

## IMPORTANT NOTICE

### **THIS OFFERING IS AVAILABLE ONLY TO INVESTORS WHO ARE NON-U.S. PERSONS (AS DEFINED BELOW) LOCATED OR RESIDENT OUTSIDE OF THE UNITED STATES**

**IMPORTANT:** You must read the following before continuing. The following applies to the Prospectus following this page and you are therefore advised to read this page carefully before reading, accessing or making any other use of the Prospectus. In accessing the Prospectus, you agree to be bound by the following terms and conditions, including any modifications to them any time you receive any information from the Issuer (as defined in the Prospectus) or from Banco Bilbao Vizcaya Argentaria, S.A., Banco Santander, S.A., BNP Paribas, Crédit Agricole Corporate and Investment Bank, Deutsche Bank AG, London Branch, HSBC Bank plc, J.P. Morgan Securities plc and Merrill Lynch International in their capacity as joint lead managers and bookrunners (the “Joint Lead Managers and Bookrunners”) as a result of such access.

NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER OF SECURITIES FOR SALE IN THE UNITED STATES OR ANY OTHER JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. THE SECURITIES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE “**SECURITIES ACT**”), OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR OTHER JURISDICTION, AND THE SECURITIES MAY NOT BE OFFERED OR SOLD, DIRECTLY OR INDIRECTLY, WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT) EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND APPLICABLE STATE OR LOCAL SECURITIES LAWS.

THE ATTACHED PROSPECTUS MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER AND, IN PARTICULAR, MAY NOT BE FORWARDED TO ANY U.S. PERSON OR U.S. ADDRESS. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THE PROSPECTUS IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS. IF YOU HAVE GAINED ACCESS TO THIS TRANSMISSION CONTRARY TO ANY OF THE FOREGOING RESTRICTIONS, YOU ARE NOT AUTHORISED AND WILL NOT BE ABLE TO PURCHASE ANY OF THE SECURITIES DESCRIBED IN THE ATTACHED PROSPECTUS.

**Confirmation of your representation:** In order to be eligible to view the attached Prospectus or make an investment decision with respect to the securities being offered, prospective investors must be non-U.S. persons (as defined in Regulation S of the Securities Act (“**Regulation S**”)) located or resident outside the United States. This Prospectus is being sent to you at your request, and by accessing this Prospectus you shall be deemed to have represented to the Issuer and the Joint Lead Managers and Bookrunners that (1) (a) you are not a U.S. person and (b) you are purchasing the securities being offered in an offshore transaction (within the meaning of Regulation S) and the electronic mail address that you gave us and to which this e-mail has been delivered is not located in the United States, its territories and possessions (including Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Islands and the North Mariana Islands), any State of the United States or the District of Columbia, (2) you are otherwise a person to whom it is lawful to send this Prospectus in accordance with applicable laws, and (3) you consent to delivery of such Prospectus by electronic transmission.

The attached Prospectus has been sent to you in electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and consequently none of the Issuer or the Joint Lead Managers and Bookrunners or any person who controls them or any director, officer, employee or agent of them or affiliate of any such person accepts any liability or responsibility whatsoever in respect of any difference between the Prospectus distributed to you in electronic format and the hard copy version available to you on request from the Joint Lead Managers and Bookrunners.

You are reminded that this Prospectus has been delivered to you on the basis that you are a person into whose possession this Prospectus may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not, nor are you authorised to, deliver this Prospectus to any other person.

If you are in any doubt as to the contents of the Prospectus or the action you should take, you are recommended to seek your own financial advice immediately from your stockbroker, bank manager, solicitor, accountant or from an appropriately authorised independent financial adviser.

The materials relating to this offering do not constitute, and may not be used in connection with, an offer or solicitation in any place where offers or solicitations are not permitted by law. If a jurisdiction requires that the offering be made by a licensed broker or dealer, and the Joint Lead Managers and Bookrunners or any affiliate of the Joint Lead Managers and Bookrunners is a licensed broker or dealer in the relevant jurisdiction, the offering shall be deemed to be made by the Joint Lead Managers and Bookrunners or such affiliate on behalf of the Issuer (as defined in the Prospectus) in such jurisdiction.

This communication is directed solely at (i) persons outside the United Kingdom, (ii) persons with professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 as amended (the “**Order**”), (iii) high net worth entities, and other persons to whom it may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order and (iv) persons to whom an invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000) in connection with the issue or sale of any securities of the Issuer or any member of its group, may otherwise lawfully be communicated or caused to be communicated (all such persons in (i)–(iv) above being “relevant persons”). Any investment activity to which this communication relates will only be available and will only be engaged with relevant persons. Any person who is not a relevant person should not act or rely on this communication.

Prospectus dated 29 May 2013

**ferrovial**

**Ferrovial Emisiones, S.A.**

*(incorporated with limited liability in The Kingdom of Spain)*

**€500,000,000 3.375 per cent. Notes due 2021**

**Guaranteed by Ferrovial, S.A. and certain of the subsidiaries of Ferrovial, S.A.**

**Issue price: 99.717 per cent.**

The €500,000,000 3.375 per cent. Notes due 2021 (the “Notes”) are issued by Ferrovial Emisiones, S.A. (the “Issuer”). The payment of all amounts due in respect of the Notes will, subject as described herein, be unconditionally and irrevocably guaranteed by Ferrovial, S.A. (the “Parent”) and certain of the subsidiaries of the Parent (together with the Parent, the “Guarantors”). A list of the Guarantors as at the Closing Date (as defined below) (the “Original Guarantors”) is included under “Overview of the Notes” below.

Interest on the Notes is payable annually in arrear on 7 June in each year. Payments on the Notes will be made without deduction for or on account of taxes to the extent described under “Terms and Conditions of the Notes – Taxation”. The Notes mature on 7 June 2021 (the “Final Maturity Date”). The Notes are subject to redemption in whole, at their principal amount, together with accrued interest, at the option of the Issuer at any time in the event of certain changes affecting taxes as more fully described in “Terms and Conditions of the Bonds – Redemption and Purchase”. Application has been made to the Financial Conduct Authority (the “FCA”) under the Financial Services and Markets Act 2000 (the “United Kingdom Listing Authority”) for the Notes to be admitted to the Official List of the United Kingdom Listing Authority (the “Official List”) and to the London Stock Exchange plc (the “London Stock Exchange”) for the Notes to be admitted to trading on the London Stock Exchange’s regulated market (the “Market”). References in this Prospectus to the Notes being “listed” (and all related references) shall mean that the Notes have been admitted to the Official List and have been admitted to trading on the Market. The Market is a regulated market for the purposes of Directive 2004/39/EC (the “Markets in Financial Instruments Directive”).

The denomination of the Notes shall be €100,000 and integral multiples of €1,000 in excess thereof.

The Notes will initially be represented by a temporary global note (the “Temporary Global Note”), without interest coupons, which will be deposited on or about 7 June 2013 (the “Closing Date”) with a common depository for Euroclear Bank SA/NV (“Euroclear”) and Clearstream Banking, société anonyme (“Clearstream, Luxembourg”). Interests in the Temporary Global Note will be exchangeable for interests in a permanent global note (the “Permanent Global Note” and, together with the Temporary Global Note, the “Global Notes”), without interest coupons, on or after 17 July 2013 (the “Exchange Date”), upon certification as to non-U.S. beneficial ownership. Interests in the Permanent Global Note will be exchangeable for definitive Notes only in certain limited circumstances. See “Summary of Provisions Relating to the Notes While Represented by the Global Notes”.

**An investment in Notes involves certain risks. Prospective investors should have regard to the factors described under the heading “Risk Factors” on page 5.**

The Notes are expected to be rated BBB by Standard & Poor’s Credit Market Services Europe Limited (“Standard & Poor’s”) and BBB- by Fitch Ratings Ltd (“Fitch”). A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency. Fitch and Standard & Poor’s are established in the European Union and are registered under Regulation (EC) No. 1060/2009 (as amended) on credit rating agencies (the “CRA Regulation”).

*Joint Lead Managers and Bookrunners*

**BANCO BILBAO VIZCAYA ARGENTARIA, S.A.**

**BNP PARIBAS**

**BofA MERRILL LYNCH**

**CRÉDIT AGRICOLE CIB**

**DEUTSCHE BANK**

**HSBC**

**J.P. MORGAN**

**SANTANDER GLOBAL BANKING & MARKETS**

This Prospectus comprises a prospectus for the purposes of Directive 2003/71/EC, as amended, to the extent that such amendments have been implemented in the relevant Member State of the European Economic Area (the “Prospectus Directive”) and for the purpose of giving information with regard to the Issuer, each Original Guarantor, the Parent and its consolidated subsidiaries taken as a whole (“Ferrovial” or the “Group”) and the Notes which according to the particular nature of the Issuer, each Original Guarantor and the Notes, is necessary to enable investors to make an informed assessment of the assets and liabilities, financial position, profit and losses and prospects of the Issuer and each Original Guarantor. The Issuer and each Original Guarantor accept responsibility for the information contained in this Prospectus. To the best of the knowledge and belief of each of the Issuer and each Original Guarantor (each of which has taken all reasonable care to ensure that such is the case), the information contained in this Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information.

For the purposes of Prospectus Rule 5.5.4R(2)(f), Deloitte LLP, Licenced Public Accountants in Canada (“Deloitte LLP”) has stated that it is responsible for the auditor’s report dated 1 May 2013 relating to the audited financial statements as of and for the year ended 31 December 2012 of 4352238 Canada, Inc. incorporated herein by reference and has declared that it has taken all reasonable care to ensure that the information contained in that report is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import. This declaration is included in the Prospectus in compliance with Annex IX items 1.2 and 13.1 of the Prospectus Directive Regulation and is given solely for the purpose of complying with that provision and for no other purpose.

This Prospectus is to be read and construed in conjunction with any documents which are incorporated herein by reference. See “Documents Incorporated by Reference” for further details.

This Prospectus does not constitute an offer of, or an invitation by or on behalf of the Issuer, the Original Guarantors or Banco Bilbao Vizcaya Argentaria, S.A., Banco Santander, S.A., BNP Paribas, Crédit Agricole Corporate and Investment Bank, Deutsche Bank AG, London Branch, HSBC Bank plc, J.P. Morgan Securities plc and Merrill Lynch International (the “Joint Lead Managers and Bookrunners”) to subscribe for or purchase any of the Notes. The distribution of this Prospectus and the offering of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Prospectus comes are required by the Issuer, the Original Guarantors and the Joint Lead Managers and Bookrunners to inform themselves about and to observe any such restrictions.

For a description of certain further restrictions on offers and sales of Notes and distribution of this Prospectus, see “Subscription and Sale” herein.

No person is authorised to give any information or to make any representation not contained in this Prospectus and any information or representation not so contained must not be relied upon as having been authorised by or on behalf of the Issuer, the Original Guarantors, the Joint Lead Managers and Bookrunners or BNP Paribas Securities Services, Sucursal en España (the “Commissioner”). Neither the delivery of this Prospectus nor any sale made in connection herewith shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer or the Original Guarantors or that there has been no adverse change in the financial position of the Issuer or the Original Guarantors since the date hereof or the date upon which this Prospectus has been most recently amended or supplemented or that the information contained in it or any other information supplied in connection with the Notes is correct as of any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

To the fullest extent permitted by law, the Joint Lead Managers and Bookrunners accept no responsibility whatsoever for the contents of this Prospectus or for any other statement, made or purported to be made by a Manager or on its behalf in connection with the Issuer, the Original Guarantors or the issue and offering of the Notes. Each Manager accordingly disclaims all and any liability whether arising in tort or contract or otherwise (save as referred to above) which it might otherwise have in respect of this Prospectus or any such statement.

The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the “Securities Act”) and are subject to U.S. tax law requirements. The Notes are being offered in offshore transactions outside the United States in reliance on Regulation S (“Regulation S”) under the Securities Act and, unless the Notes are registered under the Securities Act or any other exemption from the registration requirements of the Securities Act is available, may not be offered or sold within the United States or to U.S. persons.

Investors must rely upon their own examination of the Issuer, the Original Guarantors, the Group, the terms of the offering and the financial information contained herein, in making an investment decision. Potential investors should consult their own professional advisors as needed to make their investment decision and to determine whether they are legally permitted to purchase the Notes under applicable laws and regulations.

In this Prospectus, unless otherwise specified or the context requires, references to “€” and “euro” are to the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty establishing the European Union, as amended from time to time, references to “£” and “pound sterling” are to the lawful currency of the United Kingdom, references to “US\$” are to the lawful currency of the United States of America, references to “C\$” and “Canadian Dollars” are to the lawful currency of Canada, references to “Polish zlotys” are to the lawful currency of Poland and references to “Tunisian Dinar” are to the lawful currency of Tunisia.

In connection with this issue, each of the Joint Lead Managers and Bookrunners and any of their respective affiliates acting as an investor for its own account may take up Notes and in that capacity may retain, purchase or sell for its own account such securities and any securities of the Issuer or related investments and may offer or sell such securities or other investments otherwise than in connection with this issue. Accordingly, references in this document to the Notes being issued, offered or placed should be read as including any issue, offering or placement of securities to the Joint Lead Managers and Bookrunners and any of their affiliates acting in such capacity. The Joint Lead Managers and Bookrunners do not intend to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligation to do so.

In connection with the issue of the Notes, BNP Paribas (the “Stabilising Manager”) (or any person acting on behalf of the Stabilising Manager) may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilising Manager (or any person acting on behalf of the Stabilising Manager) will undertake stabilisation action. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the Notes is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the issue date of the Notes and 60 days after the date of the allotment of the Notes. Any stabilisation action or over-allotment must be conducted by the Stabilising Manager (or any person acting on behalf of the Stabilising Manager) in accordance with all applicable laws and rules.

## **NOTICE TO POTENTIAL INVESTORS**

*The Notes may not be a suitable investment for all investors.*

Each prospective investor in the Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in this Prospectus or any applicable supplement;
- have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact such investment will have on its overall investment portfolio;
- have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including where the currency for principal and interest payments is different from the potential investor's currency;
- understand thoroughly the terms of the Notes and be familiar with the behaviour of financial markets in which they participate; and
- be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

The Notes are complex financial instruments and may be purchased as a way to reduce risk or enhance yield with an understood, measured, appropriate addition of risk to their overall portfolios. A potential investor should not invest in the Notes, which are complex financial instruments, unless it has the expertise (either alone or with the help of a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of such Notes and the impact this investment will have on the potential investor's overall investment portfolio.

### **LEGAL INVESTMENT CONSIDERATIONS MAY RESTRICT CERTAIN INVESTMENTS.**

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (1) the Notes are legal investments for it, (2) the Notes can be used as collateral for various types of borrowing and (3) other restrictions apply to its purchase or pledge of the Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of the Notes under any applicable risk-based capital or similar rules.

## FORWARD-LOOKING STATEMENTS

This Prospectus includes forward-looking statements. These forward-looking statements include, but are not limited to, all statements other than statements of historical facts contained in this Prospectus, including, without limitation, those regarding the Issuer's, the Original Guarantors' and the Group's future financial position and results of operations, the Issuer's, the Original Guarantors' and the Group's strategy, plans, objectives, goals and targets, future developments in the markets in which the Issuer, each Original Guarantor and each other member of the Group participates or is seeking to participate or anticipated regulatory changes in the markets in which the Issuer, each Original Guarantor and each other member of the Group operates or intends to operate. In some cases, investors can identify forward-looking statements by terminology such as "aim," "anticipate," "believe," "continue," "could," "estimate," "expect," "forecast," "in the future," "intend," "may," "plan," "potential," "predict," "project," "should," "will" or "would" or the negative of such terms or other comparable terminology.

By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Forward-looking statements are not guarantees of future performance and are based on numerous assumptions. The Issuer's, the Original Guarantors' and the Group's actual results of operations, including the Issuer's, the Original Guarantors' and the Group's financial condition and liquidity and the development of the industry in which the Issuer, each Original Guarantor and each other member of the Group operates, may differ materially from (and be more negative than) the forward-looking statements made in, or suggested by, this Prospectus. In addition, even if the Issuer's, the Original Guarantors' and the Group's results of operations, including the Issuer's, the Original Guarantors' or the Group's financial condition and liquidity and the development of the industry in which the Issuer, each Original Guarantor and each other member of the Group operates, are consistent with the forward-looking statements contained in this Prospectus, those results or developments may not be indicative of results or developments in subsequent periods. Investors should read the section of this Prospectus entitled "Risk Factors," the description of the business of the Issuer in the section of this Prospectus entitled "Description of the Issuer" and the description of the business of Ferrovial in the section of this Prospectus entitled "Description of Ferrovial" for a more complete discussion of the factors that could affect the Issuer's and the Original Guarantor's future performance and the markets in which the Issuer, each Original Guarantor and each other member of the Group operates. In light of these risks, uncertainties and assumptions, the forward-looking events described in this Prospectus may not occur. Neither the Issuer nor the Original Guarantors undertakes any obligation to update or revise any forward-looking statement, whether as a result of new information or future events or developments.

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## OVERVIEW OF THE NOTES

*The following overview refers to certain provisions of the Terms and Conditions of the Notes and is qualified in its entirety by more detailed information contained elsewhere in this Prospectus. Prospective investors should read this Prospectus in its entirety. Terms which are defined in “Terms and Conditions of the Notes” have the same meaning when used in this overview.*

<b>Issuer</b>	Ferrovial Emisiones, S.A.
<b>Guarantors</b>	<p>The Notes will (subject to Condition 3 (<i>Guarantees</i>)), benefit from a guarantee by the Parent and certain subsidiaries of the Parent (together with the Parent, the “Guarantors”), who will guarantee on a joint and several basis claims of the Noteholders under the Notes. The guarantees given by the Guarantors are referred to as “Guarantees”.</p> <p>The Guarantors as at the Closing Date (the “Original Guarantors”) will be:</p> <p>Ferrovial, S.A. Ferrovial Agromán, S.A. Ferrovial Servicios, S.A. Cintra Infraestructuras, S.A. 4352238 Canada, Inc. Cespa, Compañía Española de Servicios Públicos Auxiliares, S.A. Cespa Gestión de Residuos, S.A. Hubco Netherlands B.V. Landmille Limited</p> <p>The Guarantors may change from time to time. See Condition 3(d) (<i>Accession of New Subsidiary Guarantors</i>) and 3(e) (<i>Release of Subsidiary Guarantors</i>).</p>
<b>Joint Lead Managers and Bookrunners</b>	<p>Banco Bilbao Vizcaya Argentaria, S.A. Banco Santander, S.A. BNP Paribas Crédit Agricole Corporate and Investment Bank Deutsche Bank AG, London Branch HSBC Bank plc J.P. Morgan Securities plc Merrill Lynch International</p>
<b>Commissioner</b>	<p>BNP Paribas Securities Services, Sucursal en España</p> <p>There will be no English law trustee appointed in relation to the Notes but rather a Spanish law Commissioner or “Comisario”. See Condition 13 (<i>Syndicate of Noteholders, Modification and Waiver</i>) and “<i>Regulations of the Syndicate of Noteholders</i>”.</p> <p>The Commissioner may require the Noteholders to indemnify it for any costs, losses or liabilities incurred by it when complying with the instructions received from the Noteholders arising from a Noteholders meeting.</p>
<b>Fiscal Agent</b>	BNP Paribas Securities Services, Luxembourg Branch
<b>Issue Amount</b>	€500,000,000
<b>The Offering</b>	The Notes are being offered by the Joint Lead Managers and

	Bookrunners outside the United States to non-U.S. persons in accordance with Regulation S under the Securities Act.
<b>Issue Price</b>	99.717 per cent. of the nominal amount of the Notes.
<b>Final Maturity Date</b>	7 June 2021
<b>Form of Notes</b>	The Notes will be issued in bearer form as described in “Summary of Provisions Relating to the Notes while Represented by the Global Notes”.
<b>Denominations</b>	The Notes will have denominations of €100,000 and integral multiple of €1,000 in excess thereof, up to €199,000.
<b>Interest</b>	3.375 per cent. per annum
<b>Currency</b>	Euro
<b>Use of Proceeds</b>	The net proceeds received from the sale of the Notes will be used by the Issuer to refinance existing corporate debt
<b>Status of the Notes</b>	The Notes and Coupons are direct, unconditional, unsubordinated and (subject to Condition 4 ( <i>Negative Pledge</i> )) unsecured obligations of the Issuer ranking at least equally, without any preference among themselves, with all other present and future unsecured and unsubordinated obligations of the Issuer, save for such obligations that may be preferred by provisions of law that are mandatory and of general application.
<b>Status of the Guarantees</b>	The obligations of each Guarantor under its Guarantee constitute (or will constitute) direct, unconditional, unsubordinated and (subject to Condition 4 ( <i>Negative Pledge</i> )) unsecured obligations of such Guarantor ranking at least equally with all other present and future unsecured and unsubordinated obligations of such Guarantor, save for such obligations that may be preferred by provisions of law that are mandatory and of general application.
<b>Negative Pledge</b>	The Notes will have the benefit of a negative pledge as described in Condition 4 ( <i>Negative Pledge</i> ).
<b>Events of Default</b>	The events of default under the Notes are as specified in Condition 10 ( <i>Events of Default</i> ). In particular, the Notes will have the benefit of a cross default provision in relation to other indebtedness of the Issuer, the Guarantors or any Relevant Subsidiary (as defined in Condition 5 ( <i>Definitions</i> )), as described in Condition 10(c).
<b>Redemption at the option of the Issuer</b>	The Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time in the event of certain changes affecting taxes as more fully described in Condition 7(b) ( <i>Redemption for taxation reasons</i> ).
<b>Change of Control</b>	Upon the occurrence of a Change of Control (as defined in Condition 5 ( <i>Definitions</i> )), each Noteholder shall have the option to require the Issuer to redeem or purchase the Notes, in whole or in part, at their principal amount plus accrued and unpaid interest up to (but excluding) the date for such redemption or purchase.  See Condition 7(c) ( <i>Early redemption at the option of the Noteholders upon a Change of Control</i> ).
<b>Taxation and gross-up</b>	The payment of interest and other amounts in respect of the Notes

will be made free of withholding taxes of any Tax Jurisdiction, unless such taxes are required by law to be withheld. In such case the Issuer and/or the Guarantors will pay additional amounts as may be necessary in order that the net amounts receivable by the holder after such deduction or withholding shall equal the respective amounts which would have been receivable by such holder in the absence of such deduction or withholding; except that no such additional amounts shall be payable in certain circumstances set out in the Terms and Conditions of the Notes. See Condition 9 (*Taxation*).

The Issuer considers that, according to Royal Decree 1145/2011, it is not obliged to withhold any tax amount provided that the new simplified information procedures (which do not require identification of the Noteholders) are complied with by the Fiscal Agent, as described “Taxation – Spanish Tax Considerations *Simplified Information Procedures*”.

In the event that the current applicable procedures are, in the future, modified, amended or supplemented by any Spanish law or regulation, or any ruling of the Spanish Tax Authorities, the Issuer will inform the Noteholders of such information procedures and of their implications, as the Issuer may be required to apply withholding tax on interest payments under the Notes if the Noteholders do not comply with such information procedures.

For further information regarding the interpretation of Royal Decree 1145/2011, please refer to “*Risk Factors – Risks relating to Spanish withholding tax*”.

See Condition 9 (*Taxation*) and “Taxation”.

## **Governing law**

The Notes and the Guarantees, and any non-contractual obligations arising out of or in connection with the Notes or the Guarantees, will be governed by and shall be construed in accordance with English law, save that, Condition 2 (*Status of the Notes*), Condition 13 (*Syndicate of Noteholders, Modification and Waiver*) and the Regulations of the Syndicate of Noteholders will be governed by Spanish law. The status of the Guarantee of each Guarantor as described in Condition 3(b) (*Status of the Guarantees*) shall be construed in accordance with the laws where each Guarantor has its centre of main interest, which, in the case of the Guarantee of the Parent shall be Spanish law.

The courts of England will have jurisdiction to settle any disputes which may arise out of or in connection with the Notes. In accordance with article 25 of the Regulations of the Syndicate of Noteholders, the courts and tribunals of the city of Madrid are to have exclusive jurisdiction to settle any dispute arising from the Regulations of the Syndicate of Noteholders.

## **Listing and Trading**

Application has been made to the FCA under Part VI of the FSMA for the Notes to be admitted to the Official List of the United Kingdom Listing Authority and to the London Stock Exchange for the Notes to be admitted to trading on the London Stock Exchange’s regulated market.

## **Clearing**

The Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg. The Notes have the following

International Securities Identification Number (“ISIN”) and Common Code:

ISIN: XS0940284937

Common Code: 094028493

**Language**

The legally binding language of this Prospectus is the English language except for the Regulations of the Syndicate of the Noteholders where the legally binding language shall be the Spanish language. The English translation of the Regulations of the Syndicate of the Noteholders is included for information purposes only.

**Ratings**

The Notes are expected to be rated BBB by Standard & Poor’s and BBB- by Fitch. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency. The credit ratings included or referred to in this Prospectus will be treated for the purposes of Regulation (EC) No 1060/2009 on credit rating agencies (the “CRA Regulation”) as having been issued by Fitch and Standard & Poor’s. Fitch and Standard & Poor’s are established in the European Union and are registered under the CRA Regulation. As such both Fitch and Standard & Poor’s are included in the list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with such CRA Regulation.

**Risk Factors**

For a discussion of certain risk factors relating to the Issuer and the Notes that prospective investors should carefully consider prior to making an investment in the Notes, see “Risk Factors”.

## RISK FACTORS

*Prospective investors should consider carefully the risks set out below and the other information contained in this Prospectus prior to making any investment decision with respect to the Notes. Each of the risks highlighted below could have a material adverse effect on the business, operations, financial condition or prospects of the Issuer or each of the Original Guarantors which, in turn, could have a material adverse effect on the nominal amount and interest which investors will receive in respect of the Notes. In addition, each of the risks highlighted below could adversely affect the trading or the trading price of the Notes or the rights of investors under the Notes and, as a result, investors could lose some or all of their investment.*

*Prospective investors should note that the risks described below may not be the only risks that the Issuer or each of the Original Guarantors face. The Issuer and the Original Guarantors have described only those risks that they currently consider to be material and there may be additional risks that they do not currently consider to be material or of which they are not currently aware. Prospective investors should read the entire Prospectus. Words and expressions defined in the “Terms and Conditions of the Notes” below or elsewhere in this Prospectus have the same meanings in this section.*

### **Risks relating to Ferrovia’s business and the market in which it operates**

*Ferrovia’s business could be adversely affected by the deterioration of global or Spanish economic conditions.*

In the past, Ferrovia’s business performance has been closely linked to the economic cycle in the countries, regions and cities in which it operates. Normally, robust economic growth in those areas where it is located results in greater demand for its services, while slow economic growth or economic contraction adversely affects demand for its services.

The global economy and the global financial system continue to experience a period of significant turbulence and uncertainty following the very severe dislocation of the financial markets that began in August 2007 and considerably worsened in 2008. This dislocation has severely restricted general levels of liquidity and the availability of credit and the terms on which credit is available. It has also increased the financial burden on Ferrovia’s domestic and institutional customers, degrading their credit quality, reducing their spending capacity and negatively affecting consumer demand.

This market dislocation has also been accompanied by continuing periods of recessionary conditions and trends in many economies throughout the world, including Spain. In addition, certain countries in the Eurozone, including Spain, currently have large sovereign debts and/or fiscal deficits and this has led to concerns and uncertainties in the markets as to whether the governments of those countries will be able to pay in full and on time the amounts due in respect of those debts. These concerns have led to significant spikes in secondary market yields for sovereign debt of the affected countries, including Spain, and also to significant exchange rate volatility, especially with respect to the euro. In addition, these concerns and uncertainties have also extended to the overall stability of the euro and the suitability of the euro as a single currency given the diverse economic and political circumstances in individual member states and could lead to the re-introduction of individual currencies in one or more member states, or, in more extreme circumstances, the possible dissolution of the euro entirely. If one or more member states were to leave the Eurozone or should the euro dissolve entirely, it could have a material adverse impact on the Group’s activities and the impact of these events on Europe and the global financial system could be severe. According to the International Monetary Fund, the world’s output increased by 3.2% in 2012. It is expected to grow 3.3% in 2013 and 4.0% in 2014 (Source: International Monetary Fund World Economic Outlook Report, April 2013).

On 10 October 2012, Standard & Poor’s cut Spain’s sovereign credit rating by two full notches, citing the declining capacity of Spain’s political institutions (both domestic and multilateral) to deal with the severe challenges posed by the current economic and financial crisis. Following such downgrade, Standard & Poor’s placed the current ratings assigned to some Spanish corporates on Credit Watch

Negative and downgraded certain corporates' credit rating citing that meeting such corporates' refinancing needs could prove increasingly challenging or onerous to achieve due to Spain's tough economic and financial conditions. In light of the new difficulties in the Spanish and global economy, there can be no assurance that in the event of any further downgrade of Spain's sovereign debt, there will not be any further adverse revision of the Parent's credit rating.

In addition the current economic climate has had an adverse effect on the financial conditions of Spanish banks, resulting in the credit rating downgrade of several of these entities. The Group's ability to be mandated for new projects and to maintain existing mandates is dependent on it obtaining and maintaining certain financial guarantees in respect of its obligations under these projects. The recent credit rating downgrades suffered by Spanish banks have made it increasingly difficult for the Parent to obtain and maintain these financial guarantees on commercially reasonable terms. There can be no assurance that if the Spanish banks providing these financial guarantees suffer further downgrades the Parent will be able to obtain and maintain the necessary financial guarantees for its projects.

Further, the continued concern about the fiscal positions of the governments of the affected countries has also raised concerns regarding the exposures of banks to such countries, especially banks domiciled within Europe. These concerns may lead to such banks being unable to obtain funding in the interbank market or interbank funding being available only at elevated interest rates, which may cause such banks to suffer liquidity stress and potentially insolvency. If this were to happen, the flow of credit to businesses could be severely disrupted, thereby worsening the recessionary conditions and trends.

Continued deterioration in the Spanish and other economies throughout the world negatively affects business and consumer confidence, unemployment trends, the state of the housing market, the commercial real estate sector, the state of the equity, bond and foreign exchange markets, counterparty risk, inflation, the availability and cost of credit, transaction volumes in key markets and the liquidity of the global financial markets, all of which could have a material adverse effect on the business, prospects, financial condition and results of operations of Ferrovial.

Ferrovial is not able to predict how the economic cycle is likely to develop in the short term or the coming years or whether there will be a further deterioration in this recessive phase of the global economic cycle. If both the world's and Spain's economic conditions deteriorate further, the business, financial condition and results of operations of Ferrovial may be adversely affected.

*Ferrovial's business is subject to risks related to its international operations.*

As a result of its process of diversification, a large part of Ferrovial's operating revenue is generated outside of Spain, in countries such as the United States, Canada, United Kingdom, Ireland, Portugal and Poland. The revenues of, market value of, and dividends payable by, subsidiaries within the Group are exposed to risks inherent to the countries where they operate. The operations in some of the countries where Ferrovial is present are exposed to various risks related to investments and business, such as:

- fluctuations in local economic growth;
- changes in inflation rates;
- devaluation, depreciation or excessive valuation of local currencies;
- foreign exchange controls or restrictions on profit repatriation;
- changing interest rate environment;
- changes in financial, economic and tax policies;
- social conflicts; and
- political and macro economic instability.

Ferrovial is exposed to these risks in all of its foreign operations to some degree, and such exposure could be material to its business, financial condition and results of operations, particularly in emerging markets where the political and legal environment is less stable. Ferrovial cannot assure that it will not be subject to material adverse developments with respect to its international operations or that any insurance coverage it has will be adequate to compensate the Group for any losses arising from such risks.

*Ferrovial's business, financial condition and results of operations may be adversely affected if it does not effectively manage its exposure to interest rate and foreign exchange rate risks.*

Certain of Ferrovial's indebtedness bears interest at variable rates, generally linked to market benchmarks such as EURIBOR and LIBOR. Any increase in interest rates would increase its finance costs relating to variable rate indebtedness and increase the costs of refinancing existing indebtedness and of issuing new debt. This interest rate fluctuation risk is particularly important in the financing of infrastructure projects and other projects, which are heavily leveraged in their early stages and whose performance depends on possible changes in the interest rate. Ferrovial enters into hedging arrangements to cover interest rate fluctuations on a portion of its debt. In addition, Ferrovial is exposed to exchange rate risks and in order to mitigate these risks Ferrovial enters into foreign exchange derivatives to cover its significant future expected operations and cash flows. Any current or future hedging contracts or foreign exchange derivatives entered into by Ferrovial may not adequately protect its operating results from the effects of interest rate or exchange rate fluctuations. Ferrovial is subject to the creditworthiness of, and in certain circumstances early termination of the hedging agreements by, hedge counterparties. There can be no assurance that future interest rate or exchange rate fluctuations will not have a material adverse effect on Ferrovial's business, financial condition and results of operations.

*Ferrovial's ability to effectively manage its credit risk exposure may affect its business, financial condition and results of operations.*

Ferrovial is exposed to the credit risk implied by default on the part of a counterparty (customer, provider, partner or financial entity), which could impact its business, financial condition and results of operations.

The risk of late payment in both the public and private sectors is currently increased due to the global financial crisis. The cost of government financing and financing of other public entities has also increased due to financial stress in Europe, and this may represent an increased risk for Ferrovial's public sector clients. However, in the recent past such risk was partially mitigated by the enactment of Royal Decree 7/2012, also known as *Real Decreto de Creación del Fondo de Financiación de los Pagos a Proveedores*, of 9 March, that enabled distressed public entities to make certain payments which allowed them to reduce their commercial debts with suppliers.

Although Ferrovial actively manages this credit risk through credit scoring and eventually in certain cases the use of non-recourse factoring contracts and credit insurance, its risk management strategies may not be successful in limiting its exposure to credit risk, which could adversely affect its business, financial condition and results of operations.

In addition, legislation implemented in Spain in 2010 relating to late payments (Ley 15/2010, of 5 July, known as *Ley de Morosidad*), requires that payment terms do not exceed certain limits. If clients of Ferrovial (public or private) do not comply with this stricter legal framework, liquidity could be affected. Late payments could cause considerable penalties.

*Ferrovial's business, financial condition and results from operations may be adversely affected by its level of indebtedness and its ability to effectively manage its exposure to liquidity risk.*

Ferrovial must be able to secure significant levels of financing to be able to continue its operations.

Certain of the industries in which it operates, such as airports and toll roads, require a high level of financing. Ferrovial's ability to secure financing depends on several factors, many of which are

beyond its control, including general economic conditions, adverse effects in the debt or capital markets, the availability of funds from financial institutions and monetary policy in the markets in which it operates. If Ferrovia is unable to secure additional financing on favourable terms, or at all, its growth opportunities would be limited and its business, financial condition and results of operations may be materially adversely affected.

In addition, Ferrovia may seek to refinance its existing debt and can give no assurance as to the availability of financing on acceptable terms.

*Ferrovia has entered into equity swaps which could result in losses and have a material adverse effect on its business, financial condition and results of operations.*

The Parent entered into equity swaps linked to its share price in order to hedge any potential asset loss derived from the different incentive share plans to which the Parent is a party. Under the general terms of these swaps, if, at the maturity date of each swap, the share price of the Parent decreases below a reference share price (the strike price which is agreed at the inception of each swap) it will make a payment to the counterparty. However, if, at the maturity date of each swap, the share price increases above the reference price, it will receive payment from the counterparty. During the lifetime of the swaps, the counterparty will pay the Parent cash amounts equal to the dividends generated by those shares and the Parent will pay the counterparty a floating interest rate. If, at the maturity date of the swaps, the listed value of the Parent's shares is below the reference price, Ferrovia will have to pay out the amounts due under the swaps in cash, and its business, financial condition and results of operations may be materially affected.

Further, whilst the equity swaps are not deemed to be hedging derivatives under International Accounting Standards, their market value during a given period of time has an effect on the income statement of the Parent, which will be positive if the share price increases or negative if the share price decreases during that period. If the share price of the Parent decreases below the reference price, the market value of the swap will decrease and the business, financial condition and results of operations of Ferrovia may be materially adversely affected.

*The loss of key members of Ferrovia's management and technical team could have a material adverse effect on its business, financial condition and results of operations.*

Ferrovia relies on certain key personnel. If, in the future, Ferrovia is unable to attract and retain sufficiently qualified management and technical staff, its business development could be limited or delayed. In addition, if Ferrovia were to lose key members of its senior management or technical staff, and could not find a suitable replacement in a timely manner, its business, financial condition and results of operations could be adversely affected.

*Ferrovia operates in highly regulated environments which are subject to changes in regulations.*

Ferrovia must comply with both specific airport, toll roads, waste management and treatment, and construction sectors regulations as well as general regulations in the various jurisdictions where it operates. As in all highly regulated sectors, any regulatory changes in these sectors could adversely affect the business, financial condition and results of operations of Ferrovia.

*Ferrovia's business, financial condition and results of operations may be adversely affected if it fails to obtain or renew, or if there are any material delays in obtaining requisite government approvals for its projects.*

Ferrovia is established in jurisdictions where the industries in which it operates may be regulated. In order to bid, develop and complete a project, the developer may need to obtain permits, licences, certificates and other approvals from the relevant administrative authorities before bidding for the project or at various stages of the project process. There is no assurance that Ferrovia will be able to obtain or maintain such governmental approvals or fulfil the conditions required for obtaining the approvals or adapt to new laws, regulations or policies that may come into effect from time to time, without undue delay or at all. If Ferrovia is unable to obtain the relevant approvals or fulfil the conditions of such



approvals for a significant number of its projects in a timely manner, this could lead to delays and its business, financial condition and results of operations may be adversely affected.

*Environmental laws could increase Ferrovial's costs.*

In the countries where Ferrovial operates, there are local, regional, national and EU bodies which regulate its activities and establish applicable environmental regulations. The technical requirements imposed by environmental regulations are gradually becoming more costly, complex and stringent. These laws may impose strict liability in the event of damage to natural resources or threats to public safety and health. Strict liability may mean that Ferrovial is held liable for environmental damage regardless of whether it has acted negligently, or that it owes fines whether or not effective damage exists or is proven, and Ferrovial could be held jointly and severally liable with other parties. The relevant authorities may impose fines or sanctions or may revoke and refuse to grant authorisations and permits based on a breach of current regulations.

The entry into force of new laws, the discovery of previously unknown sources of pollution, the imposition of new or more stringent requirements or a stricter application of existing regulations may increase Ferrovial's costs or impose new responsibilities, leading to lower earnings and liquidity available for its activities and the business, financial condition and results of operations of Ferrovial may be materially adversely affected.

*Ferrovial is subject to litigation risks.*

The Group is, and may in the future be, a party to judicial, arbitration and regulatory proceedings which arise in the ordinary course of business, including claims relating to compulsory land purchases required for toll road construction, claims relating to defects in construction projects performed or services rendered, claims for third party liability in connection with the use of the Group's assets or the actions of Group employees, employment related claims, environmental claims and tax claims. For a summary of certain legal proceedings relating to the Group, see "Description of Ferrovial – Legal Proceedings". An unfavourable outcome (including an out-of-court settlement) in one or more of such proceedings could have a material adverse effect on Ferrovial's business, financial condition and results of operations.

Decreases in the funds allocated to public sector projects may harm Ferrovial's business, financial condition and results of operations.

Current economic conditions have led to a sharp reduction in projects for the public sector. A further decrease in the spending on development and execution of public sector projects by governments and local authorities could adversely affect Ferrovial's business, financial condition and results of operations.

*Ferrovial operates in highly competitive industries.*

Ferrovial, in its ordinary course of business, competes against various groups and companies that may have more experience, resources or local awareness than Ferrovial does. Furthermore, these groups and companies may have greater resources than Ferrovial, whether material, technical or financial, or may demand lower returns on investment and be able to present better technical or economic bids compared to it.

Given this high level of competition, Ferrovial may be unable to secure contracts, either directly or through its investee companies, for new projects in the geographical areas in which it operates. If Ferrovial is unable to obtain contracts for new projects in order to sustain a backlog in line with the current one, or if these projects are only awarded under less favourable terms, Ferrovial's business, financial condition and results of operations may be adversely affected.

*Ferrovial's insurance cover may not be adequate or sufficient.*

Ferrovial benefits from insurance cover to protect against key insurable risks including fire, earthquakes, acts of terrorism and other natural and man-made disasters. The insurance policy may not be adequate to cover lost income, reinstatement costs, increased expenses or other liabilities.

Moreover, there can be no assurance that if insurance cover is cancelled or not renewed, replacement cover will be available on commercially reasonable terms or at all.

Ferrovial may not have, or may cease to have, insurance cover if the loss is not covered under, or is excluded from, an insurance policy including by virtue of exhaustion of applicable cover limits or a policy operating as an excess policy or if the relevant insurer successfully avails itself of defences available to it, such as breach of disclosure duties, breach of policy condition or misrepresentation.

If insurance cover is not available or proves more expensive than in the past, Ferrovial's business, financial condition and results of operations may be materially adversely affected.

*The level of Ferrovial's contributions to pension schemes in the United Kingdom may vary.*

The funding position of Ferrovial's pension schemes in the United Kingdom may vary from time to time (including as a result of fluctuation in investment values or as a result of changes to actuarial assumptions) thereby affecting the level of Ferrovial's pension costs. Increased pension costs would have a material adverse effect on its business, financial condition and results of operations.

*Risks of accidents.*

Accidents may occur at Ferrovial's projects, which may severely disrupt operations of Ferrovial and lead to delays in the completion of projects and such delays could result in a loss of income, due to delayed receipt of proceeds from purchasers, as well as potential claims for compensation and termination of contracts by clients. In addition, there is a possibility that any such claims for compensation in relation to such accidents may not be covered by Ferrovial's insurance policies. Any accidents and any consequential claims for damages could therefore have a material adverse effect on the business, financial condition and results of operations of Ferrovial.

## **Risks Relating to the Services Business Division**

**Ferrovial Servicios, S.A., Cespa, Compañía Española de Servicios Públicos Auxiliares, S.A., Cespa Gestión de Residuos, S.A. and Landmille Limited are within the Services business division.**

*Ferrovial could be held liable for environmental damage resulting from its operations and its insurance for environmental liability may not be sufficient to cover that damage.*

Significant liability could be imposed on Ferrovial for damages, clean up costs or penalties in the event of certain discharges into the environment and/or environmental contamination and damage. This is of particular importance in the case of landfills, where costs of sealing are very high and are subject to heavy increases due to changes in environmental law. Ferrovial's insurance for environmental liability may not be sufficient or may not apply to any exposure to which it may be subject resulting from the type of environmental damage in question.

Any substantial liability for environmental damage could have a material adverse effect on Ferrovial's business, financial condition and results of operations.

*The public may react negatively to industrial waste management facilities.*

Although Ferrovial has not yet encountered any major problems, it may face adverse public opinion in relation to its waste recycling activities near inhabited areas, the expansion of such existing facilities or the construction of new facilities in this business division. Governments responding to public pressure may restrict the current activities of Ferrovial or its plans for future expansion, which could have a material adverse effect on its business, financial condition and results of operations.

*Ferrovial's results from operations are affected by the cyclical nature of the waste management business.*

The waste management business is cyclical by nature. The demand for waste management services is connected to general economic conditions. Demand generally increases in times of economic growth and decreases during economic contraction periods. Due to the current global financial crisis, the

level of spending in waste decreased, and Ferrovial cannot be sure of a favourable change in spending levels in the coming years. If conditions continue to limit spending in the waste management industry, then the business, financial condition and results of operations of Ferrovial may be adversely affected.

### **Risks Relating to the Construction Business Division**

#### **Ferrovial Agromán, S.A. is within the Construction business division.**

*If investment in the construction industry continues to decrease, Ferrovial's results of operations may be affected.*

Investment in the construction sector derives from both the public and private sectors and the level of investment is dependent on general economic conditions. In times of economic growth, investment levels generally increase, with levels decreasing during a recession. The majority of countries within which Ferrovial operates have benefitted from favourable conditions for construction for several years. However, over the last three years, and as a result of the global financial crisis, the situation has considerably deteriorated. Ferrovial cannot make any assurances that the level of investment will increase in the coming years. If conditions continue to limit investment by the public and private construction sectors, then the business, financial condition and results of operations of the Group may be adversely affected.

*Ferrovial's business may be affected by a decrease in the funds available for civil engineering projects.*

As a result of the current economic conditions, there has been a sharp decrease in tenders for civil engineering works, including for public sector projects. The allocation of funds for civil engineering projects within the annual budget for each of the countries where Ferrovial is present or targeting is mainly dependent on two factors: the budgetary policies of the relevant government and the economic conditions existing at the time. For example, in Spain, there has been a decline of 44.2% in the market levels of tendered civil engineering works, between 2011 and 2012. A further decrease in the spending on development and execution of civil engineering projects by governments and local authorities could adversely affect the business, financial condition and results of operations of Ferrovial.

*Difficulties in securing private sector projects may adversely affect Ferrovial's results of operations.*

Current economic conditions have resulted in a decrease in procurement by private sector companies. Such companies may be forced to halt the projects already underway due to a lack of funds, or may decide to delay or abandon studies of potential projects while they await more favourable investment conditions. Whilst standard practice in the private sector is for the construction company to be paid as the works are executed, Ferrovial is exposed to loss of revenue if such works are delayed or cancelled. Reductions in project procurement by the private sector may adversely affect the business, financial condition and results of operations of Ferrovial.

*Ferrovial's operations in certain jurisdictions are dependent on funds granted.*

Ferrovial currently benefits from funds granted by the European Union for some of its construction operations in Poland, as well as from federal funds granted for its construction activity in the United States. Due to political, economic or other considerations, these funds may no longer be available to Ferrovial or there may be delays in funds being received. Such a cancellation or delay in receipt of funds may have a material adverse effect on the business, financial condition and results of operations of Ferrovial.

*Any failure to meet construction project deadlines and budgets may have a material adverse effect on the business, financial condition and results of operations of Ferrovial.*

There are certain risks that are inherent to large-scale construction projects, such as shortages, and increased costs, of materials, machinery and labour. If any of Ferrovial's contractors and sub-contractors fail to meet agreed deadlines and budgets, or if there are any interruptions arising from adverse weather conditions or unexpected technical or environmental difficulties, there may be resulting delays

and excess construction costs. Contractor and sub-contractor liability clauses, included in most standard construction agreements entered into with contractors and sub-contractors, generally cover these situations, although they may not cover the total value of any resulting losses. In the event of construction delays, Ferrovial may receive revenues later than expected and could face penalties and even contractual termination. These eventualities could increase Ferrovial's expenses and reduce its income, particularly if it is unable to recover any such expenses from third parties under its concessions, in which case the business, financial condition and results of operations of Ferrovial may be materially adversely affected.

### **Risks relating to the Toll Roads Business Division**

#### **Cintra Infraestructuras, S.A., and 4352238 Canada, Inc. are within the Toll Roads business division.**

*Reduced vehicle use on the toll roads operated by Ferrovial's toll road concession companies could adversely affect the Group's business, financial condition and results of operations.*

If Ferrovial's toll road concession companies (the "Concession Companies") are unable to maintain an adequate level of vehicle traffic on their toll roads, the Group's toll receipts and profitability will suffer. The tolls collected by the Concession Companies on their toll roads depend on the number of vehicles using such toll roads, the capacity of their portfolios to absorb traffic and their tariffs. In turn, traffic volumes and toll receipts depend on a number of factors, including the quality, convenience and travel time on toll-free roads or toll roads that are not part of the Group's portfolio, the quality and state of repair of the toll roads, the economic climate and fuel prices, the occurrence of natural disasters such as earthquakes and forest fires, meteorological conditions in the countries in which the Concession Companies operate (particularly in Canada), environmental legislation (including measures to restrict motor vehicle use), and the viability and existence of alternative means of transportation, such as air and rail transport, buses and urban mass transportation.

In addition, competition from alternative transport routes could affect the volume of traffic on the toll roads operated by the Concession Companies. In certain cases, the creation of new roads which create an alternative transport route to a toll road, may give the concession company the right to require that the economic balance of their concessions be restored and request compensation. However, an increase in the number and convenience of alternative routes could reduce traffic on the toll roads they operate to a greater degree than that for which they receive compensation.

If the Concession Companies are unable to maintain an adequate level of traffic, the business, financial condition and results of operations of the Group may be adversely affected.

*Tariff rate increases on the toll roads operated by the Concession Companies are limited to inflation under some of their concession agreements.*

The revenue generated from Ferrovial's toll road business is dependent in part on its tariff rates and the tariff structure is usually established under each individual concession agreement. In certain cases, the Concession Companies have limited or no ability to independently raise tariffs beyond the rate of inflation. During the life of a concession, the relevant government authority may also unilaterally impose additional restrictions on the tariff rates. Whilst the Concession Companies may be able to negotiate compensation from the government authority for changes to their tariff structures, or renegotiate their concession terms in general, the Concession Companies cannot guarantee the success of their negotiations with the relevant government authority.

Ferrovial has substantial investments and indebtedness, many of which are related to costs incurred during the design and construction phase. Ferrovial covers these investments and indebtedness principally from its toll road receipts. If the assumptions underlying Ferrovial's financial models prove to be incorrect and the revenues generated are not sufficient to cover its costs, Ferrovial may be unable to successfully adjust the operating parameters due to inflexible concession terms or reduce its costs to remain profitable, which would have a material adverse effect on Ferrovial's business, financial condition and results of operations of the Group.

*During their initial years of operation, Ferrovial's infrastructure concessions generate little or no cash for distribution to the Group.*

The development and operation of infrastructure concession assets is a capital intensive business. Newer assets are typically highly leveraged to optimise the capital structure with the objective of maximizing shareholder return. The financing structure for a concession is selected based on cash flow projections that Ferrovial models for that concession. A new project is typically financed through a project finance structure, which involves the creation of a legally independent project company financed with debt on a non-recourse basis and with equity contributed by Ferrovial and, in some cases, other investors. As a result of the high rate of leverage, during the initial years of a concession, the costs of financing consume most of a concession's available cash flows, leaving little or no cash flows available for distribution to the Group. In addition, since cash flows constitute the main security for the repayment of project borrowings, credit agreements usually limit the use of funds by shareholders until certain conditions have been met, which is assessed each year. As a result, it is unlikely that cash generated from newer concessions will be available to meet the cash needs of other Group companies, including repayment of amounts due under the Notes. Furthermore, it is possible that Ferrovial's cash flow projections for a concession will not be met, and that concession may take longer than expected to generate cash for its shareholders or may never do so, which could decrease the resources available to other Group companies to meet their financial obligations, including those under the Notes. Such a decrease may have a material adverse effect on the business, financial condition and results of operations of Ferrovial.

*Infrastructure concessions have a limited duration.*

Upon termination of a concession, the Group must return the infrastructure to the competent governmental authority or owner, in an adequate state of repair, together with any assets and facilities required for operation, and receives no economic compensation whatsoever. If the Concession Companies are unable to extend the duration of their concessions during their lifetime or are unable to secure new concessions to replace any concessions expired, terminated or recovered, this could have a material adverse effect on its business, financial condition and results of operations of the Group.

*Any inability to negotiate adequate compensation for terminated and repurchased concessions could reduce the future revenues of Ferrovial.*

The Concession Companies derive most of their revenues from operations conducted under their concession agreements. Under the relevant public laws, the governments of the countries in which their concessions are located may unilaterally terminate or repurchase concessions in the public interest, subject to judicial supervision. However, to date there have not been any such unilateral terminations or any repurchases of Ferrovial's toll road concessions. If a governmental authority exercises its option to terminate or repurchase some of Ferrovial's concessions, in general it may receive the compensation provided by law or contract to cover its anticipated profits for the remaining duration of the concession agreements. Ferrovial cannot make any assurances, however, that under such arrangements it would be sufficiently compensated for lost profits. In certain cases, a governmental authority may decide to terminate Ferrovial's concession agreements due to a serious violation of its contractual obligations. Each contract may have different provisions regarding the compensation provided by the relevant authority in the event of early termination of the concession. Depending on each contract's terms and conditions, recovery of its investment might be limited to capped construction costs and land acquisition costs. If it is unable to negotiate adequate compensation for terminated or repurchased concessions, the revenues of the Concession Companies in the future may be reduced, and the business, financial condition and results of operations of the Group may be materially adversely affected.

*Difficulties in obtaining the necessary land rights could delay certain Ferrovial concession projects or lead to increased development costs.*

In order to build or extend the toll roads or develop the infrastructure assets for the concessions in which Ferrovial has an interest, it must obtain the necessary land rights to carry out such development. Ferrovial may seek to obtain such land rights through market transactions, though it often relies on

governmental authority to expropriate the land on which the relevant infrastructure asset is to be constructed. In Spain, Ferrovial generally manages the land acquisition and expropriation process itself, subject to the approval of the relevant government authorities. Laws regarding transfer of land rights and land expropriation, and therefore the costs and process associated with such transfer or expropriation, vary from jurisdiction to jurisdiction. The Concession Companies may be adversely affected by changes in laws governing land transfer and land expropriation, or be exposed to the risk of compulsory purchase cost overruns. They may also incur delays in connection with the transfer of the necessary land rights or with the land expropriation process, which could delay the commencement of operations on their toll roads. In addition, the Concession Companies have in the past been, and may in the future be, subject to legal claims in connection with carrying out land expropriation orders, which have and could result in additional costs in connection with defending against such claims and have and could delay development of the relevant infrastructure assets. Delays or increases in costs for obtaining the necessary land rights could have a material adverse effect on its business, financial condition and results of operations.

*The Concession Companies are subject to risks related to its contracts with government entities.*

Ferrovial's toll road concessions are granted by government authorities and are subject to special risks, including the risk that the sovereign government will take action contrary to the Group's rights under the concession agreement, for example by unilaterally terminating, amending or expropriating the concessions in the public interest. As stated above, Ferrovial seeks to operate in developed nations where the risk that the sovereign government will take actions of such nature tends to be low, but the Group cannot give any assurance that the relevant governments will not legislate, impose regulations or change applicable laws or act contrary to the law in a way that would materially adversely affect its business. Any such action, which could include the expropriation of the assets of the Concession Companies, could be taken by a relevant government with or without compensation to the Group and this could have a material adverse effect on the business, financial condition and results of operations of Ferrovial.

*The Concession Companies depend to a significant extent on the continued availability of attractive levels of government subsidies and soft public financing.*

The toll road industry depends to a significant extent on the continued availability of attractive levels of government subsidies and incentives to attract private investments. Such subsidies can be granted for the construction and/or operation of toll roads. There is a risk that political developments, such as a change in government or governmental policy, could result in subsidised sources of financing becoming unavailable and this could have a material adverse effect on the business, financial condition and results of operations of Ferrovial.

*The public may react negatively to toll collection and periodic tariff readjustments or public pressure may cause the relevant government to challenge the tariffs set by the Concession Companies.*

Although the Concession Companies have not yet encountered any major problems with motorists reacting adversely to its tariffs, for example, by avoiding tolls or refusing to pay tolls, such problems might arise in the future, resulting in lower traffic volumes and reduced toll revenues. These problems could be further aggravated by a perception that the Concession Companies are unable or unwilling to effectively recover tolls and fees from motorists who fail or refuse to pay. In addition, adverse general public opinion may result in pressure to restrict their tariff increases. If public pressure or government action forces the Concession Companies to restrict their tariff increases or reduce their tariffs, and they are not able to secure adequate compensation to restore the economic balance of the relevant concession agreement, Ferrovial's business, financial condition and results of operations could be materially adversely affected.

*Any delays in toll road construction could have a material adverse effect on Ferrovial's business, financial condition and results of operations.*

Certain risks are inherent in the large-scale construction projects currently being undertaken by Ferrovial, such as shortages or increases in the cost of materials and labour, general factors affecting

economic activity and financing, malfeasance by its contractors and subcontractors and disruptions, either resulting from adverse weather conditions or from technical or environmental problems. Construction delays will delay the time at which revenues from a toll road concession are received by Ferrovial and will reduce the revenue-generating lifetime of the concession. These factors could increase Ferrovial's costs and reduce its revenues and, particularly if Ferrovial is unable to pass on some or all of these costs under the terms of its concession agreements, could materially adversely affect Ferrovial's business, financial condition and results of operations.

## **Risks relating to the Airports Business Division**

### **Hubco Netherlands B.V. is within the Airports business division.**

*The aeronautical income of Heathrow Airports Holdings Group (formerly BAA Group) could decline as a result of a reduction in flights, passengers or other factor outside its control.*

Heathrow Airport Holdings Limited (formerly BAA Limited), the company through which Ferrovial currently participates in the airport industry, and its subsidiaries (together "HAH"), generates aeronautical income from airport fees and traffic charges. At Heathrow airport ("Heathrow") these charges are regulated and principally levied on the basis of passenger numbers, maximum total aircraft weight and the length of time for which an aircraft is parked at the airport. The charges are also linked to the rate of inflation, which is liable to change. There are no specific operating contracts with the airlines operating at Heathrow. There can therefore be no assurance as to the level of HAH's future aeronautical income from any one or more airline operators. Decisions by, legal disputes with, financial difficulties at, or the failure of a significant airline customer, or the withdrawal of their landing rights, could lead to a reduction in flights and passenger numbers and/or failure or delay in recovering airport fees or landing charges. The effect of decisions by or events at airlines that have a major presence at Heathrow could have a particularly material adverse effect on HAH. The number of passengers using the airports operated by HAH may be affected by a number of other factors, including: macroeconomic events whether affecting the global economy, the United Kingdom economy or the Greater London economy in which Heathrow is based; competition from United Kingdom and non-United Kingdom airports; wars; riots; political action; industrial action; an increase in airfares due to increased airline costs; decisions by airlines regarding the number, type and capacity of aircraft, as well as the routes on which particular aircrafts are utilised; health scares; disruptions caused by natural disasters such as the volcanic eruption in Iceland in 2010; bad weather, such as the unusual weather conditions experienced at Heathrow and other airports in the northern hemisphere in December 2010, which caused over 4.000 flights to be cancelled and caused significant impact to airline schedules globally; acts of terrorism or cybersecurity threats; changes in domestic or international regulation, including for instance international trade liberalisation developments such as "Open Skies"; the quality of services and facilities, including the impact of construction projects; and the development of efficient and viable alternatives to air travel, including the improvement or expansion of existing surface transport systems; the introduction of new transport links or technology; and the increased use of communications technology.

A decrease in the number of passengers using the airport as a result of the factors detailed above could have a material adverse effect on HAH's business, financial condition and results of operations.

*A decrease in passenger numbers or other factors outside HAH's control could reduce non-aeronautical income.*

HAH's principal sources of non-aeronautical income include retail concession fees and car parking income, property rental income and income from the provision of operational facilities and utilities. Retail concession fees are driven by passenger numbers and propensity of passengers to spend in the shops at the airports. There are a variety of factors which could adversely affect the number of passengers using the airports as discussed under "Aeronautical Income" above. Levels of retail income at the airports may also be affected by changes in the mix of long- and short-haul and transfer and origin and destination passengers; economic factors, including exchange rates and changes in duty free regimes; retail tenant failures; lower retail yields on lease renegotiations; redevelopments or reconfiguration of

retail facilities at the airports, which can lead to a temporary or permanent decline in retail concession fees; reduced competitiveness of the airport retail offering; stricter hand luggage and other carry on restrictions; and reduced shopping time as a result of more rigorous and time consuming security procedures. Car parking income could be reduced as a result of increased competition from other modes of transport to the airports, such as buses and trains, as well as increased competition from off-site car parks. Other non-aeronautical income could be reduced as a result of a decrease in demand from airport users, such as car rental properties and airline leasing check-in counters. Any of these factors could have a material adverse effect on the business, financial condition and results of operations of HAH.

*The successful implementation of HAH's capital investment programme could be affected by unanticipated construction and planning issues.*

HAH's capital investment programme includes major construction projects at the airports it operates and is subject to a number of risks. For example, if HAH is not able to achieve a consensus amongst its airline customers in support of capital investment projects, this could affect the willingness of the Civil Aviation Authority ("CAA") to include the costs of such projects in the Regulatory Asset Base ("RAB") of Heathrow (for further information on the RAB please see "Description of Ferrovial – Ferrovial's Business – Airports – Regulatory Matters" below). Difficulties in obtaining any requisite permits, consents (including environmental consents), licences, planning permissions, compulsory purchase orders or easements could adversely affect the design or increase the cost of the capital expenditure projects or delay or prevent the completion of a project or the commencement of its commercial operation. Although contractors typically share in cost and schedule risks, HAH may face higher than expected construction costs and delays (not all of which may be permitted by the CAA to be included in the RAB of Heathrow) and possible shortages of equipment, materials and labour due to the number of major construction projects in the London area.

The commencement of the commercial operation of a newly constructed facility may also give rise to start up problems, such as the breakdown or failure of equipment or processes or the lack of readiness of operators, closure of facilities and disruptions of operations. HAH's construction contracts may contain restricted remedies or limitations on liability such that any sums claimed or amounts paid may be insufficient to cover the financial impact of such breaches of contract. The ability of contractors to meet their financial or other liabilities cannot be assured.

The failure of HAH to recognise, plan for and manage the extent of the impact of construction projects could result in projects overrunning budgets, operational disruptions, capital expenditure trigger rebates to airlines, unsatisfactory facilities at the airports, safety and security performance deficiencies and higher than expected operating costs. Any of these could affect the airports' day-to-day operations and, consequently, have a material adverse effect on HAH's business, financial condition and results of operations.

*Heathrow is subject to economic regulation by the Civil Aviation Authority, which is subject to change.*

HAH's operations at Heathrow are subject to regulatory review that results in, amongst other things, the setting of the price caps on certain of Heathrow's charges by the CAA. This regulatory review generally takes place every five years; see "Description of Ferrovial – Ferrovial's Business – Airports – Regulation". There can be no assurance that the current or future price caps set by the CAA will be sufficient to allow Heathrow to operate at a profit; nor that the present price caps will be increased or at least maintained at current levels; nor that the methodology of the review process at subsequent reviews would not have a material adverse effect on the income of HAH. The CAA has established performance-linked requirements which can negatively impact aeronautical income. For instance, the CAA reduces certain permitted airport charges at Heathrow if prescribed milestones are not met on certain capital investment projects. Under service quality rebate schemes at Heathrow, failure to meet specified targets relating to, among other things, airport cleanliness, security queuing times and stand and jetty availability can result in rebates to airline customers of up to 7% of airport charges.



*HAH could be subject to terrorism and/or increased security requirements.*

The United Kingdom Government currently assesses the terrorism threat to aviation as “Substantial”. Airports continue to operate heightened security measures and were required to introduce additional security measures following the discovery of terrorist plots in August 2006 and December 2009. An incident in 2010 involving cargo aircraft led to additional measures for the cargo industry only. The consequences of any future acts of terrorism may include cancellation or delay of flights, fewer airlines and passengers using the airports, liability for damage or loss and the costs of repairing damage. The implementation of additional security measures at the airports in the future could lead to additional limitations on airport capacity or retail space, overcrowding, increases in operating costs and delays to passenger movement through the airports any of which could have a material adverse effect on HAH’s business, financial condition and results of operations.

*Incidents could occur at the airports.*

Airports are exposed to the risk of incidents, including accidents, as a result of a number of factors including extreme weather conditions, equipment failure, human error and terrorist activities. These incidents could result in injury or loss of human life, damage to airport infrastructure and short or long term closure of an airport’s facilities and may have an impact on passenger traffic levels, which in turn could have a material adverse effect on HAH’s business, financial condition and results of operations.

*HAH faces a number of operational risks outside its control.*

The operation of an airport is a complex undertaking that is subject to a number of factors outside the control of HAH. These factors include weather conditions, variable aircraft movements and traffic congestion. In addition, the Secretary of State for Transport has powers under the Airports Act 1986 to give directions to airport operators in the interests of national security, including closure of airports. Given the nature of these factors, it is not possible to accurately predict their future impact on airport operations from past performance, and any impact from such factors could have a material adverse effect on the business, financial condition and results of operations of HAH.

### **Sale of Stansted**

On 20 August 2012, HAH announced its decision not to appeal to the Supreme Court against the ruling of the Competition Commission of 19 July 2011 that required HAH to sell Stansted. On 18 January 2013, HAH announced that it had agreed to sell its 100% interest in Stansted to Manchester Airports Group for £1,500 million. The sale was closed on 28 February 2013.

As a result of the disposal of Stansted, certain fixed costs of HAH, which were currently allocated to Stansted, will be have been largely re-allocated to Heathrow. Furthermore, the airports have differing airline customer profiles: mainly full-service airlines at Heathrow and low-cost carriers at Stansted. Although Heathrow has performed considerably better financially since 2009, divestiture of Stansted will mean the Group will service a less diversified customer base, which could increase the risk that future events at an airline could have a material adverse effect on the Group’s business, financial condition and results of operations.

### **Risks related to the Notes**

*There is currently no active trading market for the Notes.*

The Notes are new securities which may not be widely distributed and for which there is currently no active trading market. If the Notes are traded after their initial issuance, they may trade at a discount to their initial offering price, depending upon prevailing interest rates, the market for similar securities, general economic conditions and Ferrovial’s results of operations. Although application has been made for the Notes to be admitted to the Official List and to the London Stock Exchange for the Notes to be admitted to trading on the Market, there is no assurance that such application will be accepted or that an active trading market will develop. Accordingly, there is no assurance as to the development or liquidity of any trading market for the Notes.

*Credit ratings may not reflect all risks.*

One or more independent credit rating agencies may assign credit ratings to an issue of Notes. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.

*Integral multiples of less than €100,000.*

The Notes are in denominations of €100,000 and integral multiples of €1,000 in excess thereof up to €199,000. Therefore, it is possible that the Notes may be traded in amounts in excess of €100,000 that are not integral multiples of €100,000. In such a case, a Noteholder who, as a result of trading such amounts, holds a principal amount of less than €100,000 will not receive a definitive Note in respect of such holding (should definitive Notes be printed) and would need to purchase a principal amount of Notes such that it holds an amount equal to one or more denominations.

If definitive Notes are issued, investors should be aware that definitive Notes which have a denomination that is not an integral multiple of €100,000 may be illiquid and difficult to trade.

*The identity of the Guarantors may change and there may be no, or only few, Guarantors.*

As at the date hereof, each of the subsidiaries of the Parent which is a guarantor of Principal Indebtedness (as defined in Condition 5 (*Definitions*)) is either a Guarantor or a person which is, under the laws generally applicable to a person of the same legal form, prohibited from being a Guarantor. As at the date hereof, the only Principal Indebtedness constitutes amounts incurred by the Parent under the credit facility agreement dated 12 April 2011, as detailed in the definition of “Principal Indebtedness” in Condition 5 (*Definitions*). The Terms and Conditions of the Notes provide that, if any subsidiary of the Parent becomes a guarantor of Principal Indebtedness, the Parent will ensure that, unless it is prohibited as aforesaid, that subsidiary will become a Guarantor. Furthermore, if a Release Event (as defined in Condition 5 (*Definitions*)) occurs and certain other requirements are met, the relevant Guarantor may be released from its obligations under the Notes. As a result of the operation of these provisions, the identity of the Guarantors may change and there may be no, or only few, Guarantors at any time.

*The Guarantees will be subject to certain limitations on enforcement and may be limited by applicable laws or subject to certain defences that may limit their validity and enforceability.*

The Guarantees given by the Guarantors provide holders with a direct claim against the relevant Guarantor in respect of the Issuer’s obligations under the Notes. Enforcement of each Guarantee would also be subject to certain generally available defences. Local laws and defences may vary, and may include those that relate to corporate benefit, fraudulent conveyance or transfer, voidable preference, financial assistance, corporate purpose, and capital maintenance or similar laws. They may also include regulations or defences which affect the rights of creditors generally. If a court were to find a Guarantee given by a Guarantor void or unenforceable as a result of such local laws or defences, or to the extent that agreed limitations on Guarantees apply, holders would cease to have any claim in respect of that Guarantor and would be creditors solely of the Issuer and any remaining Guarantors.

*Because the identity of the Guarantors may change, the relevant Tax Jurisdictions for determining entitlement to additional amounts may vary.*

Condition 9 (*Taxation*) provides that if a withholding or deduction is required in respect of payments under the Notes, the Issuer or relevant Guarantor must pay additional amounts to the Noteholders and Couponholders. No such additional amounts are payable in certain circumstances, including if the Note or Coupon is presented for payment in a Tax Jurisdiction or to a holder having some connection with a Tax Jurisdiction. The concept of Tax Jurisdiction is determined by reference to the jurisdiction in which the Issuer or any Guarantor is resident for tax purposes. On the Closing Date, the Issuer will be tax resident in Spain and the Original Guarantors will be tax resident in Spain, Canada, Ireland and The Netherlands. However, New Subsidiary Guarantors may accede as guarantors of the

Issuer's obligations under the Notes and entities may be released from their guarantees, in each case in the manner described in the Terms and Conditions of the Notes. Accordingly, the Tax Jurisdictions which are relevant for determining whether or not a Noteholder or Couponholder is entitled to receive additional amounts may vary, and so preclude the Noteholder or Couponholder claiming such additional amounts.

*The Issuer may redeem the Notes prior to maturity.*

The Terms and Conditions of the Notes provide that the Issuer may at its option redeem the Notes prior to maturity, if there is any change in or amendment to, the laws or regulations of a Tax Jurisdiction (as defined in Condition 5 (*Definitions*)). Such redemption may take place at times when prevailing interest rates may be relatively low. In such circumstances an investor may not be able to reinvest the redemption proceeds in a comparable security at an effective interest rate as high as that of the Notes and/or may forego a capital gain in respect of the Notes that would have otherwise arisen but for such redemption.

*As the Global Notes are held by or on behalf of Clearstream, Luxembourg and Euroclear investors will have to rely on their procedures for transfer, payment and communication with the Issuer.*

The Notes will be represented by Global Notes. The Global Notes will be deposited with a common depository for Euroclear and Clearstream, Luxembourg. Except in certain limited circumstances described in the Permanent Global Notes, investors will not be entitled to receive Notes in definitive form. Euroclear and Clearstream, Luxembourg will maintain records of the beneficial interests in the Global Notes. While the Notes are represented by the Global Notes, investors will be able to trade their beneficial interests only through Euroclear and Clearstream, Luxembourg.

The Issuer will discharge its payment obligations under the Notes by making payments to the common depository for Euroclear and Clearstream, Luxembourg for distribution to their account holders. A holder of a beneficial interest in the Global Notes must rely on the procedures of Euroclear and Clearstream, Luxembourg to receive payments under the Notes. The Issuer has no responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in the Global Notes. In addition, the Issuer has no responsibility for the proper performance by Euroclear and Clearstream, Luxembourg or their participants of their obligations under their respective rules and operating procedures.

*The claims of Noteholders may be structurally subordinated to some senior creditors and, to creditors of Non-Recourse Financing.*

The operations of the Group are principally conducted through the Parent and its subsidiaries. Accordingly, the Issuer is and will be dependent on the operations of the Group to service its payment obligations in respect of the Notes. The Notes could be structurally subordinated to the claims of some holders of debt securities and other creditors, including trade creditors, of the Group, and to all secured creditors of the Group. In the event of an insolvency, bankruptcy, liquidation, reorganisation, dissolution or winding up of the business of the Parent or any subsidiary of the Parent, creditors of the Parent or such subsidiary generally will have the right to be paid in full before any distribution is made to the Parent.

In addition, the claims of Noteholders are structurally subordinated to claims made by creditors of Infrastructure Project Indebtedness (as defined herein). The Parent's consolidated annual accounts include, as assets, its equity interests in entities which have raised Infrastructure Project Indebtedness and the Group usually grants security over these equity interests in favour of the relevant creditors. If these creditors were to enforce this security, the Group's assets would be depleted by the value attributable to such equity interests and it would no longer be entitled to the revenues generated by such assets.

*The Parent's ability to pay amounts due under the Guarantee will depend on dividends and other payments received from Subsidiaries.*

The Parent's results of operations and financial condition are substantially dependent on the trading performance of members of the Group. The Parent's ability to pay amounts due under the

Guarantee will depend upon the level of distributions, interest payments and loan repayments, if any, received from the Parent's operating Subsidiaries and associated undertakings, any amounts received on asset disposals and the level of cash balances. Certain of the Parent's operating Subsidiaries and associated undertakings are and may, from time to time, be subject to restrictions on their ability to make distributions and loans including as a result of restrictive covenants in loan agreements, foreign exchange and other regulatory restrictions and agreements with the other shareholders of such Subsidiaries or associated undertakings.

*Modification, waivers and substitution.*

The Terms and Conditions of the Notes and the Regulations of the Syndicate of Noteholders (as defined herein) contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority.

The Terms and Conditions of the Notes also provide that the Issuer may, with the consent of the Fiscal Agent and Commissioner but without the consent of Noteholders, amend the Terms and Conditions of the Notes insofar as they apply to the Notes to correct a manifest error or where the amendments are of a formal, minor or technical nature or to comply with mandatory provisions of law.

*Change of law.*

The Terms and Conditions of the Notes (with the exception of Condition 13 (*Syndicate of Noteholders, Modification and Waiver*)) are based on English law in effect as at the date of this Prospectus. No assurance can be given as to the impact of any possible judicial decision or change to English law or administrative practice after the date of this Prospectus.

Condition 13 (*Syndicate of Noteholders, Modification and Waiver*) of the Terms and Conditions of the Notes and the Regulations of the Syndicate of Noteholders are based on Spanish law in effect as at the date of this Prospectus. No assurance can be given as to the impact of any possible judicial decision or change to Spanish law or administrative practice after the date of this Prospectus.

*EU Savings Directive.*

Under European Council Directive 2003/48/EC (the "EU Savings Directive") on the taxation of savings income, each Member State is required to provide to the tax authorities of another Member State details of payments of interest or other similar income paid by a person within its jurisdiction to, or collected by such a person for, an individual resident in that other Member State; however, for a transitional period, Austria and Luxembourg may instead apply a withholding system in relation to such payments, deducting tax at rates rising over time to 35 per cent. The transitional period is to terminate at the end of the first full fiscal year following agreement by certain non-EU countries to the exchange of information relating to such payments.

The European Commission has proposed certain amendments to the EU Savings Directive, which may, if implemented, amend or broaden the scope of the requirements described above.

If a payment were to be made or collected through a Member State which has opted for a withholding system and an amount of, or in respect of, tax were to be withheld from that payment, neither the Issuer nor any Paying Agent nor any other person would be obliged to pay additional amounts with respect to any Note as a result of the imposition of such withholding tax. However, the Issuer is required, as provided in Condition 8(f) (*Paying Agents, etc.*) of the Notes, to maintain a Paying Agent in a Member State that is not obliged to withhold or deduct tax pursuant to the Directive.

A number of non-EU countries, and certain dependent or associated territories of certain Member States, have agreed to adopt similar measures (either provision of information or transitional withholding) in relation to payments made by a person within its jurisdiction to, or collected by such a person for, an individual resident in a Member State. In addition, the Member States have entered into provision of information or transitional withholding arrangements with certain of those dependent or

associated territories in relation to payments made by a person in a Member State to, or collected by such a person for, an individual resident in one of those territories.

### **Risks related to the Spanish withholding tax regime**

Ferrovial Emisiones, S.A. considers that, pursuant to the provisions of Royal Decree 1145/2011, it is not obliged to withhold taxes in Spain on any interest paid under the Notes to any Noteholder, irrespective of whether such Noteholder is tax resident in Spain. The foregoing is subject to certain information procedures having been fulfilled. These requirements/procedures are described in “Disclosure of Information in relation to the Notes” below.

Under Royal Decree 1145/2011, it is no longer necessary to provide an issuer with information regarding the identity and the tax residence of an investor or the amount of interest paid to it, provided the securities (i) can be regarded as listed debt securities issued under Law 13/1985, and (ii) are initially registered at a foreign clearing and settlement entity that is recognised under Spanish regulations or under those of another OECD member state. Ferrovial Emisiones, S.A. considers that the Notes meet the requirements referred to in (i) and (ii) above and that, consequently, payments made by Ferrovial Emisiones, S.A. to Noteholders should be paid free of Spanish withholding tax.

However, in the event that the current applicable procedures were modified, amended or supplemented by, amongst others, a Spanish law, regulation, interpretation or ruling of the Spanish Tax Authorities, Ferrovial Emisiones, S.A. will inform the Noteholders of such information procedures and of their implications, as Ferrovial Emisiones S.A. may be required to apply withholding tax on interest payments under the Notes if the Noteholders would not comply with such information procedures.

### **Risks related to Spanish Insolvency Law**

Law 22/2003 (*Ley Concursal*) dated 9 July 2003 (the “Spanish Insolvency Law”), which came into force on 1 September 2004, supersedes, with some exceptions, all pre-existing Spanish provisions which regulated the bankruptcy, insolvency (including suspension of payments) and any process affecting creditors’ rights generally, including the ranking of credits in an insolvency.

The Spanish Insolvency Law provides, among other things, that: (i) any claim may become subordinated if it is not reported to the insolvency administrators within the required timeframes set forth therein, (ii) actions that cause a detriment to the assets of the insolvent debtor carried out during the two year period preceding the date of its declaration of insolvency may be rescinded, (iii) provisions in a contract granting one party the right to terminate as a mere consequence of the other’s declaration of insolvency may not be enforceable, (iv) interest accrued but unpaid as at the commencement of any insolvency proceedings (*concurso*) relating to the Issuer under Spanish law shall thereupon constitute subordinated obligations of the Issuer ranking below its unsecured and unsubordinated obligations and (v) interest shall cease to accrue from the date of the declaration of insolvency onwards, except for interest relating to credits secured with an in rem security interest up to the amount secured with such in rem security interest.

Certain provisions of the Spanish Insolvency Law could affect the ranking of the Notes or claims relating to the Notes on an insolvency of the Issuer.

### **Risks related to the market generally**

Set out below is a brief description of certain market risks, including liquidity risk, exchange rate risk, interest rate risk and credit risk:

*Interest rate risks.*

Investment in the Notes involves the risk that subsequent changes in market interest rates may adversely affect the value of the Notes.

## DOCUMENTS INCORPORATED BY REFERENCE

Each document incorporated herein by reference is current only as at the date of such document, and the incorporation by reference of such documents shall not create any implication that there has been no change in the affairs of the Issuer, the Original Guarantors or the Group, as the case may be, since the date thereof or that the information contained therein is current as at any time subsequent to its date. Any statement contained in any document incorporated herein by reference shall be deemed to be modified or superseded for the purposes of this Prospectus to the extent that a statement contained herein modifies or supersedes that statement. Any such statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Prospectus. Those parts of the documents incorporated by reference in this Prospectus which are not specifically incorporated by reference in this Prospectus are either not relevant for prospective investors in the Bonds or the relevant information is included elsewhere in this Prospectus.

The following documents which have been previously published and have been filed with the Financial Services Authority are incorporated in, and form part of, this Prospectus:

- (a) the summarised audited annual accounts, the notes to the summarised audited annual accounts, directors' reports and the Auditor's reports as of and for the year ended 31 December 2012 of the Issuer, prepared in accordance with Spanish – GAAP;
- (b) the audited consolidated annual accounts, the notes to the audited consolidated annual accounts, directors' reports and the Auditor's reports as of and for the years ended 31 December 2011 and 31 December 2012 of the Parent, prepared in accordance with International Financial Reporting Standards as adopted by the European Union (“IFRS – EU”) (the “Consolidated Annual Accounts”);
- (c) the audited annual accounts, the notes to the audited annual accounts, directors' reports and the Auditor's reports as of and for the years ended 31 December 2011 and 31 December 2012 of 4352238 Canada, Inc., prepared in accordance with IFRS – EU;
- (d) the audited consolidated annual accounts, the notes to the audited annual consolidated accounts, directors' reports and the Auditor's reports as of and for the years ended 31 December 2011 and 31 December 2012 of Cespa, Compañía Española de Servicios Públicos Auxiliares, S.A., prepared in accordance with IFRS – EU;
- (e) the audited annual accounts, the notes to the audited annual accounts, directors' reports and the Auditor's reports as of and for the years ended 31 December 2011 and 31 December 2012 of Cespa, Gestión de Residuos, S.A., prepared in accordance with Spanish – GAAP;
- (f) the audited consolidated annual accounts, the notes to the audited consolidated annual accounts, directors' reports and the Auditor's reports as of and for the years ended 31 December 2011 and 31 December 2012 of Cintra Infraestructuras, S.A., prepared in accordance with IFRS – EU;
- (g) the audited consolidated annual accounts, the notes to the audited consolidated annual accounts, directors' reports and the Auditor's reports as of and for the years ended 31 December 2011 and 31 December 2012 of Ferrovial Agromán, S.A., prepared in accordance with IFRS – EU;
- (h) the audited consolidated annual accounts, the notes to the audited consolidated annual accounts, directors' reports and the Auditor's reports as of and for the years ended 31 December 2011 and 31 December 2012 of Ferrovial Servicios, S.A., prepared in accordance with IFRS – EU;
- (i) the unaudited consolidated financial information as of and for the three months ended 31 March 2013 of the Parent;
- (j) the audited annual accounts, the notes to the audited annual accounts, directors' reports and the Auditor's reports as of and for the years ended 31 December 2011 and 31 December 2012 of Hubco Netherlands B.V., prepared in accordance with Dutch GAAP; and

- (k) the audited annual accounts, the notes to the audited annual accounts, directors' reports and the Auditor's reports as of and for the years ended 31 December 2011 and 31 December 2012 of Landmille Limited, prepared in accordance with accounting standards generally accepted in Ireland and UK.

The documents referred to in paragraphs (a) to (i) above are English translations of the original Spanish versions. The Issuer confirms that such translations are accurate translations of the original Spanish text.

Any documents themselves incorporated by reference in the documents incorporated by reference in this Prospectus shall not form part of this Prospectus.

Copies of documents incorporated by reference in this Prospectus are available free of charge as long as the Notes are outstanding from the registered office of the Issuer and the registered office of the Parent, in each case specified at the end of this Prospectus and from the website of the Regulatory News Service operated by the London Stock Exchange at <http://www.londonstockexchange.com/exchange/prices-and-news/news/market-news/market-news-home.html>.



## TERMS AND CONDITIONS OF THE NOTES

The following, save for the paragraphs in italics, are the terms and conditions of the Notes which will be incorporated into the Global Notes and endorsed on the Notes in definitive form.

The issue of the €500,000,000 3.375 per cent. Notes due 2021 (the “Notes”, which expression shall, unless otherwise indicated, include any further notes issued pursuant to Condition 15 (Further Issues) and consolidated and forming a single series with the Notes) was (save in respect of any such further notes to be issued pursuant to Condition 15 (Further Issues)) authorised by resolutions of a General Shareholders Meeting and of the joint administrators (*administradores mancomunados*) of Ferrovial Emisiones, S.A. (the “Issuer”) passed on 14 May 2013 and 20 May 2013, respectively. The guarantee of the Notes was authorised by resolution of a General Shareholders Meeting and of the board of directors of Ferrovial, S.A. (the “Parent”) passed on 22 October 2009 and 13 May 2013, respectively, by resolutions of the boards of directors of Ferrovial Servicios, S.A., Ferrovial Agromán, S.A., Cintra Infraestructuras, S.A. and Hubco Netherlands B.V. passed on 8 January 2013, 26 December 2012, 21 December 2012 and 14 May 2013, respectively, by special powers of attorney granted by 4352238 Canada Inc., Cespa, Compañía Española de Servicios Públicos Auxiliares, S.A., Cespa Gestión de Residuos, S.A. and Landmille Limited on 9 January 2013, 8 January 2013, 8 January 2013 and 16 May 2013, respectively (together the “Original Subsidiary Guarantors”). A fiscal agency agreement dated 7 June 2013 (the “Fiscal Agency Agreement”) has been entered into in relation to the Notes and the coupons relating to them (the “Coupons”) between the Issuer, the Parent, the Original Subsidiary Guarantors, BNP Paribas Securities Services, Luxembourg Branch as fiscal agent (the “Fiscal Agent”, which expression shall include any successor as fiscal agent under the Fiscal Agency Agreement), the paying agents for the time being (such persons, together with the Fiscal Agent, being referred to below as the “Paying Agents”, which expression shall include their successors as Paying Agents under the Fiscal Agency Agreement) and BNP Paribas Securities Services, Sucursal en España as commissioner (the “Commissioner”, which expression shall include any successor as commissioner under the Fiscal Agency Agreement).

Copies of the Fiscal Agency Agreement (which contains these terms and conditions (the “Conditions”) and the form of Guarantee (as defined below)) are available during normal business hours at the specified office of each of the Paying Agents. The Noteholders are deemed to have notice of all the provisions of the Fiscal Agency Agreement and these Conditions which are applicable to them. The Fiscal Agency Agreement includes the form of the Notes and the Coupons applicable to them. The statements in these Conditions include summaries of, and are subject to, the detailed provisions of the Fiscal Agency Agreement.

The Issuer, as required by Spanish law, has executed an *escritura pública* (the “Public Deed”) before a Spanish notary public in relation to the issue of the Notes and has registered the Public Deed with Madrid’s Mercantile Registry. The Public Deed contains, among other information, these Conditions.

Capitalised terms used but not defined in these Conditions shall have the meanings attributed to them in the Fiscal Agency Agreement unless the context otherwise requires or unless otherwise stated.

### 1 FORM, DENOMINATION AND TITLE

#### (a) *Form and Denomination*

The Notes are in bearer form, serially numbered, in nominal amounts of €100,000 each and integral multiples of €1,000 in excess thereof up to €199,000, each with Coupons attached on issue.

#### (b) *Title*

Title to the Notes and the Coupons will pass by delivery. The holder of any Note or Coupon will (except as otherwise required by law or as ordered by a court of competent jurisdiction) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership,

trust or any interest in it, any writing on it, or its theft or loss and no person will be liable for so treating the holder.

## 2 STATUS OF THE NOTES

The Notes and Coupons constitute direct, unconditional, unsubordinated and (subject to Condition 4(a) (Negative Pledge)) unsecured obligations of the Issuer ranking at least equally, without any preference among themselves, with all its other present and future unsecured and unsubordinated obligations, save for such obligations that may be preferred by provisions of law that are mandatory and of general application.

Interest on the Notes accrued but unpaid as at the commencement of any insolvency proceeding (*concurso*) relating to the Issuer under Spanish law shall thereupon constitute subordinated obligations of the Issuer ranking below its unsecured and unsubordinated obligations. Under Spanish law no further interest on the Notes shall be deemed to accrue from the date of the declaration of any insolvency proceeding (*concurso*) relating to the Issuer.

## 3 GUARANTEES

### (a) *Guarantees*

Subject to the remaining provisions of this Condition 3, the payment of all sums expressed to be payable by the Issuer under the Notes and the Coupons has been and will be unconditionally and irrevocably guaranteed on a joint and several basis by the Parent, each Original Subsidiary Guarantor and by each other Subsidiary of the Parent that becomes a guarantor in accordance with this Condition 3 (each, a “New Subsidiary Guarantor”). Any such guarantee given by a Guarantor is referred to as a “Guarantee” and together the “Guarantees”.

### (b) *Status of the Guarantees*

The obligations of each Guarantor under its Guarantee constitute (or will constitute) direct, unconditional, unsubordinated and (subject to Condition 4 (Negative Pledge)) unsecured obligations of such Guarantor and shall at all times rank at least equally with all its other present and future unsecured and unsubordinated obligations, save for such obligations that may be preferred by provisions of law that are mandatory and of general application.

### (c) *Identity of Subsidiary Guarantors*

Subject to as provided below, the Parent shall procure that: (i) each of its Subsidiaries which is a guarantor of Principal Indebtedness on the Closing Date is (and, until released in accordance with the Conditions, will continue to be) an Original Subsidiary Guarantor; and (ii) each of its Subsidiaries which becomes a guarantor of Principal Indebtedness after the Closing Date becomes (and, until released in accordance with the Conditions, will continue to be) a Subsidiary Guarantor within 30 days of becoming a guarantor of Principal Indebtedness (except that Subsidiaries of the Parent that are or become prohibited or restricted from providing a guarantee with respect to the Notes and the Coupons under laws generally applicable to persons of the same legal form as such Subsidiaries shall not be required to become, on the Closing Date or otherwise, or continue to be Subsidiary Guarantors provided that if such prohibition or restriction is removed, the Parent shall within 30 days thereof, cause that Subsidiary to become a Subsidiary Guarantor).

### (d) *Accession of New Subsidiary Guarantors*

If a Subsidiary of the Parent is required to become a Subsidiary Guarantor, the Parent shall procure the delivery to the Commissioner and the Fiscal Agent of: (a) a deed of guarantee in favour of the Noteholders and the Couponholders duly executed by the relevant Subsidiary under which it becomes a Subsidiary Guarantor under these Conditions; (b) a supplemental fiscal agency agreement duly executed by the relevant Subsidiary pursuant to which it agrees to be bound by the provisions of the Fiscal Agency Agreement; (c) an Officer's Certificate certifying (i) that the giving of the guarantee by the Subsidiary Guarantor will not breach any restriction imposed on it under laws generally applicable to persons of the

same legal form as such Subsidiary; and (ii) the matters to be opined on in the opinions outline in (d) following; and (d) an opinion of legal advisers of recognised standing to the effect that delivery of such deed of guarantee has been validly authorised and that the obligations of the Subsidiary under its Guarantee constitute legal, valid and binding obligations ranking as provided in Condition 3(b) (Status of the Guarantees), and, upon delivery of such documents, the relevant Subsidiary shall be deemed to have become a Subsidiary Guarantor.

The Parent shall notify the Noteholders in accordance with Condition 14 (Notices) of the occurrence of an accession of a New Subsidiary Guarantor in accordance with this paragraph (d).

*(e) Release of Subsidiary Guarantors*

If (i) a Release Event has occurred with respect to a Subsidiary Guarantor; and (ii) (other than with respect to a Release Event of the type referred to in paragraph (b) of the definition thereof) no Event of Default has occurred and is continuing, the relevant Subsidiary Guarantor shall, subject to Condition 3(g) (Limitations), be released from its obligations under its Guarantee.

As a condition to any release as aforesaid, the Parent shall deliver to the Commissioner and the Fiscal Agent an Officer's Certificate certifying that the above conditions to release have been satisfied (together, with respect to a Release Event of the type referred to in paragraph (b) of the definition thereof, with an opinion of legal advisers of recognised standing to the effect that the relevant change in law has come into effect or will, on a date no earlier than the proposed release date, come into effect) and the Commissioner and the Fiscal Agent shall accept the Officer's Certificate together, if applicable, with the supporting documents mentioned above, as the case may be as sufficient evidence of the occurrence of such Release Event, in which event it shall be conclusive and binding on the Noteholders and the Couponholders and each relevant Subsidiary Guarantor shall be immediately and effectively released from its obligations under its Guarantee.

The Parent shall notify the Noteholders in accordance with Condition 14 (Notices) of the occurrence of a Release Event (identifying the released Guarantor(s)).

*(f) Annual Certification*

The Parent shall, by no later than 30 April in each year, deliver to the Commissioner and the Fiscal Agent an Officer's Certificate listing those of its Subsidiaries that were, as at 31 December of the previous year, (i) Relevant Subsidiaries; (ii) Infrastructure Project Subsidiaries, and/or (iii) guarantors of Principal Indebtedness.

In such Officer's Certificate, the Parent shall certify that (a) except for (i) any Subsidiary specified in the certificate as being prohibited or restricted from providing a guarantee with respect to the Notes and the Coupons under laws generally applicable to persons of the same legal form as such Subsidiary, and (ii) any Subsidiary duly released pursuant to Condition 3(e) (Release of Subsidiary Guarantors) between 31 December of the previous year and the date of the relevant Officer's Certificate, all such Subsidiaries listed as being guarantors of Principal Indebtedness are Subsidiary Guarantors, and (b) the limitations (if any) contained in any Guarantee of a Subsidiary Guarantor comply with Condition 3(g) (Limitations).

*(g) Limitations*

If a Subsidiary of the Parent that is a guarantor of Principal Indebtedness is prohibited or restricted under laws generally applicable to persons of the same legal form as it from becoming a Subsidiary Guarantor, but such prohibition or restriction could be avoided by the inclusion of limitations in the Guarantee to be given by it, such Subsidiary of the Issuer shall become a Subsidiary Guarantor provided that its Guarantee shall incorporate and shall be given subject to such limitations.

If, as a result of a change in law taking effect after the Closing Date (in respect of Original Subsidiary Guarantors) or the date on which a Subsidiary became a Guarantor (in respect of New Subsidiary Guarantors), the guarantee of a Subsidiary Guarantor becomes prohibited or restricted under laws generally applicable to persons of the same legal form as it from continuing to be a Subsidiary

Guarantor, but such prohibition or restriction could be avoided by the inclusion of limitations in the Guarantee given by it, the Guarantee of such Subsidiary Guarantor shall be deemed to incorporate the applicable limitations as of the date such change in law comes into effect, and the Issuer shall procure that the Guarantee of such Subsidiary Guarantor is amended within 30 days of the Parent becoming aware of any such prohibition or restriction to reflect such limitations.

In the circumstances described above, the limitations applicable to such Guarantee shall be the minimum limitations required under relevant laws in order that the prohibition or restriction be avoided.

#### 4 **NEGATIVE PLEDGE**

So long as any of the Notes or Coupons remain outstanding (as defined in the Fiscal Agency Agreement), neither the Issuer nor any of the Guarantors will create or permit to subsist, and the Issuer will ensure that no Relevant Subsidiary will create or permit to subsist, any mortgage, charge, lien, pledge or other form of encumbrance or security interest (each a "Security Interest") upon the whole or any part of its present or future property or assets (including any uncalled capital) to secure any Relevant Indebtedness or any guarantee or indemnity in respect of any Relevant Indebtedness unless in any such case, before or at the same time as the creation of the Security Interest, any and all action necessary shall have been taken to ensure that:

- (i) all amounts payable under the Notes and the Coupons are secured equally and rateably with the Relevant Indebtedness or guarantee or indemnity, as the case may be; or
- (ii) any other Security Interest or guarantee or other arrangement (whether or not including the giving of a Security Interest) is provided in respect of all amounts payable under the Notes and the Coupons as shall be approved by a resolution of the Syndicate of Noteholders,

provided that any Relevant Subsidiary or Subsidiary Guarantor acquired after the Closing Date may have an outstanding Security Interest with respect to Relevant Indebtedness (or any guarantee or indemnity in respect of such Relevant Indebtedness) of such Relevant Subsidiary or Subsidiary Guarantor so long as such Security Interest was outstanding on the date on which such Relevant Subsidiary or Subsidiary Guarantor became a Subsidiary and was not created in contemplation of such Relevant Subsidiary or Subsidiary Guarantor becoming a Subsidiary or such Security Interest was created in substitution for or to replace either such outstanding Security Interest or any such substituted or replacement Security Interest and is not increased in amount after the date that such Relevant Subsidiary or Subsidiary Guarantor became a Subsidiary of the Parent.

#### 5 **DEFINITIONS**

In these Conditions, unless otherwise provided:

"business day" means, in relation to any place, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets are open for business in that place.

A "Change of Control" shall be deemed to have occurred at each time that any person or group of persons acting in concert, in each case other than a Relevant Person, acquire(s) control, directly or indirectly, of the Parent.

"Change of Control Period" means the period commencing on the date that is the earlier of: (1) the date of the occurrence of the relevant Change of Control; and (2) the date of the first relevant Potential Change of Control Announcement (if any), and ending on the date which is 90 days after the date of the occurrence of the relevant Change of Control (or such longer period for which the Notes are under consideration (such consideration having been announced publicly within the period ending 90 days after the Change of Control) for rating review or, as the case may be, rating by a Rating Agency, such period not to exceed 60 days after the public announcement of such consideration).

"Clearstream, Luxembourg" means Clearstream Banking, *société anonyme*.

"Closing Date" means 7 June 2013.

"Commissioner" has the meaning provided in Condition 13 (Syndicate of Noteholders, Modification and Waiver).

“control” means (a) the acquisition or control of more than 50 per cent. of the Voting Rights or (b) the right to appoint and/or remove all or the majority of the members of the Parent's board of directors or other governing body, whether obtained directly or indirectly, and whether obtained by ownership of share capital, the possession of Voting Rights, contract or otherwise and “controlled” shall be construed accordingly.

“Couponholder” means the holders of the Coupons (whether or not attached to the relevant Notes).

“EBITDA” means, in relation to the Parent or any of its Subsidiaries for any relevant period, the profit from operations (*resultado de explotación*) of such entity after adding back depreciation and amortisation charge (*dotaciones a la amortización de inmovilizado*) and impairment and disposals of non-current assets (*deterioros y enajenación de inmovilizado*) and, to the extent not already included, the dividends and other distributions received by that entity from Infrastructure Project Subsidiaries, in each case as derived from the statements of the relevant entity in respect of such period.

“Euroclear” means Euroclear Bank S.A./N.V.

“Event of Default” has the meaning provided in Condition 10 (Events of Default).

“Final Maturity Date” means 7 June 2021.

“Global Notes” means the Temporary Global Note and the Permanent Global Note.

“Group” means the Parent and its Subsidiaries.

“Guarantor” means the Parent and each Subsidiary Guarantor.

“IFRS-EU” means International Financial Reporting Standards as adopted by the European Union.

“Infrastructure Project” means any project carried out by an entity pursuant to one or more contracts for any of the construction, upgrading, operation and maintenance of infrastructure or for the performance of other services, where the entity is one in which the Group has interest (whether alone or together with other partners) and which finances the investment required in the project with Infrastructure Project Indebtedness and its share capital or other equity contribution made to it.

“Infrastructure Project Indebtedness” means indebtedness where the recourse of the creditors thereof is limited to any or all of (a) the relevant Infrastructure Project (or the concession or assets related thereto), (b) the share capital of, or other equity contribution to, the entity or entities developing, financing or otherwise directly involved in the relevant project; and (c) other credit support (including, without limitation, completion guarantees and contingent equity obligations) customarily provided in support of such indebtedness.

“Infrastructure Project Subsidiary” means any Subsidiary of the Parent:

- (a) that develops an Infrastructure Project as its sole activity; or
- (b) whose sole purpose is to incur Infrastructure Project Indebtedness in connection with an Infrastructure Project; or
- (c) whose sole purpose is to facilitate the investment by the Group and its partners in the share capital of, or other equity contribution to, a Subsidiary falling within paragraph (a) or (b) above; or
- (d) which is also a direct or indirect wholly-owned Subsidiary of a Subsidiary falling within paragraphs (a) to (c) above.

For the avoidance of doubt, FGP Topco Ltd (an English registered company with number 05723691) and its Subsidiaries as at the Closing Date, and any other entity (not previously being a member of the Group) which becomes its Subsidiary on or after the Closing Date are each considered Infrastructure Project Subsidiaries.

“Investment Grade Rating” means: (a) with respect to S&P, any of the categories from and including AAA to and including BBB- (or equivalent successor categories); (b) with respect to Moody's, any of the categories from and including Aaa to and including Baa3 (or equivalent successor categories); and (c) with respect to Fitch Ratings, any of the categories from and including AAA to and including BBB- (or equivalent successor categories).

“Material Subsidiary” means, at any relevant time, a Subsidiary of the Parent:

- (a) whose total assets or EBITDA at any relevant time represent no less than 7 per cent. of the total assets or EBITDA, respectively, of the Reduced Group, as calculated by reference to, in the case of the Reduced Group, the contribution of the Reduced Group to and, in the case of the relevant Subsidiary, its contribution to, in each case, the total assets or EBITDA of the Group as determined from the then latest audited consolidated annual accounts of the Parent prepared in accordance with IFRS-EU provided that, if the then latest audited consolidated accounts of the Parent show EBITDA as a negative number for the relevant financial period then there shall be substituted for the words “EBITDA” the words “total operating income” (*total ingresos de explotación*) for the purposes of this definition; or
- (b) to which is transferred all or substantially all of the assets and undertaking of a Subsidiary which, immediately prior to such transfer, is a Material Subsidiary.

“Material Subsidiary Guarantor” means a Subsidiary Guarantor that is a Material Subsidiary.

“Noteholders” and “holders” mean the holders of the Notes.

“Officer’s Certificate” means a certificate of a duly authorised officer of the Issuer or, as the case may be, a Guarantor whose responsibilities extend to the subject matter of such certificate.

a “person” includes any individual, company, corporation, firm, partnership, joint venture, undertaking, association, unincorporated association, limited liability company, organisation, trust, state or agency of a state (in each case whether or not being a separate legal entity).

“Potential Change of Control Announcement” means any public announcement or public statement by the Parent, or any actual or *bona fide* potential bidder relating to any potential Change of Control.

“Principal Indebtedness” means any present or future financial indebtedness for or in respect of moneys borrowed or raised which is or may be incurred by the Parent under:

- (a) the credit facility agreement dated 12 April 2011 entered into by, inter alia, the Parent as borrower, certain subsidiaries of the Parent as guarantors and Banco Bilbao Vizcaya Argentaria, S.A. as agent (and the facilities made available under any other agreement(s) entered into to extend, renew or refinance such facility (or their extensions, renewals or refinancing)); and
- (b) any other agreement provided that (i) the aggregate principal amount of indebtedness incurred by the Parent thereunder as at the Closing Date or as at any date falling after the Closing Date is equal to or more than €50,000,000 (or its equivalent in another currency), and (ii) in no event shall any indebtedness incurred by the Parent and owed to any of its Subsidiaries be considered as Principal Indebtedness under this paragraph (b).

In these Conditions, a Subsidiary shall be deemed to become a guarantor of Principal Indebtedness (i) in the case of paragraph (a) above, on the date it accedes to any such agreement as a guarantor, and (ii) in the case of paragraph (b) above, (I) if an agreement meets the requirements of paragraph (b) on the date the Subsidiary accedes to such agreement as a guarantor, on the date it accedes to any such agreement as a guarantor, or (II) if an agreement meets the requirements of paragraph (b) after the date the Subsidiary accedes to such agreement as a guarantor, on the first financial quarter end date of the Parent falling after the date on which such agreement meets the requirements of paragraph (b) provided such agreement continues to meet such requirements on that financial quarter end date.

“Put Period” means 30 days after a Put Event Notice has been published in accordance with Condition 14 (Notices).

“Rating Agency” means any of the following: (a) Standard & Poor’s Rating Services, a division of The McGraw Hill Companies, Inc. (“S&P”); (b) Moody’s Investors Service Limited (“Moody’s”); or (c) Fitch Ratings Ltd (“Fitch Ratings”), and, in each case, their respective successors.

A “Rating Downgrade” shall be deemed to have occurred in respect of a Change of Control if: (a) within the Change of Control Period the rating previously assigned to the Notes by any Rating Agency is: (i) withdrawn; (ii) ceases to be an Investment Grade Rating; or (iii) if the rating assigned to the Notes by any Rating Agency which is current at the time the Change of Control Period begins is below an Investment Grade Rating, that rating is lowered one full rating notch by any Rating Agency (for example BB+ to BB by S&P), provided that a Rating Downgrade shall be deemed not to have occurred in respect of a particular Change of Control if the Rating Agency withdrawing or lowering the rating does not

publicly announce or confirm in writing to the Issuer that the reduction or withdrawal was the result, in whole or part, of any event or circumstance comprised in or arising as a result of, or in respect of, the applicable Change of Control; or (b) at the time of the Change of Control occurs there is no rating assigned to the Notes.

“Reduced Group” means the Parent and its Subsidiaries (other than Infrastructure Project Subsidiaries).

A “Release Event” occurs in relation to a Subsidiary Guarantor if at any time while the Notes or Coupons remain outstanding, (a) the Subsidiary Guarantor is unconditionally released from all guarantees given by it of Principal Indebtedness; or (b) as a result of a change in law taking effect after the Closing Date (in respect of an Original Subsidiary Guarantor) or the date upon which the relevant Subsidiary became a Subsidiary Guarantor (in respect of a New Subsidiary Guarantor), the guarantee of the Notes and Coupons given by the Subsidiary Guarantor is prohibited or restricted under laws generally applicable to persons of the same legal form as that Subsidiary Guarantor.

“Relevant Date” means, in respect of any Note or Coupon, whichever is the later of (i) the date on which payment in respect of it first becomes due and (ii) if any amount of the money payable is improperly withheld or refused the date on which payment in full of the amount outstanding is made or (if earlier) the date on which notice is duly given by the Issuer to the Noteholders or the Couponholders in accordance with Condition 14 (Notices) that, upon further presentation of the Note or Coupon, where required pursuant to these Conditions, being made, such payment will be made, provided that such payment is in fact made as provided in these Conditions.

“Relevant Indebtedness” means:

- (a) Principal Indebtedness; and
- (b) any present or future indebtedness (whether being principal, interest or other amounts), in the form of or evidenced by notes, bonds, debentures, loan stock or other similar debt instruments, whether issued for cash or in whole or in part for a consideration other than cash, and which are, or are capable of being, quoted, listed or ordinarily dealt in or traded on any recognised stock exchange, over-the-counter or other securities market,

except that in no event shall indebtedness in respect of any Infrastructure Project Indebtedness (or any guarantee or indemnity of the same) be considered as “Relevant Indebtedness”.

“Relevant Person” means Portman Baela, S.L., or any of the direct or indirect shareholders of Portman Baela, S.L., or, in each case, any of their respective affiliates, successors or descendants, as the case may be, or any persons or entities which directly or indirectly control or are controlled by any of them, in each case whether acting individually or as a group.

“Relevant Subsidiary” means each Material Subsidiary but excluding any Material Subsidiary which is also (a) an Infrastructure Project Subsidiary; or (b) Budimex, S.A., any of its Subsidiaries as at the Closing Date, and any other entity (not previously being a member of the Group) which becomes its Subsidiary on or after the Closing Date.

“Subsidiary” of any person means (i) a company of which more than 50 per cent. of the voting rights are owned or controlled, directly or indirectly, by such person or by one or more other Subsidiaries of such person or by such person and one or more Subsidiaries thereof or (ii) any other person in which such person, or one or more other Subsidiaries of such person or such person and one or more other Subsidiaries thereof, directly or indirectly, has at least a majority ownership and power to direct the policies, management and affairs thereof.

“Subsidiary Guarantor” means, subject to Condition 3(e) (*Release of Subsidiary Guarantors*), the Original Subsidiary Guarantors and each New Subsidiary Guarantor.

“Syndicate of Noteholders” has the meaning provided in Condition 13 (Syndicate of Noteholders, Modification and Waiver).

“TARGET Business Day” means a day on which the TARGET System is operating.

“TARGET System” means the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET2) System.

“Tax Jurisdiction” means any jurisdiction under the laws of which the Issuer or any Guarantor is organised or in which it is resident for tax purposes, or any political subdivision or any authority thereof or therein having power to tax.

“Voting Rights” means the right generally to vote at a general meeting of shareholders of the Issuer (irrespective of whether or not, at the time, stock of any other class or classes shall have, or might have, voting power by reason of the happening of any contingency).

References to any provision of any statute shall be deemed also to refer to any statutory modification or re-enactment thereof or any statutory instrument, order or regulation made thereunder or under such modification or re-enactment.

## **6 INTEREST**

### *(a) Interest Rate*

Subject to the following paragraph in this Condition 6(a), the Notes bear interest from and including the Closing Date at the rate of 3.375 per cent. (the “Rate of Interest”) per annum. Interest shall be payable annually in arrear on 7 June each year (an “Interest Payment Date”), commencing with the Interest Payment Date falling on 7 June 2013 and ending on the Final Maturity Date in respect of the period from (and including) the preceding Interest Payment Date (or, if none, the Closing Date) to (but excluding) the next succeeding Interest Payment Date (each an “Interest Period”). The amount of interest payable on each Interest Payment Date in respect of the Interest Period ending on such Interest Payment Date shall be €33.75 per €1,000 in principal amount of the Notes.

Save as provided above in relation to the amounts of interest payable per €1,000 in principal amount of the Notes, if interest is to be calculated in respect of a period which is equal to or shorter than an Interest Period, the day-count fraction will be the number of days in the relevant period, from and including the date from which interest begins to accrue to but excluding the date on which it falls due, divided by the number of days in the Interest Period in which the relevant period falls (including the first such day but excluding the last), rounding the resulting figure to the nearest cent (half a cent being rounded upwards).

### *(b) Accrual of Interest*

Each Note will cease to bear interest where such Note is being redeemed or repaid pursuant to Condition 7 (Redemption and Purchase) or Condition 10 (Events of Default), from the due date for redemption thereof unless, upon due presentation thereof, payment of the principal amount of the Notes is improperly withheld or refused, in which event interest will continue to accrue as provided in Condition 6(a) (Interest Rate) (both before and after judgment) until whichever is the earlier of (i) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant holder, and (ii) the day 7 (seven) days after the Fiscal Agent has notified Noteholders of receipt of all sums due in respect of all the Notes up to that seventh day (except to the extent that there is failure in the subsequent payment to the relevant holders under these Conditions).

## **7 REDEMPTION AND PURCHASE**

### *(a) Final Redemption*

Unless previously purchased and cancelled or redeemed as herein provided, the Notes will be redeemed at their principal amount on the Final Maturity Date. The Notes may not be redeemed at the option of the Issuer other than in accordance with this Condition 7.

### *(b) Redemption for taxation reasons*

The Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time, on giving not less than 30 nor more than 60 days’ notice to the Noteholders (which notice shall be irrevocable), at their principal amount, (together with interest accrued to the date fixed for redemption), if (i) the Issuer (or, if the Guarantees were called, a Guarantor) has or will become obliged to pay additional amounts as provided or referred to in Condition 9 (Taxation) as a result of any change in, or amendment to, the laws or regulations of a Tax Jurisdiction or, in each case, any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the Closing Date, and (ii) such obligation cannot be avoided by the Issuer (or the relevant Guarantor, as the case may be) taking



reasonable measures available to it, provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer (or the relevant Guarantor, as the case may be) would be obliged to pay such additional amounts were a payment in respect of the Notes (or the Guarantees, as the case may be) then be due. Prior to the publication of any notice of redemption pursuant to this Condition 7(b), the Issuer shall deliver to the Commissioner an Officer's Certificate of the Issuer (or the relevant Guarantor, as the case may be) stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred, and an opinion of legal advisers of recognised standing to the effect that the Issuer (or the relevant Guarantor, as the case may be) has or will become obliged to pay such additional amounts as a result of such change or amendment.

*(c) Early redemption at the option of the Noteholders upon a Change of Control*

If a Change of Control occurs and, during the Change of Control Period, a Rating Downgrade occurs (together a "Put Event"), each Noteholder shall have the option (unless, prior to the giving of the Put Notice (as defined below), the Issuer gives notice to redeem the Notes in accordance with Condition 7 (b) (Redemption for taxation reasons)), to require the Issuer to redeem or, at the Issuer's option, purchase (or procure the purchase of) in whole or in part his Notes at their principal amount plus accrued and unpaid interest up to (but excluding) the Put Date (the "Put Option").

If a Put Event occurs, then the Issuer shall, without undue delay, after becoming aware thereof, give notice of the Put Event (a "Put Event Notice") to the Noteholders in accordance with Condition 14 (Notices) specifying the nature of the Put Event and the procedure for exercising the Put Option contained in this Condition 7(c) as well as the date upon which the Put Period will end.

To exercise the Put Option, a Noteholder must within the Put Period deposit such Note(s) at the specified office of any Paying Agent, during normal business hours on any business day in the city of the specified office of any Paying Agent, together with a duly signed and completed notice of exercise in the then current form obtainable from any Paying Agent (a "Put Notice") and in which the Noteholder must specify a bank account to which payment is to be made under this Condition 7(d). Any Note should be deposited together with all Coupons relating thereto maturing after the Put Date (as defined below) failing which an amount corresponding to the aggregate amount payable in respect of such missing Coupons will be deducted from the redemption amount otherwise payable under this Condition.

The Issuer shall redeem, or at its option, purchase (or procure the purchase of) the relevant Note(s) on the date (the "Put Date") seven days after the expiration of the Put Period unless previously redeemed or purchased and cancelled. A Put Notice, once given, shall be irrevocable.

*(d) Notice of redemption*

All Notes in respect of which any notice of redemption is given under this Condition shall be redeemed on the date specified in such notice in accordance with this Condition.

*(e) Purchase*

Subject to the requirements (if any) of any stock exchange on which the Notes may be admitted to listing and trading at the relevant time and subject to compliance with applicable laws and regulations, each of the Issuer or the Guarantors, or any of their respective Subsidiaries, may at any time purchase Notes in the open market or otherwise at any price (provided that they are purchased together with all unmatured Coupons relating to them). Such Notes may be held, re-sold or reissued or, at the option of the relevant purchaser, surrendered to the Fiscal Agent for cancellation, and while held by or on behalf of the Issuer, a Guarantor or any such Subsidiary, shall not entitle the holder to vote at any meetings of the Syndicate of Noteholders and shall not be deemed to be outstanding for the purposes of calculating quorums at meetings of the Syndicate of Noteholders or for the purposes of Condition 13 (Syndicate of Noteholders, Modification and Waiver).

(f) *Cancellation*

All Notes which are redeemed and any unmatured Coupons attached to or surrendered with them will be cancelled and may not be reissued or resold. Notes purchased by the Issuer, any Guarantor or any of their respective Subsidiaries and any unmatured Coupons attached to or surrendered with them may be surrendered to the Fiscal Agent for cancellation and, if so surrendered, shall be cancelled.

**8 PAYMENTS**

(a) *Method of payment*

Payments of principal and interest will be made against presentation and surrender (or, in the case of partial payment only, endorsement) of the relevant Notes or Coupons, as the case may be, at the specified office of any of the Paying Agents. Each payment in respect of the Notes or the Coupons pursuant to this Condition will be by transfer to a euro account maintained by the payee with a bank in a city in which banks have access to the TARGET System. Payments of interest due in respect of any Note other than a presentation and surrender of matured Coupons shall be made only against presentation and either surrender or endorsement (as appropriate) of the relevant Note.

(b) *Payments subject to fiscal laws*

Without prejudice to the application of the provisions of Condition 9 (Taxation), all payments in respect of the Notes or the Coupons are subject in all cases to any applicable fiscal or other laws and regulations. No commissions or expenses shall be charged to the Noteholders or the Couponholders in respect of such payments.

(c) *Surrender of unmatured Coupons*

Each Note should be presented for redemption together with all unmatured Coupons relating to it, failing which the amount of any such missing unmatured Coupon (or, in the case of payment not being made in full, that proportion of the amount of such missing unmatured Coupon which the sum of principal so paid bears to the total principal amount due) will be deducted from the sum due for payment. Each amount of principal so deducted will be paid in the manner mentioned above against surrender of the relevant missing Coupon not later than 10 years after the Relevant Date for the relevant payment of principal.

(d) *Delay in payment*

Noteholders or Couponholders will not be entitled to any interest or other payment for any delay after the due date in receiving the amount due (i) as a result of the due date not being a business day, or (ii) if the Noteholder or Couponholders is late in surrendering the relevant Note or Coupon (where such surrender is required pursuant to these Conditions as a precondition to any payment).

(e) *Business Days*

In this Condition, "business day" means a day (other than a Saturday or Sunday) which is a TARGET Business Day and in the case of presentation or surrender of a Note or a Coupon, on which commercial banks and foreign exchange markets are open for business in the place of the specified office of the relevant Paying Agent, to whom the relevant Note or Coupon is presented or surrendered.

(f) *Paying Agents, etc.*

The initial Paying Agents and their initial specified offices are listed below. The Issuer reserves the right under the Fiscal Agency Agreement at any time to vary or terminate the appointment of any Paying Agent and appoint additional or other Paying Agents, provided that it will (i) maintain a Fiscal Agent, (ii) maintain a Paying Agent having a specified office in a jurisdiction within continental Europe, other than the jurisdiction in which the Issuer and/or any Guarantor is incorporated, and (iii) maintain a Paying Agent with a specified office in a European Union member state that will not be obliged to withhold or deduct tax pursuant to European Council Directive 2003/48/EC or any other Directive implementing the conclusions of the ECOFIN Council meeting of 26-27 November 2000. Notice of any change in the

Paying Agents or their specified offices will promptly be given by the Issuer to the Noteholders in accordance with Condition 14 (Notices).

## 9 TAXATION

All payments in respect of the Notes and the Coupons by or on behalf of the Issuer or the Guarantors shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of any Tax Jurisdiction, unless such withholding or deduction is required by applicable laws or regulations. In that event the Issuer or, as the case may be, the relevant Guarantor (subject to the terms of the relevant Guarantee) shall pay such additional amounts as will result in receipt by the Noteholders and the Couponholders of such amounts as would have been received by them had no such withholding or deduction been required, except that no such additional amounts shall be payable in respect of any Note or Coupon or, as the case may be, under the Guarantee:

- (a) presented for payment in any Tax Jurisdiction; or
- (b) to, or to a third party on behalf of, a holder who is liable for such taxes, duties, assessments or governmental charges in respect of such Note or Coupon by reason of his having some connection with a Tax Jurisdiction other than (i) the mere holding of such Note or Coupon, or (ii) the receipt of principal, interest, or other amounts in respect of such Note or Coupon; or
- (c) presented for payment more than 30 days after the Relevant Date except to the extent that the relevant holder thereof would have been entitled to such additional amounts on presenting the same for payment on the last day of such period of 30 days; or
- (d) where such withholding or deduction is imposed on a payment to an individual and is required to be made pursuant to any law implementing European Council Directive 2003/48/EC or any other Directive implementing the conclusions of the ECOFIN Council meeting of 26-27 November 2000; or
- (e) presented for payment by or on behalf of a holder who would have been able to avoid such withholding or deduction by presenting the relevant Note or Coupon to another Paying Agent in a Member State of the European Union; or
- (f) (in respect of any payment by the Issuer) to, or to a third party on behalf of, a Noteholder who does not provide such information concerning such Noteholder's identity and tax residence to the Issuer or an agent acting on behalf of the Issuer as may be required in order to comply with the procedures that may be implemented to comply with the interpretation of Royal Decree 1145/2011 eventually made by the Spanish Tax Authorities.

## 10 EVENTS OF DEFAULT

If any of the following events (each an "Event of Default") shall have occurred and is continuing:

- (a) default is made in the payment on the due date of principal or interest in respect of any of the Notes and such failure continues for a period of 7 (seven) days in the case of principal (other than on the Final Maturity Date) and 14 (fourteen) days in the case of interest; or
- (b) the Issuer or a Guarantor does not perform or comply with any one or more of its other obligations in respect of the Notes or, as the case may be, the relevant Guarantee, which default is incapable of remedy or is not remedied within 30 (thirty) days after written notice of such default shall have been given to the Fiscal Agent at its specified office by any Noteholder; or
- (c) any other present or future indebtedness of the Issuer, a Guarantor or any Relevant Subsidiary for or in respect of any moneys borrowed or raised becomes, or is declared, due and payable prior to its stated maturity otherwise than (A) at the option of the Issuer, a Guarantor, the Relevant Subsidiary or (B) at the option of the creditor of such indebtedness in circumstances where no event of default (howsoever described) has occurred; or

- (i) any such present or future indebtedness of the Issuer a Guarantor or any Relevant Subsidiaries is not paid when due or, as the case may be, within any applicable grace period; or
- (ii) the Issuer, a Guarantor or any Relevant Subsidiary fails to pay when due any amount payable by it under any present or future guarantee for, or indemnity in respect of, any moneys borrowed or raised,

provided that the aggregate amount of the indebtedness, guarantees or indemnities in respect of which one or more of the events mentioned above in this paragraph (c) have occurred equals or exceeds €50,000,000 or its equivalent; or

- (d) a distress, attachment, execution or other legal process is levied, enforced or sued out on or against any part of the property, assets or revenues of the Issuer, a Guarantor or any Relevant Subsidiary and is not discharged or stayed within 30 (thirty) days provided that the aggregate amount of property, assets and/ or revenues involved in any such distress, attachment, execution or legal process equals or exceeds €50,000,000 or its equivalent; or
- (e) any mortgage, charge, pledge, lien or other encumbrance, present or future, created or assumed by the Issuer, a Guarantor or any Relevant Subsidiary in respect of an obligation the principal amount of which equals or exceeds €50,000,000 or its equivalent is enforced (including by the taking of possession or the appointment of a receiver, administrative receiver, administrator manager or other similar person); or
- (f) the Issuer, a Guarantor or any Relevant Subsidiary is insolvent or bankrupt (*concurso*) or unable to pay its debts, or is declared or a voluntary request has been submitted to a relevant court for the declaration of insolvency or bankruptcy, stops, suspends or threatens to stop or suspend payment of all or a material part of its debts, proposes or makes any agreement for the deferral, rescheduling or other readjustment of all of its debts, proposes or makes a general assignment or an arrangement or composition with or for the benefit of the relevant creditors in respect of any of such debts or a moratorium is agreed or declared or comes into effect in respect of or affecting all or any part of the debts of the Issuer, a Guarantor or any Relevant Subsidiary; or
- (g) an order is made or an effective resolution passed for the winding-up (*liquidación*) or dissolution (*disolución*) of the Issuer, a Guarantor or any Relevant Subsidiary, or the Issuer, a Guarantor or any Relevant Subsidiary ceases or threatens to cease to carry on all or substantially all of its business or operations, except for the purpose of and followed by a reconstruction, amalgamation, reorganisation, merger or consolidation (i) on terms approved by a resolution of the Syndicate of Noteholders; (ii) where the undertakings and assets are transferred to or otherwise vested in any other members of the Group on a solvent basis, provided that until the next audited consolidated annual accounts of the Parent are available, except in the case of the companies and entities referred to in (a) or (b) of the definition of Relevant Subsidiary which shall under no circumstances become or be deemed to be Relevant Subsidiaries, both the transferee and the transferor shall be deemed to be Relevant Subsidiaries for the purposes of these Conditions; or (iii) where the undertakings and assets are transferred to any other person provided that the undertakings and assets are transferred to that person on an arm's length basis; or
- (h) any action, condition or thing (including the obtaining or effecting of any necessary consent, approval, authorisation, exemption, filing, licence, order, recording or registration) at any time required to be taken, fulfilled or done in order (i) to enable the Issuer and the Guarantors lawfully to exercise their respective rights and perform and comply with their respective obligations under the Notes and the Guarantees; (ii) to ensure that those obligations are legally binding and enforceable; and (iii) to make the Notes and the Guarantees admissible in evidence is not taken, fulfilled or done; or
- (i) any event occurs which under the laws of any relevant jurisdiction has a similar effect to any of the events referred to in any of the foregoing paragraphs;

- (j) (i) it is or will become unlawful for the Issuer or the Parent to perform or comply with any of its obligations under or in respect of the Notes or its Guarantee (as the case may be); or
- (ii) it is or will become unlawful for any Material Subsidiary Guarantor to perform or comply with any of its obligations under or in respect of its Guarantee or a Release Event of the type referred to in paragraph (b) of the definition thereof shall have occurred with respect to a Material Subsidiary Guarantor or the Guarantee given by a Material Subsidiary Guarantor is required to be amended pursuant to Condition 3(g) (Limitations), unless, within 30 days of date of the same occurring, one or more other Subsidiaries of the Parent whose aggregate total assets and EBITDA are at least equal to the total assets and EBITDA of the relevant Material Subsidiary Guarantor have become Subsidiary Guarantors and the terms of each Guarantee given by such other Subsidiary Guarantors are no worse than the terms of the Guarantee originally given by the relevant Material Subsidiary Guarantor; or
- (k) the Issuer ceases to be a wholly-owned Subsidiary of the Parent,

then, any Note may, by notice in writing given to the Fiscal Agent at its specified office by (i) the Commissioner acting upon a resolution of the Syndicate of Noteholders, in respect of all Notes, or (ii) unless there has been a resolution to the contrary by the Syndicate of Noteholders, any Noteholder in respect of such Note, be declared immediately due and payable whereupon it shall become immediately due and payable at their principal amount, together with accrued interest, without further formality.

## **11 PRESCRIPTION**

Claims for payment in respect of principal and interest shall be prescribed and become void unless made within 10 (ten) years (in the case of principal) or 5 (five) years (in the case of interest) from the appropriate Relevant Date in respect of such payment and thereafter any principal interest or other sums payable in respect of such Notes shall be forfeited and revert to the Issuer.

## **12 REPLACEMENT OF NOTES AND COUPONS**

If any Note or Coupon is lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the Fiscal Agent subject to all applicable laws and stock exchange requirements or other relevant authority requirements, upon payment by the claimant of the expenses incurred in connection with such replacement and on such terms as to evidence, security, indemnity and otherwise as the Issuer and the Guarantors may require (provided that the requirement is reasonable in light of prevailing market practice). Mutilated or defaced Notes or Coupons must be surrendered before replacements will be issued.

## **13 SYNDICATE OF NOTEHOLDERS, MODIFICATION AND WAIVER**

### *(a) Syndicate of Noteholders*

Noteholders shall meet in accordance with certain regulations governing the Syndicate of Noteholders (the "Regulations"). The Regulations contain the rules governing the Syndicate of Noteholders and the rules governing its relationship with the Issuer and are attached to the Public Deed and are included in the Fiscal Agency Agreement.

BNP Paribas Securities Services, Sucursal en España has been appointed as a temporary Commissioner for the Noteholders. Noteholders shall, by virtue of purchasing and/or holding Notes, be deemed to have agreed to: (i) the appointment of the temporary Commissioner; and (ii) become a member of the Syndicate of Noteholders. Upon the subscription of the Notes, the temporary Commissioner will call a general meeting of the Syndicate of Noteholders to ratify or reject the acts of the temporary Commissioner, confirm its appointment or appoint a substitute Commissioner for it and to ratify the Regulations. Noteholders shall, by virtue of purchasing and/or holding Notes, be deemed to have granted to the Fiscal Agent full power and authority to take any action and/or to execute and deliver any document or notices for the purposes of attending on behalf of the Noteholders the first meeting of the Syndicate of Noteholders called to confirm the appointment of the temporary Commissioner, approve its actions and ratify the Regulations contained in the Fiscal Agency Agreement and the Public Deed, and vote in favour of each of those resolutions.

Provisions for meetings of the Syndicate of Noteholders are contained in the Regulations and in the Fiscal Agency Agreement. Such provisions shall have effect as if incorporated herein.

The Issuer may, with the consent of the Fiscal Agent and the Commissioner, but without the consent of the holders of the Notes, amend these Conditions insofar as they may apply to the Notes to correct a manifest error or which amendments are of a formal, minor or technical nature or to comply with mandatory provisions of law.

In addition to the above, the Issuer and the Noteholders, the latter with the sanction of a resolution of the Syndicate of Noteholders, may agree any modification, whether material or not, to these Conditions and any waiver of any breach or proposed breach of these Conditions.

For the purposes of these Conditions:

- (i) "Commissioner" means the comisario as this term is defined under the Spanish Corporations Law (*Ley de Sociedades de Capital*) of the Syndicate of Noteholders; and
- (ii) "Syndicate of Noteholders" means the sindicato as this term is described under the Spanish Corporations law (*Ley de Sociedades de Capital*).

*In accordance with Spanish law, a general meeting of the Syndicate of Noteholders shall be validly constituted upon first being convened provided that Noteholders holding or representing two-thirds of the Notes outstanding attend. If the necessary quorum is not achieved at the first meeting, a second general meeting may be reconvened to meet one month after the first general meeting and shall be validly constituted regardless of the number of Noteholders who attend. A resolution shall be passed by holders holding an absolute majority in nominal amount of Notes present or duly represented at any properly constituted meeting.*

(b) *Modification of Fiscal Agency Agreement*

The Issuer and the Guarantors shall only permit any modification, waiver or authorisation of any breach or proposed breach or any failure to comply with the Fiscal Agency Agreement, if to do so could not reasonably be expected to be prejudicial to the interests of the Noteholders.

(c) *Notification to the Noteholders*

Any modification, waiver or authorisation in accordance with this Condition 13 shall be binding on the Noteholders and shall be notified by the Issuer to the Noteholders as soon as practicable thereafter in accordance with Condition 14 (Notices).

## 14 NOTICES

Notices to Noteholders will be valid if published in a leading newspaper having general circulation in London (which is expected to be the Financial Times). The Issuer shall also ensure that all notices are duly published in a manner which complies with the rules and regulations of any stock exchange or other relevant authority on which the Notes are for the time being listed and/or admitted to trading. Any such notice shall be deemed to have been given on the date of such publication or, if published more than once on the first date on which publication is made. If publication as provided above is not practicable, notice will be given in such other manner, and shall be deemed to have been given on such date, as the Fiscal Agent may approve.

Notwithstanding the above, while all the Notes are represented by the Global Notes and the Global Notes are deposited with a common depositary for Euroclear and/or Clearstream, Luxembourg, notices to Noteholders may be given by delivery of the relevant notice to Euroclear or Clearstream, Luxembourg and such notices shall be deemed to have been given to Noteholders on the day of delivery to Euroclear and/or Clearstream, Luxembourg. Couponholders will be deemed for all purposes to have notice of the contents of any notice given to the Noteholders in accordance with this Condition.

## 15 FURTHER ISSUES

The Issuer may from time to time without the consent of the Noteholders or Couponholders create and issue further notes, bonds or debentures either having the same terms and conditions in all respects as the outstanding notes, bonds or debentures of any series (including the Notes) or in all respects except for the first payment of interest on them and so that such further issue shall be consolidated and form a single series with

the outstanding notes, bonds or debentures of any series (including the Notes) or upon such terms as to interest, conversion, redemption and otherwise as the Issuer may determine at the time of their issue.

## **16 CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999**

No person shall have any right to enforce any term or condition of the Notes under the Contracts (Rights of Third Parties) Act 1999.

## **17 GOVERNING LAW AND JURISDICTION**

### *(a) Governing Law*

Save as described below, the Fiscal Agency Agreement, the Notes, the Coupons, the Guarantees and any non-contractual obligations arising out of or in connection with them are governed by, and shall be construed in accordance with, English law. The status of the Notes as described in Condition 2 (Status of the Notes) and the provisions of Condition 13 (Syndicate of Noteholders, Modification and Waiver) relating to the appointment of the Commissioner and the Syndicate of Noteholders are governed by, and shall be construed in accordance with, Spanish law. The status of the Guarantee of each Guarantor as described in Condition 3(b) (*Status of the Guarantees*) shall be construed in accordance with the laws where each Guarantor has its centre of main interest, which, in the case of the Guarantee of the Parent shall be Spanish law.

### *(b) Jurisdiction*

- (i) The courts of England are to have jurisdiction to settle any disputes which may arise out of or in connection with the Notes, the Coupons or the Guarantees and accordingly any legal action or proceedings arising out of or in connection with the Notes, the Coupons or the Guarantees (“Proceedings”) may be brought in such courts. Each of the Issuer and the Guarantors irrevocably submits to the jurisdiction of such courts and waives any objection to Proceedings in such courts whether on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum. These submissions are made for the benefit of each of the Noteholders and Couponholders and shall not limit the right of any of them to take Proceedings in any other court of competent jurisdiction nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction (whether concurrently or not).
- (ii) In accordance with article 25 of the Regulations of the Syndicate of Noteholders, the courts and tribunals of the city of Madrid are to have exclusive jurisdiction to settle any dispute arising from the Regulations of the Syndicate of Noteholders.

### *(c) Agent for Service of Process*

Each of the Issuer and the Guarantors irrevocably appoints Sherard Secretariat Services Limited at its registered office for the time being, currently at The Sherard Building, Edmund Halley Road, Oxford, OX4 4DQ as its agent in England to receive service of process in any Proceedings in England. If for any reason the Issuer or a Guarantor, as the case may be, does not have such an agent in England, it will promptly appoint a substitute process agent and notify the Noteholders of such appointment. Nothing herein shall affect the right to serve process in any other manner permitted by law.

## REGULATIONS OF THE SYNDICATE OF NOTEHOLDERS

The following are the Regulations of the Syndicate of Noteholders referred to in the Terms and Conditions of the Notes which will be incorporated by reference into the Global Notes and endorsed on the Notes in definitive form. The Spanish version of the Regulations of the Syndicate of Noteholders is the legally binding version. The English translation provided below is an accurate translation of the original Spanish text given for information purposes only.

### REGLAMENTO

*A continuación se recoge el Reglamento del Sindicato de Bonistas de la Emisión de bonos de FERROVIAL EMISIONES, S.A., denominada “EMISIÓN DE BONOS DE FERROVIAL EMISIONES, S.A., MAYO 2013 (la “Emisión”).*

*En caso de discrepancia la versión española prevalecerá.*

### TÍTULO I

*CONSTITUCIÓN, DENOMINACIÓN, OBJETO, DOMICILIO Y DURACIÓN DEL SINDICATO DE BONISTAS.*

#### ARTÍCULO 1º. – CONSTITUCIÓN

*Con sujeción a lo dispuesto en el Capítulo IV del Título XI del Real Decreto Legislativo 1/2010, de 2 de julio, por el que se aprueba el texto refundido de la Ley de Sociedades de Capital (la “Ley de Sociedades de Capital”), quedará constituido, una vez inscrita en el Registro Mercantil la escritura pública relativa a la Emisión, un sindicato de los titulares de los Bonos (los “Bonistas”) que integran la “EMISIÓN DE BONOS DE FERROVIAL EMISIONES, S.A., MAYO 2013”.*

*Este Sindicato se regirá por el presente Reglamento, por la Ley de Sociedades de Capital, por las disposiciones de los estatutos sociales de Ferrovial Emisiones, S.A. (la “Sociedad Emisora”) y demás disposiciones legales vigentes.*

#### ARTÍCULO 2º. – DENOMINACIÓN

*El Sindicato se denominará “SINDICATO DE BONISTAS DE LA EMISIÓN DE BONOS DE FERROVIAL EMISIONES, S.A., MAYO 2013”.*

#### ARTÍCULO 3º. – OBJETO

*El Sindicato tendrá por objeto la representación y defensa de los legítimos intereses de los Bonistas frente a Ferrovial Emisiones, S.A., mediante el ejercicio de los derechos que le reconocen las Leyes por las que se rigen y el presente Reglamento, para ejercerlos y*

### REGULATIONS

The Regulations that follow correspond to the Syndicate of Noteholders of the Notes which compose the “ISSUE OF NOTES OF FERROVIAL EMISIONES, S.A., MAY 2013” (the “Issue”).

In the case of discrepancy, the Spanish version shall prevail.

### TITLE I

INCORPORATION, NAME, PURPOSE, ADDRESS AND DURATION FOR THE SYNDICATE OF NOTEHOLDERS.

#### ARTICLE 1º. – INCORPORATION

In accordance with the provisions of Chapter IV of Title XI of the Spanish Royal Legislative Decree 1/2010, of July, 2, 2010, approving the Spanish Capital Companies Act (“*Real Decreto Legislativo 1/2010, de 2 de julio, que aprueba el texto refundido de la Ley de Sociedades de Capital*”) (the “*Spanish Capital Companies Act*”), there shall be incorporated, once the Public Deed of the Issue has been registered with the Mercantile Registry, a Syndicate of the owners of the Notes (hereinafter, the “*Noteholders*”) which compose the “ISSUE OF NOTES OF FERROVIAL EMISIONES, S.A., MAY 2013”.

This Syndicate shall be governed by these Regulations, by the Spanish Capital Companies Act, by the applicable provisions of the articles of association of Ferrovial Emisiones, S.A. (the “*Issuer*”) and other applicable legislation.

#### ARTICLE 2º. – NAME

The Syndicate shall be named “SYNDICATE OF NOTEHOLDERS OF THE ISSUE OF NOTES OF FERROVIAL EMISIONES, S.A., MAY 2013”.

#### ARTICLE 3º. – PURPOSE

This Syndicate is formed for the purpose of representing and protecting the lawful interest of the Noteholders before Ferrovial Emisiones, S.A., by means of the exercise of the rights granted by the applicable laws and the present Regulations, to exercise and preserve them in a collective way and under the



*conservarlos de forma colectiva, y bajo la representación que se determina en las presentes normas.*

#### **ARTÍCULO 4º. – DOMICILIO**

*El domicilio del Sindicato se fija en Ribera del Loira, 42, Parque Empresarial de las Naciones, 28042 Madrid.*

*La Asamblea General de Bonistas podrá, sin embargo, reunirse, cuando se considere oportuno, en otro lugar de la ciudad de Madrid, expresándose así en la convocatoria.*

#### **ARTÍCULO 5º. – DURACIÓN**

*El Sindicato estará en vigor hasta que los Bonistas se hayan reintegrado de cuantos derechos derivados de los Bonos por principal, intereses o cualquier otro concepto les correspondan.*

### **TÍTULO II**

#### **RÉGIMEN DEL SINDICATO**

#### **ARTÍCULO 6º. – ÓRGANOS DEL SINDICATO**

*El gobierno del Sindicato corresponderá:*

- (a) *A la Asamblea General de Bonistas (la “Asamblea General”).*
- (b) *Al Comisario de la Asamblea General de Bonistas (el “Comisario”).*

#### **ARTÍCULO 7º. – NATURALEZA JURÍDICA**

*La Asamblea General, debidamente convocada y constituida, es el órgano de expresión de la voluntad de los Bonistas, con sujeción al presente Reglamento, y sus acuerdos vinculan a todos los Bonistas en la forma establecida por las Leyes.*

#### **ARTÍCULO 8º. – LEGITIMACIÓN PARA CONVOCATORIA**

*La Asamblea General será convocada por el Consejo de Administración de la Sociedad Emisora o por el Comisario, siempre que cualquiera de ellos lo estime conveniente.*

*Sin perjuicio de lo anterior, el Comisario deberá convocarla cuando lo soliciten por escrito, y expresando el objeto de la convocatoria, los Bonistas que representen, por lo menos, la vigésima parte del importe total de la Emisión que no esté amortizado. En este caso, la Asamblea General deberá convocarse para ser celebrada dentro de los cuarenta y*

representation determined by these Regulations.

#### **ARTICLE 4º. – ADDRESS**

The address of the Syndicate shall be located at Ribera del Loira, 42, Parque Empresarial de las Naciones, 28042 Madrid.

However, the Noteholders General Meeting is also authorised to hold a meeting, when considered convenient, in any other place in Madrid that is specified in the notice convening the meeting.

#### **ARTICLE 5º. – DURATION**

This Syndicate shall be in force until the Noteholders have been reimbursed for any rights deriving from the Notes they may hold for the principal, interest or any other concept.

### **TITLE II**

#### **SYNDICATE’S REGIME**

#### **ARTICLE 6º. – SYNDICATE MANAGEMENT BODIES**

The Management bodies of the Syndicate are:

- (a) The General Meeting of Noteholders (the “General Meeting”).
- (b) The Commissioner of the General Meeting of Noteholders (the “Commissioner”).

#### **ARTICLE 7º. – LEGAL NATURE**

The General Meeting, duly called and constituted, is the body of expression of the Noteholders’ will, subject to the provisions of these Regulations, and its resolutions are binding for all the Noteholders in the way established by the Law.

#### **ARTICLE 8º. – CONVENING MEETINGS**

The General Meeting shall be convened by the Board of Directors of the Issuer or by the Commissioner, whenever they may deem it convenient.

Notwithstanding the above, the Commissioner shall convene a General Meeting when Noteholders holding at least the twentieth of the non-amortised entire amount of the Issue, request it by writing. In such case, the General Meeting shall be held within forty five (45) days following the receipt by the Commissioner of a valid written notice for this purpose.

*cinco (45) días siguientes a aquél en que el Comisario hubiere recibido solicitud válida al efecto.*

#### **ARTÍCULO 9º. – FORMA DE CONVOCATORIA**

*La convocatoria de la Asamblea General se hará, por lo menos quince (15) días antes de la fecha fijada para su celebración, mediante (i) anuncio que se publicará en el “Boletín Oficial del Registro Mercantil” y, si se estima conveniente, en uno o más periódicos de mayor difusión nacional o internacional o (ii) notificación a los Bonistas de conformidad con los términos y condiciones de los Bonos.*

*Cuando la Asamblea General sea convocada para tratar o resolver asuntos relativos a la modificación de los términos y condiciones de Emisión de los Bonos y otros de trascendencia análoga, a juicio del Comisario, deberá ser convocada en la forma establecida en la Ley de Sociedades de Capital para la junta general de accionistas. En todo caso, se expresará en el anuncio el nombre de la sociedad y la denominación del Sindicato, el lugar y la fecha de reunión, los asuntos que hayan de tratarse y la forma de acreditar la titularidad de los Bonos para tener derecho de asistencia a la Asamblea General.*

#### **ARTÍCULO 10º. – DERECHO DE ASISTENCIA**

*Tendrán derecho de asistencia a la Asamblea General los Bonistas que lo sean, con cinco (5) días de antelación, por lo menos, a aquél en que haya de celebrarse la reunión.*

*Los Consejeros de la Sociedad Emisora y el Agente Fiscal (Fiscal Agent) de la Emisión tendrán derecho de asistencia a la Asamblea General aunque no hubieren sido convocados.*

#### **ARTÍCULO 11º. – DERECHO DE REPRESENTACIÓN**

*Todo Bonista que tenga derecho de asistencia a la Asamblea General podrá hacerse representar por medio de otra persona. La representación deberá conferirse por escrito y con carácter especial para cada Asamblea General.*

#### **ARTÍCULO 12º. – QUÓRUM DE ASISTENCIA Y ADOPCIÓN DE ACUERDOS**

*La Asamblea General podrá adoptar acuerdos siempre que los Bonistas asistentes a la misma o debidamente representados en la misma*

#### **ARTICLE 9º.–PROCEDURE FOR CONVENING MEETINGS**

The General Meeting shall be convened at least fifteen (15) days before the date set for the meeting, by (i) notice published in the Official Gazette of the Mercantile Registry and, if considered convenient, in one or more newspapers of significant national or international circulation or (ii) notice to the Noteholders in accordance with the terms and conditions of the Notes.

When the General Meeting is convened to consider or resolve matters relating to the amendment of the terms and conditions of the Issue of the Notes or any other matters considered to be of similar relevance by the Commissioner, it should be convened in the manner set out in the Spanish Capital Companies Act for the general meeting of shareholders. In any case, the notice shall state the name of the company and the naming of the Syndicate, the place and the date for the meeting, the agenda for the meeting and the way in which the ownership of the Notes shall be proved in order to have the right to attend the meeting.

#### **ARTICLE 10º.– RIGHT TO ATTEND MEETINGS**

Noteholders who have been so at least five (5) days prior to the date on which the meeting is scheduled, shall have the right to attend the meeting.

The members of the Board of Directors of the Issuer and the Fiscal Agent under the Issue shall have the right to attend the meeting even if they have not been requested to attend.

#### **ARTICLE 11º. – RIGHT TO BE REPRESENTED**

All Noteholders having the right to attend the meetings also have the right to be represented by another person. Appointment of a proxy must be in writing and only for each particular meeting.

#### **ARTICLE 12º. – QUORUM FOR MEETINGS AND TO PASS RESOLUTIONS**

The General Meeting shall be entitled to pass resolutions if Noteholders representing at least two thirds of the outstanding Notes are present or duly

*representen al menos las dos terceras partes del saldo vivo de los Bonos, debiendo adoptarse estos acuerdos por mayoría absoluta del saldo vivo de los Bonos asistentes o debidamente representados.*

*En el caso de que no se logre la concurrencia de las dos terceras partes del saldo vivo de los Bonos, podrá convocarse una nueva Asamblea General para su celebración un mes después de su convocatoria, pudiendo entonces tomarse los acuerdos con independencia del saldo vivo de los Bonos que asistan o estén debidamente representados en la misma y adoptándose los acuerdos por mayoría absoluta del saldo vivo de los Bonos asistentes o debidamente representados.*

*No obstante, la Asamblea General se entenderá convocada y quedará válidamente constituida para tratar de cualquier asunto de la competencia del Sindicato, siempre que estén presentes o debidamente representados los Bonistas titulares de todos los Bonos y los asistentes acepten por unanimidad la celebración de la Asamblea General.*

#### **ARTÍCULO 13º. – DERECHO DE VOTO**

*En las reuniones de la Asamblea General se conferirá derecho a un voto por cada importe nominal de Bonos igual a 1.000 euros, presente o representado.*

#### **ARTÍCULO 14º. – PRESIDENCIA DE LA ASAMBLEA GENERAL**

*La Asamblea General estará presidida por el Comisario, quien dirigirá los debates, dará por terminadas las discusiones cuando lo estime conveniente y dispondrá que los asuntos sean sometidos a votación.*

#### **ARTÍCULO 15º. – LISTA DE ASISTENCIA**

*El Comisario formará, antes de entrar a discutir el orden del día, la lista de los asistentes, expresando el carácter y representación de cada uno y el número de Bonos propios o ajenos con que concurren.*

#### **ARTÍCULO 16º. – FACULTADES DE LA ASAMBLEA GENERAL**

*La Asamblea General podrá acordar lo necesario para la mejor defensa de los legítimos intereses de los mismos frente a la Sociedad Emisora; modificar, de acuerdo con la misma, los términos y condiciones de los Bonos; destituir o nombrar Comisario; ejercer,*

*represented at the meeting, and these resolutions shall be approved by an absolute majority of the outstanding Notes present or duly represented at the meeting.*

*In the case that two thirds of the outstanding Notes are not present or duly represented at the first meeting of the General Meeting, a new General Meeting may be convened to be held one month after the call, and will be validly constituted regardless of the number of outstanding Notes present or duly represented and the resolutions may be passed by absolute majority of the outstanding Notes present or duly represented at the meeting.*

*Nevertheless, the General Meeting shall be deemed validly constituted to transact any business within the remit of the Syndicate if Noteholders representing all the outstanding Notes are present or duly represented, and provided that they unanimously approve the holding of such meeting.*

#### **ARTICLE 13º. – VOTING RIGHTS**

*In the meetings of the General Meeting, the right to one vote shall be granted for each €1,000 nominal amount of Notes, present or represented.*

#### **ARTICLE 14º. – PRESIDENT OF THE GENERAL MEETING**

*The Commissioner shall be the president of the General Meeting, shall chair the discussions, shall have the right to bring the discussions to an end when he considers it convenient and shall arrange for matters to be put to the vote.*

#### **ARTICLE 15º. – ATTENDANCE LIST**

*Before discussing the agenda for the meeting, the Commissioner shall form the attendance list, stating the nature and representation of each of the Noteholders present and the number of Notes at the meeting, both directly owned and/or represented.*

#### **ARTICLE 16º. – POWER OF THE GENERAL MEETING**

*The General Meeting may pass resolutions necessary for the best protection of Noteholders' lawful interests before the Issuer; to modify, in accordance with the Issuer, the terms and conditions of the Notes; dismiss or appoint the Commissioner; to exercise, when appropriate, the corresponding legal claims and to*

*cuando proceda, las acciones judiciales correspondientes y aprobar los gastos ocasionados por la defensa de los intereses de los Bonistas.*

**ARTÍCULO 17º. – IMPUGNACIÓN DE LOS ACUERDOS**

*Los acuerdos de la Asamblea General podrán ser impugnados por los Bonistas conforme a lo dispuesto en el Capítulo IX del Título V de la Ley de Sociedades de Capital.*

**ARTÍCULO 18º. – ACTAS**

*El acta de la sesión podrá ser aprobada por la propia Asamblea General, acto seguido de haberse celebrado ésta, o, en su defecto, dentro del plazo de quince (15) días, por el Comisario y al menos un Bonista designado al efecto por la Asamblea General.*

**ARTÍCULO 19º. – CERTIFICACIONES**

*Las certificaciones de las actas de los acuerdos de la Asamblea General serán expedidas por el Comisario.*

**ARTÍCULO 20º. – EJERCICIO INDIVIDUAL DE ACCIONES**

*Los Bonistas sólo podrán ejercitar individualmente las acciones judiciales o extrajudiciales que corresponda cuando no contradigan los acuerdos adoptados previamente por el Sindicato, dentro de su competencia, y sean compatibles con las facultades que al mismo se hubiesen conferido.*

**ARTÍCULO 21º. – GASTOS DEL SINDICATO**

*Los gastos normales que ocasione el sostenimiento del Sindicato correrán a cargo de la Sociedad Emisora, no pudiendo exceder en ningún caso del dos por ciento (2%) de los intereses anuales devengados por los Bonos.*

**TITULO III**

**DEL COMISARIO**

**ARTÍCULO 22º. – NATURALEZA JURÍDICA DEL COMISARIO**

*Incumbe al Comisario ostentar la representación legal del Sindicato y actuar de órgano de relación entre éste y la Sociedad Emisora.*

**ARTÍCULO 23º. – NOMBRAMIENTO Y**

approve the expenses caused by the defense of the Noteholder's interest.

**ARTICLE 17º. – CHALLENGE OF RESOLUTIONS**

The resolutions of the General Meeting may be challenged by the Noteholders in accordance with Chapter IX of Title V of the Spanish Capital Companies Act.

**ARTICLE 18º. – MINUTES**

The minutes of the meeting may be approved by the General Meeting, after the meeting has been held or, if not, within a term of fifteen (15) days by the Commissioner and at least one Noteholder appointed for such purpose by the General Meeting.

**ARTICLE 19º. – CERTIFICATES**

The certificates of the minutes of the resolutions of the General Meeting shall be issued by the Commissioner.

**ARTICLE 20º. – INDIVIDUAL EXERCISE OF ACTIONS**

The Noteholders will only be entitled to individually exercise judicial or extra judicial claims if such claims do not contradict the resolutions previously adopted by the Syndicate, within its powers, and are compatible with the faculties conferred upon the Syndicate.

**ARTICLE 21º. – EXPENSES OF THE SYNDICATE**

The ordinary expenses resulting from the maintenance of the Syndicate shall be for the account of the Issuer, but they will not exceed, in any year, an amount of two per cent (2%) of the annual interests accrued by the Notes.

**TITLE III**

**THE COMMISSIONER**

**ARTICLE 22º. – NATURE OF THE COMMISSIONER**

The Commissioner shall bear the legal representation of the Syndicate and shall be the body for liaison between the Syndicate and the Issuer.

**ARTICLE 23º. – APPOINTMENT AND**

## **DURACIÓN DEL CARGO**

*Sin perjuicio del nombramiento inicial del Comisario provisional, que deberá ser ratificado por la Asamblea General, esta última tendrá facultad para nombrar al Comisario y ejercerá su cargo en tanto no sea destituido por la Asamblea General.*

### **ARTÍCULO 24º. – FACULTADES**

*Serán facultades del Comisario:*

- 1º Tutelar los intereses comunes de los Bonistas.*
- 2º Convocar y presidir las Asambleas Generales.*
- 3º Informar a la Sociedad Emisora de los acuerdos del Sindicato.*
- 4º Vigilar el pago de los intereses y del principal.*
- 5º Llevar a cabo todas las actuaciones que estén previstas realice o pueda llevar a cabo el Comisario de acuerdo con los términos y condiciones de los Bonos.*
- 6º Ejecutar los acuerdos de la Asamblea General.*
- 7º Ejercitar las acciones que correspondan al Sindicato.*
- 8º En general, las que le confiere la Ley y el presente Reglamento.*

## **TITULO IV**

### **DISPOSICIONES ESPECIALES**

#### **ARTÍCULO 25º.– SUMISIÓN A FUERO**

*Para cuantas cuestiones se deriven de este Reglamento, los Bonistas, por el solo hecho de serlo, se someten, de forma exclusiva, con renuncia expresa a cualquier otro fuero que pudiera corresponderles, a la jurisdicción de los Juzgados y Tribunales de la ciudad de Madrid.*

## **DURATION OF THE OFFICE**

Notwithstanding the initial appointment of the provisional Commissioner, which will require the ratification of the General Meeting, this latter shall have the power to appoint the Commissioner and he shall exercise his office as long as he is not dismissed by the General Meeting.

### **ARTICLE 24º. – FACULTIES**

The Commissioner shall have the following faculties:

- 1º To protect the common interest of the Noteholders.
- 2º To call and act as president of the General Meeting.
- 3º To inform the Issuer of the resolutions passed by the Syndicate.
- 4º To control the payment of the principal and the interest.
- 5º To carry out all those actions provided for in the terms and conditions of the Notes to be carried out or that may be carried out by the Commissioner.
- 6º To execute the resolutions of the General Meeting.
- 7º To exercise the actions corresponding to the Syndicate.
- 8º In general, the ones granted to him by Law and the present Regulations.

## **TITLE IV**

### **SPECIAL DISPOSITIONS**

#### **ARTICLE 25º. – JURISDICTION**

For any dispute arising from these Regulations, the Noteholders, by the sole fact of being so, shall submit to the exclusive jurisdiction of the courts and tribunals of the city of Madrid.

## **SUMMARY OF PROVISIONS RELATING TO THE NOTES WHILE REPRESENTED BY THE GLOBAL NOTES**

*The Fiscal Agency Agreement, the Temporary Global Note and the Permanent Global Note contain provisions which apply to the Notes while they are in global form, some of which modify the effect of the terms and conditions of the Notes set out in this document. The following is a summary of certain of those provisions:*

### **1 Exchange**

The Temporary Global Note is exchangeable in whole or in part for interests in the Permanent Global Note on or after a date which is expected to be 17 July 2013, upon certification as to non-U.S. beneficial ownership in the form set out in the Temporary Global Note.

The Permanent Global Note is exchangeable in whole but not, except as provided in the next paragraph, in part (free of charge to the holder) for the definitive Notes described below only:

- (a) if the Permanent Global Note is held on behalf of a clearing system and such clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so; or
- (b) if principal in respect of any Notes is not paid when due and payable.

Thereupon, the holder may give notice to the Fiscal Agent of its intention to exchange the Permanent Global Note for definitive Notes on or after the Exchange Date specified in the notice.

If principal in respect of any Notes is not paid when due and payable the holder of the Permanent Global Note may, by notice to the Fiscal Agent (which may but need not be the default notice referred to in “–Default” below), require the exchange of a specified principal amount of the Permanent Global Note (which may be equal to or (provided that, if the Permanent Global Note is held by or on behalf of a clearing system, that clearing system agrees) less than the outstanding principal amount of Notes represented thereby) for definitive Notes on or after the Exchange Date (as defined below) specified in such notice.

On or after any Exchange Date the holder of the Permanent Global Note may surrender the Permanent Global Note or, in the case of a partial exchange, present it for endorsement to or to the order of the Fiscal Agent. In exchange for the Permanent Global Note, or on endorsement in respect of the part thereof to be exchanged, the Issuer shall deliver, or procure the delivery of, an equal aggregate principal amount of duly executed and authenticated definitive Notes (having attached to them all Coupons in respect of interest which has not already been paid on the Permanent Global Note), security printed in accordance with any applicable legal and stock exchange requirements and in or substantially in the form set out in Schedule 1 to the Fiscal Agency Agreement. On exchange in full of the Permanent Global Note, the Issuer will, if the holder so requests, procure that it is cancelled and returned to the holder together with any relevant definitive Notes.

“Exchange Date” means a day falling not less than 60 days or, in the case of exchange pursuant to (b) above, 30 days, after that on which the notice requiring exchange is given and on which banks are open for business in the city in which the specified office of the Fiscal Agent is located and, except in the case of exchange pursuant to (a) above, in the cities in which the relevant clearing system is located.

### **2 Payments**

No payment will be made on the Temporary Global Note unless exchange for an interest in the Permanent Global Note is improperly withheld or refused. Payments of principal and interest in respect of Notes represented by the Permanent Global Note will be made against presentation for endorsement and, if no further payment falls to be made in respect of the Notes, surrender of the Permanent Global Note to or to the order of the Fiscal Agent or such other Paying Agent as shall have been notified to the Noteholders for such purpose. A record of each payment so made will be endorsed in the appropriate schedule to the Permanent Global Note, which endorsement will be *prima facie* evidence that such payment has been made in respect of the Notes. Condition 8(f) (*Paying Agents, etc.*) and Condition 9 (*Taxation*) will apply to the definitive Notes

only. For the purpose of any payments made in respect of a Global Bond, Condition 8(e) (*Business Days*) shall not apply, and all such payments shall be made on a day on which the TARGET System is open.

### **3 Notices**

So long as the Notes are represented by the Permanent Global Note and the Permanent Global Note is held on behalf of a clearing system, notices to Noteholders may be given by delivery of the relevant notice to that clearing system for communication by it to entitled accountholders in substitution for publication as required by the Conditions.

### **4 Prescription**

Claims against the Issuer in respect of principal and interest on the Notes while the Notes are represented by the Permanent Global Note will become void unless it is presented for payment within a period of 10 years (in the case of principal) and five years (in the case of interest) from the appropriate Relevant Date (as defined in Condition 5 (*Definitions*)).

### **5 Purchase and Cancellation**

Cancellation of any Note required by the Conditions to be cancelled following its purchase will be effected by reduction in the principal amount of the Permanent Global Note.

### **6 Default**

The Permanent Global Note provides that the holder or the Commissioner may cause the Permanent Global Note or a portion of it to become due and payable in the circumstances described in Condition 10 (*Events of Default*) by stating in the notice to the Fiscal Agent the principal amount of Notes which is being declared due and payable. If principal in respect of any Note is not paid when due and payable, the holder of the Permanent Global Note may elect that the Permanent Global Note becomes void as to a specified portion and that the persons entitled to such portion, as accountholders with a clearing system, acquire direct enforcement rights against the Issuer under further provisions of the Permanent Global Note executed by the Issuer as a deed poll.

### **7 Put Option**

The Noteholders' put option in Condition 7(c) (*Early redemption at the option of the Noteholders upon a Change of Control*) may be exercised by the holder of the Permanent Global Note, giving notice to the Fiscal Agent of the principal amount of Notes in respect of which the option is exercised and presenting the Permanent Global Bond for endorsement of exercise within the time limits specified in Condition 7(c) (*Early redemption at the option of the Noteholders upon a Change of Control*).

## FORM OF GUARANTEE

*This is the text of the form of guarantee relating to each Guarantor in respect of the Notes.*

**THIS DEED OF GUARANTEE** is made on [●]

### **BY**

- (1) [●] (the “**Guarantor**”)

### **IN FAVOUR OF**

- (2) **THE NOTEHOLDERS** (as defined in the Conditions); and  
(3) **THE RELEVANT ACCOUNT HOLDERS** (as defined in the Permanent Global Note).

### **WHEREAS**

- (A) Ferroviaria Emisiones, S.A. (the “**Issuer**”) proposes to issue €500,000,000 3.375 per cent Notes due 2021 (the “**Notes**”) in connection with which the Issuer and the Original Guarantors (as defined in the Conditions (as defined below)) have become parties to the fiscal agency agreement (the “**Fiscal Agency Agreement**” as amended, supplemented or restated from time to time) to be dated on or around 7 June 2013 made between BNP Paribas Securities Services, Luxembourg Branch as fiscal agent (the “**Fiscal Agent**” which expression shall include any successor as fiscal agent under the Fiscal Agency Agreement), BNP Paribas Securities Services, Sucursal en España as commissioner (the “**Commissioner**” which expression shall include any successor as commissioner under the Fiscal Agency Agreement) and the Issuer.
- (B) The Guarantor has duly authorised the giving of a guarantee on an unconditional, unsubordinated and unsecured basis to guarantee the payment of all sums expressed to be payable by the Issuer under the Notes and Coupons, such guarantee becoming effective as at the date of this Deed of Guarantee.

### **THIS DEED OF GUARANTEE WITNESSES AND IT IS DECLARED as follows:**

#### **1. Interpretation**

- 1(A)** All terms and expressions which have defined meanings in the terms and conditions of the Notes (the “**Conditions**”) or the Fiscal Agency Agreement shall have the same meanings in this Deed of Guarantee except where the context requires otherwise or unless otherwise stated.
- 1(B)** Any reference in this Deed of Guarantee to a Clause is, unless otherwise stated, to a clause hereof.
- 1(C)** All references in this Deed of Guarantee to an agreement, instrument or other document (including the Conditions and the Fiscal Agency Agreement) shall be construed as a reference to that agreement, instrument or other document as the same may be amended, supplemented, replaced or novated from time to time.
- 1(D)** Any reference in this Agreement to any legislation (whether primary legislation or regulations or other subsidiary legislation made pursuant to primary legislation) shall be construed as a reference to such legislation as the same may have been, or may from time to time be, amended or re-enacted.
- 1(E)** Clause headings are for ease of reference only.

#### **2. Guarantee and Indemnity**

- 2(A)** The Guarantor hereby, jointly and severally with all other Guarantors for the time being of the Notes, unconditionally and irrevocably guarantees:
- (i) to each Noteholder the due and punctual payment of all sums expressed to be payable from time to time by the Issuer in respect of such Note as and when the same shall become due and payable and agrees unconditionally to pay to such Noteholder, forthwith on demand by such Noteholder and in the manner and currency prescribed by the Conditions for payments by the Issuer thereunder, any and every sum or sums of money which the Issuer shall at any time be liable to pay under or pursuant to such Note and which the Issuer shall have failed to pay at the time such demand is made; and



- (ii) to each Relevant Account Holder the due and punctual payment of all amounts due to such Relevant Account Holder under the Direct Enforcement Rights set out in the Permanent Global Note as and when the same shall become due and payable and agrees unconditionally to pay to such Relevant Account Holder, forthwith on demand by such Relevant Account Holder and in the manner and in the currency prescribed by the Conditions for payments by the Issuer thereunder, any and every sum or sums of money which the relevant Issuer shall at any time be liable to pay under or pursuant to the Direct Enforcement Rights and which the Issuer shall have failed to pay at the time demand is made.

**2(B)** The Guarantor hereby, jointly and severally with all other Guarantors for the time being of the Notes, unconditionally and irrevocably undertakes to each Noteholder and each Relevant Account Holder that, should any amount referred to in Clause 2(A) not be recoverable from the Guarantor thereunder for any reason whatsoever (including, without limitation, by reason of any Note or any provision of any Note being or becoming void, unenforceable or otherwise invalid under any applicable law) then, notwithstanding that the same may have been known to such Noteholder or Relevant Account Holder, the Guarantor will, forthwith on demand by such Noteholder or Relevant Account Holder, pay such amount by way of a full indemnity in the manner and in the currency prescribed by the Conditions for payments under the Notes. This indemnity constitutes a separate and independent obligation of the Guarantor and shall give rise to a separate and independent cause of action.

### **3. Preservation of Rights**

**3(A)** The obligations of the Guarantor herein contained shall be deemed to be undertaken as sole principal debtor and not merely a surety.

**3(B)** The obligations of the Guarantor herein contained shall constitute and be continuing obligations notwithstanding any settlement of account or other matters or things whatsoever and, in particular but without limitation, shall not be considered satisfied by any partial payment or satisfaction of all or any of the Issuer's obligations under the Notes and shall continue in full force and effect in respect of the Notes until final repayment in full of all amounts owing by the Issuer thereunder and total satisfaction of all the Issuer's actual and contingent obligations thereunder.

**3(C)** The obligations expressed to be assumed by the Guarantor herein will not be discharged, nor will its liability under such obligations be affected, by anything which would not discharge its obligations or affect its liability if it were the sole principal debtor, including:

- (i) the insolvency, winding-up (*liquidación*), dissolution (*disolución*), amalgamation, reconstruction or reorganisation of the Issuer or any analogous proceeding in any jurisdiction or any change in its status, function, control or ownership; or
- (ii) any of the obligations of the Issuer under the Notes being or becoming illegal, invalid or unenforceable in any respect; or
- (iii) time or other indulgence being granted or agreed to be granted to the Issuer in respect of its obligations under any of the Notes; or
- (iv) any amendment to, or any variation, waiver or release of, any obligation of the Issuer under the Notes or to any security or other guarantee or indemnity; or
- (v) the enforcement or absence of enforcement of any obligation of the Issuer under the Notes or of any security or other guarantee or indemnity; or
- (vi) the taking, existence or release of any security, guarantee or indemnity.

**3(D)** Any settlement or discharge between the Guarantor and the Noteholders or the Relevant Account Holders or any of them shall be conditional upon no payment to the Noteholders or the Relevant Account Holders or any of them by the Issuer or any other person on the Issuer's behalf being avoided or reduced by virtue of any provisions or enactments relating to bankruptcy, insolvency or liquidation for the time being in force and, in the event of any such payment being so avoided or reduced, the Noteholders and the Relevant Account Holders shall each be entitled to recover the amount by which such payment is so avoided or reduced from the Guarantor subsequently as if such settlement or discharge had not occurred.

**3(E)** No Noteholder or Relevant Account Holder shall be obliged before exercising any of the rights, powers or remedies conferred upon it by this Deed of Guarantee or by law:

- (i) to make any demand of the Issuer, other than the presentation of the Note; or
- (ii) to take any action or obtain judgment in any court against the Issuer; or
- (iii) to make or file any claim or proof in a winding-up (liquidación) or dissolution (disolución) of the Issuer and, save as aforesaid, the Guarantor hereby expressly waives, in respect of each Note, presentment, demand, protest and notice of dishonour.

**3(F)** The Guarantor agrees that so long as any sums are or may be owed by the Issuer under the Notes or the Issuer is under any other actual or contingent obligations thereunder, the Guarantor shall not exercise rights which the Guarantor may at any time have by reason of the performance of the obligations expressed to be assumed by the Guarantor herein:

- (i) to be indemnified by the Issuer; and/or
- (ii) to claim any contribution from any other guarantor of the Issuer's obligations under the Notes; and/or
- (iii) to take the benefit (in whole or in part) of any security enjoyed in connection with the Notes by any Noteholder or Relevant Account Holder; and/or
- (iv) to be subrogated to the rights of any Noteholder or Relevant Account Holder against the Issuer in respect of amounts paid by the Guarantor pursuant to the provisions of this Deed of Guarantee.

**3(G)** The obligations of the Guarantor hereunder will at all times rank as described in Condition 3(b) (*Status of the Guarantees*).

#### **4. Incorporation of Terms**

The Guarantor agrees that it shall comply with and be bound by those provisions contained in the Conditions which relate to it.

#### **5. Deposit of Deed of Guarantee**

A copy of this Deed of Guarantee shall be delivered to the Commissioner and the Fiscal Agent. A duly executed original of this Deed of Guarantee shall be deposited with and held by the Fiscal Agent until the earliest of (1) the date on which all the obligations of the Issuer under or in respect of the Notes have been discharged in full, or (2) the date on which the Guarantor is released from its obligations under this Deed of Guarantee. The Guarantor hereby acknowledges the right of every Noteholder and every Relevant Account Holder to the production of this Deed of Guarantee.

#### **6. Stamp Duties**

The Guarantor will pay any stamp duty or other documentary taxes (including any penalties and interest in respect thereof) payable in connection with the execution and delivery of this Deed of Guarantee, and will, to the extent permitted by applicable law, indemnify each Noteholder and each Relevant Account Holder from all liabilities arising from any failure to pay, or delay in paying, such taxes.

#### **7. Currency Indemnity**

If any sum due from the Guarantor under this Deed of Guarantee or any order or judgment given or made in relation thereto has to be converted from the currency (the “**first currency**”) in which the same is payable under this Deed of Guarantee or such order or judgment into another currency (the “**second currency**”) for the purpose of (a) making or filing a claim or proof against the Guarantor, (b) obtaining an order or judgment in any court or other tribunal, or (c) enforcing any order or judgment given or made in relation to this Deed of Guarantee, the Guarantor shall indemnify each Noteholder and Relevant Account Holder on demand against any loss suffered as a result of any discrepancy between (i) the rate of exchange used for such purpose to convert the sum in question from the first currency into the second currency, and (ii) the rate of exchange quoted on the same day at or around 11.00 a.m. (London time) on the appropriate Reuters, Bloomberg or equivalent screen which such Noteholder or Relevant Account Holder may in the ordinary course of business use for the sale of the second currency against a purchase of the first currency, upon receipt of a sum paid to it in satisfaction, in whole or in part, of any such order, judgment, claim or proof. This indemnity constitutes a separate and independent obligation of the Guarantor and shall give rise to a separate and independent cause of action.

#### **8. Deed Poll; Benefit of Guarantee**

- 8(A)** This Deed of Guarantee shall take effect as a deed poll for the benefit of the Noteholders and the Relevant Account Holders from time to time.
- 8(B)** The obligations expressed to be assumed by the Guarantor herein shall be for the benefit of each Noteholder and Relevant Account Holder, and each Noteholder and each Relevant Account Holder shall be entitled severally to enforce such obligations against the Guarantor.

#### **9. New Subsidiary Guarantors**

The Guarantor hereby consents to any Subsidiary of the Issuer becoming a New Subsidiary Guarantor in accordance with Condition 3(d) (*Accession of New Subsidiary Guarantors*).

#### **10. Release Event**

Notwithstanding any provisions herein, the Guarantor shall be released from its obligations under this Deed of Guarantee, and this Deed of Guarantee shall immediately cease to have any effect in accordance with, and upon satisfaction of, the terms of Condition 3(e) (*Release of Subsidiary Guarantors*).

#### **11. Partial Invalidity**

If at any time any provision hereof is or becomes illegal, invalid or unenforceable in any respect under the laws of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions hereof nor the legality, validity or enforceability of such provision under the laws of any other jurisdiction shall in any way be affected or impaired thereby.

#### **12. Modification**

This Deed of Guarantee may be modified by the Guarantor in respect of the Notes with the sanction of a resolution of the Syndicate of Noteholders

#### **13. Notices**

Notices to the Guarantor shall be in the English language and shall be by letter or fax and shall be delivered to the Guarantor at:

Ferrovial, S.A.  
Calle Príncipe de Vergara, 135 28002 Madrid  
Spain  
Fax Number.: +34 586 27 49  
Attention of: Luis Alberto Pascual Oliva

or any other address of which written notice has been given to the Noteholders. Such communications will take effect, in the case of a letter, when delivered or in the case of fax, when the relevant delivery receipt is received by the sender; provided that any communication which is received outside business hours or on a non-business day in the place of receipt shall be deemed to take effect at the opening of business on the next following business day in such place.

#### **14. Law and Jurisdiction**

- 14(A)** This Deed of Guarantee and any non-contractual obligations arising out of or in connection with it shall be governed by and construed in accordance with English law.
- 14(B)** The courts of England are to have exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Deed of Guarantee and accordingly any legal action or proceedings arising out of or in connection with this Deed of Guarantee (“Proceedings”) (including any Proceedings related to any non-contractual obligations arising out of or in connection with this Agreement) may be brought in such courts. The Guarantor irrevocably submits to the jurisdiction of such courts and waives any objection to Proceedings in such courts whether on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum. These submissions are for the benefit of the Noteholders and the Relevant Account Holders and shall not limit the right of any of them to take Proceedings in any other court of competent jurisdiction nor shall the taking of Proceedings in any one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction (whether concurrently or not).
- 14(C)** The Guarantor irrevocably appoints Sherard Secretariat Services Limited as its authorised agent for service of process in England in respect of Proceedings in England. If for any reason such agent shall cease to be such agent for the service of process, the Guarantor shall forthwith appoint a new agent for service of process in England and notify the Noteholders of such appointment. Nothing shall affect the right to serve process in any other manner permitted by law.

#### **15. Third Parties**

No person other than each Noteholder and each Relevant Account Holder shall have any right to enforce any term of this Deed of Guarantee under the Contracts (Rights of Third Parties) Act 1999.

## **USE OF PROCEEDS**

The net proceeds of the issue of the Notes are estimated at €496.585 million. The net proceeds will be used to refinance existing corporate debt.

The expenses in connection with the transaction are expected to amount to €2.00 million, including an estimate of total expenses related to the admission to trading of £2,975.

## DESCRIPTION OF THE ISSUER

### General Information

The Issuer is an indirectly wholly owned subsidiary of Ferrovial, S.A. (the “Parent”). The Issuer was incorporated in Madrid on 9 May 2006 as a corporation (*sociedad anónima*) for an indefinite period under the name of Baroslia, S.A. and changed its name to Ferrovial Emisiones, S.A. on July 7, 2008. It is currently registered in the Mercantile Register of Madrid in volume 22873, sheet 84, page M-409577 and entry 1.

The Issuer’s current registered office is located at Calle Príncipe de Vergara 135, 28002 Madrid, Spain, with telephone number +34 91 586 25 00.

### Share capital and major shareholders

As at 31 December 2012, the Issuer’s issued and paid up share capital was €60,200 made up of 60,200 ordinary shares of minimal value €1 each. The Issuer is an indirectly wholly-owned subsidiary of the Parent.

### Business

The net proceeds from the issuance of the Notes will be deposited with the Parent and used for the general corporate purposes of the Group.

The objects of the Issuer are the issue of preferred securities (*participaciones preferentes*) and/or other debt securities.

On 30 January 2013 the Issuer issued €500,000,000 3.375 per cent. Notes due 2018 guaranteed by the Parent and certain of the subsidiaries of the Parent (the “January 2013 Notes”).

The Issuer did not engage, since its incorporation to the issue of the January 2013 Notes, in any activities, whether trading activities or otherwise, other than those incidental to its incorporation, matters referred to as contemplated in this Prospectus and matters which are incidental or ancillary to the above.

### Management

The Joint Directors of the Issuer as at the date hereof are the following:

<b>Name</b>	<b>Position</b>
Ernesto López Mozo	Joint Director
Pedro Agustin Losada Hernández	Joint Director

The business address of the Joint Directors of the Issuer is Calle Príncipe de Vergara 135, 28002 Madrid, Spain.

There are no potential conflicts of interest between the private interests or other duties of the Joint Directors listed above and their duties to the Issuer.

#### *Management Structure of the Issuer*

The Management Committee has the following composition:

<b>Name</b>	<b>Position</b>
Ernesto López Mozo	Joint Director
Pedro Agustin Losada Hernández	Joint Director

The business address of the members of the Management Committee of the Issuer is Calle Príncipe de Vergara 135, 28002 Madrid, Spain.

There are no potential conflicts of interest between the private interests or other duties of the members of the Management Committee listed above and their duties to the Issuer.

## DESCRIPTION OF FERROVIAL

The Issuer (together with the Parent and the consolidated subsidiaries of the Parent, “Ferrovial” or the “Group”) is a leading infrastructure group, operating through its toll roads, services, construction and airports business divisions. It is present in over 15 countries and owns or operates some of the world’s most significant infrastructure assets, such as the 407 ETR in Toronto, Heathrow airport in London, the Chicago Skyway toll road in the U.S. and the Ausol toll road in Spain. The Parent is part of Spain’s IBEX-35 as well as the Dow Jones Sustainability Indexes and FTSE4Good sustainability index.

### Group Structure

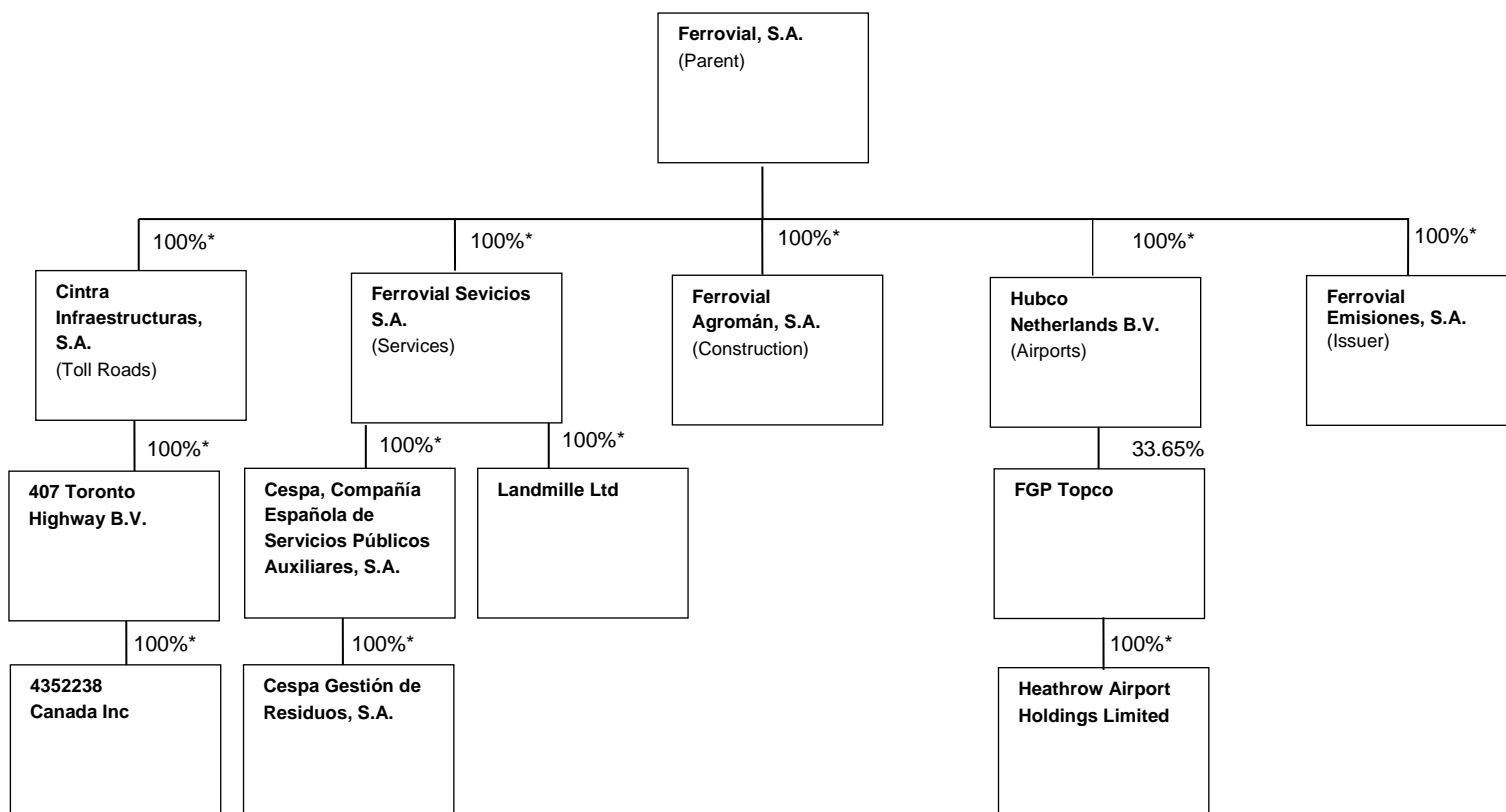
The Issuer was incorporated in 2006 as an indirectly wholly owned subsidiary of Grupo Ferrovial, S.A. (“Grupo Ferrovial”), the then parent of the Ferrovial group.

In 2009, Grupo Ferrovial underwent a merger with Cintra Concesiones de Infraestructuras de Transporte, S.A. (“Cintra Concesiones”), the completion of which was registered before the Mercantile Registry on 3 December 2009. The merger was structured as a “reverse” merger (*fusión inversa*) where the subsidiary, Cintra Concesiones increased its capital to absorb the parent, Grupo Ferrovial. This resulted in the extinguishment by means of dissolution without liquidation of Grupo Ferrovial and the transfer in block of all its assets and liabilities to Cintra Concesiones. Consequently, Cintra Concesiones acquired by universal succession (*sucesión universal*) all the rights and obligations of Grupo Ferrovial. Following the merger, Cintra Concesiones became the parent of the Group and changed its name to Ferrovial, S.A. One of the consequences of this merger on the Group was that the minority shareholders of Cintra Concesiones became shareholders of the Parent.

At the same time as completion of the merger between Cintra Concesiones and Grupo Ferrovial, Cintra Concesiones transferred to Cintra Infraestructuras, S.A. (“Cintra”), most of the shareholdings it held in concessionaires through which the Group conducts its infrastructure concession business. This transfer was made by means of a segregation of assets and was registered before the Mercantile Registry on 3 December 2009. Following such transfer of assets, Cintra became the parent company of the infrastructure concession business (save for some concessionaries’ assets which are held directly by the Parent).

At 31 December 2012, the Group was comprised of the Parent and 311 companies: 227 subsidiary companies and 84 associate companies.

The summarised corporate structure of the Group as at the date hereof, showing the Parent, the Issuer and the entities that head up each business division, is as follows:



\*Directly and/or indirectly owned

## Original Guarantors

*Ferrovial, S.A.*

### General Information

Ferrovial, S.A. (the “Parent”) was incorporated in Madrid on 3 February 1998 as a corporation (*sociedad anónima*) for an indefinite period under the name of Cintra Concesiones de Infraestructuras de Transporte, S.A. and on 3 December 2009 it merged with Grupo Ferrovial and changed its corporate name to “Ferrovial, S.A.”. It is currently registered in the Mercantile Register of Madrid in volume 20,624, folio 152, section 8, sheet M-204873 and entry 182.

The Parent’s current registered office is located at Calle Príncipe de Vergara 135, 28002 Madrid, Spain, with telephone number +34 91 586 25 00.

### Share capital and major shareholders

As at 31 December 2012, the Parent’s share capital was €146,702,051, made up of 733,510,255 ordinary shares of nominal value €0.20 each, represented by book entries and forming a single class. The Parent’s share capital is fully subscribed and paid up. The Parent’s shares have been listed on the Madrid, Barcelona, Bilbao and Valencia stock exchanges (the “Spanish Stock Exchanges”) and quoted on the Automated Quotation System (“AQS”) of the Spanish Stock Exchanges since 26 October 2004. The Parent is



the result of a reverse merger (*fusión inversa*) (see “Description of Ferrovial – Group Structure” above) between Grupo Ferrovial and Cintra Concesiones. Grupo Ferrovial was listed on the Spanish Stock Exchanges and quoted on the AQS on 5 May 1999.

The major shareholder of the Parent is Portman Baela, S.L., which at 31 December 2012 held 43.61% of the share capital. Portman Baela, S.L. is a company controlled by the “family group” formed by Fernando del Pino y Calvo Sotelo, Maria del Pino y Calvo Sotelo, Rafael del Pino y Calvo Sotelo, Leopoldo del Pino y Calvo Sotelo and Joaquin del Pino y Calvo Sotelo. In addition, Mr. Rafael del Pino y Calvo Sotelo held 1.253% of the share capital of the Parent at 31 December 2012.

#### *Ferrovial Agromán, S.A.*

##### General Information

Ferrovial Agromán, S.A. (“Ferrovial Agromán”) was incorporated as a corporation (sociedad anónima) in Madrid, on 8 July 1929 under the name of Agromán, Empresa Constructora S.A. On 9 June 1999 it changed its name to Ferrovial Agromán, S.A. It is currently registered in the Mercantile Register of Madrid, in volume 20,119, folio 127 and sheet M-8385.

Ferrovial Agromán’s current registered office is located at Ribera del Loira 42, Edificio 3, Campo de las Naciones, 28042 Madrid, with telephone number +34 91 300 85 00.

##### Share capital and major shareholders

Ferrovial Agromán is an indirectly wholly-owned subsidiary of the Parent.

#### *Ferrovial Servicios, S.A.*

##### General Information

Ferrovial Servicios, S.A. (“Ferrovial Servicios”) was incorporated as a corporation (sociedad anónima) for an indefinite period in Madrid, on 6 February 1992 under the name of Servicio de Recogida de Residuos, S.A. On 13 November 1995 it changed its name to Ferrovial Servicios, S.A. It is currently registered in the Mercantile Register of Madrid, in volume 2081, folio 134 and sheet M-36972.

Ferrovial Servicios’ current registered office is located at Calle Príncipe de Vergara, 135, 28,002 Madrid, with telephone number +34 91 338 83 00.

##### Share capital and major shareholders

Ferrovial Servicios is an indirectly wholly-owned subsidiary of the Parent.

#### *Cintra Infraestructuras, S.A.*

##### General Information

Cintra was incorporated as a corporation (sociedad anónima) for an indefinite period, in Madrid, on 8 June 2009. It is currently registered in the Mercantile Register of Madrid, in volume 26,795, folio 8 and sheet M-482817.

Cintra’s current registered office is located at Plaza Manuel Gómez Moreno 2, Edificio Alfredo Mahou, 28020 Madrid, with telephone number +34 91 418 56 00.

##### Share capital and major shareholders

Cintra is an indirectly wholly-owned subsidiary of the Parent.

#### *4352238 Canada, Inc.*

##### General Information

4352238 Canada, Inc. (“Canada, Inc.”), a Canadian company bearing Corporate Tax Identification number A-435223-8 was incorporated on 26 April 2006. It is currently registered in the federal files through Industry Canada, with the number 4352238, and in the Ontario files through the Ontario Ministry of Government Services with the number 3019826.

Canada, Inc.'s current registered office is located at 100 King Street West, Suite 6600, 1 First Canadian Place, Toronto, Ontario, Canada.

#### Share capital and major shareholders

Canada, Inc. is an indirectly wholly-owned subsidiary of the Parent.

*Cespa, Compañía Española de Servicios Públicos Auxiliares, S.A.*

#### General Information

Cespa, Compañía Española de Servicios Públicos Auxiliares, S.A. ("Cespa") was incorporated as a corporation (*sociedad anónima*) for an indefinite period in Madrid on 5 July 2000 under the name of Marliara, S.A. On 11 July 2004, Marliara, S.A. changed its name to Cespa, Compañía Española de Servicios Públicos Auxiliares, S.A. It is currently registered in the Mercantile Register of Barcelona, in volume 37,494, folio 105 and sheet B-306.914.

Cespa's current registered office is located at Avenida de la Catedral 6-8, 08002 Barcelona with telephone number +34 93 247 91 00.

#### Share capital and major shareholders

Cespa is an indirectly wholly-owned subsidiary of the Parent.

*Cespa Gestión de Residuos, S.A.*

#### General Information

Cespa Gestión de Residuos, S.A., ("Cespa Gestión de Residuos") was incorporated as a corporation (*sociedad anónima*) for an indefinite period in Burgos (Spain) on 3 February 1992. It is currently registered in the Mercantile Register of Barcelona in volume 21.830 folio 44 and sheet B-27774.

Cespa Gestión de Residuos' current registered office is located at Avda. Catedral, 6-8, Barcelona, with telephone number +34 93 247 91 00.

#### Share capital and major shareholders

Cespa Gestión de Residuos is a directly wholly-owned subsidiary of Cespa, Compañía Española de Servicios Públicos Auxiliares, S.A..

*Hubco Netherlands, B.V.*

#### General Information

Hubco Netherlands B.V. ("Hubco"), a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*), organised under the laws of the Netherlands on 18 February 2010. Hubco has its corporate seat (*statutaire zetel*) in Amsterdam, The Netherlands and is registered at the Trade Register of the Chamber of Commerce and Industry for Amsterdam under number 08219934.

Hubco's current registered office is located at Naritaweg 165, 1043 BW Amsterdam, The Netherlands.

Hubco did not engage, since its incorporation on 31 December 2010, in any activities, whether trading activities or otherwise, other than those incidental to its incorporation, matters referred to as contemplated in this Prospectus and matters which are incidental or ancillary to the above.

#### Share capital and major shareholders

Hubco is an indirectly wholly-owned subsidiary of the Parent.

*Landmille Limited*

#### General Information

Landmille Limited ("Landmille"), an Irish company (company number 419412 and Tax Reference Number 9569513J), was incorporated as a limited liability company for an indefinite period in Dublin (Ireland) on 2 May 2006. It is currently registered at the Companies Registration Office of Dublin.

Landmille's current registered office is located at Eurolink Motorway Toll Plaza, Cappagh, Nicholastown, Kilcock, Co. Kildare, with telephone number + 353 879594522.

#### Share capital and major shareholders

Landmille is an indirectly wholly-owned subsidiary of the Parent, and directly wholly-owned subsidiary of Ferrovial Servicios.

#### Ferrovial's Business

Ferrovial was founded in 1952 as a construction group focusing on railway infrastructure. Ferrovial later expanded its business into other activities and has been active internationally for over 40 years and has over 55,000 employees.

Ferrovial is one of the world's leading infrastructure groups with operations in a range of sectors including services, construction, management and maintenance of toll roads and airports. Since 2000 Ferrovial has invested in diversifying its business and expanding internationally. This policy of expansion and diversification included the acquisition of 407 ETR in Canada, in 1999, Budimex, S.A. ("Budimex") in Poland, in 2000, Amey plc ("Amey") and Cespa, in the United Kingdom and Spain, respectively, in 2003, W.W. Webber, LLC ("Webber") in the U.S., in 2005, and Heathrow Airport Holdings Limited (formerly BAA Limited) in the United Kingdom, in 2006, as well as the award of the concession to operate the Chicago Skyway in 2004, the Indiana Toll Road in 2006, the Texas SH-130 in 2007, the North Tarrant Expressway ("NTE") in 2009 and the Lyndon B. Johnson Expressway ("LBJ") in 2010, all such concessions in the U.S.

Ferrovial undertakes its activities through four business divisions: Services; Construction; Toll Roads and Airports. The Toll Roads and Airports business divisions are the main divisions of Ferrovial financed through non-recourse financing.

The table below sets out, the entities that head up each business division, the activities of each business division and each business division's EBITDA on a consolidated basis as of and for the years ended 31 December 2012 and 2011:

Business Division	Group Companies	Description	Year ended 31 December,	
			2012 <sup>(1)</sup>	2011 <sup>(1)</sup>
			EBITDA <sup>(2)</sup> (millions of euros)	EBITDA <sup>(2)</sup> (millions of euros) <sup>(3)</sup>
Services	Ferrovial Servicios, S.A., Amey Plc, Cespa, Compañía Española de Servicios Públicos Auxiliares, S.A., Ferroser Infraestructuras, S.A.	Management of infrastructure and facilities; collection, treatment and disposal of urban and industrial waste; and provision of urban services (services provided to local authorities such as street/beach cleaning and gardening)	313.6	311.8
Construction	Ferrovial Agromán, S.A., Cadagua, S.A., Budimex, S.A. and W.W. Webber, LLC	Construction and execution of civil engineering, building and industrial projects, including waste treatment, water desalination and drinking water plants	336.9	247.6
Toll Roads	Cintra Infraestructuras, S.A.	Development, financing, execution and operation, of toll road infrastructure	271.6	283.2
Airports	HAH, Ltd.	Development, financing and operation of airports	1.7	(10.7)
Other		Mainly consolidation adjustments and overheads	3.0	(13.3)
<b>Total</b>			<b>926.8</b>	<b>818.5</b>

Notes:

- (1) Figures for the year ended 31 December 2012 were extracted from the 2012 Consolidated Annual Accounts and figures as of and for the year ended 31 December 2011 were extracted from the 2011 Consolidated Annual Accounts.
- (2) "EBITDA" is earnings before interest, taxes, depreciation and amortisation, impairment losses and asset disposals.

The table below sets out Ferrovial's total assets, revenues and EBITDA distribution by geographical area as of and for the years ended 31 December 2012 and 31 December 2011:

Geographic Area	As of and for the year ended					
	Total assets		Revenues		EBITDA <sup>(1)</sup>	
	2012 <sup>(2)</sup>	2011 <sup>(2)</sup>	2012 <sup>(2)</sup>	2011 <sup>(2)</sup>	2012 <sup>(2)</sup>	2011 <sup>(2)</sup>
Spain .....	8,555.7	8,927.2	2,902.8	3,369.2	595.5	429.4
United Kingdom.....	2,922.6	3,631.2	1,923.8	1,553.8	145.1	134.3
United States and Canada.....	7,732.4	7,195.3	1,104.6	746.3	111.8	96.4
Poland .....	969.5	1,213.2	1,460.5	1,394.3	65.9	74.2
Chile.....	73.9	50.4	36.4	45.1	3.9	4.5
Rest of Europe.....	1,897.6	1,948.1	186.0	275.8	9.2	76.6
Other .....	65.7	6.9	72.4	61.2	-4.7	3.2
<b>Total .....</b>	<b>22,217.4</b>	<b>22,972.4</b>	<b>7,686.5</b>	<b>7,445.8</b>	<b>926.8</b>	<b>818.5</b>

Notes:

- (1) "EBITDA" is earnings before interest, taxes, depreciation and amortisation, impairment losses and asset disposals.
- (2) Figures as of and for the year ended 31 December 2012 were extracted from the 2012 Consolidated Annual Accounts and figures as of and for the year ended 31 December 2011 were extracted from the 2011 Consolidated Annual Accounts.

For the year ended 31 December 2012, 36% of Ferrovial's EBITDA was generated outside of Spain.

As a result of its business and geographical diversification, Ferrovial has a broad and diversified client base and has no significant dependence on any single client account.

Ferrovial's backlog, defined as the part of the contracts signed pending execution, was approximately €12.8 billion and €8.6 billion for the Services and Construction business divisions, respectively, as of 31 December 2012.

## Services Business Division

### Summary

The activities of the Services business division of Ferrovial comprise infrastructure and facility maintenance and management, waste management, and urban and industrial services.

The Group conducts its infrastructure and facility maintenance and management activities primarily through Amey in the United Kingdom and Ferrovial Servicios and some of its subsidiaries, which jointly operate under the Ferroser brand in Spain and Portugal. Amey is one of the United Kingdom's leading support services companies, and is principally active in urban, road and rail maintenance. Ferrovial Servicios is one of the main players in the Spanish market for infrastructure upkeep and facility management services.

Ferrovial conducts its waste management and urban services activities primarily through Cespa, which operates in Spain and Portugal, in the collection, treatment and disposal of all types of waste, street and beach cleaning and gardening.

In 2011, the Intelligent Cities Division was created to achieve efficient, innovative and high quality infrastructure services for local authorities. By utilizing a new integrated service model, the Services business division is able to support cities by reducing public expenditures and improving service delivery.

In the UK, the 25-year €1.41 billion urban infrastructure maintenance contract for Sheffield was added to the backlog after the financial close of the project in August 2012.

In furtherance of one of its strategic priorities, in 2012, the Services business division started to provide road maintenance services in Poland, entering in the fields of waste management, industrial construction and technical maintenance services in Poland. In addition, in 2013, our Services business division exported its business model to other countries such as Qatar and Chile.

In February 2013, Ferrovial Servicios acquired 70% of Steel Ingeniería for €21 million. This company specializes in the mining sector in Chile, and provides Ferrovial Servicios with a new way of entering a market which has strong growth potential.

In April 2013, Ferrovial, via Ferrovial Servicios, closed the purchase of Enterprise Plc, one of Britain's leading providers of services to the utilities and the public sector, for £393 million. The merger of Enterprise into Amey plc ("Amey"), the subsidiary of Ferrovial Servicios in the UK, has resulted in Amey having one of the most diversified product offerings in the sector, and a workforce of 21,000 employees. This deal will facilitate Amey's entry into the services and utilities market segment.

#### *Division results of operations and backlog*

The table below sets out the revenues, EBITDA and backlog for the key services companies of the Group for the years ended 31 December 2012 and 31 December 2011:

	<b>As of and for the year ended 31 December 2012</b>					
	<b>Revenues</b>		<b>EBITDA<sup>(1)</sup></b>		<b>Backlog<sup>(2)</sup></b>	
	<b>2012</b>	<b>2011</b>	<b>2012</b>	<b>2011</b>	<b>2012</b>	<b>2011</b>
	<i>(millions of euros)</i>		<i>(millions of euros)</i>		<i>(millions of euros)</i>	
Cespa	914.7	955.9	149.3	154.5	4,443.6	4,824.1
Ferrosfer	547.0	582.2	47.6	44.1	1,133.3	1,348.0
Amey	1,490.6	1,283.7	118.3	113.3	7,207.0	6,252.6
Others	(1.2)	(1.2)	(1.5)	(0.2)	-	-
<b>Total</b>	<b>2,951.1</b>	<b>2,820.6</b>	<b>313.6</b>	<b>311.8</b>	<b>12,783.9</b>	<b>12,424.7</b>
<i>National<sup>(3)</sup></i>	1,460.5	1,536.9	195.3	198.4	5,576.9	6,172.1
<i>International</i>	1,490.6	1,283.7	118.3	113.3	7,207.0	6,252.6

#### Notes:

- (1) "EBITDA" is earnings before interest, taxes, depreciation and amortisation, impairment losses and asset disposals.
- (2) Backlog is defined as the part of the contracts signed pending execution.
- (3) National includes Cespa, Ferrosfer and others.

In the year ended 31 December 2012, the Group's revenues from the Services business division were €3.0 billion representing 38.4% of the Group's total revenues.

In 31 December 2012, the backlog for the Services business division reached an all-time high of €12.8 billion, which represents an increase of 2.9% when compared with 31 December 2011 (€12.4 billion). This is mainly due to the infrastructure maintenance contract entered into with the City of Sheffield for €1.4 billion.

### *Inception*

This business division has been active since 1992, and acquired its current structure through the acquisition of Amey and Cespa in the United Kingdom and Spain, respectively, in 2003.

### *Customers and Type of Contracts*

Ferrovial typically operates its business in the Services business division through multiyear contracts signed with the Public sector, (such as Highways Agency, Network Rail, Transport for London, Scottish Executive in the United Kingdom) or local councils (such as the Madrid, Barcelona, Murcia and Huelva local councils in Spain), private hospitals, shopping centres and corporations, as further described below.

### *Activities*

The activities of the Services business division of Ferrovial consists of infrastructure and facility maintenance and management, waste management, and urban and industrial services. Through its active presence in seven countries, Ferrovial Servicios carries out the maintenance of over 1,000,000 street lights, 22,400 kilometres of expressways and roads and 28 million square meters of gardens and green areas. In 2012, Ferrovial Servicios handled 7 million tons of waste and produced more than 130,000 MWh of energy.

### *Amey*

Amey is one of the leading companies in the United Kingdom support services sector active in transport, roads, railways, bridges, schools, airports, public spaces and office areas. Since its acquisition by Ferrovial in 2003, it has experienced considerable success in recovering a preeminent position in the infrastructure and facility management industry. Amey provides integrated operation and maintenance of all types of rail and road assets (pavements, tracks, signalling systems and information displays), local government infrastructure (such as roads, footways, street lightning assets, schools or vehicle fleets) and provides facilities management services (such as mechanical and electrical maintenance, cleaning, portering, gardening, catering or security of working spaces, relocation planning, energy efficiency or waste minimization). Amey also provides related consulting and logistics services.

Amey's revenues increased in 2012 by 8.3%, primarily as a result of entering into various contracts, notably the prisoner transport and custody contract which was awarded in 2011 and the infrastructure maintenance contract for the City of Sheffield. The rest of the growth was driven by higher turnover on existing contracts such as highway maintenance in Area 9 and the London area due to the Olympic Games, this work which was completed in the first half of 2012.

### *Cespa*

Cespa is one of the main players in the Spanish and Portuguese market within the waste management and urban services industries. Ferrovial acquired Cespa in 2003 and has grown significantly since then. Its activities include the collection and management of solid urban waste, selective waste collection, street cleaning, drainage and sewer maintenance, beach cleaning, management of clean/green points, construction and maintenance of green spaces, construction of forestry infrastructure and upkeep of urban furniture and areas for children. Cespa handles 9 million tonnes of waste per annum through its collection and treatment activities, which it operates through 141 waste treatment facilities and 34 landfills. Cespa caters to the needs of local councils, private customers and other bodies, providing services to over 800 municipalities and ten thousand industrial clients through the following two business lines:

- Waste management: collection, transport, treatment and disposal of most usual types of solid waste (municipal, commercial, industrial and construction and demolition). Treatment and disposal activities are performed through both owned and leased facilities (such as transfer stations, treatment facilities and landfills). Cespa's clients are Local Authorities or private companies.
- Urban services: street and beach cleaning and horticulture and gardening services for Local Authorities, either through bundled or independent contracts.

## *Regulation*

Over the last 20 years regulation has become tighter, imposing detailed requirements on waste management activities and causing a significant change in the way in which waste management services are provided. Larger investments have become necessary to meet regulatory targets in two main fronts: minimizing the amount of waste disposed through landfills and minimising the environmental impact of any waste activity.

### Ferrosfer

Ferrosfer is the brand under which Ferrovial carries out its business relating to integrated management and facility management, integrated infrastructure upkeep and indoor management and cleaning (together, the “Ferrosfer Business”).

Ferrosfer is one of the main participants in the Spanish market for infrastructure upkeep and facility management services.

In 2012, the revenues of the Ferrosfer Business were €547.0 million and EBITDA €47.6 million, which represents 18.5% of the total revenues and 15.2% of the total EBITDA of the Services business division for that year.

Ferrosfer Infraestructuras, S.A. (“Ferrosfer Infraestructuras”), one of the two companies which operate under the Ferrosfer brand in Spain (the other being Ferrovial Servicios itself), was acquired in 2000, and has experienced double digit organic growth since then. All two companies enjoy a solid position in the Spanish market and strong brand recognition. The Ferrosfer Business splits its activities into three segments corresponding to each of the following companies:

- **Integrated Management and Facility Management.** Ferrovial Servicios is one of the leaders of its sector in Spain in terms of revenues. It renders services that range from budgeting to designing the most appropriate space for each organisation, as well as the integrated management of all the operating services of building-maintenance, including cleaning, gardening, auxiliary services, and industrial maintenance. This segment is the largest contributor to revenues and EBITDA of the Ferrosfer Business, with a 36.4% contribution in 2012 to the total revenues and 20.5% contribution to the total EBITDA.
- **Integrated Infrastructure Upkeep.** Ferrosfer Infraestructuras is one of the leaders of its sector in Spain in terms of revenues. It specialises in full-service infrastructure maintenance, manufacture and installation of marking and signage on roads, airports and cities, and road traffic management. In 2012, Ferrosfer Infraestructuras’ revenues were €111 million and EBITDA was €27.7 million. This segment contributed 20.3% of the total revenues of the Ferrosfer Business, 58.3% of the total EBITDA of the Ferrosfer Business and enjoyed higher margins than Ferrovial Servicios’ activity in the Integrated Management and Facility Management segment.
- **Indoor Management and Cleaning.** Ferrosfer Infraestructuras is one of the main companies in Spain for this service. It specialises in ordinary and specific cleaning of public buildings, infrastructure and private facilities within a wide range of sectors (offices, general industry, hotels, health, education, stations and airports, department stores, etc.). Examples of the type of services provided are: hygiene, pest control and legionella treatments; air conditioning and smoke refusals; industrial cleaning; rolling stock (trains and metro); and hospitals and health related facilities. In 2012, Ferrosfer Infraestructuras’s revenues were €236.4 million and EBITDA was €10.1 million, representing 43.2% of the total revenue and 21.2% of the total EBITDA of the Ferrosfer Business.

The main revenue sources of the Ferrosfer Business are evenly split between the private sector, and various Local, Regional and Central government agencies. Although the Ferrosfer Business has more private sector clients, larger contracts in the public sector, especially among regional governments, make this area especially relevant. Four of the five top clients by revenue belong to the Public sector, with the Health Department of the Andalusia Regional Government and the Spanish Ministry of Public Works representing the

two largest clients by revenue. The rest of the revenue comes from many smaller clients, none of which contributes more than 3% to the total revenues of the Ferroser Business.

## Construction Business Division

### Summary

Ferrovial conducts its construction activities through Ferrovial Agromán, a wholly owned subsidiary of the Parent, a leading Spanish construction company with over 80 years of experience in the industry. Ferrovial Agromán is involved in all areas of civil engineering, residential building and non-residential building, in Spain as well as internationally. Ferrovial Agromán is also involved in water treatment plant engineering and construction through its wholly owned subsidiary Cadagua, S.A. (“Cadagua”), recognised internationally for seawater desalination plants.

Ferrovial has been a pioneer in leading the expansion of Spanish construction companies into stable international markets. For example, the Group has established a strong presence in Poland and the United States, where it functions through its local subsidiaries, Budimex and Webber respectively. The Group also functions through permanent branch offices and subsidiaries in core markets such as the United Kingdom, the United States, Canada, Puerto Rico, Chile, Australia, Ireland, Italy and Portugal.

Among the various contracts awarded in 2012 are the US 460 Highway in the United States (amounting to €737 million), the east extension of the 407 toll road in Canada (amounting to €309 million), the Padornelo-Lubián tunnel (amounting to €92 million, Madrid-Galicia railway), the US 290 Harris City (amounting to €86 million) in the United States, the T3 integrated baggage system at Heathrow Airport (amounting to €84 million) in the United Kingdom, the Espiño tunnel for ADIF (amounting to €83 million) in Spain, the A-66 Benavente–Zamora Highway (amounting to €73 million) in Spain, the Tokamak complex for the ITER nuclear reactor (amounting to €69 million) in France, and the Bialystok incinerator (amounting to €40 million) in Poland.

So far during 2013 Ferrovial has been awarded, amongst others, the construction of the US 290 in the United States (amounting to €45 million) and Denton FM 1171 in the United States (amounting to €36 million). The ability to carry out complex projects such as the LBJ and NTE toll motorways in Texas is positioning Ferrovial as a market reference in the United States. Although the contract for the NTE Extension (for approximately €760 million) has not yet been included in the backlog, it will be included once the project reaches financial close. In Poland Budimex has been pre-awarded contracts since the end of the first quarter of 2013 worth more than €300 million. Amongst others some of these consist of industrial construction contracts.

### Division results of operations and backlog

The table below sets out the revenues, EBITDA and backlog for the key construction companies of the Group as of and for the years ended 31 December 2012 and 31 December 2011:

	Year ended 31 December					
	Revenues		EBITDA <sup>(1)</sup>		Backlog <sup>(2)</sup>	
	2012 <sup>(3)</sup>	2011 <sup>(3)</sup>	2012 <sup>(3)</sup>	2011 <sup>(3)</sup>	2012 <sup>(3)</sup>	2011 <sup>(3)</sup>
	<i>(millions of euros)</i>		<i>(millions of euros)</i>		<i>(millions of euros)</i>	
Ferrovial Agromán.....	2,226.4	2,396.1	248.0	151.1	5,699.3	5,866.9
<i>National</i> .....	1,256.5	1,655.3	297.3	121.6	2,226.3	2,766.3
<i>International</i> .....	969.9	740.8	(49.3)	29.5	3,473.0	3,100.6
Cadagua .....	124.8	115.2	8.7	7.3	518.0	560.1
Budimex.....	1,420.3	1,323.5	57.2	71.0	1,193.9	1,919.7
Webber.....	591.5	424.9	23.0	17.1	1,288.3	1,650.6
Others.....	(37.4)	(15.9)	-	-	-	-
<b>Total</b> .....	<b>4,325.6</b>	<b>4,243.8</b>	<b>336.9</b>	<b>246.4</b>	<b>8,699.4</b>	<b>9,997.2</b>



	Year ended 31 December					
	Revenues		EBITDA <sup>(1)</sup>		Backlog <sup>(2)</sup>	
	2012 <sup>(3)</sup>	2011 <sup>(3)</sup>	2012 <sup>(3)</sup>	2011 <sup>(3)</sup>	2012 <sup>(3)</sup>	2011 <sup>(3)</sup>
	<i>(millions of euros)</i>		<i>(millions of euros)</i>		<i>(millions of euros)</i>	
National <sup>(4)</sup> .....	1,381.3	1,770.5	306.1	128.9	2,744.3	3,326.4
International.....	2,944.3	2,473.3	30.8	117.5	5,955.1	6,670.8

Notes:

- (1) "EBITDA" is earnings before interest, taxes, depreciation and amortisation, impairment losses and asset disposals.
- (2) Backlog is defined as the part of the contracts signed pending execution.
- (3) Figures as of and for the year ended 31 December 2012 were extracted from the 2012 Consolidated Annual Accounts and figures as of and for the year ended 31 December 2011 were extracted from the 2011 Consolidated Annual Accounts.
- (4) National includes the domestic activity of Ferrovial Agromán and Cadagua. Cadagua figures include international activity (as of 31 December 2012 international revenues represent 47% of the total revenues of Cadagua).

The Group's international strategy continued in 2012, with international business growing. In 2012 it accounted for 68% of sales and backlog. Projects submitted to international tender have also increased, now accounting for 79% of total business. Furthermore, 90% of sales and 85% of the international backlog was generated by the main strategic markets: the United States, Poland, Canada and the United Kingdom, all of which are stable markets involving a relatively low country risk.

Revenues for the Construction business division for the year ended 31 December 2012 were €4.3 billion, which represents 56% of Ferrovial's total revenue. The backlog at 31 December 2012 totalled €8.7 billion.

The table below sets out the backlog (defined as the part of the contracts signed pending execution) by project type for the years ended 31 December 2012 and 31 December 2011:

	Year ended 31 December	
	<i>(millions of euros)</i>	
	2012	2011
Civil work.....	6,837.4	7,602.4
Residential work.....	284.2	363.7
Non-residential work.....	867.2	1,334.8
Industrial Work.....	710.6	696.3
<b>Total</b> .....	<b>8,699.4</b>	<b>9,997.2</b>

As of 31 December 2012, the backlog was €8.7 billion, with the international backlog amounted to €6.0 billion or 68.5% of the total backlog, representing an 11% decrease compared to the 2011 figure due to the high level of execution of works, the elimination of the railroad contract portfolio in Poland and a lower forecast of projects to be executed in one of the highways in Greece. Despite this, the backlog still represents 24 months of guaranteed production at current rates of execution. The United States accounts for 53.4% of the international backlog, followed by Poland, representing 20.2% of the international backlog, the United Kingdom, representing 7.8%, Canada representing 5.0% and the remaining 13.6% relating to other OECD countries.

Civil works and industrial backlog represented 86.8% of total backlog as of 31 December 2012, with only 3.3% coming from residential building and the remaining 10.0% coming from non-residential building.

## *Inception*

Ferrovial was founded in 1952, since when it has developed and expanded its Construction business division nationally and internationally mainly through the award of several contracts in countries such as the United Kingdom, the United States, Canada, etc. and through strategic acquisitions such as Budimex in Poland and Webber in the United States.

Ferrovial has a great expertise in large and complex international projects, mainly through working for its Group companies, such as Cintra or HAH, but also through working for third party clients.

In 1985, Ferrovial expanded its national expertise to include the field of engineering and construction of water purification and treatment plants, through the acquisition of a 100% holding in the Spanish company Cadagua.

In 1995, Ferrovial acquired a 98.27% interest in Agromán Empresa Constructora, S.A. (“Agromán Constructora”), a Spanish construction company founded in 1927. On 5 October 1999, Ferrovial merged with Agromán Constructora and incorporated Ferrovial Agromán, which became Spain’s largest construction company. Ferrovial then acquired the remaining interest in Ferrovial Agromán, therefore becoming the sole shareholder of Ferrovial Agromán and completing the integration process of the construction business into the Group.

Ferrovial continued to expand its international construction business division through the acquisition of a 59.06% holding in the Polish construction company Budimex in 2000, and the acquisition of a 100% holding in the U.S. company Webber in 2005.

## *Customers and Type of Contracts*

According to Ferrovial Agromán’s backlog as of 31 December 2012, clients from the public sector account for 49.3% of the total backlog, with Group companies representing 35.0% and private customers representing 15.8%.

## *Activities*

### *Ferrovial Agromán*

Ferrovial Agromán is the Group company that heads up Ferrovial’s Construction business division and is involved in all areas of construction, including civil works, building and industrial works, both in Spain and internationally. Within the context of civil works, the company designs and builds all types of infrastructure including roads, railways, hydraulic works, maritime works, hydroelectric works and industrial projects. Ferrovial Agromán’s building activities include the construction of non-residential buildings (including airports, sports facilities, health centres, schools and cultural buildings, shopping and leisure centres, museums, hotels, building refurbishment projects, offices, factories and industrial warehouses) and residential construction.

As at 31 December 2012, Ferrovial Agromán had more than 1,045 works in execution and had completed the construction of over 3,900 kilometres of highway concessions, 15,100 kilometres of roads, 470 kilometres of tunnels, 4,600 kilometres of railways including the AVE high speed train network in Spain, 3,800 kilometres of gas and oil pipelines, 6,170 kilometres of water pipelines, 147 dams, 32 kilometres of quays and port infrastructures and 40 airports.

Ferrovial Agromán reported total revenues of €2.2 billion in the year ended 31 December 2012, with revenues from international activities totalling €1.0 billion, which represented 44% of Ferrovial Agromán’s total revenue. The backlog at 31 December 2012 totalled €5.7 billion.

### *Budimex*

Budimex, a company founded in 1968, has been listed on the Warsaw stock exchange since 1995. It is currently the leading construction company in Poland in terms of revenue.

Budimex is focused on the construction of civil works (such as roads, highways, railways, airports and bridges), industrial construction, residential building and non-residential building. It has managed a steady

increase in diversification, both in projects other than roads and in new activities such as PPPs, and infrastructure and facility management. Civil works and industrial construction together represented 64% of Budimex's revenue and 60% of its backlog in the year ended 31 December 2012.

Budimex reported total revenues of €1.4 billion in the year ended 31 December 2012. The backlog at the close of the year amounted to €1.2 billion.

In 2012, Budimex purchased one of Poland's main railroad infrastructure construction companies, Przedsiębiorstwo Napraw Infrastruktur ("PNI"), for around €51 million. In June 2012, the Budimex Board announced its decision to write down the value of its stake in PNI. Consolidation of PNI ceased in November, after it filed for creditor protection on 24 August 2012.

The new contract awarded are a reflection of Budimex's strategy of further diversifying contracts moving away from highways, which following the recent boom years are expected to receive less investment, at least, until the new EU funds for 2014-2020 are forthcoming, when there will be more money than under the last round of funds.

#### Webber

Webber specialises in construction of infrastructure works, such as roads, highways, bridges and airport runways. In 2009, it was named as the leading transport infrastructure company in the State of Texas according to Engineering News Record magazine. Webber is also a market leader in the production and distribution of recycled construction aggregates and asphalt in the Houston city area of Texas.

Webber has constructed more than 50 kilometres of toll road, 1,200 kilometres of new highways, 8 airports (including completely constructing 8 major runways and related taxiways) and has participated in more than 1,600 Texas Department of Transportation projects.

Webber reported total revenues of €591.5 million in the year ended 31 December 2012. The backlog at 31 December 2012 totalled €1.3 billion.

As commented above, some projects awarded during 2012 have been the US 290 Harris City Highway (€86 million), the US 59 Angelina Highway (€41 million), the Rockwall County IH 30 Highway (€15 million) and the Homestead Grade Separation (€13 million).

#### Cadagua

Cadagua is recognised as a pioneering and leading force among Spanish companies in the field of engineering and construction of water treatment plants. Projects inaugurated in 2012 include the Águilas-Guadalestín desalination plant, in Murcia, one of the world's largest facilities for seawater desalination via reverse osmosis, with a maximum production capacity in its initial phase of 180,000 m<sup>3</sup> per day, and 210,000 m<sup>3</sup> in the second phase and a drinking water plant in Valmayor, in the Madrid region, which was extended by Cadagua to double its treatment capacity.

Cadagua has vast experience in international markets, especially in the construction of sea water desalination plants, and also drinking and waste water treatment plants. During 2012 Cadagua was awarded contracts in Spain, Morocco, Chile, Poland and the United Kingdom. Cadagua also has a permanent presence in Poland, the Middle East (with a central office in Dubai), Oman, Morocco, the United Kingdom and New Delhi, where it has established its own offices.

Cadagua reported total revenues of €124.8 million in the year ended 31 December 2012 with backlog at 31 December 2012 totalling €518.0 million.

### **Toll Roads Business Division**

#### *Summary*

Ferrovial's activities in the Toll Roads business division include the development, financing, execution and operation of toll road projects. The Group conducts its operations in this business division through Cintra, a wholly owned subsidiary of the Parent, which is one of the leading toll roads development and management companies in the world in terms of number of projects, investment volume and kilometres managed (Source:

Public Works Financing). At 31 December 2012, Cintra's toll roads portfolio consisted of 22 toll road concessions, comprising close to 2,100 kilometres of motorway with 799 kilometres under construction, and with a total managed investment of more than €21 billion. Cintra's portfolio of concessions is internationally diversified with interests in toll road concessions located in Canada, United States, Spain, Portugal, Ireland and Greece and with approximately 78% of its net revenues and 76% of its EBITDA (equity-accounted projects included), coming from outside of Spain. The toll concession portfolio of Ferrovial includes the 407 ETR concession in Toronto, Canada, which is perceived to be a reference asset in the toll road concession business worldwide. Cintra's current strategy for the toll roads business division focuses on growth through both the award of new concessions and the efficient management of its existing portfolio.

During 2012, Cintra won three new concessions, 407 East Extension (Toronto, Canada), A66 Ruta de la Plata (Benavente - Zamora) and A334 Autovía (Purchena-A7) (both in Spain). Also Cintra acted as a financial advisor to the US 460 project, which was awarded to a consortium led by Ferrovial Agromán (Ferrovial was awarded 70%) in the last quarter of 2012. It is important to note that Cintra sold its remaining participation in the Chile concessions in 2011.

In the first quarter of 2013, Cintra has been awarded the concession for a new section of the North Tarrant Express toll motorway in Texas, with a total estimated investment of US\$1,380 million.

#### *Division results of operations*

As of 31 December 2012, Cintra had 22 toll roads, 14 in operation and 8 in construction in 6 countries. The following table sets forth the revenues and EBITDA for each of Cintra's toll road concessions, for the years ended 31 December 2012 and 31 December 2011:

Country	Toll Road	Year ended 31 December			
		Revenues (millions of euros)		EBITDA <sup>(1)</sup> (millions of euros)	
		2012 <sup>(2)</sup>	2011 <sup>(2)</sup>	2012 <sup>(2)</sup>	2011 <sup>(2)</sup>
United States	Chicago Skyway	55.0	49.0	47.6	41.7
United States	SH-130	1.8	-	1.0	0.4
Spain	Ausol	48.5	53.4	36.6	40.4
Spain	Autema	84.0	81.7	92.2	68.4
Spain	Radial 4	14.7	30.9	4.2	21.8
Spain	Ocaña-La Roda	13.5	24.2	5.7	16.9
Portugal	Norte Litoral	40.3	44.1	34.0	39.4
Portugal	Algarve	39.2	34.9	34.4	29.8
Portugal	Via Livre	15.5	9.0	3.4	0.7
Portugal	Azores	21.1	0.9	17.1	0.7
Ireland	M4-M6	21.3	21.4	14.5	14.6
Ireland	M3	20.4	35.7	15.1	29.7
<b>Equity Accounted<sup>(3)</sup></b>					
Canada	407 ETR <sup>(4)</sup>	569.2	489.6	471.6	401.7
Canada	407 EDG	1.7	—	1.3	—
United States	Indiana Toll Road	151.9	133.3	123.0	109.1
Greece	Ionian Roads	57.9	66.2	15.9	37.6
Greece	Central	8.4	9.4	—	—
Spain	Almanzora	5.4	—	0.3	—

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Notes:

- (1) “EBITDA” is earnings before interest, taxes, depreciation and amortisation, impairment losses and asset disposals.
- (2) Figures for the year ended 31 December 2012 were extracted from the 2012 Consolidated Annual Accounts and figures for the year ended 31 December 2011 were extracted from the 2011 Consolidated Annual Accounts. Revenues and EBITDA correspond to main assets.
- (3) Figures show total revenues and EBITDA generated by these toll road concessions. Ferrovial owns 43.2%, 50% and 33.3% of the 407 ETR, Indiana Toll Road and 407 EDG, 33.3% of Ionian Roads and Central Greece, and 23.7% of Almazora respectively, and accounts each of them under the equity method. At 31 December 2010, Ferrovial also owned 50% of the M45 toll road, which it accounted under the equity method. Ferrovial sold its stake in the M45 in January 2011.
- (4) 407 ETR has been equity-accounted since the fourth quarter of 2010.

In the year ended 31 December 2012, the Group’s revenues from the Toll Roads business division were €381.4 million, representing 5% of the Group’s total revenues.

### *Inception*

Ferrovial first began its toll road activities in 1968 with the AP-8 Bilbao–Behobia toll road concession and over the next forty years the Group continued to develop and expand its toll road business. On 3 February 1998, Grupo Ferrovial, the then parent of the Group, incorporated Cintra Concesiones, in which it held a 100% stake, with the aim of consolidating and optimising the infrastructure development business. In 1999, it was awarded the 407 ETR toll road concession in Canada. The Group continued to develop its infrastructure business through Cintra Concesiones, which had its initial public offering in October 2004.

In 2009, Grupo Ferrovial merged with Cintra Concesiones and created Ferrovial, S.A. (see “Description of Ferrovial – Group Structure”).

### *Customers and Type of Contracts*

Ferrovial operates its toll road business through concession agreements. Concession agreements are contracts under which a public sector entity agrees with a private company to construct and operate certain infrastructure for a period of time in consideration for the right to collect tolls (or to be paid shadow tolls by the grantor of the concession), with the company returning the infrastructure to the public sector entity at the end of the concession life.

Toll road concession projects are long-term, capital-intensive projects that can typically be divided into two distinct phases; the construction phase and the operation phase. The construction phase, involving the design and construction of the toll road, typically ranges from two to five years and is characterized by large capital expenditures during which usually no revenues are received, except for projects that include transferred sections already in operation.

Once the construction phase is complete, the operation phase begins, which involves operating and maintaining the toll road and tolling equipment related to the concession. In a few cases, the operation phase may commence while certain parts of the toll road are still under construction, allowing tolls to be collected on the operational sections of the motorway. The operation phase is characterized by a generally increasing level of revenues as tolls are collected, a lower level of capital expenditures and the incurrence of operating expenses and generally increasing cash flows. Revenues from toll road concessions depend on the tariffs charged, which are typically set by the relevant governmental authority in the concession agreement. The tariffs usually increase in line with inflation, except in the case of the 407 ETR, the Chicago Skyway and the Indiana Toll Road where tariff increases can exceed the rate of inflation, in the same way it will apply to the North Tarrant Express and LBJ Express Concessions when they start operating. The revenues also depend on the level of traffic on the road, which can be affected by general economic conditions, weather and other factors. Expenses during the operation phase consist principally of financing expenses, which depend primarily on interest rates, and operating expenses, which depend primarily on the length and age of the toll road, as well as factors such as traffic volumes and weather conditions.

The industry is principally debt-financed, as long-term concession agreements generally provide a basis for non-recourse long-term debt (“project finance”), which results in high financing expenses. However as the concession matures once the construction phase is over and a traffic growth pattern is established and its risk profile improves, there are opportunities to refinance.

Cintra has a young portfolio of toll roads with a weighted average remaining life of more than 70 years, such as, the 407 ETR in Canada and Chicago Skyway in the United States. Cintra expects that the operating revenues and EBITDA of the Toll Roads business division will increase as its toll road portfolio matures and more of its toll roads become operational and as traffic volumes increase on those already in operation. In addition, as its toll roads mature there is potential for increased returns on equity through refinancing and re-leveraging.

In May 2012 Ferrovial was awarded, in a consortium with SNC-Lavalin, a contract to design, build, finance, and maintain the first phase of the Highway 407 East project, in Ontario, Canada. The contract is for a 30-year concession starting from the date the highway opens to traffic, which is scheduled for the end of 2015. Highway 407 East will be a publicly owned and controlled tolled highway. The Province of Ontario will set the toll rates and retain all toll revenues generated on the new highway.

In March 2013 Cintra signed the contract for the design, construction, financing and operation of the new section (NTE 3A-3B), which lengthens the North Tarrant Express toll motorway. The total estimated investment is US\$1,380 million for a 43-year concession commencing on its opening to traffic, this is expected to take place by mid-2018.

#### Activities

The table below sets forth the traffic volume for each of the Group's toll road concessions for the years ended 31 December 2012 and 31 December 2011:

Country	Toll Road	Year ended 31 December	
		Average Daily Traffic Intensity	
		<i>(Vkt<sup>(1)</sup>/Highway Length/Day)</i>	
		2012	2011
United States	Chicago Skyway	42,228	42,066
United States	SH-130	6,201	-
Spain	Ausol I	12,537	14,254
Spain	Ausol II	14,099	15,576
Spain	Autema	15,056	19,114
Spain	Radial 4	5,588	6,796
Spain	Ocaña-La Roda	3,191	3,822
Portugal	Norte Litoral	21,817	23,734
Portugal	Algarve	8,721	16,970
Portugal	Azores	8,186	8,174
Ireland	M4-M6	25,306	25,759
Ireland	M3	25,528	25,935
<b>Equity</b>			
Canada	407 ETR <sup>(2)</sup>	59,600	59,394
United States	Indiana Toll Road	27,459	27,142
Greece	Ionian Roads	29,223	34,442
Greece	Central	18,934	22,587

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Notes:

- (1) Vkt means vehicle kilometres travelled.
- (2) In publicly available information, traffic information in relation to the 407 ETR toll road is usually presented in terms of VKT (in 1000 units) rather than in terms of Average Daily Traffic Intensity (ADTI). This metric unit can be calculated by multiplication of the ADTI by the length of the toll road (107 kilometres for tolling) and then by the number of days in the year (365 days). VKT (in 1000 units) for the year ended 31 December 2012 was 2,340,004 and for the year ended 31 December 2011 was 2,325,517.

A brief description of Cintra's principal toll road concessions, by geographical area, is as follows:

#### Canada

- The 407 Express Toll Route

The 407 ETR concession in Canada, in which the Group holds a 43.23% interest, is the first all electronic open access toll road in the world.

It covers 108 kilometres in an east-west direction, traversing Canada's largest and most affluent urban centre, the Greater Toronto Area ("GTA").

On 5 October 2010, Ferrovial entered into an agreement with Canada Pension Plan Investment Board ("CPPIB") for the sale of 10% of the share capital of the 407 ETR for C\$894.3 million. The share transfer took place on 18 November 2010. After the mentioned transaction Cintra holds a 43.23% interest in the 407 ETR.

In May 1999, 407 ETR was privatised and Cintra was awarded the concession which involves the construction or completion of seven interchanges, the construction of the east (15 kilometres) and west (24 kilometres) extensions of the highway (both completed in 2001) and the financing, maintenance and operation of the entire stretch of the 407 ETR for a period of 99 years (ending in 2098).

In 2011, more than 26 kilometres of new lanes (13 kilometres in each direction) on the 407 ETR were opened to traffic. In addition, the 407 ETR has new lanes in construction almost every year. Due to the existence of very high volumes of traffic, Cintra tends to begin construction before it has a contractual obligation to do so. Since the extensions completed in 2001, 173 kilometres of total new lanes have been added.

The 407 ETR passes through some of the fastest growing and most affluent municipalities in Canada and provides an alternative route to one of the most congested roads in North America. Traffic levels on the 407 ETR have increased in the majority of years since its privatisation in May 1999.

The 407 ETR is also the world's first all-electronic open access toll highway whereby tolls are calculated while vehicles are in motion, by means of vehicle identification at entry and exit points either through transponders or video-based license plate imaging. By removing the need for toll barriers, this toll collection system enables free flow of traffic along the highway allowing high traffic volumes to be handled without long queues.

The 407 ETR has an innovative tariff structure which provides the possibility of freely raising prices without prior authorisation from the Ontario Ministry of Transportation provided that the traffic is maintained above a certain threshold. This system makes it possible for Ferrovial to optimize revenues, by adjusting toll fees to the time savings offered to drivers by the toll highway.

The 407 ETR concession generated revenues of €569.2 million for the year ended 31 December 2012 (which has been equity-accounted since the fourth quarter of 2010).

- The 407 East Extension (Phase 1)

The 407 East Development Group, in which the Group holds a 50% interest, is the first project in North America under the availability payment scheme, with no toll rates or traffic risk. This concession, 35 kilometres long with a total investment of approximately €711 million, will be a key factor for the economic development of the eastern part of the city of Toronto (more than 13,000 new jobs will be created).

## United States

- Chicago Skyway Toll Bridge

The Chicago Skyway links the Dan Ryan Express way (the main southern access to the city of Chicago) with the Indiana Toll Road. The Chicago Skyway is 12.5 kilometres long with approximately 37% of the toll road consisting of elevated structures, including a 750 meter bridge over the Calumet River. The toll road was opened to traffic in 1959 and a concession (in which Cintra has a 55% interest) was awarded in 2005, for a period of 99 years (ending in 2104). The concession involves a conservation and improvement programme for the existing infrastructure and was the first privatisation in the United States of an existing and operating (brownfield) toll road.

The Chicago Skyway provides an alternative route to a highly congested corridor connecting Chicago with a major residential and leisure area. In terms of traffic, approximately 90.7% of the vehicles using the motorway in 2011 were light vehicles and the remaining 9.3% were heavy vehicles.

The Chicago Skyway has a toll structure which allows for rate increases above the rate of inflation until 2017 and for subsequent annual increases equal to the highest of the following: 2%, inflation for the period or increase in nominal per capita gross domestic product (“GDP”).

The Chicago Skyway concession generated revenues of €55.0 million in the year ended 31 December 2012, which accounted for 14.4% of Cintra’s total revenues for the year ending 31 December 2012.

- Indiana Toll Road

The Indiana Toll Road concession represents another one of the concessions managed by Cintra in the United States, in which Ferrovial has a 50% stake. Cintra was awarded the concession in 2006 for a period of 75 years (ending in 2081). The toll road comprises two separate sections: the western section which is 37 kilometres long with an open toll system where users pay a single tariff which is independent of kilometres travelled, which connects with the Chicago Skyway; and the eastern section which is 217 kilometres long and operates under a ticket system where the users pay according to kilometres travelled. This toll road forms part of the main route linking Chicago and the Midwest with New York, and registers a large volume of freight traffic.

The Indiana Toll Road has an attractive pricing system, with increases exceeding inflation until 2010. Since 2011, there is an annual review based on the highest of the following: 2%, inflation for the period or the increase in nominal GDP per capita.

The Indiana Toll Road generated revenues of €151.9 million in the year ended 31 December 2012.

- Other Toll Roads in the United States

Ferrovial also has three toll road concessions in the United States. Two of these concessions are currently under construction: the NTE in Texas (in which Cintra has a 56.67% stake), a 21.4 kilometre toll road, the term for which ends in 2061 and the LBJ in Dallas (in which Cintra has a 51.0% stake), a 27.4 kilometre toll road, the term for which ends in 2061 and the remaining concession, the SH-130 (segments 5 and 6), (in which Cintra has a 65.0% stake), which runs between San Antonio and North Austin, totals 64.0 kilometres and terminates in 2062, started operating in November 2012.

LBJ and NTE are two of the first existing “managed lanes” projects. Under the “managed lanes” system, tariffs charged are dynamic and may be changed every five minutes to manage traffic volume and ensure a minimum speed of 50 miles per hour (80.5 kilometres per hour).

As mentioned before, in the first quarter of 2013 Cintra was awarded the new section of the North Tarrant Express toll motorway in Texas (NTE 3A-3B). This project includes Section 3A (10.5km), the junction between the I-35W and the IH-820, and Section 3B (5.8km), and involves the remodelling of the existing lanes, which will be toll-free, and the construction of two additional “managed lanes” that will be subject to electronic tolls, as well as the operation and maintenance of the whole section. Cintra will be responsible for the construction of Section 3A and the junction, which will be carried out by Ferrovial Agroman and Webber,



as well as the operation and maintenance of the two segments. The Texas Department of Transport (“TxDOT”) will be responsible for the construction of Section 3B.

## Spain

- Ausol

Together, Cintra’s Spanish Ausol I and Ausol II concessions cover 77 kilometres of toll roads and 28 kilometres of toll-free roads on the Costa del Sol motorway in southern Spain. The Ausol I concession covers the 82.7 kilometres segment between Malaga and Estepona, providing a link between the three town bypasses of Fuengirola, Marbella and Estepona. The segments of the motorway” which pass Benalmádena, Marbella and Estepona are toll-free. The Ausol II concession (22.5 kilometres) covers the fully tolled southern extension of the Costa del Sol motorway from Estepona to Guadiaro.

The Ausol I concession was awarded in 1996, and became operational in June 1999. Ausol II was awarded in June 1999 and became operational in August 2002. The Ausol I and II concessions have 50 and 55 year terms, ending in 2046 and 2054, respectively. Cintra holds an 80% interest in the concessions.

The Ausol concessions provide a toll road in one of the corridors with the highest population growth in Spain, providing an alternative route in a highly congested semi-urban corridor.

As the Costa del Sol motorway is located along a popular vacation destination, traffic levels are subject to seasonal fluctuations, with higher traffic levels recorded in the summer and around the Easter holiday. Accordingly, the tariff structure of the Ausol concessions provides high and low season tariffs that vary according to vehicle type and motorway sections travelled. The toll rates are inflation indexed with an adjustment in the case of traffic exceeding established thresholds.

The Ausol concessions generated revenues of €48.5 million in the year ended 31 December 2012, which accounted for 12.7% of Cintra’s total revenues for the year ending 31 December 2012.

- Autema

Cintra’s Spanish concession for the 48 kilometre toll road from Sant Cugat to Manresa in Catalonia is one of its more mature assets. The concession for the Terrassa to Manresa segment of C-16 motorway was awarded in 1986 and was modified in 1989 to include the 12 kilometre segment between Sant Cugat and Terrassa. Construction was completed in 1991 and the project has been fully operational as a toll road for the last 21 years. The concession, the term of which was increased by 15 years in 1993 to a total of 50 years, will expire on 31 December 2036. Cintra holds a 76.28% stake in the concession.

The Autema motorway is one of the roads leading to Barcelona and is a commuter corridor. The increase in traffic levels for Autema has been significant in recent years notwithstanding the fact that the toll road has been operational for 21 years.

The Autema concession is operated under a user-paid toll regime, charging tolls according to the day of the week and vehicle type. Tariffs are set by the terms of concession agreement and may be adjusted annually for inflation, subject to approval by the Catalanian government.

Since 1999, the Autema concession has a guarantee provided by the regional government through which, in exchange for a substantial price reduction, the government each year will pay the difference between the actual revenues and those forecast in the finance plan in force at the time, plus an adjustment for higher operating expenses due to the increase in traffic caused by the tolling price reduction.

The Autema concession generated revenues of €84.0 million in the year ended 31 December 2012, which accounted for 22.0% of Cintra’s total revenues for the year ending 31 December 2012.

- Other Toll Roads in Spain

In Spain, Cintra is also the concessionaire for the Madrid Sur (Radial 4), Madrid-Levante (AP-36 Ocaña-La Roda) and Alcalá-O’Donnell (M-203) toll roads. During the first quarter of 2012, Cintra won the A66 Ruta de la Plata (Benavente-Zamora) and the Autovía del Almanzora (Purchena-A7) in 2011.

In September and October 2012, the companies of the Radial 4 and AP-36 Ocaña-La Roda motorway filed for court protection from their creditors. This decision has been taken in the confidence that a solution will be reached within the coming months. The investment relating to these projects has been fully provisioned and the outcome of the creditor protection process is not expected to have a negative impact on Ferrovial's accounts.

The Almanzora highway project, in which Cintra holds a 16.25% interest, is a public-private partnership to build, conserve, maintain and operate the section between Purchena and the A-7 or Mediterranean Highway, on its way through Huércal-Overa (Almería). This 30-year concession of 42 kilometres will be operated under an availability payment scheme and is intended to turn the Almanzora district into a strategic hub between the Levante area, the north of Granada and Almería. The Project will connect this area with the corridor that joins the A-92 and western Andalusia. The construction will begin mid-2013 and will last 32.5 months.

The new 49-kilometre section of the A-66 between Benavente and Zamora will complete the arterial road that connects Gijón and Seville – the “Silver Route”. This 30-year concession, in which Cintra holds a stake of 20%, is divided into three sections, and will run as closely as possible to the N-630 to minimize environmental impact. The Autovía de la Plata highway will run under an availability payment regime, with no toll rates for users.

#### Portugal

- Norte-Litoral

The Portuguese Norte-Litoral concession involves the operation and maintenance of the existing motorway and the design and construction, maintenance and operation of an extension to that motorway. Cintra holds a 75.53% direct interest in the Norte-Litoral which terminates in 2031.

The existing motorway is 119 kilometres long. The motorway was conceived as a means to provide an express route between the main towns and cities near the northern coast of Portugal, as well as providing a link to the border with Spain.

Tolls for this concession were initially paid under a shadow toll regime, whereby the Portuguese Government paid Cintra tolls based on the annual traffic volume on the operative section of the motorway. Since October 2010, this system has been replaced with an availability toll system under which payment is calculated based on the number of days on which the highway is operating, with penalisation for lane closures, where the daily rates are indexed according to the consumer price index for mainland Portugal.

The Euroscut Norte-Litoral generated revenues of €40.3 million in the year ended 31 December 2012, which accounted for 10.6% of Cintra's total revenues for the year ending 31 December 2012.

- Algarve

Cintra has a 77% interest in the Euroscut Algarve toll road concession, which has been granted until 2030. This toll road is 129.8 kilometres long. This concession is currently paid under a shadow toll regime, whereby the Portuguese Government paid tolls based on the annual traffic volume on the operative section of the motorway. Negotiations with the Portuguese Government are underway in order to operate the toll road in a similar way as the Norte Litoral concession.

The Algarve generated revenues of €39.2 million in the year ended 31 December 2012, which accounted for 10.3% of Cintra's total revenues for the year ending 31 December 2012.

- Euroscut Azores

Cintra has an 89% stake in the concession for the construction and operation of the Euroscut Azores toll road, which has been awarded until 2036. This toll road has a high capacity road system of 93.7 kilometres, which will significantly improve the road network in the central and eastern parts of the island of San Miguel, in Azores, Portugal. This highway entered into service in December 2011.

The toll road is operated under a shadow toll system under which terms payment is made by the authority granting the concession and not by the highway users. Traffic above a certain threshold will not pay

tolls and tolls will be applied under a system of varying rates divided into traffic bands. Toll rates are linked to the consumer price index for the Azores.

The Azores generated revenues of €21.1 million for the year ended 31 December 2012, which accounted for 5.5% of Cintra's total revenues for that year.

#### Other Countries

Ferrovial also operates two concessions in Ireland: the M3, a 50 kilometre toll road, the term for which ends in 2052, and Eurolink (M4-M6), a 36 kilometre toll road, the term for which ends in 2033; and two concessions in Greece (Cintra has a 33.34% stake in each of these concessions): the Ionian Roads and Central Greece toll roads of 378.7 kilometres and 231 kilometres respectively, each terminating in 2037 and 2038, respectively.

### Airports Business Division

#### Summary

Ferrovial's activities in the Airports business division include the development, financing and operation of airports.

Ferrovial participates in the airport industry principally through HAH, since 2006, when it acquired a stake of 55.87% in HAH. On 26 October 2011 Ferrovial completed the sale of 5.88% of its interest and started to consolidate in Ferrovial's Group accounts under the equity method.

After the sale of a further 5.72% to Stable Investments Corporation (a wholly owned subsidiary of CIC International Co. Ltd), on 31 October 2012, and of a further 10.62% to Qatar Holding LLC, Ferrovial indirectly holds 33.65% of HAH's share capital. The remaining stakes are held by Qatar Holding LLC (20%), Caisse de Dépôt et Placement du Québec (13.29%) investment vehicles controlled by the Government of Singapore Investment Corporation (11.88%), Alinda Capital Partners (11.18%) and CIC International Co. Ltd. (10.0%).

As at 31 December 2012, HAH owned Heathrow and four other airports in the United Kingdom: Stansted, Glasgow, Aberdeen, and Southampton, being a world leading private airport operator. The five airports handled 99.7 million passengers in 2012.

As a consequence of the Competition Commission proceeding, on 31 May 2012 HAH closed the sale of its 100% interest in Edinburgh Airport Limited to Global Infrastructure Partners ("GIP") for £807.2 million, and on 28 February 2013 announced the completion of the sale of Stansted airport to the Manchester Airports Group for £1,500 million.

#### Division results of operations

The table below sets out the revenues and EBITDA for the key airports of the Group and the Heathrow Express rail operations for the years ended 31 December 2012 and 31 December 2011:

Airports	Year ended 31 December			
	Revenues		EBITDA <sup>(1)</sup>	
	2012 <sup>(2)</sup>	2011 <sup>(2)</sup>	2012 <sup>(2)</sup>	2011 <sup>(2)</sup>
	<i>(millions of pound sterling)</i>			
Heathrow .....	2,108.0	1,936.0	1,102.6	982.9
Heathrow Express .....	181.1	173.7	66.6	62.3
Stansted.....	241.5	234.4	94.2	86.8
Scotland <sup>(3)</sup> .....	186.6	175.8	69.0	64.8
Southampton.....	27.0	27.5	8.5	9.9

**Year ended 31 December**

<b>Airports</b>	<b>Revenues</b>		<b>EBITDA<sup>(1)</sup></b>	
	<b>2012<sup>(2)</sup></b>	<b>2011<sup>(2)</sup></b>	<b>2012<sup>(2)</sup></b>	<b>2011<sup>(2)</sup></b>
	<i>(millions of pound sterling)</i>			
Others <sup>(4)</sup> .....	(98.3)	(23.4)	14.3	80.4
<b>Total</b> .....	<b>2,645.9</b>	<b>2,524.0</b>	<b>1,355.2</b>	<b>1,287.2</b>

Notes:

- (1) “EBITDA” is earnings before interest, taxes, depreciation and amortisation, impairment losses and asset disposals.
- (2) Figures for the year ended 31 December 2012 were extracted from the 2012 Consolidated Annual Accounts and figures as of and for the year ended 31 December 2011 were extracted from the 2011 Consolidated Annual Accounts.
- (3) Includes Aberdeen, Edinburgh (January to May) and Glasgow airports.
- (4) Includes Naples and US retail figures for 2010.

In 2012, HAH revenues and EBITDA were £2.6 billion and £1.4 billion respectively (considering the 100%).

Since 2011 HAH has been equity-accounted.

*Inception*

The origins of the Airports business division date back to 1998, but it was only in 2006, with the acquisition of HAH, that it gained its current relevance.

*Customers and Type of Contracts*

Please refer to section “Activities” below.

*Activities*

The Airports business division generates two primary types of income: aeronautical income and non-aeronautical income. Aeronautical income is generated from airport fees and traffic charges. At Heathrow these charges are regulated and principally levied on the basis of passenger numbers, maximum total aircraft weight and the length of time for which an aircraft is parked at these airports. Non-aeronautical income is generated mainly from retail concession fees, car parking income, advertising revenue and other services supplied by the airports operators, such as the rental of aircraft hangars, cargo storage facilities, maintenance facilities, and the provision of facilities such as baggage handling and passenger check-in. HAH also generates income from the Heathrow Express rail operations.

The Airports business division assets are divided into regulated and non-regulated assets. The regulated assets are comprised of Heathrow, and the non-regulated assets are Glasgow, Aberdeen and Southampton airports (the “Non-designated Airports”).

Designated Airports

- Heathrow

Located 24 kilometres west of Central London, Heathrow handles more international passengers than any other airport in the world. It is the principal airport for long haul routes in the United Kingdom and is Europe’s busiest airport in terms of total passengers. In 2012, 70.0 million passengers travelled through Heathrow, of which approximately 7% were domestic passengers, 52% were international long haul passengers and 41% were European passengers. Heathrow hosts most of the world’s major international airlines and is the worldwide hub of British Airways and the main European hub of the Oneworld Alliance (which includes British Airways, Iberia, American Airlines, Finnair, Japan Airlines (JAL) Qantas and Royal Jordanian). It also hosts the other two principal alliances of SkyTeam (which includes Air France, KLM, Alitalia, China Southern

and Kenya Airways) and Star Alliance (which includes Air Canada, Air New Zealand, Air China, Egyptair, Lufthansa and Turkish Airlines).

Heathrow has an air transport movements (known as “ATMs”) annual capacity limit set by the Department of Transport. Heathrow is served by two parallel runways which together have maximum permitted ATMs of 480,000 per year. For the year ended 31 December 2012, actual passenger ATMs totalled 471,341. In 2012, British Airways accounted for approximately 47% of Heathrow’s ATMs, Oneworld Alliance 52% and Star Alliance 25%. In 2012, approximately 65% of Heathrow’s passenger traffic was origin and destination traffic and 35% was transfer traffic. Heathrow has five terminals with a total space of 837,205 square metres and provides a wide range of passenger services, including passenger-handling facilities, shops, bars, restaurants and over 20,000 public car park spaces. Heathrow is served by extensive bus services, London Underground services and the dedicated Heathrow Express rail link to and from London Paddington Station.

Heathrow has maintained a strong focus over recent years on operational performance, improving passenger experience and investing in new and upgraded facilities. As a result, Heathrow has risen to become one of the top performing major European hubs in terms of overall passenger satisfaction. In the third quarter of 2012, 75 per cent. of passengers rated their Heathrow experience as either “very good” or “excellent” up from 39 per cent. in 2006. Heathrow is implementing a £5.6 billion investment programme over next six years from 31 March 2014. The new Terminal 5 at Heathrow has provided additional terminal passenger capacity for up to 30 million passengers per year and has enabled Heathrow to begin rebuilding and renovating its other terminals. Construction of a new Terminal 2 is under way, which will have an initial capacity of up to 20 million passengers per year when it becomes operational in 2014, by which time all Heathrow’s terminals will be either new or recently refurbished.

Given its relative scale, Heathrow is very important for the Airports business division, accounting in 2012 for approximately 70% of the total passengers in the airports participated by Ferrovial and approximately 87% of the division’s revenues.

- Stansted

On 20 August 2012, HAH announced its decision not to appeal to the Supreme Court against the ruling of the Competition Commission of 19 July 2011 that required it to sell Stansted. On 28 February 2013, HAH announced the completion of the sale of its 100% interest in Stansted to the Manchester Airports Group for £1,500 million. £639 million of the proceeds were used for the early amortization of a revolving credit line and £100 million were used for the early amortization of the Class B loan. An additional £300 million will be used for the partial repayment of debt of ADI Finance 1 Limited and/or for the distribution of dividends to HAH shareholders.

Stansted generated turnover of £242 million and EBITDA of £94 million for the year ended 31 December 2012.

#### Non-designated Airports

The Non-designated Airports as of 31 December 2012 consist of Edinburgh (January-May), Glasgow, Aberdeen and Southampton.

Unlike Heathrow, the Non-designated Airports do not have an ATM or annual capacity limit established by the Department of Transport.

The Non-designated Airports serve a catchment area in Scotland and England’s South Coast of 6.3 million people. The regions served by these airports have shown strong economic growth anchored upon financial services, energy and logistics industries, which was reflected in the robust traffic growth experienced over the past 10 year period with over 15.7 million passengers travelling through them in 2012.

Glasgow airport is Scotland’s second busiest airports after Edinburgh airport with 7.2 and 6.9 million passengers in 2012 and 2011, respectively. It has a catchment area of 1.8 million people and offers a balanced mix of domestic (50%) and international (50%) traffic. It is served by 30 airlines that fly to 90 destinations. The infrastructure in place would support 15.0 million passengers per year.

Aberdeen airport is one of Britain's fastest growing airports and one of the world's busiest commercial heliports, providing services for approximately 525,000 helicopter passengers in support of the North Sea oil and gas industry. Aberdeen airport is used by 22 airlines serving more than 45 destinations.

Southampton has a large catchment area of over 3.0 million people and serves 44 destinations with 12 airlines using this airport. It provides short haul air links to mainland Europe, large United Kingdom cities and the Channel Islands.

The table below sets out the number of passengers by airport for the years ended 31 December 2012 and 31 December 2011:

Airport	Year ended 31 December	
	2012	2011
	<i>(million passengers)</i>	
Heathrow .....	70.0	69.4
Stansted .....	17.5	18.0
Glasgow .....	7.2	6.9
Aberdeen .....	3.4	3.1
Southampton .....	1.7	1.8
<b>Total</b> .....	<b>99.7</b>	<b>99.2</b>

#### *Regulatory Matters*

The new Civil Aviation Act 2012 (the "Act") became law at the end of 2012 replacing the Airports Act 1986 as the key piece of legislation relating to the economic regulation of UK airports. The Act introduces a new single primary duty for the CAA to promote the interests of existing and future end consumers of passenger and freight services, wherever appropriate by promoting effective competition. This primary duty is supported by various supplementary duties including ensuring that an efficient airport operator is able to finance the activities that are the subject of its licence obligations.

Following the enactment of the Act, the CAA has provided an airport licence alongside the price cap proposals with no significant changes.

The CAA sets the maximum level of airport charges for five year periods, known as quinquennia.

As with other UK regulated utilities, Heathrow airport's price cap is set on an RPI +/- X per cent. basis based on an allowed return on the RAB. Changes in costs and revenues and changes in assumed traffic volumes are addressed going forward when tariffs are re-set for the following regulatory period. However, there is not a retrospective adjustment for shortfalls in lost income or additional costs (except where airports incur additional security costs, above an established threshold, when implementing new security directives imposed by the EU or the UK Government).

#### *The CAA and its Statutory Powers and Objectives*

The CAA is the independent aviation regulator in the UK, with responsibility for economic regulation, airspace policy, safety regulation and consumer protection. The CAA currently has a statutory duty to perform its functions in setting price controls in a manner which it considers is best calculated to:

- further the reasonable interests of users of airports within the UK;
- promote the efficient, economic and profitable operation of such airports;

- encourage investment in new facilities at airports in time to satisfy anticipated demands by the users of such airports; and
- impose the minimum restrictions that are consistent with the performance by the CAA of its functions.

The Airports Act does not provide guidance on how the CAA should weigh its various statutory duties. The CAA has stated that where two or more of its statutory duties pull in different directions it will base its decisions on its overall assessment of how the combination of regulatory policy decisions are together best calculated to meet its statutory duties taken as a whole. The CAA's statutory duties are subject to change as set out below.

In carrying out its statutory functions, the CAA also has to take account of the UK's international obligations. Amongst other things, these provide that airport charges for non-national aircraft are not higher than those paid by national aircraft engaged in similar operations.

The International Civil Aviation Organisation publishes guidance on charges for airport services. It considers that where an airport is provided for international use, the users shall ultimately bear their full and fair share of the cost of providing the airport including a reasonable rate of return on assets. It also provides guidance on charging systems suggesting, among other things, that charges should be simple and non-discriminatory and that increases should be introduced on a gradual basis where possible.

#### *Future Changes to the Regulatory Framework*

The Civil Aviation Bill is being brought forward following the UK Government's decision announced in December 2009 which followed extensive consultation with the industry regarding changes to the economic regulation of UK airports. The legislation may be subject to change prior to its implementation.

The reforms include introducing a new single primary duty for the CAA to promote the interests of existing and future end consumers of passenger and freight services, wherever appropriate by promoting effective competition. There will also be supplementary duties for the CAA to:

- have regard for airport operators' legal obligations to comply with applicable environmental and planning law;
- secure, so far as it is economical to meet them, that all reasonable demands for airport services are met efficiently;
- ensure that licence holders are able to finance the activities which are subject to the relevant licence obligations;
- have regard to guidance issued by the Secretary of State, as well as any National Policy Statement on airports;
- have regard to the principles of Better Regulation and to consult with stakeholders, including airlines; and
- secure that licence holders are able to take reasonable measures to mitigate the adverse environmental effects of the licensed airport, its associated facilities and aircraft using that airport.

The proposed reforms will also bring into effect an economic licensing regime for airports similar to the regulatory framework in place in certain other regulated sectors such as water and energy; as a regulated airport. Heathrow airport will require a licence (in addition to its existing aerodrome licence. Licensed airports are expected to be subject to a form of price control and a sanctions regime. The licensing regime is to be developed but could include scope for financial penalties, for example, in the event of a breach of certain licence conditions. Licensed airports are also expected to be obliged to consult stakeholders on future plans for investment and the operation of an airport, to report on environmental performance, to comply with service standards and other conditions and measures designed to ensure the effective economic regulation of the airport. The CAA will issue the initial licence. The licensing regime will also include conditions relating to the financial resilience of licensed airports. For example, this may include requirements in respect of:

- a minimum credit rating requirement for licensed airports;
- ring-fencing provisions similar to those in place in other regulated sectors but with initial derogations from some of those provisions where the costs of implementation would exceed their benefits;
- a requirement on the CAA to apply agreed tests when considering the removal of an airport's derogations and an appeals process that is aligned with the wider licence modification process; and
- a requirement for airports to put in place continuity of service plans.

The UK Government has confirmed:

- that it will not bring in a special administration regime; and
- that it will not be making changes to the basis on which the current price cap at Heathrow is set.

#### *CAA's initial proposals for Heathrow's Q6*

The CAA has published its initial proposals for the regulation of Heathrow Airport Limited for the next quinquennium (Q6) starting in April 2014. The regulator is proposing to cap Heathrow's charges at RPI -1.3%, which means a reduction from the current RPI +7.5% formula and the 5.9% proposed by Heathrow itself, but with capital expenditure staying at the £3 billion level. On the other hand, the CAA has retained the RAB-based methodology for setting price caps, as well as the single-till approach. Responses to the consultation are due on 25 June 2013, with the regulator's final proposals to be published in October 2013 and take effect as of April 2014.

#### *Competition Commission*

HAH's provision of United Kingdom airport services has been the subject of a Competition Commission ("CC") investigation. In March 2009, the CC published its final decision in relation to its investigation, which included the key structural remedy that HAH must divest both Gatwick airport and Stansted (and either Edinburgh or Glasgow airport). Gatwick and Edinburgh has since been sold.

On 18 May 2009, HAH applied to the Competition Appeal Tribunal ("CAT") to appeal the CC's findings.

On 21 December 2009, the CAT released its judgment in HAH's appeal against the CC decision requiring HAH to dispose of Gatwick and Stansted as well as one of either Edinburgh or Glasgow airports. In the judgment, the Tribunal unanimously concluded that, in the light of the material facts, a fair-minded and informed observer would conclude that there was a real possibility of bias affecting the deliberations, thinking and ultimate outcome of the CC investigation of the supply of airport services by HAH in the United Kingdom. The CAT also concluded that HAH had not waived its right to object to the apparent bias.

On 25 February 2010, the CAT ordered that the CC's decisions be quashed and that the matter be referred back to the CC to reconsider but that this referral will not take effect until the conclusion of any appeal. On 26 March 2010, the Court of Appeal granted the CC leave to appeal against the CAT's findings in relation to apparent bias and the appeal hearing occurred in June 2010. The CC's decision was upheld by the Court of Appeal in October 2010 and, in February 2011, HAH was refused permission to appeal to the Supreme Court.

On 19 July 2011 the CC reviewed its original decision in light of changes in circumstances since 2009 and concluded there had been no material change that would lead it to amend its requirement that HAH sell Stansted and one of the Scottish airports within the original commercially confidential timescale. HAH subsequently appealed the CC's decision to the CAT as to the requirement to sell Stansted. As to the disposal of the Scottish airports, HAH announced on 19 October 2011 the nomination of Edinburgh as the airport to be sold. On 31 May 2012, HAH closed the sale of its 100% interest in Edinburgh Airport.

On 1 February 2012, the CAT found in favour of the CC's decision to require HAH to sell Stansted Airport. HAH initiated appeal proceedings against this decision on 29 February 2012, but this request was refused by the Court of Appeal on 26 July.



After careful consideration, on 20 August 2012, HAH announced its decision not to appeal to the Supreme Court against the ruling of the CC of 19 July 2011 that required HAH to sell Stansted. On 18 January 2013, HAH announced that it had agreed to sell its 100% interest in Stansted to Manchester Airports Group for £1,500 million. The deal was closed on 28 February 2013 putting an end to the CC's investigation process.

#### *UK aviation policy developments*

The main development in UK aviation policy in the last year related to the debate on hub capacity, the importance of which is underlined by the fact that in 2012 Heathrow, the UK's only hub airport, once again operated close to its maximum permitted annual flight numbers. The hub airport model used by Heathrow and its competitors uses transfer passengers to support flights to long haul destinations which would not be viable using local demand alone. But unlike its rivals in France, Germany, the Netherlands and Dubai, Heathrow is full and its capacity constraints prevent any meaningful increase in the numbers of flights and routes. This means the country's ability to trade with emerging economies is constrained, with potential long term consequences for UK trade, jobs and economic growth.

At the start of 2012 a third runway at Heathrow was being excluded as a potential solution. However, during that year the government established the independent Airports Commission, chaired by Sir Howard Davies, which has been tasked with identifying and recommending options for maintaining the UK's status as an international aviation hub. It is expected to do this by assessing the UK's international connectivity needs and recommending the optimum approach for meeting these.

The Commission is expected to produce an interim report by the end of 2013 which will set out its assessment of the evidence on the nature, scale and timing of the steps needed to maintain the UK's global hub status and its recommendations for immediate actions to improve the use of existing runway capacity in the next five years. A final report is expected by summer 2015.

#### *Service standards*

In April 2012 Heathrow Terminal 5 was named the world's best airport terminal in the 2012 SKYTRAX World Airport Awards. More recently, Heathrow achieved an all-time record overall passenger satisfaction score of 3.96 in the Airport Service Quality ("ASQ") for the third quarter of 2012. This reflects in particular the success of the airport in delivering an outstanding welcome for thousands of Olympic and Paralympic athletes. Over 2012 as a whole Heathrow also achieved its highest ever average score of 3.94 (2011: 3.88) in the quarterly ASQ surveys.

#### *Financing Activity*

HAH's financing position was transformed in 2012 with over £3 billion raised in multiple capital markets transactions and the successful refinancing of HAH's core revolving credit and liquidity facilities. This marked the culmination of a programme that has seen HAH raise nearly £7 billion since 2009, enabling full repayment of loan facilities put in place in the 2008 refinancing and putting HAH in its strongest liquidity position for many years.

Eleven capital markets transactions were completed by HAH in 2012 across a range of currencies, rating levels and formats with highlights including £1 billion in Class B issuance. There were also debut offerings in both Swiss francs (CHF400 million five year Class A bond) and Canadian dollars (C\$400 million seven year Class A bond).

In 2012, HAH also completed the refinancing of its revolving credit and liquidity facilities. The new facilities were well oversubscribed with approximately £4 billion of commitments from 17 existing and new relationships banks from across the globe. This enabled the size of the new facilities to be increased to £2.75 billion.

Recent progress is evident from the fact that between 31 December 2011 and 31 December 2012, HAH has diversified its sources of funding in the bond markets from three currencies to five, increased the average life of its external debt from 9.8 years to 10.1 years and reduced the amount of debt falling due within 3 years from £3.7 billion to £1.8 billion.

### *Investment in modern airport facilities*

Heathrow's capital investment programme achieved a number of significant milestones in 2012 with the main projects including construction work on Terminal 2 as well as the development of baggage systems and a major refurbishment programme at Terminal 4. As expected, investment at Heathrow increased significantly in 2012 (over £1.1 billion) compared to 2011 (over £800 million). The level of investment is expected to continue at an elevated level in 2013 as progress is made towards opening Terminal 2.

Terminal 2's construction is expected to be completed in late 2013 with operations commencing in mid-2014. Once open, more than 60% of passengers using Heathrow will enjoy some of the newest airport facilities in the world.

### **Research Development and Innovation**

In 2012 Ferrovial managed 81 innovation projects with a total investment of €32.6 million in the seven strategic areas defined according to the business strategy: energy efficiency, intelligent cities, recycling waste, water, innovative construction, toll roads and airports. Among the projects carried out are the development of a satellite toll payment system and a model to optimize the energy in osmosis seawater desalination plants.

The Group carries out its R&D+i activity through its development centers, such as the Center for Excellence in Transportation, the Asset Management Center and the Center for Intelligent Infrastructure Innovation ("CI3"). The CI3 was founded in 2010 with the support of Alcalá de Henares University and the backing of the Regional Government of Castilla-La Mancha. The CI3 has a budget of approximately €10.0 million for innovation projects for the period from 2010 to 2013 and its main projects currently underway include EMMOS (advanced energy efficiency management system for buildings, urban areas and facilities), RINTER (intelligent waste collection system) and SATOLL (satellite tolls) and TOBOSO (tolling back-office system).

The Group also collaborates with some of the most reputed research centres in the world. The Group also has stable agreements with 21 universities and research centers. For example, at the end of 2010, Ferrovial signed a five-year agreement with the Massachusetts Institute of Technology ("MIT"), for collaboration on research projects geared toward transforming cities and developing the infrastructures of the future.

Ferrovial also participates in public and private innovation initiatives in Europe and Spain and has nearly 400 patents registered.

### **Legal Proceedings**

Ferrovial is involved from time to time in various claims and lawsuits, most of which arise in the ordinary course of its business. The main judicial, arbitration and regulatory proceedings of Ferrovial as of the date of this Prospectus are set forth below.

#### *Spanish toll roads*

Cintra is a party to several proceedings regarding expropriation rights in respect of land required to build toll roads. Ferrovial has recognised a provision of €388.0 million for such proceedings, with €344.7 million of this provision relating to the Madrid Sur (M-50 and Radial 4) concession road. In relation to the Madrid Sur concession road, during 2011 and 2012, the concession company of the M-50 and Radial 4 motorway, which is a subsidiary of Cintra, has received many judgements from the Madrid High Court of Justice (*Tribunal Superior de Justicia*) regarding Madrid land valuations, both for the M-50 and the Radial 4, and also judgements concerning the land valuation for the Radial 4 toll road in Toledo. The majority of these judgements have been appealed and the High Court (*Tribunal Supremo*) is beginning to consider such appeals.

Recently, the concession companies in respect of the M-50, Radial 4 and AP-36 roads filed for court protection from their creditors, and their application has been admitted by the judge. Under Spanish Insolvency Law, enforcement of claims against companies in "*concurso*" is stayed until certain conditions are met.

### *Spanish tax audit assessments*

Ferrovial is currently involved in several appeals against taxes claimed in Spanish tax audit assessments. The most significant appeals relate to Corporate Income Tax and Value Added Tax of Group companies for fiscal years 2002 to 2011, which have a total value of €283 million. Final payment of these taxes has been deferred until the end of the Court proceedings, which are expected to last, between 8 and 10 years. Although based on legal opinions requested to legal advisers there are sufficient legal arguments to support its position on appeal, Ferrovial has registered a complete reserve for such proceedings.

### *Container terminal at the port of Barcelona*

The UTE Muelle Prat joint venture, in which Ferrovial Agroman participates, was involved in the first phase of construction of the Muelle Prat container terminal, located in the port of Barcelona, which was completed in March 2006. On 1 January 2007, sixteen of the armed concrete drawers built in the container terminal were displaced over an area of 600 meters along the container terminal. In September 2011, Ferrovial Agroman was sued by the Puerto de Barcelona jointly with another six companies. The claim is for damages for the amount of €97 million. The claim is against all of the companies that were involved in the construction of the Muelle del Prat and acknowledges that the claimant does not know the cause of the accident on the grounds of a technical report drafted by an expert not belonging to the Group, Ferrovial Agroman believes that the UTE Muelle Prat does not have any liability in this case.

### *Other construction legal proceedings*

#### *Arbitration in Warsaw*

Ferrovial Agroman is currently involved in legal proceedings relating to an agreement with Polish Airport State Enterprise (PPL) (“PPL”). PPL terminated early its agreement with the Ferrovial Agroman-Budimex consortium and executed performance bonds provided by such consortium amounting to 54.3 million Polish zlotys (approximately €13.5 million). The Ferrovial Agroman-Budimex consortium is claiming the amounts of 54.3 million Polish zlotys and approximately US\$59.0 million from PPL for the illegally collected bonds and unpaid works, respectively (in total, approximately €54.5 million). PPL is counter-claiming 281.0 million Polish zlotys (approximately €67.0 million) in damages, loss of business and late compliance penalties. These claims are currently being heard by an arbitration court. In February 2009, the arbitrators resolved that PPL should reimburse the Ferrovial Agroman-Budimex consortium the proceeds of the executed guarantees. In September 2012, PPL reimbursed the Consortium for the amount of the guarantees, PPL has appealed such resolution. On June 2010, an expert was appointed to decide whether PPL was entitled to terminate the agreement early. Based on the opinion issued on 29 July 2011 and April 2012 by such expert the legal advisers of Ferrovial Agroman believe that there is a good chance of a positive outcome for Ferrovial Agroman in these proceedings. Based on this legal advice, Ferrovial Agroman has made a partial provision of €15.6 million for such proceedings, as it does not expect that they will have a material adverse effect on its business, financial condition or results of operations.

#### *Arbitration in Tunisia*

Ferrovial Agroman is currently a party to proceedings filed against it in relation to an agreement with Entreprise Electra Essid Neji (“Electra Essid”). Ferrovial Agroman subcontracted Electra Essid to install the electrical works of the Olympic Stadium of Rades, in Tunisia. The value of the agreement was approximately €2.25 million. The final invoice of Electra Essid expressly stated that it waived its right to claim for any amount other than the contractual retainage deducted under the performance guarantee, which amounted to 542,800.0 Tunisian Dinars (approximately €0.25 million). Electra Essid has claimed the amount of 45.0 million Tunisian Dinars (approximately €22.5 million) from Ferrovial Agroman, which is approximately ten times the price of the subcontracting agreement and one hundred times the amount of the retainage deducted. Legal advisers of Ferrovial Agroman believe that there are enough legal arguments to oppose Electra Essid’s claim. Based on their opinion, Ferrovial Agroman has not made a provision in respect of these proceedings as it does not expect that they will have a material adverse effect on its business, financial condition or results of operations.

## Woermann Tower in Tenerife

In May 2011, the owners of the Woermann Tower brought an action against Ferrovial Agromán and Ferrovial Inmobiliaria, S.A., the technical directors (*dirección facultativa*) of the Woermann Tower and the designers of the Woermann Tower, on the grounds of construction defects. The claim amounts to €15.5 million. Ferrovial Agromán has made a partial provision of €9.6 million for such claim, however it does not believe that an adverse outcome in these proceedings would have a material adverse effect on its business, financial condition or results of operations.

### *Arbitration regarding Spanish waste management*

Cespa Gestión y Tratamientos de Residuos, S.A., a subsidiary of Cespa Gestión de Residuos, is involved in legal proceedings relating to the lease of lands where the now-closed landfill of Guadalajara was located and alleged breach of contract and environmental torts. Claim has been brought by RyG 55 Promociones Alcarreñas, S.L. and some other construction companies for an amount alleged to be not less than €27 million. The Claim is being heard before an Spanish arbitration court (CIMA) and the process is currently at the stage of proposal for evidence (*“proposición de prueba”*) by the parties, having been already filed the claimant submissions and the defendant replies to them.

## **Environmental Matters**

Ferrovial’s activities are subject to environmental regulation. This requires, among other requirements, that the Group commissions environmental impact studies for future projects and that it obtains the licences, permits and other authorisations required to construct and operate relevant projects. In recent years there has been a significant increase in environmental regulation in Spain, the European Union and other jurisdictions in which Ferrovial operates. These include regulations in relation to carbon dioxide emissions and limitations on polluting emissions from large plants and facilities. Ferrovial has implemented environmental management systems (“EMSs”) worldwide, which are focused on managing and monitoring legal compliance of its activities. In 2012, 81% of total sales worldwide were certified according to the international standards ISO 14001 and the EU Eco-management and Audit Scheme (EMAS).

Ferrovial has established a “Sustainability Policy” which has been implemented worldwide and across all business divisions. Each Group company and each business division has adapted this policy according to the risks and regulatory environment of its business activity. A fundamental aspect of the Sustainability Policy of Ferrovial is its climate change strategy. The Group’s strategy on this particular issue involves: a) the control and mitigation of regulatory risks, b) an adaptation program responding to the impacts of climate change on Ferrovial’s assets worldwide, including those areas particularly sensitive to extreme climatological events, and (c) an integrated and proactive approach to position the Group to benefit from business opportunities worldwide (i.e. energy efficiency, low carbon infrastructures, water management, carbon sinks, biodiversity and natural resources, etc.). Concerning Ferrovial’s own emissions, procedures for calculating and monitoring the carbon footprint have been implemented since 2007, currently involving 100% of activities worldwide. Moreover, ambitious targets for the reduction of greenhouse gases have been set since 2009 at both business and Group levels. Carbon emissions and targets are yearly audited and verified by a third party. As a result of this challenging strategy, since 2010, analysts at the Carbon Disclosure Project rated Ferrovial’s strategy and performance on climate change as the best within the heavy construction and transport infrastructure sectors, including the Group in both Carbon Disclosure Leadership Index (“CDLI”) and Carbon Disclosure Performance Index (“CPLI”). In 2012, Ferrovial was listed in the CPLI as a sector leader, clearly outperforming all competitors in its sector. In addition, since 2002, Ferrovial has been consistently rated within the Dow Jones Sustainability Indexes (in both Europe and world ratings).

In order to monitor and report the global environmental performance of the main business areas of the Group, Ferrovial has created an environmental performance index (“EPI”) which summarises the environmental effects (or risks, depending on the business area) of its activities, as well as the eco-efficiency of business activity and the achievement of environmental targets. The EPI has been implemented in both the Construction business division (since 1999) and the Services business division (since 2009). The index can

calculate the values of the EPI for individual companies, or as a weighted aggregate to obtain an overall value for all the businesses at the corporate level.

### **Intellectual Property**

Ferrovial implements intellectual property (“IP”) protection policies and procedures. The measures taken by the Group to protect its IP include the entry into confidentiality, non-disclosure and/or non-compete agreements by employees, service providers and counterparties, as appropriate, and the dissemination throughout the Group of an internal code of conduct.

In order to prevent third parties from being able to use and benefit from their names or internet domains, Ferrovial’s policy is for all affiliates and subsidiaries to: (i) register and protect their names in accordance with local legislation, (ii) register their names as commercial brands in the relevant product areas, and (iii) register their internet domains.

### **Insurance**

Under its risk management policy, Ferrovial maintains insurance which provides cover against various risks, such as third party damage (aviation, environmental and civil liability, in general), construction defects, management's and employees' liability and risks to which its property, plant and equipment are subject. Ferrovial's risk management policy also includes the assessment of tools for risk transfer that are alternative to insurance cover.

### **Risk management**

Ferrovial has implemented a comprehensive risk management system called Ferrovial Risk Management (FRM). The system, which is oriented towards associating risks analysed with the objectives these risks threaten, is applied to all the Group’s lines of business, including subsidiaries in which Ferrovial has management capacity.

Ferrovial operates in countries with different social and economic situations and regulatory frameworks. In general, Ferrovial believes that significant risks are those that may compromise the viability of its businesses, their profitability and their corporate reputation, particularly any factor that may compromise the safety of its employees or third parties affected by its business activities or that might impact on the environment in which those activities are performed.

### **Employees**

In the year ended 31 December 2012, the Group had around 55,000 employees.

### **Management**

*Management of the Guarantors*

Management of Ferrovial, S.A.

### **Board of Directors of the Parent**

The Board of Directors of the Parent as at the date hereof is composed of the following 12 Directors:

<b>Name</b>	<b>Position</b>
Rafael del Pino y Calvo-Sotelo	Chairman
Santiago Bergareche Busquet	Vice Chairman
Joaquín Ayuso García	Vice Chairman
Iñigo Meirás Amusco	Executive Director
Jaime Carvajal Urquijo	Director
PORTMAN BAELA, S.L. <sup>(1)</sup>	Director

<b>Name</b>	<b>Position</b>
Juan Arena de la Mora	Director
Gabriele Burgio	Director
María del Pino y Calvo-Sotelo	Director
Santiago Fernández Valbuena	Director
José Fernando Sanchez-Junco Mans	Director
KARLOVY, S.L. <sup>(2)</sup>	Director
Santiago Ortiz Vaamonde	Secretary (non director)

Notes:

- (1) The Board of Directors of Portman Baela, S.L. as at the date hereof is composed of Rafael del Pino y Calvo Sotelo (Chairman), María del Pino y Calvo Sotelo (Vice-Chairman), Joaquin del Pino y Calvo Sotelo (Director), Leopoldo del Pino y Calvo-Sotelo (Director), Clemente Cebrian Ara (Director), Borja Prado Eulate (Director), Claudio Aguirre Peman (Director), José Ignacio Ysasi-Ysasmendi Pemán (Secretary).
- (2) The Board of Directors of Karlovy, S.L. as at the date hereof is composed of Rafael del Pino y Calvo Sotelo (Chairman), María del Pino y Calvo Sotelo (Vice-Chairman), Joaquin del Pino y Calvo Sotelo (Director), Leopoldo del Pino y Calvo-Sotelo (Director), Clemente Cebrian Ara (Director), Borja Prado Eulate (Director), Claudio Aguirre Peman (Director), and José Ignacio Ysasi-Ysasmendi Pemán (Secretary).

The business address of the members of the Board of Directors of the Parent is Calle Príncipe de Vergara 135, 28002 Madrid, Spain.

There are no potential conflicts of interest between the private interests or other duties of the members of the Board of Directors listed above and their duties to the Parent.

There are no potential conflicts of interest between the private interests or other duties of the members of the Board of Directors of Portman Baela, S.L. listed above and their duties to the Parent.

There are no potential conflicts of interest between the private interests or other duties of the members of the Board of Directors of Karlovy, S.L. listed above and their duties to the Parent.

### **Management Structure of the Parent**

The Management Committee has the following composition:

<b>Name</b>	<b>Position</b>
Íñigo Meirás Amusco	Executive Director
Jaime Aguirre de Cárcer y Moreno	Human Resources General Director
Enrique Díaz-Rato Revuelta	General Director of the Toll Roads Business Division
Álvaro Echániz Urcelay	General Director of Real Estate
Federico Flórez Gutiérrez	General Director of Information Technology Systems
Alejandro de la Joya Ruiz de Velasco	General Director of the Construction Business Division
Ernesto López Mozo	General Finance Director
Santiago Olivares Blázquez	General Director of the Services Business Division
Santiago Ortiz Vaamonde	General Secretary (non director)
Jorge Gil Villén	General Director of the Airports Business Division

The business address of the members of the Management Committee of the Parent is Calle Príncipe de Vergara 135, 28002 Madrid, Spain.

There are no potential conflicts of interest between the private interests or other duties of the members of the Management Committee listed above and their duties to the Parent.

Management of Ferrovial Agromán, S.A.

#### ***Board of Directors of Ferrovial Agromán***

The Board of Directors of Ferrovial Agromán as at the date hereof is composed of the following Directors:

<b>Name</b>	<b>Position</b>
Íñigo Meirás Amusco	Chairman
Alejandro de La Joya Ruiz De Velasco	Executive Director
Ernesto López Mozo	Director
Santiago Ortiz Vaamonde	Director
José Carlos Garrido-Lestache Rodríguez	Director and Secretary

The business address of the members of the Board of Directors of Ferrovial Agromán is Ribera del Loira 42, Edificio 3, Campo de las Naciones, 28042 Madrid, Spain.

There are no potential conflicts of interest between the private interests or other duties of the members of the Board of Directors listed above and their duties to Ferrovial Agromán.

#### ***Management Structure of Ferrovial Agromán***

The persons responsible for the day-to-day management of Ferrovial Agromán and their functions are as follows:

<b>Name</b>	<b>Position</b>
Alejandro De La Joya Ruiz De Velasco	Executive Director
Angel Luis Sanchez Gil	Director of Zone 1
Carmelo Rodrigo López	Director of Zone 2
Dariusz Blocher	Chairman of Budimex, S.A.
Tim Creson	Chairman of W.W. Webber, LLC
Francisco Javier Martínez Sánchez-Prieto	Director of Quality Control and Environment and Director of Corporate Resources
José Carlos Garrido-Lestache Rodriguez	Legal Director
Leonor Victoria Pablos Fernández	Human Resources Director
Santiago Perez-Fadón Martínez	Technical Director
Javier Galindo Hernández	Finance and Business Development Director

The business address of the members of the management team of Ferrovial Agromán is Ribera del Loira 42, Edificio 3, Campo de las Naciones, 28042 Madrid, Spain.

There are no potential conflicts of interest between the private interests or other duties of the members of the management team listed above and their duties to Ferrovial Agromán.

Management of Ferroviaal Servicios, S.A.

### ***Board of Directors of Ferroviaal Servicios***

The Board of Directors of Ferroviaal Servicios, as at the date hereof is composed of the following Directors:

<b>Name</b>	<b>Position</b>
Íñigo Meirás Amusco	Chairman
Santiago Olivares Blázquez	Executive Director
Ernesto López Mozo	Director
Santiago Ortiz Vaamonde	Director
Alfredo Javier García López	Secretary

The business address of the members of the Board of Directors of Ferroviaal Servicios is Calle Príncipe de Vergara, 135, 28,002 Madrid, Spain.

There are no potential conflicts of interest between the private interests or other duties of the members of the Board of Directors listed above and their duties to Ferroviaal Servicios.

### ***Management Structure of Ferroviaal Servicios***

The persons responsible for the day-to-day management of Ferroviaal Servicios and their functions are as follows:

<b>Name</b>	<b>Position</b>
Santiago Olivares Blázquez	General Director of Ferroviaal Servicios, S.A.
Juan Ignacio Gastón Najarro	General Director of Spain
Juan Ignacio Beltrán García-Echániz	Director of Infrastructure Maintenance Centre of Competence
Vicente Galván López	Environment Centre of Competence Director
Fernando González de Canales Moyano	Finance Director
Íñigo Jodrá	Director of Development & Strategy
María Dionis Trenor	Human Resources Director
Alfredo García López	Legal Director
Mel Ewell	General Director of UK
Enrique Sanchez Nuevo	Cities Centre of Competence Director
Gonzalo Nieto	International General Director
Andy Milner	Asset Management Centre of Competence Director

The business address of the members of the management team of Ferroviaal Servicios is Calle Serrano Galvache 56, 28033 Madrid, Spain.

There are no potential conflicts of interest between the private interests or other duties of the members of the management team listed above and their duties to Ferroviaal Servicios.



Management of Cintra Infraestructuras, S.A.

***Board of Directors of Cintra***

The Board of Directors of Cintra as at the date hereof is composed of the following Directors:

<b>Name</b>	<b>Position</b>
Íñigo Meirás Amusco	Chairman
Enrique Díaz-Rato Revuelta	Executive Director
Santiago Ortiz Vaamonde	Director
Ernesto López Mozo	Director
Javier Romero Sullá	Secretary

The business address of the members of the Board of Directors of Cintra is Plaza Manuel Gómez Moreno 2, Edificio Alfredo Mahou, 28020 Madrid, Spain.

There are no potential conflicts of interest between the private interests or other duties of the members of the Board of Directors listed above and their duties to Cintra.

***Management Structure of Cintra***

The persons responsible for the day-to-day management of Cintra and their functions are as follows:

<b>Name</b>	<b>Position</b>
Enrique Díaz-Rato Revuelta	Executive Director
Francisco Clemente Sánchez	Finance Director
Carlos Ugarte Cruz-Coke	Director of Corporate and Business Development
Cristóbal Martínez Álvaro	Director of Concession Services
Javier Romero Sullá	Legal Director
Iván González García	Human Resources Director
Nicolás Rubio de Cárdenas	Director for Operations in the United States
José Ángel Tamariz-Martel Goncer	Director for Operations in Canada
Andrés Sacristán Martín	Director for Operations in Spain and Europe

The business address of the members of the management team of Cintra is Plaza Manuel Gómez Moreno 2, Edificio Alfredo Mahou, 28020 Madrid, Spain.

There are no potential conflicts of interest between the private interests or other duties of the members of the management team listed above and their duties to Cintra.

Management of 4352238 Canada, Inc.

***Board of Directors of 4352238 Canada, Inc.***

The Board of Directors of Canada, Inc. as at the date hereof is composed of the following Directors:

<b>Name</b>	<b>Position</b>
Jose Ángel Tamariz-Martel Goncer	Chairman
Francisco Clemente Sánchez	Director
Luis Ignacio de Felipe Fernández	Director
Gregory R.Wylie	Director

<b>Name</b>	<b>Position</b>
Francisco José Espinosa Muñoz	Treasurer and Secretary (non director)

The business address of the members of the Board of Directors of Canada, Inc. is 100 King Street West, Suite 6600, 1 First Canadian Place, Toronto, Ontario, Canada.

There are no potential conflicts of interest between the private interests or other duties of the members of the Board of Directors listed above and their duties to Canada, Inc.

***Management Structure of 4352238 Canada, Inc.***

The persons responsible for the day-to-day management of Canada, Inc. and their functions are as follows:

<b>Name</b>	<b>Position</b>
Francisco José Espinosa Muñoz	Treasurer and Secretary (non director)
José Ángel Tamariz-Martel Goncer	Chairman

The business address of the members of the management team of Canada, Inc. is 100 King Street West, Suite 6600, 1 First Canadian Place, Toronto, Ontario, Canada.

There are no potential conflicts of interest between the private interests or other duties of the members of the management team listed above and their duties to Canada, Inc.

Management of Cespa, Compañía Española de Servicios Públicos Auxiliares, S.A.

***Board of Directors of Cespa***

The Board of Directors of Cespa as at the date hereof is composed of the following Directors:

<b>Name</b>	<b>Position</b>
Juan Ignacio Gastón Najarro	Director
Fernando González de Canales Moyano	Director
Alfredo Javier García López	Director and Secretary

The business address of the members of the Board of Directors of Cespa is Avenida de la Catedral 6-8, 08002 Barcelona, Spain.

There are no potential conflicts of interest between the private interests or other duties of the members of the Board of Directors listed above and their duties to Cespa.

***Management Structure of Cespa***

The persons responsible for the day-to-day management of Cespa and their functions are as follows:

<b>Name</b>	<b>Position</b>
Juan Ignacio Gastón Najarro	General Director
Rosa M <sup>a</sup> Forcada Castelltort	Treatment & Industrial Director
Gonzalo Rodríguez San Juan	Local Government Director
Agustin Gonzalez Hermosilla	Human Resources Director
Antoni Aliana Portugal	CFO and Development Director
Antonio Navarro-Reverter García-Germán	Legal Director
Javier Vaca de Osma	Quality and Efficiency Director

The business address of the members of the management team of Cespa is Avenida de la Catedral 6-8, 08002 Barcelona, Spain.

There are no potential conflicts of interest between the private interests or other duties of the members of the management team listed above and their duties to Cespa.

Management of Cespa Gestión de Residuos, S.A.

***Joint Directors of Cespa Gestión de Residuos, S.A. (Administradores Mancomunados)***

<b>Name</b>	<b>Position</b>
Santiago Olivares Blázquez	Director
Juan Ignacio Gastón Najarro	Director

The business address of the members of the Board of Directors of Cespa Gestión de Residuos is Avenida de la Catedral 6-8, 08002 Barcelona, Spain.

There are no potential conflicts of interest between the private interests or other duties of the members of the Board of Directors listed above and their duties to Cespa Gestión de Residuos.

***Management Structure of Cespa Gestión de Residuos, S.A.***

The persons responsible for the day-to-day management of Cespa Gestión de Residuos and their functions are as follows:

<b>Name</b>	<b>Position</b>
Juan Ignacio Gastón Najarro	General Director
Rosa M <sup>a</sup> Forcada Castelltort	Treatment & Industrial Director
Gonzalo Rodríguez San Juan	Local Government Director
Agustin Gonzalez Hermosilla	Human Resources Director
Antoni Aliana Portugal	CFO and Development Director
Antonio Navarro-Reverter Garcia-Germán	Legal Director
Javier Vaca de Osma	Quality and Efficiency Director

The business address of the members of the management team Cespa Gestión de Residuos is Avenida de la Catedral 6-8, 08002 Barcelona, Spain.

There are no potential conflicts of interest between the private interests or other duties of the members of the management team listed above and their duties to Cespa Gestión de Residuos.

Management of Hubco Netherlands B.V.

***Management Board of Hubco Netherlands B.V.***

The Management Board (“bestuur”) of Hubco as at the date hereof is composed of the following Directors:

<b>Name</b>	<b>Position</b>
Luis Ignacio de Felipe Fernández	Director
Trust International Management (T.I.M.) B.V. <sup>(1)</sup>	Director

Note:

(1) The Board of Directors of Trust International Management (T.I.M.) B.V. as at the date hereof is composed of Gerardus Nicolaas Meijssen (Managing Director) and Wilhelmus Joseph Langeveld (Managing Director).

The business address of the members of the Management Board (“bestuur”) of Hubco is Naritaweg 165, 1043 BW Amsterdam, The Netherlands.

There are no potential conflicts of interest between the private interests or other duties of the members of the Management Board (“*bestuur*”) listed above and their duties to Hubco.

There are no potential conflicts of interest between the private interests or other duties of the members of the Board of Directors of Trust International Management listed above and their duties to Hubco.

#### ***Management Structure of Hubco Netherlands B.V.***

The persons responsible for the day-to-day management of Hubco and their functions are as follows:

<b>Name</b>	<b>Position</b>
Luis Ignacio de Felipe Fernández	Director
Trust International Management (T.I.M.) B.V. <sup>(1)</sup>	Director

Note:

(1) The Board of Directors of Trust International Management (T.I.M.) B.V. as at the date hereof is composed of Gerardus Nicolaas Meijssen (Managing Director) and Wilhelmus Joseph Langeveld (Managing Director).

The business address of the members of the management team of Hubco Naritaweg is 165, 1043 BW Amsterdam, The Netherlands.

There are no potential conflicts of interest between the private interests or other duties of the members of the management team listed above and their duties to Hubco.

Management of Landmille Limited

#### ***Board of Directors of Landmille Limited***

The Board of Directors of Landmille as at the date hereof is composed of the following Directors:

<b>Name</b>	<b>Position</b>
Fernando González de Canales Moyano	Director
Nicolás Ranz Rico	Director

The business address of the members of the Board of Directors of Landmille is Eurolink Motorway Toll Plaza, Cappagh, Nicholastown, Kilcock, Co. Kildare, Ireland.

There are no potential conflicts of interest between the private interests or other duties of the members of the Board of Directors listed above and their duties to Landmille.

#### ***Management Structure of Landmille Limited***

The persons responsible for the day-to-day management of Landmille and their functions are as follows:

<b>Name</b>	<b>Position</b>
Fernando González de Canales Moyano	Director
Nicolás Ranz Rico	Director

The business address of the members of the management team of Landmille is Eurolink Motorway Toll Plaza, Cappagh, Nicholastown, Kilcock, Co. Kildare, Ireland.

There are no potential conflicts of interest between the private interests or other duties of the members of the management team listed above and their duties to Landmille.

## Recent Developments

On 18 January 2013, HAH announced that it had agreed to sell its 100% interest in Stansted to Manchester Airports Group for £1,500 million. The sale was closed on 28 February 2013. This sale came about as a result of the decision of the UK Competition Commission, which in 2009 ruled that HAH had to sell three of its seven airports in the UK in order to break its monopoly. After the sale of Gatwick (December 2009) and Edinburgh (May 2012) and several appeals against the sale of Stansted, in August 2012 HAH announced its decision not to appeal against the Competition Commission ruling at the Supreme Court of the United Kingdom and to put this airport up for sale.

On 30 January 2013, Ferrovial completed its first corporate bond issue, amounting to €500 million and maturing on 30 January 2018, with the guarantee of Ferrovial and of some of its subsidiaries. The bonds bear an annual rate of interest of 3.375% payable annually. The bonds were admitted to listing on the Official List and admitted to trading on the regulated market of the London Stock Exchange. The net funds obtained from the issuer (approximately €496 million) are being used to repay existing corporate debt.

On 21 February 2013, Ferrovial Servicios reached an agreement with 3i Group plc to acquire 100% of the capital of Enterprise Plc. The investment made by Ferrovial Servicios amounted to an EV of £385 million (€443 million). The perimeter of the transaction does not include Enterprise's joint-venture with Mouchel Limited for highway maintenance services in the UK.

On 4 March 2013, Cintra signed the contract for the design, construction, financing and operation of the new section (NTE 3A-3B or NTE extension) which lengthens the NTE toll motorway. The total estimated investment is U.S.\$1,380 million for a 43-year concession dating from the opening to traffic, expected to be in mid-2018.

On 4 March, Ferrovial Servicios closed its acquisition of 70% of Steel Ingeniería, a company that specializes in the mining sector in Chile, for €21 million, which will give it entry into this new market.

On 9 May, the Standard & Poor's rating upgraded, both the corporate rating of Ferrovial, S.A., and the €500 million bond issuance maturing on 30 January 2018 rating, one notch from BBB- to BBB.

## TAXATION

### Spanish Tax Considerations

#### *Introduction*

The following summary describes the main Spanish tax implications arising in connection with the acquisition and holding of the Notes by individuals or entities who are the beneficial owners of the Notes (the “Noteholders” and each a “Noteholder”). The information provided below does not purport to be a complete analysis of the tax law and practice currently applicable in Spain and does not purport to address the tax consequences applicable to all categories of investors, some of which may be subject to special rules.

All the tax consequences described in this section are based on the general assumption that the Notes are initially registered for clearance and settlement in Euroclear and Clearstream, Luxembourg.

Prospective purchasers of the Notes should consult their own tax advisors as to the tax consequences, including those under the tax laws of the country of which they are resident, of purchasing, owning and disposing of Notes.

The summary set out below is based upon Spanish law as in effect on the date of this Prospectus and is subject to any change in such law that may take effect after such date, including changes with retroactive effect.

This information has been prepared in accordance with the following Spanish tax legislation in force at the date of this Prospectus:

- (a) of general application, Second Additional Provision of Law 13/1985, dated 25 May 1985, on investment ratios, own funds and information obligations of financial intermediaries as amended by, among others, Law 19/2003, dated 4 July 2003 on legal rules governing foreign financial transactions and capital movements and various money laundering prevention measures, Law 23/2005, dated 18 November 2005 on certain tax measures to promote productivity and Law 4/2008, dated 23 December 2008, which abolishes Wealth Tax, provides for a monthly Value Added Tax refund system and introduces other amendments to Spanish tax legislation and Law 6/2011, dated 11 April 2011, which modifies Law 13/1985, Law 24/1988, dated 28 July 1988, on the Securities Exchange, and Royal Decree 1298/1986, dated 28 June 1986, about the adaptation of the current law about financial entities to the law of the European Union, (“Law 13/1985”), as well as Royal Decree 1065/2007, dated 27 July 2007, as amended by Royal Decree 1145/2011, dated 29 July 2011 (“Royal Decree 1145/2011”);
- (b) for individuals resident for tax purposes in Spain which are subject to the Personal Income Tax (“PIT”), Law 35/2006, dated 28 November 2006, on PIT and partial amendment of Corporate Income Tax Law and Non Residents Income Tax Law, as amended, and Royal Decree 439/2007, dated 30 March 2007, enacting the PIT Regulations, along with Law 19/1991, dated 6 June 1991 on Wealth Tax, as amended by Law 4/2008, dated 23 December 2008, which abolishes Wealth Tax, provides for a monthly Value Added Tax refund system and introduces other amendments to Spanish tax legislation and by Royal Decree-law 13/2011, dated 16 September 2011 and Law 16/2012, dated 27 December 2012, which reestablishes, temporarily, the Wealth Tax and Law 29/1987, dated 18 December 1987 on Inheritance and Gift Tax;
- (c) for legal entities resident for tax purposes in Spain which are subject to the Corporate Income Tax (“CIT”), Royal Legislative Decree 4/2004, dated 5 March 2004 promulgating the Consolidated Text of the CIT Law, as amended, and Royal Decree 1777/2004, dated 30 July 2004 promulgating the CIT Regulations; and
- (d) for individuals and entities who are not resident for tax purposes in Spain which are subject to the Non-Resident Income Tax (“NRIT”), Royal Legislative Decree 5/2004, dated 5 March 2004 promulgating the Consolidated Text of the NRIT Law, as amended, along with Law 19/1991, dated 6 June 1991 on Wealth Tax, as amended by Law 4/2008, dated 23 December 2008, which

abolishes Wealth Tax, provides for monthly Value Added Tax refund system and introduces other amendments to Spanish legislation and by Royal Decree-law 13/2011, dated 16 September 2011 and Law 16/2012, dated 27 December 2012, which reestablishes temporarily Wealth Tax, and Royal Decree 1776/2004, dated 30 July 2004 promulgating the NRIT Regulations, Law 29/1987, dated 18 December 1987 on Inheritance and Gift Tax.

Whatever the nature and residence of the Noteholder, the acquisition and transfer of Notes will be exempt from indirect taxes in Spain, i.e., exempt from Transfer Tax and Stamp Duty, in accordance with the Consolidated Text of such tax promulgated by Royal Legislative Decree 1/1993, dated 24 September 1993 and exempt from Value Added Tax, in accordance with Law 37/1992, dated 28 December 1992 regulating such tax.

#### *Individuals with Tax Residence in Spain*

##### *Personal Income Tax (Impuesto sobre la Renta de las Personas Físicas)*

Both interest periodically received and income derived from the transfer, redemption or repayment of the Notes constitute a return on investment obtained from the transfer of a person's own capital to third parties in accordance with the provisions of Section 25 of the PIT Law, and therefore will form part of the so called savings income tax base pursuant to the provisions of the aforementioned Law and will be subject to the following taxes: (i) income up to €6,000 will be tax at a flat rate of 21 per cent., (ii) income between €6,001 and €24,000 will be taxed at a flat rate of 25 per cent., and (iii) the excess over €24,000 will be subject to a flat rate of 27 per cent. From January 1, 2014 onwards the applicable rates on this type of income are expected to be 19% for taxable income up to €6,000 and 21% for any taxable income in excess of €6,000.

According to Article 75 of the PIT regulation, the above mentioned income will be subject to the corresponding PIT withholding tax at the applicable tax rate (currently 21 per cent.). Article 44 of the Royal Decree 1145/2011 has established new information procedures for debt instruments issued under the Law 13/1985 (which do not require identification of the Noteholders) and has provided that the interest will be paid by the Issuer to the Fiscal Agent for the whole amount, provided that such information procedures are complied with.

Nevertheless, withholding tax at the applicable rate (currently 21 per cent.) may have to be deducted by other entities (such as depositaries or financial entities), provided that such entities are resident for tax purposes in Spain or have a permanent establishment in Spanish territory.

The Issuer considers that, according to Royal Decree 1145/2011, it is not obliged to withhold any tax amount provided that the new simplified information procedures (which do not require identification of the Noteholders) are complied with by the Paying Agent as it is described in section "*Disclosure of information in relation to the Notes*".

However, regarding the interpretation of the "*Disclosure of information in relation to the Notes*" please refer to "*Risk Factors – Risks related to the Spanish withholding tax regime*".

##### *Net Wealth Tax (Impuesto sobre el Patrimonio)*

According to Law 16/2012 on certain tax measures (*Ley 16/2012, de 27 de diciembre por la que se adoptan diversas medidas tributarias dirigidas a la consolidación de las finanzas públicas y al impulso de la actividad económica*), Wealth Tax has been restored for tax period 2013. This tax is levied on the net worth of an individual's assets and rights. The marginal rates ranging between 0.2% and 2.5% and some reductions could apply. Individuals with tax residency in Spain who are under the obligation to pay Net Wealth Tax must take into account the amount of the Notes which they hold as at 31 December in each year, when calculating their Net Wealth Tax liabilities.

##### *Inheritance and Gift Tax (Impuesto sobre Sucesiones y Donaciones)*

Individuals resident in Spain for tax purposes who acquire ownership or other rights over any Notes by inheritance, gift or legacy will be subject to the Spanish Inheritance and Gift Tax in accordance with the applicable Spanish regional and State rules.

#### *Legal Entities with Tax Residence in Spain*

## Corporate Income Tax (*Impuesto sobre Sociedades*)

Both interest periodically received and income derived from the transfer, redemption or repayment of the Notes will be included in the CIT taxable income and will be taxed at the general tax rate of 30 per cent. in accordance with the rules for this tax.

In accordance with Section 59(s) of CIT Regulations, there is no obligation to withhold on income obtained by Spanish CIT taxpayers (which for the sake of clarity, include Spanish tax resident funds and Spanish tax resident pension funds) from financial assets listed on an organised market of an OECD country, as in the case of the Notes.

According to Royal Decree 1145/2011, the Issuer will pay the whole amount, provided that the simplified information procedures provided for in the new legislation are complied with as it is described in section “*Disclosure of information in relation to the Notes*”.

However, regarding the interpretation of “*Disclosure of information in relation to the Notes*” please refer to “*Risk Factors – Risks related to the Spanish withholding tax regime*”.

However, in the case of Notes held by a Spanish resident entity and deposited with a Spanish resident entity acting as depositary or custodian, payments of interest or income deriving from the transfer may be subject to withholding tax at the current rate of 21 per cent., withholding that will be made by the depositary or custodian, if the Notes do not comply with the exemption requirements specified in the ruling issued by the Spanish Tax Authorities (*Dirección General de Tributos*) dated 27 July 2004 and require a withholding to be made. According to said ruling, issues made by persons resident in Spain, may benefit from the OECD withholding tax exemption mentioned above if the relevant securities are both listed and placed in an OECD State other than Spain.

Notwithstanding the above, amounts withheld, if any, may be credited by the relevant investors against its final CIT liability.

## Inheritance and Gift Tax (*Impuesto sobre Sucesiones y Donaciones*)

Legal entities resident in Spain for tax purposes which acquire ownership or other rights over the Notes by inheritance, gift or legacy are not subject to the Spanish Inheritance and Gift Tax but must include the market value of the acquired Notes in their taxable income for Spanish CIT purposes.

## Net Wealth Tax (*Impuesto sobre el Patrimonio*)

Legal entities are not subject to Net Wealth Tax.

## *Individuals and Legal Entities with no Tax Residence in Spain*

Non-Resident Income Tax (*Impuesto sobre la Renta de no Residentes*) – Non-resident investors acting through a permanent establishment in Spain.

Ownership of the Notes by investors who are not resident for tax purposes in Spain will not in itself create the existence of a permanent establishment in Spain.

If the Notes form part of the assets of a permanent establishment in Spain of a person or legal entity who is not resident in Spain for tax purposes, the tax rules applicable to income deriving from such Notes are, generally, the same as those previously set out for Spanish CIT taxpayers. See “– Legal Entities with Tax Residence in Spain – Corporate Income Tax (*Impuesto sobre Sociedades*).”

Non-Resident Income Tax (*Impuesto sobre la Renta de no Residentes*) – Non-Spanish tax resident investors not acting through a permanent establishment in Spain.

Both interest payments periodically received and income derived from the transfer, redemption or reimbursement of the Notes obtained by individuals or entities who are not resident in Spain for tax purposes and do not act, with respect to the Notes, through a permanent establishment in Spain, are exempt from NRIT.

However, regarding the interpretation of “*Disclosure of information in relation to the Notes*” please refer to “*Risk Factors – Risks related to the Spanish withholding tax regime*”.



## Inheritance and Gift Tax (*Impuesto sobre Sucesiones y Donaciones*)

Individuals not resident in Spain for tax purposes who acquire ownership or other rights over Notes by inheritance, gift or legacy, will be subject to the Spanish Inheritance and Gift Tax in accordance with the applicable Spanish rules, unless they reside in a country for tax purposes with which Spain has entered into a treaty for the avoidance of double taxation in relation to inheritance tax. In such case, the provisions of the relevant treaty for the avoidance of double taxation will apply.

Non-Spanish tax resident entities which acquire ownership or other rights over Notes by inheritance, gift or legacy are not subject to the Spanish Inheritance and Gift Tax. Such acquisitions will be subject to NRIT (as described above), without prejudice to the provisions of any applicable treaty for the avoidance of double taxation entered into by Spain and the investor's country of residence. In general, treaties for the avoidance of double taxation provide for the taxation of this type of income in the country of residence of the beneficiary.

## Net Wealth Tax (*Impuesto sobre el Patrimonio*)

According to Law 16/2012 on certain tax measures (*Ley 16/2012, de 27 de diciembre por la que se adoptan diversas medidas tributarias dirigidas a la consolidación de las finanzas públicas y al impulso de la actividad económica*), Wealth Tax has been restored for tax period 2013. To the extent that income deriving from the Notes is exempt from Non-Resident Income Tax, individuals who do not have tax residency in Spain who hold such Notes on the last day of the year will be exempt from Net Wealth Tax. Furthermore, individuals resident in a country with which Spain has entered into a double tax treaty in relation to Net Wealth Tax will generally be exempt from Net Wealth Tax. If the exemptions outlined do not apply, individuals who are not tax residents in Spain will be subject to Net Wealth Tax to the extent that the Notes are located in Spain or the rights deriving from the Notes can be exercised in Spain.

## Disclosure of Information in relation to the Notes

As described under “– Legal Entities with Tax Residency in Spain – Corporate Income Tax (*Impuesto sobre Sociedades*)” and “– Individuals with Tax Residency in Spain – Personal Income Tax (*Impuesto sobre la Renta de las Personas Físicas*)”, and provided, among other conditions set forth in Law 13/1985, that the Notes are listed on an organised market in an OECD country on any income payment date, interest and other financial income paid with respect to the Notes for the benefit of non-Spanish tax resident investors not acting, with respect to the Notes, through a permanent establishment in Spain, or for the benefit of Spanish CIT or PIT taxpayers, will not be subject to Spanish withholding tax unless the Paying Agent fails to comply with certain formalities described below.

The tax formalities to be complied with in order to apply the exemption are those laid down in Section 44 of Royal Decree 1065/2007, as amended by Royal Decree 1145/2011 (“Section 44”).

In accordance with sub-sections 5 and 6 of Section 44, a payment statement must be submitted to the Issuer by the Paying Agent by no later than the close of business on the business day immediately preceding the relevant payment date. In accordance with the form attached as Annex to Royal Decree 1145/2011, the payment statement shall include the following information:

- identification of the Notes;
- payment date;
- total amount of income to be paid on the relevant payment date; and
- total amount of income corresponding to Notes held through each clearing system located outside of Spain (such as Euroclear and Clearstream Luxembourg).

If this requirement is complied with, the Issuer will pay gross (without deduction of any withholding tax) all interest under the Notes to all Noteholders (irrespective of whether they are tax resident in Spain).

In the event that the Paying Agent designated by the Issuer were to fail to provide the information detailed above, according to section 7 of Article 44 of Royal Decree 1065/2007, as amended by Royal Decree 1145/2011, the Issuer (or the Paying Agent acting on instructions from the Issuer) would be required to

withhold tax from the relevant interest payments at the general withholding tax rate (currently, 21 per cent.). If on or before the 10th day of the month following the month in which the interest is payable, the Paying Agent designated by the Issuer were to submit such information, the Issuer (or the Paying Agent acting on instructions from the Issuer) would refund the total amount of taxes withheld.

Notwithstanding the foregoing, the Issuer has agreed that in the event that withholding tax were required by law, the Issuer would pay such additional amounts as may be necessary such that a Noteholder would receive the same amount which he would have received in the absence of any such withholding or deduction, except as provided in “Terms and Conditions of the Notes – 10. Taxation”.

In the event that the currently applicable procedures were modified, amended or supplemented by, amongst others, a Spanish law, regulation, interpretation or ruling of the Spanish Tax Authorities, Ferrovial Emisiones S.A. will inform the Noteholders of such information procedures and of their implications, as Ferrovial Emisiones, S.A. may be required to apply withholding tax on interest payments under the Notes if the Noteholders would not comply with such information procedures.

### **Payments under the Guarantee**

On the basis that payments of principal and interest made by a Guarantor under the Guarantee are characterised as an indemnity under Spanish law, such payments may be made free of withholding or deduction on account of any Spanish tax. However, although there is no precedent or regulation on the matter, if the Spanish tax authorities take the view that the Guarantor has effectively assumed the obligations of the Issuer under the Notes (whether contractually or by any other means), the Spanish tax authorities may determine that payments made by the Guarantor, relating to interest on the Notes, will be subject to the same tax rules set out above for payments made by the Issuer.

### **EU Savings Directive**

Under the EU Savings Directive on the taxation of savings income, each Member State is required to provide to the tax authorities of another Member State details of payments of interest or other similar income paid by a person within its jurisdiction to, or collected by such a person for, an individual resident in that other Member State; however, for a transitional period, Austria and Luxembourg may instead apply a withholding system in relation to such payments, deducting tax at rates rising over time to 35 per cent. The transitional period is to terminate at the end of the first full fiscal year following agreement by certain non-EU countries to the exchange of information relating to such payments.

The European Commission has proposed certain amendments to the EU Savings Directive, which may, if implemented, amend or broaden the scope of the requirements described above.

If a payment were to be made or collected through a Member State which has opted for a withholding system and an amount of, or in respect of, tax were to be withheld from that payment, neither the Issuer nor any Paying Agent nor any other person would be obliged to pay additional amounts with respect to any Note as a result of the imposition of such withholding tax. However, the Issuer is required, as provided in Condition 8(f) (*Paying Agents, etc.*) of the Notes, to maintain a Paying Agent in a Member State that is not obliged to withhold or deduct tax pursuant to the Directive.

A number of non-EU countries, and certain dependent or associated territories of certain Member States, have agreed to adopt similar measures (either provision of information or transitional withholding) in relation to payments made by a person within its jurisdiction to, or collected by such a person for, an individual resident in a Member State. In addition, the Member States have entered into provision of information or transitional withholding arrangements with certain of those dependent or associated territories in relation to payments made by a person in a Member State to, or collected by such a person for, an individual resident in one of those territories.

## SUBSCRIPTION AND SALE

Banco Bilbao Vizcaya Argentaria, S.A., Banco Santander, S.A., BNP Paribas, Crédit Agricole Corporate and Investment Bank, Deutsche Bank AG, London Branch, HSBC Bank plc, J.P. Morgan Securities plc and Merrill Lynch International (the “Joint Lead Managers and Bookrunners”) have, pursuant to a Subscription Agreement (the “Subscription Agreement”) dated 29 May 2013, jointly and severally agreed with the Issuer and the Original Guarantors to subscribe or procure subscribers for the Notes at the issue price of 99.717 per cent. of the nominal amount of the Notes, less certain commissions as agreed with the Issuer. In addition, the Issuer may, at its discretion, pay the Joint Lead Managers and Bookrunners a discretionary performance related fee. The Issuer will also reimburse the Joint Lead Managers and Bookrunners in respect of certain of their expenses, and has agreed to indemnify the Joint Lead Managers and Bookrunners against certain liabilities incurred in connection with the issue of the Notes. The Subscription Agreement may be terminated in certain circumstances prior to payment to the Issuer.

### General

This Prospectus does not constitute an offer by, or an invitation by or on behalf of, the Issuer, the Original Guarantors or the Joint Lead Managers and Bookrunners or any other person to subscribe for any of the Notes, or the solicitation of an offer to subscribe for any of the Notes. No action has been taken by the Issuer, the Original Guarantors or any of the Joint Lead Managers and Bookrunners that would, or is intended to, permit a public offer of the Notes or possession or distribution of the Prospectus or any other offering or publicity material relating to the Notes in any country or jurisdiction where any such action for that purpose is required. Accordingly, each Manager has undertaken that it will not, directly or indirectly, offer or sell any Notes or have in its possession, distribute or publish any offering circular, prospectus, form of application, advertisement or other document or information in any country or jurisdiction except under circumstances that will, to the best of its knowledge and belief, result in compliance with any applicable laws and regulations and all offers and sales of Notes by it will be made on the same terms.

### United States

The Notes have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

The Notes are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986 and regulations thereunder.

Each Manager has represented and agreed that, except as permitted by the Subscription Agreement, it has not offered, sold or delivered and will not offer, sell or deliver the Notes (a) as part of their distribution at any time or (b) otherwise until 40 days after the later of the commencement of the offering and the Closing Date (the distribution compliance period), within the United States or to, or for the account or benefit of, U.S. persons and that it will have sent to each dealer to which it sells any Notes during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

In addition, until 40 days after the commencement of the offering, an offer or sale of Notes within the United States by any dealer that is not participating in the offering may violate the registration requirements of the Securities Act.

## **United Kingdom**

Each Manager has represented and agreed that:

- (a) it has complied and will comply with all applicable provisions of the United Kingdom Financial Services and Markets Act 2000 (“FSMA”) with respect to anything done by it in relation to the Notes in, from or otherwise involving the United Kingdom; and
- (b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which section 21(1) of FSMA does not apply to the Issuer or the Original Guarantors.

## **Spain**

Each of the Joint Lead Managers and Bookrunners has represented and agreed that Notes may not be placed in Spain in the primary market. This Prospectus has not been and will not be registered with the Spanish Securities Market Regulator (*Comisión Nacional del Mercado de Valores*) and, therefore, it is not intended for any public offer of Notes in Spain. No publicity or marketing of any kind shall be made in Spain in relation to the Notes.

## **Netherlands**

The Notes are not and may not be offered in the Netherlands other than to persons or entities who or which are qualified investors as defined in Section 1:1 of the Dutch Financial Supervision Act (*Wet op het financieel toezicht*) (which incorporates the term “qualified investors” as used in the Prospectus Directive, as amended).

## GENERAL INFORMATION

### 1 Authorisation

The issue of the Notes was duly authorised by a resolution of the joint directors of the Issuer dated 20 May 2013 and the giving of the Guarantees was duly authorised by either:

(a) resolutions of the Boards of Directors of the Original Guarantors dated as set out below:

Cintra Infraestructuras, S.A.	Board Resolution dated 21 December 2012;
Ferrovial, S.A.	Board Resolution dated 13 May 2013;
Ferrovial Agroman, S.A.	Board Resolution dated 26 December 2012;
Ferrovial Servicios, S.A.	Board Resolution dated 8 January 2013;
Hubco Netherlands B.V.	Board Resolution dated 14 May 2013;
	or

(b) through powers of attorney granted by the Originals Guarantors as detailed below:

4352238 Canada, Inc.	Special Power of Attorney granted on 9 January 2013;
Cespa, Compañía Española de Servicios Públicos Auxiliares, S.A.	Special Power of Attorney granted on 8 January 2013;
Cespa, Gestión de Residuos, S.A.	Special Power of Attorney granted on 8 January 2013;
Landmille Limited	Special Power of Attorney granted on 16 May 2013.

### 2 Listing

The listing of the Notes on the Official List will be expressed as a percentage of their nominal amount (exclusive of accrued interest). It is expected that listing of the Notes on the Official List and admission of the Notes to trading on the Market will be granted on or around 7 June 2013, subject only to the issue of the Temporary Global Note. Prior to official listing and admission to trading, however, dealings will be permitted by the London Stock Exchange in accordance with its rules. Transactions will normally be effected for delivery on the third working day after the day of the transaction.

### 3 Clearing

The Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg. The International Securities Identification Number (ISIN) for this issue is XS0940284937 and the Common Code is 094028493.

The address of Euroclear is 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium and the address of Clearstream, Luxembourg is 42 Avenue JF Kennedy, L 1855 Luxembourg.

### 4 Governmental, legal or arbitration proceedings

Save as disclosed under “*Description of Ferrovial – Legal Proceedings – Spanish Toll Roads*”, “*Description of Ferrovial – Legal Proceedings – Spanish tax audit assessments*”, “*Description of Ferrovial – Legal Proceedings – Container terminal at the port of Barcelona*”, “*Description of Ferrovial – Legal Proceedings – Other construction legal proceedings*” and “*Description of Ferrovial – Legal Proceedings – Arbitration regarding Spanish waste management*” on pages 82 to 84 above, there are no, and there have not been, any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer or any Original Guarantor is aware) in the 12 months preceding the date of this Prospectus which may have, or have had in the recent past, significant effects on the financial position or profitability of any of the Parent, the Group, Ferrovial Agromán, Ferrovial Agromán and its consolidated

subsidiaries taken as a whole (the “Ferrovia Agromán Group”), Cespa Gestion de Residuos, Cespa Gestion de Residuos and its consolidated subsidiaries taken as a whole (the “Cespa Gestion de Residuos Group”), Cintra and/or Cintra and its consolidated subsidiaries taken as a whole (the “Cintra Group”).

There are no, and there have not been any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer or any Original Guarantor is aware) in the 12 months preceding the date of this Prospectus which may have, or have had in the recent past, significant effects on the financial position or profitability of any of the Issuer, Canada, Inc., Cespa, Cespa and its consolidated subsidiaries taken as a whole (the “Cespa Group”), Ferrovia Servicios, Ferrovia Servicios and its consolidated subsidiaries taken as a whole (the “Ferrovia Servicios Group”), Hubco and/or Landmille.

## **5 Financial and trading position**

There has been no significant change in the financial or trading position of the Issuer since 31 December 2012, and no material adverse change in the financial position or prospects, of the Issuer since 31 December 2012.

There has been no significant change in the financial or trading position of Ferrovia since 31 December 2012 and no material adverse change in the financial position or prospects of the Parent since 31 December 2012.

There has been no significant change in the financial or trading position of any of Canada Inc., the Cespa Group, the Cespa Gestion de Residuos Group, the Cintra Group, the Ferrovia Agromán Group, the Ferrovia Servicios Group, Hubco or Landmille since 31 December 2012 and no material adverse change in the financial position or prospects of any of Ferrovia Agromán, Cintra, Ferrovia Servicios, Canada, Inc., Cespa, Cespa Gestión de Residuos, Hubco or Landmille since 31 December 2012.

## **6 Financial information**

Deloitte, S.L., independent auditors on the Registro Oficial de Auditores de Cuentas whose address is Plaza Pablo Ruiz Picasso, 1, 28020 Madrid, Spain, audited the consolidated annual accounts of the Issuer, the Parent, Ferrovia Agromán, Ferrovia Servicios, Cintra, Cespa and Cespa Gestión de Residuos for the year ended 31 December 2011 and 31 December 2012. The reports in respect of such annual accounts were unqualified.

Deloitte LLP, Licensed Public Accountants in Canada whose address is Brookfield Place, 181 Bay Street, Toronto, Ontario, M5J 2V1, Canada, audited the individual annual accounts of Canada, Inc for the years ended 31 December 2011 and 31 December 2012. The reports in respect of such annual accounts were unqualified.

Deloitte Accountants B.V., independent auditors in the Netherlands, registered on the Trade Register of the Chamber of Commerce and Member of Industry in Rotterdam number 24362853 whose address is Orlyplein 10, 1043 DP Amsterdam, P.O. Box 58110, 1040 HC Amsterdam, Netherlands, audited the individual annual accounts of Hubco for the years ended 31 December 2011 and 31 December 2012. The reports in respect of such annual accounts were unqualified.

BDO, independent auditors in Ireland, registered by Chartered Accountants Ireland (Reg. No. AI223876) whose address is Four Michael Street, Limerick, Ireland, audited the individual annual accounts of Landmille for the years ended 31 December 2011 and 31 December 2012. The reports in respect of such annual accounts were unqualified.

## **7 U.S. tax legend**

Each Note and Coupon will contain the following legend: “*Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the Internal Revenue Code.*”

## **8 Documents on display**

For the period of 12 months following the date of this Prospectus, copies of the following documents will be available, during usual business hours on any workday (Saturdays and public holidays excepted), for inspection at the registered office of the Issuer and the specified office of the Fiscal Agent:

- (a) the constitutional documents (with an English translation thereof) of the Issuer and the constitutional documents (with, where relevant, an English translation thereof) of each Original Guarantor;
- (b) the audited consolidated annual accounts of the Parent, Cespa, Cintra, Ferrovial Agromán and Ferrovial Servicios in respect of the financial years ended 31 December 2011 and 31 December 2012 (with an English translation thereof) together with the audit reports and the consolidated directors' reports in connection therewith;
- (c) the audited annual accounts of Canada, Inc, Cespa Gestión de Residuos, Hubco and Landmille in respect of the financial years ended 31 December 2011 and 31 December 2012 (with, where relevant, an English translation thereof) together with the audit reports and the consolidated directors' reports in connection therewith;
- (d) the audited annual accounts of the Issuer in respect of the financial year ended 31 December 2012 together with the audit report and the directors' report in connection therewith;
- (e) the Fiscal Agency Agreement (which includes the form of Global Notes, the definitive Notes and the Coupons) and the Deed of Guarantee for each Guarantor; and
- (f) a copy of this Prospectus together with any supplement to this Prospectus.

## **9 Post-issuance information**

The Issuer does not intend to provide any post-issuance information in relation to this issue of Notes.

## **10 Joint Lead Managers and Bookrunners transacting with the Issuer and the Original Guarantors**

Certain of the Joint Lead Managers and Bookrunners and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services to the Issuer, the Original Guarantors and their affiliates in the ordinary course of business.

## **11 Third party information**

Where information in this Prospectus has been sourced from third parties, this information has been accurately reproduced and, as far as the Issuer and the Original Guarantors are aware and are able to ascertain from the information published by such third parties, no facts have been omitted which would render the reproduced information inaccurate or misleading. The source of third-party information is identified where used.

## **12 Auditor's Consent**

Deloitte LLP has given and not withdrawn its written consent to the incorporation by reference into this Prospectus of its auditor's report dated 1 May 2013 relating to the audited financial statements as of and for the year ended 31 December 2012 of 4352238 Canada Inc. in the form and context in which it is included. In relation to the listing of the Notes on the Official List of the UK Listing Authority, Deloitte LLP has also authorised the contents of its auditor's report referred to above for the purposes of Prospectus Rule 5.5.4R(2)(f).

## THE JOINT LEAD MANAGERS AND BOOKRUNNERS

### **Banco Bilbao Vizcaya Argentaria, S.A.**

Vía de los Poblados sn, 2ª Planta  
28033 Madrid  
Spain

### **Banco Santander, S.A.**

Ciudad Grupo Santander  
Avenida de Cantabria, s/n  
Boadilla del Monte  
28660 Madrid  
Spain

### **BNP Paribas**

10 Harewood Avenue  
London NW1 6AA  
United Kingdom

### **Crédit Agricole Corporate and Investment Bank**

9, Quai du Président Paul Doumer  
92 920 Paris La Défense Cedex  
France

### **Deutsche Bank AG, London Branch**

Winchester House  
1 Great Winchester Street  
London EC2N 2DB  
United Kingdom

### **HSBC Bank plc**

8 Canada Square  
London E14 5HQ  
United Kingdom

### **J.P. Morgan Securities plc**

25 Bank Street  
Canary Wharf  
London E14 5JP  
United Kingdom

### **Merrill Lynch International**

2 King Edward Street  
London EC1A 1HQ  
United Kingdom

## THE ISSUER

### **Ferrovial Emisiones, S.A.**

Principe de Vergara, 135  
28002 Madrid  
Spain

## THE ORIGINAL GUARANTORS

### **Ferrovial, S.A.**

Principe de Vergara, 135  
28002 Madrid  
Spain

### **Ferrovial Agromán, S.A.**

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