



Investor Day – April 2010

IMPACT FROM APPLICATION OF IFRIC 12

JORDI LAGARES

Corporate Director of Planning and Control

abertis: Impact from application of IFRIC 12

1. Accounting standards applicable to abertis
2. Overview of IFRIC 12
3. Main ramifications for abertis



	Individual	Consolidated
Until 2004	Spanish GAAP + concession sector adaptation	Spanish GAAP + concession sector adaptation
2005 to 2007	Spanish GAAP + concession sector adaptation	IFRS
2008 & 2009	New Spanish GAAP + transitory provisions	IFRS
2010	New Spanish GAAP + transitory provisions	IFRS + IFRIC 12
?	New Spanish GAAP + concession sector adaptation	IFRS + IFRIC 12

	Individual	Consolidated
Until 2004	Spanish GAAP + concession sector adaptation	Spanish GAAP + concession sector adaptation

- Application of the main local accounting standards of the parent company to prepare the consolidated financial statements (converting statements of foreign companies to local GAAP)
- Hard to compare between groups in different countries
- In Spain, the sector-adapted accounting standards stipulated:
 - Capitalisation of borrowing costs (construction) and deferral of its registration in P/L according to the business plan revenues.
 - Deferral of allocations to reversion fund according to the business plan revenues

	Individual	Consolidated
2005 to 2007	Spanish GAAP + concession sector adaptation	IFRS

- In 2005 IFRS became mandatorily applicable to listed groups (presenting 2004 for comparative purposes)
- Greater comparability between groups in different countries...albeit with choices in terms of applicable standards
- Main consequences of application of IFRS on the consolidated financial statements:
 - Borrowing costs not capitalised (accrual). Impact at **abertis** not that significant
 - Elimination of reversion fund, replaced by depreciation and amortisation charges over useful life or concession term (in general on straight-line basis)
 - Goodwill no longer amortised in P/L (except goodwill impairment charges)
 - Market valuation of derivative instruments

	Individual	Consolidated
2008 & 2009	New Spanish GAAP + transitory provisions	IFRS

- 2008: New General Chart of Accounts in Spain (New Spanish GAAP) presenting 2007 for comparative purposes
- The new local GAAP essentially adapt IFRS to local individual accounting standards, with exception of transition provisions:
 - Capitalisation of borrowing costs allowed temporarily (until sector adaptation endorsed)

	Individual	Consolidated
2010	New Spanish GAAP + transitory provisions	IFRS + IFRIC 12

- IFRS interpretation applicable to Service Concession Arrangements
- First published in 2006 but compulsory application from 2010 (voluntary in 2009).
- Applies to:
 - Public-to-private concession arrangements
 - Infrastructure for the provision of a public service
 - Where the grantor controls:
 - Services to be provided, users of the service and price (controls or regulates)
 - Any residual interest in the infrastructure at the end of the term of the arrangement (revertible)



- Theoretical adaptation of IFRIC 12 to local GAAP applicable to individual financial statements
- Uncertainty regarding the final content of the sector adaptation and the planned application date

	Individual	Consolidated
Until 2004	Spanish GAAP + concession sector adaptation	Spanish GAAP + concession sector adaptation
2005 to 2008	Spanish GAAP + concession sector adaptation	IFRS
2008 & 2009	New Spanish GAAP + transitory provisions	IFRS
2010	New Spanish GAAP + transitory provisions	IFRS + IFRIC 12
?	New Spanish GAAP + concession sector adaptation	IFRS + IFRIC 12

abertis: Impact from application of IFRIC 12

1. Accounting standards applicable to abertis
- 2. Overview of IFRIC 12**
3. Main ramifications for abertis



Construction or upgrade services

- Capital expenditure is no longer classified as property, plant & equipment and reclassified as either:
 - **An intangible asset.** Operator receives right to charge users of the public service. Operator assumes operational and demand risk.
 - **A financial asset.** Operator has unconditional contractual right to receive cash or another financial asset for the construction services (receive amounts directly from the grantor or shortfall between received from users and guaranteed amounts). Operator does not assume operational or demand risk.
 - **Mixed model.** Combination of the two approaches.

Operating services

- IFRIC 12 stipulates the upfront recognition of provisions (resurfacing, maintenance, repair and overhaul) for major infrastructure maintenance obligations which formerly were recognised either as an expense when incurred or were capitalised and subsequently depreciated.
- Upon initial recognition, the provision shortfall (depending on how far into the maintenance cycle the company is) is charged against equity (expenses that will not be registered in the income statement in the future).

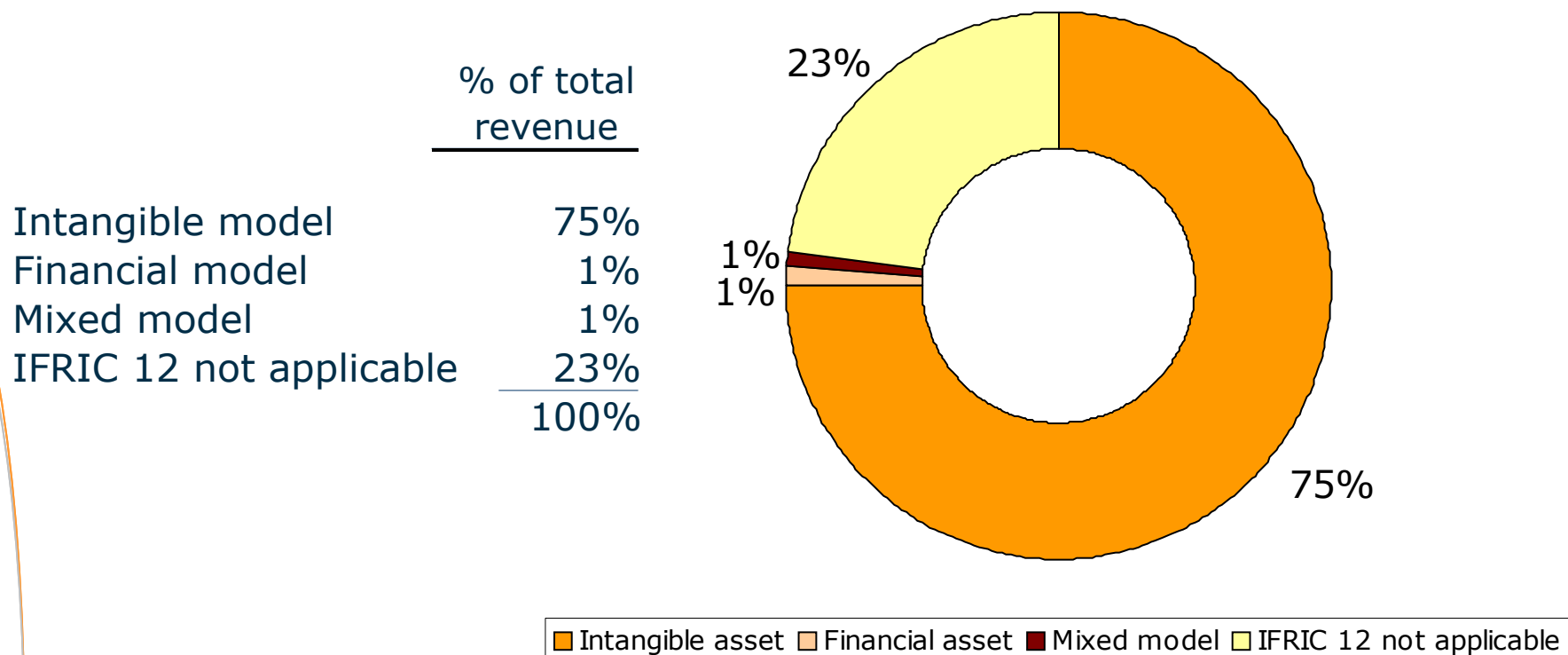
{ abertis: Impact from application of IFRIC 12

1. Accounting standards applicable to abertis
2. Overview of IFRIC 12
- 3. Main ramifications for abertis**



Companies affected

On transition date, IFRIC 12 affects 37 companies out of a group total of 158 (23%). These 37 companies account for 77% of total revenue:



Impact by sector



Controlled concessionaires recognised as **intangible assets** (except Elqui **mixed** and Convenio AP7 **financial asset**)



Not affected by IFRIC 12



Not affected by IFRIC 12 (except CODAD - **financial asset**)



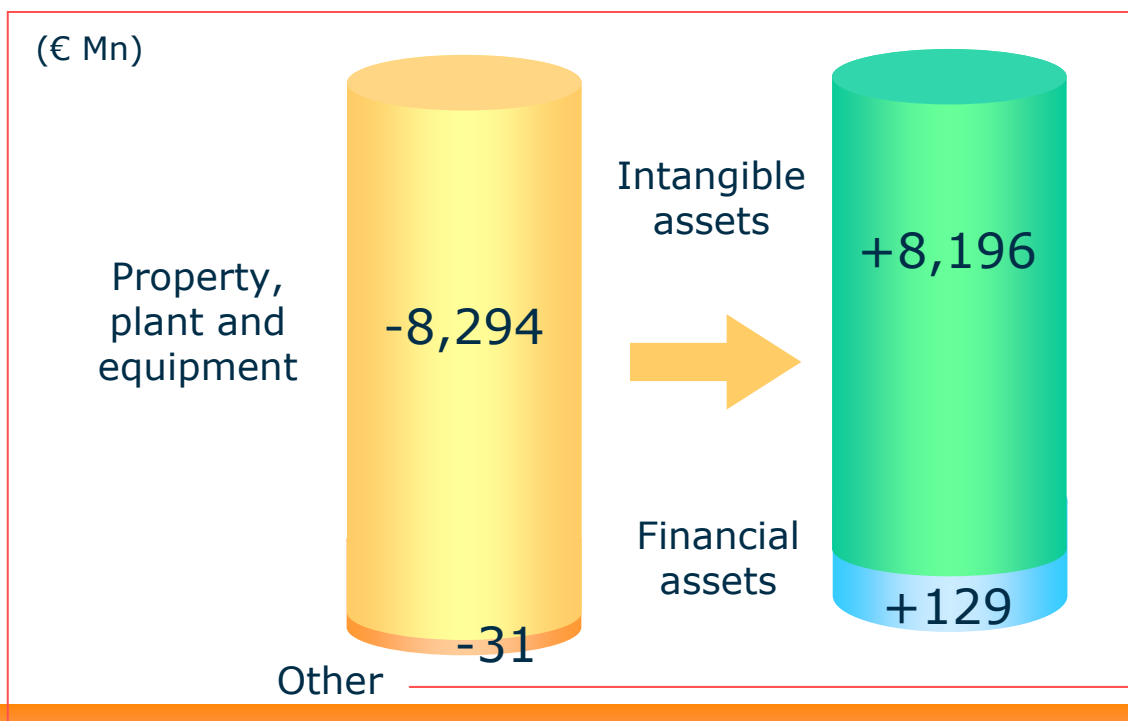
Partially affected. Most car parks operated under concession agreements treated as **intangible assets**



Not affected by IFRIC 12

First-time application

- Transition date: **1 January 2009** (due to presentation of comparative 2009 financial statements)
- Reclassification of assets:

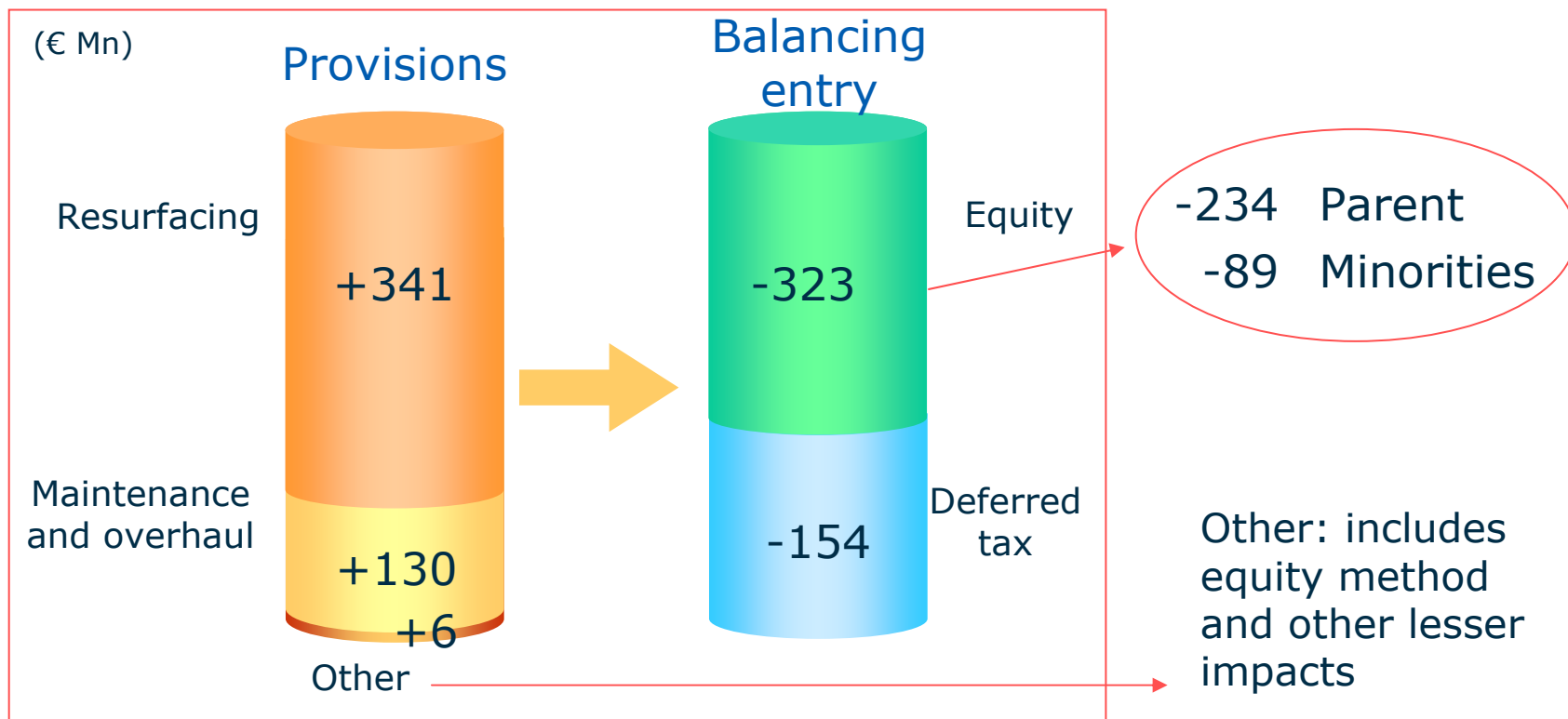


Impact on depreciation not significant (still straight-line)

Net effect of amounts recognised in equity (reversal of capitalisation of **sane** resurfacings), deferred taxes, capitalisation of financial assets and others

First-time application

- Recognition of provisions for future infrastructure maintenance obligations:



First-time application

(€ Mn)

	31/12/08 (IFRS)	Transition adjust.	01/01/09 (IFRIC 12)
Property, plant and equipment	10.239	(8.297)	1.942
Intangible assets	7.561	8.134	15.695
Other non current assets	3.193	350	3.543
Current assets	1.227	(1)	1.226
Total assets	22.221	186	22.407
	31/12/08 (IFRS)	Transition adjust.	01/01/09 (IFRIC 12)
Equity			
Parent company	3.373	(269)	3.104
Minorities	1.406	(127)	1.279
Financial borrowings	14.358	0	14.358
Provisions	185	567	752
Other payables	2.899	15	2.914
Total equity and liabilities	22.221	186	22.407

FY09 income statement (€ Mn)

	YE 2009 NIIF	Provisions		Financial asset /mixed	Other	Total adjust. IFRIC 12	YE 2009 (IFRIC 12)	Var
		Spain (ex AP7)	Sanef					
Revenue	3.935	0	0	(31)	0	(31)	3.904	-0,8%
Operating expenses	(1.500)	(3)	(33)	(8)	(3)	(48)	(1.548)	3,2%
EBITDA	2.435	(3)	(33)	(39)	(3)	(79)	2.356	-3,3%
Depreciation and amortisation	(952)	0	30	13	(2)	41	(911)	
EBIT	1.483	(3)	(4)	(26)	(5)	(38)	1.445	-2,6%
Net financial result	(573)	(11)	(15)	20	(8)	(14)	(587)	
Share profit/loss equity method	78	0	0	(1)	0	(1)	77	
PROFIT BEFORE TAX	988	(14)	(18)	(7)	(13)	(53)	936	-5,3%
Tax	(266)	4	6	1	3	14	(252)	
PROFIT FOR YEAR	722	(10)	(12)	(7)	(10)	(38)	684	-5,3%
Minority interests	(69)	0	6	0	3	9	(60)	
ATTRIBUTABLE TO PARENT	653	(10)	(6)	(7)	(7)	(29)	624	-4,5%

FY09 income statement

	YE 2009 NIIF	Provisions Spain (ex AP7)	Sanef	Financial asset /mixed	Other	Total adjust. IFRIC 12	YE 2009 (IFRIC 12)	Var
Revenue	3.935	0						
Operating expenses	(1.500)	(3)						
EBITDA	2.435	(3)						
Depreciation and amortisation	(952)	0						
EBIT	1.483	(3)						
Net financial result	(573)	(11)						
Share profit/loss equity method	78	0						
PROFIT BEFORE TAX	988	(14)						
Tax	(266)	4						
PROFIT FOR YEAR	722	(10)						
Minority interests	(69)	0						
ATTRIBUTABLE TO PARENT	653	(10)						

→ Insignificant difference between prevailing upfront recognition of provisions and former annual accrual for resurfacing and overhaul work

→ Effect of annual discounting to present value of non-current provisions

FY09 income statement (€ Mn)

	YE 2009 NIIF	Provisions		Financial asset /mixed	Other	Total adjust. IFRIC 12	YE 2009 (IFRIC 12)	Var
		Spain (ex AP7)	Sanef					
Revenue				0				
Operating expenses				(33)				
EBITDA				(33)				
Depreciation and amortisation				30				
EBIT				(4)				
Net financial result				(15)				
Share profit/loss equity method				0				
PROFIT BEFORE TAX				(18)				
Tax				6				
PROFIT FOR YEAR				(12)				
Minority interests				6				
ATTRIBUTABLE TO PARENT				(6)				

Effect of annual discounting to present value of non-current provisions

Reclassification of capitalised resurfacing obligations (D&A charge) to annual provision charge

Insignificant difference between prevailing upfront recognition of provisions and former annual accrual and amortisation of resurfacing and overhaul obligations

FY09 income statement (€ Mn)

	YE 2009 NIIF	Provisions		Financial asset /mixed	Other	Total adjust. IFRIC 12	YE 2009 (IFRIC 12)	Var
		Spain (ex AP7)	Sanef					
Revenue				(31)				
Operating expenses				(8)				
EBITDA				(39)				
Depreciation and amortisation				13				
EBIT				(26)				
Net financial result				20				
Share profit/loss equity method				(1)				
PROFIT BEFORE TAX				(7)				
Tax				1				
PROFIT FOR YEAR				(7)				
Minority interests				0				
ATTRIBUTABLE TO PARENT				(7)				

See Convenio AP7 detail

Loss of revenue and ebitda due to the register of **elqui** (mixed model) and **codad** (financial asset)

FY09 income statement (€ Mn)

YE	Provisions	Financial	Total adjust. IFRIC 12	YE 2009 (IFRIC 12)	Var
			(31)	3.904	-0,8%
			(48)	(1.548)	3,2%
			(79)	2.356	-3,3%
			41	(911)	
			(38)	1.445	-2,6%
			(14)	(587)	
			(1)	77	
			(53)	936	-5,3%
			14	(252)	
			(38)	684	-5,3%
			9	(60)	
			(29)	624	-4,5%

The annual impact of -29 is reduced until its change of sign in approximately 2015.

Σ annual future impacts= +269 (initial equity impact at **abertis** level)

Specific treatment of Convenio AP-7

- The investment made (€500Mn) is reclassified as a financial asset
- The annual accrual of the amount receivable is amended in one way:

	2009		
	IFRS	IFRIC12	
Compensation 2% margin differential	73	73	Elimination of fixed asset that generated depreciation remuneration
Compensation for depreciation	4	0	
Financial compensation	5	5	
Total compensation	82	78	And is replaced by an account receivable for the total amount of the investment made
Registered depreciation	-4	0	
Net effect in P/L	78	78	

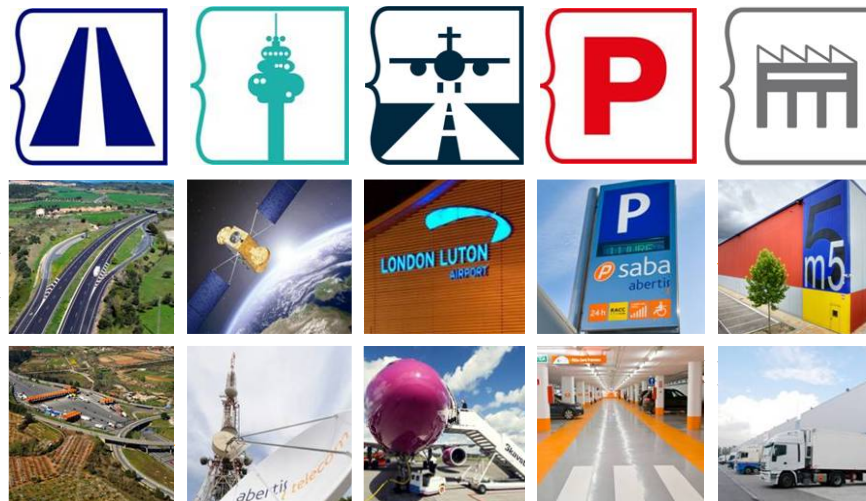
<u>B/S 31 December 2009</u>	<u>31/12/09 (IFRS)</u>	<u>Transition</u>	<u>2009</u>	<u>Total IFRIC12</u>	<u>31/12/09 (IFRIC 12)</u>
Property, plant and equipment	10.801	(8.297)	(320)	(8.617)	2.184
Intangible assets	8.705	8.134	183	8.317	17.022
Other non current assets	3.886	350	171	521	4.407
Current assets	1.245	(1)	9	8	1.253
Total assets	24.637	186	43	229	24.866
	<u>31/12/09 (IFRS)</u>	<u>Transition</u>	<u>2009</u>	<u>Total IFRIC12</u>	<u>31/12/09 (IFRIC 12)</u>
Equity	5.762	(396)	(32)	(428)	5.334
Parent company	4.292	(269)	(24)	(292)	4.000
Minorities	1.470	(127)	(8)	(135)	1.335
Financial borrowings	14.932	0	0	0	14.932
Provisions	243	567	84	651	894
Other payables	3.701	15	(9)	6	3.707
Total equity and liabilities	24.637	186	43	229	24.728

Cash flow 09

	2009 (IFRS)	2009 (IFRIC 12)	Var.
Ebitda	2.435	2.356	(79)
+ Net financial result	(573)	(587)	(14)
- Tax	(266)	(252)	14
Other adjustments	(45)	(14)	31
Net cash flow	1.551	1.503	(48)
- Operative capex	(233)	(185)	48
Free cash flow	1.318	1.318	0

Summary

- IFRIC 12 affects accounting treatment of operations but not cash flows
- It does not affect the entire **abertis group**, although it does affect the highest contributing business
- Application of the financial asset treatment is very limited (this approach has the bigger impact on financial headings due to elimination of revenue and EBITDA which are reclassified as loan receipts)
- Overall, the main consequence is the reclassification of assets and the recognition of new provisions for future infrastructure maintenance work (initial shortfall net of tax charged against equity). 1 January 09 equity impact: -8%
- FY09 income statement impact: revenue -0.8%, EBITDA -3.3% and net profit -4.5%



Investor Day – April 2010

FINANCING OUTLOOK

Mr. JOSÉ ALJARO
Chief Financial Officer

Mr. JOSÉ LUIS VIEJO
Corporate Finance Director

abertis: Financing outlook

1. **Credit Profile**
2. Managing Financing Cost
3. Ratings Considerations
4. Outlook



	2009	2008
Net debt	€ 14,590 Mn	€ 14,059 Mn
Net debt/ adjusted EBITDA*	5.6x	5.9 x
Non recourse debt	56%	57%
Long term debt % of total	93%	89%
Ratings : stable (S&P/Fitch)	BBB+ /A-	

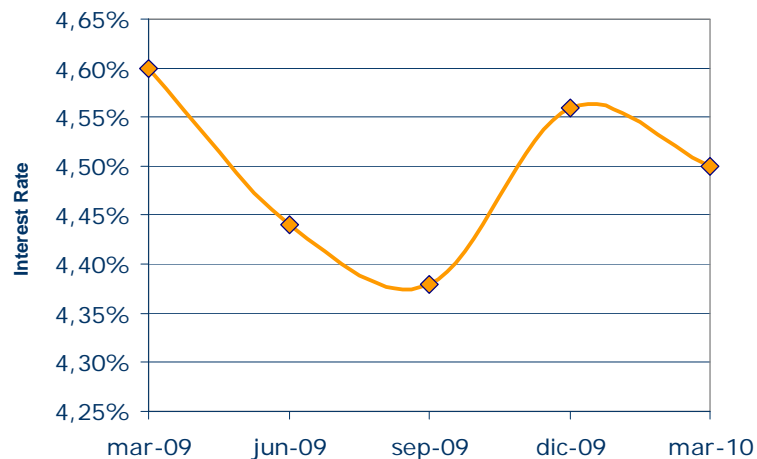
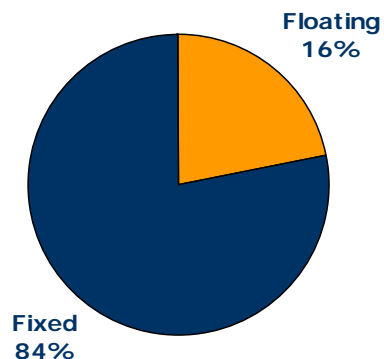
*Takes into account dividends from Eutelsat, Atlantia and Brisa

A strong credit profile has led to low financing cost

Interest Rates:	Long Term	Short Term	Total
Fixed Rate Debt	5.0%	6.0%	5.0%
Floating Rate Debt	2.0%	1.7%	1.9%
Total	4.6%	3.1%	4.5%

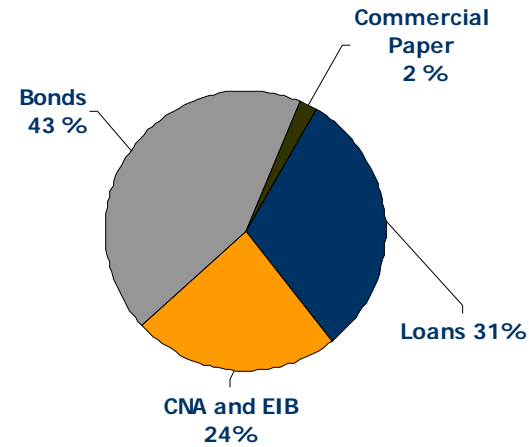
abertis funding costs have remained low over the past year

Fixed/Floating Mix



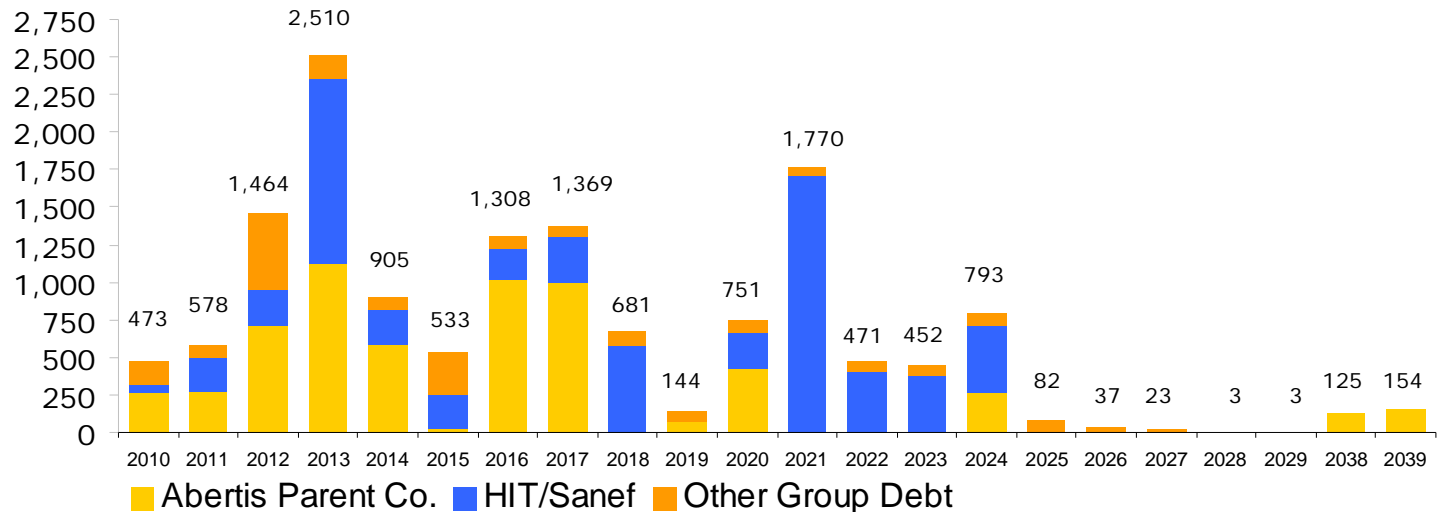
abertis group funding sources

Debt Instruments March 2010	Amount in Mn€
Bonds	6,453
Syndicated Loans	3,872
CNA (French Govt. Authority bonds)	2,115
EIB Loans	1,341
Bank lines	706
Short Term Credit Lines	314
Commercial Paper	103
Mortgages and Leasing	12
Total	14,916



- **No material refinancing risk in the next two years**
- **Next material maturities are in 2013:**
 - **900 Mn€ facility at the parent company level**
 - **980 Mn€ syndicated credit at the HIT (non recourse level) in France**

abertis group debt maturity profile (in M€)



- **Liquidity has stood the test of time, remains sufficient and is cost effective**
 - **Short term lines have been resilient; banks are still keen to retain their excellent relations with a high quality credit.**
 - **Liquidity has improved over the past year**

In M€

abertis Group	March 2009	March 2010	Change
Total Short Term Bank Lines	1,171	1,288	5
Drawn Bank Lines	302	249	
Undrawn Bank lines	869	1,039	170
Commercial Paper authorised	1,000	1,000	0
Issued Commercial Paper	273	102	
Available CP for issuance	727	898	171
Total available liquidity	1,596	1,937	341

Access to bank credits and DCM, even in tough times

abertis has continuously raised diverse funding during the past 18 months:

- Club deals: 515 m€ and 92m€ (Itinere transaction)
- 925m€ extension of bank line maturities
- 154 m€ 30 year private placement
- New bilateral lines, 125 m€, and renewal of 800 m€ in short term facilities

And last year saw a successful October 2009 1 bn€ bond issue:

7 year maturity , 4.625% coupon

- Order book over 5 times over subscribed

The funding mix may move in favour of liquid bond markets in the future

abertis: Financing outlook

1. Credit Profile
- 2. Managing Financing Cost**
3. Ratings Considerations
4. Outlook



The risks...

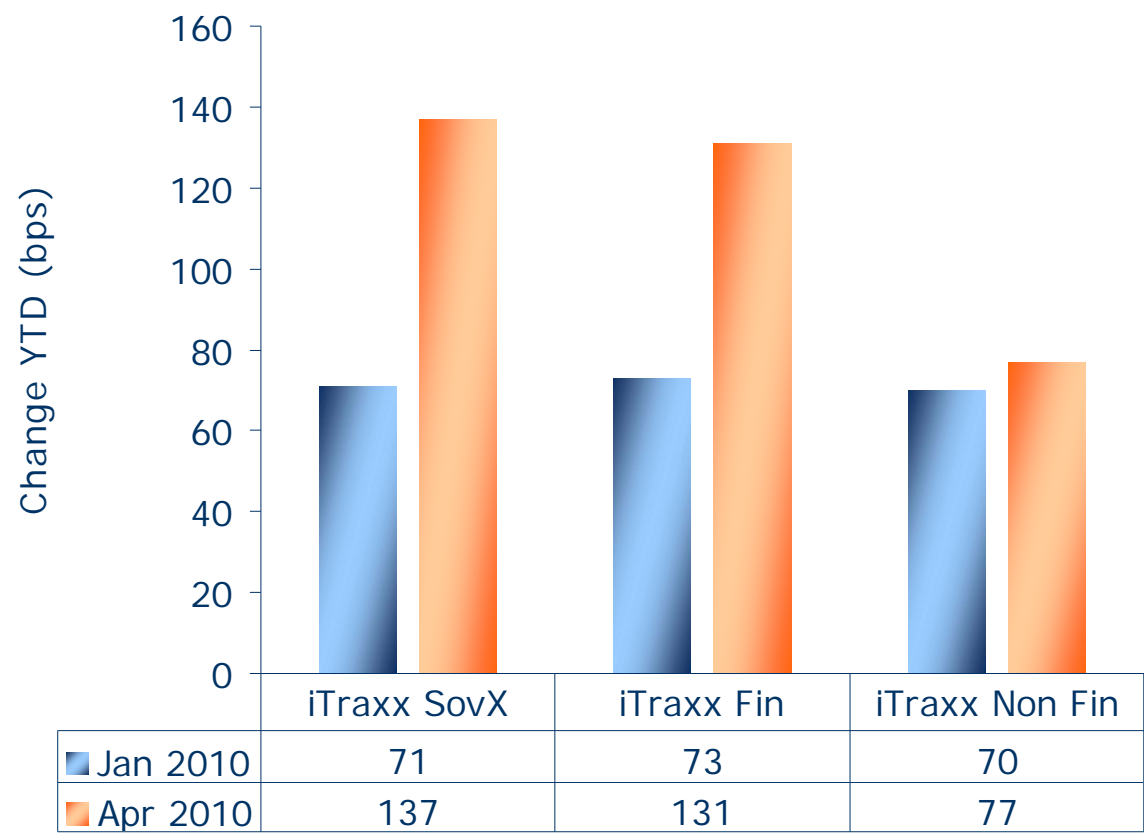
- S&P downgrades **abertis**
- S&P downgrades Greece and Portugal
- S&P downgrades Spain
- Higher bond yields and wider credit spreads and CDS
- Correction of equity markets

... and the mitigating factors:

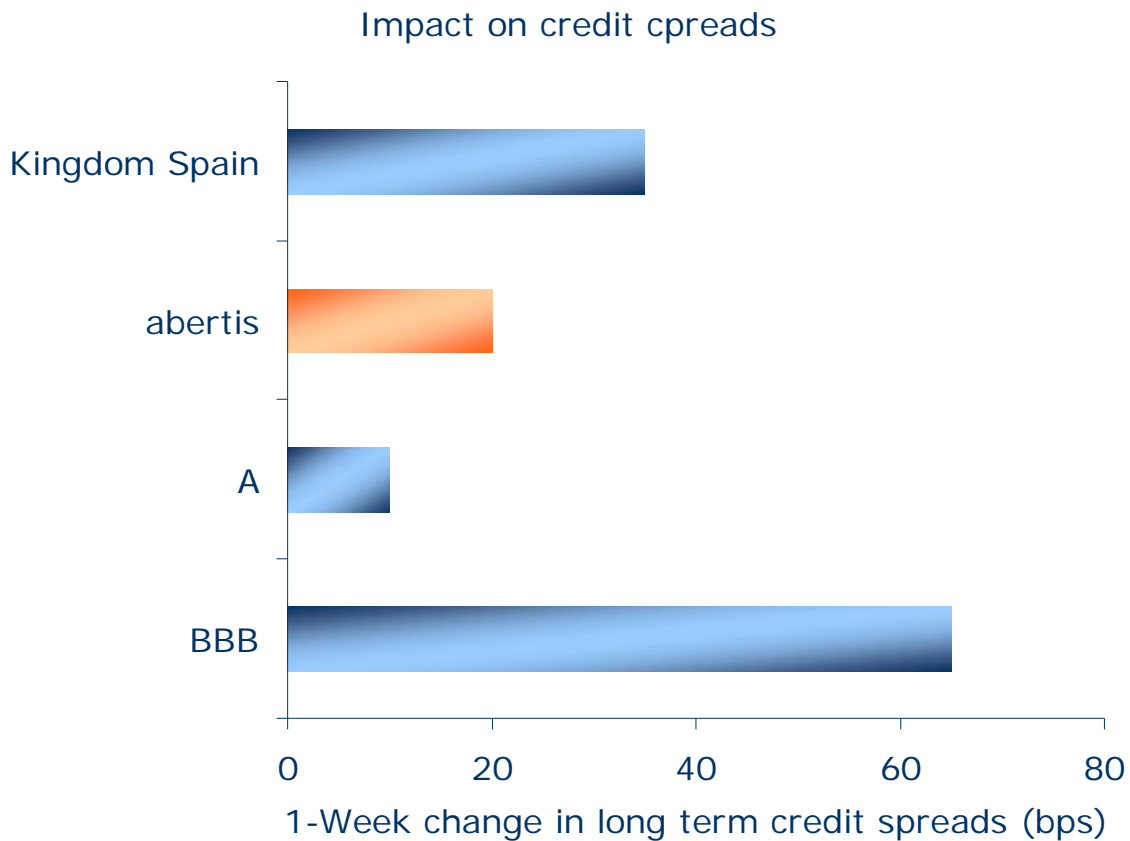
- **abertis** credit rating downgrade to BBB+ had no material impact on secondary market bond trading
- Corporate credit significantly less impacted than peripheral European Sovereigns and financial institutions

Different credit class, different spread widening...

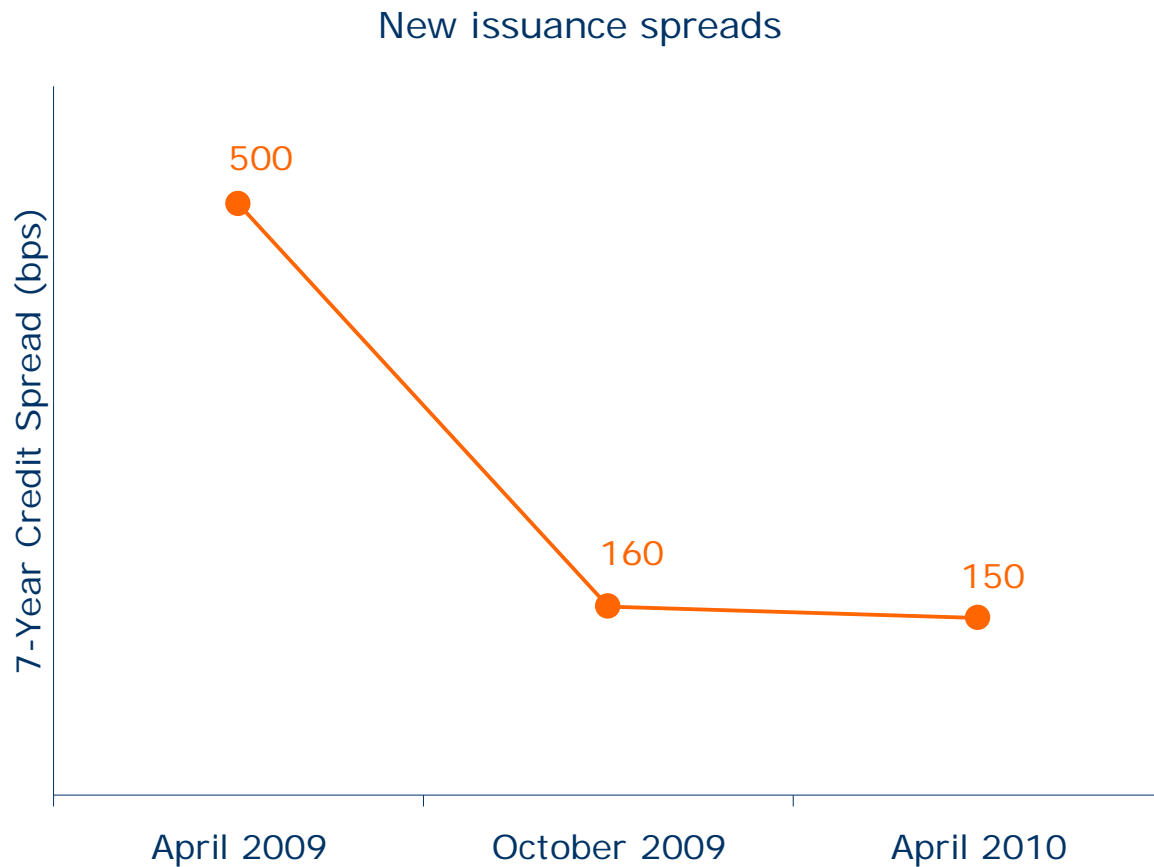
Impact across credit spectrum



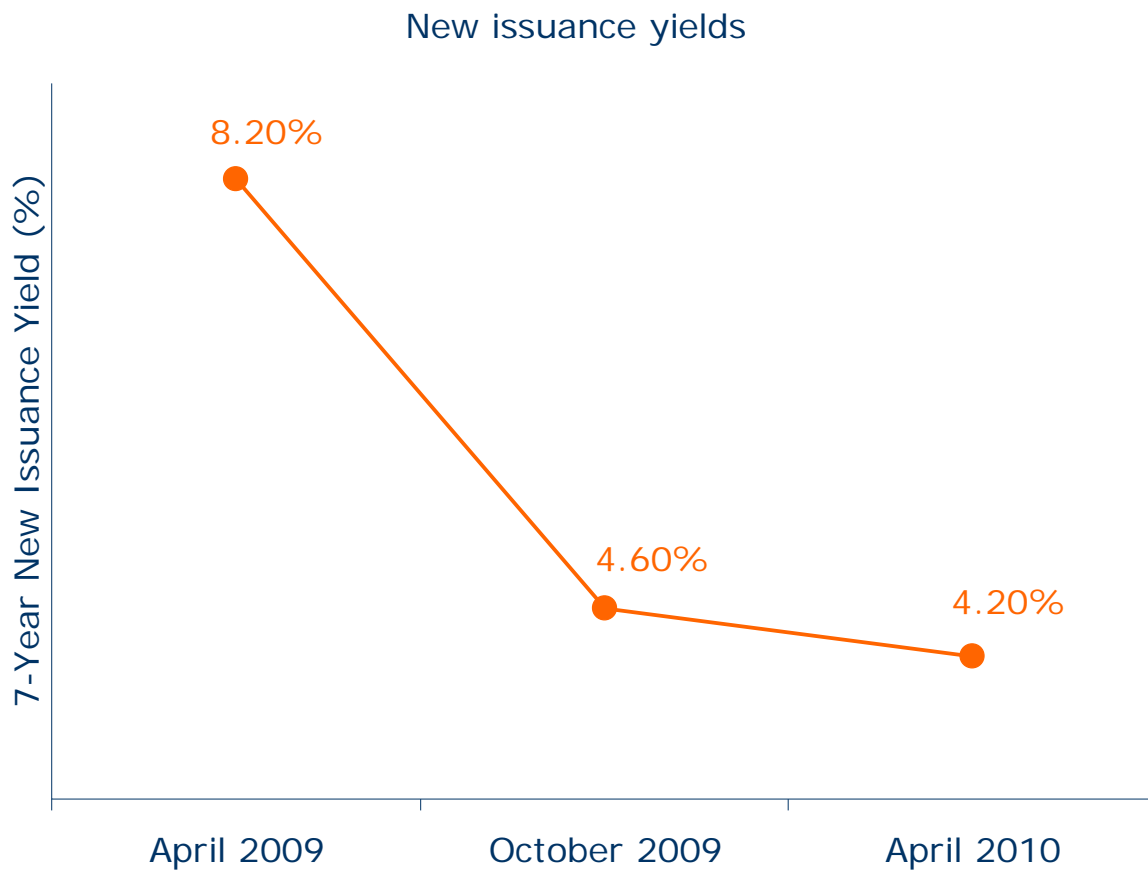
Robust performance for abertis...



Current spread is still below the most recent bond...



And the yield even more...

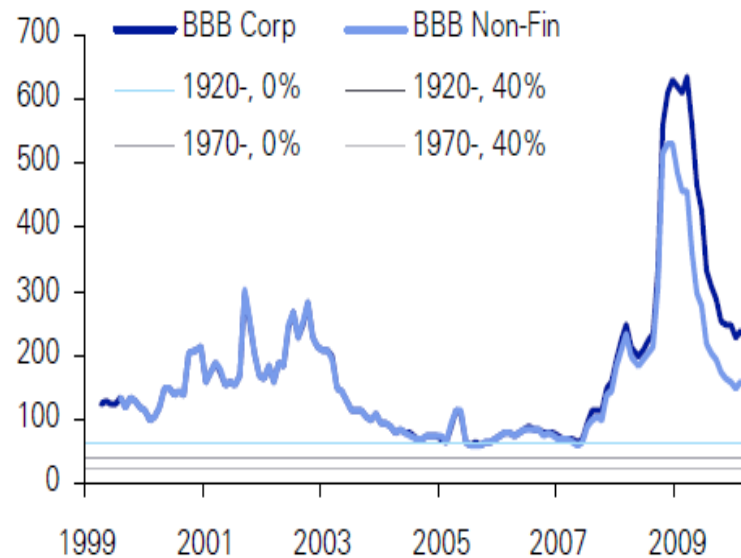
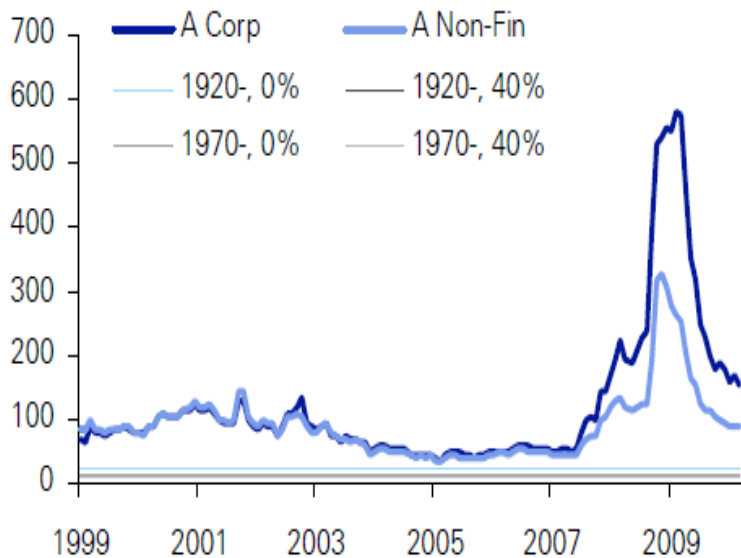


Access to capital markets at low yields...

	3 Years	5 Years	7 Years	10 Years
New Issue Size	1,000	1,000	1,000	1,000
Benchmark Yield	1.70%	2.30%	2.70%	3.20%
Bond Spread (bps)	100	125	150	175
Total Funding Cost	2.70%	3.55%	4.20%	4.95%

Current credit spreads well supported...

Figure 38: iBoxx Euro Index Spread Histories vs. Default Compensation Spreads: A (left) and BBB (right)



Source: Deutsche Bank

The risks...

- Further deterioration of peripheral sovereign credit
- Contagion to corporate credit spreads
- Higher interest rates

... and the mitigating factors:

- No material refinancing needs until 2013
- Strong credit profile
- Rare and reputable bond issuer
- Corporate bond spreads are back at fairly average valuations
- Strong demand will continue to support new issuance of corporate bonds Interest rates at historical low levels
- Active debt management to minimise future financing cost and financial risks

abertis: Financing outlook

1. Credit Profile
2. Managing Financing Cost
- 3. Ratings Considerations**
4. Outlook



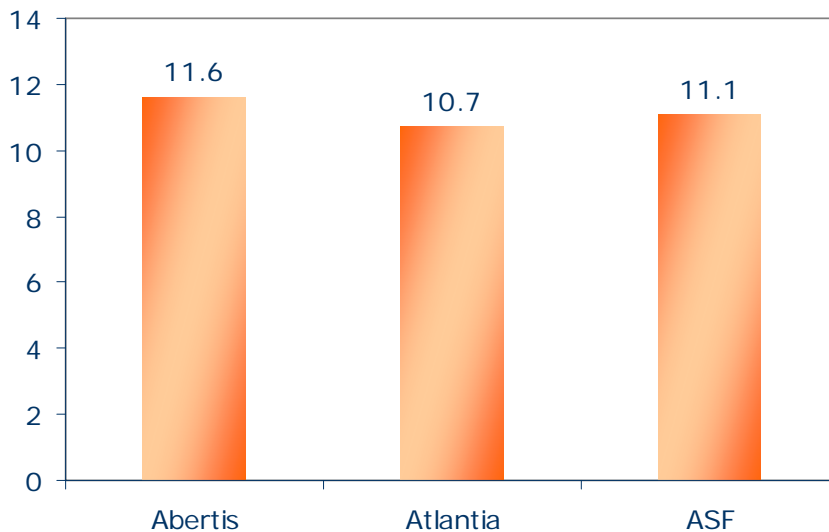
- **Current funding cost change limited to 1Mn€ post tax on existing debt**
- **Market pressures on Agencies lead to pre-emptive ratings actions**
 - Regulatory pressure and sub prime crisis leads to a tightening of criteria
 - Analysis horizon shorter than infrastructure business cycle
- **CF generation recovering enough to reactivate growth**
 - Recovering toll road activity and resilient telecoms, and sustained strong cash generation, imply expansion potential
 - **abertis** has stated it may strengthen geographic and core revenue diversification, in order to reduce volatility and build asset value
- **Secondary issues: dividend policy**
 - **abertis** has a steady dividend policy that is a constraint for ratings
 - **abertis** intends to maintain its 1 for 20 bonus share policy
- **Fitch retains its rating of A- stable outlook**

abertis credit metrics are in line with strong peers

abertis remains close to the 12% FFO/Net Debt level

abertis remains in line with the stronger members of its peer group

FFO/Net Debt



abertis
BBB+/stable
31/12/2009

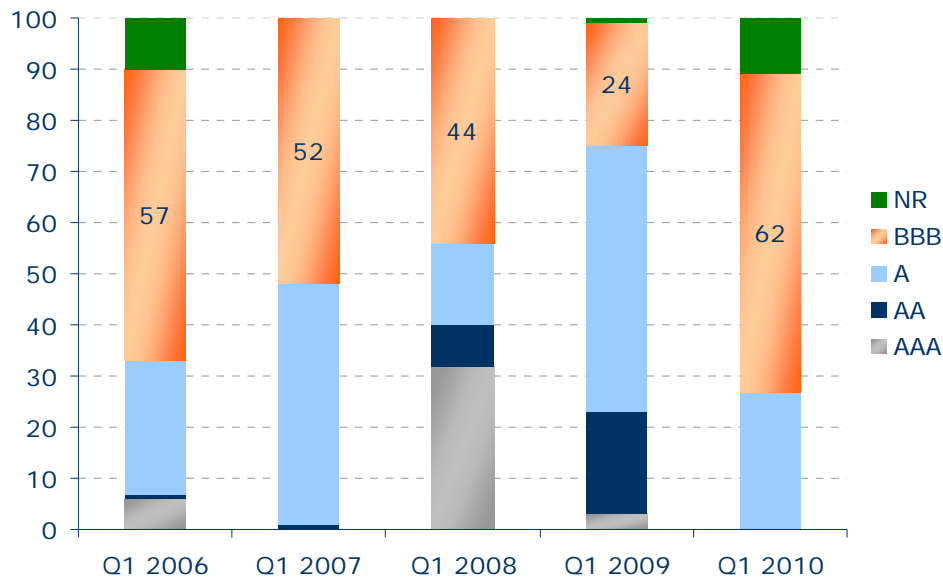
Atlantia
A-/stable
31/12/2009

ASF
BBB+/stable
31/12/2008

Ready market access, even during market shocks...

BBB+ profiles have ready access to markets during periods of flight to quality

Q1 Bond Issuance by Rating Category as % of Total Issuance



Source CA-CIB/Bloomberg

abertis: Financing outlook

1. Credit Profile
2. Managing Financing Cost
3. Ratings Considerations
- 4. Outlook**



- Access to bank and debt capital markets remains solid
- Refinancing rates remain attractive
- **abertis** has low refinancing risk, with manageable refinancing in the period up to 2013
- Financial costs little impacted by any change in market rates:
 - A 100 bp increase in market interest rates would only lead to an additional expense of 18 M€ (post tax) for the next 12 months on existing debt (vs post tax 2009 financial expenses of 540 M€.)



Investor Day – April 2010

INVESTMENT STRATEGY

Mr. DAVID DIAZ

Corporate Development Director

abertis: Investment strategy

1. **An overview of the infrastructure market**
2. abertis' strategy
3. A robust methodology for successful investments
4. Value creation
5. Conclusion



	Before	Now
Deal Pipeline	<ul style="list-style-type: none"> • Surge in number of projects • Megadeals 	<ul style="list-style-type: none"> • Confidence is rising but still unclear pipeline • Medium sized deals • Asset rotation and distressed sellers
PPPs	<ul style="list-style-type: none"> • Technical and financial advantages of PPPs remain • Deficits may encourage privatisations, although stimuli packages may have a short term impact in postponing some projects 	
Investors	<ul style="list-style-type: none"> • Very competitive landscape 	<ul style="list-style-type: none"> • More selective and sophisticated investors (Operators, contractors and financial investors)
Capital structure	<ul style="list-style-type: none"> • High liquidity and access to credit (debt and equity) • Highly leveraged structures 	<ul style="list-style-type: none"> • More limited liquidity and improving access to credit • Need to access all sources of capital
Valuations	<ul style="list-style-type: none"> • More aggressive operating assumptions • Optimistic debt refinancing assumptions 	<ul style="list-style-type: none"> • Realistic assumptions

{ abertis: Investment strategy

1. An overview of the infrastructure market
- 2. abertis' strategy**
3. A robust methodology for successful investments
4. Value creation
5. Conclusion



A long-term investor with a selective, sustainable and defined growth strategy

Rigorous investment policy focused on **value creation**

Sector Focus

- Focus on transport and telecommunications infrastructures
- Stable, visible and predictable cash flow. Inflation linked

Geographic Focus

- A selective geographic focus to expand our geographic footprint in higher growth economies

Industrial approach

- Industrial logic and active management involvement (transfer of know-how and share of "best practices")
- Strong commitment to all "stakeholders"

Leading shareholder

- **abertis** as the leader of a solid and prestigious consortium, with strong local partners
- Strong relationship with leading partners and advisors

Optimum financing

- Specific optimum financing strategy for each operation (non recourse financing in local currency)

A long-term investor with a selective geographic focus

Stability and strong economic growth

- International expansion in political, economic and socially stable countries
- Need for infrastructure and strong forecasted economic growth
- Country Size and expected deal pipeline

Legal Framework and PPP support

- Clear and supportive regulatory framework
- An independent and strong justice system
- A strong political commitment to PPP by all parties
- Track record of private investment in infrastructure

Tender Process

- A transparent, rigorous and no bureaucratic tender process
- **abertis'** competitive position vs. local players

Financing in local currency

- Developed financial markets (Role of "Multilateral Development Banks" to take risk)
- Availability of long term financing in local currency (CCS/NDF)

abertis, the industrial partner of choice in a Partnership approach

Majority stake

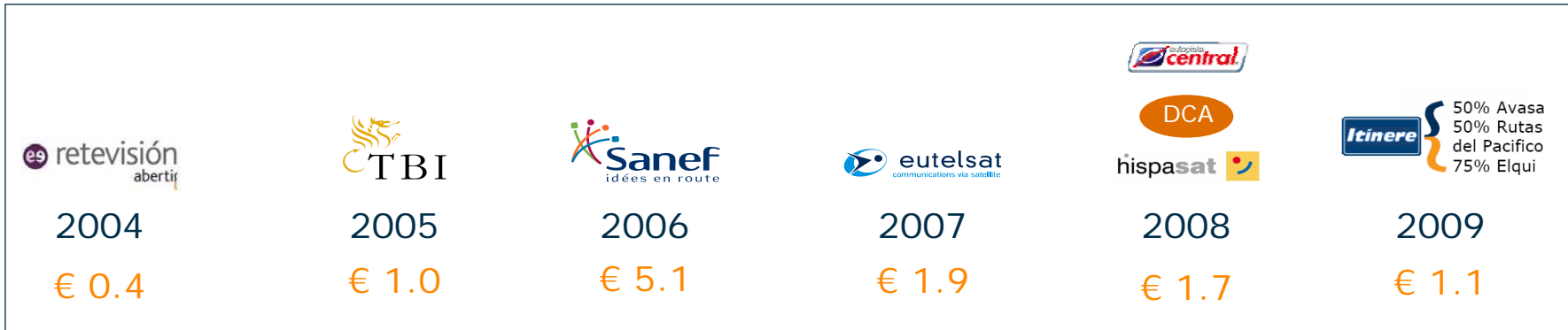
- **abertis** as the main shareholder
 - Majority stake
 - Largest shareholder
 - As large as the largest
- Control (or at least negative control)
- Long term investor: "path to control" if minority stake

The Industrial partner

- Sole industrial partner
- Backing of local partners [and financial partners]
- Alignment of interest between the different parties

A selective and successful growth strategy since the foundation of abertis

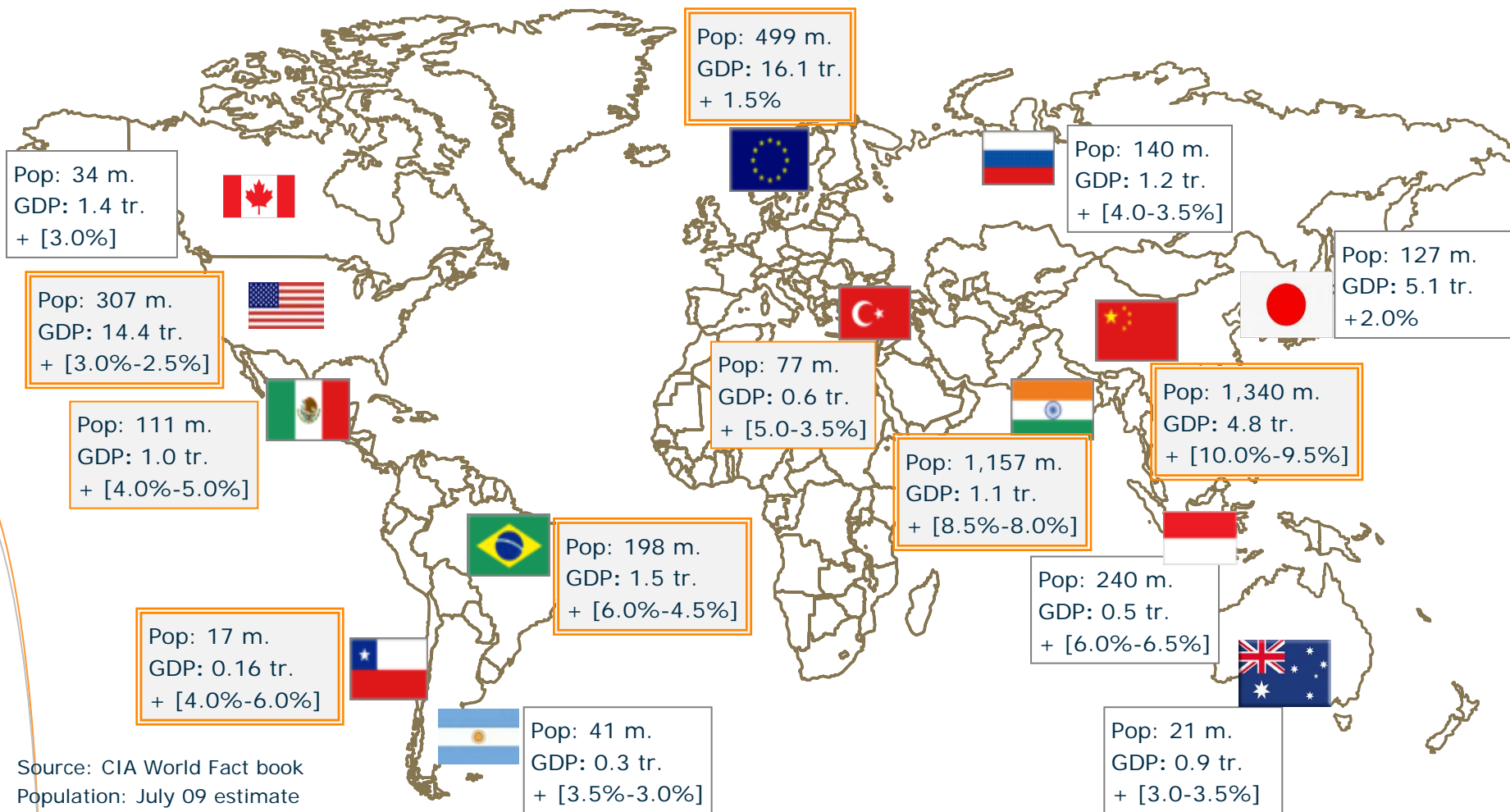
From 2 sectors and 5 countries to 5 sectors and 18 countries



Investment as a percentage of Firm Value, on a pro-rata basis. In Billion euros

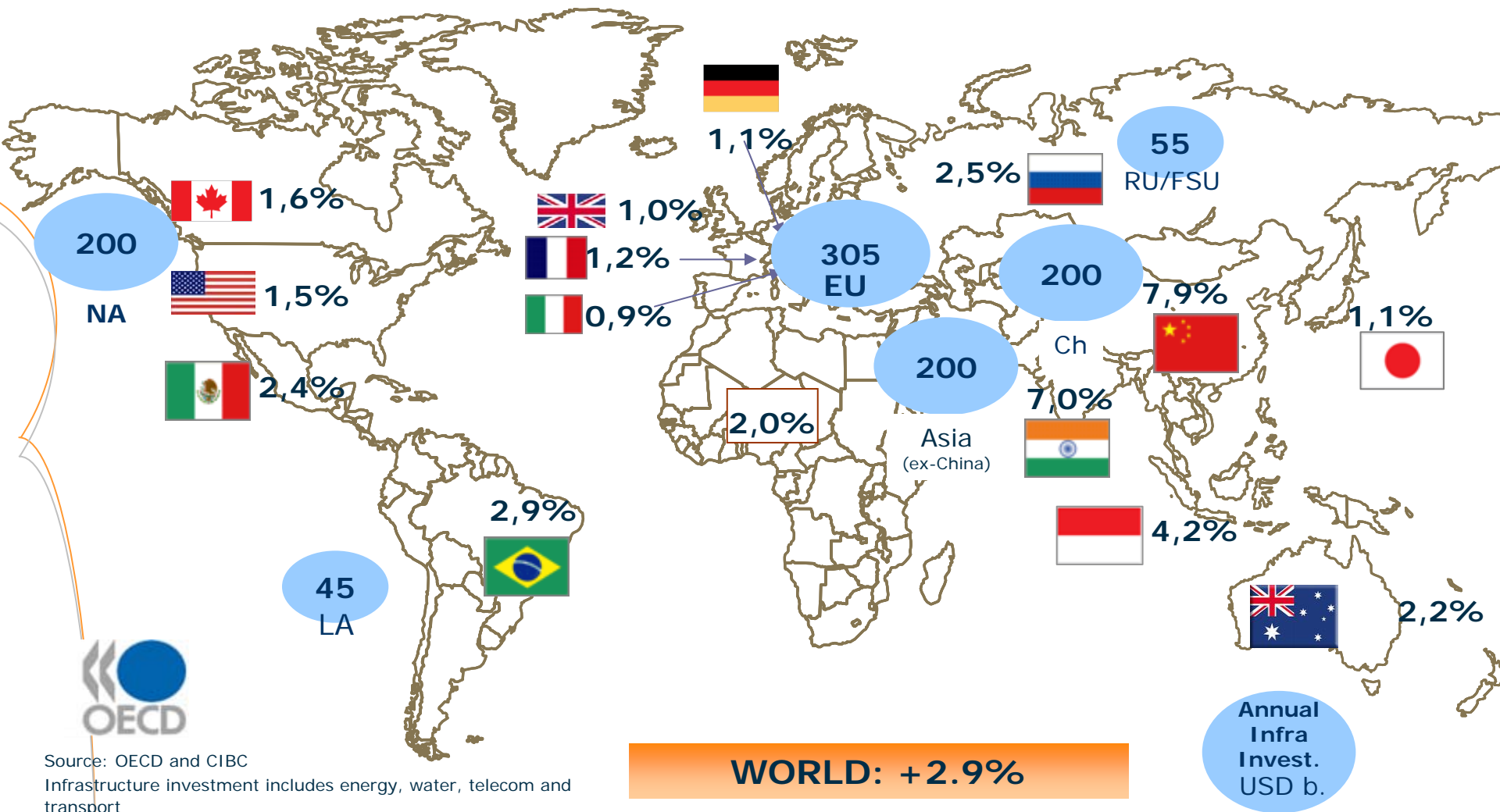
Highlights:	1999	2004	2009	
Workforce	1,970	5,668	12,484	x 6
Revenues	0.5	1.5	3.9	x 8
Assets	3.2	7.1	24.6	x 8

€ billion



Source: CIA World Fact book
 Population: July 09 estimate
 GDP: in USD, 09 Estimate with Official Exchange Rates

Km Travelled Growth to 2030 CAGR and infrastructure investment



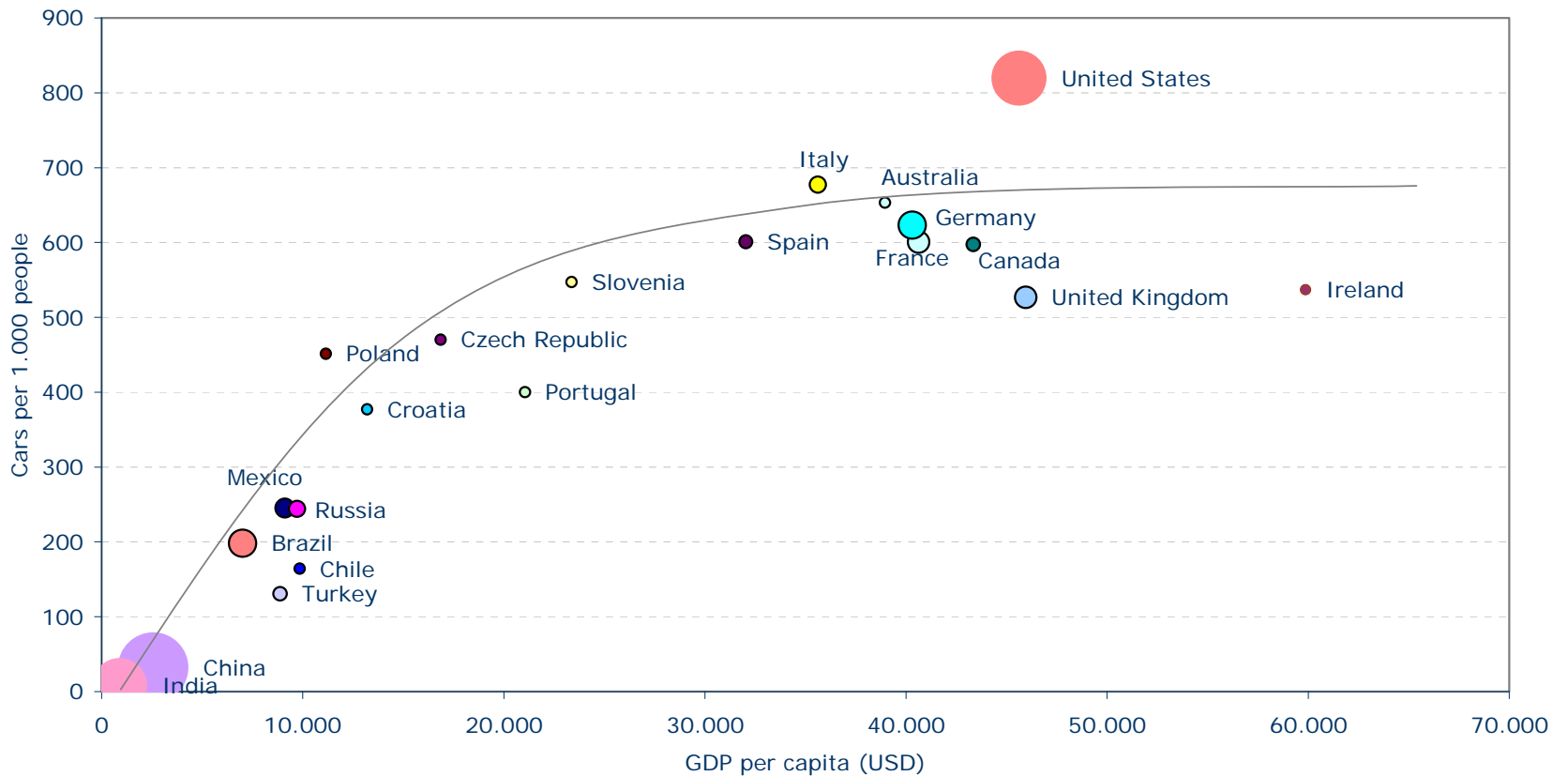
Source: OECD and CIBC

Infrastructure investment includes energy, water, telecom and transport

WORLD: +2.9%

Annual Infra Invest. USD b.

A key "threshold" of accelerating vehicle ownership occurs around USD 5,000 per capita GDP



Acquiring a global footprint

Geographic Focus

- Monitoring opportunities in
 - Europe (France, Turkey...)
 - US (prioritizing key States)
 - Latin America (Brazil, Chile and Mexico)
 - Asia (China and India, certain Provinces or States)



Acquiring a global footprint

- With the objective of diversifying geographically
 - Consolidating our leading position in countries such as France or Chile
 - Entering into higher-growth economies

Focus on opportunities that provide the best risk-adjusted returns**Toll Roads**

- Focus on brownfields with real tolls and selective greenfields with limited construction risk (low amount and low complexity)
- Strong focus on Electronic Toll Collection tenders in Europe to become a leading player in this field (DSRC and satellite technologies): France, Poland, Hungary, Slovenia...

Telecom infrastructure

- Very selective on terrestrial opportunities through **abertis telecom**
- Eutelsat and Hispasat as potential platforms for growth

Airports

- Short term focus on maximizing value of existing airports and expanding capacity (London Luton)
- Uncertain "pipeline" for inorganic growth

Car Parks

- Focus on consolidating recently acquired assets (successful expansion in Chile and Italy)
- Very selective on inorganic deals to reinforce leading position in the countries where **saba** is already present

Logistics

- Short term focus on maximizing value and consolidating existing assets

{ abertis: Investment strategy

1. An overview of the infrastructure market
2. abertis' strategy
- 3. A robust methodology for successful investments**
4. Value creation
5. Conclusion



A world-class M&A team (analysis and execution)

Deal Origination & pre-deal

- Identifying targets that will benefit from our strengths and competitive advantages
- First mover advantage and lobbying to influence the tender
- Ability to take advantage of “proprietary” deals to avoid auctions
- Leveraging on our shareholders global presence to identify new opportunities

Due Diligence

- High quality internal team with unparalleled understanding of infrastructure and M&A (>10 y. average tenure at **abertis**), supported by external advisors
- Understanding the culture and capabilities of **abertis**
- Site visit and management due diligence
- Business unit management to support Corporate M&A team

Valuation

- Internal modelling, supported by independent Investment Bank model
- Orthodox methodology to M&A and a realistic and deliverable Business Plan

Negotiation & Communic.

- Track record in negotiating successful acquisitions
- Ability to get the whole organisation and Board of Directors support

Integration

- Anticipating and accelerating future integration to capture synergies
- Analysis of existing Management + expatriates

A thorough and disciplined valuation analysis

The Cash Flow

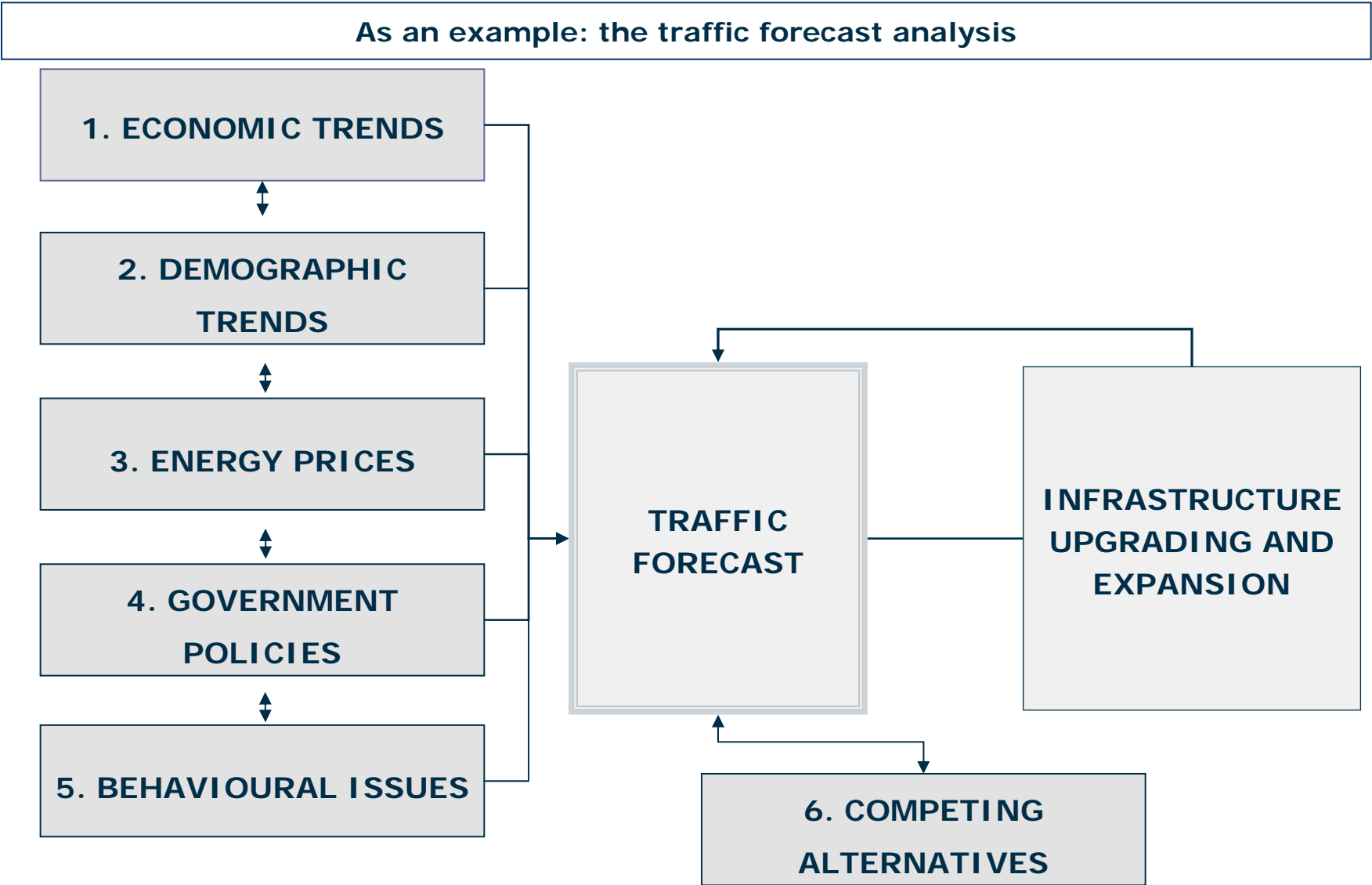
- A Realistic Business Plan to be delivered
- Thorough analysis of different assumptions
- SWOT analysis
- Cash Flow profile and robustness

The Internal Rate of Return

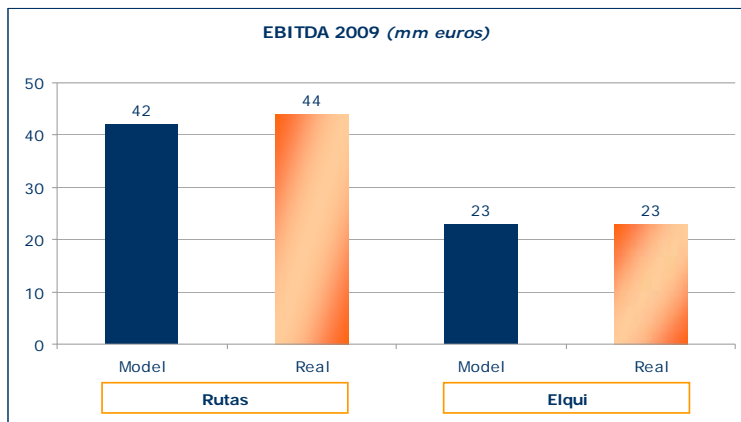
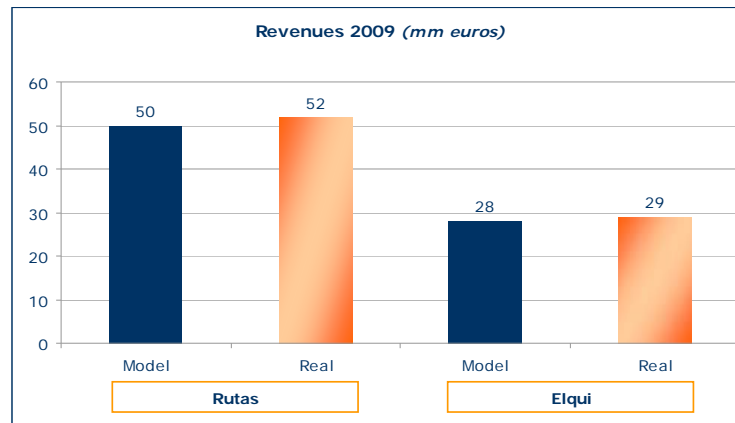
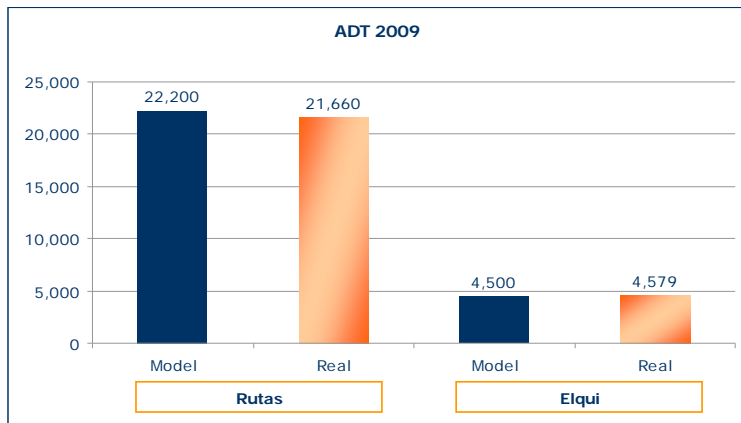
- IRR on Base Case (**Shareholders IRR** and Project IRR)
 - ... but also focus on downside scenarios
- “Bottom-up” approach to determine hurdle rates
- Standard 10%-15% Shareholders IRR range (at **abertis**)
- Dividend Yield

Valuation & Price

- Sensitivity analysis is key
- Share Purchase Agreement. Representations & Warranties
- Value creation to shareholders as the main driver... to avoid “agency costs”
- Financial impacts of the acquisition closely analysed (dividend policy, earnings per share, cash per share, debt ratios and “rating”, ...)
- Implied Multiple as a reference



As an example: Chilean assets acquisition



Shareholders' IRR (nominal in euros)

Rutas	15,5%
Elqui	13,0%

{ abertis: Investment strategy

1. An overview of the infrastructure market
2. **abertis'** strategy
3. A robust methodology for successful investments
- 4. Value creation**
5. Conclusion



The objective is profitability and value creation, not size

Revenue policies

- While more dependent on GDP and inflation, there is room to apply policies that create value for shareholders (discount policies, electronic toll collection....)
- Strong focus on quality

Opex & Capex optimisation

- Managing infrastructures during the last 40 years.
- Optimise resources by sharing best practices
- Capex at the right timing and cycle that minimizes future maintenance

Financing structure

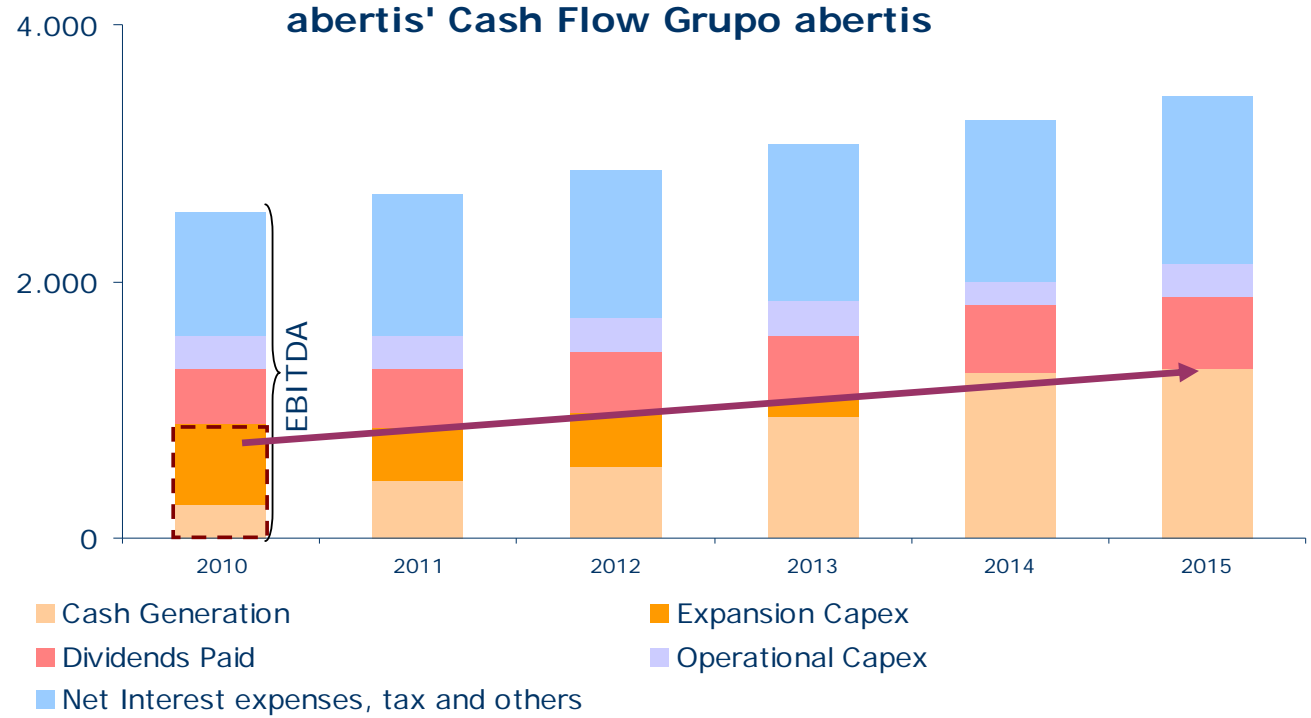
- Strong expertise in project financing globally
- Due Diligence practices and industrial experience.
- Capacity to optimize debt quantum in front of our competitors.
- Privileged Relationship with banks

Concession agreement

- Focused on dealing with public authorities to reach win-win agreements.
- A deep understanding of the concession agreement framework has led to value creation deals such as AP-7 or "Paquet vert" in France)

A robust and growing Free Cash Flow Generation

A High quality EBITDA that underpins a selective and sustainable growth strategy

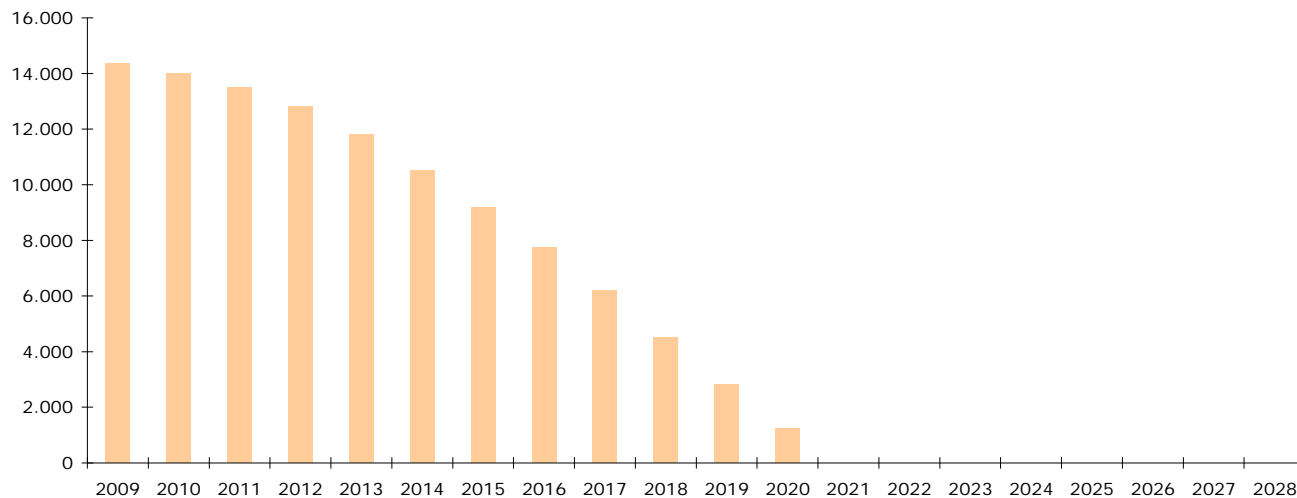


A robust and growing Free Cash Flow Generation

Strong capacity to deleverage

A solid rating and a low cost of debt

Net debt, € millions



{ abertis: Investment strategy

1. An overview of the infrastructure market
2. **abertis'** strategy
3. A robust methodology for successful investments
4. Value creation
5. **Conclusion**



Key strengths in our growth strategy

A successful track record in M&A

A leading management team

A robust and growing Free Cash Flow Generation

A Rigorous investment policy focused on value creation

A selective geographic focus to expand our geographic footprint in higher growth economies