

**New Brisa concession agreement
presentation to analysts, *December 2008***

Background

Last major revision dates to 1997, just before Brisa's Privatization process. Since then major external changes occurred

- The network is fully built (except the New Lisbon Airport link, by 2017); O&M became the core activity, not the development of the network anymore
- Brisa SA, the *Brisa Concession* holder, has become progressively a holding company, with various road concessions and related businesses, operating in several geographies and covering other types of transport infrastructures
- New legal requirements, regulations and procedures regarding users rights and widening works have come through (*e.g.* Decree Law 24/2007)
- New administration framework and novel agencies have been formed: INIR (Instituto Nacional de Infraestruturas Rodoviárias) became the sector regulator and EP (Estradas de Portugal) became a State-owned road operator
- A new financing model for the road sector has been devised, where EP is accountable for the State financial obligations towards new private concessions and State owned roads

Adjustments to a new reality

New Brisa concession agreement



Main changes...

- **Concession term extended (+3 years)**
- **New tariffs increase**
- **Network development adjustments (new demand, new nodes)**
- **New widening CAPEX program**
- **Brisa Concession in a SPV, under a holding company**

... in order to balance the settlement of past and future State financial obligations

State financial obligations

■ Past liabilities

- Brisa has in its Balance Sheet assets of aprox. €153M (State current account) that will be paid by the State
- Brisa will use these funds to settle past obligations (payment to EP)
- These assets consist mainly to State financial contribution and subsidies to new construction and widenings

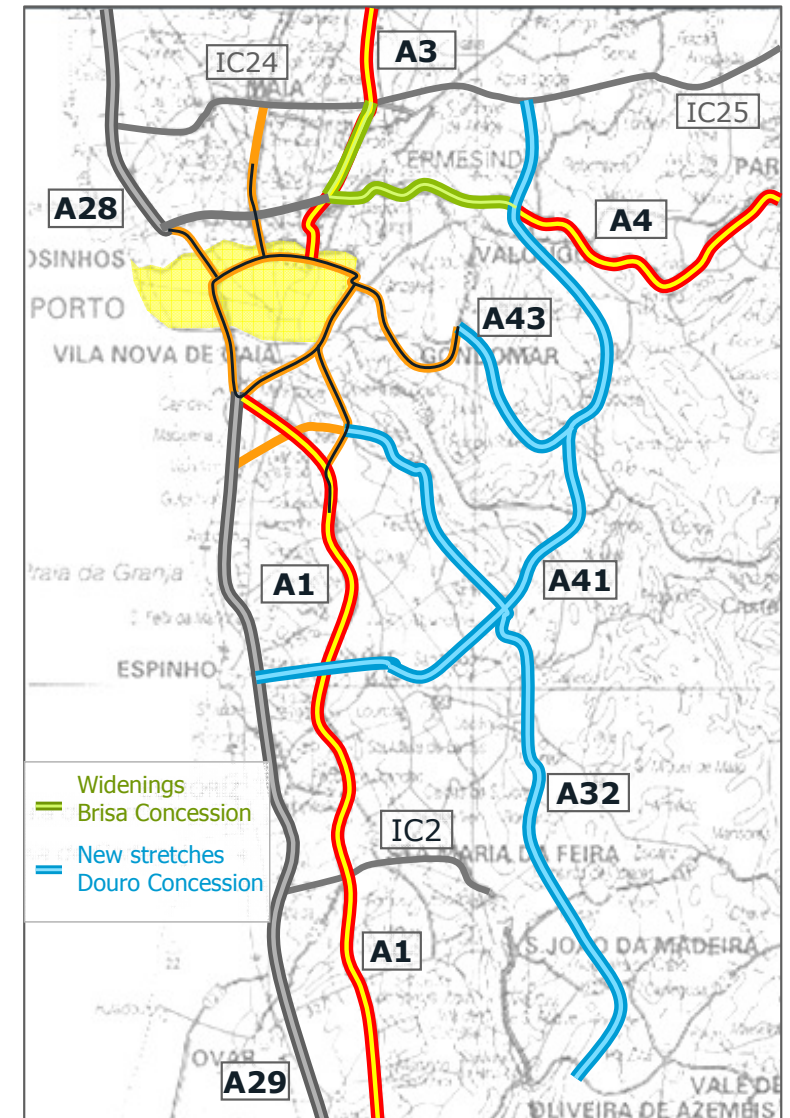
■ Future liabilities

- The widening costs of 2 non-tolled stretches (in A1 and A4) will be fully financed by Brisa without any contribution by the State
- The same will apply to the construction of the New Lisbon Airport link
- New junctions and links will have to be built on the A1 and A12

No impact on Net Debt

New tariffs increases

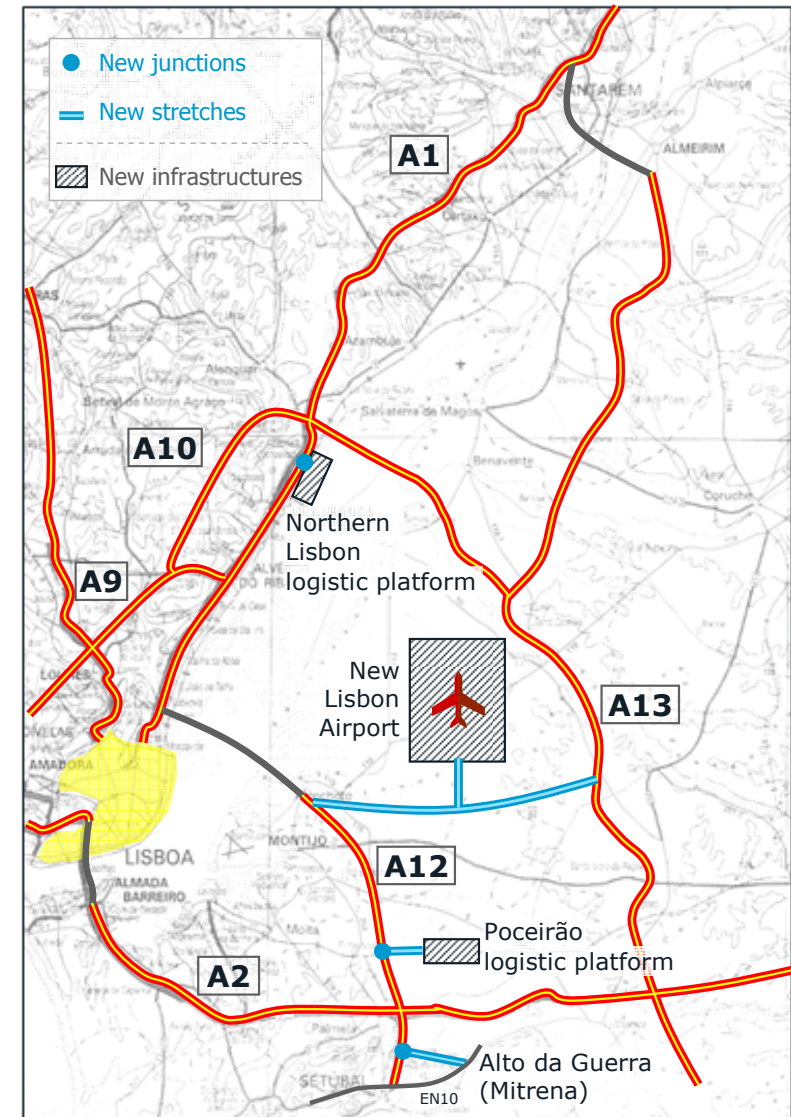
- **New revenues to Brisa and EP**
 - From 2012 onwards, tariffs may increase up to 100% of CPI_{n-1} (no longer 90%). The extra 10 p.p. will be split between EP (8.5 p.p.) and Brisa (1.5 p.p.)
 - The non tolled stretches on the A3 - *Águas Santas / Maia* (5.3 km) and A4 - *Águas Santas / Ermesinde / Valongo* (3.0 km) might be tolled in the future, with revenues going directly to EP



Additional tolling proceeds

Network development, meeting new demand

- **New junctions linking the new logistic platforms**
 - A1 – Castanheira do Ribatejo (1.3 km)
 - A12 – Poceirão (1.7 km)
- **New link between A5 and Grande Lisboa concession (Alcabideche)**
- **New stretch on the A12 linking to the industrial park of Mitrena (Setúbal - Alto da Guerra)**
- **The details of the future link to the New Lisbon Airport, given its new location (Alcochete instead of OTA), will be addressed at a later stage (ext. ≈22km)**



Financed by new tolls

Main adjustments to the concession agreement

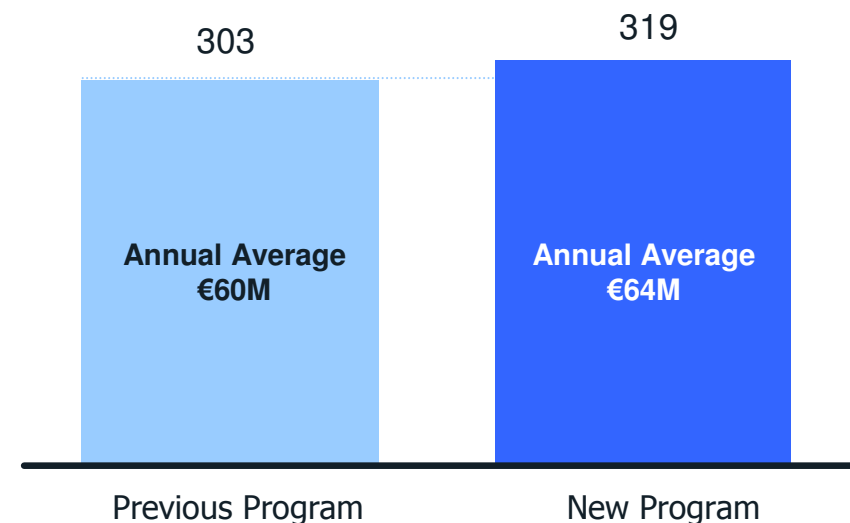
Network development

■ Clearer definition of the enlargement program

Widenings expected to finish before:

- A1 CONDEIXA / COIMBRA SUL (7.7 km)
- A3 ÁGUAS SANTAS / MAIA (5.3 km)
- A2 COINA / PALMELA / NÓ DE SETÚBAL (13.5 km)
- A1 CARVALHOS / SANTO OVÍDEO (4.4 km)
- A3 MAIA / SANTO TIRSO (12.8 km)
- A1 ALBERGARIA / ESTARREJA (10.4 km)
- A1 ESTARREJA / FEIRA (16.8 km)
- A4 ÁGUAS SANTAS / ERMESINDE (3.0 km)
- A5 ESTÁDIO NACIONAL / OEIRAS (3.5 km)

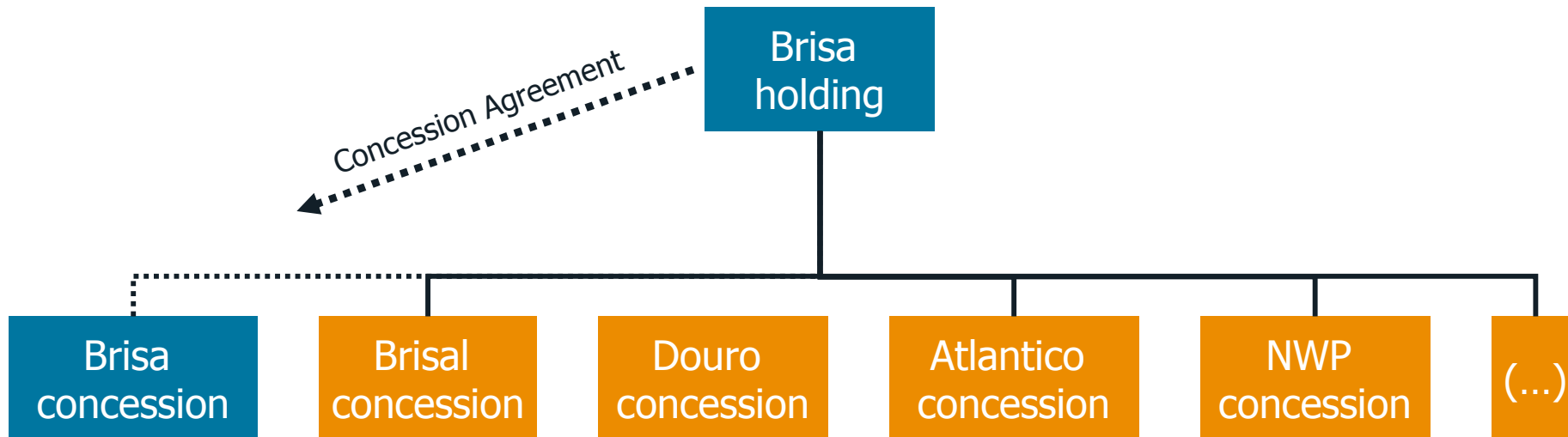
Widening Capex 2008-12 (€M)



In line with new regulatory framework

Concession under a holding company

- **Concession term extended until 2035 (3 additional years)**
- **Authorization granted to transfer Brisa's concession to a Special Purpose Vehicle company**



A more efficient corporate structure

Advantages of the new corporate structure

- **Higher visibility of its assets and financial flexibility**
 - Allows a clearer portfolio management approach, giving visibility over the value of each business, splitting assets, liabilities and cash flow generation
- **Higher business units efficiency**
 - Greater management focus due to segmented approach; better definition of priorities and objectives for each business and increase level of specific and central skills
- **Concession agreement management**
 - Maximization of the economic and financial potentials, splitting the assets from the servicing companies which do not revert to the State at Concession term
 - Focus on operation and relationship with the Grantor
- **Reinforces commitment to strong rating**
 - The corporate debt will be transferred to the new Brisa SPV concession and, through future ring-fence mechanisms, creditors will be exposed only to Brisa concession risk and not to other businesses within the Group's portfolio

Higher value creation and better risk mitigation

Accounting impacts

■ Balance Sheet

- Additional Concession Lease (intangible) Asset of €271M
- Brisa credits over the State of aprox. €153M will be received *
- Accruals and Deferrals of other items totaling aprox. €118M of estimated future Capex (liabilities) *

■ Estimated new Capex

Widenings	€73M	Extra €4M per year vs. medium plan (2009-2012) due to reschedule
Links and State contributions	€21M	Financed by new tolling
New Lisbon Airport Link	€24M	New location (Alcochete) provides more km's and construction cost per km

* Estimated values, to be confirmed with YE'08.

No impact on Net Debt

- **The Brisa Concession Agreement was no longer adjusted to current framework and company reality (multi-business and multi-market)**
- **The New Concession Agreement:**
 - Settles a set of past and future State obligations regarding the Brisa Concession
 - Enhances clearness of the concession rights and obligations
 - fosters business growth through **network development, term extension** and **new corporate structure**
- **The agreement is clearly positive for both sides and reaffirms Brisa as a long lasting partner with the State for the development of national infrastructure assets**

A key milestone in Brisa long history