

FOR IMMEDIATE RELEASE

Contact: Diego Marín, Project Manager
Cintra Concesiones de Infraestructuras de Transporte, S.A.
+34 914 185 658 Tel.
+34 915 973 883 Fax
diego.marin@cintra.es

Cintra/Zachry Team Submits Proposal for TTC-35 High Priority Trans-Texas Corridor

Austin, Texas, August 23, 2004

A Team led by Cintra Concesiones de Infraestructuras de Transporte, S.A. and Zachry Construction Corporation (Cintra/Zachry) has submitted a proposal to the Texas Department of Transportation (TxDOT) describing plans to begin development of the Trans-Texas Corridor.

The Trans-Texas Corridor is a concept designed to keep the Texas economy vibrant while at the same time maintaining its unparalleled quality of life. To accomplish this, Texas must be able to safely and efficiently move an ever-growing number of people, goods and commodities. In an effort to prepare for the demands of a rapidly growing population and plan the way for Texas' future, Governor Rick Perry and TxDOT have proposed the most innovative and far-reaching public works project of the last half-century. The Trans-Texas Corridor is a transportation system designed to move goods and people much more efficiently than ever before by both roads and rail. It also offers a means of transporting information and utilities with the highest degree of speed and safety. This world-class transportation system will not only ensure the prosperity of Texas' economy for decades, it will also serve to enhance air quality and offer new modes of traveling that exist nowhere else in the United States today.

The Cintra/Zachry team is pleased to participate in the first step of this bold vision. The first phase of the Trans-Texas Corridor parallels Interstate 35 from the Rio Grande Valley to the Oklahoma border.

As was envisioned in the groundbreaking transportation legislation, House Bill 3588, the Cintra/Zachry team proposes developing the Trans-Texas Corridor through a Comprehensive Development Agreement. This method of project delivery not only leverages the strength of the Cintra/Zachry team, it also allows the final project to be delivered with greatly enhanced speed and quality.

The proposal submitted offers a realistic means of financing with development beginning in 2005 on more than 440 miles of a new road system paralleling some of the most congested highway lanes in the State of Texas. The proposal also offers to finance and begin development on high-speed freight rail before the year 2007. Before the end of the project time frame in the year 2055, the plan proposes to implement a system of dedicated truck and auto lanes coupled with high-speed freight and passenger rail between the Corridor's major metropolitan centers. This system will also have a dedicated right-of-way for utilities throughout the length of the Corridor.

Cintra brings with it the experience of more than 35 years of deploying the concession model to develop transportation infrastructure in the international market. Relying on tolls paid by the public that wish to travel on the Corridor, this model not only ensures that any facility built is justified by demand, it also builds the project decades before it could be built relying on traditional gasoline tax funding. Equally important to

Texas and its citizens is the fact that **the concession model proposed by the Cintra/Zachry team requires no investment of public tax dollars to build the Trans-Texas Corridor. In fact, the team plans to return money to the State for reinvestment in other transportation projects. In addition to this favorable means of financing the Trans-Texas Corridor, the Cintra/Zachry team will invest a significant amount of its own private equity in bringing the project to fruition.**

The proposal also demonstrates the team's unwavering commitment to ensuring that the Trans-Texas Corridor is developed in an environmentally safe manner sensitive to both the natural and man-made environment surrounding it. In addition, the team is determined to listen and respond to the input of all concerned stakeholders, including citizens, community groups, local and regional government entities, and local and state policymakers. Informing, engaging and collaborating will define this Proposer's approach to community relations such that the public feels the project has been adapted to its concerns, not the other way around.

A team committed to undertaking a project of this scale and duration needs to combine the expertise of a number of different disciplines, both local Texas and international in scope. For that purpose, Cintra and Zachry have brought together the international financial expertise of PricewaterhouseCoopers and JPMorgan Securities, the engineering and management capability of Earth Tech Inc., numerous local consultants, and the extensive and high quality construction capability of Ferrovial Agroman and Zachry.

Headquartered in Madrid, Spain, with subsidiaries in three continents, Cintra is one of the world's largest private-sector developers of transport infrastructure, with committed equity investments of over \$2.1 billion. Cintra has over 1,000 miles of highways throughout its 16 concessions in Canada, Spain, Portugal, Ireland and Chile, including 407-ETR (world's first free flow toll road). The gross investment in its concessions business is approx. \$7 billion.

Cintra is 60% owned by Grupo Ferrovial, founded as a construction company in 1952. Fifty years later, while maintaining construction as its core activity, Ferrovial is now a diversified and stable group that ranks among the top five construction groups by revenues in Europe. Its subsidiary, Ferrovial Agroman, has completed construction in more than 40 countries and forms, together with Zachry, the construction arm of the team.

Ferrovial Agroman, with sales of \$4.2 billion in 2003, has an impressive record in civil construction including:

- Over 6,250 miles of roads, motorways and highways
- Over 1,600 miles of new railway tracks
- Over 190 miles of tunnels

Zachry is a privately held construction company headquartered in San Antonio, Texas. The company provides a wide array of services including construction, project development and construction management. After 80 years of history, it currently employs 13,000 people, and its construction projects can be found from coast to coast, with a concentration in Texas and the southeastern sector of the United States. The company has built 300 highway projects for TxDOT. As pure contractor, Zachry also constructs dams, wastewater treatment plants, power plants, steel mills, pulp and paper mills, chemical plants and refineries.

Earth Tech is a worldwide leader in transportation, water management, engineering, architecture, and environmental services. With more than 8,000 employees operating out of 200 offices, Earth Tech provides

a full range of engineering services to government, commercial and industrial clients around the Globe. Its Transportation division serves corporate and government clients globally, taking on every kind of transportation challenge, from preparing 1,000-mile corridor studies to designing bridges and rehabilitating airport runways and terminals. The company will add value to the project through its Dallas and Austin offices thus being able to better coordinate many other local and national engineering firms and consultants.

PricewaterhouseCoopers (PwC) is one of the world's leading advisors on public private partnerships and infrastructure finance. In 2003, PwC was named Advisor of the Year by Project Finance International and Transportation Finance Advisor of the Year by Jane's Transportation Finance. The firm has advised on some of the largest most complex transportation financing projects around the world including the \$40 billion London Underground public/ private partnership, the IP5 Toll road in Portugal and numerous road and rail projects in Europe, Asia and North America.

JPMorgan's Public Finance Group, with its long history of assisting governments and municipal issuers, is an integral component of JPMorgan's Investment Bank. The department has 119 bankers serving states, municipalities and not-for-profit entities from 17 cities. Since 1998, JPMorgan has senior-managed over 2,900 municipal finance transactions, for a combined total par amount of over \$112 billion. In addition to being the largest financial institution in Texas, JPMorgan has the largest public finance presence of any Wall Street firm in the State with 13 professionals and four offices.

###