

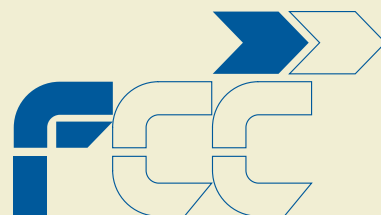
FINANCIAL STATEMENTS
MANAGEMENT REPORTS
AUDITOR'S REPORTS



FOMENTO DE
CONSTRUCCIONES Y
CONTRATAS, S.A.

FINANCIAL STATEMENTS
MANAGEMENT REPORTS
AUDITOR'S REPORTS

2001



Contents



Fomento de Construcciones y Contratas, S.A. and Dependent Companies (Consolidated group)

Consolidated Financial Statements

- Consolidated Balance Sheet	8
- Consolidated Statements of Income	10
- Notes	12
Management Report	63
Auditor´s Repor	68

Fomento de Construcciones y Contratas, S.A.

Financial Statements

- Balance Sheet	76
- Statements of Income	78
- Notes	80
Management Report	105
Auditor´s Repor	109

FINANCIAL STATEMENTS AND MANAGEMENT REPORT OF
FOMENTO DE CONSTRUCCIONES Y CONTRATAS, S.A.
AND DEPENDENT COMPANIES (CONSOLIDATED GROUP)

As of December 31, 2001

FINANCIAL STATEMENTS

CONSOLIDATED GROUP

CONSOLIDATED BALANCE

DE FOMENTO DE CONSTRUCCIONES Y CONTRATAS, S.A. AND DEPENDENT COMPANIES
(CONSOLIDATED GROUP)

ASSETS	31-12-2001	31-12-2000
DUE FROM SHAREHOLDERS FOR UNCALLED CAPITAL	361	1,124
FIXED AND OTHER NONCURRENT ASSETS	2,487,654	2,235,920
Start-up expenses	12,952	16,299
Intangible assets	409,818	312,743
Research and development expenses	1,472	1,424
Concessions, patents, licenses, trademarks, etc.	378,710	274,140
Computer software	16,474	12,838
Rights on leased assets	136,015	119,559
Provisions	(1,527)	(156)
Accumulated amortization	(121,326)	(95,062)
Tangible fixed assets	1,414,835	1,265,971
Land and structures	661,137	587,880
Technical installations and machinery	1,510,878	1,341,489
Other installations, tools and furniture	303,000	265,094
Advances and construction in progress	101,643	70,354
Other tangible fixed assets	128,893	106,121
Provisions	(3,522)	(1,905)
Accumulated depreciation	(1,287,194)	(1,103,062)
Long-term financial investments	625,137	617,191
Shareholdings in Group and associated companies	1,851	1,851
Shareholdings in companies carried by the equity method	416,838	454,389
Loans to companies carried by the equity method	35,953	27,106
Long-term investment securities	91,781	68,317
Other loans	47,918	39,450
Long-term deposits and guarantees	42,576	32,671
Provisions	(11,780)	(6,593)
Shares of the Controlling Company	24,912	23,716
GOODWILL IN CONSOLIDATION	367,591	421,111
DEFERRED CHARGES	33,500	17,532
CURRENT ASSETS	3,254,584	2,913,563
Inventories	355,927	325,508
Commercial	106,025	120,948
Raw materials and other supplies	129,206	123,292
Work-in-process and semifinished products	78,252	51,813
Finished products	36,686	30,537
Advances	13,150	5,589
Provisions	(7,392)	(6,671)
Accounts receivable	2,106,126	1,915,087
Customer receivables for sales and services	1,771,970	1,663,139
Receivable from associated companies	106,806	64,627
Sundry accounts receivable	110,466	94,507
Employee receivables	2,668	2,632
Tax receivables	246,625	216,605
Provisions	(132,409)	(126,423)
Short-term financial investments	466,110	401,806
Loans to companies carried by the equity method	29,077	8,018
Short-term investment securities	228,932	207,481
Other loans	208,804	177,797
Short-term deposits and guarantees	4,490	13,066
Provisions	(5,193)	(4,556)
Shares of the Controlling Company at short term	-	2,070
Cash	307,213	251,620
Accrual accounts	19,208	17,472
TOTAL ASSETS	6,143,690	5,589,250

as of December 31, 2001
(Thousands of Euros)

SHAREHOLDER'S EQUITY AND LIABILITIES	31-12-2001	31-12-2000
SHAREHOLDERS' EQUITY	1,290,985	1,201,742
Capital stock	120,102	120,102
Additional paid-in capital	129,897	129,897
Reserves	392,586	358,261
Legal reserve	24,020	24,020
Reserves for treasury stock	16,327	18,397
Other reserves	352,239	315,844
Consolidation reserves	433,967	400,617
Translation differences	7,020	7,573
Income attributable to the Controlling Company	241,042	215,607
Consolidated	319,805	306,456
Attributed to minority interests	(78,763)	(90,849)
Interim dividend	(33,629)	(30,315)
MINORITY INTERESTS	623,989	574,285
NEGATIVE DIFFERENCE IN CONSOLIDATION	37,227	37,125
DEFERRED REVENUES	41,205	39,571
Capital subsidies	25,471	25,255
Other deferred revenues	15,734	14,316
PROVISIONS FOR CONTINGENCIES AND EXPENSES	244,756	281,911
Provisions	216,611	254,114
Reversion reserves	28,145	27,797
LONG-TERM DEBT	774,163	762,522
Payable to credit entities	581,046	572,350
Loans and other debts	562,992	560,510
Long-term lease payments payable	18,054	11,840
Other accounts payable	189,301	178,338
Long-term accrued taxes payable	100,706	96,384
Limited recourse project financing loans	58,490	65,576
Other accounts payable	20,206	8,132
Long-term guarantees and deposits	9,899	8,246
Uncalled capital payments payable	3,816	11,834
CURRENT LIABILITIES	3,131,365	2,692,094
Payable to credit entities	479,439	347,331
Loans and other debts	439,436	305,675
Interest payable	5,613	7,044
Short-term lease payments payable	34,390	34,612
Payable to associated companies	28,187	30,033
Trade accounts payable	1,848,378	1,603,653
Advances received on orders	300,855	285,493
Payables for purchases and services	818,543	771,173
Notes payable	728,980	546,987
Other nontrade payables	636,659	577,506
Accrued taxes payable	392,046	357,867
Notes payable	26,174	12,747
Limited recourse project financing loans	7,086	5,902
Other loans	148,883	133,479
Compensation payable	60,354	62,000
Short-term guarantees and deposits received	2,116	5,511
Operating provisions	137,698	132,379
Accrual accounts	1,004	1,192
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	6,143,690	5,589,250

CONSOLIDATED STATEMENT OF INCOME

DE FOMENTO DE CONSTRUCCIONES Y CONTRATAS, S.A. AND DEPENDENT COMPANIES
(CONSOLIDATED GROUP)

DEBIT	31-12-2001	31-12-2000
TOTAL OPERATING EXPENSES	4,835,365	4,152,242
Materials used and other external expenses	2,393,975	1,983,273
Personnel expenses	1,386,288	1,268,965
Wages, salaries and similar expenses	1,071,983	982,631
Employee welfare expenses	314,305	286,334
Period depreciation and amortization	205,486	183,231
Variation in operating provisions	18,589	3,883
Other operating expenses	831,027	712,890
OPERATING INCOME	475,809	433,835
Financial expenses	84,779	87,014
Variation in financial investment provisions	5,656	1,833
Exchange losses	10,367	15,578
Amortization of goodwill in consolidation	27,701	36,890
INCOME FROM ORDINARY ACTIVITIES	434,147	391,896
Variation in tangible fixed asset and intangible asset provisions	3,107	301
Extraordinary expenses and losses	29,389	27,833
EXTRAORDINARY INCOME	35,755	55,185
CONSOLIDATED INCOME BEFORE TAXES	469,902	447,081
Corporate income tax	150,097	140,625
CONSOLIDATED INCOME FOR THE YEAR	319,805	306,456
Income attributed to minority interests	(78,763)	(90,849)
INCOME FOR THE YEAR ATTRIBUTED TO THE CONTROLLING COMPANY	241,042	215,607

as of December 31, 2001
(Thousands of Euros)

CREDIT	31-12-2001	31-12-2000
TOTAL OPERATING REVENUES	5,311,174	4,586,077
Net sales	5,173,230	4,467,816
Increase in finished product and work-in- process inventories	27,430	11,786
Capitalized expenses of Group work on fixed assets	30,700	34,516
Other operating revenues	79,814	71,959
Revenues from shareholdings	72	96
Revenues from other marketable securities and long-term loans	8,210	7,392
Other financial revenues	36,007	46,019
Exchange gains	5,932	7,308
FINANCIAL LOSS	50,581	43,610
Share in income of companies carried by the equity method	36,620	38,561
Gains on fixed assets and control portfolio	52,204	64,465
Capital subsidies transferred to income for the year	2,416	2,236
Extraordinary revenues and income	13,631	16,618

FOMENTO DE CONSTRUCCIONES Y CONTRATAS, S.A. AND DEPENDENT COMPANIES
(CONSOLIDATED GROUP)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF DECEMBER 31, 2001

	Page
1. Companies' Business Activities	13
2. Basis of Presentation of the Consolidated Financial Statements	13
3. Valuation Standards	14
4. Start-up Expenses.....	19
5. Intangible Assets	19
6. Tangible Fixed Assets	21
7. Goodwill in Consolidation	22
8. Negative Difference in Consolidation	23
9. Shareholdings in Companies Carried by the Equity Method	23
10. Marketable Securities and Nontrade Loans.....	25
11. Deferred Charges	27
12. Inventories.....	27
13. Customer Receivables for Sales and Services.....	28
14. Shareholders' Equity.....	30
15. Minority Interests	32
16. Subsidies	33
17. Provisions for Contingencies and Expenses	33
18. Nontrade Payables	34
19. Operating Provisions	35
20. Tax Matters	35
21. Guarantee Commitments to Third Parties and Other Contingent Liabilities	37
22. Revenues and Expenses	37
23. Other Information	39
24. Adaptation to the Euro	39
25. Subsequent events	39
26. Consolidated Statements of Changes in Financial Position	40
27. Cost Accounting Consolidated Statements of Income	42
28. Explanation Added for Translation to English	42

Exhibit I • Consolidable dependent companies

Exhibit II • Multigroup Companies

Exhibit III • Companies carried by the equity method

Exhibit IV • Changes in the composition of the consolidated group

(1) Companies' business activities

The activities of the FCC Group are structured in five management units which constitute the following specialized areas:

- **Construction**, construction specialties and related activities.
- **Services**, which groups together activities relating to urban cleaning, industrial waste treatment and the integral water cycle.
- **Urban Environment**, , which provides services such as parking lots, street furniture, passenger transport, vehicle technical inspection, ground passenger and aircraft assistance (handling), etc.
- **Cement**.
- **Grucycsa**, through which the activities not included in the aforementioned areas are channeled.

The most notable of these activities are Construction and Services, which account for 46% and 31%, respectively, of total net sales.

(2) Basis of presentation of the consolidated financial statements

a. Basis of presentation

The consolidated financial statements were prepared from the accounting records as of December 31, 2001, of Fomento de Construcciones y Contratas, S.A. and its investees, in accordance with current legislation, and are expressed in thousands of euros. For each item in the accompanying consolidated balance sheet and consolidated statement of income and in the consolidated statement of changes in financial position and the cost accounting consolidated statement of income included in Notes 26 and 27 to these consolidated financial statements, respectively, the figures for 2001, expressed in thousands of euros, are presented together with the figures for 2000, which are also expressed in thousands of euros following the translation to euros, at the fixed exchange rate

of € 1 = Ptas. 166.386, of the amounts expressed in millions of pesetas in the 2000 consolidated financial statements.

The financial statements of Fomento de Construcciones y Contratas, S.A. and of its investees, which were prepared by the directors, have not yet been approved by the respective Shareholders' Meetings; however, no changes thereto are expected to arise as a result of such approval.

b. Consolidation principles

The global integration method was used to consolidate the dependent companies listed in Exhibit I which Fomento de Construcciones y Contratas, S.A. controls or which it considers it effectively controls by virtue of ownership of a majority of the voting rights in them, either directly or through other companies controlled by it.

The equity of minority interests in the net worth and earnings of the consolidated companies is presented under the "Minority Interests" caption on the liability side of the consolidated balance sheet and under the "Income Attributed to Minority Interests" caption in the consolidated statement of income, respectively.

Exhibit II details the companies consolidated by the proportional integration method because one or several FCC Group companies have ownership interests in them and manage them jointly with one or more non-Group companies.

The companies listed in Exhibit III, in which Fomento de Construcciones y Contratas, S.A. does not have majority direct or indirect holdings but does exercise significant influence, are presented in the accompanying consolidated balance sheet under the "Long-Term Financial Investments - Shareholdings in Companies Carried by the Equity Method" caption at the underlying book value of the holding. The share in income for the year after taxes of these companies is reflected in the accompanying consolidated statement of income as "Share in Income of Companies Carried by the Equity Method".

The companies whose business activities differ from those of the Group or whose effect on the consolidated financial statements is not material were excluded from consolidation.

c. Changes in the consolidated Group

Exhibit IV shows the changes in 2001 in the consolidated companies and companies carried by the equity method.

The effects of the inclusion in and withdrawal of companies from the consolidated group, where material, are shown in the related notes to these consolidated financial statements under the heading "Variation in Consolidated Group".

d. Joint ventures and joint property associations

The FCC Group companies which participate in joint ventures included in their respective financial statements the proportional part, based on the percentage of participation, of the joint ventures' assets and liabilities and operations, after elimination of the reciprocal assets and liabilities and revenues and expenses. Also, the dependent company Portland Valderrivas, S.A. has an 80% ownership interest in the Torre Picasso building, which is being operated on a joint property basis, and includes in the relevant captions its equity in the assets, liabilities, revenues and expenses based on its ownership interest.

The difference remaining after the aforementioned allocation is recorded, if positive, under the "Goodwill in Consolidation" caption and, if negative, under the "Negative Difference in Consolidation" caption on the asset and liability sides, respectively, of the accompanying consolidated balance sheet.

Goodwill in consolidation is amortized systematically over the estimated period over which the investment will be recovered, up to a limit of 20 years.

The negative difference in consolidation is charged off to income for the year in which the capital gains represented by it are deemed to be realized or, where applicable, when the events covered by this negative difference occur.

Notwithstanding the foregoing general amortization principles, in 2001 the Group, in accordance with the accounting principle of prudence and within the framework of the national and international expansion of its Services business area, took accelerated amortization of € 94,551,000, with a charge to consolidation reserves, on all the goodwill of the urban cleaning and water services companies in the aforementioned business area. Partial accelerated amortization for an additional net amount of € 57,096,000 had already been taken on a portion of this goodwill in prior years. These amortizations were recorded considering the principle of prudence in valuation and in view of certain risks in the services activities in Latin America arising mainly due to the uncertainty surrounding the general economic outlook of this region, in which the goodwill relating to services activities amounted to € 31,397,000. The Group does not foresee any material problems in connection with the recoverability of the remaining goodwill of the Services area amortized in 1999 and 2001, since it is expected that the related companies will contribute to the generation of revenues for the Group and, accordingly, the goodwill will maintain its effectiveness over a period of ten years, which is the same as the amortization period formerly applied by the Group.

(3) Valuation standards

a. Goodwill and negative difference in consolidation

The differences arising in the acquisition of holdings in companies was calculated as the difference between the book value of the Controlling Company's direct or indirect holding in the capital stock of each dependent company and the proportional amount of the net worth of the dependent company based on the percentage of ownership at the acquisition date. The resulting difference is allocated, as far as possible and solely for the purposes of consolidation, to the dependent company's asset and liability accounts when the book value of these items differs significantly from their market value.

b. Transactions between consolidated companies

Material gains or losses on intercompany transactions in the Group were eliminated in consolidation and will be deferred until they are realized with third parties outside the Group. The intragroup results on in-house work on the fixed assets were eliminated in consolidation and will be recognized as the related assets are depreciated or when they are disposed of to third parties. Intercompany receivables and payables and revenues and expenses were eliminated from the consolidated financial statements.

c. Uniformity of presentation

The necessary unification procedures were applied to the Group companies in order to present the consolidated financial statements in accordance with the Controlling Company's general and uniform valuation principles and standards.

The fiscal year of all the consolidated companies ends on December 31.

d. Translation of financial statements of foreign companies

The financial statements of foreign companies were generally translated to euros at the year-end exchange rates, except for:

- d.1 Capital and reserves, which were translated at historical exchange rates.
- d.2 The items in the income statements of the foreign dependent and associated companies, which were translated at the average exchange rates in the period.

Translation differences arising at the consolidated foreign companies which applied the year-end exchange rates are included under the "Shareholders' Equity - Translation Differences" caption in the accompanying consolidated balance sheet, net of the portion relating to minority interests, which is reflected in the related caption.

At the companies that applied the monetary-nonmonetary method, the nonmonetary items were translated at historical exchange rates and the monetary items at year-end rates, the effect of translation being reflected in the consolidated statement of income.

The financial statements of Group companies in certain Latin American countries were adjusted for inflation in accordance with the regulations in force in these countries and with generally accepted

accounting principles. This adjustment gave rise to a change in consolidated reserves (see Note 14).

e. Start-up expenses

Start-up expenses are valued at the cost of the related goods and services and are amortized within the maximum legally stipulated period of five years.

f. Intangible assets

Intangible assets are recorded at cost, which does not include financing interest.

Administrative concessions are amortized over the concession period, which ranges on average from 25 to 50 years, and leased assets are amortized by the straight-line method based on the years of useful life, which are the same as those for tangible fixed assets.

g. Tangible fixed assets

Tangible fixed assets acquired prior to 1983 are carried at cost revalued pursuant to Law 9/1983. Prior to 1983 the companies had revalued their balance sheets and the carrying values of tangible fixed assets pursuant to the applicable enabling legislation. Tangible fixed assets acquired subsequent to 1983 are carried at cost, except in the case of the dependent companies operating in the cement business which revalued their tangible fixed assets pursuant to Royal Decree-Law 7/1996, Navarra Regulation 23/1966 and Vizcaya Regulation 6/1996. The effect of these revaluations on the consolidated statement of income is not material.

Group in-house work on fixed assets is valued at production cost.

Upkeep and maintenance expenses not leading to a lengthening of the useful life or increased production capacity of the related assets are expensed currently.

Tangible fixed assets are depreciated by the straight-line method at rates based on the following years of estimated useful life:

	Years of Estimated Useful Life
Buildings and other structures	25 - 50
Torre Picasso building	75
Technical installations and machinery	5 - 15
Other installations, tools and furniture	7 - 12
Computer hardware	3
Other tangible fixed assets	5 - 10

Tangible fixed assets used on certain contracts are depreciated over the shorter of the years of useful life indicated above or the contract term.

h. Deferred financial expenses relating to the financing of fixed assets

The interest on loans used to finance fixed assets is generally expensed currently.

However, in accordance with the regulations adapting the Spanish Chart of Accounts to the water supply/treatment and tollroad, tunnel and bridge concession businesses, the interest on the loans used to finance the fixed assets required in order to carry on these activities are deferred over the concession term, provided that there is evidence that the capitalized expenses will be recovered in future years' rates.

The interest capitalized as explained in the foregoing paragraph is included under the "Deferred Charges" caption in the accompanying consolidated balance sheet.

i. Long-term financial investments. Marketable securities and nontrade loans

In accordance with current legislation, investments in listed and unlisted marketable securities are valued at cost, revalued where appropriate pursuant to Law 9/1983, net of the required allowance for diminution in value. The effect of applying this method is that all unrealized losses on investment securities are recorded, but unrealized gains are not, except for those disclosed at the time of acquisition and still existing at the date of subsequent valuation.

Loans are valued at the amount delivered plus the unmatured accrued interest at the balance sheet date. The necessary value adjustments are made by recording provisions for loans with possible recovery problems.

Securities and loans maturing in up to 12 months from the balance sheet date are classified as short-term (current assets) and those maturing at over 12 months as long-term (noncurrent assets). Other investments of a permanent nature are classified as long-term financial assets.

j. Inventories

Inventories are valued at average acquisition price or average production cost and the necessary value adjustments are made to adapt the carrying values to market, if lower. Provisions are also recorded for the diminution in value of obsolete inventories.

The assets received in payment of loans are valued at the amount at which the loan relating to the asset received is recorded or at the lower of production cost or market.

k. Shares of the Controlling Company held by the Group

The shares of the Controlling Company are valued at the lower of average cost or market, or at values approximating their underlying book value, as appropriate, in accordance with the principle of prudence. The results arising from intragroup transactions involving these shares are eliminated in consolidation.

l. Subsidies

Nonrefundable capital subsidies are taken to income in proportion to the period depreciation of the subsidized assets.

m. Provisions for pensions and similar obligations

Except in the cement business, the companies have not established pension plans to supplement the social security pension benefits.

The contributions made to pension plans at certain cement companies, which amounted to € 27,244,000, were calculated by actuarial techniques using the PERM/F-2000P year tables, with an average actuarial rate of 4%, except at Giant Cement Holding, Inc., where a rate of 7.25% was used.

In some cases, including certain executives and directors, the companies have undertaken to pay retirement bonuses, permanent occupational disability or other benefits, for which the related provisions are recorded, together with other items, under the "Provisions for Contingencies and Expenses" caption in the accompanying consolidated balance sheet. In 2001 some Group companies externalized certain of their commitments to employees amounting to € 46,693,000, the provisions for which had mostly been recorded in prior years.

The companies have recorded the required provisions for terminations of permanent construction employees, which are included, together with other items, under the "Operating Provisions" caption in the accompanying consolidated balance sheet. The effect on the consolidated statement of income for 2001 was not material.

n. Other provisions for contingencies and expenses

The companies have recorded provisions for contingencies and expenses, which are basically booked in accordance with the accounting principle of prudence, to cater for any general and extraordinary contingencies which might arise.

o. Reversion reserve

The companies generally record a reversion reserve for assets subject to administrative concessions which revert to the grantor entity at the end of the concession period. This reserve is calculated by supplementing the depreciation of the related asset, so that at the end of the concession period the net book value (after deduction of the related accumulated depreciation) is zero.

Additionally, the companies consider that the periodic maintenance plans for their installations, the cost of which is expensed currently, are sufficient to ensure delivery of the assets subject to reversion in good working order at the end of the concession periods and that, therefore, no significant expenses will arise as a result of the reversion.

p. Classification of debt

Debts maturing in under 12 months from the balance sheet date are classified as current liabilities and those maturing at over 12 months as long-term debt.

Debts are valued at the amounts drawn plus the unmatured accrued interest. Nontrade debts are valued at repayment value and the interest on the transaction is recorded under the "Deferred Charges" or "Accrual Accounts" captions on the asset side of the consolidated balance sheet, as appropriate, depending on whether the principal amount is classified as long- or short-term. The balances of these captions are allocated to income on the basis of the principal amount outstanding.

q. Corporate income tax

The corporate income tax expense is recorded in the consolidated statement of income. The effect of the differences between taxable income and income per books before taxes, which in some cases revert in subsequent periods, and the tax relief and tax credits to which the companies are entitled were considered in determining the amount of corporate income tax payable.

r. Foreign currency transactions

Balances receivable and payable in foreign currencies are translated to euros at the exchange rates prevailing at the date of the consolidated balance sheet, and the differences arising are taken to income as stipulated by current regulations.

The differences arising from fluctuations in exchange rates from the date on which the transactions were made, or the related values were adjusted, to the date of collection or payment are taken to period income.

s. Revenues and expenses

In construction and urban cleaning activities, the companies recognize as the period result on their construction and service contracts the difference between production (valued at the sale price of the construction work performed or service provided during the period, as specified in the principal contract entered into with the owners or in amendments or addenda thereto approved by the owners, or of the work or services carried out which, although not yet approved, are reasonably certain to be recovered) and the costs incurred during the year, since the revenues and costs of projects and services in these business areas are susceptible to substantial variations during the performance period which cannot be readily foreseen or objectively quantified. Also, interest for late payment is recognized as revenues at the date of the approval and/or definitive collection thereof.

The difference between the recorded amount of production from inception of each project and the amount certified for each project through the date of the consolidated financial statements is recorded as "Completed Production Pending Certification" under the "Customer Receivables for Sales and Services" caption. Certificate prebillings under sundry headings are recorded under the "Advances Received on Orders" caption on the liability side of the consolidated balance sheet.

The operating costs incurred in construction work and services, which include the interest accrued during the customary payment period in these business areas at market rates, are allocated as they arise. Site-clearance costs and any expenses which may arise from project completion through definitive settlement thereof are accrued over the execution period and the related provisions are recorded under the "Operating Provisions" caption in the consolidated balance sheet.

The revenues and expenses of the remaining activities are recognized on an accrual basis, i.e. when the actual flow of the related goods and services occurs, regardless of when the resulting monetary or financial flow arises.

In accordance with the accounting principle of prudence, the Group companies only record realized income at year-end, whereas foreseeable contingencies and losses, including possible losses, are recorded as soon as they become known.

(4) Start-up expenses

The variations in 2001 in the balance of this caption in the consolidated balance sheet were as follows:

Balance at 12/31/00	16,299
Additions	427
Variation in Consolidated Group	(168)
Amortization	(3,606)
Balance at 12/31/01	12,952

(5) Intangible assets

The variations in 2001 in the balance of this caption in the consolidated balance sheet were as follows:

	Balance at 12/31/00	Variation in Consolidated Group	Additions or Provisions	Retirements or Reductions	Transfers	Balance at 12/31/01
Research and development expenses	1,424	–	66	(18)	–	1,472
Concessions, patents, licenses, trademarks, etc.	274,140	38,609	64,272	(661)	2,350	378,710
Computer software	12,838	576	1,683	(318)	1,695	16,474
Rights on leased assets	119,559	6,515	57,721	(12)	(47,768)	136,015
Provisions	(156)	(25)	(1,346)	–	–	(1,527)
Amortization	(95,062)	(5,799)	(36,626)	583	15,578	(121,326)
	312,743	39,876	85,770	(426)	(28,145)	409,818

The "Concessions, Patents, Licenses, Trademarks, etc." caption includes most notably the amounts paid for the concessions held by the Group in order to carry on its business activities (water supply services, passenger transport, operation of landfills, etc.). These amounts are being amortized on a straight-line basis over the concession period.

The features of the financial lease contracts in force at 2001 year-end were as follows:

	Movable Property	Real Estate	Total
Original cost of the assets	131,153	4,862	136,015
Value of purchase options	1,124	1,196	2,320
Contract term (years)	2 to 5	10	–
Lease payments paid in the year	54,193	601	54,794
Lease payments paid in prior years	32,190	2,753	34,943
Lease payments outstanding, including purchase option	49,481	2,963	52,444

The detail of leased assets as of December 31, 2001, is as follows:

Land and structures	4,862
Technical installations and machinery	110,532
Other installations, tools and furniture	11,227
Other tangible fixed assets	9,394
	136,015

(6) Tangible fixed assets

The detail of tangible fixed assets and of the related accumulated depreciation as of December 31, 2001, is as follows:

	Cost	Accumulated Depreciation	Provisions	Net
Land and structures	661,137	(110,622)	(1,046)	549,469
Technical installations and machinery	1,510,878	(900,214)	(78)	610,586
Other installations, tools and furniture	303,000	(187,089)	–	115,911
Advances and construction in progress	101,643	–	–	101,643
Other tangible fixed assets	128,893	(89,269)	(2,398)	37,226
	2,705,551	(1,287,194)	(3,522)	1,414,835

The variations in tangible fixed asset accounts as a result of additions and retirements in 2001 were as follows:

	Balance at 12/31/00	Variation in Consolidated Group	Additions or Provisions	Retirements or Reductions	Transfers	Balance at 12/31/01
Land and structures	587,880	40,310	16,011	(5,770)	22,706	661,137
Technical installations and machinery	1,341,489	44,078	61,610	(37,737)	101,438	1,510,878
Other installations, tools and furniture	265,094	1,172	36,668	(7,807)	7,873	303,000
Advances and construction in progress	70,354	2,742	122,966	(2,182)	(92,237)	101,643
Other tangible fixed assets	106,121	11,298	13,517	(5,986)	3,943	128,893
Provisions	(1,905)	(60)	(1,761)	204	–	(3,522)
Accumulated depreciation	(1,103,062)	(42,552)	(165,254)	39,252	(15,578)	(1,287,194)
	1,265,971	56,988	83,757	(20,026)	28,145	1,414,835

All the tangible fixed assets were being used in production at 2001 year-end; however, € 609,757,000 of tangible fixed assets had been fully depreciated.

The Group companies take out the insurance policies they consider necessary to cover the possible risks to which their tangible fixed assets are subject.

Tangible fixed assets located outside Spain and the accumulated depreciation thereof amounted to € 539,553,000 and € 139,874,000, respectively.

(7) Goodwill in consolidation

The variations in the balance of this caption in the consolidated balance sheet in 2001 were as follows:

Balance at 12/31/00		421,111
Additions:		
Ekonor Group	52,018	
Tenedora de Acciones de Mobiliario, S.A. de C.V.	4,279	
Logística de Mercancías Aeroportuarias, S.L.	4,249	
Other	8,793	69,339
Variation in the Consolidated Group and other items		(607)
Amortization:		
Cementos Atlántico, S.A.	(8,222)	
Giant Cement Holding, Inc.	(4,730)	
Tratamientos y Recuperaciones Industriales, S.A.	(2,626)	
Ekonor Group	(2,602)	
Equipamientos Urbanos de México, S.A. de C.V.	(1,815)	
Cementos Portland, S.A.	(1,334)	
Other	(6,372)	(27,701)
Amortization charged to Consolidation Reserves (*)		(94,551)
Balance at 12/31/01		367,591

(*) See note 3-a.

The breakdown of the balance of the "Goodwill in Consolidation" caption in the accompanying consolidated balance sheet as of December 31, 2001, is as follows:

Cementos Atlántico, S.A	131,742
Giant Cement Holding, Inc.	74,994
Ekonor Group	49,416
Cementos Portland, S.A.	21,907
Tratamientos y Recuperaciones Industriales, S.A.	18,409
Equipamientos Urbanos de México, S.A. de C.V.	11,954
Grucysa, S.A.	6,329
Canteras de Alaiz, S.A.	4,946
Pinturas Jaque Group	4,441
Cementos Alfa, S.A.	4,435
Logística Mercancías Aeroportuarias, S.L.	4,063
Tenedora de Acciones de Mobiliario, S.A. de C.V.	3,955
Other	31,000
	367,591

The balance of this caption in the accompanying consolidated balance sheet includes € 2,951,000 of goodwill relating to companies carried by the equity method.

(8) Negative difference in consolidation

The negative difference of € 37,227,000 recorded in the accompanying consolidated balance sheet arose mainly as a result of the market valuations of the assets contributed to the Realía Business Group by its shareholders in 2000.

(9) Shareholdings in companies carried by the equity method

The detail, by company, of the balance of this caption is disclosed in Exhibit III (listing the companies carried by the equity method). The variations in 2001, by item, were as follows:

Balance at 12/31/00	454,389
Purchases	5,758
2001 income	36,620
Variation in the Consolidated Group	(34,732)
Dividends paid in the year	(15,867)
Transfers to securities portfolio	(19,082)
Retirements and reductions	(10,248)
Balance at 12/31/01	416,838

Income for the year includes mainly € 18,217,000 relating to the Realia Business Group and € 14,983,000 relating to the Valderrivas Group companies.

The balance of the "Variation in the Consolidated Group" account relates to the CDN-USA Group, which is now consolidated by the proportional integration method.

Noteworthy in the "Retirements and Reductions" account was the sale of the 20% holding in the Inversiones y Estudios Financieros Group, with a gain of € 46,224,000, which is recorded as extraordinary income in the accompanying consolidated statement of income.

(10) Marketable securities and nontrade loans

The detail of the main accounts under the "Long-Term Financial Investments" and "Short-Term Financial Investments" captions in the accompanying consolidated balance sheet is as follows:

I) Long-term financial investments

Investment securities

Breakdown of the balance at 12/31/01:

	% of Effective Ownership	Asset Value	Provisions	Net Book Value
Holdings of over 5%:				
Alazor Inversiones, S.A.	15.75	22,255	–	22,255
Venditelecom España, S.L.	17.23	15,536	–	15,536
International Trade Center Barcelona, S.A.	16.52	9,610	(2,717)	6,893
Artscapital Investments, S.A. (*)	8.63	5,469	(2,212)	3,257
Transportes Ferroviarios de Madrid, S.A.	12.19	5,121	(1,977)	3,144
S.C.L. Terminal Aéreo de Santiago, S.A.	14.77	5,049	(1,388)	3,661
Tacel Inversiones, S.A.	13.32	3,804	–	3,804
Grupo Inversiones y Estudios Financieros	7.47	3,546	–	3,546
Shopnet Brokers, S.A.	16.70	3,005	(559)	2,446
Polux Capital, S.L. (*)	8.63	2,344	(793)	1,551
Parc Tecnològic WTC Cornellà, S.A.	12.71	1,875	–	1,875
Other		7,760	(1,395)	6,365
Holdings of less than 5%				
Parque Temático de Madrid, S.A.	2.00	2,470	–	2,470
Other		3,636	(288)	3,348
Fixed-income securities		301	–	301
		91,781	(11,329)	80,452

(*) Companies resulting from the spin-off of the former Netjuice, S.A.

The variations in the long-term investment securities in 2001 were as follows:

	Cost	Provisions
Balance at 12/31/00	68,317	(6,196)
Additions and provisions:		
Shopnet Brokers, S.A.	1,503	(559)
Parque Temático de Madrid, S.A.	1,491	–
Artscapital Investments, S.A.	–	(2,212)
S.C.L. Terminal Aéreo de Santiago, S.A.	–	(1,388)
Polux Capital, S.L.	–	(793)
Other	2,728	(379)
Transfers of holdings in companies carried by the equity method:		
Venditelecom España, S.L.	15,536	–
Grupo Inversiones y Estudios Financieros	3,546	–
Retirements, reductions and provisions used:		
S.C.L. Terminal Aéreo de Santiago, S.L.	(547)	–
Other	(793)	198
Balance at 12/31/01	91,781	(11,329)

II) Short-term financial investments

Short-term investment securities

Breakdown of the balance as of December 31, 2001:

Emisores	Fixed-Income Securities	Equity Securities	Total
Government debt securities	90.777	–	90.777
Shares	–	6.034	6.034
Corporate promissory notes and other	132.121	–	132.121
	222.898	6.034	228.932

This caption includes the investments of cash surpluses in high-liquidity and high-rotation assets, which are valued at the lower of cost or market.

Other loans

The "Other Loans" account includes other investments of cash surpluses in high-liquidity, high-rotation bank deposits of different types.

The average rate of return obtained in 2001 on the investments in fixed-income securities and other loans was 4.53%.

(12) Inventories

The "Inventories – Commercial" account relates mainly to the unbuilt land lots earmarked for sale that were acquired by the FCC Construcción Group in exchange for the construction work performed to implement the Madrid Community's Urban Development Plans.

(11) Deferred charges

El movimiento de este epígrafe en el ejercicio 2001 ha sido el siguiente:

Balance at 12/31/00	17,532
Financing of fixed assets assigned to concessions (Note 3-h)	10,584
Variation in the Consolidated Group and other variations	10,949
Amounts used	(5,565)
Balance at 12/31/01	33,500

The balance of this caption at 2001 year-end included most notably, in addition to the € 10,584,000 of deferred financial expenses on the financing of fixed assets assigned to water supply and treatment concessions, € 11,342,000 relating to the amounts capitalized at the Valderrivas Group originating from the dependent company Giant Cement Holding, Inc.

(13) Customer receivables for sales and services

The balance of this caption in the accompanying consolidated balance sheet relates basically to the amounts receivable for construction work performed, for services provided and other activities.

Production certificates receivable and customer receivables for sales	1,551,471
Customer receivables sold without recourse	(266,405)
	1,285,066
Completed production pending certification	459,732
Retentions	27,172
Customer receivables for sales and services	1,771,970
Advances received on orders	(300,855)
Total customer receivables, net	1,471,115

The foregoing total is the net balance of customer receivables after deduction of the "Advances Received on Orders" balance on the liability side of the accompanying consolidated balance sheet which, as required by accounting regulations, includes collected and uncollected certificate prebillings under sundry headings and the advances received (normally in cash) for future supplies. This balance is reduced by sales of customer receivables to finance entities without recourse against the Group companies in the event of nonpayment by the customer, thus decreasing the balance of customer receivables. These transactions bear interest at market rates through the date of collection of the outstanding balance from our customers by the financial entity concerned. The Group companies continue to manage collection of these balances receivable during this period.

The "Production Certificates Receivable and Customer Receivables for Sales" account mainly reflects the amount of the certificate billings to customers for completed work and services provided pending collection as of December 31, 2001. Of the total amount, € 34,931,000 of notes receivable had been discounted and the debt to the credit entities is shown on the liability side of the consolidated balance sheet.

As indicated in Note 3-s, the "Completed Production Pending Certification" account reflects the difference at year-end between the production recorded from inception of each project and contract in progress as of December 31, 2001, and the amount of the certificates issued therefor. Accordingly, the balance of this account represents the value at certificate price of the construction units completed and services rendered as of December 31, 2001, which will be certified in the next few months either because they are specified in the main contract or in addenda or amendments thereto approved by the customer or because there is no doubt as to their immediate approval.

Since the revenues which may ultimately arise from the projects in progress are subject to certain factors whose final effect cannot be objectively determined at present (e.g. the final amounts receivable for settlement, amendments, additions, price revisions, etc.), the companies recognize the revenues relating to work units not supported by contracts entered into with the owners in the year in which they are approved by the owner or for which the companies consider that there is no doubt as to their recovery in order to proceed to certify them.

In 2001 certain future collection rights arising from construction project contracts awarded on the "total price payment" basis were sold. These rights, amounting to € 57,703,000, were recorded as a reduction in the "Completed Production Pending Certification" caption balance.

The balance of customer receivables for construction activities, before deduction of the "Customer Receivables Sold Without Recourse", amounted to € 768,262,000, of which € 59,308,000 related to foreign customers. The detail of Spanish customer accounts receivable, before deduction of the "Customer Receivables Sold Without Recourse", classified into public and private sector, is as follows:

Institution	
Central government	92,904
Autonomous Community governments	105,905
City councils	105,201
Autonomous agencies and State-owned companies	143,185
Public sector	447,195
Private sector	261,759
	708,954

The average age of the construction activity balances relating to the public sector is approximately 3.8 months.

(14) Shareholders' equity

The variations in equity accounts in 2001 were as follows:

	Balance at 31.12.00	2000 Retained Earnings	Translation Differences and Other Variations	Amortization of Goodwill in Consolidation	Balance at 31.12.01
Capital stock	120,102	–	–	–	120,102
Additional paid-in capital	129,897	–	–	–	129,897
Legal reserve	24,020	–	–	–	24,020
Reserve for treasury stock	18,397	–	(2,070)	–	16,327
Voluntary reserves	315,844	34,325	2,070	–	352,239
Total FCC, S.A. capital and reserves	608,260	34,325	–	–	642,585
Consolidation reserves	400,617	125,731	2,170	(94,551)	433,967
Translation differences	7,573	–	(553)	–	7,020
Total capital and reserves	1,016,450	160,056	1,617	(94,551)	1,083,572

The table above shows the accelerated amortization, with a charge to consolidation reserves, of the goodwill in consolidation described in Note 3-a to these consolidated financial statements, and the "Translation Differences and Other Variations" column includes € 2,170,000 arising from the adjustments for inflation made at Group companies located in Latin America in accordance with the legislation in force in these countries.

The consolidation reserve arising from the revaluation pursuant to Royal Decree-Law 7/1996 amounts to € 11,215,000.

a. Capital stock

The capital stock of Fomento de Construcciones y Contratas, S.A. consists of 120,101,976 common bearer shares of € 1 par value each.

All the shares have identical rights and are fully subscribed and paid.

The shares of Fomento de Construcciones y Contratas, S.A. are listed on the Madrid, Barcelona, Bilbao and Valencia Stock Exchanges and traded through the Spanish computerized trading system.

With regard to direct or indirect (through subsidiaries) holdings of 10% or more by other companies, as required by current legislation, B-1998, S.L. has informed us that it has a direct and indirect holding of 57.06% in the Controlling Company's capital stock. The principal shareholders of B-1998, S.L. are Esther Koplowitz Romero de Juseu and the Vivendi Environment Group with holdings of 51% and 49%, respectively.

Fibelpar, S.A. has a direct holding of 10%.

b. Additional paid-in capital

The revised Corporations Law expressly permits the use of the additional paid-in capital balance to increase capital and establishes no specific restrictions as to its use for other purposes.

c. Legal Reserve

Under the revised Corporations Law, 10% of income for each year must be transferred to the legal reserve until the balance of this reserve reaches at least 20% of capital stock. The legal reserve cannot be distributed to shareholders except in the event of liquidation.

The legal reserve can be used to increase capital provided that the remaining reserve balance does not fall below 10% of the increased capital stock amount.

Except as mentioned above, until the legal reserve exceeds 20% of capital stock, it can only be used to offset losses, provided that sufficient other reserves are not available for this purpose.

As of December 31, 2001, the Controlling Company's legal reserve was fully covered.

d. Treasury stock

As of December 31, 2001, the Controlling Company held 1,235,917 shares of treasury stock, representing 1.03% of its capital stock, with a net book value of € 16,327,000.

Also, the dependent companies Portland Valderrivas, S.A. and Asesoría Financiera y de Gestión, S.A. held 412,280 and 218,803 shares, respectively, of Fomento de Construcciones y Contratas, S.A., which represented 0.34% and 0.18%, respectively, of the latter's capital stock and are recorded in these Group companies' accounting records at a net value of € 5,733,000 and € 4,327,000, respectively.

€ 24,912,000 of all the reserves are considered to be restricted for so long as the treasury stock held by Fomento de Construcciones y Contratas, S.A. and the shares which the Group companies hold in the latter are not sold or retired. This amount coincides with the amount at which the Controlling Company's shares held by the Group are valued on the asset side of the accompanying consolidated balance sheet.

The variations in treasury stock in 2001 were as follows:

	No. of shares	%	Amount
Balance at 12/31/00	1,972,676	1.64	25,786
Purchases	51,024	0.04	1,196
Sales	(156,700)	(0.13)	(2,070)
Balance at 12/31/01	1,867,000	1.55	24,912

On January 11, 2001, the parent company of the FCC Group, Fomento de Construcciones y Contratas, S.A., sold 156,700 of the shares which to celebrate its 100th anniversary were offered exclusively to FCC Group employees through a plan under which each employee had the option of acquiring a fixed number of 20 shares of Fomento de Construcciones y Contratas, S.A., with a 50% discount on the reference price and the commitment to keep them for three years.

e. Reservas de consolidación

This account in the accompanying consolidated balance sheet includes the reserves at companies consolidated by the global and proportional integration method and companies carried by the equity method. The amounts included under this caption for the major companies, including, where appropriate, their dependent companies, are as follows:

Asesoría Financiera y de Gestión, S.A.	188,958
Grupo Portland Valderrivas	132,938
Corporación Financiera Hispánica, S.A.	52,721
FCC Medio Ambiente, S.A.	36,211
FCC Agua y Entorno Urbano, S.A.	30,291
Other, and adjustments in consolidation	(7.152)
Total CONSOLIDATION RESERVES	433,967

€ 11,215,00 of the total reserves at companies consolidated by the global or proportional integration method relate to the effect of the asset revaluations made as indicated in Note 3-g.

(15) Minority interests

The balance of this caption in the accompanying consolidated balance sheet reflects the equity of minority shareholders in the net worth and income for the year after taxes of the Group companies in which there are minority interests. The variations in this account in 2001 were as follows:

Balance at 12/31/00	574,285
Income for the year	78,763
Distribution of dividends	(25,182)
Variation in the Consolidated Group and other changes	(3,877)
Balance at 12/31/01	623,989

The 2001 year-end detail, by item, of the main companies with minority interests is as follows:

	Net Worth		Income	Total
	Capital Stock	Reserves		
Portland Valderrivas Group	11,023	478,033	70,992	560,048
Grucysa Group	26,252	7,429	8,474	42,155
Compañía Concesionaria del Túnel de Sóller, S.A.	7,242	(12)	6	7,236
Other	21,588	(6,329)	(709)	14,550
	66,105	479,121	78,763	623,989

€ 28,097,000 of total reserves relate to the revaluation of assets by the cement business companies, as indicated in Note 3-g.

(16) Subsidies

The accompanying consolidated balance sheet includes € 39,054,000 of subsidies received in the past, € 13,583,000 of which had been taken to income, including € 2,416,000 in the year ended December 31, 2001.

(17) Provisions for contingencies and expenses

a. Provisions

The caption includes, in addition to the benefits indicated in Note 3-m, other provisions recorded in accordance with the accounting principle of prudence to cover any general or extraordinary contingencies that may arise.

b. Reversion reserve

The companies record the reversion reserve as described in Note 3-o.

The variations in this caption in 2001 were as follows:

Balance at 12/31/00	27,797
Provisions	4,460
Variation in the Consolidated Group	(3,679)
Retirements and reversions	(433)
Balance at 12/31/01	28,145

(18) Nontrade payables

- a. The long-term debts in each of the related accounts in the accompanying consolidated balance sheet mature as follows:

	2003	2004	2005	2006	2007 and subsequent years	Total
Payable to credit entities	325,743	59,013	154,779	20,410	21,101	581,046
Limited recourse project financing loans	8,378	9,268	10,181	7,086	23,577	58,490
Accrued taxes payable	2,049	3,726	3,167	3,318	88,446	100,706
Other accounts payable	9,905	3,035	3,522	493	13,150	30,105
Uncalled capital payments payable	3,774	–	–	–	42	3,816
	349,849	75,042	171,649	31,307	146,316	774,163

The balance of the "Limited Recourse Project Financing Loans" account relates to the payments outstanding in connection with the investments made in certain projects, mainly for operating the water supply in Vigo. The debt will be repaid using the revenues arising from operation of the services and, if the contract terms are met, with no other liability for the Group companies if the funds obtained during the term of the loan do not cover the principal plus interest. The average interest rate on the loans is tied to Mibor plus a differential based on market rates.

The foreign currency payables to credit entities include most notably € 244,846,000 relating to loans denominated in dollars obtained to finance the FCC Group's international activities.

The average interest rates on the long-term debt to credit entities are basically those of the various interbank markets, tied to Mibor, Euribor and Libor.

The detail of the balance of the "Accrued Taxes Payable" caption is disclosed in Note 20 ("Tax Matters").

- b. The short-term accounts payable to associated companies include operating payables and the current account and loan balances with these companies. The loans bear interest at market rates.

- c. As indicated in Note 13 ("Customer Receivables for Sales and Services"), there are bank loans secured by € 34,931,000 of notes receivable.

The Group had credit facilities amounting to € 2,137,457,000 as of December 31, 2001, of which € 1,135,029,000 had not been drawn down at that date.

(19) Operating provisions

The detail of this caption in the accompanying consolidated balance sheet is as follows:

Provision for claims	81,545
Provision for construction contract settlements	56,153
	137,698

The provision for claims covers the contingent liabilities which might arise from claims by third parties as a result of business operations.

The provision for construction contract settlements is intended to meet the expenses arising on completed projects through final settlement thereof.

€ 82,002,000 of this liability, which is interest-free, relate to the tax effect of the difference between the acquisition cost and tax value of certain fixed assets of Giant Cement Holding, Inc. The remaining € 18,704,000 relate to the accelerated depreciation of fixed assets in accordance with various benefits provided for by tax legislation and include most notably € 13,877,000 relating to 35% of the early depreciation of the assets acquired by the dependent company Portland Valderrivas, S.A. pursuant to Royal Decree-Law 2/1985. The due dates of the accrued taxes payable disclosed in Note 18 are based on the years of useful life of the related assets.

II. Short-term

Tax receivables:	
Prepaid corporate income tax	147,338
VAT recoverable	72,079
Tax refunds and other items	27,208
	246,625

(20) Tax matters

The detail of the balances of the "Tax Receivables" and "Accrued Taxes Payable" captions on the asset and liability sides, respectively, of the accompanying consolidated balance sheet is as follows:

I. Long-term

The balance payable of € 100,706,000 relates to deferred corporate income tax which will be payable in years subsequent to 2002.

Accrued taxes payable:	
Personal and corporate income tax withholdings (from salary income and interest income)	21,883
Deferred corporate income tax	113,964
Corporate income tax payable	70,925
VAT payable	113,988
Levies on construction certificates, services and other items	44,114
Social security taxes payable	27,172
	392,046

Reconciliation of the consolidated income per books to the taxable income for corporate income tax purposes:

Consolidated income for the year per books			469,902
	Increase	Decrease	
Adjustments and eliminations in consolidation	–	3,078	(3,078)
Permanent differences	9,026	37,076	(28,050)
Adjusted consolidated income per books			438,774
Timing differences:	71,810	114,710	(42,900)
- Arising in the reporting year	53,580	17,129	36,451
- Arising in prior yearss			
Consolidated taxable income			432,325
Adjusted consolidated income per books	438,774		
Corporate income tax charge (35%)	153,571		
Tax credits and relief	(3,474)		
Corporate income tax payable	150,097		

a. The Fomento de Construcciones y Contratas Group generally capitalizes the prepaid tax relating to timing differences. Any variations in taxable income for which the related tax is not or was not capitalized are reflected in the above detail as "Permanent Differences".

b. The variations due to timing differences arose mainly as follows:

b.1 Items recorded as increases include mainly provisions for customer bad debts, third-party liability and other items, which will become deductible in subsequent years when the conditions stipulated by tax law are met, and the tax effect arising from the earnings for the year of the joint ventures whose tax bases are included in the Group's corporate income tax base of the following year. The related prepaid corporate income tax was recorded on the asset side of the consolidated balance sheet.

b.2 Items recorded as decreases are: the reinvestment deferral and special amortization of lease contracts executed after January 1, 1996, under Law 43/1995, and the period income of the joint ventures, which will be included in the corporate income tax base of the following year. The related deferred tax is reflected on the liability side of the consolidated balance sheet.

Fomento de Construcciones y Contratas, S.A., the dependent companies comprising the FCC Group and the joint ventures have all the years not yet statute-barred open for review by the tax inspection authorities for the taxes applicable to them. The criteria which the tax authorities might adopt for the years open for review might give rise to contingent tax liabilities which cannot be objectively quantified. However, the Controlling Company's directors consider that the resulting liabilities would not have a material effect on the Group's net worth.

Under authorization 18/89, the FCC Group is taxed on a consolidated basis for corporate income tax purposes with all the other Group companies which meet the relevant requirements envisaged by tax legislation.

(21) Guarantee commitments to third parties and other contingent liabilities

As of December 31, 2001, the Group had provided € 1,301,011,000 of guarantees to third parties, mostly to government agencies and private customers, as security for the performance of construction projects and urban cleaning contracts.

The Group companies have guaranteed for its employees the investments made in 2000 for a five-year period in the group investment fund set up by the Vivendi Universal Group. The possible payments and additional costs that may be incurred by the FCC Group companies, which in any case are not expected to be material, are counterguaranteed by the Vivendi Universal Group.

€ 839,121,000 of the net sales were made abroad.

In substantially all the net construction sales the Group acted as the general contractor.

The detail of net construction sales, by type of project, is as follows:

Civil engineering	1,312,875
Residential building	414,308
Nonresidential building	668,776
	2,395,959

The construction work carried out by subcontractors amounted to € 1,087,195,000.

The detail of net construction sales, by type of customer, is as follows:

Central government	431,244
Autonomous Community governments	240,104
City councils	132,974
Autonomous agencies and State-owned companies	425,685
Public sector	1,230,007
Private sector	1,011,456
Total Spain	2,241,463
Abroad	154,496
	2,395,959

(22) Revenues and expenses

a. Transactions with associated companies

The net sales figure in the accompanying consolidated statement of income includes € 158,397,000 of billings by Group companies to associated companies.

b. Net sales

The breakdown of net sales, by Group activity, is as follows:

	2001	2000
Construction	2,395,959	2,054,662
Services	1,579,273	1,384,365
Urban environment	250,532	245,129
Cement	806,925	673,296
Grucyca	213,353	181,187
Eliminations of intragroup transactions	(72,812)	(70,823)
	5,173,230	4,467,816

The detail of the backlog for construction work at 2001 year-end is as follows:

	Contracts in Progress	Contracts Not Yet Commenced	Total Backlog
Civil engineering	1,499,706	324,252	1,823,958
Residential building	383,097	13,697	396,794
Nonresidential building	688,934	37,401	726,335
	2,571,737	375,350	2,947,087

Geographical Distribution						
	Andalucía	Aragón	Cataluña	Madrid	Other Spain	Abroad
Civil engineering	166,745	180,352	380,501	395,616	520,543	180,201
Residential building	60,137	12	29,347	188,441	101,932	16,925
Nonresidential building	62,042	5,553	87,568	225,957	344,386	829
	288,924	185,917	497,416	810,014	966,861	197,955

c. Operating income by business line

A continuación se indican los beneficios y el porcentaje que representan sobre la cifra de negocios por áreas de actividad.

c.1 Bruto de explotación

	2001		2000	
	Income	Percentage	Income	Percentage
Construction	113,964	4.76	100,718	4.90
Services	229,502	14.53	197,258	14.25
Urban environment	61,988	24.74	60,540	24.70
Cement	266,940	33.08	243,728	36.20
Grucyrsa	10,872	5.10	10,145	5.60
Other	21,078	—	14,300	—
	70,344	13.62	626,689	14.03

c.2 Net operating income.

	2001		2000	
	Income	Percentage	Income	Percentage
Construction	83,126	3.47	84,136	4.09
Services	135,438	8.58	119,637	8.64
Urban environment	41,380	16.52	44,247	18.05
Cement	180,790	22.41	169,834	25.22
Grucyrsa	7,453	3.49	6,990	3.86
Other	27,622	—	8,991	—
	475,809	9.20	433,835	9.71

d. Labor force

The average number of employees at the companies in 2001 was as follows:

Managers and graduate employees	2.540
Junior technicians	2.846
Clerical and similar staff	3.905
Other salaried employees	42.787
	52.078

Of the foregoing total, the headcount in the construction activity was 7,980 employees, of whom 2,817 were permanent employees.

e. Extraordinary income

This caption includes mainly the gains on the disposal of fixed assets and most notably the gain of € 46,224,000 on the sale of a 20% holding in the Inversiones y Estudios Financieros group, as described in Note 9.

f. Consolidated income

The contribution of the main companies in the Group to the income attributable to the Controlling Company, net of eliminations, adjustments and allocation of the amortization of goodwill in consolidation, was as follows:

Fomento de Construcciones y Contratas, S.A.	34,799
FCC Construcción Group	66,809
Portland Valderrivas Group	28,644
Grucyrsa Group	23,241
Afigesa Group	17,922
FCC Medio Ambiente Group	12,693
FCC Agua y Entorno Urbano Group	13,282
Other	43,652
	241.042

The contributions attributed to the FCC Medio Ambiente Group and the Agua y Entorno Urbano Group are not representative of the services and urban environment business areas, respectively, since some of their activities are carried out through the Controlling Company Fomento de Construcciones y Contratas, S.A. or other companies which are not dependent companies of FCC Medio Ambiente, S.A. and FCC Agua y Entorno Urbano, S.A.

(23) Other information

The compensation earned by the directors of Fomento de Construcciones y Contratas, S.A. and payable to them by the Company or by any of the Group, multigroup or associated companies amounted to € 4,616,000.

Except as indicated in Note 3-m, there were no advances, loans or guarantees of any kind to the directors, and no pension or life insurance obligations to former or present directors.

(24) Adaptation to the euro

As of December 31, 2001, the Group companies had adapted their computer systems to the euro. Since January 1, 2002, the date on which they commenced operating in euros, no significant incident has been detected in this connection.

(25) Subsequent events

As explained in Note 3 "Valuation Standards", in accordance with the accounting principle of prudence the accompanying consolidated financial statements include the effect of the devaluation of the Argentine peso on the Group's activities in Argentina. The impact of the devaluation, albeit of scant materiality, signified a reduction of approximately € 5,300,000 in reserves and an expense of approximately € 1,100,000 due to exchanges differences.

The variations in the exchange rate of the Argentine peso from 2001 year-end to the date of preparation, by the directors of the Controlling Company, of the consolidated financial statements of the FCC Group, did not give rise to any further differences that might have a significant effect on the net worth situation of the Group as shown by the aforementioned consolidated financial statements as of December 31, 2001.

(26)

Consolidated statements of changes in financial position

SOURCE OF FUNDS	2001	2000
Funds obtained from operations	505,770	474,565
Capital subsidies	2,284	3,624
Long-term debt	177,545	85,055
Disposal of tangible fixed assets and long-term financial investments	80,277	143,570
Transactions involving shares of the Controlling Company	–	367
Amortization or transfer to short-term of long-term financial investments	23,920	5,944
Decrease in working capital	104,054	–
	893,850	713,125

APPLICATION OF FUNDS	2001	2000
Start-up expenses	427	10,169
Fixed asset additions:		
Intangible assets	123,742	94,593
Tangible fixed assets	250,772	206,279
Long-term financial investments	<u>59,795</u>	<u>83,727</u>
Acquisition of Controlling Company shares	1,196	3,246
Dividends	83,655	66,742
Goodwill in consolidation	69,339	56,591
Funds used for the acquisition of holdings in consolidated companies	50,792	29,648
Repayment or transfer to short-term of long-term debt	207,439	142,272
Provisions for contingencies and expenses	46,693	–
Increase in working capital	–	19,858
	893,850	713,125

Variation in working capital

	2001		2000	
	Increase	Decrease	Increase	Decrease
Inventories	30,419	–	–	116,206
Accounts receivable	191,039	–	292,963	–
Accounts payable	–	439,271	–	329,889
Short-term financial investments	64,304	–	–	30,669
Controlling Company shares	–	2,070	2,073	–
Cash	55,593	–	62,403	–
Accrual accounts	1,736	–	3,426	–
	343,091	441,341	360,865	476,764
Variation in the Consolidated Group and other	–	5,804	135,757	–
Decrease in working capital	104,054	–	–	–
Increase in working capital	–	–	–	19,858
	447,145	447,145	496,622	496,622

The reconciliation of income per books for the year to the funds obtained from operations in the foregoing consolidated statements of changes in financial position is as follows:

	2001	2000
Ordinary income for the year after taxes	296,876	264,571
Period depreciation and amortization	233,187	220,121
Deferred revenues	1,388	631
Deferred charges	(4,369)	(1,737)
Provisions for contingencies and expenses	(4,544)	19,208
Income of companies carried by the equity method	(36,620)	(38,561)
Exchange differences	1,503	7,146
Dividends paid by companies carried by the equity method	15,867	3,384
Deferred taxes	(2,705)	(3,047)
Variation in long-term financial investment provisions	5,187	2,849
Funds obtained from operations	505,770	474,565

(27)

Consolidated cost accounting statements of income

	31-12-01		31-12-00	
	Amount	%	Amount	%
Net sales	5,173,230	100.00	4,467,816	100.00
+ Other operating revenues	79,814	1.55	71,959	1.61
+ Variation in finished product and work-in-process inventories	27,430	0.53	11,786	0.26
+ Capitalized expenses of Group work on fixed assets	30,700	0.59	34,516	0.77
PRODUCTION VALUE	5,311,174	102.67	4,586,077	102.65
- Net purchases	908,460	17.56	900,676	20.16
- Variation in commercial, material and other consumables inventories	9,009	0.17	(133,534)	(2.99)
- External and operating expenses	2,303,073	44.52	1,923,281	43.05
- Personnel expenses	1,386,288	26.80	1,268,965	28.40
GROSS OPERATING INCOME	704,344	13.62	626,689	14.03
- Period depreciation and amortization	205,486	3.97	183,231	4.10
- Period provision to reversion reserve	4,460	0.09	5,740	0.13
- Bad debts written off and variation in operating provisions	18,589	0.36	3,883	0.09
NET OPERATING INCOME	475,809	9.20	433,835	9.71
+ Financial revenues	50,221	0.97	60,815	1.36
- Financial expenses	95,146	1.84	102,592	2.30
- Variations in long-term financial investment provisions	5,656	0.11	1,833	0.04
FINANCIAL LOSS	(50,581)	(0.98)	(43,610)	(0.98)
+ Share in income of companies carried by the equity method	36,620	0.71	38,561	0.86
- Amortization of goodwill in consolidation	27,701	0.54	36,890	0.83
INCOME FROM ORDINARY ACTIVITIES	434,147	8.39	391,896	8.77
+ Gains on fixed assets and extraordinary revenues	68,251	1.32	83,319	1.86
- Losses on fixed assets and extraordinary expenses	29,389	0.57	27,833	0.62
- Variation in tangible fixed asset and intangible asset provisions	3,107	0.06	301	0.01
INCOME BEFORE TAXES	469,902	9.08	447,081	10.01
- Corporate income tax	150,097	2.90	140,625	3.15
CONSOLIDATED INCOME FOR THE YEAR	319,805	6.18	306,456	6.86
-Income attributed to minority interests	78,763	1.52	90,849	2.03
INCOME FOR THE YEAR ATTRIBUTED TO THE CONTROLLING COMPANY	241,042	4.66	215,607	4.83

(28)

Explanation added for translation to english

These consolidated financial statements are presented on the basis of accounting principles generally accepted in Spain. Certain accounting practices applied by the

Group that conform with generally accepted accounting principles in Spain may not conform with generally accepted accounting principles in other countries.

Exhibit I

Consolidable dependent companies

Company	Net Book Value	Nominal Percentage of Ownership and Holder	
CONSTRUCTION AREA			
FCC Construcción, S.A. Balmes, 36 - Barcelona (a)	275,551	99.99 0.01	Fomento de Construcciones y Contratas, S.A. Europea de Gestión, S.A. (Sole-shareholder company)
Alpetrol, S.A. Camino Casa Sola, 1 - Chiloeches (Guadalajara)	126	99.99 0.01	Ibérica de Enclaves, S.A. Sincler, S.A. (Sole-shareholder company)
Auxiliar de Pipelines, S.A. Alcalá, 265 B - Madrid (e)	601	99.99 0.01	FCC Construcción, S.A. Sincler, S.A. (Sole-shareholder company)
Binatex Al Maghreb, S.A. 213, Rond-Point de L'Europe - Casablanca (Morocco)	84	99.40 0.10 0.10 0.10 0.10 0.10	FCC Construction International B.V. Contratas y Ventas, S.A. Ibérica de Servicios y Obras, S.A. Mantenimiento de Infraestructuras, S.A. Megaplás, S.A. Proyectos y Servicios, S.A. Servicios y Procesos Ambientales, S.A.
Compañía Concesionaria del Túnel de Sóller, S.A Porto Pi, 8 - Palma de Mallorca (d) -Concession-holder-	8,733	56.53	FCC Construcción, S.A.
Conservial, S.L. Pol. Ind. Malpica Alfiden Calle G Nave 49 Puebla de Alfinden (Zaragoza)	24 0.02	99.98	Pinturas Jaque, S.L. Sincler, S.A. (Sole-shareholder company)
Construcción y Filiales Mexicanas, S.A. de C.V Homero, 109 - Colonia Chapultep-Morales Mexico D.F (Mexico)	180	99.98 0.01 0.01	FCC Construcción, S.A. Proyectos y Servicios, S.A. Sincler, S.A. (Sole-shareholder company)
Contratas y Ventas, S.A. Asturias, 41 - Oviedo (a)	1,515	99.99 0.01	FCC Construcción, S.A. Sincler, S.A. (Sole-shareholder company)
Dizara Inversión, S.L. Avda. General Perón, 36 - Madrid	6	99.98 0.02	FCC Construcción, S.A. Sincler, S.A. (Sole-shareholder company)
FCC Construction International B.V. Amsteldijk, 166 -Amsterdam (Netherlands)	-	99.76 0.24	FCC Construcción, S.A. Sincler, S.A.
FCC Construcción Puerto Rico Corp. 1225 Ponce de León Avenue - Santurce San Juan de Puerto Rico (U.S.A.) (e)	-	100	FCC Construcción, S.A.
Ibérica de Enclaves, S.A. Arquitecto Gaudí, 4 - Madrid	487	99.99 0.01	FCC Construcción, S.A. Sincler, S.A. (Sole-shareholder company)
Ibérica de Servicios y Obras, S.A. Federico Salmón, 13 - Madrid (b)	1,503	99.99 0.01	FCC Construcción, S.A. Sincler, S.A. (Sole-shareholder company)
Mantenimiento de Infraestructuras, S.A. Avda. General Perón, 36 - Madrid (b)	3,600	99.99 0.01	FCC Construcción, S.A. Sincler, S.A. (Sole-shareholder company)
Marcas Andaluzas, S.L. Ronda, 25 - Almería	252	99.98 0.02	Pinturas Jaque, S.L. Sincler, S.A. (Sole-shareholder company)
Megaplas, S.A. Hilanderas, 4-14 La Poveda - Arganda del Rey (Madrid) (b)	2,644	99.99 0.01	FCC Construcción, S.A. Sincler, S.A. (Sole-shareholder company)
Nevasa Inversión, S.L. Avda. General Perón, 36 - Madrid	6	99.98 0.02	FCC Construcción, S.A. Sincler, S.A. (Sole-shareholder company)
Norseñal, S.L. Parroquia de Rois. Pol. Ind. Bergondo (Bergondo) - La Coruña	36	99.98 0.02	Pinturas Jaque, S.L. Sincler, S.A. (Sole-shareholder company)
Participaciones Teide, S.A. Avda. General Perón, 36 - Madrid -Portfolio company-	715	99.99 0.01	FCC Construcción, S.A. Sincler, S.A. (Sole-shareholder company)
Pinturas Jaque, S.L. Pol. Ind. Oeste, Paraje Sangonera El Palmar - Murcia (b)	6,130	9.99 0.01	Mantenimiento de Infraestructuras, S.A. Sincler, S.A. (Sole-shareholder company)
Prefabricados Delta, S.A. Arquitecto Gaudí, 4 - Madrid (b)	16,912	99.99 0.01	FCC Construcción, S.A Sincler, S.A. (Sole-shareholder company)
Proyectos y Servicios, S.A. Torregalindo, 1 - Madrid (b) -Engineering-	523	99.99 0.01	FCC Construcción, S.A. Sincler, S.A. (Sole-shareholder company)
Ramalho Rosa Cobetar Sociedade de Construções, S.A. Rua Soeiro Pereira Gomes, 7 - Lisbon (Portugal) (a)	6,647	99.98 0.01 0.01	FCC Construcción, S.A. Participaciones Teide, S.A. Sincler, S.A. (Sole-shareholder company)
Reparalia, S.A. (e) Miguel Yuste, 11 - Madrid	-	97	FCC Construcción, S.A
Sanfilippo Messaggi Luminosi, S.P.A. Via Piemonte, 1 - Borgaro-Turin (Italy)	204 30	97.50 2.50	Sanfilippo Pubblicita, S.R.L. Megaplas, S.A.

Company	Net Book Value	Nominal Percentage of Ownership and Holder	
Sanfilippo Publicita, S.R.L. Via Piemonte, 1 – Borgaro-Turin (Italy)	1,226	100	Megaplás, S.A.
Señalizaciones de Vías Públicas, S.L. San Agustín, 16 – Albacete	313	99.98 0.02	Pinturas Jaque, S.L. Sincler, S.A. (Sole-shareholder company)
Señalizaciones Levante, S.L. Avda. Benito Pérez Galdós, 27 – Alicante	391	99.98 0.02	Pinturas Jaque, S.L. Sincler, S.A. (Sole-shareholder company)
Señalizaciones Rusadir, S.L. Menéndez Pelayo, 2 – Melilla	–	70	Pinturas Jaque, S.L.
Servicios y Procesos Ambientales, S.A. Avda. General Perón, 36 – Madrid (c)	1,106	99.99 0.01	FCC Construcción, S.A. Sincler, S.A. (Sole-shareholder company)
Sincler, S.A. (Sole-shareholder company) Federico Salmón, 13 – Madrid	54	100	FCC Construcción, S.A.
Tulsa Inversión, S.L. Avda. General Perón, 36 – Madrid	6	99.98 0.02	FCC Construcción, S.A. Sincler, S.A. (Sole-shareholder company)
Viales de Andalucía, S.L. Pol. La Isla N.1 Cr. de la Isla Menor – Dos Hermanas (Seville)	541	99.98 0.02	Pinturas Jaque, S.L. Sincler, S.A. (Sole-shareholder company)
Xequevia Sinalizaçao de Vias de Comunicaçao, Ltda. Quinta da Mata-Sete-Casa – Loures (Portugal)	36	100	Pinturas Jaque, S.L.
Yeste Gestión, S.L. Avda. General Perón, 36 –Madrid	6	99.98 0.02	FCC Construcción, S.A. Sincler, S.A. (Sole-shareholder company)

SERVICES AREA

FCC Medio Ambiente, S.A. Federico Salmón, 13 – Madrid (a)	35,102 445	98.98 1.02	Fomento de Construcciones y Contratas, S.A. Corporación Financiera Hispánica, S.A.
Urban cleaning			
AEBA, Ambiente y Ecología de Buenos Aires, S.A. Tucumán, 1321 – 3º – Buenos Aires (Argentina)	750 162	50 5	Fomento de Construcciones y Contratas, S.A. AESAs, Aseo y Ecología, S.A.
Alfonso Benítez, S.A. Federico Salmón, 13 – Madrid (a)	373	99.95 0.05	FCC Medio Ambiente, S.A. International Services Inc., S.A. (Sole-shareholder company)
Castellana de Servicios, S.A. Federico Salmón, 13 – Madrid (a)	6	99.98 0.02	FCC Medio Ambiente, S.A. International Services Inc., S.A. (Sole-shareholder company)
Compañía Catalana de Servicios, S.A. Balmes, 36 – Barcelona (b)	30	99.98 0.02	FCC Medio Ambiente, S.A. International Services Inc., S.A. (Sole-shareholder company)
Corporación Inmobiliaria Ibérica, S.A. Balmes, 36 – Barcelona	445	99.99 0.01	FCC Medio Ambiente, S.A. International Services Inc., S.A. (Sole-shareholder company)
Empresa Comarcal de Serveis Mediambientals del Baix Penedés – ECOBP, S.L. Pza. del Centre, 3 – El Vendrell (Tarragona)	240	80	Fomento de Construcciones y Contratas, S.A.
Focsa Services, U.K. Ltd. Brook House – Oldham Road-Middleton – Manchester (United Kingdom) (a)	1,160	100	FCC Medio Ambiente, S.A.
Focsa Serviços de Saneamento Urbano de Portugal, S.A. Rua Castilho, 75-1º – Lisbon (Portugal) (a)	643	99.96 0.01 0.01 0.01 0.01	FCC Medio Ambiente, S.A. FCC International, B.V. International Services Inc., S.A. (Sole-shareholder company) Servicios Especiales de Limpieza, S.A. Alfonso Benítez, S.A.
International Services Inc., S.A. (Sole-shareholder company) Arquitecto Gaudí, 4 – Madrid	60	100	FCC Medio Ambiente, S.A.
Jaume Oro, S.L. Avda. de Las Garrigas, 15 – Bellpuig (Lleida) (e)	841 6	99 1	Compañía Catalana de Servicios, S.A. International Services Inc., S.A. (Sole-shareholder company)
Limpieza e Higiene de Cartagena, S.A. Sor Francisca Armendáriz, 6 – Cartagena (Murcia) (a)	270	90	FCC Medio Ambiente, S.A.
Limpiezas Urbanas de Mallorca, S.A. Fusters, 18. Polígono Industrial – Manacor (Balearic Islands) Unipersonal	5,208	99.92 0.08	Fomento de Construcciones y Contratas, S.A. International Services Inc., S.A. (Sole-shareholder company)
Municipal de Serveis, S.A. Joan Torrá i Cabrosa, 7 – Girona (e)	96	80	FCC Medio Ambiente, S.A.
Onyx Gibraltar, Ltd. 2º Floor, Imossi House, 1/5 Irish Town – Gibraltar (United Kingdom)	6	100	FCC Medio Ambiente, S.A.
Recollida i Neteja Oro-Vila, S.L. Avda. de Las Garrigas, 15 – Bellpuig (Lleida) (e)	120	99 1	Compañía Catalana de Servicios, S.A. International Services Inc., S.A. (Sole-shareholder company)
Saneamiento y Servicios, S.A. Ronda Vigilancia, s/nº – Cádiz (a)	60	99.98 0.02	FCC Medio Ambiente, S.A. International Services Inc., S.A. (Sole-shareholder company)
Serveis d'Escombreries i Neteja, S.A. Pardinyes Altes, 13 – Lleida (a)	24	99.94 0.06	FCC Medio Ambiente, S.A. International Services Inc., S.A. (Sole-shareholder company)

Company	Net Book Value	Nominal Percentage of Ownership and Holder	
Servicios de Levante, S.A. Ctra. de Valencia, Km. 3 – Castellón de la Plana (a)	60	99.98 0.02	FCC Medio Ambiente, S.A. International Services Inc., S.A. (Sole-shareholder company)
Servicios Especiales de Limpieza, S.A. Federico Salmón, 13 – Madrid (a)	204	99.99 0.01	FCC Medio Ambiente, S.A. International Services Inc., S.A. (Sole-shareholder company)
Telford & Wrekin Services, Ltd. Granville House, St. Georges Road – Donnington Wood (United Kingdom) (a)	12	80	Focsa Services, U.K. Ltd.
Valorización y Tratamiento de Residuos, S.A. Federico Salmón, 13 – Madrid (e)	6,779	99 1	FCC Medio Ambiente, S.A. International Services Inc., S.A. (Sole-shareholder company)
Water treatment and distribution			
Abastecimientos y Saneamientos del Norte, S.A. Uruguay, 11 – Vigo (Pontevedra)	421 180	70 30	Seragua, S.A. SOGESUR-Sociedad de Gestión de Servicios Urbanos, S.A.
Abastecimientos y Saneamientos Generales, S.L. Federico Salmón, 13 – Madrid	6	70 30	Seragua, S.A. SOGESUR-Sociedad de Gestión de Servicios Urbanos, S.A.
Adobs Orgànics, S.L. Puig – El Pont de Vilomara i Rocafort (Barcelona)	24	60	Seragua, S.A.
Aguas de la Mancha, S.A. Travesía de los Dos Codos, 1 – Toledo	42	99.99 0.01	Sociedad Mediterránea de Aguas, S.A. Sociedad Ibérica del Agua S.I.A., S.A.
Aguas Jaén, S.A. Plaza de los Jardinitillos, 6 – Jaén (a)	1,118	60	Compañía de Usos y Recursos, S.A.
Aguas Potables de San Feliu de Guíxols, S.A. Bourg de Peage, 89-97 Sant Feliu de Guíxols (Girona) (e)	3,828	99.99 0.01	Sociedad Mediterránea de Aguas, S.A. Sociedad Ibérica del Agua, S.I.A., S.A.
Aguas Torrelavega, S.A. La Viña, 4 – Torrelavega (Cantabria) (e)	307	51	SOGESUR-Sociedad de Gestión de Servicios Urbanos, S.A.
Aigües de l'Alt Empordà, S.A. (ADAMSA) Lluís Companys, 43 – Roses (Girona)	48 6	42.90 8.50 48.60	Viasa, S.A. Sociedad Mediterránea de Aguas, S.A. Sociedad de Abastecimientos Urbanos y Rurales, S.A.
Aqua Campiña, S.A. Avda. Blas Infante, 6 – Écija (Seville)	481	90	SOGESUR-Sociedad de Gestión de Servicios Urbanos, S.A.
Colaboración, Gestión y Asistencia, S.A. Federico Salmón, 13 – Madrid (e)	391	99.99 0.01	Seragua, S.A. Industrial de Limpiezas y Servicios, S.A. (Sole-shareholder company)
Compañía de Usos y Recursos, S.A. Federico Salmón, 13 – Madrid (e)	2,482 6	99.99 0.01	Sociedad Mediterránea de Aguas, S.A. Sociedad Ibérica del Agua S.I.A., S.A.
Compañía Onubense de Aguas, S.A. Avda. Alonso Pinzón, 8 - Huelva	30	60	Proyectos, Servicios e Instalaciones, S.A.
Conservación de Infraestructuras Urbanas, S.A. Federico Salmón, 13 – Madrid (e)	301	99.99 0.01	Seragua, S.A. Industrial de Limpiezas y Servicios, S.A. (Sole-shareholder company)
Empresa Mixta Conservación de la E.D.A.R. de Butarque, S.A. Princesa, 3 – Madrid	–	70	SOGESUR-Sociedad de Gestión de Servicios Urbanos, S.A.
F.S. Colaboración y Asistencia, S.A. Valencia, 243, 3º-1ª - Barcelona (e)	–	65	Colaboración, Gestión y Asistencia, S.A.
Gerundense de Servicios, S.A. Avda. Madrid, 10 – Platja d'Aro (Girona) (e)	2,729	99.99 0.01	Aguas Potables de San Feliu de Guíxols, S.A. Sociedad Ibérica del Agua S.I.A., S.A.
Inversora Riutort, S.L. Alfonso XIII, 42 – Sabadell (Barcelona)	–	90	Sociedad Mediterránea de Aguas, S.A.
Proyectos, Servicios e Instalaciones, S.A. Avda. San Francisco Javier, 15 – Seville (e)	16,546	99.99 0.01	Sociedad Mediterránea de Aguas, S.A. Sociedad Ibérica del Agua S.I.A., S.A.
Seragua, S.A. Federico Salmón, 13 – Madrid (a)	42,749	99.99 0.01	Fomento de Construcciones y Contratas, S.A. Industrial de Limpiezas y Servicios, S.A. (Sole-shareholder company)
Sociedad Ibérica del Agua, S.I.A., S.A. Federico Salmón, 13 – Madrid	60	99.99 0.01	Sociedad Mediterránea de Aguas, S.A. SOGESUR-Sociedad de Gestión de Servicios Urbanos, S.A.
SOGESUR - Sociedad de Gestión de Servicios Urbanos, S.A. Federico Salmón, 13 – Madrid (e)	19,767	99.99 0.01	Sociedad Mediterránea de Aguas, S.A. Sociedad Ibérica del Agua S.I.A., S.A.
Sociedad Mediterránea de Aguas, S.A. Federico Salmón, 13 – Madrid (e)	212,020	99.99 0.01	Fomento de Construcciones y Contratas, S.A. Sociedad Ibérica del Agua, S.I.A., S.A.
Técnica de Depuración, S.A. Federico Salmón, 13 – Madrid (e)	5,061	99.99 0.01	Sociedad Mediterránea de Aguas, S.A. Sociedad Ibérica del Agua S.I.A., S.A.
Tratamiento Industrial de Aguas, S.A. Federico Salmón, 13 – Madrid (e)	649	99.99 0.01	Seragua, S.A. Industrial de Limpiezas y Servicios, S.A. (Sole-shareholder company)
Viasa, S.A. Plaza Bruel, 1 – Ampuriabrava (Girona) (e)	427	99.99 0.01	Seragua, S.A. Industrial de Limpiezas y Servicios, S.A. (Sole-shareholder company)

Company	Net Book Value	Nominal Percentage of Ownership and Holder	
Waste treatment			
Aecosol, S.L. (Sole-shareholder company) Común de las Eras-Fustiñana (Navarra)	156	100	Ekonor, S.A. (Sole-shareholder company)
Baltecma, Gestión de Residuos Industriales, S.L. Conradors, parc. 34 P.I. Marratxi – Mallorca	78	70	Ekonor, S.A. (Sole-shareholder company)
Bistibieta, S.L. Trinidad, 9 – Algorta (Vizcaya)	1,304 72	95 5	Ekonor, S.A. (Sole-shareholder company) FCC Medio Ambiente, S.A.
Ekonor, S.A. (Sole-shareholder company) Larras de San Juan – Iruña de Oca (Álava) (b)	54,963	100	FCC Medio Ambiente, S.A.
Equipos de Protección Ambiental, S.L. (Sole-shareholder company) Común de las Eras – Fustiñana (Navarra)	–	100	Ekonor, S.A. (Sole-shareholder company)
Fepanor, S.L. Ctra. Andalucía, Km. 56 – Ocaña (Toledo)	24	78	Ekonor, S.A. (Sole-shareholder company)
Gestiones Medioambientales del Sur, S.L. Polígono Industrial Las Quemadas, parc. 271 – Córdoba (b)	1,599	98.49	Ekonor, S.A. (Sole-shareholder company)
Hidrocen, S.L. (Sole-shareholder company) Camino del Valle, 12 – Arganda del Rey (Madrid)	2,019	100	Ekonor, S.A. (Sole-shareholder company)
Ingetma, S.A. Juan Bautista Zabala, 12 – Guecho (Vizcaya)	168	75	T.P.A., Técnicas de Protección Ambiental, S.A.
Innovación y Gestión Medioambiental, S.A. Avda. Blasco Ibáñez, 200 – Valencia	769	98	Ekonor, S.A. (Sole-shareholder company)
Ipodec Riscop, S.A.. Ctra. Sabadell a Mollet, Km. 1 – Barberà del Vallés (b) (Barcelona)	2,819	90	FCC Medio Ambiente, S.A.
Ligete, S.L. (Sole-shareholder company) Trinidad 9 – Algorta (Vizcaya)	691	100	Ekonor, S.A. (Sole-shareholder company)
Lizarreka, S.L. (Sole-shareholder company) Bº Elbarrena – Aduna (Guipúzcoa)	6	100	Ekonor, S.A. (Sole-shareholder company)
Recitermia, S.A. Cr. Andalucía Km. 12 Políg. Indus. “Los Olivos” – Getafe (Madrid)	1,755	66.67	T.P.A., Técnicas de Protección Ambiental, S.A.
Transferencia y Recuperación Baix Llobregat, S.A. Riera de la Salud, s/n – Sant Feliu de Llobregat (Barcelona)	288	62.34	Ipodec Riscop, S.A.
Tratamiento y Reciclado Integral de Ocaña, S.A. Federico Salmón, 13 – Madrid	60	99.80	Tratamientos y Recuperaciones Industriales, S.A.
Tratamientos y Recuperaciones Industriales, S.A. Pedro y Pons, 9-11 – Barcelona (b)	28,023 12	99.92 0.08	Fomento de Construcciones y Contratas, S.A. International Services Inc., S.A. (Sole-shareholder company)
T.P.A. Fugro, S.A. Federico Salmón, 13 – Madrid	216	60	T.P.A., Técnicas de Protección Ambiental, S.A.
T.P.A., Técnicas de Protección Ambiental, S.A. Federico Salmón, 13 – Madrid (b)	4,904 –	99.99 0.01	FCC Medio Ambiente, S.A. International Services Inc., S.A. (Sole-shareholder company)

URBAN ENVIRONMENT AREA

FCC Agua y Entorno Urbano, S.A. Federico Salmón, 13 – Madrid (a)	51,867	99.99 0.01	Fomento de Construcciones y Contratas, S.A. Europea de Gestión, S.A. (Sole-shareholder company)
Street furniture			
Beta de Administración, S.A. Federico Salmón, 13 – Madrid (b)	902	99.99 0.01	FCC Agua y Entorno Urbano, S.A. Aragonesa de Servicios I.T.V., S.A.
Camusa Corporación Americana de Mobiliario Urbano, S.A. Arenales, 1123 – Buenos Aires (Argentina)	–	99 1	Cemusa, Corporación Europea de Mobiliario Urbano, S.A. General de Servicios, I.T.V., S.A.
Cemusa, Corporación Europea de Mobiliario Urbano, S.A. Francisco Sancha, 24 – Madrid (b)	14,502	99.99 0.01	FCC Agua y Entorno Urbano, S.A. Industrial de Limpiezas y Servicios, S.A. (Sole-shareholder company)
Cemusa Do Brasil Ltda. Avda. Nossa Senhora de Copacabana, 680/502 Rio de Janeiro (Brazil) (b)	–	99 1	Cemusa, Corporación Europea de Mobiliario Urbano, S.A. Industrial de Limpiezas y Servicios, S.A. Unipersonal
Cemusa Inc. Urbano, S.A. City of Dover – County Kent – Delaware (U.S.A.)	–	100	Cemusa, Corporación Europea de Mobiliario
Cemusa Italia, S.R.L. Vía Vincenzo Monti, 8 – Milan (Italy)	–	99 1	Cemusa, Corporación Europea de Mobiliario Urbano, S.A. Industrial de Limpiezas y Servicios, S.A. (Sole-shareholder company)
Cemusa Portugal, Companhia de Mobiliario Urbano e Publicidade, S.A. Avda. de Pádua, 14 – Lisbon (Portugal) (b)	2,566	100	Cemusa, Corporación Europea de Mobiliario Urbano, S.A.
Cemusa Salvador, S.A. Dr. Altino Teixeira, 302. Loteamento Porto Seco. Salvador Bahía (Brazil)	1,034 90	60 5	Cemusa, Corporación Europea de Mobiliario Urbano, S.A. Cemusa Do Brasil, Ltda.

Company	Net Book Value	Nominal Percentage of Ownership and Holder	
Servicios de Publicidad Urbanos, S.A. Atenas, 46 Pol. Ind. San Luis – Málaga	451	75	Cemusa, Corporación Europea de Mobiliario Urbano, S.A.
Zona Verde Promoção e Marketing Lim. R. Cândido dos Reis, 90 – Aveiro (Portugal)	1,052	100	Cemusa Portugal, Companhia de Mobiliario Urbano e Publicidade, S.A.
Traffic services			
Aparcamientos Concertados, S.A. Arquitecto Gaudí, 4 – Madrid (a)	1,190	99.99 0.01	Estacionamientos y Servicios, S.A. Industrial de Limpiezas y Servicios, S.A. (Sole-shareholder company)
Casa Park Moulay Youseff, S.A.R.L. 27 Rue Bapaume – Casablanca (Morocco)	625	99.90	Estacionamientos y Servicios, S.A.
Casa Park, S.A.R.L. 27 Rue Bapaume – Casablanca (Morocco)	397	97.87 0.01 0.01 0.01	Estacionamientos y Servicios, S.A. Aparcamientos Concertados, S.A. FCC Agua y Entorno Urbano, S.A. Beta de Administración, S.A.
Empresa Mixta de Tráfico de Gijón, S.A. P. Ind. Promosa Nave 27 –Tremañes – Gijón (Asturias) (a)	595	60	Estacionamientos y Servicios, S.A.
Estacionamientos y Servicios, S.A. Federico Salmón, 13 – Madrid (a)	9,538	99.99 0.01	FCC Agua y Entorno Urbano, S.A. Industrial de Limpiezas y Servicios, S.A. (Sole-shareholder company)
Sistemas de Control y Comunicaciones, S.A. Federico Salmón, 13 – Madrid (a)	301	99.99 0.01	C.G.T. Corporación General de Transportes, S.A. Industrial de Limpiezas y Servicios, S.A. (Sole-shareholder company)
Transport			
C.G.T. Corporación General de Transportes, S.A. Federico Salmón, 13 – Madrid (a)	601	99.99 0.01	FCC Agua y Entorno Urbano, S.A. Industrial de Limpiezas y Servicios, S.A. (Sole-shareholder company)
Logística de Mercancías Aeroportuarias, S.L. (Sole- shareholder company) Ulises, 18 – Madrid	9,057	100	FCC Agua y Entorno Urbano, S.A.
Miami Cargo Inc. 1013 Centre Road – Wilmington – Delaware (U.S.A.)	–	70	FCC International, B.V.
Silverrey And Colon Cargo Services Corporation North West 66, Av. – Miami (U.S.A.)	–	65	Miami Cargo Inc.
Vehicle technical inspection			
Aragonesa de Servicios I.T.V., S.A. Federico Salmón, 13 – Madrid (e)	1,166	99.99 0.01	General de Servicios I.T.V., S.A. I.T.V. Insular, S.A.
Argam, S.A. Galileo, 2446 - Buenos Aires (Argentina) (e)	541	99.99 0.01	I.T.V. Insular, S.A. Beta de Administración, S.A.
Concesionaria Zona 5, S.A. C/7 Número 374 – La Plata – Buenos Aires (Argentina) (a)	2,296	50 50	CTV, S.A. General de Servicios I.T.V., S.A.
CTV, S.A. Coronel Esteban Bonorino, 277 – Buenos Aires (Argentina) (e)	2,638	99.99 0.01	General de Servicios I.T.V., S.A. Beta de Administración, S.A.
Ecovec, S.A. Coronel Esteban Bonorino, 271 – Buenos Aires (Argentina) (e)	2,777	99.99 0.01	I.T.V. Insular, S.A. Beta de Administración, S.A.
General de Servicios I.T.V., S.A. Federico Salmón, 13 – Madrid (e)	2,819	99.99 0.01	Beta de Administración, S.A. Aragonesa de Servicios I.T.V., S.A.
Geral I.S.V. Brasil Ltda. Av. Rio Branco, 131, 10º Andar Parte Centro Rio de Janeiro (Brazil)	138	99.99 0.01	FCC International, B.V. Aragonesa de Servicios I.T.V., S.A.
I.T.V., S.A. Luzuriaga, 345 – Buenos Aires (Argentina) (e)	–	99 1	General de Servicios I.T.V., S.A. I.T.V. Insular, S.A.
I.T.V. Insular, S.A. Federico Salmón, 13 – Madrid (e)	252	99.99 0.01	General de Servicios I.T.V., S.A. Aragonesa de Servicios I.T.V., S.A.
Verauto La Plata, S.A. Avda. Belgrano, 634 – Buenos Aires (Argentina) (e)	126 2,134 66	50 37.50 10	Ecovec, S.A. I.T.V. Insular, S.A. Argam, S.A.
VTV Verificaciones Técnicas Vehiculares de Argentina, S.A. San Martín, 140 – Buenos Aires (Argentina) (e)	1,418	99.95 0.05	Aragonesa de Servicios I.T.V., S.A. Industrial de Limpieza y Servicios, S.A. (Sole-shareholder company)
Other holdings			
Electra Vulcano, S.A. Federico Salmón, 13 – Madrid	998	99.99 0.01	FCC Agua y Entorno Urbano, S.A. Industrial de Limpieza y Servicios, S.A. (Sole-shareholder company)
Industrial de Limpiezas y Servicios, S.A. (Sole-shareholder company) Federico Salmón, 13 – Madrid (b)	301	100	FCC Agua y Entorno Urbano, S.A.
Servicios Aragoneses de Energía y Biomasa, S.A. Autovía de Logroño Km. 12 Utebo (Zaragoza)	799	80	Electra Vulcano, S.A..

Company	Net Book Value	Nominal Percentage of Ownership and Holder	
GRUCYCSA			
Grucycsa, S.A. Plaza Pablo Ruiz Picasso, 1 – Madrid (a)	101,068 15,801	69.18 11.24	Fomento de Construcciones y Contratas, S.A. Portland Valderrivas, S.A.
Logistics			
Aitena, S.A. Inmobiliaria y de Transportes Avda. Fuentemar, 19 – Coslada (Madrid) (a)	1,851	99.99 0.01	Logistic Activities, S.A. T.A.C.K. Inversiones, S.L. (Sole-shareholder company)
Aitena Portugal, Almacenage Transporte e Distribuicao deMercaderias, S.A. Cr. Nacional 1, km. 33,4 – Alenquer (Portugal)	1,755	99.98	Aitena, S.A. Inmobiliaria y de Transportes
Logistic Activities, S.A. Avda. de la Industria, 18 – Coslada (Madrid) (a)	8,552	99.99 0.01	Grucycsa, S.A. T.A.C.K. Inversiones, S.L. (Sole-shareholder company)
Logística Navarra, S.A. C/E Poligono Landaben, Par. 1403, Pol. 7 – Pamplona (a)	4,520	99.99 0.01	Grucycsa, S.A. T.A.C.K. Inversiones, S.L. (Sole-shareholder company)
LNP Logística, Ltda. Estrada Nacional nº 3 km. 5,7 Azambuja (Portugal) (e)	132 18	90 10	Logística Navarra, S.A. Aitena Portugal Almacenage Transporte e Distribuicao de Mercaderias, S.A.
Electrical installations			
Especialidades Eléctricas, S.A. Acanto, 22 – Madrid (b)	2,668	99.99 0.01	Grucycsa, S.A. T.A.C.K. Inversiones, S.L. (Sole-shareholder company)
Cooling and heating installations			
Aremi Tecair, S.A. Avda. de les Corts Valencianes, 50 – Valencia	36	60	Internacional Tecair, S.A.
Eurman, S.A. Valentín Beato, 24-26 – Madrid	120	99.99 0.01	Internacional Tecair, S.A. T.A.C.K. Inversiones, S.L. (Sole-shareholder company)
Internacional Tecair, S.A. Valentín Beato, 24-26 – Madrid (b)	2,194	99.99 0.01	Grucycsa, S.A. T.A.C.K. Inversiones, S.L. (Sole-shareholder company)
Industrial equipment			
Equipos y Procesos, S.A. Conde de Peñalver, 45 – Madrid	150	80.73	Sistemas y Vehículos de Alta Tecnología, S.A.
High Technology Vehicles, Inc. Centre Road, 1013 Willmington – Delaware (U.S.A.)	36	100	Sistemas y Vehículos de Alta Tecnología, S.A.
Sistemas y Vehículos de Alta Tecnología, S.A. Conde de Peñalver, 45-3º – Madrid (b)	180	99.99 0.01	Grucycsa, S.A. T.A.C.K. Inversiones, S.L. (Sole-shareholder company)
Security and surveillance			
Falcon Contratas y Seguridad, S.A. Ronda de Poniente, 13 – Tres Cantos (Madrid) (e)	313	70	Grucycsa, S.A.
Falcon Contratas y Servicios Auxiliares, S.A. Ronda de Poniente, 13 – Tres Cantos (Madrid)	60	99.90 0.10	Falcon Contratas y Seguridad, S.A. T.A.C.K. Inversiones, S.L. (Sole-shareholder company)
Formación y Contratas, S.A. Ronda de Poniente, 13 – Tres Cantos (Madrid)	60	99.90 0.10	Falcon Contratas y Seguridad, S.A. T.A.C.K. Inversiones, S.L. (Sole-shareholder company)
Company promotion and development			
T.A.C.K. Inversiones, S.L. (Sole-shareholder company) María de Molina, 40 – Madrid	6	100	Grucycsa, S.A.
CEMENT AREA			
Portland Valderrivas, S.A. José Abascal, 59 – Madrid (a)	28,259 27,887 9,322 1,106	35.86 9.53 2.83 1.21	Fomento de Construcciones y Contratas, S.A Corporación Financiera Hispánica, S.A. Asesoría Financiera y de Gestión, S.A. Compañía Aux. de Agencia y Mediación, S.A. (Sole-shareholder company)
	2,777	1.14	Portland Valderrivas, S.A.
Cementos Portland, S.A. Estella, 6 – Pamplona (a)	175,952 715	58.76 0.08	Portland Valderrivas, S.A. Compañía Aux. de Agencia y Mediación, S.A. (Sole-shareholder company)
		0.01	Compañía Gral de Servicios Empresariales,SA (Sole-shareholder company)
		0.01	Corporación Española de Servicios, S.A.
		0.01	Corporación Financiera Hispánica, S.A.
		0.01	Europea de Gestión, S.A. (Sole-shareholder company)→
		0.01	Navarra de Transportes, S.A.
Compañía Auxiliar de Agencia y Mediación, S.A. (Sole-shareholder company) José Abascal, 59 – Madrid -Portfolio company-	1,659	100	Portland Valderrivas, S.A.
Per Gestora Inmobiliaria, S.L. Plaza Pablo Ruiz Picasso, s/n – Madrid (a) -Property management and administration-	48	80	Portland Valderrivas, S.A.

Company	Net Book Value	Nominal Percentage of Ownership and Holder
---------	----------------	--

Following is a detail of Cementos Portland, S.A.'s dependent companies and its percentages of direct and indirect ownership:

Almacenes, Tránsitos y Reexpediciones, S.A. – 80 %
Calderón de la Barca, 4-2º - Santander (b)

Áridos de Navarra, S.A. – 66%
Estella, 6 – Pamplona

Áridos y Premezclados, S.A. (Sole-shareholder company) – 100%
José Abascal, 59 – Madrid (a)

Atracem, S.A. (Sole-shareholder company) – 100%
José Abascal, 59 – Madrid (a)
-Merchandise transport and sale of construction materials-

Cántabra Industrial y Minera, S.A. (Sole-shareholder company) – 80%
Calderón de la Barca, 4-2º - Santander (b)

Canteras de Aláiz, S.A. – 70,02%
Estella, 6 – Pamplona

Canteras del Pirineo Occidental, S.A. – 72,18%
Estella, 6 – Pamplona

Canteras Villallano, S.L. – 80%
Poblado de Villallano – Palencia (b)

Cemensilos, S.A. – 80%
Calderón de la Barca, 4-2º - Santander (b)
-Marketing of construction materials-

Cementos Alfa, S.A. – 80%
Calderón de la Barca, 4-3º - Santander (b)

Cementos Atlántico, S.A. – 99,62%
Avda. Cardenal Bueno Monreal, 56 – Seville (a)

Cementrade, S.A. (Sole-shareholder company) – 80%
Paseo de la Castellana, 45 – Madrid (b)
-Wholesale of construction materials-

Compañía Auxiliar de Bombeo de Hormigón, S.A. (Sole-shareholder company) – 100%
José Abascal, 59 – Madrid (a)

Explotaciones San Antonio, S.L. (Sole-shareholder company) – 80%
Calderón de la Barca, 4-2º - Santander (b)
- Quartz mining -

Ferrocarril del Tajuña, S.A. (Sole-shareholder company) – 100%
José Abascal, 59 – Madrid
-Real estate rental-

Giant Cement Holding, Inc. – 100%
320-D Midland Parkway – Sumerville-South Carolina (U.S.A.) (a)

Hormigones Reinoso, S.A. (Sole-shareholder company) – 80%
Calderón de la Barca, 4-2º - Santander (b)

Hormigones y Morteros Preparados, S.A. (Sole-shareholder company) – 100%
José Abascal, 59 – Madrid (a)

Hormigones Aláiz, S.A. (Sole-shareholder company) – 70,02%
Estella, 6– Pamplona

Hormigones Araquil, S.A. (Sole-shareholder company) – 70,02%
Estella, 6 – Pamplona

Hormigones Arkaitza, S.A. (Sole-shareholder company) – 100%
Estella, 6 – Pamplona (c)

Hormigones de la Jacetania, S.A. – 62,50%
Llano de la Victoria, s/n – Jaca (Huesca)

Hormigones del Zadorra, S.A. – 72,18%
Estella, 6 – Pamplona

Hormigones Herrero, S.A. (Sole-shareholder company) – 92,78%
Romanceros, 42-44 – Burgos
-In liquidation-

Hormigones Reinoso, S.A. (Sole-shareholder company) – 80%
Calderón de la Barca, 4-2º - Santander (b)

Hormigones y Morteros Preparados, S.A. (Sole-shareholder company) – 100%
José Abascal, 59 – Madrid (a)

Participaciones Estella 6, S.L. (Sole-shareholder company) – 100%
Estella, 6 – Pamplona
-Inactive-

Company	Net Book Value	Nominal Percentage of Ownership and Holder	
OTHER HOLDINGS			
Abies Re Anstalt (*) Josef Rheinbergerstrasse, 6 – Vaduz (Liechtenstein)	421	100	Fomento de Construcciones y Contratas, S.A.
Afigesa Inversión, S.L. (Sole-shareholder company) Federico Salmón, 13 – Madrid (b)	70,078	100	Asesoría Financiera y de Gestión, S.A.
Asesoría Financiera y de Gestión, S.A. Federico Salmón, 13 – Madrid (b)	220,962 3,008	56.15 43.84 0.01	Corporación Financiera Hispánica, S.A. Fomento de Construcciones y Contratas, S.A. Compañía General de Servicios Empresariales, S.A. (Sole-shareholder company)
Asiris, S.A. Correduría de Seguros Pº de la Castellana, 156 – Madrid (a)	60 30	50 25	Asesoría Financiera y de Gestión, S.A. Portland Valderrivas, S.A.
Bahamas, S.A. Balmes, 36 – Barcelona -In liquidation-	68	99.99 0.01	Fomento de Construcciones y Contratas, S.A. Compañía General de Servicios Empresariales, S.A. (Sole-shareholder company)
Compañía General de Servicios Empresariales, S.A. Federico Salmón, 13 – Madrid	60	100	Fomento de Construcciones y Contratas, S.A. (Sole-shareholder company)
Corporación Española de Servicios, S.A. Federico Salmón, 13 – Madrid	44	99.99 0.01	Fomento de Construcciones y Contratas, S.A. Europea de Gestión, S.A. (Sole-shareholder company)
Corporación Financiera Hispánica, S.A. Federico Salmón, 13 – Madrid	69,818	99.98 0.01 0.01	Fomento de Construcciones y Contratas, S.A. Compañía General de Servicios Empresariales,S.A. (Sole-shareholder company) Europea de Gestión, S.A. (Sole-shareholder company)
Europea de Gestión, S.A. (Sole-shareholder company) Federico Salmón, 13 – Madrid	63	100	Fomento de Construcciones y Contratas, S.A.
Eusko Lanak, S.A. Federico Salmón, 13 - Madrid	60	99.99 0.01	Corporación Financiera Hispánica, S.A. Compañía General de Servicios Empresariales, S.A.
Fedemes, S.L. Federico Salmón, 13 – Madrid	10,764 1,016	92.67 7.33	Fomento de Construcciones y Contratas, S.A. Corporación Financiera Hispánica, S.A.
FCC Construcciones y Contratas Internacional, S.L. (Sole-shareholder company) Federico Salmón, 13 – Madrid	3	100	Fomento de Construcciones y Contratas, S.A.
FCC Finance, B.V. Amsteldijk, 166 – Amsterdam (Holanda) (b)	38,248	100	FCC International B.V.
FCC Fomento de Obras y Construcciones, S.L. (Sole-shareholder company) Federico Salmón, 13 – Madrid	3	100	Fomento de Construcciones y Contratas, S.A.
FCC Inmobiliaria Conycon, S.L. (Sole-shareholder company) Federico Salmón, 13 – Madrid	3	100	Fomento de Construcciones y Contratas, S.A.
FCC International, B.V. Amsteldijk, 166 – Amsterdam (Netherlands) (b)	39,999	100	Fomento de Construcciones y Contratas, S.A.
FCC 1, S.L. (Sole-shareholder company) Federico Salmón, 13 – Madrid	3	100	Fomento de Construcciones y Contratas, S.A.
Fir Re, S.A. (*) L-8011 Strassen 283 Route d'Arlon – Luxembourg (b)	1,376 6	99.67 0.33	FCC International B.V. Asesoría Financiera y de Gestión, S.A.
Fomento Internacional, Focsa, S.A. Federico Salmón, 13 – Madrid	69	99.93 0.07	Fomento de Construcciones y Contratas, S.A. Europea de Gestión, S.A. (Sole-shareholder company)
F-C y C, S.L. (Sole-shareholder company) Federico Salmón, 13 – Madrid	31	100	Fomento de Construcciones y Contratas, S.A.
Puerto Cala Merced, S.A. Arquitecto Gaudí, 4 – Madrid	60	99.99 0.01	Corporación Financiera Hispánica, S.A. Compañía General de Servicios Empresariales, S.A.

NOTAS:

- The financial statements of all the companies listed above are as of December 31, 2001.
- As required by Article 86 of the revised Corporations Law, in 2001 the Group companies made the related notifications to the companies in which they had acquired direct or indirect holdings of over 10%.
- The main Group companies were audited by Arthur Andersen, Price Waterhouse Coopers, KPMG Peat Marwick and Ernst & Young, as indicated in the foregoing list with the letters (a), (b), (c) and (d), respectively. Other audit firms are grouped under the letter (e). Only those companies that are not subject to statutory audit are not followed by a letter.

(*) Companies not included in consolidation because of the business activity carried out.

Exhibit II

Multigroup companies

Company	Net Book Value	Nominal Percentage of Ownership and Holder
CONSTRUCTION AREA		
Ace Metrexpo Estrada do Outeiro de Polima, Abóboba, Lote A – Parede (Portugal)	–	44.90 54.90 0.10 0.10 Ramalho Rosa Cobetar Sociedade de Construções, S.A. Batignolle Somec Veiga
Constructora Aeropuerto Santiago Limitada Alfredo Barros Errazuriz, 1953 – Santiago (Chile) (a)	30	50 50 FCC Construcción, S.A. Grupo Dragados, S.A.
Dragados FCC Canadá, Inc. 200 King Street West -Toronto (Canadá)	–	50 50 FCC Construction International, B.V. Dragados FCC Netherlands, B.V.
Dragados FCC Internacional de Construcción, S.A. Avda. Tenerife, 4-6 – San Sebastián de los Reyes (Madrid)	992	50 50 FCC Construcción, S.A. Grupo Dragados, S.A.
Inversora Latinoamericana de Infraestructuras, A.I.E.	18	25 25 25 25 FCC Construcción, S.A. Acciona, S.A. ACS Proyectos, Obras y Construcciones, S.A. Sacyr, S.A.
Itam Delta de la Tordera, A.I.E. Travessera de Gràcia, 58 – Barcelona		27 20 20 33 FCC Construcción, S.A. Servicios y Procesos Ambientales, S.A. Seragua, S.A. Proyectos e Instalaciones de Desalación, S.A.
SERVICES		
Urban cleaning		
Beacon Waste Limited 106 High Street – Evesham-Worcestershire (United Kingdom) (a)	1,683	100 Mercia Waste Management, Ltd.
Ecoparc del Besós, S.A. Rambla Catalunya, 91-93 – Barcelona	5,551 1,388	72 18 10 Tratamiento Industrial de Residuos Sólidos, S.A. Fomento de Construcciones y Contratas, S.A. Tractament i Selecció de Residus, S.A.
Empresa Mixta de Medio Ambiente de Rincón de la Victoria, S.A. Pza. Al Andalus, 1 – Rincón de la Victoria – Málaga (b)	301	50 50 Fomento de Construcciones y Contratas, S.A. Ayuntamiento Rincón de la Victoria
FASSA Environnement, S.A. [*] 76 Av. du Président Wilson – La Plaine Saint Denis (France)	–	99.89 0.02 0.02 0.02 0.04 0.01 Française d'Assainissement et de Service, S.A. FCC Medio Ambiente, S.A. Saneamiento y Servicios, S.A. Via Environnement, S.A. CGEA Connex, S.A. Núñez Vegas, Tomás
Française d'Assainissement et de Service, S.A. 55/57 Av. de Colmar 55/57. Rueil Malmaison (France)	3,197	49.97 0.01 0.01 0.01 49.98 0.01 0.01 FCC Medio Ambiente, S.A. Compañía Catalana de Servicios, S.A. International Services Inc, S.A. (Sole-shareholder company) Proactiva Medio Ambiente, S.A. CGEA Connex, S.A. Benoist, Jean Onix Est
Fisera Manteniment Urbà, S.A. Alemania, 5 – Figueres (Girona)	266	36.35 36.37 27.28 Fomento de Construcciones y Contratas, S.A. Tractaments Alt Empordà, S.L. Figueres de Serveis, S.A. (Sole-shareholder company)
Mercia Waste Management, Ltd. Brook House – Oldham Road, Middleton – Manchester (United Kingdom) (a)	78	50 50 Focsa Services U.K. Ltd. Urbaser, S.A.
Servicios de Limpieza Integral de Málaga III, S.A. Camino de la Térmica, 83 – Málaga (b)	3,065	51 49 Servicios Urbanos de Málaga, S.A. Málaga City Council
Servicios Urbanos de Málaga, S.A. Ulises, 18 – Madrid	1,610	51 49 Fomento de Construcciones y Contratas, S.A. Urbaser, S.A.
Severn Waste Services Limited Brook House – Oldham Road, Middleton – Manchester (United Kingdom) (a)	198	50 50 Focsa Services U.K. Ltd. Urbaser, S.A.
Sirr Basse Normandie, S.A. 14.350 La Graverie – Le Beny Bocage (France)	–	99.97 0.01 0.01 Française d'Assainissement et de Service, S.A. FASSA Environnement S.A. Société d'Exploitation et de Transports d'Ordures Industrielles et Menageres, S.A. Fouillaud, Didier
Société d'Exploitation et de Transports d'Ordures Industrielles et Menageres, S.A. Le Nid Coquet – Soudan (France)	–	99.95 0.01 0.01 0.01 0.01 0.01 Française d'Assainissement et de Service, S.A. FCC Medio Ambiente, S.A. Saneamiento y Servicios, S.A. Via Environnement, S.A. Ralu Jean – Lionel CGEA Connex, S.A.

Company	Net Book Value	Nominal Percentage of Ownership and Holder	
Tratamiento Industrial de Residuos Sólidos, S.A. Rambla Catalunya, 91-93 – Barcelona	1,286	33.33 33.33 33.33	FCC Medio Ambiente, S.A. Urbaser, S.A. Concesionaria Barcelona, S.A.
Via Environnement, S.A. 1 Rue de Berri – París (France)	–	99.95 0.01 0.01 0.01	Française d'Assainissement et de Service, S.A. Compañía Catalana de Servicios, S.A. FCC Medio Ambiente, S.A. Saneamiento y Servicios, S.A.
Water treatment and distribution			
Aguas y Servicios de la Costa Tropical de Granada, A.I.E. Plaza de la Aurora, s/n – Motril (Granada) (e)	829	51	SOGESUR - Sociedad General de Servicios Urbanos, S.A.
Aigües de Girona, Salt i Sarrià de Ter, S.A. Ciutadans, 11 – Girona	481	80	Girona, S.A.
Empresa Mixta de Aguas y Servicios, S.A. Alarcos, 13 – Ciudad Real	106	55	Gestión de Servicios Hidráulicos de Ciudad Real, A.I.E.
Empresa Municipal de Aguas de Benalmádena, EMABESA Expl. Aparc. Tivoli, s/n – Arroyo de la Miel (Málaga) (e)	1,310	50 50	SOGESUR-Sociedad de Gestión de Servicios Urbanos, S.A. Benalmádena Municipal Council
Gestión de Servicios Hidráulicos de Ciudad Real, A.I.E. Ramírez de Arellano, 15 - Madrid	–	25 25 25	Sociedad Mediterránea de Aguas, S.A. SOGESUR-Sociedad de Gestión de Servicios Urbanos, S.A. Técnica de Depuración, S.A.
Girona, S.A. Travesía del Carril, 2 – Girona	367	33.61	Aguas Potables de San Feliu de Guíxols, S.A.
Searsa – Cañellas, A.I.E. Pasaje Can Faixina, 11 – Palma de Mallorca	–	50	Sociedad de Explotación de Aguas Residuales, S.A.
Sociedad de Explotación de Aguas Residuales, S.A. Bruc, 49 – Barcelona (a)	1,046	50 50	Seragua, S.A. Corporación Agbar, S.A.
Sociedad Española de Aguas Filtradas, S.A. Jacometrezo, 4 – Madrid (a)	577	50 50	Seragua, S.A. Corporación Agbar, S.A.
The Composting Company Ltd. Ryton Organic Gardens – Coventry (United Kingdom)	–	50 50	Beacon Waste Limited HDRA Consultants Limited
Zabalgarbi, S.A. Alameda de Urquijo, 9 – 4º – Bilbao	5,668	25 25 20 10 10 5 5	Valorización y Tratamiento de Residuos, S.A. Sener Grupo de Ingeniería, S.A. Diputación Foral de Bizkaia Ente Vasco de la Energía Instituto para la Diversificación y Ahorro de la Energía, S.A. Bilbao Bizkaia Kutxa Mancomunidad de Municipios de la Margen Izquierda del Nervión
Waste treatment			
Electrorecycling, S.A. Ctra. BV-1224 km. 6,750 – El Pont de Vilomara i Rocafort (Barcelona)	800	66.67 33.33	Pilagest, S.L. Indumetal Recycling, S.A.
Pilagest, S.L. (*) Ctra. BV – 1224 Km. 6,750 – El Pont de Vilomara i Rocafort (Barcelona)	400	50 50	T.P.A. Técnicas de Protección Ambiental, S.A. Senda Ambiental, S.A.
Proactiva Group investees			
Following is a detail of Proactiva Medio Ambiente, S.A.'s dependent companies which engage in urban cleaning and water treatment and distribution in Latin America, stating its percentages of direct and indirect ownership.			
Proactiva Medio Ambiente, S.A. Paseo de la Castellana, 216 – Madrid (a)	63,065	50 50	Fomento de Construcciones y Contratas, S.A. Vivendi Environnement, S.A.
AESA, Aseo y Ecología, S.A. Avda. Camacué. 5335 – Avellaneda – (Argentina) (e)		99.90 0.10	Proactiva Medio Ambiente, S.A. FCC Medio Ambiente, S.A.
AESA Misiones, S.A. 25 de Mayo, 1840 – Ciudad de Posadas – Misiones (Argentina) (e)		86.75 13.25	Proactiva Medio Ambiente, S.A. AESAs, Aseo y Ecología, S.A.
Aguas del Valle, S.A. Avda. Ocampo, 1013 – Catamarca (Argentina) (a)		70.03 19.97	Proactiva Medio Ambiente, S.A. AESAs, Aseo y Ecología, S.A.
Agencias Compagnie Generale des Eaux Chile, Ltda. Silvina Hurtado, 1782 – Providencia – Santiago de Chile (Chile)		100	Proactiva Medio Ambiente, S.A.
Aseo Candelaria, S.A. E.S.P. Ctra. Candelaria 33 A, 19-25 Valle del Cauca (Colombia) (e)		63.99 0.01	Proactiva Medio Ambiente, S.A. Proactiva Medio Ambiente Venezuela, C.A.
Aseo El Cerrito, S.A. E.S.P. Calle 5, 10-77 – Cerrito, Valle del Cauca (Colombia) (e)		63.99 0.01	Proactiva Medio Ambiente, S.A. Proactiva Medio Ambiente Venezuela, C.A.
Aseo Pradera, S.A. E.S.P. Calle 7, 19-32 – Pradera, Valle del Cauca (Colombia) (e)		66.99 0.01	Proactiva Medio Ambiente, S.A. Proactiva Medio Ambiente Venezuela, C.A.
Aseo Yumbo, S.A. E.S.P. Alcaldía Municipal de Yumbo – Valle del Cauca (Colombia) (e)		62 1 1	Proactiva Medio Ambiente, S.A. FCC Medio Ambiente, S.A. International Services Inc., S.A. (Sole-shareholder company)
Brumado, S.A. Avda. Presidente Wilson, 231 – Río de Janeiro (Brazil)		1 33.33	Servicios Especiales de Limpieza, S.A. Proactiva Medio Ambiente, S.A.

Company	Net Book Value	Nominal Percentage of Ownership and Holder
Bugueña de Aseo, S.A. E.S.P. Cra. 16 Norte 32-01– Buga, Valle del Cauca (Colombia) (e)	58.99 0.01	Proactiva Medio Ambiente, S.A. Proactiva Medio Ambiente Venezuela, C.A.
CES Compañía Ecológica Sudamericana, S.A. Tucumán, 1321 – Buenos Aires (Argentina) (d)	99.99	Proactiva Medio Ambiente, S.A.
CGEA Brasil Participações s/c Ltda. Avda. Presidente Wilson, 231 – Rio de Janeiro (Brazil)	100	Proactiva Medio Ambiente, S.A.
Coinca, S.A. Silvina Hurtado, 1782 – Providencia – Santiago de Chile (Chile) (e)	99.99	Compagnie Generale d'Entreprises Automobile Chile, S.A.
Compagnie Generale d'Entreprises Automobiles Chile, S.A. Silvina Hurtado, 1782 – Providencia – Santiago de Chile (Chile) (e)	99.99	Proactiva Medio Ambiente, S.A.
Compañía de Aguas de Puerto Rico Inc. 604 Barbosa Ave HR – San Juan (Puerto Rico) (e)	100	Proactiva Medio Ambiente, S.A.
Compañía de Limpieza y Embellecimiento C por A Avda. Los Restauradores, 56 – Sabana Perdida (Santo Domingo) (a)	99.94 0.01 0.01 0.01 0.01 0.01 0.01	Proactiva Medio Ambiente, S.A. Alfonso Benítez, S.A. Castellana de Servicios, S.A. FCC Medio Ambiente, S.A. International Services, Inc. Servicios de Levante, S.A. Servicios Especiales de Limpieza, S.A.
Compañía General de Servicios Urbanos, S.A. de C.V. Pª de las Palmas nº 930–Lomas de Chapultepec México City – (Mexico) (e)	99.99	Proactiva Medio Ambiente, S.A.
Concesionaria de Aguas de Aguascalientes, S.A. de C.V. Ecuador, 205 – Aguascalientes (Mexico) (e)	99.99	Consortio Internacional de Medio Ambiente, S.A. de C.V.
Concesionaria Tibitoc, S.A. E.S.P. Trans, 21 nº 100-20 Santa Fe de Bogotá (Colombia) (b)	33.33	Proactiva Medio Ambiente, S.A.
Consortio Internacional de Medio Ambiente, S.A. de C.V. Tomás Alva Edison. 176 – Cuauhtemoc (Mexico) (e)	50	Proactiva Medio Ambiente, S.A.
Cotécnica Caracas, C.A. Avda. Fco. de Miranda. Los Palos Grandes – Caracas (Venezuela) (a)	100	Inversiones Cotécnica, C.A.
Cotécnica Chacao, C.A. Avda. Fco. de Miranda. Los Palos Grandes – Caracas (Venezuela) (a)	100	Inversiones Cotécnica, C.A.
Cotécnica La Bonanza, C.A. Avda. Fco. de Miranda. Los Palos Grandes – Caracas (Venezuela) (a)	100	Inversiones Cotécnica, C.A.
DIVAG, S.A. de C.V. Tomás Alva Edison, 176 – Cuauhtemoc (Mexico) (e)	98 2	Consortio Internacional de Medio Ambiente S.A. de C.V. Servicios de Agua Potable, S.A. de C.V.
Deltacom, S.A. Tucumán, 1321 – Buenos Aires (Argentina) (d)	52.83 47.17	CES Compañía Ecológica Sudamericana, S.A. Proactiva Medio Ambiente, S.A.
Deltaliq, S.A. Tucumán, 1321 – Buenos Aires (Argentina) (d)	60	Deltacom, S.A.
Derclase, S.A. Treinta y Tres, 1374-5º - Montevideo (Uruguay)	70 30	Proactiva Medio Ambiente, S.A. AESa, Aseo y Ecología, S.A.
Dominicana Sanitary Services, B.V. Brinkwal, 11 – Nieuwegein (Netherlands) (a)	100	Proactiva Medio Ambiente, S.A.
Empresa Geral de Serviços s/c Ltda. Avda. Presidente Wilson, 231 – Rio de Janeiro (Brazil)	99.89	Proactiva Medio Ambiente, S.A.
ESETASA, S.A. de C.V. Tomás Alva Edison, 176 – Cuauhtemoc (Mexico) (e)	98 2	Consortio Internacional de Medio Ambiente, S.A. de C.V. Servicios de Tecnología Ambiental, S.A. de C.V.
Fospuca Baruta, C.A. Edif. Delta 5º Avda. Fco. Miranda – Caracas (Venezuela) (a)	60	Proactiva Medio Ambiente, S.A.
Fospuca, C.A. Edif. Delta 5º Avda. Fco. Miranda – Caracas (Venezuela) (a)	60	Proactiva Medio Ambiente, S.A.
Fospuca Carrizal, C.A. Edif. Delta 5º Avda. Fco. Miranda – Caracas (Venezuela) (a)	60	Proactiva Medio Ambiente, S.A.
Fospuca Guaicaipuro, C.A. Los Teques – Miranda (Venezuela) (a)	60	Proactiva Medio Ambiente, S.A.
Fospuca Libertador, C.A. Edif. Delta 5º Avda. Fco. Miranda – Caracas (Venezuela) (a)	60	Proactiva Medio Ambiente, S.A.
Fospuca Maturín, C.A. Edif. Delta 5º Avda. Fco. Miranda – Caracas (Venezuela) (a)	60	Proactiva Medio Ambiente, S.A.
Fospuca Nueva Esparta, C.A. Calle Miranda con Calle Fuentes, Caserío Fajardo – Porlamar (Venezuela) (a)	60	Proactiva Medio Ambiente, S.A.
Fospuca Puerto Cabello, C.A. Valencia – Carabobo (Venezuela) (a)	60	Proactiva Medio Ambiente, S.A.
Fospuca Zamora, C.A. Edif. Delta 5º Avda. Fco. Miranda – Caracas (Venezuela) (a)	60	Proactiva Medio Ambiente, S.A.
GCIMA, S.A. de C.V. Tomás Alva Edison, 176 – Cuauhtemoc (Mexico) (e)	98 2	Consortio Internacional de Medio Ambiente, S.A. de C.V. Servicios de Agua Potable
Inmobiliaria Multiaseo, S.A. Carretera General s/n – Quilicura (Chile) (e)	99.90 0.10	Multiaseo, S.A. Compagnie Generale d'Entreprises Automobiles Chile, S.A.

Company	Net Book Value	Nominal Percentage of Ownership and Holder
Intrascot SA Coleta e Remoção de Resíduos, Ltda. Rua Ferreira de Oliveira, 59 – Sao Paulo (Brazil) (e)	80	CGEA Brasil Participações s/c Ltda.
Inversiones Cotécnica, C.A. Avda. Fco. de Miranda. Los Palos Grandes – Caracas (a) (Venezuela)	60	Proactiva Medio Ambiente, S.A.
Lamcef, S.A. Calle 48, 826– Ciudad de la Plata (Argentina) (d)	99.99	CES Compañía Ecológica Sudamericana, S.A.
Mantenimiento Urbano, C.A. Avda. Fco. de Miranda. Los Palos Grandes – Caracas (Venezuela) (a)	99.99 0.01	Inversiones Cotécnica, C.A. Servicios Cotécnica, C.A.
Mexicana de Medio Ambiente, S.A. de C.V. Pº de las Palmas 930 – México D.F. (Mexico) (e)	99.99 0.01	Proactiva Medio Ambiente, S.A. FCC Medio Ambiente, S.A.
Multiaseo, S.A. Carretera General San Martín 9600 – Quilicura (Chile) (e)	58	Compagnie Generale d'Entreprises Automobiles Chile, S.A.
Omsa Agua Potable, S.A. de C.V. Tomás Alva Edison – Cuauhtemoc (Mexico) (e)	100	Consortio Internacional de Medio Ambiente, S.A. de C.V.
Palmirana de Aseo, S.A. E.S.P. Ctra. 33 A, 19-25 – Valle del Cauca (Colombia) (e)	55.99 0.01	Proactiva Medio Ambiente, S.A. Proactiva Medio Ambiente Venezuela, C.A.
Proactiva Aguas de Montería, S.A. E.S.P. Cl. 27, 8-70 Municipio de Montería, Dpto. Córdoba – (Colombia) (e)	94.99 2 1 1 1	Proactiva Colombia, S.A. Seragua, S.A. Castellana de Servicios, S.A. FCC Medio Ambiente, S.A. Servicios Especiales de Limpieza, S.A.
Proactiva Colombia, S.A. Cl. 98 nº 9 – 03 Edif. Torre Sancho (e) Santa Fe de Bogotá (Colombia)	94 1.50 1.50 1.50 1.50	Proactiva Medio Ambiente, S.A. Alfonso Benítez, S.A. FCC Medio Ambiente, S.A. International Services Inc., S.A. (Sole-shareholder company) Servicios Especiales de Limpiezas, S.A.
Proactiva de Servicios, S.A. E.S.P. Carrera, 4 – Santiago de Cali (Colombia) (e)	90 7 1 1 1	Proactiva Medio Ambiente, S.A. Proactiva de Colombia E.S.P., S.A. FCC Medio Ambiente, S.A. International Services Inc., S.A. Unipersonal Servicios Especiales de Limpieza, S.A.
Proactiva Doña Juana E.S.P., S.A. Calle 98, 9 – Santa Fe de Bogotá – Colombia (e)	50.50 24.75 23.75 0.50 0.50	Proactiva Colombia, S.A. Compagnie Generale d'Entreprises Automobiles Chile, S.A. Fomento de Construcciones y Contratas, S.A. Alfonso Benítez, S.A. FCC Medio Ambiente, S.A.
Proactiva Medio Ambiente Venezuela, C.A. Torre Sede Gerencial La Castellana, Piso 6 – Caracas (Venezuela) (a)	100	Proactiva Medio Ambiente, S.A.
Proactiva Oriente, S.A. E.S.P. Municipio San José de Cucutá. Dpto. Norte de Santander (Colombia) (e)	88.25 8.50 0.25 0.25 0.25	Proactiva Colombia, S.A. Proactiva de Servicios, S.A. E.S.P. Compañía de Limpieza y Embellecimiento C por A Proaseo, S.A. Proactiva Medio Ambiente Venezuela, S.A.
Proaseo, S.A. (**) Las Colinas 14 B Sector Arroyo Hondo Santo Domingo (Dominican Republic) (a)	94 1 1 1 1 1 1	Proactiva Medio Ambiente, S.A. Alfonso Benítez, S.A. Castellana de Servicios, S.A. FCC Medio Ambiente, S.A. International Services Inc., S.A. (Sole-shareholder company) Servicios de Levante, S.A. Servicios Especiales de Limpieza, S.A.
Sanedo, Ltda. Avda. Presidente Wilson, 231 – Río de Janeiro (Brazil)	99.98 0.01	Société d'Investissement et de Gestion 41 – Sig 41, S.A. Cía en Comandita Empresa Geral de Serviços s/c Ltda.
Sera Q.A. Tunja E.S.P., S.A. Cra. 3ª, Este 1120 – Tunja – (Colombia) (e)	93.98 5.80 0.01 0.01	Proactiva Medio Ambiente, S.A. Proactiva Colombia, S.A. Seragua, S.A. Proactiva de Servicios, S.A. E.S.P.
Servicios Cotécnica, C.A. Avda. Fco. de Miranda. Los Palos Grandes – Caracas (Venezuela) (a)	100	Inversiones Cotécnica, C.A.
Servicios de Agua de Aguascalientes, S.A. de C.V. Ecuador, 205 – Aguascalientes (Mexico) (e)	99.99	Consortio Internacional de Medio Ambiente, S.A. de C.V.
Servicios de Agua Potable, S.A. de C.V. Tomás Alva Edison, 176 – Cuauhtemoc (Mexico) (e)	99.99	Consortio Internacional de Medio Ambiente, S.A. de C.V.
Servicios de Tecnología Ambiental, S.A. de C.V. Tomás Alva Edison, 176 – Cuauhtemoc (México) (e)	100	Consortio Internacional de Medio Ambiente, S.A. de C.V.
Servicios Plasticot 405, C.A. Avda. Fco. Miranda. Los Palos Grandes–Caracas (Venezuela) (a)	100	Inversiones Cotécnica, C.A.
Société d'Investissements et de Gestion 41 – Sig 41, S.A. Sociedad en Comandita José Abascal, 45 – Madrid	100	Proactiva Medio Ambiente, S.A.

Company	Net Book Value	Nominal Percentage of Ownership and Holder
Transactional Technologies International, Inc. 252 Ponce de León Avenue, Citibank Tower Hato Rey (Puerto Rico) (e)	70	Proactiva Medio Ambiente, S.A.
Tuluëña de Aseo, S.A. E.S.P. Cra. 24, 24-03 Tulua, Valle del Cauca (Colombia) (e)	61.99 0.01	Proactiva Medio Ambiente, S.A. Proactiva Medio Ambiente Venezuela, C.A.

URBAN ENVIRONMENT AREA

Street furniture

Equipamientos Urbanos de Costa Rica, S.A. Av. 6, CL 17-19 N° 1753 – San José (Costa Rica) (b)	857	100	Equipamientos Urbanos de México, S.A. de C.V.
Equipamientos Urbanos de El Salvador, S.A. de C.V. Pasaje Stahl, 117 – San Salvador (El Salvador) (b)	–	99.50 0.50	Equipamientos Urbanos de México, S.A. de C.V. Servicios de Comercialización de Publicidad, S.A. de C.V.
Equipamientos Urbanos de Guatemala, S.A. 6ª Avenida 14-50. Zona 10 Guatemala C.A. (Guatemala) (b)	2,727	99.98 0.02	Equipamientos Urbanos de México, S.A. de C.V. Servicios de Comercialización de Publicidad, S.A. de C.V.
Equipamientos Urbanos de México, S.A. de C.V. Avda. Reforma, 905 – México D.F. (Mexico) (b)	21,877	50 50	Cemusa, Corporación Europea de Mobiliario Urbano, S.A. G-40, S.L.
Equipamientos Urbanos de Panamá, S.A. Panama	–	99.99 0.01	Equipamientos Urbanos de México, S.A. de C.V. Servicios de Comercialización de Publicidad, S.A. de C.V.
Equipamientos Urbanos Dominicanos, S.A. El Conde, 451 – Santo Domingo, D.N. – (Dominican Rep.) (b)	450	99.99	Equipamientos Urbanos de México, S.A. de C.V.
Servicio y Tecnología Especializada, S.A. de C.V. Avda. Reforma, 905 – México D.F. (Mexico) (b)	272	98 2	Equipamientos Urbanos de México, S.A. de C.V. Servicios de Comercialización de Publicidad, S.A. de C.V.
Servicios de Comercialización de Publicidad, S.A. de C.V. Avda. Reforma, 905 – México D.F. (Mexico) (b)	220	98 2	Equipamientos Urbanos de México, S.A. de C.V. Servicio y Tecnología Especializada, S.A. de C.V.
Tenedora de Acciones de Mobiliario, S.A. de C.V. México D.F. (Mexico) (b)	11,798	50	Equipamientos Urbanos de México, S.A. de C.V.

Transport

Almeraya, S.A. Ulises, 18 – Madrid	60	50 45 5	Corporación Española de Transporte, S.A. Autonibus Interurbanos, S.A. García Alonso, Gabriel
Corporación Española de Transporte, S.A. Ulises, 18 – Madrid (e)	1,190	50 50	C.G.T. Corporación General de Transportes S.A. CGEA Connex, S.A.
Corporación Jerezana de Transportes Urbanos, S.A. Polígono Ind. El Portal – Jerez de la Frontera (Cádiz) (e)	1,022 961	34 32 34	FCC Agua y Entorno Urbano, S.A. Corporación Española de Transporte, S.A. CGEA Connex, S.A.
Edetania Bus, S.A. Pasarell, s/n Polígono Industrial Benageber – Valencia	22	51 49	Corporación Española de Transporte, S.A. Autos Vallduxense, S.A.
Transportes Urbanos de Sanlúcar, S.A. Ctra. de Jerez, Km. 1 – Cádiz (e)	222	59.68 40.32	Corporación Española de Transporte, S.A. Ayuntamiento de Sanlúcar de Barrameda
Transports Municipals d'Egara, S.A. Ctra. Nacional 150 Km. 15 – Terrassa (Barcelona) (e)	721	80 20	Corporación Española de Transporte, S.A. Ayuntamiento de Terrassa

Vehicle technical inspection

Valenciana de Servicios ITV, S.A. Polígono Industrial "El Oliveral" – Ribarroja (Valencia)	541 361	30 20 50	General de Servicios ITV, S.A. Aragonesa de Servicios ITV, S.A. Aguas de Valencia, S.A.
---	------------	----------------	---

GRUCYCSA

Logistics

Linausa, S.A. Ctra. Madrid-Irún Km. 244 – Burgos	30	50 50	Grucycsa, S.A. Grupo Antolín-Irausa
---	----	----------	--

Electrical installations

Auxel Electricidad Auxiliar, A.I.E. Acanto, 22 – Madrid	6	75 15 10	Especialidades Eléctricas, S.A. Fapsa Instalaciones y Obras, S.A. Tendisa, S.A.
--	---	----------------	---

CEMENT AREA

Grupo CDN-USA Preble Street, 38 – Portland - Maine (U.S.A.)	36,860 14,352	50 50	Cementos Portland, S.A. Cementos Lemona, S.A.
--	------------------	----------	--

NOTES:

- The financial statements of all the companies listed above are as of December 31, 2001.
- The main multigroup companies were audited by Arthur Andersen, Price Waterhouse Coopers, KPMG Peat Marwick and Ernst & Young, as indicated in the foregoing list with the letters (a), (b), (c) and (d), respectively. Other audit firms are grouped under the letter (e). Only those companies that are not subject to statutory audit are not followed by a letter.

(*) Formerly Servicios de Pilas y Lámparas, S.A.

(**) Formerly FCC Servicios Santo Domingo, S.A.

Exhibit III

Companies carried by the equity method

Company	Net Book Value	Nominal Percentage of Ownership and Holder	
ÁREA DE CONSTRUCCIÓN			
Build2Build, S.A. Avda. de Europa, 20 – Alcobendas – Madrid (a) -e-Commerce-	1,076	20.46	FCC Construcción, S.A.
Compañía Tecnológica de Corella Construcción, S.A. Polígono Industrial s/n – Corella (Navarra) (e)	(739)	48.63	Prefabricados Delta, S.A.
Concesiones de Madrid, S.A. Avda. de Europa, 18 – Alcobendas (Madrid) (a) -Thoroughfare concessions-	4,574	25	FCC Construcción, S.A.
Construcciones Olabarri, S.L. Avda. Ferrocarril, 8 – Bilbao	2,104	40	FCC Construcción, S.A.
Dinfra Cofimex, S.A. de C.V. Coahuila, 299 – Colonia Cuajimalca -Mexico D.F.(Mexico)	84	49.90	Construcción y Filiales Mexicanas, S.A. de C.V.
ECCE Signs for Europe B.V. (Belgium) Essenestraat, 24 – Ternat (Belgium) -Commercial sign marketing-	6	25	Megaplás, S.A.
ECCE Signs for Europe B.V. S.L. Transpolis Schiphol Airport Polaris Ave 53 –J.H. Hofddorp (Netherlands) -Commercial sign marketing-	126	25	Megaplás, S.A.
Elaboración de Cajones Pretensados, S.L. Marcelo Spínola, 42 – Madrid	–	50	FCC Construcción, S.A.
Foment de Construccions i Consulting, S.A. (*) Av. Copríncep Francès 11 – Encamp (Andorra)	–	33.30	FCC Construction International B.V.
Marina Brava de Golf, S.A. Via Augusta, 59 – Barcelona -Operation of marinas-	18	20	FCC Construcción, S.A.
Marina Port-Vell, S.A. Varadero, s/n. Ed. Torre de Control-Moll del Rellotge (Barcelona) -Operation of marinas-	1,617	32.68	FCC Construcción, S.A.
Nàutic Tarragona, S.A. Moll de Costa, s/n – Tarragona -Operation of marinas-	204	25	FCC Construcción, S.A.
Port Premià, S.A. Balmes, 36 – Barcelona -In liquidation-	(553)	39.72	FCC Construcción, S.A.
Port Torredembarra, S.A. Pza. Peig, 1 – Torredembarra (Tarragona) -Operation of marinas-	655	24.08	FCC Construcción, S.A.
Ruta de los Pantanos, S.A. Avda. Europa, 18 – Alcobendas (Madrid) (a)	2,765	25	FCC Construcción, S.A.
Sa Stria, Società Consortile a Responsabilità Limitata Piazza Fernando de Lucia, 60/65 Rome (Italy)	6	40	FCC Construcción, S.A.
Tramvia Metropolità, S.A. Córcega, 270 – Barcelona -Concession-holder-	5,812	18.53 3.41	FCC Construcción, S.A. CGT Corporación General de Transportes, S.A.
Túnel d'Envalira, S.A. Avda. Tarragona, 58-70 – Andorra la Vella (Andorra) -Concession-holder-	3,360	40	FCC Construcción, S.A.

Company	Net Book Value	Nominal Percentage of Ownership and Holder	
SERVICES AREA			
Urban cleaning			
Clavegueram de Barcelona, S.A. Acer, 16 – Barcelona	902	22.50	Fomento de Construcciones y Contratas, S.A.
F-C Environnement, SAS Av. L'Europe, 34 – Velizy Villacoublay (France)	72	48.98	Française d'Assainissement et de Service, S.A.
Gestión Integral de Residuos Sólidos, S.A. Santa Amalia, 2 – Valencia	1,671	49	Fomento de Construcciones y Contratas, S.A.
IDEX-FASSA Environnement, SAS Rue Escudier, 8-bis – Boulogne Billancourt (France)	60	49	Française d'Assainissement et de Service, S.A.
Tirme, S.A. Ctra. Soler, km. 8 – Balearic Islands (a)	2,230	20	FCC Medio Ambiente, S.A.
Water treatment and distribution			
Aguas de Denia, S.A. Urbanos, S.A. Pare Pere, 17 – Denia (Alicante)	204	33	SOGESUR - Sociedad de Gestión de Servicios
Aguas de Ubrique, S.A. Avda. España, 9 – Ubrique (Cádiz)	6	49	Proyectos, Servicios e Instalaciones, S.A.
Aigües de Blanes, S.A. Canigó, 5-7 – Blanes (Girona)	48	49	Girona, S.A.
Conducció del Ter, S.L. Bourg de Peage, 89 – Sant Feliu de Guíxols (Girona)	30	48	Aguas Potables de San Feliu de Guíxols, S.A.
Ecología Sistemes Ambientals, S.A. Avda. Santa Coloma, 25 – Andorra la Vella (Andorra)	12	33	Fomento de Construcciones y Contratas, S.A.
Empresa Municipal de Aguas de Algeciras, S.A. Urbanos, S.A. Virgen del Carmen, s/n – Algeciras (Cádiz) (e)	222	49	SOGESUR- Sociedad de Gestión de Servicios
La Unión Servicios Municipales, S.A. Salvador Pascual, 7 – La Unión (Murcia) (e)	108	49	SOGESUR- Sociedad de Gestión de Servicios Urbanos, S.A.
Nueva Sociedad de Aguas de Ibiza, S.A. Avda. Bartolomé de Roselló, 18 – Ibiza	24	40	Sociedad Mediterránea de Aguas, S.A.
Proveïments d'Aigua, S.A. Asturias, 13 – Girona	78	45	Girona, S.A.
Sera Q.A. Duitama E.S.P., S.A. Duitama, Bocaya (Colombia)	66	30.60	Seragua, S.A.
Waste treatment			
Aprochim Getesarp Rymoil, S.A. Polígono Industrial Logrenzana La Granda – Carreño (Asturias)	811	30	Tratamientos y Recuperaciones Industriales, S.A.
Sogecar, S.A. Polígono Torrelarragoiti – Zamudio (Vizcaya)	168	30	Ekonor, S.A. (Sole-shareholder company)
Proactiva Group investees			
Listed below is Proactiva Medio Ambiente, S.A.'s investee carried by the equity method, stating the percentage of direct or indirect ownership by Proactiva Medio Ambiente, S.A.			
Domino Holdings, S.A. Avda. Candido Abreu, 651–80530 Curitiba (Brazil) (d)	27,136	30	Sanedo, Ltda.
URBAN ENVIRONMENT AREA			
Servicios de Tráfico			
Empresa Mixta de Tráfico, S.A. Mar de Kara, 9 – Madrid (e)	1,466	44	FCC Medio Ambiente, S.A.
Inspección técnica de vehículos			
I.T.V. Córdoba, S.A. Dean Funes 802 - Córdoba (Argentina) (b)	282	30	General de Servicios I.T.V., S.A.

Company	Net Book Value	Nominal Percentage of Ownership and Holder	
GRUCYCSA			
Hotel management and ownership			
Grubar Hoteles, S.L. Pza. Pablo Ruiz Picasso, 1 – Madrid (a)	84,022	50	Grucycsa, S.A.
Grupo Grubarges Ayala, 3 – Madrid (a)	–	66.67	Grubar Hoteles, S.L.:
Company promotion and development			
Sociedad Anónima de Proyectos Industriales Conjuntos Gran Vía, 1 – Bilbao	1,647	50	Grucycsa, S.A.
CEMENT AREA			
Valderrivas Group investees	84,779		

Following is a detail of the Valderrivas Group companies all of which are Cementos Portland, S.A. investees carried by the equity method, stating the percentage of direct or indirect ownership by the latter company:

Aplicaciones Minerales, S.A. – 37,25 %
Camino Fuente Herrero, s/n – Cueva de Cardiel (Burgos) (b)
Canteras y Hormigones Quintana, S.A. – 24%
Ctra. Irún-La Coruña, Km. 184 – Gama (Cantabria) (b)
Canteras y Hormigones VRE, S.A. – 50%
Avda. de Yerri, 10 – Estella (Navarra)
Carbocem, S.A. – 58,63%
Pº de la Castellana, 45 – Madrid (b)
-Coal import-
Cementos Lemona, S.A. y sociedades dependientes – 30,45%
Alameda de Urquijo, 10 – Bilbao
Dragon Alfa Cement Limited – 40%
Harbour House-Deck Road, 138 – Gloucestershire
(United Kingdom) (b)
Energía Hidroeléctrica de Navarra, S.A. – 15%
Yanguas y Miranda, 1 – Pamplona
-Electricity production and sale-
Exponor, S.A. – 32,74%
Alameda de Urquijo, 10 – Bilbao
Hormigones Alcanadre, S.L. – 50%
Alcubierre, 11- Huesca
Hormigones Aragón, S.A. – 50%
Barrio Movera, 20 – Zaragoza
Hormigones Calahorra, S.A. – 50%
Brebicio, 25-27 – Calahorra (La Rioja)
Hormigones Cántabros, S.A. – 27,99 %
Barrio La Venta, s/n – Igollo de Camargo (Cantabria) (b)
Hormigones Castro, S.A. – 32 %
Ctra. Irún-La Coruña, Km. 153 – Islares (Cantabria) (b)
Hormigones Delfín, S.A. – 50%
Venta Blanca, 6-1º - Peralta (Navarra)
Hormigones del Baztán, S.L. – 50%
Suspetxiki, 25 – Bera de Bidasoa (Navarra)
Hormigones en Masa de Valtierra, S.A. – 50%
Ctra. de Cadreita, Km. 0,1 – Valtierra (Navarra)
Hormigones Galizano, S.A. – 40%
Ctra. Irún-La Coruña, Km. 184 – Gama (Cantabria) (b)
Hormigones Giral, S.A. – 50%
Alcubierre, 11 - Huesca
Hormigones Reinares, S.A. – 50%
Bretón de los Herreros, 8 – Calahorra (La Rioja)
Hormigones San Adrián, S.A. – 50%
Avda. de Navarra, 30 – San Adrián (Navarra)
Hormigones y Aridos del Pirineo Aragonés, S.A. – 50%
Ctra. de Biescas, s/n – Sabiñánigo (Huesca)

Company	Net Book Value	Nominal Percentage of Ownership and Holder	
Lázaro Echeverría, S.A. – 28,01% Isidoro Melero – Alsasua (Navarra) Navarra de Transportes, S.A. – 33,33% Ctra. Pamplona-Vitoria, km. 52 – Olazagutía (Navarra) -Bulk merchandise transport- Novhorvi, S.A. – 18,04% Portal de Gamarra, 25 – Vitoria Silos y Morteros, S.L. – 33,33% General Vara del Rey, 1 – Logroño (La Rioja) Sociedad de Fomento Energético, S.A. – 49% Atrio de Santiago, 1 – Valladolid -Production of hydroelectricity-			
OTHER INVESTEES			
Empresas Constructoras Asociadas, S.A. Fernando Agulló, 22 2º 2ª - Barcelona -Company in liquidation-	6	50	Fomento de Construcciones y Contratas, S.A.
Grupo Realía Business Paseo de la Castellana, 216 – Madrid (b)	189,643	41.34 4.41 2.91 0.51	Fomento de Construcciones y Contratas, S.A. Corporación Financiera Hispánica, S.A. Portland Valderrivas, S.A. Grucycsa, S.A.
TOTAL COMPANIES CARRIED BY THE EQUITY METHOD	416,838		

NOTES:

- The financial statements of all the companies listed above are as of December 31, 2001.
- As required by Article 86 of the revised Corporations Law, in 2001 the Group companies made the related notification to the companies in which they had acquired direct or indirect holdings of over 10%.
- The main companies carried by the equity method were audited by Arthur Andersen, Price Waterhouse Coopers, KPMG Peat Marwick and Ernst & Young, as indicated in the foregoing list with the letters (a), (b), (c) and (d), respectively. Other audit firms are grouped under the letter (e). Only those companies that are not subject to statutory audit are not followed by a letter.

[*] Company not included in consolidation because of its scant material significance. Its book value amounts to € 50,000 for which full provision was recorded.

Exhibit IV

Changes in the composition of the consolidated group

ADDITIONS

ADDRESS

Consolidación global

Aecosol, S.L. .
 Aqua Campiña, S.A.
 Aremi Tecair, S.A.
 Baltecma Gestión de Residuos Industriales, S.L.
 Bistibieta, S.L.
 Canteras Villallano, S.L.
 Dizara Inversión, S.L.
 Ekonor, S.A. (Sole-shareholder company)
 Empresa Comarcal de Serveis Mediambientals del Baix Penedés Ecobp, S.L.
 Equipos de Protección Ambiental, S.L. (Sole-shareholder company)
 Fepanor, S.L.
 Gestiones Medioambientales del Sur, S.L.
 Hidrocen, S.L. (Sole-shareholder company)
 Innovación y Gestión Medioambiental, S.A.
 Jaume Oro, S.L.
 Ligete, S.L. (Sole-shareholder company)
 Lizarreka, S.L. (Sole-shareholder company)
 Logística de Mercancías Aeroportuarias, S.L. (Sole-shareholder company)
 Nevasa Inversión, S.L.
 Recollida i Neteja Oro-Vila, S.L.
 Telford & Wrekin Services, Ltd.
 Tulsa Inversión, S.L.
 Yeste Gestión, S.L.

Común de las Eras – Fustiñana (Navarra)
 Avda. Blas Infante, 6 – Écija (Sevilla)
 Avda. de les Corts Valencianes, 50 - Valencia
 Conradors, parc. 34 P.I. Marratxi - Mallorca
 Trinidad, 9 – Algorta (Vizcaya)
 Poblado de Villallano (Palencia)
 Avda. General Perón, 36 - Madrid
 Larras de San Juan – Iruña de Oca (Álava)

 Plaza del Centre, 3 – El Vendrell (Tarragona)
 Común de las Eras – Fustiñana (Navarra)
 Ctra. Andalucía km. 56 – Ocaña (Toledo)
 Polígono Industrial Las Quemadas Parc. 271 – Córdoba
 Camino del Valle, 12 – Arganda del Rey (Madrid)
 Avda. Blasco Ibáñez, 200 - Valencia
 Avda. de Las Garrigas, 15 – Bellpuig (Lleida)
 Trinidad, 9 – Algorta (Vizcaya)
 Bº Elbarrena – Aduna (Guipúzcoa)
 Ulises, 18 - Madrid
 Avda. General Perón, 36 - Madrid
 Avda. de Las Garrigas, 15 – Bellpuig (Lleida)
 Granville House, St Georges Road – Donnington Wood (United Kingdom)
 Avda. General Perón, 36 - Madrid
 Avda. General Perón, 36 - Madrid

Companies consolidated by the proportional integration method

Automóviles Portillo, S.A. (Sole-shareholder company) [*]
 C D N- USA GROUP
 Concesionaria Tibitoc, S.A. E.S.P.
 Divag, S.A. de C.V.
 Ecoparc del Besós, S.A.
 Edetania Bus, S.A.
 Electrorecycling, S.A.
 Esetasa, S.A. de C.V.
 Fisersa Manteniment Urbà, S.A.
 Gcima, S.A. de C.V.
 Itam Delta de La Tordera, A.I.E.
 Servicios de Limpieza Integral de Málaga III, S.A.
 Servicios Urbanos de Málaga, S.A.
 Tenedora de Acciones de Mobiliario, S.A. de C.V.

Ulises, 18 - Madrid
 Preble Street, 38 – Portland – Maine (E.E.U.U.)
 Trans. 21 nº 100-20 Santa Fe de Bogotá (Colombia)
 Tomás Alva Edison, 176 Cuauhtemoc (México)
 Rambla de Cataluña, 91-93 - Barcelona
 Pasarell S/N. Polígono Ind. Benageber - Valencia
 Ctra. BV-1224 km. 6,750 – El Pont de Vilomara i Rocafort (Barcelona)
 Tomás Alva Edison, 176 – Cuauhtemoc (Mexico)
 Alemania, 5 – Figueres (Girona)
 Tomás Alva Edison, 176 – Cuauhtemoc (Mexico)
 Travessera de Gracia, 58 - Barcelona
 Camino de la Térmica, 83 - Málaga
 Ulises, 18 - Madrid
 Mexico D.F. (Mexico)

[*] See withdrawals owing to consolidation by the proportional integration method

Companies carried by the equity method

Lázaro Echeverría, S.A.
 Sogecar, S.A.

Isidoro Melero – Alsasua (Navarra)
 Polígono Torrelarragoiti – Zamudio (Vizcaya)

ADDITIONS

ADDRESS

Companies consolidated by the global integration method

Empresa Malagueña Mixta de Limpieza, S.A.

Camino de laTérmica, 83 - Málaga

Companies consolidated by the proportional integration method

Automóviles Portillo, S.A. (Sole-shareholder company) (*)

Consultoria de Servicios Operativos, S.A. de C.V. (**)

Gricsa, Gestió de Residus Incinerables de Catalunya, S.A. (Barcelona)

Ulises, 18 - Madrid

Avda. los Restauradores, 56 - Sábana Perdida (Santo Domingo)

Gorcs Lladó P.I. Can Salvatella, 54 - Barberà del Vallés

(*) Company merged by absorption into Corporación Española de Transporte, S.A.

(**) Company merged by absorption into Mexicana de Medio Ambiente, S.A. de C.V.

Companies carried by the equity method

Grupo CDN-USA

Canteras Villallano, S.L.

Grupo Inversiones y Estudios Financieros

Inversora Luchana, S.A.

Venditelecom España, S.L.

Preble Street, 38 - Portland-Maine (U.S.A.)

Poblado de Villallano (Palencia)

Goya, 6 - Madrid

Paseo de la Castellana, 45 - Madrid

Paseo de la Castellana, 164 - Madrid

MANAGEMENT REPORT

CONSOLIDATED GROUP

Group performance in 2001

The major macroeconomic indicators of the Spanish economy were as follows:

	2001	2000
GDP	2.8	4.1
CPI	3.6	3.4
Unemployment rate as percentage of working population	13.0	14.1
Budget deficit as percentage of GDP	0.6	-0.6

Against this backdrop, in 2001 the FCC Group recorded net sales of € 5,173,230,000, up 15.8% on 2000, a reflection of the growth contributed by each of the Group's business activities, which is detailed in the chart below.

Sales abroad rose by 12.4% to € 839,121,000, thereby consolidating the Group's presence in foreign markets, and accounted for 16.2 % of total sales.

Net Sales by Activity	2001	2000	% Variation
Construction	2,395,959	2,054,662	16.6
Services	1,579,273	1,384,365	14.1
Urban environment	250,532	245,129	2.2
Cement	806,925	673,296	19.8
Grucydsa	213,353	181,187	17.8
Eliminations in consolidation for intragroup transactions	(72,812)	(70,823)	
Total	5,173,230	4,467,816	15.8

Income from ordinary activities was € 434,147,000, up 10.8% on 2000, representing a return of 8.4% on net sales.

Consolidated income before taxes amounted to € 469,902,000, up 5.1% on 2000, providing a return on net sales of 9.1%.

Net income attributed to the Controlling Company was € 241,042,000, 11.8% higher than in 2000, with a return on net sales of 4.7%.

Expenditure on tangible fixed assets and intangible assets totaled € 374,514,000 and the additions to long-term financial investments amounted to € 181,122,000.

Acquisition of treasury stock

At 2001 year-end Fomento de Construcciones y Contratas, S.A. held 1,235,917 shares of treasury stock, representing 1.03% of capital stock, valued at € 16,327,000.

Also, Portland Valderrivas, S.A. and Asesoría Financiera y de Gestión, S.A. (Afigesa) owned 412,280 and 218,803 shares, respectively, of Fomento de Construcciones y Contratas, S.A., representing 0.34% and 0.18%, respectively, of the latter's capital stock, which were recorded at their book value of € 5,733,000 and € 4,327,000, respectively. These shares are also deemed to be shares of the Controlling Company in accordance with Article 87 of the revised Corporations Law.

In accordance with Article 79.4 of the Corporations Law, the variations in treasury stock in 2001 are presented below, reflecting the total effect on the FCC Group after the appropriate eliminations for intercompany transactions.

	No. Shares at FCC, S.A.	No. Shares at P.Valderrivas	No. Shares at Afigesa	FCC Group
At December 31, 2000	1,392,617	412,280	167,779	1,972,676
Sale	(156,700)			(156,700)
Additions			51,024	51,024
At December 31, 2001	1,235,917	412,280	218,803	1,867,000

On January 11, 2001, the parent company of the FCC Group, Fomento de Construcciones y Contratas, S.A., sold 156,700 of the shares which were offered exclusively to FCC Group employees to celebrate its 100th anniversary through a plan under which each employee had the option of acquiring a fixed number of 20 shares of Fomento de Construcciones y Contratas, S.A., with a 50% discount on the reference price and the commitment to keep them for three years.

Research and development

The FCC Group, which is fully aware of the importance of research and development for maintaining its leadership position in the market and for continuous product quality improvement, engages in major ongoing research, development and technological innovation activities.

The most noteworthy activities carried out within this framework are those aimed at improving the environment. In this connection, mention should be made of the cooperation agreement entered into with the Environmental Science Center of the Council for Scientific Research (CSIC) to implement a program aimed at defining a methodology for monitoring the quality of urban solid waste compost.

The FCC Group continually strives to apply new technologies to the construction activity and participates in projects such as the European Union Brite-Euram and Growth Programmes in conjunction with companies and universities of most EU countries. Also, it has joined the Encord group (the European Network of Construction Companies for Research and Development), a European platform which, comprising fourteen companies that are leaders in their respective lines of business, aims to facilitate the involvement of the construction industry in research, development and technological innovation activities.

Outlook for 2002

The strategic approach formulated at the last two Shareholders' Meetings will be fully maintained in 2002 and can be summarized as follows:

- The FCC Group's priority objective of expansion will focus on achieving growth in the three basic sectors, i.e. services, construction and cement. Taken together, these industries account for 97% of consolidated net sales and 95% of gross operating income. This expansion drive will be aimed simultaneously at the Spanish and foreign markets.
- Investments in other sectors, which will be maintained as consolidated investment securities based on the opportunity they represent, once their value has been optimized.

The outlook for the FCC Group in 2002 is based on the performance of the three basic activities:

- The construction activity is expected to maintain a sound rate of growth through the execution of the contracts awarded in the last two years. As a result of these contracts, this activity has achieved a backlog of construction work pending execution amounting to € 2,947,087,000, which represents a record in the history of the Company.

The factors underlying this scenario were the buoyant demand for new construction work and, most notably, the implementation of the 2000-2007 Infrastructures Plan. This upward trend will be further strengthened by the coming into force of the Spanish National Hydrological Plan.

- A high level of growth is forecast for the services activity due to the convergence of the following factors:
 - Invitations to bid for urban cleaning tenders will be issued in major Spanish cities during 2002 due to the expiration of the current contracts. Also, new high-value tenders are expected to be announced in connection with the privatization of the integral water management currently performed by municipalities.

- Inclusion in the net sales figures and consolidated earnings of the data for a full year relating to the investments made and the new contracts awarded in 2001.

The services portfolio at year-end 2001 amounted to € 10,459,005,000.

- The gradual development of the recently created Industrial Waste Division, which will engage in the collection, transport, treatment, recycling, valuation and disposal of inert and special waste.

- The cement activity, whose performance is very closely linked to that of the construction industry, will continue to make progress in Spain in view of the favorable outlook mentioned above.

The current upward trend shown by the companies operating in the United States is expected to continue. Noteworthy in this connection is the fact that the sales made by these companies in the United States in 2001 were higher than those recorded for 2000 and were not affected by the economic recession subsequent to the tragic events of September 11, 2001. Accordingly, there are even more substantial grounds to expect that, now that the American economy would seem to be heading for recovery, the upturn in sales in the United States will continue.

AUDITOR'S REPORT

CONSOLIDATED GROUP



Translation of a report and consolidated financial statements originally issued in Spanish and prepared in accordance with generally accepted accounting principles in Spain (see Note 28). In the event of a discrepancy, the Spanish-language version prevails.

Raimundo Pérez Villaverde, 65
28003 Madrid

AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

To the Shareholders of
Fomento de Construcciones y Contratas, S.A.:

1. We have audited the consolidated financial statements of FOMENTO DE CONSTRUCCIONES Y CONTRATAS, S.A. AND DEPENDENT COMPANIES comprising the consolidated balance sheet as of December 31, 2001, and the related consolidated statement of income and notes to consolidated financial statements for the year then ended. The preparation of these consolidated financial statements is the responsibility of the Controlling Company's directors. Our responsibility is to express an opinion on the consolidated financial statements referred to above taken as a whole based on our audit work performed in accordance with generally accepted auditing standards, which require examination, by means of selective tests, of the documentation supporting the consolidated financial statements and evaluation of their presentation, of the accounting principles applied and of the estimates made. Our work did not include an examination of the 2001 financial statements of certain dependent and associated companies, whose aggregate assets and net income represent 43% and 37%, respectively, of the related consolidated totals. The financial statements of these companies were audited by other auditors (see Exhibits I, II and III to the notes to consolidated financial statements). Our opinion as expressed in this report on the consolidated financial statements of Fomento de Construcciones y Contratas, S.A. and Dependent Companies is based, with respect to these companies, on the reports of the other auditors.
2. As required by Spanish corporate law, for comparison purposes the directors present, in addition to the 2001 figures for each item in the consolidated balance sheet and consolidated statements of income and of changes in financial position, the figures for 2000. Our opinion refers only to the 2001 consolidated financial statements. Our auditors' report dated April 11, 2001, on the 2000 consolidated financial statements contained a qualified opinion.
3. As indicated in Note 3-a, in 2001 the FCC Group took accelerated amortization of approximately €94,500,000, with a charge to consolidation reserves, on the goodwill of the companies in its services business area. Partial accelerated amortization for an additional net amount of €57,100,000 had already been taken on a portion of this goodwill in prior years. These amortizations were recorded considering the principle of prudence in valuation and in view of certain risks in the services activities in Latin America.

José Rodríguez y Cía. S. Coop.
Rúa Mar, 100-101, 1º-2º
28013, Madrid, Spain
Tél: 91 544 11 11, Fax: 91 544 11 12

Raimundo Pérez Villaverde, 65
28003 Madrid
Tél: 91 544 11 11, Fax: 91 544 11 12

Informe sobre el Programa Global de Auditoría
de Calidad (PGC) de 2001
Informe sobre el Programa de Control de
Calidad (PCQ) de 2001



Current accounting regulations require goodwill to be amortized with a charge to income during the years in which it will contribute to the generation of revenues for the Group, up to a limit of twenty years, or to be written off, if appropriate, with a charge to period income. Taking into account the Group's current expectations for these businesses, we consider that the goodwill and the consolidated reserves should be increased by €102,100,000 and €94,500,000, respectively, and that the accompanying 2001 consolidated statement of income should include prior years' extraordinary revenues relating to the reversal of the prior years' partial accelerated amortization of €57,100,000; an addition of approximately €18,100,000 to the goodwill amortization expense relating to the amortization of goodwill over the periods in which, in the current circumstances, the directors of the Controlling Company consider that it will maintain its effectiveness (see Note 3-a); and an extraordinary expense of approximately €31,400,000, in application of the principle of prudence, relating to the write-down of goodwill. Consequently, the consolidation reserves as of December 31, 2001, and net income for 2001 should be increased by €94,500,000 and €7,600,000, respectively.

4. In our opinion, based on our audit and on the reports of the other auditors (see Exhibits I, II and III), except for the effect of the matter discussed in the preceding paragraph, the consolidated financial statements for 2001 referred to above present, in all material respects, a true and fair view of the net worth and financial position of Fomento de Construcciones y Contratas, S.A. and Dependent Companies as of December 31, 2001, and of the results of their operations and of the funds obtained and applied by them in the year then ended, and contain the required information, sufficient for their proper interpretation and comprehension, in conformity with generally accepted accounting principles and standards applied on a basis consistent with that of the preceding year.
5. The accompanying consolidated management report for 2001 contains the explanations which the directors of the Controlling Company consider appropriate about the Group's situation, the evolution of its business and other matters, but is not an integral part of the consolidated financial statements. We have checked that the accounting information in the management report is consistent with that contained in the consolidated financial statements for 2001. Our work as auditors was confined to checking the management report with the aforementioned scope, and did not include a review of any information other than that drawn from the accounting records of the companies that compose the Group.

ARTHUR ANDERSEN

Genaro Sarmiento

April 10, 2002

FINANCIAL STATEMENTS AND MANAGEMENT REPORT OF FOMENTO DE CONSTRUCCIONES Y CONTRATAS, S.A.

As of December 31, 2001

FINANCIAL STATEMENTS

FOMENTO DE CONSTRUCCIONES Y CONTRATAS, S.A.

BALANCE SHEET

DE FOMENTO DE CONSTRUCCIONES Y CONTRATAS, S.A.

ASSETS	31-12-2001	31-12-2000
FIXED AND OTHER NONCURRENT ASSETS	1,324,947	1,304,934
Intangible assets	81,600	66,190
Concessions, patents, licenses, trademarks, etc.	26,090	22.538
Rights on leased assets	78,216	61.165
Accumulated amortization	(22,706)	(17.513)
Tangible fixed assets	114,727	98,116
Land and structures	41,025	36.776
Technical installations and machinery	190,707	174.486
Other installations, tools and furniture	48,592	44.427
Advances and construction in progress	5,565	2.470
Other tangible fixed assets	9,893	9.502
Provisions	(162)	(162)
Accumulated depreciation	(180,893)	(169.383)
Long-term financial investments	1,112,293	1,124,301
Shareholdings in Group companies	915,930	918.310
Shareholdings in associated companies	190,479	204.260
Loans to Group and associated companies	4,369	132
Long-term investment securities	27,761	11.083
Other loans	13,379	9.123
Long-term deposits and guarantees	1,310	1.214
Provisions	(40,935)	(19.821)
Treasury stock	16,327	16,327
DEFERRED CHARGES	4,405	457
CURRENT ASSETS	471,243	400,536
Inventories	6,834	8,144
Raw materials and other supplies	3,696	3.967
Finished products	3,979	5.289
Advances	48	66
Provisions	(889)	(1.178)
Accounts receivable	406,512	334,800
Customer receivables for sales and services	212,878	202.769
Receivable from Group companies	147,831	82.489
Receivable from associated companies	2,650	2.765
Sundry accounts receivable	9,220	7.633
Employee receivables	457	547
Tax receivables	49,295	50.371
Provisions	(15,819)	(11.774)
Short-term financial investments	10,153	15,669
Loans to Group companies	5,055	8.913
Loans to associated companies	3,288	1.713
Short-term investment securities	367	2.019
Other loans	565	325
Short-term deposits and guarantees	1,022	2.819
Provisions	(144)	(120)
Treasury stock at short term	-	2,070
Cash	44,210	36,079
Accrual accounts	3,534	3,774
TOTAL ASSETS	1,800,595	1,705,927

as of December 31, 2001
(Thousands of Euros)

SHAREHOLDERS' EQUITY AND LIABILITIES	31-12-2001	31-12-2000
SHAREHOLDERS' EQUITY	712,102	667,995
Capital stock	120,102	120,102
Additional paid-in capital	129,897	129,897
Reserves	392,586	358,261
Legal reserve	24,020	24,020
Reserve for treasury stock	16,327	18,397
Other reserves	352,239	315,844
Income for the year	103,146	90,050
Interim dividend	(33,629)	(30,315)
DEFERRED REVENUES	5,595	5,662
Capital subsidies	5,583	5,650
Exchange gains	12	12
PROVISIONS FOR CONTINGENCIES AND EXPENSES	122,174	162,454
Provisions	114,042	154,947
Reversion reserve	8,132	7,507
LONG-TERM DEBT	22,742	30,460
Payable to credit entities	727	397
Long-term lease payments payable	727	397
Payable to Group and associated companies	-	5,397
Payable to Group companies	-	2,158
Payable to associated companies	-	3,239
Other accounts payable	22,015	24,546
Limited recourse project financing loans	20,302	23,157
Notes payable and other debts	595	409
Long-term guarantees and deposits received	1,118	980
Uncalled capital payments payable	-	120
Associated companies	-	120
CURRENT LIABILITIES	937,982	839,356
Payable to credit entities	25,049	23,692
Loans and other debts	2,548	1,665
Interest payable	859	992
Short-term lease payments payable	21,642	21,035
Payable to Group and associated companies	599,354	509,838
Payable to Group companies	595,387	493,563
Payable to associated companies	3,967	16,275
Trade accounts payable	125,564	101,535
Advances received on orders	20,741	8,528
Payables for purchases and services	58,876	52,739
Notes payable	45,947	40,268
Other nontrade payables	162,033	181,416
Accrued taxes payable	86,960	103,633
Notes payable	7,104	3,985
Limited recourse project financing loans	2,855	2,530
Other accounts payable	50,936	56,050
Compensation payable	14,118	15,146
Short-term guarantees and deposits received	60	72
Operating provisions	25,940	22,875
Accrual accounts	42	-
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	1,800,595	1,705,927

STATEMENT OF INCOME

DE FOMENTO DE CONSTRUCCIONES Y CONTRATAS, S.A.

DEBIT	31-12-2001	31-12-2000
TOTAL OPERATING EXPENSES	587,623	546,717
Reduction in finished product and work-in-process inventories	1,310	583
Materials used and other external expenses	117,374	98,903
Raw materials and other consumibles used	57,877	52,703
Other external expenses	59,497	46,200
Personnel expenses	337,029	326,295
Wages, salaries, etc.	254,426	248,368
Employee welfare expenses	82,603	77,927
Period depreciation and amortization	31,589	27,352
Variation in operating provisions	1,118	3,528
Variation in inventory provisions	(288)	(102)
Variation in provisions for and losses on uncollectible receivables	(355)	715
Variation in other operating provisions	1,761	2,915
Other operating expenses	99,203	90,056
Outside services	96,162	87,075
Taxes other than income tax	2,434	2,410
Provision to the reversion reserve	607	571
OPERATING INCOME	73,124	55,281
Financial expenses	28,488	21,654
On debts to Group and associated companies	23,013	13,799
On debts to third parties and similar expenses	5,475	7,855
Variation in financial investment provisions	3,588	90
Exchange losses	258	102
FINANCIAL INCOME	56,766	46,176
INCOME FROM ORDINARY ACTIVITIES	129,890	101,457
Variation in intangible asset, tangible fixed asset and control portfolio provisions	18,674	4,165
Extraordinary expenses and losses	8,727	4,640
EXTRAORDINARY INCOME	-	217
INCOME BEFORE TAXES	106,379	101,674
Corporate income tax	3,233	11,624
INCOME FOR THE YEAR	103,146	90,050

as of December 31, 2001
(Thousands of Euros)

CREDIT	31-12-2001	31-12-2000
TOTAL OPERATING REVENUES	660,747	601,998
Net sales	601,018	545,088
Capitalized expenses of in-house work on fixed assets	313	535
Other operating revenues	59,416	56,375
Revenues from shareholdings	87,261	66,406
Group companies	76,719	66,063
Associated companies	10,542	337
Nongroup companies	–	6
Revenues from other marketable securities and long-term loans	631	547
Associated companies	240	–
Nongroup companies	391	547
Other financial revenues	727	853
Group and associated companies	72	252
Other interest	655	601
Exchange gains	481	216
Gains on fixed assets and control portfolio	403	7,092
Capital subsidies transferred to income for the year	373	337
Extraordinary revenues	3,114	1,593
EXTRAORDINARY LOSS	23,511	–

NOTES TO FINANCIAL STATEMENTS AS OF DECEMBER 31, 2001

	Page
1. Company's Business Activities	81
2. Basis of Presentation of the Financial Statements	81
3. Distribution of Income.....	81
4. Valuation Standards	82
5. Intangible Assets	84
6. Tangible Fixed Assets	85
7. Financial Investments. Marketable Securities and Nontrade Loans	86
8. Deferred Charges	89
9. Customer Receivables for Sales and Services	89
10. Shareholders' Equity	90
11. Subsidiaries	91
12. Provisions for Contingencies and Expenses	91
13. Nontrade Payables	92
14. Tax Matters	92
15. Guarantee Commitments to Third Parties and Other Contingent Liabilities	93
16. Revenues and Expenses	94
17. Other Information	94
18. Adaptation to the Euro	94
19. Statements of Changes in Financial Position.....	95
20. Cost Accounting Statements of Income	97
21. Explanation Added for Translation to English	97

Exhibit I • Group Companies

Exhibit II • Joint Ventures

Exhibit III • Associated and Multigroup Companies

Exhibit IV • Report of the Board of Directors of Fomento de Construcciones y Contratas, S.A. for the Distribution of an Interim Dividend during the year.

(1) Company's business activities

The Company's core business is to provide general services, which include mainly cleaning and maintenance, and water treatment and distribution. It also owns holdings in other Spanish and foreign companies and is the parent company of the FCC GROUP which in turn prepares consolidated financial statements.

(2) Basis of presentation of the financial statements

The accompanying financial statements were prepared from the accounting records of Fomento de Construcciones y Contratas, S.A. and of the joint ventures in which it participates, in accordance with current legislation, and are expressed in thousands of euros. For each item in the accompanying balance sheet and statement of income and in the statement of changes in financial position and the cost accounting statement of income included in Notes 19 and 20 to these financial statements, respectively, the figures for 2001, expressed in thousands of euros, are presented together with the figures for 2000, which are also expressed in thousands of euros following the translation to euros, at the fixed exchange rate of €1 = Ptas. 166.386, of the amounts expressed in millions of pesetas in the 2000 financial statements.

The balance sheets and income statements of the joint ventures in which the Company participates were included by the proportional integration method on the basis of the percentage share in the income, revenues and expenses of the joint venture. This inclusion was carried out by applying the necessary unification procedures, reconciliations and reclassifications and by eliminating the reciprocal asset and liability balances and revenues and expenses.

The amounts relating to the joint ventures are disclosed in these notes to financial statements if material.

Exhibit II lists the joint ventures, showing the percentage share in income.

The financial statements of Fomento de Construcciones y Contratas, S.A., which were prepared by the directors, have not yet been approved by the Shareholders' Meeting; however, no changes thereto are expected to arise as a result of such approval.

The directors of the Company prepared, together with the 2001 individual financial statements of Fomento de Construcciones y Contratas, S.A., the 2001 consolidated financial statements of the Fomento de Construcciones y Contratas Group, which will also be submitted for approval by the Shareholders' Meeting.

En el Anexo II se relacionan las uniones temporales de empresas indicando el porcentaje de participación en los resultados.

(3) Distribution of income

The proposed distribution of the income for 2001 of Fomento de Construcciones y Contratas, S.A. that will be submitted for approval by the Shareholders' Meeting is as follows:

	Amount
Income for the year, before distribution	103.146
Distribution:	
Interim dividend	€ 0.28 per share
Supplementary dividend	€ 0.24 per share
Voluntary reserve	
The amount remaining after payment of the interim and supplementary dividends will be allocated to outstanding shares with the right to remuneration at the date of payment.	

An interim dividend out of 2001 income of 28% (gross) on the par value of the shares of Fomento de Construcciones y Contratas, S.A. (€ 0.28 per share) was declared on December 17, 2001, and paid after January 14, 2002.

The Board of Directors' report evidencing the existence of sufficient liquidity for the distribution of the aforementioned interim dividend is included as Exhibit IV hereto.

(4) Valuation standards

a. Intangible assets

Intangible assets are recorded at cost, which does not include financing interest.

Administrative concessions are amortized over the concession period, which ranges on average from 25 to 50 years, and leased tangible fixed assets are depreciated by the straight-line method at rates based on the years of estimated useful life, which are the same as for proprietary tangible fixed assets.

b. Tangible fixed assets

Tangible fixed assets are carried at acquisition cost or at production cost if the Company has performed in-house work thereon.

The cost of the tangible fixed assets does not include financing interest or exchange differences.

Upkeep and maintenance expenses not leading to a lengthening of the useful life or increased production capacity of the related assets are expensed currently.

Tangible fixed assets are depreciated by the straight-line method at rates based on the following years of estimated useful life:

	Years of Estimated Useful Life
Buildings and other structures	25 - 50
Technical installations and machinery	5 - 10
Other installations, tools and furniture	8 - 12
Other tangible fixed assets	4 - 10

Tangible fixed assets used on certain contracts are depreciated over the shorter of the years of useful life indicated above or the contract term.

c. Deferred financial expenses relating to the financing of fixed assets

The interest on loans used to finance fixed assets is generally expensed currently.

However, the Company capitalizes the financial expenses arising from the financing of the fixed assets required to carry on its water supply/treatment line of business in accordance with the Spanish National Chart of Accounts specific to this industry. The expenses thus capitalized are deferred over the term of the service, provided that there is evidence that future revenues will enable the costs previously incurred to be recovered.

The interest capitalized as explained in the foregoing paragraph is included under the "Deferred Charges" caption in the accompanying balance sheet.

d. Financial investments. Marketable securities and nontrade loans

In accordance with current legislation, investments in listed and unlisted marketable securities are valued at cost, net of the required allowance for diminution in value. The effect of applying this method is that all unrealized losses on investment securities are recorded at year-end, but unrealized gains are not, except for those disclosed at the time of acquisition and still existing at the date of subsequent valuation.

Loans are valued at the amount delivered plus the unmatured accrued interest at the balance sheet date. The necessary value adjustments are made by recording provisions for loans with possible insolvency problems.

Securities and loans maturing in up to 12 months from the balance sheet date are classified as short-term (current assets) and those maturing at over 12 months as long-term (noncurrent assets). Other investments of a permanent nature are classified as long-term financial assets.

e. Inventories

Inventories are valued at average acquisition price or average production cost and the necessary value adjustments are made to adapt the carrying values to market, if lower. Provisions are also recorded for the diminution in value of obsolete inventories.

f. Treasury stock

Treasury stock is valued at the lower of average cost or market, or at values approximating its underlying book value, as appropriate, in accordance with the accounting principle of prudence.

g. Subsidies

Nonrefundable capital subsidies are taken to income in proportion to the period depreciation of the subsidized assets.

h. Provisions for pensions and similar obligations

The Company has not established pension plans to supplement the social security pension benefits. In some cases, including certain executives and directors, the Company has undertaken to pay retirement bonuses, permanent occupational disability or other benefits, for which the related provisions are recorded, together with other items, under the "Provisions for Contingencies and Expenses" caption in the accompanying balance sheet. In 2001 the Company externalized certain of its commitments to certain of its employees amounting to € 37,791,000, the provisions for which had been recorded in prior years.

i. Other provisions for contingencies and expenses

The Company has recorded provisions for contingencies and expenses, which are basically set up in accordance with the accounting principle of prudence, to cater for any general and extraordinary contingencies which might arise.

j. Reversion reserve

The Company records a reversion reserve for assets subject to administrative concessions which revert to the granting entity at the end of the concession period. This reserve is calculated by supplementing the depreciation on the related asset, so that at the end of the concession period the net book value (after deduction of the related accumulated depreciation) is zero.

Additionally, the Company considers that the periodic maintenance plans for its assets, the cost of which is expensed currently, are sufficient to ensure delivery of the assets subject to reversion in good working order at the end of the concession periods and that, therefore, no significant expenses will arise as a result of the reversion.

k. Classification of debt

Debts maturing in under 12 months from the balance sheet date are classified as current liabilities and those maturing at over 12 months as long-term debt.

Debts are valued at the amounts drawn plus the unmatured accrued interest. Nontrade debts are valued at repayment value and the interest on the transaction is recorded under the "Deferred Charges" or "Accrual Accounts" captions on the asset side of the balance sheet, as appropriate, depending on whether the principal amount is classified as long- or short-term. The balances of these captions are allocated to income on the basis of the principal amount outstanding.

l. Corporate income tax

The corporate income tax expense is recorded in the statement of income. The effect of the differences between taxable income and income per books before taxes, which in some cases revert in subsequent periods, and the tax relief and tax credits to which the Company is entitled were considered in determining the amount of corporate income tax payable.

m. Foreign currency transactions

Balances receivable and payable in foreign currencies are translated to euros at the exchange rates prevailing at the date of the balance sheet, and the differences arising are taken to income as stipulated by current regulations.

The differences arising from fluctuations in exchange rates from the date on which the transactions were made, or the related values were adjusted, to the date of collection or payment are taken to period income.

n. Recognition of revenues and expenses

Revenues and expenses are recognized on an accrual basis, i.e. when the actual flow of the related goods and services occurs, regardless of when the resulting monetary or financial flow arises.

The Company recognizes as the period result on its contracts the difference between period production (valued at the sale price of the service provided during the period, as specified in the principal contract or in approved amendments thereto, or of the services carried out which, although not yet approved, are reasonably certain to be collected) and the costs incurred during the year. Additionally, late-payment interest is recognized as a revenue at the date it is approved and/or finally collected.

The difference between the recorded amount of production and the amount certified for each project through the date of the financial statements is recorded as "Completed Production Pending Certification" under the "Customer Receivables for Sales and Services" caption. Certificate prebillings under sundry headings are recorded under the "Advances Received on Orders" caption on the liability side of the balance sheet.

In accordance with the accounting principle of prudence, the Company only records realized income at year-end, whereas foreseeable contingencies and losses, including possible losses, are recorded as soon as they become known.

The "Concessions, Patents, Licenses, Trademarks, etc." account relates mainly to joint ventures and includes most notably the amounts paid for concessions for water supply services, which are being amortized on a straight-line basis over the concession period.

The features of the financial lease contracts in force at 2001 year-end are as follows:

Original cost of the assets	78,216
Value of purchase options	781
Contract term (years)	2
Lease payments paid in the year	39,318
Lease payments paid in prior years	18,205
Lease payments outstanding, including purchase option	22,369

The detail of leased assets as of December 31, 2001, is as follows:

Technical installations and machinery	68,714
Other installations, tools and furniture	7,771
Other tangible fixed assets	1,731
	78,216

(5) Intangible assets

The variations in 2001 in this caption in the balance sheet were as follows:

	Balance at 31-12-00	Additions or Provisions	Retirements or Reductions	Transfers to Tangible Fixed Assets	Balance at 31-12-01
Concessions, patents, licenses, trademarks, etc.	22,538	3,552	–	–	26,090
Rights on leased assets	61,165	41,296	(60)	(24,185)	78,216
Accumulated amortization	(17,513)	(11,479)	5	6,281	(22,706)
	66,190	33,369	(55)	(17,904)	81,600

(6) Tangible fixed assets

The detail of tangible fixed assets and of the related accumulated depreciation as of December 31, 2001, is as follows:

	Cost	Accumulated Depreciation	Provisions	Net
Land and structures	41,025	(10,812)	(162)	30,051
Technical installations and machinery	190,707	(128,412)	–	62,295
Other installations, tools and furniture	48,592	(34,041)	–	14,551
Advances and construction in progress	5,565	–	–	5,565
Other tangible fixed assets	9,893	(7,628)	–	2,265
	295,782	(180,893)	(162)	114,727

€ 48,880,000 of the net balance of tangible fixed assets related to joint ventures.

All the tangible fixed assets were being used in production processes at year-end; however, certain of these assets, amounting to € 126,519,000, had been fully depreciated.

The Company takes out the insurance policies it considers necessary to cover the possible risks to which its tangible fixed assets are subject.

The variations in tangible fixed asset accounts as a result of additions and retirements in 2001 were as follows:

	Balance at 31-12-00	Additions or Provisions	Retire-ments or Reductions	Transfers	Balance at 31-12-01
Land and structures	36,776	3,624	(216)	841	41,025
Technical installations and machinery	174,486	4,075	(11,077)	23,223	190,707
Other installations, tools and furniture	44,427	5,583	(3,822)	2,404	48,592
Advances and construction in progress	2,470	5,517	–	(2,422)	5,565
Other tangible fixed assets	9,502	649	(397)	139	9,893
Provisions	(162)	–	–	–	(162)
Accumulated depreciation	(169,383)	(20,110)	14,881	(6,281)	(180,893)
	98,116	(662)	(631)	17,904	114,727

(7) Financial investments. marketable securities and nontrade loans

The detail of the main accounts under the "Long-Term Financial Investments" and "Short-Term Financial Investments" captions in the accompanying balance sheet is as follows:

I. Long-term

Shareholdings in Group companies

The detail, by company, of this account in the accompanying balance sheet is presented in Exhibit I, showing for each company in which the Company has a direct holding: corporate name, address, line of business, percentage of direct or indirect ownership, amount of capital and reserves, income (loss), dividends received, whether listed or unlisted, and the book value of the holding.

The variations in the balance of this caption in 2001 were as follows:

		Cost
Balance at 31-12-00		918,310
Capital increases and purchases:		
Tratamiento y Recuperaciones Industriales, S.A.	1,689	
Other	246	1,935
Retirements or sales:		
Empresa Malagueña Mixta de Limpieza, S.A.	(2,146)	
AESA Misiones, S.A.	(787)	
Ambiente y Ecología de Buenos Aires, S.A.	(1,358)	
Other	(24)	(4,315)
Balance at 31-12-01		915,930

Shareholdings in associated companies

This account in the accompanying balance sheet reflects the Company's holdings in associated and multigroup companies, as detailed in Exhibit III, which discloses the same information for each company in which the Company has a direct holding as that presented for the Group companies.

The variations in the balance of this caption in 2001 were as follows:

			Coste
Balance at 31-12-00			204,260
Capital increases and purchases:			
Ecoparc del Besós, S.A.	1,388		
Servicios Urbanos de Málaga, S.A.	1,611		
Other	<u>265</u>		3,264
Retirements or sales:			
Gestió de Residus Incinerables de Catalunya, S.A.			(1,509)
Transfers to securities portfolio:			
Venditelecom España, S.L.			(15,536)
Balance at 31-12-01			190,479

Long-term investment securities

The detail of the balance of this account as of December 31, 2001, is as follows:

	Equity Securities	Provisions	Net Book Value
Artscapital Investment, S.A. (8.63 % shareholding)	5,469	(2,212)	3,257
Polux Capital, S.L. (8.63% shareholding)	2,344	(793)	1,551
Shopnet Brokers, S.A. (17.4% shareholding)	3,005	(559)	2,446
Venditelecom España, S.L. (17.23% shareholding)	15,536	–	15,536
Other	1,407	(54)	1,353
	27,761	(3,618)	24,143

The variations in the balance of this caption in 2001 were as follows:

	Cost
Balance at 31-12-00	11,083
Capital increases:	
Shopnet Brokers, S.A.	1,503
Transfer to associated companies:	
Venditelecom España, S.L.	15,536
Transfer to short term	(361)
Investee spin-offs:	
Artscapital Investment, S.A.	5,469
Polux Capital, S.L.	2,344
Netjuice, S.A.	(7,813)
Balance at 31-12-01	27,761

Long-term financial investment provisions

The detail, by company, of this account in the accompanying balance sheet is presented in Exhibit I, in the case of the Group companies, and in Exhibit III, in the case of associated companies. The variations in 2001 were as follows:

Balance at 31-12-00	19,821
Provisions and reversals:	
Group companies:	18
• FCC International B.V.	84
• Ambiente y Ecología de Buenos Aires, S.A.	18,601
• Proactiva Medio Ambiente, S.A.	(29) 18,674
• Other	
Long-term investment securities:	
• Artscapital Investment, S.A.	2,212
• Polux Capital, S.L.	793
• Shopnet Brokers, S.A.	559 3,564
Long-term loans:	78 22,316
Retirements and sales:	
Group and associated companies:	
• Gestió de Residus Incinerables de Catalunya, S.A.	(1,202)
Balance at 31-12-01	40,935

II. Short-term financial investments

This account includes the loans to and other nontrade receivables from Group and associated companies, among others, to cater for certain specific cash situations, and other cash surpluses which are invested at short term, valued at the lower of cost or market, and increased by the interest earned at market rates.

(8) Deferred charges

The variations in 2001 in the balance of this caption in the accompanying balance sheet were as follows:

	Balance at 31-12-00	Additions	Amounts Used	Balance at 31-12-01
Financing of fixed assets	–	3,973	–	3,973
Arrangement of debt	427	–	(42)	385
Financial leases	30	1,447	(1,430)	47
	457	5,420	(1,472)	4,405

(9) Customer receivables for sales and services

The breakdown of the balance of this caption in the accompanying balance sheet, relating mainly to the amounts receivable for Company services, is as follows.

Production certificates receivable	255,755
Customer receivables sold without recourse	(87,537)
	168,218
Completed production pending certification	44,660
Customer receivables for sales and services	212,878
Advances received on orders	(20,741)
Total customer receivables, net	192,137

€ 25,375,000 of the net customer receivables balance related to joint ventures

The foregoing total is the net balance of customer receivables after deduction of the "Advances Received on Orders" balance on the liability side of the accompanying balance sheet which, as required by accounting regulations, includes collected and uncollected certificate prebillings under sundry headings and the advances received (normally in cash) for future supplies. This balance is reduced by sales of customer receivables to finance entities without recourse against Fomento de Construcciones y Contratas, S.A. in the event of nonpayment by the customer, thus decreasing the balance of customer receivables. These transactions bear interest at market rates through the date of collection of the outstanding balance from our customers by the finance entity concerned. Fomento de Construcciones y Contratas, S.A. continues to manage collection of these balances receivable during this period.

The "Production Certificates Receivable" account reflects the amount of the certificate billings to customers for services provided pending collection as of December 31, 2001.

The "Completed Production Pending Certification" account reflects the difference between the production recognized by Fomento de Construcciones y Contratas, S.A. on each contract and the amount of the certificates issued to the customers. This amount relates basically to balances receivable for production in December 2001 and the price revisions, under the terms of the different contracts, pending approval, which the Company considers are certain to be recovered so that they can be duly certified.

(10) Shareholders' equity

The variations in equity accounts in 2001 were as follows:

	Balance at 31.12.00	2000 Retained Earnings	Transfers	Balance at 31.12.01
Capital stock	120,102	–	–	120,102
Additional paid-in capital	129,897	–	–	129,897
Legal reserve	24,020	–	–	24,020
Reserve for treasury stock	18,397	–	(2,070)	16,327
Voluntary reserves	315,844	34,325	2,070	352,239
Total capital stock and reserves	608,260	34,325	–	642,585

a. Capital stock

The capital stock of Fomento de Construcciones y Contratas, S.A. consists of 120,101,976 common bearer shares of € 1 par value each.

All the shares have identical rights and are fully subscribed and paid.

The shares of Fomento de Construcciones y Contratas, S.A. are listed on the Madrid, Barcelona, Bilbao and Valencia Stock Exchanges and traded through the Spanish computerized trading system.

With regard to direct or indirect (through subsidiaries) holdings of 10% or more by other companies, as required by current legislation, B-1998, S.L. has informed us that it has a direct and indirect holding of 57.06% in the Company's capital stock. The principal shareholders of B-1998, S.L. are Esther Koplowitz Romero de Juseu and the Vivendi Environnement Group with holdings of 51% and 49%, respectively.

Fibelpar, S.A. has a holding of 10%.

b. Additional paid-in capital

The revised Corporations Law expressly permits the use of the additional paid-in capital balance to increase capital and establishes no specific restrictions as to its use for other purposes.

c. Legal Reserve

Under the revised Corporations Law, 10% of income for each year must be transferred to the legal reserve until the balance of this reserve reaches at least 20% of capital stock. The legal reserve cannot be distributed to shareholders except in the event of liquidation.

The legal reserve can be used to increase capital provided that the remaining reserve balance does not fall below 10% of the increased capital stock amount.

Except as mentioned above, until the legal reserve exceeds 20% of capital stock, it can only be used to offset losses, provided that sufficient other reserves are not available for this purpose.

As of December 31, 2001, the Company's legal reserve had reached the required level.

d. Treasury stock

The Company holds 1,235,917 shares of treasury stock, of € 1 par value each, representing 1.03% of its capital stock, with a net book value of € 16,327,000.

As required by Article 79.3 of the Spanish Corporations Law, the Company recorded a reserve of € 16,327,000 for treasury stock, with a charge to voluntary reserves. This reserve is restricted as long as the treasury stock is not sold or retired.

The variations in treasury stock in 2001 were as follows:

	No. of shares	Percentage	Amount
Balance at 31.12.00	1,392,617	1.16	18,397
Sales	(156,700)	(0.13)	(2,070)
Additions	-	-	-
Balance at 31.12.01	1,235,917	1.03	16,327

On January 11, 2001, the parent company of the FCC Group, Fomento de Construcciones y Contratas, S.A., sold 156,700 shares which, to celebrate its 100th anniversary, were offered exclusively to FCC Group employees through a plan under which each employee had the option of acquiring a fixed number of 20 shares of Fomento de Construcciones y Contratas, S.A., with a 50% discount on the reference price and the commitment to keep them for three years.

(11) Subsidies

The accompanying balance sheet includes €7,801,000 of subsidies received in the past, €2,218,000 of which had been taken to income, including €373,000 in the year ended December 31, 2001. This amount relates in full to the joint ventures.

(12) Provisions for contingencies and expenses

a. Provisions

The caption includes, in addition to the benefits indicated in Note 4-h, other provisions recorded in accordance with the accounting principle of prudence to cover any general or extraordinary contingencies that may arise.

b. Reversion reserve

The Company records the reversion reserve as described in Note 4-j.

The variations in 2001 were as follows:

Balance at 31.12.00	7,507
Additions	607
Transfers	18
Balance at 31.12.01	8,132

(13) Nontrade payables

a. Long-term debt

The balance of the "Limited Recourse Project Financing Loans" caption relates to the payments outstanding in connection with the investments made by the Seragua-FCC-Vigo joint venture which operates the water supply in Vigo. The main features of this debt are as follows: the interest rate on the amount outstanding is Mibor plus a differential based on market rates; repayment in semiannual installments ending in 2010; the repayments will be made using the joint venture's revenues from operation of the service and, if the contract terms are met, with no other liability for the venturers if the funds obtained during the term of the loan do not cover the principal plus interest.

The limited recourse project financing loans mature as follows:

2003	3,213
2004	3,609
2005	3,798
2006	1,950
2007 and subsequent years	7,732
	20,302

b. Current Liabilities

The accounts payable to Group and associated companies include the loan balances with these companies, with interest at market rates, and the operating payables to these companies.

The Company has credit facilities amounting to € 598,608,000, substantially all of which was undrawn as of December 31, 2001.

(14) Tax matters

The detail of the balances of the "Tax Receivables" and "Accrued Taxes Payable" captions on the asset and liability sides, respectively, of the balance sheet is as follows:

Tax receivables:

- Prepaid corporate income tax	47,853
- VAT receivable	1,214
- Other items	228
	49,295

Accrued taxes payable:

- Personal and corporate income tax withholdings (from salary income and interest income)	4,610
- Deferred corporate income tax	27,779
- Corporate income tax payable	31,847
- VAT and other indirect taxes payable	13,871
- Levies and other tax items	1,082
- Social security taxes payable	7,771
	86,960

Reconciliation of the income per books to the taxable income for corporate income tax purposes:

Income for the year per books			106,379
	Increases	Decreases	
Permanent differences	445	5,511	(5,066)
Adjusted income per books			101,313
Timing differences:			
- Arising in the reporting year	6,142	5,794	348
- Arising in prior years	4,081	3,468	613
Taxable income			102,274

Adjusted income per books	101,313
Corporate income tax charge (35%)	35,460
Double taxation tax credit for intercompany transactions	(30,364)
Tax credits and relief	(1,863)
Corporate income tax expense	3,233

Fomento de Construcciones y Contratas, S.A. capitalizes the prepaid tax relating to timing differences. Any variations in taxable income for which the related tax is not or was not capitalized are reflected in the above detail as "Permanent Differences".

The timing differences relate to prepaid corporate income tax arising mainly from the provisions for third-party liabilities and other items, which will become deductible in subsequent years when the conditions stipulated by tax law are met. This balance also includes deferred corporate income tax due to reinvestment deferral and the special amortization of lease contracts entered into from January 1, 1996, pursuant to Law 43/1995.

Fomento de Construcciones y Contratas, S.A. has all the years not yet statute-barred open for review by the tax inspection authorities for the taxes applicable to it. The criteria which the tax authorities might adopt for the years open for review might give rise to contingent tax liabilities which cannot be objectively quantified. However, the Company's directors consider that the resulting liabilities would not have a material effect on the Company's net worth.

Under authorization 18/89, Fomento de Construcciones y Contratas, S.A. is taxed on a consolidated basis for corporate income tax purposes with all the other Group companies which meet the relevant requirements envisaged by tax legislation.

(15) Guarantee commitments to third parties and other contingent liabilities

As of December 31, 2001, Fomento de Construcciones y Contratas had provided € 165,873,000 of guarantees to government agencies and private customers, mainly as security for the provision of services under urban cleaning contracts.

The Company had also provided guarantees to third parties for certain Group companies amounting to € 6,671,000.

The Company has guaranteed its employees for the investments made by them in 2000 for a five-year period in the group investment fund set up by the Vivendi Universal Group. The possible payments and additional costs that may be incurred by the Company, which in any case are not expected to be material, are counter-guaranteed by the Vivendi Universal Group.

(16) Revenues and expenses

In 2001 Fomento de Construcciones y Contratas, S.A. billed Group and associated companies €70,811,000 for work performed and services provided. This amount included most notably €43,988,000 billed for management, representation and administration services provided to the Company's wholly-owned subsidiary FCC Construcción, S.A. The Company also purchased €27,484,000 of services and consumables from the aforementioned companies. The financial expenses incurred in 2001 on nontrade accounts payable to Group companies amounted to €23,013,000.

Substantially all the net sales relate to services provided in Spain, of which €58,947,000 related to services provided by joint ventures.

The average number of employees at the Company in 2001 was as follows:

Managers and graduate employees	252
Junior graduate line personnel	210
Clerical and similar staff	495
Other salaried employees	12,554
	13,511

(17) Other information

The remuneration earned by the members of the Board of Directors in 2001 amounted to €4,289,000.

Except as indicated in Note 4-h, there were no advances, loans or guarantees of any kind to the directors, and no pension or life insurance obligations to former or present directors.

(18) Adaptation to the euro

As of December 31, 2001, the Company had adapted its computer systems to the euro. Since January 1, 2002, the date on which it commenced operating in euros, no significant incident has been detected in this connection.

(19) Statements of changes in financial position

ORÍGENES	2001	2000
Funds obtained from operations	151,196	126,741
Extraordinary income	3,697	–
Capital subsidies	306	–
Long-term debt	1,904	4,456
Disposal of tangible fixed assets	1,088	9,754
Disposal of long-term financial investments	4,598	32,190
Contribution of Construction Business Line	–	27,250
Transactions involving treasury stock	–	3,395
Amortization or transfer to short term of long-term financial investments	361	1,695
Transfer to long term of short-term provisions	–	26,396
Decrease in working capital	27,919	294,784
	191,069	526,661

APLICACION OF FUNDS	2001	2000
Fixed asset additions	70,998	395,075
Intangible assets	44,848	38,735
Tangible fixed assets	19,448	18,307
Long-term financial investments	<u>6,702</u>	<u>338,033</u>
Long-term loans	8,510	–
Contribution of Construction Business Line	–	73,804
Acquisition of treasury stock	–	1,064
Dividends	59,039	46,013
Repayment or transfer to short term of long-term debt	9,622	10,705
Transfer to short term of long-term provisions	5,109	–
Provisions for contingencies and expenses	37,791	–
	191,069	526,661

Variation in working capital

	2001		2000	
	Increase	Decrease	Increase	Decrease
Inventories	–	1,310	–	17,844
Accounts receivable	71,712	–	–	385,946
Accounts payable	–	98,626	141,870	–
Short-term financial investments	–	5,516	–	22,430
Shares of treasury stock at short term	–	2,070	2,073	–
Cash	8,131	–	–	13,162
Accrual accounts	–	240	655	–
	79,843	107,762	144,598	439,382
Decrease in working capital	27,919	–	294,784	–
	107,762	107,762	439,382	439,382

The reconciliation of income per books for the year to the funds obtained from operations in the foregoing statements of changes in financial position is as follows:

	2001	2000
Ordinary income for the year after taxes	122,684	92,183
Period depreciation and amortization	31,589	27,352
Period provision to reversion reserve	607	571
Deferred revenues	–	367
Deferred charges	(1,153)	186
Provisions for contingencies and expenses	(6,119)	6,028
Variation in long-term financial investment provisions	3,588	54
Funds obtained from operations	151,196	126,741

(20) Cost accounting statements of income

	31-12-01		31-12-00	
	Amount	%	Amount	%
Net sales	601,018	100.00	545,088	100.00
+ Other operating revenues	59,416	9.89	56,375	10.34
+ Variation in finished product and work-in-process inventories	(1,310)	(0.22)	(583)	(0.11)
+ Capitalized expenses of Group work on fixed assets	313	0.05	535	0.10
PRODUCTION VALUE	659,437	109.72	601,415	110.33
- Net purchases	57,606	9.58	52,980	9.72
- Variation in commercial, material and other consumables inventories	271	0.05	(277)	(0.05)
- External and operating expenses	158,093	26.30	135,685	24.89
- Personnel expenses	337,029	56.08	326,295	59.86
GROSS OPERATING INCOME	106,438	17.71	86,732	15.91
- Period depreciation and amortization	31,589	5.26	27,352	5.02
- Period provision to reversion reserve	607	0.10	571	0.10
- Bad debts written off and variation in operating provisions	1,118	0.19	3,528	0.65
NET OPERATING INCOME	73,124	12.17	55,281	10.14
+ Financial revenues	89,100	14.82	68,022	12.48
- Financial expenses	28,746	4.78	21,756	3.99
- Variations in long-term financial investment provisions	3,588	0.60	90	0.02
FINANCIAL INCOME	56,766	9.44	46,176	8.47
INCOME FROM ORDINARY ACTIVITIES	129,890	21.61	101,457	18.61
+ Gains on fixed assets and extraordinary revenues	3,890	0.65	9,022	1.65
- Losses on fixed assets and extraordinary expenses	8,727	1.45	4,640	0.85
- Variation in tangible fixed asset, intangible asset and control portfolio provisions	18,674	3.11	4,165	0.76
INCOME BEFORE TAXES	106,379	17.70	101,674	18.65
- Corporate income tax	3,233	0.54	11,624	2.13
INCOME AFTER TAXES	103,146	17.16	90,050	16.52

(21) Explanation added for translation to english

These financial statements are presented on the basis of accounting principles generally accepted in Spain. Certain accounting practices applied by the Company

that conform with generally accepted accounting principles in Spain may not conform with generally accepted accounting principles in other countries.

Exhibit I

Group companies

Company	Book Value		Percentage of Ownership	Dividends Received	Capital Stock	Reserves	2001 Income (Loss) Before Taxes	
	Cost	Provision					Ordinary	Extraordinary
Abies Re Anstalt Josef Rheinbergerstrasse, 6 - Vaduz (Liechtenstein) -Portfolio company-	421	-	100 (FrS)	-	1,000 (FrS)	32,021 (FrS)	-	-
AEBA Ambiente y Ecología de BuenosAires, S.A. Tucumán, 1321 - 3ª Buenos Aires - Argentina -Urban cleaning-	834	84	dta. 50 indt. 2.5	510	1,000 (Pa)	1,473 (Pa)	(48) (Pa)	-
Asesoría Financiera y de Gestión, S.A. Federico Salmón, 13 - Madrid -Financial services-	3,008	-	dta. 43.84 indt. 56.16	-	6,846	390,778	21,538	4,694
Bahamas, S.A. (in liquidation) Balmes, 36 - Barcelona -Real estate-	254	186	dta. 99.99 indt. 0.01	-	108	(42)	-	-
Compañía General de Servicios Empresariales, S.A. (Sole-shareholder company) Federico Salmón, 13 - Madrid -Instrumentality company-	60	-	100	11	60	12	-	-
Corporación Española de Servicios, S.A. Federico Salmón, 13 - Madrid- -Instrumentality company-	44	-	dta. 99.99 indt. 0.01	11	60	12	-	-
Corporación Financiera Hispánica, S.A. Federico Salmón, 13 - Madrid -Portfolio company-	69,818	-	dta. 99.99 indt. 0.01	-	58,394	233,818	4,478	-
Empresa Comarcal de Serveis Medioambientals del Baix Penedés, ECOBP, S.L.Plaça del Centre, 3 El Vendrell (Tarragona) -Urban cleaning-	240	-	80	-	301	-	6	-
Europea de Gestión, S.A. (Sole-shareholder company) Federico Salmón, 13 - Madrid -Instrumentality company-	63	-	100	25	60	12	12	-
FCC Agua y Entorno Urbano, S.A. Federico Salmón, 13 - Madrid -Management company-	51,867	-	dta. 99.99 indt. 0.01	5,962	29,630	48,357	16,197	1,484
FCC Construcción, S.A. Balmes, 36 - Barcelona -Construction-	275,551	-	dta. 99.99 indt. 0.01	40,300	129,999	66,887	72,837	(6,503)
FCC Construcciones y Contratas Internacional, S.L. (Sole-shareholder company) Federico Salmón, 13 - Madrid -Instrumentality company-	3	-	100	-	3	-	-	-
FCC Fomento de Obras y Construcciones, S.L. (Sole-shareholder company) Federico Salmón, 13 - Madrid -Instrumentality company-	3	-	100	-	3	-	-	-
FCC Inmobiliaria Conycon, S.L. (Sole-shareholder company) Federico Salmón, 13 - Madrid -Instrumentality company-	3	-	100	-	3	-	-	-

Company	Book Value		Percentage of Ownership	Dividends Received	Capital Stock	Reserves	2001 Income (Loss) Before Taxes	
	Cost	Provision					Ordinary	Extraordinary
FCC International B.V. Rivierstaete Office Building, 6th. Floor Amsteldijk 166 1079 LH - Amsterdam (Netherlands) -Portfolio company-	49.910	9.911	100	-	40.839	(823)	(18)	-
FCC Medio Ambiente, S.A. Federico Salmón, 13 - Madrid -Urban cleaning-	35.102	-	dta. 98,98 indt. 1,02	10.225	43.273	29.660	15.692	(343)
FCC 1, S.L. Unipersonal (Sole-shareholder company) Federico Salmón, 13 - Madrid -Instrumentality company-	3	-	100	-	3	-	-	-
F-C y C, S.L. (Sole-shareholder company) Federico Salmón, 13 - Madrid -Instrumentality company-	3	-	100	-	3	-	-	-
Fedemés, S.L. Federico Salmón, 13 - Madrid -Real Estate-	10.764	-	dta. 92,67 indt. 7,33	-	10.301	13.739	413	-
Fomento Internacional Focsa, S.A. Federico Salmón, 13 - Madrid -Instrumentality company-	69	-	dta. 99,93 indt. 0,07	2	90	18	6	-
Grucycsa, S.A. Pza. Pablo Ruiz Picasso, 1 - Madrid -Portfolio company-	101.068	-	dta. 69,18 indt. 5,55	2.819	135.600	7.380	1.617	45.437
Limpiezas Urbanas de Mallorca, S.A. Fusters, 18 - Manacor -Urban cleaning-	5.208	-	dta. 99,92 indt. 0,08	-	307	(54)	457	(12)
Portland Valderrivas, S.A. José Abascal, 59 - Madrid -Cement-	28.259	-	dta. 35,86 indt. 13,52	6.103	21.781	214.315	26.481	(439)
Seragua, S.A. Federico Salmón, 13 - Madrid -Water management-	42.749	-	dta. 99,99 indt. 0,01	9.981	44.998	20.951	14.887	1.382
Sociedad Mediterránea de Aguas, S.A. Federico Salmón, 13 - Madrid -Water management-	212.020	-	dta. 99,99 indt. 0,01	-	108.957	(5.607)	6.966	1.605
Tratamientos y Recuperaciones Industriales, S.A. Pedro i Pons, 9-11 - Barcelona -Waste treatment-	28.606	583	dta. 99,92 indt. 0,08	-	72	6.635	2.140	24
TOTAL	915.930	10.764						

NOTA:

- Of the foregoing companies, only Grucycsa, S.A. and Portland Valderrivas, S.A. are listed and the market prices of their shares at 2001 year-end were €7.21 and €22.86, respectively. The average market prices in the last quarter of the year were €7.21 for Grucycsa, S.A.'s shares and €22.82 for Portland Valderrivas, S.A.'s shares.
- As required by Article 86 of the revised Corporations Law, the Company made the related notifications to the companies in which it had acquired direct or indirect holdings of over 10%.

Exhibit II

Joint ventures

	Percentage of Ownership
1 Zona 3	10
2 Zona 10	10
Aigües de Lleida	50
Aguas Tomelloso	20
Alcantarillado Bilbao	90
Alcoy	20
Astondo	40
Baix Camp	30
Berguedá	5
Bonmatí	10
CN III	45
C.E.R. La Rioja	10
Cangas de Morrazo	50
Canto Pelín	20
Centralsug-FCC	50
Cercs	5
Colmenar	20
Conservacion y Sistemas	60
Cornellá	90
Cuenca	20
Cycsa-Eyssa Vigo	50
Deixalleria Tarragona	20
Depósito la Matanza	20
Depuradora Huesca	80
Depuradora Rejas	80
EDAR Almansa	5
EDAR Cuerva	5
EDAR Elche	20
Explotación Planta Onda	33,33
Extremadura	25
Fangos Vic	20
FCC-Acisa-Auding	45
FCC-Anpe	80
FCC Diesel Barcelona	80
FCC Diesel N-VI	50
FCC-Ers Los Palacios	50
FCC Foconsa	50
FCC-Seragua-Oviedo	5
FCC-Seragua-Salamanca	5
FCC-Sufi Majadahonda	50
Figueres	50
Guadiana	20
Jardines Albacete	20
Jundiz	51
La Selva	99
Legio VII	50
L.J. San Sebastián	20
L.V. Pamplona	20
L.V. San Sebastián	20
Mancomunidad Alto Mijares	50

	Percentage of Ownership
Mérida	10
Molina	5
Monleón	20
Monzón	10
Muskiz	70
Navalmoral	50
Nigrán	10
Noroeste	33
Novelda	5
Ocaña	75
Olesa	20
Over	20
Planta Sabinánigo	20
Planta de Tratamientos Valladolid	60
Ponferrada	20
Poniente Almeria	50
Posa FOCSA Madrid I	50
Posa FOCSA Madrid II	50
Posa FOCSA Madrid - III	50
Pozuelo de Alarcón	20
Puerto	50
R.B.U. - L.V. Denia	20
R.B.U. - L.V. Jávea	20
R.B.U. San Javier	20
R.B.U. San Sebastián	20
R.B.U. Tudela	20
Redondela	10
Restauración Garraf	27,5
Sabinánigo	80
San Fernando Henares	20
Sanejament Palafrugell	20
Sant Quirze	50
Santomera	60
SCC-FCC	10
Segriá	20
Selectives	20
Seragua - FCC - Sollano	20
Seragua - FCC - Vigo	50
Solana	20
Syf Tratamientos	35
Tirva	20
Tablada	20
Tarazona	80
Toledo	5
Tomelloso	50
Triag Y Clasificación	60
Vertedero Calvia	30
Vertedero Gardelegui	70
Vertresa	10
Vinaroz	50
Zarautz	20
Zarzuela	50
Zonzamas Fase II	30

Exhibit III

Associated and multigroup companies

Company	Book Value		Percentage of Ownership	Dividends Received	Capital Stock	Reserves	2001 Income (Loss) Before Taxes	
	Cost	Provision					Ordinary	Extraordinary
Clavegueram de Barcelona, S.A. Acer, 16 - Barcelona -Urban cleaning-	811	-	22.50	77	3,606	2,152	739	(168)
Ecologia Sistemes Ambientals, S.A. Avda. Santa Coloma, 25 Andorra la Vella (Andorra) -Urban cleaning-	10	-	33	-	30	-	-	-
Ecoparc del Besós, S.A. Rambla Cataluña, 91-93 - Barcelona -Urban cleaning-	1,388	-	dta. 18 indt. 24	-	7,711	-	-	-
Empresas Constructoras Asociadas, S.A. (in liquidation) Fernando Agulló, 22 21 20 - Barcelona -Inactive-	36	-	50	-	60	12	-	-
Empresa Mixta de Medio Ambiente deRincón de la Victoria, S.A. Pz. Al Andalus, 1 - Rincón de la Victoria (Málaga) -Urban cleaning-	301	-	50	-	601	(12)	120	(36)
Fisera Manteniment Urbà, S.L. Alemania, 5 - Figueres (Girona) -Urban cleaning-	266	-	36.37	-	403	-	-	6
Gestión Integral de Residuos Sólidos, S.A. Santa Amalia, 2 - Valencia -Urban cleaning-	4,733	-	49	498	781	1,515	1,340	463
Proactiva Doña Juana E.S.P.S.A Santa Fe de Bogotá (Colombia) -Urban cleaning-	284	-	dta. 23.75 indt. 27.77	-	2,250,000 (Pc)	27,289 (Pc)	-	-
Proactiva Medio Ambiente, S.A. Paseo de la Castellana, 216 - Madrid -Urban cleaning-	89,542	26,477	50	-	56,519	112,161	6,623	(48,922)
Realia Business, S.A. Paseo de la Castellana, 216 - Madrid -Real Estate-	91,498	-	dta. 41.34 indt. 6.22	9,967	66,568	280,859	44,811	6,641
Servicios Urbanos de Málaga, S.A. Ulises, 18 - Madrid -Urban cleaning-	1,610	-	51	-	3,155	-	-	-
TOTAL	190,479	2,477						

NOTA:

- As required by Article 86 of the revised Corporations Law, the Company made the related notifications to the companies in which it had acquired direct or indirect holdings of over 10%.

Exhibit IV

Report of the board of directors of Fomento de Construcciones y Contratas, S.A. for the distribution of an interim dividend".

In accordance with Article 216 of the revised Corporations Law, which requires the Company's directors to present an accounting statement evidencing the existence of sufficient liquidity for the distribution of an interim dividend, it is hereby stated:

1. That the after-tax income of FOMENTO DE CONSTRUCCIONES Y CONTRATAS, S.A. as of September 30, 2001, amounted to €53,033,000.
2. That the Company's after-tax cash flow in the first nine months of 2001 amounted to €73,750,000.

3. That the Company's cash as of September 30, 2001, amounted to €34,793,000, evidencing the existence of liquidity, i.e. of sufficient cash for the distribution of the interim dividend.

Therefore, since at the date of this report there had been no material variations from the foregoing data, we consider that there is sufficient liquidity for the distribution of interim dividends of €33,629,000 out of 2001 income.

The number of shares entitled to an interim dividend is calculated by subtracting from the 120,101,976 shares the shares of treasury stock existing at the date of payment of the dividend.

Accordingly, it is proposed that the following interim dividend out of 2001 income be approved:

Gross % on the par value of each share with dividend rights	28 %
Gross interim dividend per share	€0.28
Personal or corporate income tax Withholding (18%)	€0.05
In the event of withholding, net interim dividend per share	€0.23

The Board of Directors unanimously resolved to distribute an interim dividend out of 2001 income for the amount stated in the foregoing report, which shall be paid, as will be duly announced, on or after January 14, 2002.

Madrid, December 17, 2001

MANAGEMENT REPORT

FOMENTO DE CONSTRUCCIONES Y CONTRATAS, S.A.

Company performance in 2001

The Company's core business is to provide services in general terms, which include mainly cleaning and maintenance, and water treatment and distribution. It also owns holdings in other Spanish and foreign companies and in 2001 reported net income of € 103,146,000, representing a 17.2% return on net sales.

The Board of Directors proposes the distribution of a supplementary 24% (€ 0.24 per share) dividend on the par value of the shares outstanding at the date of payment and the allocation of the remainder to reserves. Earlier, on January 14, 2002, an interim dividend of € 0.28 per share was paid pursuant to the resolution adopted by the Board of Directors on December 17, 2001.

Fomento de Construcciones y Contratas, S.A. is the parent company of the FCC Group, which is composed of a wide range of subsidiaries engaging in activities such as construction, urban cleaning, the integral water cycle, parking lots, street furniture, passenger transport, vehicle technical inspection, ground passenger and aircraft assistance (handling), logistics and cement. Consequently, for a fully comprehensive representation of the economic events of 2001, the reader is referred to the information contained in the consolidated financial statements.

Acquisition of treasury stock

At 2001 year-end Fomento de Construcciones y Contratas, S.A. held 1,235,917 shares of treasury stock, representing 1.03% of capital stock, valued at € 16,327,000.

Also, Portland Valderrivas, S.A. and Aseoría Financiera y de Gestión, S.A. (Afigesa) owned 412,280 and 218,803 shares, respectively, of Fomento de Construcciones y Contratas, S.A., representing 0.34% and 0.18%, respectively, of the latter's capital stock, which were recorded at book values of € 5,733,000 and € 4,327,000, respectively. These shares are also deemed to be shares of the Controlling Company in accordance with Article 87 of the revised Corporations Law.

In accordance with Article 79.4 of the Corporations Law, the variations in treasury stock in 2001 are presented below, reflecting the total effect on the FCC Group after the appropriate eliminations for intercompany transactions.

On January 11, 2001, the parent company of the FCC Group, Fomento de Construcciones y Contratas, S.A., sold 156,700 of the shares which, to celebrate its 100th anniversary, were offered exclusively to FCC Group employees through a plan under which each employee had the option of acquiring a fixed number of 20 shares of Fomento de Construcciones y Contratas, S.A., with a 50% discount on the reference price and the commitment to keep them for three years.

	No. of shares at FCC, S.A.	No. of shares at P.Valderrivas	No. of shares at Afigesa	FCC Grup
At December 31, 2000	1,392,617	412,280	167,779	1,972,676
Sale	(156,700)	–	–	(156,700)
Additions	–	–	51,024	51,024
At December 31, 2001	1,235,917	412,280	218,803	1,867,000

Research and development activities

The FCC Group, and consequently also Fomento de Construcciones y Contratas, S.A., is fully aware of the importance of research and development for maintaining its leadership position in the market and for continuous product quality improvement, and engages in major ongoing research, development and technological innovation activities.

The most noteworthy activities carried out in this framework are those aimed at improving the environment. In this connection, mention should be made of the cooperation agreement entered into with the Environmental Science Center of the Council for Scientific Research (CSIC) to implement a program aimed at defining a methodology for monitoring the quality of urban solid waste compost.

The FCC Group continually strives to apply new technologies to the construction activity and participates in projects such as the European Union Brite-Euram and Growth Programs in conjunction with companies and universities of most EU countries. Also, it has joined the Encord group (the European Network of Construction Companies for Research and Development), a European platform which, comprising fourteen companies that are leaders in their respective lines of business, aims to foster the involvement of the construction industry in research, development and technological innovation activities.

Outlook for 2002

The strategic approach formulated at the last two Shareholders' Meetings will be fully maintained in 2002 and can be summarized as follows:

- The FCC Group's priority objective of expansion will focus on achieving growth in the three basic sectors, i.e. services, construction and cement. Taken together, these industries account for 97% of consolidated net sales and 95% of gross operating income. This expansion drive will be aimed simultaneously at the Spanish and foreign markets.
- Investments in other sectors, which will be maintained as consolidated investment securities based on the opportunity they represent, once their value has been optimized.

The outlook for the FCC Group in 2002 is based on the performance of the three basic activities:

- The construction activity is expected to maintain a sound rate of growth through the execution of the contracts awarded in the last two years. As a result of these contracts, this activity has achieved a backlog of construction work pending execution amounting to € 2,947,087,000, which represents a record in the history of the Company.

The factors underlying this scenario were the buoyant demand for new construction work and, most notably, the implementation of the 2000-2007 Infrastructures Plan. This upward trend will be further strengthened by the coming into force of the Spanish National Hydrological Plan.

- A high level of growth is forecast for the services activity due to the convergence of the following factors:

- Invitations to bid for urban cleaning tenders will be issued in major Spanish cities during 2002 due to the expiration of the current contracts. Also, new high-value tenders are expected to be announced in connection with the privatization of the integral water management currently performed by municipalities.

- Inclusion in the net sales figures and consolidated earnings of the data for a full year relating to the investments made and the new contracts awarded in 2001. The services order portfolio at year-end 2001 amounted to € 10,459,005,000.

- The gradual development of the recently created Industrial Waste Division, which will engage in the collection, transport, treatment, recycling, valuation and disposal of inert and special waste.

- The cement activity, whose performance is very closely linked to that of the construction industry, will continue to make progress in Spain in view of the favorable outlook mentioned above.

The current upward trend shown by the Group cement companies operating in the United States is expected to continue. Noteworthy in this connection is the fact that the sales made by these companies in the United States in 2001 were higher than those recorded for 2000 and were not affected by the economic recession subsequent to the tragic events of September 11, 2001. Accordingly, there are even more substantial grounds to expect that, now that the American economy would seem to be heading for recovery, the upturn in sales in the United States will continue.

AUDITOR'S REPORT

FOMENTO DE CONSTRUCCIONES Y CONTRATAS, S.A.



Translation of a report and financial statements originally issued in Spanish and prepared in accordance with generally accepted accounting principles in Spain (see Note 21). In the event of a discrepancy, the Spanish-language version prevails.

Ramundo Pérez Villaverde, 85
28003 Madrid

AUDITORS' REPORT ON FINANCIAL STATEMENTS

To the Shareholders of
Fomento de Construcciones y Contratas, S.A.:

1. We have audited the financial statements of FOMENTO DE CONSTRUCCIONES Y CONTRATAS, S.A. comprising the balance sheet as of December 31, 2001, and the related statement of income and notes to financial statements for the year then ended. The preparation of these financial statements is the responsibility of the Company's directors. Our responsibility is to express an opinion on the financial statements taken as a whole based on our audit work performed in accordance with generally accepted auditing standards, which require examination, by means of selective tests, of the documentation supporting the financial statements and evaluation of their presentation, of the accounting principles applied and of the estimates made.
2. As required by Spanish corporate law, for comparison purposes the directors present, in addition to the 2001 figures for each item in the balance sheet and statements of income and of changes in financial position, the figures for 2000. Our opinion refers only to the 2001 financial statements. Our auditors' report dated April 11, 2001, on the 2000 financial statements contained an unqualified opinion.
3. Fomento de Construcciones y Contratas, S.A. is the Controlling Company of a group of companies which presents consolidated financial statements separately from the financial statements referred to above, which do not reflect the positive effect of applying consolidation principles. On this same date we have issued our auditors' report on the consolidated financial statements of Fomento de Construcciones y Contratas, S.A. and Dependent Companies, which contains an opinion qualified for the accelerated amortization of the goodwill which arose in the acquisition of certain investees. The effect of consolidation, performed on the basis of the accounting records of the companies composing the Group as of December 31, 2001, is to increase the Company's assets by approximately €4,343,095,000, its reserves by €440,987,000 and its income for 2001 by €137,896,000.
4. In our opinion, the financial statements for 2001 referred to above present, in all material respects, a true and fair view of the net worth and financial position of Fomento de Construcciones y Contratas, S.A. as of December 31, 2001, and of the results of its operations and of the funds obtained and applied by it in the year then ended, and contain the required information, sufficient for their proper interpretation and comprehension, in conformity with generally accepted accounting principles and standards applied on a basis consistent with that of the preceding year.

Andersen Business y CIA, S. Coop.
Reg. Merc. Madrid Tomo 2462
C.I.F. 28.014.114.1. S. 10.000.000
Reservada la responsabilidad

Comunidad Social
Fomento de Construcciones y Contratas, S.A.
C.I.F. 28.014.114.1. S. 10.000.000
Reservada la responsabilidad

Inscripción en el Registro Oficial de Auditores
de Cuentas 1914/01. N.º 52542
Inscripción en el Registro de Empresas
Auditadas 1914/01



5. The accompanying management report for 2001 contains the explanations which the directors consider appropriate about the Company's situation, the evolution of its business and other matters, but is not an integral part of the financial statements. We have checked that the accounting information in the management report is consistent with that contained in the financial statements for 2001. Our work as auditors was confined to checking the management report with the aforementioned scope, and did not include a review of any information other than that drawn from the Company's accounting records.

ARTHUR ANDERSEN



Genaro Sarmiento

April 10, 2002

Fomento de Construcciones y Contratas, S.A.

Design:
www.imagia.to