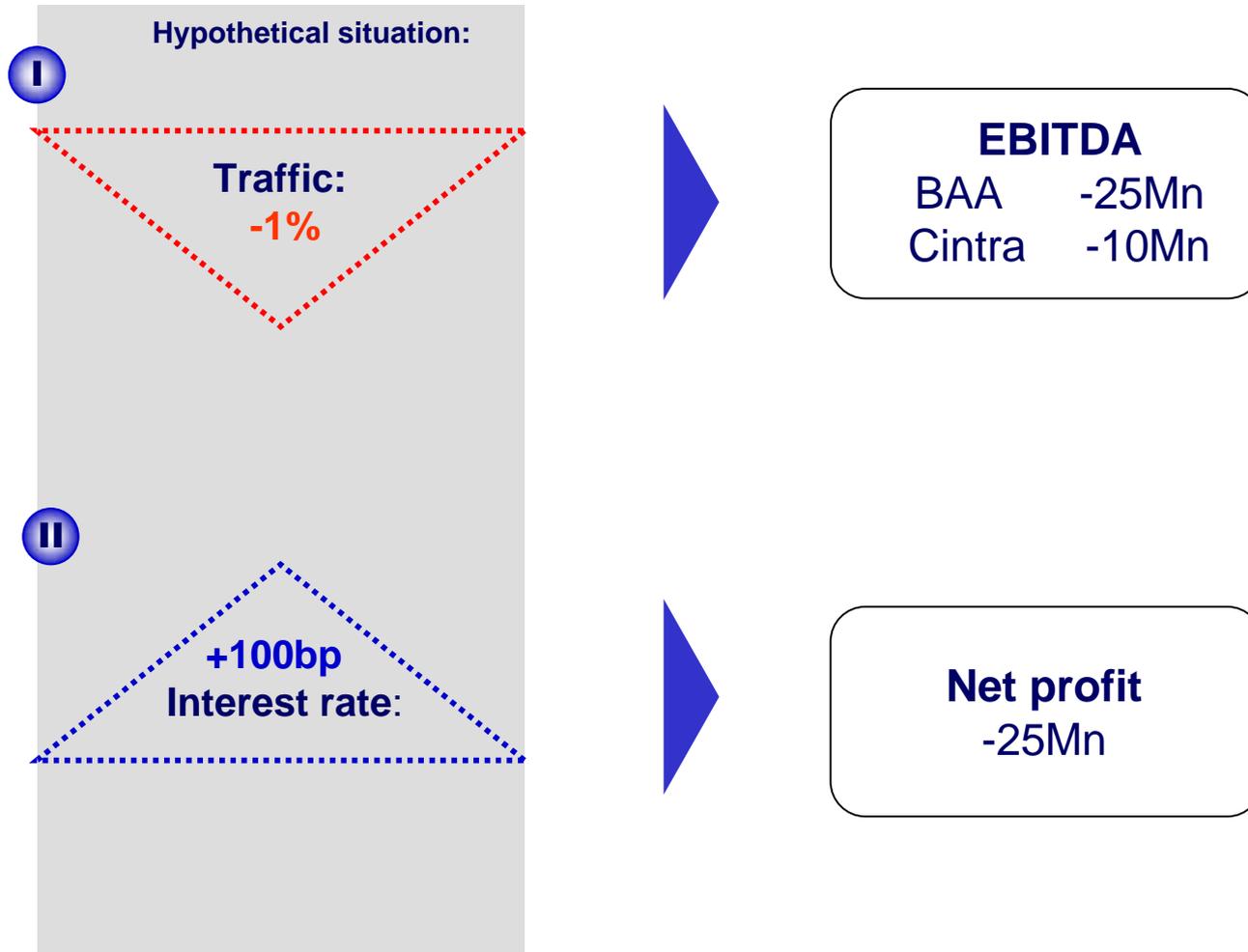


Economic Growth Uncertainty

Energy Costs

Financial Market Crunch

Sensitivity analysis



Current concerns:

- Oil price impact in Traffic and GDP
- Interest rate impact in debt and financing



What might happen in a economic recession?

What might happen in a economic recession?

Traffic impact:

Is weak traffic a long term trend?

Lower traffic means lower Ebitda?

Toll roads: **weak GDP** growth - Spain

Europistas – A8

AUTEMA

Weak GDP growth periods

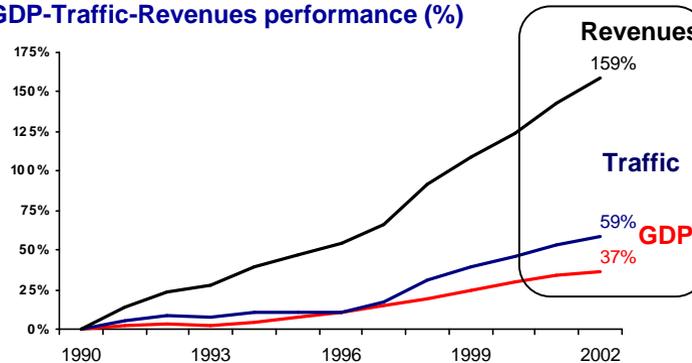
CAGR	<u>1980-84</u>	<u>1990-94</u>
GDP	1.2%	1.2%
Traffic	3.8%	2.6%
Revenues	17.2%	9.2%

Weak GDP growth periods

CAGR	<u>1990-94</u>
GDP	1.2%
Traffic	3.0%
Revenues	20.1%

Revenues went up even in weak GDP growth periods

A8: GDP-Traffic-Revenues performance (%)



Toll roads: **weak Traffic** growth - Spain

Europistas – A8

3 years of negative growth in last 25 years

Revenues always up

Years of **negative traffic** growth (3)

	<u>1983</u>	<u>1993</u>	<u>1995</u>
Traffic	-1.3%	-0.7%	-0.5%
Revenues	+16.8%	+3.4%	+5.2%

AUTEMA

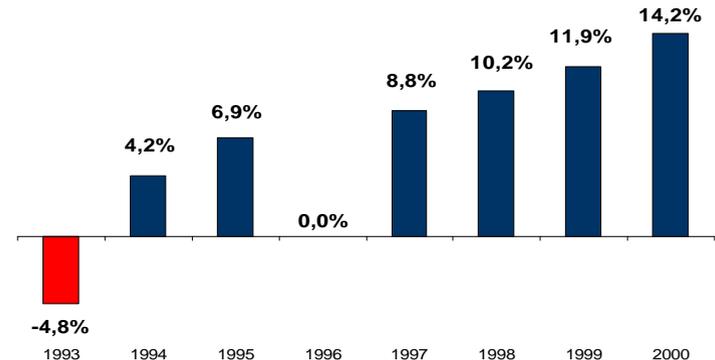
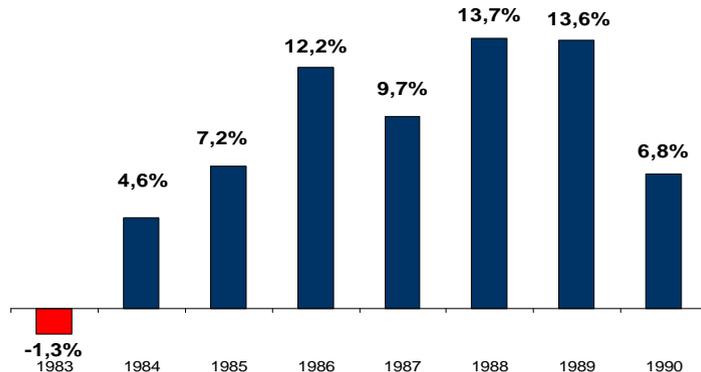
1 year of negative growth in last 22 years

Revenues marginally down (-1.5%)

Years of **negative traffic** growth (1)

	<u>1993</u>
Traffic	-4.8%
Revenues	-1.5%

Traffic quick return to or above historic levels

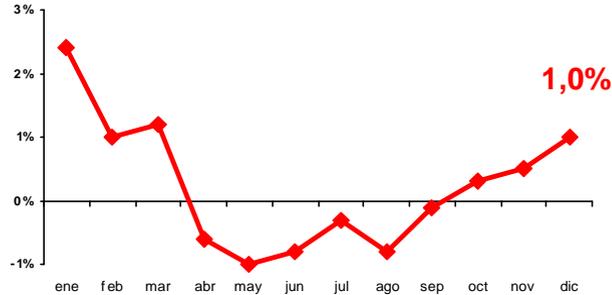


Toll roads: Traffic evolution in **weak GDP** growth periods -Canada

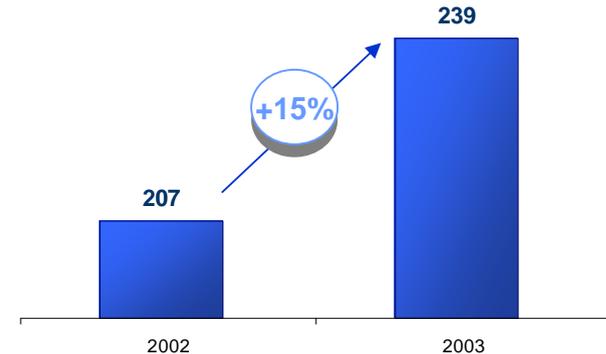
2003 - External events: Iraq war, SARS epidemic, higher oil prices, US GDP slowdown ,Tariff +12%:

Traffic resilience to fall and double digit Ebitda growth ...

ETR 407: 2003 traffic evolution



EBITDA



... followed by significant growth in following years

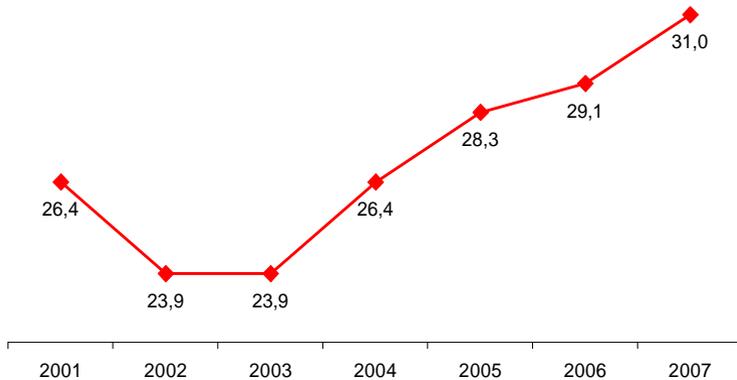
	Traffic	EBITDA
2003	+1%	+15%
2004	+8%	+16%
2005	+5%	+14%
2006	+3%	+11%
2007	+6%	+16%

Traffic - Airports: Sydney airport performance 2002-2007

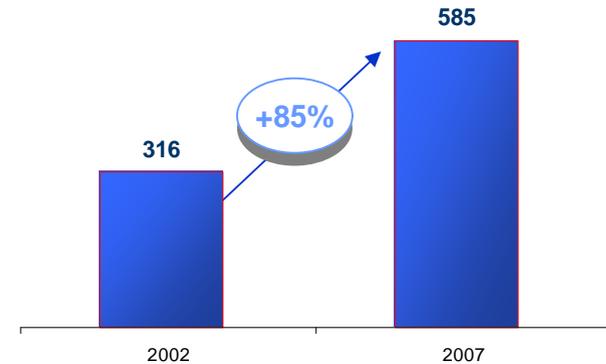
External events: 2001 -9/11 terrorist attack, 2002 -Bali terrorist attack, 2003 -SARS disease -IRAK war

Traffic quick return to or above historic levels and Double digit Ebitda growth...

SYDNEY airport: Traffic evolution



EBITDA



...Sydney has paid dividends any single year since acquisition

Traffic EBITDA

2002	-10%	+40%
2003	0%	+19%
2004	+10%	+13%
2005	+7%	+17%
2006	+3%	+6%
2007	+6%	+12%

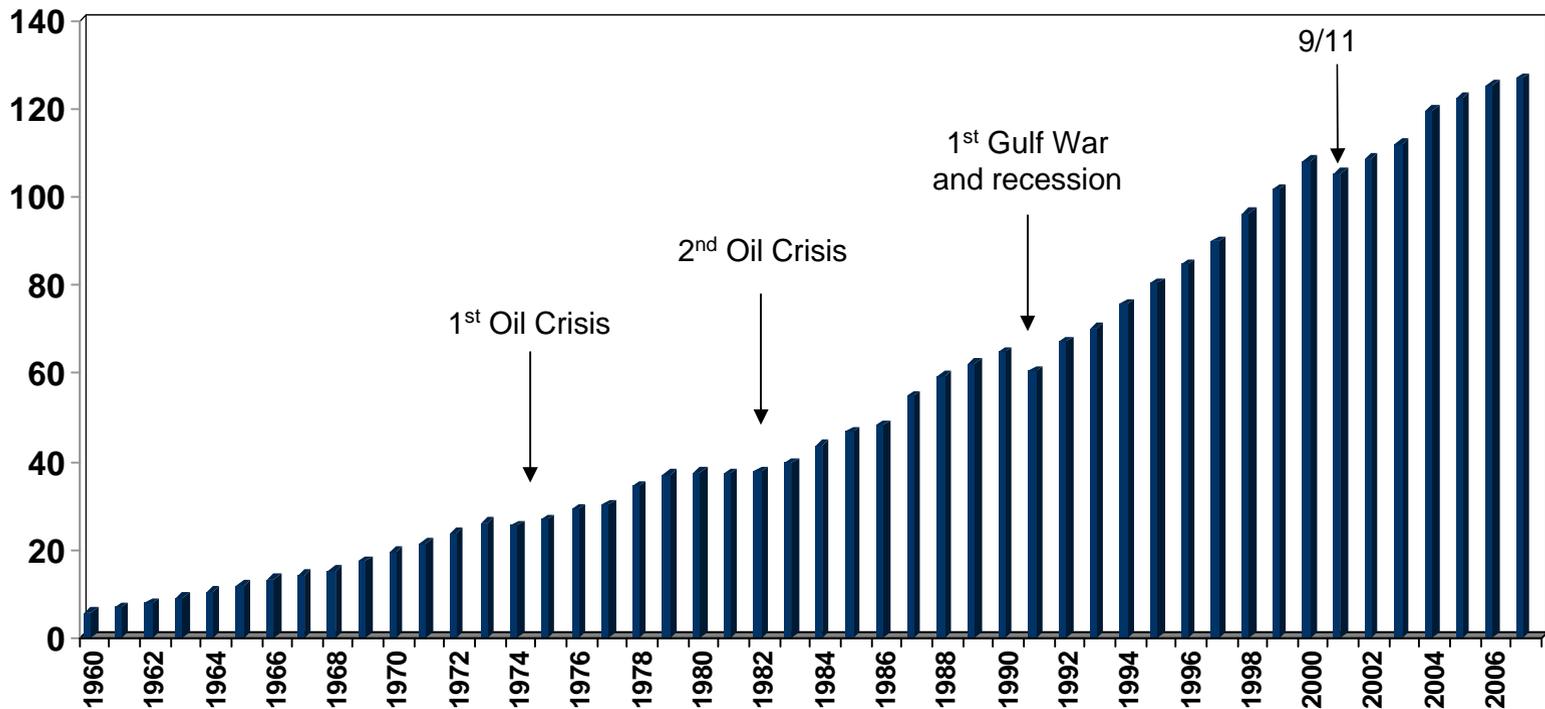
2002-2007

Fer equity	-233	
Dividends	145	
Pay back	62%	& 96 years to maturity
Disposal	546	
Cash return	3x	

Traffic - Airports: BAA

Only 4 of last 47 years with negative growth

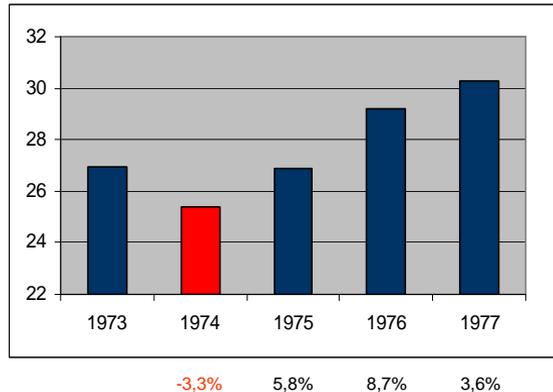
Historic passenger levels at Heathrow, Gatwick and Stansted



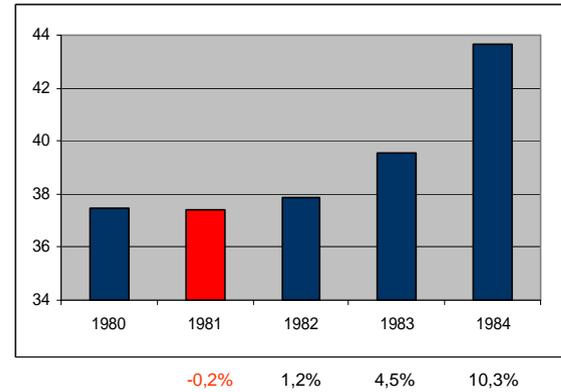
Resilience to shocks and economic downturns

BAA - Traffic evolution after economic/political crisis

1973 - First oil Crisis

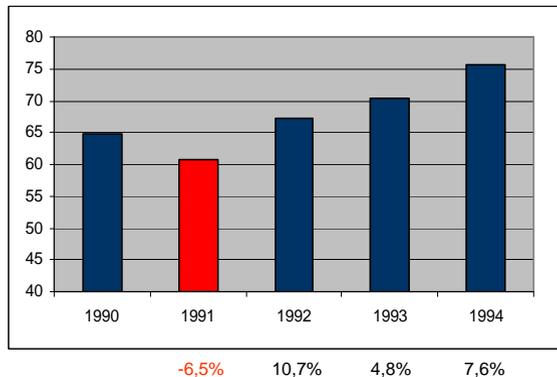


1982 - Second oil Crisis

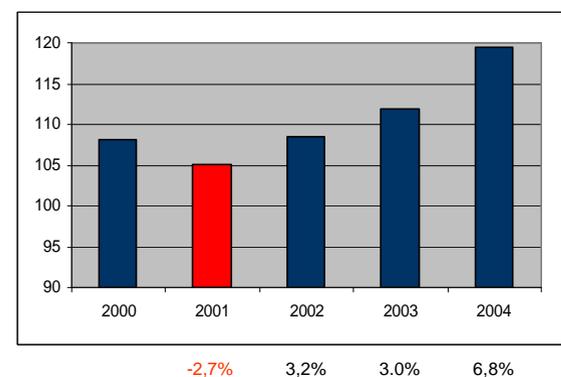


Demand shocks have been always followed by periods of renewed growth

1991 – First Gulf War

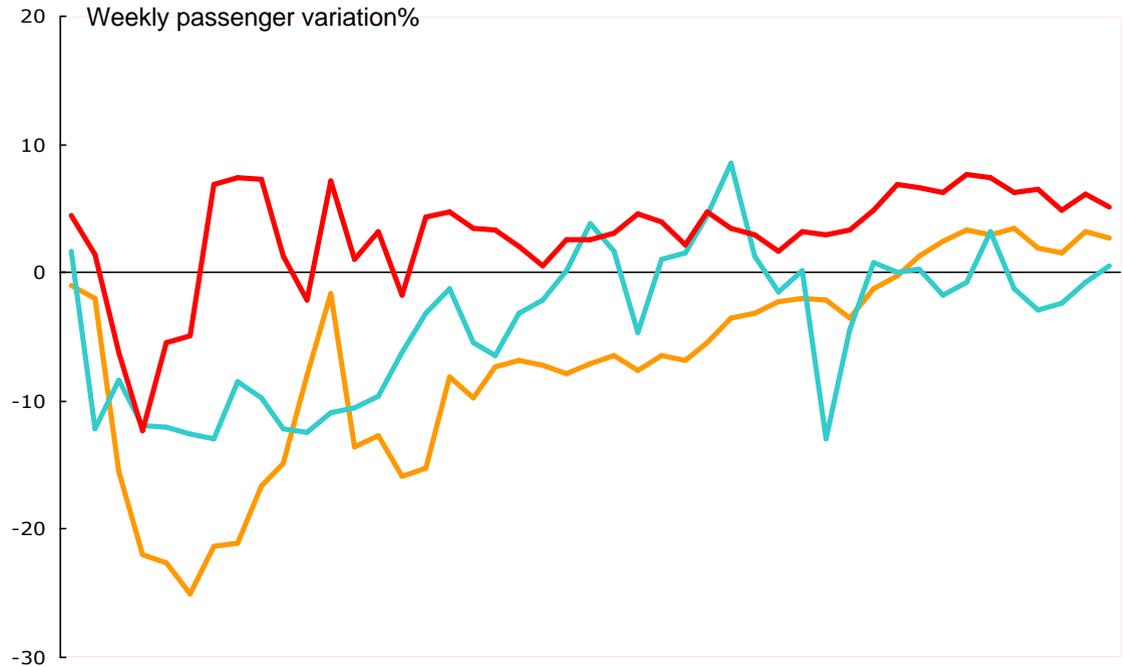


2001 - 11-S Terrorist attacks



BAA - Recovery from External Shocks - Weekly trend

Recent shocks
have had diminished impact and traffic has reverted to trend more quickly



	<i>Gulf War 1991</i>	<i>September 11th</i>	<i>Gulf War 2003</i>
Weeks to recovery	36	21	11
Short term fall off in traffic	-25%	-13%	-12%

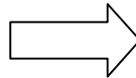
2008 – Toll roads: Short term trend

2008 External events: Credit crunch, rising oil prices, weaker traffic

2008-YTD

ETR-407

Traffic YTD **+4%**
 Revenues **+11%**
 Ebitda **+13%**

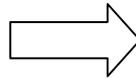


Tariff increases in 2008

+9.4% Regular zone

CHICAGO

Traffic YTD **-11%**
 Revenues **+14%**
 Ebitda **+21%**



+27.2% average increase

INDIANA

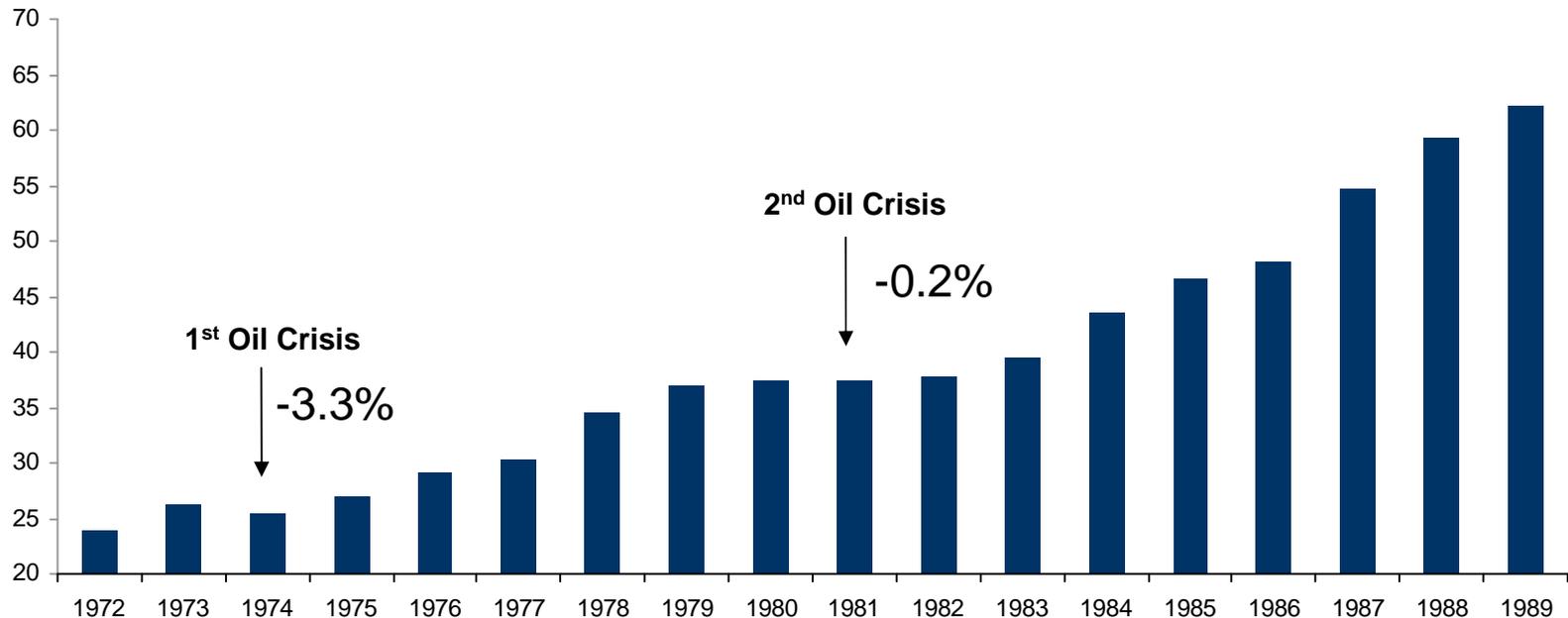
Traffic YTD **-8%**
 Revenues **+1%**
 Ebitda **+0.1%**



+24.7% average increase

Oil crisis implies a long term traffic downturn?

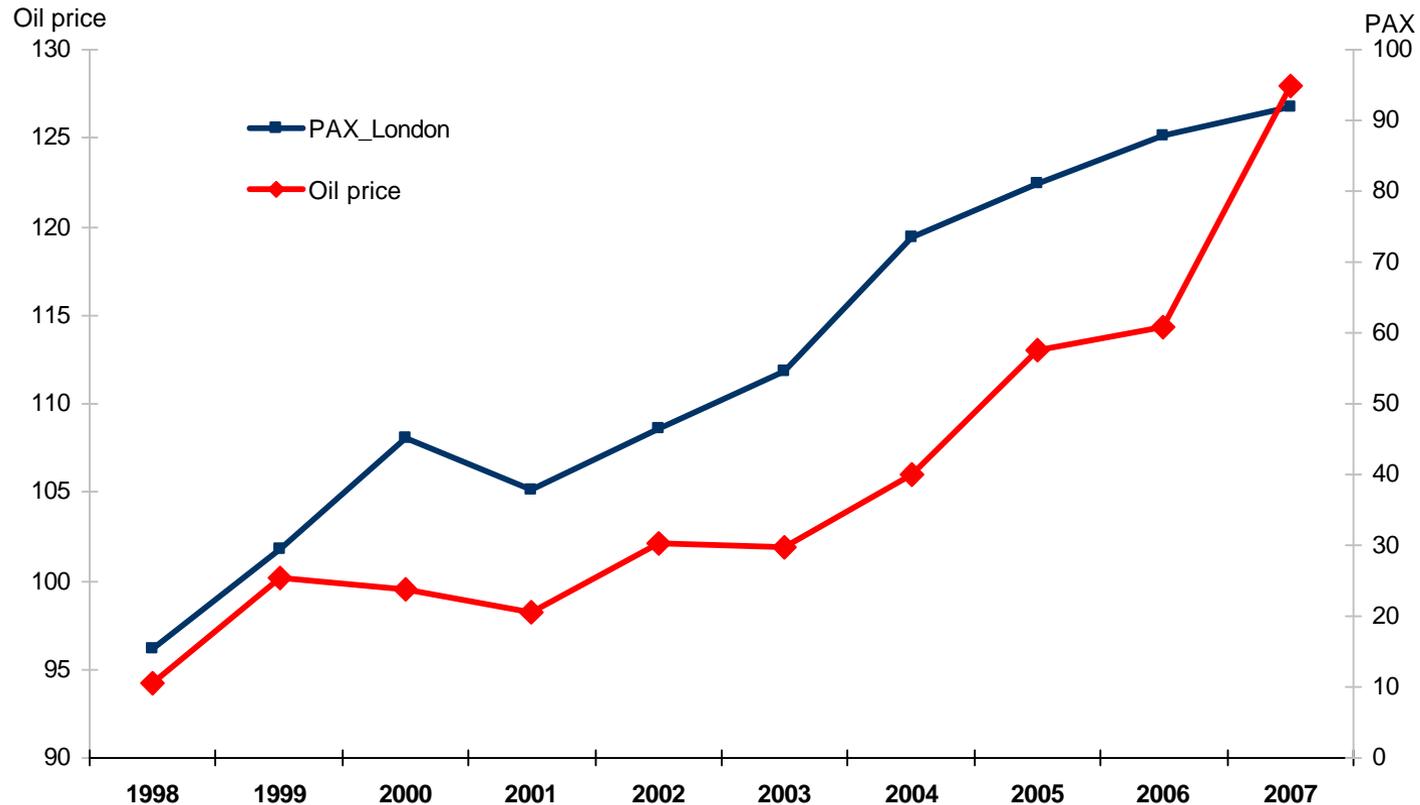
Historic passenger levels at Heathrow, Gatwick and Stansted



Historically, oil crisis didn't impact long term traffic

Oil crisis implies a cyclical downturn?

Oil price evolution vs. Passenger (LHR, LGW, STN) evolution



Steady traffic growth although oil prices multiple by 10 in last 10 years

What might happen in a economic recession?

Is weak traffic a long term trend? NO

Prompt recovery from falls associated with substantial growth
Lesser impact from falls in the last years followed by quicker recovery

Lower traffic means lower Ebitda? NO

ETR, Autema, Europistas or Sydney they have shown higher Ebitda growth even with negative traffic

What might happen in a economic recession?

Rising interest rate impact

Is the infrastructure business model still valid?



Has the equity /debt ratio increase?

Is financing still available for infrastructure projects?

Is higher inflation a risk?

Interest rate: Financial availability

Since the credit crunch Ferrovial closed financing for a total of €2.2Bn ...

Existing projects

ETR-407:

(Canada)

Oct '07-Jan '08

CAD 1,175Mn

Rating A-BBB (S&P)

Coupon: 4.5%-5.0%

Maturity: 2010-2011

AUTEMA:

(Spain)

Jun '08

EUR 616Mn

Spread: 140-160bps

Maturity: 2035

New projects

IONIAN ROADS:

(Greece)

Feb '08

EUR 401Mn

Syndication

x1.64 oversubscribed

SH-130:

(USA)

Mar '08

USD 686Mn

Cost: Libor + 130-170 bps

USD 476Mn

Cost: 4.46%

Maturity: 2038-2043

... and also got credit facilities amounting to €14.9Bn

Bids

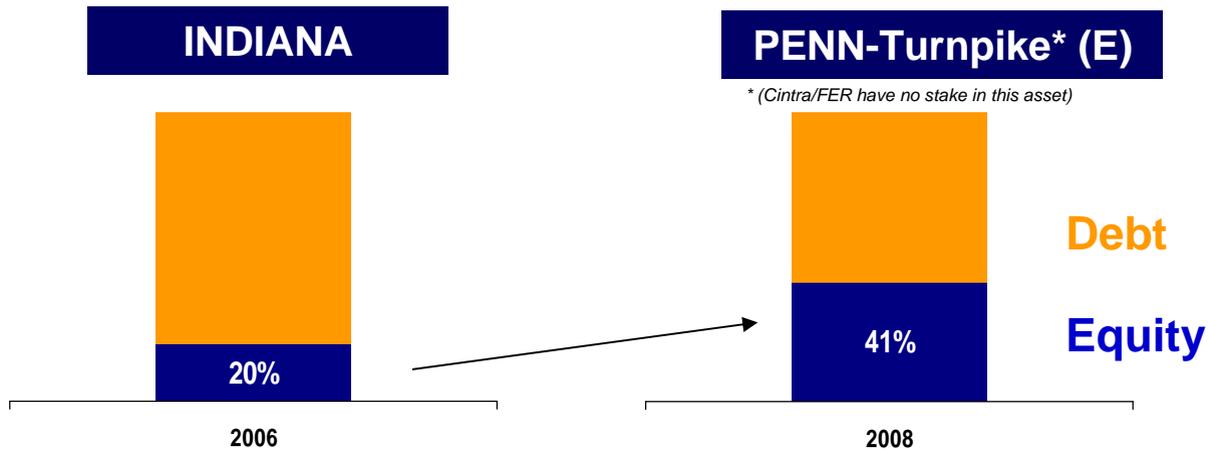
Pennsylvania turn pike (USA): Funds raised to deal with a offer of USD 8.1Bn

BAA

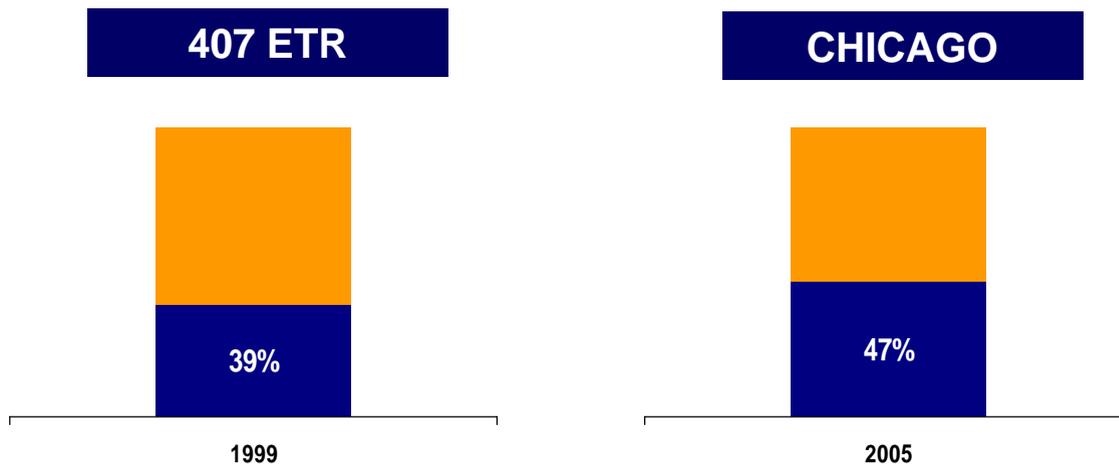
Backstop facility: GBP 7.7Bn (June '08) provided by 9 banks

Has the equity /debt ratio increase?

YES, the equity component has gone up (i.e.: Pennsylvania Turnpike)



..but within historical levels



Is higher inflation a risk?

Annual tariff revision is always related to inflation or above

Airports tariff

Heathrow:	7.5% + Inflation	(2008: +23.5%)
Gatwick:	2.0% + Inflation	(2008: +21.0%)

Toll roads tariff

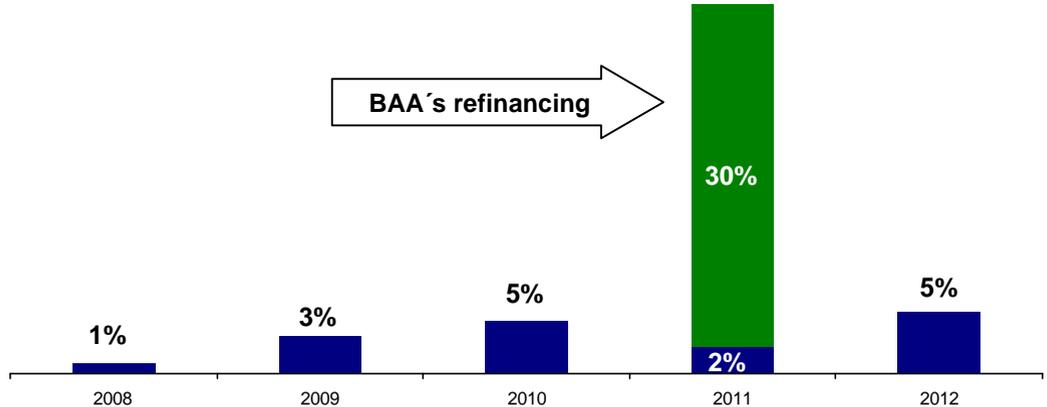
Canada:	Toll freedom (CAGR 2003-2008: 9.0%)	(2008: +9.4%)
US:	Nominal per capita GDP growth	(2008: Chicago: +27%, Indiana +25%)
Chile:	Inflation + safety premium	
Europe:	Inflation	

Renewals calendar & Interest exposure

Debt renewal

No more than 5% of total debt to be renewed any single year (excluding BAA refinancing)

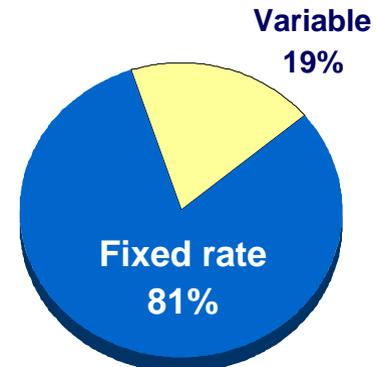
Total debt: €29.2Bn
(March '08)



Interest exposure

€25mn impact in net profit if interest rate increase by 100bp

Total debt	€29.2bn
Variable	€5.5bn
Interest rate ↑	+ 100bp
Financial charges	+ €5m
Net Profit	- €25m



“A long term business”

Current concerns vs. Resilient growth

Traffic

- ✓ Very resilient traffic and quick recovery to growth trend
- ✓ Revenues growth always above traffic and GDP growth

Debt

- ✓ Open access to liquidity for long term quality assets
- ✓ Renewals accomplished in 2008. Only 3% in 2009

Interest Rates

- ✓ Limited impact in P&L of rising interest rates
 - ✓ Nearly 80% hedge to fix rate
-

Conclusions

Is weak traffic a long term trend? NO

Demand shocks have been always followed by periods of renewed growth
Recent shocks have had diminished impact and traffic has reverted to trend more quickly

Lower traffic means lower Ebitda? NO

ETR, Autema or Sydney they have shown Ebitda growth even with negative traffic

Has the equity /debt ratio increase? YES

The equity component has gone up but within historical levels

Is financing still available for infrastructure projects? YES

Since the credit crunch Ferrovial closed financing for a total of €2.2Bn and also got credit facilities amounting to €14.9Bn



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THANK YOU

INVESTOR RELATIONS DEPARTMENT

C/ Príncipe de Vergara, 135

28002 MADRID (Spain)

Tlf: +34 91 586 27 30

Fax: +34 91 586 28 69

e-mail: ir@ferrovial.es

website: www.ferrovial.com