CONSTRUCTION

SERVICES

CEMENT

REAL ESTATE

RESULTS
2006

February 27, 2007

CONTENTS

1. HIGHLIGHTS

ACQUISITION OF WASTE RECYCLING GROUP *(17/07/06)*

FCC purchased, from WRG Holdings (controlled by Terra Firma), its environmental division (Waste Recycling Group Ltd.), the incineration business and the integrated waste management projects for a total of 1.963 billion euro plus 135 million euro in assumed debt. The acquisition of WRG makes FCC the leading waste management company in the UK, a sector in which it has been operating for 15 years via subsidiary FOCSA Services UK.

CEMENTOS PORTLAND VALDERRIVAS BUYS UNILAND *(05/07/06)*

Cementos Portland Valderrivas (CPL) acquired 51% of Uniland for 1.097 billion euro and 69 million euro in associated cash. The other shareholders have a put option to sell another 22.5% of Uniland to CPL at the same price and terms. The option is valid for five years. The Uniland acquisition puts FCC in a leading position in Catalonia and Spain.

ACQUISITION OF ALPINE MAYREDER BAU *(26/07/06)*

FCC acquired 80.7% of Alpine Mayreder Bau for 480 million euro plus 130 million euro in associated net debt. Alpine, Austria's second-largest construction and services group, was controlled by the Pappas family. The acquisition provides FCC with a unique springboard for growth in Eastern Europe.

FOUNDATION OF GLOBAL VÍA *(30/01/07)*

Caja Madrid and FCC established a 50:50 joint venture called Global Vía Infraestructuras to group all of their infrastructure assets.

The company's initial capital stock is 250 million euro and it has holdings in 35 infrastructure concessions, basically roads, commercial ports and marinas, metro and tram lines, and hospitals.

FLOTATION OF REALIA AND ACQUISITION OF SIIC DE PARIS *(12/05/06)*

FCC and Caja Madrid agreed to change the ownership structure in place at Realia since it was founded in 2000 to enable FCC to fully consolidate Realia, and they reiterated their plans to commence the procedures required to list Realia on the stock market while retaining a stable controlling stake.

Realia also acquired 87% of SIIC de Paris, a French real estate rental company, for 510 million euro plus 260 million euro of assumed debt.

ACQUISITION OF ABFALL SERVICE AG (ASA) *(08/03/06)*

Abfall Service AG is a leading waste management company in Central and Eastern Europe, with operations in Austria, the Czech Republic, Slovakia, Hungary, Romania and Poland. The acquisition cost 227 million euro plus 54 million euro of assumed debt.

ACQUISITION OF SEVEROMORAVSKÉ VODOVODY A KANALIZACE OSTRAVA (SMVAK) *(11/04/06)*

SmVaK is the third-largest water company in the Czech Republic and the largest in Moravia and Silesia; it also supplies water in Poland and has commercial operations in Slovakia. The investment cost 173 million euro plus 69 million euro of assumed debt.

ACQUISITION OF AEROPORTI DI ROMA HANDLING *(07/08/06)*

FCC subsidiary Flightcare and Aeroporti di Roma (AdR) reached an agreement under which FCC bought 100% of AdR's handling subsidiary, ADRH, for a total of 71.0 million euro, with associated cash amounting to 1.5 million euro. As a result of this acquisition, Flightcare is the leading independent handling company at Rome's airports (Leonardo da Vinci - Fiumicino and Giovanni Battista Pastine - Ciampino) and is placed to expand to the rest of Italy.

2. KEY FIGURES

	Dec. 06	Dec. 05	Change
Net sales	9,480.9	7,089.8	33.7%
EBITDA	1,387.3	988.9	40.3%
Margin	*14.6%*	*13.9%*	
EBIT	881.3	656.2	34.3%
Margin	*9.3%*	*9.3%*	
Earnings before taxes (EBT) from continuing activities	886.6	696.4	27.3%
Income attributable to equity holders of parent	535.5	421.4	27.1%

Backlog	30,510.2	20,496.8	48.9%
Funds from operations	1,396.0	978.1	42.7%
Capital expenditure	4,854.5	943.0	414.8%
Net debt	-5,203.7	-403.0	N/A

- **REVENUES** 9.480 BILLION +33.7%.
- **EBITDA MARGIN: 14.6%** **EBIT MARGIN**: **9,3%**
- **NET PROFIT** 535 MILLION EURO (+27.1%).
- **RECORD BACKLOG** OF WORKS AND SERVICES: 30.510 BILLION EURO (+48.9%).
- **INVESTMENTS** 4.854 BILLION EURO ***(A FIVE-FOLD INCREASE).***
- **FUNDS FROM OPERATIONS:** 1.396 BILLION EURO (+42.7%)
- **NET DEBT:** 5.203 BILLION EURO

SUMMARY BY BUSINESS AREA	Dec. 06	Dec. 05	Chg. (%)	% of 06 total	% of 05 total
REVENUES					
Construction	4,395.3	3,346.7	31.3%	46.4%	47.2%
Environmental services	2,835.6	2,078.0	36.5%	29.9%	29.3%
Versia	867.1	721.5	20.2%	9.1%	10.2%
Cement	1,466.6	978.4	49.9%	15.5%	13.8%
Torre Picasso	19.5	17.4	11.9%	0.2%	0.2%
Other	-103.2	-52.2	97.5%	-1.1%	-0.7%
Total	**9,480.9**	**7,089.8**	**33.7%**	**100.0%**	**100.0%**
REVENUES IN SPAIN					
Construction	3,905.2	3,219.0	21.3%	50.3%	50.4%
Environmental services	2,162.9	1,878.6	15.1%	27.9%	29.4%
Versia	664.8	554.2	20.0%	8.6%	8.7%
Cement	1,113.6	769.8	44.7%	14.3%	12.1%
Torre Picasso	19.5	18.1	8.1%	0.3%	0.3%
Other	-103.1	-53.1	94.3%	-1.3%	-0.8%
Total	**7,762.9**	**6,386.6**	**21.5%**	**100.0%**	**100.0%**
INTERNATIONAL REVENUES					
Construction	490.1	127.7	283.8%	28.5%	18.2%
Environmental services	672.7	199.4	237.4%	39.2%	28.4%
Versia	202.3	167.3	20.9%	11.8%	23.8%
Cement	353.0	208.6	69.2%	20.5%	29.7%
Other	-0.1	0.2	N/A	0.0%	0.0%
Total	**1,718.0**	**703.2**	**144.3%**	**100.0%**	**100.0%**
EBITDA					
Construction	268.6	191.4	40.3%	19.4%	19.4%
Environmental services	501.4	342.8	46.3%	36.1%	34.7%
Versia	104.2	110.7	-5.9%	7.5%	11.2%
Cement	485.3	312.3	55.4%	35.0%	31.6%
Torre Picasso	16.3	16.0	2.1%	1.2%	1.6%
Other	11.5	15.8	-26.9%	0.8%	1.6%
Total	**1.387.3**	**988.9**	**40.3%**	**100.0%**	**100.0%**
EBIT					
Construction	241.0	156.2	54.3%	27.3%	23.8%
Environmental services	250.9	201.4	24.6%	28.5%	30.7%
Versia	58.3	56.3	3.6%	6.6%	8.6%
Cement	335.0	215.1	55.7%	38.0%	32.8%
Torre Picasso	14.7	13.4	9.6%	1.7%	2.0%
Other	-18.6	13.8	N/A	-2.1%	2.1%
Total	**881.3**	**656.2**	**34.3%**	**100.0%**	**100.0%**

SUMMARY BY BUSINESS AREA	Dec. 06	Dec. 05	Chg. (%)	% of 06 total	% of 05 total
NET FINANCIAL DEBT					
Construction	-169.2	769.5	N/A	3.3%	N/A
Environmental services	-3,655.7	-911.8	300.9%	70.3%	226.3%
Versia	-516.8	-364.4	41.8%	9.9%	90.4%
Cement	-1,474.4	-133.0	1008.8%	28.3%	33.0%
Other	612.4	236.7	158.7%	-11.8%	-58.7%
Total	**-5,203.7**	**-403.0**	**1191.2%**	**100.0%**	**100.0%**
OPERATING CASH FLOW					
Construction	310.5	428.1	-27.5%	26.8%	42.0%
Environmental services	456.1	274.7	66.0%	39.4%	27.0%
Versia	41.6	56.2	-26.0%	3.6%	5.5%
Cement	322.0	206.0	56.3%	27.8%	20.2%
Other	28.8	53.3	-46.0%	2.5%	5.2%
Total	**1,159.0**	**1,018.3**	**13.8%**	**100.0%**	**100.0%**
INVESTMENTS					
Construction	634.8	158.4	300.8%	13.1%	16.8%
Environmental services	2,528.6	338.8	646.3%	52.1%	35.9%
Versia	153.9	171.7	-10.4%	3.2%	18.2%
Cement	1523.1	121.7	1151.5%	31.4%	12.9%
Other	14.1	152.4	-90.7%	0.3%	16.2%
Total	**4,854.5**	**943.0**	**414.8%**	**100.0%**	**100.0%**
BACKLOG					
Construction	7,843.0	5,155.2	52.1%	25.7%	25.2%
Environmental services	22,343.0	15,000.2	49.0%	73.2%	73.2%
Versia	324.3	336.2	-3.6%	1.1%	1.6%
Other	0.0	5.2	N/A	0.0%	0.0%
Total	**30,510.2**	**20,496.8**	**48.9%**	**100.0%**	**100.0%**

3. INCOME STATEMENT.

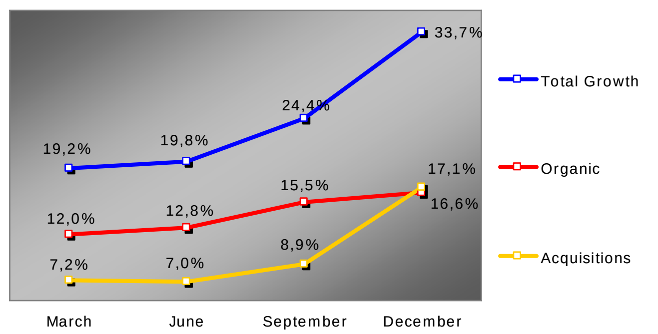
	Dec. 06	Dec. 05	Chg. (%)	as % of 06 revenues	as % of 05 revenues
Net sales	**9,480.9**	**7,089.8**	**33.7%**	**100.0%**	**100.0%**
EBITDA	**1,387.3**	**988.9**	**40.3%**	**14.6%**	**13.9%**
Margin	***14.6%***	***13.9%***			
Depreciation and amortisation	-474.5	-318.8	48.8%	-5.0%	-4.5%
(Allocation)/reversal of operating provisions	-31.5	-14.0	125.0%	-0.3%	-0.2%
EBIT	**881.3**	**656.2**	**34.3%**	**9.3%**	**9.3%**
Margin	***9.3%***	***9.3%***			
Financial income	-85.7	-28.3	202.8%	-0.9%	-0.4%
Equity-accounted affiliates	89.1	78.3	13.8%	0.9%	1.1%
Other operating income	6.8	2.2	209.1%	0.1%	0.0%
Impairment and reversion of property, plant and equipment	-4.8	-11.9	-59.7%	-0.1%	-0.2%
Earnings before taxes (EBT) from continuing activities	**886.6**	**696.4**	**27.3%**	**9.4%**	**9.8%**
Corporate income tax expense	-278.0	-217.2	28.0%	-2.9%	-3.1%
Minority interest	-73.1	-57.9	26.3%	-0.8%	-0.8%
Income attributable to equity holders of parent	**535.5**	**421.4**	**27.1%**	**5.6%**	**5.9%**

3.1 REVENUES

The trend in revenues continues, with growth accelerating for the fourth consecutive quarter.

Growth was split evenly between organic and acquisitions, although the companies newly-consolidated had a larger impact in the last quarter.

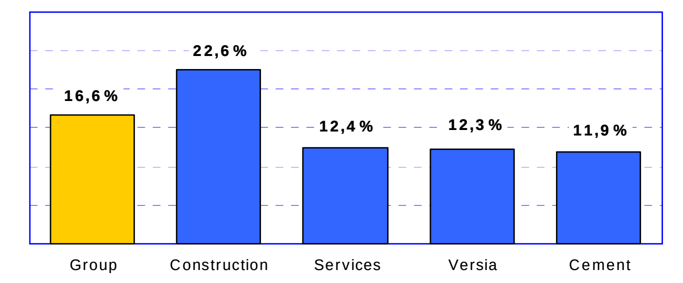
GROWTH



Organic growth, excluding changes in the consolidation scope (Grupo Logístico Santos, Entemanser, Marepa, ASA, Cementos Lemona, Uniland, WRG, Alpine, ADRH, etc.), was 16.6%.

All areas registered over 10% organic growth, and accelerated with respect to the previous quarter.

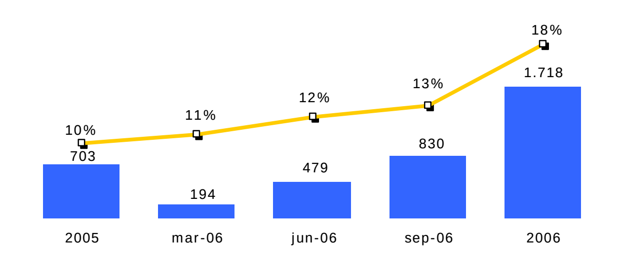
ORGANIC GROWTH



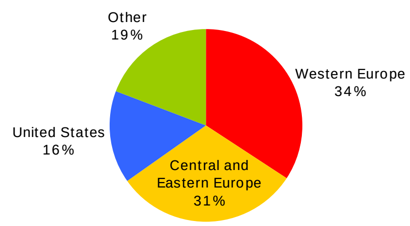
	Dec. 06	Dec. 05	Chg. (%)	% of 06 total	% of 05 total
Spain	7,762.9	6,386.6	21.5%	81.9%	90.1%
International	1,718.0	703.2	144.3%	18.1%	9.9%
Total	**9,480.9**	**7,089.8**	**33.7%**	**100.0%**	**100.0%**

INTERNATIONAL REVENUES

QUARTERLY (AND % OF TOTAL)



ACCUMULATED, BY AREA



As for market performance, the companies acquired recently within the Strategic Plan 2005-2008 boosted international revenues, which doubled in importance to account for 18% of total Group revenues.

Revenues in Europe now represent two-thirds of the total. Central and Eastern Europe represent 31% of the total.

3.2 EBITDA

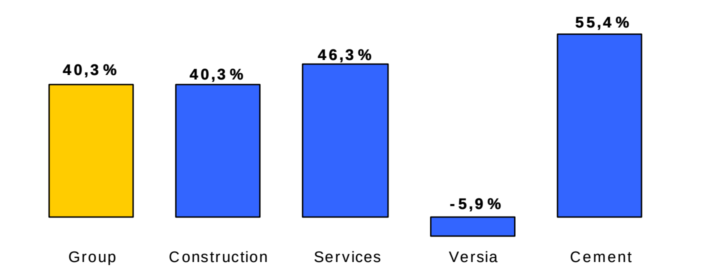
EBITDA increased faster than revenues, boosting the consolidated EBITDA margin by 70 basis points to 14.6%.

Environmental Services, Construction and cement attained over 40% growth and improved their margins substantially.

Operating expenses increased by 32.1%, although they fell as a proportion of revenues to 85.9% (from 87.0% in 2005), evidencing the Group's greater efficiency and productivity. Personnel expenses increased by just 16.9%, mainly as a result of the inclusion of the employees of the recently-acquired companies, which increased the headcount to 92,565, 37% more than at the end of 2005.

EBITDA margin		
	Dec. 06	Dec. 05
Construction	6.1%	5.7%
Services	17.7%	16.5%
Versia	12.0%	15.3%
Cement	33.1%	31.9%
Torre Picasso	83.4%	87.4%
Total	**14.6%**	**13.9%**

EBITDA growth



3.3 EBIT

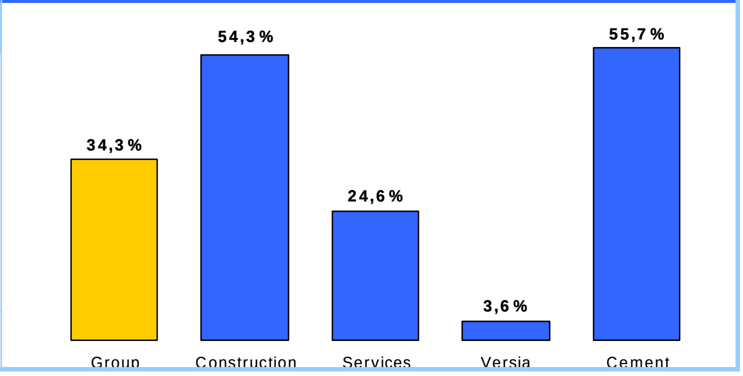
EBIT also increased faster than revenues, and the EBIT margin was maintained despite the large increase in depreciation and amortisation.

Period depreciation of property, plant and equipment increased considerably for the depreciation of assets at market value (stepped up assets) at recent acquisitions.

All areas performed positively, especially Cement and Construction, both of which registered over 50% EBIT growth.

EBIT margin		
	Dec. 06	Dec. 05
Construction	5.5%	4.7%
Services	8.8%	9.7%
Versia	6.7%	7.8%
Cement	22.8%	22.0%
Torre Picasso	75.3%	72.9%
Total	**9.3%**	**9.3%**

EBIT growth



3.4 Earnings before taxes from continuing activities

Earnings before taxes from continuing activities increased by 27.3% to 886 million euro.

3.4.1 Financial income

Financial losses increased notably in the fourth quarter due to the increase in net debt resulting from the acquisitions under the Strategic Plan.

3.4.2 Equity-accounted affiliates

Results from equity-accounted affiliates increased considerably due to good performance by Realia, which contributed 78.8 million euro in the full year. Cementos Lemona is now fully consolidated and, therefore, no longer contributes via this line-item.

3.5 PROFIT ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT COMPANY

Profit attributable to equity holders of the parent company increased by 27% in the year to another absolute record.

3.5.1 MINORITY INTEREST

Minority interest is mainly in Cementos Portland, and was affected by two factors.

- It was reduced by the consolidation of the additional 8.5% stake in Cementos Portland acquired in September 2005.
- It was increased by the acquisition of 53.22% of Uniland.

3.5.2 CORPORATE INCOME TAX EXPENSE

The tax rate was 31.4%, in line with 2005 (31.2%).

4. Cash flow

		Jan. - Dec. 06	Jan. - Dec. 05	Chg. (%)
+	**Operating cash flow**	**1,159.0**	**1,018.3**	**13.8%**
	Funds from operations	*1,396.0*	*978.1*	*42.7%*
	(Increase)/Decrease in working capital	14.4	218.7	-93.4%
	Other items (taxes, dividends, etc.)	*-251.4*	*-178.4*	*40.9%*
-	**Investment cash flow**	**-4,810.6**	**-877.4**	**448.3%**
=	**Cash flow from business operations**	**-3,422.5**	**140.9**	**N/A**
-	**Financing cash flow**	**-354.2**	**-224.6**	**57.7%**
+	**Other changes in debt position (change in consolidation scope, etc.)**	**-794.9**	**-49.3**	
=	**Increase in net debt**	**-4,800.7**	**-133.0**	
		Dec. 06	Dec. 05	Diff.
	Net debt	**-5,203.7**	**-403.0**	**4,800.7**

- Operating cash flow: Funds from operations totalled close to 1.4 billion euro in 2006, the main contributor being Environmental Services. Working capital improved mainly as a result of better management of this variable by Construction.

- Investment cash flow increased five-fold due to the acquisitions in 2006 under the Strategic Plan.

- The two main items in financing cash flow are dividends paid (250 million euro) and interest paid (107 million euro).

- Other cash flow includes the debt at 31 December of the companies fully consolidated in 2006 for the first time.

5. BALANCE SHEET

ASSETS	Dec. 06	Dec. 05	Difference
Tangible assets	6,718	2,182	4,537
Intangible assets	3,258	956	2,302
Investment in associated companies	584	512	72
Non-current financial assets	605	184	421
Other non-current assets	416	367	48
Non-current assets	**11,581**	**4,201**	**7,380**
Inventories	1,080	509	571
Accounts receivable and other assets	4,776	3,121	1,656
Other current financial assets	155	67	88
Cash and cash equivalents	1,430	1,042	389
Current assets	**7,442**	**4,739**	**2,703**
Total assets	**19,022**	**8,940**	**10,082**

LIABILITIES	Dec. 06	Dec. 05	Difference
Equity attributable to equity holders of parent company	2,613	2,232	381
Minority interest	804	376	428
Equity	**3,418**	**2,608**	**810**
Bank debt and other non-current financial liabilities	4,739	811	3,928
Non-current provisions	965	415	550
Other non-current liabilities	1,155	321	834
Non-current liabilities	**5,935**	**1,547**	**4,389**
Bank debt and other current financial liabilities	2,656	832	1,825
Trade accounts payable and other current liabilities	6,041	3,922	2,119
Current provisions	50	31	19
Current liabilities	**9,669**	**4,785**	**4,885**
Total liabilities	**19,022**	**8,940**	**10,082**

The major acquisitions in 2006 as part of the Strategic Plan added 8.520 billion euro to the balance sheet. The items with the greatest impact were:

- Property, plant and equipment amounting to 4.412 million euro, of which 2.456 are stepped-up assets.
- Intangible assets amounting to 2.268 billion euro, including 2.043 billion euro of goodwill and 166 million euro of asset revaluations.

The main contra-items on the liability side are bank debt, both short and long term, and minority interest.

5.1 NET DEBT

	Dec. 06	Dec. 05	Difference
Bank debt	-6,494.1	-1,396.3	-5,097.8
With recourse	*-4,586.1*	*-1,331.6*	*-3,254.5*
Without recourse	*-1,908.1*	*-64.7*	*-1,843.4*
Debt securities outstanding	-148.4	-50.2	-98.2
Other financial liabilities	-146.7	-54.6	-92.1
Cash and other financial assets	1,585.5	1,098.1	487.4
Total net debt	**-5,203.7**	**-403.0**	**-4,800.7**
NET DEBT WITH RECOURSE	**-3,295.9**	**-338.3**	**-2,957.6**

Implementing the Strategic Plan greatly increased debt, to slightly over 5.2 billion euro at year-end.

The changes with respect to the 3Q06 report are the addition of the latest two acquisitions: Alpine Mayreder Bau and Aeroporti di Roma Handling.

Non-recourse bank debt (project finance) amounted to 1.908 billion euro, broken down as follows:

- Acquisition of Waste Recycling Group: 931 million euro.
- Acquisition of Uniland: 575 million euro.
- Debt of Autopista Central Gallega: 152 million euro.
- Debt of Waste Recycling Group (Allington incinerator, etc.): 200 million euro.
- Other concession companies' debt: 50 million euro.

MAIN RATIOS		
	Dec. 06	Dec. 05
Financial leverage*	49.1%	11.5%
Net debt with recourse/EBITDA with recourse**	2.63	0.34

** Net debt with recourse / (Net debt with recourse + equity)*
*** Excludes 100% of EBITDA of projects and companies totally or partly financed without recourse to the parent company*

5.2 WORKING CAPITAL

		Dec. 06	Dec. 05
+	(Increase)/Decrease in inventories and accounts receivable	-862.1	-517.9
-	Increase/(Decrease) in accounts payable	876.5	736.6
=	**Decrease/(Increase) in working capital**	**14.4**	**218.7**

The improvement in working capital was due mainly to Construction, where business increased notably and collection management was improved.

Working capital also decreased in Environmental Services.

6. BUSINESS PERFORMANCE

6.1 CONSTRUCTION

➢ CONSOLIDATION

As part of FCC's Strategic Plan, the following company was included in the consolidation scope:

COMPANY	DATE OF CONSOLIDATION
Alpine Mayreder Bau	15 November 2006

➢ EARNINGS

	Dec. 06	Dec. 05	Change
Revenues	4,395.3	3,346.7	31.3%
Spain	*3,905.2*	*3,219.0*	21.3%
International	*490.1*	*127.7*	283.8%
EBITDA	268.6	191.4	40.3%
EBITDA margin	*6.1%*	*5.7%*	
EBIT	241.0	156.2	54.3%
EBIT margin	*5.5%*	*4.7%*	

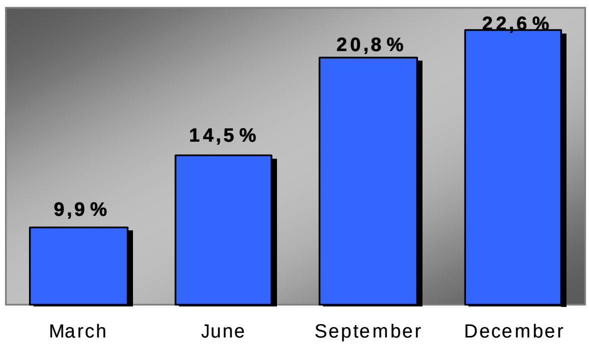
Construction performed very well, accelerating its pace of organic growth on previous quarters.

This good performance was driven mainly by growth in civil engineering in both Spain and other countries, where FCC has recently obtained some major construction contracts.

Civil engineering continues to gain in importance and now accounts for 59% of total revenues. In contrast, residential building continues to decline as a percentage of the whole.

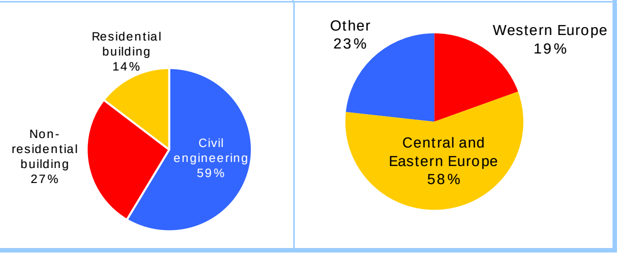
International construction business increased four-fold and represents 11% of the Construction division. This excellent performance was due to major civil engineering projects in other countries and to the consolidation of Alpine Mayreder Bau since mid-November 2006 (270 million euro).

ORGANIC GROWTH YTD



REVENUES

TOTAL | INTERNATIONAL

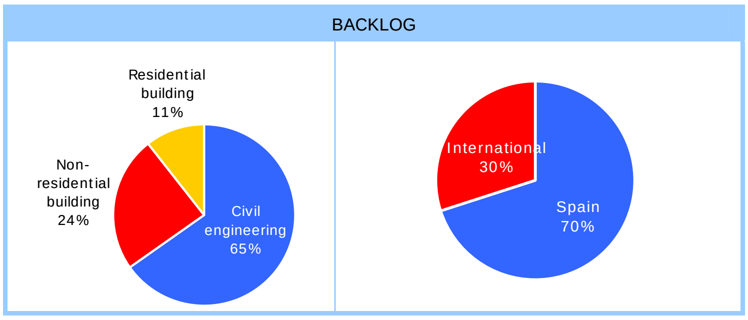


Central and Eastern Europe accounted for 58% of the total.

Also, in recent months FCC has obtained a number of major contracts in that region, notably:

- ➢ Construction of the Basarab viaduct in Bucharest (Romania) for 135 million euro.
- ➢ Construction of a bridge over the Danube to connect Bulgaria and Romania, for 100 million euro.
- ➢ Construction and management, for 30 years, of the A5 toll road linking Vienna (Austria) with Brno (Czech Republic), for 945 million euro.

Because of the large volume of new contracts, the backlog continued to grow and reached a record 7.843 billion euro even though only the Basarab viaduct was included in the international backlog. International backlog represents 30% of the Construction division.



Both EBITDA and EBIT increased strongly, and the corresponding margins also improved significantly (the EBITDA margin by 40 basis points, the EBIT margin by 80 basis points).

➢ CASH FLOW

	Jan.- Dec. 06	Jan.- Dec. 05	Chg. (%)
Operating cash flow	310.5	428.1	-27.5%
Funds from operations	*267.9*	*190.9*	*40.3%*
(Increase)/Decrease in working capital	*108.6*	*307.2*	*-64.6%*
Other items (taxes, dividends, etc.)	*-66.0*	*-70.1*	*-5.8%*
Investment cash flow	-640,6	-640.6	-110.4
Cash flow from business activities	**-330,1**	**317.7**	**N/A**
	Dec. 06	Dec. 05	Difference
Net cash (debt) at end of period	**-169.2**	**769.5**	**-938.7**
Net cash (debt) with recourse	*50.8*	*780.8*	*-730.0*
Net debt without recourse	*-220.0*	*-11.3*	*-208.7*

Funds from operations increased sharply due to strong growth in EBIT. Working capital declined by 108 million euro, i.e. a 175 million euro improvement on the previous quarter.

Investment cash flow reflected the acquisition of 80.7% of Alpine Mayreder Bau for 483.7 million euro and financial investments linked mainly to concession projects, including Autopista Central Gallega (13.5 million euro) and Autopista Costa Cálida (11.2 million euro).

The division's net cash, excluding debt linked to concession projects (without recourse), amounted to 51 million euro, the reduction being due mainly to the acquisition of Alpine. Net debt without recourse increased due to full consolidation of Autopista Central Gallega (215 million euro).

6.2 ENVIRONMENTAL SERVICES

➢ CONSOLIDATION

The acquisitions under FCC's Strategic Plan led to the following changes in consolidation scope:

COMPANY	DATE OF CONSOLIDATION
Entemanser	October 2005
Marepa	October 2005
ASA	January 2006
SmVAK	June 2006
Waste Recycling Group	October 2006

➢ EARNINGS

	Dec. 06	Dec. 05	Chg. (%)
Revenues	2,835.6	2,078.0	36.5%
Spain	*2,162.9*	*1,878.6*	15.1%
International	*672.7*	*199.4*	237.4%
EBITDA	501.4	342.8	46.3%
EBITDA margin	*17.7%*	*16.5%*	
EBIT	250.9	201.4	24.6%
EBIT margin	*8.8%*	*9.7%*	

Environmental services increased revenues by 36.5% due to strong organic growth in all businesses and to consolidation of the acquisitions made (ASA, Entemanser, Marepa, SmVAK, Waste Recycling Group...).

REVENUES					
	Dec. 06	Dec. 05	Chg. (%)	% of 06 total	% of 05 total
Urban sanitation	1,325.5	1,196.4	10.8%	46.7%	57.6%
Water*	711.9	570.4	24.8%	25.1%	27.4%
International*	635.0	199.3	218.6%	22.4%	9.6%
Industrial waste	163.2	111.9	45.9%	5.8%	5.4%
Total	**2,835.6**	**2,078.0**	**36.5%**	**100.0%**	**100.0%**

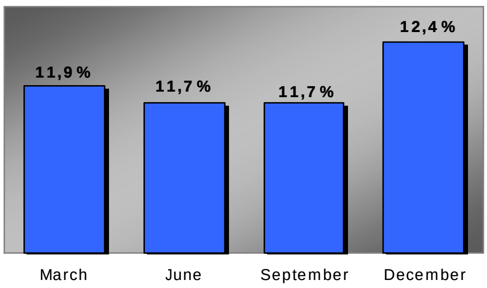
** Czech water company SmVAK is consolidated in Water (not International).*

Excluding the acquisitions, organic growth in Environmental Services was 12.4%, accelerating the trend of previous quarters.

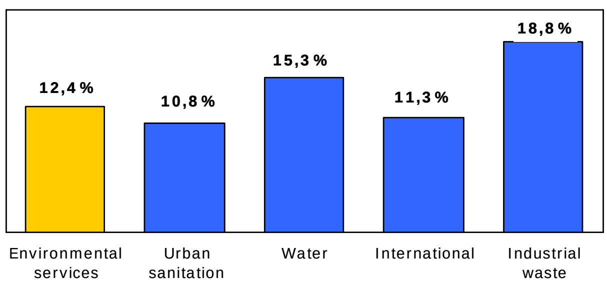
The business performed very well in 2006, and growth peaked in December due to the addition of new contracts attained in previous quarters (end-to-end water management in Caltanissetta, water distribution in Santander, etc.).

All areas ended the year with double-digit growth; Industrial Waste attained a notable 18.8% increase.

ORGANIC GROWTH

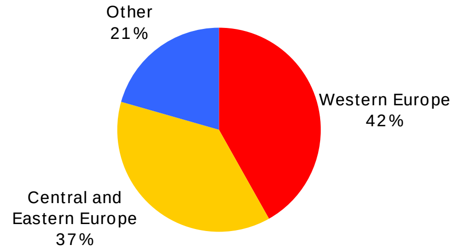


ORGANIC GROWTH BY BUSINESS



The addition of ASA and WRG (International division) and SmVAK (Water division) greatly increased international revenues. At present, 24% of total revenues are obtained outside Spain, and Europe (Eastern Europe and the UK) has greatly increased its weighting.

INTERNATIONAL REVENUES



EBITDA increased much faster than revenues, boosting the EBITDA margin by 120 basis points. This was due to better management and to the addition of value-added services such as waste treatment plants (incineration, recycling, composting, etc.) and desalination plants.

EBIT also increased notably, absorbing the impact of additional asset depreciation and amortisation at newly-consolidated companies.

The environmental services backlog continued to grow rapidly due to major contracts obtained in Water (Algeria, Italy, Portugal, Badajoz, etc.) and Urban Sanitation (Madrid, San Sebastián, Vitoria, Cartagena, Segovia, etc.). Consolidation of the backlogs of WRG, SmVAK and ASA contributed 3.95 billion euro.

➢ CASH FLOW

	Jan. - Dec. 06	Jan. - Dec. 05	Chg. (%)
Operating cash flow	**456.1**	**274.7**	**66.1%**
Funds from operations	501.2	342.5	46.3%
(Increase)/Decrease in working capital	20.5	-6.4	N/A
Other items (taxes, dividends, etc.)	-65.6	-61.4	6.8%
Investment cash flow	**-2,549.6**	**-345.1**	**638.8%**
Cash flow from business activities	**-2,093.5**	**-70.4**	
	Dec. 06	Dec. 05	Difference
Net debt at end of period	**-3,655.7**	**-911.8**	**-2,743.9**
Net debt with recourse	-2,480.0	-858.4	-1,621.6
Net debt without recourse	-1,175.8	-53.4	-1,122.4

Operating cash flow improved notably due to strong organic growth, acquisitions, and positive performance by working capital, which declined by 20 million euro.

Investment cash flow increased seven-fold after the acquisition mainly of Waste Recycling Group (1.693 billion euro), ASA (227 million euro) and SmVAK (172 million euro). Major contracts obtained in the year (Vitoria, Santander, etc.) and international expansion through acquired companies boosted investment in property, plant and equipment and intangible assets, to 414 million euro.

The division's net debt increased due to major investment in the year and rapid business expansion. Net debt without recourse related to the acquisition of Waste Recycling Group and financing of its Allington incinerator.

6.3 VERSIA

➢ CONSOLIDATION

The acquisitions under FCC's Strategic Plan led to the following changes in consolidation scope:

COMPANY	DATE OF CONSOLIDATION
Grupo Logístico Santos	April 2005
SVAT	January 2006
Aeroporti di Roma Handling	October 2006

➢ EARNINGS

	Dec. 06	Dec. 05	Change
Revenues	867.1	721.5	20.2%
Spain	*664.8*	*554.2*	20.0%
International	*202.3*	*167.3*	20.9%
EBITDA	104.2	110.7	-5.9%
EBITDA margin	*12.0%*	*15.3%*	
EBIT	58.3	56.3	3.6%
EBIT margin	*6.7%*	*7.8%*	

The division's revenues increased by more than 20% due to good performance in all areas, and the consolidation of Grupo Logístico Santos since April 2005 and of SVAT (Sistemas y Vehículos de Alta Tecnología), which was included under "Other" until December 2005.

REVENUES

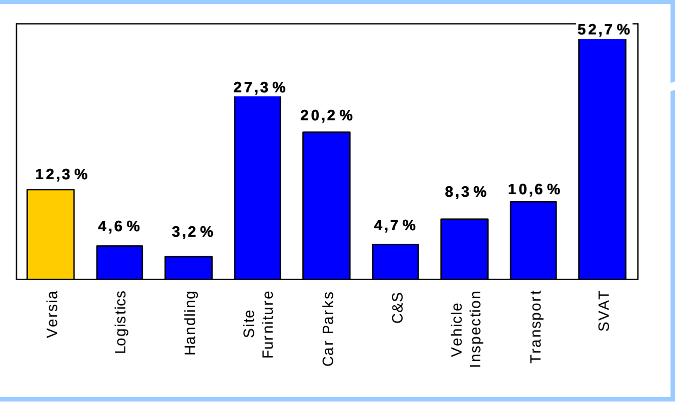
	Dec. 06	Dec. 05	Chg. (%)	% of 06 total	% of 05 total
Logistics	333.7	276.0	20.9%	38.5%	38.3%
Handling	184.6	167.6	10.1%	21.3%	23.2%
Urban Furniture	118.8	93.3	27.3%	13.7%	12.9%
Parking	72.1	60.0	20.2%	8.3%	8.3%
Maintenance and Systems	57.6	55.0	4.7%	6.6%	7.6%
Vehicle testing	44.5	41.1	8.3%	5.1%	5.7%
Mass Transport	31.3	28.3	10.5%	3.6%	3.9%
SVAT*	24.2	0.0	N/A	2.8%	0.0%
Total	**866.8**	**721.3**	**20.2%**	**100.0%**	**100.0%**

** SVAT's revenues amounted to 15.8 million euro in 2005.*

Versia's organic growth (excluding GLS and SVAT) was strong due to good performance by Urban Furniture, which now consolidates the New York contract, and a 25-year on-street parking management contract in Madrid.

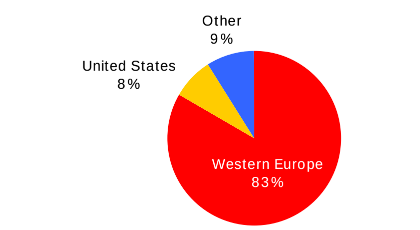
The domestic market represents three-quarters of revenues due to the addition of GLS, which operates mainly in Spain.

ORGANIC GROWTH



International activity increased due to international expansion by Urban Furniture and Airport Handling. The handling business included three months of figures for Rome's airports (ADRH).

INTERNATIONAL REVENUES



Cemusa (Urban Furniture) has begun installing equipment under the contract with New York, although the contribution to 2006 earnings is limited.

The EBIT margin was shaped by:

- The new business mix, with a larger contribution by Logistics; and
- Strong growth by Urban Furniture, which has begun a number of long-term contracts (particularly New York: 20 years).

Versia's backlog (Logistics and Maintenance & Systems) was stable, and capital expenditure declined in relative terms as Grupo Logística Santos was acquired in 2005.

➢ CASH FLOW

	Jan. - Dec. 06	Jan. - Dec. 05	Chg. (%)
Operating cash flow	**41.6**	**56.2**	**-26.0%**
Funds from operations	*110.0*	*108.7*	*1.2%*
(Increase)/Decrease in working capital	*-47.6*	*-39.0*	*22.0%*
Other items (taxes, dividends, etc.)	*-20.7*	*-13.5*	*53.3%*
Investment cash flow	**-165.2**	**-168.8**	**-2.1%**
Cash flow from business activities	**-123.6**	**-112.6**	**9.8%**
	Dec. 06	Dec. 05	Difference
Net debt at end of period	**-516.8**	**-364.4**	**-152.4**

Funds from operations increased slightly to 110 million euro.

Investment cash flow reflected the acquisition of Aeroporti di Roma Handling (ADRH) for 75 million euro and strong investment in property, plant and equipment for newly-awarded contracts, such as the New York urban furniture contract.

6.4 CEMENT

➢ CONSOLIDATION

The acquisitions under FCC's Strategic Plan led to the following changes in consolidation scope:

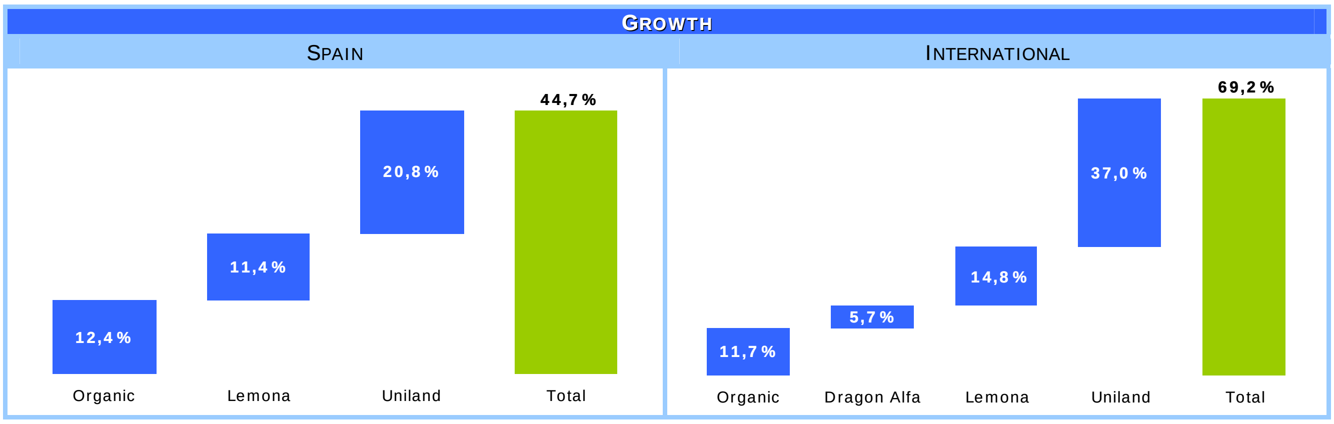
COMPANY	DATE OF CONSOLIDATION
Uniland	August 2006
Cementos Lemona	February 2006

➢ EARNINGS

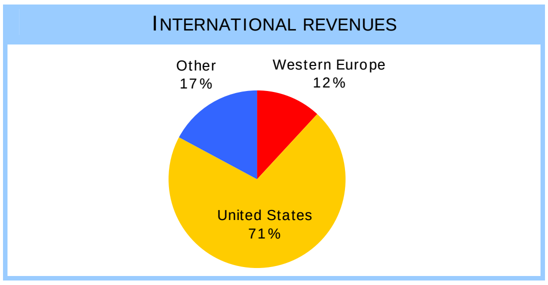
	Dec. 06	Dec. 05	Change
Revenues	1,466.6	978.4	49.9%
Spain	*1,113.6*	*769.8*	44.7%
International	*353.0*	*208.6*	69.2%
EBITDA	485.3	312.3	55.4%
EBITDA margin	*33.1%*	*31.9%*	
EBIT	335.0	215.1	55.7%
EBIT margin	*22.8%*	*22.0%*	
Net profit	175.9	137.1	28.3%

Good performance in Spain and the USA and consolidation of Cementos Lemona and Uniland all contributed to strong revenue growth.

Organic growth at Cementos Portland was 12.3% in 2006, basically due to higher volumes and prices in the markets where it operates.



Acquisitions under FCC's Strategic Plan boosted international revenues by over 22%; this division has a strong presence in the US East Coast (where Cementos Portland merged Giant Cement with CDN USA) and in emerging markets with strong potential, such as Tunisia, Uruguay and Argentina.



EBITDA grew faster than revenues, with the result that the EBITDA margin increased by 120 basis points in 2006.

Production efficiency improved significantly in the US due to the installation of dry-process kilns at the Maine and South Carolina plants. As a result of lower energy costs and lower raw material consumption, margins tripled in the US operations. That improvement, which commenced at the end of 2005, will gather pace since the dry-process kiln at the Pennsylvania plant is due to become fully operational in mid-year.

EBIT also increased strongly and the EBIT margin improved despite additional depreciation and amortisation of stepped-up assets at Cementos Lemona and Uniland.

➢ CASH FLOW

	Jan.- Dec. 06	Jan.- Dec. 05	Chg. (%)
Operating cash flow	**322.0**	**206.0**	**56.4%**
Funds from operations	486.8	303.8	60.2%
(Increase)/Decrease in working capital	-63.1	-36.2	74.3%
Other items (taxes, dividends, etc.)	-101.8	-61.6	65.2%
Investment cash flow	**-1,504.6**	**-98.2**	**1432.2%**
Cash flow from business activities	**-1,182.6**	**107.8**	**N/A**
	Dec. 06	Dec. 05	Difference
Net debt at end of period	**-1,474.4**	**-133.0**	**-1,341.4**
Net debt with recourse	-899.5	-133.0	-766.5
Net debt without recourse	-574.9	0.0	-574.9

Operating cash flow increased strongly due to superb operating performance and the addition of Uniland and Cementos Lemona.

Investment cash flow increased substantially after the acquisition of 69% of Cementos Lemona (Cementos Portland already owned 31%) for 243 million euro and of 53.22% of Uniland for 1.144 billion euro.

Net debt reflects the acquisition of Cementos Lemona and Uniland. The Uniland acquisition was partly financed without recourse to Cementos Portland (575 million euro).

MAIN RATIOS		
	Dec. 06	Dec. 05
Leverage without recourse*	39.6%	11.7%
Net debt with recourse/EBITDA**	2.1	0.4

** Net debt with recourse / (Net debt with recourse + equity)*
*** Excludes 100% of EBITDA of projects and companies totally or partly financed without recourse to the parent company*

Leverage was 39.6% and net debt was 1.2 times EBITDA; those figures already include all of the balance sheet debt of Uniland and Lemona but only part of their EBITDA (10 months of Lemona, 5 months of Uniland).

6.5 Real Estate

6.5.1 Torre Picasso

➢ Consolidation

FCC owns 80% of Torre Picasso, which is proportionately consolidated.

➢ Earnings

	Dec. 06	Dec. 05	Chg. (%)
Revenues	19.5	18.1	8.1%
EBITDA	16.3	16.0	2.1%
EBITDA margin	*83.4%*	*88.4%*	
EBIT	14.7	13.4	9.6%
EBIT margin	*75.3%*	*74.3%*	

Occupancy is currently 100% and monthly rents average close to 26 euro per square metre.

6.5.2 Realia

" It is expressly stated that any information regarding Realia contained herein, does not constitute and cannot be interpreted as an offering or invitation to buy or acquire Realia shares in the United States, Canada, Japan, or in any other country where an offering or invitation of this kind is illegal. Realia's shares are not and will not be registered under the United States stock market laws (U.S. Securities Act of 1933 and its modifications). Realia's shares cannot be offered or sold in the United States unless previously registered, or with application of a registry exemption, according to the United States stock market laws (U.S. Securities Act of 1933 and its modifications), or in any other country unless complying with the applicable laws. There is no intention to either register or announce an initial public offering on Realia's shares in the United States. This document is not a request of monies, and if sent based on the information contained herein, would never be accepted."

➢ Consolidation

FCC controls 49.17% of Realia, which is equity-accounted.

The following change took place in Realia's consolidation scope in 2006:

Company	Date of consolidation
SIIC de Paris	1 June 2006

In 4Q06, SIIC de Paris acquired three buildings for 300 million euro, which further enhance its business diversification, increasing its exposure to property rental and the French market.

Realia's contribution to the equity-accounted affiliates line-item amounted to 78.7 million euro (+16.6%).

➢ Earnings

	Dec. 06	Dec. 05	Chg. (%)
Revenues	741.3	632.8	17.1%
Real estate development	*606.3*	*548.1*	*10,6%*
Rental	*95.7*	*72.2*	*32,6%*
Land sales	*27.7*	*0.0*	*N/A*
Services	*12.4*	*12.6*	*-1,4%*
EBITDA	291.1	250.8	16.1%
EBITDA margin	*39.3%*	*39.6%*	
EBIT	294.7	235.8	25.0%
EBIT margin	*39.8%*	*37.3%*	
Net profit	160.2	137.2	16.8%

Realia maintained the good trend reported in previous quarters, with revenue growth in all areas, particularly Rental.

Excluding the revenues contributed by SIIC de Paris (23.9 million euro), Realia obtained 13.4% organic growth.

Operating performance:

- In Real Estate Development, the pre-sales backlog continued to grow despite the sharp increase in the volume of deliveries in 4Q06.

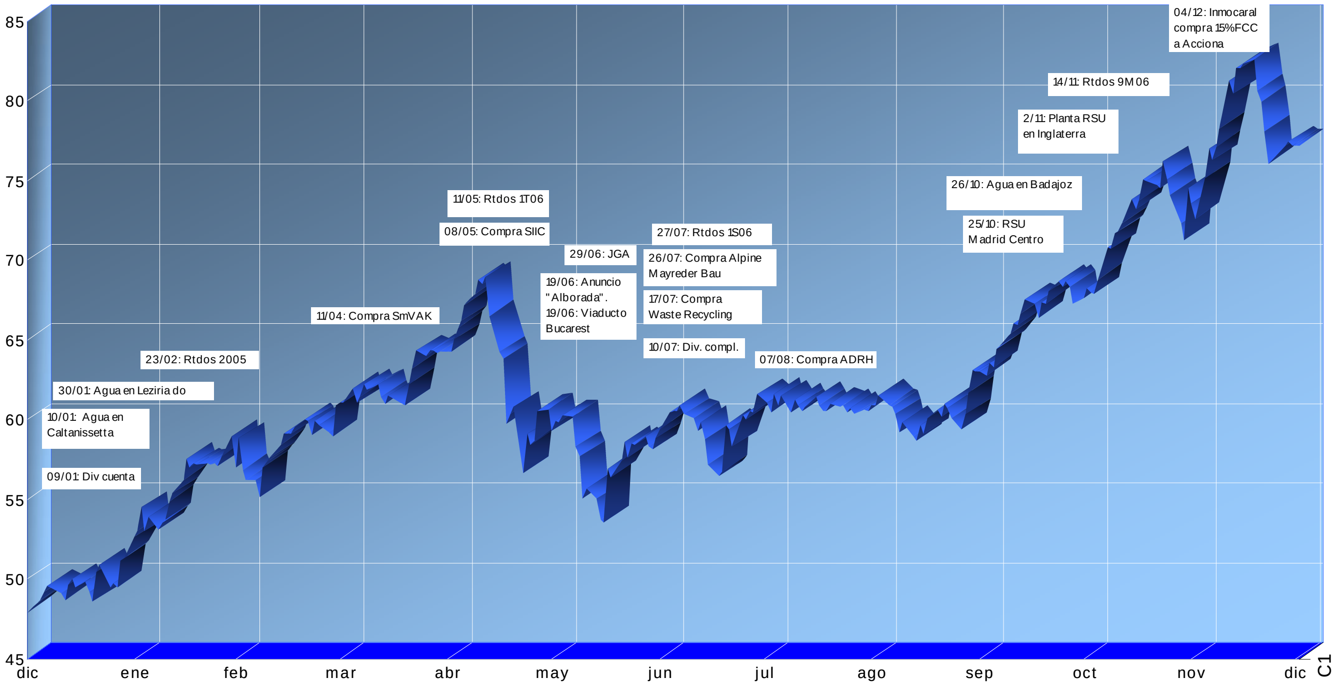
- In Rental, the gross lettable area increased by 32.8% to over 478,000 square metres following the inclusion of SIIC de Paris, and occupancy was 96.5%, reflecting the superb quality of Realia's assets.

OPERATING DATA			
	Dec. 06	Dec. 05	Chg. (%)
Pre-sales backlog (€Mn)	718.4	710.7	1.1%
Lettable area (square metres)	478,608	360,400	32.8%
Occupancy	96.5%	94.7%	

7. Main new contracts in 2006.

City (Country)	Business	Term (years)	Estimated revenues	Estimated investment
RE3 (UK)	Municipal waste management	25	893	99
Valencia	Urban sanitation	16	104	
Madrid	Waste collection in the city centre	9	470	48
San Sebastian	Street cleaning	8	86	5
Oviedo	Waste collection and street cleaning	10 + 10	330	12
Vitoria	Urban sanitation	8 + 2	200	15
Cartagena	Urban sanitation	10	210	24
Segovia	Waste collection and street cleaning	12 + 10	86	24
aqualia				
Caltanissetta (Italy)	End-to-end water management	30	1.500	247
Santander	End-to-end water management	25	725	132
Almería	Bajo Almanzora desalination plant	15		73
Badajoz	End-to-end water management	38	800	12
Lezíria do Tejo (Portugal)	End-to-end water management	40	1.500	200
FCC CONSTRUCCION				
Canary Islands	Las Palmas courts building			72
Galicia	High-speed rail, Atlantic route: Vigo-Maceiras			183
Catalonia	High-speed rail: Vilademus - Pontoós			85
Asturias	Cantabria highway			110
Catalonia	Tarrassa railway			173
Asturias	Pajares-Sotiello tunnels			160
Madrid	Caja Mágica			100
Bucharest (Romania)	Basarab viaduct			135
Athens (Greece)	Athens Metro			95
INFRASTRUCTURE CONCESSIONS				
Galway (Ireland)	N6 Galway-Ballinasloe toll road	30 – 35		350
Madrid	Metro to Barajas airport Terminal 4	20		50
San José (Costa Rica)	San José - Caldera highway	20		145
Austria	Vienna A5 toll road	30		945
FCC versia				
Madrid	Urban Furniture	10 + 4	300	
Málaga	Urban Furniture	15	127	
New York (USA)	Urban Furniture	20	2.000	
Barcelona, Valencia...	Handling	7		
Madrid	On-street parking management	11 + 14	341	

8. Share performance and dividends



	Jan. – Dec. 2006	Jan. – Dec. 2005
Closing price (euro)	77,20	47,90
Appreciation	*61,2%*	*35,2%*
High (euro)	82,65	50,10
Low (euro)	48,50	34,39
Average daily trading (shares)	435.225	317.079
Average daily trading (million euro)	28,2	13,6
Capitalisation at end of period (million euro)	10.080	6.254

The 2005 interim dividend paid on 9 January 2006 amounted to over 100 million euro, 12.6% more than the dividend distributed in January 2005. The supplementary dividend of 110 million euro (84.8 cent per share) was paid on 10 July 2006.

FCC distributed a total of 1.614 euro/share out of 2005 income (18.7% more than in the previous year), which represents a 50% payout.

9. Contact details

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