

# **Acquisition of Enterprise**

Investors' Presentation

21 February 2013

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## FINANCIAL INFORMATION

Financial information for the year ended on 31 December 2012 is non audited and is preliminary and subject to adjustments and modifications.

## FORWARD-LOOKING STATEMENTS

This communication contains forward-looking information and statements about Ferrovial Servicios based on information available to Ferrovial Servicios on the date hereof. The financial projections and estimates may include underlying assumptions, statements regarding plans, objectives and expectations with respect to future operations, capital expenditures, synergies, products and services, and statements regarding future performance. Forward-looking statements are statements that are not historical facts and are generally identified by the words "expects," "anticipates," "believes," "intends," "estimates" and similar expressions.

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# Key Terms of the Transaction

## Scope

- Acquisition 100% of Enterprise <sup>1)</sup>
  - Revenue: £1.1 billion; EBITDA: £60 million; employees: 9,600 (2012) <sup>1)</sup>
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## Acquirer

- Ferrovial Services
  - Integration of Enterprise into Amey, Ferrovial Services' subsidiary in the UK
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## Price

- Firm value: £385 million
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## Financing

- Use of Ferrovial Services' existing cash balance
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## Other

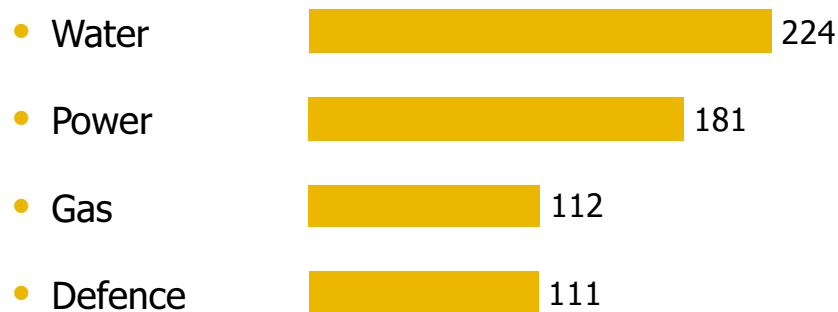
- Completion subject to European Commission clearance

# Enterprise - Major UK Services Provider

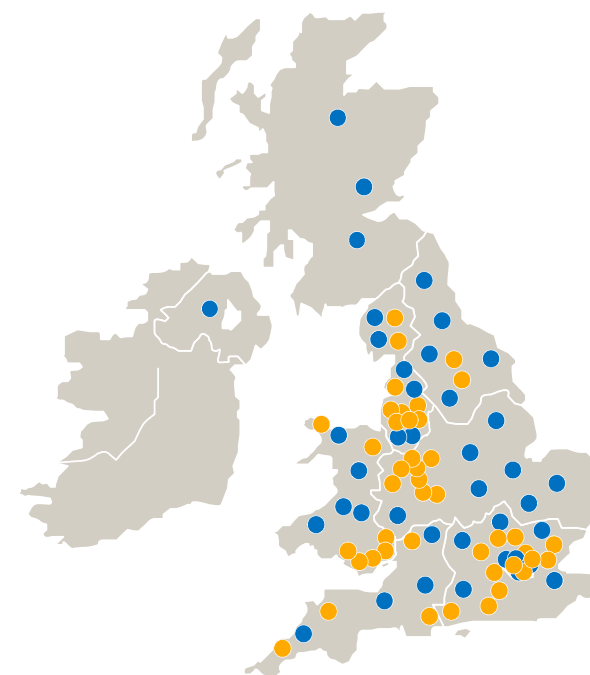
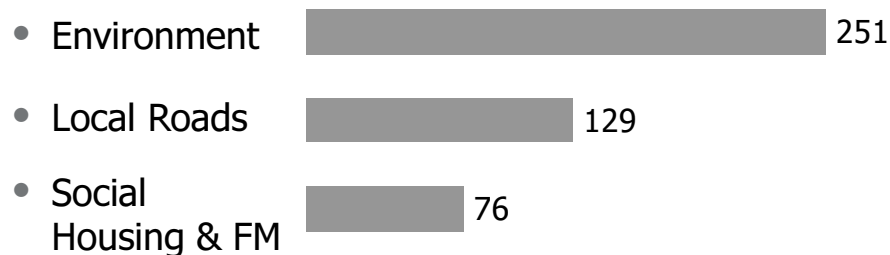
**2012 Revenues: £1.1 billion**

**Wide geographical coverage**

**Utilities & Defence**



**Government Services**



● c.20 utilities    ● c.50 councils

Note: EnterpriseMouchel JV not included. Defence JVs consolidated proportionally

# Amey+Enterprise - Solid Foundations for Profitable Growth

2012 data



Enterprise

**Amey +  
Enterprise**

**Revenue  
Growth**

<b>Revenues</b>	£1.2bn	£1.1bn	<b>£2.3bn</b>
<i>CAGR 2010-12</i>	13.7%	4.6%	<b>9.1%</b>
<b>Order Book</b>	£5.9bn	£2.3bn	<b>£8.2bn</b>
<b>Pipeline</b>	£8bn	£12bn	<b>£19.5bn</b>

**Operational  
Efficiency**

<b>EBITDA</b>	£95.9m	£59.9m	<b>£155.8m</b>
<i>EBITDA Margin</i>	7.9%	5.4%	<b>6.7%</b>
<b>Capex</b>	£8.5m	£18.6m	<b>£27.1m</b>

# Strategic Rationale

- 1** Entry into Utilities services
- 2** Cost synergies
- 3** Service enhancement through Amey's asset management skills
- 4** Balanced portfolio of activities
- 5** Scale and geographic coverage in UK

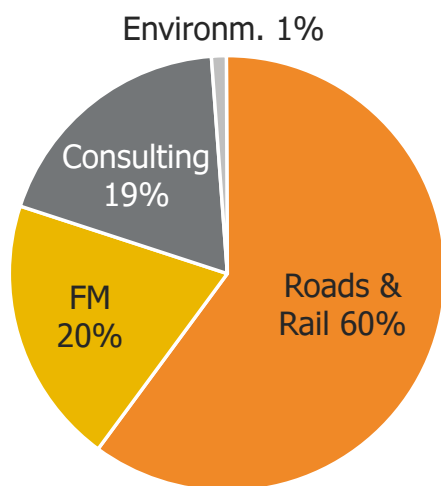
**Leading UK services provider  
with broad capabilities,  
diverse markets and  
comprehensive geographical  
coverage**

# Diverse and Balanced Portfolio

2012 data

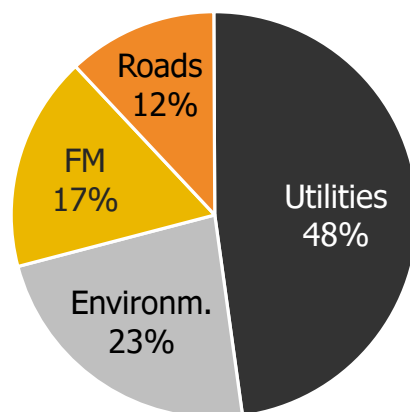


Revenue £1.2bn



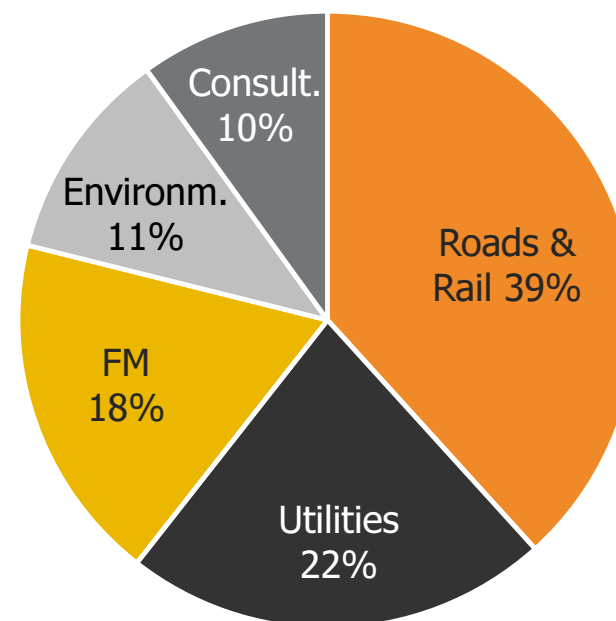
Enterprise

Revenue £1.1bn



**Major Player in the UK**

Revenue £2.3bn



# Platform for Growth in Attractive UK Markets

	<b>Market size</b>	<b>CAGR 2013-15E</b>	<b>Growth drivers</b>	<b>Enterprise customer base (examples)</b>
<b>Entry to Utilities market</b>	£19bn	5-7%	<ul style="list-style-type: none"> <li>● Focus on maintenance spend in new regulatory cycles</li> <li>● Asset management approach</li> <li>● Outsourcing</li> <li>● Smart infrastructure</li> </ul>	<ul style="list-style-type: none"> <li>● Severn Trent</li> <li>● United Utilities</li> <li>● Western Power</li> </ul>
<b>Acceleration of growth in Local Government</b>	£14bn	3-5% <sup>1)</sup>	<ul style="list-style-type: none"> <li>● Outsourcing</li> <li>● Service Integration</li> <li>● Development of new treatment capacity</li> </ul>	<ul style="list-style-type: none"> <li>● Kent</li> <li>● Staffordshire</li> <li>● Liverpool</li> </ul>

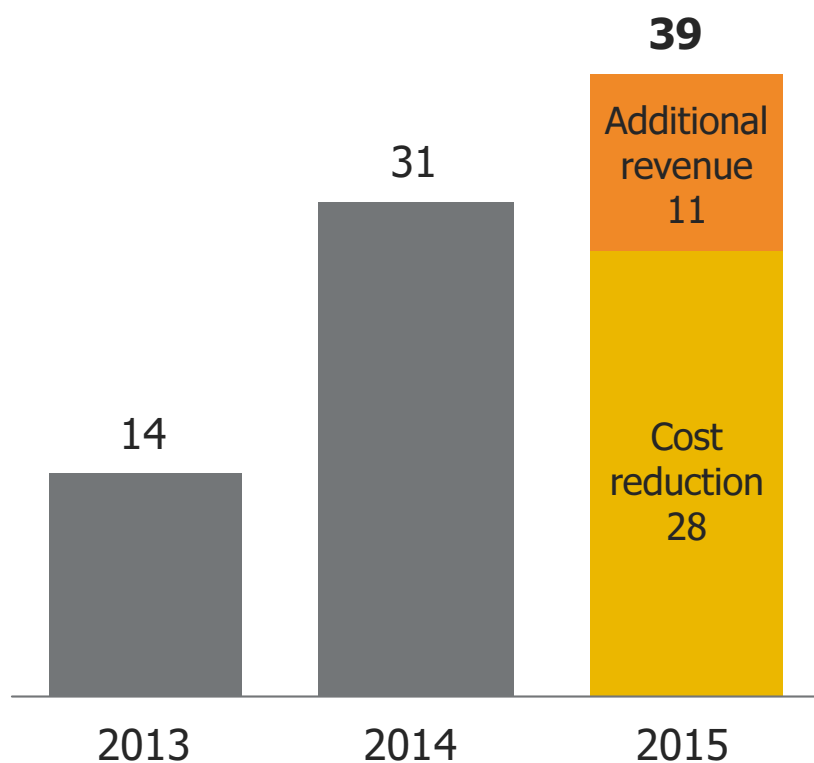
1) Includes Environmental Services and Local Roads

Source: UK Department for Communities and Local Government, UK Department for Transport, market reports, companies, Ofwat, Ferrovial Services analysis



# £40m Recurring Synergies from 2015

## c.£40m recurring synergies in 2015



## Systematic approach to integration

- Focus on key cost and revenue drivers
  - Procurement and direct costs
  - Central and divisional overheads
  - Integrated sale of asset management and consulting services
- Integration Plan implemented by a Project Office with dedicated resources
- Assessment and retaining of Enterprise's talent and best operational practices
- Estimated one-off investment c.£40m

# High Potential of Value Creation

## Synergies

- Cost reduction £28m pa
- Asset Management contribution £11m pa

## Market Growth

- Utilities 5-7%
- Local Government 3-5%

## Efficient Execution

- Rigorous and systematic approach
- Ferrovial Services proven track record

## Value Creation

- IRR c.15%
- Capabilities to be exported to other countries