

ACS reaches financial close for the Gordie Howe International Bridge project between Canada and USA, valued at over CAN \$3.8 Billion

30th, September, 2018

P3 project, North America

ACS Group, through its affiliates ACS Infrastructure (Iridium) and Dragados, was named in July 2018 Preferred Proponent by the *Windsor Detroit Bridge Authority* (entity dependent of the Federal Government of Canada) to design, build, finance, operate and maintain the *Gordie Howe International Bridge Project* connecting Windsor (Canada) and Detroit (USA). The project is valued at over CAN \$3.8 Billion and will be partially funded with private capital. Led by ACS' subsidiaries *ACS Infrastructure* and Dragados, Bridging North America is also formed by Fluor and Aecon, with each company holding (respectively) a 40%,40%/20% share across the consortium. Aecon formally requested joining the group following the award of the contract to the team formed by ACS, Dragados and Fluor.

Financing

A total CAN\$1.033 billion are privately funded, including a long-term (35-year) and medium-term (20-year) bond issuances in the Canadian markets, both with A- rating by Standard & Poors and jointly underwritten by RBC and HSBC. Short-term finance during the construction period includes a bank loan syndicated by five institutions: Royal Bank of Canada, Desjardins du Quebec, TD Bank, Mizuho and HSBC. CAN \$93 million of private Equity is injected by the consortium members at the end of the construction period and it is, until then, guaranteed through letters of credit.



Cable-stayed bridge and ports of entry

The public-private-partnership (PPP) scheme for the project includes the design, build, finance, operation and maintenance of a new international bridge between Windsor (Canada) and Detroit (United States), as well as the ports of entry at each side of the border. The scope includes a six-lane (3 per direction), 2.5km cable stayed bridge which will cross the Detroit River between both countries and whose main span of 853 m will be the longest in North America and one of the largest in the world. The project also includes the construction and maintenance of the Canadian port of entry (53 hectares) and the US port of entry (68 hectares) and the construction works on the I-75 Highway that connects Detroit with the Bridge.

The Windsor-Detroit corridor is one of the main and most congested international corridors in North America and plays a fundamental role in the economies of Canada and USA, particularly in trade between both countries and in the automobile industry. The project will generate additional crossing capacity to meet increased long-term international trade and travel demand, supporting the economies on both sides of the border.

ACS Group consolidates its success in the North American P3 market

ACS is currently participating in similar projects in North America and globally, including the recently awarded *Réseau Express Métropolitain (REM)* in Montreal, Canada (Investment circa CAD 6,300m) the *Automated People Mover* in L.A. international airport (value circa USD 4,900m over the term of the concession) and the Site C dam in British Columbia (investment circa CAD 1,600m). The Group is also part of Rt. Hon. Ron. Herb Gray Parkway project in Windsor (Investment circa CAD 1,300m) which connects in the Canadian side with the Gordie Howe International Bridge and that has been in operations since 2015.

The awarding of the Gordie Howe bridge contract constitutes another fundamental step in the consolidation of the ACS Group's leadership in the North American market, and represents one of the concession infrastructure projects (PPP) identified by the Group, worth 200,000 million euros for the period 2018-2021, in its key markets (Canada, USA, Australia and Europe).

ACS Group is ranked first among the list of World Top Transportation Developers by *Public Works Financing Magazine* and # 1 in the ranking of Top International Contractors by *Engineering News Record*.