The ACS Group reaches the financial close of the Portsmouth Bypass in the United States with a total investment of EUR 517 million

The consortium led by the ACS Group, through its American subsidiary ACS Infrastructure Development, Inc. (Iridium), has reached the financial close of the 39-year contract with the Ohio Department of Transport (ODOT) for the design, construction, funding, operation and maintenance of the new Portsmouth Bypass (State Route 823) in Ohio.

Madrid, 10 April 2015

The concession, with a total scheduled investment of USD 557 million (EUR 517 million), includes the design and construction of the new 26 km bypass with two lanes in each direction, and a period of operation and maintenance of 35 years after its construction. The Portsmouth Bypass project, recently named the "Southern Ohio Veterans Memorial Highway", constitutes the Ohio Department of Transport’s largest project to date and the first concession project in the state. It will improve the driver safety and regional mobility, in order to increase the potential economic development of the zone. ACS, through the concessionaire, will be responsible for the operation and maintenance activities.

The project has public and private sources of financing. The State of Ohio will contribute USD 44 million during the construction, which will be paid as certain advances in the work are completed. The Ohio Department of Transport will also make availability payments to the concessionaire during the period of operation. The long-term funding includes a USD 208 million (EUR 193 million) TIFIA loan from the Federal Government of the United States, which was signed on 31 March 2015, and an issue of tax-free bonds known as "private activity bonds" for an amount of USD 227 million (EUR 211 million), and includes USD 108 million
(EUR 100 million) of bonds insured by Assured Guaranty. The bond issue, which was oversubscribed, is the first of the ACS Group in the American capital market and was syndicated by J.P. Morgan and Barclays Capital. The rest of the private capital will be injected at the end of the construction period, and it is guaranteed through letters of credit provided by ACS and its partners.

The Portsmouth Gateway Group consortium has ACS Infrastructure Development, Inc. (40%), InfraRed Capital Partners Limited (40%) and Star America Fund GP LLC as concessionaires. The design and construction will be executed by a temporary joint venture led by Dragados USA, the American construction company of the ACS Group, together with two prominent local Ohio construction companies, Beaver Excavating Company and John R. Jurgensen Co., Inc.

The offer of the consortium had been selected as the "apparent best offer" in October 2014 and the concession agreement was signed with the Ohio Department of Transport on 5 December 2014. The competitors in the tender were Cintra/Ferroviel on the one hand and the American construction company Walsh, together with Plenary Group, on the other hand.

**Consolidation of the ACS Group in the North American concessions market**

The financial close of the Portsmouth Bypass project represents a further step in the consolidation of the ACS Group/Dragados in the North American infrastructure market, in which, since its arrival in 2006, it has become one of the most successful concessionaires. The ACS Group is developing almost USD 10 billion worth of transport infrastructure in North America, including the I-595 Express motorway, whose opening was completed in March 2014. Additionally, it is first in the ranking of international construction companies drafted by the *Engineering News Record* publication and has occupied top spot in the international ranking of infrastructure investors developed by the *Public Works Financing* publication since 1994. The further 8 projects awarded to the Group in North America exceed the value of USD 10 billion. Notably, in addition to the Portsmouth Bypass in Ohio and the I-595 in Florida, the concession projects include the new SH-288 motorway project in Texas (awarded in February of this year with commercial and financial close expected before the year-end), the new light metro line in Ottawa, the A-30 motorway in Montreal (open to traffic in December 2012), the South Fraser Perimeter Road motorway in Vancouver (open to traffic in December 2013), the Windsor Essex Parkway in Ontario, and the closure of the Edmonton (North East Anthony Henday) bypass in Alberta.