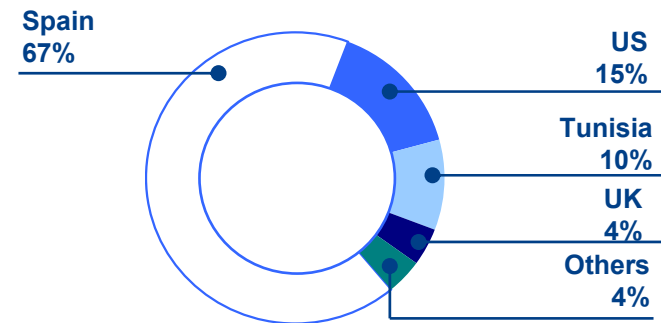
**International backlog: €4.472 bn**  
**45% of Total**



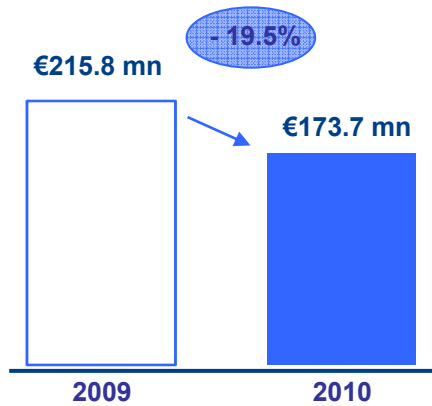
## Revenues and EBITDA margin



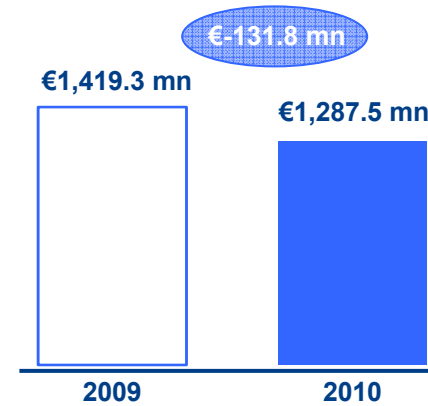
## Revenue breakdown by region



## Free cash flow



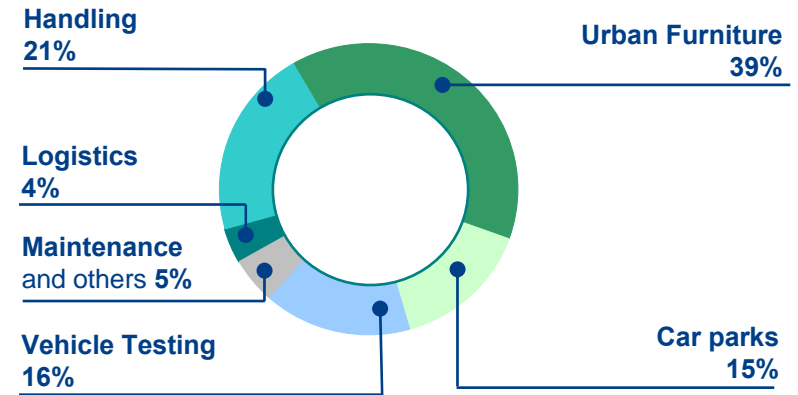
## Net debt



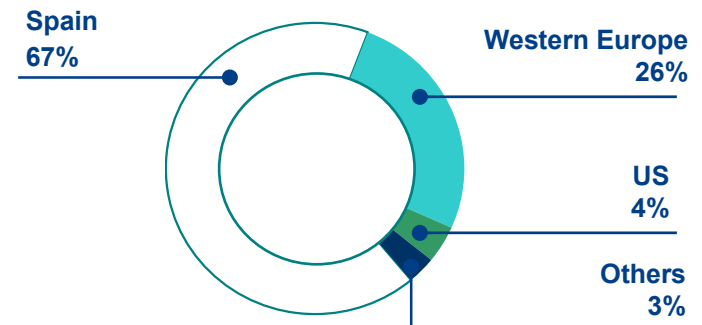
## Revenue breakdown by business

Area	2010 Revenues (€mn)	%/ Total	Chg./09 (%)
Logistics	284.9	34%	- 1.6%
Handling	244.4	29%	+ 7.2%
Urban Furniture	129.4	15%	+ 19.7%
Car Parks	76.8	9%	- 0.6%
Vehicle testing	55.8	7%	+ 7.9%
Maintenance and others	55.1	6%	- 15.6%
<b>Total</b>	<b>846.4</b>	<b>100%</b>	<b>+ 3.2%</b>

## EBITDA by area



## Revenue breakdown by region



## Wind and solar

### Installed Capacity (MW)



607 MW in total

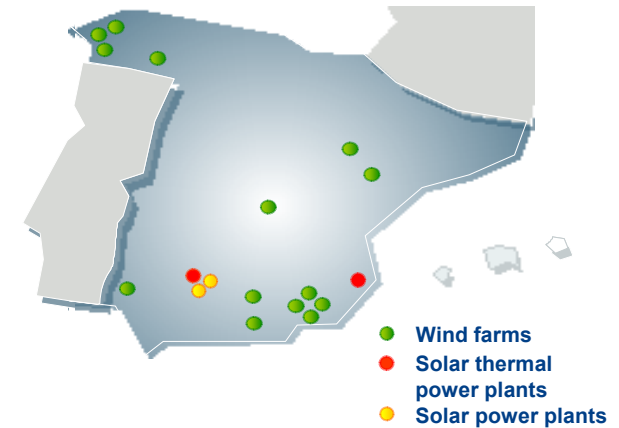
### 2010 Revenues



2 farms

14 farms

### Location



## Backlog

	Location	Capacity (MW)	Status	FCC stake
Solar thermal	Spain	100	Under development	100%
Wind	UK	80	In portfolio	100%
Wind	Spain - Catalonia	99	In portfolio	80%
Wind	Spain - Galicia	48	In portfolio	50%
		<b>327</b>		

- Renewable capacity, installed and under development, totals 934 MW.
- Developer think tank: Industrial Construction, Alternative Fuels, and New Services and Infrastructure (electric vehicle).

	No. concessions	Countries	Key figures
<b>TOLL ROADS</b>	<b>24</b> 15 explicit toll 9 shadow toll	<b>7</b> 13 Spain 2 Portugal 2 Ireland 2 Chile 2 Mexico 2 Costa Rica 1 Andorra	<b>1,500 km managed</b>
<b>METRO</b>	<b>7</b>	Spain	<b>83 km managed</b>
<b>AIRPORTS</b>	<b>2</b>	<b>2</b> 1 Spain 1 Chile	<b>9 million passengers annually</b>
<b>HOSPITALS</b>	<b>2</b>	Spain	<b>1,100 beds</b>
<b>PORTS</b>	<b>4</b> 3 shipping 1 marina	Spain	<b>1,482,000 m2</b>

- 39 infrastructure concessions under management with average lifetime of 23 years.
- The book value of FCC's investment is €613 mn.\*
- Management focused on operating efficiency as well as optimisation, monetising the backlog, and GVI's expertise.

\* Includes concessions not yet transferred to GVI by FCC Group at 31 Dec 2010



## Conclusion

*3.1 Strategic positioning*

*3.2 Strategic drivers*

*3.3 2011 Priorities*



**Mr Baldomero Falcones**  
Chairman and CEO



**FCC operates with, and is committed to, a strategic platform based on 3 axes expected to grow rapidly at global level...**

## Transport Infrastructure

- The investment needed in 2010/20 in OECD amounts to €1.5trn.
- €0.5 trn. Investment deficit in Eastern Europe with respect to Western EU countries

## Environmental services

- In 2020, waste will have grown 35% with respect to 2000 figures, according to the EU
- The EU objective is to increase recycling and reuse up to 50% (with respect to 40% in 2010)
- The global investment needed in Water is €0.6 trn/year

## Renewable energies

- By 2020, 20% of energy consumption in the EU should come from renewable energies (12% in Spain in 2010)

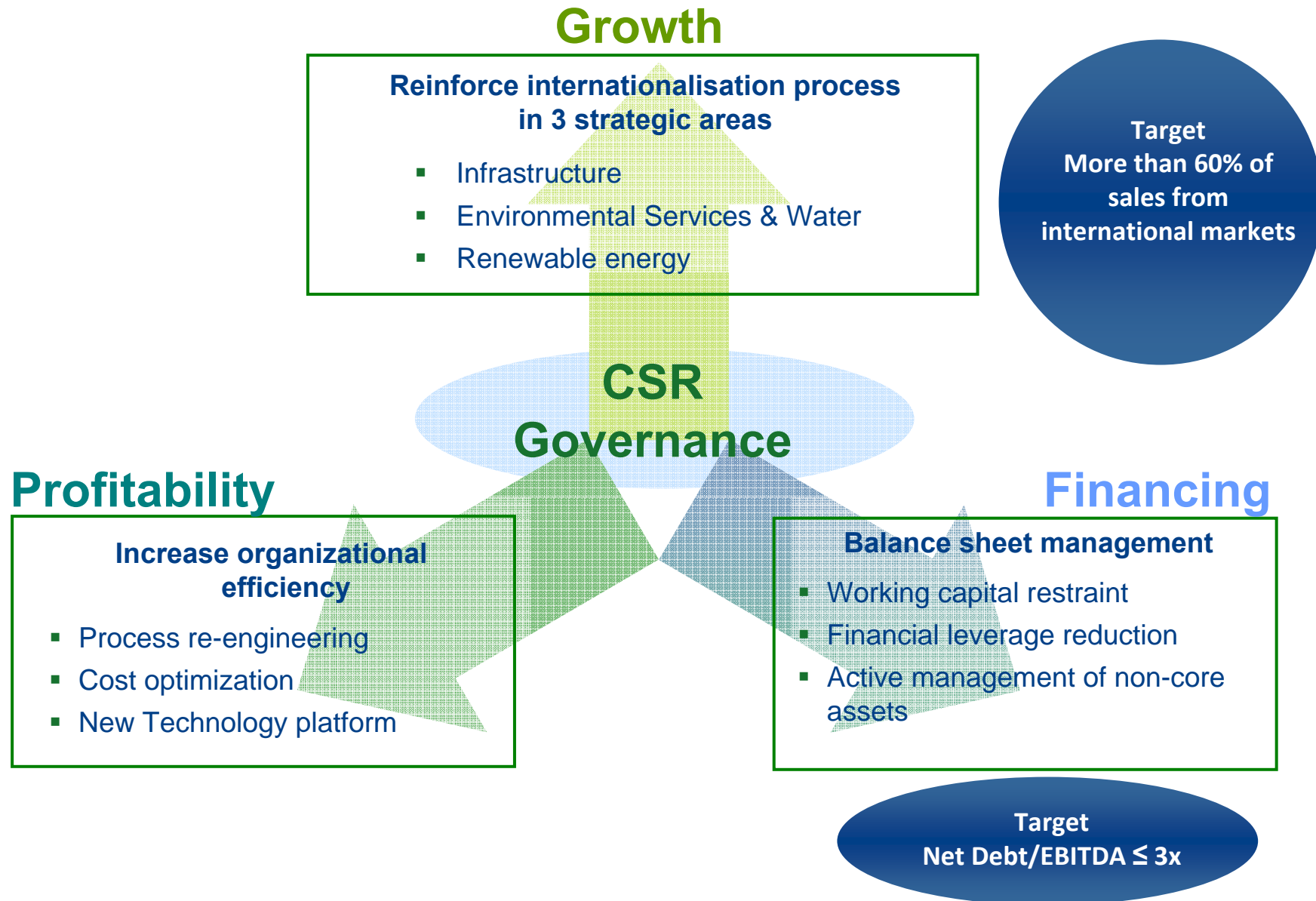


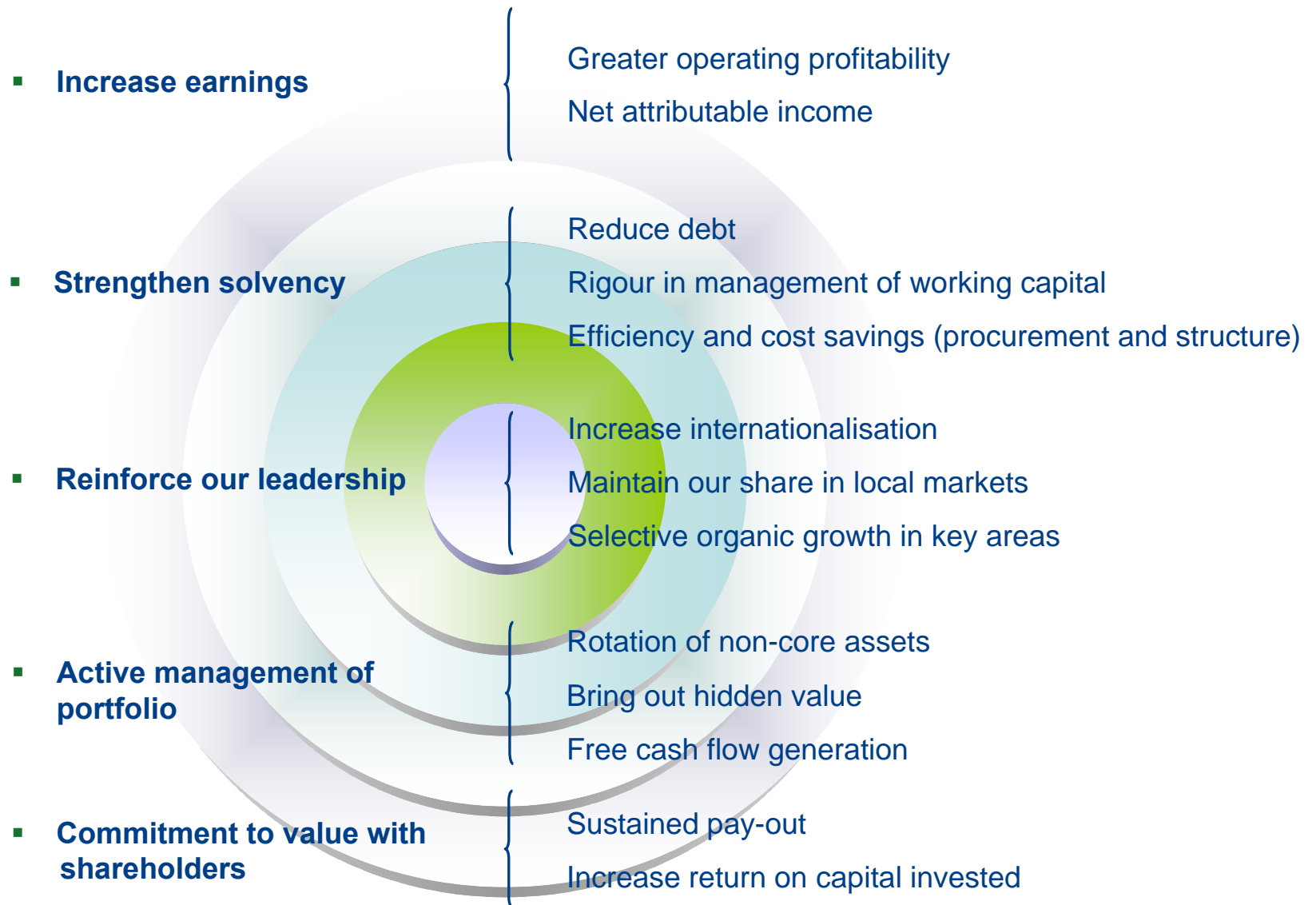
## Consolidation of global trends

**Growth in global population, based in large cities:** Growing middle class in emerging countries (300 mn/year); Urban populations are expected to increase by 50% by 2030. In 2010, the urban population exceeded 50% of the total for the first time.

**Redistribution of economic balance:** New economic powers: China, India, Brazil...

**Shortage of infrastructure and pressure on the environment:** Shortage of urban infrastructure: transportation, water, waste, sustainable energy... (commitment to reduce emissions)







Thank you

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