



INFORMA

March-April 08. Issue No. 83



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FCC reports strong earnings performance in 2007

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

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

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

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

Environmental Services

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

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

Versia

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

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



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

Construction

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

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

The overall breakdown of Construction revenue is as follows:

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

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

euros, broken down as follows:

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

Cement

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

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

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

Cement and clinker sales were higher in all

Breakdown of revenues by business lines (million euros)

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

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

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

Real Estate

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

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

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

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

Earnings

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

EBITDA breakdown by business lines (million euros)

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





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

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

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

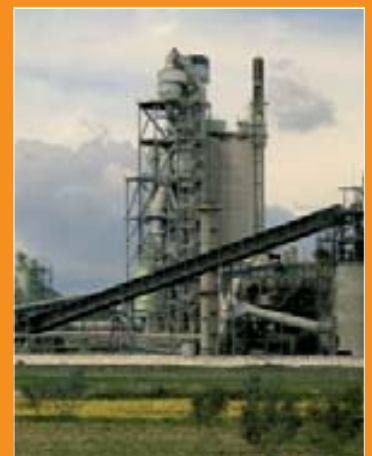
International sales increase three-fold, generating 26% of the total

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

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

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

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





Esther Koplowitz donates biomedical research center for Barcelona

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

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

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

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

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

The new centre will specialize in studying:

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

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

Constantly supporting the community

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

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



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

UGT acknowledges FCC's contributions to equal rights

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

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

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

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

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

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

Juan Sánchez receives ComputerWorld Prize

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

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

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

Effective management

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



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

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



CONSTRUCTION





FCC built Telefónica's new corporate headquarters

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

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

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

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

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

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

The largest solar panel in Europe

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



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

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

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

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

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



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

A city without any architectural barriers

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

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

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

Main Features

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



FCC wins road construction contract in Romania

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

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

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

280,000 tons of asphalt mixtures will be used.

Other projects in Romania

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

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

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

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