



ACS Group reaches Financial Close for the Finch West Light Rail Transit Project in Toronto (Ontario, Canada) with an estimated capital cost of CAN \$1.2 Billion (790 Million Euros)

Madrid, 9th May, 2018

Concession project, North America

ACS Group as part of the *Mosaic Transit Group* consortium has successfully achieved Financial Close for the *Finch West Light Rail Transit Project* in Toronto, Canada. Through its affiliates *ACS Infrastructure Canada (Iridium)* and *Dragados Canada*, ACS holds 1/3 share in the concessionaire and in construction joint venture, and a 50% share in the maintenance scope. The consortium, which is also formed by local Canadian partners Aecon and Dufferin/CRH Canada Group Inc., executed the concession agreement on May 3rd and successfully achieved Financial Close on May 7th.

Transit Project

The public-private-partnership (PPP) scheme for the project includes the design, construction, finance and maintenance of a new 11km street running light rail transit system along Finch Avenue West, one of the main and most congested arteries in Toronto. The project includes 18 stops, 16 new at-grade, a below-grade stop, and an underground station connecting to the newly developed TTC Finch West station on the Toronto-York-Spadina Subway Extension. Finally, ACS will also be responsible for the integration and maintenance during the 30-year concession term of the system and the new fleet of vehicles supplied by Alstom through a separate agreement with Metrolinx.

The Financing Structure

Public contribution during construction will be in the form of monthly progress payments and a substantial completion payments at the end of the construction works. The private financing of over CAN \$839 million (EUR 552 million), includes issuance of both long-term and medium-term amortizing bonds, both underwritten by RBC and HSBC. The financing also includes a short-term construction bank facility syndicated by 5 international bank lenders: Royal Bank of Canada, Desjardins, TD Bank, Mizuho and ATB Financial. Finally, the financing includes equity made by ACS and its partners, which will be injected at the end of construction period, as well as contingent equity, which will all be backed by letters of credit until construction is finalized.

ACS' success in the North American P3 market

The award of the Finch West Light Rail Transit Project further consolidates ACS' leading role in the North American market and in rail/transit projects, and is one of the EUR 200 Billion worth of P3 infrastructure projects identified by the ACS Group in its key markets (Canada, USA and Australia) for the period 2018-2021. The project will add to the ACS Group's large P3 asset portfolio in North America, worth over CAD 25 Billion (more than EUR 17 Billion) in total.

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*.