

GENERAL SHAREHOLDERS ASSEMBLY OF FCC 2007

MARCELINO OREJA'S SPEECH

Lady and gentlemen shareholders, guests, colleagues from the FCC group, dear friends. Firstly, I want to give you my warmest welcome to this great event, the celebration of the General Meeting of Shareholders, where we will review the development of our society during the financial year of 2006, our evolution during the present year and our prospects for the future.

The financial year of 2006 could be described as brilliant. The implementation of our Strategic Plan 2005 - 2008, which is being carried out at a faster rate than we had anticipated, has shown a growth in all areas of the profit and loss account, of around 30% in relation to the same data from the previous year. All of our activities have greatly contributed to our external growth and to the internationalization of the group.

The FCC Group is currently present in fifty countries and the consolidation of this expansion requires the integration of the different cultures in existence in the various businesses, the identification of the synergies that can be generated in the development of these activities, as well as the identification and management of the new business risks internationalization entails.

Afterwards the chairman of the board will present in detail the management results, the management during the year 2006 and the prospects for the future. Therefore, I would now like to proceed, first of all, to the subject of congratulations.

I begin by giving my personal congratulations to the reference shareholder, Mrs. Esther Koplowitz, who constantly keeps vigil over the company's progress with initiatives and procedures. Thanks also to all the members of the Board of Directors, as well as the chairman of the board, Mr. Rafael Montes, for his efficiency and his tireless and tenacious work, thanks also to the management staff and all of the employees in general for what they have achieved.

The FCC Group also manifests its commitment to social responsibility in the outline plan for Corporate Responsibility 2007 - 2008. To this end, specific plans for the reduction of greenhouse gas emissions have been established as well as the promotion of the use of renewable energies and the application of technologies, which take maximum advantage of them. The group also participates in the Spanish Carbon Fund, having made a contribution of 2.5 million euros.

Integrity and respect for society's ethical values are considered the pillars that constitute the culture of FCC, and they are promoted from the Group's highest levels of responsibility. During the last fiscal year, FCC has adhered to the principles of the United Nations global agreement, which, as you know, is an initiative for ethical commitment aimed at promoting the acceptance by all entities of all countries, of ten behavioral and operational principles as an integral part of their transaction strategy, relating to human rights, labor, environment and the fight against corruption.

Consequently, most of the affiliated have quality certificates and customer service policies, and conduct customer surveys to find out their satisfaction levels, the results of which have been published in Social Corporate Responsibility reports, showing a high level of satisfaction. I also consider it appropriate to highlight two novelties regarding the Social Corporate Responsibility report in relation to the previous year: it has achieved the highest rating conferred by the Global Reporting Initiative, an A+; and it has been verified by an independent auditor, in our case KPMG, who confirms that the quantitative data is reliable and that the qualitative reports that appear in the same are adequately supported by internal documentation or by third parties.

I also wish to inform you that, at the end of the year 2006, the Board of Directors decided to create the FCC Foundation with the aim of integrating and managing through it all the efforts made by the company regarding sponsorship material with a particularly social focus. With the establishment of the FCC Foundation, we intend to reinforce our compromise to society. The FCC Foundation will be created with an initial endowment of one million euros, which will be complemented depending on its needs, with the pertinent annual endowments.

As an example of the initiatives with the previously mentioned principles, I can also cite the agreement signed by FCC Construction in March 2007, with the Adecco Foundation, which as you know specializes in the reintegration in the work force of people with difficulties. Our purpose and objective is to incorporate workers with disabilities into our staff.

At the end of the fiscal year of 2006, an important event occurred which affected the composition of the body of shareholders. Then shareholder, Acciona S.A., holder of 15.06% of the company's capital, passed over their shares to the group, Inmocaral S.A., known today as Inmobiliaria Colonial, which is thereby converted in a significant shareholder of our society, following the shareholder referred to as B-1998, who as you know controls 52.48%. AT the fifth item in the agenda of this meeting, I put to you the proposition, among others, of naming as honorary board members, representing Inmobiliaria Colonial, their CEO Mr. Luis Manuel Portillo Muñoz, and their chairman of the board, Mr. Mariano Miguel Velasco.

We also propose the reelection as independent board member, of Mr. Francisco Masardá, who I also wish to congratulate and thank for his excellent collaboration.

In so far as new incorporations to the Board, apart from the two already mentioned from the representatives of Inmobiliaria Colonial, Mr. Portillo and Mr. Miguel, we propose the incorporation as independent board member and as candidate for the appointment and remuneration commission, Mr. César Ortega Gómez.

Finally, I want to announce that this is the last General Meeting of FCC that I will be chairing. As Luis Cernuda reminds us in his poems: "There comes a moment in life when time catches up with us". And for me, that moment has come. After five years as the Chief Executive Officer of the company and two years as the Institutional President, I have asked Mrs. Esther Koplowitz to bring my duties to an end. These have been extraordinarily happy years for me, as I have been able to experience at first hand the development of this exceptional company, which under the leadership of our reference shareholder and a magnificent team of executives and employees, with the extensive support of our body of shareholders, has made a giant leap in its development, diversifying its product, extending itself internationally, and it has

achieved all of this with a financial solidity that predicts great results for the future. Because of this, in circumstances as comforting as these for the company, with such favorable provisions for the future, I want to clear the way for other people to continue with the work that, between all of us, we have created. I want to thank all of you from the bottom of my heart for your constant support. You know that you can always count on me, wherever I may be, because there is no greater honor than to be able to serve this exemplary company to which, as long as I live, I will feel deeply bound. Thank you all, lady and gentlemen shareholders, for the trust you have placed in me.

SHAREHOLDERS' APPLAUSE.

RAFAEL MONTES' SPEECH

Good afternoon, ladies and gentlemen shareholders, Members of the Board from the different managerial bodies of the company. Welcome to the FCC Group's Annual Shareholders Meeting.

I ask your permission to refer to the declaration at the end of Marcelino Oreja's speech, before beginning with the annual report.

Marcelino Oreja, CEO of the FCC Group, has just declared to this meeting his decision to chair it for the last time, and he did it combining reasons and emotions in the masterly way to which we are accustomed. Therefore, before I begin this report on the management of our group, I wish to make a deeply felt tribute to Marcelino Oreja, with whom I have maintained for eight years an exemplary relationship, in perfect harmony, to face the innumerable problems that entail the management of a company as important as FCC.

A relationship that has not only been professional, but has also sown the seeds of a profound friendship.

I respect your decision, but let me express, dear president, the affection and respect that I feel for you from the bottom of my heart. Thank you very much Marcelino.

Before beginning my presentation I wish to join our President Marcelino Oreja, in extending his previous welcome to the three new board members who will be incorporated to FCC's board, if the meeting, which we are holding now will approve it.

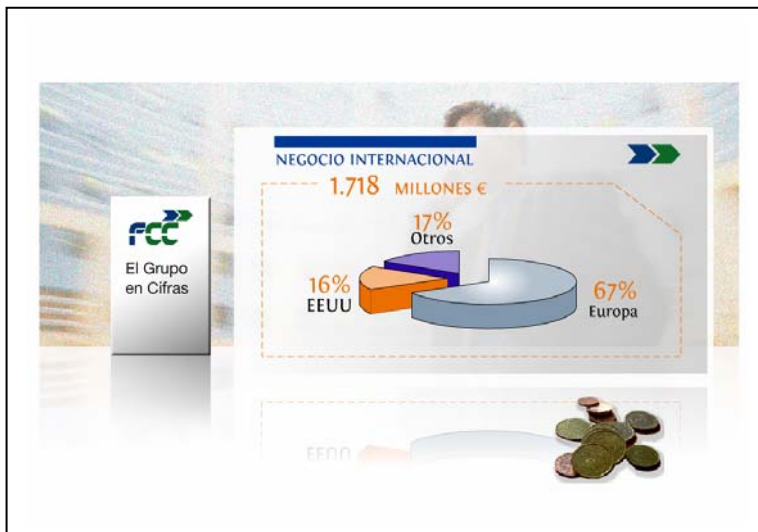
Representing Inmobiliaria Colonial, holder of 15.06% of our company's capital, Mr. Luis Manuel Portillo Muñoz and Mr. Mariano Miguel Velasco, President and CEO of said company. As well as Mr. César Ortega Gómez, as an independent member of the board, known for their exemplary personal and professional reputations. I wish to extend my most sincere welcome to the new members of the board, and without further delay we proceed to the management report.

From the end of our reference year, 2004 on, FCC has transformed into a bigger, more solid and international society, while maintaining our traditional line of basic activities, constantly watchful of the debt that the corporate growth of a society such as ours entails.

I can assure you that at the end of 2007, when we have consolidated our strategic plan, we will be a different company, looking forward to our next challenge, the continuance of the strategy of our company, that mandates its continued profitable growth.

And now I would like to analyze the figures of FCC: The results have already been described as historical by our President. In the year 2006 our turnover reached 9.481 billion euros, a 33.7% increase over the previous financial year; with an organic growth, excluding the acquisition of new companies, of 16.6%.

I must particularly emphasize the boost to our international activity, which has gone from accounting for 9.9% of our total turnover in 2005 and 18% in 2006 to a remarkable 36% in 2007.



SLIDE 1

The company in figures:

INTERNATIONAL BUSINESS

1.718 billion euros

16% - USA

67% - Europe

17%- Others

Also, the gross operating profits reached 1.387 billion euros, 40.3% more than in 2005. I will finish with this last important piece of data, our attributed net profit,



SLIDE 2

The company in figures:
GROSS OPERATING PROFIT (EBITDA)

1.387 billion euros

2002 - 741

2003 - 804

2004 - 842

2005 - 989

2006 - 1.387 + 40.3%

which has reached 535 million euros, an increase of 27.1% over the previous year.

Although we have been trying hard to reach these high turnover figures, we have not at any moment neglected the contracting of new construction works or services, so as to assure our production in future years.



SLIDE 3

The company in figures:
PORTFOLIO OF WORKS AND SERVICES

New contracts in 2006:

10.9 billion euros: +28%

Record portfolio:

30.5 billion euros: +48.9%

Current portfolio (up to May 2007). 33 billion euros

This continual line of growth means that these days the FCC Group's current portfolio is worth more than 33 billion euros.

The multiple service activities that we develop within our group are divided into two main areas: firstly, environmental activities, including urban sanitation, water management and the treatment of industrial waste.



- SLIDE 4
- Services**
- ENVIRONMENTAL SERVICES**
- Urban sanitation
 - Water management
 - Industrial Waste Processing
- VERSIA**
- Airport handling
 - Logistics
 - Street furniture
 - Conservation and systems
 - Car parks
 - Technical Inspection of Vehicles
 - Transport
 - Sale of industrial vehicles

Secondly, a series of activities grouped under the Versia brand.

Urban sanitation, encompassing all the environmental activities that we develop in cities, is formed by professionals who, as leaders in our country and despite the problems it can pose, raise their market share in Spain on a yearly basis.



- SLIDE 5
- Urban sanitation**
- Serves more than 5,000 municipalities in Europe, Africa and Latin America
- Serves 3,400 Spanish municipalities

And to give some concrete data, we are extremely satisfied to be able to refer to two very important contracts that we have obtained during the year 2006.

SLIDE 6 URBAN SANITATION



Vitoria: Waste collection and street cleaning

Madrid: Awarded with 500 million euros in the three waste collection tenders.

The tenders of Madrid and Vitoria were awarded to us because we submitted excellent bids, especially in the area of technological innovations, with the latest generation of vehicles, some with non-contaminating electrical engines, using compressed gas as fuel. They are designed by the FCC's excellent technical department, which is undoubtedly at the forefront of its field in global technological innovation, a position that is vital for us to maintain.

During the duration of this contract, it will generate almost 500 million euros in turnover for the group.

And of course we are not forgetting about one of our great contracts of reference, in Barcelona, where we have been in charge of waste collection and treatment since 1915.



SLIDE 7

Barcelona: Street cleaning and waste collection

We have been fortunate enough to have the Barcelona City Council renewing their faith in us with the extension of the service contract until 2010.

We will now move on to take a look at the foreign markets. We have considerably reinforced our environmental service activities during 2006, with the acquisition of the British company Waste Recycling Group, leader in waste management in the United Kingdom.



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Urban sanitation:

INTERNACIONAL

Purchase of the Waste Recycling Group:

- Leader of waste treatment in the UK
- WRG annually manages 13 million tonnes of waste.
- Annual turnover: 900 million euros.
- EBITDA: 220 million euros.
- 2 contracts in 2007, for 1.5 billion euros.

We also concluded the acquisition of the Austrian environmental services company ASA, established in Austria, the Czech Republic, Slovakia, Hungary and Rumania.



SLIDE 9

Urban sanitation:

INTERNACIONAL

Acquisition of ASA ABFALL

- Strong presence in Austria, the Czech Republic, Slovakia, Hungary, Poland and Romania.
- Serves 2.5 million inhabitants.

I continue with my discourse by turning to the issue of water management, one of our most satisfying activities. Our brand, Aqualia, a company specialized in water management, has maintained a growth of around 25% for several years, obtaining a

prominent position in Spain as well as an increasingly important international presence.

This activity now has a turnover of 712 million euros, serving 13 million inhabitants and 850 municipalities.



SLIDE 10

Water management:

- Growth of 25%: 712 million euros of turnover.
- Present in 850 Spanish municipalities.
- Serving more than 13 million inhabitants.

In the international arena, where we are continually increasing our activity we have obtained, among others, two outstanding contracts: in Portugal and Italy.



SLIDE 11

Water management:

NEW CONTRACTS IN 2006

40 years in La Lezíria del Tajo (Portugal) and Caltanissetta (Italy)

In the context of the implementation of our strategic plan, we also bought SmVaK, the Czech Republics' third water management company and the leading operator in the provinces of Moravia and Silesia.



SLIDE 12

Water management:

INVESTMENTS IN 2006

- Purchase of SmVaK: The Czech Republic, Poland and Slovakia.
- Privately owned distribution network of 6,000 Km..

It also supplies water to Poland and they expect expand to all of the neighboring countries.

The next service activity is industrial waste. All of these activities are developed under the brand *ámbito*.



SLIDE 13
Industrial waste management:
LEADER OF INDUSTRIAL WASTE
MANAGEMENT IN SPAIN
+45% in turnover, 163 million euros
45 treatment plants
Processes 1.79 million tonnes /
year.

The rest of the service activities are grouped under the Versia brand. All are very profitable activities, which behaved excellently in 2006, with a joint turnover growth of 20%, reaching 867 million euros.



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Versia's services

All of Versia's activities are equally important to FCC, but due to a number of events that took place during this fiscal year, and so as not to prolong the information too much I will focus on two of them: handling and street furniture

We achieved great success in regards to handling, in the tender announced by AENA, the airport authority, for the awarding of new licenses in Spanish airports.



SLIDE 15

Versia's services:

- Awarded licences in the airport of Barcelona, Malaga, Alicante, Valencia, Fuerteventura, Jerez and Almería.
- Acquisition of Aeroporti Di Roma Handling.

And in August we signed the purchase agreement for the company, Aeroporti di Roma, which operates in the Roman airports of Fiumicino and Ciampino. Thus, our subsidiary for airport handling, Flightcare, has become the first independent handling operator in Rome, and one of the leading operators in the Italian market, where we plan to continue our growth.

The second company that I would like to refer to is Cemusa. Cemusa is our subsidiary specialized in design, implementation and advertising exploitation of urban furniture. In 2006 their bus shelters and other advertising mediums began to be installed in New York.

And, as a further reference:

In Madrid, Cemusa won the first advertising tender held for the installation and publicity exploitation of large format panels, which will be placed around the city and on the public highways.



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Versia's services:

- New York
Installation of publicity supports and bus shelters.
- Madrid
Large sized panels.

The performance of FCC Construction in 2006 was excellent, because the managers of this activity have known how to take advantage of the boom the sector was going through in Spain, while consolidating their presence abroad dramatically.



SLIDE 17
Construction:
EVOLUTION

- Turnover: 4.395 billion euros
- Growth of 31% in 2006
- 59% of the turnover in civil works.
- 27% in non-residential buildings
- 14% in housing

At the end of the year their portfolio of pending work was situated at more than 7.8 billion euros, of which 30% corresponds to foreign contracts.

Within the Strategic Plan, last July we closed an agreement to acquire 80% of Alpine's shares, the second largest Austrian construction company with a notable presence in Eastern European countries, and an impressive turnover of 2.2 billion euros



SLIDE 18
Construction:
ACQUISITION OF ALPINE
MAYREDER BAU

The second Austrian construction company, with a strong implementation in Eastern Europe.

Turnover: 2.2 billion euros

Regarding the area of construction, conscious of the need for growth in this field, we have put a lot of effort into strengthening activities related to infrastructure concessions. It is only right that we recognize the great interest that our majority

shareholder Esther Koplowitz, has taken in incorporating us into this activity, which up until now we haven't developed as much as we should have.

At the beginning of this year we established the company Globalviá Infraestructuras, 50/50 with Caja Madrid, the best possible partner, in which the shares that the two firms have in infrastructure concessions are pooled together.



SLIDE 19
Construction:
GLOBAL VÍA
50/50 with Caja Madrid

35 concessions for
motorways, main roads,
ports, subways, streetcars,
hospitals, etc.

Potential for growth in
North America and Europe.

Cement is another one of our most fulfilling enterprises. Cementos Portland Valderrivas is a great company, the first in the Spanish market. Their turnover in 2006 was 1.467 billion euros, a spectacular increase of 50% thanks to the positive performance of this activity in Spain and in the United States, and, to the consolidation due to the global integration of our recent acquisitions of Cementos Lemona, in February and Uniland, in August.



SLIDE 20
Cement:
EVOLUTION SUPPORTED BY:

- International activity: 24%
- Positive activity in USA
and Spain.
- Global consolidation of
Cementos Lemona.
- Integration of Uniland.

I want to highlight our strong presence on the east coast of the United States, where Cementos Portland has merged with Giant Cement; our strong presence in emerging markets with good growth potential such as Tunisia, Uruguay and Argentina, all of this is a direct consequence of wise acquisitions made, like Cementos Lemona and Uniland. Our cement portfolio reaches these successful business heights thanks, among other things to an extraordinary management team and the dedicated support of the Group as a whole.



SLIDE 21
Cement:
 EVOLUTION SUPPORTED BY:

Prize-winner of the best environmental management Presented by the Community of Madrid, the Chamber of Commerce and the CEOE to the El Alto factory.

The principal commitment of Cementos Portland has not been neglected: the protection of the environment.

This next section has to be dedicated to our real estate activities. There have many recent developments in this sector. In this company, Caja Madrid and the FCC Group own the majority of shares, and a month ago it began to trade on the Spanish stock market after a public offering of the shares was made last May. Realía is an excellent real estate company and I have no doubt that in the future it can only get better.



SLIDE 22
Real estate:

Trading on the stock market since June

Capitalization: 1.8 billion euros.

Realía represents an increase in the Group's turnover of 900 million euros and EBITDA of 400 million euros.

Their activities are centered in two large areas: property business, housing development and land management.



SLIDE 23
Real estate:

TOTAL ASSETS OF 740,000 SQUARE METERS.
Offices: 421,000 meters squared distributed in more than 68 emblematic buildings in Madrid, Barcelona and Paris.
Shopping centres: 319,000 meters squared 12 shopping centres.

During the year 2006 our main worry at Realia was to find the correct balance between property and development, and we are about to achieve it. We have prepared an ambitious plan for internationalization, which was realized with the acquisition of the company SIIC in Paris, a company that trades on the stock market of the French capital, deals in property and has a portfolio including more than forty buildings that they own in privileged locations in Madrid and Paris, adding up to a total of 130,000 square meters of office space. Realia's investment in the French market is now at over 1 billion euros. Last year 1,900 units, it owns 11.3 million cubic meters of property, which represents 4,4 million square meters suitable for building, guaranteeing its potential and capacity for future growth.

We will now turn to something that, in my opinion, has been keynote theme during these last three years: The Strategic Plan.



This plan has been the main objective of FCC's management for the last three years. The deadline for completion is the year 2008, although fortunately we can now say with total certainty that the Strategic Plan will be consolidated in its entirety this fiscal year, 2007.



SLIDE 25
Strategic plan:
A PROFITABLE STRATEGY
HORIZONTAL
 2004 Strategic Plan 2005-2008.
 Forecast 2007. Growth since 2004.
VERTICAL
 Turnover
 EBITDA
 Foreign business
 Net debt (corporate/EBITDA)

I think you will find the following snapshot self-explanatory. Our forecast for the Strategic Plan finished in the year 2007, at the end of 2007, and gives us the following figures: 13.730 billion euros of turnover, 1.960 billion euros of earnings before interest and taxes, 36% of foreign activities; and a debt ratio, corporate debt over earnings before interest, tax, depreciation and amortization of around 2.5%. What this means is that we have gone beyond our Strategic Plan and this undoubtedly gives us great satisfaction, but the group cannot stop here, we have to keep moving forward.



SLIDE 26
Strategic plan:
INVESTMENTS MADE
 5 billion euros
 57% in services
 43% in cement and construction
 67% in international markets
 33% in Spain
 Development platforms in Central and Eastern Europe and in the United Kingdom.

Even though the strength of the investments made to reach these objectives have been significant.

We have invested 5 billion euros, entirely dedicated to the Group's strategic activities. We haven't made any incursions on any foreign activities or on activities outside of the FCC Group.

I insist that all of our investments have made full strategic sense, emphasizing the bids we have made in two markets: central and eastern Europe and the United Kingdom, which will make excellent platforms for the future development of our Group.

And although we have finished with the investment phase of our Strategic Plan, we are now entering into real contact with the societies we have acquired, it is not over yet, we still have a fundamental job to do: assimilate the companies acquired. We are working on the integration of the work forces, on implementing our own accounting systems, on the exchange of technology and on the development of a future integrated model of information on the whole new Group. It's supposedly a difficult task, but at the same time I can assure you, an extremely exciting one. The organizational transformation produces an immediate effect on the FCC Group.



SLIDE 27
Staff:
INTERNAL TRANSFORMATION
Organizational updating
- Staff:
General Secretary
Internal Audit
Human Resources
Administration and Finance
Corporate Development

- Perfect harmony between
the staff and the production
areas.

For all these reasons, FCC is undergoing profound changes, which necessarily imply an updating of our internal organization. We have to be prepared for this new challenge and I want to highlight, from this platform, the huge amount of work that has been done by our staff during these years. Up until now, everything is going very well, with a very high level of contracts, so that our work portfolio, which is one of our biggest worries, and services pending execution went up to 33.318 billion euros in May, an increase of 52.1% over the same period in the previous year.

The payment of dividends, if the shareholders don't object, will be approved during this meeting. A bonus dividend of 1.05 euros gross per share will be paid, and seeing as last January one euro per bond was paid as an interim dividend, the total payment will be of 2.05 euros gross per share.



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Dividend:

The dividend has quadrupled in six years.

- A rise of 27%
- A pay out of 50%

Personnel growth has never frightened the FCC Group; on the contrary, it has been constant throughout the life of the company. We are a company that generates wealth and employment, and all this has been possible due to FCC's harmony and sensitivity towards the creation of employment, and, as I am sure you all agree, to our principal shareholder, Mrs. Esther Koplowitz.



SLIDE 29
Human resources:

Number of employees in 2006: 92,600

An increase of 25,000 jobs in one year

Her sensitivity is not purely emotional, but is also manifest through her constant concern for those who are most disadvantaged. It is only fair to say that this goes

hand in hand with an extremely important personal, and I must stress, personal, economic investment through the Esther Koplowitz Foundation.

SHAREHOLDERS' APPLAUSE FOR MRS. ESTHER KOPLOWITZ.

We announced at the last Shareholders' Meeting that we are immersed in an ambitious scheme for the integration of disabled workers, vigorously promoted by the Board since last year, and it was approved with the aspiration that this program will reach all areas of the organization. My gratitude for your illusion and professionalism goes to all of our employees. The fundamental part of the successes we have reaped is due to them.

SHAREHOLDERS' APPLAUSE FOR ALL OF THE EMPLOYEES. LITTLE BY LITTLE THE FACES OF FCC'S EMPLOYEES APPEAR ON THE SCREEN, FORMING A MOSAIC OF THE COMPANY'S LOGO.