

# Creation of the world leader in the management of infrastructures

autostrade//spa



abertis

April 24<sup>th</sup> 2006



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# I.- Key pillars of the transaction

A compelling value creation proposition

1. **Creation of the world's undisputed leader in infrastructure management and operations**
2. **Combination of best-in-class management capabilities in the industry**
  - Leverage on local regulators across Europe, US and Latam
  - Technological leadership
  - Track record of international expansion
3. **Solid platform for growth**
  - Financial muscle
  - Great opportunities arising in the infrastructure sector
4. **Financial logic**
  - Balanced mix of revenue sources and concession maturity
  - Cash flow generated invested in core business
  - Capital structure optimisation
  - Improved access to capital markets and improved stock profile

## II.- Key transaction terms

- autostrade's and abertis' Boards of Directors have approved to combine their operations through a merger.
- Irrevocable commitment from both companies' core shareholders to support the merger.
- The merger will be carried out through a capital increase of abertis and exchange of 1 abertis new ordinary share for 1 autostrade share<sup>1</sup>.
- Immediately prior to the merger, autostrade shareholders will receive an extraordinary dividend of €3.75 per share (or a total amount of €2.1bn).
- Complementary dividends of both companies will be paid as expected (€0.25 per share for abertis shareholders on May 17<sup>th</sup> and €0.31 per share for autostrade shareholders on April 27<sup>th</sup>).
- The above terms represent a premium of 7.4%, 17.1%, and 25.2% to autostrade shareholders to last closing (21<sup>st</sup> April 2006), 3 months average and 6 months average, respectively <sup>2</sup>.
- Supported by financial advisors:
  - autostrade: Merrill Lynch and UBM
  - abertis: Lazard

<sup>1</sup> Issuance of 571.7 m of new abertis ordinary shares, representing 49.7% of the combined share capital. Exchange ratio to be adjusted once the bonus share is issued.

<sup>2</sup> Based on abertis and autostrade last closing price (21<sup>st</sup> April 2006), and average prices for 3 months and 6 months respectively.

## II.- Key transaction terms

### Key financial terms

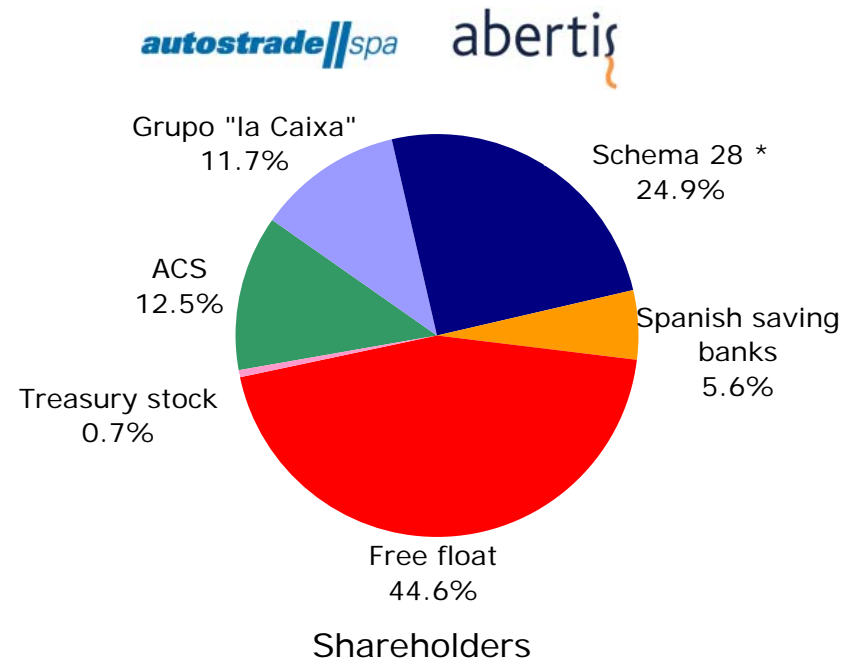
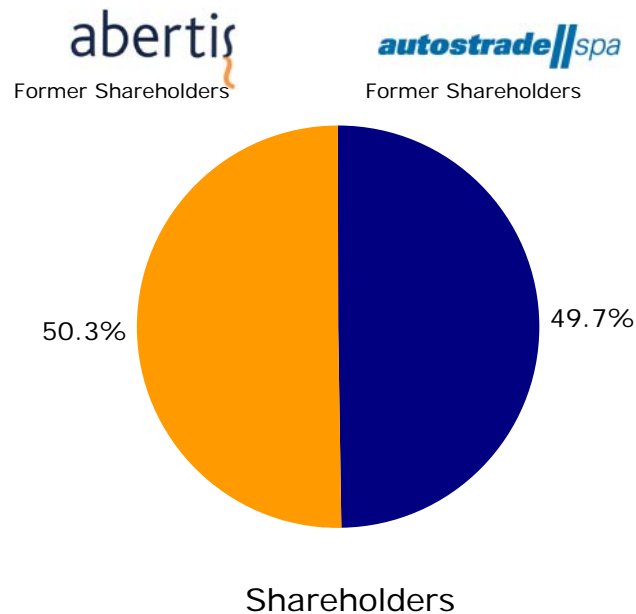
|                                 |   |
|---------------------------------|---|
| Exchange ratio                  | 1 abertis new ordinary share for 1 autostrade share <sup>1</sup>                                  |
| autostrade<br>Extra. Dividend   | €3.75 per share to autostrade shareholders (€2.1bn), payable immediately prior to the transaction |
| Listing                         | Italy, Spain  |
| Dividend Policy                 | 5% increase annually  |
| Merger<br>accounting<br>effects | 1st January 2006  |
| Closing<br>expected             | 2H 2006   |

<sup>1</sup> Exchange ratio to be adjusted once the bonus share is issued.

## II.- Key transaction terms

### Stable first quality shareholder base

- abertis will have a market capitalisation of €25 bn<sup>1</sup> with 45% free float.



<sup>1</sup> Calculated as the sum of the market capitalisation of both companies at closing of 21<sup>st</sup> April 2006

\* abertis temporarily owns 13.3% of Schema28 that implies a 3.3% shareholding stake in the merged company

## II.- Key transaction terms

### Corporate Governance

|                              |  |
|------------------------------|--|
| <b>Board of Directors</b>    | <b>23 members: 11 abertis + 11 autostrade + CEO</b>  |
| <b>Executive Comitee</b>     | <b>9 members: 4 abertis + 4 autostrade + CEO</b>   |
| <b>Co-Chairmen</b>           | <b>Isidre Fainé (abertis) &amp; Gian Maria Gros-Pietro (autostrade)</b>                                    |
| <b>Co-Vice-Chairmen</b>      | <b>Florentino Pérez (abertis) &amp; Vito Gamberale (autostrade)</b>  |
| <b>CEO</b>                   | <b>Salvador Alemany (abertis + autostrade)</b>   |
| <b>Independent directors</b> | <b>To be designated by abertis and autostrade in accordance to their respective shareholding structure</b> |
| <b>Headquarters</b>          | <b>Barcelona</b>   |
| <b>Operating HQ</b>          | <b>Barcelona, London, Madrid, Paris and Rome</b>   |



## II.- Key transaction terms

### Indicative timetable

**April 2006**

The Board of abertis and autostrade approve the execution of the Term Sheet

**May 2006**

The Board of Directors of abertis and autostrade approve the Merger Plan

autostrade Board of Directors calls for autostrade EGM

Appointment of the Experts by the relevant authorities

Issuance of the Experts' reports

abertis and autostrade Boards of Directors review the Experts' reports and approve the Board of Directors' reports

abertis and autostrade Board of Directors call for the EGM

**End June 2006**

Shareholders' meetings to approve the merger

**July 2006**

European Commission Notification and domestic regulatory filings

**November 2006**

Payment of €3.75 per share extraordinary dividend to autostrade shareholders

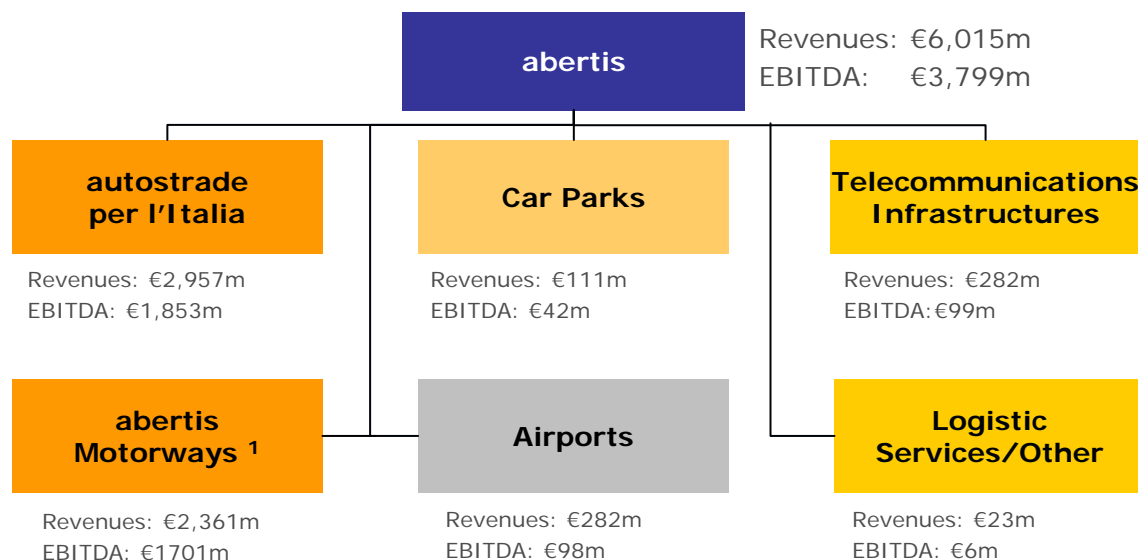
Registration with CNMV of the merger documentation

Execution of the Merger Deed

Trading of new shares

# III.- The new group at a glance

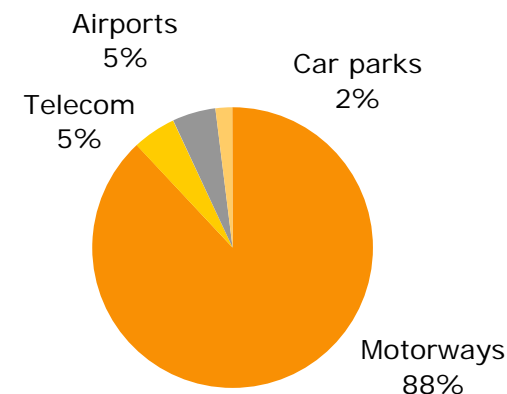
Business Units (2005)



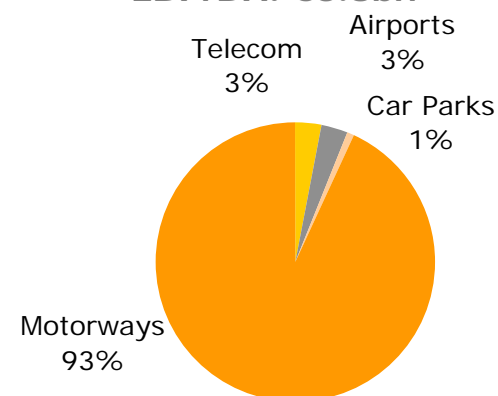
<sup>1</sup> Proforma abertis and Sanef 2005

Operating Breakdown

Revenues: €6.0bn

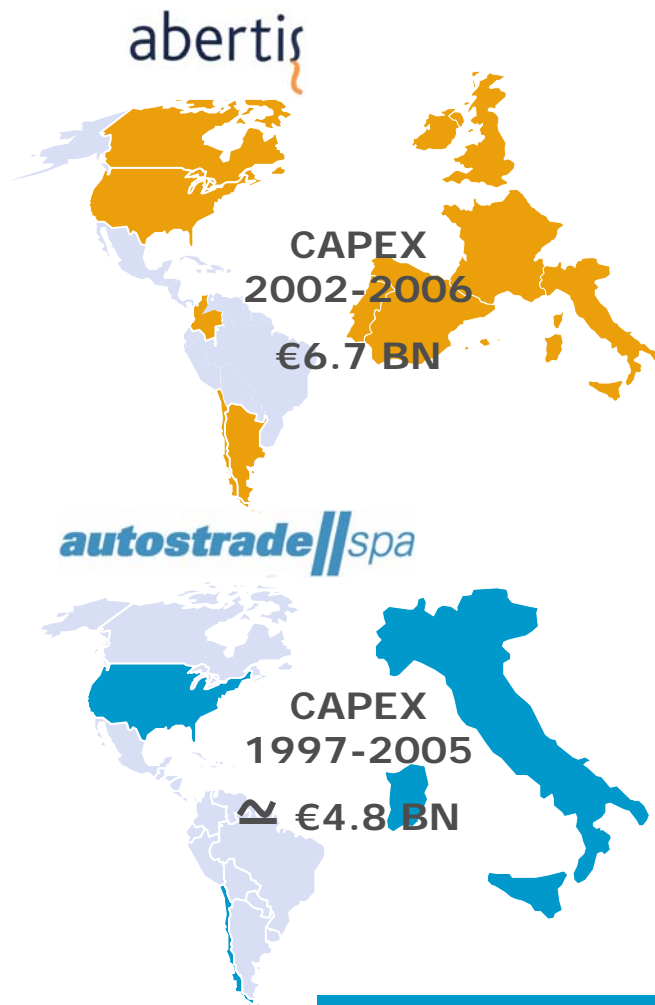


EBITDA: €3.8bn



### III.- The new group at a glance

#### Expansion strategy



#### EXPANSION PLANS 2006 ONWARDS

Strong commitment to Italy

>€10 bn

Strong commitment to Spain, France  
and others

>€4 bn

Strong commitment to growth:

Cash flow and  
leverage capacity

Strong commitment to investments  
and growth

## III.- The new group at a glance

### 2005 Key Figures

€M - IFRS

|   | abertis <sup>1</sup> | autostrade//spa | autostrade//spa <sup>1</sup><br>abertis |
|---|----------------------|-----------------|---|
| Motorway network under concession (kms) | 3,305                | 3,408           | 6,713                                   |
| Average concession maturity             | 2026                 | 2037            | 2031                                    |
| Traffic (million Km travelled)          | 30,796               | 52,629          | 83,425                                  |
| ADT (average daily traffic)             | 25,529               | 42,385          | 34,086                                  |
| Average number of employees             | 11,068               | 9,106           | 20,174                                  |
| Number of countries present             | 16                   | 2               | 16                                      |
| <b>Revenues - Concessions</b>           | <b>3,058</b>         | <b>2,957</b>    | <b>6,015</b>                            |
| <b>Ebitda - Concessions</b>             | <b>1,946</b>         | <b>1,853</b>    | <b>3,799</b>                            |
| <b>Capitalisation (21/4/2006)</b>       | <b>12,125</b>        | <b>13,138</b>   | <b>25,263</b>                           |
| Net debt                                | 12,127               | 8,794           | 21,966 <sup>2</sup>                     |
| Minorities                              | 921                  | 279             | 1,200                                   |
| <b>Enterprise Value</b>                 | <b>25,173</b>        | <b>22,211</b>   | <b>48,429</b>                           |
| Net Debt / Ebitda                       | 6.2x                 | 4.7x            | 5.8x                                    |
| Expected Rating                         | A                    | A               | Expected "A" Stable                     |

<sup>1</sup> 2005 Proforma (abertis considers Sanef)

<sup>2</sup> Takes into account the extraordinary dividend of autostrade (€3.75/share, representing €2.1 bn), the possible sale of abertis' treasury stock (1,3%), and the possible sale of the indirect abertis' stake in Autostrade (6.7%) (no tax impacts considered).

## IV.- Merger rationale

1. Creation of the world's leading infrastructure operator.
2. Creation of the infrastructure player with the most solid financial outlook and balance sheet which will result in:
  - Increased competitiveness for external growth and establishing a solid and competitive platform for capturing new opportunities
  - Reduced cost of capital
  - Improved long-term rating
  - Ability to increase dividend policy
  - Improved allocation of financial resources
3. Well balanced concession maturities
4. European focus and geographical diversification of revenues and Ebitda
5. Sound complementarities

**Further value creation for shareholders**

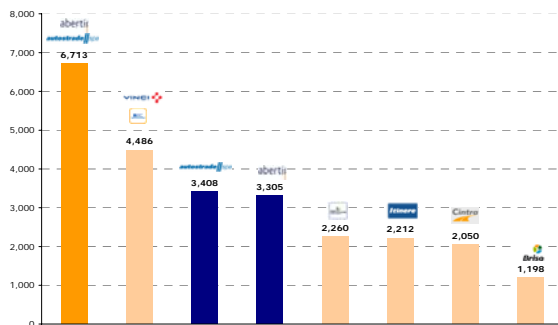
## IV.- Merger rationale

1

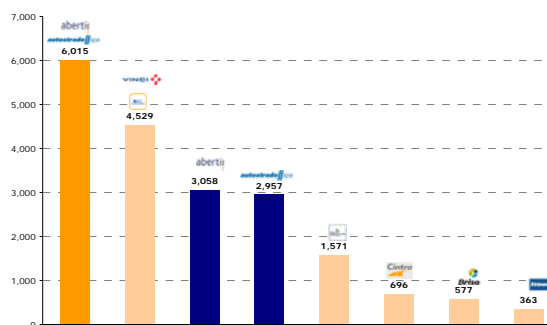
### World leading infrastructure operator

- The motorway network under concession will be substantially larger than that of the second operator.
- abertis will become the world leader in terms of Revenues and Ebitda obtained from the concession business.

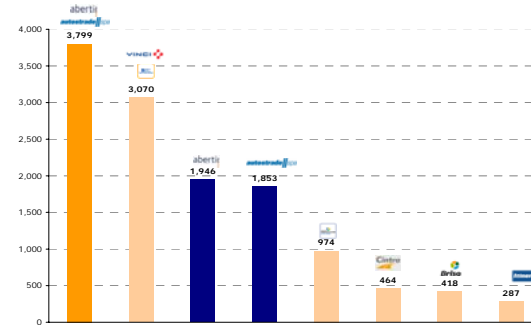
Motorway network under concession, 2005 (kms)<sup>1</sup>



Revenues from infrastructure concessions (€M)<sup>1</sup>



Ebitda from infrastructure concessions (€M)<sup>1</sup>

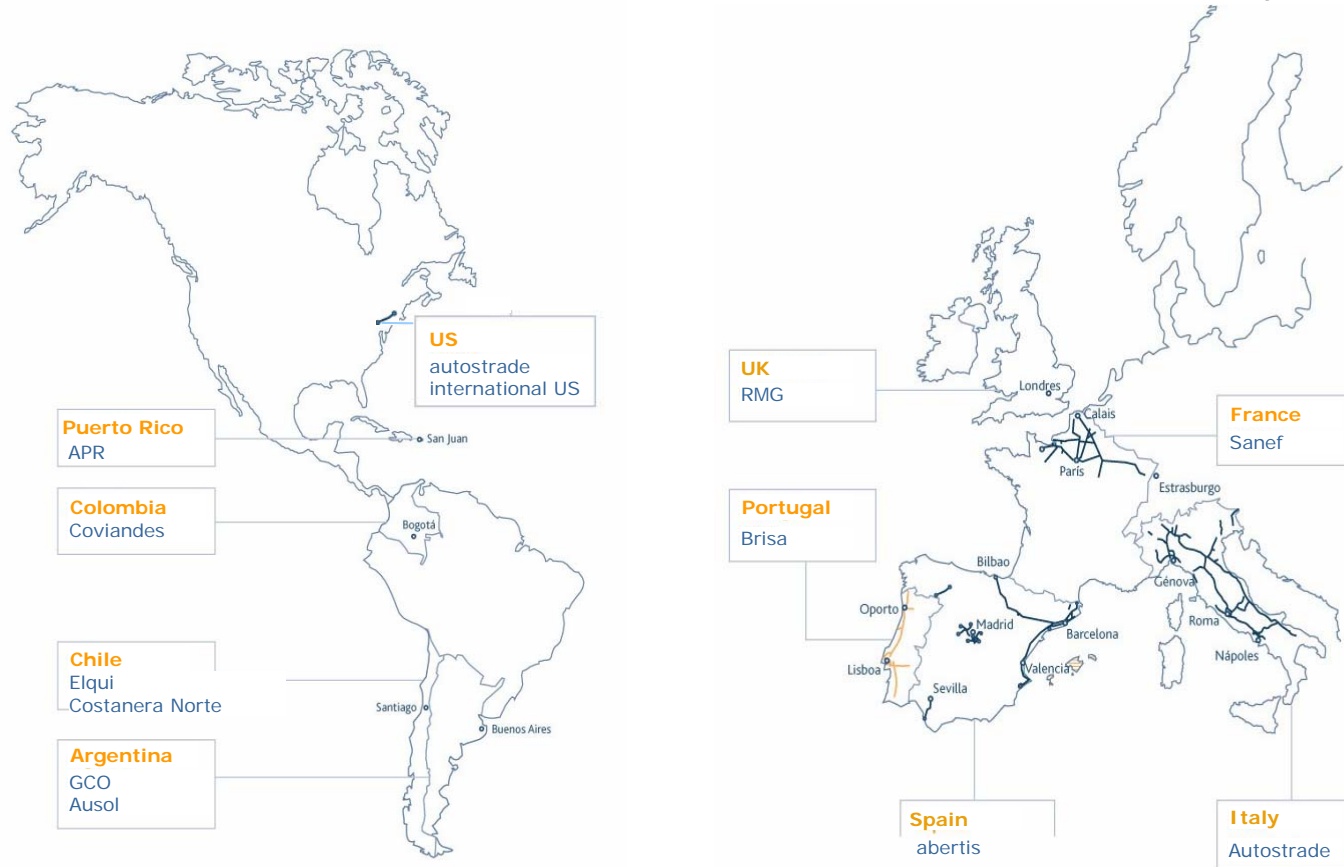


<sup>1</sup> 2005 ProForma for abertis (includes Sanef). Vinci data estimated including ASF. Revenues and Ebitda do not take into account other activities. Apart from Cintra, motorway network Km accounted by equity method not included. Eiffage figures for concession activity not available, only APRR figures post-acquisition considered. Own estimates.

## IV.- Merger rationale

### 1 World leading infrastructure operator in terms of motorway network

- Truly Pan European network and a basis for further international expansion



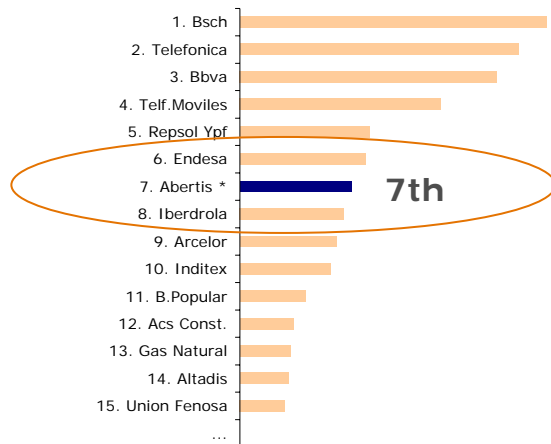
\* Brisa 10% stake equity accounted participation

## IV.- Merger rationale

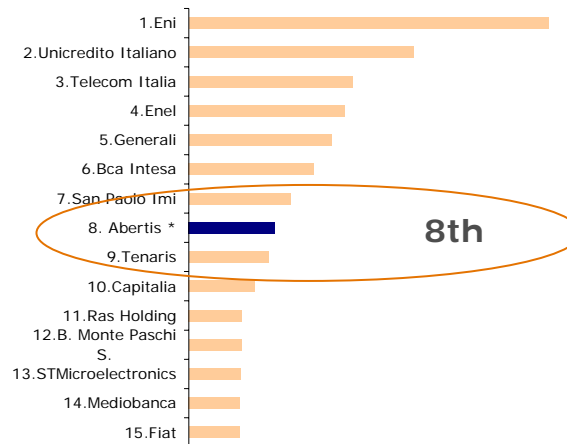
### 1 World leading infrastructure operator in terms of Market Capitalisation

- Largest infrastructure company by market capitalisation (€25 bn).
- Reference stock in both Spanish and Italian indices.
- Blue chip stock for investors world-wide.
- Candidate for Eurostoxx 50 inclusion benefiting from large "index-trackers" investor base.
- Improved liquidity and enhanced investor profile and visibility.

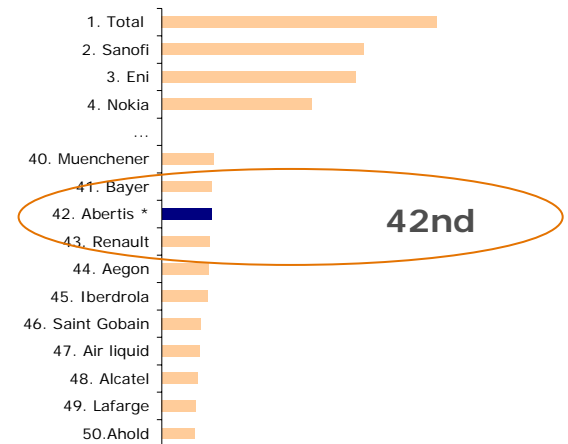
IBEX 35 – MARKET CAP <sup>1</sup>



MIB 30 – MARKET CAP <sup>1</sup>



EUROSTOXX 50 – MARKET CAP <sup>1</sup>



<sup>1</sup> Market Capitalisation at 21 April 2006. Source: Bloomberg

\*Market Capitalisation of the combined group

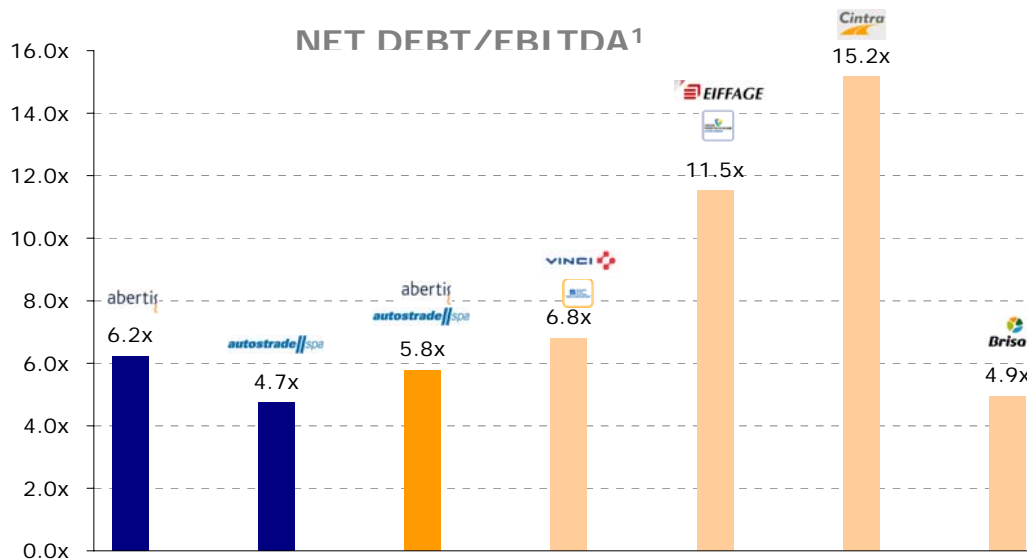


## IV.- Merger rationale

2

**Creation of the infrastructure player with the most solid financial outlook and balance sheet**

- The new company will present a balanced financial structure.
- Greater capacity than peers to assess and capture new investment opportunities.



**Reduction of cost of capital and maintenance of long-term rating (A stable, S&P)**

<sup>1</sup> Eiffage figures for concession activity not available, only APRR figures post-acquisition considered. Own estimates.

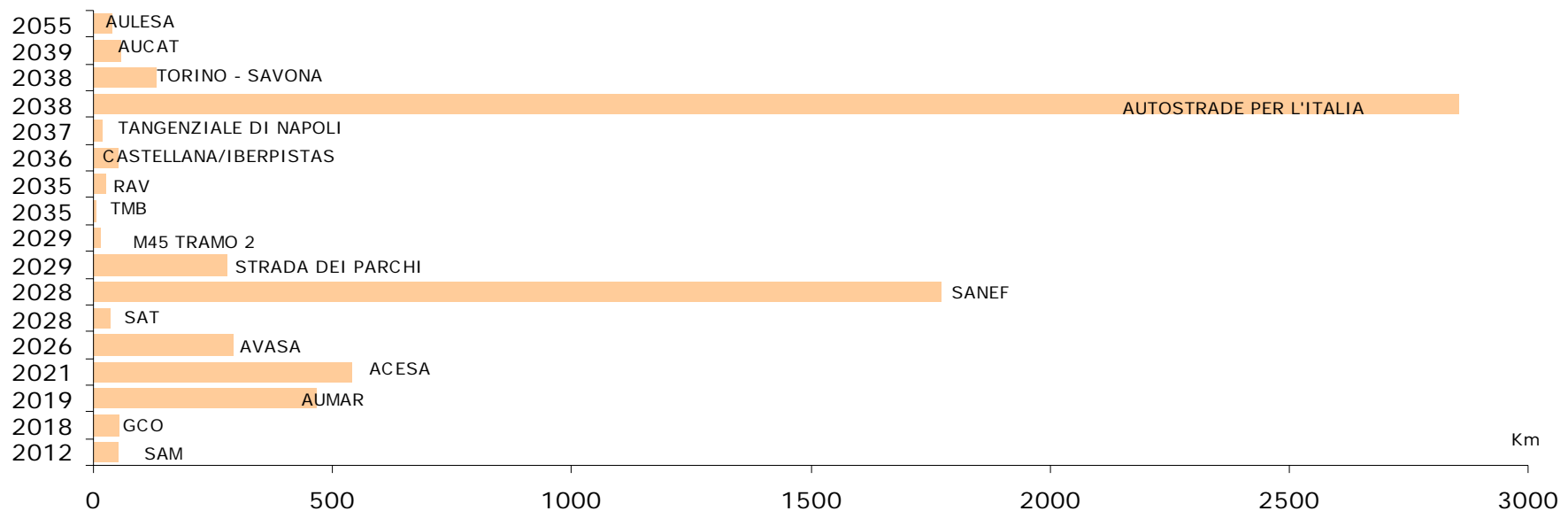
## IV.- Merger rationale

3

### Well balanced concession maturities

#### Concessions life and length <sup>1</sup>

End of Concession



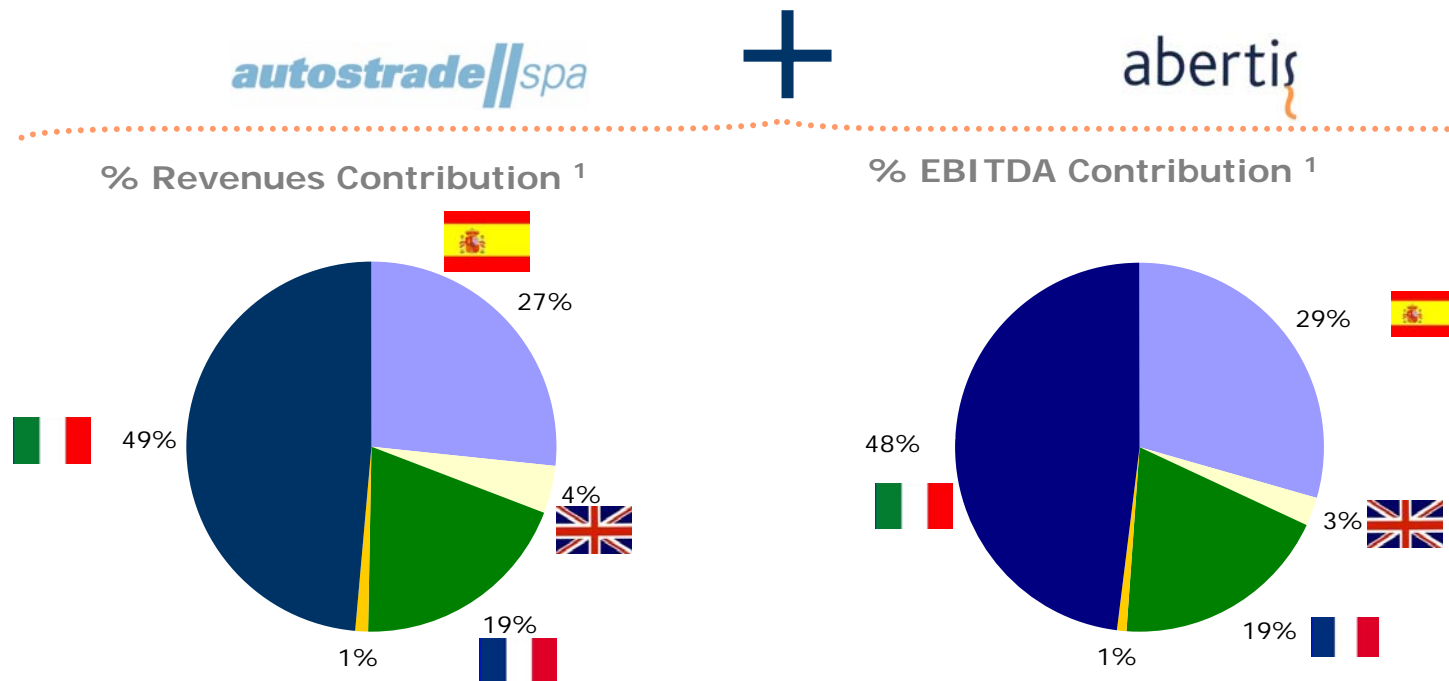
<sup>1</sup> Average concession maturity 2031. Weighted average based on Km

## IV.- Merger rationale

4

### Geographical diversification of Revenues and Ebitda

- The transaction will create a well diversified source of Revenues and Ebitda by country.
- The new company will benefit from different regulatory regimes.
- Located in key European markets (France, Italy and Spain).



<sup>1</sup> Proforma abertis, Sanef and autostrade 2005

## IV.- Merger rationale

5

### Creation of sound complementarities

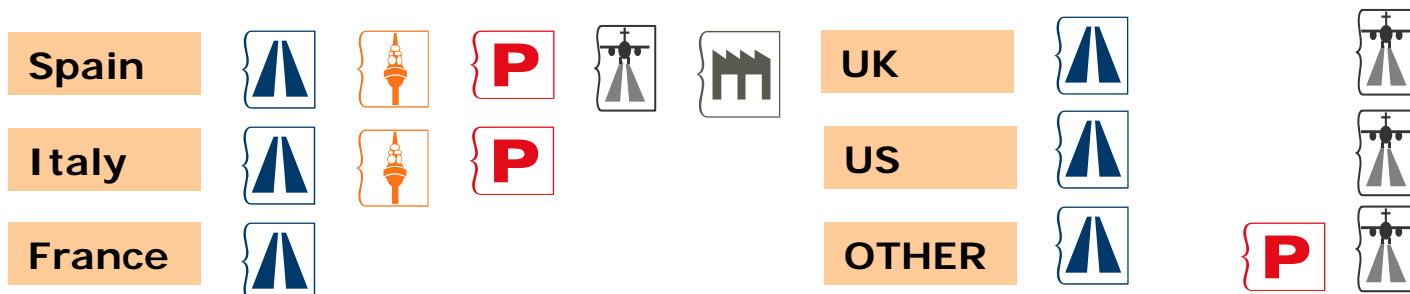
- abertis will benefit from exchange of know how and technology:

#### **a** Competence in managing regulatory frameworks to exploit growth opportunities:

autostrade and abertis will combine their experience in dealing with regulatory framework in five leading infrastructure markets: France, Italy, Spain, UK and US.

The combined business will share best practices in bidding for, and managing infrastructure worldwide

The combined group will also have experience in other infrastructure businesses different from motorway concessions.



## IV.- Merger rationale

5

### Creation of sound complementarities

#### b Technology:

Both companies have developed unrivalled technological skills. Sharing of know how is expected to result in new technological advances.

Technological advances will further improve efficiency and cost control.

Reinforcement of forthcoming EU-required inter-operability at a European level (France, Italy, Spain and UK).

- Outstanding performance in developing technology solutions related to tolling (Austria)
- Leverage electronic toll road collection for heavy vehicles in all core markets
- Leading position in management of fleet and engineering services (Sanef/Masternaut)

## IV.- Merger rationale

5

### Creation of sound complementarities

#### c Strong Management track record

Integration of management teams with longstanding relationship.

Solid track record in successfully integrating M&A transactions.  
Management focus on creating value to shareholders by cost optimisation and assessment of new opportunities.

Highly committed to manage talent.

#### d Operational synergies

Best practices and experiences in terms of motorways concessions shared.

Enhanced capacity to invest in R&D and to develop new technologies (ie electronic toll collection systems).

Best practices in service area management and customer services

Increased purchasing power.

#### e Financial optimisation

Improved access to capital markets.

## IV.- Merger rationale

5

**Creation of sound complementarities**

f

Operating complementarity: Committed to delivering quality

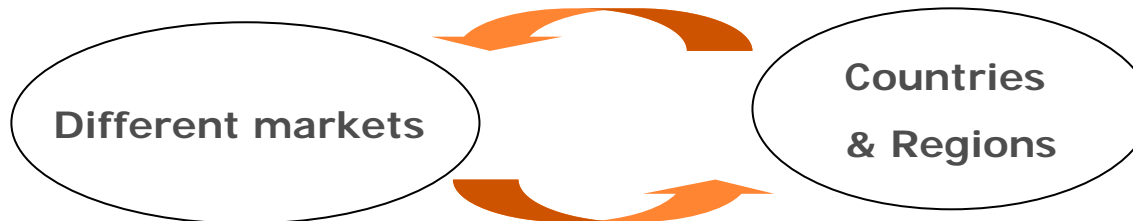
**Road Quality****Focus on quality of road network****Safety****Target reduction in all car-accidents indexes****Technology****Further develop automatic payment systems****Traffic services****Increase coverage of info mobility services****Environment****Focus on energy saving, noise reduction, recycling, waste water collection**

## V.- The combined strategy

Focus on growth



Taking benefit of the know- how



Using the generation of funds and the capacity for leverage



## V.- The combined strategy

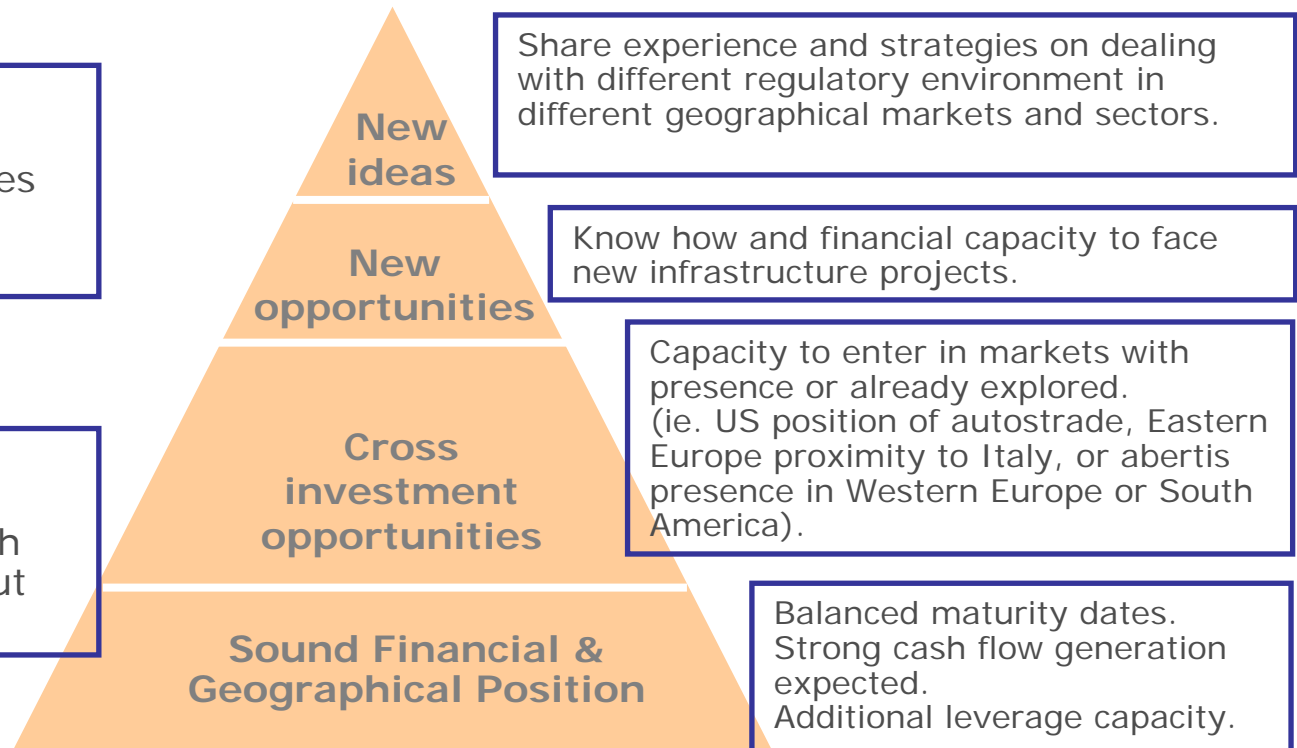
abertis:

- Expertise in other infrastructure businesses
- Pan European focus
- International expertise



autostrade:

- Tolling technology
- Longer concessions with significant new build-out
- Safety/Quality



**autostrade** *spa*

+

abertis

