

► FCC'S ANNUAL  
GENERAL MEETING  
ENDORSES THE  
GROUP'S NEW STRATEGY

A large industrial cement plant at night, illuminated by bright orange and yellow lights. The scene shows tall chimneys, complex metal structures, and conveyor belts. The overall atmosphere is industrial and brightly lit against a dark sky.

► **New cement  
plant** in the **United States**

IN THE PHOTOGRAPH, THE SPANISH AMBASSADOR TO THE UNITED STATES, Carlos Westendorp, with Jenny Sanford, the wife of the governor of South Carolina, and José Ignacio Martínez-Ynzenga, Cementos Portland Valderrivas's CEO. The company has invested 650 million dollars in the U.S. over the past 6 years.



## Cementos Portland Valderrivas invests 132 m

**C**ementos Portland Valderrivas, S.A., FCC Group's cement company, opened a new 132 million dollar cement manufacturing plant in Harleyville (South Carolina). In the last 6 years, this company has invested over 650 million dollars in the United States. The new factory, featuring the most advanced technology for these types of installations and enforcing the strictest environmental measures, replaces the previous factory that had become obsolete. The facility, with a single dry manufacturing furnace instead of the two previously wet furnaces, has a production capacity of 3,000 ton/day, equivalent to one million tons/year in comparison with the previous 2,000 ton/day facility. Energy consumption at this factory has been cut in half.

The Spanish ambassador to the United States, Carlos Westendorp, who attended the inauguration ceremony, highlighted the excellent bilateral relationships existing between Spain and the United States and the current opportunities for increasing commercial relations between both countries, and congratulated Cementos Portland Valderrivas for its investments in the United States. José Ignacio Martínez-Ynzenga, Cementos Portland Valderrivas' CEO, mentioned that the actions taken in South Carolina are in keeping with the Company's commitment in the United States.

The governor's wife, Jenny Sanford, apologising for her husband's absence, thanked Cementos Portland Valderrivas for implementing a business strategy aimed at creating

jobs and wealth.

Work on this project began in July 2003, with production starting in March 2005. Construction of the new factory required 7,650 m<sup>3</sup> of concrete, 7,650 tons of steel, 360 electrical engines.

The following equipment was installed:

- A vertical 240 Mt/h mill for raw materials.
- 6 homogenisation silos.
- A 3,000 Mt/day furnace with pre-burner and cooler.
- A computerised quality control laboratory for sample-taking, transport, and analysis that does not require any manual intervention.
- High-performance emission control filters.
- A 7.000 Mt clinker silo.
- A 110 Mt/h horizontal cement mill.
- An electrical system with two 24-MVA transformers.
- A control room and administrative offices.
- A centralised equipment control room.

The Harleyville factory employs 170 people, including administration services and sales personnel.

The Cementos Portland Valderrivas Group operates three factories in the United States, the third ranking country in cement consumption: the Harleyville factory, another one in Bath (Pennsylvania) through Giant Cement Holding, Inc., and a third factory in Thomaston (Maine) owned by CDN-USA. In 2004, Cement production at these three factories was over two million Mt, representing nearly 20% of the Group's total output.



## illion dollars in the U.S.



In Spain, the country with the highest per capita consumption worldwide, the Cement group operates six production centres in Andalusia, Castilla y León, Madrid, Navarre, Cantabria, and the Basque country, with total output at 8.2 million tons.

Net sales in 2004 totalled 881.5 million euros, while gross operating profit (EBITDA) reached 265 million euros and net income climbed to 116.1 million euros.

At 284 million euros, sales in the first four months of this year were 1.4% higher than in the equivalent period a year earlier, while EBITDA was 54.5 million euros, up 14% year-on-year. ■

### ENVIRONMENT SEMINAR AT THE HONTORIA FACTORY

Cementos Portland Valderrivas is fully committed to sustainability and transparency in the mining of raw materials used in cement as well as in its manufacturing activities, a strategy highlighted in the seminar held on 20 and 21 May at the Hontoria (Palencia) factory. The Environmental Communication Seminar was inaugurated by Carlos Fernández Carriedo, the councillor of the environment at Castilla y León, and by José Ignacio Martínez-Ynzenga, Cementos Portland Valderrivas' CEO.

Distinguished members of the Castilla y León Department for the Environment and Industry, the mayors of Venta de Baños, Tariego de Cerrato, Magaz de Pisuegra, Hontoria de Cerrato, and Cevico de la Torre, UGT and Comisiones Obreras trade union members, and technicians from several government agencies attended the seminar.

Environmental management at the Hontoria factory and its revamping, and the labour unions' view on energy in the Spanish cement industry were among the issues discussed.

About 500 people from the region attended the open seminar held at the factory on 21 May. The tour of the factory was made in groups of 25, a video was shown covering the factory and its production activities, and visits were made to key installations such as the storage facilities, the furnace, the cement mill, control room, cement silos, and packaging area.





# FCC held its Annual General Meeting in Barcelona

**F**CC's Annual General meeting, held on 21 June in Barcelona, approved all the items in the agenda, including the financial statements for 2004 and the distribution of profits. In his speech, Marcelino Oreja, the company's institutional Chairman, highlighted the measures implemented in 2004 designed to adapt the company to good governance practices. "I can assert, with full satisfaction, that we are up-to-date in this respect. We are a transparent company with governance bodies designed to ensure efficient corporate management," he stated. Marcelino Oreja also mentioned that the Annual Report on Corporate Governance had been approved for the second consecutive year, that the Board of Directors and the Annual General

Meeting regulations had been updated, and an Executive Committee, an Audit and Control, an Appointments and Remuneration Committee, and a Strategy Committee, presided by Esther Koplowitz, were in place in the company. "We have adopted all these decisions," the Chairman said, "because we believe that these will contribute to improving the company by making it more competitive and by enhancing the efficiency of decision-making processes. These reports have been duly submitted to the Stock Exchange Commission and are at the public's disposal at the FCC website". Rafael Montes, FCC's Chief Executive Officer and Managing Director, prepared the Management Report. He thanked Esther Koplowitz for her support

and her commitment to the company and its employees. "Last summer, when Veolia ceased to be a shareholder, you assumed a risk that others would have most likely declined, thereby demonstrating your courage, generosity, and love for the company," he added.

► **43,000 million euros**

After going over the key financial aggregates of the previous year

## FCC's ongoing growth

### Strong points

- Leader in strategic activities
- Management capabilities
- Low debt level (250 M€ = 0.3x EBITDA, 9.3% gearing)
- Does not have the need of undertaking financial risks
- Support from core shareholders



## Investments

Estimated expenditures:  
**3 billion euros**

Sectors:

- Services
- Construction
- Cement

First acquisition:

- Grupo Logístico Santos

LEFT TO RIGHT: Felipe Bernabé García Pérez, General Secretary; Rafael Montes Sánchez, CEO; Marcelino Oreja Aguirre, Chairman; Francisco Vicent Chuliá, Secretary of the Board, and José E. Trueba Gutiérrez, General Manager of Administration and Finance.

## Targets

### Three-year targets

- Sales: Between **10** and **12** billion euros
- Internationalisation: **35%** to **40%** of total revenues
- Gross operating profit: between **1.4** and **1.6** billion euros
- Assumable leverage: **50%** of equity  
Debt/EBITDA ratio < **2.5 x**

and discussing the performance of each of the business lines, the CEO focused on FCC's future and its strategic plan for the next three years, which is supported by the company's core shareholders. This plan contemplates the following specific targets:

- 10,000 to 12,000 million euro in sales in the next three years.
- Increasing the Group's international presence, with these activities generating between 35 and 40% of total consolidated sales.
- Boosting gross operating profit to 1,400 - 1,600 million euros.

In order to achieve these targets, FCC plans to invest 3,000 million euros in acquiring companies engaging in FCC's core activities: Construction, Services, and Cement.



According to Rafael Montes, "We want to achieve these objectives without exceeding a 50% debt-to-equity ratio, maintaining the Debt/EBITDA ratio below 2.5x, while implementing a conservative approach aimed at safeguarding the Group's financial stability."

The CEO mentioned that he was fully convinced that the company would be able to meet these objectives, not merely because of the Group's enviable financial situation, but also because of its commitment. "I can assure you that the Group's management team looks forward to tackling the exciting challenges that we are facing," he said. ■

OPERATING IN VALENCIA SINCE 1957

# FCC's urban waste collection and street cleaning services contract extended for another 15 years



**V**alencia's City Hall awarded FCC a 15-year, 313 million euro contract for street cleaning and waste collection and transport services. The services include: street cleaning, clean spots, collection of solid urban waste and of household appliances, furniture, and fittings, packages, paper, and cardboard. FCC has been operating in Valencia since 1957, the year in which local authorities privatised the city's cleaning and irrigation services. Ever since the contract was originally awarded, FCC has been uninterruptedly providing these services. FCC will invest over three million euros in equipment for this new contract. Of this amount, the company will spend two million euros in urban solid waste collection and transport services

with the remaining amount earmarked for street and beach cleaning services. Given the importance of this contract and the innovative solutions required for providing these services in the coming years, FCC will incorporate the most technologically advanced equipment and vehicles to

**LATEST  
GENERATION  
waste collection  
vehicles powered  
by compressed  
natural gas.**

comply with current legal specifications. Consequently, as part of the technological innovations, FCC will introduce 30m<sup>3</sup>-capacity side-loading and four-wheel drive waste collection trucks, exclusively designed by FCC, as well as several 20 m<sup>3</sup> and 8 m<sup>3</sup> four-wheel container vehicles. Seven side-

## IN 80 CITIES AND TOWNS

FCC operates in 80 cities and towns in the Valencia Autonomous region where it is also in charge of solid urban waste collection, street cleaning, and cleaning of beaches and the coastal areas, park and garden maintenance, and cleaning services in schools, buildings, and health care centres.



loading trucks with double driver seats on the right and left hand side to ensure the driver's safety will also be used as well as several cleaning-container vehicles, dump trucks, and other equipment. The entire fleet of cleaning vehicles is of the most advanced technology. In addition to regular sweeping and cleaning services, other special services will be provided, such as cleaning of parameters, washing sidewalks and roads, the removal of gum as well as dog litter, and other. All the vehicles to be used by FCC for waste collection in Valencia will run on compressed natural gas, thereby significantly reducing air and noise pollution. Waste collection and transport services will be provided year-round with street and beach cleaning services considerably increased during the summer, Christmas, and Easter holidays. One of the novelties is that operators will perform a daily service to detect any waste overflow and abandoned appliances in the city. To achieve this, operators will have a GPRS cell phone that will send messages on real time to report any incidence to the central production headquarters. Inspectors, service supervisors, and political figures will be provided with XDA handsets to enable them to access the communications server housing FCC production applications, for checking



### COMPACTING COLLECTION TRUCK WITH A DOUBLE BACK-LOADING COMPARTMENT

Waste compactor collection truck with double back-loading compartments with technology exclusively designed and developed by FCC. The FCC Group currently has a total of 210 equipment units providing services: 95 powered by compressed natural gas, with 120 of these vehicles having a capacity of 25m<sup>3</sup> and 90 with 18 m<sup>3</sup>. The vehicles have two vertical compartments, 70% for one type of waste and 30% for other types. It has a single back cowl panel with two compacting devices that function independently according to the type of waste, plus two ejectors, one in each compartment. It also incorporates two container elevators, one for each compartment, that function independently from each other.

The vehicle runs on compressed natural gas or diesel fuel. It has an admissible maximum weight of 26 Tn, with an automatic gear box with retarder. It features a third axle for the 25 m<sup>3</sup> body and a second axle for 18 m<sup>3</sup> capacity body-works. The front and back axles feature pneumatic suspension.

The subdivided 25m<sup>3</sup> collection truck was exhibited at the Munich trade fair (IFAT) from the 23rd to the 27th of last May.



THE FCC GROUP CURRENTLY HAS 210 equipment units providing services: 120 with 25m<sup>3</sup> capacity (35 running on compressed natural gas) and 90 with 18m<sup>3</sup> capacity (60 powered by compressed natural gas).

itineraries, schedules, incidence resolution, or pending notices, etc. GIS technology will make it possible to schedule collection services, using the optimal routes, whenever any incidence is detected. Valencia's city hall won the Platinum Broom Award last year,

the top prize awarded every two years by the Technical Waste Management and Environment Association (Ategrus). More than 75 cities and companies participated in this contest that rewards the best in waste management and urban cleanliness. ■

► **CONTRACTED SERVICES INCLUDE:** street cleaning, clean points, urban solid waste collection, collection of used appliances, furniture, and fittings, packages, paper, and cardboard.

# Cemusa wins international

Italy is considered one of the key countries in Cemusa's strategy. The FCC subsidiary which specialises in the management of advertising in city furniture concluded an agreement last 10 June for the maintenance and exploitation of over 1,000 small and large-sized supports in the Italian city of Bologna.



**C**emusa was awarded a contract for the installation and exploitation of advertising in urban furniture and fittings in Bologna (Italy), over an area including the historic centre and the city's prime commercial district. The 4.5-year contract may be extended for an additional

three years. Estimated turnover totals 22 million euros. The tender process for advertising supports in the cities was divided into 5 lots. Cemusa won the first lot, the largest of all, covering 40% of the total elements, thereby providing optimal advertising coverage. Bologna's historic centre is one of

**SMALL AND large-sized advertising supports will be installed in the city's historic centre and its commercial district.**

the best preserved in Europe. It is one of the four Italian cities with the highest demand by advertisers thanks to its wealth and financial importance. It is also the home of one of the most ancient western universities and is the host to numerous scientific, academic, and cultural activities. This contract contributes to

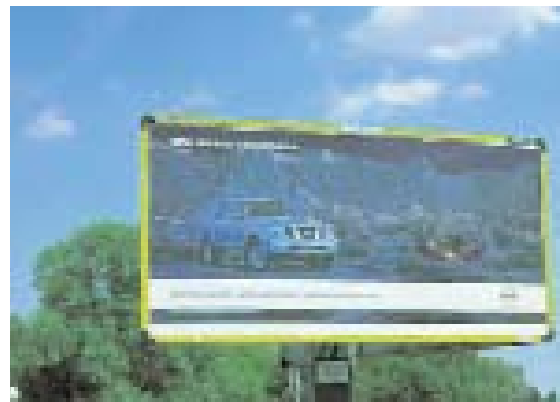
► **IN THE NORTH OF Italy, Bologna is among the cities most sought after by advertisers, jointly with Milan, Rome, and Turin.**

## IN THE MARKET SINCE 1984

Cemusa, part of FCC Versia (the Fomento de Construcciones y Contratas Group service subsidiary) has been operating in the urban furniture and outdoor advertising sector since 1984. It is currently in charge of managing the design, manufacturing, installation, and maintenance of more than 104,000 urban furniture elements in 120 cities worldwide. The Company's annual turnover is 81 million euros, with over 15% compounded average annual growth in the past 10 years. Cemusa, the undisputed leader of its segment in Spain, launched an international growth strategy a decade ago, thanks to which it currently operates in 11 countries.



# tender in Bologna (Italy)



► **THE FCC SUBSIDIARY'S** first foray in Italy dates back to 2001.

marking the first step in Cemusa's expansion in Italy.

Because of its size and socio-economic status, Genoa is one of the leading cities in Italy. Bathed by the Mediterranean sea, this beautiful Italian city is the home of over 650,000 inhabitants and one of the country's major cities, which, following the arrival of Cemusa, has witnessed a change in the image of its streets. Cemusa, awarded a 20-year contract, expects to post approximately 150 million euros in profit during this management period.

#### ► **Parma, a cultural city**

In the same year, Parma's city hall awarded Cemusa a 20-year contract worth 75 million euros for the design, maintenance, and the management of advertising on the city's furniture and fixtures. This northern Italian city has one of the highest per capita incomes in the country and is the home of major food companies. It is also well known for its cultural activities, particularly music, since it is the birthplace of the renowned composer Giuseppe Verdi. ■

consolidating the Italian network, which, in addition to Bologna, comprises the cities of Genoa, Parma, and Rome (Fiumicino airport). Thanks to this new project, Cemusa consolidates its positioning in the world's fifth largest advertising market.

#### ► **Cemusa in Italy**

Cemusa's presence in Italy dates back to 2001, the year in which the company was awarded the Genoa and Parma contracts. It won another contract last year for the Fiumicino airport (Rome). This country offers great business opportunities for the Group, with the FCC subsidiary gaining a foothold in this country and awarded substantial contracts, thanks to which Cemusa expects to have a strong professional

presence in this country. Over 3,900 city furniture and fixtures have been installed in these cities.

#### ► **Genoa, a medieval city**

In 2001, the Genoa local authorities awarded Cemusa a contract for the installation and exploitation of advertising in this medieval city's urban fixtures,

► **WITH THIS NEW CONTRACT,** Cemusa continues with its international expansion plans, which contemplates Italy as one of the key countries in its strategy.

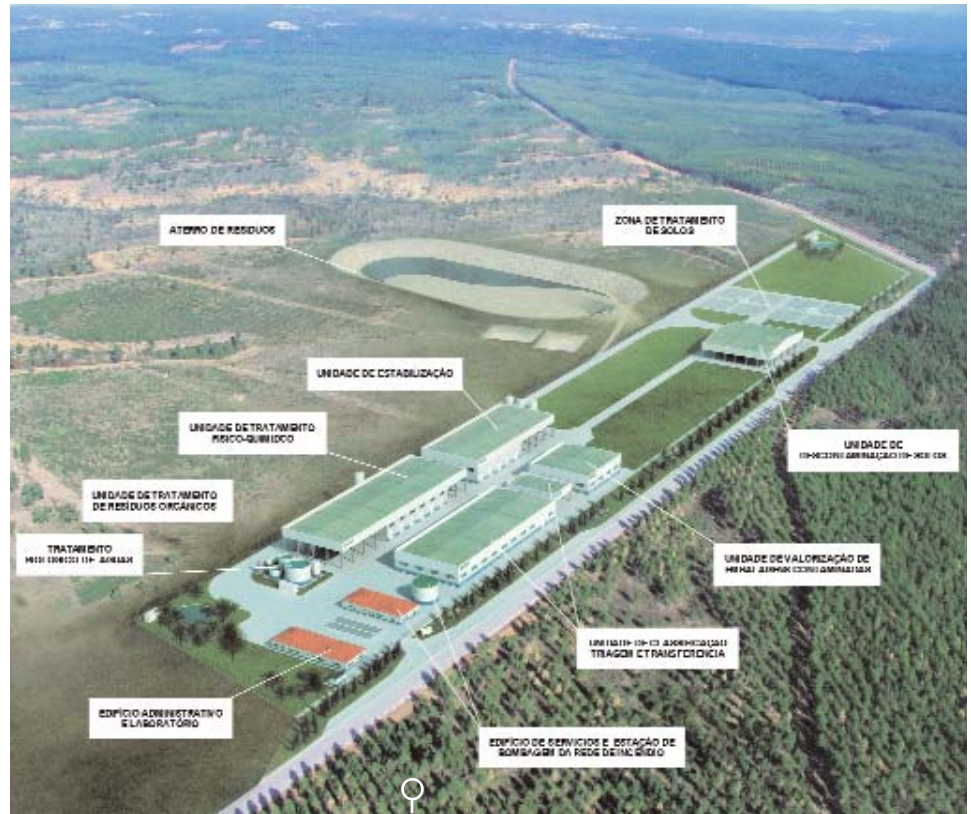
# FCC wins the first hazardous industrial waste management contract awarded by Portugal

200 MILLION EUROS ESTIMATED SALES

**T**he Portuguese Government, through the Ministry for the Environment, awarded an Fomento de Construcciones y Contratas led consortium the first licence for the installation and operations of a Comprehensive Hazardous Waste Recovery, Recycling, and Elimination Centre (CIRVER).

These facilities in Chamusca (Ribatejo region), 80 kilometres from Lisbon, will have a useful life of approximately 25 years, with total sales estimated at more than 200 million euros.

The first industrial waste treatment plant to be built in Portugal, these new facilities will make it possible to address the problem involving the correct treatment of the hazardous industrial waste produced in this country.



## ▶ 31.4 hectares

A Comprehensive Hazardous Waste Recovery, Recycling, and Elimination Centre (CIRVER) is an integrated unit that combines the best technologies providing specific solutions for each type of waste, thereby optimising treatment conditions and minimising related costs. A 31.4-hectare area was selected for the construction and operations of this facility that will incorporate the following treatment lines:

- 1.2 million m<sup>3</sup> capacity hazardous waste deposit.
- Classification, sorting (triage), and transfer line.
- Inerting and stabilisation line.
- Organic waste treatment line.
- Biological water treatment.
- Recycling line for contaminated containers.
- Physical-chemical treatment line.

● Decontamination unit for contaminated soil. The plant's annual treatment capacity is 180,000 Mt/year, with initial investment totalling 24.9 million euros. FCC (55%), Grupo Melo (25%), and Grupo Nelson Quintas (20%) participate in the consortium, known as Ecodeal, which was awarded the first license. Given the importance of the project put out to tender, eight candidates representing the leading industrial waste treatment companies in Europe, five of which

**COMPREHENSIVE Hazardous Waste Recovery, Recycling, and Elimination Centre (CIRVER). The first industrial waste treatment plant to be built in Portugal.**

were Spanish, participated in the award process. FCC Group's activities in Spain in industrial waste management are carried out under the *Ámbito* brand, which operates all types of treatment plants for this type of waste such as: transfer plants, inerting centres, waste recycling centres and deposits, making up the largest network of installations in this sector. In 2004, *Ámbito* managed 910,000 Mt of industrial waste, 26% more than in the previous year, and treated over 420,000 m<sup>3</sup> of soil. ■

## SEVERAL INSTALLATIONS

*Ámbito*, the brand which groups together FCC Group's industrial waste management activities, operates several types of facilities for the treatment of these waste products, such as: transfer plants, inerting centres and recycling centres, and waste deposits, all of which comprise the largest network of facilities in this sector in Spain.



## Inauguration of the Los Barrios (Cádiz) industrial waste plant

**T**he Minister of Industry, Tourism, and Trade, José Montilla, inaugurated the Gamasur Campo de Gibraltar industrial waste management facility in Los Barrios (Cadiz), part of the Southern Europe Environmental Complex. Juan José López Garzón, delegate of the Andalusian government, and Alonso Rojas Ocaña, the mayor of Los Barrios, were also present at the inaugural event.

### ► 50,000 tons per year

Gamasur is a joint venture including Ámbito (85%), the umbrella brand for FCC's industrial waste management activities and Gama (15%), a municipal company of the Los Barrios (Cadiz) city hall. The centre, with a treatment capacity of over 50,000 tons per year, will be involved in the management of hazardous and non-hazardous industrial waste produced by the factories in this region.

The 151,000 m<sup>2</sup> plant, with three treatment lines, spreads over an 85,000 m<sup>2</sup> plot of land. The dumping site for non-hazardous and stable non-reactive hazardous waste covers an area



measuring 66,000 m<sup>2</sup>. The new facilities have an environmental laboratory featuring all legally mandatory technical equipment. It is also the first waste treatment facility in Andalusia awarded the Comprehensive Environmental Authorisation. ATEGRUS, the Technical Association of Waste Management and the Environment, awarded the Silver Spoon to this facility in its 2004 edition. ■

### TREATMENT LINES

The treatment plant has the following lines:

- Gravity sorting.
- Stabilisation-solidification.
- Forced evaporation module plant.

It also has administrative authorization for increasing the management capacity by adding new treatment lines:

- Separation of components.
- Physical-chemical treatment.
- Transfer centre.
- Treatment of contaminated soil.
- Cleaning of containers.

► **THE PLANT**, occupying an 85,000-m<sup>2</sup> plot, has three treatment lines.

### 28% GROWTH IN 2004

Activities in this sector involve those related to the treatment of waste generated by basic industry (primary sector), the manufacturing industry (secondary sector), and the consumer goods industry (tertiary sector). It includes private clients as well as different public administrations and manages the following types of waste: hazardous, non-hazardous, treatment of contaminated soils, and industrial cleaning activities. In all of these cases, these services include collection, transport, recycling, and treatment. In 2004, FCC pressed ahead with its expansion and growth strategy, with sales climbing 28% with respect to the previous year.

# Start of operations of FCC's waste-



The project includes the installation of a waste incinerating plant that will convert 35% of solid waste produced in Vizcaya into electric power. Investment in this project totalled 154 million euros.

**P**romoted by the FCC-company Zabalgarbi, Sener, Bilbao Bizkaia Kutxa, and other entities such as the Diputación Foral de Vizcaya, the Basque Energy Centre, the Institute for Energy Diversification and Savings, and the Mancomunidad de Municipios de la Margen Izquierda (the association of municipalities on the west bank of the river), the project involved the construction of an incinerator plant that will convert urban solid waste collected in the towns in the left-

bank of the river into electric power. These towns and cities include: Ortuella, Gallarta and Muskiz, Santurtzi, Portugalete, Sestao and Barakaldo, and other cities and towns in Vizcaya, all of which account for 35% of the total amount of waste produced in Vizcaya.

The Zabalgarbi plant occupies a five-hectare area within the Artigas Special Plan (Bilbao). Its industrial facilities spread over a 2.7 hectare plot, with gardens and roads taking up the remaining surface area. The Artigas Special

Plan covers 108 hectares, of which 90% is for public use. The construction of the Zabalgarbi plant will recover an area that has been significantly degraded by the historical gallery mines and quarries. Investment for the plant amounted to 154 million euros. FCC will be 100% in charge of operations during a 25-year period. For the company, this project represents 538 million euros in sales. The plant has a 250,000 ton treatment capacity and will be able to generate 760 million kW/hours per year, that is, 10% of the electricity consumed in Vizcaya, and 30% of the energy consumed by households and commercial premises. Gas



# to-energy plant in Bilbao



## ENVIRONMENTAL MANAGEMENT MODEL

For more than 15 years, FCC Medio Ambiente has been in charge of managing the Artigas (Bilbao) urban waste treatment plant, which produces electric power by burning methane gas produced by the break-down of solid waste deposited in the dumping site. This waste is collected daily at the homes of the more than 650,000 inhabitants in Bilbao capital, and at several cities and towns on the left bank of the river, such as Baracaldo, Santurzi, and Portugalete, among other.



## ► THE PLANT WILL SUPPLY 10% of the energy consumed in Vizcaya.

consumption is approximately 1,070 Mth/year.

This new energy recovery process – known as third generation incineration – offers significant advantages in comparison with conventional recovery methods. It combines a conventional cycle with a high-pressure steam incinerator.

In this new process, steam generated by waste recovery is overheated using gas until it reaches a 540° C with pressure at 100 bars, and, consequently, energy production reaches 60% with net electrical output totalling 95 MW vs. 12 MW produced by conventional recovery methods. The advantages of this system are as follows:

- Greater thermo-electrical yield.
  - Higher energy production.
  - Primary energy reduction.
  - Reduction of CO<sub>2</sub> emissions per generated kWh.
  - Less impact on the environment per generated kWh.
  - Decreased corrosion in the furnace-boiler, greater waste treatment service reliability, and full environmental guarantees.
- FCC constantly conducts research aimed at launching the most advanced techniques to improve the environment and the lives of Vizcaya's citizens. Zabalgarbi incorporates innovative technology and is one of the first facilities of its kind in Spain, capable of converting domestic waste into electric power. ■





## Active participation of the FCC Group in Aeas

**T**he Asociación de Abastecimiento de Agua y Saneamiento (Aeas) (Water Supply Association) held the 25th edition of its Technical Seminar and AES General Assembly on 24, 26, and 27 May at the Palma de Mallorca Convention Hall in Pueblo Español. Aqualia participated in this seminar, which promotes the exchange of experiences and brings together a group of sector specialists, making it the ideal

venue for discussing comprehensive water cycle related aspects. Specific subjects relating to comprehensive water management were discussed in the seminar, such as: supply planning infrastructure management; the situation regarding implementation of RD 140/2003 and incidence protocols; analytical methods and laboratory accreditation; contaminant substances; Water

Framework Directive implications; regulations and standards; supply network management and processes; reuse of treated water; customer and vendor relations. Participation in the presentations was quite high, with Aqualia involved in three of these under the following titles: "Identification and detection of the presence of high-conductivity water in coastal sewage networks" by Fernando del Amo, head of the Central Region's treatment area; "Marketing integrated in the management of companies in the sector, added value for the organization and the client" by Juan Pablo Merino, Marketing Manager; and "Removal of solid arsenic using specific filtering beds" by Arturo García Barroso, Aqualia Service Manager. While the seminar was underway, the Technology Salon, in which Aqualia discussed the latest in water cycle management, was also being held. The closing ceremony of the 25th Seminar was on Friday, 27 May, presided by the Catalina Cirer, Mayor of Palma de Mallorca, with the participation of senior staff from Aqualia's comprehensive water management business in Spain. ■

## Sustainable Water Management seminar held in Cataluña

**A**qualia sponsored the seminar organized by the Recoletos Group in Barcelona on 28 and 29 June dealing with "Sustainable Water Management in Cataluña". Salvador Milá Solsona, the Generalitat de Cataluña Councillor for the Environment and Housing inaugurated the seminar. Several leading personalities in the central and autonomous administration participated in the event that counted with the

collaboration of various official organizations and private. The following were the topics of some of the presentations: "How does Cataluña plan to meet the financial imperatives contemplated in the Water Framework Directive?"; "The degree of Private initiative"; "Pricing for cost recovery"; "Financial Structures and Formulas". Aqualia acted as the moderator of the seminar on its first day, with the



participation of Miguel Jurado, Manager of Development and Affiliates. The Manager of Aqualia's Eastern Zone, Jordi Hernández, made a presentation under the title "Financing model for hydraulic infrastructures in Cataluña". On the second day of the seminar, Pedro Rodríguez, Aqualia Technical Manager, participated in a round-table discussion on the following topic: "How to implement a system for recovering water-related costs". ■

# Aqualia involved in a new activity: management of municipal water and sports installations

Several local governments in Spain are building water sports facilities. Aqualia's efforts and willingness to provide global solutions to municipalities where water plays a key role, enables the company to meet its customers' demands.



**A**qualia has launched a new activity involving the management of municipal water installations. The activity took off in the Murcia Autonomous Region in 2003 following the award of a contract providing services for a heated pool in Mula. Nevertheless, consolidation of this activity did not take place until 2004 when the following contracts were awarded: San Pedro del Pinatar, (25-year service concession and construction of a heated pool); Los Alcázares (25-year concession for providing services to municipal water sports installations and the construction of an spa), and Callosa de Segura (25-year service concession and construction of a heated pool). This activity's order book totals 60 million euros.

## ► Management model

The management model integrates different technical programs. Aqualia handles maintenance, cleaning, and sanitary control of these installations and is also responsible for the proper use of infrastructure, sports fixtures and equipment. The project also contemplates several water activity programs for groups of all ages, in addition to the start up of gyms and the design and architectural integration of resorts or spas.



The start-up of these water sports municipal facilities made it necessary for Aqualia to launch a campaign via direct marketing actions, the main objectives of

which was to provide information to the public on this new service and to position these installations as alternatives to existing leisure activities. ■

## SERVICE VOCATION

The vocation for providing public services at Aqualia, plus its experience and knowledge in water activities and the public's demand for sports and health activities, gives rise to a new commercial relationship known as "municipal water installations management" underpinned by the following aspects:

**Commercial area:** Aqualia's clients are the same as those in the water cycle: city halls and users.

**Contract area:** the legal-financial framework is governed by the same regulations as in the water cycle.

**Management area:** This activity requires Aqualia's expertise in this area: construction of water works, maintenance of hydraulic elements, health and analytical regulations, commercial relations with end users, etc.

► **THE PROJECT CONTEMPLATES** maintenance, cleaning, and health control.

# Refurbishment of the National Art Museum of Catalunya

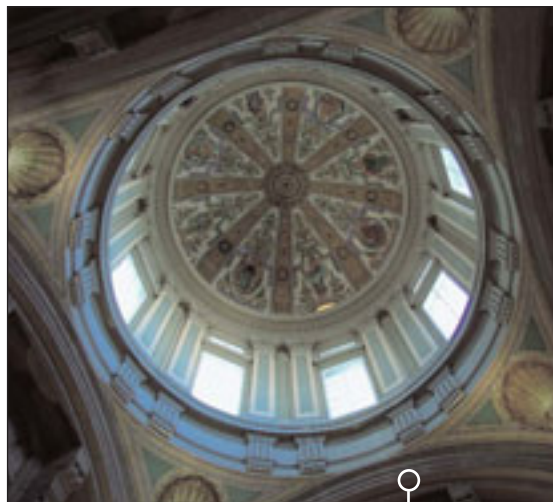
HOME OF ONE OF THE WORLD'S GREATEST ROMANESQUE ART COLLECTION



**A**fter a meticulous refurbishment of the National Palace of Montjuïc, a landmark building dating back to the 1929 World Fair in Barcelona, FCC completed the project for the National Art Museum of Catalunya, housing one of the major collections of Romanesque and Gothic art worldwide, as well as an exclusive collection of Catalan art. The museum is also the home of the Thyssen collection, formerly exhibited in the Pedralbes Monastery.

## ► 45,000 m<sup>2</sup> of floor space

The refurbishment was executed by FCC in several phases. Coinciding with the 1992 Olympic Games, the Company completed the first phase, opening the Oval Hall and the temporary Romanesque art exhibit hall. The Romanesque art and vestibule were inaugurated in 1995 while the Gothic and Cambó exhibit halls were completed in 1997. The last refurbishment phase of the museum was undertaken between 2000 and 2002. The completed project increases the museum's original floor space



– 45,000 m<sup>2</sup> distributed in two floors – by 24,000 m<sup>2</sup>. All of the exhibit halls, measuring over 10,000 m<sup>2</sup>, housing the permanent and temporary exhibits are now opened to the public, as well as all the services provided by the museum as contemplated in the functional plan drawn up in 1998. The project is broken down into four large zones surrounding an oval hall. The permanent and temporary exhibit halls occupy two floors of the two lateral wings of the building's main entrance. The Romanesque and Gothic art collections are on the ground floor, with Baroque, Renaissance,

and the Modern art collections on the upper floor surrounding two large courtyards.

The museum's administration offices and documentation centre comprising the art history library and the general archive are in the southern part of the building near the back entrance.

The restoration workshops, occupying a 1,400 m<sup>2</sup> area are located in the eastern part of the building by the loading and downloading dock. The western part of the building houses the offices of the museum's different conservation departments. Warehouses, the library deposits, work of art reserves, and installations are found in the basement level. ■

OVER 10,000 M<sup>2</sup> of exhibit space opened in the last project phase.

## TECHNICAL TEAM (LAST PHASE)

### DEPARTMENT MANAGER:

Antonio Julià Ribas

### HEAD OF PROJECT:

Antonio Escalada Menéndez

### HEADS OF PRODUCTION:

Cesare Ferrari Casas, Alberto Borrat Portabella, and Beatriu Pujol Crespell

### SUPERVISOR:

Juan Torres Amores





## The Minister of Development presides the ceremony marking the connection of the Guadarrama Tunnel sections

**M** agdalena Álvarez, the Minister of Development, presided the ceremony held on 5 May marking the connection of the 28.4 km-long section of the Guadarrama tunnel, part of the future high-speed railway line to north-eastern Spain. The tunnel stretches between the Miraflores de la Sierra (Madrid) and the Segovia municipal areas. This is the fifth largest tunnel in the world and the first of such length for a high-speed railway. The budget for the project, executed by FCC in a joint venture with other companies, in which up to 4,000 workers have been involved, totals 1,219 million euros, 73.3% of which was financed by the E.U. Cohesion Funds.



The tunnel comprises two parallel 9.5m diameter tubes covered with reinforced steel prefabricated sections. FCC was in charge of drilling from the two mouths of the tunnel on the Segovia side, using several mixed double-shield

**MINISTER OF DEVELOPMENT**  
Magdalena Álvarez  
greeted Francisco  
García, FCC  
Construcción  
General Manager.

tunnelling machines. It should be mentioned that the point connecting with the southern mouth of the tunnel is 1,000 m under the Peñalara Lagoon. Galleries connecting the tunnels were built every 240 meters. ■

## Official start of the Ponferrada Bridge construction project

**A** ntonio Silván Rodríguez, the Junta de Castilla y León Development Councillor, and Carlos López Riesco, the mayor of Ponferrada, were present at the first stone laying ceremony for the gateways to the

Ponferrada University Campus and the new bridge over the River Sil. These new gateways will stretch over 1,673 metres with the bridge measuring 220 metres. The ceremony marked the official start of the project. ■



## 7th Spanish Engineering Seminar on Coasts and Harbours

**F** CC participated in the 7th Spanish Engineering Seminar on Coasts and Harbours held in Sitges (Barcelona) on 17 and 18 May. This seminar brings together all

Construcción, made a presentation detailing the experiences in large harbour projects and constructions on the Mediterranean coast that were built using floating concrete



professionals in the sector to discuss natural resources and the environment in coastal areas and sea and ocean ecosystems of national interest in order to carry out scientific research and prepare projects for the improvement and recovery of marine and coastal environments.

The sustainability of the natural environment and coasts, harbour planning and management, marine projects and structures, coastal processes and marine climate were among the main topics covered in the seminar. Francisco Esteban Lefler, Manager of Technical Services, and Javier Ainchil Lavín, Technical Manager of Zone VI, representing FCC



boxes. The presentation was a retrospective analysis of the importance of this new resource. FCC has applied this technique in several projects, including the north and south extensions of the Castellón Harbour, the Andalucía

**FROM TOP TO BOTTOM: the Andalucía Pier, the Tarragona Harbour; Castellón Harbour enlargement project; the Badalona sports and fishing harbour.**

piers, the enclosure of the Counter-Dyke at the Tarragona Harbour, and the new entrance to the Barcelona Harbour. Francisco Diéguez Lorenzo, Manager of the Cataluña Civil Works II area, made a presentation on the project and the construction of a large sports marina in the former industrial zone of Badalona. This project involved the transformation of more than two kilometres of the coastline in a new urban area featuring modern infrastructures and housing units on the banks of a sports marina, as well as a boardwalk connecting the Forum 2004 area and Montgat beaches. ■



► **FCC'S WINNING** project stands out for its quality and innovation.



## Award ceremony at the second edition of the **2005 Asprima Prizes**

**T**he Asprima 2005 awards ceremony was held on 24 May, the day before the opening of the Madrid Real Estate Salon. These prizes are a recognition of the best actions in liberalised, subsidised, and tourist housing projects; non-residential projects; the best international strategy; and the best journalistic and research work, which stand out for their quality and innovation and that will serve as the basis for other works.

The best liberalised housing development prize was awarded to the project for 132 housing units, storage rooms, garages, commercial premises, and landscaping of Lot C11 of the PAU II-3 in Las Tablas (Madrid), executed by FCC Construcción's Madrid Building II division.

This project comprises four building blocks in a closed city block, with interior development including a pool for adults, one for

children, training golf courses, and arcades and gardens.

The members of the panel of judges entrusted with these awards represent real estate companies and public administrations.

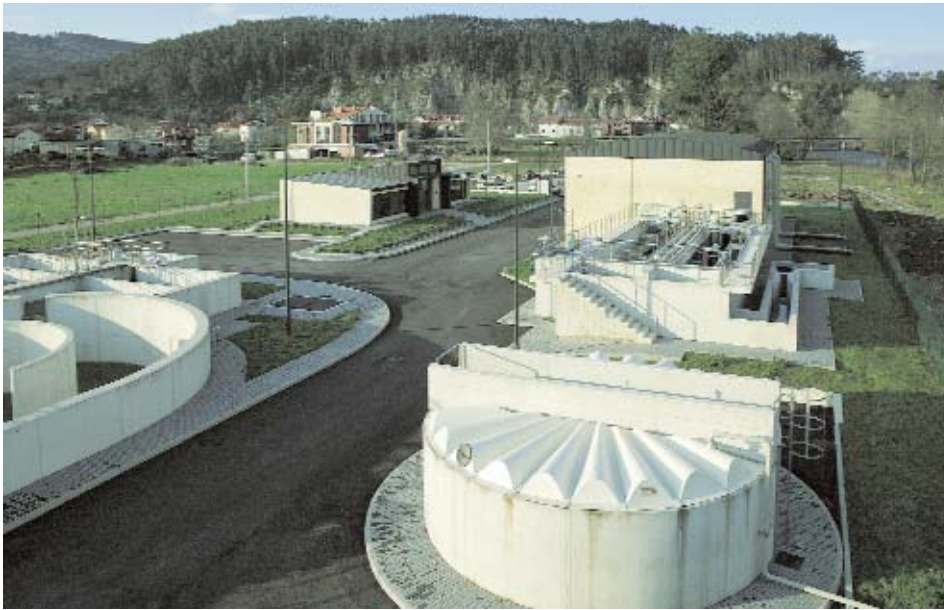
These prizes are recognised for their independence and prestige, thanks to the composition of the panel of judges as well as the rigour and transparency of the process as reflected in each of its editions. ■

## International Fair in the **Canary Islands**

**F**CC participated in the International Fair in the Canary Islands (FIC 2005), the Real Estate and Construction Salon, organized by Institución Ferial de Canarias (Infecar), part of Gran Canaria's City Hall. Major exhibitors, showing the

latest market trends, participated in this exhibit. Technical Seminars were held in parallel with the Salon, with the participation of well-known professionals who discussed current events in the real estate and construction sector from a local, national, and international standpoint. ■





## Completion of the **sewage** network and **wastewater treatment** plant in Cabezón de la Sal and Mazcuerras (Cantabria)

**T**he Vice-President of the Cantabria Government, Dolores Gorostiaga, and the Councillor for the Environment, José Ortega Valcárcel, inaugurated the comprehensive sewage treatment and wastewater treatment plant in Cabezón de la Sal and Mazcuerras. Also attending this event were Francisco Luis Martín Gallego, Manager of Water Projects and the Comprehensive Water

Management Cycle of the Cantabria Government, as well as Santiago Ruiz de la Riva and Celestino Fernández González, the mayors of Cabezón de la Sal and Mazcuerras, respectively. This project involved the construction of a 20,126 metre-

► **FCC BUILT A 20,125 metre-long sewage network.**

long sewage network for wastewater from Cabezón de la Sal, Mazcuerras, Ontoria, Villanueva de la Peña, Virgen de la Peña, Carrejo, Santibáñez, and Casar de Periedo to the new wastewater treatment plant.

The plant has a 3,908 m<sup>3</sup>/day water capacity, which can be increased to 6,202 m<sup>3</sup>/day.

The wastewater treatment plant has two treatment lines, one for water and another one for sludge. Pre-treatment, primary treatment, and biological treatment takes place in the water line. The maximum allowed flow in the current pre-treatment line is 815 m<sup>3</sup>/h, which can be increased to 1,292 m<sup>3</sup>/h, while the biological treatment line has a 326m<sup>3</sup>/h capacity that could be increased to up to 517 m<sup>3</sup>/h.

Sludge is pumped up to the sludge treatment line and, once it thickens, it is sent to the sludge digestion lines where it undergoes a stabilisation process. It is then pumped to the dehydration line where it can either be sent to the dumping site or to a heat drying line for maximum water removal. Reinforced steel was used in building all the wastewater treatment plant deposits, with four other buildings planned for other installations.

FCC is currently involved in the development of the area, building access roads to all wastewater



### TECHNICAL TEAM

#### MANAGER:

Alejandro Solares Domínguez

#### HEAD OF PROJECT:

Enrique Portilla Balza/José Luis Labat Villalba

#### HEAD OF PRODUCTION:

Santiago Fernández Cebrián

#### SUPERVISORS:

Francisco Lara Zamora/Ángel Artime

#### ADMINISTRATORS:

Juan José Alonso Venero/M<sup>a</sup> Jesús Gutiérrez García

# FCC Construcción organizes a seminar on the prevention of occupational hazards



**F**CC Construcción, in collaboration with Mutua de Accidentes de Trabajo Fremap, organized a seminar in Malaga on 4 and 5 May on the Prevention of Occupational Hazards. The purpose of this seminar was to provide a practical vision of the current situation and the resources available in the market to improve on-the-job safety. José María Torroja, Manager of FCC Construcción's Andalusian Region Division, gave the opening speech.

The rates of accident at FCC Construcción projects, including its own personnel as well as subcontractors, is much lower than the average for the sector thanks to the Company's ongoing efforts to reduce accidents in the work place.

Nearly 300 people attended this training seminar, including heads of projects, subcontractors, and several Central and Regional Government organizations, as well as public companies, private customers, and project managers. Representatives of companies

► **ACCIDENT RATES AT FCC projects, including own personnel as well as contractors, are much lower than the rest of the sector.**

engaging in manufacturing and supplying of work equipment discussed prevention management and the most recent aspects relative to the installation and optimal handling of their products, such as derrick cranes, tubular and motorised scaffolding, casing tables, self-propelling flaseworks, temporary supports, tunnelling machines, etc.

#### ► **Actions**

Meanwhile, the Chairman of Malaga's Association of Surveyors and Technical Architects, discussed different aspect that the Safety Coordinator must consider in the project phase as well as during the start and execution of the project.

Juan Carlos Rubio, professor of Organization at the Advanced Technical School of Industrial Engineers in Malaga, described the criteria for risk prevention audits according to the occupational hazard prevention law.

Representatives from the Labor Inspection Department discussed their criteria and lines of action, with presentations made by Victor de Santos, the Territorial Director of the Labour Inspection Department of Andalucía, and Mercedes Muñoz Salas, the head of the Labour Inspection Department of Malaga.

Francisco J. Nocete, the Head of the Prevention Service at the Ministry of Development's Eastern Andalusian Road Department, spoke on the preventive criteria applied in the Ministry's projects.

Francisco Javier Guerrero, General Labour Manager at the Andalusian Government, and José María Torroja, Manager of FCC Construcción Andalusian Region, were responsible for the closing speeches. ■



## New headquarters for the Palma de Mallorca Public Library

**T**he official inauguration of the new Public Library at Palma de Mallorca, in the former Can Salas building, was held on 12 March. Carmen Calvo, the Minister of Culture, and Jaume Matas, the President of the Balearic Island Government, presided the event. The building, with nearly 5,000 m<sup>2</sup> of floor space, has six floors, two on the basement level, and four above ground level. The semi-basement houses the Assembly Hall: the newspaper and periodicals library, while access to the building is on

the ground level. The children's hall is on the first floor, with the reading, consultation, and research halls on the second floor, which also houses the administrative and management offices. José Luis Martín Clabo, was the architect responsible for designing the building mainly made of concrete and stone, in addition to wood and, to a lesser extent, glass. It will house the Ancient Fund, an exceptionally important collection of manuscripts and incunables dating back to the fifteenth century. ■

## First stone of San Juan Hospital

**J**aume Matas, the President of the Balearic Islands government, also presided over the laying of the first stone ceremony at the San Juan de Dios Hospital in Palma de Mallorca that will be built by FCC.

The project, designed by the architect Javier Muñoz, comprises three units each 20 rooms, a day-care hospital for 25 patients, a rehabilitation gymnasium, a hydrotherapy pool, and a 94 car parking facility. ■

## Enlargement of the Gijón Harbour



**T**he Minister of Public Administrations, Jordi Sevilla, and the President of the Asturias Government, Vicente Álvarez Areces, presided over the official act marking the start of the El Musel Harbour (Gijón) enlargement project. Meeting on an extraordinary session on 4 January, the Gijón Port Authority awarded the Harbour Enlargement Project, worth 580 million euros, to an FCC-participated joint venture.

The enlargement project will provide modern installations able to cater to the needs of its clients, meet future demand, while revamping Asturias' industry.

The new 3,834 metre-long sea wall to be built from Cabo de Torres will be one of the greatest feats in Spanish harbour engineering projects. A modern terminal designed for unloading solid bulk containers, with 1,250 metres of dock lines and up to 27 metres deep will make it possible to dock three 230,000 TMP and 20 metre bull-carriers, with its 400 metre width providing unloading and storage capacity for 25 and 2 million tons iron and coal, respectively.

After the project has been completed, 145 hectares of land and 140 of protected waters will have been added, doubling the current Gijón Harbour facilities. ■



## The last stretch of the Nalón (Asturias) highway opens for traffic

**T**he Principality of Asturias Infrastructures Department opened the new stretch of the Nalón highway connecting Ribota and El Condado. Vicente Álvarez Areces, the President of Asturias, Francisco González Buendía, the Councillor for the Environment, Territorial Development and Infrastructures, and José María Pertierra de la Uz, General Road Manager, and José Marciano Barreñada, the Mayor of the Laviana Council, attended the inauguration ceremony. The 3 km-long road has two 3.5 metre wide lanes and one metre wide hard shoulders on each sides. It connects the towns of Ribota and El Condado, both located in the Laviana Council.

Stretching over a new route, the road has six underpasses and two traffic circles, one at the beginning of the road in Ribota which enables the connection with the La Acebal road and the Arco Bridge, and another circle in the middle of the road near Lorío, which connects with the current road AS-17, Aviles – Puerto de Tarna, providing access to Lorío and Muñera and other population centres.

A viaduct built over the Nalón River and its tributary is one of the



most remarkable constructions, diverting traffic from the population centres thereby

preventing road safety hazards, while improving access to all the municipalities near the road. ■

### TECHNICAL TEAM

#### PROJECT MANAGER:

Flavio Valperga Ovejero (1st phase)

Bárbara Monte Donapetry (2nd phase)

#### HEAD OF PROJECT:

César López López

#### HEAD OF PRODUCTION:

Rafael Valentín Ochoa

#### GENERAL SUPERVISOR:

Francisco Niembro Niembro

#### ENCARGADO EMPUJE VIADUCTO:

Gabriel Turrado Berciano

#### HEAD OF ADMINISTRATION:

José Clemente Fernández González

#### HEAD OF THE TECHNICAL OFFICE AND TOPOGRAPHY:

Miguel Ángel Fernández Teruelo

## FCC installs air-conditioning equipment in the Puerta America Hotel in Madrid

**I**nternacional Tecair, S.A., an FCC subsidiary, engaging in the installation of air conditioning systems, fire protection, and installation control projects for all types of buildings entered into a contract with the Silken Group for the execution of the air conditioning installations at the Puerta America Hotel in Madrid,

one of the most modern hotels in the capital, a design and architectural masterpiece. Each floor was designed by the most famous current international creators such as Foster, Nouvel, Victorio&Lucchino, and Mariscal. Twenty-three artists created 342 rooms featuring the most modern air-conditioning systems to ensure the comfort of hotel guests. ■

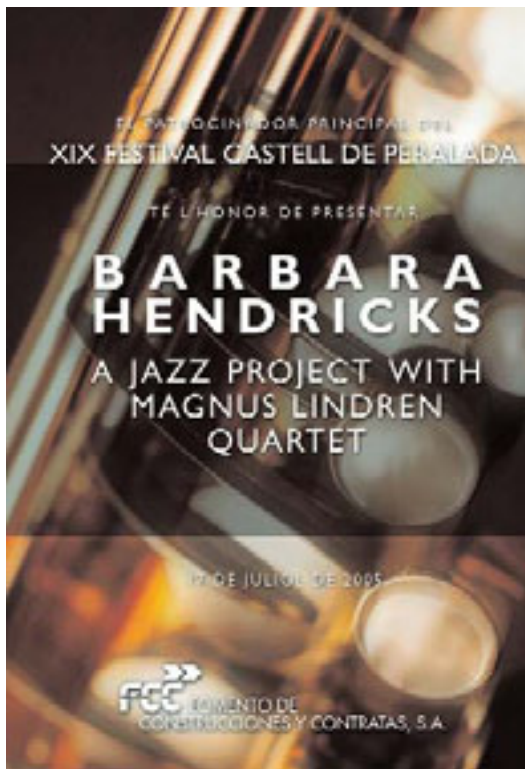
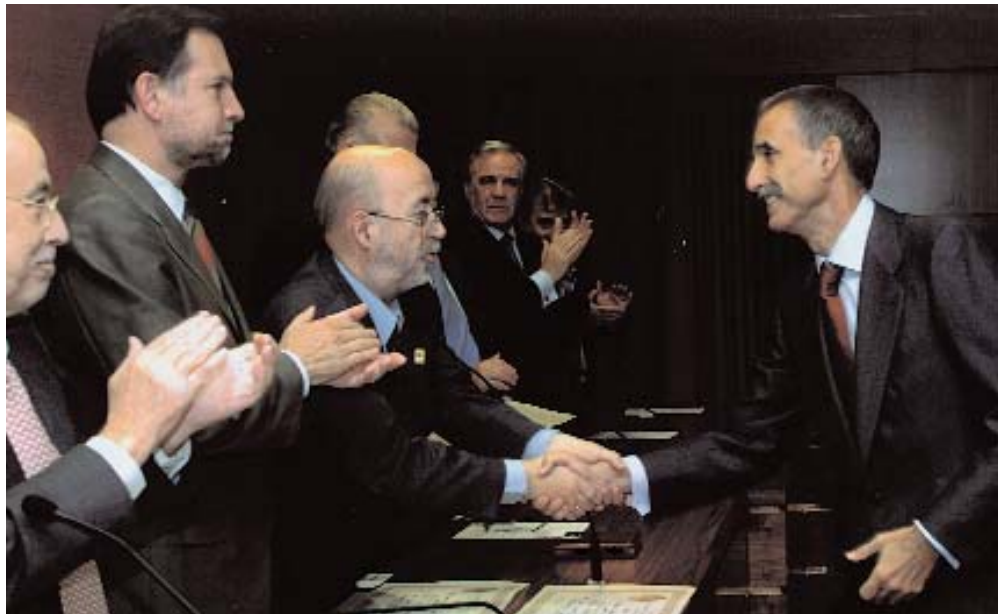


## Joaquín Martínez-Vilanova wins the Professional Merit Award

**T**he Association of Civil Engineers awarded the Professional Merit Prize to Joaquín Martínez-Vilanova, director of Detran, an FCC Versia railway services company. The association's governing body awards this distinction after analysing the professional careers, "for dedication, professionalism, and service to society".

Joaquín Martínez-Vilanova has wide experience in the transport sector. Before joining FCC, he was a consultant, general manager of the Madrid Transport Department;

president of FEVE, and an executive at Iberia Airlines, where he was chairman of the regional airlines Binter Canarias and Binter Mediterráneo; manager of Corporate Relations under the president; general manager of Iberia's Spain business; and winner of the National Urban Development Prize awarded by the Madrid Urban Development Plan. ■



## FCC sponsors the 19th edition of the Castell de Peralada Festival

**F**CC presents the 19th edition of the Castell de Peralada Festival commencing on 9 July with the inaugural "21st Great Concert of Catalan Music". The festival will end on 20 August with the presentation of *Yerma*, a Salvador Távora production based on the text of Federico García Lorca's *Yerma*.

An extraordinary function will be offered on 17 July in the auditorium of the Castle Gardens, sponsored by FCC, featuring the soprano Barbara Hendricks, accompanied by the Magnus Lindgren Quartet jazz ensemble.

The festival program will offer other special functions, such as the zarzuela "La Verbena de la Paloma", by Bretón, an International Music and Dance of Granada Festival production; "La eterna canción", a zarzuela by Pablo Sorozabal; Giuseppe Verdi's *La Traviata*; a concert by the Arturo Toscanini Philharmonic Orchestra directed by Lorin Maazel; El Orfeón Donostiarra; the Madrid Symphony Orchestra directed by Jesús López Cobos; Serrat's "100 x 100 Serrat" concert; Richard Strauss music, a libretto inspired by Oscar Wilde's drama; and "D.Q. pasajero en tránsito", a free and modern adaptation of Miguel Cervantes' *Don Quixote* starring Rafael Amargo and directed by La Fura del Baus. ■



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