

9M12 results

31/10/2012

Abertis' recurrent net profit up 6% to €536Mn in the first nine months of 2012

The Group focuses its strategy on internationalisation, debt reduction and strengthening its dividend policy

Revenues: €2,992Mn (+1%).

Recurrent EBITDA: €1,958Mn (+3%).

Recurrent total net profit: €536Mn (+6%).

Total net profit: €1,003Mn (+69%)

Net debt: €12,512Mn (-10%).

- **abertis'** Board of Directors has approved payment of an interim dividend against 2012 earnings of €0.33€ per share, which will be settled on 8 November 2012, and is 10% higher than the interim dividend paid in the previous year (15% higher if the scrip issue is also taken into account).
 - The percentage of revenue and EBITDA generated outside Spain continues to increase, and now exceeds 50%, despite the Group's results in the period not yet reflecting the impact of the integration of OHL's toll road concessions in Brazil.
 - The Group continues to reduce its debt, which stood at €12,512Mn, down 10% from year-end 2011.
 - The decrease in traffic on toll roads in France (-2.7%) and Spain (-10%) was partially offset by the strong performance of toll roads in the Americas (+5%) and the results of the efficiency plan.
 - 9M12 results include the capital gains from the sales of Eutelsat and Brisa. The Group's total net profit for the period amounted to €1,003Mn (+69%). Stripping out extraordinary items, recurrent net profit stood at €536Mn (+6%).
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Barcelona, 31 October 2012.- abertis ended the first nine months of 2012 with improvements in all of its main financials. Particularly noteworthy are the growth in revenues (+1%), recurrent EBITDA (+3%) and recurrent net profit (+6%) during a period in which traffic in France and Spain once again declined.

The Group's results in the period do not yet reflect the impact of the integration of OHL's toll road concessions in Brazil. In the first half of 2012, these assets generated revenues of €560Mn, up 23% year-on-year.

9M12 consolidated results included the capital gains from the sale of Eutelsat via the placement of a 16% stake through accelerated bookbuilding among qualified investors in January, and the agreement struck with China Investment Corporation (CIC) in June regarding the sale of an additional 7%. They also included the capital gains from the sale last August of the stake in Brisa, and the provision for several cost items arising from adapting the company's structures to domestic demand.

The capital gains from the Eutelsat and Brisa sales boosted the Group's total net profit in the period to €1,003Mn (+69%). Stripping out these extraordinary contributions, recurrent net profit stood at €536Mn (+6%).

The President of **abertis**, Salvador Alemany, said: "**abertis'** Board has approved an interim dividend of €0.33€ per share that represents another milestone in the Group's shareholders remuneration policy, which stands out for its robustness and stability. The continuation of our dividend policy – based on distributing an increasing dividend in two payments and a scrip issue – is one of the cornerstones of the company and a sign of its strength in what are very challenging economic times".

Meanwhile, **abertis'** Chief Executive Officer, Francisco Reynés, said: "the results presented today emphasised how the company's on-going international expansion and the stepping-up of our operational and cost efficiency plan have helped to offset the impact of the decline in traffic on Spanish toll roads". In this regard, Francisco Reynés added: "we have noted the decline in traffic is levelling off after the summer, although we forecast a decrease of around 10% in Spain this year, which means that traffic has fallen by approximately 30% in cumulative terms since the onset of the crisis".

abertis' Chief Financial Officer and Director of Corporate Development, José Aljaro, commented: "**abertis** is implementing a dynamic asset management strategy that enables it to grow and improve its leverage ratios. The long-term debt market has recognised the impact of the company's management drive, as evidenced by our successful placement in October of a €750Mn seven-year bond issue at a very competitive interest rate of 4.75%".

Income statement

abertis reported revenues in the first nine months of €2,992Mn, up 1% year-on-year, with the percentage of revenues generated outside Spain – mainly in France, Chile and the UK – representing 53% of revenue.

The toll roads business generated 80% of total revenue, while 13% came from the telecommunications business and 7% from the airports business. Operating expenses rose 2% to €1,092Mn due to the non-recurring expenses associated with streamlining the company's structures to domestic demand.

EBITDA totalled €1,900Mn (+0.3%), 50% of which was generated outside Spain. Stripping out the effect of the non-recurring expenses, recurrent EBITDA advanced

by 3% to €1,958Mn.

Debt structure

abertis' net debt fell by €1,370Mn in the first nine months of 2012 to €12,512Mn, down 10% from year-end 2011. Of this, 56% is secured by the company's own projects (i.e. without recourse). 91% of the debt is long-term, with 85% at fixed rates. The average cost of debt is 4.68%, with an average maturity of six years.

During October and in keeping with its active balance sheet management strategy, **abertis** completed a €750Mn bond issue aimed at qualified investors with an annual coupon of 4.75% and maturing in October 2019. This bond issue extends the company's debt maturity profile and keeps financing costs competitive.

Investments

abertis' investments in the first nine months of 2012 amounted to €314Mn, of which €256Mn corresponded to growth and €58Mn was to operational capex. The main expansion projects in the period were the completion of the AP-7 toll road (€61Mn) and the addition of a third lane on the AP-6 (€17Mn) in Spain, expenditure associated with the *paquet vert* toll road project in France (€41Mn) and the acquisition of 750 mobile telephone towers from Telefónica (€68Mn).

Business performance in the first nine months of 2012

abertis' toll road business generated revenue of €2,371Mn (80%) and EBITDA of €1,669Mn (88%). Traffic figures for **abertis'** toll road network in the first nine months show average daily traffic (ADT) of 22,068 vehicles (-4.6%). The period saw a negative traffic performance in France (-2.7%) and Spain (-10%) and a positive performance on toll roads in Chile, Argentina and Puerto Rico (+4.8%).

The telecommunications business generated revenues of €370Mn (-3%) and EBITDA of €170Mn. Revenues at the telecommunications business were affected by a year-on-year decline in non-recurring revenues from the rollout of DTT and the smaller contribution from Hispasat.

Revenues in the airports division totalled €246Mn, up 2% year-on-year, while EBITDA was €76Mn. Key indicators for the airports business improved thanks to a slight increase in passenger numbers to 18 million (+1%).

Interim dividend

The Board of Directors of **abertis** agreed yesterday to pay a gross interim dividend of €0.33 per share against 2012 earnings for all shares in circulation with dividend rights, including those from the latest bonus share issue.

The maximum total of the interim dividend stands at €268.8 million, up 10% year-on-year, and 15% higher taking into account the scrip issue of 1 new share for 20 existing shares.

Payment of this interim dividend, scheduled to take place on 8 November, falls within **abertis'** shareholder remuneration policy which is based on an annual

dividend plus the scrip issue mentioned above.

Appendix 1

Income statement and balance sheet

Results January-September 2012			€Mn
	Sept. 2012	Sept. 2011	%
Total revenues	2,992	2,964	1%
Operating costs	-1,092	-1,070	2%
Ebitda	1,900	1,894	0%
Recurrent Ebitda	1,958	1,898	3%
Depreciation	-815		
Operating profit (EBIT)	1,085	1,192	-9%
Financial result	34	-447	
Equity method result	56	96	
Income tax expense	-121	-204	
Non-controlling interests	-50	-62	
Gain on disposal of financial shareholding	0	20	
Net attributable profit parent company	1,003	594	69%
Recurrent net attributable profit parent company	536	508	6%

The accompanying income statement presents at their net value of 0 the revenues and expenses corresponding to construction services and the infrastructure upgrades carried out in the year, which, for the purpose of presentation in **abertis'** consolidated annual accounts are recorded separately, in accordance with IFRIC 12.

Balance Sheet January-September 2012			€Mn
	Sept. 2012	Dec. 2011	
Property, plant and equipment and intangible assets	16,747	17,222	
Financial assets	3,443	4,181	
Current assets	1,025	955	
Liquid assets	1,528	391	
Total assets	22,923	22,749	
Shareholder's equity	4,638	4,416	
Non current financial debt	12,820	13,452	
Non current liabilities	2,926	2,876	
Current financial debt	1,219	820	
Current liabilities	1,320	1,185	
Total equity and liabilities	22,923	22,749	

Appendix 2

Significant events in 9M12

January

- **abertis** completes an accelerated bookbuilding process for the placement of its 16% stake in Eutelsat among qualified investors. This transaction generates proceeds of €981Mn for **abertis**, with consolidated net book gains of €396Mn. The company remains the leading industrial shareholder in Eutelsat with a 15.35% stake.

February

- **abertis** agrees to acquire 13.23% of Hispasat, increasing its holding to 46.6%. The company strikes a deal with Telefónica to buy 13.23% of Hispasat for €124Mn, strengthening its position as the satellite operator's largest shareholder. The agreement is subject to approval by the Spanish cabinet.
- Board of Directors resolutions. The Board of Directors of **abertis** proposes a final dividend of €0.36 per share charged against 2011 earnings to the General Shareholders' Meeting held on 27 March.

March

- **abertis** holds its General Shareholders' Meeting. The Meeting approves the distribution of a gross final dividend of €0.36 per share, and a scrip issue against reserves consisting of one new share for every 20 existing shares, with a nominal value of €3/share and for a total amount of €116.3Mn.
- **abertis** enters the mobile communications infrastructure market with the acquisition of 500 mobile telephone towers from Telefónica. The transaction, which was completed for an initial amount of €45Mn, includes an option to acquire up to 500 more towers before the end of 2012.

April

- **abertis** considers the acquisition of toll road concessions from OHL in Brazil and Chile. **abertis** and OHL have signed a memorandum of understanding whereby **abertis** will acquire OHL's toll road concessions in Brazil and Chile. The deal would make **abertis** the leading player in the global toll road concession sector with over 7,500 kilometres of roads under management.

June

- **abertis** completes the sale of 7% of Eutelsat to China Investment Corporation (CIC). This transaction, completed for a total of €385.2Mn, generates net capital gains of €237Mn for **abertis**, which still controls 8.35% of Eutelsat.

July

- The Spanish National Securities Market Commission (CNMV) approves the listing of **abertis'** new shares. Following its scrip issue, **abertis** has share capital of over €2,444Mn.

August

- The Board of Directors of **abertis** gives the green light for the acquisition of OHL's toll road concessions in Brazil. **abertis** reaches an agreement with Brookfield Infrastructure for the joint acquisition from OHL of the latter's investment in Participes de Brasil, which in turn owns 60% of OHL Brasil.
- **abertis** accepts Tagus Holdings' offer for its entire stake in Brisa. The deal is worth €311Mn to **abertis**.

Significant events subsequent to the close of 9M12

October

- **abertis** completes a €750Mn bond issue for qualified investors. The bond issue extends the company's debt maturity profile and keeps financing costs competitive.
- The European Commission authorises the acquisition of Participes de Brasil by **abertis** and the infrastructure investment fund Brookfield Asset Management. This development brings the deal to exchange toll roads for shares entered into between **abertis** and OHL in April of this year, a step closer to completion, which was planned to be achieved before year end.

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