



URBAN TRANSPORT DIVISION

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○ Agenda

- Highlights
- Overview of Spanish Urban Transport Market
- ALSA Urban Transport Division
- Growth opportunities
- Conclusions





ALSA Urban Transport ³ Division

Highlights:

- Core public service provider, highly defensive
- Diverse portfolio of city bus operations with very long concessions
- Public Administration contracts
- Effective consortia structures in place
- Consistent revenue growth despite recession
- Exciting off-shore bid wins and opportunities
- Significant domestic outsourcing and acquisition opportunities



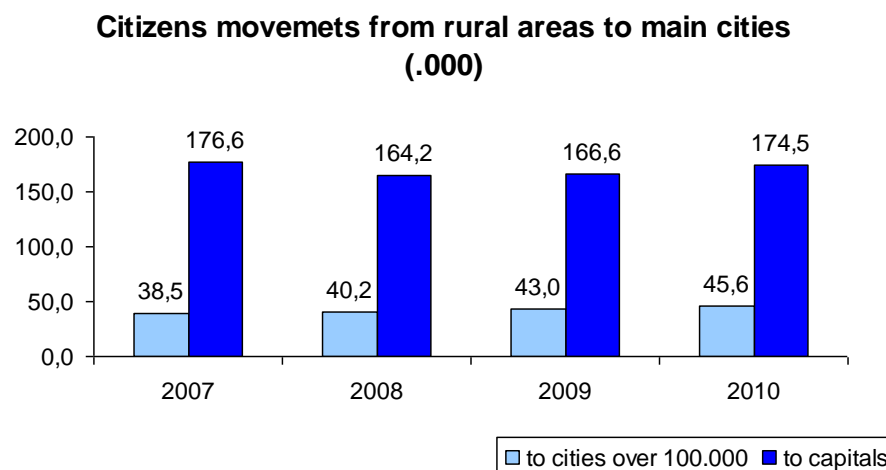
Summary figures

- Represents approx. 30% of Alsa transport revenues.
- Critical mass gained from the Continental Auto acquisition in 2007 (Madrid commuter, Almeria) and Agadir in 2010
- 21 urban contracts; focused mainly on Spain's medium size cities and towns, plus exposure to high growth Moroccan market in Marrakech and Agadir.
- Revenue model mainly without passenger risk

Overview of Spanish Urban Transport Market

The framework of urban transport performance

- 50% of Spain's population lives in **metropolitan areas** (only 5% of the land area) and still growing



- 1,500 million passengers/year (excl. Metro). Sustainable urban mobility
- Trend to create multi-operator urban **Consortia**: increases use of public transport
- Largest cities still in-source: cities with +100.000 inhab. → 77% population is still served by **municipal providers**



ALSA Urban Transport Division

Main Figures:



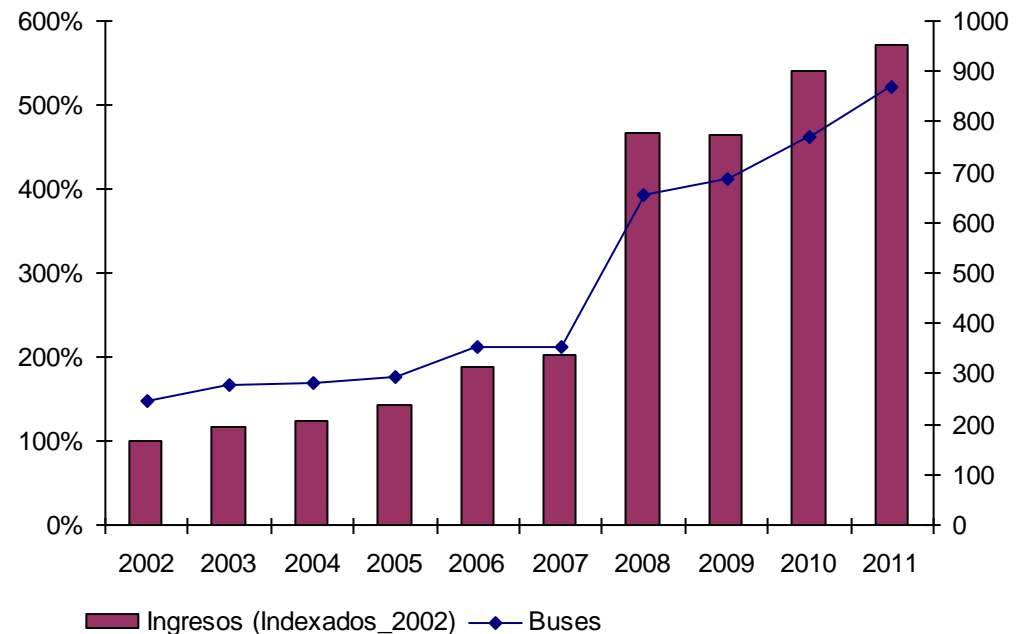


ALSA Urban Transport Division

Fast growth

- High growth business over the last 10 years
- Step change due to Continental Auto acquisition
- Scale advantage to large urban operations

REVENUE- BUSES 2002-2011





Contract models

- **Contracts with revenue risk**
- **Contracts with Minimum Guarantee**
- **Contract Programme with payments per quantity/quality of production**

Current focus

○ Reducing Debt

- RD 4/2012 - An extraordinary measure taken by Spanish Government to reduce Public Administration Debt:
 - It is a Royal Decree-Law
 - The Public Administration's suppliers will receive the debt related to all the pending invoices before 12-31-2011
 - The payment is due in H1 2012

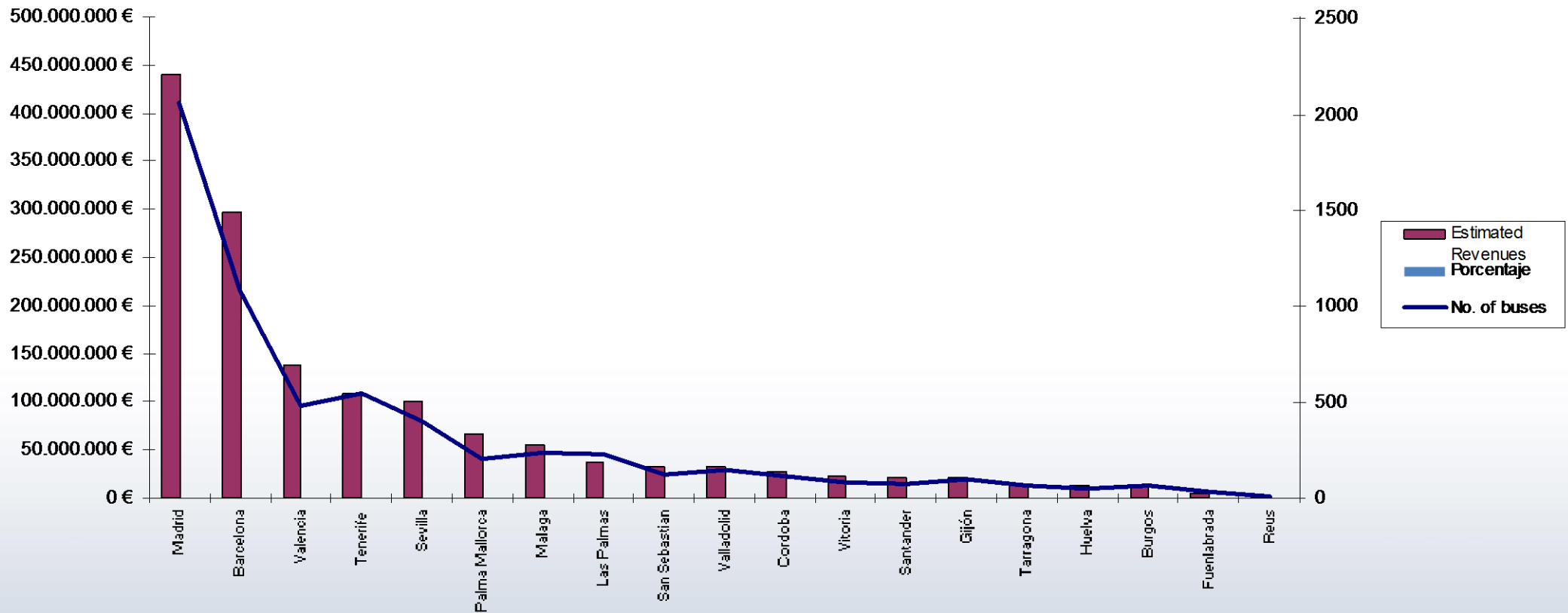


Growth Opportunities

- **Range of opportunities for growth:**
 - Network restructuring
 - New routes and service adjustments
 - Growth of Tourist Bus/Sightseeing
 - Capacity and positioning in international projects
 - Tenders and Acquisitions in Spain
 - International development

Growth Opportunities

- Significant opportunity in the **privatisation** of public transport companies in Spain's major cities



Growth Opportunities

Morocco

- **Excellent opportunity for growth**
 - Gradual privatisation of urban transport;
 - Fast set up, low cost;
 - Wide range of services still to bid for
- Easily managed from Spain.
- Access to market through reputation in Spain.
- Good profitability



Conclusions

- **A dynamic and growing business**
 - Special attention to privatizations
 - Social and political protection
- **Long-term contracted model**
- **Existing exposure to higher growth and operational flexibility in Morocco**
- **New Opportunities**
 - New tenders
 - Acquisitions
 - New countries



Thank you

