



press release

Presentation to the investors community in London

Abertis relaunches its growth and value creation strategy with its new 2015-2017 Strategic Plan

- The Group announces its intention to launch an Initial Public Offering of its terrestrial telecoms business during next year, subject to market conditions.
 - The company is improving its shareholders retribution policy: it will increase its ordinary dividend per share by 5% per year until 2017; it will maintain its bonus share issue of 1 new share for each 20 existing shares (which means an additional 5% annual increase) and it will carry out a share buyback program of up to 5%. The Group plans to distribute over €2,000Mn in ordinary dividends over the next three years.
 - Abertis' new Strategic Plan sets an objective of improving its key financial indicators over the next three years, with an estimated average annual growth of 8% in EBITDA, up to €4,000Mn in 2017, at current perimeter and fixed exchange rates.
 - Its efficiency objectives include improving the EBITDA margin from 64% in 2014 to 68% in 2017. These objectives, together with the growth goal, are backed by a new corporate structure, with new appointments to lead some business divisions.
 - The Group presents its results for the first nine months of 2014 today, outperforming analysts' expectations: EBITDA is up 11% on the same period in 2013 to over €2,400Mn; and net profits reach €560Mn, 5% more.
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London, 30 October 2014

Abertis presented its new Strategic Plan for 2015-2017 to the investors community in London today, with the overriding objective being to continue creating value for shareholders. Following a successful period of four years -from 2011 to 2014-, in which the company has undertaken a transformational leap forward, Abertis is preparing to further develop its strategy of focusing its business, increasing returns for shareholders, seeking efficiencies, boosting international growth and consolidating a new organizational structure.

Initial Public Offering of the terrestrial telecoms business

The new drive to business' focus will come with the intention of Abertis to launch an IPO of its terrestrial telecoms business in 2015 -subject to market conditions-, currently



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consisting of a network of around 8,000 towers for *broadcasting* (radio and television) and *towering* (mobile telephone). Listing this business will provide Abertis with funds to continue growing its toll road business and reinforce its commitment to financial solvency (corporate ratings) and shareholder remuneration.

The IPO of the terrestrial telecoms business will enhance its financing flexibility and increase its visibility, at a time when the market is hungry for telecoms infrastructure projects. Moreover, it will allow the unit to raise new funds in the future to finance its growth and international expansion, in a market where there are currently many opportunities, particularly in the European mobile telephone towers segment. The new company will operate independently from Abertis, with its own brand, corporate image and management team.

In this sense, the Chief Executive Officer of Abertis, Francisco Reynés, points that "this IPO will enable the terrestrial telecoms business to continue the growth we have seen over recent years, enhancing its position to take advantage of opportunities in the telecoms infrastructure market, and adding value to its international potential as a neutral operator".

Increasing shareholder remuneration

At the presentation of the Strategic Plan, which brought together more than one hundred analysts and investors, Abertis announced an improvement in the shareholder remuneration in the next three years.

The dividend per share will increase by 5% each year to 2017. Taken together with the bonus share issue of 1 new share for every 20 existing shares, this equates to a 10% annual increase in shareholder remuneration. The company has also announced a share buyback plan of up to 5% of the share capital for 2015 to 2017. Under the new shareholder remuneration policy, the company is expected to distribute more than €2,000Mn over the next three years through the ordinary dividend alone.

Financing and efficiency objectives

Under its new plan, Abertis aims to increase EBITDA at an annual rate of 8% over the next three years, to €4,000Mn, and increasing cash flow by 11%, at current perimeter and fixed exchange rates. It will seek to consolidate its leading position in the market so that it can continue to exploit business opportunities that may arise in its core business - toll roads- particularly in international markets.

Abertis has also announced a new efficiency plan for 2015-2017. This is expected to generate savings of up to €450Mn, concentrated in the Group's units in France, Brazil



and Spain. This new plan is expected to generate over €1,400Mn of additional enterprise value (EV) for Abertis by the time it is completed in 2017.

These new savings will help Abertis improve its EBITDA margin by 4 points, from an estimated 64% in 2014 to estimated 68% in 2017. The new efficiency plan will build on the work done in this area over the last four years (2011-2014), which has achieved accumulated savings of over €700Mn.

Boosting organic and acquisition-led growth

Abertis will maintain its commitment to both organic and acquisition-led growth in its toll road business from 2015 to 2017. In terms of growth through acquisitions, the Group is currently studying various projects in its target markets in Western Europe and North America. These projects are being analyzed under a strict financial-discipline perspective based on the company's industrial character. They will only be carried through if they do not put at risk the Group's dividends policy or its financial strength (rating).

In terms of organic growth, the company will focus over the next three years on extending the terms of concessions currently in its asset portfolio. The Chief Executive Officer of Abertis has announced that there are 16 projects to be addressed, citing the example of the concessionaire Autovías, belonging to Arteris, which recently reached an agreement for a 6-month extension to the concession in return for investment. "These are win-win operations. In this case, the Brazilian government wins by extending and improving its high-capacity road infrastructure, reducing congestion and accident rates, with better customer services; while the concessionaire extends the average term of its portfolio."

Similar agreements are being negotiated in other countries, such as Chile, where investments of up to €500Mn are currently being discussed in exchange for extensions of between 2 and 5 years in the term of some concessions such as Autopista del Sol, Rutas del Pacífico, Autopista Los Libertadores and Elqui. In France, the Relance Plan is expected to be approved any time now, with Abertis investing around €600Mn in the Sanef and Sapn toll road networks, in exchange for average extensions to the concessions of 2.5 years average.

New organizational structure and a commitment to innovative businesses

During the presentation of the Strategic Plan 2015-2017, Abertis also announced several organizational changes in the company. These changes seek to redefine the role of the Group in relation to its business units, ensuring the development of the industrial role of Abertis and aligning the management team with the objectives of the Group and its shareholders.



The main organizational changes are in the corporate area, through a streamlining of the organization. The CFO and Corporate Development –led by José Aljaro-, the Industrial Development –Josep Lluís Giménez Sevilla-, the General Counsel and Corporate Affairs – Josep Maria Coronas-, and Human Resources Departments –Joan Rafel- will now report directly to CEO Francisco Reynolds.

One highlight is the appointment of Josep Lluís Giménez Sevilla, previously Managing Director of Toll Roads Spain, as the new Managing Director of Industrial Development. This new role combines many of the functions previously performed by the former Resources and Efficiency General Manager, Lluís Deulofeu, with new responsibilities specifically related to developing the industrial role of the Abertis Group.

The general managers of all the Group's businesses (Toll Roads Spain, Sanef in France, Arteris in Brazil, Toll Roads Chile, Toll Roads International, Toll Solutions International, Telecom Terrestrial and Hispasat) will continue to report directly to the Chief Executive Officer. The main developments are the changes in Toll Roads Spain, which is now headed by Antonio Español, replacing Josep Lluís Giménez, and the appointment of Lluís Deulofeu as Managing Director of Sanef, replacing François Gauthey.

The latter has been appointed Managing Director of Toll Solutions International (TSI), Abertis' new toll-technology business for an innovative sector with strong growth potential. This new business unit was formerly under the umbrella of the French subsidiary Sanef, but will now report directly to Abertis, as it continues to promoting the development of new tolling technologies, such as free-flow. This division manages a number of major contracts, such as the largest toll operation in Europe, London's Dartford Crossing; the largest toll bridge in the world, the Portmann Bridge in Vancouver, Canada; and two bridges in Rhode Island, USA.

Results 3Q 2014

Abertis released today its results for the first nine months of 2014, outperforming analysts' expectations, with positive results for all key indicators, such as revenues (+6%), EBITDA (+11%) and net profit (+5%). The period saw improvements in global traffic volumes, consolidating the positive trend in Spain since the start of the year. The Group made a net profit of €560Mn, 5% up on the same period in 2013.

The results for the period were affected by the impact of exchange rate movements, particularly the depreciation of the currencies in Chile, Brazil and Argentina. Stripping out the exchange rate effect, Abertis would have recorded an 11% increase in revenues and a 15% increase in EBITDA.





The Group's ADT (Average Daily Traffic) for its toll roads as a whole grew by 2.2% in the first nine months of the year, with noteworthy increases in Chile (+4.4%), Brazil (+3.1%) and France (+2.%), which continue to outperform forecasts.

The changing trend in Spain was confirmed, with positive figures between January and September, with traffic up by 1.6% and reporting the best third quarter since 2007.

The Group's international expansion is continuing. Foreign business now accounts for over 60% of the total consolidated Group. France and Brazil now contribute together more than half of the Group revenues.

The Group's profitability has also improved. This is due to the increasing impact of Abertis' efficiency plans, which are expected to have contributed total savings of over €700Mn during the period 2011-2014.

Active balance sheet management

During this period Abertis was able to benefit from good capital market conditions for both sovereign and corporate bond issues and continues working to optimize the maturities schedule and reduce the cost of its debt.

In September, the Abertis French subsidiary, HIT SAS, completed a €450Mn bond issue with a 10-year term and a historically low annual coupon of 2.25%. This is the lowest coupon for any European company with the same rating as HIT (BBB-) and for any company in the Abertis Group.

With this operation, the Group is continuing its active policy of extending its debt maturity and optimizing its financing costs. In the first nine months of 2014, Abertis carried out a number of refinancing operations at both the parent company and its subsidiaries, totaling over €1,500Mn.

Abertis' net debt totaled €13,455Mn in the first nine months of the year. Of this, 64% is secured with the company's own projects (i.e. non-recourse). 92% of debt is long-term, with 84% at fixed rates.

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Appendix 1. Income statement and balance sheet

The 2013 figures provided for comparison purposes have been re-expressed using the accounting criteria applicable in 2014.

Income Statement 9M 2014			
€ Mn	9M 2013	9M 2014	Chg
Revenues	3,445	3,676	+7%
Personnel expenses	-477	-499	-4%
Manageable operating expenses	-422	-440	-4%
Non-manageable operating expenses	-361	-332	9%
EBITDA	2,174	2,415	+11%
Depreciation	-820	-936	
EBIT	1,354	1,479	+13%
Financial Result	-541	-545	
Share of profit of associates	39	27	
Profit before taxes	852	961	
Income tax	-251	-295	
Minorities	-107	-122	
Discontinued operations	41	16	
Net Profit	536	560	+5%

9M 2014 cumulative -10% devaluation in BRL and -15% in Chilean Peso.
At fixed exchange rate EBITDA increases by -14.8% and net profit by 5.8%.

Balance Sheet January-September 2014			€ Mn
	Sept. 2014	Dec. 2013	
Property, plant and equipment and intangible assets	19.611	18.627	
Financial assets	4.123	4.403	
Current assets	1.341	1.100	
Liquid assets	2.354	3.043	
Assets hold for the sale	481	532	
Total assets	27.910	27.705	
Shareholder's equity	6.394	6.562	
Non current financial debt	14.504	14.517	
Non current liabilities	3.869	3.550	
Current financial debt	1.305	1.457	
Current liabilities	1.732	1.496	
Liabilities hold for the sale	106	123	
Total equity and liabilities	27.910	27.705	

Appendix 2. Significant events in the period

February

- Abertis completes the sale of Codad. Abertis completes the sale of the concession company Codad to the Ashmore Colombian Infrastructure Fund FCP for €48Mn.
- Abertis assumes control of Metropistas through the purchase of an additional 6% from funds managed by Goldman Sachs. As a result, Abertis now controls 51% of the concessionaire for the PR-22 and PR-5 toll roads in Puerto Rico and is the majority partner in the company.
- Abertis strengthens its controlling stake in the Infraestructura 2000 group. Abertis acquires an additional 8.59% stake in the capital of Infraestructura 2000, the 100% owner of Autopista Los Libertadores and Autopista del Sol, from Metlife. This deal reinforces Abertis' controlling stake, with a holding of 50% plus one share.

March

Abertis completes two bond issues totalling €350Mn. The company has completed two bond issues for qualified investors totalling €350Mn. These 10- and 12-year bonds have a coupon of 3.125%.

April

- Abertis' shareholders approve payment of final dividend. Abertis' General Shareholders' Meeting has approved a gross final ordinary dividend of €0.33 per share which, together with the interim dividend paid in November, brings the total gross ordinary dividend per share against 2013 earnings to €0.66.
- BOVESPA agrees to regard Brookfield Aylesbury's 14.9% stake in Arteris as free-float. This removes the uncertainty about the need to launch a takeover bid or re-establish the 25% minimum free-float required in Brazil.

May

- Abertis has reached an agreement with Capital Riesgo Global (Santander Group) to acquire Infraestructuras Americanas, the 42.3% owner of Invin, for €291Mn. This acquisition gives Abertis direct and indirect control of 100% of Rutas del Pacífico and 50% of Autopista Central in Chile.
- Abertis acquires TowerCo, which operates mobile telephone towers on the Italian toll road network. The transaction was completed for a total of €94.6Mn. Abertis



will manage mobile communications on over 3,000 kilometres of toll roads controlled by Atlantia in Italy.

June

- Abertis completes an accelerated book-building process among qualified investors for 5% of Eutelsat. The placement, managed by UBS Limited and Barclays Bank PLC, has generated proceeds of €275Mn for Abertis, with no significant capital gains generated.
- The CNMV has agreed to the listing of Abertis' new shares arising from the share capital increase carried out through a scrip issue. In May, Abertis launched a scrip issue against voluntary reserves for a sum of €128.3Mn. This involved issuing around 43 million new shares in a proportion of one new share for every 20 existing shares. This capital increase puts Abertis' share capital at €2,694,915,126 represented by 898,305,042 shares with an individual face value of €3.
- Abertis launches a 10-year €700Mn bond issue at a record low coupon of 2.5%. The maturity date of the new bonds is 27 February 2025 and they will bear an annual coupon of 2.50%, replacing two previous issues maturing in 2016 and 2017.

July

- Fitch Ratings upgrades Abertis's outlook from "negative" to "stable" The credit rating agency has upgraded Abertis's outlook, and has held its rating for the company at BBB+, based on the improvements and stabilisation of traffic in the first half of 2014. Fitch Ratings highlighted the Group's major cost-cutting drive in recent years.

September

- Abertis agrees to extend the term of one of its concessions in Brazil in exchange for new investment. The Group's Brazilian subsidiary, Arteris, will invest 91Mn Brazilian real (€30Mn) in a 14 kilometre stretch in exchange for a 6-month extension of the concession to Autovías, which now expires in May 2019.
- Abertis progresses in its definitive withdrawal from the airport market, with the sale of its holding in Mexico's Grupo Aeroportuario del Pacífico (GAP). Abertis has reached agreement to sell its 33.33% stake in Aeropuertos Mexicanos del Pacífico (AMP) for \$222Mn (€172Mn). AMP has a 17.41% stake in Grupo Aeroportuario del Pacífico (GAP), so by completing this operation Abertis will no longer be involved in Mexican airport assets.



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- Sanef issues €450Mn in very long term bonds with a historically low annual coupon of 2.25%. HIT SAS, a French company controlled by Abertis has completed a €450Mn bond issue with a ten and a half year maturity and a coupon of 2.25%.

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