

# ferrovial

- Group operations
- Current market scenario

# An international INFRASTRUCTURE operator



## Toll Roads

- 25 Toll roads
- 2,900 kilometres operated
- €19 billion investment
- Present in 7 countries

**90%**  
OF FERROVIAL'S  
EBITDA

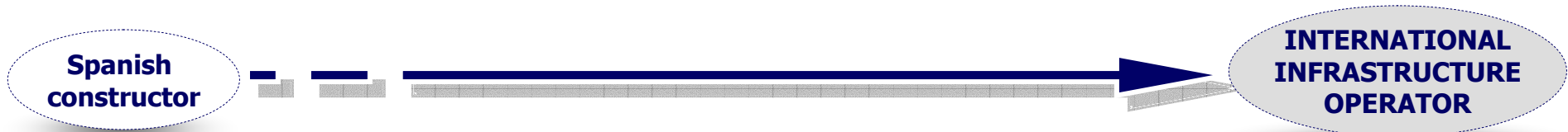
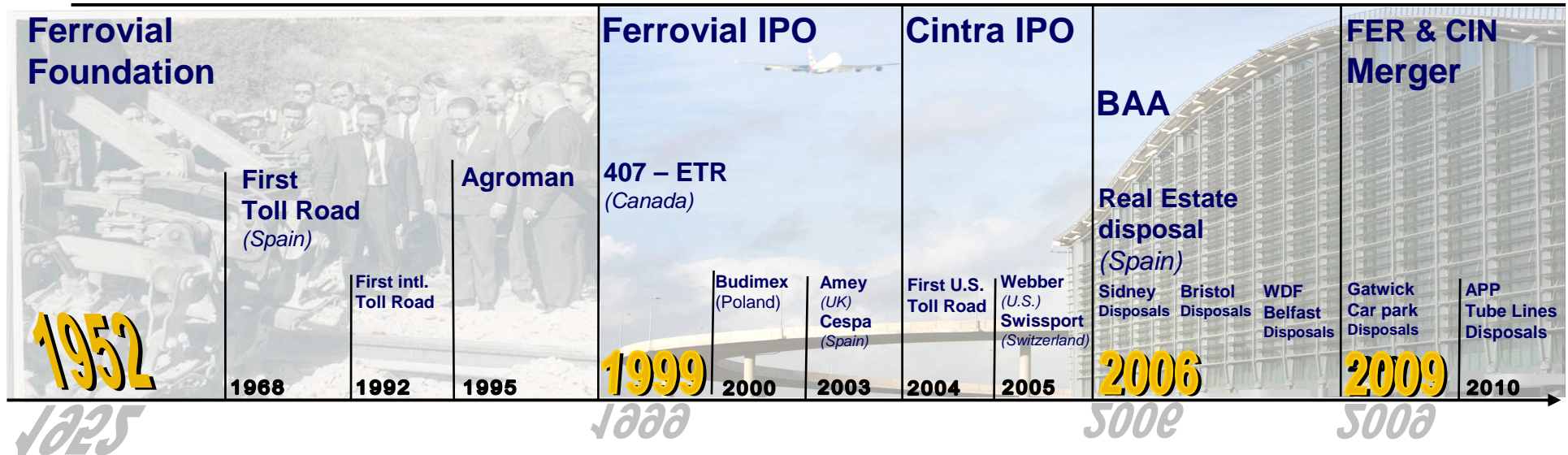
## Airports

- Eight airports, including Heathrow
- Number one private operator
- 107mn pax in UK

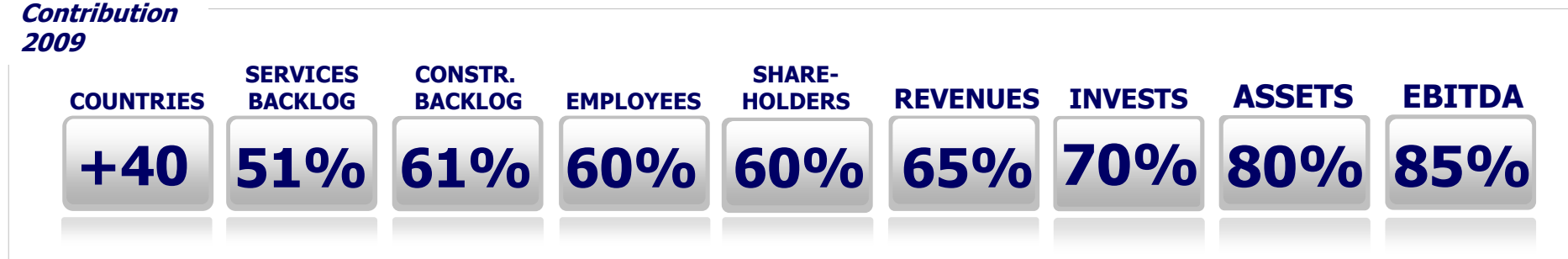
## Infrastructure Maintenance

- Urban infrastructures
- Roads and railways
- Waste management
- Street lighting
- Airport handling

# An INTERNATIONAL infrastructure operator



## International Contribution 2009



- **Group operations**

- Current market scenario

## **Good assets, good business, good backlog**

---

- **Sizeable international backlog**
  - 90% of international construction backlog from Group companies
- **Profitable international construction offsets domestic decline**
- **World class assets**
  - Resilience during economic downturn
  - Prone to growth as economy recovers
- **Limited Spanish exposure**

## Sizeable international backlog

---

**CONSTRUCTION**

**€11.0bn**

**>90%**

International backlog  
from Group companies

**SERVICES (ex-Swissport)**

**€13.3bn**

**63%**

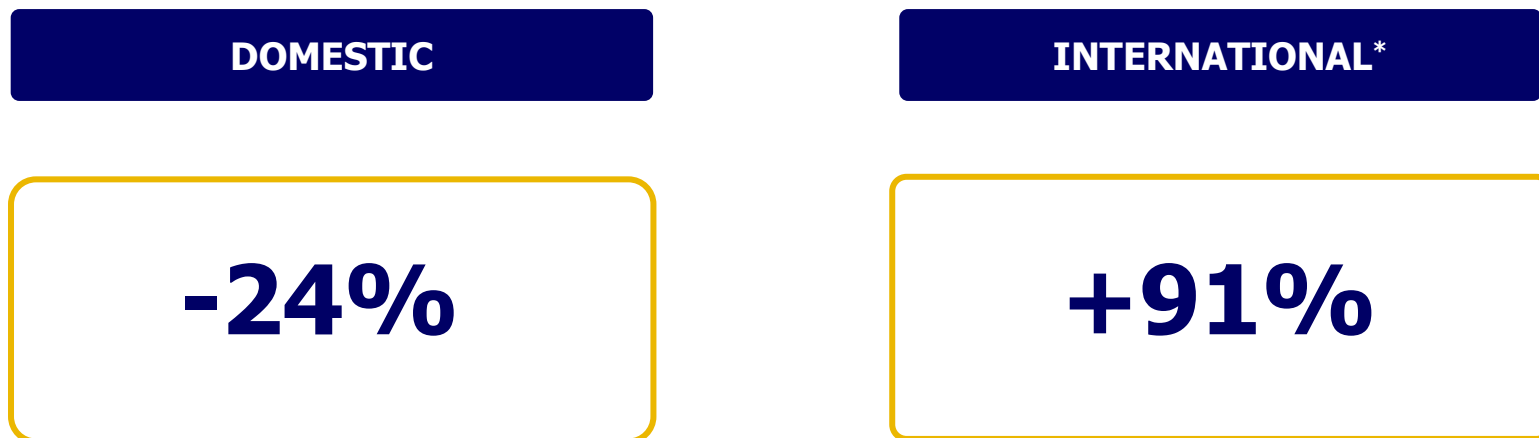
International backlog

(\*): March '10 backlog, including LBJ €1.3bn in Construction and Birmingham €3.3bn in Services

## Profitable intl. construction offsets domestic decline

---

2007-2010

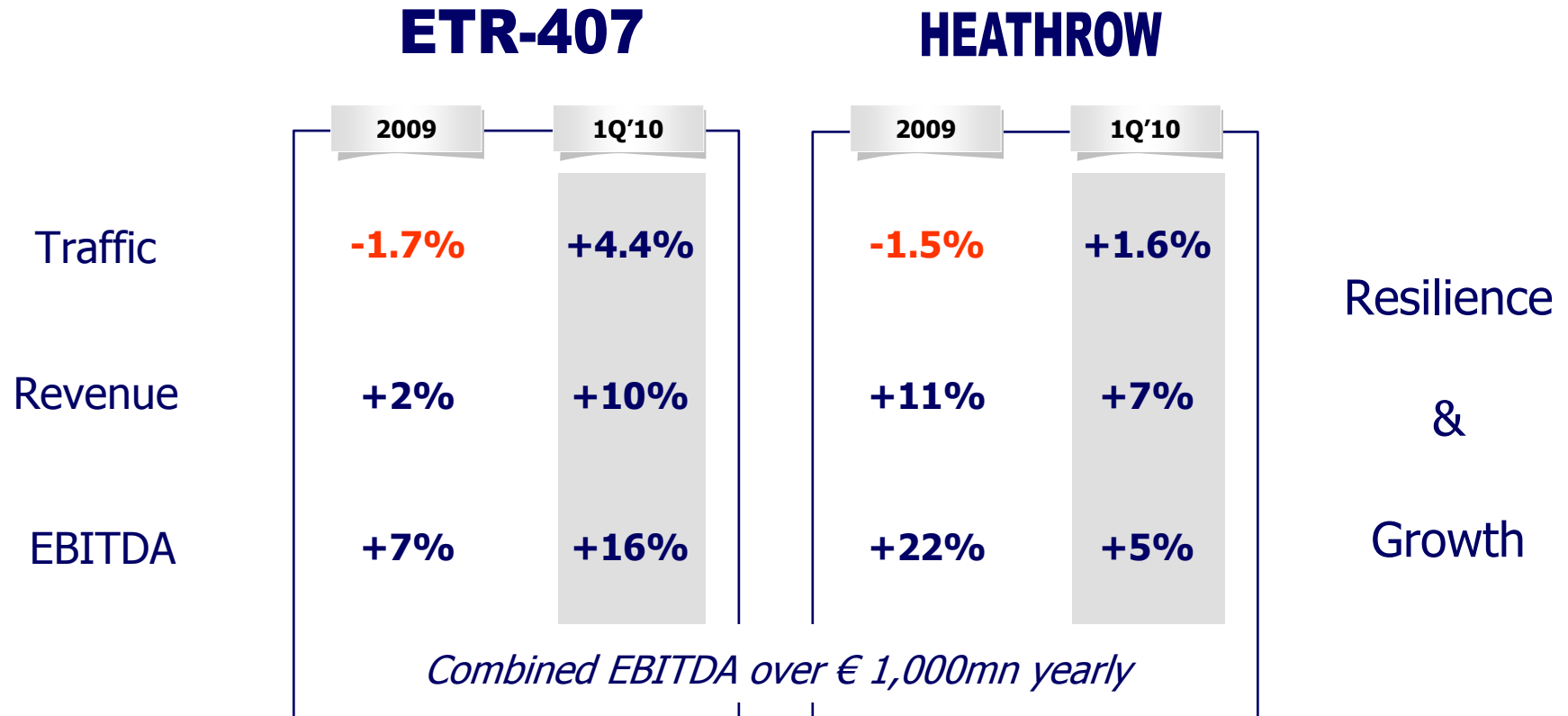


***Highest ever backlog: €11.0bn***

(\*) including LBJ €1.3bn

## World class assets

*Performance during "economic weakness"*

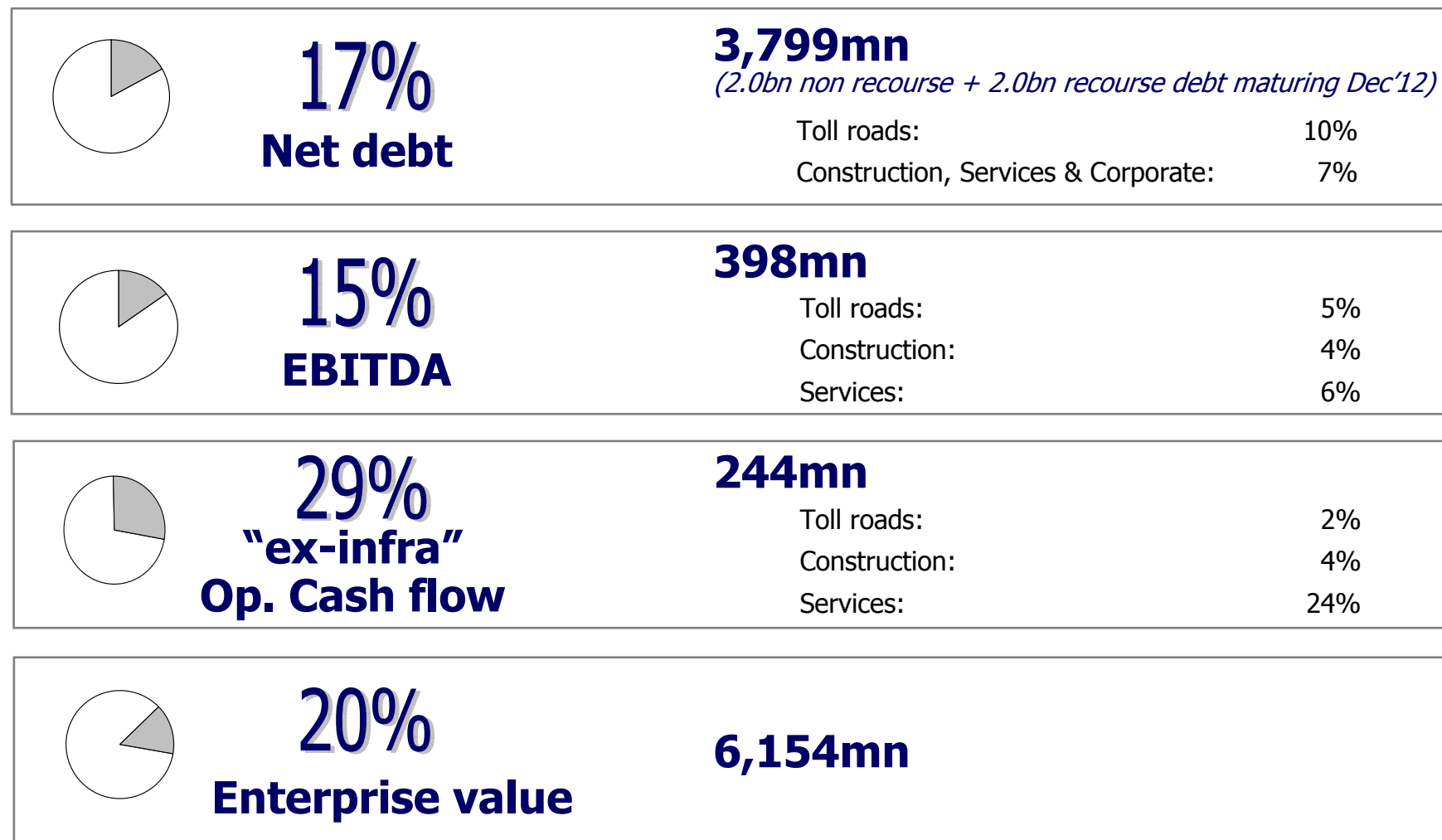


**"Probably the best two infrastructure assets in the world"**

*(\*) Figures in local currency*



## Spanish exposure – Non critical



• Group operations

• **Current market scenario**

## **Current market scenario**

---

**Sovereign risk**

**Liquidity constraint**

**Cost & access to financing**



## Ferrovial's strategy

---

- 1 *Mature asset rotation*
- 2 *Debt optimization*
- 3 *Focus on greenfields*

1

Mature assets rotation: €3bn (2009-2010)

Gatwick	€1,657mn
Car parks	€400mn
BAA's real estate	€280mn
Chilean toll roads	€209mn
Tube Lines	€238mn
Others ( <i>Building, Polish RE,...</i> )	€150mn



**To de-leverage  
& finance  
Future growth**

---

407-ETR ( <i>10% stake</i> )	In process
------------------------------	------------

2

## Debt structure and strategy

Dec '09

PARENT



### Debt reduction by:

- Asset rotation
- Operating Cash flow

PROJECTS



TOLL ROADS

Debt €7,104

- **Self-financing**
- Strong dividends

AIRPORTS

Debt €13,853

- **Self-financing**
- Cancel bank facilities
- Long dated Bonds

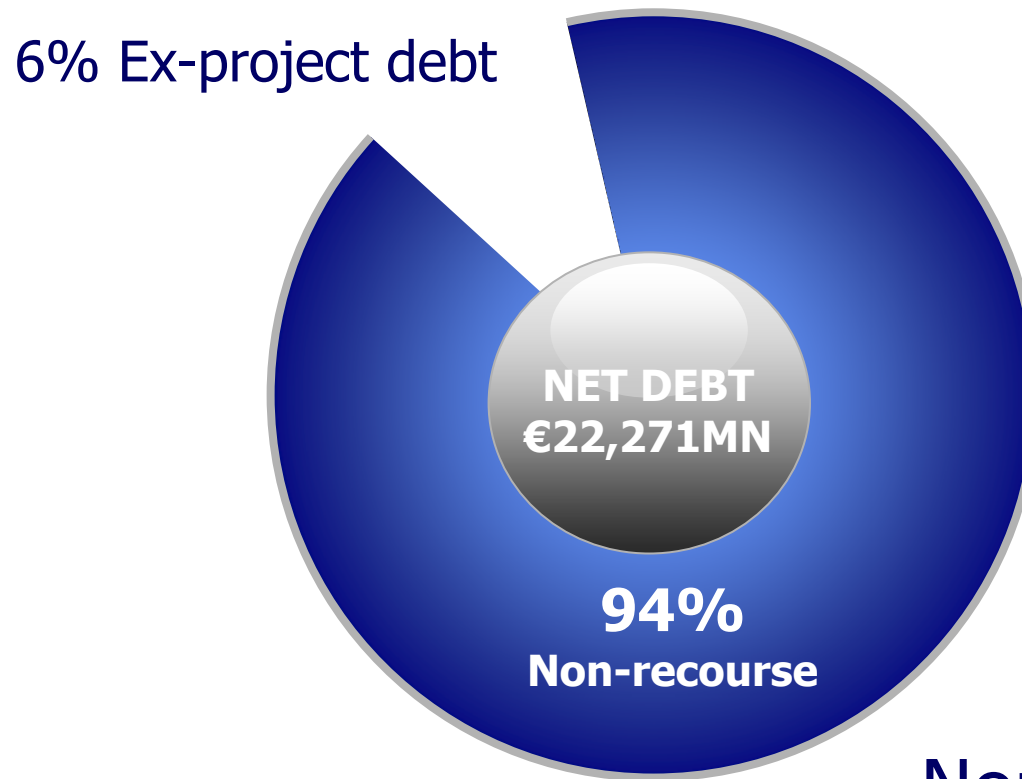
## Debt profile

---

- **94%** of total debt is **non-recourse**
- **65%** of debt is **investment grade**
- **Long dated** profile
- Toll roads **dividends** equivalent to **future equity investments**
- **Self-financing** BAA ring fence

## 94% of total debt is non-recourse

Dec '09



### Non-recourse debt:

32%	Toll roads
62%	Airports



## 65% of debt is a solid investment grade

Dec '09

Business unit/ Project	Debt	Rating range
<b>ETR 407</b>	<b>3.274</b>	<b>BBB</b>
Senior	2.646	<b>A</b>
Junior	518	<b>BBB</b>
Subordinated	110	<b>A</b>
<b>Portugal</b>	<b>545</b>	
Euroscut Algarve	240	<b>BBB</b>
Euroscut Norte	305	<b>BBB</b>
<b>USA</b>	<b>1.332</b>	
Chicago skyway	1.084	<b>BBB</b>
SH1340	248	<b>BBB</b>
<b>Spain</b>	<b>1.195</b>	
Ausol	556	<b>BBB</b>
Autema	639	<b>BBB</b>
<b>Total Toll roads</b>	<b>6.346</b>	
Bonds	6.100	<b>A -</b>
Class A	2.243	<b>A -</b>
Class B	740	<b>BBB</b>
<b>Total BAA</b>	<b>9.083</b>	
Tube Lines	1.010	<b>AA / BBB-</b>
<b>Total Services</b>	<b>1.010</b>	
<b>Investment grade debt</b>	<b>16.439</b>	<b>65%</b>

Chilean toll roads associated debt (€1,541mn) is rated BBB, but it's not included in Ferrovial debt position, because considered as Asset held for sale

## Long dated profile

Dec '09

**74%** Fixed or hedged

**5.1%** Average cost

- ✓ BAA bond issuance
- ✓ Subordinated debt

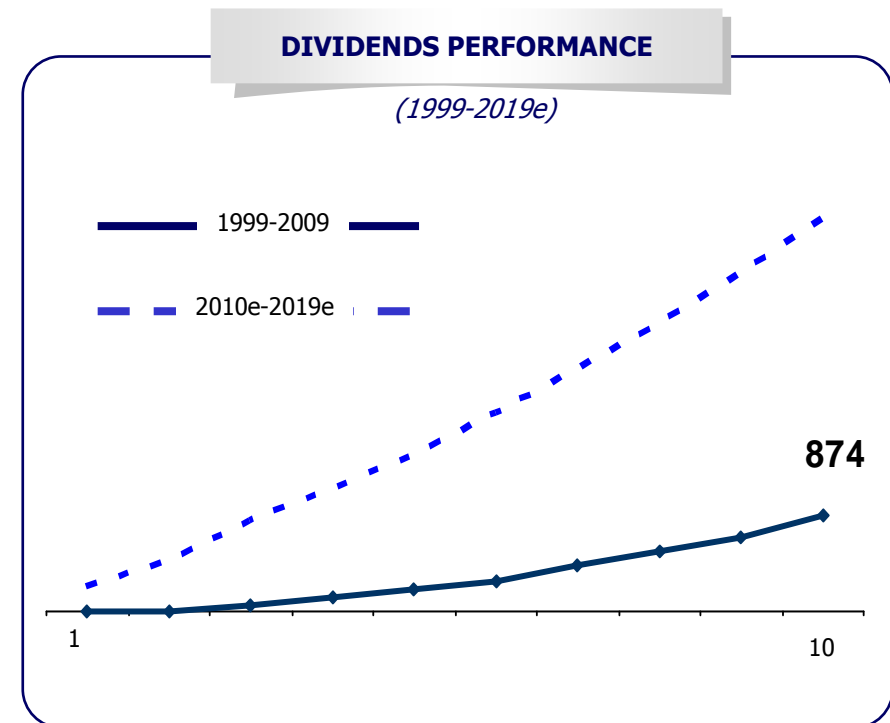
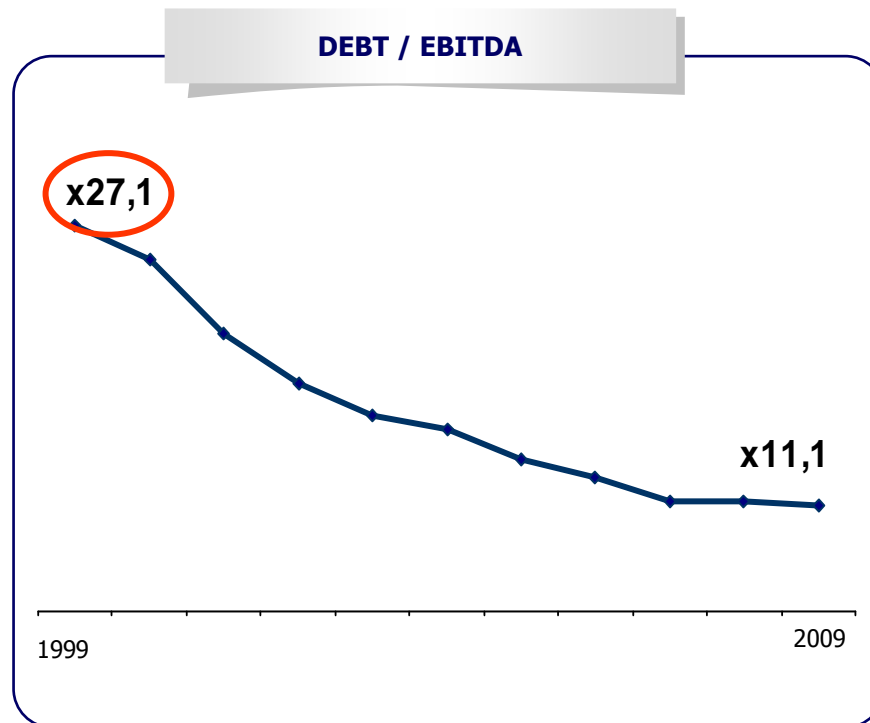
**On track**

## Maturity calendar



# Toll roads dividends equivalent to future equity investment

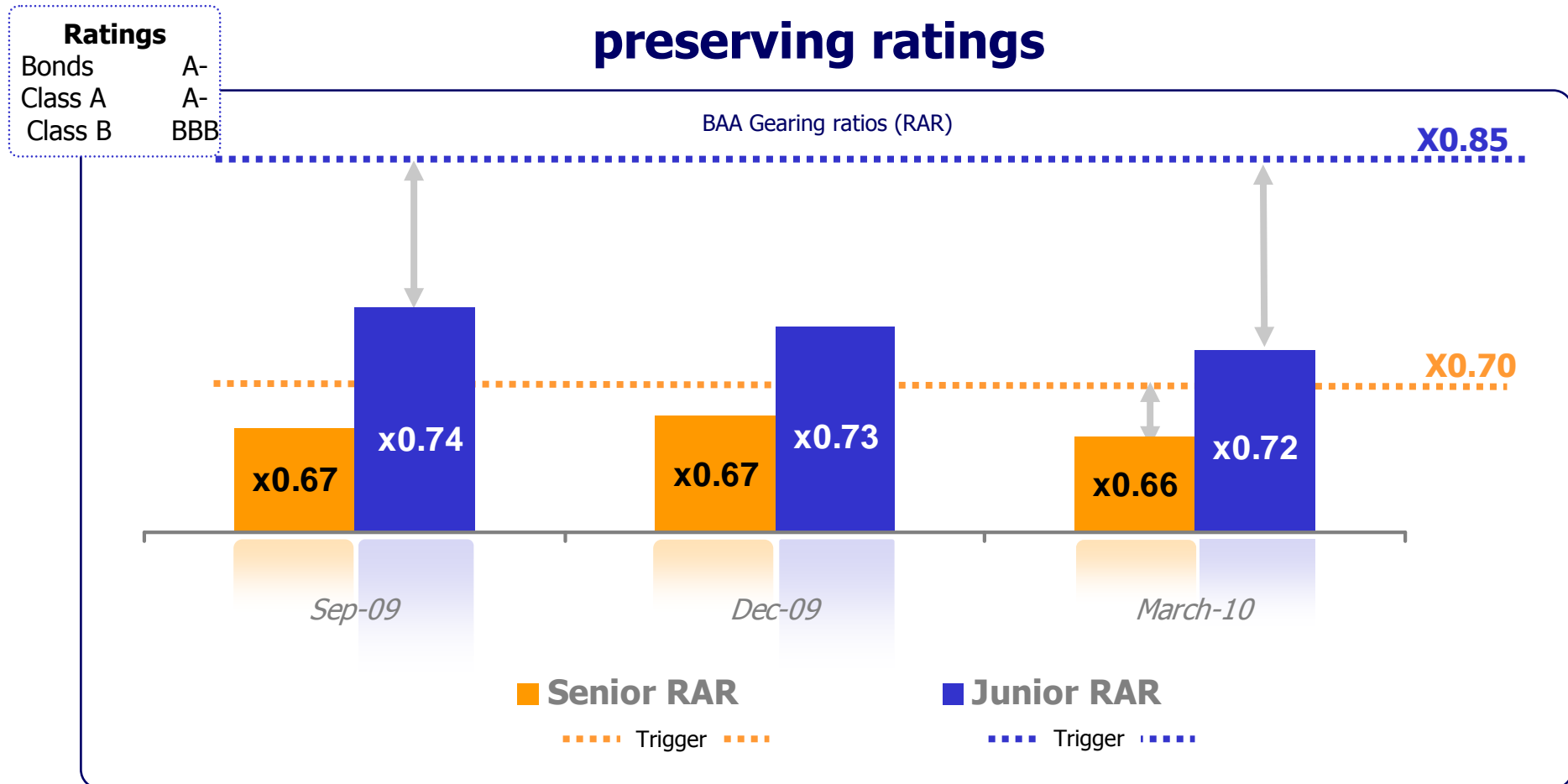
## Natural de-leverage (ETR-407)



Static Debt/EBITDA  
does not reflect growth profile

# BAA ring fence self-financeable

## GBP 1,600m headroom (junior debt) preserving ratings



- Gearing ratio is the ratio of nominal net debt (including index-linked derivative accretion) to RAB. Net debt at 31 December 2009 and 31 March 2010 excludes £143.0 million in restricted cash from the Gatwick disposal held in escrow to meet potential pension commutation payments.
- RAB figure at 31 March 2010 is provisional with final figures to be published in the regulatory accounts for the year ended 31 March 2010.
- Senior gearing ratio could be reduced by utilising the currently undrawn junior tranche of capital expenditure facility.

## Debt main issues

---

### BAA's Sub debt

- **On track**
- Ring - fence head room
- Appetite for Bonds and Sub debt facilities

### "Radials"

(Spain)

- **Only radials** with **non recourse** to shareholders
- Working towards a sector solution

### LBJ

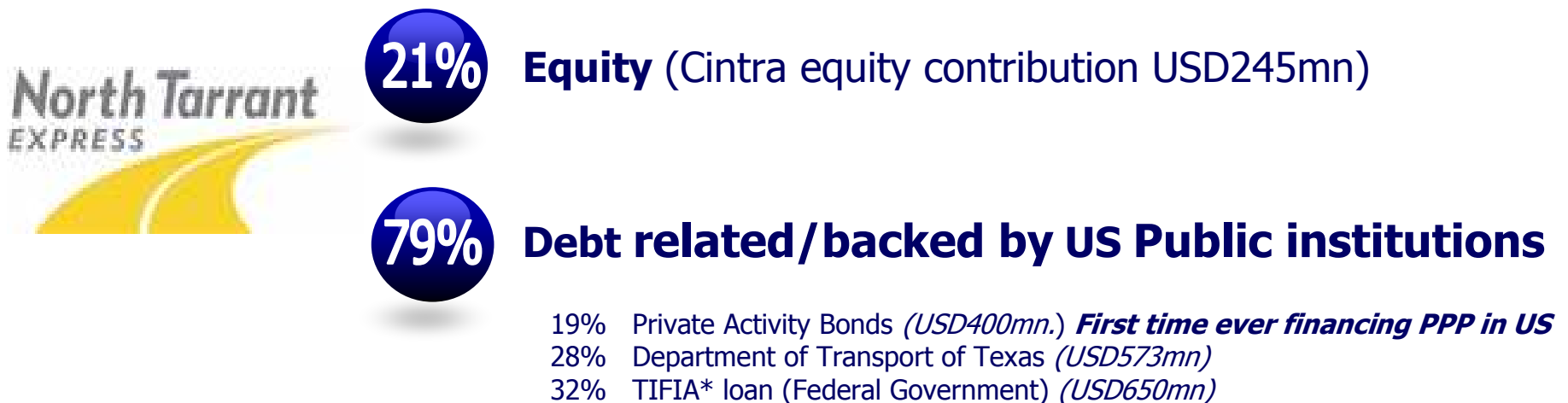
(USA)

- **To replicate NTE** structure
- NTE bonds trading at tighter spreads

## LBJ – To replicate NTE financial structure

---

Bringing capital markets to infra projects



**Limited equity commitment & backlog growth**  
 (€ 0.2mn) (€ 1.3bn)

Location: Dallas (Texas) / Investment: USD 2,050mn / Concession period: 52 years / Cintra stake: 57%

\* Transportation Infrastructure Finance and Innovation Act

## Day to day management

---

- Refinancing ahead of calendar
- Working capital focus
- Bringing in financial partners
  - Limited equity contribution to new projects
- Opex under close scrutiny
- Overheads reduction
- Preserving margins
- Safety

# It's all about Cash, not Volume

---

## Conclusion

---

### Good assets, good business, good backlog

**Disposals:**  
(€3,000mn)

**Refinancing:**  
(€15,000mn)

**Backlog**

**Traffic**

**Tariff**