PORTUGAL

GENERAL REPORT

ASECAP STUDY AND INFORMATION DAYS

LISBON, 27th – 29th May 2015

NETWORK CHARACTERIZATION

On the 31st December 2014, the total motorway network length under operation of the following APCAP members was 2,942.9 km (2,503.8 km tolled and 439.1 km non-tolled):

Concession	Length (km)
1. AEA - Auto-Estradas do Atlântico – Concessões Rodoviárias de Portugal, S.A.	170.0
2. AEBT - Auto-Estradas do Baixo Tejo, S.A.	36.9
3. AEDL – Auto-Estradas do Douro Litoral, S.A.	79.0
4. AELO - Auto-Estradas do Litoral Oeste, S.A.	25.7
5. AENL - Auto-Estradas Norte Litoral – Sociedade Concessionária – AENL, S.A.	113.3
6. AE XXI - Auto-Estradas XXI – Subconcessionária Transmontana, S.A.	134.7
7. ASC BLA - Ascendi Beiras Litoral e Alta – Auto-Estradas das Beiras Litoral e Alta, S.A.	172.6
8. ASC CP - Ascendi Costa de Prata – Auto-Estradas da Costa de Prata, S.A.	104.5
9. ASC DI - Ascendi Douro – Estradas do Douro Interior, S.A.	13.6
10. ASC GL - Ascendi Grande Lisboa – Auto-Estradas da Grande Lisboa, S.A.	23.0
11. ASC GP - Ascendi Grande Porto – Auto-Estradas do Grande Porto, S.A.	54.7
12. ASC N - Ascendi Norte – Auto-Estradas do Norte, S.A.	179.0
13. ASC PI - Ascendi Pinhal Interior – Estradas do Pinhal Interior, S.A.	85.4
14. BCR - Brisa – Concessão Rodoviária, S.A.	1,094.6
15. BRI - Brisal – Auto-Estradas do Litoral, S.A.	92.7
16. Euroscut Açores - Sociedade Concessionária da SCUT dos Açores, S.A.	31.1
17. Euroscut Algarve - Sociedade Concessionária da SCUT do Algarve, S.A.	129.8
18. Lusoponte – Concessionária para a Travessia do Tejo, S.A.	24.0
19. Norscut - Concessionária de Auto-Estradas, S.A.	156.6
20. Scutvias - Auto-Estradas da Beira Interior, S.A.	177.5
21. Vialitoral - Concessões Rodoviárias da Madeira, S.A.	44.2

SERVICES

In a total of 172 toll plazas there are 1,286 lanes with 470 teletoll equipped lanes. On the 31st December 2014, there were 3,805,628 teletoll subscribers.

In terms of another services, the motorway network was equipped with 59 service areas, 2 rest areas, 90 restaurants and 7 hotels.

INVESTMENTS

The investments in 2014 reached an amount of € 59.2 million. This total includes € 27.8 million in new sections and € 31.4 million allocated to motorways in service (expansion works, rest areas and new facilities).

In 2015, an investment of € 309.7 million is foreseen as follows:

- € 249.3 million in new sections
- € 60.4 million in motorways in service

TRAFFIC

On the total network, the 2014 Average Annual Daily Traffic was 14,092 vehicles, distributed as follows:

Light vehicles: 13,174 (93.5%) Heavy vehicles: 918 (6.5%)

The circulation was 15,137 x 10^6 vehicles x km. The circulation growth in 2014 was 6.8%. The GDP growth in 2014 was 0.9%.

TOLLS

In 2014, the toll tariffs remained the same 2013 values. The average of toll tariffs was € 0.066/km for light vehicles and € 0.165/km for heavy vehicles. The earning average tariff HV/LV was 2.5.

REVENUES

The annual toll revenues in 2014 (excluding Ascendi Douro Interior, Euroscut Açores and Vialitoral) reached € 855.4 million, which means an increase of 5.3 % from 2013.

SAFETY

In 2014, 5,681 accidents occurred with 1,594 personal injury accidents. The number of fatal accidents was 41 with 44 dead.

Indicator	2014 (Nº of accidents/10^9 veh x km)	2014/2013 (%)
Personal injury accident rate	105.3	-9
Fatal accident rate	2.7	-4
Dead rate	2.9	-12

MOTORWAYS CONCESSIONS IN PORTUGAL

First Real Toll Concessions

Brisa, Lusoponte and Auto-Estradas do Atlântico were the first real toll concessions in Portugal.

Since 1972, Brisa - Auto-Estradas de Portugal S.A. has played a key role in bringing Portugal's once-neglected transportation infrastructure up to date. The company, which holds the largest road concession granted by the Portuguese government, operates the country's main network of tolled motorways.

Since 1998, Lusoponte is the concessionaire of the highways crossings of the river Tagus in Lisbon (Vasco da Gama and April 25th Bridges) and Autoestradas do Atlântico is the concessionaire of the Oeste Region Concession. In 1999, the North Concession, connecting Vila do Conde, Braga and Guimarães, was awarded to Ascendi Norte.

Concession	Length (km)
Ascendi Norte	179.0
Auto-Estradas do Atlântico	170.0
Brisa Concessão Rodoviária	1,094.6
Lusoponte	24.0

New Real Toll Concessions

From 1999 until 2007, some toll motorway tenders were launched by the Portuguese State, all foresaw a return to real tolls and an upfront payment to the State.

The risk allocation was also modified as expropriation risk was passed to the Concessionaire, namely due to the experience gathered from previous projects for which the State assumed far more compensations than initially expected.

Furthermore, two projects (Grande Lisboa and Douro Litoral) experimented a mix of greenfield and brownfield, requiring upgrading, operating and maintaining existing roads for a period of five years with no toll collection, combined with a thirty year concession for the new construction stretches with real toll.

Concession	Length* (km)
Brisal	92.7
Grande Lisboa	23.0
Douro Litoral	79.0

*Greenfield

The Subconcession Model and Mega State-Owned Concession

In late 2007 and early 2008, the Portuguese toll road market underwent a major transformation, from the previous model where EP - Estradas de Portugal acted as National Authority and Grantor to a new model where EP acts as Concessionaire, leaving its previous role a new road regulator.

With this change, the whole state-owned road network was transformed into a 75 year road concession that is now responsible for all new tenders, as they would become its own Sub-Concessions.

The old paradigm changed: where the privates usually had to deal with traffic risk, those subconcessions (private) only collect tolls, by means of exclusively electronic toll collection, deliver them directly to EP and are rewarded by both operational service (traffic-related) and availability payments (fixed in time and value). In this new layout, the regulator acts both as a Grantor for Concessionaires both Public (EP) and Private.

The Availability Payment Model and the Sub-Concessions

In 2007, together with important changes to the concession model for the road sector, EP issued a new set of tenders.

Revolutionizing the previous model, major changes were introduced to these new tenders, namely: (i) both brownfield and greenfield were now awarded for a thirty year period; (ii) only electronic toll collection; (iii) the revenues collected through tolls are delivered to EP – Estradas de Portugal, S.A.; (iv) the Concessionaire revenues are a mix of service (based on traffic levels assessed) and availability revenues.

Concession	Length* (km)
Douro Interior	13.6
Transmontana	134.7
Baixo Tejo	36.9
Litoral Oeste	25.7
Pinhal Interior	85.4

*Greenfield

The substantial number of projects awarded allowed the State to transfer most of the national road network to private subconcessionaires responsible for thirty years for upgrades, maintenance and operation, including the DBFO for new national roads.

Shadow Tolls turn Real under the Subconcession Model

As a direct consequence of the financial crisis, the government decided to convert in 2010 and 2011 the 7 shadow-toll concessions into the real toll model, renegotiating all the existing Concession and Financial Contracts. One should mention that the operational model is real toll concessions but acting through the subconcession model, where the previous concessionaires (privates) have became subconcessionaires.

Concession	Length (km)
Beira Interior	177.5
Algarve	129.8
Costa de Prata	104.5
Interior Norte	156.6
Beiras Litoral e Alta	172.6
Norte Litoral	113.3
Grande Porto	54.7

Regional Shadow Toll Concessions

In the Madeira and Açores archipelagos were launched shadow toll concessions. In Madeira the concession was awarded in the year 2000 to Vialitoral and in Açores the concession was awarded to Euroscut Açores in the year 2006.

Concession	Length (km)
Euroscut Açores	31.1
Vialitoral	44.2

Future and Present Trends

Following the strategic plan presented by the Portuguese government, PPP road contracts will be renegotiated in order to obtain substantial fiscal gains, while ensuring a sustainable reduction in government liabilities.

MAIN APCAP KEY FIGURES

Country : PORTUGAL	2014
Network length (km)	2,942.9
2 x 2 lanes (km)	2,401.4
2 x 3 lanes (km)	515.9
2 x 4 lanes (km)	25.6
No. of km in construction	7.8
Forecasts of opening motorway sections in 2015	0.0
Annual toll revenues (in millions of euros) *	855
VAT % (Toll revenues)	23%
Permanent staff	1,114
Average daily traffic (LV)	13,174
Average daily traffic (HV)	918
Average daily traffic (LV+HV)	14,092
Total number of accidents	5,681
No. of personal injury accidents	1,594
No. of dead	44
Fatality rate	2.9 %
Km travelled (10^6 x km)	15,137
Number of toll transactions (Total) *	398,794,799
Number of toll transactions (Light vehicles) *	374,749,893
Number of toll transactions (Heavy vehicles) *	24,044,906
No. of toll stations	172
No. of toll lanes	1,286
No. of ETC lanes	470
No. of ETC subscribers (Total)	3,805,628
No. of ETC subscribers (Light vehicles)	3,693,055
No. of ETC subscribers (Heavy vehicles)	112,573
No. of services areas (equipped with petrol stations)	59
No. of rest areas	2
No. of restaurants	90
No. of hotels	7

* Not available for Ascendi Douro Interior, Euroscut Açores and Vialitoral.