

ACS to participate in the development of a great transportation infrastructure corridor in Texas

Iridium and the North American Zachry have been chosen by the State of Texas as strategic partners for 50 years to design, plan and develop a great infrastructure corridor of 1,000 kilometres in length.

The estimate project investments, involving the construction of road and railway infrastructures, exceed 30,000 million dollars, 5,000 million during the first seven years.

The I-69/TTC (Trans Texas Corridor) will connect the Mexican border with the Gulf of Mexico coastline, Houston and major industrial and logistics centres in Texas with the north of the country.

This is the second concessions project awarded to ACS in North America in seven days, after last week being awarded the A-30 highway in Canada.

Madrid, June 26, 2008. ACS Infrastructures Development, the North American branch of Iridium, the concession development company of ACS, and the Texan concessionaire Zachry American Infrastructure have become the successful bidders for the design, planning and development, as strategic partners of the Texas Department of Transportation (TxDOT), of the I-69/TTC infrastructure corridor for the next 50 years.

The I-69/TTC will be a great road and railway infrastructure corridor that will cross the State of Texas from north to south. Specifically, it will start in the Rio Grande valley to Houston offering new exits towards the centre of the Union from large industrial and logistics centres in the south of the State, including a branch towards the Gulf of Mexico and the port of Corpus Christie. The estimate investment for the entire project is around 30,000 million dollars, of which 5,000 million shall be invested during the first 7 years.

With the award of this project, ACS and Zachry, the largest construction group in the State of Texas, have become strategic partners of the Texas Department of Transportation and shall propose the development of specific projects and activities for which they will have a preferential negotiation option without public tender. In fact, the consortium is already considering the renewal of a first route whose concession will be negotiated with the Texas Department of Transportation, the US 77, which shall include the construction of a series of highways under concession regime connecting to it and which shall require an investment of 2,500 million dollars.

The I-69/TTC development project includes, in its initial design, the construction of a 1,000 kilometre network of highways and roads as well as railway lines. Based on this, ACS and Zachry will draft a Master Plan with the Texas Department of Transportation to establish the priority activities as well as the form and deadlines for their execution.

The winning consortium for the project, led by Iridium and Zachry, and which has UBS as its financial advisor and SDG as infrastructure planning consultant, also enjoys the involvement of Dragados, the parent company of the ACS construction area, and SICE, company belonging to its Industrial Services area and which has extended experience in the installation of traffic control systems, as well as other engineering and construction companies in the State of Texas.

The I-69/TTC is one of the high priority transportation infrastructure corridors identified by the State of Texas, the first of which has already been set in motion. In total, it entails an infrastructure network of around 3,000 kilometres and investments of 150,000 million euros to improve State communications with Mexico, centre and north of the country and Canada. Eight States of the Union, including Texas, which is the developer, are involved in the project.

Second concession in North America in one week

The awarding of the I-69/TTC represents the consolidation of the presence of the ACS Group in United States, where it already has considerable presence in civil works, and is the second concession won by Iridium in North America in seven days. Last week the ACS concessions developer was awarded by the State of Quebec, together with Acciona, the project to finance, build and operate for 35 years the A-30 highway in Canada, a project with an investment of 1,000 million euros, which shall require the execution of important civil works to connect the south of Montreal with the North American border. The A-30 is also the first concession awarded to Iridium in Canada.

This way, ACS continues its expansion process in North America, a market it has defined as strategic. Through Dragados, the parent company of its construction area, is already present in United States in its civil works activities since 2005, when it became the successful bidder for the first expansion of the New York Subway; a large engineering project connecting the Grand Central Station in Manhattan to Queens under the Hudson River, representing 400 million dollars. Later Dragados assumed new projects in the north east of the country to improve roads, dams and subways, and recently was awarded the construction of a dam in Puerto Rico and the first contract for the expansion of Miami airport. In December 2007, it acquired 100% of Schiavione; a company specialized in construction in the north east of the country.

Iridium, the ACS concessions company, has been for the last ten years the greatest private transportation infrastructure investor in the world, with promoted investments exceeding 22,000 million euros. The infrastructure and public equipment company participates in the management of more than 40 companies of these characteristics, encompassing the entire concessional business value chain.