

REPORT 2005

NETWORK LENGTH

With the new openings throughout last year, by the end of 2005 the Spanish motorway network financed through the toll system reached a length of 2,842.27 km, representing a network's increase over the previous year of 49.5 km. The sections opened during 2005 were the following:

- The EJE AEROPUERTO motorway (M-12) of 9.44 km long linking Madrid (from the A-1 and the M-40) to the new Barajas Airport Terminal that was opened to traffic on June 16th. Some other 36.56 km of toll-free motorways belonging to the same concession contract were also opened to traffic (Connexion to the A-2, improvements on the South access of Barajas...).
- A 3.5 km section from Bergara Sur to Arrasate of the EIBAR-VITORIA motorway (AP-1) that was opened to traffic on July 25th.

Out of the projected 1,027.8 km of toll motorways planned by the last government for the period 2000-2007, we can highlight that the following four sections (toll-free sections included) are currently under construction:

- The section Ocaña-La Roda of 177.3 km that extends the access road Madrid R-4, to the Mediterranean coast.
- The motorway of 80 km that connects Madrid to Toledo.
- The section Cartagena-Vera of 114 km, which extends the existing motorway AP-37 on the Southeast of Spain.
- The ring road of Alicante, 142.5 km long, also on the Mediterranean coast.

On top of all this, we should add about 161.40 km of toll motorways planned by the Regional Governments, such as the Basque Country, Galicia, Aragon and Madrid.

TOLL MOTORWAYS NETWORK (KM)

	2004	2005
IN OPERATION	2,781.37	2,842.27
UNDER CONSTRUCTION	576.80	549.4
PLANNING STAGE	645.40	611.9
TOTAL NETWORK	4,003.37	4,003.57
AWARDED TOLLROADS	4	1

SECTIONS UNDER CONSTRUCTION (31 December 2005)

SECTION	KM	CONCES.
Ocaña-La Roda	177.30	Autopista Madrid Levante
M-50	17.00	Autopista Madrid Sur
Madrid-Toledo	80.00	Autopista Madrid-Toledo
Alicante ring road	142.5	Autopista Circunvalación de Alicante (Ciralsa)
Cartagena-Vera	114.00	Autopista de la Costa Cálida
M-203	12.3	Cintra
Eibar-Vitoria	6.3	Bidegi
TOTAL	549.4	

OPENINGS IN 2006

The four toll motorway sections awarded on 2004 and currently under construction (Ocaña-La Roda, Madrid-Toledo, Cartagena-Vera and the ring road of Alicante) will be opened to traffic before the end of 2006. This means that by the end of 2006, 513.8 km of new toll motorways will have been opened to the traffic and the total length of the toll network in operation will reach 3,356.07 km.

INVESTMENTS

The toll motorways planned to be opened in 2006 will imply an investment of 2,013.95 million euros. Moreover, the M-203 toll motorway, awarded in 2005 by the regional government of Madrid, supposes an investment of 101.85 millions.

We can observe that the concession system is changing in Spain as, more and more, the award of a concession implies also the construction of a free toll section. Indeed, the concessionaire has to invest in the construction, operation and maintenance of the toll motorway and also in the construction and maintenance of a free toll motorway section. The latter implies not only that an important investment will have to take place at the start of the project, but also the fact that incomes will only come from one of the sections that will be constructed (toll motorways).

TRAFFIC LEVELS

In 2005 the average daily traffic on toll motorways was 23,532 vehicles, 4.05 % higher than a year before. The ratio of trucks that used the toll motorway network remained unchanged with a rate of 15%.

	2004	2005	%
Passenger cars ADT	19,333	20,167	4.31 %
HGV ADT	3,284	3,365	2.47 %
TOTAL ADT	22,617	23,532	4.05 %

TOLL RATES

The Government's Central Administration, which awards most of the toll motorways in Spain, applies the system included in Law 14/2000 of December 28th. This system takes into account the average Cost of Living Index as well as the traffic levels recorded on the motorways. As a result of that, toll fees increased by 2.93 % during 2005.

In 2005 the Concessionaires companies have appealed the decisions from the Audiencia Nacional (Special Division of the Supreme Court dealing with complex administrative law business and appeals) stating that the Minister Orders revision of tariffs of the years 2001, 2002, 2003 and 2004 were lawful.

In this respect, the Spanish Concessionaires have received during 2005 the corresponding compensations for the loss of revenue produced during the year 2000 as a consequence of the two High Court sentences of 17th October 2003 stating the invalidity of the Royal Decree 429/2000 of 31st March.

This same system has also been applied in Catalonia where some basic points have been added to the toll tariffs revision of 2005 corresponding to the partial compensations from previous toll tariff revisions that have been frozen.

The remaining awarding administrations apply a system of tariffs revision that only takes into account the Cost of Living Index.

REVENUES

As a result of the growth in traffic levels on Spanish toll motorways, the new openings and the compensations received from the Central Administration by the freezing of tariffs in the last years, toll revenues increased more than the Spanish economy, reaching 5.2%, whereas GDP grew by 3.4 %. Total toll revenues amounted to 1,677.38 million euros.

SAFETY

Like in previous years, toll motorways continue being the safest roads in Spain. The evolution of accident rate on the toll road network keeps improving proportionally in relation to the traffic increase.

	2004	2005
Total number of Accidents	6,912	5,976
Number of Accidents with injuries	2,021	1,739
Number of deaths	173	125
IF 1 (acc. with inj. per 100M./vh.km)	9.69	8.2
IF 2 (injuries per 100 M./vh.km)	15.79	13.2
IF 3 (deaths per 100 M./vh.km)	0.83	0.59

LONG TERM FORECASTS AND TRENDS

Even though the Spanish Ministry of Transport has presented a Transport Infrastructure Strategic Scheme (PEIT) for the period 2005-2020, it has still not published the detailed sector schemes and so the concrete projects of future toll motorway sections are still unknown.

On their own accord, some regional governments are using the toll system for building high capacity motorways which run within their territory. For example the regional government of Madrid is now evaluating the possibility of launching a public call for building the R-1 (access road to Madrid city by the North) and for completing the M-50 ring road.

RELEVANT ACTIONS

The most relevant actions that took place during 2005 were those related to the role of Spanish companies on the privatization processes in France and USA and the consolidation of the national interoperable Electronic Toll Collection system.

In 2005 several countries have made public

calls in order to privatize their toll motorways public companies. Spanish companies have been very interested on these processes and have obtained positive results: The ABERTIS Group, who participates in a consortium together with Axa, Caisse des Dépôts, Predica and FFP, was awarded, on December 14th, with 75% of the corporate capital of SANEF.

Another Spanish group, CINTRA, has increased its presence in USA by being awarded with the privatizations of the Chicago Skyway toll motorway and the Indiana toll motorway.

The national interoperable Electronic Fee collection (EFC) system called Via T has registered a positive evolution: in 2005 several toll motorways have started operating with VIA-T and currently 87% of the tolled network uses this ETC system (the remaining motorways do not have implemented any ETC system yet). The system has been welcomed by the users and at the end of 2005 more than 518,000 OBUs were distributed and the monthly increasing rates are near 3-5%. During the summer, ASETA launched an advertising campaign at national level which was supported by local campaigns managed by the concession companies.

In 2005 Spanish and Portuguese experts have continued working on the VIA IBERICA project which aim is to achieve a complete interoperability between the national ETC systems, VIA-T and VIA VERDE. Once the technical interoperability has been demonstrated, the efforts are now focused on designing a business model able to accept both the Portuguese issuer (VIA VERDE) and the Spanish ones: financial issuers (banks and saving banks) and non financial issuers (petrol and fleet cards companies). It is expected that the full interoperability will be a reality by mid 2006.

In 2005 a working group was established for studying the feasibility of extending the use of VIA-T to the Spanish parkings. The first pilots test will take place at the beginning of this year and, by mid 2006, the exploitation phase will be launched to all parkings.