



INFORMA

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PLAN 10

Profitability

Leadership

Diversification

Internationalization



FACTS

At times when water is scarce, that's when our end-to-end water management is needed most.

Aqualia reduces water losses, and in doing so it helps bring down costs and achieve more-responsible water use.

For you to feel good



GROUP

FCC
PLAN ESTRATÉG



FCC to invest 4 billion euros through 2010

FCC Group projects 30% growth over the next three years to reach 18 billion euros revenue in 2010, according to the 2008-2010 Strategic Plan.

CO/2008-2010



On 21 May, FCC Managing Director and Vice-Chairman, Baldomero Falcones, speaking before the Group's executives, analysts, and the media, made a presentation on the company's forecasts and growth plans for the next three years.

FCC's management team drafted the 2008-2010 Strategic Plan, which was approved by the Board of Directors on 12 May. The plan aims to consolidate FCC as a diversified services and infrastructure leader worldwide. The company, controlled by Esther



On the left, Baldomero Falcones, FCC Managing Director and Vice-Chairman, during the presentation of the Strategic Plan to Group management. On his right, Victor Pastor, General Financial Manager; Ignacio Bayón, CEO of Realia; José Mayor, CEO of FCC Construcción; José Luis de la Torre, Chairman of FCC Servicios and FCC Versia; and José Ignacio Martínez-Ynzenga, Chairman and CEO of Cementos Portland Valderrivas.



More than 50% of revenue will be generated abroad

Koplowitz, who also chairs the Strategy Committee, plans to invest 4.1 billion euros to achieve its objectives.

FCC is forecasting 30% growth over the next three years, with revenues in 2010, as contemplated by the Strategic Plan, expected to reach 18 billion euros by 2010, with half of sales to be generated abroad. The company's value for shareholders will increase by more than 50% while maintaining the current debt ratio.

The main objectives of the Plan are:

- 1. Profitability:** boost shareholder value by more than 50%.
- 2. Leadership:** increase revenue to 18 billion euros (30% more than in 2007).
- 3. Diversification:** The Services division as the Group's main source of EBITDA, accounting for more than 50% by 2010.
- 4. Internationalization:** Revenue generated abroad will account for more than 50% of the total.

These targets for the group have been set against a scenario marked by the downturn in the economies of developed countries, with more restrictive financial and capital markets which will imply higher financing costs. The growing demand for investment in transport and services infrastructure in developing and emerging countries, and increasing concern for the environment, recycling, and water management will mitigate the slowdown in residential construction and sales in the Spanish market.

To reach these targets, FCC has implemented three key strategic lines which will involve an investment of more than 4 billion euros:

- 1. Consolidating current businesses**



Baldomero Falcones, FCC Managing Director and Vice-Chairman during the presentation for the news media.

while maintaining FCC's leadership positioning and market share in the markets where it operates, bolstering and integrating the acquisitions made in recent years. The Group plans to invest 1.4 billion euros to shore up its current business lines.

Value for shareholders will rise by more than 50%

2. Seizing growth opportunities in services and infrastructure in core areas such as the UK, Central and Eastern Europe, the US, México, and emerging countries. The Group will invest 2.6 billion euros in acquisitions and

development in 2008-2010. FCC aims to diversify into the energy sector, focusing primarily on cogeneration, energy efficiency and renewable energies.

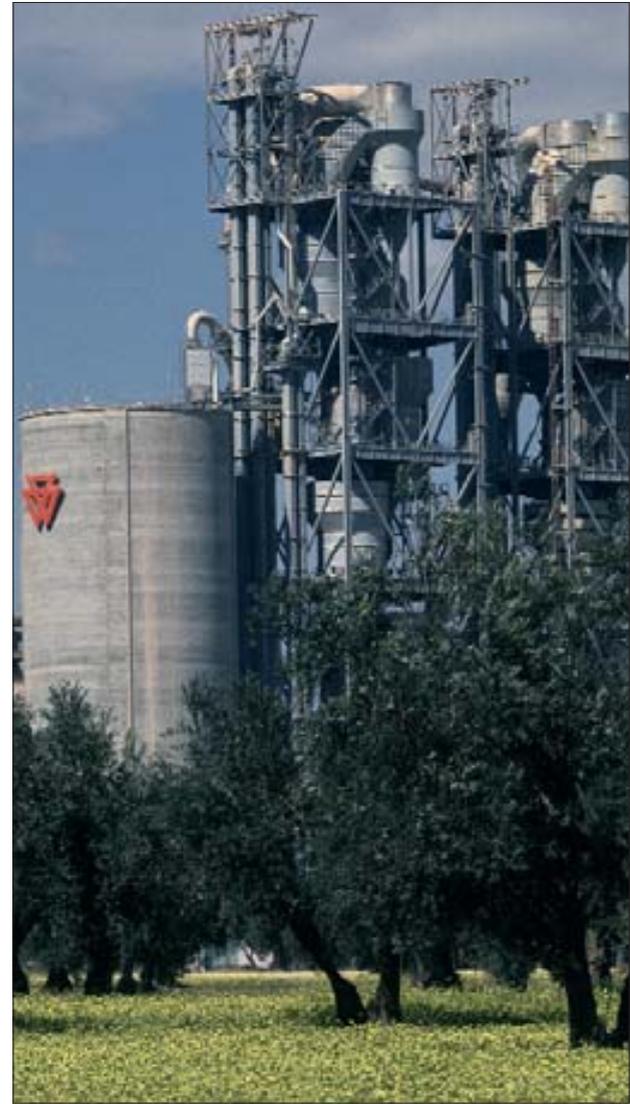
3. Enhancing efficiency, talent management, and cost optimization

within the Group.

The Strategic Plan also aims to maintain and improve the company's financial capacity and solvency by keeping its debt at less than 3x EBITDA in the 2008-2010



Above, one of the bus shelters, designed by Nicholas Grimshaw, installed in New York City.



In 2010, FCC will be a leading group, with a diversified and internationalized services and infrastructure business..

period. It will also concentrate on maintaining strict financial discipline, generating cash flow, internationalizing its funding sources, and strengthening its relationship with investors.

Company's debt will remain at current low levels

FCC would like to be recognized by the society it serves and for its contribution to sustainable development. The 2008-2010 Strategic Plan will promote corporate responsibility, transparency and corporate governance initiatives to enable the company to achieve its goals.



Corporate Responsibility and Good Governance

Mission: "We create value for society and shareholders by designing, building, and managing solutions, efficiently, in a sustainable and safe fashion, that contribute to the welfare of society".

Vision: "We want to be an international reference in designing and providing services that focus on the welfare of society, progress, and sustainable development. A diversified and integrated group that is committed to its employees and admired for its ability for creating value and innovation to address new social needs".

PROFITABLE

Over 50% increase in shareholder value



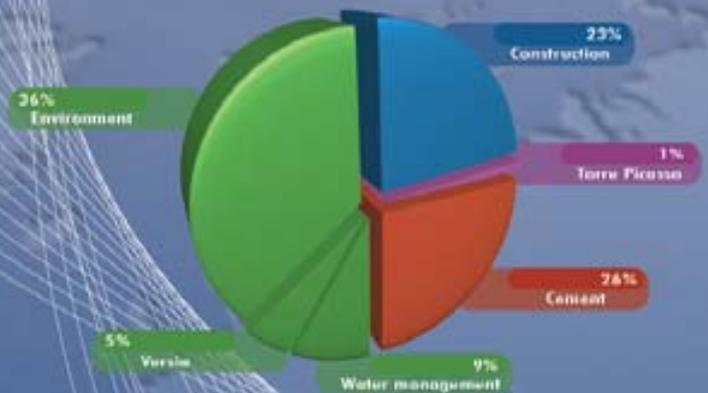
GROWING

10% average annual growth (CAGR) in revenues



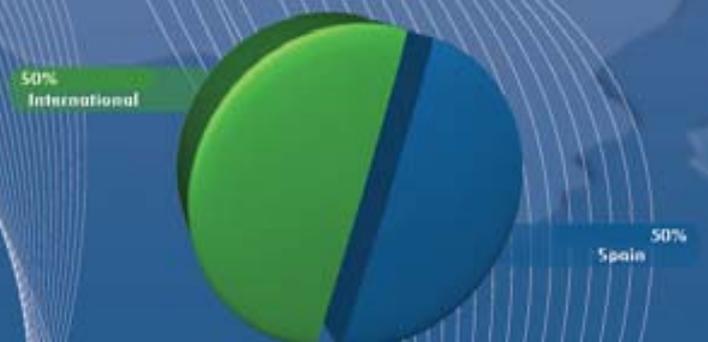
DIVERSIFIED

By 2010, 50% of EBITDA will be from Services



INTERNATIONAL

By 2010, 50% of revenues will be obtained outside Spain



CONSTRUCTION

FCC to build railway line for freight transport in Valladolid

The section of the platform will have double rail tracks (Iberian Peninsula width) for freight transport and will form the backbone of the railway complex with access to the international width rail system.

The Ministry of Development awarded the project for the platform of the Valladolid Railway System to a joint venture in which FCC Construcción has a controlling stake. The project contemplates an investment of 108.2 million euros.

This contract is part of the project currently being carried out under the Ministry of Development for upgrading

**108.2
million euros
budget**

and revamping of the Valladolid railway system after the arrival of the high-speed train

Project characteristics

The capital city, Valladolid, and Santovenia de Pisuerga, in the province of Valladolid, are the two cities affected by this project. The main section of the new railway line has a



High-speed

The new high-speed train which goes to Valladolid makes it necessary to upgrade the current Railway system in order to be able to provide necessary freight and passenger services at the Valladolid train station for arrivals and departures, and to meet the requirements of road traffic.

On the left, Renfe Series 102 High-Speed Train connecting Madrid-Valladolid. Photo by Patier.

length of 17.5 Km and will be designed for traffic of up to 160 Km/hour, most of which will run parallel to the city's beltway.

A two-way, Iberian Peninsula width rail platform will be used mainly for freight transport. A new railway complex will be built which will be extended an additional 6 Km for accommodating the third international width railways.

Most of the tracks will be at the surface level except for two kilometers which will run underground through a false tunnel across the Pinal de Jalón zone, the San Cristobal industrial park, and Cerro de San Cristobal.

The new railway will include 10 viaducts, five

underpasses, four overpasses, and a pedestrian footbridge. The most unique structures are the Los Tramosos Viaduct, 1,130 meters long over the N-601 highway, made of stainless steel, with 45 openings, and the tunnel running under Cerro de San Cristóbal.

The new railway complex, with access on the north and south, will include a station for handling merchandise, arrival and train formation tracks, and workshops for maintenance and welding of rail tracks.

Nearly 178,000 m² of various types of concrete with different specifications will be used in the construction project, in addition to more than 22.6 tons of steel. The project will also require excavation of nearly 4,000,000 m³.

Technical Team

Technical Director of Zone IX:
Avelino Acero Díaz

Technical Supervision:
Jesús M. García-Escribano Merchante

Director of the Transport Office:
Alejandro Cisneros Müller

Manager of the Joint Venture:
Joaquín Arroyo Represa



In the center, José Ballesta, the secretary of Public Works, Housing, and Transport of the Murcia Autonomous Community, cuts the ribbon jointly with other regional representatives.

The new Alhama-Campo de Cartagena (Murcia) highway opened for traffic

José Ballesta, secretary of Public Works, Housing, and Transport of the Murcia Autonomous Community, inaugurated the Alhama de Murcia-Campo de Cartagena highway, worth an investment of 100 million euros.

Built by FCC, the new infrastructure spans over 36 km and connects the municipalities of Alhama, Fuente Álamo, Murcia, Cartagena, and Torre Pacheco. The route takes off at the intersection connecting the A-7 highway with the MU-602 road in Alhama and ends at the Torre Pacheco and the A-30 junction.

The typical section comprises two carriageways, with two 3.5 meter-wide lanes separated by a 2-meter wide median until reaching kilometer 5.5 after which, and until the end of the road, the width of the median is 10 meters.

Two intersections were built, eight of which are diamond-shaped, two below-grade intersections, and two of which, the existing A-7 and A-30 intersections, were fully revamped. In addition, the highway includes 13 viaducts, 21 overpasses and nine underpasses.

This new highway connects these municipalities with the future international airport in Murcia. Its branch roads and intersections will provide services to the Technological Park, several industrial parks in the area, and other parts of the highly developed touristic areas Murcia. The new highway will reduce travel time by 30 minutes.

Technical Team

Manager:
Miguel Ángel Lorente Sánchez

Head of Production:
Pedro Bustos Moreno

Head of Topography and the Technical Office:
Ricardo Moral Murios

Administration Manager:
Ángela López Pascual de Riquelme

Planning:
Javier Frutos Gálvez

Supervisor:
Lucio Lallave

FCC to build power plant in Germany

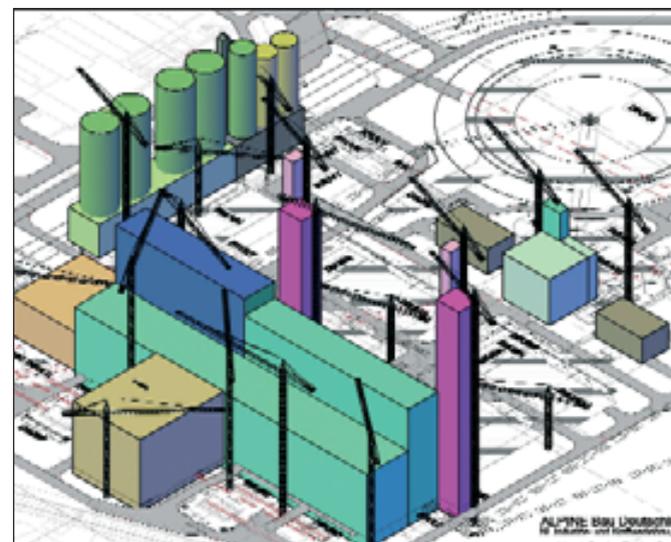
The thermal plant will have a capacity of 1,600 MW and will reduce carbon dioxide emissions by 30%. The contract is worth 135 million euros.

ALPINE, FCC's Austrian subsidiary will build a 1,600 MW coal-fired power plant in the German city of Hamm (Westphalia) for RWE Power AG. The contract is worth 135 million euros.

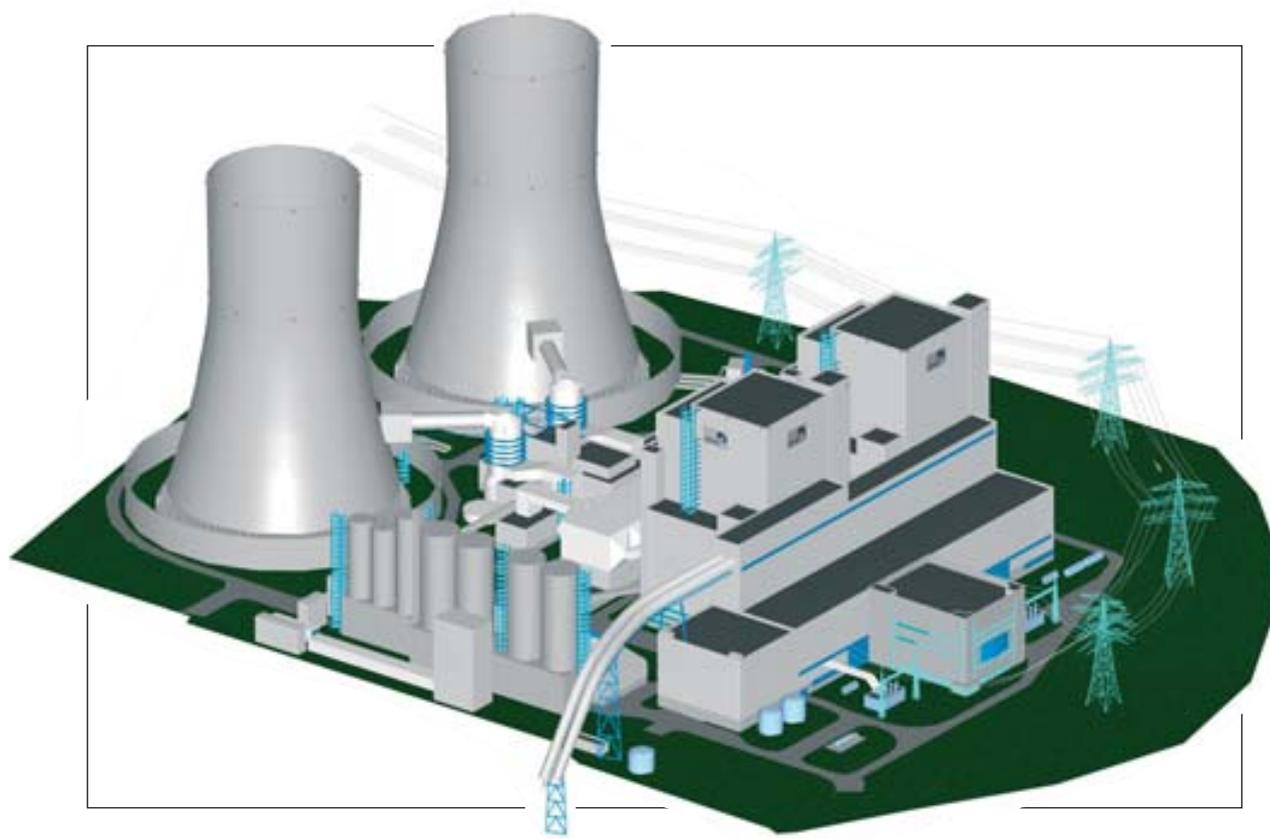
The project contemplates earth movement, foundations, construction of two blocks of the new plant plus a number of additional buildings, in addition to silos and 120-metre high boiler house stairs. The plant is scheduled come on stream in 2012.

On-site concrete production

To reduce the pollutant emissions arising from the large volume of truck traffic involved in construction, ALPINE will build two concrete mixing plants on site since the company plans to use approximately 255,000 cubic



Elevation of the power plant project.



The project contemplates the silos and the 120 meter high boiler house stairs.
On the left, a model of the future power plant.



Several images of the project which ALPINE is currently building in Hamm, Germany. The project includes earth movement, foundations, construction of two new blocks at the power plant, plus several additional buildings.

meters of concrete, equivalent to roughly 25,000 truck-loads. On-site concrete production will also guarantee production around the clock.

The contract is worth 135 million euros.

be among the most modern and efficient coal-fired plants in the world, saving approximately 2.5 million

tons of CO₂ emissions each year in comparison with older coal-fired plants producing the same amount of power.

Cutting-edge technology

The coal-fired plant will consist of two identical blocks on the site of existing plants owned by RWE Power in Hamm. With 46% efficiency, the new facilities will

This reduction in CO₂ emissions represents around 30% of the target contemplated in Germany's policy for preventing climate change.

Expertise in power plant construction

This contract consolidates ALPINE's international presence and makes it a multinational of reference in the construction of large power plants. ALPINE is also building the cooling towers for the Neurath power plant in Germany, under a contract worth 38 million euros. In Bulgaria, it is executing a 166 million euros contract to build Europe's largest hydroelectric plant: Tsankov Kamak. The company is also building the Ermenek power plant in Turkey worth an investment of 157 million euros. ALPINE Group's German

subsidiary is one of the largest construction companies in that country. It has a staff of over 700 and nine branches in Germany and abroad.

The ALPINE Group operates in many countries in Europe and Asia. With 2.595 billion euros in revenues in 2007 and close to 14,300 employees, ALPINE is one of Austria's three largest construction companies. In 2007, ALPINE landed new contracts worth over 3 billion euros.

Espelsa to launch photovoltaic complex in Espejo (Cordoba)

The project, worth an investment of 125 million euros, was commissioned by the Chinese multinational company Sky Global S.A.



Alberto Qiu, CEO of Sky Global, on his right, Dámaso Bueno, Managing Director of Espelsa. Below, one of the areas where photovoltaic panels are being installed.



From left to right, two of the members of Alberto Qiu's negotiating team: Gabriel Rodríguez, Financial Manager and José Manuel González, Technical Manager of the Madrid office. Followed by José Manuel Orejón, Deputy-Manager of Espelsa; Alberto Qiu, CEO of Sky Global Solar; Dámaso Bueno, Espelsa's Managing Director; and Gonzalo García Almuzara, Administration Manager of Espelsa.

Espelsa, an FCC subsidiary specializing in electrical installations, won a contract from the Chinese multinational Sky Global for the construction and start-up of two twin photovoltaic parks (Cortijo Viejo and Sierresita) in Espejo, Cordoba. More than 120 million euros will be invested in this project.

As one of the single most important initiatives in the national market, the project also contemplates the

supply of components, assembly, tests, and connection to the power grid.

With a total production output of 22 megawatts peak (MWp), the Espejo complex will occupy a 90-hectare area in which 130,000 panels will be installed to supply power equivalent to the average annual consumption of 10,000 households. The plant will be starting operations by the end of September, the

Espelsa's activities in the field of photovoltaic energy

The Hellín (Albacete) photovoltaic park is one of the company's most recent projects. Created three years ago, the park was the first photovoltaic plant with output of more than 1 MW that had ever been built with private capital. Photovoltaic panels on double-axle tracking units, which follow the sun's movements and have vertical and horizontal axes that enhance the performance of panels, were installed at the Hellín Park, which has an output capacity of 3 MW.

Espelsa was involved in other recent projects such as the 3 MW Fuentealbilla plant and the 1 MW Villavallente turnkey project, both in the province of Albacete, in addition to various installations with less than 1 MW output on the roofs of industrial premises.





deadline for being eligible for the current Ministry of Industry tariffs.

Type SGM-72 panels will be installed, manufactured by Sky Global, and installed on a fixed structure with connection inverters for photovoltaic installations of 100 KW.

This complex represents the consolidation of

Espesa's activities in the field of photovoltaic power which is becoming an increasingly important part of its electrical installation activities.

Modernity, service vocation, technological capabilities, and

qualified personnel are the premises that define a company with more than 25 years' experience in this sector.

Estimated output equivalent to the average annual consumption of 10,000 households

The solar photovoltaic energy market in Spain

Germany is currently the world's second leading producer of solar photovoltaic power. In Europe, Spain has experienced a substantial increase since 2006 and at present is just behind Germany in terms of installed power.

According to the Solar Generation 2007 Report, unveiled in early 2008 by Greenpeace and the European Photovoltaic industry Association (EPIA), total installed power of photovoltaic solar systems reached a new high of more than 8,700 megawatts peak (MWp), 40% more than the 1,200 MW recorded in 2000.



The complex will have a generation power of 22 megawatts peak (MWp), occupying a 90-hectare area where 130,000 panels will be installed to produce energy equivalent to the average annual consumption of 10,000 households.



Ministry of Development awards FCC a contract for building a new section of the Cantábrico Highway



Above, Canero viaduct in the Cantabrico Highway at the Querúas-Otur stretch. Above these lines, detail of the Navia relief road.

Construction of the Cantábrico Highway, which connects the Basque Country, Cantabria, Asturias, and Galicia, and the entire northern coast with the rest of Europe, is progressing at a good pace. FCC recently won a contract put out to tender by the Ministry of Development for a new project at the A-8, the name of this highway, involving the Unquera-Pendueles section which runs through the province of Asturias. This contract is worth 106.8 million euro.

This is one of the two sub-sections of the 22 kilometer stretch of the highway between Unquera and Llanes, and the only part the highway connecting Asturias and Cantabria that is pending execution.

The project contemplates the construction of a highway section running through Llanes and Rivadesella in Asturias, adjacent to the N-634 national highway and the Ferrocarril Español de Vía Estrecha (FEVE) railway.

11.8 km long.

The highway route, which starts at Pendueles and ends near the Asturias side of the Tina Mayor inlet, will be

11.8 kilometers long. The highway section will comprise two carriageways with two 3.5 meter-wide lanes, an exterior 2.5 meter-wide hard shoulder, and a nine-meter wide median that gradually narrows down to two meters.

The highway section includes the La Franca intersection connecting with the N-634 road through a below-grade two-circle intersection, three direct sections, and other bow-shaped intersections at the entrance of Santander.

Two tunnels will be built along the highway: at Santiuste, consisting of two separate carriageways with two connecting galleries, stretching over 685 meters and excavated in a rocky formation; and at El Peral which will be 410 meters long between the N-634 road and the FEVE railway near the Columbres train station. This section will be covered with a slab of reinforced concrete supported by two rows of lateral screens and central piles at every 4.8 meters, all of which will expedite execution time and the re-establishment of communications.

Five viaducts will be built along this highway section:

Two tunnels and five viaducts will be built along the route

one over Novales, the Buelna 1 and Buelna 2 viaducts; the viaducts across the Cabra and Ahijo rivers, and the Bustio viaduct. In addition, two overpasses and four underpasses will be built at the La Franca and FEVE intersections.

The project contemplates the construction of several provisional detours and the replacement of the AS-346, the RD-1 road to Pimiango and Camino de la Estación, and the N-634 road, as well as all inbound and outbound connections with adjacent roads.

In accordance with Royal Decree 635/2006 on tunnel safety, several measures will be implemented. Both galleries will have emergency exits, a drainage system for toxic liquids, closed circuit TV, a computerized automatic CO₂ exhaust system, fire detection cable, emergency equipment, and outdoor traffic lights. The project also contemplates the construction of an SOS system infrastructure, a fixed telemetric system for transmitting information on tunnel occupancy, installation of horizontal and vertical lighting and beacons, and necessary protection systems, as well as the replacement of affected services.

All design, protection, and corrective measures are included in the project in accordance with the Statement of Environmental Impact, as well as the protection of wildlife and birds in La Borbolla and Ribadesella - Ría de Tina Mayor, in addition to all other measures contemplated by the Ministry of the Environment.



Above, the Acebo viaduct in the Caravia-Llovio stretch of the highway. Above these lines, the viaduct across the Tina Menor inlet, part of the Lamadrid-Unquera highway section.

Sections awarded to FCC

These highway sections involve an investment of more than 446 million euro

Cantabria

- Highway section: Torrelavega-Cabezón de la Sal.
- Highway section: Lamadrid-Unquera.
- Highway section: Solares-La Encina.

Asturias

- Highway section: Caravia-Llovio.
- Highway section: Grases-Infanzón.

- Highway section: Muros de Nalón-Las Dueñas.

- Highway section: Querúas-Otur.

- Navia relief road.

Galicia

- Highway section: Vilalba-Regovide.

- Highway section: Ribadeo-Reinante.



Valencia Club de Fútbol awards FCC another project worth 48.3 million euros

FCC will be in charge of building the metal structure and support for the roof of the new Valencia soccer club. Worth an investment of 48.3 million euros, the project will be completed within a 10-month period.

Work will begin once the first and second phases are completed, including construction of the parking lot and stands, which were also awarded to FCC Construcción and where

work is currently ongoing. The project is progressing according to the timetable and should be ready and in operation for the 2009-10 season.

The new 75,000 seat stadium, replacing the classic Mestalla stadium, is situated in Avenida de las Cortes Valencianas and was designed by the Reid Fenwick Associates. The stadium's most striking feature is its façade,

which uses tectonic blocks to imitate the city's sixteen districts, with the largest crack representing the Turia River.

To achieve optimal visibility throughout the stadium, FCC decided to use oval-shaped stands, with all seats looking towards the field. In addition, the project includes an underground, 3-storey, parking facility for 3,500 cars.

Escuelas Pías will house the Official Architects' Association of Madrid



One of the façades of the Escuelas Pías building.

Madrid City Hall and the Association of Architects have entered into an agreement by which this entity will defray the costs and refurbish Escuelas Pías. In return, City Hall, which owns the building since 1999, will lease part of the facilities, which will house the official headquarters of this association, the documentation center of the architecture museum, and its foundation.

FCC Construcción will be responsible for refurbishing this landmark building, which comprises the former school and the Church of Saint Anthony, situated in Madrid's central district.

The project is worth an investment of 38 million euros.

Work on this project includes demolition of roofs, façades, partitions, and floor structure, and revamping of the structure of the main building and the Church of Saint Anthony, designed by the architect Pedro Ribera and finished in 1740. The building will house a children's school, a public library, an indoor pool, a recreational area for senior citizens, and a garden courtyard. It will also have an underground 500-car parking facility of which two-thirds will be reserved for residents in this district.

FCC refurbishes Fuensalida Palace, which will house the offices of the President of the Castile-La Mancha regional government

The governing body of the Castile-La Mancha autonomous community awarded FCC a contract for refurbishing the Fuensalida Palace in the historic center of Toledo, next to El Greco Museum, Taller del Moro, and the Church of Saint Tomé.

Built in the fifteenth century by Pedro López de Ayala, Count of Fuensalida, the palace is currently the headquarters of the Castile-La Mancha Parliament.

The Mudejar style palace is built around a two-story rectangular patio. Among the key aspects in its

interior are the Gothic Mudejar plasterwork, the spans, and the beautiful woodwork and doors. Work includes the dismantling and reconstruction of the roofs, reinforcement of floor structure and façades, new foundations to reinforce the building's stability, in addition to restoration of existing elements of great artistic value such as the woodwork, metalwork, gates, plasterwork, and other elements.

FCC is also refurbishing spaces that will be used for offices and meeting rooms, and will upgrade all air-conditioning, electricity, voice and data, security, and other types of required installations.



The project contemplates refurbishment of the façade, reinforcement of the building's structure, reconstruction of roofs, revamping of entrances and accesses, restoration of elements of great artistic value, and the installation of new communication technologies.

FCC builds the first tunnel in Spain under an airport runway in Madrid

The project is designed to provide access to the Lado Aire Power Plant (CELA) and supply energy to the runway and air traffic systems at Madrid-Barajas Airport.



The area was affected by aircraft ground traffic from the terminals to the new runways. The two-carriageway tunnel will connect, by means of a two-carriageway road, access to the control tower through the M-111 road service road with the airport buildings in the area surrounded by the T4 terminal building and the 15L-33R and 15R-33L runways.

FCC has built, under a contract from AENA, the tunnel providing access to the Lado Aire Power Plant (commonly known as CELA) at Madrid-Barajas Airport. These power plants supply electricity to the entire runway and other air traffic support systems.

The nearly 600 meter-long tunnel has two lanes connecting the control tower through the M-111 service road to the airport buildings located in the area between airport terminal T4 and the 15L-33R and 15R-33L runways. This area supports aircraft ground traffic from the terminals to the end of the runways.

It was necessary to upgrade these access roads due to the constant movement of maintenance and service personnel. Built using a tunnel boring machine and lined with 32 centimeter thick prefabricated voussoirs, this tunnel marks a milestone in



Spain since it is the first of its kind built under an airport platform and runways which remained opened for operations.

Technical team

Department Manager:
Juan Hernández Nodrid

Head of Project:
Alfredo Díaz Cobo

Production Manager:
María de la Cruz Molina París

Supervisor of the tunnel boring machine:
José Alberto Piqueras Sánchez

Head of the Technical Office:
María Isabel Babiano Mendoza

Administration Manager:
Antonio García Amarilla

Surmounted technical difficulties

Even though the length of the tunnel is extremely short for the construction methods that were used, its execution posed great technical challenges which FCC was able to address in an efficient fashion. In this project, FCC worked with the support of the technical FCC Services as well as the company's

Recognition of Carlos Cebamanos

This new infrastructure was made possible thanks to the collaboration of all the parties involved in the project. Without their interest and cooperation, the technical challenges posed in its execution would have been insurmountable. Those who participated in the project wish to pay tribute to Carlos Cebamanos Jarreta, "whose involvement and example was a source of encouragement during the entire project". Carlos Cebamanos was the manager of FCC Construcción's Installations and Parks Services.



Inauguration of the new Healthcare Center in Luarca (Asturias)

The President of the Principality of Asturias, Vicente Álvarez Areces, inaugurated the new healthcare center built by FCC in Luarca (Asturias). The president was accompanied in the ceremony by Ramón Quirós, the Secretary of Health and Social Services, Juan Fernández mayor of Valdés, and the manager of the Health Department, Ricardo de Dios.

The new healthcare facility will provide services to 8,700 users. The 6,700 m² facility will house primary healthcare, mental health, and psycho-social rehabilitation services, in addition to the emergency unit and the car parks. The primary healthcare area includes eight general practitioners' offices, eight infirmaries, two pediatrics units, three offices for resident physicians, a physiotherapy unit, a dental hygienist, a dentist, and an office for social services. The emergency unit features a doctor's office, an infirmary, and a multi-purpose facility.

Its mental health department will provide services to the 51,300 people registered in Healthcare Area I. It has three psychiatric offices, one for a psychologist, four infirmaries, and three other offices for various uses. The psycho-social rehabilitation area comprises ten single rooms, a workshop, an exercise room, a multi-purpose room, a sitting room, and a dining room.

installations department and the machinery park.

Another great difficulty was the fact that the air platform for the exit well and boring operations had to be executed within a very short seven-week period. The air platform was completely replaced within six weeks. This was all carried out during the intense tourist season at Madrid-Barajas Airport and without any incidences occurring that are worth mentioning.

The most advanced operation systems available in the market were installed throughout the entire length of the tunnel, both in terms of safety as well as services, totally centralized and integrated at the tunnel control center on the M-111 road, managed by AENA, and considered one of the safest in Europe. The key aspects include a 100% reversible ventilation system, carbon monoxide detectors, fiber optic enabled communications, lighting, signaling, and closing controls, closed circuit TV, and a system for controlling traffic and loading capacity.

The new CELA tunnel has increased internal connections at the airport without affecting operations, resolving the problems of accessibility that existed until now and making it possible for the airport to grow in the future and becoming one of the principal airports in Europe.



Technical team

Department Manager:
Aurelio Vega
Head of Project:
Manuel Cuesta
Production Manager:
Gabriel Ayesta
Administrative Assistant:
Juan Carlos Menéndez
Project Supervisor:
José Enrique Iglesias

Albacete Healthcare Center

FCC was also involved in the construction of a healthcare center in Albacete, the largest of its kind in the city, which was inaugurated by José Barreda, president of the Castile-La Mancha regional government. With 4,400 square meters of floor space, the clinic has three floors plus a basement. The administration area, pediatrics unit, rehabilitation, emergency services, personnel facilities, and a room for special medical services are located on the ground floor. The other floors house various physicians' offices as well as management offices and teaching facilities. All electrical installations, boilers, pumps and water deposits (drinking water and for fire-fighting equipment), dressing rooms for the staff, and a parking for 29 cars are situated in the basement.





Above these lines and on the right, Ignacio García de Vinuesa, the mayor of Alcobendas, and Jaume Plensa, the architect responsible for designing the project. On the right, the Fuentelucha residential complex where the sculpture ensemble “The heart of trees” has been installed.

FCC completes the Fuentelucha residential complex in Alcobendas (Madrid)

Ignacio García de Vinuesa, mayor of Alcobendas (Madrid), jointly with Jaume Plensa, the architect responsible for the project, inaugurated the sculpture ensemble known as “The heart of trees” installed in ornamental garden at Fuentelucha residential complex.

This work is part of the project executed by FCC in Fuentelucha, consisting of the residential development of 65 hectares for the Alcobendas Municipal Housing Company, which will house 4,000 homes (2,930 government-subsidized) and 4,182 parking spaces.

The project is worth an investment of nearly 30 million euro. The sculpture ensemble, situated in a 2,000 m² landscaped lawn, consists of seven bronze sculptures each of which embraces a five meter-high cypress tree.

In addition to this ensemble and other complementary projects, FCC was in charge of building the ornamental raised flowerbeds in the

central boulevard, several fountains in the linear park, various theme gardens, and a children’s playground. Over 50,000 m² were built in addition to 138,000 m² of sidewalks and paths.

More than 106,000 m² of landscaped areas were completed, planting more than 6,000 trees, 49,200 shrubs, and 37,500 m² of ornamental lawns.

Technical team

Department Manager:
Francisco Sánchez Montalbán

Head of Project:
Carlos Martínez

Production Manager:
Oscar Candal

Administration Manager:
Marta García

Encargado de Obra:
Juan Ramón Jiménez

Project Supervisor:
Juan Antonio García

Construction of the first high school in Villanueva de la Torre (Guadalajara) completed



José María Barreda, president of Castile-La Mancha, chats with some of the students at the Secondary Education Institute in Villanueva de la Torre (Guadalajara).

The president of the Castile-La Mancha autonomous community, José María Barreda, inaugurated Newton Salas, the first secondary education institute built in Villanueva de la Torre (Guadalajara).

The complex comprises five two-storey blocks, separated by courtyards and connected by an interior gallery at both levels. The first building will be used for the faculty offices, a cafeteria, library, meeting rooms, admissions department, and secretary. The other blocks will

house the classrooms and laboratories. The complex also includes indoor sports facilities for multiple uses in addition to several tracks and courts. There are also several outdoor classrooms facing the sports facilities. The building features all sanitation, plumbing, and electricity installations as well as modern air-conditioning and heating systems and fire protection equipment, plus telecommunication systems, electrical installations, ventilations, and smoke extractors.

The Loma de Bas tunnel in Cartagena, built by FCC, rated the best in Spain

The tenth edition of EuroTAP (European Tunnel Assessment Program) with the support of the European Commission and 11 European auto clubs, including RACE, rated the safety of 31 tunnels in 11 European countries. The Loma de Bas tunnel in Cartagena was rated the safest in Spain and one of the best in Europe. The tunnel, which crosses the La Loma mountain range and is one of the infrastructures of the AP-7 highway connecting Cartagena and Vera, was built by FCC in 2006. Spanning over 1,820 meters, it is the most

spectacular infrastructure in this 114 Km-long highway.

Approximately 700 million euros was spent in building this highway. The toll motorway is operated by Autopista de la Costa Cálida, a company in which FCC, through its concession company Global Vía, holds a majority stake. The tunnel features several areas for emergency parking, sufficiently wide lanes, fixed video surveillance systems, barriers at both ends of the tunnel to stop

traffic in the event of an accident inside the tunnel, and additional escape and rescue lanes. Over 3,000 vehicles pass through this tunnel daily.

All tunnel safety and control systems were installed by Conservación y Sistemas, a company integrated in FCC Versia, which engages in the design, installation, maintenance, and conservation of urban infrastructures and in the development and operation of traffic management systems.

The key features of the tunnel

- Two tubes with transversal connections as additional escape and rescue lanes, each of which is 360 meters long, and traffic lights and barriers at both ends of the tunnel.
- Permanent video surveillance systems
- Automatic detection of traffic incidences; areas for emergency parking, emergency telephones, fire extinguishers, and service galleries throughout the entire length of the tunnel.
- Emergency telephone and fire extinguishers every 125 meters.
- Signs in the tunnel indicating the escape routes and the distance to the nearest exit.
- Smoke and heat cannot penetrate the escape routes towards the exterior of the tunnel. The doors are sufficiently fireproof.
- Automatic fire-alarm system. Ventilation activated automatically in the event of fire.
- Ventilation is sufficiently powerful in the event that a fire breaks out.
- Rescue vehicles can enter the mouth of the tunnel and can access the rescue lanes at every 360 meters.
- The tunnel control center is manned by qualified personnel 24 hours a day.



SERVICES





FCC to decontaminate the Flix reservoir in Tarragona

The FCC Group will be involved in the most important environmental initiatives in Spain; the decontamination of the Ebro River as it passes through the Flix Reservoir containing 800,000 tons of toxic waste from industrial plant spillages.

The State company, Aguas de las Cuencas Mediterráneas (ACUAMED) reporting to the Ministry of the Environment, awarded the FCC Construcción – FCC Ámbito joint venture a contract worth 155 million euros for the removal and treatment of chemical industrial waste at the Flix Reservoir (Tarragona) in the Ebro River basin.

This is the largest decontamination contract ever put out to tender in Spain to date. Thirty-four companies grouped together into 10 associations, were involved in bidding for this contract.

The town of Flix is home to one of the largest reservoirs in Cataluña. Its banks accumulate 800,000 tons of industrial waste that will have to be removed and treated in an appropriate fashion. In addition to organic residues, this highly contaminant waste includes heavy metals such as arsenic, mercury, and copper as well as other organochlorate compounds (DDT, PCB, etc). The latter have given rise to grave concerns due to their toxic and hazardous characteristics which have a negative impact on the environment and are harmful for humans.

Two steps

The work, to begin this summer and lasting an estimated 42 months, will return the river to its natural state. The project contemplates constructive and decontamination measures. First, a double wall of sheet piles measuring 1.6 kilometers in length will be built to separate the work area from the Ebro River banks to prevent the possible movement of materials and to



The project contemplates the removal, treatment, and transport of residues to a controlled depot for contaminated waste, to be followed by the restoration of the riverbed.



The town of Flix sits on the banks of the Ebro River which accumulate 800,000 tons of industrial waste that will have to be removed and purified.

protect the banks of the river by installing a pile screen to ensure its stability. The second part of the project consists of the removal of 800,000 tons of residues deposited at the bottom of the reservoir by using an environmental dredging method, treating the materials

removed at the plants that will be installed in the work areas.

The treatment process consists of a granulometric filtering of material to separate the small fractions

Two types of works: construction and decontamination

- Building a protected depot of still water separated from the Ebro River water. This will make it possible for the river to continue to flow through a channel on the left bank of the reservoir and, in the event of any incidences, the contaminated will be kept separate to prevent it from flowing downstream.
- Waste removal by means of ecological dredging processes and its subsequent treatment in facilities at the work site. The process involves granulometric classification of the material to remove contaminated small fraction that subsequently undergoes a dehydration process.

Historical spillages

The contaminated sludge at the Ebro reservoir at Flix dates back to spillages from chemical installations built in the early twentieth century on the right bank of the river. It is also caused by changes in the river flow due to the construction of the Mequinenza, Ribarroja, and the Flix dams.

**Removal of
800,000 tons
of contaminated
waste**

containing the pollutants. This fraction undergoes a dehydration process and is stored in a special depot that will be fitted specially for this purpose.

A systematic sampling of this material will be performed at this depot before deciding its destination. Part of the material will undergo an additional decontamination process involving thermal desorption, chemical oxidation, and stabilization technologies.

Simultaneously, all water extracted during dredging procedures will be treated at another work site before returning it to the protected premises. After the material has been dehydrated and treated, it will be sent immediately through a 6 Km-long conveyor belt to a new dumping site that will be built and managed pursuant to the contract.

Other complementary measures are contemplated in this project, such as the installation of emergency water supplies for downstream populations, the protection of the Sebes ecological reserve, and the installation of a fully equipped laboratory for the environmental supervision of all the work that is carried out.



Flightcare wins another contract at Fiumicino Airport (Rome)

Rome's airport (ADR) awarded Flightcare, the FCC subsidiary engaging in airport handling, ramp, passenger, and cargo activities, a two-year contract for transport services at the new Terminal 5 building in the west satellite of Fiumicino Airport.

Terminal 5, which will handle flights requiring special security measures, will provide services to companies such as American Airlines, Delta Airlines, and US Airways. Flightcare Italy is already providing handling services to these companies. To ensure top quality services, Flightcare's transport equipment in Fiumicino Airport will be increased by another eight fully



equipped buses. Thanks to this new contract, Flightcare increases its services in Fiumicino, bolstering its leadership positioning in this airport in which the company started operations in November 2006 after acquiring ADR Handling.

The company currently provides handling services to more than 9.5 million passengers per year and to 100 airline companies, including charter flights, with more than 100,000 operations per year.

Assistance to the Pope at Ciampino Airport (Rome)

On 21 April of this year, Flightcare provided assistance at Ciampino airport for the flight of Pope Benedict XVI upon his return to Rome after his 6-day trip to the United States.

The Pope travelled in a Boeing 777 owned by Alitalia. Ciampino, Rome's second airport, is mostly used for handling low-cost

carriers and private aircraft.

Flightcare is currently providing services to 100% of commercial flights at Ciampino Airport. Its clients at this airport include Ryanair, Easyjet, Wizzair, and other airlines, being the largest independent handling operator at this airport.



First American Airlines flight handled in Barcelona

On 25 April, Flightcare successfully handled the first American Airlines flight to Prat Airport in Barcelona. The B767-300 aircraft flies has a daily non-stop flight from New York to Barcelona. Flightcare, will now be handling 85% of intercontinental flights at El Prat, including

companies such as Delta Airlines, US Airways, Air Transat, Singapore Airlines, Avianca, Aeroméxico, and Jade Cargo Airlines. Flightcare also provides services to these companies at other major airports in Brussels and at Rome's Fiumicino Airport

FCC will clean the John F. Kennedy aircraft carrier

FCC Environmental, an FCC Ámbito company which provides environmental services in the United States, was awarded a contract for the removal of all fuel and cleaning of all the tanks inside the John F. Kennedy aircraft carrier, one of the largest war ships in the world.

This project is part of an initiative launched by the U.S. Navy which involves the renewal of its fleet. These vessels must be cleaned and certified before being sunk later to the bottom of the sea to create artificial reefs for marine life.

The 1.5 million dollar contract will be executed over a nine-month period at the Philadelphia naval base. On the company's estimates, the carrier contains about three million liters of liquids, mainly lubricant oil, diesel

fuel, and bilge water (in the interior cavity of the vessel full of water that filters in from the sides and the deck). Most of these fluids will be processed at FCC's treatment plant in Wilmington, Delaware. Oil will be separated from water and will be sold as recycled oil.

After its treatment and purification, water will be returned to the sea in optimal conditions.

In 1967, the U.S. Navy launched the last

conventional aircraft carrier built in the U.S., the CV 67 "USS John F. Kennedy". The impressive 320 meter-long vessel, after 38 years' of services, was decommissioned in August last year. The flag of the carrier, known as "Big John" was lowered at the Mayport, Florida naval base in an emotional ceremony.

The vessel's interior contains fuel and other pollutants



Various images of the JFK carrier, launched by the U.S. Navy in 1967, was the last conventionally propelled aircraft carrier.

Leaders in treatment and recycling of industrial oil.

At the end of 2007, FCC Ámbito acquired from Siemens Water Technologies Corp. (SWT) its two U.S. affiliates, Hydrocarbon Recovery Services Inc. (HRS) and International Petroleum Corp., which specialize in the treatment and recycling of industrial oil and in providing other ancillary services to the oil industry. The transaction was worth an investment of 182.5 million dollars, implying an EBITDA/2008 multiple of 9x. Thanks to this deal, the group controlled by Esther Kopolowitz became the second leading operator in this sector in the United States.



The 320 meter-long vessel was decommissioned last August after 38 years of service

Aqualia experiences strong growth in the sports facility management activity



The municipal sports facilities offer a wide range of services and activities for people of all ages and walks of life (children, the elderly, retirees, pregnant women, youngsters).

Aqualia, FCC's subsidiary specializing in end-to-end water management, is wagering on diversification, becoming the only company in Europe capable of providing services in all types of water-related activities: farming, industrial, and human consumption.

Seizing new business opportunities, Aqualia has recently become involved in the construction and management of municipal and leisure water sports facilities. The company engages in planning services and activities for all types of segments, handling maintenance and health control activities and being responsible for the adequate use of infrastructures, furnishings and fittings, and sports equipment.

The company currently manages municipal sports complexes in San Pedro del Pinatar, Mula, and Los

Alcázares (Murcia); La Roda (Albacete), and in Villacañas (Toledo). This year, Aqualia will also start to manage the winter sports facilities in La Roda (Albacete) and the new centers in Cabezo de Torres (Murcia), Monovar and Denia (Alicante), and Alboraya (Valencia) plus a spa in Los Alcázares (Murcia).

These facilities feature the most advanced physical fitness and relaxation equipment distributed among different areas: spa, health treatment, leisure and fitness, including the exclusive Space Wellness system for the treatment of stress and sleep disorders.

This business segment has experienced considerable growth as people become concerned with their well-being and quality of life, increasingly demanding activities involving physical exercise.

Contract awarded in Denia (Alicante)

The Denia City Hall awarded Aqualia a contract for the construction and exploitation of the city's municipal sports centre. The 25-year contract will generate more than 32 million revenues.

The project contemplates refurbishment and revamping of more than 4,000 m² of floor space accommodating approximately 2,500 users. The indoor installations will include two heated swimming pools, a spa, gymnasium, fitness center, computer room with Internet access, a children's nursery, and a cafeteria. It will also include two outdoor paddle courts





FCC wins water management contract in Elvas (Portugal)

Aqualia has been awarded a water supply and sanitation management contract in Elvas, Portugal. The 30-year contract represents 93 million euros revenues.

Aqualia will spend more than 7 million euros in optimizing water resources, upgrading existing infrastructure, and replacing all water meters. In addition, the company will be implementing an ambitious master plan that contemplates the digitalization of the city's distribution and sanitation networks.

Elvas, in the province of Alentejo bordering Spain, has a population of 23,000. Thanks to this contract, Aqualia will be providing services to over 74,000 clients in Portugal.

Aqualia's other contracts in Portugal include water supply and sanitation in Campo Maior, and sewage and waste water treatment in Abrantes (41,000

inhabitants). These two new contracts will generate approximately 100 million euros in revenues for the FCC Group.

The project is part of the company's international diversification strategy in which Europe, and Portugal in particular, plays a key role.

Aqualia is the fifth-largest water management firm worldwide. Currently, Aqualia operates in over 850 municipalities on five continents, serving over 23 million people. In 2007,

Aqualia was named Water Company of the Year by the prestigious international magazine Global Water Intelligence, a fitting tribute to its track record and international scope. It was also awarded the Customer Service Leadership of the Year award by Frost & Sullivan, the well-known British consulting firm. The company has several other offices abroad, including Algeria, the United Arab Emirates, Mexico, Italy and the Czech Republic.

**More
than 93 million euros
revenues**

Aqualia Industrial also grows in Portugal

Aqualia Industrial, the division engaging in industrial wastewater treatment, won two new contracts in Portugal. The first contract, awarded by Unicer, Bebidas the Portugal, contemplates the project, construction, and commissioning of an industrial wastewater treatment plant at Unicer's facilities in Pedras Salgadas. Aqualia Industrial will be in charge of installing a biological sludge treatment line complying with the European Directive 91/271/EEC requirements. Through its specialized water processing unit, the company also won another contract for building the wastewater treatment plant at the CCGT run by the Portuguese company EDP de Lares situated in Figueira da Foz in northern Portugal.

These two new contracts enhance Aqualia Industria's positioning in Portugal, a country where it currently provides solutions in various sectors, such as food (dairy, meat, tinned foods, and vegetables) chemical, textile, and bio-fuels. In Portugal, the company's main references are: Nestlé Portugal; Tagol; Companhia de Oleaginosas do Tejo; Cister; Industria de Productos Alimentarios; and, Ecodeal, a company engaging in waste treatment.



Cemusa incorporates digital displays in its New York City bus shelters

These displays provide time and temperature information in addition to commercial advertisements and will also offer bus schedule information.

Bus stop shelter with LED display in Manhattan. The energy-efficient displays placed on top of the advertising post provide information on time, temperature in addition to complementary commercial ads.

Cemusa, the FCC subsidiary, leader in the design, production, installation, and maintenance of city furniture and fittings, has installed LED (light-emitting diode) displays in twenty of its bus shelters throughout Manhattan.

These efficient energy displays installed on advertisement panels, provide pedestrians with information on the time, temperature, and complementary commercial advertisements. In addition, these displays will offer bus schedule information.

Two displays will be installed at the bus shelters on each side of the advertising support. The information provided, edited using digital InfoMotion technology, can be

modified instantly from Cemusa's offices, thereby providing maximum functional flexibility. The information provided could be identical or vary for each of the structures.

The new digital display panels are a valuable contribution, a high value-added service for residents and tourists visiting the Big Apple, contributing to building brand awareness and linking the sponsor with technological innovation.

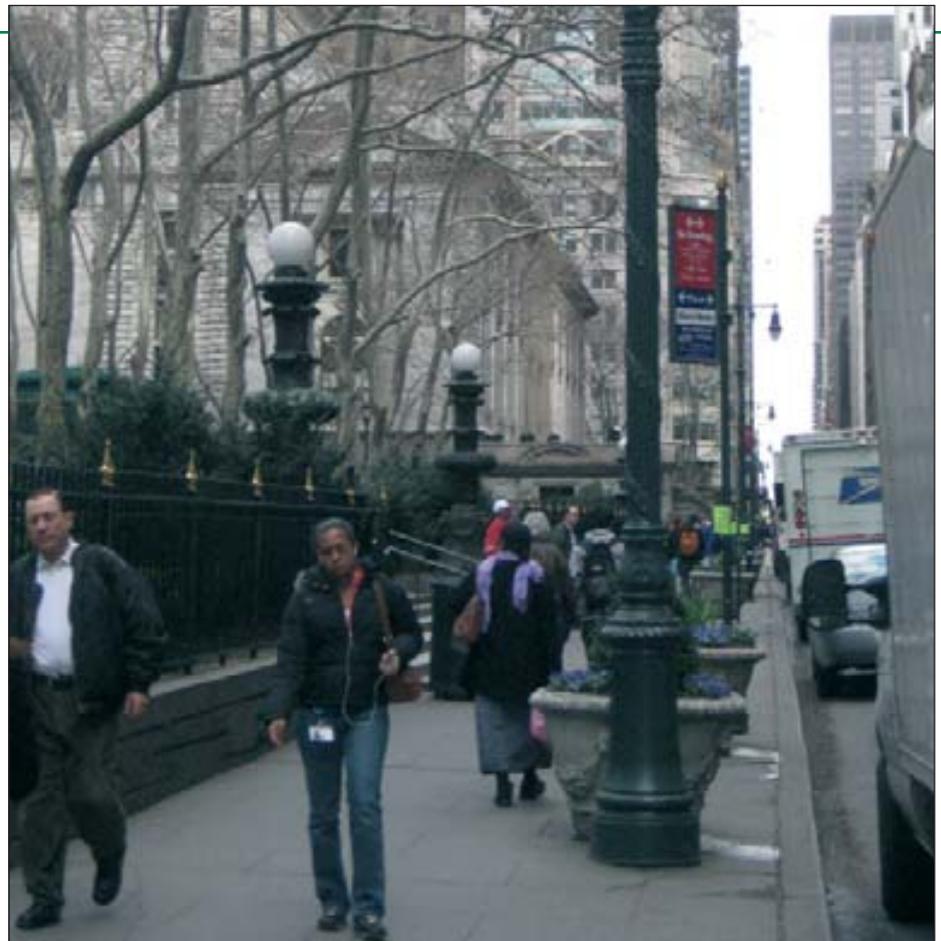
Since 2006 and for a 20-year period, Cemusa will be in charge of installation, maintenance, and advertising at 3,300 new bus shelters, 20 automatic public toilets, for replacing 330 old newsstands.

To market information banners on Manhattan's streetlights

The 34th Street Partnership recently selected Cemusa for marketing advertising on banners installed on 194 streetlights in midtown Manhattan, including Bryant Park. These banners, which will provide information on relevant activities and events in the district, will hang from a bar perpendicular to the streetlight post.

Founded in 1992, the 34th Street Partnership is a coalition of property-owners, tenants, and city officials, working to revitalize a 31 block district in the heart of midtown Manhattan with major streetscape improvements, special security and sanitation services, public events, and tourist assistance

The agreement gives Cemusa exclusive rights to exploit 388 advertising displays, two per streetlight post, until 2013. These new advertising spaces, already in the active promotion phase, will be offered to local advertisers in packages of 25 units for a 30-day display period.



THE ANALYSIS

Outdoor advertising is the second most effective media in major cities

Most of the supports have very high frequency, even higher than TV and radio. These types of displays are becoming increasingly important and are expected to show strong growth over the coming years.



Antonio Morales Escudero
Commercial and Marketing Manager of
Cemusa

When we look around and see the outdoor advertising scenario in Spain, we cannot help but feel very proud. Proud of what we are and for what we have become. We are proud of the professionals who created this activity in our country and of their common sense and intuition which paved the way for

and this progress has been possible thanks to the confidence shown by advertisers. The early years were marked by the struggle and search for the first supporting data, outdoor advertising required quantitative support to corroborate the intuition of many professionals with regards to our activity. Quantitative data are more than consolidated and present in the market. Since 2000, GEOMEX, the monomedia study, a source of official data for measuring outdoor audiences in Spain, has helped us to place a value on the product offered by companies in this industry to advertisers. In order to continue to grow and not become self-complacent, since 2006 outdoor advertising has been included in the General Media Study (Spanish acronym, EGM). Data cannot be more revealing: outdoor advertising is the third national media and the second most important one in major cities and metropolitan areas.

Although it ranks second, it can generate great brand notoriety, behind TV, and is probably a more efficient media in terms of each point of notoriety. All of this is based on data in the Top Notoriety Report prepared by the Marketing and Public Opinion Institute



(IMOP). We are also ranked second by professionals in advertising agencies in terms of media considered essential when planning. This has been underscored in the 2007 Media Quality Study prepared by Grupo Consultores. The study forecasts a future of growth in the participation of this media in terms of the distribution of the advertising pie. If, in addition, we look at the factors that professionals value in a quality media, we find the audience profile, coverage, impact cost, segmentation capacity, reproduction quality, location flexibility, negotiation flexibility, proposals adapted to the product and creativity, all aspects that define outdoor advertising. Now you may ask why we are proud of ranking second, and the answer is obvious; greater

efforts are made by the second-ranking media to become the leader. This is what is happening in Spanish outdoor advertising, continuously innovating and developing products that satisfy the needs of brand communication.

Check the Top report prepared by the Marketing and Public Opinion Institute (IMOP) and you will see that the first brand that does not invest in outdoor advertising ranks below the 100th place in overall notoriety. Look around you and find a general media, with widespread coverage in any geographical area in our market and you will find the answer: outdoor advertising is the leading media for leading brands...we are not there yet, but after all these years, we are already number two.

“Look for a leading brand that is not in present in outdoor advertising and you will find the answer: outdoor advertising is a leading media for leading brands”

our current activities. Nevertheless, we cannot dwell in the past; we must also feel proud of the present and, surely, of what lies ahead in the future.

The media has evolved significantly from intuition to technical achievement. We have not walked this road alone, however, since we have been accompanied by professionals in media agencies

CEMENT



Cementos Alfa opens its new Raos Harbor (Santander) facilities

The project undertaken by FCC's cement subsidiary will enable it to double its exports mainly to the United Kingdom and to load vessels with capacity of up to 25,000 tons.

Cementos Alfa, a Cementos Portland Valderrivas company, inaugurated its third silo and loading pier in the Raos (Santander) harbor, enabling the cement company from Santander to increase its exports, most of which will go to the United Kingdom. This project was worth an investment of 12.5 million euros.

The following dignitaries attended the inauguration ceremony: Miguel Ángel Revilla, president of the Cantabria Autonomous Community; the Vice-President, Dolores Gorostiaga; the mayor of Santander, Íñigo de la Serna; the chairman of the Santander Port Authority, Christian Manrique; and the chairman and CEO of Cementos Portland Valderrivas, José Ignacio Martínez-Ynzenga.

These new facilities, complementing the two existing silos at the harbor, will bolster Cementos Alfa's commercial capabilities, not just in terms of quantity, but also scope, since it will be now possible to load ships with a capacity of up to 25,000 tons, making freights to more distant destinations financially viable.

The loading capacity increases twofold to 1,000 tons/hour, speeding up vessel turnover. Loading



The silo, with a diameter measuring 19.60 meters and a height of 29.60 meters, is a structure built with reinforced concrete



Accompanied by executives from Cementos Portland Valderrivas, the visitors toured the Cementos Alfa facilities in Raos harbor.

operations will be made directly at the vessels using innovative pneumatic conveyor belts which require practically no air and, consequently do not generate any dust.

Each silo has a capacity is 8,000 tons, with the facilities having a total capacity of 24,000 tons. Construction of each silo required the use of 695

tons of cement and another 835 tons were used in the construction of the loading pier.

Operating in Cantabria since 1930

By increasing its operations in Raos, Cementos Alfa will also be able to optimize its resources and enhance its logistics. The company started

Technical characteristics

The silo is a reinforced concrete structure with an exterior 19.60 meter diameter and 29.60 meters tall. It was built using a sliding formwork, with uninterrupted movement in 24-hour shifts starting from the bottom to the top. Due to its location at the harbor, its foundation was made by using prefabricated piles sunk in the ground. The new pier is a 33 meter long and 13 meter wide platform enabling the docking of vessels for loading operations. A building on the platform houses mechanical equipment used for loading and unloading operations. Fifteen piles with a diameter of 1,200 mm were used in the construction of the platform, using special foundation-building equipment assembled on a floating pontoon.

Each pier is 6 x 6 with a foundation consisting of four piles identical to the above-mentioned. All these structures are interconnected by using metallic gangplanks with 40 meter-long gangplanks used to connect to the platform.



At the center, Íñigo de la Serna, the mayor of Santander, cuts the ribbon at the official inauguration ceremony; on his left, the vice-president and president of Cantabria, Dolores Gorostiaga and Miguel Ángel Revilla.

operations in Cantabria in 1930 and has always been very involved in traffic operations in Santander harbor. Cementos Alfa moves between 6 and 10% of total tonnage of solid bulk cargo handled at Santander Harbor.

Aware of the need to upgrade its facilities, the company carried out a major investment plan in 1993-2007. It invested 126 million euros to make its Mataporquera (Valdeolea, Cantabria) factory one of the most modern and competitive in Europe.

Cementos Alfa also develops a very active Corporate Social Responsibility Strategy, not just by making large investments on environmental aspects, but also in other areas such as projects in Valdeolea, various entities in the Campoo-Los Valles county, in the

Cantabria Olímpica program (with a scholarship for Ruth Beitia), the International Festival of Santander, the University of Cantabria (UC), and the International Menendez Pelayo University (UIMP).

Commitment to the environment

Steadfast in its commitment to sustainable development, Cementos Alfa invested 2,189,000 euros in 2007 in the environment, in addition to another 227,000 euros in other related expenditures.

The cycle for the assignment of greenhouse gas emission rights expired in 2007. By replacing fuel, Cementos Alfa has succeeded in increasing production while at the same time reducing greenhouse gas emissions.

The new facilities, which complement the two existing silos at the harbor, will increase Cementos Alfa's commercial capabilities not just in terms of quantity, but also scope, making it possible to load vessels with a capacity of 25,000 tons.



Production and sales growth

Cementos Alfa's sales in 2007 were 4.3% higher. The national market grew 8.7%, while international sales were down by 27,711 tons. This drop, however, was offset by the 11.8% sales growth in Dragon Alfa Cement Ltd., the company's U.K. subsidiary which sold 23,661 tons more than in the previous year. Dry mortar sales were up 1.6%, concrete sales were 3.1% lower, and gravel sales increased by 1.4%.

| Emission rights (Mt.) | 2005 | 2006 | 2007 | Total |
|-----------------------|----------|---------|----------|-----------|
| Assigned | 608.926 | 608.926 | 608.926 | 1.826.778 |
| Actual emissions | 598.923 | 597.130 | 562.421 | 1.759.474 |
| Emissions - Assigned | - 10.003 | -11.796 | - 46.505 | - 67.304 |



REAL ESTATE

Realia wagers on investing in the rental business

The company's recently implemented strategic plan aims to increase the weighting of office space and commercial premises in its business portfolio. So far this year, it has acquired three office buildings in Madrid for 82.1 million euros.

In line with its traditional strategy, Realia continues to wager on the rental business. The company is implementing an investment plan until 2010 which contemplates an investment of 700 million euros in the development of four commercial centers and the construction of several office buildings.

Will invest 700 million euros in commercial centers and office space until 2010

Realia recently acquired two new office buildings: one in Alfonso XII, number 30 in Madrid, and another one in Calle Musgo, no. 1-3 in La Florida, a residential area in the outskirts of Madrid. The Alfonso XII building, worth an investment of 25.5 million euros, has 3,803 m² of rentable office space. The other building in Calle Musgo, with 5,383 m² of office space was acquired for 18.1 million euros.

In first quarter 2008, Realia also acquired an office building, currently BP Oil's headquarters in Spain, at the Arroyo de la Vega business park in Alcobendas (Madrid), for 38.5 million euros. This property generates 1.9 million euros in rental revenue per year, with the contact expiring in 2011.

Commercial centers

In commercial centers, a key pillar in its strategy, Realia



On the left, the office building in Calle Alfonso XII, 30 (Madrid), with 3,803 m² of available space for rent. Above, the building in Calle Musgo 1-3 in La Florida, a residential area in the outskirts of Madrid, with 5,383 m² of floor space.

plans to invest 466.7 million euros until 2010 in four shopping malls: La Noria (Murcia); Plaza Nueva in Leganés (Madrid); As Cancelas (A Coruña); and Denia (Alicante).

The project at the most advanced stage at present is La Noria Murcia Outlet Shopping, to be inaugurated in the very near future. Investment to date in the first phase of the project totals 21 million euros, 38% of the budgeted amount of 55 million euros. Investment in Murcia is part of a broader strategic plan which aims to increase the company's exposure in commercial center assets. To reach this target, Realia plans to invest 466.7 million euros until 2010, of which amount 125.2 million have already been spent in this project. The first of the new commercial centers to open its doors to the public will be the first phase of La Noria, an outlet which will have 30,000 m² of rentable space after its completion, expected to take place in the third quarter of this year.

Of the other shopping malls, Plaza Nueva de Leganés is expected to start operations in 2009 while As Cancelas, Denia, and the

second phase of La Noria should be completed by 2010, all of which will have 201,846 m² of commercial space available for rent.

At present, 44% of office space rental revenues are generated in Spain and 42% in Paris, while commercial centers contribute 13% and the remaining 1% is generated by other businesses.

Development business

Despite the downturn in the Spanish residential sector, Realia's revenues from development activities have increased 127.4% to 77 million euros, thanks to strong seasonality in terms of sales. The number of homes which the company delivered has increased from 111 units in first quarter 2007 to 260 homes in first quarter 2008. In line with the rest of the sector, pre-sales declined to 78 housing units, similar to the trend observed in fourth quarter 2007. The company has 923 homes in its residential property portfolio, 67% of which are first homes, and 33% vacation or second homes.



Realia plans to invest 466.7 million euros until 2010 in four commercial centers. Above, a model of the La Noria Murcia Outlet Shopping, one of the projects at the most advanced stages to be inaugurated in the very short term.

FCC, preferred sponsor of Madrid's bid to host the 2016 Olympic Games

The Sponsorship Program was drafted to enable companies to choose their level of collaboration and involvement in the project. FCC participates as a preferred sponsor.

In an event held at the Telecommunications Palace in Madrid, the city's mayor, Alberto Ruiz-Gallardón, presented the partners of the Madrid 2016 Club as well as the preferred sponsors, one of which is FCC, of Madrid's bid to host the 2016 Olympic Games. The mayor thanked all businessmen who decided to participate in this project for efforts, stressing the importance of the business community's collaboration in the city's bid to host these games. Ruiz-Gallardón said that the sponsorship program "contributes real value to companies who join the program and offers them the opportunity to pay back for what they have been received from the community". The slogan for the candidacy "Feel the Experience. It's in your hands" reflects the need for the commitment and support of everyone "to ensure that the project can compete with other candidates, it needs your support. You can make it possible for this dream to become a reality", he added.

The mayor gave the businessmen a commemorative plaque as a sign of appreciation for their commitment to the project. Baldomero Falcones, the Vice-Chairman and CEO of FCC received this distinctive plaque.

A group project

The city's mayor also said that "not just Madrid wins with the 2016 games, but all of Spain as well as those entities and organizations that have supported this initiative from the beginning.

MADRID2016

CIUDAD ASPIRANTE



The mayor of Madrid, Alberto Ruiz-Gallardón, gave Baldomero Falcones, FCC chairman and CEO, a commemorative plaque as a sign of appreciation for the Group's support and commitment to the project.

Together we have a group project, an Olympic dream, a brand, since Madrid16 is already a brand, a real value which combines the cultural, sports, social, economic, and human strengths worldwide, a brand which will appeal to the entire planet. It is a great worldwide exhibit which will ensure the success of this city and all the companies that decide to join to achieve the Olympic dream. A dream which day-by-day is becoming a reality".

At the presentation, Mercedes Coghen, the

Managing Director of Madrid 2016, highlighted that "of all the events that have been organized, this one stands out due to its importance. It will not be possible for the Madrid 2016 candidacy to reach its objectives without the support of all sponsors".

She also stressed that "good work and a good team are essential for the success and achievement of a project such as Madrid 2016. Thanks to the work and initiative of entrepreneurs such as you, this can be accomplished".



Alberto Ruiz-Gallardón, the mayor of Madrid, with the members of the Madrid 2016 club and sponsors of the city's bid to host the Olympic Games, with FCC being a preferred sponsor.

Commitment to society

FCC Group's commitment to the community is reflected in its sponsorship program which aims to promote values and to build social awareness. This commitment is underscored by the many social actions that have been undertaken and their varied scope.

The Group has been involved in many sponsorship activities, collaborating with the most disadvantaged groups and has also supported many sports initiatives.



Esperanza Aguirre, president of the Madrid Autonomous Community, at the official award ceremony for the Honoric Madrid Health Distinction for 2008 which represent an acknowledgement of healthcare professionals' work and contributions.

Esther Koplowitz receives highest Madrid Health award

The Madrid Autonomous Community has awarded Esther Koplowitz the Gran Cruz de la Sanidad Madrileña for her outstanding contribution and commitment to public health.

On 12 May, Esperanza Aguirre, president of the regional Madrid government, presented the 2007 Madrid Health honorific awards.

Esther Koplowitz was awarded the Gran Cruz de la Sanidad Madrileña, the highest recognition granted by the Madrid Autonomous Community for her contribution through several sponsorship initiatives to improve the social-health conditions of the most disadvantaged members of society and the implementation of a new surgical technology in the region. The objective of

these distinctions, awarded for the third consecutive year, is to disseminate among the community the work and contributions of professionals, associations, and institutions which would not be sufficiently recognized otherwise.

Aguirre made a special mention of the Esther Koplowitz Foundation donation in 2006 to Hospital Clínico de Madrid of the Da Vinci Robot, the first surgical robot used in a public hospital in Spain and one of the most advanced equipment used in laparoscopic surgery.



On the left and below these lines, some images of the Da Vinci Robot, a donation made by the Esther Koplowitz Foundation for the San Carlos Clinical Hospital of Madrid.

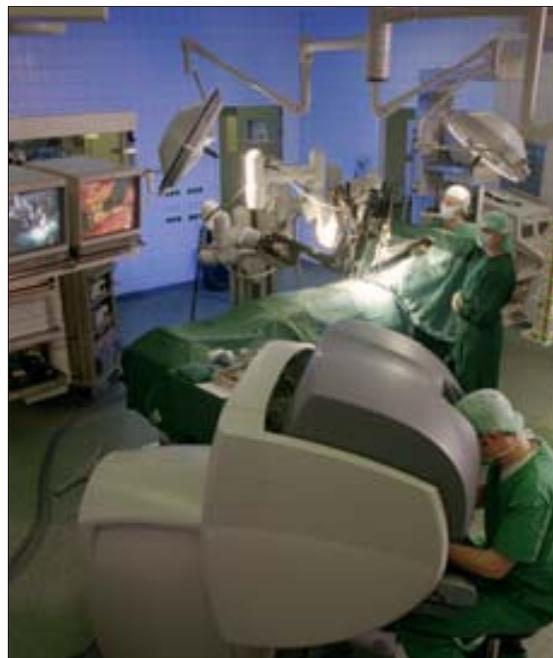


The Esther Koplowitz Robotic Surgery Program

The first laparoscopic surgery was performed in 1990 at the San Carlos Clinical Hospital, marking a milestone in the development of minimally invasive surgery which has been used until the launch of Telepresence Surgery Program or the Esther Koplowitz Robotic Surgery Program.

This project covers most types of surgery performed at the hospital and was made possible thanks to the acquisition of the Da Vinci Robot, which cost one million euro, which was sponsored by the Esther Koplowitz Foundation. The goal of the program is to achieve excellence in patients' healthcare as well as in other aspects, such as in the field of education and research. This contribution once again underscores the Foundation's commitment to public healthcare.

The Esther Koplowitz Foundation is intensely involved in supporting biomedical research and in the fight against disease. She has contributed to the construction of the Applied Medical Research Center (CIMA) at the University of Navarre and the Esther Koplowitz Biomedical Research Center will be starting operations in July 2010 and will be donated to the Clinic Foundation of Barcelona. Thanks to this valuable contribution, the Esther Koplowitz Foundation is the largest private donor supporting biomedical research in Spain and in the rest of Europe.



Grand Cross of the Madrid Health System

The highest award granted by the Madrid Autonomous Community's Health Administration to reward and recognize the collaboration of individuals who make an exceptional contribution to improving the quality and prestige of the healthcare system of the Madrid Autonomous Community.



FCC and a British cricket club promote sustainability

Waste Recycling Group (WRG), an FCC Group subsidiary and one of the leading waste management and energy recycling companies in the United Kingdom, have launched, in conjunction with the Northamptonshire County Cricket Club a campaign to promote sustainability, ecology, and healthy living among the young. The “Working to Sustain the Next Century” campaign is sponsoring a contest to see who grows the largest strawberry this summer.

The sponsors of the campaign, jointly with a group of 60 schools, seven local associations from Northamptonshire, and the English Cricket Organization, the England Cricket Board, distributed strawberry seeds this summer among children and youngsters. The WRG and cricket club partnership will bring wider environmental benefits. The FCC

subsidiary has carried out an environmental audit for Northamptonshire Cricket Club that will be shared with more than 1,000 clubs officially involved in the NatWest CricketForce 2008 competition. The auditors made many suggestions for addressing the most important environmental issues, including waste and resource management.

Cricket Coaching Clinic

WRG will be reaching out to more than 1,500 children during the summer holidays through the FCC Cricket Coaching Clinic, which will be run in conjunction with Northants Cricket and local authorities. These clinics are fully supported by the Northamptonshire County Council and will involve a selection of children across the districts.

Leader in the United Kingdom

In the United Kingdom, FCC operates through WRG and Focsa Services, companies focused on comprehensive waste management and energy recovery solutions to meet national, regional, and local needs.

- WRG operates facilities for the reception, recycling, and disposal of waste, including a network of waste transfer and recycling centers and a regional network of landfill sites.
- Focsa Services provides comprehensive waste handling services and energy recovery solutions.

FCC participates in the publication “Sustainable Construction” sponsored by the Entorno Foundation

“We build Value. Incentives for Sustainable Construction” is the first publication containing the results of the Sustainable Construction Working Group of the Entorno-BCSD Foundation, of which FCC Construcción is a member. Leading companies in the industry have participated for the first time in Spain, representing all construction fields, such as resources and equipment, planning, execution, promotion, construction, including use and demolition of infrastructures and buildings. BBVA has also collaborated in addition to a panel of experts under the sponsorship of the Sustainability Observatory in Spain, which has broad experience in urban development, architecture, transport, energy, housing, and the economy.

The report analyzes the economic, environmental, and social challenges that the construction industry faces. It offers some thoughts on the sustainable development challenges of the current model and proposes a wide range of measures and incentives aimed at the public and private sector. These measures are focused on encouraging the creation of sustainable value in connection with territorial planning, rehabilitation, energy, the use of resources and environmental impact, sustainable mobility, and quality of life.

This publication was awarded a prize in the Sixth Edition of the Bancaja Habitat Awards. The report describes 13 success stories of the companies participating in the Working Group, showing that the incorporation of environmental and social criteria represent a competitive advantage for businesses. It includes several FCC Construcción practical cases: commitment to the prevention of occupational hazards; the integration of the disabled in the workforce; and efforts to share good environmental practices with the community. It also mentions an environmental communication management system, an initiative which won the prize in the sustainability and corporate social responsibility category awarded in the Annual Environment Prize organized by the newspaper Expansión and the Garrigues law firm.

Cementos Portland with the Foundation

Cementos Portland Valderivas is also a member of the Entorno-BCSD Spain Foundation. This partnership reflects the company's commitment to the environment and sustainable development. The company participates in the following working groups: Energy and Climate Change; Sustainable Development; and, The Role of Business in Society.





FCC and Almería City Hall sign agreement for integration of battered women

Almeria City Hall and FCC have signed an agreement to promote social integration of women who are victims of domestic violence and at risk of social exclusion. This is the first agreement of its kind executed by FCC.

Pursuant to the agreement, company agrees to hire only women who have been victims of domestic violence and more than 45 years old for maintenance and cleaning services in municipal offices.

Luis Rogelio Rodríguez-Comendador, the mayor of Almeria, said that one of the principal goals is to provide these women with the necessary assistance for surmounting the damage inflicted by this situation and to “facilitate their integration in the workforce and their financial independence as a way of facing and breaking away from this undesired personal situation”.

These job offers will be coordinated by the Job Orientation Department at the Women’s Social Centers, with specialized personnel assessing and studying each case. FCC will maintain the confidentiality of the personal circumstances of women who take advantage of this initiative.

Other awareness-building initiatives through advertising campaigns, brochures, and specific measures will complement this project.

The agreement’s key objectives

- Provide the necessary help for surmounting the consequences of this situation
- Facilitate their integration in the workforce and their financial independence.

Actualidad Económica magazine gives prize to Esther Koplowitz

Actualidad Económica magazine celebrated its 50th anniversary last 12 May honoring several personalities who have been leaders in the economic development of Spain. The Prince and Princess of Asturias presided at the ceremony.

Actualidad Económica, published by Unidad Editorial, celebrated its 50th anniversary, recognizing the business achievements of Esther Koplowitz and another 50 financial and business world personalities.

The Prince and Princess of Asturias, who presided the event held last 12 May at the Palace Hotel in Madrid, presented these prestigious awards in recognition of the work carried out by political and business leaders that has contributed to Spain’s economic growth. Esperanza Aguirre, president of

Transparency and good governance, the key pillars of the Spanish economy

the Madrid Autonomous Community, and several Unidad Editorial executives, such as Carmen Iglesias, Antonio Fernández-Galiano, and Pedro J. Ramírez also participated in this event.

In his speech, the Prince said: “Before I say anything else, I wish to sincerely congratulate Actualidad Económica on its 50th anniversary which we celebrate tonight. I am happy to say that the Princess and I are extremely pleased to be part of this celebration. We appreciate the invitation to preside this event but, more than this, we wish to praise the efforts and work of so many good professionals in the field of information and all those experts in various economic and business fields, who have made this magazine possible”.

Don Felipe de Borbón added “this anniversary highlights the merit and success of Económica during five decades in meeting the growing need for information of the economic



reality, which is becoming increasingly more complicated. For making decisions, being successful in the national and international economic scenario, accurate and reliable information is essential". He also mentioned the importance of transparency in markets and wagered on democracy and freedom as the two values that "have been behind the great step towards economic modernity in Spain" and which ensure success in future growth.

All who participated in the 50th anniversary celebration acknowledge the importance of transparency and good governance in the day-to-day management of companies and wagered on innovation as the key for ensuring the country's competitiveness.

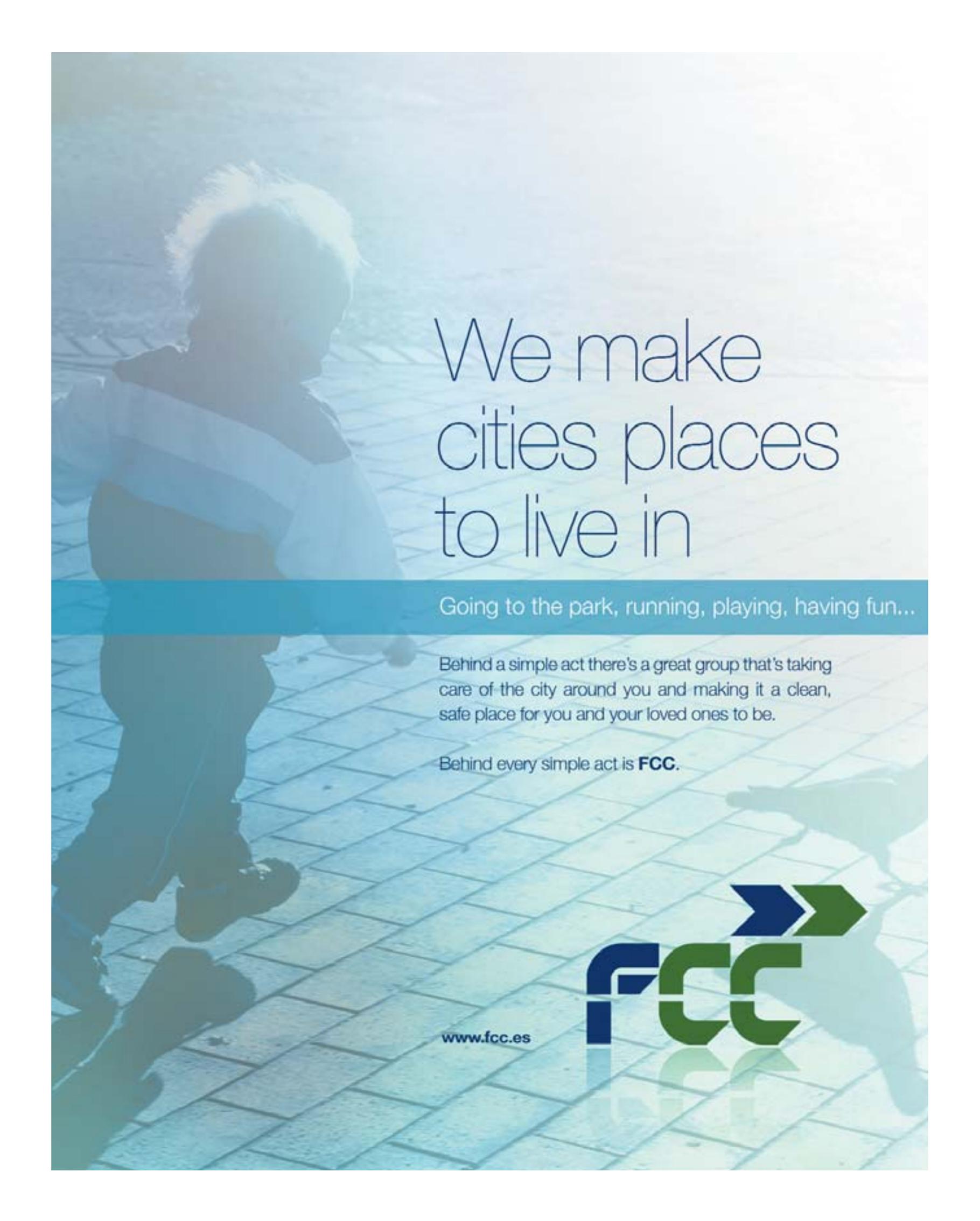
50 great names in the Spanish economic world

Actualidad Económica published its special 244-page edition mentioning the 50 major names in the Spanish economic world in the past five decades who, year after year, had been honored by the magazine. It also describes the activities of the 50 most profitable listed companies in the last three years, highlighting the 50 best ideas in the economic scenario over the past few years.

Rafael Montes, FCC President, picked up the award handed by the prince and princess of Asturias, in recognition for their business performance.



The winners of the Actualidad Económica awards posed by the staircase at the hotel hosting the event. On the first row and at the center, the president of the Madrid Autonomous Community, Esperanza Aguirre; on her left, the Prince and Princess of Asturias, Don Felipe and Doña Leticia, and the historian and academy-member, Carmen Iglesias.



We make cities places to live in

Going to the park, running, playing, having fun...

Behind a simple act there's a great group that's taking care of the city around you and making it a clean, safe place for you and your loved ones to be.

Behind every simple act is **FCC**.

www.fcc.es

