



INFORMA

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TWOFOLD INCREASE

	2004	2007 Estimate
Sales	6.349	13.730
Ebitda	842	1.964
International	9%	36%



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FCC FOMENTO DE
CONSTRUCCIONES Y CONTRATAS, S.A.

GROUP

28 de junio

JUNT



Strategic Plan accomplished a year and a half ahead of schedule



The FCC 2007 Annual General Meeting in Barcelona approved the accounts of the previous year and the distribution of profit. Marcelino Oreja announced that this was the last year in which was participating in the AGM as Chairman.

On 28 June, the FCC held its AGM in Barcelona. All the points in the agenda, including the accounts for 2006 and the distribution of profit, were approved.

Marcelino Oreja, FCC's Chairman and the first speaker at the AGM, highlighted the Company's efforts in updating the Unified Good Governance Code, also mentioning the Corporate Social Responsibility Report that covers all the initiatives that the Company had undertaken, particularly in connection with the environment and the integration of persons with disabilities.

He took advantage of the occasion to announce that it would be the last year in which he would preside over the AGM, quoting the Spanish poet, Luis Cernuda, saying that "there comes a moment when time catches up with us", adding that, "for me, this moment has arrived".

Rafael Montes, the CEO, started his speech by saying that since 2004, FCC had become a "larger, more solid, and international company, while maintaining its traditional core business lines and a debt level in line with estimates".

The CEO also said, "by the end of 2007 we will be a different company, facing a new challenge: pressing ahead with FCC's profitable growth strategy".

Rafael Montes said that this was the result of the Strategic Plan approved in early 2005 by the Board of Directors. FCC management has been focusing on the plan, as one of the Company's main objectives, over the past three years. Although the plan was initially expected to be completed in 2008, the CEO said that it had been brought forward to 2007.



Presiding the AGM, from left to right: Felipe Garcia, the Secretary General of FCC; Rafael Montes, the company's CEO; and the Company's president, Marcelino Oreja.

The Strategic Plan set the following targets:

- Boost** sales volume to between 10 and 12 billion euros over a three-year period.
- Increase** the Group's international presence until reaching between 30 and 35% of consolidated sales.
- Increase** gross operating income to between 1.4 and 1.6 billion euros.
- The aim** was to achieve these targets without increasing the debt-to-EBITDA ratio by more than 3 times.

Rafael Montes said that the Strategic Plan took 2004 figures as the starting point, that is, 6.35 billion euros sales, 9% of which were generated in international markets, 842 million in gross operating income, and a debt/EBITDA ratio of 0.3.

“Thanks to the support of the entire Board of Directors and the company's employees, we have surpassed our targets, achieving this one and a half years ahead of schedule”, he added.

FCC's forecasts for 2007 far exceed the objectives, since sales will be reaching 13.73 billion euros, EBITDA should total 1,964 million, 36% of sales will be generated abroad, and the

debt ratio will stand at approximately 2.5 times.

This means that thanks to the Strategic Plan and organic growth sales have more than doubled, gross operating income increased 2.3 times, and international sales increased 8 times, without exceeding the debt target which, in any event, is much lower than the average in the sector.

As part of this plan, the Group invested 5 billion euro, all of which was earmarked for the Group's core activities, particularly in the Services division (57%). Two thirds of this amount was invested in international markets, and one third was spent on strengthening the company's leadership positioning in the Spanish services and cement market.

All investments were in keeping with the Strategic Plan, although Rafael Montes highlighted FCC's wager in two markets: Central and Eastern Europe and the United Kingdom, regions representing an excellent platform for the Group's development.

Over 1 billion euros were invested in Central and Eastern Europe with the aim of replicating FCC's initial business model in Spain: Construction and

The CEO, Rafael Montes, began his speech by saying that, since 2004, FCC had become a “larger, more solid, and international company, while maintaining its traditional core business lines and a debt level in line with estimates”.



The Group in figures

	2004	Strategic plan 2005-2008	Contemplated 2007	Growth since 2004
Sales	6,349	10,000-12,000	13,730	X 2.2
EBITDA	842	1,400-1,600	1,964	X 2.3
International activities	9%	30%-35%	36%	X 8.4
Net debt/EBITDA ratio	0.3	3.0	-2.5	

Services. With a population of 260 million, stable systems thanks to E.U. membership, this market has an enormous lack of infrastructures and services and is a net recipient of E.U. Funds.

In the United Kingdom, the Group invested over 2 billion euros in the acquisition of Waste Recycling Group, a very stable business, which is a strong cash generator and enables the Group to have access to Private Financing Project Initiatives in a strong growth market.

Although the investment phase of the Strategic Plan has been completed, Rafael Montes said that it was not concluded since the Group still had to tackle a major task: assimilating the acquired companies.

Distribution of profit

The AGM approved the payment of a complementary dividend of 1.05 euro per share, bringing total shareholders' remuneration to 2.05 euros gross per share.

This amount represents a 27% increase over the dividend paid in 2005, and a 50% payout ratio.

Dividends over the past six years have increased fourfold.

Employees

The CEO reported that, at 30 December 2006, the workforce totalled 92,600 employees, with this figure currently at 96,000.

Esther Koplowitz Foundation

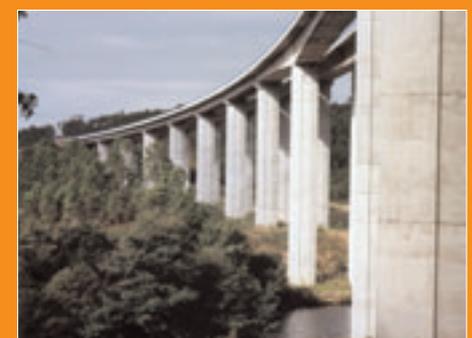
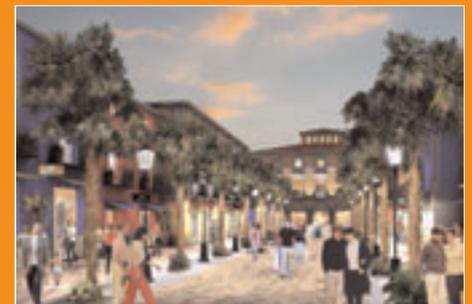
Rafael Montes pointed out that growth in the workforce had been a constant factor at FCC, "We are", he said, "a company that generates wealth and employment. All of this has been possible thanks to the special sensitivity of Esther Koplowitz, the company's major shareholder, with this sensitivity

reflected in the constant concern for those who are less fortunate, and the considerable financial efforts made, at the personal level, through the Esther Koplowitz Foundation".

All the participants at the AGM gave a great ovation when Esther Koplowitz and her Foundation were mentioned.

Sales growth

Thanks to the Strategic Plan and organic growth, sales increased by more than two times, gross operating income increased 2.3 times, and international sales increased eightfold.



Investments totalled 5 billion euros, all of which were earmarked for the Group's core activities, particularly the Services Division (57%).



FCC obtains first concession in Mexico after creating its subsidiary Global Vía

This is the first contract of its type awarded to FCC since it created, jointly with Caja Madrid, its concession subsidiary, Global Vía. The 85 km long highway will require an investment of over 400 million euros.

Mexico's Secretariat of Communications and Transport has awarded FCC the concession for the new 85-km toll road between Nuevo Necaxa and Tihuatlán. The project will require over 400 million euro in investment.

This is the first highway awarded to FCC in Mexico since it formed its concession subsidiary. The new toll road will be included in Global Vía's concession portfolio.

The new stretches are part of the 293 km long México-Tuxpam highway crossing the states of Puebla and Veracruz

- 
- - - Necaxa-Ávila Camacho (37 km) to be built
 - Ávila Camacho-Tihuatlán (48 km) under construction

The contract contemplates the construction, operation, maintenance, and upkeep of the new 37 km long Nueva Necaxa-Ávila Camacho stretch, and the exploitation, operation, maintenance, and upkeep of the 48 km long Ávila Camacho-Tihuatlán stretch of the highway. These sections are part of the México-Tuxpam road stretching 293 km over the states of Puebla and Veracruz.

The toll scheme is novel for Mexico, combining 37 kilometres of actual toll road with 48 kilometres under a payment for availability scheme. Accordingly, part of the revenues will come from road users and the remainder will be paid by the Mexican government on the basis of availability criteria.

The new stretch will reduce the distance between



Combines 37 km of actual toll road with 48 km under a payment availability scheme

these municipalities from 122 to 85 kilometres and travel time by one hour and thirty minutes.

The complexity of the road, requiring the construction of 12 tunnels (one nearly one km long), 12 viaducts, and 10 underpasses is further complicated due to limited execution time before it opens to traffic.

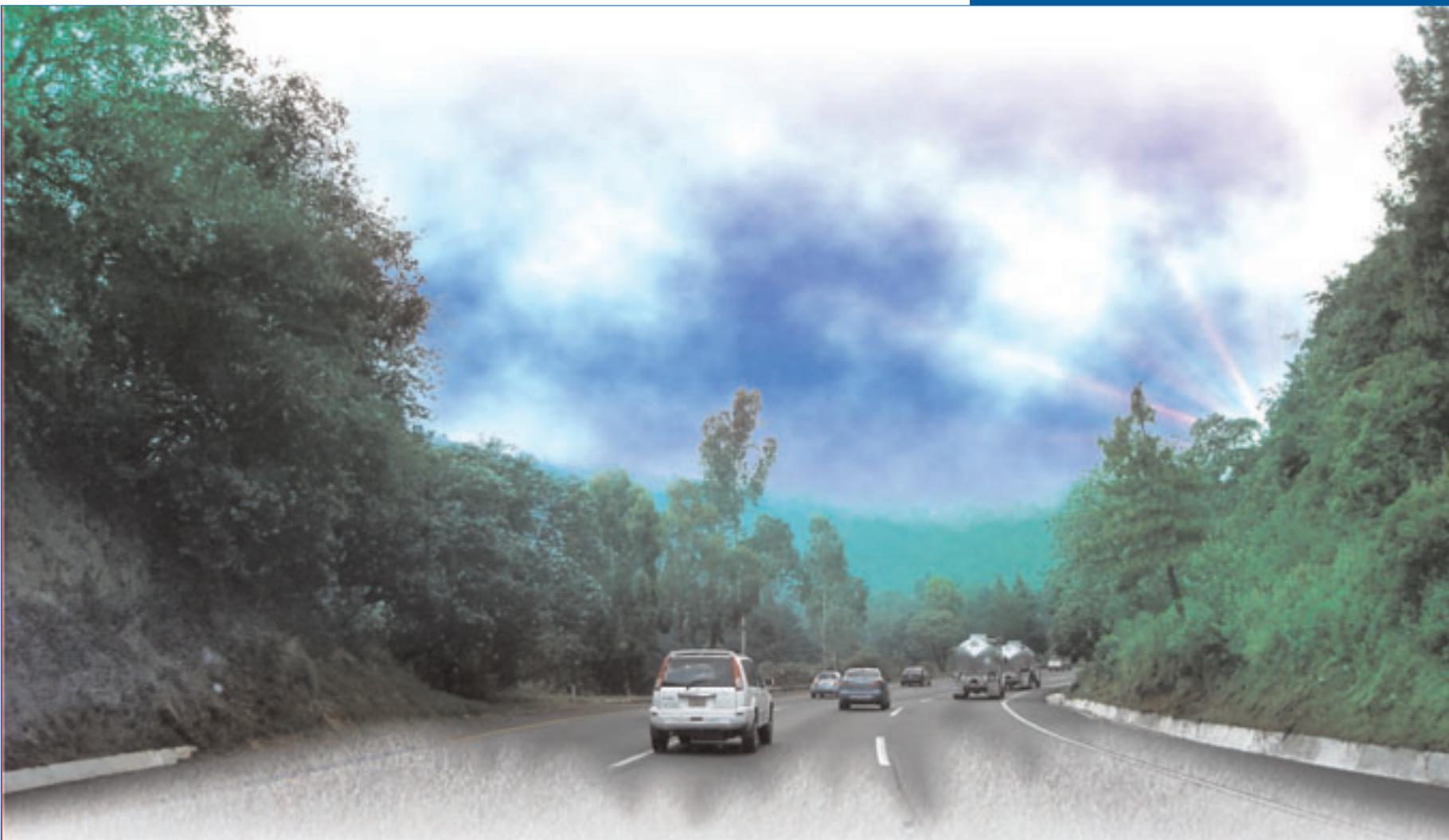
Banco de Santander acted as financial advisor and underwrote 100% of the finance for the project.

The contract will be signed within the next three months, and construction is expected to begin in April 2008, once the design work is complete. "Everything is going according to plan".

Large size

Global Vía Infraestructuras was founded six months ago with 250 million euros in share capital. It has stakes in 36 infrastructure concessions, 18 of which are highways, eleven traditional toll roads; seven shadow toll roads, seven railway concessions, four sports marinas, and three industrial harbours; two airports and two hospitals. The company aims to grow rapidly, becoming one of the leading players in global concessions. To achieve this end, in addition to the infrastructures contributed by its two parent companies, the company plans to participate in all tender processes in Europe, North America, and Mexico.

A total of 12 tunnels, one of them near one kilometer long, 12 viaducts and 10 underpasses will be built along the stretch. Below, characterization used in the presentation of the Nuevo Necaxa-Tehuacán project.





FCC lands largest water project ever awarded in Mexico

The project involves construction and operations of a pumping system, water pipes, water treatment plant, and distribution network for bringing potable water supply from the Infiernillo springs in the Moctezuma River basin to the city of Santiago de Querétaro.

A consortium headed by FCC has been awarded Mexico's largest water project: a 20-year concession to build and operate the Aque duct II project in Querétaro. Projected revenues amount to 330 million euro.

This project marks a future for Querétaro. Construction of the first aqueduct in Querétaro was completed in 1738, and is now one of the city's landmarks. Stretching over 1,280 metres and supported by 74 arches, the aqueduct supplied drinking water to the population.

The consortium in charge of the construction project will be investing 177.8 million euro. With this project, the State government plans to move 50 million cubic metres of water each year from a semi-desert zone to the Querétaro metropolitan area.

Water will be pumped 108 kilometres from the northeast to the southwest of the state, crossing the Pánuco and Lerma-Chapala river basins. The water supply comes from the Infiernillo springs, at the Moctezuma River, four kilometres downstream from the rock formation that gives rise to the canyon with the same name.

Description of the process

The project is divided into two stretches. The impulsion stretch crosses over 24 kilometres of hard terrain, from the Infiernillo springs to the water deposit at San Javier. Water is captured at Infiernillo at gravity dam made of concrete, 16 meters high and 100 metres wide, situated 800 metres downstream from the source where the first pumping station will be located, and at



The first Querétaro aqueduct, built between 1726 and 1738, and one of the capital city's landmarks.

The Aqueduct II System will supply 50 m³ of potable water per year

700 metres from the second pumping station. From here, water will be piped through a 5-km long tunnel crossing the El Doctor mountain range. Several installations will be built at the end of the water injection stretch, the key part of this civil works project. The gross water reserves will be situated here, as well as a water treatment plant at the head of the system.

The gravity stretch will span over 90 kilometres from the water treatment plant to the potable water reserve, known as the Acuaférico, at San José el Alto, with 50,000 m³ storage capacity which could be expanded to up to 200,000 m³, connecting the drinking water distribution system in the Querétaro metropolitan area. The water treatment plant with a rated output of 1.5 m³/second will bring drinking water supply to the 700,000 inhabitants of the greater Querétaro area.

The project also involves the construction of 41.5 kilometres of roads, high voltage power grids, and communication systems, all of which will be built using most advanced engineering and construction technologies available in the market.

Revamping the El Guayacán-Jinotega road in Nicaragua

Nicaragua's Ministry of Transport and Infrastructure awarded Corporación M&S Internacional, and FCC Construcción subsidiary, a project fixing the El Guayacán-Jinotega road. This project is part of the Ministry's plan to improve communications in the northern part of the country.

The project will be financed by European Union (90.46%) and the Government of Nicaragua (9.54%).

Connecting the cities of Matagalpa and Jinotega, each with a population of 350,000 and 120,000, respectively, the

road will be used for transporting coffee produced in northern Nicaragua.

As part of the project, 23 km of the current dirt road will be paved, making it the main road. This will require removing and filling over one million cubic metres of material. All gravel to be used in the project will be produced using Corporación M&S Internacional equipment.

In addition, the project contemplates construction of 42 metal sewer pipes, with a diameter of 1 to 2.5 meters and three four-meter wide arches.

Focused on Costa Rica and Panama

Corporación M&S is the leader in road construction and earth movement in Central America. Its activities are focused mainly in Costa Rica and Panama, where the company executes major projects.

This includes revamping of rural roads, construction and reconstruction of highways, earth movements, including roads for the agroindustry, and drainage works.



Night panoramic view of the aqueduct. Stretching over 1,280 metres and supported by 74 arches, the aqueduct supplies drinking water to the population.



Technical Team

Construction Manager:
Pedro Collado

Manager in Nicaragua:
Néstor Pereira

Head of Department:
Reynerio Romero

Head of Project:
Alembert Espinal

Technical Team

Project Manager:
Gonzalo Aguarón de la Cruz

Head of Department
Juan Ramón Pascual Sanz

Project Supervisor:
Vicente Pérez Gómez

Heads of Production:
Vicente Ibáñez Royo
Marina Ferrer de Val
Joaquín Moltó

Supervisor:
Lino Marcos Pastrana

New passenger terminal at Valencia airport opens to the public

FCC built the new terminal building for AENA for regional aviation at Valencia Airport, which opened to the public on 25 March. The new terminal is connected to the current one, enabling passenger traffic between the terminals, with direct access from outside, and connecting to the new subway infrastructures.

The 12,000 m² new building is all covered with glass and is divided into two spaces: the processing and the satellite areas. The first one is for baggage control, ticketing, and arrivals while the satellite building houses the boarding area, with 2,400m² of floor space at the same level as the airline boarding platforms. It has ten gates for arrivals and departures and can handle five aircraft simultaneously, close to the building, and connected by means of footbridges.

The expansion complements the airport's facilities. Twelve new ticketing desks, nine new boarding gates, two baggage belts are now in operations. The terminal houses all necessary airport services, including information desks, airline companies, car rentals, a lost baggage claims area, and automated security and inspection systems for checked-in baggage.

The building's architectural design is unique as well as the volume and ceiling of the boarding area which, thanks to a light sheet supported on two points, provides an open space and makes it possible for the entire perimeter to be covered with glass thereby letting in an enormous amount of light. The building's exterior vertical siding consists of a 3,800 m² cable-stayed curtain wall and toughened glass

The building's architectural design is unique, with a light sheet supported in only two points providing an open light-drenched space.





FCC to build the new Valencia Club de Fútbol stadium

FCC Construction, in consortium with Valencia firm Bertolini, has been chosen to build the new stadium for Valencia Club de Fútbol. The initial cost of the project is 82 million euros.

Designed by Reid Fenwick Associates, the 75,000-seat stadium will be located on Avenida de las Cortes Valencianas.

A unique feature of the new stadium is the curved façade-roof, which will simulate, in the form of tectonic blocks, the 16 districts of Valencia city, arranged around the former bed of the river Turia.

The project includes a three-storey underground car park with room for 3,500 cars, as well as the foundations, concrete structure and grandstands. All seats will be roofed and organised in three tiers to provide excellent views of the soccer field.

FCC has extensive experience building football stadiums. In 1983, it won the contest to build the new El Sardinero stadium in Santander. In 1996, the Spanish professional league commissioned it to remodel the Santiago Bernabéu and Vicente Calderón stadiums in Madrid and the Mestalla stadium in Valencia. That same year, it extended the facilities of Nou Camp in Barcelona. In 2002, it landed the contract for the Joan Gamper sports complex in Barcelona; in 2003, the extension of the Santiago Bernabéu stadium in Madrid; in 2004, the new Real Madrid training complex in Valdebebas; and in 2005, the new pitch for RCD Espanyol in Cornellá. Austrian subsidiary Alpine built the Allianz Arena in Munich, which hosted the recent World Cup.

Over 50 years in the Valencia Autonomous Community

The FCC Group has been operating in the Valencia region for over 50 years and has participated in all the major projects that have been executed in the region. It built the emblematic Science Museum and Aquarium, which received a major civil engineering award, as well as the extension of the Valencia Trade Fair, the new Courthouse complex and the Valencia Metro system.



The façade will simulate, in the form of tectonic blocks, the 16 districts of Valencia city, arranged around the former bed of the river Turia.

FCC's experience in soccer stadiums

1983. The new El Sardinero soccer stadium in Santander.

1996. Revamping of the Santiago Bernabéu stadium in Madrid

1996. Revamping of the Vicente Calderón stadium in Madrid

1996. Revamping of the Mestalla stadium in Valencia.

1996. Enlargement of the Nou Camp facilities in Barcelona.

2002. The Joan Gamper Sports City in Barcelona.

2003. Enlargement of the Santiago Bernabéu soccer stadium in Madrid.

2004. The new Real Madrid sports city in Valdebebas.

2005. Construction of the new stadium for the Español soccer club in Cornellá.

Alpine, the FCC subsidiary, built the Allianz Arena in Munich.



Above these lines, the Mayor of Málaga, Francisco de la Torre, at the inauguration of Málaga Park project. Above, images of the park after its refurbishment and revamping.

Revamping of the Málaga Park completed

Francisco de la Torre, the Mayor of Málaga, inaugurated the Málaga Park rehabilitation project, executed by FCC. The project consisted of recovering and restoring the botanical and historic-artistic sites of the boulevard in the city's park. The Mayor said that the project was "a step forward in the park's prestige, since it is a reference both in the city and abroad".

In the central district of the city's capital, the park ranks third among the sub-tropical gardens in Europe. The project is considered one of the most important environmental initiatives in the city's history. New pedestrian walks, extending the paths along the gardens and improving access to the public buildings within the park, the refurbishment of rotundas and circles, as well as over 57,000 m² of pavements, have contributed to reclaiming the park's historic paths and exceptional botanical value.

An exceptional green space

The project included the removal of invasive or sick plants, intense restoration of the subtropical species from five continents, the replacement

of over 650 trees, and planting of over 72,000 varieties of small plants and shrubs.

Public transportation was improved by adding two bus lanes and new bus shelters and modern kiosks were installed. In addition, urban infrastructure was revamped, including public lighting and electricity, water supply, sewage

Málaga Park is considered a botanical jewel and a cultural landmark

systems, and cable communications. In order to optimise the use of water, an automatic irrigation system was installed.

The project also included the restoration of monuments in the park, revamping of the fences and promenades in the Pedro Luis Alonso Gardens, easing traffic conditions near the Eduardo Ocón auditorium, upgraded children's playgrounds, and other measures to improve access for the disabled.

Technical Team

Head of Project:
Héctor Santos García

Head of Production:
Juan Sevillano Polaina

Head of the Technical Office:
Cristina María García Vargas

Administrator:
Tomás Castillo Iglesias

Supervisor:
Mariano Vargas Villena

New hospital built in Igualada, Barcelona

The city of Igualada has a new regional hospital built by FCC for the L'Anoia Health Consortium in a plot of land donated by the Igualada City Council. The final cost of the project was 35 million euros.

Designed by the architect Emili Donato Folch, the hospital has 287 beds. The cross-shaped hospital building is divided into seven modules connected by a corridor and separated by courtyards that open to the front of the building. There is another building, perpendicular to the aforementioned, consisting of two modules connected at the centre by a communication node.

It was built on a 32,000 m² plot of land and has 28,000 m² of floor space. Administrative offices,

The project required a total investment of 35 million euros

doctors' offices, training areas, surgery rooms, scan diagnosis areas, rehab and dialysis rooms, obstetrician offices, and 47 emergency units are situated in the basement, ground, and first floor. The patient hospital rooms, the unit for critical patients, and the maternity ward are located on the two top floors.

The hospital features magnetic resonance equipment, digitalisation of clinical records, and state-of-the-art IT systems.

The project includes general complete installations, medicinal gases, air-conditioning, and 20 lifts.

New Geography and History Faculty building in Barcelona

The University of Barcelona commissioned FCC the project for the construction of the new Geography and History faculty building at Barcelona's University, next to the Contemporary Culture Centre and very near the city's Contemporary Art Museum.

With 28,400 m² of floor space, the new centre consists of seven buildings. It has a three-storey library of more than 4,500 m² and 51 classrooms occupying 4,000m² of useful space.

Several halls for departments and laboratories occupy another 6,000 m². Administrative offices, the dean's offices, general services, and the cafeteria occupy a 3,100 m² area.

The construction system used for the façades consists of concrete steel and 30 centimetre slabs. The building features modern safety systems, air-conditioning, ventilation, plumbing, natural gas, electricity, and special communication equipment.

Technical Team

Department Manager:
Antoni Julià Ribas

Head of Project:
J. Luis del Campo Argilagos
Antoni Escalada Menéndez

Head of Production:
Albert Borrat Portabella

Installation Technician:
Jaume Fradera Arimón

Administration Manager:
Francesc Freixes Sanjuán



Built on a 32,000m² plot and with 28,000 m² of floor space.

Technical Team

Head of Department:
Alfonso Fuertes

Head of Project:
Bernabé Sanz

Project Technicians:
Alex Torrens/Fernando Witker

Installations Technician:
Martí Vall

Administration manager:
Emilio Ortega

Supervisor:
Luis Valero



The faculty building is in the Raval district, very near the city's Contemporary Art Museum.

The president of Castilla y León inaugurates two bridges in Salamanca and Ponferrada

The new road stretches over 3.3 km, has two 6.5 metre wide carriageways separated by a variable width median. The Serna bridge over the Tormes river is 200 metres long and divided into six spans.



Juan Vicente Herrera, the President of the Castilla y León autonomous government, inaugurated the major projects in his community: the Serna bridge and the new urban road connecting to the N-501 in Salamanca; and, the bridge over the river Sil in Ponferrada, León. The project is worth an investment of more than 27 million euros.

The key objectives in building the Serna bridge and the new urban road connecting Jamaica

Street in the capital of Salamanca with the N-501 was to divert heavy traffic from the outskirts of the city, close the second beltway, and facilitate connection with the towns in the southeast and the N-501 road. The road handles heavy traffic, distributing it among the various gateways to the city.

The new road stretches over 3.3 km, has 6.5 metre wide double lanes separated by a variable with median. The Serna Bridge over the river



Technical Team

Department Manager:
José María Quintanilla García

Head of Project:
David Céspedes Ferreiro

Head of Production:
Jesús Rodríguez Martín

Supervisor:
Lorenzo Sánchez Romero

Administration Manager:
María Jesús Arenas Berm

Project objectives

Close the second Salamanca beltway on the east side.

Divert heavy traffic at the Príncipe de Asturias Bridge and Paseo de Canalejas.

Facilitate connection between Salamanca and

the towns on the southeast and the N-501 road to Madrid.

Create a large capacity road to channel traffic from the industrial parks and new commercial centres in the eastern part of the metropolitan area.



The Castilla y León Government considers the new bridge over the Sil River is “essential for the development of the city of Ponferrada”

Tormes is 200 metres long and has six spans. The platform is 23.5 m wide and is formed by a continuous beam.

The project also includes a parking facility, a 1.4 km long bicycle path, and a service road in the “La Fontana” housing development. With respect to road traffic, all the main intersections are traffic circles, except the one at the Colombia Street crossing, where traffic lights have been installed.

In addition, the service road networks were revamped and new lighting was installed with decorative lighting along the bridge. Environmental measures included planting various types of shrubs on the embankment of the road and hydroseeding, landscaping of the traffic circles and medians, and the installation of an irrigation system connected to the distribution network.

The government of the Castile-Leon considers the second project, the bridge over the Sil River “essential for the development of the city of Ponferrada”. The new bridge connects America and Bierzo avenues on the left bank of the Sil River, with Libertad Avenue and the Columbrianos road, on the right bank.

Roads, traffic circles and the new bridge over the Sil River resolve these connections. The bridge is 220 metres long with a combined structure, consisting of two access spans per 33 metre long lanes, a central span with a top 88-metre wide arch supporting the two roads, and another two 33 metre wide lanes.

The 1,673 metre long roads have a seven-metre wide carriageway, three metre wide sidewalks, a 0.5 m wide hard shoulder and a variable width median for each carriageway. This project links the university campus to the city’s midtown district, the bus station, and the sports complex.

In executing this project, FCC used over 2,200,000 kg of steel, 6,000 m³ of cement, and 3,850 m³ of concrete, in addition to 9,300 Mt of hot bituminous mixtures. The company also had to move nearly 310,000 m³ of earth, all of which was practically on a slope.

FCC also laid down 920 m water supply pipeline across the bridge between Bierzo Avenue and Libertad Avenue, a rainwater collector, and another one for sewage waters, all of which were built to provide services in future expansions.

Juan Vicente Herrera, President of the Castilla y León Government, with several of the city’s neighbours during the inauguration ceremony.

Connections

Ponferrada spreads over the two banks of the Sil River. The University Campus connects to the northern and central part of the city and, thanks to the new bridge over the Sil River, is now connected to the bus station, the sports complex, and the western part of the city.

Technical Team

Manager:
José Manuel San Miguel Muñoz

Production Managers:
Rafael Huerga Fernández
Luis Carrera Carro

Head of the Technical Office:
Esteban García García

Supervisor:
Olegario Martínez Rodríguez



Groundbreaking ceremony for the new CV-13 road in Castellón

Francisco Camps, the President of the Valencia Government, presided the ceremony laying the first stone for the CV-13 road in Castellón, a project awarded to FCC and worth an investment of 42.7 million euros.

The new road, stretching over 14 km, will have a 7 metre-wide carriageway with two 3.5 m wide lanes and 1.5 m wide hard shoulders.

Replacing the current CV-145 road, it will connect the towns of Vilanova d'Alcolea and Torreblanca as well as the future Castellón airport with the N-340, AP-7, and the coast.

The new project contemplates the construction of a raised traffic circle over the route N-340, two intersections with the CV-145, and 10 viaducts.



María Encina Álvarez, the Councillor for Public Works on the right, and the Mayor of Torrijos, Mercedes Giner, lay the first stone for the future road.

New road in the province of Toledo between the towns of Torrijos and Gerindote

The groundbreaking ceremony for the Torrijos-Gerindote road took place last 20 March at the CM-4009 road. María Encina Álvarez, Councillor of Public Works, and the General Director of Roads, Roberto Puente, were present at this event.

This project is contemplated in the 2nd Regional Road Program of the Castile-La Mancha government and part of the regional road network of this autonomous community.

The current road goes through Torrijos and

Gerindote. In Torrijos, it crosses the town at an at-grade level and, consequently, functionality and safety conditions are jeopardised. The new road, which will not go through the centre of this town, will stretch over 6,920 meters, with two 3.5 metre-wide lanes, 1-metre wide hard shoulders, and half metre wide berms.

Five at-grade traffic circles will connect to existing roads. Three new underpasses and two additional underpasses will also be built at railway and cattle crossings and other smaller roads.



The Ministry of Housing gives prize to an FCC Construcción project

The Ministry of Housing awarded the National Quality Prize for Public Housing to the San Jerónimo building, built by FCC for the Seville Municipal Housing Department.

Designed by the architects Francisco Javier Terrados Cepeda and Fernando Suárez Corchete, the building has 68 subsidised rent

apartments. The panel of judges highlighted the project's architectural features, replicating the landscape of Seville's neighbourhoods.

The panel also valued the fact that the apartments were for rent, that the building guarantees accessibility, as well as the features ensuring its sustainability.



First stone laid for the bridge over the Danube River linking Bulgaria and Romania

The Bulgarian prime minister, Sergej Stanishev; the minister of Transport, Petar Mutafchiev; and the manager of the PIMU project, Simeon Evtimov, presided the groundbreaking ceremony for the new bridge over the Danube River that will link the cities of Vidin (Bulgaria) and Calafat (Romania).

Early this year, the Bulgarian Ministry of Transport awarded FCC this contract, subsequently executed on 30 January. The contract is worth 116 million euros.

The tender process lasted two years.. Out of 15 initial bidders, five were short-listed: four consortia headed by Vinci, Bouygues, Zublin and Hochtief, and FCC bidding alone.

The bridge, which is part of Trans-European Corridor IV linking Berlin with Salonica (Greece) and Istanbul (Turkey), passing through several European countries, will measure 1,971 metres in length and was designed jointly by the Fernández Casado engineering firm and FCC Construcción's own engineers.

The key architectural design concept consists of incorporating the railway line and road in the bridge, with the railway line in the middle and the two carriageways on both sides of the platform.

The bridge comprises three different sections: the principal structure crossing the river, a second section connecting to the highway, and the railway.

The main structure consists of a continuous extradosed prestressed concrete bridge over three spans each of measuring 180 metres over the navigable part of the river, and two other spans measuring 124 and 115 metres each.

The structure connecting to the highway has the same transversal section as the main structure. The bridge over the non-navigable section will comprise a continuous pre-stressed concrete deck 612 metres long over 80-metre spans and a 52 metre outer span. In this area, the road and rail decks will be on separate structures.

The rail access viaduct will comprise a continuous prestressed concrete deck 952 metres long with constant girder depth over 23 equal 40-metre spans and an outer 32-metre span.

FCC will employ its proprietary construction technology for bridges using prefabricated sections and for cable-stayed bridges, the same one that is has developed and implemented in several previous projects.



The Bulgarian Prime Minister, Sergej Stanishev, at the centre, presided over the groundbreaking ceremony, jointly with the Minister of Transport, Petar Mutafchiev, behind the Prime Minister on his right, and the PIMU project manager, Simeon Evtimov on his left.

The project is worth an investment of 116 million euros



Technical Team

Department Manager:
Juan Hernández Podrid

Head of Project:
Juan Luis Hernández
María de la Cruz Molina

Head of Production:
María de la Cruz Molina

Administration Manager:
César Jesús Cruz Rodríguez

FCC builds a high-performance driving school for RACC

Real Automóvil Club de Cataluña (RACC) has opened in Madrid the first safe driving school in Spain following the European “Test and Training” method, famous worldwide for training safe drivers.

The school, built by FCC in Moraleja de Enmedio (Madrid) has a surface area of 52,000 square metres and is divided into five separate areas for specific training.

The goal of this driving school is to train students to drive under adverse conditions, such as rain, flooding, spins, skids, etc. and to develop precise driving skills in this pavement system.

To simulate these driving conditions, a pumping system was designed to bring water under pressure to the various water systems irrigating the tracks. Water is pumped from the

**52,000 m²
and five training areas**

deposits built within the driving circuit. In order to make driving conditions particularly difficult, a slippery paint was applied over the tracks. Pumped water is accumulated in the collection canals situated at different points along the length of the tracks, pumping water back into the deposits for their subsequent reuse.

The water deposits are interconnected and, therefore, if the small deposit needs water, the other one can supply it.

The centre also has perfectly equipped installations for driving theory classes before starting driving practices.

A parking facility and a covered area, with views of the entire installations, are at the entry, next to the building.

The tracks feature:

Flooding canals: Drains are flooded, allowing the water to rise to the surface, creating a uniform layer of water over the entire width of the track.

Obstacle boxes: Water is pumped to create a 1.5 to 2 metre high water curtain which diminishes visibility for a few seconds when a vehicle passes by.

Hydraulic plate: placed at the start of the track, this plate moves randomly from left to right at different intensities, causing the vehicle to lose control and start to spin or skid.

Irrigation system: these elements are installed at the side of the road, simulating flood conditions along the length of the track.

Other facilities for RACC in Barcelona

FCC was also commissioned by the Real Automóvil Club de Cataluña (RACC) construction of an office building next to its facilities in Avenida Diagonal, Barcelona.

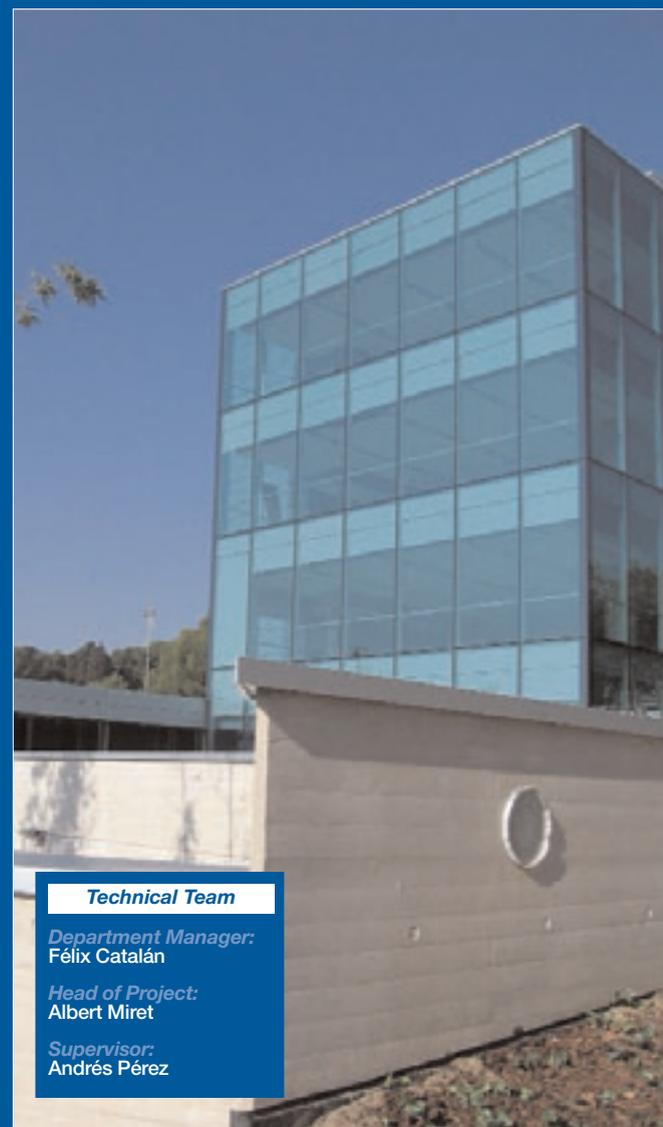
The entire building has 22,572 m² of floor space, divided into four basements, three for parking and another one occupied by office space; a two-level ground floor, and above-grade storeys. There are two vertical communication nodes for all plants, with lifts and stairs.

The office building is situated in Avenida Diagonal

The structure consists of two circular pillars, with laminated profile and connectors and white concrete walls. The roof at the street level was landscaped, with skylights providing light to the offices situated below grade. The façade consists of a curtain wall of the same characteristics as the existing building.



The driving school is situated in Moraleja de Enmedio (Madrid).



Technical Team

Department Manager:
Félix Catalán

Head of Project:
Albert Miret

Supervisor:
Andrés Pérez

The building has 22,572 m² of floor space.



Designed by the architects Jaime Coll and Judith Leclerc, the project won the Ciudad de Barcelona Prize in the architecture and urban development category.

Technical Team

Department Manager:
Carlos Sánchez

Head of Project:
Miguel A. Empez

Project Technician:
David Muñoz

Quality Technician:
Núria Ribalta

Installations Technician:
Carlos Carreño

Supervisor:
Fermín Corral

Administration Manager:
Rafael Bejarano



Prize-winning school building in Barcelona

FCC completed construction of Illa Londres, a building to be used as a primary school and kindergarten, commissioned by Proeixample, a company in which the Barcelona City Council has a stake.

Designed by the architects Jaime Coll and Judith Leclerc, the project won the Ciudad de Barcelona 2006 prize in the architecture and urban development category. The school and kindergarten, with six and three storeys, respectively,

is built of reinforced concrete with grid slab. The complex also includes an 8-storey block with 54 apartments for students with a four-level underground parking facility.

Galvanised aluminium was used in the exterior windows to unify the overall building complex.

FCC was also in charge of equipping the interior courtyard, landscaping, and building sports tracks for public use.

Occupying a 47,000-m² plot, the factory has a production capacity of 30 million m³/year.



Construction of the plasterboard factory in San Martín de La Vega, Madrid, completed

FCC built the laminated plasterboard factory in Los Espartines, situated in San Martín de la Vega (Madrid).

The factory occupies a 47,000-m² plot, has 30 million m³/year production capacity, and features the latest in equipment complying with environmental standards in accordance with the Kyoto Protocol recommendations.

FCC was in charge of the civil works for the crushing, the homogenisation, and recycling plants, the paper warehouse, calcination furnace, and manufacturing plant, workshop, and battery charging facility. The project involved building the foundation, placing the slabs, installing the work surfaces, walls and portable structures. In addition, three buildings for offices, logistics, and control systems were also built.

FCC Construcción participates in the fifteenth edition of FICON

The 15th edition of the International Construction, Urban Works, and Environmental Fair (FICON) was enormously successful, showing once again that it is one of the most important events in this sector. As in the past, FCC Construcción, participated in this event held between 14 and 17 March in the Institución Ferial de Extremadura (FEVAL) facilities in Don Benito, Badajoz.

The event was highly successful, and is one of the most important trade fairs in this sector.

The Minister of Housing, María Antonia Trujillo, gave the opening speech to an audience comprising the best-known companies and professionals in the Spanish and Portuguese construction industry. The latest in construction

machinery, equipment, technology and other construction related activities was displayed at the over 30,000 m² facilities in which 400 companies set up stands.

As part of the FICON event, several seminars were organised on different topics, including structural concrete, solar energy systems, the integration of renewable energy in architecture, insurance, and other services related to the construction industry.

There was also a pavilion exhibiting machinery for public works, and several halls for other ancillary construction services, such as the Urban Works and the Environment, Real Estate, and Renewable Energy.



The displays at the fair included the latest in construction machinery, equipment, technology and other construction related activities.

Collaboration agreement with the Entorno Foundation

FCC Construcción and the Entorno-BCSD Spain Foundation signed an agreement by which FCC will join the Foundation's group of companies. Pursuant to this agreement, both entities will be collaborating on issues involving Corporate Social Responsibility.

The objective is to collaborate in consolidating the company's leadership positioning in

sustainable urban development collaborating on the measures require to achieve this goal with the multiple agents involved.

The initiative is part of the working groups organized worldwide by the World Business Council for Sustainable Development, the leading international organization with membership including over 180 companies with

Consolidating the Company's leadership in sustainable development

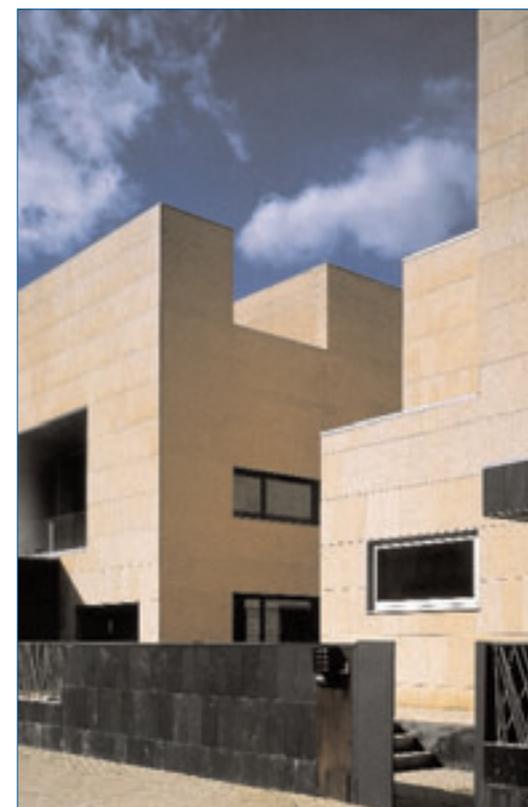
sustainable development through information, dissemination, training, demonstration, and research related actions.

FCC participates in the "Sustainable Construction" working group.

The objective of this group is to promote

the Entorno-BCSD Spain Foundation as the Spanish partner.

This new alliance is in keeping with the efforts undertaken by the company and the FCC Group to meet their social and environmental commitments and their intention of being trailblazers in the field of sustainable development.



FCC wins 540 million euros contract in the United Kingdom

The British subsidiary of FCC, WRG, will manage solid urban waste in Wrexham, southeast of Wales, for 25 years. This is the second major contract since FCC acquired the Company in July of last year.

FCC, through its UK subsidiary, Waste Recycling Group (WRG), has signed a contract with the Welsh municipality of Wrexham to manage its municipal waste for 25 years. The contract represents 540 million euros in revenues.

This Private Finance Initiative (PFI) will enable Wrexham to comply with UK regulations on composting and recycling. The company will process 87,000 tonnes of household waste per year.

Wrexham, located in northeast Wales, close to the border with England, has a population of 130,000.

WRG will invest 34 million euros in building a

**87,000 tons
of waste to be recycled
each year**

recycling plant to recycle source-separated waste from the town, two household waste recycling centres, a transfer plant, and a tunnel composting plant.

This is WRG's second major contract since it was acquired in July 2006 by FCC as part of the Strategic Plan promoted by the company's largest shareholder, Esther Koplowitz. The acquisition was worth an investment of 2.04 billion euros.

Leader in waste treatment in the United Kingdom

Last year, in October 2006, it signed a 25-year municipal waste management contract with the cities of Reading, Bracknell Forest and Wokingham.



34 million euros investment

- One** recycling plant.
- Two** household waste recycling centres.
- A transfer** plant.
- A tunnel** composting plant.



WRG is the leading waste management company in the United Kingdom. It manages 13 million tonnes of household, commercial and industrial waste each year and operates waste reception, recycling and disposal plants throughout the UK, including a network of transfer stations, recycling plants and landfills nationwide.

WRG has 58 landfill sites (capacity: 183 million cubic metres), 28 transfer stations, 2 incinerators (including the

UK's largest), 14 composting plants, 70 household waste recycling centres, and other facilities for recycling and processing industrial waste.

FCC has been operating in the United Kingdom for over 16 years. The Construction and Services Group is the leader in Spain and a major player in this sector in Portugal, Austria, the Czech Republic, Slovakia, Poland, Hungary, and Romania.

Reading, Bracknell Forest and Wokingham

At the end of 2006, the FCC Group executed a 25-year management agreement for urban waste in the towns of Reading, Bracknell Forest, and Wokingham, in Berkshire County. Revenues are estimated at 900 million euros.

Thanks to this Private Finance Initiative (PFI), the three towns southeast of London will be contributing to a sustainable solution for managing the 220,000 tons of household waste produced each per year.

WRG plans to invest 68 million sterling pounds in building the household waste recycling centres, transfer stations, and a recycling plant.

These facilities will enable to three towns, with a combined population of 500,000, to reach high levels of recycling and composting over the contract's 25-year term, more than the central Government's target for reducing the use of landfill sites.



The President of the Wrexham City Council (left) and the Councillor responsible for Waste and the Environment, with the campaign's mascot, "Recycle with Michael". Above, from left to right: Isobel Garner, Executive Director of the Wrexham City Council; Jon Harding, WRG's Commercial Development Manager; Phil Walton, Strategy Director of the Wrexham City Council; Dave Rees, Head of the WRG-Wrexham Joint Project; Steve Jennings, WRG's Head of Operations in the north zone, and Councillor Aled Roberts, President of the Wrexham City Council.



The Vitoria-Gasteiz composting and biomethanisation plant starts operations

The urban waste treatment plant in Vitoria-Gasteiz, the first of its kind in the Basque country has already started operations. This plant recycles the organic fraction in urban waste, reducing waste dumped in landfill sites by 50%.

FCC, jointly with Cespasa, were awarded the project and 20-year operating concession, for the construction of an urban waste treatment plant in the historic province of Álava. The technology used for waste treatment is biomethanisation and composting.

This new plant is worth an investment of 23.3 million euro, 80% financed by the European Union through the Cohesion Funds, and the remaining amount by the Vitoria-Gasteiz City Council (80%) and the Álava Regional Government 20%.

The plant features the most modern and efficient technology in Europe for recycling organic waste for use as an energy source.

of electric power (equivalent to the consumption of a population of 11,000 over an entire year), and 12,580 tons of compost.

The treatment plant includes waste classification and triage processes, biomethenisation of organic material, and energy produced from biogas, in addition to composting processes for transforming the remaining organic material.

FCC has extensive experience in biomethanisation plants in Spain and the rest of Europe. The treatment process consists of an initial cleaning phase, eliminating all elements that hinder the subsequent processes. In the second phase, organic material is broken down by means of digesters in a suitable environment.

The last phase involves dehydration to expedite the composting process.

Thanks to this new waste treatment facility, the Vitoria-Gasteiz City contributes efficiently to environmental stewardship.

Compost and electric power created from the accelerated decomposition of organic materials

Reduction of organic waste

Situated in the Júndiz industrial park in the Vitoria-Gasteiz municipal, the treatment facilities can handle 134,250 tons per year of waste (12,750 tons are urban waste and 13,500 vegetable waste from the entire province of Álava). After treatment, based on the accelerated breakdown of the material, this waste will produce 5,296 tons of biogas and 6,000 MWh

Treated waste

Household and commercial waste collected in large volumes: household waste collected in garbage bags and waste from shops, institutions, and services not collected in a selective manner

Pruning and garden waste.

Organic waste (food or agricultural and livestock waste).

Detren sponsors a Technical Seminar on Streetcars and Lightweight Subways

Transport experts gathered last 20 June in the University of Granada at "Technical Seminar on Streetcars and Lightweight Subways: New Transport Methods in Andalucía. The European Experience".

The event was organised by the Civil Engineering department of the University of Granada's Civil Engineering School and inaugurated by the Public Works and Transport Secretary of the Andalusian Government, Concepción Gutiérrez del Castillo. Detren, the FCC subsidiary for passenger transport, sponsored the event. Technicians

For sustainable urban development and environmental stewardship

and those involved in the transport sector, consultants and contractors, specialists in public-private funded projects, as well as many individuals interested in the role that streetcars and lightweight subways can play in sustainable urban development attended the seminar. Joaquín Martínez-Vilanova, General Manager of Detren, participated in the round table discussion "Streetcar and City: urban incorporation and exploitation".

After analysing specific European experiences in this area, the participants discussed city projects, types of contracts, and operations, since many of the capitals of Andalucía are considering this means of transport for the twenty-first century.

FCC supports the European long jump runner-up

FCC and the L'Eliana City Council (Valencia) signed an advertising collaboration agreement with the L'Eliana Athletics Club for the 2006-2007 season. Concha Montaner, the athlete from Valencia and European who was the runner-up in long-jump indoor championship held this year in Birmingham (UK) is a member of this club.

The L'Eliana City Council, with the presence of the town's mayor, José María Angel, the councillors, and neighbours, organized a ceremony to celebrate Concha Montaner's feat.

FCC's sponsorship activity dates back many years and includes all types of competitions, national as well as international.



In railway transport, Detren participates in the consortium awarded the contract for the Diagonal and Besós streetcars in Barcelona. Both of these concessions cover a total of 24 km, provide services to 17 million passengers per year, and have a fleet of 37 streetcars.



Concha Montaner, the athlete from Valencia, is a member of the L'Eliana Athletics Club (Valencia).



Work underway in Portugal's first hazardous industrial waste treatment plant

The plant, expected to go on stream in second quarter 2008, is worth a total investment of 20 million euros. The best technologies available in the marketplace will be used for management and treatment of hazardous industrial waste.

Although the facilities will have an initial treatment capacity of 80,000 tons per year, this amount could be increased to 200,000 tons. Below, the Portuguese Minister of the Environment, Francisco Nunes Correia, and the Mayor of Chamusca, Sérgio Carrinho.

The groundbreaking ceremony took place on 5 June for the industrial hazardous waste management and treatment plant that Ecodeal, an FCC Group subsidiary, will build in Chamusca, Portugal. Francisco Nunes Correia, the Portuguese Minister of the Environment and the Mayor of Chamusca, Sérgio Carrinho, were present in this event.

Total investment for the plant, expected to come

industrial waste produced in this country.

The plant features the following treatment lines: classification, triage, transfer, and stabilisation, recycling of contaminated containers, soil decontamination, physical-chemical treatment, and safety deposit.

The initial capacity is 80,000 tons/year, although

First license

The Portuguese Government, through the Ministry of the Environment, awarded the consortium headed by FCC the first license for the installation and operation of a plant for the comprehensive recovery, recycling, and elimination of hazardous industrial waste (CIRVER).

This type of facility consists of a comprehensive unit combining the best technologies providing a specific solution for each type of waste, thereby optimising treatment conditions and minimising costs.

Addresses problems in connection with the correct treatment for hazardous industrial waste

on stream in second quarter 2008, is 20 million euros.

As the first industrial waste treatment plant built in Portugal, it will also be one of the most modern in Europe, using the best technologies available in the marketplace to handle and treat hazardous

this amount can be increased in the future to 200,000 tons.

Its design focuses on achieving zero water balance (full recycling of water contained in residues) and the exclusive use of biomass as fuel, thereby avoiding the use of fossil fuels.



Ámbito opens new hazardous waste transfer centre in Vilalba, Lugo

Ámbito's new hazardous waste transfer centre in Vilalba (Lugo) has been operating since 18 June, the day of its official inauguration.

With this new facility, Ámbito now operates 50 plants in Spain, increasing the number of transfer centres to fifteen.

Situated in the Sete Pontes industrial park in Vilalba, the plant consists of three separate buildings with 1,800 m² of covered facilities housing the offices, locker rooms, and laboratories, in addition to work and storage areas.

The aim is to provide fast and quality service to the small and medium-sized industries in Galicia. Ámbito expects to handle approximately 1,000 Mt of hazardous waste in the first year of operations.

The plant's specific storage capacity is 60 m³ for non-flammable liquids and up to 100

tons for waste in containers that can be stored on shelves for pallets. In addition, the treatment plant features a press and mill to reduce the volume of used containers, and weighting and baling systems.

Ámbito paid particular attention to the installation of fire detection and extinguishing systems. The installations were separated according to the risk of explosions, isolating the risk areas and ensuring that all equipment was flameproof. The fire extinguishing systems are totally independent, with a 70,000 litre water deposit, a foam compound container with a capacity of 1,500 litres, and redundant pumps powered by electricity and diesel fuel.

In addition, the plant has an exhaust and treatment system for vapours. All extracted air and vapours in storage and work areas pass through an active carbon filter and controlled before being released to the atmosphere.



In its first year of operations, the centre will handle around 1,000 Mt of hazardous waste.

New certification for inspection of contaminated soil

Through the Soil Decontamination department of Técnicas de Protección Ambiental (TPA), Ámbito was awarded ENAC certification as a soil inspection entity in accordance with UNE-EN ISO/IEC 17020:2004 standards.

Enactment of Decree 9/2005 on 14 January 2005, which establishes a list of potentially contaminating activities and sets criteria and standards for defining contaminated soil, has boosted the market for the environmental analysis of soil.

For Ámbito, having the appropriate accreditation instruments is of vital importance to ensure its technical competency in order to be able to offer quality services adapted to clients' demands. TPA, which has over 17 years' experience in the contaminated soil segment and whose client portfolio includes the leading companies in the energy and chemical industry, has joined the group of ENAC-accredited Soil Inspection Entities.

Ministry of the Environment Seminar

Ámbito took part, as a speaker, in a seminar organized by the Ministry of the Environment last 27 April coinciding with the presentation of the Technical Application Guide for Royal Decree 9/2005.

Many technicians from different industrial sectors affected by the Royal Decree on contaminated soil were present at this event held at the Ministry of the Environment.



FCC sponsors the International Drought Forum

The Ministry of the Environment, ExpoZaragoza 2008 and the Andalusian Government organized the International Drought Forum, held in Seville from the 17 to 20 June. Cristina Narbona, Minister of the Environment inaugurated the first conference at this International Forum.

In this event, the Minister signed the “Seville Declaration”, a document promoted by International Drought Forum aimed at all international organizations in favour of just and balanced global development.

Aqualia, the FCC subsidiary engaging in comprehensive water management, was the principal sponsor of this event. Over 150 specialists from different parts of the world attended the seminar, debating and exchanging their points of view on drought

management: drought and society, and institutions and communications. Several planning models for conservation of water resources were proposed.

Aqualia participated in the conference titled “Plans for efficient management of water demand. The Auquaindex Method”. In charge of this conference were Manuel Castañedo, Director of Control and Client Management, and Regino Criado, professor of applied mathematics at the Rey Juan Carlos University in Madrid.

Jaime Palop, the general director of water at the Ministry of the Environment, was in charge of closing the event. He visited Aqualia’s stand and showed an interest in the company’s diversification areas, as well as the prize recently awarded to the company as the Best Water Management Company worldwide.

Aqualia at AEAS

Francisco de la Torre, the mayor of Malaga, officially inaugurated the 27th Edition of the AEAS Technical Conference, held in the city’s Convention Hall.

Several companies, institutions, and organizations from the water sector were at this event. For the first time, three round table discussions were organized this year under a common theme: “Water Management and Climate Change”.

As it has done in the past, Aqualia participated in the Technical Seminars as well as in Technological Salon on Water with a stand where it detailed its vision and business model, thanks to which the company has been able to comply with all requirement on water use, either in cities, industry, or in irrigation.



Aqualia wagers on efficient management of demand for water

At its headquarters in Madrid, Aqualia's management unveiled a manual on efficient management of urban demand for water. This ambitious project aims to adapt the company's management to market demands and trends.

The basic plan focuses on the quest for a balance between water supply and demand. Without abandoning supply policies, it is necessary to promote new demand management strategies to rationalise consumption of drinking water without this concept having a negative impact on the population's quality of life.

The key objectives are, among others,

The project aims to adapt the Company's management to market demands and trends

optimising the use of water in cities; maintaining supply quality and its regularity; improving the conditions for providing services; providing transparent information to citizens, and striving to have an economic-financial balance in the contract.

In order to implement these measures in a coherent fashion, these must be incorporated in programs involving infrastructure, savings, efficiency, replacement, management, communication, and economic-financial issues.

The work program, in any case, contemplates an individualised analysis of each township, obtaining the approval and collaboration of local authorities, public organizations, and social agents.



The plan focuses on finding a balance between water supply and demand.

New Yorkers welcome Cemusa's designs

Last December, following the execution of the most important city advertising contract put out to tender worldwide, Cemusa started to install 3,300 bus shelters in New York. So far, 271 of these structures have been installed. The company will be installing an average 120 bus shelters per month until all of these elements are in place.

Following Cemusa's first efforts, it appears that New Yorkers are positive about the new designs as expressed by several individuals and mass media.

"The bus shelter at the intersection is the most appealing element", said Jake Mooney, a New York Times reporter.

He added: "An in-depth look at Cemusa reveals why the local government will be paying one billion dollars for the exclusive rights over the urban furniture: advertisers are buying space

The New York Department of Transportation (DOT) is expected to approve the extension of this experimental program after it ascertains that the bus shelters do not interfere with traffic.

"Cemusa's first public toilet will be installed in Madison Square Park. The company also plans to install 330 newsstands, 280 of which will replace already existing ones. These are currently being manufactured", according to The Crain's Insider. "...These are much prettier than all that I have seen to date. Solid lines, the incorporation of advertising is less invasive, and the general look seems more refined. In short, we hope that JC Decaux gets nervous because our bus stops are not as pretty as the ones in New York". This quote appeared in the MediaBistro web page in Chicago, referring to the new look of New York's bus stops. "Queens was the first borough where the bus shelters designed by the Spanish firm Cemusa have



in the new latest-technology bus shelters as soon as Cemusa installs them. There are 271 structures installed, with 120 additional ones installed per month.

Manufacturers in the Bronx, Queens, and Brooklyn are working three shifts to build the glass and aluminium bus shelters worth 20,000 dollars each. Cemusa hopes to finish 3,300 to 3,500 bus shelters in three years versus the originally estimated five years".

The company has also installed LCD screens in 10 of the old bus shelters along New York, enabling advertisers to transmit promotional messages to pedestrian's PDAs featuring Bluetooth.

been installed thanks to a one billion dollar contract with New York City Hall".

This elegant model seems perfect between the clean buildings of Tribeca, one of the most fashionable districts. It's so comfortable to have these aluminium and glass bus shelters to protect those in the street", according to Curbed in the New York Design blog".

"The bus shelters are eliciting a very positive response to this fact and the images. Architecturally speaking, it is quite different from other elements in the city's streets today", Iris Weinshall, former Commissioner of the city's Transportation Department said.

THE ANALYSIS

“Xerogardening”

Good practices and the latest generation technologies at the service of efficient management in semi-arid environments.



Pedro Cifuentes Rosso

Head of the parks and gardens division of the FCC Environment Murcia and Almería delegation.

Parks and gardens make it possible to carry out pleasurable activities in a pleasant and relaxing atmosphere, and are very appreciated by citizens.

21 July, Section 7 with regards to saving and conserving water in parks and gardens, as well as coining the term “hydroefficient design”.

"Achieve a considerable improvement in the use of water in gardening"

Nevertheless, green spaces also consume enormous amounts of water. “Xerogardening is an interesting alternative to traditional gardening, offering good results and easily implemented for efficient management of available resources, mainly water.

FCC provides maintenance services for parks, gardens, and green areas in cities such as Madrid, San Sebastian, Palma de Majorca, Valencia, Cartagena, Zaragoza, Las Palmas de Gran Canaria. The Murcia Region was the first to create a Public Water Entity, approving Act 6/2006, enacted

Since 2003 and through its local delegation, FCC has collaborated in an initiative aimed at drafting a protocol for optimising water resources in parks and gardens. This protocol, recognised in 2005 at the Spanish Horticulture Society Congress, is based on its own guidelines for ecological horticulture and xerogardening. For efficient use of water resources, the following measures are worth highlighting:

Selection of drought-resistant plants. Replacing grass with *stentaphrum* (centipedegrass). The first step involves selecting the grass and forage grasses and shrubs, and then, gradually plant *stentaphrum* cuttings, which do not require as much water.

The correct selection of plants not only has a positive environmental impact by reducing the need for watering, but also



benefits air quality.

Instead of drastic pruning and the use of vertical pruning in the winter months, it is recommended to replace this with slight pruning throughout the year. This reduces the hormonal stress produced by drastic pruning thereby reducing the higher-than-average need for water.

Regarding edaphological treatments to achieve water retention at the surface, we replace intensive fertilizing with a gradual release of fertilisers which, besides being more environmentally friendly, contain stabilisers that retain humidity.

Instead of placing a layer of manure, we use granulated manure reinforced with Wyoming lignite (known as Leonardite), a mineral that encourages water absorption in the surface. Since this type of

manure does not contain weed seeds, less pesticides are required in the future. It is also free of pathogens and larvae and, consequently, prevents entomological and phytopathological problems that could arise.

Replacing traditional mowing with recycler systems. In grasslands, it is recommended to use machinery that effectively grinds plant remains and incorporates these as mulch in the ground to conserve humidity. Humus and mulch (barks, gravel, rubber) is also used for the same purpose of conserving humidity.

By implementing these new methods, particularly in respect of cultural habits or work methods, as well with regards to the materials we use, we will be able to considerably improve the use of water in gardening while at the same time preserving an increasingly limited resource.

CPV tries a new quarry exploitation system based on chimney

Portland Valderrivas is testing at its Arambeltz ground quarry in Ziordia (Navarra) a new exploitation system based on the transport of aggregates through a chimney and tunnel, a trailblazing technique that considerably reduces impact on the environment.

For more than four years, the Cementos Portland Valderrivas Group is immersed in a project at its Arambeltz quarry in Ziordia, where it has been testing a new quarry exploitation system based on the underground transport, based on gravity, through a chimney, with interior exploitation at various sub-levels.

The quarry, situated in the Arambeltz area, on the southeast slope of Peñas de Egino, has been in operations since 1976. The new facilities extend over 17.1 hectares and investment is estimated at 12 million euros.

A 100 metre deep chimney excavated in the interior of the mountain, with a diameter of four metres, and a mining gallery 240 at a depth of 240 metres, eight metres tall and six metres wide, make it possible to extract materials from the bottom of the mountain up to the top without having any traces of explosions in the interior.

This pioneering system introduces environmental improvements, thanks to the exploitation and

The new installations occupy an area of 17.1 hectares

interior transportation methods as well as to the technological innovations introduced in these facilities. A type of crater is dug at the top of the mountain. Thanks to a mobile belt, material from the explosion, previously crushed to avoid obstructions, is dumped in the chimney. From here, it is sent to an interior chamber in the mountain from where it is transported by a conveyor belt to a machine for the first classification, according to thickness, and through a grid systems, sand and stones are

Combines open air quarry and underground gravity-based transport by means of a chimney-gallery device

dumped on three mounds at the foot of the quarry. When this phase is completed, the raw material is transported in dump trucks to the treatment plant for its subsequent grinding and classification. The entire process is automated and controlled by cameras.

The method will improve the visual impact, noise from explosions and, most particularly, the risk of uncontrolled dumping of earth and stones from the top of the mountain.

The new design will make it possible to create a hole, 15 million cubic metres, to obtain 400 tons, thereby ensuring production for more than 30 years.

Cementos Portland is using this method in three other exploitations:

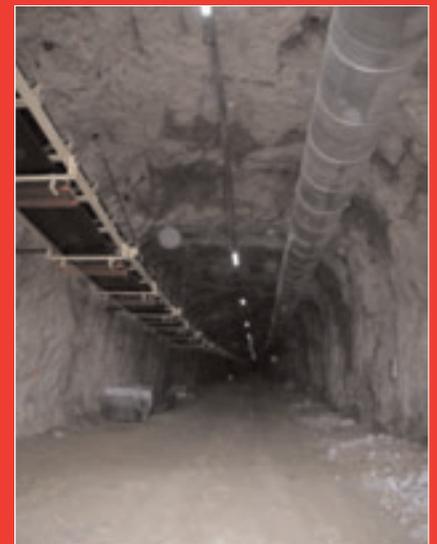
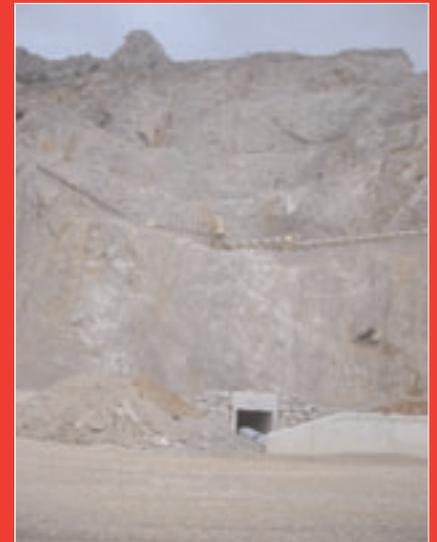
La Nueva quarry, in Tiebas, Navarra.

Apario quarry, in Lemona, Vizcaya.

Nafarrondo quarry, in Orozco, Vizcaya.

Prize for sustainable development

The National Association of Aggregate Manufacturers (ANEFA) awarded the La Nueva quarry in Tiebas, Navarra, the first prize for innovation in mining security. This association also gave the Arambeltz quarry in Ziordia, Navarre, the first prize for good practices.



A type of crater is dug at the top of the mountain. Thanks to a mobile belt, material from the explosion, previously crushed to avoid obstructions, is dumped in the chimney. From here, it is sent to an interior chamber in the mountain from where it is transported by a conveyor belt to a machine for the first classification and, through a grid system, sand and stones are dumped at the foot of the quarry

Environmental advantages

Reduces transport and/or dumping of materials.

Reduces consumo energético.

Reduces dust emissions .

Less visual impact of the exploitation.

Water control system.

Suitable explosion techniques.





At the centre, the President of Cantabria, Miguel Ángel Revilla together with the President of Cementos Alfa, Manuel de Melgar, during the visit to the Mataporquera facilities.

Cementos Alfa celebrates its 75th anniversary

Over 200 people participated in the 7th anniversary celebration of Cementos Alfa, a Cementos Portland Valderrivas subsidiary, an event mainly dedicated to the company's retirees.



On the occasion of Cementos Alfa's 75th anniversary, a celebration was held on 1 June in the Mataporquera factory, with over 200 people attending, particularly the company's retirees and employees. The President of Cantabria, Miguel Ángel Revilla, took part in all the events marking this anniversary jointly with Manuel de Melgar, president of Cementos Alfa, the mayor of Valdeolea, Ángel Calderón, and the company's general manager, Zunzunegui.

The President of Cantabria congratulated the retirees and the company for the excellent track record thanks to which the company had become one of the trailblazers in technological development and productivity, able to "easily adapt to the environment".

He also mentioned the "important" investments made by the company to generate employment and to enrich itself with human capital, which, in his opinion "was an essential factor for the growth of Cementos Alfa".

Meanwhile, the president of Cementos Alfa appreciated the support of the Government of

Cantabria and the Valdeolea Town Council that had contributed to making the company a "leader in sustainable development and social responsibility". He took advantage of the occasion to give thanks for "the effort and dedication of all retired and current employees who, over the past 75 years, had contributed to making the company one of the few in Cantabria awarded three ISO quality certifications in environment, quality, and security".

Lastly, the Mayor of Valdeolea said that Cementos Alfa was "one of the best companies" in Cantabria and that its presence in this region "underscores the need for strong and efficient companies to settle in this region and strengthen the autonomous community for many years to come".

After visiting the Cementos Alfa facilities in Mataporquera and having lunch with the authorities, retirees, and employees, a ceremony was held to honour those workers who had been with the company for over 40 years and who had retired this year.

The President of Cantabria highlighted the Company's excellent track record in the region

2nd World Ready Mixed Concrete Meeting

The Spanish Association of Ready Mixed Concrete (ANEFHOP) celebrated the second edition of the World Ready Mixed Concrete Meeting at Seville's Convention Hall on 4 to 8 June.

Once more, the European and American associations selected Spain for this event after the success of the convention held in Madrid in 1992.

The meeting was held jointly with the Convention of European Ready Mixed Concrete Organization (ERMCO), and the 11th Congress of the Latin American Ready Mixed Concrete Federation (FIHP).

His Majesty the King acted as the Honorary Chairman of this second meeting, with the participation of nearly 1,000 people from the business world, associations and institutions in the U.S., Latin America, Europe, Japan, India, South Africa, Morocco, Dubai, and Tunisia, and many others, in order to exchange experiences and share knowledge on the cement industry and learn about the latest

novelties that in this constantly-evolving activity.

The Cementos Portland Valderrivas Group has been an active participant in this international convention. José Ramón Bujanda Sáenz, the CPV director of Institutional Relations, attended the event in his capacity as Chairman of the European Ready Mixed Concrete Organization (ERMCO), and member of the meeting's organizing committee.

During the technical sessions, CPV organized three conferences, developed by José Guerrero Castor, the Technical Director of the South Zone, who spoke on "The performance of concrete during the hot season. Concrete use in Andalusia".

Fernando García Martín, Technical Director of the South Zone gave a speech on "Self-compacting concrete in Spain, while Jaime Hermoso Asquerino, head of the Seville Zone discussed "Hydric balance in concrete plants. Towards zero liquid residue".



Mobile lab used by Cementos Portland Valderrivas to provide technical assistance to its clients. Below, José Ramón Bujanda Sáenz, the Company's Institutional Relations Director takes the floor as the Chairman of the European Ready Mixed Concrete Organization (ERMCO), and member of the meeting's organizing committee.

Commercial Exhibit

A commercial exhibit was organised at the meeting headquarters in which the Cementos Portland Valderrivas Group had a stand exhibiting its cement, concrete, aggregates, and mortar business units. Outside the facilities, it was possible to visit the mobile lab that Cementos Portland Valderrivas uses to provide technical assistance to its clients at work sites where, because of their nature or due to problems that could arise, this service could be required.

Coinciding with these conventions, CPV organized a meeting in Seville where nearly two hundred people gathered, mainly clients from all parts of Spain and several institutional guests.

From Europe, in addition to ERMCO, the presidents of CEMBUREAU, UEPG and EFCA, European cement, aggregates, and additives associations, attended the joint sessions to analyse the present and future of the concrete and related sectors. Non-European countries and continents participated in another round table discussion.





Realia wins prize for the creativity of its developments

Hacienda del Sol, a Realia development, wins the La Gaceta de los Negocios award in the vacation home category.

La Gaceta de los Negocios has once again given an award for the creativity of the best real estate developments in Spain, a key award in this sector with several real estate companies operating in Spain vying for this prize.

The 4th Edition of the Real Estate Prizes for the Best Developments in Spain, held on 25 June, announced the prize for the best development projects in Spain.

These prizes are divided into six categories: first home, second home, commercial centres, office buildings and business parks, urban projects, and the special prize for architectural concept; two special prizes as recognition of Spanish professionals in this sector for their excellent work, and an honorary prize.

Ana Isabel Mariño, the Secretary of Housing of the

Second home category prize for its Hacienda del Sol real estate development

Madrid Autonomous Community, who was present in this event, highlighted the value of these prizes and the merits of all award-winners. She also mentioned the quality of the projects submitted for this award.

Realia won the prize in the vacation home category for its Hacienda del Sol development in Estepona (Malaga), in area known as the New Golden Mile, next to Marbella and Puerto Banús.

The real estate development is in a plot on the second row from the beachfront, in a flat land, looking south. A pedestrian path from the development gives access to the beach that is at a distance of 200 metres. Its location provides



On the left, Antonio Moyano, Deputy General Manager of Realia, and Emilio Novela, Banif board member

lovely views of the sea and it is not far from services that make a holiday here a hassle-free experience.

The development comprises 370 apartments perfectly distributed in small Mediterranean style buildings with two above-grade floors, each with 4 or 6 housing units. The choice of apartments ranges from 2 to 5 bedrooms, nearly all of

which have a parking space and a junk room in the basement floor. Totally fenced in, the housing development has access control and 24-hour surveillance. It has seven swimming pools, a gym, sauna, jacuzzi, and two paddle courts. It is surrounded by over 12 golf courses of the more than 40 in the Costa del Sol, and next to the Estepona, Marbella, and Puerto Banús marinas.

Realia sells 5% of its stake in SIIC de Paris

Realia sold to Marlolan a 5% stake in SIIC de Paris, a company listed in the Paris Stock Exchange, for 33,747,580 euros. This price implies valuing the company at 345.70 euros per share.

When Realia acquired an 87.3% stake in this company in May of last year, it paid 300 euros per share. The last appraisal at 31 December 2006 delivered a NAV of 338 euros per share.

Prior to this divestment, Realia owned a 93.86% interest in SIIC de Paris, and now its stake is down to 88.86%. This divestment policy with respect to the listed French company is due to the need to reduce its stake to less than 60% before December 2008 in order to be eligible for tax breaks given for divestment in this type of real estate investment, according to regulations recently approved by the French Government.

Thanks to this transaction, Realia incorporates a strong strategic partner with a vocation to remain a shareholder in the French company.



SIIC de Paris has a property portfolio of 40 buildings in prime business locations in the French capital. In the photograph, the building at Place Maurice Quentin in Paris.



FCC holds First Corporate Seminar on CSR

The FCC Group Corporate Responsibility Executive Department held the first corporate meeting for sharing knowledge and exchanging corporate responsibility experiences in the Group's different divisions.

The First Corporate Seminar was held on 22 June in the Torre Picasso building to learn about and share experiences in this topic to further promote the FCC Group Corporate Social Responsibility Plan.

Organised by the Executive Department on Corporate Responsibility and presided by the FCC Group Secretary General, Felipe García, managers and representatives from all Group's business units and executive divisions, all of whom have competencies in the field of Corporate Social Responsibility within FCC, took part in this seminar.

The seminar was inaugurated by the Secretary General who welcomed those present and highlighted the opportunity provided by the event to comply with FCC's social responsibility targets pursuant to the Director Plan, as well as to share experiences in this subject in the different FCC areas.

Commitment to society

Following the secretary general's speech, the Director of Corporate Responsibility, Javier López-Galiacho, detailed the objectives of the seminar and introduced the speakers and representatives of various FCC stakeholder groups.

Among the conclusions: the need to press ahead with the effort of extending FCC's policies to subcontractors, international activities, and newly acquired companies; establishing clear and

**Learning
and sharing experiences
to promote
the Group's CSR Plan**



Jornada de aprendizaje e intercambio de experiencias en RSC de las áreas del Grupo FCC

Torre Picasso, 22 de junio de 2007



transparent performance indicators, particularly with regards to safety and health; promoting R+D+i; communication

and benchmarking among the Group divisions; defining an ethical framework; and reinforcing the group's culture.

Speeches and round table discussions

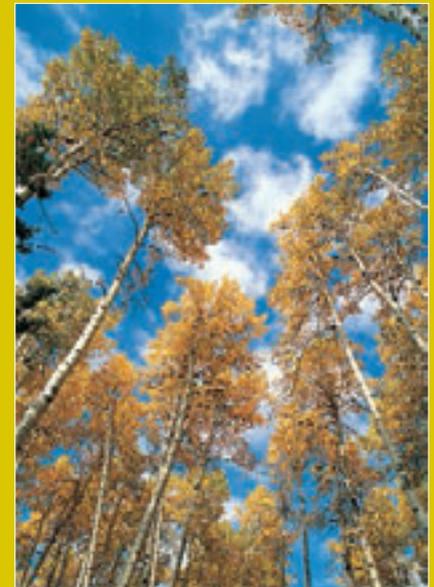
José Luis Blasco, director of the department of sustainability services at the consulting firm KPMG, spoke on the “new challenges of social responsibility in the sector”, on “eco-efficiency”, and on the fight against “climate change”, all of which are part of the objectives of the FCC Corporate Responsibility Director Plan.

Afterwards, Ramón Pueyo, a manager at this consulting firm, spoke on “Dialogue and cooperation with stakeholders” to share and learn about the best practices for establishing relationships with stakeholders based on trust.

A round table was organized later to

offer another vision, to see how CSR is analysed in other sectors. Jesús Lizcano, chairman of International Transparency in Spain and professor at the Universidad Autónoma de Madrid, shared his vision on “Companies’ Ethical Performance”. Guido Schmidt, director of WWF/ADENA’s water program referred to “Environmental Impacts; water management”.

Luis Rosel, director of the Fundación Laboral de la Construcción, spoke on “The importance of safety and the prevention of occupational hazards”. Lastly, Deputy Director of the Fundación Empresa y Sociedad, discussed “Immigration and employment in the sector”.



Felipe García, Secretary General of FCC, jointly with the Director of Corporate Social Responsibility, Javier López Galiacho (on his left), presided the First Corporate Seminar on the Group's Corporate Social Responsibility.



On the right, Felipe García, General Secretary of the FCC Group, opened the seminar devoted to “Buen Gobierno de las Empresas”, with a speech untitled “The ethical framework of business”; on the left, Javier López-Galiacho, Director of Social and Corporate Responsibility of FCC.

FCC participates in summer courses at Rey Juan Carlos University

FCC took an active part in the first week of the summer courses organized by the Rey Juan Carlos Public University Foundation in Madrid during the entire month of July at its summer headquarters in Aranjuez, Madrid

The Rey Juan Carlos University Foundation organized the 8th Edition of the Summer Courses held each year in Aranjuez (Madrid). The FCC subsidiary, Aqualia, specialising in comprehensive water management, in collaboration with the university, organized the summer course “Water and Sustainability”. Felipe García, Secretary General of the FCC Group, was in charge of the official inauguration of these courses, accompanied by Roque Gistau, president of Expo-Zaragoza 2008; Pedro Arrojo, Chairman of the Fundación Nueva Cultura del Agua (New Water Culture Foundation); and Regino Criado, professor of applied mathematics at the Rey Juan Carlos University.

The event was organized as part of the collaboration agreement in place since 2004 between the Rey Juan Carlos University and the company. Many students participated in several interesting conferences and round table discussions scheduled as part of the summer course by several personalities with many years’ experience in water related issues.

Several topics in relation to sustainability from the standpoint of climate change were debated over the course of the week. New challenges were analyzed and novelties in the field of water management, by public as well as private companies,

were discussed in order to optimise the use water, a very limited resource, within the framework of Corporate Social Responsibility.

Problems in relation to water and the environment were discussed in depth, such as sustainability and responsibility in managing this resource in a country such as Spain where the scarcity of rainfall and the effects of climate change are leading to a semi-desertification process. The possible solutions and alternatives pose a great and permanent challenge. Diminished water supply and its quality have a strong impact on social-economic aspects (agricultural, livestock, industrial, and urban activities) as well as on the environment. The course dealt with all these topics from an interdisciplinary perspective, combining technical tools and new regulations.

FCC was also actively involved in the organization and development of the course on “Corporate Responsibility in Spain: Situation and Challenges”, sponsored by the Adecco Foundation for integration in the workforce and co-managed by its Director, Francisco Mesonero, and Javier López-Galiacho, Secretary General of FCC Group’s Corporate Responsibility area. Mr. López-Galiacho is also a professor at the Juan Carlos I University.

The Seminar is within the scope of the collaboration agreement in place since 2004 between the company and the University

Many students from the university and professionals in this sector participated in this course, analysing the current and future situation with regards to Corporate Social Responsibility in Spain. The participants discussed key aspects in relation to social responsibility, such its incorporation in corporate strategy and communication, companies' contribution to improving the environment, good corporate governance, attracting and retaining talent, occupational safety, and social measures aimed at bolstering the development of the community.

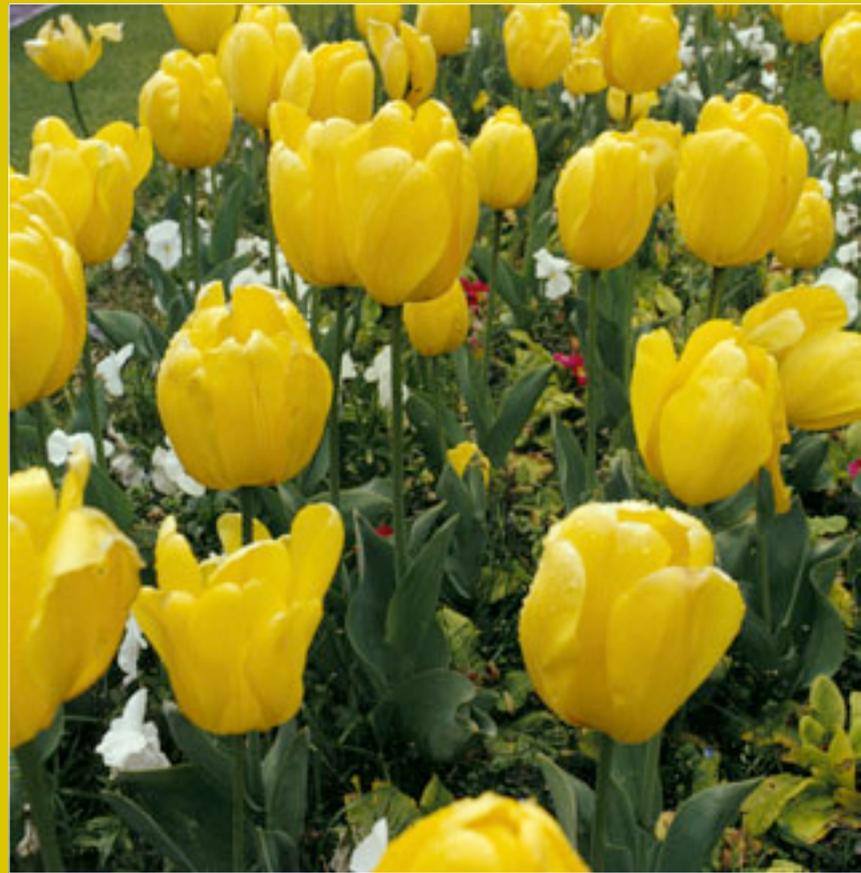
Felipe García, secretary general of FCC and Chairman of the group's Corporate Social Responsibility Committee, gave the opening speech at the seminar on "an ethical business framework", the same topic he discussed in the speech he gave to top FCC executives and the company's core shareholders at a meeting held early this year in Torre Picasso.

Aqualia releases its 1st Corporate Social Responsibility Report

On 28 June, Fernando Moreno, Aqualia's Managing Director, unveiled the company's first Corporate Social Responsibility Report. Javier López-Galiacho, the Director of FCC Group Corporate Social Responsibility, also participated in this event, presenting the main guidelines governing the Group's Corporate Social Responsibility and forthcoming projects.

In addition, José Luis Blasco, Advisory Director of KPMG, the consulting firm that has participated in this project, also gave a speech on the situation with regards to CSR in Spain, and mentioned certain aspects contained in Aqualia's report. Ramón Pueyo, Advisory Manager of KPMG spoke on the basic lines of the Aqualia report. Fernando Moreno gave the closing speech, stressing that the parameters detailed in the first CSR report would redound in a considerable improvement in the company's approach, internally as well as externally.

The report strictly complies with Global Reporting Initiative (GRI) recommendations.



From left to right, José Luis Blasco, Advisory Director of KPMG; Fernando Moreno, General Director of Aqualia; Javier López Galiacho, Director of Social Corporate Responsibility of FCC; y Juan Pablo Merino, Marketing Director of Aqualia.



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