
CONSTRUCTION


SERVICES


CEMENT

REAL ESTATE

RESULTS

January – March 2008

14 May 2008

Bus shelter in New York

1. HIGHLIGHTS

FCC signed a 1.225 billion euro syndicated loan with 11 banks (08/05/08)

FCC signed a 1.225 billion euro syndicated loan with 11 banks; the 3-year loan may be extended by two years.

The transaction is part of the FCC Group's general financing policy. The funds will be used for the FCC Group's corporate needs and will enable it to retain a sufficient volume of funding for future development of the Group with a longer-term debt profile.

The banks in the syndicate are: La Caixa, BBVA, Santander, Banesto, Sabadell, Société Générale, ICO, Caja Madrid, Barclays, Fortis and Popular.

Ownership changes in B-1998, S.L., FCC's largest shareholder (01/02/08)

Esther Koplowitz completed the acquisition of Ibersuizas Holdings' stake in B-1998, which is the largest shareholder in Fomento Construcciones y Contratas (FCC); it owns 52.483%. The agreement to sell was reached on 24 December 2007.

The capital stock of B-1998 is now owned by Esther Koplowitz (83.92%), Simante, represented by Robert Peugeot (5.73%), Larranza XXI (Bodegas Faustino), represented by Lourdes Martínez (5.34%), and Eurocis, represented by José Aguinaga (5.01%).

Gazprom-FCC-Brisa consortium short-listed for two road projects in Russia (15/02/08)

The consortium comprised of Gazprom (61%), FCC (29%) and Brisa Autoestradas de Portugal (10%) has been short-listed for two 30-year projects to build and operate sections of the Moscow-St Petersburg and the Moscow-Minsk highways.

The section of the Moscow-St Petersburg highway (43 km) will relieve congestion in the accesses to one of Moscow's airports. The other road (30 km) will provide access to the M1 federal highway which connects Moscow and Minsk, the capital of Belarus. The first project is worth 1.500 billion euro, and the second 400 million euro.

FCC Construcción and its Austrian subsidiary, Alpine, each account for 14.5% of the Gazprom-led consortium. If either contract is obtained, Alpine will own 51% of the construction consortium.

2. EXECUTIVE SUMMARY

CLARIFICATIONS (see section 9):

- In 1Q07, FCC controlled 49.16% of Realia, which was equity-accounted. After the IPO in June 2007, FCC fully consolidated its 28.34% stake.
- In 1Q07, FCC consolidated two months (January and February) of the International Environmental Services business. The one-month delay was adjusted in 2Q07, which included four months (March, April, May and June).
- To facilitate comparison, 2007 pro-forma data has been drawn up by making two adjustments:
  - Full consolidation of 28.34% of Realia (instead of 49.16% equity-accounted), and
  - Consolidation of three months of activity by International Environmental Services (instead of two months).

- ◊ **REVENUES** increased by 9% *(-1% on a pro-forma basis).*
- ◊ **OPERATING PROFIT** increased by **19%** *(-11% on a pro-forma basis).*
- ◊ **NET PROFIT** decreased by **36%** *(-30% on a pro-forma basis).*
- ◊ Revenues from outside **SPAIN ACCOUNT** for **37% OF THE TOTAL**, despite appreciation of the euro with respect to sterling and the US dollar.
- ◊ The **BACKLOG** amounts to 34.703 billion euro, after increasing by +6%.

KEY FIGURES

	Mar. 08	Mar. 07	Change
Net sales	3,263.4	2,992.0	9.1%
EBITDA	450.9	377.1	19.6%
Margin	*13.8%*	*12.6%*	
EBIT	281.5	236.4	19.1%
Margin	*8.6%*	*7.9%*	
Earnings before taxes (EBT) from continuing activities	164.3	209.5	-21.6%
Income attributable to equity holders of parent company	83.9	130.6	-35.8%
Operating cash flow	185.9	381.1	-51.2%
Investment cash flow	-437.7	-274.1	59.7%
Equity	4,195.8	3,564.9	17.7%
Net financial debt	-8,511.4	-5,527.1	54.0%
Backlog	34,703.5	32,819.2	5.7%

3. SUMMARY BY BUSINESS AREA

Area	Mar. 08	Mar. 07	Change	% of 2008 total	% of 2007 total
NET SALES					
Construction	1,623.1	1,536.4	5.6%	49.7%	51.4%
Environmental services	900.4	780.1	15.4%	27.6%	26.1%
Versia	225.8	224.6	0.5%	6.9%	7.5%
Cement	409.5	471.7	-13.2%	12.5%	15.8%
Realia	133.1	N/A	N/A	4.1%	N/A
Torre Picasso	6.4	5.0	27.0%	0.2%	0.2%
Other	-34.9	-25.9	34.8%	-1.1%	-0.9%
Total	3,263.4	2,992.0	9.1%	100.0%	100.0%
DOMESTIC NET SALES					
Construction	899.6	1,078.3	-16.6%	44.0%	50.2%
Environmental services	582.8	551.8	5.6%	28.5%	25.7%
Versia	159.6	163.3	-2.3%	7.8%	7.6%
Cement	315.7	374.6	-15.7%	15.4%	17.4%
Realia	116.0	N/A	N/A	5.7%	N/A
Torre Picasso	6.4	5.0	27.4%	0.3%	0.2%
Other	-33.5	-26.0	29.0%	-1.6%	-1.2%
Total	2,046.6	2,147.1	-4.7%	100.0%	100.0%
INTERNATIONAL NET SALES					
Construction	723.4	458.1	57.9%	59.5%	54.2%
Environmental services	317.6	228.3	39.1%	26.1%	27.0%
Versia	66.2	61.3	8.0%	5.4%	7.3%
Cement	93.7	97.1	-3.5%	7.7%	11.5%
Realia	17.1	N/A	N/A	1.4%	N/A
Other	-1.2	0.1	N/A	-0.1%	0.0%
Total	1,216.8	844.9	44.0%	100.0%	100.0%
EBITDA					
Construction	89.2	70.3	26.9%	19.8%	18.6%
Environmental services	153.1	131.1	16.8%	34.0%	34.8%
Versia	15.8	18.9	-16.2%	3.5%	5.0%
Cement	118.0	150.2	-21.4%	26.2%	39.8%
Realia	69.1	N/A	N/A	15.3%	N/A
Torre Picasso	5.4	4.2	27.8%	1.2%	1.1%
Other	0.3	2.4	-86.2%	0.1%	0.6%
Total	450.9	377.1	19.6%	100.0%	100.0%
EBIT					
Construction	66.7	56.9	17.2%	23.7%	24.1%
Environmental services	75.2	67.7	11.1%	26.7%	28.6%
Versia	1.0	3.5	-71.7%	0.4%	1.5%
Cement	72.7	102.0	-28.7%	25.8%	43.1%
Realia	61.1	N/A	N/A	21.7%	N/A
Torre Picasso	4.5	3.8	18.5%	1.6%	1.6%
Other	0.3	2.5	-87.2%	0.1%	1.1%
Total	281.5	236.4	19.1%	100.0%	100.0%

Area	Mar. 08	Mar. 07	Change	% of 2008 total	% of 2007 total
			OPERATING CASH FLOW		
Construction	-57.3	190.4	N/A	-30.8%	50.0%
Environmental services	71.1	11.7	507.7%	38.2%	3.1%
Versia	3.6	38.0	-90.5%	1.9%	10.0%
Cement	81.6	135.4	-39.7%	43.9%	35.5%
Realia	-12.9	N/A	N/A	-6.9%	N/A
Other	99.8	5.6	1682.1%	53.7%	1.5%
Total	**185.9**	**381.1**	**-51.2%**	**100.0%**	**100.0%**
			INVESTMENT CASH FLOW		
Construction	-54.1	-70.2	-22.9%	12.4%	25.6%
Environmental services	-233.6	-101.4	130.4%	53.4%	37.0%
Versia	-13.7	-13.1	4.6%	3.1%	4.8%
Cement	-32.7	-96.7	-66.2%	7.5%	35.3%
Realia	-87.7	N/A	N/A	20.0%	N/A
Other	-15.9	7.3	N/A	3.6%	-2.7%
Total	**-437.7**	**-274.1**	**59.7%**	**100.0%**	**100.0%**
			NET DEBT		
Construction	-486.4	-61.0	697.4%	5.7%	1.1%
Environmental services	-4,072.0	-3,777.4	7.8%	47.8%	68.3%
Versia	-526.6	-494.8	6.4%	6.2%	9.0%
Cement	-1,537.4	-1,485.0	3.5%	18.1%	26.9%
Realia	-2,089.3	N/A	N/A	24.5%	N/A
Other	200.3	291.1	-31.2%	-2.4%	-5.3%
Total	**-8,511.4**	**-5,527.1**	**54.0%**	**100.0%**	**100.0%**
			BACKLOG		
Construction	9,550.0	8,137.5	17.4%	27.5%	24.8%
Environmental services	24,575.9	24,345.2	0.9%	70.8%	74.2%
Versia	336.3	336.5	-0.1%	1.0%	1.0%
Realia	241.3	N/A	N/A	0.7%	N/A
Total	**34,703.5**	**32,819.2**	**5.7%**	**100.0%**	**100.0%**

4. INCOME STATEMENT *(see section 9).*

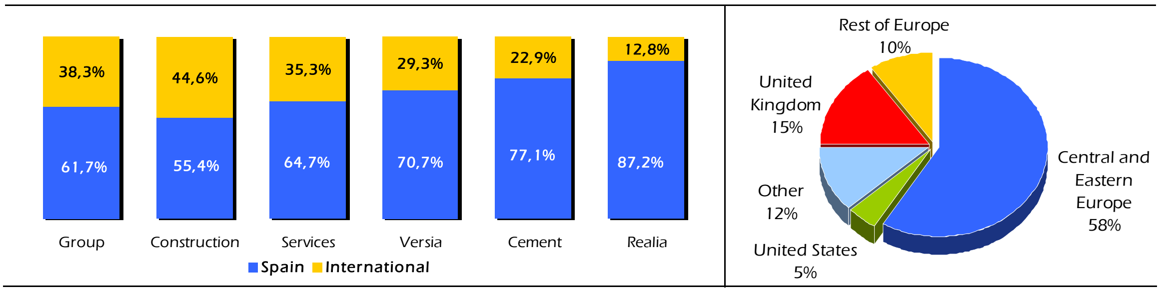
	Mar. 08	Mar. 07	Change	% of 2008 total	% of 2007 total
Net sales	3,263.4	2,992.0	9.1%	100.0%	100.0%
EBITDA	450.9	377.1	19.6%	13.8%	12.6%
Margin	*13.8%*	*12.6%*			
Depreciation and amortisation	-174.3	-147.5	18.2%	-5.3%	-4.9%
(Allocation)/reversal of operating provisions	5.0	6.8	-26.5%	0.2%	0.2%
EBIT	281.5	236.4	19.1%	8.6%	7.9%
Margin	*8.6%*	*7.9%*			
Financial income	-117.1	-49.9	134.7%	-3.6%	-1.7%
Equity-accounted affiliates	0.2	21.2	-99.1%	0.0%	0.7%
Other operating income	0.0	0.6	N/A	0.0%	0.0%
Impairment and reversion of property, plant and equipment	-0.4	1.2	N/A	0.0%	0.0%
Earnings before taxes (EBT) from continuing activities	164.3	209.5	-21.6%	5.0%	7.0%
Corporate income tax expense	-42.0	-56.5	-25.7%	-1.3%	-1.9%
Minority interest	-38.4	-22.4	71.4%	-1.2%	-0.7%
Income attributable to equity holders of parent	83.9	130.6	-35.8%	2.6%	4.4%

4.1 Revenues

FCC revenues increased 9.1% in 1Q08, driven by the full consolidation of Realia (since June 2007). On a pro-forma basis (see section 9), revenues fell by 1% in 1Q08 with all businesses increasing their sales but Cement, negatively affected by the residential activity slowdown and the euro appreciation, and Realia, because of less land rotation.

The Group continues to diversify abroad; overseas revenues grew 44% in 1Q08 (25% on a pro-forma basis) to account for 37.3% of the total.

INTERNATIONAL BUSINESS

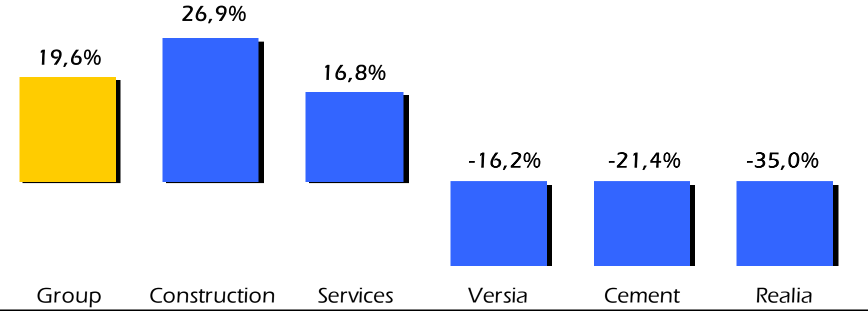


FCC's strong foothold in Central and Eastern Europe is an important potential source of growth, with projects under way in Waste and Water Management, Construction and Toll Road Management. Furthermore, the company has strengthened its position in the United States, where it has just began Industrial Waste Management (trough Hidrocarbon Services Group) and Construction and operates for long Urban Furniture Concessions and Cement factories.

4.2 EBITDA

EBITDA increased 19.6% due to full consolidation of Realia. On a pro-forma basis (see section 9), EBITDA fell 11% in 1Q08 due to less and lower profitable Cement activity and very profitable land sales in Realia in 1Q07.

GROWTH



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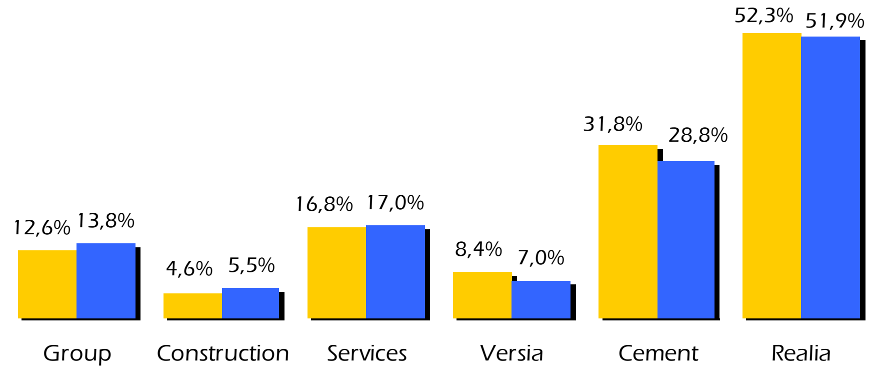
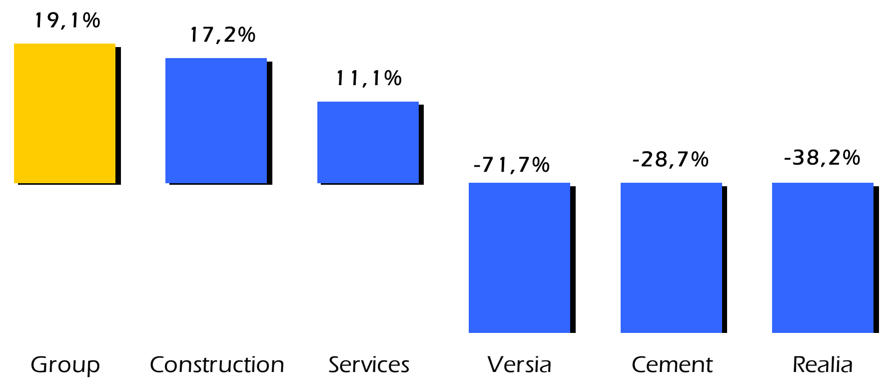


4.3 EBIT

EBIT rose 19.1% with good performance by Construction, which attained double-digit growth. On a pro-forma basis (see section 9), EBITDA fell 18% in 1Q08 affected by the increasing stepped-up assets amortization after the completion of significant acquisitions in past quarters.

EBIT includes 27.6 million euro in depreciation of stepped-up assets at companies acquired in 2007.

GROWTH



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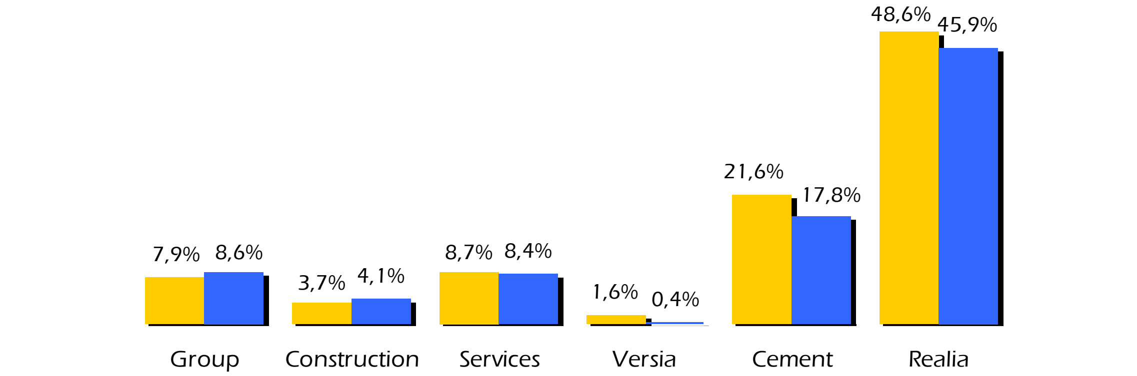


4.4 Earnings before taxes from continuing activities (EBT)

EBT totalled 164.3 million euro.

4.4.1 Financial income

Net financial costs totalled 117 million euro, and increased 34 million euro on a pro-forma basis (see section 9) due to higher net debt (from 7.446 billion euro in March 2007 to 8.511 billion euro in March 2008) and the increase in interest rates.

4.4.2 Equity-accounted affiliates

This line-item has been reduced practically to zero after fully consolidating Realia, which was equity-accounted until June 2007;

4.5 Profit attributable to equity holders of the parent company

Net profit in 1Q08 amounted to 83.9 million euro. Its decrease is explained by higher financial costs (responsible for 47%) and less contribution from Realia (28%), after reducing the stake from 49.16% to 28.34%.

4.5.1 Minority interest

Minority interest increased by 71% because of Realia (21.2 million euro), after the change in its consolidation method. Cementos Portland minorities went down to 17.9 million euro.

4.5.2 Corporate income tax expense

The corporate income tax expense fell by 25.7% with respect to 2007, although the consolidated tax rate was 25.6% this year, compared with 27.0%.

5. BALANCE SHEET

ASSETS	Mar. 08	Dec. 07	Diff.
Property, plant and equipment	9,035.4	8,979.4	56.0
Intangible assets	3,359.6	3,313.2	46.4
Investment in associated companies	507.4	488.9	18.5
Non-current financial assets	634.9	543.7	91.2
Other non-current assets	544.8	498.5	46.3
Non-current assets	**14,082.0**	**13,823.8**	**258.2**
Inventories	2,688.0	2,708.8	-20.8
Accounts receivable and other assets	5,473.3	5,373.3	100.0
Other current financial assets	209.0	162.4	46.6
Cash and cash equivalents	1,391.2	1,614.3	-223.1
Current assets	**9,761.5**	**9,858.9**	**-97.4**
Non-current assets available for sale and in discontinued activities	**30.8**	**30.5**	**0.3**
TOTAL ASSETS	23,874.3	23,713.2	161.1

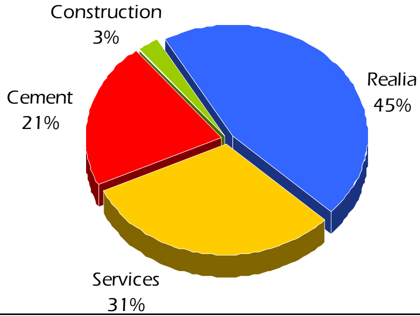
LIABILITIES	Mar. 08	Dec. 07	Diff.
Equity attributable to equity holders of parent company	2,692.0	2,686.2	5.8
Minority interest	1,503.8	1,604.7	-100.9
Equity	**4,195.8**	**4,290.8**	**-95.0**
Bank debt and other non-current financial liabilities	7,504.3	7,662.8	-158.5
Non-current provisions	911.9	910.1	1.8
Other non-current liabilities	1,152.8	1,172.0	-19.2
Non-current liabilities	**9,569.0**	**9,744.9**	**-175.9**
Bank debt and other current financial liabilities	3,169.7	2,593.5	576.2
Trade accounts payable and other current liabilities	6,861.9	7,001.4	-139.5
Current provisions	78.0	82.6	-4.6
Current liabilities	**10,109.5**	**9,677.5**	**432.0**
TOTAL LIABILITIES	23,874.3	23,713.2	161.1

5.1 Net financial debt

	Mar. 08	Dec. 07	Diff.
Bank debt	-9,768.0	-9,426.0	-342.0
With recourse	*-6,556.4*	*-5,984.5*	*-571.9*
Without recourse	*-3,211.6*	*-3,441.5*	*229.9*
Debt securities outstanding	-145.2	-141.9	-3.3
Other financial liabilities	-198.5	-176.2	-22.3
Cash and other financial assets	1,600.2	1,776.7	-176.5
With recourse	*1,314.3*	*1,455.5*	*-141.2*
Without recourse	*285.9*	*321.2*	*-35.3*
TOTAL NET FINANCIAL DEBT	-8,511.5	-7,967.4	-544.0
Net financial debt with recourse	-5,585.8	-4,847.1	-738.7
Net financial debt without recourse	-2,925.7	-3,120.3	194.6

Net bank debt amounts to 8.511 billion euro, 544 million euro more than in December 2007. Of the total net debt, 34.4% is without recourse to the parent company (project finance); the breakdown is as follows:

NET DEBT WITHOUT RECOURSE



5.2 Working capital

	Mar. 08	Mar. 07
Decrease (Increase) in inventories and accounts receivable	-96.9	-38.2
Increase (Decrease) in accounts payable	-124.4	63.0
(Increase) Decrease in working capital	**-221.3**	**24.8**

The increase in working capital is due to the deceleration of construction in Spain and the growing presence in Eastern and Central Europe, through Alpine, which has positive working capital.

6. CASH FLOW

	Mar. 08	Mar. 07	Change
Operating cash flow	185.9	381.1	-51.2%
Funds from operations	439.5	376.6	16.7%
(Increase) Decrease in working capital	-221.3	24.8	N/A
Other items (taxes, dividends, etc.)	-32.3	-20.3	59.1%
Investment cash flow	-437.7	-274.1	59.7%
Cash flow from business operations	-251.8	107.0	N/A
Financing cash flow	-300.6	-423.7	-29.1%
Other cash flow (change in consolidation scope, etc.)	8.3	-6.8	N/A
TOTAL CASH FLOW (Increase in net financial debt)	-544.0	-323.4	68.2%

6.1 Operating cash flow

Operating cash flow was reduced as a result of the increase in working capital in Construction (-147 million euro), derived from the deceleration in construction in Spain and the rising contribution by business in Eastern Europe through Alpine, and due to consolidation of Realia (-55 million euro).

6.2 Investment cash flow

Investments amounted to 488 million euro, of which 289 million euro was for intangible assets and property, plant and equipment, and 199 million was for financial assets. The latter includes the acquisition of US companies Hydrocarbon Recovery Services Inc. (HRS) and International Petroleum Corp. for 122.4 million euro.

The 75 million euro in divestments related primarily to the sale of a plot of industrial land by Realia for 40.5 million euro.

7. BUSINESS PERFORMANCE

7.1 Construction

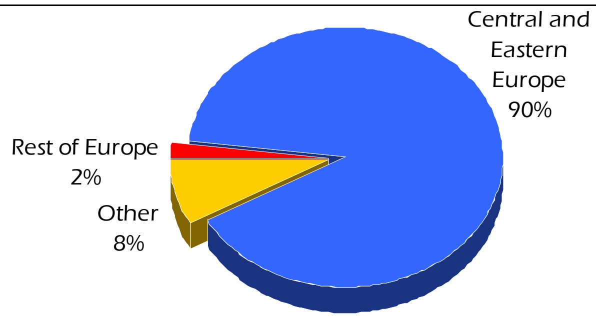
7.1.1 Earnings

	Mar. 08	Mar. 07	Change
Revenues	1,623.1	1,536.4	5.6%
Spain	*899.6*	*1,078.3*	*-16.6%*
International	*723.4*	*458.1*	*57.9%*
EBITDA	89.2	70.3	26.9%
EBITDA margin	*5.5%*	*4.6%*	
EBIT	66.7	56.9	17.2%
EBIT margin	*4.1%*	*3.7%*	

The construction business grew by more than 5% due to good international performance, which expanded by 57.9% to represent 44.6% of total Construction revenues.

Outside Spain, FCC operates mainly in Europe, and has a growing presence in Eastern European countries such as Croatia, Romania, Serbia and the Czech Republic.

INTERNATIONAL REVENUES



EBITDA expanded by 26.9%, and the EBITDA margin was 5.5% (i.e. an improvement of 90 basis points).

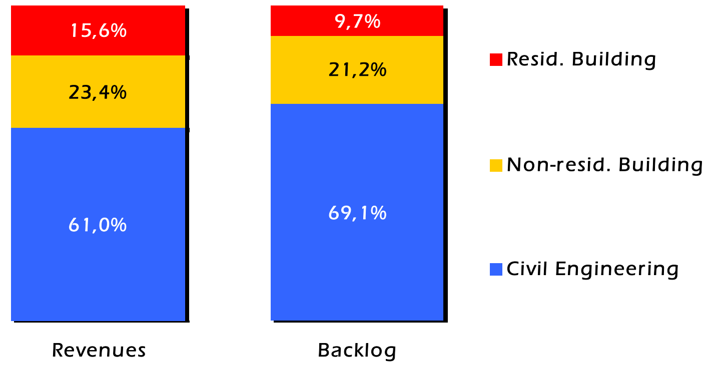
EBIT also increased significantly (+17.2%), and the EBIT margin improved 40 basis points to 4.1%.

The backlog grew 17.4% to reach a new record of 9.550 billion euro, ensuring 16.3 months' production.

- CONSTRUCTION EXCLUDING ALPINE (including Global Vía Infraestructuras and the rest of FCC's concessions).

	Mar. 08	Mar. 07	Change
Revenues	949.0	1,132.4	-16.2%
EBITDA	79.8	72.8	9.6%
EBITDA margin	*8.4%*	*6.4%*	
EBIT	71.2	74.3	-4.2%
EBIT margin	*7.5%*	*6.6%*	

Breakdown by type of construction			
Revenues			
	Mar. 08	Mar. 07	Change
Civil engineering	579	653	-11.3%
Non-residential building	222	315	-29.5%
Residential building	148	165	-10.3%
Total	**949**	**1,132**	**-16.2%**
Backlog			
	Mar. 08	Mar. 07	Change
Civil engineering	4,742	4,055	16.9%
Non-residential building	1,457	1,423	2.4%
Residential building	666	660	0.9%
Total	**6,865**	**6,137**	**11.9%**



Revenues, excluding Alpine, fell 16.2%, due to extraordinarily strong performance in 1Q07, when organic growth was 38% due to the execution of major projects (e.g. the M-30 tunnels in Madrid, the Pajares tunnel in Asturias, etc.) on the eve of local and regional elections in Spain.

EBITDA grew 9.6%, boosting the EBITDA margin by 200 basis points to 8.4%. These high returns reflect the completion of some important projects, paving the way for strong profitability in the quarter that will be diluted over the course of the year.

The EBIT margin also showed a significant improvement, rising 90 basis points to 7.5%.

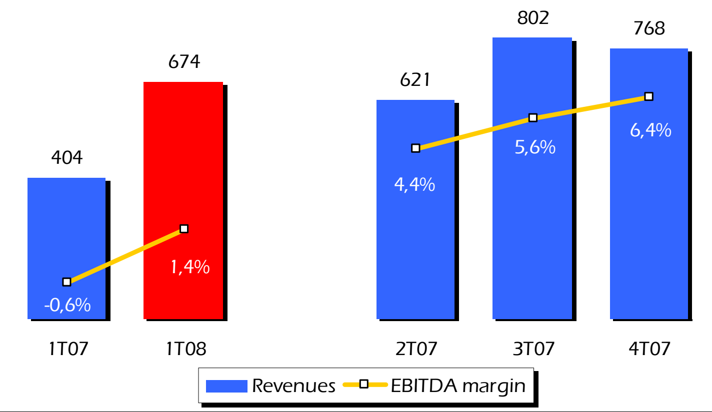
The backlog continues to grow, having increased by 11.9% due to civil engineering projects (+16.9%), ensuring 19.7 months' production.

- ALPINE

	Mar. 08	Mar. 07	Change
Revenues	674.1	404.0	66.9%
EBITDA	9.4	-2.5	N/A
EBITDA margin	*1.4%*	*-0.6%*	
EBIT	-4.5	-17.4	-74.1%
EBIT margin	*-0.7%*	*-4.3%*	

Alpine started the year with strong revenues and profitability. At this time of year, this subsidiary's activities in its main markets of Central and Eastern Europe are affected very significantly by adverse winter weather.

Quarterly performance



The backlog is up 34.2% as of March 2008, ensuring 11.2 months' production.

7.1.2 Cash flow

	Mar. 08	Mar. 07	Change
Operating cash flow	-57.3	190.4	N/A
Funds from operations	*88.3*	*70.4*	*25.4%*
(Increase)/Decrease in working capital	*-146.6*	*116.6*	*N/A*
Other items (taxes, dividends, etc.)	*1.0*	*3.4*	*-70.6%*
Investment cash flow	-54.1	-70.2	-22.9%
Cash flow from business activities	-111.4	120.2	N/A
Financing cash flow	-26.2	-13.3	97.0%
Other cash flow (change in consolidation scope, etc.)	-14.7	1.4	N/A
TOTAL CASH FLOW (Change in net debt)	-152.4	108.2	N/A

	Mar. 08	Dec. 07	Diff.
Net debt at end of period	-486.4	-334.1	-152.3
With recourse	-411.0	-274.8	-136.2
Without recourse	-75.4	-59.3	-16.1

Funds from operations increased more than 25% (in line with EBITDA). Working capital increased as a result of the rising contribution by business in Eastern Europe through Alpine and of the deceleration of construction in Spain.

Gross capital expenditure totalled 58 million euro and was divided equally between domestic construction, international and concessions.

Net debt at the end of the period was 486 million euro, of which 75 million euro related to concession projects that are fully or proportionately consolidated directly by FCC Construcción or indirectly through Global Vía.

7.1.3 Global Vía Infraestructuras (GVI)

FCC Construcción has a 50% stake in GVI, which is proportionately consolidated within Construction excluding Alpine.

GVI's principal assets at March 2008 are: Sóller Tunnel, Autopista Central Gallega, Barajas Metro and the Castellón Multi-Purpose Terminal. The other concessions owned by FCC Construcción and Caja Madrid will be contributed to GVI in the next few months.

100% holding	Mar. 08
Revenues	5.7
EBITDA	-0.3
EBIT	-3.1
Equity	410.7
Net debt	101.0

7.2 Environmental services *(see section 9).*

7.2.1 Earnings

FCC Servicios Medioambientales	Mar. 08	Mar. 07	Change
Revenues	900.4	780.1	15.4%
Spain	*582.8*	*551.8*	5.6%
International	*317.6*	*228.3*	39.1%
EBITDA	153.1	131.1	16.8%
EBITDA margin	*17.0%*	*16.8%*	
EBIT	75.2	67.7	11.1%
EBIT margin	*8.4%*	*8.7%*	

Ex Waste Recycling Group	Mar. 08	Mar. 07	Change
Revenues	741.3	650.1	14.0%
EBITDA	120.1	99.0	21.3%
EBITDA margin	*16.2%*	*15.2%*	
EBIT	72.5	55.5	30.6%
EBIT margin	*9.8%*	*8.5%*	

Waste Recycling Group	Mar. 08	Mar. 07	Change
Revenues	159.1	130.0	22.4%
EBITDA	33.0	32.1	2.8%
EBITDA margin	*20.7%*	*24.7%*	
EBIT	2.7	12.2	-77.9%
EBIT margin	*1.7%*	*9.4%*	

On a pro-forma basis, Environmental Services increases its revenues by 0,9% due to the positive evolution of the domestic activity (+5.6%). International revenues were negatively affected by the appreciation of the euro with respect to sterling (14%) and the US dollar (17%).

Revenues	Mar. 08	Mar. 07	Change
Urban sanitation	368.7	344.9	6.9%
International*	284.0	203.9	39.3%
Water*	190.5	188.6	1.0%
Industrial waste*	57.3	42.8	33.9%
Total	**900.4**	**780.1**	**15.4%**

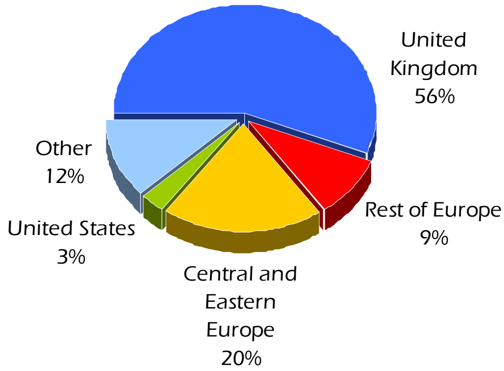
**SmVAK (Czech Republic) is consolidated under Water and Hydrocarbon Services (US) is under Industrial Waste.*

Industrial Waste registered strong growth in part due to the acquisition of Hydrocarbon Services Group (consolidated as of 1 March 2008), and Grupo Gonzalo Mateo (consolidated as of 1 August 2007), whose revenues amounted 11.6 million euro.

In international activity, the sharp appreciation of the euro with respect to sterling (14%) and the US dollar (17%) negatively affected earnings in the UK and the US.

The International business totalled 317 million euro, accounting for 35.3% of Environmental Services revenues. The majority of the company's operations were in the United Kingdom (through WRG and FOCSA Services U.K.), Central and Eastern Europe (through ASA and SmVAK) and more recently in the United States (through Hidrocarbon Services Group).

BREAKDOWN OF INTERNATIONAL REVENUES



On a pro-forma basis, EBITDA and EBIT reduced by 3% leading to a 70 basis point decrease in the margin, due to some operating problems in the Allington incinerator (WRG). EBITDA margin ex WRG improved by 90 basis points.

The environmental services backlog continued to grow, reaching a new record of 24.575 billion euro.

7.2.2 Cash flow

	Mar. 08	Mar. 07	Change
Operating cash flow	71.1	11.7	507.7%
Funds from operations	*153.6*	*130.7*	*17.5%*
(Increase)/Decrease in working capital	*-75.6*	*-103.7*	*-27.1%*
Other items (taxes, dividends, etc.)	*-6.9*	*-15.3*	*-54.9%*
Investment cash flow	-233.6	-101.4	130.4%
Cash flow from business activities	-162.5	-89.7	81.2%
Financing cash flow	-66.2	-43.1	53.6%
Other cash flow (change in consolidation scope, etc.)	44.0	11.0	300.0%
TOTAL CASH FLOW (Change in net debt)	-184.7	-121.7	51.8%

	Mar. 08	Dec. 07	Diff.
Net financial debt at end of period	-4,072.0	-3,887.3	-184.7
With recourse	-3,166.0	-2,958.5	-207.5
Without recourse	-906.0	-928.8	22.8

Gross capital expenditure amounted to 235 million euro, mainly due to the acquisition of Hydrocarbon Services (US) for 122 million euro.

7.3 Versia

7.3.1 Earnings

	Mar. 08	Mar. 07	Change
Revenues	225.8	224.6	0.5%
Spain	*159.6*	*163.3*	*-2.3%*
International	*66.2*	*61.3*	*8.0%*
EBITDA	15.8	18.9	-16.2%
EBITDA margin	*7.0%*	*8.4%*	
EBIT	1.0	3.5	-71.7%
EBIT margin	*0.4%*	*1.6%*	

Versia revenues increased slightly despite the sale of CTSA (the core of the urban mass transit business) in November 2007. Despite the sale, FCC retained the mass transit concession in Jerez as well as light railway concessions (Detrén).

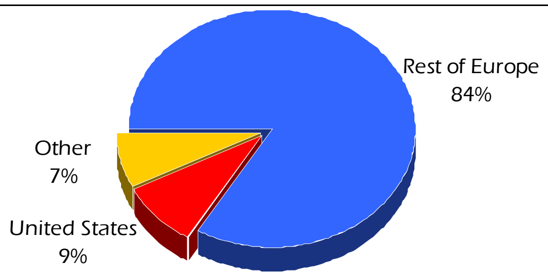
REVENUES			
	Mar. 08	Mar. 07	Change
Logistics	82.0	81.8	0.3%
Airport handling	59.4	56.1	5.9%
Urban Furniture	32.3	27.4	18.1%
Parking	18.4	18.5	-0.6%
Maintenance and Systems	13.4	14.4	-7.2%
Vehicle testing	13.6	12.4	9.3%
Mass transit*	2.4	7.4	-67.1%
SVAT	5.2	6.6	-20.9%
Total	**225.8**	**224.6**	**0.5%**

**See previous paragraph.*

Urban Furniture continued to be one of the fastest-growing areas, attaining 18% growth in the period due to expansion in Spain (with new contracts in Málaga, Madrid and Pamplona) and other countries (including New York and Boston).

International activity increased by 37%, mainly due to international expansion by Urban Furniture and Airport Handling, and it now accounts for more than 29% of this area's consolidated revenues.

INTERNATIONAL REVENUES



EBITDA and EBIT declined because of the impact of starting up the Urban Furniture business in New York (more than 3 million euro in operating losses) and the sale of CTSA.

7.3.2 Cash flow

	Mar. 08	Mar. 07	Change
Operating cash flow	3.6	38.0	-90.5%
Funds from operations	*20.3*	*18.7*	*8.6%*
(Increase)/Decrease in working capital	*-14.2*	*23.9*	*N/A*
Other items (taxes, dividends, etc.)	*-2.5*	*-4.6*	*-45.7%*
Investment cash flow	-13.7	-13.1	4.6%
Cash flow from business activities	-10.1	24.9	N/A
Financing cash flow	0.5	-2.3	N/A
Other cash flow (change in consolidation scope, etc.)	0.9	-0.6	N/A
TOTAL CASH FLOW (Change in net debt)	-8.7	22.0	N/A

	Mar. 08	Dec. 07	Diff.
Net financial debt at end of period	*-526.6*	*-517.9*	*-8.7*
With recourse	*-526.6*	*-517.9*	*-8.7*
Without recourse	*0.0*	*0.0*	*0.0*

7.4 Cement

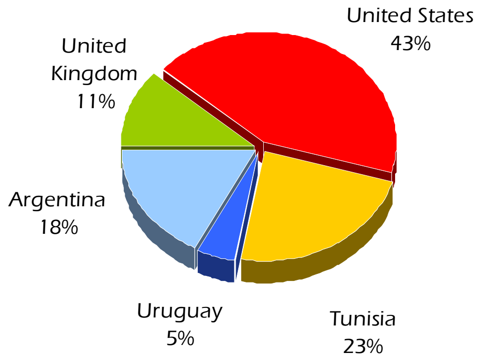
7.4.1 Earnings

	Mar. 08	Mar. 07	Change
Revenues	409.5	471.7	*-13.2%*
Spain	*315.7*	*374.6*	*-15.7%*
International	*93.7*	*97.1*	*-3.5%*
EBITDA	118.0	150.2	*-21.4%*
EBITDA margin	*28.8%*	*31.8%*	
EBIT	72.7	102.0	*-28.7%*
EBIT margin	*17.8%*	*21.6%*	

Revenues fell by 13.2% due to poor performance in Spain, where activity decreased by 15.7%. This negative performance reflects the significant decline in cement consumption because of the residential activity slowdown, less working days (Easter in 1Q08) and some delays in works because of General Elections on May 9, 2008.

Better performance in international business (23% of sales) is due to good evolution of cement consumption and prices in Tunisia, Argentina, and Uruguay. Business in the US was negatively affected by the appreciation of the euro vs. the US dollar (17%).

BREAKDOWN OF INTERNATIONAL REVENUES



The EBITDA margin decreased 300 basis points due to increasing energy costs, fixed costs and clinker imports committed in 2007.

7.4.2 Cash flow

	Mar. 08	Mar. 07	Change
Operating cash flow	81.6	135.4	-39.7%
Funds from operations	*116.2*	*150.2*	*-22.6%*
(Increase)/Decrease in working capital	*-21.3*	*-7.0*	*204.3%*
Other items (taxes, dividends, etc.)	*-13.3*	*-7.8*	*70.5%*
Investment cash flow	-32.7	-96.7	-66.2%
Cash flow from business activities	48.9	38.7	26.4%
Financing cash flow	-57.1	-26.3	117.1%
Other cash flow (change in consolidation scope, etc.)	1.4	-22.8	N/A
TOTAL CASH FLOW (Change in net debt)	-6,8	-10,4	-34,6%

	Mar. 08	Dec. 07	Diff.
Net financial debt at end of period	-1,537.4	-1,530.5	-6.8
With recourse	-931.9	-915.1	-16.8
Without recourse	-605.5	-615.4	9.9

7.5 Realia

7.5.1 Earnings

	Mar. 08	Mar. 07	Change
Total revenues*	152.9	210.2	-27.3%
Revenues	133.1	205.2	-35.1%
EBITDA	69.1	105.3	-34.4%
EBITDA margin	51.9%	51.3%	
EBIT	61.1	97.8	-37.5%
EBIT margin	45.9%	47.7%	

**Total revenues = Sales + expenses charged + capital gains on property sales + other revenues*

Revenues fell by 35.1% due to lower rotation of land (-86.1%).

REVENUES

	Mar. 08	Mar. 07	Change
Rental*	36.9	32.7	12.8%
Residential development	96.1	170.8	-43.7%
Development projects	*77.0*	*33.9*	127.1%
Land	*19.1*	*137.3*	-86.1%
Total	**133.1**	**205.2**	**-35.1%**

**Rentals minus expenses charged.*

Rental activity grew 12.8% due to good performance of prices in Madrid and Paris, a higher occupancy rate and the opening of a shopping mall in Guadalajara, Spain.

Residential activity fell 43.7% due to strong *land* sales in 1Q07. Property pre-sales fell 47% and the backlog totals 251 million euro.

7.5.2 Cash flow

	Mar. 08	Mar. 07	Change
Operating cash flow	-12.9	N/A	N/A
Funds from operations	*55.2*	*N/A*	*N/A*
(Increase)/Decrease in working capital	*-55.2*	*N/A*	*N/A*
Other items (taxes, dividends, etc.)	*-12.9*	*N/A*	*N/A*
Investment cash flow	-87.7	N/A	N/A
Cash flow from business activities	-100.6	N/A	N/A
Financing cash flow	-38.1	N/A	N/A
Other cash flow (change in consolidation scope, etc.)	-20.4	N/A	N/A
TOTAL CASH FLOW (Change in net debt)	-159.0	N/A	N/A

	Mar. 08	Dec. 07	Diff.
Net financial debt at end of period	-2,089.3	-1,930.3	-159.0
With recourse	-782.2	-686.4	-95.8
Without recourse	-1,307.1	-1,243.9	-63.2

In terms of investment cash flow, noteworthy events include the sale of an industrial plot in Madrid for 40 million euro, and the purchase of three office buildings for 82 million euro.

7.6 Torre Picasso

7.6.1 Earnings

	Mar. 08	Mar. 07	Change
Revenues	6.4	5.0	27.0%
EBITDA	5.4	4.2	27.8%
EBITDA margin	*84.1%*	*83.6%*	
EBIT	4.5	3.8	18.5%
EBIT margin	*70.3%*	*75.3%*	

Torre Picasso has been fully consolidated as of 25 July 2007, after FCC acquired the 20% it did not own. Occupancy is currently 100%.

8. SHARE DATA

8.1 Share performance

	Jan. - Mar. 2008	Jan. - Mar. 2007
Closing price (euro)	41.70	76.95
Appreciation	*-18.9%*	*-0.3%*
High (euro)	51.40	83.90
Low (euro)	36.23	72.85
Average daily trading (shares)	506,791	953,605
Average daily trading (million euro)	40.4	39.9
Capitalisation at end of period (million euro)	5,445	10,047

8.2 Dividend

At a meeting on 18 December 2007, the Board of Directors declared an interim dividend of 1.065 gross per share; it was paid on 9 January 2008.

That represents a 6.5% increase with respect to last year's interim dividend.

8.3 Own shares

During 1Q08, 423,759 shares were acquired (0.32% of capital), bringing the total of own shares to 6,162,714 (4.72% of capital).

9. ANNEX. PRO-FORMA EARNINGS.

CLARIFICATIONS:

- In 1Q07, FCC controlled 49.16% of Realia, which was equity-accounted. After the IPO in June 2007, FCC fully consolidated its 28.34% stake.
- In 1Q07, FCC consolidated two months (January and February) of the International Environmental Services business. The one-month delay was adjusted in 2Q07, which included four months (March, April, May and June).
- To facilitate comparison, 2007 pro-forma data has been drawn up by making two adjustments:
  - Full consolidation of 28.34% of Realia (instead of 49.16% equity-accounted), and
  - Consolidation of three months of activity by International Environmental Services (instead of two months).

9.1 Consolidated income statement

	Mar. 08	Mar. 07 Pro-forma	Change
Net sales	**3,263.4**	**3,309.1**	**-1.4%**
EBITDA	**450.9**	**509.0**	**-11.4%**
Margin	***13.8%***	15.4%	
Depreciation and amortisation	-174.3	-170.2	2.4%
(Allocation)/reversal of operating provisions	5.0	5.1	-2.0%
EBIT	**281.5**	**344.0**	**-18.2%**
Margin	***8.6%***	10.4%	
Financial income	-117.1	-83.2	40.7%
Equity-accounted affiliates	0.2	0.5	-60.0%
Other operating income	0.0	1.3	-100.0%
Impairment and reversion of property, plant and equipment	-0.4	1.1	-136.4%
Earnings before taxes (EBT) from continuing activities	**164.3**	**263.6**	**-37.7%**
Corporate income tax expense	-42.0	-78.5	-46.5%
Minority interest	-38.4	-65.6	-41.4%
Income attributable to equity holders of parent	**83.9**	**119.5**	**-29.8%**

9.2 Environmental Services income statement

FCC SERVICIOS MEDIOAMBIENTALES			
	Mar. 08	Mar. 07 Pro-forma	Change
Revenues	900.4	892.0	0.9%
EBITDA	153.1	157.7	-2.9%
EBITDA margin	*17.0%*	17.7%	
EBIT	75.2	77.5	-3.0%
EBIT margin	*8.4%*	8.7%	

EX WASTE RECYCLING GROUP			
	Mar. 08	Mar. 07	Change
Revenues	741.3	690.9	7.3%
EBITDA	120.1	105.9	13.4%
EBITDA margin	*16.2%*	15.3%	
EBIT	72.5	60.1	20.6%
EBIT margin	*9.8%*	8.7%	

WASTE RECYCLING GROUP			
	Mar. 08	Mar. 07	Change
Revenues	159.1	201.1	-20.9%
EBITDA	33.0	51.8	-36.3%
EBITDA margin	*20.7%*	25.8%	
EBIT	2.7	17.4	-84.5%
EBIT margin	*1.7%*	8.7%	

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