

Alternatives to urban congestion

CINTRA CONTRIBUTES TO REDUCE THE EXISTING INVESTMENT DEFICIT IN INFRASTRUCTURES, MAINLY IN URBAN AREAS THAT ARE INCREASINGLY CONGESTIONED, THROUGH 100% PRIVATE FUNDING CONCESSIONAL MODELS, CONTRIBUTING TO MINIMIZE THE NEED FOR PUBLIC FUNDS.

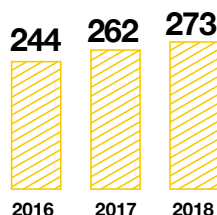
Cintra operates in markets with predictable institutional and regulatory frameworks, bright economic prospects (North America, Australia and Europe) and high demand for transportation infrastructure, especially the type designed to overcome traffic congestion problems in urban areas (complex greenfield concessions), as well as dynamic tolling systems. More than 50 years of experience, together with Ferrovial Agroman synergies, make Cintra a company with strong potential to create value and afford it considerable competitive advantages

MAIN ASSETS

Cintra owns 43.23% of the 407 ETR toll road in Toronto (Canada) and 62.97% and 54.6% of the NTE and LBJ Managed Lanes in Texas (USA), respectively. The NTE35 West toll road, also located in Texas, was fully opened to traffic in 2018 (53.67% Cintra). Meanwhile, the I-77 (50.10% Cintra) in North Carolina and the I-66 (50% Cintra) in Virginia are currently under construction.

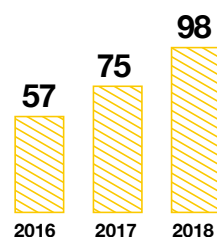
In the company's Managed Lanes, tolls are dynamic, meaning they can be adjusted every five minutes to respond to existing levels of congestion while always ensuring a minimum speed for drivers. These assets, with free-flow toll systems (no barriers), have a long life and are hugely flexible when it comes to setting tariffs, making Cintra a leader in the private development of highly complex transportation infrastructure.

407 ETR (CANADA)
Dividends received M€



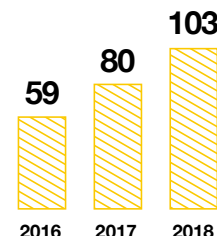
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NTE (USA)
EBITDA M\$



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LBJ (USA)
EBITDA M\$



...

VALUE CREATION

High-complexity greenfield projects

Cintra focuses on complex greenfield projects due to their excellent potential for value creation. The increased risk associated with these assets (construction, funding, operation and traffic) commands higher initial rates of return (IRR). Value creation comes into play because the discount rate on future cash flows drops steadily as project-related risks either disappear (construction) or gradually decline (traffic/funding) as the concession moves forward. An example of this risk reduction has been the financial closure of Ruta del Caçao, in Colombia, which will allow an external funding of EUR465 million, in the long term, without recourse and in local currency, to finance an investment of EUR580 million, through a syndicated loan in which six national and international entities have participated. This value creation can be increased further thanks to efficient management, innovation and synergies with other toll roads.

Cintra relies on Big Data techniques to better understand congestion problems and driver behavior, with a dual objective:

- Improving reliability and reducing the time needed to estimate traffic and revenue. By analyzing anonymous data from mobile telephones (localizations and travel times) and by reading Bluetooth and Wi-Fi devices, the company is able to make swifter and more effective forecasts.
- Increasing efficiency when managing projects. Data analysis enables the company to broaden its range of services, while improving project accessibility and connectivity and generating additional revenue based on the user's willingness to pay floating tolls that respond to existing levels of congestion.

Rotation of mature assets

After reducing risks, further value is created by selling mature projects and using the proceeds to invest in new assets with more potential for value creation. A prime example of this strategy was the deal completed in 2018 with GEK Terna —Cintra's partner in Greek concessions— whereby the company transferred its entire stake in those concessions to its Greek partner in exchange for EUR85 million.

Socially responsible infrastructures

Because they are highly complex, innovative and efficient, the projects developed by Cintra offer sustainable solutions that improve congestion in large cities, reduce pollution and the number of accidents, raise user satisfaction and ultimately improve people's quality of life.

In Dallas, Texas (USA), Cintra operates the first carbon neutral toll road (NTE). A comparison of scenarios from before (existing road) and after the development (existing road plus NTE) reveals that the new scenario has led to no increase in emissions along the corridor.

User: excellence in service

Customer satisfaction is a key priority for Cintra. In 2018, customer service for the 407 ETR issued over 21 million invoices and managed 3.2 million customer requests, yielding satisfaction levels of over 85%. This earned the company the World Class Center award from SQM (Service, Quality, Measurement) for the fifth straight year. Meanwhile, toll road users have recently ranked the 407 ETR third in terms of value for money, behind only fast food restaurants and public transport.

Employees: supporting merit

Cintra offers opportunities for the professional development of all its employees, promoting internal mobility and ensuring that merit is the determining factor in their professional career. During 2018, 24% of employees have had the opportunity to change their position or location, and one in four people hold jobs in an international assignment. 🌐

NORTH AMERICA

91%

Cintra valuation

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CONCESSIONS

24

Assets in 9 countries

...

DIVIDENDS (M€)

296

52% of total flow
(Ex-infrastructure)

...



VIDEO: 20 YEARS OF
407 ETR

KILOMETERS

1,468

...

INVESTMENT MANAGED (M€)

18,472

94% international

...



RESEARCH ON MOBILITY

Cintra is collaborating on various research projects with the Massachusetts Institute of Technology (MIT), with the Center for Transportation Research of the University of Texas at Austin and with the Polytechnic University of Madrid to explore and anticipate the impacts on mobility and congestion of current trends and the collaborative economy (carpooling and shared travel, mobility as a service, e-commerce, etc.), new technologies (autonomous and connected cars) and changes in social behaviors. The ultimate aim of these projects is to predict and anticipate their likely impact on the existing and future order book and to unlock the value of these projects.



MANAGED LANES OPENING: 35W IN FORT WORTH (TEXAS)

In July 2018, Cintra opened the last section of the NTE 35W toll road, concluding the contract works signed with TxDOT in 2013. After the opening of this last segment, not only the traffic has been placed above the original expectations of this project, but also has significantly increased traffic on the NTE toll road, thanks to the connection between these toll roads. With this opening, the role played by the Managed Lanes in improving the mobility of the area becomes clear, not only for the users of these, but also for those who decide to use the toll-free lanes.

MANAGED LANES (MLs): BENEFITS FOR GOVERNMENTS AND USERS



DALLAS-FORT WORTH (TEXAS) IS ONE THE BUSIEST AND FASTEST GROWING AREAS IN THE UNITED STATES. TO HELP ADDRESS INCREASING TRAFFIC CONGESTION, FERROVIAL, THROUGH CINTRA, PARTNERED WITH THE TxDOT ON THREE MANAGED LANES (MLS) PROJECTS WITH DYNAMIC PRICING. THIS SUSTAINABLE TRAFFIC MANAGEMENT SOLUTION HAS INCREASED MOBILITY, ENHANCED USER EXPERIENCE AND IMPROVED TRAFFIC CONDITIONS ALONG THE CORRIDORS.

BENEFITS FOR GOVERNMENTS

- Leverage limited tax dollars to get needed projects delivered
- Shift risks from taxpayers to investors
- Accelerate project delivery
- Life-cycle cost saving and price certainty
- Gain access to advanced technology and design innovations

BENEFITS FOR USERS

- Decrease traffic congestion
- Reliable trip times
- Innovative design solutions to improve connectivity and enhance user experience
- More travel choices

RESULTS ACHIEVED

Managed Lanes developed by 5,100 million euros, by leveraging few more than 900 million euros of public funds. Over 10 million distinct vehicles have used LBJ, NTE, and NTE 35W Managed Lanes to date. Approximately, 80% of TExpress lane users view their experience positively



DISTANCE
21.4 km

INVESTMENT
1,741 M€

CONCESSION
52 years

AVERAGE DAILY TRAFFIC

200,000
vehicles



DISTANCE
27.4 km

INVESTMENT
2,157 M€

CONCESSION
52 years

AVERAGE DAILY TRAFFIC

270,000
vehicles



DISTANCE
16.4 km

INVESTMENT
1,176 M€

CONCESSION
52 years

AVERAGE DAILY TRAFFIC

132,000
vehicles