

# SERVICES

_ Citizen services	21
_ City Sanitation	22
_ Technological Innovations	24
_ Water Management	26
_ Industrial Waste	28
_ Versia	29
Logistics	30
Airport handling	31
Urban furniture	32
Parking facilities	33
Vehicle inspection	34
Conservation and systems	35
Sales of cleaning vehicles and specialty vehicles	36





**Citizen services**, most especially environmental services, have been central activities for the company practically since FCC was created more than 100 years ago. Services account for 36% of the turnover and 47% of the gross operating income.

FCC divides services into two major areas. On one side, there are environmental services, which encompass all the business related with city sanitation (such as rubbish collection, street cleaning, urban waste treatment and garden maintenance), end-to-end water management and industrial waste recycling; and on the other side are the services handled by Versia: logistics, airport handling, urban furniture, parking facilities, conservation and systems, vehicle inspection, passenger transport and industrial vehicle sales.

The environmental services portfolio continues to swell. At the end of 2009 it had reached 23,691 million euro, 5.1% higher than it was one year before.

## SERVICES

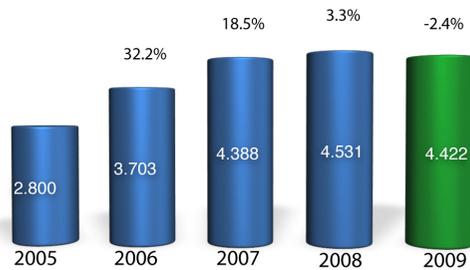


Street cleaning in Telde, Gran Canaria.

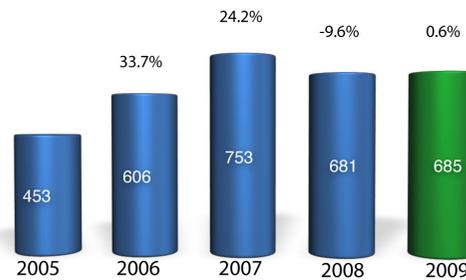


Maintenance of parks and gardens, Madrid

**Turnover**  
Million euro



**Gross operatin profit (Ebitda)**  
Million euro





### ANALYSIS OF THE SECTOR

In 2009 384 contracts were awarded in Spanish tenders for urban sanitation activities (solid waste collection and treatment, street cleaning and sewer system maintenance). This figure was 29% lower than that of 2008. The joint annual allocation for all these tenders added up to 1,544 million euro, as opposed to 1,586 million the year before.

The general decline in the number of contracts awarded was caused by the development of the crisis we are now experiencing. Local institutions have in many cases opted to extend their contracts, given their precarious budgetary situation.

### FCC'S ACTIVITY

FCC renders city sanitation services in 3,600 cities and towns all over Spain, where each year it collects seven million tonnes of rubbish, treats close to nine million tonnes of waste and runs some 9,000 vehicles. In addition, through its subsidiary WRG, FCC is the leading urban waste treatment firm in the United Kingdom; and it is highly visible in eastern European countries, where it does business through its Austrian subsidiary ASA, and in Latin America, where it provides sanitation services through Proactiva Medio Ambiente, a company owned in equal shares with Veolia Environmental.

Some contracts secured in 2009:

- ▶ **Barcelona.** Street cleaning and rubbish collection from the Barcelona port area for a four-year period.
- ▶ **Bracknell Forest, United Kingdom.** Waste management centre on Longshot Lane, which covers the cities of Bracknell Forest, Reading and Wokingham, in cooperation with the Waste Recycling Group (WRG). The contract is good for 25 years.

▶ **Cáceres.** Operation of Cáceres ecopark for 10 years.

▶ **Córdoba.** Systematic cleaning of scuppers and other parts of the province's sanitation system, for six years.

▶ **Málaga.** Cleaning of the city's municipal sanitation system for a five-year period.

▶ **Orense.** Management of the city's street-cleaning and urban waste collection and transport services for an extendable 10-year period.

▶ **Reus (Girona).** Management of the comprehensive public service providing the city with solid urban waste collection and street cleaning, for an eight year period.

▶ **San Juan (Alicante).** Management of public street-cleaning services, urban waste collection and transport to an authorised landfill and selective waste collection, for a 10-year period.

▶ **Telde (Gran Canaria).** Street cleaning, beaches, urban waste collection and similar services in this city, for a 15-year term.

▶ **Valencia.** Construction and management for 20 years of the Comprehensive Solid Urban Waste Treatment Centre for five districts of the Valencian Community (Canal de Navarrés, Valle de Ayora-Cofrentes, La Costera, Vall d'Albaida and La Safor), which include 97 cities and towns, home to 370,000 people.

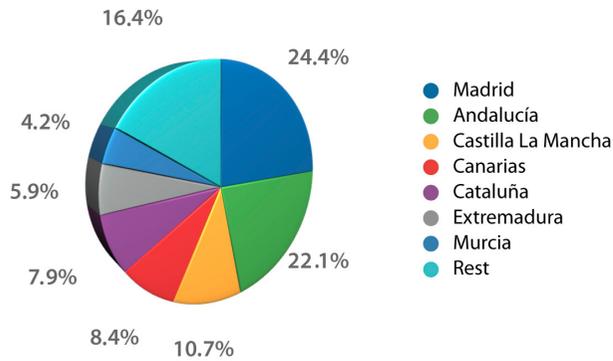
▶ **Zaragoza.** Cleaning, supply of hygienic/sanitary materials and disinfection of all University of Zaragoza buildings at the Zaragoza, Huesca and Jaca campuses, for two years.



Street cleaning, Barcelona.

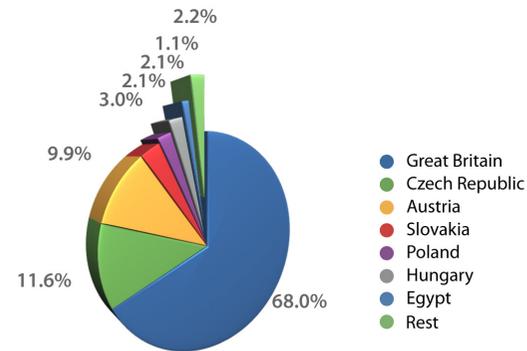
**Geographical area**

Domestic (81.5%)



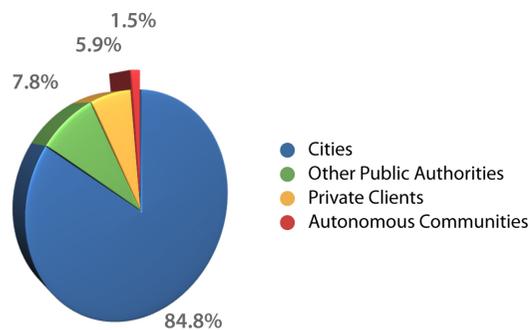
**Geographical area**

Contracts abroad



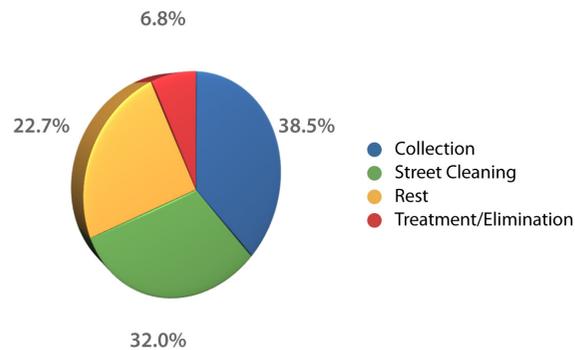
**Breakdown by client type**

Contracts in Spain



**Breakdown by service type**

Contracts in Spain



Battery collection service, Guadix, Granada.



Street cleaning, Pozuelo de Alarcón, Madrid.



Street cleaning vehicle, Corvera de Asturias.



Electric-hybrid vehicle for urban solid waste collection, Barcelona.

### ELECTRICAL VEHICLES

The year 2009 witnessed major technological activity at FCC, i.e., the widespread introduction of electrical vehicles into its urban services fleet.

Up to now, electrical vehicles had been commissioned only experimentally. Since the award of the Barcelona service contract in late 2008, however, FCC may be said to have brought electrical vehicles into its fleet on a mass basis. FCC is thus consolidating its electrical vehicle technology, an asset in hot demand in other realms today.

In Barcelona alone there are 89 rocking-chassis units in street-cleaning work and 15 in waste collection, which means nearly 40% of the vehicles in service are now electrical. These lorries complement and consolidate the vehicles commissioned earlier under different contracts. Altogether, these electrical vehicles make up a fleet of more than 170 operational units.

The collection vehicle in question obeys a standard electrical/hybrid concept, using electrical traction at all times. The vehicle is of the type Europe terms a "ZEV" (zero-emissions vehicle) during its collection regimen, when it is powered exclusively by electricity, and it is a hybrid when it recharges its batteries, which is solely during the transport regimen. In other words, it moves and recharges its batteries at the same time, using a joint conventional engine and generator.

Each of these vehicles has been equipped with a seven-m3 collection bin for working in the narrowest, most vehicle-unfriendly areas of the city. The vehicles are expected to cover more than 450,000 kilometres a year, at an average collection speed of 15 to 20 kilometres per hour, and to run in full electrical mode for 60 to 70% of the time.

Because the vehicle can recharge its batteries off its conventional engine, it can provide uninterrupted round-the-clock service. However, it does periodically require slow recharges at the pool base. Accordingly, infrastructure

has been set up in the form of outside energy recharging points that optimise the cost per recharged kWh. The Central Vehicle Pool has got a fully automatic energy recharging station equipped with 12 external rechargers, which provide over 178 kW of recharging power in simultaneous operation, and electronic recharging systems, which optimise the recharging regimen to suit each battery, each vehicle and the different conditions in which batteries and vehicles arrive for recharging.

Electrical vehicles are also used in street-cleaning services. There are 89 rocking vehicles driven entirely by electricity. They draw the necessary energy from an electrical accumulator that has the special advantage of being maintenance-free. This means there are no gas emissions from things like the battery's internal chemical reactions (release of acid vapour) and electrolyte spills, so the air pollution created is zero.

Together, the vehicles of this type that FCC uses make for an annual pollution savings equivalent to driving nearly a million kilometres in one year. That is how much pollution would be created if the same services were rendered using conventional lorries.

### BIOLOGICAL TREATMENT MODULE

On winning the contract for the Zone X, XI and XII, Management Area 2, Urban Waste Management Project public works concession from the Valencian Community, FCC included in its project, as part of the recovery facility a biological treatment module that uses static tunnels into which hot air is blown to pre-mature the digested matter produced by the facility's biomethane production process.

The hot air comes from the exhaust gases of the biomethane production module's motor-generator sets. The objective sought by pumping in hot air is to accelerate the pre-maturing process (thus reducing the holding time) and

obtain a final material with a lower moisture content. The gases are blown in and used to aerate the material and are then collected in the tunnels and piped to the facility's odour neutralisation system.

Including this supply of hot air in the recovery facility reduces the time material has to spend in pre-maturing and therefore reduces the size of the biological treatment tunnel module. Furthermore, the output material holds less moisture, which facilitates handling later, when the material is moved on to the maturing process.



### ANALYSIS OF THE SECTOR

In Spain, the joint work that has been done so far by government institutions and concession-holding companies to improve water management quality in a framework as demanding as the one set by the European Union may be looked upon as satisfactory, but that certainly does not mean that there is not a long way yet to go.

The European Union's Framework Directive on Water (FDW) demands a very heavy investment effort in hydraulic infrastructure. The investment is to go into renewing existing infrastructure as well as building new facilities and incorporating new technologies to help us adjust to quality requirements. In view of this circumstance, it is urgent for the Spanish administration to favour, regulate and properly boost the mechanisms for public/private partnerships for the construction of new infrastructure, so as to make it worth the private sector's while to participate.

Furthermore, the FDW establishes the rule of recovering the costs of water-related services. In actual fact, it is the citizen as user who directly (through water bills) or indirectly (as a taxpayer) bears the service costs. However, it would seem more efficient and in closer harmony with the FDW's requirement to arrange for water rates to cover all costs in full: the costs of rendering the service proper, environmental costs, infrastructure costs and so on. In addition, the system of water rates in most Spanish cities and towns makes it possible for this to be done gradually, that is, at a higher price per unit depending on consumption.

Another point to consider is Spain's environmental commitment to identifying sensitive zones for wastewater dumping. This commitment is guiding the new National Purification Plan, which is going to require investments of more than 19,000 million euro for the sector in ten years.

This is the stage set for a sector that is still growing despite the general economic panorama. The indirect water management market is still displaying dynamic behaviour, and new opportunities for growth are constantly being planned; bad debt is low, since customers are charged directly; and contracts are set up so as to guarantee the economic and financial equilibrium of the companies involved.



Center for solid waste treatment, Barbanza, La Coruña.



Laboratoires La Pipa, Almería.



**ACTIVITY IN THE FCC GROUP**

Thanks to 114 contracts won, renewed or otherwise acquired, Aqualia entered into 1,000 million euro's worth of contracts in 2009. Its backlog was worth 12,208 million euro, 30% of which was due to international business.

Public water service management registered considerable activity, with 400 bids tendered. As a result contracts were won in the provinces of Huelva, Badajoz and Tarragona.

In Spain Aqualia consolidated a leading position, while abroad it carried on with its prudent policy of expansion.

On the international level, one of the bigger contracts was with El Realito, Mexico, where a population upwards of 850,000 inhabitants will be supplied with water.

In northern Africa and the Middle East (one of the markets with the biggest potential on the international stage), the company chalked up two major successes. First, in Egypt, it signed a contract for the financing, design, construction and operation of the New Cairo water purification plant, the first public/private partnership contract in the country. In Saudi Arabia, Aqualia signed a cooperation agreement with the National Water Company; the Saudi government thus acknowledged the experience and positioning of Aqualia in the international market and included it in the group of companies with which the government works.

In Europe, the company has continued to bolster its position. In Portugal it already manages water for nearly 100,000 inhabitants, the most recent contract award being the Cartaxo contract. Moreover, Aqualia has won its first contract in Romania, consisting in the design, construction and maintenance of a purification plant in southern Romania. But

another big achievement is an agreement reached with the European Bank for Reconstruction and Development (EBRD) enabling the creation of a joint company between the EBRD and Aqualia to undertake investments in hydraulic projects in the countries where the bank operates.

The FCC Group's determination to diversify is also embodied in the development of the athletic facility management area. In 2009 contracts were obtained to build and operate a swimming pool in Llanera, Asturias, to manage a swimming pool in Moaña, Pontevedra, to manage indoor swimming pools in Lugo and to build and operate a swimming pool in Villena, Alicante. Aqualia was managing a total of 21 athletic centres all over Spanish soil by the end of 2009.

The renewable energy sector is not unknown to the company, either. Through Aqualia's subsidiary Aqualia Industrial, the company remains a steady player in the electricity sector. It is participating in some projects in Alcázar de San Juan, Ciudad Real, specifically, the contract for the turnkey construction of water treatment plants for the Manchazol 1 and Manchazol 2 solar thermal plants, which require ultra-pure water to operate.

Lastly, the domestic public service management area closed the year with some important contract signings, renewals and expansions covering different Spanish cities and towns, the foremost of which were:

▶ **Alba de Tormes (Salamanca)**

Renewal of end-to-end water management service.

▶ **Albinyana (Tarragona)**

New contract for end-to-end water management service.

▶ **Bilbao**

New contract for water consortium system management.

▶ **Bollullos del Condado (Huelva)**

New contract for end-to-end water service.

▶ **La Bisbal del Penedés (Tarragona)**

New contract for end-to-end water service.

▶ **Lepe (Huelva)**

New contract for end-to-end water service.

▶ **Mancomunidad de la Serena (Badajoz)**

Renewed contract for end-to-end water management service.

▶ **San Antonio e Ibiza (Islas Baleares)**

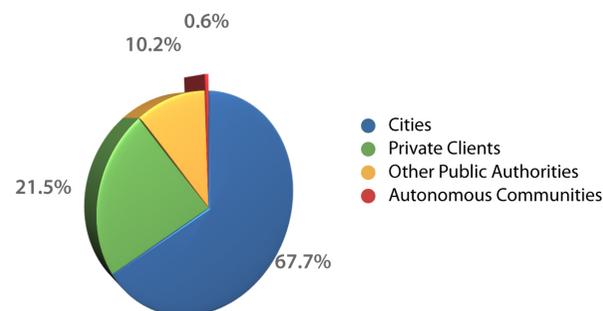
New contract to expand and operate water purification plants.

▶ **Sant Jaume Domenys (Tarragona)**

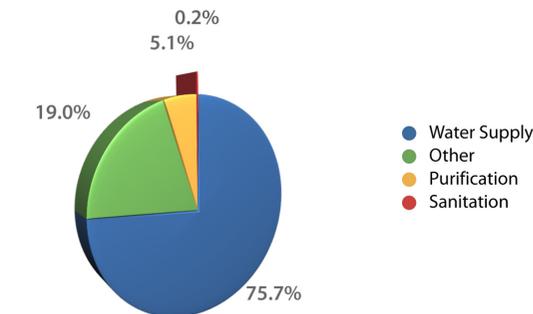
New contract for end-to-end water cycle service.

**Breakdown by client type**

Contract in Spain



**Breakdown by service type**



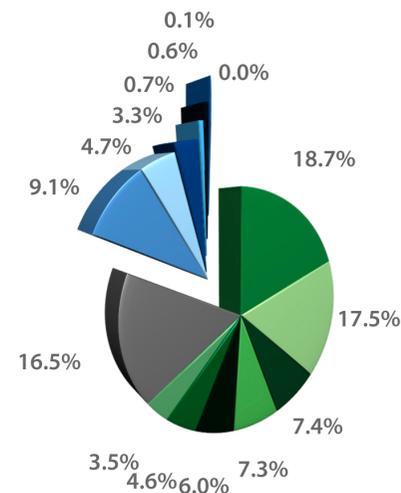
**Geographical Area**

Domestic (81.5%)

- Madrid
- Andalucía
- Castilla La Mancha
- Canarias
- Cataluña
- Extremadura
- Murcia
- Resto

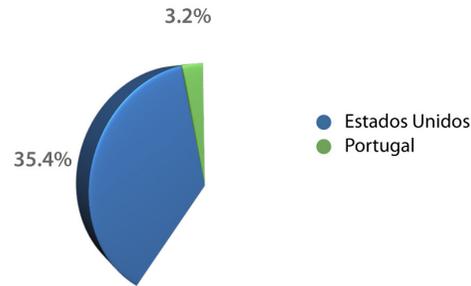
International (18.5%)

- Czech Republic
- Algeria
- Italy
- Portugal
- Mexico
- China
- Ecuador

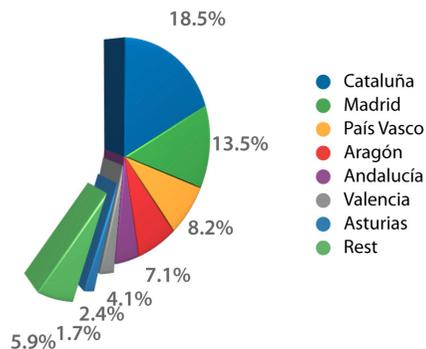




**Geographical area**  
International (38,6%)



**Geographical area**  
Domestic (61,4%)



**ANALYSIS OF THE SECTOR**

**FCC Ámbito, S.A.**, is the specialised firm in the FCC Group in charge of full-service management of all kinds of industrial waste, including hazardous waste, non-hazardous waste, innocuous waste, recyclable waste, soil and environmental liabilities.

The severe international crisis that lashed the world economy during 2009 had a strong impact on this business, since industrial production and the price of raw materials both declined.

The number of tonnes managed by Ámbito in 2009 was 2.25 million, which meant a 12% decline from the previous fiscal year, less than the percentage for the market as a whole.

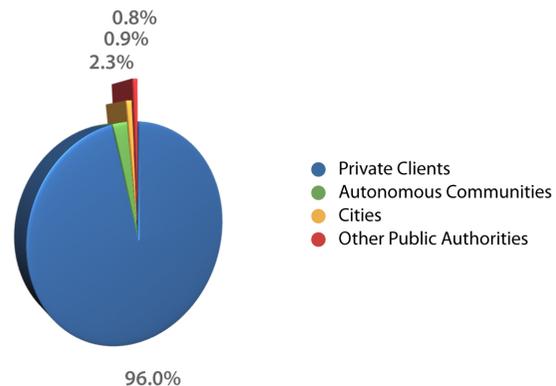
In the United States the number of tonnes went down by 11.9%, which meant better behaviour by all similar managers, while in Portugal, in the first full year of business of the new full-service treatment and recovery centre, more than 100,000 tonnes of waste were managed, 20% more than initially anticipated.

FCC Ámbito not only has withstood the effects of the crisis but has taken advantage of the situation to grow and improve its market share in all the sectors and geographical areas where it operates (Spain, the USA and Portugal).

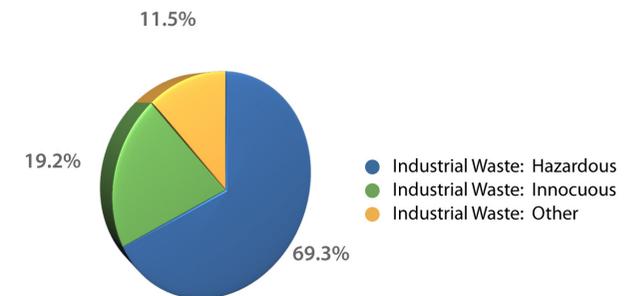
A major effort went into international diversification in 2009 as well. During that time sales of recycled materials outside Spain went up by 42%. Flows to the now-regular international consumers of the products recycled by FCC Ámbito (China, Portugal, France and Morocco) increased. In addition, new stable sales routes to India, South Africa and Italy were opened.

The portfolio of new contracts and business in progress was expanded, with awards from firms such as Endesa, Eroski, Arcelor-Mittal and Pascual. Other achievements included the management of the treatment and recovery of sorted paper and cardboard waste in Valladolid and the Pamplona district; the opening of the new Cantabria and Bilbao landfills; progress in the decontamination work being done in Flix, Tarragona; and the recent award by I.A.S. (Industrial Aqua Siracusana) for the decontamination and treatment of 257,000 tonnes of hazardous sludge.

**Breakdown by client type**  
Contracts in Spain



**Breakdown by service type**





**Versia** is the firm that handles all of FCC's diversification into different non-environmental services:

- ▶ LOGISTICS
- ▶ AIRPORT HANDLING
- ▶ URBAN FURNITURE
- ▶ PARKING FACILITIES
- ▶ VEHICLE INSPECTION
- ▶ CONSERVATION AND SYSTEMS
- ▶ SALES OF CLEANING VEHICLES AND SPECIALTY (SVAT) VEHICLES
- ▶ PASSENGER TRANSPORT

The year 2009 was marked by the impact that the economic crisis continued to have on some of these activities. Turnover at Versia went down 8.6%. Parking facilities, vehicle inspection, SVAT and passenger transport improved their revenue, while the rest experienced a reduction.

Since fixed operating expenses are a major component for some of these activities, Versia focussed its efforts on optimising its production structures and applying severe cost controls, while requiring maximum rigour in improving indebtedness ratios.

By geographical area, sales abroad made up 32% of the total, centring on handling activities (where sales abroad furnished 72% of the revenue) and urban furniture (where sales abroad accounted for 54%).

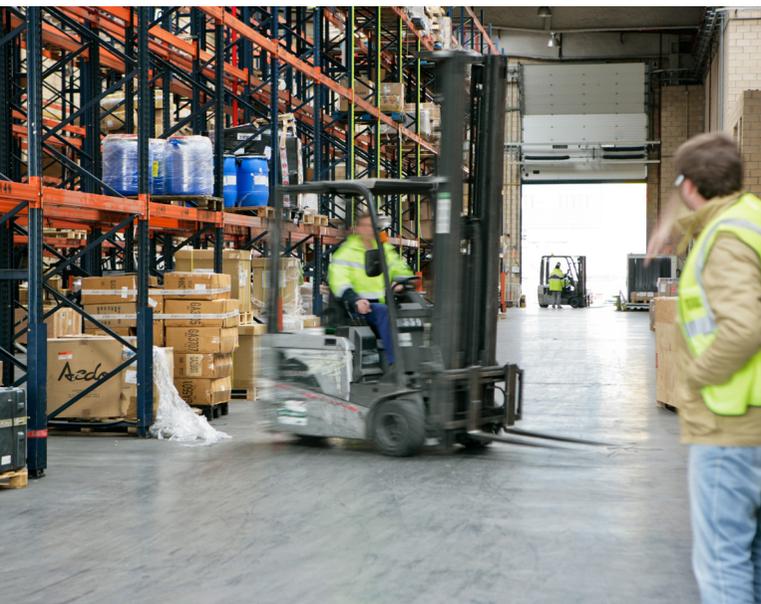


Urban furniture, Barcelona.



Coastal Cleanup, Port Ginesta, Sitges, Barcelona.





The foremost amongst the contracts signed or renewed last year were:

Airbus	BDF Nivea
Carrefour	Clarins
Coca Cola	Cofresco
General Motors	Glaxo
Johnson & Johnson	Miele
Puig	Sara Lee
Renault	Volkswagen
Wyeth Pharma & Marketing	

**FCC Logística** renders services on the Iberian Peninsula through its business units specialising in specific logistics operations areas or geographical areas. It provides shipping, storage, order preparation and distribution services, rounding out its offer with added-value services for the top companies in a number of sectors, such as the automotive, food, cleaning product, perfume, cosmetic, personal care, appliance, pharmaceutical, optical, telecommunications, industry and technology sectors. It has self-managed mass distribution, customs warehouse and goods-shipping platforms. It has become consolidated as one of the leaders in its sector in Spain and Portugal.

FCC Logística is a member of LOGICA, the business organisation of logistics operators established in Spain, and it adheres to LOGICA's Good Practice Code. In 2009 it renewed its LOGICA Quality Seal, which guarantees compliance with the Good Practice Code, and it renewed its ISO 9001-2000 quality certification and 14001 environmental certification as well.

During 2009 FCC Logística forged on in its process of enlarging, renovating and improving its infrastructure. The following centres and facilities went into service:

- **Consolidated Centre in Azambuja, Portugal:** An area of 45,000 m<sup>2</sup> for the Consumer Area and 20,000 m<sup>2</sup> for the Pharmacy Area, inaugurated in June 2009.
- **Cabanillas del Campo Centre 9 and 10, Guadalajara:** Inauguration of both spaces for the consumer and pharmacy sector in October 2009, with an area of 29,000 m<sup>2</sup>.

FCC Logística has made a considerable effort to adapt its production structure to the economic reality shaped by the current crisis and has thus been able to achieve some highly significant improvements in its productivity ratios.



**Flightcare, S.L.**, is the FCC service company that provides ramp-, passenger- and cargo-handling services. It can be found at 14 airports, where last fiscal year it served more than 250 companies, a total of 321,820 movements and 34 million passengers, and handled more than 260,000 mt of cargo.



In Spain Flightcare provides ramp- and passenger-handling services at the airports in Barcelona, Málaga, Alicante, Valencia, Fuerteventura, Jerez and Almería. During 2009 it maintained its share of around 38% of the free market at the bases where it operates. In addition, it offers cargo-handling services in Madrid, Barcelona, Valencia and Alicante.

Belgium is one of the key pillars of Flightcare's business in Europe. Flightcare operates at the airports in Brussels, Ostend-Bruges, Liège and Charleroi. In Brussels, one of the main airports in its network, Flightcare holds a 67% market share in ramp handling. In the Belgian cargo market its share is over 25%.

Flightcare is the leading independent handling agent in Rome. At Leonardo da Vinci Airport (Fiumicino), its share of the free market was around 41%. Flightcare is the only independent operator at Giovanni Battista Pastine Airport (Ciampino).

In 2009 Flightcare devoted a great deal of effort to optimising its production processes, thus enabling it to hone its competitiveness.

SERVICES





Urban furniture, Atlanta, USA

## CEMUSA

**Cemusa** specialises in the design, manufacture, installation and maintenance of urban furniture and in the marketing of advertising space on urban furniture. With a professional career over 25 years long and some 160,000 items installed all over the world, Cemusa is the number-one Spanish firm in its sector and one of the foremost outdoor advertising groups internationally speaking. Cemusa currently offers its services to more than 160 cities of Europe and America. Cities such as New York, Madrid, Rio de Janeiro, Barcelona, Boston, Lisbon, Milan and Brasilia provide the finest showcases for its designs, produced in close cooperation with architects and designers of recognised worldwide prestige.

In 2009 the investment in advertising continued to show a marked decline right up to the last quarter of the year, especially in Europe and North America. The Brazilian market, on the other hand, continued to grow, and Cemusa beat its turnover figure for the previous year by 10%. The second half of the year was a turning point, and the impact of the crisis was observed to lessen in severity. During 2009 Cemusa consolidated a resource optimisation plan begun in 2008 to adapt the firm to the general situation of the advertising sector and the economies of the countries where it does business.

Foremost amongst Cemusa's new international projects is a cooperation agreement with one of the biggest shopping-centre operators in the United States, General Growth Properties, Inc. Under the agreement Cemusa will, for a period of no less than five years, manage the advertising spaces on the kiosks set up in the city of Atlanta. Thanks to this agreement Cemusa can now list amongst its accomplishments, right next to its novel commercial offer of

kiosks in New York, the management of new kiosks located in the economic capital of the southeastern United States and corporate headquarters to such important corporations as Coca-Cola and CNN.

In Italy CEMUSA has successfully renewed its contract to manage 250 advertising panels in the city of Bologna. These panels, designed by the King & Miranda studio, constitute the only urban furniture in the city, and they form part of the furniture installed in 2005 during Cemusa's first contract with the Bologna city council.

In its determination to consolidate its presence in cities that are key for the company, Cemusa has striven to introduce improvements in the products and services it provides. In the case of Madrid, under the city council's Special Recoletos-Prado Plan, new hoardings were developed with an exclusive, innovative design and installed along the Paseo de Recoletos/Prado, one of the city's main cultural environments and citizen thoroughfares. The work was done jointly with the team of Portuguese architect Alvaro Siza, who won the international tender for this remodelling project.

In New York, where Cemusa has been managing furniture since 2006, illuminated advertising panels using LED technology have begun to be installed in hoardings. In addition to providing excellent light uniformity all over the panel's surface, LEDs spend only half the energy of the traditional system.



The parking facility business at FCC includes:

- ▶ **Management, operation, control and maintenance of regulated on-street parking.**
- ▶ **Construction, operation and management of underground parking garages.**
- ▶ **Municipal vehicle-towing and impoundment services.**
- ▶ **Development and implementation of computer applications to handle traffic violations.**

The company manages approximately 140,000 regulated on-street parking spaces and 13,000 spaces in underground parking garages, in the more than 80 cities where it provides these services. In 20 of this cities FCC also furnishes towing services to remove improperly parked vehicles.

The new contract awards of the year were:

#### REGULATED ON-STREET PARKING

- ▶ **Almuñecar (Granada):**  
413 spaces for a two-year period.
- ▶ **Amposta (Tarragona):**  
379 spaces for a 15-year period.

- ▶ **Guadix (Granada):**  
350 spaces for a four-year period.
- ▶ **Logroño (La Rioja):**  
1,242 spaces for an eight-year period.
- ▶ **Murcia:** 6,641 spaces for a seven-year period.
- ▶ **Salou (Tarragona):**  
1,579 spaces for an eight-year period.
- ▶ **San Sebastián Centro-Amara (Guipuzcoa):**  
3,522 spaces for a five-year period.
- ▶ **Talavera de la Reina (Toledo):**  
1,510 spaces for a ten-year period.

#### CONSTRUCTION AND OPERATION OF UNDERGROUND PARKING GARAGES

- ▶ **Amposta (Tarragona):**  
Construction and operation of 250 parking spaces for a 50-year period.
- ▶ **Baiona (Pontevedra):**  
Operation of 484 parking spaces for a 50-year period.
- ▶ **Gandia (Valencia):**  
Operation of 314 parking spaces for a two-month period.
- ▶ **Gijón (Asturias):**  
Construction and operation of 300 parking spaces for a 43-year period.
- ▶ **Santander (Cantabria):**  
Construction and operation of 438 parking spaces for a 50-year period.



#### VEHICLE TOWING AND IMPOUNDMENT

- ▶ **Burgos:**  
For a four-year period.

#### SUPPLY OF HARDWARE AND SOFTWARE FOR HANDLING TRAFFIC VIOLATIONS

- ▶ **Burgos:**  
Supply of software and hardware..
- ▶ **Madrid:**  
Supply and maintenance for a four-year period.
- ▶ **San Sebastián (Guipuzcoa):**  
Supply and maintenance for a one-year period.



Vehicle roadworthiness, Argentina.

**VEHICLE INSPECTION** \_ Turnover: 52 million euro

These services are provided in Spain and Argentina.

In 2009 more than 2,790,000 inspections were conducted, which meant that the joint turnover of vehicle inspection activity between Spain and Argentina rose by 12% over that of 2008.

The most noteworthy increase was in Argentina, which went up by around 29% thanks to the increase in compliance with inspection requirements, as a consequence of tougher traffic safety regulations. In Spain the increase registered was 8%.



Passenger transport, Jerez de la Frontera, Cádiz.

**TRANSPORT** \_ Turnover: 21 million euro



**FCC-Connex Corporación, S.L.**, a company owned in equal shares by FCC Versia's CGT Corporación General de Transportes, S.A., and by Veolia Transport (a subsidiary of Veolia Environnement), operates in the passenger transport sector. It runs buses (Corporación Jerezana de Transportes Urbanos, S.A., or Cojetusa), trams and trains (Detren Compañía General de Servicios Ferroviarios, S.L.).

COJETUSA holds the concession on city buses in Jerez de la Frontera. In 2009 the number of passengers it carried broke the 5.2 million mark. Its bus fleet covered three million kilometres.

Detren is the operator of the Barcelona trams, Trambaix and Trambesos. The total number of passengers it carried came to 24 million.

In 2009 a two-way communication system dubbed "Digirail" went into operation in the tram systems. Equipped with a network of cameras and monitors, the system enables trams and stops to be supervised and recorded in real time, and it also serves as a means of communication for tram passengers.



### CONTRACT AWARDS AND MOST SIGNIFICANT PROJECTS

- ▶ Barajas Airport tunnel maintenance, for AENA
- ▶ Maintenance of shadow toll and tunnel systems in Cataluña for CEDINSA
- ▶ Madrid sewer system operation service for Canal de Isabel II
- ▶ Renovation, upkeep and maintenance of service tunnels for the City of Madrid
- ▶ Action to renovate and repair the Canal de Isabel II water supply system

**Conservación y Sistemas, S.A.**, is a technological firm specialising in the design, installation, operation and maintenance of traffic management and shadow toll projects in interurban road systems, safety facilities in road and railway tunnels and urban infrastructure maintenance and upkeep. Its areas of action are:

- ▶ **City upkeep and other services: Pavements, sewer tunnels and systems, irrigation and water distribution.**
- ▶ **Traffic management systems: Toll motorways and dual carriageways.**
- ▶ **Tunnel safety and control systems: Road and railway tunnels.**
- ▶ **Remote control and security systems: Buildings and special installations.**

Conservación y Sistemas has got permanent offices in Spain (Madrid and Barcelona) and Portugal (Madeira).



Remodeling of the central Alcorcón, Madrid.



Control Center service tunnels, Madrid.



Side loading collection vehicle.



Sweeper dual.



gas versions. The first diesel units were delivered to the city of Zaragoza. There was also an increase in sales of side-loading collection vehicles; units running on compressed natural gas were delivered in Pozuelo de Alarcón, Madrid.

The 68-craft fleet of floating-waste collection units continued working hard over the summer along the coasts of Cataluña and Baleares as part of the multi-year programmes of the Catalan Water Agency and the Balearic government.

**Sistemas y Vehículos de Alta Tecnología (SVAT)** sells high-tech equipment and vehicles for city sanitation, coastal water and beach cleaning and industrial cleaning.

In 2009 SVAT solidified its leadership in sales of compact city sweepers, which have evolved far enough technologically to achieve major reductions in their air pollution emissions, noise emissions and fuel and water consumption. SVAT's market share has grown significantly, due primarily to sales of machines with innovative technologies that incorporate cleaning systems with water-recycling and tile-scrubbing capabilities.

The main cities where street-cleaning machinery was delivered were Córdoba; La Coruña; Orihuela, Alicante; Palma de Mallorca; Pozuelo de Alarcón, Madrid; Talavera de la Reina, Toledo; Tarazona, Zaragoza; and the city of Barcelona.

A new, small (two-m<sup>3</sup>) compact sweeper model was recently launched on the market in diesel and compressed natural

# CONSTRUCTION

_ Analysis of the sector	38	_ Non-residential construction	45
_ The job market	39	_ Electrical infrastructure development	48
_ Forecasts	39	_ Electrical installations	48
_ FCC's activity	40	_ Heating and air conditioning	49
_ Motorways, dual carriageways and roads	41	_ Conservation and infrastructure	50
_ Airports	42	_ Projects R&D&i	51
_ Hydraulic works	42	_ Engineering	52
_ Marine construction	43	_ Corporate image	53
_ Rail infrastructure	43	_ Oil and gas pipelines	54
_ Urban development and parking facilities	44	_ Precast components	55
_ Residential	45	_ Infrastructure concessions	56
		_ Technological development	64





ANALYSIS OF THE SECTOR

Production in the Spanish construction sector came to 163,660 million euro in 2009. That was 11.0% down, in real terms, from 2008 (down 18.0% in building and up 2.0% in civil engineering works).

Government tenders, which determine the volume of activity in **public works** for the upcoming fiscal years, remained steady thanks to the Local Investment Fund, which enabled 2008 tender levels to be reached (-0.4%).

By subsectors, **residential building**, the heavyweight of the construction industry, accounted in 2009 for 27% of the total (now just four points more than in the countries around us), with a balance down 25.0% from 2008. The year 2009 closed with the lowest figure for newly started housing construction in many years, some 150,000 units.

The number of finished housing units came to 390,000, 37.0% less than in the previous fiscal year, which had fallen by only four points since 2007 due to the inertia in this subsector. The

number of residential construction permits secured in 2009 was 110,000, 58% fewer than in fiscal year 2008; such figures were hitherto unknown in the historical series.

**Non-residential building** accounted for 15% of business, with a reduction of 15% in connection with the previous fiscal year (nine points less than in 2008). Building permits in this subsector experienced a 36% drop.

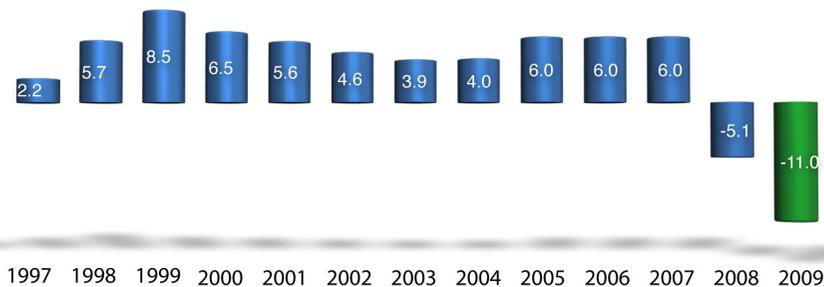
**Building refurbishment and maintenance**, which made up 24% of the total, declined by 11.0% (6.5 points less than in 2008). This subsector is still presenting investment figures 13 points below its European Union counterparts and therefore has a way to go upward; not in vain did the execution budget for expansions and improvements go up 10% in nominal terms. The measures announced by the national government to reduce the general VAT rate and the introduction of tax allowances and incentives for refurbishment work will help the sector converge on the same levels as the countries around us.

**Civil engineering works** were 34% of the sector's total overall production, with a year-on-year increase of 2.0%, just 2.5 points below 2008's level, due to the important impact on production of projects benefiting from the Local Investment Fund (FEIL).

Interestingly, Spain continues to be the number-four country in the European Union construction market, with 11.3% of the total, after France (with 19.4%), Germany (with 18.8%) and Italy (with 12.4%, wresting third place away from the United Kingdom, which slipped from 13.8% in 2008 to 10.6% in 2009, fifth place).

Government tenders as a whole grew in 2009 by 0.4% in current terms. Last fiscal year they reached 39,643 million euro, the national government holding a 31.4% share, almost half of which were railway projects (The Ministry of Development ran the tenders for 24% of the total, 12 points below the figure for the previous fiscal year). The autonomous communities held a 30.8% share, and local governments, 37.8%.

Annual variation rates in construction activity  
In constant terms (Source: Seopan)



In 2008, out of the entire set of government tenders, the volume of tenders involving concessions came to 4,821 million euro (basically road infrastructure offered by the autonomous communities), so the ratio remained at 12.2% of the total sum at stake, 4.0% less than in 2008.

One highly revealing indicator of the stagnation of domestic construction activity is the apparent consumption of cement, which registered a 33.0% decline and accumulated a two-year backslide of 51%, posting a consumption level similar to that of 1998.

### THE JOB MARKET

The working population in the construction sector, which in 2009 made up 10% of the total working population, experienced a 2.1% decline. The reduction in the number of workers –a consequence of drop after drop in production, which has been at negative levels since early 2008– showed an average of around -11.5% in the first nine months of 2009. However, in the last quarter of 2009 unemployment growth in the sector sat at a slight 1%, 10 points less than in the quarter before.

In the last two years, the construction sector has lost 810,000 jobs, and, despite the adjustment indicated above, which has attenuated the worsening features of 2009, in 2009 the construction sector employed 1,888,275 people, 23% fewer than in 2008, and 565,200 jobs, 41% of the Spanish economy's total, were destroyed.

The increase in unemployment in the sector has been going on without interruption, month after month, since May 2008, and although the historical data show that this was probably the toughest year, it is reasonable to think that the worst is over. This conclusion is backed up the number of workers in the sector who were registered under the general social security procedure last February; general social security figures show a certain positive evolution, unlike the figure for workers registered under the self-employed procedure, although the total balance is positive.

### FORECASTS

The forecasts for 2010 point toward a tendency consistent with the recessive cycle, with an overall sector production decrease of between 7.5% and 10.5% in constant terms.

The allocation made available to the two main investing ministries (the Ministry of Development and the Ministry of the Natural, Rural and Marine Environment), their agencies, public entities, business enterprises and publicly owned companies, considering the effect of the Immediate Action Plan, calls for a 12.4% reduction (equivalent to 0.2% of the GDP) of the investment earmarked for infrastructure policy, with respect to 2008 in current terms.

By subsectors, and more specifically in the case of residential building, according to the Spanish Mortgage Association and other authorised stakeholders, the real estate market will begin to recover in 2010. In the meantime, a latent demand is perceptible. This latent demand will purchase housing when it can get better access to home financing and especially when it accrues more confidence in the economy.

One feature of the real estate supply is that it adjusts to changes in cycle more slowly than does the demand, due to the long time projects take to mature. For this reason, the slowdown in new residential construction initiated since the crisis began is starting to become noticeable now, in the shape of a smaller number of finished units.

Last fiscal year some 462,000 transactions were performed all in all, a figure much lower than that of previous years, when the market was registering nearly twice that number of sales. However, some 240,000 new-built homes were marketed, a not-inconsiderable figure. The sector is not at a standstill, although the adjustment has been an exceptional one.

Non-residential building will go down between 5 and 7%, the same as the investment in the sector, which will not rise until the markets' recovery has been consolidated. This will happen, as in the past, in stages: first offices and leisure, then retail



and logistics. The 2009 decline (15%) will begin to level out in 2010 (7%) and will continue to grow weaker in 2011 with a 1% decline, finally going into positive figures in 2012 with 2.5%.

Civil engineering works will continue to keep construction activity going. The investment in infrastructure in the upcoming fiscal year is expected to show a decline of no more than 7% with respect to that of 2008.



FCC CONSTRUCTION'S ACTIVITY

All of FCC's construction business is clustered around the company **FCC Construcción, S.A.**, which in 2009 had a turnover of 7,201 million euro, 11.9% less than in the preceding fiscal year.

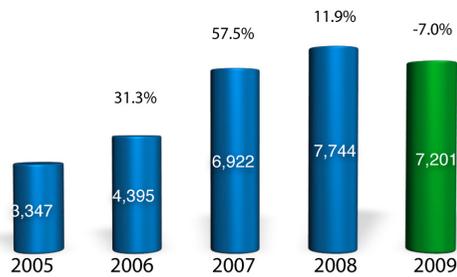
International activity is now the dominant side of the area, accounting for 53% of total revenue. This revenue is generated fundamentally in Europe, the source of 92%, through subsidiaries that work locally. FCC has a good position in Austria (42% of international sales), Germany (17%) and eastern Europe (25%), where its best results come from Romania (with 5.3% of international sales), Croatia (4.7%),

Bulgaria (4.4%), Poland (3.6%) and the Czech Republic (2.5%). Business in other non-EU regions (8%) clusters in America and Asia (Persian Gulf countries, China, India and Singapore).

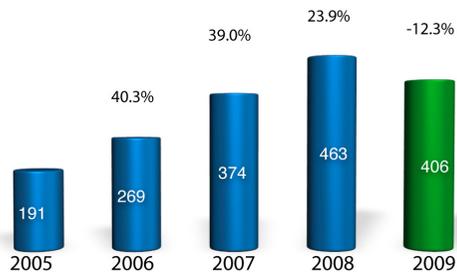
By business segments, civil engineering works, which are more complex and carry more added value, took on more weight during the fiscal year. They made up 69% of the turnover and 76% of the backlog.

Contracting was quite dynamic during the difficult fiscal year that was 2009, especially international contracting; the total backlog increased by 6.9%, thus reinforcing the visibility of contracting in future revenue, with a guaranteed 18 months' worth of production.

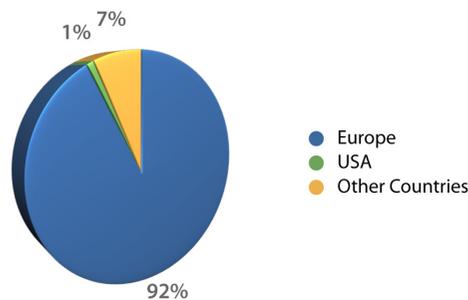
Turnover  
Million euro



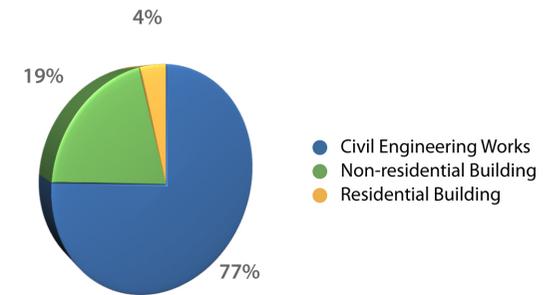
Gross operatin profit (Ebitda)  
Million euro



International turnover



Backlog



## MOTORWAYS, DUAL CARRIAGEWAYS AND ROADS

This is the most active subsector of civil engineering works and the subsector that generates the most production and backlog.

The list below gives the most important contract awards won during the last fiscal year.

▶ **Duplication of road AS-17. Avilés to Puerto de Tarna, Asturias.** The existing road will be used in part, and 4.7 kilometres will be twinned to convert the road into a dual carriageway.

▶ **Improvement of road DN1C between Deg and Baia Mare, in the provinces of Cluj and Maramures, Romania.** This is an 86.5-kilometre-long section of road in northern Romania. Its width varies between 6.5 and 9 metres on a terrain that changes from flat to mountainous with grades of up to 7%.

▶ **Relief road around Arad, Romania.** This is a new 12-kilometre-long dual carriageway, with two lanes in each direction and a three-metre-wide central reserve. It will prevent traffic from having to pass through the city and will link interstate E-68 to road E-671, which FCC is currently engaged in building, to the city of Timisoara, 32 kilometres from Arad.

▶ **Road between La Aldea and El Risco, on Gran Canaria Island.** This is a 10.4-kilometre section of road. Seven kilometres of it are two-way road, while the rest has two separate two-lane roadways, one in each direction. One of the job's special features is the construction of diverse tunnels, a 2,339-metre-long double tunnel 76 m<sup>2</sup> in cross-section with two lanes in each direction, and another two three-lane tunnels (2,518 and 604 metres long, respectively) with a cross-section of 115 m<sup>2</sup>, for two-way traffic.

▶ **Bridge over the Miño River. Located in the city of Lugo,** the project also envisaged the development of the surrounding area and the steeply sloping approaches to

the bridge. The central span is an arch 95 metres across that traverses the 60-metre-wide river without the aid of piers.

▶ **Bridge over the Pisuerga River.** This is a five-span, 204-metre-long bridge over the Pisuerga River in Valladolid. The fourth span is a compound 90-metre-long span that needs no piers.

▶ **Access to Zamora between roads CL-527 and N-122.** The project consists in building a 424.50-metre-long, 14.40-metre-wide six-span bridge. The three central spans are 92 metres long apiece and cross the bed of the Douro River.

▶ **Motorway in Slovakia.** Construction of a toll motorway in Slovakia, followed by 30 years' operation. This is one of the longest toll motorways in Slovakia, 25 kilometres long, and it will join the localities of Hricovské Podhradie and Dubná Skala, in the northern section of the country.

▶ **Construction of bridges over the San Juan de Turbe River and the Coclecito River, Panama.** Situated in the districts of Donoso (Colón province) and La Pintada (Coclé province), respectively, in Panama. The bridge over the San Juan de Turbe River will be 80.6 metres long, with an 10-metre-wide deck built of beams and concrete slabs. The bridge over the Coclecito River will be 73.6 metres long and will be of the exact same type.

▶ **Bosruck Tunnel. The contract for this 5.5-kilometre-long tunnel went to Alpine.** Bosruck Tunnel, currently a bottleneck on dual carriageway A9 Pyhrn, one of the most heavily-travelled routes in southeast Europe, will be enlarged with the construction of a second tube to the west a total of 5.5 kilometres long.

▶ **Longitudinal North Road. Section 5: Nuevo Edén de San Juan to the Carolina Detour, Republic of El Salvador.** The work consists in the improvement of 30.2 kilometres of the current road to convert it into secondary road with a standard bed width of 10.10 metres to accommodate two 3.25-metre-wide lanes and one-metre-wide verges.

## CONSTRUCTION





## AIRPORTS

- ▶ **Enlargement of the Terminal Building at Gran Canaria Airport.** The objective of the work is to increase the airport's passenger capacity, improve the quality of passenger service, increase the retail offer and give the terminal building an image makeover. The floor area is about 73,000 m<sup>2</sup>. The project will consume 6,800 tonnes of structural steel and 5,400 tonnes of corrugated steel.
- ▶ **Retrofitting of the flight field of Asturias Airport.** The work consisted in levelling the safety zones and borders at the top and bottom of the runway and recomposing the main drainage facility.
- ▶ **Development of the Phase-2 reserve zone of Barcelona Airport.** This involves the construction of five on-street parking facilities, the conclusion of the roads providing connections to the west, paving of pedestrian pavements, the central reserve and green areas on the roads, for a length of 1,084 metres.

## HYDRAULIC WORKS

The foremost contract awards from the last fiscal year were:

- ▶ **Expansion of the SAIH automatic hydrological information system for the Segura River Basin.** The project consists in building the infrastructure and electromechanical elements, computer and communication systems for remote measuring of water intakes and canal gates after the Tagus-Segura transfer point and remote control of the main gates and flow control along 240 kilometres of canals.
- ▶ **Contract to render piping and drinking-water treatment service for El Realito Aqueduct, Mexico.** A main pipe 132 kilometres long will be built out of steel, concrete or polyethylene pipes in diameters ranging between 1,200 and 300 mm.

▶ **Construction of El Zapotillo Storage Dam on the Verde River, in the state of Jalisco, Mexico.** This infrastructure will serve to provide drinking water for Los Altos de Jalisco and the city of León-Guanajuato. The project consists in the construction of a gravity dam of compacted concrete with a curved 320-metre crown. The dam will rise to a height of 132 metres above its foundations. The storage capacity of the dam will be 910 hm<sup>3</sup>.

▶ **Hydroelectric power in Portugal.** Ribeiradio Dam and Ermida Dam, accesses to Ribeiradio Dam and other complementary projects will be built. These facilities will be finished in four years and will generate 134 gWh (gigawatts/hour).

▶ **FCC subsidiary ALPINE is concluding the construction of Tsankov-Kamak Dam for NEK (Natsionalna Elektricheska Kompania), the Bulgarian national power company based in Sofia.** The site lies 250 kilometres southwest of Sofia, near Smolyan, in the Rhodopes mountain range along the border with Greece, on the Vacha River. The dam forms part of the hydroelectric complex that has been dubbed "the Dospat-Vacha Cascade".

The 130.5-metre-tall dam can store 111 hm<sup>3</sup> of water. It is located 400 metres downstream from the point where the Gasnhya River (a left tributary) flows into the Vacha. The reservoir covers an area of 3.27 km<sup>2</sup>, with a catchment area of 1,200 km<sup>2</sup>.

## MARINE CONSTRUCTION

The foremost contract awards were:

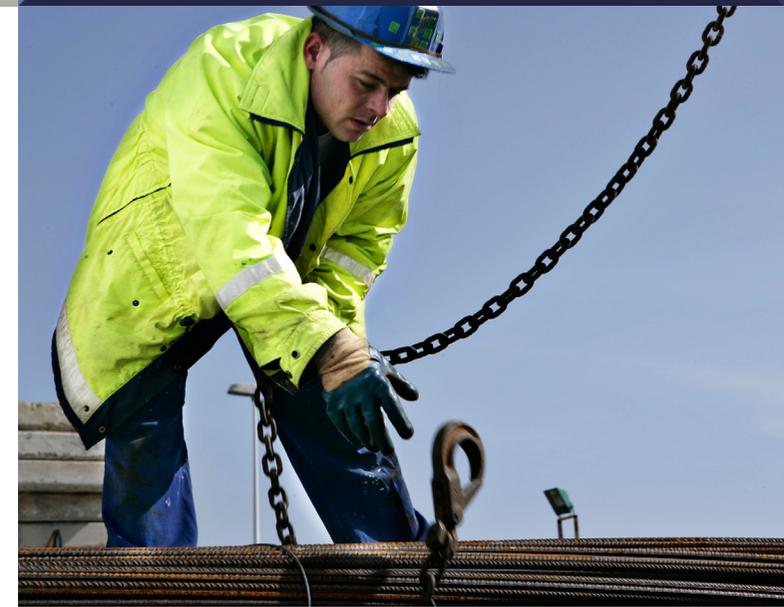
- ▶ **Dredging of the incoming channel and south basin of Castellón Harbour.** The job consists in dredging some 2.9 million m<sup>3</sup>, down to -16 and -17 metres, using a cutter suction dredge.
- ▶ **Improvement of Aboño Dock in Gijón Harbour.**
- ▶ **Naval Train Basin at Rota Naval Base, Rota, Cádiz.**
- ▶ **Reinforcement of the North Mouth Dock of Barcelona Harbour.**
- ▶ **Phase I of the container terminal at Tarragona Harbour.**
- ▶ **Improvement of operational capability at the commercial piers at Vigo Harbour (phase I).**
- ▶ **Increase in the depth of the Aragón Quay at Tarragona Harbour.** The work consisted in reinforcing the foundations of the caissons that comprise the quay (using super jet grouting to create columns three to four metres in diameter and eight to nine metres deep), dredging the basin and dredging out the riprap left over from the current rockfill bank.

## RAIL INFRASTRUCTURE

Rail infrastructure remains one of the most dynamic sectors there is, thanks to plans to expand the high-speed railway network and projects to build new underground lines.

During the last fiscal year, the following were the foremost contract awards:

- ▶ **Two new sections of the Singapore Metro.** Together the sections measure 4,000 metres in length. In May 2009 FCC subsidiary Alpine concluded the construction of one section of the Singapore Metro system, and it has another section in progress. The two new contracts are for sections C-917 and C-918, which are on line 2. They are 1,800 and 2,200 metres long, respectively. Both sections will be built almost entirely as twin tubes, having an outer diameter of 6.6 metres, and will be lined with precast concrete segments.
- ▶ **Sorbas-Barranco de los Gafarillos Tunnel, Almería.** Construction of two parallel, 7.5-kilometre-long tunnels on the high-speed Murcia-Almería railway line. The tunnels run north/south. About 5,900 metres will be built using a combined EPB TBM with a tunnelling diameter of 10.05 metres and will then be lined with 0.50-metre-thick fibreglass-reinforced concrete segments. The 1,600 metres of the southern end are being constructed using the New Austrian Method.
- ▶ **Construction, maintenance and operation of line 1 of the Murcia Tram.** This is the biggest public works investment in the entire history of the city. With this contract, FCC has strengthened its leadership in the realm of urban rail transport concessions in Spain. The contract also includes the preparation of the construction design and the supply of rolling stock. The new tram line is nearly 18 kilometres long and will join the centre of Murcia with the Nueva Condomina shopping area and the universities, crossing the city's most important avenues. The line will have 28 stops set an average of 450 metres apart. During the 40 years the concession lasts, 513 million passengers are expected to ride the tram, which means that during the first year 5.5 million people will climb aboard.





▶ **Baumleite Tunnel in Germany.** The tunnel is 1,317 metres long, between the towns of Theuern, Truckenthal and Grümpen, south of Erfurt. It will have a 40-metre vertical evacuation route. It belongs to a new 107-kilometre-long train line between Ebensfeld and Erfurt, which is part of the project to improve railway connections between Nuremberg and Berlin.

▶ **New Kaiser Wilhelm Tunnel in Germany.** Built in 1877, the tunnel accommodates two sets of train tracks and has to be retrofitted to meet new safety standards. A new tunnel will therefore be built for a single set of tracks. The tunnel lies on line 3,100 between Koblenz and Perl. It will be 4,200 metres long. The new tunnel will be dug out with a single-shield TBM having a diameter of 10.12 metres. The existing tunnel will be improved and connected to the new one by eight cross-tunnels, each 15 metres in length.

▶ **Contract to build, operate and maintain line 1 of the Zaragoza Tram.** The work consists in the construction of 13.4 kilometres of railway bed, preferably at surface level, twinned for a double electrified line that crosses the city of Zaragoza from north to south, with a total of 24 stops. In addition the project calls for the construction of two areas of tram car yards and workshops, one for each phase, as well as an intermodal transfer facility and two car parks to encourage people to take the tram instead of driving.

▶ **Two contracts for maintenance of the infrastructure, tracks and sidetracks of the high-speed lines linking Madrid with Barcelona and Seville.** The first contract refers to the Madrid-Zaragoza section, and the second is split between the Madrid-Adamuz, Córdoba, section of the Madrid-Seville/Córdoba AVE high-speed line and the La Sagra-Toledo branch line.

▶ **Modernisation of the Beira Baixa Line, Castelo Branco/Vale dos Prazeres section, in Portugal.** This includes the improvement of the section for a length of 38.5 kilometres and alterations to the stations at Alcains, Lardosa and Castelo Novo.

## URBAN DEVELOPMENT AND PARKING FACILITIES

Foremost contract awards:

▶ **Urbanización Los Almendros in Torrejón de Ardoz.** It has an area of 88 hectares and includes the improvement of the Colada de Galapagar livestock trail and the construction of service roads for national road M-206.

▶ **Development of Ronda de Sant Raimón de Penyafort, in the section sandwiched between Gran Vía and calle Cristófol de Moura, in Sant Adrià, Barcelona.**

▶ **Development under the Integrated Action Programme pertaining to the Ronda Perimetral Norte Modifying Inner Alteration Plan of Denia, Alicante.** The developable area is 274,217 m<sup>2</sup>, including these jobs: paving of roads, car parks, pedestrian pavements, pedestrian network, plus treatment of remaining areas through gardening, trees, play parks and urban furniture, in addition to the water, sewer, electricity and lighting systems.

▶ **Development of the Torreblana II Sector of Vacarisses, Barcelona.** The main activities are the internal improvement of the sanitation, drinking-water, telephone and electricity systems, paving, gardening and urban furniture. .

▶ **Underground parking garage in District C "Las Tablas" in Madrid.** This garage has 852 parking spaces distributed amongst four underground floors.

▶ **Improvement of the spaces around the old slaughterhouse, Madrid.** The jobs consist in re-developing and landscaping the area disturbed during the burying of the M-30 ring road in the vicinity of the old slaughterhouse. Improved drainage and paving are also included.

▶ **Landfill for non-hazardous waste in Castañeda, Cantabria.** At issue is the construction of two basins with the capacity to hold 7,500,000 m<sup>3</sup> and an estimated useful lifetime

of between 20 and 25 years, approximately. The project also includes waterproofing work, drainage work, the construction of access roads and the construction of a leachate collection pool.

## RESIDENTIAL

The foremost contract awards were:

- ▶ **106 publicly sponsored homes in Alcorcón, Madrid.**
- ▶ **159 homes at Colinas Golf Residencial in Orihuela, Alicante.**  
The complex has detached and semi-detached homes and apartment blocks.
- ▶ **350 homes under the Alamillos Oeste Partial Plan in Algeciras, Cádiz.**
- ▶ **107 single-family and semi-detached homes in Rivas Vaciamadrid, Madrid.**
- ▶ **131 homes in Móstoles-Sur.**
- ▶ **132 homes in Rivas Vaciamadrid, Madrid.**
- ▶ **Construction of 103 homes in Seville.**
- ▶ **117 homes in Alcorcón, Madrid.**
- ▶ **135 low-income homes in Seville.**
- ▶ **Building of 310 homes in Getafe, Madrid.**

▶ **Two sets of surface rights in Seville.** The first is for building 182 low-income homes, and the second, for building 160 low-income homes. Both projects are located in the Pino Montano development in Seville.

▶ **107 homes under the Móstoles Sur Development Action Programme, in Móstoles, Madrid.**

## NON-RESIDENTIAL CONSTRUCTION

Included under this heading is the construction of administrative buildings, schools, health service buildings, cultural, athletic and commercial facilities, hotels and industrial buildings.

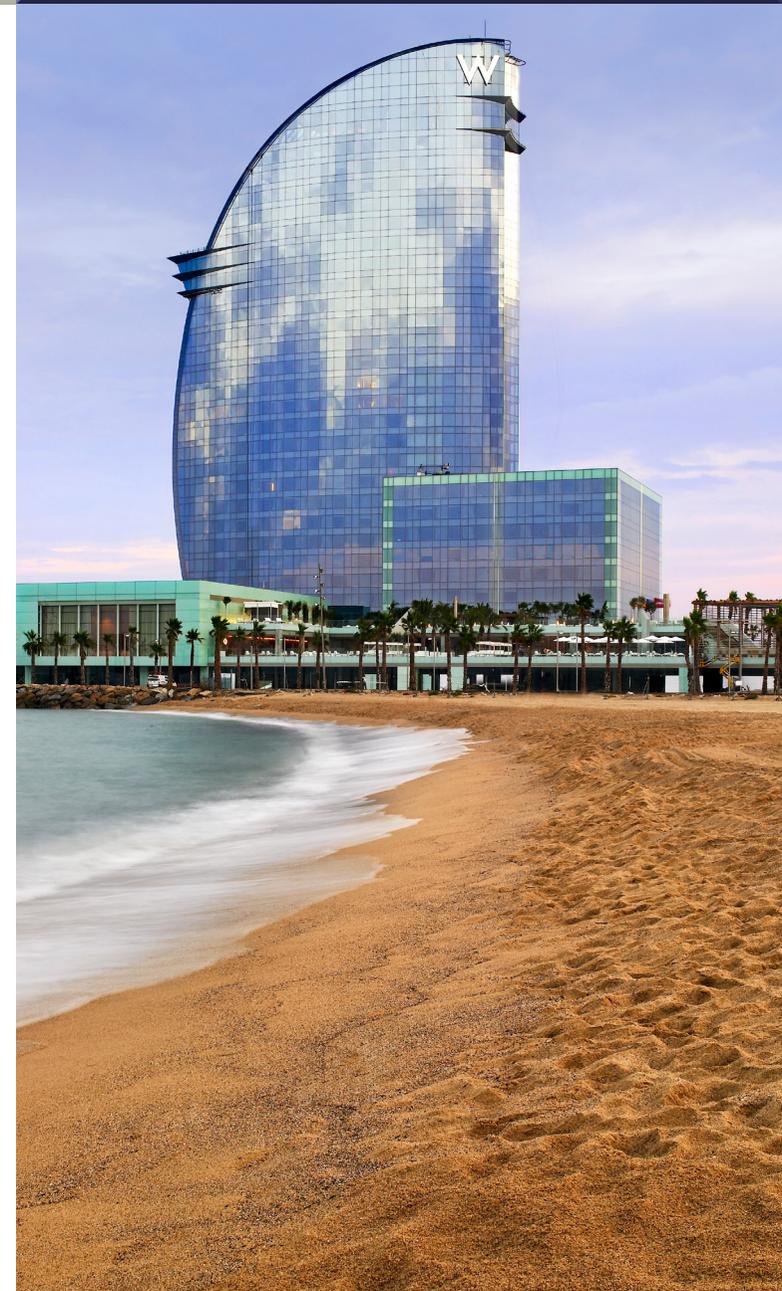
### Administrative and Office Buildings

▶ **Torre Zero Zero on calle Diagonal in Barcelona, for the Barcelona Free Trade Zone.** At issue are the structure and above-ground architecture of a 24-storey office building with a floor area of 34,000 m<sup>2</sup>.

▶ **Building to house the District Archive and Neighbourhood Centre for the city of San Feliu de Llobregat, Barcelona,** with a floor area of 3,241 m<sup>2</sup>.

▶ **Building for the Social Security Treasury, the National Social Security Institute and the Social Institute of the Navy in San Sebastián.** The building, which has over 23,000 m<sup>2</sup> of floor area, is intended to house offices and services of the aforementioned agencies. It will stand on a lot with a three-metre setback between calle Hermanos Otamendi, calle Humboldt and calle Juan de Zaragüeta, in San Sebastián, Guipúzcoa.

▶ **Mossos d'Esquadra (Catalan police) station for the Camp de Tarragona Regional Headquarters.** At issue is a building with two basements and three above-ground levels, with a total area of 9,138 m<sup>2</sup>.



Vela Hotel, Barcelona.



Hospital of Córdoba.



Caja Mágica, Madrid.

► **Norte 1 Security Facilities and Penitentiary in Álava.** This has a floor area of 87,900 m<sup>2</sup> and 872 cells. It consists of several buildings, an access control point, a socialisation building, a kitchen with facilities and storerooms, communications, the office of the service head, departures and transit, a control tower, an athletic and cultural zone with restrooms, dressing rooms, an indoor swimming pool, a gym, an auditorium and an infirmary. The residential module is laid out in the shape of a comb, with building systems on the ground floor and two storeys of cells above. Vocational and production workshops. The entire complex is surrounded by a six-metre-tall patrol wall.

### Schools

► **Work to remodel and enlarge two secondary schools in Portugal.** One of them is in the city of Braga and the second is in Porto. The total area to be refurbished in the two schools is 15,530 m<sup>2</sup>, and the area of enlargement is 11,800 m<sup>2</sup>.

► **Laboratory animal facilities at the Biological Research Centre, for the High Council of Scientific Research (CSIC).** At issue is a building having 2,100 m<sup>2</sup> of floor area in two underground storeys and a mezzanine. Above ground there is only a small access hub.

► **Modernisation of the centre at Carlos III University belonging to the National Foundation of Cardiovascular Research, an agency of the Ministry of Science and Innovation.** The work consists in the full remodelling of the building with minor foundation underpinnings and structural reinforcement.

### Health Service Centres

► **New District Hospital in La Línea de la Concepción, Cádiz.** The hospital is designed in the shape of a comb, with four hospitalisation blocks. The floor area is about 65,000 m<sup>2</sup>.

► **Day care centre and home for people with spinal cord injuries in Aguilar de Campoo, Palencia.** Building with a basement, ground floor and first floor, with residential capacity for 14. The day care centre has an area of 1,000 m<sup>2</sup>, and the home, 1,764 m<sup>2</sup>.

### Cultural, Athletic and Entertainment Complexes

Four football stadiums in Poland, where UEFA EURO 2012 games will be played:

► **Baltic Arena, Gdansk.** The new UEFA EURO stadium will be erected on a 39-hectare lot close to the city centre. It will have 44,000 seats and 6,500 parking spaces. The 15,891-m<sup>2</sup> structure echoes the design of Gdansk's traditional boats.

► **Poznan Stadium.** Two new tiers and a new roof will be built. The stadium, which will seat 47,000 when it is finished, will have a total of 1,600 parking spaces available.

► **Warsaw National Stadium.** The stadium will seat 55,000. The roof will consist of an impressive structure of steel cables, making the building quite a spectacular sight.

► **Krakow Stadium.** The new stadium, designed by the Spanish studio Arquitectos Lamela, will seat 15,500. Terraces will be replaced by modern, partially roofed, reinforced-concrete tiers. The façade will be decorated with tiles in pale colours, and the view of historic Wawel Hill will be respected. About 15,000 m<sup>3</sup> of concrete and 1,700 tonnes of steel will be needed for the stadium's construction.

▶ **Second phase of the new “MASI” Athletes’ Dormitory in San Juan Despi for Fútbol Club Barcelona.** At issue is the conclusion of the dormitory, whose structure we are building.

▶ **Football stadium seating 50,000 and track and field stadium seating 6,500 in Wilaya de Tizi Ouzou, Algeria.** In addition the area will be developed, parking facilities will be built, a football pitch with artificial turf will be built and outdoor improvements will be made.

▶ **First phase of the construction of the Reyno de Navarra Arena Multipurpose Pavilion in Pamplona.** This consists in the demolition of the existing athletic facilities and the construction (up to the structure) of the new 45,000-m<sup>2</sup> multipurpose sport facility.

▶ **Municipal football pitch in Cornellá de Llobregat, Barcelona.** The work includes the construction of an 11-player football pitch, a seven-player football pitch, a two-storey building with tier seating for 800 spectators and a roof that covers the entire building and all the seating tiers.

▶ **Carlos III University multipurpose athletic facility.** The facility features swimming pools and spa and fitness rooms. One unique aspect of the building is that the roof over the pool area is made of thermochip wood panels mounted on a wooden structure. Outside there are a solarium, a paddle court, a volleyball court and a seven-player football pitch with artificial turf.

### Shopping Centres, Fairgrounds and Conference Facilities

▶ **Austrian pavilion at the 2010 World’s Fair in Shanghai.** The work of Arge Span-Zeytinoglu Architects and Shanghai XianDai Architectural Design (Group) Co. Ltd., the pavilion will measure about 2,112 m<sup>2</sup> in area and will be arranged into two storeys. It will be dismantled once the Fair has closed.

▶ **Foundations, structure and sanitation for the El Corte Inglés shopping centre in Tarragona.**

▶ **Foundations, structure and sanitation for the Hipercor store at Puerto Venecia Shopping Centre, Zaragoza.**

▶ **Floor/ceiling slabs, panoramic lift structure, metal lift shaft reinforcements and other additional work on the new Edificio Windsor in Madrid.**

### Industrial

▶ **Two LNG storage tanks in the enlargement of El Musel-Gijón Harbour, Asturias, through ISO.**

▶ **Two years’ operation and maintenance of the Las Dehesas biomethane production plant at Valdemingómez Technological Park, Madrid.**

▶ **New central laboratories in Olivais, Portugal.** This consists of a four-storey building that will occupy an area of 1,970 m<sup>2</sup>.

### Refurbishment and Maintenance

▶ **Alterations to the basement storey of the South Pavilion of El Prado National Museum’s Edificio Villanueva, in Madrid.**

▶ **Expansion of and alterations to the former Bank of Spain branch office in Ciudad Real, so the building can be used for the offices of various national agencies.**

▶ **Work to refurbish and improve sundry spaces in the Palacio de Fuensalida, Toledo.**





### ELECTRICAL INFRASTRUCTURE DEVELOPMENT (DENE0)

**DENE0, Energía e Infraestructuras Energéticas**, is the FCC Group firm that has 25 years' experience doing business in the realm of electrical, mechanical and railway facilities.

The company's activities are structured into the following subsections:

- ▶ Railway catenaries
- ▶ Electrical substations
- ▶ Line laying (overhead and underground)
- ▶ Energy engineering for civil engineering works

DENE0's main public clients are the Ministry of Development (ADIF and the Directorate-General of Rail Transport Infrastructure) and the different autonomous communities, fundamentally through their publicly owned companies (such as MINTRA, GISA and Metro de Madrid).

Some of the more important of DENE0's contracts with private customers cover line rerouting for ENDESA, the Rail Triangle traction substation for GISA and power and lighting distribution for the new Sol local railway station.

In 2009 the company's most important event was when it won the contract for the high-speed catenary for the train tracks between Vigo and La Coruña.



### ELECTRICAL INSTALLATIONS

**Especialidades Eléctricas, S.A. (Espelsa)**, designs and installs electrical wiring; plans, designs and manufactures electric panels; builds and maintains distribution networks and transformation substations; and engineers advanced command-control computer and simulation systems.

Foremost amongst the activities of 2009 were:

#### Wiring

- ▶ Telefónica's Data-Processing Centre (Madrid-Julián Camarillo).
- ▶ Son Dureta Hospital, Son Dureta, Palma de Mallorca.
- ▶ Toxicology Institute in Las Rozas, Madrid.
- ▶ Barcelona Metro line 9.
- ▶ Castellón Airport.

#### Distribution Networks

- ▶ Construction and maintenance of distribution networks for UNIÓN FENOSA in Madrid and Toledo.
- ▶ Construction and maintenance of distribution networks for IBERDROLA in Madrid, Toledo, Albacete and Cuenca.
- ▶ Medium- and low-voltage electricity distribution network in Nuevo Tres Cantos, Madrid.

- ▶ Maintenance of 45-kV and 132-kV substations in Ciudad Real and Guadalajara.

### Maintenance

- ▶ Seville Air Navigation Centre (AENA).
- ▶ Teatro Real, Madrid.
- ▶ National Library, Madrid.
- ▶ Sogecable, Tres Cantos, Madrid.
- ▶ Instituto Cervantes, Madrid.

### Renewable Energy

- ▶ Operation and maintenance of a 20-MW photovoltaic solar plant in Espejo, Córdoba, belonging to FCC Energía. Plants built entirely by Espelsa in 2008.
- ▶ Turnkey contract to build a solar thermal plant in Palma del Río, Córdoba, with a cylindrical-parabolic solar collector to produce 50 MW without energy accumulation, owned by FCC & Abantia Sun Energy.
- ▶ Turnkey contract to build a solar thermal plant in Villena, Alicante, with a cylindrical-parabolic solar collector to produce 50 MW without energy accumulation, owned by FCC & Enerstar.

### Advanced Computer Systems

- ▶ Air mission-planning system for the European EF-TYPHOON combat aeroplane.
- ▶ Operations planning and force activation system for NATO's C3 agency.
- ▶ The PLACA planning, control and analysis system for law enforcement forces and agencies.
- ▶ Flight instrument trainer for the Directorate-General of Traffic's helicopter service.



- ▶ FÉNIX forest fire-fighting job management and coordination system.

### HEATING AND AIR CONDITIONING

**Internacional Tecair, S.A.**, is the subsidiary devoted to designing and installing HVAC equipment and systems, mechanical equipment and systems, fire protection equipment and systems and system management equipment for all kinds of buildings.

During the last fiscal year it won the following contracts:

### System Installation

- ▶ Main office of the Repsol YPF Campus. Madrid
- ▶ Main office of the Institute of Molecular Medicine, an agency of the High Council of Scientific Research. Alcalá de Henares, Madrid
- ▶ Art Creation Centre. Alcorcón, Madrid
- ▶ Sanchinarro Cultural Centre. Madrid
- ▶ Enlargement of the Gando Airport Terminal Building. Las Palmas de Gran Canaria
- ▶ Cerro del Águila office building. Madrid.
- ▶ Isla de Chamartín residential building. Madrid
- ▶ Chamber of Commerce. Valencia
- ▶ Headquarters building of the Directorate-General of Railway Infrastructure. Madrid
- ▶ Main offices of the Official Association of Architects. Madrid



### Maintenance

- ▶ Corporate offices and central storehouses, Abbott Laboratories. Spain
- ▶ Valdeasfuentes Athletic Complex and José Caballero Multipurpose Sport Facility. City of Alcobendas
- ▶ National Toxicology Institute. Las Rozas, Madrid
- ▶ Plaza Nueva Shopping Centre. Leganés, Madrid

Through its subsidiaries GEINSA, Gestión Especializada Instalaciones, S.A., and EURMAN, **Internacional Tecair, S.A.**, does business in systems maintenance, upkeep and duct installation in all kinds of buildings.





## Matinsa

### CONSERVATION AND INFRASTRUCTURE

The FCC Group operates in this sector through **Mantenimiento de Infraestructuras, S.A. (MATINSA)**, in the following areas

#### Dual Carriageways and Roads

Maintenance of more than 1,100 kilometres of dual carriageways and 2,600 kilometres of conventional roads owned by the Ministry of Development and other levels of government (recipients of authority transferred from the national level, such as the Andalucía Council, the Regional Government of Guipúzcoa, the District Council of El Barcelonés) and concession-holding companies (Auconsa, Aucosta, Auto Estradas XXI, etc.).

Significant work during fiscal year 2009 included:

- ▶ Upkeep contract for the Asturian "Y" (Oviedo/Gijón/Avilés) and the contract for the upkeep of streets and thoroughfares in the city of Albacete.
- ▶ Upkeep and maintenance of winter roads on the Transmontana concession, Portugal.
- ▶ Renewal of the following road upkeep contracts:

\_Burgos II and Albacete

\_Extensions of the contracts covering Jaén; Goierrialdea, Guipúzcoa; Ciudad Real; Zaragoza; Sort; Palencia; Santander; Cáceres; la Albuera; Huelva Norte; Almedralejo and Murcia.

#### Hydraulic Infrastructure Maintenance

**Control systems:** Operation and maintenance of SAIH, the Júcar River Hydrographic Confederation's automatic hydrographic information system, in a joint venture with another company. This system models the hydrographic behaviour of river basins to predict flooding and to provide the information needed to manage the water in each basin.

**Dams:** Maintenance and upkeep work continues on the dams and reservoirs at Alarcón, Amatorio, Bellús, Beniarrés, Contreras, Escalona, Forata, Gadalfest and Tous in the provinces of Alicante, Cuenca and Valencia.

**Canals:** Contract for the maintenance and operation of the main Campo de Turia canal, the main canal of the left bank of the Magro River and the Júcar-Turia Canal, a total length of 160 kilometres.

### Forestry Jobs

These jobs include repopulation and improvement of the forests of the autonomous communities of Madrid, Andalucía, Extremadura, the Valencian Community and Castilla y León, for various organisations: autonomous communities, confederations, cities, towns and ministries.

Foremost this year were the awards of projects such as:

- ▶ Silvicultural treatments in the Casa de Campo for the city of Madrid
- ▶ Restoration, forest repopulation and silvicultural treatments for assets belonging to the Ebro River Hydrographic Confederation in the Community of La Rioja, in the municipal limits of Santurde and Santo Domingo

### Forest Fire Prevention and Fighting

Matinsa has been providing reserve crew service uninterruptedly since 1998 for the eastern zone of the Community of Madrid, with a total of 234 operators, eight heavy forest fire pumps, 15 lightweight pumps, two high-mobility vehicles (VAMTACs), one biturbine helicopter and 14 forestry engineers. This service has been extended to the year 2010.

The company has also managed the fire-fighting service for Madrid's Casa de Campo since 2003. It has been performing forest fire-fighting service on railway lines in northeast Spain (Aragón and Cataluña) for ADIF as well, since 2008.

### Environmental Restoration

The company also engages in environmental restoration work and work to reclaim deteriorated spaces, plus work to keep up and maintain reclaimed areas afterwards.

The significant contract award this fiscal year was:

- ▶ Reclamation of the section of the Guardamar del Segura dune system that reaches from Casas de Babilonia to the mouth of the Segura River, in Alicante.

### Gardening and Landscaping

This fiscal year, the following action is being performed:

- ▶ Upkeep of parks and gardens requiring special protection in Madrid, including the Templo de Debod, the Sabatini Gardens, El Capricho Park, Dehesa de la Villa Park, Oeste Park, Quinta de los Molinos and the Tres Cantos forest area.
- ▶ Upkeep of parks and gardens requiring special pr Upkeep of Bosquesur Park.
- ▶ Upkeep of parks and gardens requiring special pr Maintenance and upkeep of the Southeast Regional Park and the El Mar de Ontigola Reserve.
- ▶ Upkeep of parks and gardens requiring special pr Upkeep and maintenance service for areas of bare earth, pavements and items of civil engineering work in the Casa de Campo.

### PROJECTS R&D&i

MATINSA is participating in the following R&D&i projects:

- ▶ **Project Fénix-TIC**, consisting in the development and establishment of a management system for forest fire prevention and fighting.
- ▶ **Project Puentes**, for the design of a system for the real-time auscultation of structures while in use, using wireless sensors.





## PROSER

### ENGINEERING

**Proyectos y Servicios, S.A. (Proser)**, studies and designs engineering plans. The contracts awarded during the fiscal year included the following:

#### Dual Carriageways and Roads

- ▶ **Layout and construction plans.** Relief road around the towns of Beas and Trigueros on road N-435, from kilometre point 205.8 to kilometre point 218.8, province of Huelva.
- ▶ **Construction plans** for the west relief road around Benacazón and improvement of A-473. Section: Benacazón to Aznalcazar.

#### Conventional and Urban Railways

- ▶ **Construction plans for the platform** for the high-speed railway line from Madrid to País Vasco/French border, from Burgos to Vitoria. Section: La Puebla de Arganzón to Iruña de Oca.
- ▶ **Informative study on the extension** of Madrid's local railway system to Soto del Real.
- ▶ **Complementary plans** for the infrastructure of the new Ciudad Aeroportuaria Station on line 9 of the Barcelona urban railway.

#### Hydraulic Works

- ▶ **Design of the distribution and support network** for irrigation of the Segarra-Garrigues System. Sector 4.1. The area involved measures about 2,112 hectares.
- ▶ **Beninar Dam.** The job consists in pinpointing the current safety status of Beninar Dam, from the standpoint of the dam itself as well as from the standpoint of the status of the dam's electromechanical equipment.

#### Technical Assistance for Architectural Supervision Teams

- ▶ **Architectural supervision and technical assistance** for work on sewage mains and outer basin rerouting along Carretera del Copero and Calle Termas.
- ▶ **Technical assistance** in improvements to roads C-154, B-432, BV-4405 and BP-4653, which make up the Vic-Gironella Corridor, in its section between Olost and Olvan and the new Prats de Lluçanès relief road.
- ▶ **Technical assistance** for the architectural supervision team: Drainage of the Vera-Palmaret system in the municipalities of Alboraiia and Valencia.

## R&D&i

During 2009 and 2010 the primary objective of Proser's R&D&i programme has been to execute tasks concerning the optimisation of the geometric cross-section of tunnels. These tasks fall within a project entitled, "URBAN TUNNELS: Research into New Methodologies for the Analysis, Design and Construction of Tunnels in Urban Areas". This R&D&i project has been certified by the EQA (European Quality Assurance) consultancy firm as meeting standards.

Proser's work under this project covers four tasks:

- ▶ **Data collection** on the different rules and recommendations referring to all aspects related with the geometric design of urban tunnels.
- ▶ **Creation of a database** with the data collected in preceding phases.
- ▶ **Study** of the different parameters influencing cross-section design, evaluating the weight of each parameter.
- ▶ **Development of the methodology/tool** for the geometric design of tunnels.

These tasks have now been completed, and during 2010 the project will be concluded by means of the application of the resulting methodology in real tunnel projects.



## CORPORATE IMAGE

**Megaplas** is the company that provides corporate image services, through its two production and management centres in Madrid and Turin.

During 2009 Megaplas remained busy in operations in the electronics area, installing its electronic price displays at over 80 Shell service stations on the Iberian Peninsula. The project will continue this year until the nearly 300 stations Shell has in Spain have all been covered.

Megaplas completed development of the Disa oil company's new image. This innovative corporate image will debut in the Canary Islands, where Disa has more than 160 service stations.

In Italy Megaplas was chosen as one of the suppliers to revamp the image of the API oil company. Altogether, the project is anticipated to include changing the company image at some 1,600 stations over a three-year period.

In the automobile sector, within the framework of its cooperation with the Fiat Group, Megaplas started rolling out the new image of the New Holland dealership network in Europe by giving more than 200 dealerships in various European countries image makeovers.

Also for the Fiat Group, Megaplas began to effect a change of image for Case dealerships in Spain.

## CONSTRUCTION

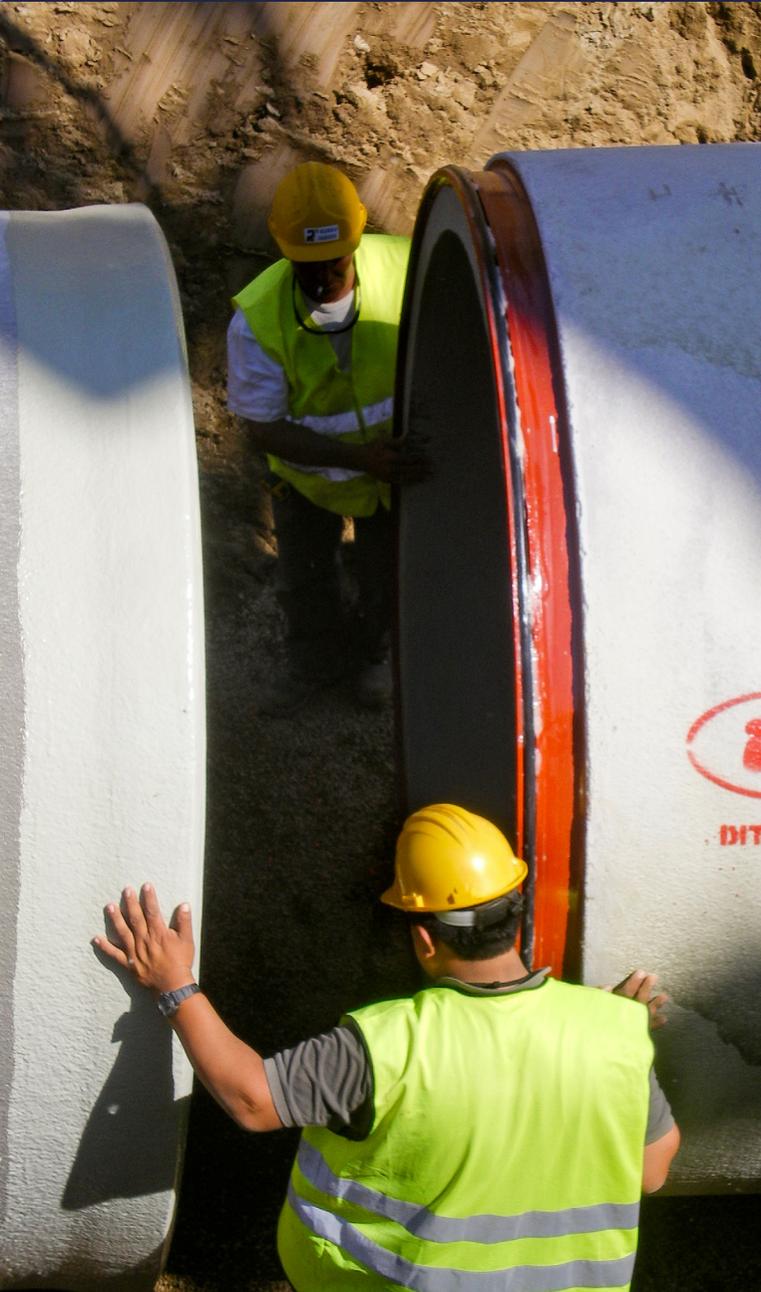


In the logo supply business, Megaplas is firm in its standing as a certified supplier for the Fiat Group, exporting not only to Europe, but to countries all over the world, such as India and Mexico.

For the Renault Group, one of the FCC Group's historical clients, Megaplas ran a campaign to introduce the new image of the Dacia automobile at more than 150 dealerships.

In the hospitality sector, in addition to supplying and installing regular image components, Megaplas ran a campaign for McDonald's to replace the McAuto lane markings at more than 100 McDonald's restaurants in Spain.





### OIL AND GAS PIPELINES

**Auxiliar de Pipelines, S.A.**, has spent over twenty years working in the construction and industrial assembly of pipelines, particularly under API (American Petroleum Institute) specifications, for the top energy operators in the Spanish market. It does turnkey projects for all kinds of fluids, from primary transport systems, oil pipelines and gas pipelines to distribution systems for heating, hot water and cooling. Last fiscal year the company worked with what are known as "sealines" (underwater oil and gas pipelines), and the company continued to be involved in Spain's major domestic pipeline infrastructure developments.

On the R&D&i front, Auxiliar de Pipelines acquired the CompeGPS program, a tool that uses satellite mapping to improve study performance.

Main contract awards:

- ▶ **16-bar APA CORRIDOR, Lesaka-Sumbilla-Santesteban Bertizarana-Baztán, in Navarra**, with 34,885 metres of carbon steel UNE-EN-10208 Grade L-245, 8"-diameter pipe.
- ▶ **Gas pipeline for partial duplication of the branch line to Campo de Gibraltar Phase III, Cádiz**, 17,770 metres of carbon steel API-5L X 60, 16"-diameter pipe.

- ▶ **Alternative to the 12"-diameter Semianillo de Madrid** gas pipeline and the 26"-diameter Semianillo de Madrid Enlargement, both situated in the municipality of San Fernando de Henares. The total length of the layout includes 719 metres of 16"-diameter and 738 metres of 26"-diameter carbon steel API-5L-X60 and API-5L-X70 pipe.

- ▶ **Cartagena-Puertollano oil pipeline, Section I**, situated in Murcia, 92,002 metres of carbon steel API-5L-X60 pipe having an outer diameter of 14".

In the course of 2009, the following projects were finished:

- ▶ **Installation, pipe shipment and landing for the Denia-Ibiza-Palma de Mallorca underwater gas pipeline.** Length 269.6 kilometres, diameter 20"; API 5L X-70 pipe sheathed externally with concentric concrete. Landfall was made at Denia and Palma de Mallorca, and the Ibiza microtunnel was completed.
- ▶ **Alterations to the HVAC system of the Madrid-2 La Vaguada shopping centre.** Replacement and revamping of the entire old system, using pre-insulated pipes (in steel as well as flexible polyethylene) of different diameters ranging from 450 mm to 20 mm, over a total of 15,000 metres of pipelines. Metering modules were also installed at all retail venues.



## PRECAST COMPONENTS

**Prefabricados Delta** is an FCC Group firm devoted to the production of precast components, fundamentally for civil engineering work. At the present time it operates four precast component factories, two situated in Humanes, Madrid, and the other two in Puente Genil, Córdoba.

One of the two facilities in Puente Genil is devoted to manufacturing concrete pipes with metal sleeves, and the other, to the production of pre-tensioned monoblock railway sleepers. Both are highly specialised and they are, without any room for doubt, two of the finest facilities of their kind in the country.

Prefabricados Delta has a facility in Humanes that was commissioned in 2004 to manufacture fibreglass-reinforced polyester (FRP) pipes. The factory is outfitted with one of the most modern, efficient systems. At this facility, in just four and a half years, nearly 400 kilometres of pipe have been manufactured. Prefabricados Delta also has a concrete component factory where metal-sleeved concrete pipes and precast reinforced-concrete tunnel-lining segments are made.

The following are the some of the major contracts, grouped by business sectors:

### Water pipe supplies

A total of 128 kilometres of pipes was supplied. Of this, 75 kilometres were fibreglass-reinforced polyester pipe and 53 kilometres were post-tensioned concrete pipe with metal sleeves and elastic joints.

The most significant works contracts included the following:

- ▶ Irrigation, road and drainage infrastructure of the Ferreira, Figuerinha and Valvom Blocks for EDIA (Empresa de Desenvolvimento e Infraestruturas do Alqueva, S.A.) in Portugal, with 18 kilometres of post-tensioned concrete pipe with metal sleeves and elastic joints supplied in diameters ranging from 700 to 1,800 mm and maximum design pressures of between 6 and 10 atmospheres.
- ▶ Irrigation, road and drainage infrastructure of Serpa-Pias, likewise in Portugal, for EDIA. In this case the supplies shipped out consisted in 12.5 kilometres of post-tensioned concrete pipe with metal sleeves and elastic joints, with maximum design pressures of between 10 and 16 atmospheres and diameters ranging between 700 and 1,200 mm.
- ▶ Lining of Sentmenat Canal for Seiasa del Noreste (Sociedad Estatal de Infraestructuras Agrarias, S.A.) in the area of Colomers, Girona, with nine kilometres of pipe, again, post-tensioned concrete with metal sleeves and elastic joints in diameters of 1,800, 1,600 and 1,400 mm and a maximum design pressure of four atmospheres.
- ▶ Modernisation of the irrigation system used by the Almazán Canal Irrigation Association of Almazán, Soria, for Seiasa del Norte. For this modernisation job, 52 kilometres of FRP pipe were supplied in nominal diameters of between 400 and 1,400 mm, rated for pressures of 10 and 16 atmospheres.

### Railway sleeper supplies

▶ During 2009 192,000 pre-tensioned monoblock sleepers were supplied, fundamentally type PR-01 (multipurpose sleepers for domestic- and international-gauge rails), intended largely for ADIF Infraestructuras.

▶ Sleepers were also supplied to private builders for projects such as the Seville-Cádiz high-speed line's subsection from Las Cabezas de San Juan to Lebrija and Phase I of the project to improve marine access to Seville Harbour.

### Reinforced-concrete segment supplies

▶ With Prefabricados Delta's securing of the contract to supply 4,000 linear metres (2,600 rings) of reinforced-concrete segments for the infrastructure construction project to extend line 2 of the Madrid Metro to Las Rosas, a facility in Humanes was started up, devoted to manufacturing this very product. During 2009 a total of 1,008 rings (1,512 linear metres) were made and a total of 7,056 segments was manufactured.



Murcia tram.



City of Justice, Barcelona.

## INFRASTRUCTURE CONCESSIONS

During 2009 the following concession contracts for public engineering work were awarded to FCC:

### In Spain:

- ▶ **Murcia Tram.** In April 2009 the Murcia City Council awarded a contract for the construction, maintenance and operation of line 1 of the Murcia Tram (17.76 kilometres and 28 stops) for 40 years. The contract was signed on 7 May 2009. FCC has a 60% interest in the concession holder. Currently the project is in the construction phase, which will end in the fourth quarter of 2010.
- ▶ **Zaragoza Tram.** The Zaragoza City Council awarded the contract to TRAZA, a consortium to which FCC belongs, after a tender to select the partner of a partially government-owned company in charge of building, commissioning, maintaining and operating line I of the Zaragoza Tram, 12.8 kilometres, for a 35-year period. Twenty percent of the capital in the company will belong to the city of Zaragoza and 80% will belong to TRAZA.

▶ **Torrejón de Ardoz Hospital.** The Community of Madrid awarded the contract for full management of Torrejón de Ardoz Hospital for 30 years in August 2009. This is only the second hospital in the Community whose contract calls for the concession holder not only to manage non-health services but actually to provide health services as well. The hospital will have an area of 62,000 m<sup>2</sup> and 240 beds, and it will provide coverage for more than 133,000 people. FCC represents 66.67% of the construction company and has a stake of 5% in the capital.

▶ **Mallorca health centres.** In late 2009 the Health Service of the Autonomous Community of Islas Baleares provisionally chose a consortium featuring FCC Construcción to receive the public works concession contract to build, keep up and operate five health centres and five basic health units. In January 2010 the award was made definitive. The contract's term is 11 years long.

### Abroad:

▶ **D.1.3 Motorway, Slovakia.** In August 2009 the Slovak government awarded the contract for the construction and maintenance of phase three of motorway D.1 for 30 years to Žilinská Diaľnica, a consortium in which FCC holds a direct 25.5% interest (20.04% through FCC Construcción and 5.01% through Alpine) as well as a 24.95% indirect interest through Western Carpathian Motorway, a special-purpose vehicle organised to include financial investors.

Furthermore, FCC does business in the framework of infrastructure concessions through four companies:

- ▶ **FCC CONSTRUCCION** (Concession Division)
- ▶ **THE ALPINE GROUP** (79.27%)
- ▶ **GLOBAL VIA INFRAESTRUCTURAS** (50% FCC)
- ▶ **CEDINSA** (27.2%)

Below is a list of the concession holders in which FCC holds an interest:

### España

#### ▶ CEDINSA EIX LLOBREGAT (34%)

Holder of the concession for the construction and shadow toll operation of the road between Berga and Puig-Reig, Barcelona, as well as the upkeep and maintenance of the San Fruitós de Bages-Puig-Reig section, all of which are part of road C-16 (the Llobregat Artery). Two thousand and nine was the second year of operation. The average daily traffic on these sections reached 24,724 vehicles.

#### ▶ CEDINSA D'ARO (27.2%)

In December 2005 Cedinsa won the contract for another shadow toll concession, for 33 years, for the 27.7 kilometres of the Maçanet-Platja d'Aro dual carriageway. The contract comprises the design, construction and operation of the section of road C-35 between Vidreres and Alou and the operation of the Maçanet-Vidreres section of road C-35, the

Alou-Santa Cristina d'Aro section of road C-65 and the Santa Cristina d'Aro-Platja d'Aro section of road C-31. Two thousand and nine was the first year of full operation. The average daily traffic on these sections reached 21,211 vehicles.

▶ **CEDINSA TER (27,2%)**

In 2006 FCC Construcción was awarded the concession for the 48.6-kilometre-long Vic-Ripoll shadow toll dual carriageway. Included are 25.2 kilometres of new route between Centelles and Ripio. The term of the concession is 33 years, including three years for construction and 30 years for operation. Construction is under way at present and the financing was closed in November.

▶ **CEDINSA EIX TRANSVERSAL (27.2%)**

In June 2007 the company was awarded a 33-year shadow toll concession for a 150-kilometre stretch of the Eje Transversal dual carriageway. The contract calls for the design, construction and operation of the Cervera-Caldes de Malavella section of road C-25. Most of the work involves twinning road C-25. The expropriation process is currently in progress, and negotiations with the Catalan regional government are under way concerning the cost of the final investment, which is expected to be settled in the first half of 2010.

▶ **URBICSA (29%)**

Company awarded a public works concession contract for the construction, maintenance and operation of the buildings and facilities of the City of Justice project in Barcelona and L'Hospitalet de Llobregat. The project comprises buildings reserved for the use of the Catalan regional government (159,878 m<sup>2</sup>), other ancillary uses, offices and commercial premises (26,628 m<sup>2</sup>) and a 45,628-m<sup>2</sup> car park for 1,750 vehicles.

▶ **AUTOVÍA CONQUENSE (100%)**

In 2007 the Ministry of Development awarded FCC Construcción a 19-year public works concession to keep up and operate the portion of roads A-3 and A-31 that runs through the province of Cuenca.

▶ **WORLD TRADE CENTER BARCELONA, S.A. (16,52%)**

This company holds the 50-year concession to manage the World Trade Center buildings at the port in Barcelona, comprising an area of 36,000 m<sup>2</sup> of offices and commercial premises, 6,000 m<sup>2</sup> of conference space and meeting rooms and a 280-bed hotel. It currently has an occupancy rate of over 95%.

▶ **PARC TECNOLOGIC WORLD TRADE CENTER CORNELLÀ, S.A. (12,5 %)**

This company is building a complex consisting in seven office buildings, a shopping area and a 27-storey apartment hotel. Work has been completed on the first phase, which included three buildings having a floor area of 37,500 m<sup>2</sup>, a 500-vehicle underground garage and a 10,000-m<sup>2</sup> garden.

▶ **LÍNEA 9 DEL METROPOLITANO DE BARCELONA (49%)**

In late 2008 IFERCAT (Infraestructures Ferroviaries de Catalunya) awarded the contract for the construction, maintenance and upkeep of 13 stations and their ventilation shafts on section I of line 9 of the Barcelona Metro for 32 years. FCC holds a 33% interest in the joint venture responsible for the construction portion of the job, and the remainder will be covered by new contracts. The concession holder's remuneration is set in the form of an annual fee.

**Abroad**

▶ **NEW ACUTE HOSPITAL FOR THE SOUTH WEST**

In May 2009 the financing and concession contracts were signed between the Sperrin Lakeland Health and Social Care Trust (Health Administration) and the winning consortium (in which FCC holds a 39% interest) for the construction, maintenance and operation (non-health services) of the New Acute Hospital for the Southwest in Eniskillen, Northern Ireland, for a 33-year period. The new hospital will have 315 beds.



Suburban Station Sol, Madrid.



Barcelona Subway.





Nàutic de Tarragona.



Tunnel d'Envalira, Andorra.

## GLOBAL VIA INFRAESTRUCTURAS

During 2009 Global Vía Infraestructuras continued in its consolidation as the platform for major infrastructure projects in upcoming years by bringing more companies into its perimeter of consolidation.

For 2010 the following concession-holding companies are pending incorporation in GVI: Túnel Sumergido de Coatzacoalcos (Mexico), Autopista del Valle entre San José y San Ramón (Costa Rica), Marina de Laredo, Autovía Ibiza-San Antonio, Accesos de Madrid (R3 y R5), Trambaix and Trambesos.

Because the asset consolidation process begun in 2007 will be drawn out over several fiscal years, the portfolio of projects Global Vía manages has been classified, separating the assets contributed already during fiscal years 2007, 2008 and 2008 from the assets whose transfer was concluded by Global Vía in fiscal year 2010.

Concessions already brought within Global Vía's consolidation perimeter as of 31 December 2009:

▶ **AUTOPISTA DEL ITATA (100%)** in Chile. Itata Motorway. Global Vía Infraestructuras holds the contract to build this Chilean toll motorway between Concepción and Chillán, a total of 98 kilometres, and operate it for 13 years. The motorway is operational and in 2009 saw an average daily traffic of 3,749 vehicles.

▶ **AUTOPISTA DEL ACONCAGUA (100%)** in Chile. The Aconcagua Motorway. At issue is the construction of the Route 5 toll motorway between Santiago and Los Vilos, Chile, a total of 218 kilometres, and its operation for 15 years. The motorway is operational and in 2009 saw an average daily traffic of 11,975 vehicles.

▶ **AUTOPISTA TRASMONTANA (50%)** in Portugal. The Trasmontana Motorway, in Portugal. The company holds the contract to build the mixed toll motorway between Vilareal

and Bragança, a total of 194 kilometres, and operate it for 30 years. Currently in the design and construction phase.

▶ **AUTOPISTA CENTRAL GALLEGA ESPAÑOLA, S.A. (61,39%)** Construction of the toll motorway between Santiago de Compostela and Alto de Santo Domingo, a total of 56.8 kilometres, and operation for 75 years. In 2008 the motorway saw an average daily traffic of 5,863 vehicles.

▶ **COMPAÑIA CONCESIONARIA DEL TÚNEL DE SÓLLER, S.A. (56,53%)** Two-way toll tunnel through the Sierra de Alfabia, part of the corridor from Palma de Mallorca to Soller. In 2009 it saw an average daily traffic of 7,869 vehicles.

▶ **TERMINAL POLIVALENTE DE CASTELLÓN, S.A. (45%)** The company that won the contract to build and operate a 9.5-hectare container- and general goods-handling terminal in Castellón Harbour. In operation since 2006. During 2009 130,059 tonnes of general goods and 31,391 containers were moved.

▶ **AUTOPISTA DE LA COSTA CÁLIDA (35,75%)** The company that won the 36-year government concession for the construction, operation and upkeep of the 98-kilometre-long toll motorway from Cartagena to Vera and the 16-kilometre-long stretch of the Cartagena toll-free dual carriageway for internal bypass traffic. In 2009 the average daily traffic was 2,157 vehicles.

▶ **METRO BARAJAS SOCIEDAD CONCESIONARIA S.A. (100%)** FCC Construcción won the contract for the concession to build and operate the new 2.5-kilometre-long underground line between the old Barajas terminals and the new terminal, T-4. In 2009 there were 3,224,587 passengers.

▶ **MADRID 404, SOCIEDAD CONCESIONARIA, S.A. (100%)** The company that won the concession to design, build, keep up and operate the 27 kilometres of dual carriageway M-404 between roads M-407 and M-506 as a shadow toll operation. Concession awarded in December 2007. The road is scheduled to be opened to traffic in 2011.

▶ **MARINA PORT VELL, S.A. (60,49%)**

Government concession from the Barcelona Port Authority with mooring capacity for 413 large ships and 4,800 m<sup>2</sup> of commercial premises. The marina's occupation level during fiscal year 2009 was 90%.

▶ **CONCESIONES AEROPORTUARIAS, S.A. (45%)**

The company that won a 50-year contract to build and operate Castellón Airport. The future airport will be situated between Benlloch and Villanueva de Alcolea at an exceptionally well-chosen site that lies within less than 50 kilometres of anywhere in the province. In 2010 the airport will become operational.

▶ **NÀUTIC TARRAGONA, S.A. (25%)**

The company that won the concession to build and for 30 years to operate this marina in Tarragona. The marina has the mooring capacity for 417 large ships, and in 2009 90% of this capacity had been either rented or sold. There are also 8,000 m<sup>2</sup> of retail space, which has all been sold.

▶ **OLIGSA (20%)**

The company that won the concession to build a 168,000-m<sup>2</sup> bulk goods terminal in the port of Gijón and operate it for 30 years. During 2009 the terminal moved 1,561,394 tonnes of goods.

▶ **PORTSUR CASTELLÓN, S.A. (30%)**

The company that won the concession to build and for 35 years to operate the solid bulk goods terminal in the southern enlargement of Castellón Harbour, with 300 linear metres of wharf and 60,000 m<sup>2</sup> of attached yard. Operational since 2008. The terminal moved a total of more than 290,000 tonnes during 2009.

▶ **HOSPITAL DEL SURESTE, S.A. (66,66%)**

The company that won the concession for the construction and comprehensive management of the new hospital at Arganda del Rey, Madrid, for 30 years. The hospital has been operational since 2007.

▶ **SCUTVIAS, AUTOESTRADAS DA BEIRA INTERIOR, S.A. (8,33%)**

Shadow toll motorway located in the Beira area of Portugal. The road is divided into eight sections measuring a grand total of 198 kilometres. In 2009 it saw an average daily traffic of 10,545 vehicles.

▶ **MADRID 407, SOCIEDAD CONCESIONARIA, S.A. (50%)**

This company holds the concession for the design, construction, upkeep and operation of the 11.6 kilometres of the M-407 dual carriageway between roads M-404 and M-506 as a shadow toll operation. The concession was awarded in August 2005 and has been in operation since 2007. In 2009 it saw an average daily traffic of 28,549 vehicles.

▶ **CONCESIONES DE MADRID, S.A. (100%)**

Government concession for the stretch of the M-45 dual carriageway ringing Madrid from the O'Donnell artery to the N-II, a total of 14.1 kilometres, for a period of 25 years under a shadow toll arrangement. During fiscal year 2009 it saw an average daily traffic of 81,675 vehicles.

▶ **TÚNEL D'ENVALIRA, S.A. (80%)**

The company that won the concession to build and for 50 years to operate the three-kilometre-long toll tunnel that links the Grau Roig winter resort to Pas de la Casa and holds traffic between Andorra and France on the Barcelona-Toulouse artery. During fiscal year 2009 the tunnel was used by an average of 1,552 vehicles daily.

▶ **TRANVÍA DE PARLA, S.A. (75%)**

The company that won the 40-year contract for the construction, supply of rolling stock, operation and maintenance of the 8.5 kilometres of double tram track in Parla, Madrid. This concession was awarded in 2005 and became operational in July 2007. The tram was used by an average of 4,152,000 passengers per year in 2009.



R2, highway Henares, Madrid.

▶ **TRANSPORTES FERROVIARIOS DE MADRID, S.A. (49,37%)**

Holder of the 32-year concession of the extension of line 9 of the Madrid Metro between Vicalvaro and Arganda, comprising a total stretch of 20 kilometres and three stations in between. During 2009 it was used by 6,435,629 passengers.

▶ **RUTA DE LOS PANTANOS, S.A. (66,66%)**

This concession is for the construction, management and upkeep for a 25-year period of the twinned 21.8-kilometre section of roadway on roads M-511 and M-501 between roads M-40 and M-522, in the Community of Madrid. In 2009 it saw an average daily traffic of 37,086 vehicles.

▶ **M-50 CONCESSIONS LTD (45%)**

The company that holds a concession for the construction and 35 years' operation of Dublin's M-50 ring road, the city's



Ruta de los Pantanos, Madrid.



Highway N6 Galway, Ireland.

primary bypass. The project consists in building 24 kilometres of motorway and operating and maintaining that stretch along with an additional 19.3 kilometres. The work is under way while at the same time maintenance work is being done on the motorway's full ring.

▶ **NUEVO NECAXA-TIHUATLÁN (50%)**

AUNETI, S.A. de C.V., in Mexico. This is the company that won the concession to build and operate for 30 years 85 kilometres of motorway starting in Nueva Necaxa and ending in Tihuatlán, in the states of Puebla and Veracruz, Mexico. Construction is in progress.

▶ **AUTOVÍA DEL CAMINO, S.A. (40%)**

The company that won the contract to build and operate the dual carriageway from Pamplona to Logroño using the shadow toll system. This stretch is divided into five completion phases comprising a total of 70.25 kilometres. It has been operational since late 2004. In 2009 it saw an average daily traffic of 11,844 vehicles

▶ **PORT TORREDEMBARRA, S.A. (24,08%)**

The company that holds the concession to build Torredembarra Marina and operate it for 30 years. The marina has 820 moorings, 87% of which were occupied in 2009. All 4,000 m<sup>2</sup> of the marina's retail space was rented.

▶ **METRO DE MÁLAGA (24,50%)**

Company that holds the 35-year concession to design, build, supply rolling stock and operate lines 1 and 2 of the Málaga Metro, covering a total length of 16.5 kilometres, 11.7 kilometres of which are underground. Nineteen stations will be built along the route. During 2009 it was in the construction stage.

▶ **S.C.L. TERMINAL AÉREO DE SANTIAGO, S.A. (14,78%)**

in Chile. Concession for the operation of Arturo Merino Benítez International Airport in Santiago de Chile for 21.5 years. During 2009 the terminal was used by 9,031,519 passengers.

▶ **AUTOPISTA SAN JOSÉ - CALDERA (48%)** in Costa Rica.

The company that won the contract to build the San José-Caldera motorway in Costa Rica and operate it for 25 years under a shadow toll arrangement. The road comprises three sections, a total of 76.8 kilometres, connecting the country's capital with one of Costa Rica's main Pacific ports. The motorway became operational in January 2010.

▶ **HOSPITAL DE SON DURETA (32%)**

The company that won the contract to build and operate the new Son Dureta University Hospital in Palma de Mallorca. The new hospital has got 987 beds, and the concession is for 30 years. Construction is currently in progress.

▶ **N6 GALWAY - BALLINASLOE (45%)** in Ireland.

The company that won the contract to build and operate the N6 Galway-Ballinasloe motorway along the strategic east-west corridor from Galway to Dublin, complying with the requirements of the National Development Plan. It consists of a 56-kilometre-long toll motorway between Galway and Ballinasloe, a seven-kilometre junction to the Loughrea bypass (single lane) and approximately 32 kilometres of slip roads. The concession is for 30 years. The motorway became operational in late December 2009.

▶ **R-2 AUTOPISTA DEL HENARES (10%)**

Henarsa is the company that won the contract to build and operate the R2 toll motorway, a 62-kilometre stretch of road that runs between road M-40 and Guadalajara. There are two sections. The inner section, which runs from road M-40 to road M-50, is an alternative route for avoiding traffic jams on road A-1 in San Sebastián de los Reyes and Alcobendas. The outer section is an alternative route to the heavy traffic on road A-2 between Guadalajara and road M-50. The term of the concession is 24 years. The average daily traffic during the last fiscal year was 9,381 vehicles.

► **CIRCUNVALACIÓN DE ALICANTE (25%)**

Ciralsa is the holder of the concession to build and operate the 28.5-kilometre Alicante ring road. The concession is for 36 years. The ring road has been in operation since December 2008, with an average daily traffic of 7,958 vehicles.

► **METRO LIGERO DE SANCHINARRO (42,5%)**

In 2006 Metro Ligerero de Madrid, S.A., was awarded the contract to operate and maintain the 5.4-kilometre-long Pinar de Chamartín-Sanchinarro-Las Tablas light metro line that connects lines 1 and 4 of the Madrid Metro system. This line has been operational since May 2007. The concession is for 30 years. In 2009 4,892,902 travellers rode on the light metro.

**Concession holders that will be brought into Global Vía in 2010:**

► **TRAMVIA METROPOLITÀ, S.A. (19,03%)**

The company that won the contract to build the transport infrastructure between southern Barcelona and the towns in the Baix Llobregat district and operate it for 25 years. The system has been in service since 2005. In 2009 it was used by 15,542,000 travellers.

► **TRAMVIA METROPOLITÀ DEL BESÒS, S.A. (19,03%)** This company was awarded a 27-year contract to build, operate and maintain the tram that links the Estación del Norte and the Villa Olímpica in Barcelona with Sant Adrià del Besòs and Badalona. It is 15 kilometres long. During 2009 it was used by 7,464,000 travellers.

► **IBISAN SOCIEDAD CONCESIONARIA, S.A. (50%)**

In September 2005 this consortium led by FCC Construcción was awarded the 25-year concession for the design, construction, upkeep and operation of the 14 kilometres of twinned road from Ibiza to San Antonio. The project is in the operational stage.

► **MARINA DE LAREDO, S.A. (42,5%)**

Government concession for the construction and operation of 540 moorings, 497 m<sup>2</sup> of retail space, a car park and a dry

storage yard at the port at Laredo, Cantabria, awarded in July 2005 for a 40-year period. It is currently under construction and is expected to be opened in the first half of 2010.

► **AUTOPISTAS DEL VALLE, S.A. (48%)** in Costa Rica.

In June 2004 this company was awarded the concession for the construction and shadow toll operation of the San José-San Ramón motorway in Costa Rica for 25 years. The motorway is 60 kilometres long. It is estimated that the motorway will be opened sometime in 2010.

► **CONCESIONARIA TÚNEL DE COATZACOALCOS, S.A. DE C.V. (70%)** in Mexico.

The company that won the contract to build the underwater tunnel in Coatzacoalcos, in the state of Veracruz, Mexico, and to operate it for 30 years under a shadow toll arrangement. This is a 2,200-metre tunnel, 1,200 metres of which are underwater, built using six segments of prestressed concrete precast in a drydock. Construction began in 2007 and the tunnel is expected to be operational in late 2010.

► **ACCESOS DE MADRID, CESA (20%)**

This is the company that won a contract to operate the R3 and R5 toll motorways. The R3 is a 33.9-kilometre toll motorway between road M-40 and Arganda del Rey that runs parallel to the toll-free alternative A-3 road. The R5 is a 28.3-kilometre toll motorway between road M-45 and Navalcarnero that runs parallel to road A-5. Both have been in operation since 2004, and the concession is for 50 years. The average daily traffic in 2009 was 12,777 vehicles.

**Austrian subsidiary Alpine also holds an interest in this concession:**

► Design, financing, construction and 30 years' operation of the first section of the A5 motorway in Austria. This is the country's first motorway concession, a 51-kilometre section of road. It includes the construction of the first part of motorway A5 from Vienna toward the Czech Republic between the towns of Eibesbrunn and Schrick and the prolongation of the northeastern ring around Vienna, which will connect to the



Highway A5, Madrid.

S1 and S2 fast lanes. Phase 1 entered operation in November 2009 and Phase 2 in February 2010.

The following table presents all the infrastructure concessions managed by GVI and FCC, including the contracts managed by Alpine as well:



Trambesós, Barcelona.



Torredembarra Port, Tarragona.

CONCESSION	COMPANY	TYPE	INVESTMENT (million €)	TERM (YEARS)
Galician Central Motorway	GVI	Toll road	303	75
Costa Cálida Motorway (Murcia)	GVI	Toll road	649	36
San José-San Ramón Motorway (Costa Rica)	GVI	Toll road	213	25
San José-Caldera Motorway (Costa Rica)	GVI	Toll road	264	25
N6 Galway-Ballinasloe (Ireland)	GVI	Toll road	340	30
R3 and R5 accesses to Madrid	GVI	Toll road	1,003	50
R-2 Henares Motorway	GVI	Toll road	563	24
Alicante ring road	GVI	Toll road	445	36
A-5 (Austria)	ALPINE	Toll road	875	30
Envalira Tunnel (Andorra)	GVI	Toll tunnel	54	50
Sóller Tunnel	GVI	Toll tunnel	51	33.5
Autovía del Camino Dual Carriageway (Navarra)	GVI	Shadow toll road	356	30
M-45 (Madrid)	GVI	Shadow toll road	214	34
M-407 (Madrid)	GVI	Shadow toll road	74	30
M-404 (Madrid)	GVI	Shadow toll road	162	30
Ibiza-San Antonio road twinning	GVI	Shadow toll road	101	25
Autoestradas da Beira Interior (Portugal)	GVI	Shadow toll road	933	30
Ruta de los Pantanos	GVI	Shadow toll road	107	25
Coatzacoalcos Tunnel (Mexico)	GVI	Toll tunnel	185	30
N. Necaxa-Tehuacán (Mexico)	GVI	Toll road	493	30
M-50 Dublin (Ireland)	GVI	Pay-as-you-go toll road	419	35
Itata Motorway (Chile)	GVI	Toll road	198	15
Aconcagua Motorway (Chile)	GVI	Toll road	457	13
Transmontana Motorway (Portugal)	GVI	Shadow and real toll road	706	30
Cedinsa Eix Llobregat	FCC	Shadow toll road	174	33
Cedinsa d'Aro	FCC	Shadow toll road	54	33
Cedinsa Vic-Ripoll	FCC	Shadow toll road	221	32
Cedinsa Eix Transversal	FCC	Shadow toll road	712	33

CONCESSION	COMPANY	TYPE	INVESTMENT (million €)	TERM (YEARS)
Cuenca Dual Carriageway	FCC	Shadow toll road	120	19
Motorway D.1.3 (Slovakia)	FCC/ALPINE	Pay-as-you-go toll road	2,800	30
Parla Tram	GVI	Rail infrastructure	104	40
Baix Llobregat Tram	GVI	Rail infrastructure	249	25
El Besòs Tram	GVI	Rail infrastructure	225	27
Murcia Tram	FCC	Rail infrastructure	183	40
Zaragoza Tram	FCC	Rail infrastructure	345	35
Madrid Metro line 9	GVI	Rail infrastructure	124	32
Barajas Metro	GVI	Rail infrastructure	47	20
Málaga Metro	GVI	Rail infrastructure	504	35
Sanchinarro light metro (Madrid)	GVI	Rail infrastructure	293	30
Barcelona Metro line 9	FCC	Rail infrastructure	1,000	32
Laredo Marina (Cantabria)	GVI	Marina	70	40
Port Vell Marina (Barcelona)	GVI	Marina	15	30
Nàutic de Tarragona	GVI	Marina	12	30
Port Torredembarra	GVI	Marina	15	30
Portsur Castellón	GVI	Logistics port	30	35
Castellón Multi-purpose Terminal	GVI	Logistics port	35	30
Gijón Harbour Bulk Goods Terminal	GVI	Logistics port	17	30
Santiago Air Terminal (Chile)	GVI	Airport	249	21.5
Castellón Airport	GVI	Airport	127	50
Southeast Hospital (Madrid)	GVI	Hospital	71	30
Son Dureta Hospital (Mallorca)	GVI	Hospital	243	31.5
Torrejón Hospital	FCC	Hospital	137	30
Enniskillen Hospital (Northern Ireland)	FCC	Hospital	372	33
Mallorca Health Centres	FCC	Health building	22	11
World Trade Center Barcelona	FCC	Service building	134	50
City of Justice, Barcelona	FCC	Service building	263	35
Tema Concesionaria (Mallorca)	FCC	Edificio servicios	33	40





## TECHNOLOGICAL DEVELOPMENT

**FCC Construcción** upholds its active policy of technological development, applying innovation constantly to its projects, with a decided commitment to sustainability and with the company's contribution to quality of life as a competitive factor.

FCC participates in the technological facets of the most unique projects, preparing its own R&D&i designs and designs to improve construction procedures. These advantages, in combination with strong support for the company's machinery and ancillary resources, enable FCC to offer its clients a range of in-house technical solutions. That is what makes FCC stand out from the rest of the sector.

For example, FCC Construcción is a participant in the European Construction Technology Platform, the E2B (Energy Efficient Buildings) Association, ENCORD (the European Network of Construction Companies for Research and Development) and the Spanish Construction Technology Platform. These organisations all aim to combine the efforts being made by research centres, industries and universities in everything having to do with research, development and technological innovation in the area of construction.

Fiscal year 2009 also contained a number of specific R&D&i projects. Work continued on projects started in preceding fiscal years, such as Tunconstruct, ManuBuild, Arfrisol, Hatcons, Submerged Tunnels, OLIN, Urban Tunnels, Continuous Wall and CLEAM. New projects were also launched, such as Sustainable Building Refurbishment, Explosives (on research into the design and building conditions of transport terminals that are at risk of terrorist attacks), Bridge Damage Detection (with low-cost dynamic testing using wireless sensors) and GEO3D (to develop a real-time, 3D geological display system for projects using TBMs).

During 2009 BBR PTE, the FCC company specialising in pretensioning and special building techniques, made the following developments in the field of applying post-tensioning techniques and building techniques:

- ▶ Tests of grout for injection into post-tensioning cables using new cements, in order to comply with the requirements specified in the new Pr EN 445, Pr EN 446 and Pr EN 447 standards: All tests have been performed, and a thixotropic grout has been yielded that meets all the requirements indicated by the stated standards. The grout uses CEM I 42.5 N/SR cement from the Monjos factory belonging to Uniland (Cementos Portland Valderrivas).
- ▶ Development and implementation of new computer control systems for the equipment that resets precast segment decks in place: A new computer control system has been designed that includes new reaction control systems, alarm systems for deviations from expected reactions and automatic manoeuvre shutdown systems for when the admissible deviation is exceeded.
- ▶ Performance of tests of mechanical strength and fatigue behaviour of type-A stay cables for extradosed bridges, pursuant to SETRA (Service d'Etudes Techniques des Routes et Autoroutes) specifications: An accredited laboratory conducted a fatigue test of a 42-strand, 0.6" stay cable that was subjected to a cyclical load for two million cycles. After this test was concluded, a subsequent traction test was performed on the same stay cable until it reached breaking point. In both tests, the required acceptance figures were reached.

### Special designs and construction

The following were the most unique and technically tricky examples of designs and construction:

#### Hydraulic works

► **Castrovido Dam.** In the summer of 2009 work began on this huge dam, which contains more than 800,000 m<sup>3</sup> of vibrated concrete. The concrete was hauled to its place in the dam by two sector radial cable cranes capable of bearing a useful load of 27 tonnes. The fixed point is a cable-stayed lattice tower more than 80 metres tall. The ropeway is strung to 20-metre-tall towers that require more than 600 tonnes of weights in order to withstand the pull created by their huge load-bearing capacity.

FCC also has a high-capacity concrete plant (320 m<sup>3</sup>/hour) at the site. This facility boasts two double horizontal shaft concrete mixers having a capacity of 4.5 m<sup>3</sup>.

► **Vidin-Calafat Bridge.** All technical and experimental studies have been carried out on the undermining of the river bed because of the piers. Tests were conducted on a small scale model under a cooperation agreement with CEDEX and the University of Castilla-La Mancha. A physical model had to be built because of the unique nature of the piers standing in the navigable channel and the design flows in the Danube River, which can be as much as 19,300 m<sup>3</sup>/second.

The experience acquired through these studies made it possible to conclude the Bridge Pier R&D&i project. The project consists in the experimental definition of innovative foundations for bridge piers.

### Marine construction

► **Extension of the East Dock of Castellón Harbour.** The extension of the East Dock of Castellón Harbour is the first project built with the low-reflection caissons designed, studied and patented by FCC Construcción as the result of an R&D&i project implemented under an agreement with CEDEX. The special thing about these caissons is that they have a set of external openings and internal chambers that respond to a very precise geometry, causing a great deal of the incident wave energy to be dissipated by turbulence, thus reducing reflection and improving the caissons' functional conditions, essentially in terms of sliding and nearby navigational safety.

► **Mar del Enol.** FCC Construcción has acquired a multipurpose floating pontoon, the Mar del Enol. It is 60 metres long and has a beam of 40 metres. It can be used as a floating dock to cover market needs, which are calling for larger and larger caissons to be manufactured.

### Viaducts and special structures

FCC has continued developing special bridges using its own proprietary systems. The latest, the Navia Viaduct, has earned a special mention from the FIB Awards for Outstanding Structures, scheduled to be given in Washington in May 2010.

► **Viaduct over the Danube, Vidin-Bulgaria.** FCC Construcción has enriched its pool of equipment for building viaducts out of precast segments, with the addition of two hoisting carriages for moving segments into cantilevered position. The hoisting carriages can handle segments weighing up to 250 tonnes apiece and measuring up to 4.2 metres. These carriages will be used in the bridge over the Danube at Vidin, Bulgaria, to construct





180-metre-spans over the navigable area of the river. To load the segments onto the pontoons, there is a loader, the Jetty. It is capable of bearing a load of 250 tonnes and can run a load out to a distance of 22 metres from the edge of the dock. This loading device can be used to move in any materials and ancillary resources required during construction in the navigable vicinity of the bridge.

► **Concha de Artedo Viaduct, Asturias.** This viaduct is being built using FCC's proprietary system of precast segments. Upper falsework has been acquired for this purpose, for setting precast segments weighing up to 70 tonnes in place, with 75-metre spans, in successive cantilevers. The in-situ deck-building method may be adapted for use with spans of up to 60 metres and decks weighing 32 tonnes/metre (the standard AVE section).

► **Santander Harbour Draw Bridge.** As a continuation of FCC Construcción's vast experience in lift bridge projects, a draw bridge has been built on Maliaño Quay in Santander Harbour. The bridge won the 2009 Quality Prize in the civil engineering category. This bridge has two great movable segments, each covering a 36-metre span, and each actuated by two great hydraulic cylinders to open a navigation channel 62 metres wide between the supporting piers. The draw bridge can be reached from both sides by two compound decks with 89-metres spans.

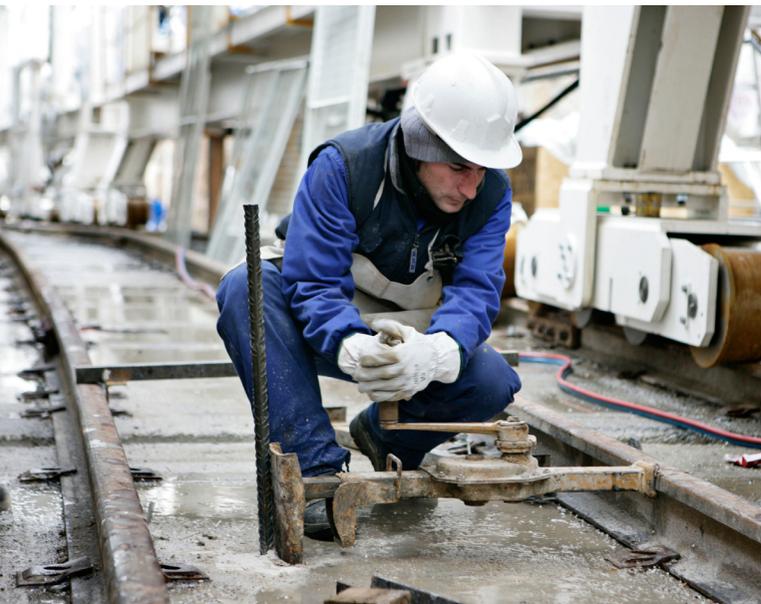
► **New Seville lock.** The new lock at Seville Harbour actually involves several special projects, three bascule bridges and four huge movable gates, all designed by FCC Construcción's Technical Services. The three bascule bridges are single-span bridges with an external counterweight, the first bridges of their type to be built in Spain. One of them carries the railway line, while the other two are roadway bridges. They all share a 44-metre span. This span is also the distance that the four gates have to bridge. The gates are

nearly 20 metres tall and their mission is to hold back the water. The conceptual design of the mechanisms for moving the bridges and the gates was also addressed in the project design.

► **Caja Mágica in Madrid.** This is a building with a nearly square floor plan measuring 170 metres by 160 metres. The building's name, "the Magic Box", comes from its three unique movable roofs, which open and close like the lid on a box, with turning and translation capacity, so as to convert the areas they enclose into open-air or closed spaces. Inside lie three stadiums with seating capacity for 12,000, 3,500 and 2,500. The stadiums were initially prepared for tennis championships, but they can be used as multipurpose venues. When they are used for tennis events, the mobility of the roofs enable the Caja Mágica to host both indoor and outdoor championships.

► **Roof of R.C.D. Espanyol Stadium, Barcelona.** The roof covers the stadium's tiers of stands without any pillars in the way to obstruct spectators' view. The roof features four main girders in a latticework pattern, two longitudinal girders having a 195-metre span and two cross girders having a 155-metre span, all resting on eight concrete pillars two metres in diameter standing outside the stadium.

► **Roof of the Palacio de Comunicaciones, Madrid.** A very special roof has been built on the Palacio de Comunicaciones in Madrid (where the offices of the mayor of the city are now located) as part of the building-remodelling work. The roof is laminar, covering a great, L-shaped internal courtyard measuring 98 by 45 metres and of varying widths. The roof's special feature consists in its use of a single-layer, cable-stayed, laminar metal structure on which triangular glazing is set; thus, the structure holds up, yet is barely visible, and in appearance the roof becomes a great dome of glass.



► **Hotel Porta Fira, Barcelona.** This hotel is one of the most unique buildings built of late in Barcelona. It was designed by Japanese architect Toyo Ito and built by FCC. It is a 25-storey building that has a concrete core where the lifts and services are located and irregularly shaped albeit largely circular storeys arranged around the core. Each storey is slightly different, to make for an attractive outer appearance. One of the most characteristic features unique to this building is its façade, made up of thousands of red aluminium pipes. Inside each pipe is a hidden high-tech shock absorber to keep the pipes from vibrating.

### Underground construction

During 2009 9.6 kilometres of tunnels were bored with earth pressure balance TBMs, all in urban zones, and 20 kilometres of tunnels were bored with double- and single-shield hard-rock TBMs. The following table summarises the different projects and the number of metres dug during the year.

#### EPB TBMs:

PROJECT	TUNNEL LENGTH (m)	EXCAVATED LENGTH (m)
Terrasa railway tunnels	2 x 3,138	2,664 + 2,036
Access to Barcelona Airport	4,096 + 8,326	1,578 + 2,803
Extension of Madrid Metro line 2	3,818	522

#### Hard-rock TBMs:

PROJECT	TUNNEL LENGTH (m)	EXCAVATED LENGTH (m)
Pajares Tunnel, Lot 5 Single shield	2 x 5,918	5,461 + 4,455
Sant Just Water Tunnel Double shield	5,716	5,461
Vigo-Das Maceiras Tunnels Double shield	2 x 8,160	2,419 + 1,808
Villalba Water Tunnel Single shield adapted for rock tunnelling	928	810



# CEMENT

_ Analysis of the Sector	69
_ Cementos Portland Valderrivas	70
Cement	70
Concrete	71
Aggregate	71
Dry Mortar	72
Investments and Divestments	72
Industrial Development	72
Stock Market Analysis	74



## ANALYSIS OF THE SECTOR

### Spain

Cement consumption in Spain in 2009 was 28.6 million tonnes, as opposed to the figure of 42.7 million tonnes in 2008. Consumption therefore went down by 14.1 million tonnes, equivalent to a year-on-year reduction of 32.9%, according to OFICEMEN, the National Association of Cement Manufacturers. The growth trend the sector had been experiencing uninterruptedly since 1997 turned around in 2008.

As a consequence of the contraction of the domestic market, cement and clinker imports came down from 7.2 million tonnes in 2008 to 2.8 million tonnes in 2009, with a year-on-year rate of decline of 60.8%.

Logically, the sector made an effort to boost exports, which rose from 2.3 million tonnes in 2008 to 2.8 million tonnes in 2009. Of the latter figure, 1.5 million tonnes were cement and 1.4 million tonnes were clinker. The total increase in exports was 21.8%.

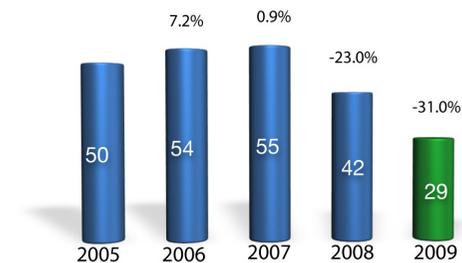
According to figures furnished by the U.S. Department of the Interior Geological Survey, in the United States cement consumption experienced a decrease of 23.7% in 2009, as it fell from the 96.7 million tonnes consumed in 2008 to 73.8 million tonnes in 2009, i.e., 22.9 million less in absolute terms than in the preceding year.

The reduction in local demand obviously meant that cement and clinker imports declined in 2009. In fact, they fell by 39.3% with respect to the year before, coming to rest at 6.9 million tonnes, as opposed to 11.4 million tonnes imported in 2008, i.e., a 4.5-million-tonne decline. Exports maintained a similar level and descended by only 60,000 tonnes, with a year-on-year negative rate of 7.0%.



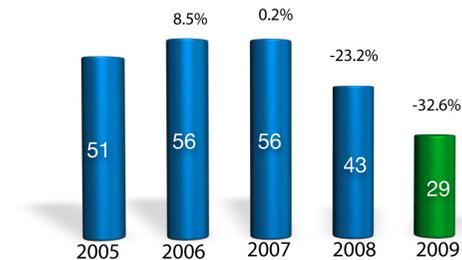
#### Cement Production in Spain

Million mt



#### Cement Consumption in Spain

Million mt





**CEMENTOS  
PORTLAND  
VALDERRIBAS**

**CEMENTOS PORTLAND VALDERRIBAS**

FCC is the leading stockholder of **Cementos Portland Valderrivas**, with a control portfolio of 69.59% of the shares in circulation at the end of 2009. FCC's position is stronger than it was, since in December 2008 its interest in the share capital was 67.36%.

In January 2009 Cementos Portland Valderrivas exercised options to acquire 5.17% of the capital in Corporación Uniland, bringing its total interest in Uniland up from 65.48% in 2008 to 73.66%.

**Cement**

Cement, clinker and concrete sales in 2009 included sales made in Argentina and Uruguay up to 31 October only, because, as will be seen in the information on investments and divestments, in November Corporación Uniland sold its shares in Cementos Avellaneda and Cementos Artigas (the owners of three cement factories).

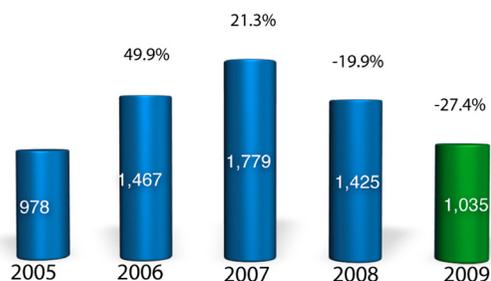
In 2009 sales were constrained by the evolution of the domestic and international economies and the building and cement sectors. As indicated before, consumption thus fell sharply, fundamentally in Spain and the United States. The aggregate sales of the Cementos Portland Valderrivas Group were 12,293,750 tonnes of cement and clinker, down 20.4% from the year before.

Taking the companies in the group one at a time, Corporación Uniland sold 5,257,927 tonnes, down 14.1% from the figure for 2008. Cementos Portland Valderrivas placed 4,052,079 tonnes on the market, 25.2% less than the year before. Giant Cement Holding sold 1,239,154 tonnes, with a decline of 33.7% from 2008.

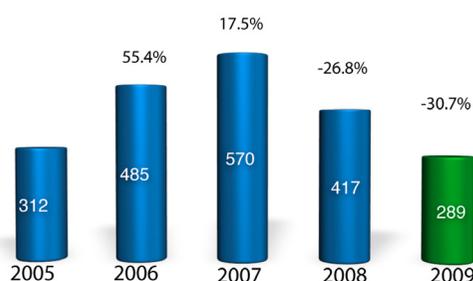
Cementos Lemona and Cementos Alfa sold 732,763 tonnes and 690,638 tonnes, with reductions of 6.6% and 24.0%, respectively, over the preceding year. In the United Kingdom, Dragon Alfa sold 186,773 tonnes and 134,416 tonnes were sold by other companies, with negative year-on-year variation rates of 11.7% and 1.6%.

In 2009, of the Cementos Portland Valderrivas Group's 12,293,750 tonnes of total sales, 1,177,526 tonnes (that is, 9.6%) were exports; in 2008 the export percentage was 6.3%. This indicates that the Group has continued with the policy it embarked on last year, aimed at boosting shipments abroad as much as possible in order to partially counteract the fall-off in domestic markets in almost all the countries where the Group does business.

**Turnover**  
Million euro



**Gross operating profit (Ebitda)**  
Million euro



In Spain, the group's 1,036,660 tonnes of exports accounted for 13.3% of the country's total sales in 2009. This same percentage was 7.3% the year before. In Tunisia the group's percentage was just 4.6% in 2009, although it must be stressed that sales in the domestic Tunisian market rose from 1,744,322 tonnes in 2008 to 1,785,152 tonnes in 2009, with a slight 2.3% increase. The United States and Argentina exported minimum quantities, making Uruguay next in line with 34,051 tonnes of exports, which accounted for 14.12% of that country's total sales.

### Concrete

The Cementos Portland Valderrivas Group's total prepared concrete sales in 2009 were 4,916,950 cubic metres, down 19.7% from the preceding year, when the figure was 6,120,323 cubic metres.

By company groups, the Cementos Portland Valderrivas Group placed 2,873,154 cubic metres of concrete on its markets, with a 13.5% decrease from the figure reached the year before. The Corporación Uniland Group contributed 1,641,886 cubic metres, with a reduction of 26.5% from 2008. The Cementos Lemona Group was number three in terms of concrete sales, with 259,583 cubic metres, which meant a 22.5% decline from the preceding year. The Cementos Alfa and Giant Cement Holding groups supplied 86,089 cubic metres and 56,238 cubic metres to their respective zones of commercial influence, with negative year-on-year variations of 38.1% and 38.7%, respectively.

In Spain the prepared concrete division does business in eleven autonomous communities: Andalucía, Aragón, Cantabria, Castilla-La Mancha, Castilla y León, Cataluña, Extremadura, La Rioja, Madrid, Navarra and País Vasco. There are more than 1,000 concrete lorries in constant operation to sell the different products the division makes.

In 2009 action aimed at the consolidation of the environmental policy continued, in order to bump up the number of prepared concrete plants with zero liquid waste and work toward avoiding any kind of solid or liquid waste disposal. All the Group companies that make up the concrete division are certified under UNE EN ISO 9001, and several production plants already hold AENOR N product certification.

### Aggregate

In 2009 the aggregate division placed on its markets a total of 15,464,665 tonnes, compared to the 19,700,385 tonnes sold in 2008, that is, 21.5% less than in the preceding year. In absolute terms, the decline was 4,235,720 tonnes.

Cementos Portland Valderrivas sold 8,545,225 tonnes, which meant a reduction of 18.9% from the figure of 10,539,689 tonnes sold the year before. Corporación Uniland sold 3,409,869 tonnes, which were equivalent to a 22.8% decline with respect to 2008. The Cementos Lemona Group and the Cementos Alfa Group delivered 2,537,067 tonnes and 629,595 tonnes, respectively, in their sales zone, with negative year-on-year variations of 13.3% and 47.0%. The Giant Cement Holding Group sold 342,909 tonnes, with a negative rate of 45.4% with respect to its historical record of 627,943 tonnes, set in 2008.

The aggregate division in Spain has a commercial impact on the autonomous communities of Andalucía, Aragón, Cantabria, Castilla-La Mancha, Castilla y León, Cataluña, Extremadura, La Rioja, Madrid, Navarra and País Vasco.





### Dry Mortar

The mortar division of the Group sold 1,091,459 tonnes, with a reduction of 700,880 tonnes since 2008. The year-on-year variation was therefore a negative 39.1%.

Corporación Uniland's sales were 701,518 tonnes, with a decrease of 37.3% with respect to the preceding year. The Cementos Portland Valderrivas Group contributed 247,878 tonnes, 39.3% less than the figure for the year before. Cementos Lemona and Cementos Alfa together placed the remaining 13.0% of the total on the market, with sales figures of 86,737 tonnes and 55,326 tonnes, down from 2008 by 38.6% and 55.2%, respectively.

### Investments and Divestments

The Cementos Portland Valderrivas Group sank 234.8 million euro into investments in fiscal year 2009, 24% less than it invested in the preceding year.

During the 2009 fiscal year, the work to modernise the factory in Keystone, Pennsylvania, was finished, enabling the production system to be converted from the wet process to the dry process, with the consequential increase in the factory's profitability. The rest of the investments in tangible fixed assets went into complying with environmental standards and facilitating new product manufacturing.

The Group's financial investments went up 17.1% with respect to 2008, to a total of 171.8 million euro. Of that sum, 170.6 million euro belonged to the acquisition of an additional 8.17% share in Corporación Uniland. So, Cementos Portland Valderrivas' holdings in Corporación Uniland rose from 65.48% in 2008 to 73.66% in fiscal year 2009. This acquisition accounted for practically all financial investments.

Furthermore, in order to adapt to the new market conditions, the company considered making a number of selective

divestments as part of the plan to increase cash generation. In pursuit of this objective, in November 2009 Corporación Uniland sold off its 50% interest in the share capital of Cementos Avellaneda, S.A., and Cementos Artigas, S.A., which do business in Argentina and Uruguay and own three cement factories. The sale brought in 136.7 million euro in revenue.

### Industrial Development

During 2009 the Group took a very long stride forward in its cement factory energy recovery policy. There were two levels to the progress made.

First, a considerably larger amount of waste was recovered at all factories that held administrative authorisations for waste recovery. Lemona achieved 21% replacement; Vallcarca, 10%; Hontoria, 8.3%; and Mataporquera, 7.7%. Altogether more than 35,000 tonnes of coke were replaced in this one year, which made for a savings of approximately 2.7 million euro (including 0.7 from emissions rights for the more than 60,000 tonnes of CO<sub>2</sub> avoided through this procedure).

Second, various authorisations were secured for waste recovery at all the other factories except Olazagutía, and numerous types of waste tests were conducted.

A recovery strategy was defined, according to which, in future, in addition to biomass, there will be three families of waste on which recovery will mainly rest: fuels derived from the fraction left over from urban waste (which will be supplied mainly by FCC); wastewater treatment plant sludge; and plastic, mainly from plastic containers such as bottles (whose transformation into an appropriate fuel is being looked at).

Work also continued on the topic of incorporating decarbonised materials into the process in order to reduce greenhouse gas emissions. New administrative permits for that purpose were secured, such as the permits issued to the El Alto factory.

In the use of renewable energy, the Group looked at the feasibility of installing wind farms at Hontoria, El Alto and Mataporquera, but wind pattern studies showed that there were insufficient guarantees to justify investing in this type of facility.

Photovoltaic energy, however, may be another story. In joint action with FCC-Energía, solar radiation studies are under way, and so is the process of arranging for PREFO (photovoltaic pre-allocation) of 0.2 MW in 2010. So far the radiation studies have selected one of the infrastructures in Vicálvaro as the best candidate site for introducing this type of energy.

In 2009 Cementos Portland Valderrivas joined the CO<sub>2</sub> Technology Platform.

The management of the Cementos Portland Valderrivas Group has established strategies to mitigate the crisis' effects on the cement sector. One such strategy, which was launched last year, is to boost research into certain new cements that have greater added value, mean growth for current markets and look promising for exporting.

These "new cements" are cements for oil wells, microcements, natural cement, conglomerating products for soil stabilisation, cements for cooling towers and for natural water channels, and high-strength cements.

And lastly, there are concretes made with Ultraval cement, whose potential for immediate use on site has earned them the name of "express concretes". Work has been done on the design of a concrete lorry with water- and additive-temperature control, with the main objective of enabling this type of product to be supplied easily.

Work on the integration of quality management systems continued in 2009 as part of the objective of gradually integrating the different QM systems of the different business units. The eventual goal after that is to expand the objective with an R&D&i management system. In 2009 the QM model used in the cement business unit was introduced at Morvald

and Atracem. Moreover, the introduction process is highly advanced in the concrete division.

Benchmarking is a comparison-based management technique whose objective is to introduce the best business practices into an organisation. The Cementos Portland Valderrivas Group endeavours to use benchmarking to identify the best practices in all the businesses it has in different countries all over the world.

In 2009 the first comprehensive management report for all the cement factories was designed and conducted. This was the start of a continuous process aimed at analysing aspects of management and techniques within the company. As a consequence of these activities, in cooperation with technical support from the engineering department, there have been some important fuel savings. In the case of the factory in Tunisia, 93% of the fuel oil was replaced by coke.





### Stock Market Analysis

The company's shares were traded on all 254 sessions of the continuous market, with a total movement of 4,926,506 shares, 13% of the share capital as of 30 December. Of this number of shares, 1,997,914 were traded in the last month of the year. Trading prices wavered between a low of 15.10 euro on 9 and 10 March and a high of 41.98 euro on 10 June. On 30 December trading closed at 22.35 euro.

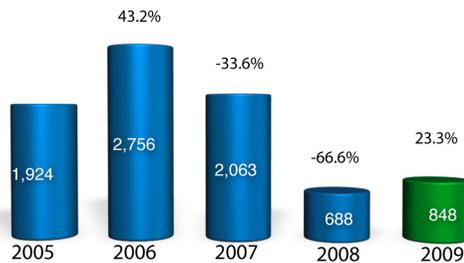
As part of the Group's plan to cope with the economic situation and improve financial ratios, the Board of Directors of Cementos Portland Valderrivas resolved in November 2009 to increase the share capital by 202 million euro. This was to be done by issuing and putting into circulation 10,092,915 shares at the price of 20 euro per share, with a par value of 1.5 euro and a premium of 18.5 euro, in the proportion of three new shares per eight old shares, with pre-emptive rights for shareholders dating to before the start of the share increase.

The pre-emptive purchase period began on 28 November and ended on 12 December 2009, and the rights were traded on the continuous market from 30 November to 11 December.

The capital increase was a success. All 10,092,915 shares issued were taken up. The leading shareholder, Fomento de Construcciones y Contratas, S.A., exercised all its rights, and the remainder was very favourably accepted by the market, since requests were made for 2.9 million shares more than there were rights for. The new shares were listed on 22 December. The number of shares in circulation is now 37,930,733, and therefore the share capital currently comes to 56,896,099.50 euro.

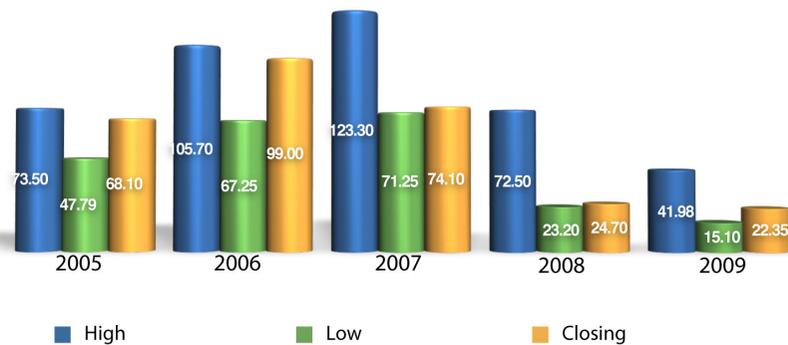
### Stock market capitalisation

Million euro



### Hogh, low and closing price of shares

In euro



# ENERGY





### ANALYSIS OF THE SECTOR

As a consequence of slower economic activity due to the crisis, demand has dropped, thereby setting off a struggle amongst the different sources and technologies seeking territory in the energy market.

The Spanish government's executive branch is not hesitating to maintain its support for renewable energy, which this year will take home some 3,500 million euro in premiums. Spain rides in the technological vanguard in wind and solar energy.

The Spanish energy sector, like that of other European countries, is facing monumental challenges that are thrusting themselves more and more frequently onto the political and business agenda: the energy sector's ability to cope with a long-term growing energy demand and to do so in a safe, cost-efficient, environmentally sustainable way.

The energy efficiency of our production sectors and our country's energy mix will be a key factor in future competitiveness. Renewable energies have proved in the last ten years that they are a valid alternative to fossil fuel technologies and an effective tool for reducing the environmental impact of energy consumption.

The carbon dioxide (CO<sub>2</sub>) emissions of the electricity sector were reduced last year by 21% with respect to 2008, mainly by an increase in wind power and other types of renewable energy, a reduction of the demand and a decline in the use of coal (replaced by natural gas). Compared to 2000, the year 2009 ended with a 16.3% emissions reduction.

Social awareness is increasingly committed to fighting against climate change and saving energy. In addition, it must be said that the growth of wind power is still favouring this same change in trend.

After two weeks of intensive negotiations and two years of discussions, the Copenhagen Summit encouraged the taking of immediate worldwide climate-related measures. The agreement signed by the leaders of the main developed and developing countries and backed by a vast majority of countries will reinforce the need for national energy measures concerning climate change the world over. All countries have the deadline of 31 January 2010 to present their emissions reduction commitments.

### FCC'S ACTIVITY

FCC maintains its interest in diversifying its business toward the energy sector. This is one of the main objectives of the FCC Group's Plan 10.

Since 4 September 2008, FCC Energía has been the company in charge of action in the energy and sustainability area. This includes activities in the field of renewable energy, energy efficiency, combined heat and power and energy recovery from waste.

During fiscal 2010, in addition to the consolidation of the wind and photovoltaic businesses and the start of solar thermal and energy efficiency activities, FCC Energía's intention is to analyse any opportunities for growth in the renewable energy sector that may appear. Opportunities may come in the form of taking an interest in new projects or bidding on new power tenders in Spain or in the eastern EU countries or the USA; these geographical areas all share the common denominator of the necessary legal certainty to enable companies to make medium-term investment commitments, and their respective governments have stated their political willingness to back the development and promotion of renewable energy sources.

During 2010 investments already made will be consolidated, and new investments will be initiated in new assets in concordance with the terms of Plan 10.



### Photovoltaic Energy

In 2009 the finance project for two 20-MW photovoltaic farms in Córdoba was closed. The project was started up in September 2008 with the acquisition of full ownership of the farms. The investment came to 144 million euro.

### Wind Energy

During fiscal year 2009 full ownership of the Australian group Babcock and Brown Wind Partners' 14 Spanish wind farms was acquired through the Olivento company. The 14 farms' total production capacity is 420.7 MW, with an additional 45 MW under development, which is estimated to be commissioned before 2012.

A 50% interest in the company IM Future, which takes care of maintenance at Olivento's wind farms, was also acquired.

### Solar Thermal Allocations

On Friday, 13 November, the Council of Ministers approved an agreement allowing the commissioning of enough wind power facilities to produce 6,000 MW of electricity and enough solar thermal facilities to produce an additional 2,440 MW. These facilities will be opened on a staggered schedule over the next three years.

The agreement establishes the order in which the projects at issue will go into operation. Included are all the projects that have obtained registration in the Ministry of Industry's Special Procedure Pre-allocation Register (created by Royal Decree-Law 6/2009). Registration is an indispensable requirement for gaining access to current subsidies. This arrangement preserves the technical and economic stability of the electricity system.

In this context, FCC Energía has successfully had two plants, the Solúz-Guzmán solar thermal plant and the Enerstar solar thermal plant, listed in the Special Procedure Pre-allocation Register.

In July 2009 a purchase agreement was signed with Guzmán Energía (of which FCC Energía owns 75% and Abantia Empresarial, S.L., owns 25%). Guzmán Energía is a company located in Palma del Río, Córdoba, and its purpose is to build and operate a 49.9-MW solar thermal plant in Córdoba. This project is registered in the Ministry of Industry's Pre-allocation Register, and it is already under way. The estimated investment is 250 million euro.

In June 2009 Enerstar Villena was acquired. This company is headquartered in Villena, Alicante, and is owned by FCC Energía (67%) and sundry other investors (33%). Its purpose is to build and operate a 49.9-MW solar thermal plant. This project is registered in the Ministry of Industry's Pre-allocation Register. The estimated investment is 250 million euro.

### Energy Efficiency

In October 2009 EFITEK Energía was organised. Its main business is energy efficiency project development and energy-related services. Right now the new company is looking at a number of combined heat and power generation projects and projects to install solar panels on building roofs. The company will begin doing business sometime in fiscal year 2010.

### Wind Power Tenders

In August 2009 FCC Energía bid on a public tender for the wind power allocation for the installation of wind farms in the Autonomous Community of Cantabria. FCC applied to install wind-powered generators in five of the seven zones at issue in the tender (an aggregate power of 972 MW). FCC



Energía participated in the tender jointly with the Hergom Group and with Eólicas del Bierzo, although it maintained a majority position in the consortium. Within the framework of the tender, commitments have been made to a socio-economic plan and a plan of R&D&i investments in Cantabria in cooperation with different divisions of FCC and Cantabrian organisations. These commitments will be carried through if the FCC consortium wins the tender.

In 2010 FCC Energía plans to bid in any wind power tenders the autonomous communities of Spain happen to hold. Two such tenders that are certain to be held are the Cataluña

wind power tender and the Galicia wind power tender, which actually replaces a previous wind power tender that was called off in the last half of 2009, where FCC Energía's subsidiary Olivento had already won some projects.

**New Investments**

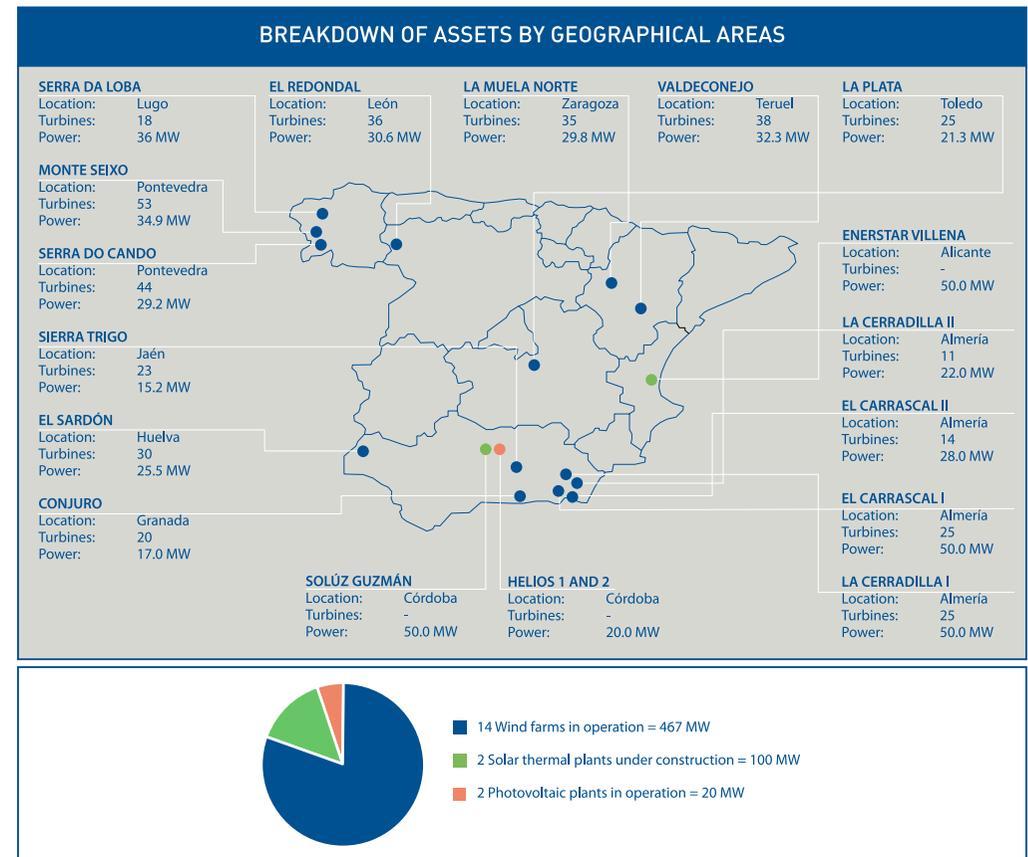
Priority in new investments will go to projects that promote assets to enable FCC to consolidate and enhance its position in the renewable energy sector and to develop, together

with other Group companies, the necessary technological capacities for building, operating and maintaining the facilities at issue.

The top-priority production technologies will remain wind power, photovoltaic power and solar thermal power. In the field of energy-related services, the latest technologies of combined heat and power generation will be applied.

In the field of energy recovery from waste, the opportunities are being actively analysed with the objective of getting the most out of FCC's waste management capacity in order to minimise the final volume of waste, while at the same time achieving renewable, autochthonous, competitive, greenhouse-gas-free electricity production.

RENEWABLE ENERGY ASSETS						
Location		Capacity (MW)	Percentage of Total	Investment (M€)	Status	FCC's Share
Zabalgarbi	Spain	29	4,2%	49	Operational	30%
Allington	United Kingdom	35	5,1%	178	Operational	100%
Eastcroft	United Kingdom	27	3,9%	-	Operational	100%
Zisterdorf	Austria	13	1,9%	78	Development	100%
<b>Total Waste</b>		<b>104</b>	<b>15,1%</b>	<b>305</b>		
14 farms	Spain	422	61,1%	760	Operational	100%
2 farms	Spain	45	6,5%	45	Development	100%
<b>Total Wind</b>		<b>467</b>	<b>67,6%</b>	<b>805</b>		
2 farms	Spain	20	2,9%	144	Operational	100%
<b>Total Photovoltaic</b>		<b>20</b>	<b>2,9%</b>	<b>144</b>		
Solar thermal 1	Spain	50	7,2%	187	Development	75%
Solar thermal 2	Spain	50	7,2%	167	Development	67%
<b>Total Solar Thermal</b>		<b>100</b>	<b>14,5%</b>	<b>354</b>		
<b>TOTAL</b>		<b>691</b>	<b>100,0%</b>	<b>1608</b>		



# REAL ESTATE

_ Realia	80
_ Property	80
_ Offices in Spain	80
_ SIIC de Paris	81
_ Shopping Centres	81
_ Residential	81
_ Results	82
_ Torre Picasso	83





# REALIA

**Realia** was created in 2000 after the merger of the property and real estate development assets of FCC and Caja Madrid. At present FCC controls 30.023% of the shares in Realia, whose accounts are consolidated by the equity method. Since its creation, this real estate investee has had the company purpose of developing, managing and operating all kinds of immovable property, including office buildings, shopping centres, residential buildings and land management.

## Property

Property makes up 64% of Realia's assets by value. These assets have a total area of 703,170 m<sup>2</sup>, of which 563,153 m<sup>2</sup> are operational and 140,017 m<sup>2</sup> are under development.

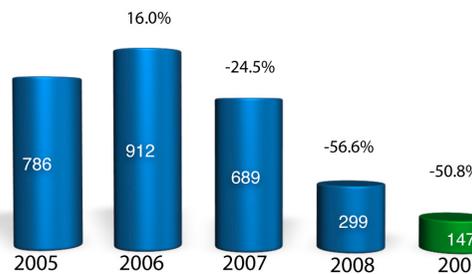
Realia has office buildings in Spain and France, mostly located at strategic points of the main Spanish and Parisian business districts. It also has shopping centres in Spain, situated in areas of urban growth.

## Offices in Spain

Realia owns a total leasable area of 261,217 m<sup>2</sup> in Spanish office buildings, mostly in the prime zones of business districts. The foremost of its office buildings in Spain are Torre Realia and the Los Cubos building, both of which are fine exponents of Madrid architecture.

The latest building Realia has put into operation is in Barcelona. This landmark building, Torre Realia BCN, is the work of Japanese architect Toyo Ito. The building was inaugurated in July 2009 and has a total leasable area of 31,959 square metres. It stands 117 metres tall and has 24 storeys, 22 of which are for lease, while the other two house the building's technical systems. The interior design is very special, because there are floors measuring 1,350 square metres with wide open spaces, thus making it easier for tenants to distribute areas to their own best advantage.

**Residential Construction Started in Spain**  
Thousands of housing units



## SIIC de Paris

Realia took control of SIIC de Paris, a property management company that is listed on the Paris stock market, in May 2006. Last June SIIC de Paris conducted a 132.6-million-euro capital increase in which Realia participated to its full potential by capitalising a previous 118-million-euro credit. At the close of December Realia controlled 82.28% of the capital, although the company's eventual objective is to dilute its holding to under 60% in order to adapt to the new tax system for French real estate investment companies (SIICs).

SIIC de Paris has a portfolio of 125,619 m<sup>2</sup> of office buildings situated in zones CBD and BD of Paris, the zones investors find most attractive. Some of its more significant buildings are situated at 85-89 Quai André Citroën, 61-63 rue de Belles Feuilles and 142 Boulevard Haussmann. Additionally, three office buildings are in the refurbishment and development process and are anticipated eventually to furnish 16,193 m<sup>2</sup> for lease. These buildings stand where rue François Ory and rue Louis Lejeune run together, and at 129 and 163 Boulevard Malesherbes.

## Shopping Centres

Realia owns a leasable gross area of 132,584 m<sup>2</sup> in eight up-and-running shopping centres at excellent locations, with a good mix of operators, including the leading fashion, home, food and leisure firms.

In May 2009 Realia threw open the doors to the Plaza Nueva shopping centre in Leganés. This shopping centre contains medium-sized venues only, a new formula for Leganés. Plaza Nueva has a gross area of 50,000 m<sup>2</sup> for lease, enough for operators and firms to put on display the widest, most appealing offer for potential buyers, in a single, huge space containing all available ranges.

Furthermore, as part of its strategy calling for the rotation of assets that have reached a certain degree of maturity in their

development, Realia sold off its share in the Nervión Plaza shopping centre in Seville and other, smaller assets in Paris, for a total of 106 million euro. It earned 52.8 million in capital gains through these sales.

## Residential

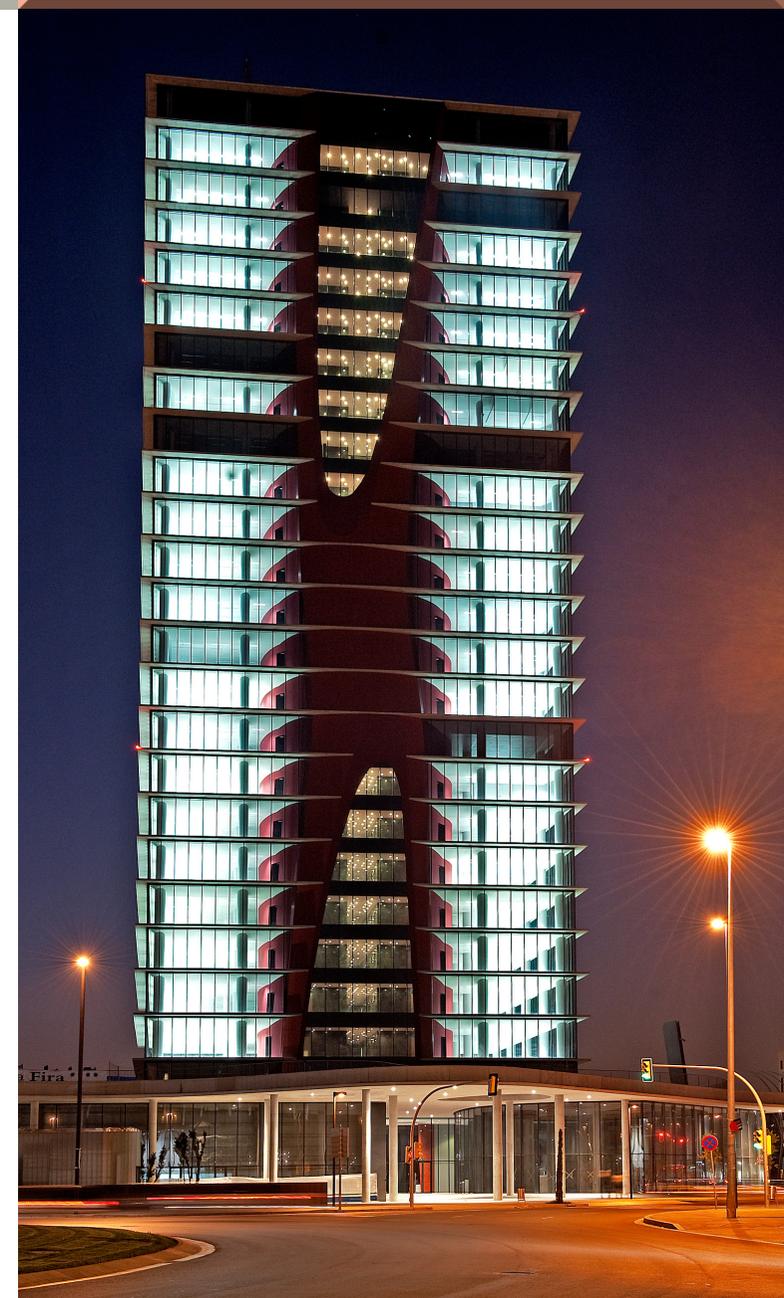
At the close of December 2009, Realia had a residential portfolio of 1,293 units (mostly homes, although there were also some retail units and offices). Out of this total, 268 residential units were sold and pending deeding and 1,025 were for sale.

During fiscal year 2009 Realia delivered a total of 634 homes to buyers and doubled its number of preliminary sales (purchase contracts with earnest money and other kinds of guarantees), up to 665 units. No land sales were concluded in 2009 due to the major constraints on credit, a factor that seriously affects this market.

## Strategy

Since 2006 Realia has been following a strategy of strengthening assets and increasing assets' weight in the GAV (market value) in comparison to the weight of property development. Always, however, Realia has seen its own company development as secondary to its tenants' development and its own indebtedness control.

As part of its traditional asset rotation policy, Realia opened the Plaza Nueva shopping centre in Leganés and the new Barcelona office building Torre Realia BCN for business, while at the same time it sold off its share in Seville's Nervión Plaza shopping centre. The prices fetched guarantee that the company's intrinsic value will remain steady. Furthermore, SIIC de Paris is maintaining its own investment projects.



Realia Tower, Barcelona.



Promotion Hato Verde, Guillena. Sevilla.



Promotion Hato Verde, Guillena. Sevilla.

In property development, Realia is adjusting its supply to the market circumstances, with the objective of responding to the new needs of the demand and finding an outlet for stock at attractive prices, yet without undermining the company's solidity. Furthermore, the firm has organised a new company, Valaise. Valaise is wholly owned by Realia, and its purpose is to manage third-party assets.

### Results

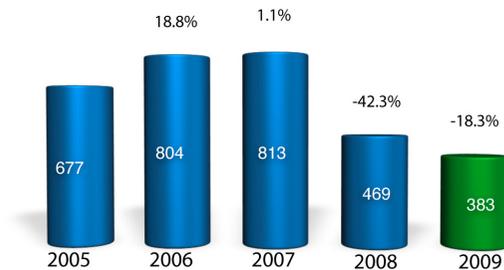
Despite the crisis and its effects on the residential and tertiary sectors, Realia closed fiscal year 2009 with a healthy balance sheet, controlled indebtedness, a solid operating result and growing recurring income from leases.

Although total income came down by 18.4% to 382.6 million euro, income from leases increased by 1.9% to 180.2 million euro. The Group's EBITDA came to 176 million euro. Realia's new valuation of assets (adjusting its assets' value to reflect new market expectations) and the investment/divestment operations the company engaged in took its market value

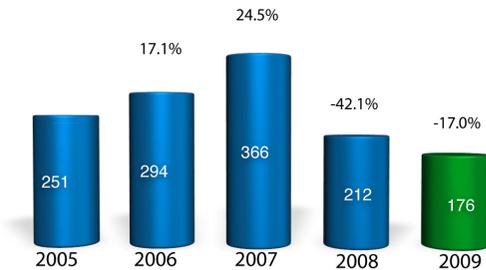
to 4,550 million euro. As a result, the company funded a provision of 94.3 million euro to cover this item, over a total provision of 109.2 million euro. The provision was a mere accounting entry that supposed no cash outflow, but it did cause the net book result to drop to negative 54.2 million euro. Without this provision, the result would have been a positive 16.2 million.

Despite the lower valuation of its assets, Realia still holds on its balance sheet 1,136 million euro in latent gross capital gains. This is due to Realia's traditional rule of prudent accounting, which mandates listing assets on the books at their historical cost. Also because of its prudent outlook, Realia holds its net financial debt under control; at the close of 2009, net financial debt was 2,225 million euro, which makes for an indebtedness ratio, in terms of loan to value (LTV), of 48.9%. Of this debt, more than 90% matures between 2012 and 2017.

**Total revenue**  
Million euro



**Gross operating profit (Ebitda)**  
Million euro





**Torre Picasso** is wholly owned by FCC and has an area of 121,000 m<sup>2</sup>. It is one of Madrid's landmark buildings. It was conceived on the basis of the most advanced technologies, making it one of the most comfortable, effective, safe intelligent buildings in Europe.

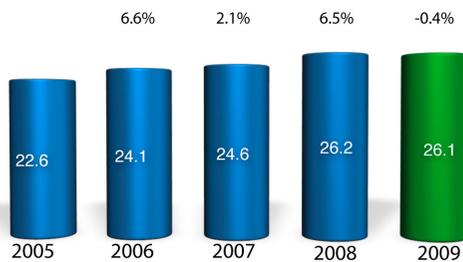
Torre Picasso is committed to sustainable development, and it upholds its environmental commitment through strict compliance with the applicable legislation in all its realms of operation. As a result, it has earned Environmental Management System Certification under UNE-EN ISO 14001.

Occupation in 2009 was practically 100%.

Torre Picasso remains immersed in the process of renovating and improving its existing facilities and introducing new services for its clients' comfort.



**Turnover**  
Million euro



**Gross operating profit (Ebitda)**  
Million euro

