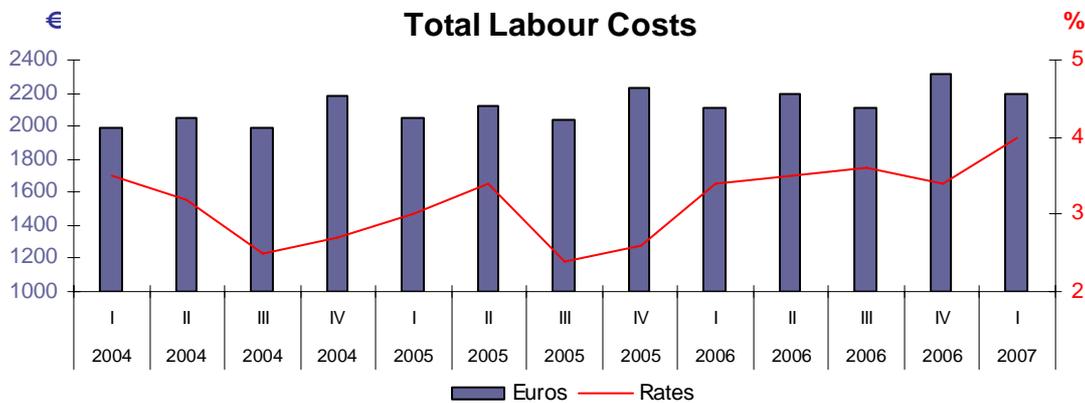


**Quarterly Labour Cost Survey
First quarter 2007**

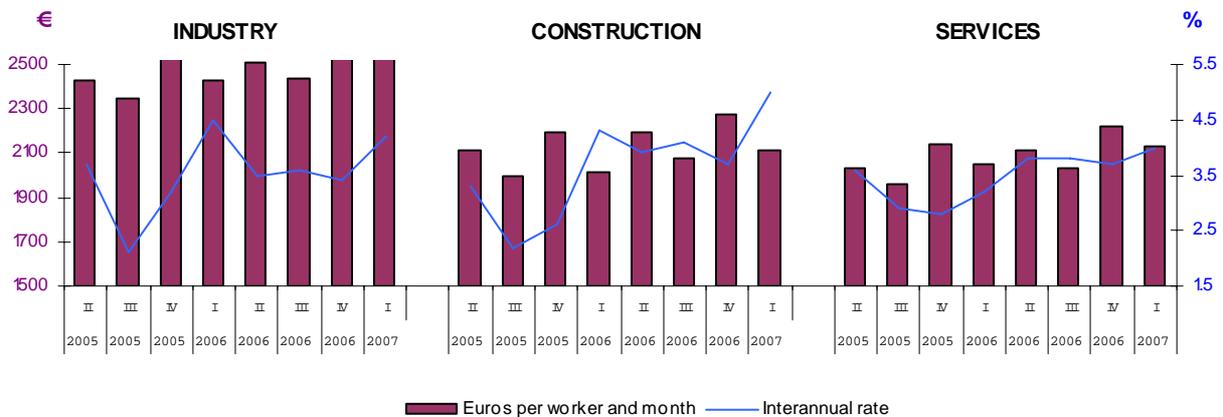
Labour Cost for companies increases 4.0% during the first quarter with respect to the same period in 2006

The interannual rate of Wages and Salaries increases 4.3%, whereas Other Costs increase 3.2%

The average Labour Cost per employee and month was 2,198.52 Euros for the first trimester of 2007, which implies a 4.0% growth as compared with the same period the previous year.



By activity sector, the greatest Labour Cost was registered in Industry, with an average Total Cost of 2,527.24 Euros per employee and month (4.2% more than in the first quarter of 2006), followed by Services, with 2,128.23 Euros and an interannual growth of 4.0%, and Construction, with 2,111.64 Euros (5.0% higher than the same period in 2006).



The Labour Cost per hour actually worked increases 4.3%

Labour Costs per hour actually worked increased 4.3% in the first quarter of 2007. This increase, which exceeded that of Labour Costs per employee, is the result of the 0.2% drop in the number of hours worked during this quarter.

The number of hours worked decreased in Industry (0.4%) and in Services (0.3%), but increased in Construction (0.3%) in comparison with the first quarter of 2006. This behaviour regarding worked hours resulted in an increase of 4.5% in the cost per hour worked in Industry, 4.7% in Construction and 4.3% in Services.

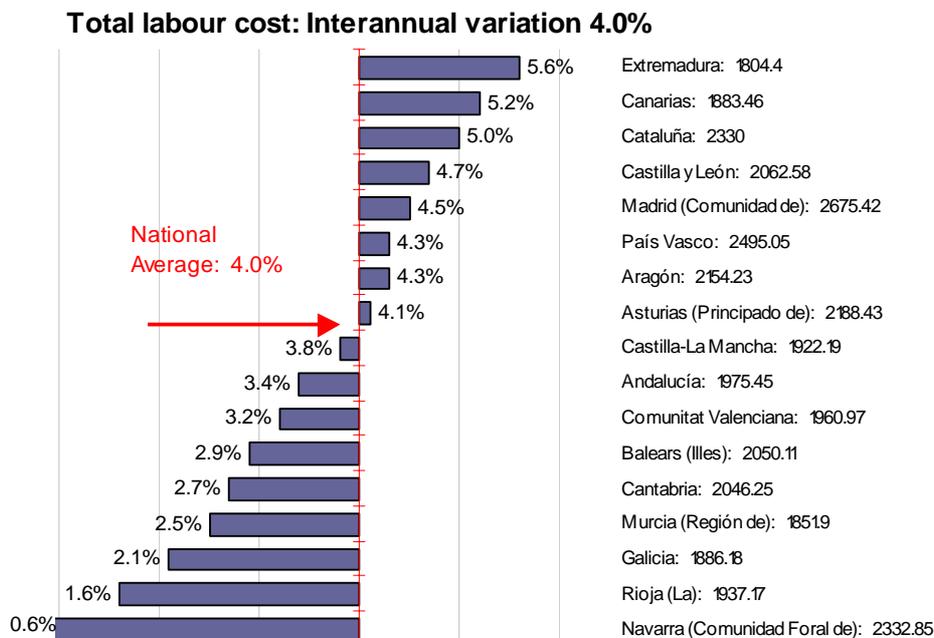
National results

	Labour cost by worker and month			Labour cost by effective hour		
	Euros	Index	Rate (1)	Euros	Index	Rate (1)
TOTAL	2,198.52	125.1	4.0	15.37	122.4	4.3
INDUSTRY	2,527.24	127.7	4.2	16.72	122.6	4.5
CONSTRUCTION	2111.64	129.3	5.0	13.58	125.3	4.7
SERVICES	2,128.23	125.2	4.0	15.40	123.3	4.3

(1) Same quarter previous year

Madrid has the highest Labour Cost per employee and month

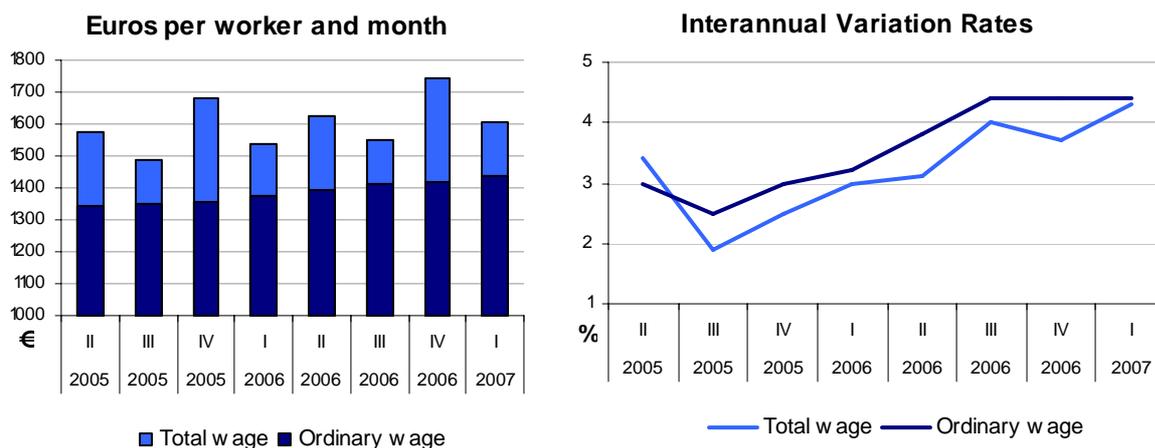
By Autonomous Communities, the highest labour costs corresponded to Comunidad de Madrid (2,675.42 Euros per employee and month), País Vasco (2,495.05 Euros) and Comunidad Foral de Navarra (2,332.85 Euros). On the other hand, Extremadura (1,804.40 Euros), Región de Murcia (1,851.90 Euros) and Canarias (1,883.46 Euros) had the lowest costs.



Growth of labour costs was uneven in the remaining communities. Extremadura (5.6%), Canarias (5.2%) and Cataluña (5.0%) registered the largest increases, whereas Comunidad Foral de Navarra (0.6%), La Rioja (1.6%) and Galicia (2.1%) registered the most moderate increases.

Wages and Salaries increase 4.3%

Average Wages and Salaries per employee and month were 1,604.69 Euros for the first quarter of 2007, which indicates an increase of 4.3% with respect to the same period of the previous year. The ordinary wage (that is, without extra payments and bonuses or arrears) increased 4.4%. The 0.1% difference with respect to the total salary was due to the drop in delayed payments compensated by the growth in extra payments and bonuses.



By sectors, the highest Wages and Salaries were registered in Industry, with an average gross salary of 1,815.58 Euros per employee and month (3.7% more than in the first quarter of 2006), followed by Services (with 1,581.09 Euros and a 4.5% growth) and Construction (1,449.26 Euros and a 5.5% growth).

Wage cost by worker and month

	Total wage cost		Ordinary wage cost	
	Euros	Rate (1)	Euros	Rate (1)
TOTAL	1604.69	4.3	1435.47	4.4
INDUSTRY	1815.58	3.7	1608.97	4.1
CONSTRUCTION	1449.26	5.5	1374.83	5.1
SERVICES	1581.09	4.5	1401.55	4.5

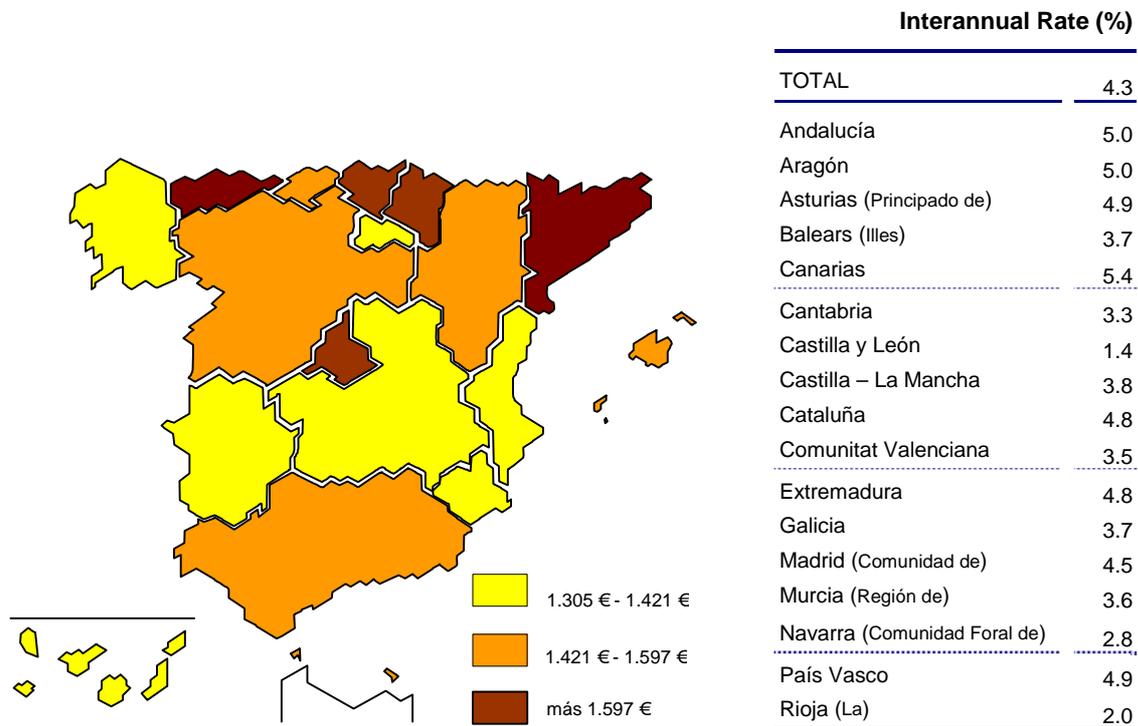
(1) Same quarter previous year

The repercussion of the extra payments and bonuses and arrears differed by activity sectors. They had a positive effect in Construction (0.4 points), no effect in Services and a negative effect in Industry (0.4 point).

By Communities, the highest salaries were registered in Comunidad de Madrid (1,994.53 Euros per employee and month), País Vasco (1,820.78 Euros) and Cataluña (1,704.71 Euros). In contrast, Extremadura (1,305.84 Euros), Región de Murcia (1,344.35 Euros) and Canarias (1,359.73 Euros) registered the lowest salaries.

As regards the growth of the total Wages and Salaries, Canarias (5.4%), Andalucía (5.0%) and Aragón (5.0%) were the Communities that registered the highest increases. Castilla y León (1.4%), La Rioja (2.0%) and Comunidad Foral de Navarra (2.8%) had the most moderate increases.

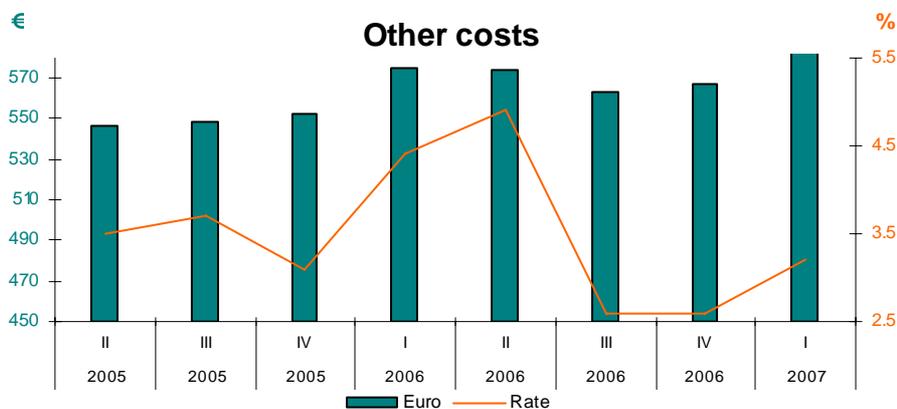
Labour Cost per employee and month



Other Labour Costs grow 3.2%

The average value of Other Labour Costs per employee and month was 593.83 Euros. The most important component of Other Costs was **Statutory Social Security Contributions, which increased 3.4%**.

Imputed Social Contributions increased in all sectors except Services, where they decreased as a result of the drop in Compensations for Dismissal in the sector. The Other Non-Wage Payments (compensatory payments, wear and tear of tools, compensation for relocations and end of contract, etc.) exhibited growth in all sectors except Construction. This behaviour led to growth in Other Costs of 5.3% in Industry, 4.0% in Construction and 2.5% in Services.



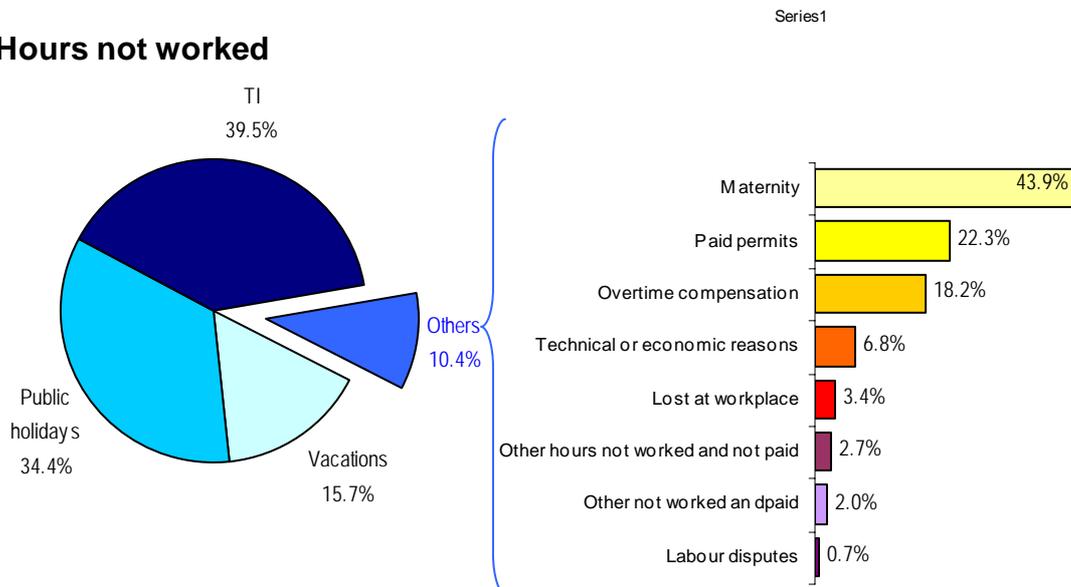
The Autonomous Communities with the highest Other Costs were Comunidad de Madrid (680.89 Euros per employee and month), País Vasco (674.27 Euros) and Comunidad Foral de Navarra (634.12 Euros). The lowest values were registered in Extremadura (498.56 Euros), Región de Murcia (507.55 Euros) and Galicia (523.19 Euros).

The greatest increases in Other Costs were in Castilla y León (13.5%, due to compensations for dismissal in Subsection "Manufacture of Transport Material"), Extremadura (7.8%) and Cataluña (5.4%). In contrast, Other Costs dropped 4.8% in Comunidad Foral de Navarra (due to the amount of the compensations for dismissal in the first quarter of 2006), 1.9% in Galicia and 0.6% in Andalucía.

Working Day

The Contractual Hours per employee and month were 156.5 for the first quarter of 2007. The number of Hours actually worked was 143.1 and hours not worked due to different reasons was **14.3**. Holidays and bank holidays represented **50.1%** of the hours not worked in the first quarter.

Hours not worked



Full-time employees had 169.6 contractual hours, 155.0 hours actually worked and 15.5 hours not worked per month. Part-time employees had 85.6 contractual hours, 78.5 hours actually worked and 7.5 hours not worked per month.

By sectors, **Construction had the most contractual hours and hours actually worked for both types of working day. In comparison, the Services sector registered the least contractual and hours actually worked for full-time employees, and Industry registered the least hours for part-time employees.**

The Communities with the most hours actually worked were Castilla - La Mancha, Comunidad de Madrid and Extremadura. In contrast, País Vasco, Principado de Asturias and Illes Balears registered the least hours actually worked.

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Labour Cost Index - Definitions

Employee

Any person linked to the producing unit by means of a working contract, independently of the modality of said contract.

The employees considered in the survey are all those employees associated with the contributing account and for whom payment obligations have existed for at least one day in the reference month.

To calculate labour costs per employee, those active in the contributing account for less than one month are accounted for in proportion to the time during which they have been active in said account.

For the results obtained from labour costs and working day, employees are classified as full-time and part-time employees, according to their type of working day. Employees fulfilling the regular working day of the company in the activity in question are considered full-time employees. Employees fulfilling a working day shorter than the regular working day of the company in the activity in question, or in the event that no such "regular" working day exists, shorter than the maximum working day established by law, will be considered as part-time employees.

Labour Cost

It is defined as the total cost assumed by the employer for the usage of working factor. This includes Wages and Salaries plus Other Costs.

Wages and Salaries

Wages and Salaries comprise all remunerations, both in cash and in kind, paid to employees for the performance of their work services for others, whether it rewards effective work, whatever the method of remuneration, or the rest periods accounted for as work

Wages and Salaries therefore include the base salary, salary supplements, overtime payments, extra payments and bonuses and arrears.

All components are considered in gross terms, i.e. before deductions or payments to Social Security on behalf of the employee.

Other Costs

Other Costs include Non-Wage Payments and statutory Social Security Contributions;

Non-Wage Payments are remunerations received by the employees not for their work activity, but rather as compensation for expenses occasioned in the rendering of their work or to cover needs or situations of inactivity not attributable to the employee. They include imputed social contributions (payments for temporary incapacity, unemployment, indemnities for dismissal, etc.), and other non-wage payments (currency devaluation, wear and tear of tools, acquisition of work clothes, distance and urban transport allowance, relocation and contract termination compensations, etc.).

Statutory Social Security Contributions are legally established contributions that employers make to the Social Security System in favour of their employees to cover the benefits set up

by the system and which are those derived from illness, maternity, work accident, disability, retirement, family, survival, unemployment, vocational training, wage guarantee or any other contingency covered by the Social Security System.

Working Day

It is the number of hours that each employee devotes to the undertakings of his/her labour activity. The following concepts are distinguished:

Contractual hours: These are the hours legally established by verbal agreement, individual contract or collective agreement between the employee and the company.

Hours actually worked: These are the hours that were actually worked, during both normal working hours and overtime hours, including the periods of time which have not been completed but are considered effective time in virtue of the valid regulations.

They are calculated as the sum of contractual hours plus overtime and/or complementary hours minus hours not worked, except hours lost in the workplace.

Hours not worked: Hours that were not worked during the working day for some reason (vacations and public holidays, temporary incapacity, maternity, adoption and personal reasons, rest periods as compensation for overtime, union representation hours, fulfilment of an inexcusable duty, attendance to exams and medical visits, days or hours not worked for technical, organizational or productive reasons, hours lost in the workplace, labour conflict, absenteeism, legal guard, lock-out, etc.).

Quarterly Labour Cost Survey (QLCS)

First Quarter 2007

Base Year 2000

Total Labour Cost

1. National results

	Monthly labour cost per employee			Hourly labour cost		
	Euros	Index	Rate ⁽¹⁾	Euros	Index	Rate ⁽¹⁾
TOTAL	2,198.52	125.1	4.0	15.37	122.4	4.3
INDUSTRY	2,527.24	127.7	4.2	16.72	122.6	4.5
CONSTRUCTION	2,111.64	129.3	5.0	13.58	125.3	4.7
SERVICES	2,128.23	125.2	4.0	15.40	123.3	4.3

(1) Same quarter, previous year

2. Results by autonomous community

	Monthly labour cost per employee			Hourly labour cost		
	Euros	Index	Rate ⁽¹⁾	Euros	Index	Rate ⁽¹⁾
TOTAL	2,198.52	125.1	4.0	15.37	122.4	4.3
Andalucía	1,975.45	123.1	3.4	14.03	123.5	2.9
Aragón	2,154.23	124.5	4.3	15.15	120.0	3.8
Asturias (Principado de)	2,188.43	124.7	4.1	15.72	121.5	3.3
Balears (Illes)	2,050.11	130.9	2.9	14.60	134.9	3.2
Canarias	1,883.46	125.2	5.2	12.94	122.8	5.6
Cantabria	2,046.25	123.6	2.7	14.32	120.9	4.7
Castilla y León	2,062.58	123.9	4.7	14.48	121.1	5.0
Castilla-La Mancha	1,922.19	126.1	3.8	13.06	123.3	3.6
Cataluña	2,330.00	126.5	5.0	16.34	122.1	5.4
Comunitat Valenciana	1,960.97	123.6	3.2	13.59	120.4	4.9
Extremadura	1,804.40	125.0	5.6	12.36	120.2	3.4
Galicia	1,886.18	123.0	2.1	13.29	123.7	3.7
Madrid (Comunidad de)	2,675.42	128.6	4.5	18.28	125.1	3.6
Murcia (Región de)	1,851.90	127.5	2.5	13.16	124.9	4.9
Navarra (Comunidad Foral de)	2,332.85	120.6	0.6	16.55	116.5	1.5
País Vasco	2,495.05	121.4	4.3	18.04	117.3	5.4
Rioja (La)	1,937.17	116.6	1.6	13.42	113.5	2.3

(1) Same quarter, previous year

Quarterly Labour Cost Survey (QLCS)

First Quarter 2007

Base Year 2000

Wages and Salaries

1. National results

	Monthly labour cost per employee			Hourly labour cost		
	Euros	Index	Rate ⁽¹⁾	Euros	Index	Rate ⁽¹⁾
TOTAL	1,604.69	121.0	4.3	11.22	118.5	4.6
INDUSTRY	1,815.58	122.1	3.7	12.02	117.2	4.2
CONSTRUCTION	1,449.26	121.9	5.5	9.32	118.1	5.2
SERVICES	1,581.09	122.3	4.5	11.44	120.5	4.9

(1) Same quarter, previous year

2. Results by autonomous community

	Monthly labour cost per employee			Hourly labour cost		
	Euros	Index	Rate ⁽¹⁾	Euros	Index	Rate ⁽¹⁾
TOTAL	1,604.69	121.0	4.3	11.22	118.5	4.6
Andalucía	1,434.24	118.7	5.0	10.19	119.2	4.5
Aragón	1,551.82	120.0	5.0	10.92	115.7	4.6
Asturias (Principado de)	1,597.20	122.5	4.9	11.47	119.5	4.0
Balears (Illes)	1,508.03	128.0	3.7	10.74	132.1	4.0
Canarias	1,359.73	120.0	5.4	9.34	117.6	5.8
Cantabria	1,469.73	119.3	3.3	10.29	116.8	5.3
Castilla y León	1,447.37	117.1	1.4	10.16	114.3	1.6
Castilla-La Mancha	1,380.70	121.2	3.8	9.38	118.4	3.5
Cataluña	1,704.71	122.0	4.8	11.95	117.9	5.2
Comunitat Valenciana	1,420.79	120.4	3.5	9.85	117.3	5.2
Extremadura	1,305.84	120.5	4.8	8.94	115.8	2.6
Galicia	1,362.99	118.5	3.7	9.60	119.1	5.3
Madrid (Comunidad de)	1,994.53	125.1	4.5	13.63	121.7	3.6
Murcia (Región de)	1,344.35	124.9	3.6	9.55	122.3	6.0
Navarra (Comunidad Foral de)	1,698.73	117.1	2.8	12.05	113.1	3.7
País Vasco	1,820.78	117.5	4.9	13.16	113.5	6.0
Rioja (La)	1,410.63	113.8	2.0	9.77	110.6	2.7

(1) Same quarter, previous year

Quarterly Labour Cost Survey (QLCS)

First Quarter 2007

Base Year 2000

Time worked

1. National results

	Monthly hours per employee								
	Total employees			Full time			Part time		
	Hours agreed	Hours actually worked	Hours not worked	Hours agreed	Hours actually worked	Hours not worked	Hours agreed	Hours actually worked	Hours not worked
TOTAL	156.5	143.1	14.3	169.6	155.0	15.5	85.6	78.5	7.5
INDUSTRY	165.5	151.1	15.7	170.7	155.8	16.3	83.7	77.7	6.2
CONSTRUCTION	168.2	155.5	13.4	171.2	158.2	13.7	85.9	81.0	5.0
SERVICES	151.5	138.2	14.0	168.8	153.9	15.7	85.7	78.5	7.7

2. Results by autonomous community

	Monthly hours per employee								
	Total employees			Full time			Part time		
	Hours agreed	Hours actually worked	Hours not worked	Hours agreed	Hours actually worked	Hours not worked	Hours agreed	Hours actually worked	Hours not worked
TOTAL	156.5	143.1	14.3	169.6	155.0	15.5	85.6	78.5	7.5
Andalucía	154.9	140.8	14.7	169.1	153.6	16.1	84.3	76.6	7.7
Aragón	156.6	142.2	15.7	169.5	154.0	16.9	80.1	72.2	8.1
Asturias (Principado de)	153.2	139.2	14.7	166.9	151.3	16.4	75.3	70.7	4.9
Balears (Illes)	155.1	140.4	15.2	170.0	153.4	17.3	90.6	84.7	6.0
Canarias	160.7	145.6	15.8	171.6	155.5	16.7	89.9	81.1	9.7
Cantabria	156.8	142.9	14.8	169.2	154.2	15.9	85.8	78.4	8.1
Castilla y León	155.0	142.5	13.2	168.5	154.7	14.5	84.2	78.5	6.2
Castilla-La Mancha	158.4	147.2	12.1	169.8	157.9	12.9	76.5	70.1	6.6
Cataluña	155.3	142.6	13.8	170.4	156.4	15.3	82.8	76.2	6.9
Comunitat Valenciana	158.3	144.3	14.8	170.9	155.6	16.1	92.3	85.4	7.9
Extremadura	158.1	146.0	12.8	169.3	156.5	13.6	79.0	71.8	7.2
Galicia	156.2	142.0	15.1	169.9	154.2	16.5	80.6	74.8	7.3
Madrid (Comunidad de)	158.8	146.3	13.4	169.4	156.3	14.2	90.5	82.6	8.1
Murcia (Región de)	155.1	140.7	15.0	170.4	154.7	16.3	93.6	84.5	9.5
Navarra (Comunidad Foral de)	154.1	141.0	14.4	167.7	153.4	15.8	84.3	77.3	7.2
País Vasco	152.9	138.3	15.2	165.7	149.7	16.7	78.9	72.4	6.5
Rioja (La)	155.9	144.4	12.2	169.4	156.9	13.3	90.4	83.9	7.1

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Quarterly Labour Cost Survey (QLCS)

First Quarter 2007

Base Year 2000

Other Costs

1. National results

	Monthly labour cost per employee			Hourly labour cost		
	Euros	Index	Rate ⁽¹⁾	Euros	Index	Rate ⁽¹⁾
TOTAL	593.83	137.6	3.2	4.15	134.3	3.5
INDUSTRY	711.66	144.8	5.3	4.70	139.1	5.4
CONSTRUCTION	662.38	149.3	4.0	4.26	144.4	3.6
SERVICES	547.14	134.4	2.5	3.96	132.0	2.9

(1) Same quarter, previous year

2. Results by autonomous community

	Monthly labour cost per employee			Hourly labour cost		
	Euros	Index	Rate ⁽¹⁾	Euros	Index	Rate ⁽¹⁾
TOTAL	593.83	137.6	3.2	4.15	134.3	3.5
Andalucía	541.21	136.7	-0.6	3.84	136.7	-1.0
Aragón	602.41	137.9	2.4	4.23	132.6	1.9
Asturias (Principado de)	591.23	130.7	2.2	4.25	127.2	1.4
Balears (Illes)	542.08	139.4	0.8	3.86	143.5	1.0
Canarias	523.73	141.0	4.6	3.60	138.5	5.3
Cantabria	576.52	135.9	1.2	4.03	133.0	3.1
Castilla y León	615.21	143.8	13.5	4.32	140.7	14.0
Castilla-La Mancha	541.49	140.7	3.8	3.68	137.8	3.7
Cataluña	625.29	140.4	5.4	4.39	135.5	6.0
Comunitat Valenciana	540.18	132.9	2.4	3.74	129.4	3.9
Extremadura	498.56	138.4	7.8	3.42	133.6	5.6
Galicia	523.19	136.6	-1.9	3.69	137.7	-0.3
Madrid (Comunidad de)	680.89	140.1	4.4	4.65	136.4	3.6
Murcia (Región de)	507.55	135.1	-0.5	3.61	132.2	2.3
Navarra (Comunidad Foral de)	634.12	130.9	-4.8	4.50	126.4	-3.8
País Vasco	674.27	133.0	2.7	4.88	128.8	3.8
Rioja (La)	526.54	125.1	0.4	3.65	122.1	1.1

(1) Same quarter, previous year