



Empark Funding S.A.

€385,000,000

€235,000,000 6.75% Senior Secured Notes due 2019

€150,000,000 Senior Secured Floating Rate Notes due 2019

Empark Funding S.A., a *société anonyme* incorporated and existing under Luxembourg law and registered with the Luxembourg Register of Commerce and Companies under the number B 182.119 (the “*Issuer*”) has offered (the “*Offering*”) €235,000,000 aggregate principal amount of its 6.75% senior secured notes due 2019 (the “*Fixed Rate Notes*”) and €150,000,000 aggregate principal amount of its senior secured floating rate notes due 2019 (the “*Floating Rate Notes*” and, together with the Fixed Rate Notes, the “*Notes*”). Interest on the Fixed Rate Notes will be paid semi-annually in arrears on June 15 and December 15 of each year, beginning on June 15, 2014. The Fixed Rate Notes will mature on December 15, 2019. The Floating Rate Notes will bear interest at a rate per annum, reset quarterly, equal to three-month EURIBOR plus 5.5%, payable quarterly in arrears on March 15, June 15, September 15 and December 15 of each year, beginning on March 15, 2014. The Floating Rate Notes will mature on December 15, 2019.

Prior to December 15, 2016, the Issuer may redeem all or part of the Fixed Rate Notes at a redemption price equal to 100% of the principal amount thereof, plus accrued and unpaid interest and additional amounts, if any, plus the applicable “make whole” premium, as described herein. Prior to December 15, 2016, the Issuer may redeem up to 35% of the aggregate principal amount of the Fixed Rate Notes with the net proceeds from certain equity offerings at the applicable redemption price set forth in this offering memorandum. At any time on and after December 15, 2016, the Issuer will be entitled at its option to redeem all or a portion of the Fixed Rate Notes, upon not less than 30 nor more than 60 days’ notice, at the applicable redemption price set forth in this offering memorandum.

Prior to December 15, 2014, the Issuer may redeem all or part of the Floating Rate Notes at a redemption price equal to 100% of the principal amount thereof, plus accrued and unpaid interest and additional amounts, if any, plus the applicable “make whole” premium, as described herein. At any time on and after December 15, 2014, the Issuer will be entitled at its option to redeem all or a portion of the Floating Rate Notes, upon not less than 30 nor more than 60 days’ notice, at the applicable redemption price set forth in this offering memorandum. Additionally, the Issuer may redeem all, but not less than all, of the Notes upon the occurrence of certain changes in applicable tax law. Upon the occurrence of certain events constituting a change of control, the Issuer may be required to make an offer to repurchase all the Notes at a redemption price equal to 101% of the principal amount thereof, plus accrued and unpaid interest and additional amounts, if any.

The Notes will be the Issuer’s senior secured obligations and are fully and unconditionally guaranteed (the “*Note Guarantees*” and each, a “*Note Guarantee*”) on a senior secured basis by Empark Aparcamientos y Servicios S.A. (“*Empark*” or the “*Parent Guarantor*”) and certain of its direct and indirect subsidiaries named herein (each, a “*Subsidiary Guarantor*” and, together with the Parent Guarantor, the “*Guarantors*”).

The Notes will be initially secured by first ranking security interests over substantially the same assets that secure the Revolving Credit Facility (as defined herein), subject to the operation of certain security principles further described herein (the “*Collateral*”). See “*Summary—The Offering—Collateral*”. The Revolving Credit Facility and certain hedging obligations will be secured on a “super priority” basis and in the event of enforcement of the Collateral, the holders of the Notes will receive proceeds from the Collateral only after the lenders under the Revolving Credit Facility and counterparties to certain hedging obligations have been repaid in full. See “*Description of the Notes—Security*”.

The security interests and the Note Guarantees, as well as certain claims against the Issuer and the Guarantors, will be subject to significant contractual and legal limitations. In particular, the Note Guarantees of Empark Portugal—Empreendimentos e Exploração de Parques, S.A. (“*Emparque*”) and Esli-Parques de Estacionamento, S.A. will be limited to a maximum amount of €29.97 million and €25.32 million, respectively, and the security interest over the issued and outstanding shares of Emparque (following the conversion of the shares to bearer form) will be limited to a maximum amount of €40.00 million with respect to the Notes and the Revolving Credit Facility. Furthermore, the security interests and the Note Guarantees may be released under certain circumstances.

This offering memorandum includes information on the terms of the Notes and the Note Guarantees, including redemption and repurchase prices, security, covenants and transfer restrictions. For a detailed description of the Notes, see “*Description of the Notes*”.

There is currently no public market for the Notes. Application will be made for the Notes to be listed on the Official List of the Luxembourg Stock Exchange and admitted to trading on the Luxembourg Stock Exchange’s Euro MTF market. The Euro MTF market is not a regulated market pursuant to the provisions of Directive 2004/39/EC. There can be no assurance that the Notes will be, or will remain, listed and admitted to trading on the Euro MTF market.

The Notes will be issued in the form of one or more global notes in registered form. See “*Book-entry; Delivery and Form*”. We expect that the Notes will be delivered in book-entry form through the facilities of Euroclear Bank SA/NV (“*Euroclear*”) and Clearstream Banking, *société anonyme* (“*Clearstream*”) on or about December 18, 2013 (the “*Issue Date*”).

Investing in the Notes involves a high degree of risk. See “*Risk Factors*” beginning on page 25.

Issue price for the Fixed Rate Notes: 100.00% plus accrued interest, if any, from the Issue Date.

Issue price for the Floating Rate Notes: 99.50% plus accrued interest, if any, from the Issue Date.

The Notes and the Note Guarantees have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “*U.S. Securities Act*”) or the securities laws of any other jurisdiction. Accordingly, the Notes and the Note Guarantees are being offered and

sold inside the United States only to qualified institutional buyers (“*QIBs*”) in accordance with Rule 144A under the U.S. Securities Act (“*Rule 144A*”) and outside the United States to certain persons in offshore transactions in accordance with Regulation S under the U.S. Securities Act (“*Regulation S*”). Prospective purchasers that are QIBs are hereby notified that the sellers of the Notes may be relying on the exemption from the registration requirements of the U.S. Securities Act provided by Rule 144A. Outside the United States, sellers may be relying on Regulation S. For a description of certain restrictions on transfers of the Notes, See “*Plan of Distribution*” and “*Notice to Investors*”.

Joint Bookrunners

J.P. Morgan

Deutsche Bank

Caixa - Banco de Investimento

**Espírito Santo
Investment Bank**

The date of this offering memorandum is March 4, 2014.

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You should rely only on the information contained in this offering memorandum. The Issuer and the Guarantors have not, and J.P. Morgan Securities plc, Deutsche Bank AG, London Branch, Caixa - Banco de Investimento, S.A., Sucursal en España and Banco Espírito Santo de Investimento, S.A. Sucursal en España (together, the “*Initial Purchasers*”) have not, authorized anyone to provide prospective investors with information that is different from the information contained herein, and you should not rely on any such other information. You should not assume that the information contained in this offering memorandum is accurate as of any date other than the date on the front of this offering memorandum.

None of the Issuer, the Guarantors or the Initial Purchasers are making an offer of the Notes in any jurisdiction where such offer is not permitted.

Important Information

In making an investment decision regarding the Notes offered by this offering memorandum, you must rely on your own examination of our business and the terms of the Offering, including the merits and risks involved. Any decision to purchase Notes in the Offering must be based on the information contained in this offering memorandum.

You are not to construe the contents of this offering memorandum as investment, legal or tax advice. You should consult your own counsel, accountants and other advisors as to legal, tax, business, financial and related aspects of a purchase of the Notes. None of the Issuer, the Guarantors or the Initial Purchasers is making any representation to you regarding the legality of an investment in the Notes by you under applicable legal investment or similar laws.

No representation or warranty, express or implied, is made by the Initial Purchasers or their respective directors, affiliates, advisors and agents as to the accuracy or completeness of any of the information set out in this offering memorandum, and nothing contained in this offering memorandum is, or shall be relied upon as, a promise or

representation by the Initial Purchasers or their respective directors, affiliates, advisors and agents, whether as to the past or the future. By receiving this offering memorandum, you acknowledge that you have not relied on the Initial Purchasers or their respective directors, affiliates, advisors and agents in connection with your investigation of the accuracy of this information or your decision whether to invest in the Notes.

The information contained in this offering memorandum has been furnished by us and other sources we believe to be reliable. None of the Issuer, the Guarantors and the Initial Purchasers represents that the information in this offering memorandum is complete. We will make copies of certain actual documents available to you upon request. See “*Available Information*”. All summaries of the documents contained herein are qualified in their entirety by this reference.

No person is authorized in connection with any offering made by this offering memorandum to give any information or to make any representation not contained in this offering memorandum and, if given or made, any other information or representation must not be relied upon as having been authorized by the Issuer, the Guarantors or the Initial Purchasers. The information contained in this offering memorandum is accurate as of the date hereof. Neither the delivery of this offering memorandum at any time nor any subsequent commitment to purchase the Notes shall, under any circumstances, create any implication that there has been no change in the information set forth in this offering memorandum or in the business of the Issuer or the Guarantors since the date of this offering memorandum.

Issuer is making this Offering subject to the terms described in this offering memorandum and the purchase agreement relating to the Notes (the “*Purchase Agreement*”). The Issuer and the Initial Purchasers each reserve the right to reject any commitment to subscribe for the Notes in whole or in part and to allot to any prospective investor less than the full amount of the Notes sought by such investor. The Initial Purchasers and certain of their related entities may acquire, for their own accounts, a portion of the Notes.

The Issuer is offering the Notes, and the Guarantors are issuing the Note Guarantees, in reliance on an exemption from registration under the U.S. Securities Act for an offer and sale of securities that does not involve a public offering. If you purchase the Notes, you will be deemed to have made certain acknowledgements, representations and warranties as detailed under “*Notice to Investors*”. You may be required to bear the financial risk of an investment in the Notes for an indefinite period.

The distribution of this offering memorandum and the offer and sale of the Notes are restricted by law in some jurisdictions. This offering memorandum does not constitute an offer to sell or an invitation to subscribe for or purchase any of the Notes in any jurisdiction in which such offer or invitation is not authorized or to any person to whom it is unlawful to make such an offer or invitation. Each prospective offeree or purchaser of the Notes must comply with all applicable laws and regulations in force in any jurisdiction in which it purchases, offers or sells the Notes or possesses or distributes this offering memorandum, and must obtain any consent, approval or permission required under any regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers or sales, and neither the Issuer nor the Initial Purchasers shall have any responsibility to make any such consents, approvals or permissions. See “*Notice to Certain European Investors*”, “*Plan of Distribution*” and “*Notice to Investors*”.

You agree that you will hold the information contained in this offering memorandum and the transactions contemplated hereby in confidence. You may not distribute this offering memorandum to any person, other than a person retained to advise you in connection with the purchase of the Notes.

Neither the U.S. Securities and Exchange Commission, any U.S. state securities commission nor any non-U.S. securities authority nor other authority has approved or disapproved of the Notes or determined if this offering memorandum is truthful or complete. Any representation to the contrary is a criminal offense. Application has been made for the Notes to be listed on the Official List of the Luxembourg Stock Exchange and admitted to trading on the Luxembourg Stock Exchange’s Euro MTF market, and the Issuer will submit this offering memorandum to the Luxembourg Stock Exchange in connection with the listing application. This Offering Memorandum constitutes a Prospectus for the purpose of Luxembourg law dated July 10th, 2005 on Prospectus for Securities, as amended. Any investor or potential investor should not base any investment decision relating to the Notes after publication of the listing particulars on the information contained in this offering memorandum and should refer instead to those listing particulars. This offering memorandum may be used only for the purposes for which it has been published.

We accept responsibility for the information contained in this offering memorandum. We have made all reasonable inquiries and confirm to the best of our knowledge, information and belief that the information contained in this offering memorandum with regard to us, our subsidiaries and affiliates, and the Notes is true and

accurate in all material respects; that the opinions and intentions expressed in this offering memorandum are honestly held; and that we are not aware of any other facts the omission of which would make this offering memorandum or any statement contained herein misleading in any material respect.

The information contained under “*Exchange Rate and Currency Information*” includes extracts from information and data publicly released by official and other sources. While each of the Issuer and the Guarantors accepts responsibility for accurately summarizing the information concerning exchange rate information, neither the Issuer nor the Guarantors accepts any further responsibility in respect of such information. The information set out in those sections of the offering memorandum describing clearing and settlement, including the section entitled “*Book-Entry; Delivery and Form*”, is subject to any change or reinterpretation of the rules, regulations and procedures of Euroclear and Clearstream currently in effect. Investors wishing to use these clearing systems are advised to confirm the continued applicability of their rules, regulations and procedures. None of the Issuer nor the Guarantors will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, book-entry interests held through the facilities of any clearing system or for maintaining, supervising or reviewing any records relating to such book-entry interests.

Notice to New Hampshire Residents

NEITHER THE FACT THAT A REGISTRATION STATEMENT OR AN APPLICATION FOR A LICENSE HAS BEEN FILED UNDER CHAPTER 421-B OF THE NEW HAMPSHIRE REVISED STATUTES (“RSA 421-B”) WITH THE STATE OF NEW HAMPSHIRE NOR THE FACT THAT A SECURITY IS EFFECTIVELY REGISTERED OR A PERSON IS LICENSED IN THE STATE OF NEW HAMPSHIRE CONSTITUTES A FINDING BY THE SECRETARY OF STATE OF NEW HAMPSHIRE THAT ANY DOCUMENT FILED UNDER RSA 421-B IS TRUE, COMPLETE AND NOT MISLEADING. NEITHER ANY SUCH FACT NOR THE FACT THAT AN EXEMPTION OR EXCEPTION IS AVAILABLE FOR A SECURITY OR A TRANSACTION MEANS THAT THE SECRETARY OF STATE OF NEW HAMPSHIRE HAS PASSED IN ANY WAY UPON THE MERITS OR QUALIFICATIONS OF, OR RECOMMENDED OR GIVEN APPROVAL TO, ANY PERSON, SECURITY OR TRANSACTION. IT IS UNLAWFUL TO MAKE, OR CAUSE TO BE MADE, TO ANY PROSPECTIVE PURCHASER, CUSTOMER OR CLIENT ANY REPRESENTATION INCONSISTENT WITH THE PROVISIONS OF THIS PARAGRAPH.

Notice to Certain European Investors

European Economic Area

This offering memorandum is not a prospectus and is being distributed to a limited number of recipients for the sole purpose of assisting such recipients in determining whether to proceed with a further investigation of the issue of the Notes. This offering memorandum has been prepared on the basis that all offers of Notes will be made pursuant to an exemption under the Prospectus Directive, as amended, as implemented in member states of the European Economic Area (“EEA”), from the requirement to produce a prospectus for offers of the Notes. Accordingly, any person making or intending to make any offer within the EEA of the Notes which are the subject of the Offering contemplated in this offering memorandum must only do so in circumstances in which no obligation arises for the Issuer, any of the Guarantors or any of the Initial Purchasers to produce a prospectus for such offer. None of the Issuer, the Guarantors or any Initial Purchaser has authorized, nor do they authorize, the making of any offer of the Notes through any financial intermediary, other than offers made by the Initial Purchasers, which constitute the final placement of the Notes contemplated in this offering memorandum. The expression “Prospectus Directive” means Directive 2003/71/EC (as amended) of the European Parliament and of the Council of November 4, 2003 on the prospectus to be published when securities are offered to the public or admitted to trading and amending Directive 2001/34/EC (including the 2010 PD Amending Directive, in the case of Early Implementing Member States), and includes any relevant implementing measure in the Relevant Member State (as defined below). The expression “2010 PD Amending Directive” means Directive 2010/73/EU of the European Parliament and of the Council of November 24, 2010 amending Directives 2003/71/EC on the prospectus to be published when securities are offered to the public or admitted to trading and 2004/109/EC on the harmonization of transparency requirements in relation to information about issuers whose securities are admitted to trading on a regulated market.

In relation to each Member State of the EEA which has implemented the Prospectus Directive (each, a “*Relevant Member State*”), including each Relevant Member State that has implemented the 2010 PD Amending Directive (each an “*Early Implementing Member State*”), with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the “*Relevant Implementation Date*”), no offer has been

made and no offer will be made of the Notes to the public in that Relevant Member State prior to the publication of a prospectus in relation to the Notes that has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, all in accordance with the Prospectus Directive, except that, with effect from and including the Relevant Implementation Date, an offer of the Notes may be made to the public in that Relevant Member State at any time to:

- “qualified investors” as defined in the Prospectus Directive;
- fewer than 100 or, in the case of Early Implementing Member States, 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive) in any Relevant Member State subject to obtaining the prior consent of the Issuer and Initial Purchasers; or
- in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Notes shall result in a requirement for the publication by the Issuer, any Guarantor or any Initial Purchaser of a prospectus pursuant to Article 3 of the Prospectus Directive.

For the purposes of this provision, the expression an “offer of Notes to the public” in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes, as such expression may be varied in the Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State.

Each subscriber for or purchaser of the Notes in the Offering located within a Relevant Member State will be deemed to have represented, acknowledged and agreed that it is a “qualified investor” within the meaning of Article 2(1)(e) of the Prospectus Directive. The Issuer, the Guarantors, the Initial Purchasers and others will rely upon the truth and accuracy of the foregoing representation, acknowledgement and agreement. Notwithstanding the above, a person who is not a qualified investor and who has notified the Initial Purchasers of such fact in writing may, with the consent of the Initial Purchasers, be permitted to subscribe for or purchase the Notes in the Offering.

Luxembourg

The Offering should not be considered a public offering of securities in the Grand Duchy of Luxembourg. This offering memorandum may not be reproduced or used for any purpose other than this private placement nor provided to any person other than the recipient thereof. The Notes are offered to a limited number of qualified investors in all cases under circumstances designed to preclude a distribution, which would be other than a private placement. All public solicitations are banned and the sale may not be publicly advertised.

The Notes may not be offered or sold to the public within the territory of the Grand Duchy of Luxembourg unless:

- (a) a prospectus has been duly approved by the Commission de Surveillance du Secteur Financier (the “CSSF”) pursuant to part II of the Luxembourg law dated July 10, 2005 on prospectuses for securities, as amended (the “*Luxembourg Prospectus Law*”), implementing the Prospectus Directive, if Luxembourg is the home Member State as defined under the Luxembourg Prospectus Law; or
- (b) if Luxembourg is not the home Member State, the CSSF has been provided by the competent authority in the home Member State with a certificate of approval attesting that a prospectus in relation to the Notes has been drawn up in accordance with the Prospectus Directive and with a copy of the said prospectus; or
- (c) the offer of the Notes benefits from an exemption from or constitutes a transaction not subject to, the requirement to publish a prospectus pursuant to the Luxembourg Prospectus Law (including, but not limited to, if the offer of the Notes is made only to “qualified investors” as described in points (1) to (4) of Section I of Annex II to Directive 2004/39/EC of the European Parliament and of the Council of April 21, 2004 on markets in financial instruments, and persons or entities who are, on request, treated as professional clients in accordance with Annex II to Directive 2004/39/EC, or recognized as eligible counterparties in accordance with Article 24 of Directive 2004/39/EC unless they have requested that they be treated as non-professional clients).

For the purposes of this restriction, the expression “Prospectus Directive” means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in each Relevant Member State and the expression “2010 PD Amending Directive” means Directive 2010/73/EU.

United Kingdom

This offering memorandum is for distribution only to, and is directed solely at, persons who (i) are outside the UK, (ii) are investment professionals, as such term is defined in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the “*Financial Promotion Order*”), (iii) are persons falling within Article 49(2)(a) to (d) of the Financial Promotion Order, or (iv) are persons to whom an invitation or inducement to engage in investment banking activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000 (the “*FSMA*”)) in connection with the issue or sale of any Notes may otherwise be lawfully communicated or caused to be communicated (all such persons together being referred to as “*relevant persons*”). This offering memorandum is directed only at relevant persons and must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this offering memorandum relates is available only to relevant persons and will be engaged in only with relevant persons. Any person who is not a relevant person should not act or rely on this offering memorandum or any of its contents.

Spain

This Offering has not been registered with the Spanish Securities Market National Commission (*Comisión Nacional del Mercado de Valores*). The Notes may not be listed, offered or sold in Spain except in accordance with the requirements of the Spanish Security Market Act (*Ley 24/1988, de 28 de julio, del Mercado de Valores*), as amended, and as supplemented by Royal Decree 1310/2005 (*Real Decreto 1310/2005, de 4 de noviembre, por el que se desarrolla parcialmente la Ley 24/1988, de 28 de julio, del Mercado de Valores, en materia de admisión a negociación de valores en mercados secundarios oficiales, de ofertas públicas de venta o suscripción y del folleto exigible a tales efectos*), (hereinafter, the “*Royal Decree 1310/2005*”), and any other applicable provisions. The Notes may not be listed, sold, offered or distributed to persons in Spain except in compliance with the above-mentioned provisions and, particularly, pursuant to Sections 26 to 38 and 41 of Royal Decree 1310/2005, as amended.

Portugal

Neither the Offering nor this offering memorandum have been registered with the Portuguese Securities Market Commission (the *Comissão do Mercado de Valores Mobiliários*) and no action has been or will be taken that would permit a public offering of any of the Notes in Portugal. Accordingly, no Notes may be offered, sold or distributed except in circumstances that will result in compliance with any applicable laws and regulations, in particular with articles 109, 110 and 111 of the Portuguese Securities Code (*Código dos Valores Mobiliários*).

Germany

The Offering of the Notes is not a public offering in the Federal Republic of Germany. The Notes may be offered and sold in the Federal Republic of Germany only in accordance with the provisions of the Securities Prospectus Act of the Federal Republic of Germany (*Wertpapierprospektgesetz*) (the “*German Securities Prospectus Act*”) and any other applicable German law. Consequently, in Germany the Notes will only be available to, and this offering memorandum and any other offering material in relation to the Notes is directed only at, persons who are qualified investors (*qualifizierte Anleger*) within the meaning of Section 2 No. 6 of the German Securities Prospectus Act. Any resale of the Notes in Germany may only be made in accordance with the German Securities Prospectus Act and other applicable laws. EGSA has not, and does not intend to, file a securities prospectus with the German Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht*) (“*BaFin*”) or obtain a notification to BaFin from another competent authority of a Member State of the European Economic Area, with which a securities prospectus may have been filed, pursuant to Section 17 Para. 3 of the German Securities Prospectus Act.

Italy

This offering memorandum has not been, nor will be, published in the Republic of Italy (“*Italy*”) in connection with the Offering of the Notes and such Offering of the Notes has not been, nor will be, registered with the Commissione Nazionale per le Società e la Borsa (“*Consob*”) in Italy pursuant to Legislative Decree no. 58 of February 24, 1998 as amended (the “*Financial Services Act*”) and to Consob Regulation no. 11971 of May 14, 1999 as amended (the “*Issuers Regulation*”) and, accordingly, no Notes may, and will, be offered, sold, transferred or delivered, directly or indirectly in an offer to the public in Italy, nor may, or will, copies of this offering memorandum or of any other document relating to the Notes be distributed in Italy, except:

- (i) to qualified investors (*operatori qualificati*), as defined in Article 34 ter, paragraph 1(b) of Issuers Regulation; or

- (ii) in other circumstances which are exempted from the rules governing offers to the public pursuant to, and in accordance with, the conditions set out in Article 100 of the Financial Services Act and its implementing regulations including Article 34 ter, first paragraph of Issuers Regulation.

The Netherlands

The Notes (including the rights representing an interest in the Notes in global form) which are the subject of this offering memorandum, have not been and shall not be offered, sold, transferred or delivered to the public in the Netherlands, unless in reliance on Article 3(2) of the Prospectus Directive and provided:

- (a) such offer is made exclusively to legal entities which are qualified investors (within the meaning of the Prospectus Directive) in the Netherlands;
- (b) standard logo and exemption wording are incorporated in offer documents, advertisements and documents in which the offer is announced, as required by article 5:20(5) of the Dutch Financial Supervision Act (Wet op het financieel toezicht) or the “*Dutch FSA*”; or
- (c) such offer is otherwise made in circumstances in which article 5:20(5) of the Dutch FSA is not applicable.

For the purposes of the abovementioned paragraphs, the expression an “*offer of Notes to the public*” in relation to any Notes in the Netherlands means the announcement or communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes and the expression “*Prospectus Directive*” means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive) and the expression “*2010 PD Amending Directive*” means Directive 2010/73/EU.

Belgium

This offering memorandum relates to a private placement and does not constitute an offer or solicitation to the public in Belgium to subscribe for or acquire the Notes. The offer of the Notes has not been and will not be notified to, and neither this offering memorandum nor any other materials relating to the offer have been or will be approved by the Belgian Financial Services and Markets Authority (*Autoriteit voor Financiële Diensten en Markten / Autorité des Services et Marchés Financiers*) pursuant to the Belgian laws and regulations applicable to the public offering of securities.

Accordingly, the offer of the Notes may not be advertised, the Notes may not be offered or sold, and this offering memorandum and any other materials relating to the offer may not be distributed, directly or indirectly, (i) to any other person located or resident in Belgium other than in circumstances which do not constitute an offer to the public in Belgium pursuant to the Belgian act of June 16, 2006 on the public offering of investment instruments and the admission of investment instruments to trading on a regulated exchange or pursuant to the Belgian act of August 3, 2012 on certain forms of collective management of investment portfolios or (ii) to any person qualifying as a consumer within the meaning of the Belgian act of April 6, 2010 on market practices and consumer protection, unless such sale is made in compliance with this act and its implementing regulation and does not constitute a public offer as described under (i) above.

This offering memorandum has been provided to the intended recipient for its personal use only and exclusively for the purposes of the offer of the Notes. It may not be used for any other purpose or passed on to any other person in Belgium.

Notice to Prospective Investors

This Offering is being made in the United States in reliance upon an exemption from registration under the U.S. Securities Act for an offer and sale of the Notes which does not involve a public offering. In making your purchase, you will be deemed to have made certain acknowledgements, representations and agreements. See “*Notice to Investors*”.

This offering memorandum is being provided (1) to a limited number of U.S. investors that the Issuer reasonably believes to be “qualified institutional buyers” under Rule 144A for informational use solely in connection with their consideration of the purchase of the Notes and (2) to investors outside the U.S. in connection with offshore transactions complying with Rule 903 or Rule 904 of Regulation S. The Notes described in this offering memorandum have not been registered with, recommended by or approved by the U.S. Securities and Exchange Commission (the “SEC”), any state securities commission in the U.S. or any other securities commission or regulatory authority, nor has the SEC, any state securities commission in the U.S. or any such securities commission or authority passed upon the accuracy or adequacy of this offering memorandum. Any representation to the contrary is a criminal offense.

Stabilization

IN CONNECTION WITH THE ISSUANCE OF THE NOTES, J.P. MORGAN SECURITIES PLC (THE “*STABILIZING MANAGER*”) (OR ANY PERSON ACTING ON BEHALF OF THE STABILIZING MANAGER) MAY OVER-ALLOT NOTES OR EFFECT TRANSACTIONS WITH A VIEW TO SUPPORTING THE MARKET PRICE OF THE NOTES AT A LEVEL HIGHER THAN THAT WHICH MIGHT OTHERWISE PREVAIL. HOWEVER, THERE IS NO ASSURANCE THAT THE STABILIZING MANAGER (OR ANY PERSON ACTING ON BEHALF OF THE STABILIZING MANAGER) WILL UNDERTAKE STABILIZATION ACTION. ANY STABILIZATION ACTION MAY BEGIN ON OR AFTER THE DATE ON WHICH ADEQUATE PUBLIC DISCLOSURE OF THE TERMS OF THE OFFER OF THE NOTES IS MADE AND, IF BEGUN, MAY BE ENDED AT ANY TIME, BUT IT MUST END NO LATER THAN THE EARLIER OF 30 DAYS AFTER THE ISSUE DATE OF THE NOTES AND 60 DAYS AFTER THE DATE OF THE ALLOTMENT OF THE NOTES.

Forward-Looking Statements

This offering memorandum includes forward-looking statements within the meaning of the securities laws of certain applicable jurisdictions. These forward-looking statements include, but are not limited to, all statements other than statements of historical facts contained in this offering memorandum, including, without limitation, those regarding our intentions, beliefs or current expectations concerning, among other things, our future financial condition and performance, results of operations and liquidity; our strategy, plans, objectives, prospects, growth, goals and targets; future developments in the markets in which we participate or are seeking to participate; and anticipated regulatory changes in the industry in which we operate. These forward-looking statements can be identified by the use of forward-looking terminology, including the terms “*aim*”, “*anticipate*”, “*believe*”, “*continue*”, “*could*”, “*estimate*”, “*expect*”, “*forecast*”, “*guidance*”, “*intend*”, “*may*”, “*plan*”, “*project*”, “*should*”, “*will*” or “*would*” or, in each case, their negative, or other variations or comparable terminology.

By their nature, forward-looking statements involve known and unknown risks, uncertainties and other factors because they relate to events and depend on circumstances that may or may not occur in the future. We caution you that forward-looking statements are not guarantees of future performance and that our actual financial condition, results of operations and cash flows, and the development of the industry in which we operate, may differ materially from (and be more negative than) those made in, or suggested by, the forward-looking statements contained in this offering memorandum. In addition, even if our financial condition, results of operations and cash flows, and the development of the industry in which we operate, are consistent with the forward-looking statements contained in this offering memorandum, those results or developments may not be indicative of results or developments in subsequent periods. Important risks, uncertainties and other factors that could cause these differences include, but are not limited to, those relating to:

- intense competition that can constrain our ability to win, renew and acquire parking concessions;
- the continuation or worsening of the European debt crisis and the recent economic crisis in Spain and Portugal;
- our concessions are granted for a limited period of time and are subject to termination on public interest grounds or with respect to surface rights agreements under the terms and conditions contractually agreed as well as under circumstances set forth under applicable private law;
- the tariff rates that we can charge our customers are governed by our concession agreements;
- financial difficulties of municipalities;
- changes in transportation and traffic patterns;
- we generate a substantial amount of revenues from a limited number of concessions and municipalities;
- changes in the applicable legal framework may impose significant costs on us;
- we may fail to successfully carry out construction work under our off-street concessions, and may not recover our investment;
- we have minority partners for certain concessions and are minority partners with respect to certain of our other businesses;
- our substantial leverage and debt services obligations;
- we are subject to restrictive debt covenants that may limit our ability to finance our future operations and capital needs and to pursue business opportunities and activities;
- risks related to the Notes and our structure; and
- the other factors discussed in more detail under “*Risk Factors*”.

The foregoing factors and others described under “*Risk Factors*” should not be construed as exhaustive. Due to such uncertainties and risks, you are cautioned not to place undue reliance on such forward-looking statements, which speak only as of the date hereof. We urge you to read this offering memorandum, including the sections entitled “*Risk Factors*”, “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*”, “*Regulation*” and “*Business*”, for a more complete discussion of the factors that could affect our future performance and the industry in which we operate.

Any forward-looking statements are only made as at the date of this offering memorandum and, except as required by law or the rules and regulations of any stock exchange on which the Notes are listed, we undertake no obligation, and do not intend, to publicly update or publicly revise any forward-looking statement, whether as a

result of new information, future events or otherwise. All subsequent written and oral forward-looking statements attributable to us or to persons acting on our behalf are expressly qualified in their entirety by the cautionary statements referred to above and contained elsewhere in this offering memorandum, including those set forth under “*Risk Factors*”.

Market and Industry Data

In this offering memorandum, we rely on and refer to information regarding our business and the market in which we operate and compete. The market, economic and industry data and forecasts used in this offering memorandum were obtained from governmental and other publicly available sources and independent industry publications and reports. Industry publications and forecasts generally state that the information they contain has been obtained from sources believed to be reliable, but that the accuracy and completeness of such information is not guaranteed. We have not independently verified such data and cannot guarantee its accuracy or completeness.

In some cases, there may be no readily available external information (whether from trade associations, government bodies or other organizations) to validate market-related analyses and estimates, requiring us to rely on our own internally developed estimates regarding the industry in which we operate, our position in the industry, our market share and the market shares of various industry participants based on our experience, our own investigation of market conditions and our review of industry publications, including information made available to the public by our competitors. Neither we nor the Initial Purchasers can assure you of the accuracy and completeness of, and take no responsibility for, such data. Similarly, while we believe our internal estimates to be reasonable, these estimates have not been verified by any independent sources and neither we nor the Initial Purchasers can assure you as to their accuracy or the accuracy of the underlying assumptions used to estimate such data. Our estimates involve risks and uncertainties and are subject to change based on various factors. See *“Forward-Looking Statements”* and *“Risk Factors”*.

There are some discrepancies between the figures presented in the *“Industry”* section, which have been cited based on figures from the Spanish DBK Report of March 2013 and the Portuguese DBK Report of March 2013, (together, the *“DBK Report”*) and the figures presented elsewhere in the offering memorandum, which are based on our own internal sources. For the purposes of the *“Industry”* section, we only refer to data from the DBK Report.

Presentation of Financial and Other Information

The Issuer was formed as a *société anonyme* under the laws of Luxembourg on November 28, 2013 for the purposes of facilitating the Offering. The Issuer is wholly-owned by Empark and, prior to the date hereof, has not engaged in any business other than in preparation for the Offering. Since the Issuer is a newly formed entity, there are no financial statements available for it.

Unless otherwise indicated, the financial information presented in this offering memorandum is the historical consolidated financial information of the Group. Empark is the Parent Guarantor of the Notes. The consolidated financial statements of the Group are prepared on the basis of a calendar year, ending on December 31 of each year.

This offering memorandum contains:

- the consolidated financial statements of the Group as of and for the year ended December 31, 2012, which have been prepared in accordance with IFRS and audited by Ernst & Young, S.L., as set forth in their auditor's report included elsewhere herein (with comparative data for the year ended December 31, 2011);
- the consolidated financial statements of the Group as of and for the year ended December 31, 2011, which have been prepared in accordance with IFRS and audited by Ernst & Young, S.L., as set forth in their auditor's report included elsewhere herein (with comparative data for the year ended December 31, 2010, which was restated to reflect the impacts of new accounting standards (International Financial Reporting Standards Interpretations Committee IFRIC 12 "Service Concession Arrangements"));
- the consolidated financial statements of the Group as of and for the year ended December 31, 2010, which have been prepared in accordance with IFRS and audited by Ernst & Young, S.L., as set forth in their auditor's report included elsewhere herein (with comparative data for the year ended December 31, 2009);
- the consolidated financial statements of the Group as of and for the nine months ended September 30, 2013, which have been prepared in accordance with IAS 34; and
- the consolidated financial statements of the Group as of and for the nine months ended September 30, 2012, which have been prepared in accordance with IAS 34.

The financial information presented herein as of and for the twelve months ended September 30, 2013 is derived from the Group's consolidated financial statements as of and for the nine months ended September 30, 2013 (included elsewhere in this offering memorandum) by adding together the results of operations for the year ended December 31, 2012 and the results of operations for the nine months ended September 30, 2013 and then subtracting the results of operations for the nine months ended September 30, 2012.

The financial information included in this offering memorandum includes measures which are not accounting measures within the scope of IFRS, including:

- Adjusted Contribution Margin, which we define as Contribution Margin with respect to the year ended December 31, 2012 *as adjusted* to eliminate (i) Contribution Margin generated by our Calle Sevilla parking facility located in Madrid, which we expect to sell by January 2014, (ii) Contribution Margin generated by our Cascais concession prior to its termination by the relevant municipality in 2011, (iii) net non-recurring expenses incurred in 2012 and (iv) consolidation adjustments;
- Contribution Margin, which we define as (i) net turnover *plus* (ii) other operating income *less* (iii) variation in stock of finished products and products in process *less* (iv) supplies *less* (v) other operating expenses and expenses for personnel (in each case, excluding headquarter costs), for the relevant business line;
- Adjusted Revenue, which we define as net turnover *plus* other operating income *less* other non-recurrent revenue *less* other "one off" or non-recurring gains and losses (including gains and losses realized from the sale of parking spaces to local residents and gains and losses realized on the sale of parking facilities);
- EBITDA, which we define as consolidated results from ordinary operations *excluding* corporate income tax, financial result, amortization of fixed assets and provisions and losses through unrecoverable receivables;
- Adjusted EBITDA for the Group, which we define as EBITDA *adjusted for* (i) non-recurring headquarter operating expenses (including redundancy payments and other related personnel costs), (ii) non-recurring business unit expenses and (iii) other "one off" or non-recurring gains and losses (including gains and losses realized from the sale of parking spaces to local residents and gains and losses realized on the sale of parking facilities);
- Adjusted EBITDA by business line, which we define as EBITDA for the relevant business line *adjusted for* (i) reallocation of overhead costs and non-recurring headquarter operating expenses, (ii) non-recurring business unit expenses (including redundancy payments and other related personnel costs) and (iii) other "one-off" or

non-recurring gains and losses (including gains and losses realized from the sale of parking spaces to local residents and gains and losses realized on the sale of parking facilities);

- EBITDA margin, which we define as EBITDA *divided by* the sum of net turnover and other operating income;
- Adjusted EBITDA margin, which we define as Adjusted EBITDA *divided by* Adjusted Revenue;
- Free Cash Flow, which we define as Adjusted EBITDA *less* maintenance and renewal capital expenditure, changes in working capital, cash taxes and other non-cash items; and
- Weighted average remaining duration of our concessions, which we define as the average period of time remaining on our concessions and contracts, weighted by the contribution each concession or contract has made to our Contribution Margin for the year ended December 31, 2012.

See “*Summary—Summary Financial, Operating and Other Information*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operation*” for further information about and the calculation of these non-IFRS financial measures.

You should exercise caution in comparing any of the above non-IFRS financial measures as reported by us to corresponding measures of other companies. The EBITDA measures presented in this offering memorandum differ from the definition of “Consolidated EBITDA” set forth under the caption “*Description of the Notes—Certain Definitions*”. By eliminating potential differences between periods or companies caused by factors such as depreciation and amortization methods, financing and capital structures and taxation positions or regimes, we believe these non-IFRS financial measures can provide a useful additional basis for comparing the current performance of the underlying operations being evaluated. For these reasons, we believe these non-IFRS financial measures and similar measures are regularly used by the investment community as a means of comparing companies in our industry.

Our management also uses the non-IFRS financial measures described above to assess our operating and financial performance and to make decisions about allocating resources in our business. For example, management monitors the Weighted average remaining duration for our concessions in order to evaluate future cash flow variability and any associated risk.

None of the non-IFRS financial measures presented herein are a measurement of performance under IFRS and they should not be considered in isolation or construed as a substitute for (a) operating profit or profit for the period (as determined in accordance with IFRS) as a measure of our operating performance, (b) cash flow from operating, investment and financing activities as a measure of our ability to meet our cash needs or (c) any other measures of performance or liquidity.

The non-IFRS financial measures presented herein have limitations as analytical tools, including the following:

- they do not reflect our cash expenditures or future requirements for capital expenditures, contractual commitments or working capital;
- they do not reflect the significant interest expense or the cash requirements necessary to service interest or principal payments on our debts;
- although depreciation and amortization are non-cash charges, the assets being depreciated and amortized will often need to be replaced in the future, and the non-IFRS financial measures do not reflect any cash requirements that would be required for such replacements;
- some of the exceptional items that we eliminate in calculating the relevant non-IFRS financial measures reflect cash payments that were made, or will in the future be made;
- other companies in our industry may calculate the non-IFRS financial measures presented herein differently than we do, which limits their usefulness as a comparative measure; and
- they remove the results of impairments and disposals of fixed assets which may also occur in future periods.

Certain amounts and percentages included in this offering memorandum have been rounded. Accordingly, in certain instances, the sum of the numbers in a column of a table may not exactly equal the total figure for that column.

The financial information included in this offering memorandum is not intended to comply with the applicable accounting requirements of the U.S. Securities Act and the related rules and regulations of the SEC which would apply if the Notes were being registered with the SEC.

Certain Definitions

For the definition of certain financial terms used in this offering memorandum, see “*Presentation of Financial and Other Information*”.

In this offering memorandum, unless the context otherwise requires:

- “AENA” refers to Aeropuertos Españoles y Navegación Aérea;
- “ANA” refers to Aeroportos de Portugal;
- “ASSIP” refers to ASSIP Consultoria e Serviços S.A., our largest shareholder;
- “*brown field*” concession refers to where an upfront payment is made to a municipality in respect of an existing parking facility;
- “*Cintra Parking*” refers to Cintra Aparcamientos, S.A., the name of Empark prior to acquiring Emparque. For the avoidance of doubt, Cintra Aparcamientos, S.A. is a separate entity to Cintra Concesiones de Infraestructuras de Transporte, S.A. (currently Ferrovial, S.A.), which was our prior parent company;
- “*Collateral*” refers to, collectively:
 - (a) a first-ranking security interest over 99.9% of the issued and outstanding shares of Empark;
 - (b) a first-ranking security interest over all the issued and outstanding shares of the Issuer and each of the following Subsidiary Guarantors:
 - Emparque (but only following the conversion of the shares thereof to bearer form);
 - Dornier, S.A.;
 - Femet, S.A.;
 - Estacionamientos Guipuzcoanos, S.L.; and
 - Balsol 2001, S.A.;
 - (c) a first-ranking security interest over 43.0% of the issued and outstanding shares of EULSA;
 - (d) a first-ranking security interest over 24.5% of the issued and outstanding shares of SMASSA;
 - (e) a first-ranking security interest over all the Issuer’s credit rights under the Funding Loan Agreements and the Issuer Intercompany Loan Agreement;
 - (f) a first-ranking security interest over all the credit rights under certain of the Guarantors’ Spanish off-street concessions (which includes the rights to receive compensation, payments and owed amounts under the concession agreements); and
 - (g) a first-ranking security interest over certain bank accounts of the Issuer and the Spanish Guarantors, as more specifically described under “*Description of the Notes—Security*”.
- “*Empark*” or the “*Parent Guarantor*” refers to Empark Aparcamientos y Servicios, S.A., the direct parent of the Issuer and a Guarantor of the Notes;
- “*Empark Funding*” or the “*Issuer*” refers to Empark Funding S.A., a *société anonyme* incorporated and existing under Luxembourg law, having its registered office at 13-15 Avenue de la Liberté, L-1931 Luxembourg, Grand Duchy of Luxembourg, and registered with the Luxembourg Register of Commerce and Companies under the number B 182.119;
- “*Emparque*” refers to Empark Portugal—Empreendimentos e Exploração de Parques, S.A., which we acquired on July 27, 2009;
- “*EULSA*” refers to Estacionamientos Urbanos de Leon, S.A., an entity in which we hold a 43.0% equity interest;
- “*EURIBOR*” refers to the Euro Interbank Offered Rate;
- “*Existing Credit Facilities*” refers to the existing credit facilities agreement dated July 27, 2009 (as amended on December 15, 2009, March 17, 2010, October 14, 2010, December 18, 2012, and December 19, 2012) by and among, *inter alios*, Empark, Emparque, Dornier, S.A., Estacionamientos Guipuzcoanos, S.L., Femet, S.A., Balsol 2001, S.A., Esli—Parques de Estacionamento, S.A., Serparque—Serviços de Estacionamento, S.A., Mr. Clean Lavagem de Veículos, S.A., Gisparques—Planeamento e Gestão de Estacionamentos, S.A.,

Gisparques II-Planeamento e Gestão de Estacionamento, S.A., SPGIS—Planeamento e Gestão de Estacionamento, S.A., as borrowers, and the several arrangers and lenders named therein, which will be repaid and discharged in full with a portion of the proceeds from the Refinancing;

- “*Fixed Rate Funding Loan*” refers to the loan from the Issuer to Empark to be made on or about the Issue Date pursuant to the Fixed Rate Funding Loan Agreement, the principal amount of which shall be equal to the aggregate principal amount of the Fixed Rate Notes issued on the Issue Date;
- “*Fixed Rate Funding Loan Agreement*” refers to the funding loan agreement, dated on or about the Issue Date, by and between the Issuer, as lender, and Empark, as borrower, pursuant to which the Issuer will extend the Fixed Rate Funding Loan to Empark;
- “*Fixed Rate Notes*” refers to the €235,000,000 aggregate principal amount of the Issuer’s 6.75% senior secured notes due 2019 offered hereby;
- “*Floating Rate Funding Loan*” refers to the loan from the Issuer to Empark to be made on or about the Issue Date pursuant to the Floating Rate Funding Loan Agreement, the principal amount of which shall be equal to the aggregate principal amount of the Floating Rate Notes issued on the Issue Date;
- “*Floating Rate Funding Loan Agreement*” refers to the funding loan agreement, dated on or about the Issue Date, by and between the Issuer, as lender, and Empark, as borrower, pursuant to which the Issuer will extend the Floating Rate Funding Loan to Empark;
- “*Floating Rate Notes*” refers to the €150,000,000 aggregate principal amount of the Issuer’s senior secured floating rate notes due 2019 offered hereby;
- “*Funding Loans*” refers to the Fixed Rate Funding Loan and the Floating Rate Funding Loan, together;
- “*Funding Loan Agreements*” refers to the Fixed Rate Funding Loan Agreement and the Floating Rate Funding Loan Agreement, together;
- “*green field*” concession refers to the construction of a new parking facility;
- “*Group*”, “*we*”, “*us*” and “*our*” refer to Empark and its consolidated subsidiaries and, except where otherwise indicated or the context otherwise requires, includes the Issuer and the Guarantors;
- “*Guarantors*” refers to the Parent Guarantor and the Subsidiary Guarantors, collectively;
- “*IFRS*” refers to International Financial Reporting Standards as adopted by the European Union;
- “*Indenture*” refers to the indenture governing the Notes to be dated the Issue Date by and among, *inter alios*, the Issuer, the Guarantors, the Trustee and the Security Agent;
- “*Initial Purchasers*” refers to J.P. Morgan Securities plc, Deutsche Bank AG, London Branch, Caixa - Banco de Investimento, S.A., Sucursal en España and Banco Espírito Santo de Investimento, S.A. Sucursal en España;
- “*Intercreditor Agreement*” refers to the Intercreditor Agreement, to be dated on or about the Issue Date, by and among, *inter alios*, the Issuer, the Guarantors, the Trustee and the Security Agent;
- “*Issue Date*” means December 18, 2013;
- “*Issuer Intercompany Loan*” refers to the loan from the Issuer to Empark to be made on or about the Issue Date in the principal amount of €2.0 million, being the gross amount of the equity contribution to be made by Empark to the Issuer on or about the Issue Date;
- “*Issuer Intercompany Loan Agreement*” refers to the loan agreement, dated on or about the Issue Date, by and between the Issuer, as lender, and Empark, as borrower, pursuant to which the Issuer will extend the Issuer Intercompany Loan to Empark;
- “*Non-Recourse Entities*” refers to the following entities or temporary consortiums in which Empark has an interest, collectively: (i) Aparcamientos de Bilbao, S.A., (ii) Guipúzcoa Parking Siglo XXI, S.A., (iii) Aparcamientos Guipuzcoanos, S.L., (iv) Estacionamientos Alhóndiga, S.A., (v) Concha Parking, S.A., (vi) Empark Aparcamientos Andalucía, S.A.U., (vii) U.T.E. Palma, (viii) Parques da Estação Empreendimentos e Exploração de Estacionamento, S.A, (ix) Parquegil—Planeamento e Gestão de Estacionamento, S.A., (x) ParqA—Parques de Estacionamento da Amadora, S.A., (xi) Street Park—Gestão de Estacionamento, A.C.E, (xii) Park Yönetimi ve Sistemleri San. Ve Tic A.S. + Katibin Otopark Isletmeleri Ticaret Ve San A.S., (xiii) Multi 49 Sociedade Imobiliária, S.A., (xiv) Segempark, S.A., (xv) Orange Park—Gestão de Parques de Estacionamento, S.A., (xvi) Maksu Services, S.A., (xvii) Parkivens—Imobiliário e Serviços, S.A. and (xviii) Castil—Parque, Sociedade Exploradora de Parques de Estacionamento, S.A.;

- “Notes” refers to, collectively, the Fixed Rate Notes and the Floating Rate Notes;
- “Note Guarantees” refers to the guarantees of the Notes to be issued by each of the Guarantors;
- “Offering” refers to the offering hereby of the Notes;
- “Portuguese Guarantors” refers to the Guarantors organized under the laws of Portugal;
- “Project Finance Facilities” refers to the non-recourse credit facilities entered into by the Non-Recourse Entities in order to finance the construction of parking facilities owned by such Non-Recourse Entities, as further described under “Description of Other Indebtedness—Project Finance Facilities”;
- “Refinancing” refers to the transactions described under the heading “Summary—The Refinancing”, collectively;
- “Revolving Credit Facility” refers to the €30 million super senior revolving credit facility made available pursuant to the Revolving Credit Facility Agreement;
- “Revolving Credit Facility Agreement” refers to the super senior revolving facility agreement to be entered into on or prior to the Issue Date, by and among, *inter alios*, the Issuer, the Guarantors and the several arrangers and lenders thereunder;
- “Security Agent” refers to Deutsche Bank AG, London Branch, in its capacity as security agent under the Indenture, the Intercreditor Agreement and the Revolving Credit Facility;
- “Security and Guarantee Documents” refers to the Security and Guarantee Documents as defined in “Description of the Notes—Certain Definitions”;
- “SMASSA” refers to Sociedad Municipal de Aparcamientos y Servicios, S.A., an entity in which we hold a 24.5% equity interest;
- “Spanish Guarantors” refers to the Guarantors organized under the laws of Spain;
- “Subsidiary Guarantors” means, collectively, Dornier, S.A., Estacionamientos Guipuzcoanos, S.L. (only following its conversion into a *sociedad anónima*, which is expected to occur between 60 and 90 days following the Issue Date), Femet, S.A., Balsol 2001, S.A., Emparque and Esli-Parques de Estacionamiento, S.A.; and
- “Trustee” refers to Deutsche Trustee Company Limited, in its capacity as trustee under the Indenture.

Exchange Rate and Currency Information

Unless otherwise indicated, references in this offering memorandum to “U.S. dollars”, “dollars”, “U.S.\$” or “\$” are to the lawful currency of the United States of America, and references to “euro” or “€” are to the lawful currency of the European Union.

The following table sets forth, for the periods indicated, the high, low, average and period end Bloomberg Composite Rate expressed as U.S. dollars per €1.00. The Bloomberg Composite Rate is a “best market” calculation, in which, at any point in time, the bid rate is equal to the highest bid rate of all contributing bank indications and the ask rate is set to the lowest ask rate offered by these banks. The Bloomberg Composite Rate is a mid-value rate between the applied highest bid rate and the lowest ask rate. The rates may differ from the actual rates used in the preparation of the consolidated financial statements and other financial information appearing in this offering memorandum. None of the Issuer, the Guarantors or the Initial Purchasers represent that the U.S. dollar or euro amounts referred to below could be or could have been converted into euro at any particular rate indicated or any other rate. Our inclusion of the exchange rates is not meant to suggest that the euro amounts actually represent U.S. dollar amounts or that these amounts could have been converted into U.S. dollars at any particular rate, if at all.

The average rate for a year means the average of the Bloomberg Composite Rates on the last business day of each month during a year. The average rate for a month, or for any shorter period, means the average of the daily Bloomberg Composite Rates during that month, or shorter period, as the case may be.

The Bloomberg Composite Rate of euro on December 10, 2013 was \$1.3787 per €1.00.

Year ended December 31	US dollar per €1.00			
	High	Low	Average ⁽¹⁾	Period end
2008	1.5991	1.2453	1.4710	1.3971
2009	1.5134	1.2530	1.3952	1.4321
2010	1.4513	1.1923	1.3210	1.3384
2011	1.4830	1.2907	1.3982	1.2959
2012	1.3458	1.2061	1.2909	1.3192
2013 (through December 10, 2013)	1.3804	1.2780	1.3258	1.3761

Month	US dollar per €1.00			
	High	Low	Average ⁽²⁾	Period end
June 2013	1.3392	1.3010	1.3200	1.3010
July 2013	1.3302	1.2782	1.3095	1.3302
August 2013	1.3417	1.3207	1.3319	1.3222
September 2013	1.3530	1.3120	1.3362	1.3527
October 2013	1.3804	1.3520	1.3639	1.3583
November 2013	1.3606	1.3367	1.3497	1.3591
December 2013 (to December 10, 2013)	1.3761	1.3542	1.3657	1.3761

(1) The average of the exchange rates on the last business day of each month during the relevant period.

(2) The average of the exchange rates on each business day during the relevant period.

Summary

The following summary highlights selected information from this offering memorandum and does not contain all the information that you should consider before investing in the Notes. It does not contain all the information that may be important to you or that you should consider before investing in the Notes, and it is qualified in its entirety by the remainder of this offering memorandum. This offering memorandum contains specific terms of the Notes, as well as information about the Group's business and detailed financial data. You should read this offering memorandum in its entirety, including the "Risk Factors" section and our financial statements and the notes to those statements. In addition, certain statements include forward-looking information that involves risks and uncertainties. See "Forward-Looking Statements".

Overview

We are the largest concessionaire and operator of parking infrastructure in the Iberian Peninsula, as measured by number of parking spaces and revenues. We mainly operate underground car parks ("*off-street*") and parking areas on city streets ("*on-street*") under concessions and surface rights agreements from public authorities. As of September 30, 2013, our portfolio comprised over 310 concessions with more than 160 municipalities and other contracts with customers such as AENA and ANA, under which we manage over 355,000 parking spaces in Spain and Portugal. For the twelve months ended September 30, 2013, our net turnover was €177.6 million, our Adjusted Revenue was €180.4 million and our Adjusted EBITDA was €62.4 million. Our operations in Spain represented 76.1% of our net turnover, 76.2% of our Adjusted Revenue and 66.7% of our Adjusted EBITDA for the twelve months ended September 30, 2013.

We have served the Iberian market since the late 1960s, when there were fewer competitors in the developing car park sector. We believe this has given us a "first mover" advantage, whereby we have secured long-term concessions and built a portfolio of prime parking locations in Spain and Portugal, including in city centers, airports and other high density traffic areas, such as hospitals and business districts. Due to a variety of physical, regulatory and other constraints, we believe that there is limited opportunity to develop alternative parking options in many of these prime areas, allowing us to benefit from captive demand with limited competition.

We generate revenues under three business lines:

- **Off-street concessions.** Our off-street concession business primarily comprises long-term concessions granted by municipalities to develop and operate underground or multi-story parking facilities, and represented 46.3% of our Adjusted Revenue and 78.6% of Adjusted EBITDA for the twelve months ended September 30, 2013. Under these contracts, we are generally required to invest in the construction of a new parking facility (a "*green field*" concession) or make an upfront payment to the municipality for an existing parking facility (a "*brown field*" concession). We operate each parking facility on a long-term basis and generate our fees based on tariffs charged to car park users, as set out in the relevant concession or surface rights agreement, which typically increase each year in line with inflation. We generally retain all fees generated from operating the relevant parking facility and are responsible for all expenses relating to operating and maintaining the parking facility during the term of the concession. With respect to "*brown field*" concessions, we may pay an annual concession fee to the municipality. In addition, we sell a limited number of parking spaces to local residents as an ancillary activity in connection with the development of some parking facilities. As of September 30, 2013, we had 172 off-street concession contracts with 76 municipalities. The Weighted average remaining duration of our off-street concessions is approximately 28 years.
- **On-street concessions.** Our on-street concession business comprises concessions granted by municipalities to manage meter-controlled on-street parking, and represented 41.1% of our Adjusted Revenue and 22.1% of Adjusted EBITDA in the twelve months ended September 30, 2013. For these types of contracts, we typically receive fixed fees that are inflation-indexed and which cover the yearly amortized amount of our initial investment and operating costs. In a number of concessions, the contract also includes a variable incentive element (which may be based on a percentage of the collected meter receipts, the number of parking spaces or certain other quality indicators) to align the concessionaire's objectives with optimizing revenue collection. As of September 30, 2013, we had 139 on-street concession contracts with 125 municipalities. The Weighted average remaining duration of our on-street concessions is approximately seven years. Since the beginning of 2010, we have renewed approximately 80% of our expiring on-street concessions for which we submitted bids. In addition, we also won a number of our competitors' contracts and overall our Adjusted EBITDA from on-street concessions grew in each of 2010, 2011 and 2012.

- **Off-street contract management.** Our off-street contract management business involves contracts to manage parking facilities on behalf of public authorities, primarily airports, as well as a limited number of private entities. Our off-street contract management business represented 12.6% of our Adjusted Revenue and had Adjusted EBITDA of €(0.4) million in the twelve months ended September 30, 2013. Under these contracts, we operate and manage parking facilities on behalf of third parties in exchange for a fixed fee. Although it is a relatively small part of our overall business, our off-street contract management business line allows us to leverage our expertise in managing car parks to improve our cash flow with minimal capital costs.

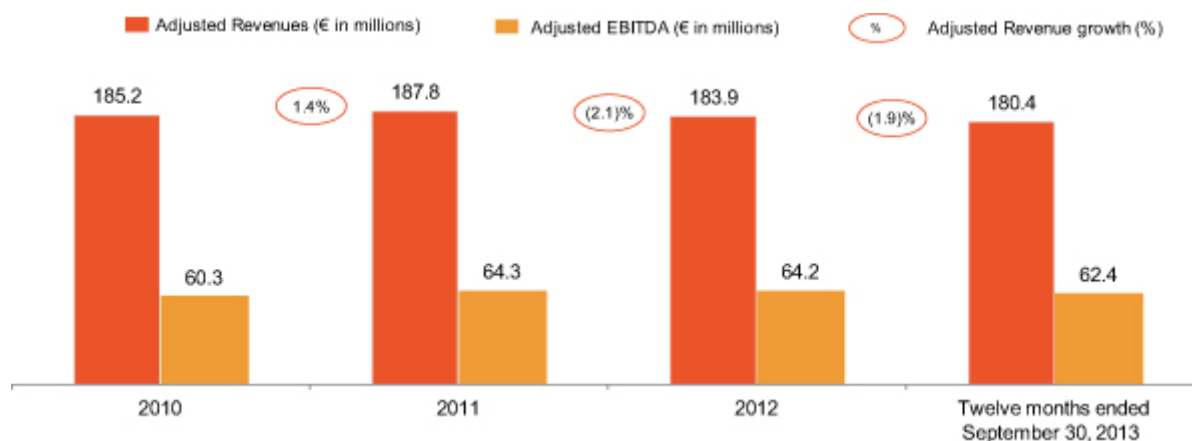
Strengths

We believe that we have several competitive advantages in the car park sector in Iberia, including our long-term contract revenues, diversified business profile, assets with low demand risk and market leadership. As a result of these strengths, together with the stable regulatory environment and favorable industry dynamics, our business benefits from a high level of stability and recurring cash flows.

Highly stable business characterized by low volatility and long term cash flow visibility

For the twelve months ended September 30, 2013, 78.6% of our Adjusted EBITDA was generated by our off-street concessions, which have a Weighted average remaining duration of approximately 28 years. Accordingly, we benefit from a high level of recurring business and long-term visibility of cash flows, and we believe the long-term nature of our portfolio is matched by few other infrastructure companies in Spain and Portugal. In addition, since the beginning of 2010, we have achieved a renewal rate of approximately 80% with respect to on-street concessions for which we submitted bids when they came up for tender and we continue to win new off-street management contracts, such as our new contract with AENA. In some instances, we have also successfully renewed our on-street concessions despite our competitors submitting more competitively priced bids than ours, which we believe is due to our superior technical competence and our wealth of industry experience. Furthermore, in both Spain and Portugal, we have won approximately 63% of the tenders for new on-street parking contracts and concessions, and approximately 36% of the expiring on-street parking contracts and concessions that were previously operated by our competitors, in each case for which we submitted bids since the beginning of 2010. As a result, since the beginning of 2010, we have increased our total number of concessions and off-street management contracts and the total number of parking spaces we manage. Despite the decrease in demand and volumes within our parking facilities that we have experienced during the recent economic downturn, we have been able to mitigate some of the effects thereof through the inflation-indexed price tariffs under the majority of our on-street concessions and off-street contract management agreements, as well as growth in our concession portfolio and our implementation of cost management measures. The stability of our business and the resilience of our Adjusted Revenue and Adjusted EBITDA during the economic downturn is illustrated by the chart below.

Adjusted Revenue and Adjusted EBITDA since 2010



Leading car park concessionaire in Spain and Portugal

We are the leading car park concessionaire in Spain and Portugal by revenue and parking spaces. As of September 30, 2013, we managed over 355,000 parking spaces in Spain and Portugal, and our market share in the Spanish parking sector was more than twice that of our nearest competitor as measured by the number of parking spaces. Our size and growth have allowed us to achieve significant economies of scale, and the scope of our operations, combined with the various cost management measures we have implemented, have allowed us to

protect our Adjusted EBITDA levels. For example, we have introduced a centralized system to control and manage a substantial majority of our off-street parking facilities from a remote location, which has allowed us to reduce personnel costs by reducing headcount, while still maintaining our high quality of services and customer satisfaction levels. In addition, such measures have helped us to reduce our reliance on external service providers by enabling us to reallocate personnel to perform certain functions previously performed by third-party service providers. In addition, through our experienced management team and our long-standing reputation in the industry, we have been able to develop and maintain important relationships with the various municipalities with which we do business, thereby reducing our dependence on any single local authority or region. We believe the upfront cost and difficulty in obtaining planning permission to build new high density car parks in city centers, together with the favorable regulatory regime that applies to concession agreements in Spain and Portugal discussed under “—*Stable regulatory environment with downside protection*” below, as well as the scale required to operate car parks efficiently, present significant barriers to entry in the car parking industry.

High degree of diversification

Our business benefits from a portfolio which is highly diversified in terms of the following: number of contracts, number of municipality clients and types of parking services we deliver. As of September 30, 2013, we had 172 off-street concessions, 139 on-street concessions and off-street management contracts with customers such as AENA and ANA. Our off-street and on-street concessions were granted by more than 160 municipalities in the Iberian Peninsula. We believe our limited reliance on any single contract is a significant factor in diversifying our source of revenues and therefore reduces our cash flow volatility. We are also diversified through our three business lines, each of which has different capital requirements, but with similar operational and managerial requirements. We believe our diversified business portfolio differentiates us from other infrastructure companies, which typically rely on a smaller number of larger contracts or concessions, with a greater concentration of risk.

Strategically located assets with attractive concessions and relatively low demand risk

We believe that our infrastructure portfolio is well invested, and given the attractive qualities of our portfolio, combined with increased investor interest for infrastructure assets and the execution of recent infrastructure transactions at favorable valuations, we may consider opportunistic disposals from time to time. For example, we are currently in the process of selling our *Calle Sevilla* parking facility located in Madrid. Our on-street concession and off-street contract management businesses have low demand risk because we are generally paid a fixed fee for the services we provide, regardless of occupancy of the car park. Although our off-street concession business is subject to demand risk and fluctuations in volumes, we believe the prime locations of our concessions attract car park users that prefer to use our parking facilities, which, in many cases, are within close proximity to city centers and conveniently located in high traffic areas. As a result, we believe that we enjoy a monopoly-like position in the relevant local area with respect to a significant proportion of our parking facilities. Moreover, the high density of city centers together with planning regulations make the approval process for “*green field*” concessions difficult, effectively limiting the supply of parking spaces in a given area. Accordingly, the prime positions of our car parks and the difficulty in building new car parks helps to reduce the demand risk in our off-street concession business. Although we have experienced a decrease in demand and volumes within our parking facilities as a result of the recent economic downturn in Iberia, our Adjusted Revenue and Adjusted EBITDA have remained resilient.

Stable regulatory environment with downside protection

The regulatory framework governing off-street and on-street parking concessions in Spain and Portugal affords certain protections to the concessionaire. We and other car park concessionaires that operate in the Iberian Peninsula have historically benefitted from a “rebalancing” clause under the relevant concession legislation in Spain and Portugal, which may also apply to Portuguese public surface rights agreements. Under certain circumstances, a change in the balance of the economic terms and conditions of the concession that is adverse to the concessionaire will trigger a right of the concessionaire to seek compensation or a “rebalancing” mechanism, which typically results in either an extension of the concession period, an increase in tariffs payable by users, or sometimes an increase in the number of parking spaces managed by the concessionaire, depending on the circumstances. This regulatory environment has proven to be stable and predictable since the implementation of the concession system more than 50 years ago and in the past, we have been successful in relying on such protective legislation to seek additional compensation. Additionally, the municipalities granting concessions have an interest in the success of public car parks since they are a source of income for the municipality and the operation of car parks satisfies a public need.

High cash flow conversion ratios with limited maintenance capital expenditure requirements

Our business model shares all the key features of infrastructure companies, such as long-term cash flow visibility, resilient revenue generation, long-term concessions and a favorable and stable regulatory environment with certain protections for the concessionaire in case of regulatory or administrative change. However, unlike some other infrastructure companies (including those operating toll roads), our car parks, once operational, require relatively low levels of maintenance capital expenditure. For example, our maintenance capital expenditure was €2.0 million for the year ended December 31, 2010, €2.3 million for the year ended December 2011 and €2.0 million for the year ended December 2012. Our maintenance capital expenditure for the twelve months ended September 30, 2013 was €1.7 million. Our infrastructure is well-invested as a result of the successful completion of our large capital program in 2012, which involved the construction of eight large parking facilities and a total capital expenditure for the period 2010 to 2012 of approximately €81.5 million. As a result, we believe we are well positioned to benefit from returns on these investments without the need to make significant maintenance capital expenditures with respect to these facilities. We do not expect to make any additional significant expansionary capital expenditure in the near future. We benefit from attractive working capital dynamics with low levels of credit risk with respect to our off-street concession business, since such revenues are collected from users when they exit the car park. In addition, our credit risk with respect to our on-street concessions is primarily with the municipalities rather than private third parties. As a result of all the above, we have achieved stable Adjusted EBITDA margins, as well as significant cash flow conversion ratios (which we define as Free Cash Flow *divided by* Adjusted EBITDA) of 90.5% and 89.3% for the year ended December 31, 2012 and the twelve months ended September 30, 2013, respectively.

Strategy

Our key strategies are the following:

Maintain focus on growing revenue and improving EBITDA

We will continue to implement measures designed to increase our revenues and thus enhance our EBITDA and cash flows. Generally, under our concession agreements, we are subject to limitations with respect to the maximum tariff that we can charge users of our parking facilities. As a result, we have the flexibility to structure our pricing policy as we deem fit so long as we do not exceed the maximum tariffs set forth in the concession agreement. Our pricing policy varies on a case by case basis, and we may use any or all of the following pricing mechanics in order to maximize demand and volumes: (i) season tickets, whereby we can offer a range of different products to fit our customers' specific needs (for example, offering specific time slots on specific days or for specific periods of time), which can help to increase volumes during those times of the day when rotation is less intensive, as well as have a positive impact on our working capital as a result of receiving payments in advance, (ii) different tariff structures, whereby tariffs will differ, for example, based on the time of day or the day of the week, and (iii) long-dated sales, whereby we can expand our product and service offering by developing special offers and promotions designed in partnership with third parties, such as travel agencies in connection with holiday packages or special events. We may also seek to increase revenue and volumes within our off-street parking facilities through increased deployment of car park signage and other forms of advertising in city centers and other high traffic areas in which our car parks are located. In addition, we anticipate that revenues from our large parking facilities opened in the past three years will increase over the coming years as they are currently in the "ramp up" phase. Within our on-street concession business, we seek to continue improving our revenue collection through the implementation of best practices in order to increase revenues collected for the relevant municipality, which will thereby increase the level of variable incentive compensation we receive under such concession. Moreover, we intend to continue to implement technological improvements to achieve greater efficiency, which will allow us to more efficiently manage the parking areas covered by our on-street concessions and increase the number of parking spaces covered per employee. As a result, we believe that we will be well positioned to benefit from any sustained economic recovery in the Iberian Peninsula. We believe that improvements in our volumes and revenues that may occur in connection with such economic recovery, together with our various cost efficiency initiatives, will have a positive effect on our EBITDA.

Maintain our disciplined and high operational efficiency

We will continue to focus on managing our business in a cost-efficient manner by using the latest industry technologies and improving customer service. We plan to continue to improve and extend the application of our cost-effective practices, such as monthly contract-by-contract cost base reviews, the centralization of the daily management of our off-street car parks from a remote location, our energy efficiency programs and our on-street efficiency programs.

Preserve and selectively expand our high quality portfolio of long-term concessions

We have a diversified portfolio of concessions and contracts in prime locations and will strive to maintain and renew these concessions and contracts in order to generate stable cash flows. We believe our infrastructure is well-invested following the completion of our capital program in 2012, which involved the construction of eight large parking facilities and a total capital expenditure for the period 2010 to 2012 of approximately €81.5 million. As a result, we intend to focus our efforts on renewing our portfolio of existing concessions and contracts and organically expanding our operations by capturing new concessions and contracts. Due to our market leading position, scale and expertise, we believe that we are well positioned to continue to grow our diversified portfolio by renewing our existing contracts and concessions and capturing new contracts and concessions from both existing customers seeking to award new concessions and from other organizations looking to outsource the management of their parking facilities. Due to our scale, long-standing experience in this industry and established relationships with municipalities, we are able to achieve significant synergies that also allow us to offer more competitive terms than those offered by our competitors. We believe our position as the largest concessionaire of off-street and on-street parking in the Iberian Peninsula, combined with our long-standing relationships with a diverse number of local authorities and favorable industry dynamics, including high barriers to entry, will assist us in continuing to implement this strategy.

History and Ownership

We commenced our operations in the Iberian Peninsula under the name Cintra Parking (the name of Empark prior to its acquisition of Emparque) in Spain in the 1960s. Emparque commenced operations in Portugal in the 1970s.

Over the last five decades, our business has expanded through a combination of organic growth and a series of mergers and acquisitions. The growth culminated in July 2009, when the Group was created following a series of transactions. Our shareholders acquired Cintra Parking from the Spanish infrastructure company Cintra Concesiones de Infraestructuras de Transporte, S.A. (currently Ferrovial, S.A.), after which Cintra Parking acquired Emparque. The management team and the shareholders that have grown both businesses during the last few decades form the core of today's management team and shareholders, combining the best experience and know how from both Cintra Parking and Emparque. For further information, see "*Board of Directors and Senior Management*" and "*Major Shareholders*".

The Refinancing

On the Issue Date:

- the Issuer will issue €235,000,000 aggregate principal amount of Fixed Rate Notes and €150,000,000 aggregate principal amount of Floating Rate Notes pursuant to the Offering; and
- the Issuer will apply the gross proceeds of (i) the Fixed Rate Notes to make a loan (the "*Fixed Rate Funding Loan*") to Empark pursuant to a funding loan agreement to be dated as of the Issue Date (the "*Fixed Rate Funding Loan Agreement*"), between the Issuer, as lender, and Empark, as borrower, in a principal amount equal to the aggregate principal amount of the Fixed Rate Notes issued on the Issue Date and (ii) the Floating Rate Notes to make a loan (the "*Floating Rate Funding Loan*" and, together with the Fixed Rate Funding Loan, the "*Funding Loans*") to Empark pursuant to a funding loan agreement to be dated as of the Issue Date (the "*Floating Rate Funding Loan Agreement*" and, together with the Fixed Rate Funding Loan Agreement, the "*Funding Loan Agreements*"), between the Issuer, as lender, and Empark, as borrower, in a principal amount equal to the aggregate principal amount of the Floating Rate Notes issued on the Issue Date.

Within ten business days following the Issue Date, Empark will apply the gross proceeds of the Funding Loans, together with borrowings under the Revolving Credit Facility and cash in hand, to, directly or indirectly, (i) prepay and discharge all outstanding debt under the Existing Credit Facilities, together with all accrued interest thereon, (ii) pay break costs and termination fees in connection with the repayment and cancellation of the Existing Credit Facilities and the unwinding of certain interest rate swaps relating to the Existing Credit Facilities and (iii) pay other costs and expenses related to the foregoing transactions, in each case as further described in "*Use of Proceeds*".

The transactions described above, including the issuance of the Notes pursuant to the Offering, are referred to herein, collectively, as the "*Refinancing*".

The Issuer

The Issuer was incorporated as a public limited liability company (*société anonyme*) on November 28, 2013 under the name "Empark Funding S.A." for an unlimited duration under the laws of the Grand Duchy of Luxembourg and

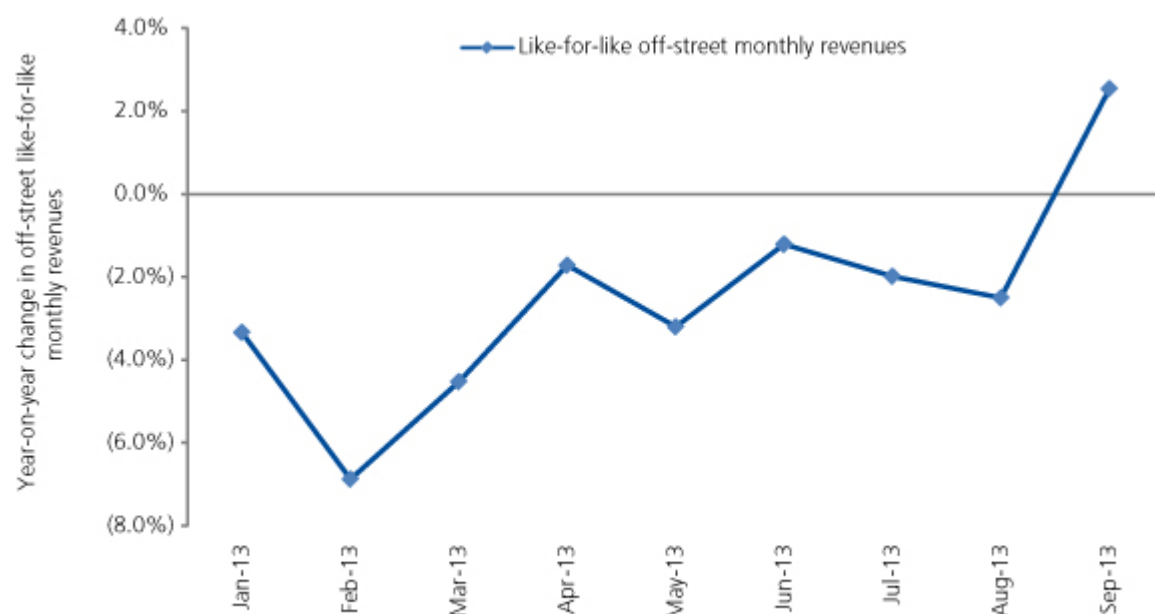
is registered with the Luxembourg Register of Commerce and Companies under number B 182.119. Its registered office is located at 13-15 Avenue de la Liberté, L-1931 Luxembourg, Grand Duchy of Luxembourg. The Issuer was formed for the purposes of facilitating the Offering and prior to the date hereof has not engaged in any business other than in preparation for the Offering.

Recent Developments

Trading update

Despite the challenging macroeconomic environment in the Iberian Peninsula which has resulted in decreased car park usage in recent years, we believe there are early indications of a slight recovery in our off-street concession business for September and October 2013, as compared to the prior corresponding periods for 2012. Based on the preliminary management information, we estimate that our off-street like-for-like revenues in Spain and Portugal for September and October 2013, respectively, were higher than our off-street like-for-like revenues in Spain and Portugal for September and October 2012, respectively. Accordingly, we believe that we are well positioned to benefit from a sustained economic recovery in the Iberian Peninsula.

Emerging positive trend in off-street like-for-like revenues



We use like-for-like revenues to provide a comparison between all net turnover and other operating income generated under our off-street concession business line during a specified month in the current year and all net turnover and other operating income generated under our off-street concession business line during the same month for the prior year, as adjusted to eliminate any new concessions and any concessions that expired or were terminated during the periods being compared. Accordingly, if an off-street concession was in effect in September 2012, but was no longer in effect in September 2013, the net turnover and other operating income generated under that concession in September 2012 is not included for purposes of this comparison.

We have not yet finalized our financial or operating data for certain of the periods discussed above. Accordingly, the above information is not intended to be a comprehensive statement of our financial or operating results for the relevant period. The preliminary estimates above were prepared based on a number of assumptions and estimates that are subject to inherent uncertainties and subject to change. Accordingly, our actual results for the relevant period may vary from our preliminary estimates above, and such variations could be material. See “*Forward-Looking Statements*” and “*Risk Factors*” for a more complete discussion of certain of the factors that could affect our future performance and results of operations.

New contracts

On-street concessions: In October 2013, through a consortium in which we are the largest partner (holding a 35% interest), we won a tender to manage one of the two on-street parking zones into which Madrid is divided,

consisting of over 83,250 parking spaces, for the next 12 years. The agreement came into effect on November 1, 2013. Prior to its expiration, the previous on-street concession agreement for Madrid (covering approximately 25,000 parking spaces) which this new contract has since replaced was our largest concession. Under the new arrangement, we will receive an annual fixed fee from the municipality plus a variable fee based on certain quality indicators and parking usage. While we expect the annual fees from this contract during the first three years will be less than the annual fees we earned under the prior arrangement for on-street parking in Madrid, we expect the average annual fees over the remainder of the contract will exceed the annual fees we earned under the prior arrangement.

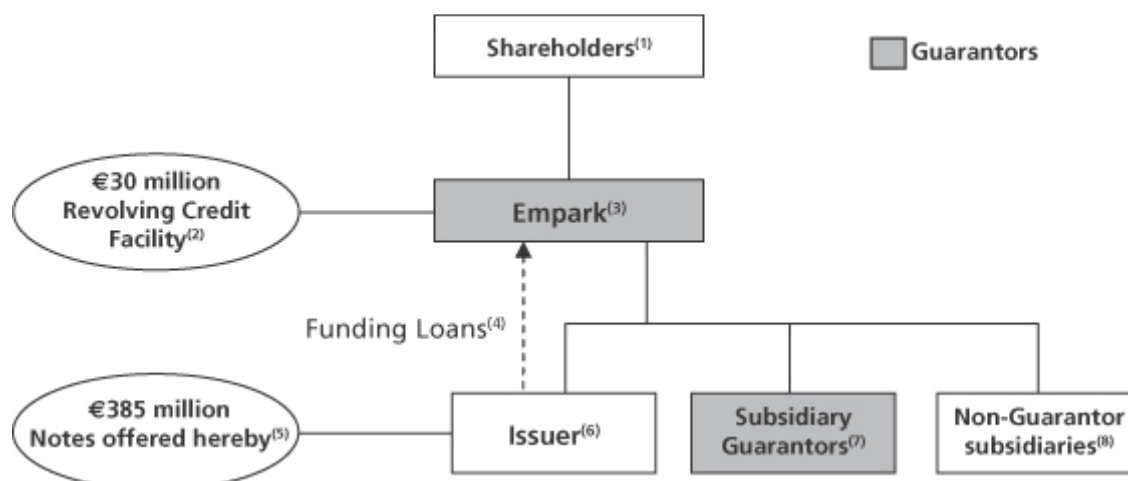
Off-street contract management: In June 2013, we won a tender to manage 18 parking facilities on behalf of AENA, which owns and operates the majority of airports in Spain, including Madrid Barajas, Sevilla and Bilbao. Under our previous arrangement with AENA, which this new arrangement has replaced, we managed 12 parking facilities on their behalf. The new contract, which became effective on November 22, 2013, has a term of five years and has resulted in more than 45,000 new parking spaces being added to our off-street contract management business. Under this agreement, we will be paid a fixed fee, which will be subject to customary adjustments.

Calle Sevilla Parking Facility Sale

In October 2013, we entered into negotiations with a third party in connection with the proposed sale of our parking facility located on Calle Sevilla in Madrid for approximately €22.5 million (the “*Calle Sevilla Parking Facility Sale*”). As part of the proposed sale, we may have the right to subsequently manage the parking facility to be built there, once it becomes operational. During the twelve months ended September 30, 2013, this parking facility generated approximately €2.7 million of EBITDA. The transaction remains subject to the negotiation and execution of definitive transaction documentation, as well as the final approval of the Madrid municipality. Subject to the foregoing, we expect that the sale will be completed by January 2014. We expect to use proceeds received in connection with the Calle Sevilla Parking Facility Sale to repay borrowings expected to be drawn and outstanding on the Issue Date under the Revolving Credit Facility in connection with the Refinancing, as described under “*Use of Proceeds*”.

Corporate and Financing Structure

The following diagram summarizes the corporate and financing structure of the Group, after giving *pro forma* effect to the Refinancing. For a summary of the material financing arrangements identified in this diagram, see “Description of Other Indebtedness” and “Description of the Notes”.



- (1) See “Major Shareholders” for further information regarding the beneficial owners of Empark.
- (2) On or prior to the Issue Date, Empark will enter into the Revolving Credit Facility, pursuant to which a committed super senior revolving credit facility of up to €30 million will be made available for general corporate purposes. We intend to draw €22.5 million of borrowings under the Revolving Credit Facility on the Issue Date, which will be applied, together with the gross proceeds of the Funding Loans and cash in hand, in the manner set forth in “Use of Proceeds”. Such amounts drawn under the Revolving Credit Facility are expected to be repaid using proceeds received in connection with the Calle Sevilla Parking Facility Sale. See “Use of Proceeds” and “Description of Other Indebtedness—Revolving Credit Facility Agreement”.
- (3) The Notes will be guaranteed by Empark, the direct parent of the Issuer and the Parent Guarantor of the Notes.
- (4) On the Issue Date, the Issuer will apply the gross proceeds of (i) the Fixed Rate Notes to make the Fixed Rate Funding Loan to Empark pursuant to the Fixed Rate Funding Loan Agreement and (ii) the Floating Rate Notes to make the Floating Rate Funding Loan to Empark pursuant to the Floating Rate Funding Loan Agreement. Empark will apply the gross proceeds of the Funding Loans, together with borrowings under the Revolving Credit Facility and cash in hand, in the manner set forth in “Use of Proceeds”.
- (5) On the Issue Date, the Issuer will issue €235,000,000 aggregate principal amount of Fixed Rate Notes and €150,000,000 aggregate principal amount of Floating Rate Notes. The obligations of the Issuer and the Guarantors under the Notes and the Indenture, as well as under the Revolving Credit Facility and certain hedging obligations, will be secured by (i) a first-ranking security interest over 99.9% of the issued and outstanding shares of Empark, (ii) a first-ranking security interest over all the issued and outstanding shares of the Issuer, Emparque (but only following the conversion of the shares thereof to bearer form), Dornier, S.A., Femet, S.A., Estacionamientos Guipuzcoanos, S.L. and Balsol 2001, S.A., (iii) a first-ranking security interest over 43.0% of the issued and outstanding shares of EULSA, (iv) a first-ranking security interest over 24.5% of the issued and outstanding shares of SMASSA, (v) a first-ranking security interest over all the Issuer’s credit rights under the Funding Loan Agreements and the Issuer Intercompany Loan Agreement, (vi) a first-ranking security interest over all the credit rights under certain of the Guarantors’ Spanish off-street concessions (which includes the rights to receive compensation, payments and owed amounts under the concession agreements) and (vii) a first-ranking security interest over certain bank accounts of the Issuer and the Spanish Guarantors. The security interest over the issued and outstanding shares of Emparque will be limited to a maximum amount of €40 million with respect to the Notes and the Revolving Credit Facility.
Empark and the Issuer have agreed to take all necessary actions to perfect the security interests in the Collateral to the extent required under the relevant Security and Guarantee Documents executed on the Issue Date, subject, in each case, to the terms of the Intercreditor Agreement (including the Agreed Security Principles) and the requirements set forth in such Security and Guarantee Documents, as soon as practicable and in any event substantially concurrently with any perfection of the security interests in the Collateral granted to secure the obligations of the obligors under the Revolving Credit Facility.
- (6) The Issuer of the Notes will be Empark Funding S.A., a *société anonyme* incorporated and existing under Luxembourg law, having its registered office at 13-15 Avenue de la Liberté, L-1931 Luxembourg and registered with the Luxembourg Register of Commerce and Companies under the number B 182.119. The Issuer will be a wholly owned finance subsidiary of Empark with no significant business operations or significant assets, other than the Funding Loans and the Issuer Intercompany Loan.
- (7) The Notes will be guaranteed by each of Dornier, S.A., Estacionamientos Guipuzcoanos, S.L. (only following its conversion into a *sociedad anónima*, which is expected to occur between 60 and 90 days following the Issue Date), Femet, S.A., Balsol 2001, S.A., Emparque and Esli—Parques de Estacionamiento, S.A., each of which is a wholly owned subsidiary of Empark (collectively, the “Subsidiary Guarantors” and, together with the Parent Guarantor, the “Guarantors”). The Note Guarantees of Emparque and Esli—Parques de Estacionamiento, S.A. will be limited to a maximum amount of €29.97 million and €25.32 million, respectively. The Guarantors generated 78.1% and 79.9% of the Group’s Adjusted Revenue and Adjusted EBITDA, respectively, for the twelve months ended September 30, 2013, and held 95.7% of the Group’s total assets (and 63.4% of the Group’s tangible and intangible assets, excluding goodwill) as of September 30, 2013.
- (8) Our non-Guarantor subsidiaries generated 21.9% and 21.1% of the Group’s Adjusted Revenue and Adjusted EBITDA, respectively, for the twelve months ended September 30, 2013, and held 4.3% of the Group’s total assets (and 36.6% of the Group’s tangible and intangible assets, excluding goodwill) as of September 30, 2013. Certain of our non-Guarantor subsidiaries are not wholly owned.

The Offering

The following summary of the Offering contains basic information about the Notes, the Note Guarantees, the Collateral and the Intercreditor Agreement. It is not intended to be complete and it is subject to important limitations and exceptions. For a more complete understanding of the Notes, the Note Guarantees and the Collateral, including certain definitions of terms used in this summary, see “*Description of the Notes*”.

Issuer	Empark Funding S.A.
Notes Offered	<p>€385,000,000 aggregate principal amount of Notes consisting of:</p> <p>€235,000,000 aggregate principal amount of 6.75% senior secured notes due 2019, and</p> <p>€150,000,000 aggregate principal amount of senior secured floating rate notes due 2019.</p>
Issue Date	December 18, 2013.
Maturity Date	December 15, 2019.
Interest Rates and Payment Dates	
Fixed Rate Notes	The interest rate on the Fixed Rate Notes will be 6.75% per annum, payable semi-annually in arrears on June 15 and December 15 of each year, commencing on June 15, 2014. Interest on the Fixed Rate Notes will accrue from the Issue Date and be payable in cash.
Floating Rate Notes	<p>The interest rate on the Floating Rate Notes will be three-month EURIBOR plus 5.5% per annum, as determined by the calculation agent.</p> <p>The interest rate on the Floating Rate Notes for each subsequent interest period will be reset quarterly on each interest payment date.</p> <p>The floating interest rate will be determined quarterly on the second business day prior to the applicable interest payment date, except that the initial interest determination date will be December 16, 2013.</p> <p>The interest rate on the Floating Rate Notes will be payable quarterly in arrears on March 15, June 15, September 15 and December 15 of each year, commencing on March 15, 2014. Interest on the Floating Rate Notes will accrue from the Issue Date and be payable in cash.</p>
Issue Price	
Fixed Rate Notes	The issue price for the Fixed Rate Notes is 100.00% plus accrued interest, if any, from the Issue Date.
Floating Rate Notes	The issue price for the Floating Rate Notes is 99.50% plus accrued interest, if any, from the Issue Date.
Ranking of the Notes	<p>The Notes will:</p> <ul style="list-style-type: none"> • be general senior obligations of the Issuer, secured by first-ranking security interests in the Collateral as set forth below under “—<i>Collateral</i>”, but under the terms of the Intercreditor Agreement will receive proceeds from enforcement of security over the Collateral only after any obligations secured on a super priority basis, including creditors under the Revolving Credit Facility and counterparties to certain hedging obligations, have been paid in full, as described under “<i>Description of the Notes—Security</i>”; • rank <i>pari passu</i> in right of payment with any existing and future obligations of the Issuer that are not subordinated in right of payment to the Notes;

- rank senior in right of payment to any existing and future obligations of the Issuer that are subordinated in right of payment to the Notes;
- be structurally subordinated to all obligations of Empark's subsidiaries that are not Subsidiary Guarantors; and
- be effectively subordinated to any existing and future obligations of the Issuer that are secured by property or assets that do not secure the Notes, to the extent of the value of the property or assets securing such obligations.

Note Guarantees

The Notes will be the Issuer's senior secured obligations and are fully and unconditionally guaranteed (the "*Note Guarantees*") on a senior secured basis by Empark (the "*Parent Guarantor*") and each of Dornier, S.A., Estacionamientos Guipuzcoanos, S.L. (only following its conversion into a *sociedad anónima*, which is expected to occur between 60 and 90 days following the Issue Date), Femet, S.A., Balsol 2001, S.A., Emparque and Esli-Parques de Estacionamiento, S.A. (each, a "*Subsidiary Guarantor*" and, together with the Parent Guarantor, the "*Guarantors*"). The Note Guarantees by Emparque and Esli-Parques de Estacionamiento, S.A. will be limited to a maximum amount of €29.97 million and €25.32 million, respectively.

The Guarantors generated 78.1% and 79.9% of the Group's Adjusted Revenue and Adjusted EBITDA, respectively, for the twelve months ended September 30, 2013, and held 95.7% of the Group's total assets (and 63.4% of the Group's tangible and intangible assets, excluding goodwill) as of September 30, 2013.

The Note Guarantees will be subject to contractual and legal limitations.

The Note Guarantees will be subject to release under certain circumstances. See "*Description of the Notes—Release of Note Guarantees*" and "*Risk Factors—Risks Related to the Notes—There are circumstances other than the repayment or discharge of the Notes under which the Collateral will be released automatically, without your consent or the consent of the Trustee*".

Ranking of the Note Guarantees

Each Note Guarantee will:

- be a senior obligation of the relevant Guarantor, secured by first-ranking security interests in the Collateral as set forth below under "*—Collateral*", but under the terms of the Intercreditor Agreement will receive proceeds from enforcement of security over the Collateral only after any obligations secured on a super priority basis, including creditors under the Revolving Credit Facility and counterparties to certain hedging obligations, have been paid in full, as described under "*Description of the Notes—Security*";
- rank *pari passu* in right of payment to all existing and future obligations of that Guarantor that are not subordinated to such Guarantor's Note Guarantee, including obligations under the Revolving Credit Facility;
- rank senior in right of payment to any existing and future obligations of that Guarantor that are subordinated in right of payment to such Guarantor's Note Guarantee; and
- be effectively subordinated to any existing and future obligations of that Guarantor that are secured by property or assets that do not secure that Guarantor's Note Guarantee, to the extent of the value of the property or assets securing such obligations.

Collateral

The Notes and the Note Guarantees will be secured by (i) a first-ranking security interest over 99.9% of the issued and outstanding shares of Empark, (ii) a first-ranking security interest over all the issued and outstanding shares of the Issuer, Emparque (but only following the conversion of the shares thereof to bearer form), Dornier, S.A., Femet, S.A., Estacionamientos Guipuzcoanos, S.L. and Balsol

2001, S.A., (iii) a first-ranking security interest over 43.0% of the issued and outstanding shares of EULSA, (iv) a first-ranking security interest over 24.5% of the issued and outstanding shares of SMASSA, (v) a first-ranking security interest over all the Issuer's credit rights under the Funding Loan Agreements and the Issuer Intercompany Loan Agreement, (vi) a first-ranking security interest over all the credit rights under certain of the Guarantors' Spanish off-street concessions (which includes the rights to receive compensation, payments and owed amounts under the concession agreements) and (vii) a first-ranking security interest over certain bank accounts of the Issuer and the Spanish Guarantors (collectively, the "Collateral"), as more specifically described under "*Description of the Notes—Security*".

Empark and the Issuer have agreed to take all necessary actions to perfect the security interests in the Collateral to the extent required under the relevant Security and Guarantee Documents executed on the Issue Date, subject, in each case, to the terms of the Intercreditor Agreement (including the Agreed Security Principles) and the requirements set forth in such Security and Guarantee Documents, as soon as practicable and in any event substantially concurrently with any perfection of the security interests in the Collateral granted to secure the obligations of the obligors under the Revolving Credit Facility.

The security interest over the issued and outstanding shares of Emparque will be limited to a maximum amount of €40 million with respect to the Notes and the Revolving Credit Facility. The Collateral will also be subject to other contractual and legal limitations. See "*Risks Relating to the Notes—The Security Agent may not be able to enforce a portion of the Collateral if certain actions are not taken to register and perfect the security interests in the Collateral*" and "*Risks Relating to the Notes—The Security Agent may be required to pay certain Portuguese stamp taxes on behalf of the Noteholders in order to enforce the security interest over the issued and outstanding shares of Emparque in Portugal*".

The Note Guarantees will be subject to release under certain circumstances. See "*Description of the Notes—Security—Release*" and "*Risk Factors—Risks Related to the Notes—There are circumstances other than the repayment or discharge of the Notes under which the Collateral will be released automatically, without your consent or the consent of the Trustee*".

Intercreditor Agreement

The Revolving Credit Facility and certain hedging obligations will also be secured by first-ranking security interests in the Collateral. In addition, the Indenture will permit certain other indebtedness to be secured by security interests in the Collateral. The lenders under the Revolving Credit Facility and the holders of certain hedging obligations will receive priority with respect to the distribution of the proceeds of the Collateral in the event of an enforcement of the security interests over the Collateral. The intercreditor relationships among the lenders under the Revolving Credit Facility, the holders of the Notes and the holders of certain other indebtedness (including hedging counterparties) will be governed by the Intercreditor Agreement. See "*Description of Other Indebtedness—Intercreditor Agreement*".

Optional Redemption

Fixed Rate Notes

Prior to December 15, 2016, the Issuer will be entitled at the option of the Issuer or the Parent Guarantor to redeem all or a part of the Fixed Rate Notes at a redemption price equal to 100% of the principal amount of the Notes plus the applicable "make-whole" premium described in this offering memorandum, plus accrued and unpaid interest to the redemption date.

On or after December 15, 2016, the Issuer will be entitled at the option of the Issuer or the Parent Guarantor to redeem all or a portion of the Fixed Rate Notes at the redemption prices set forth under "*Description of the Notes—Optional Redemption—Fixed Rate Notes*", plus accrued and unpaid interest to the redemption date.

Prior to December 15, 2016, the Issuer will be entitled at the option of the Issuer or

the Parent Guarantor on one or more occasions to redeem the Fixed Rate Notes in an aggregate principal amount not to exceed 35% of the original aggregate principal amount of the Fixed Rate Notes (including any additional Fixed Rate Notes) with the net cash proceeds from certain equity offerings at a redemption price equal to 106.75% of the principal amount thereof, plus accrued and unpaid interest to the redemption date, so long as at least 65% of the aggregate principal amount of the Fixed Rate Notes (including any additional Fixed Rate Notes) remains outstanding after each such redemption and each such redemption occurs within 90 days after the date of the relevant equity offering.

Floating Rate Notes

Prior to December 15, 2014, the Issuer will be entitled at the option of the Issuer or the Parent Guarantor to redeem all or a part of the Floating Rate Notes at a redemption price equal to 100% of the principal amount of the Notes plus the applicable “make-whole” premium described in this offering memorandum, plus accrued and unpaid interest to the redemption date.

On or after December 15, 2014, the Issuer will be entitled at the option of the Issuer or the Parent Guarantor to redeem all or a portion of the Floating Rate Notes at the applicable redemption price set forth under the caption “*Description of the Notes—Optional Redemption—Floating Rate Notes*” plus accrued and unpaid interest to the redemption date.

Redemption for Taxation Reasons

In the event of certain developments affecting taxation or certain other circumstances, the Issuer may redeem the Notes in whole, but not in part, at any time, at a redemption price of 100% of the principal amount thereof, plus accrued and unpaid interest, if any, and additional amounts, if any, to the date of redemption. See “*Description of the Notes—Optional Tax Redemption*”.

Change of Control

Upon the occurrence of a Change of Control (as defined herein), the Issuer will be required to offer to repurchase all outstanding Notes at a purchase price in cash equal to 101% of the principal amount thereof on the date of purchase, plus accrued and unpaid interest to the date of repurchase. See “*Description of the Notes—Repurchase at the Option of Holders—Change of Control*”.

Covenants

The Indenture, among other things, will restrict the ability of the Parent Guarantor and its restricted subsidiaries to:

- incur or guarantee additional indebtedness and issue certain preferred stock;
- create or incur certain liens;
- make certain payments, including dividends or other distributions, with respect to the shares of the Parent Guarantor;
- prepay or redeem subordinated debt or equity;
- make certain investments;
- create encumbrances or restrictions on the payment of dividends or other distributions, loans or advances to and on the transfer of assets to the Parent Guarantor or its restricted subsidiaries;
- sell, lease or transfer certain assets including stock of restricted subsidiaries;
- consolidate or merge with other entities;
- impair the security interests for the benefit of the holders of the Notes; and
- amend certain documents.

Each of these covenants is subject to significant exceptions and qualifications. See “*Description of the Notes—Certain Covenants*”.

Additional Amounts

All payments made by or on behalf of the Issuer or any of the Guarantors under or

with respect to the Notes or any Note Guarantee will be made free and clear of and without withholding or deduction for, or on account of, any present or future Taxes unless the withholding or deduction of such Taxes is then required by law. If any deduction or withholding for, or on account of, any such Taxes will at any time be required to be made, the Issuer or the relevant Guarantor will, subject to certain exceptions, pay the additional amounts necessary so that the net amount received by the holders of the relevant Notes after the deduction or withholding will equal the respective amounts that would have been received in respect of such payments in the absence of such withholding or deduction. See “*Description of the Notes—Additional Amounts*”.

Denominations	The Notes will be issued in registered form and transferable in minimum denominations of €100,000 and integral multiples of €1,000 in excess thereof.
Transfer Restrictions	The Notes have not been and will not be registered under the U.S. Securities Act or the securities laws of any other jurisdiction. The Notes are subject to restrictions on transferability and resale. Holders of the Notes will not have the benefit of any exchange or registration rights. See “ <i>Notice to Investors</i> ”.
No Prior Market	The Notes will be new securities for which there is currently no market. Although the Initial Purchasers have informed the Issuer that they intend to make a market in the Notes, they are not obligated to do so and may discontinue market-making at any time without notice. Accordingly, there can be no assurance that a liquid market for the Notes will develop or be maintained.
Listing	Application will be made for listing particulars to be approved by the Luxembourg Stock Exchange and for the Notes to be listed on the Official List of the Luxembourg Stock Exchange and admitted to trading on the Euro MTF market. There can be no assurance that the Notes will be, or will remain, so listed and admitted to trading on the Euro MTF market.
Use of Proceeds	We intend to use the gross proceeds from the Offering, together with borrowings under the Revolving Credit Facility and cash in hand, to prepay and discharge all outstanding debt under our Existing Credit Facilities, as well as to pay related accrued interest and break costs in connection with the cancellation of such facilities and to pay the costs and expenses related to the foregoing. For further information, see “ <i>Use of Proceeds</i> ”.
Trustee	Deutsche Trustee Company Limited.
Security Agent and Principal Paying Agent	Deutsche Bank AG, London Branch.
Registrar, Luxembourg Listing Agent and Transfer Agent	Deutsche Bank Luxembourg S.A.
Governing Law	The Indenture and the Note Guarantees will be governed by the laws of the State of New York. The Revolving Credit Facility Agreement, the Intercreditor Agreement and the Funding Loan Agreements will be governed by English law. The Security and Guarantee Documents creating security interests over the Collateral will be governed by Luxembourg, English, Spanish and Portuguese law.
Risk Factors	Investing in the Notes involves substantial risks and prospective investors should refer to “ <i>Risk Factors</i> ” for a discussion of certain factors you should carefully consider before deciding to invest in the Notes.

Summary Financial, Operating and Other Information

The following tables set forth summary historical consolidated financial, operating and other information of the Group as of and for the periods indicated.

The summary historical consolidated financial information presented below for the Group (except for the footnotes included below the tables and except as otherwise indicated) (1) as of and for the years ended December 31, 2010, 2011 and 2012, have been derived from the audited consolidated financial statements of the Group as of and for each of the years ended December 31, 2010, 2011 and 2012, as prepared in accordance with IFRS and included elsewhere in this offering memorandum, and (2) as of and for the nine months ended September 30, 2012 and 2013, have been derived from the unaudited consolidated financial statements of the Group as of and for the nine months ended September 30, 2012 and 2013, as prepared in accordance with IAS 34 and included elsewhere in this offering memorandum.

The financial information presented as of and for the twelve months ended September 30, 2013 is derived from the Group's consolidated financial statements as of and for the nine months ended September 30, 2013 (included elsewhere in this offering memorandum) by adding together the results of operations for the year ended December 31, 2012 and the results of operations for the nine months ended September 30, 2013 and then subtracting the results of operations for the nine months ended September 30, 2012.

The summary historical consolidated financial information presented below includes certain non-IFRS measures that we use to evaluate our operating and financial performance. These measures are not identified as accounting measures under IFRS and therefore should not be considered as alternative measures to evaluate the performance of the Group. See "*Presentation of Financial and Other Information*".

The summary unaudited *pro forma* consolidated financial information presented below has been adjusted to reflect certain effects of the Refinancing on the financial position and net financial expenses of the Group as of and for the twelve months ended September 30, 2013. The summary unaudited *pro forma* consolidated financial information has been prepared for illustrative purposes only and does not purport to represent what the actual consolidated financial position or net financial expenses of the Group would have been if the Refinancing had occurred (i) on September 30, 2013 for the purposes of the calculation of net financial position and (ii) on October 1, 2012 for the purposes of the calculation of net financial expenses, nor does such summary unaudited *pro forma* consolidated financial information purport to project the Group's consolidated financial position and net financial expenses at any future date or for any future period. The summary unaudited *pro forma* consolidated financial information presented below is based on available information and certain assumptions and estimates that we believe are reasonable and may differ materially from the actual amounts.

The results of operations for the interim periods or prior years are not necessarily indicative of the results to be expected for the full year or any future period or our financial condition at any future date. The following summary historical consolidated financial, operating and other information should be read in conjunction with, and is qualified in its entirety by reference to, the consolidated financial statements of the Group and the accompanying notes included elsewhere in this offering memorandum, and should also be read together with the information set forth under the headings "*Presentation of Financial and Other Information*", "*Use of Proceeds*", "*Capitalization*", "*Selected Historical Consolidated Financial Information*", "*Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*".

Summary Consolidated Income Statement Information

(€ in thousands)	Year ended December 31			Nine months ended September 30		Twelve months ended September 30, 2013
	2010	2011	2012	2012	2013	
Net turnover	204,416	212,892	180,932	136,028	132,650	177,554
Variation in stock of finished products and products in process	(14,142)	(18,367)	(255)	(196)	(118)	(177)
Supplies	(1,716)	(1,004)	(830)	(416)	(635)	(1,049)
Other operating income	2,882	2,198	3,326	2,123	1,801	3,004
Other revenue	2,591	2,198	2,741	1,546	1,628	2,823
Operating subsidiaries incorporated in the result for the financial year	291	—	8	—	33	41
Other non-recurrent revenue	—	—	577	577	140	140
Personnel costs	(73,517)	(74,554)	(79,021)	(58,309)	(55,220)	(75,932)
Other operating expenses	(49,712)	(51,268)	(47,628)	(34,851)	(32,057)	(44,834)
Amortization of fixed assets	(26,130)	(29,404)	(29,518)	(22,125)	(21,446)	(28,839)
Provisions and losses through unrecoverable receivables ..	(1,365)	(1,954)	(1,780)	(1,071)	(924)	(1,633)
Impairment and result through disposal of fixed assets	4,158	—	8	—	48	56
Operating result	44,874	38,539	25,234	21,183	24,099	28,150
Financial result	(34,069)	(38,899)	(38,321)	(29,076)	(27,744)	(36,989)
Share in results of equity-consolidated companies	1,070	1,152	748	1,154	773	367
Pre-tax consolidated results	11,875	792	(12,339)	(6,739)	(2,872)	(8,472)
Corporate income tax	(1,409)	5,148	2,712	1,843	1,093	1,962
Consolidated results from ordinary operations	10,466	5,940	(9,627)	(4,896)	(1,779)	(6,510)
Results attributed to minority interests	(2,478)	(4,341)	367	(20)	(379)	8
Results attributed to the Group (profit/loss)	7,988	1,599	(9,260)	(4,916)	(2,158)	(6,502)

Summary Consolidated Balance Sheet Information

(€ in thousands)	As of December 31			As of September 30	
	2010	2011	2012	2012	2013
Non-current assets	723,606	733,037	716,526	723,350	702,908
Goodwill	146,427	146,102	144,763	146,051	144,597
Intangible assets	461,124	468,561	453,541	460,094	443,029
Property, plant and equipment	84,570	78,252	74,702	75,771	74,641
Other non-current assets	10,577	13,040	13,688	13,879	13,472
Assets through deferred taxes	20,908	27,082	29,832	27,555	27,169
Current assets	77,749	82,508	67,696	72,912	72,682
Stock	6,944	5,967	9,506	5,841	9,359
Trade and other receivables	28,831	46,961	43,518	37,078	37,382
Other current assets	3,311	1,508	1,027	2,009	2,047
Cash and other equivalent liquid assets	38,663	28,072	13,645	27,984	23,894
Total assets	801,355	815,545	784,222	796,262	775,590
Net equity	132,216	138,703	126,016	132,086	130,820
Non-current liabilities	563,061	586,163	549,721	563,468	548,532
Long-term provisions	44,256	45,165	48,409	50,393	51,175
Long-term debts	475,830	504,874	468,548	474,127	468,154
Other non-current liabilities	13,063	8,306	6,831	11,445	3,497
Liabilities through deferred taxes	29,912	27,818	25,933	27,503	25,706
Current liabilities	106,078	90,679	108,485	100,708	96,238
Short-term provisions	6,938	6,233	5,854	2,974	3,076
Short-term debts	21,132	28,501	42,185	47,514	43,230
Trade creditors and other accounts payable	63,080	40,317	40,812	35,908	36,510
Other current liabilities	14,928	15,628	19,634	14,312	13,422
Total net equity and liabilities	801,355	815,545	784,222	796,262	775,590

Summary Consolidated Cash Flow Information

(€ in thousands)	Year ended December 31			Nine months ended September 30	
	2010	2011	2012	2012	2013
Cash flow from operating activities.....	41,737	(11,119)	18,161	26,608	28,253
Cash flow from investment activities	(49,256)	(34,946)	(10,647)	(10,713)	(11,913)
Cash flow from financing activities	24,600	35,474	(21,941)	(15,983)	(6,091)
Changes in cash and cash equivalents	17,081	(10,591)	(14,427)	(88)	10,249

Summary Other Financial and Operating Information

(€ in millions, except percentages)	Year ended December 31			Nine months ended September 30		Twelve months ended September 30, 2013
	2010	2011	2012	2012	2013	
EBITDA ⁽¹⁾	72.3	69.9	56.5	44.4	46.4	58.5
EBITDA margin ⁽²⁾	34.9	32.5	30.7	32.2	34.5	32.7
	%	%	%	%	%	%
Adjusted EBITDA for the Group ⁽³⁾ ..	60.3	64.3	64.2	48.9	47.1	62.4
Adjusted EBITDA margin ⁽⁴⁾	32.6	34.2	34.9	35.5	35.0	34.6
	%	%	%	%	%	%
Adjusted EBITDA excluding <i>Calle Sevilla</i> parking facility ⁽⁵⁾						59.7
Recourse Adjusted EBITDA ⁽⁶⁾	56.1	56.6	55.1	41.3	39.0	52.8
Non-recourse Adjusted EBITDA ⁽⁷⁾ ..	4.2	7.7	9.1	7.6	8.1	9.6
Recourse Adjusted EBITDA excluding <i>Calle Sevilla</i> parking facility ⁽⁸⁾						50.1
Net finance costs	(34.1)	(38.9)	(38.3)	(29.1)	(27.6)	(36.8)
Capital expenditure.....	65.4	52.2	11.4	11.3	12.0	12.1
On-street concession renewals.....	7.0	4.2	1.2	1.1	0.9	1.1
Maintenance capital expenditure	2.0	2.3	2.0	1.7	1.4	1.7
Expansionary capital expenditure	56.4	45.7	8.2	8.5	9.7	9.3

- (1) We define EBITDA as Consolidated results from ordinary operations *excluding* Corporate income tax, Financial result, Amortization of fixed assets and Provisions and losses through unrecoverable receivables. EBITDA is a non-IFRS measure that we use to evaluate our operating and financial performance and should not be considered as an alternative measure to accounting measures under IFRS. See "Presentation of Financial and Other Information".

The following table reconciles total EBITDA to Consolidated results from ordinary operations for the periods presented:

(€ in millions)	Year ended December 31			Nine months ended September 30		Twelve months ended September 30, 2013
	2010	2011	2012	2012	2013	
Consolidated results from ordinary operations	10.5	5.9	(9.6)	(4.9)	(1.8)	(6.5)
Corporate income tax	(1.4)	5.1	2.7	1.7	1.1	2.1
Financial result	(33.0)	(37.7)	(37.6)	(28.0)	(26.9)	(36.5)
Amortization of fixed assets and Provisions and losses through unrecoverable receivables.....	(27.4)	(31.4)	(31.2)	(23.0)	(22.4)	(30.6)
EBITDA.....	72.3	69.9	56.5	44.4	46.4	58.5

- (2) We define EBITDA margin as EBITDA *divided by* the sum of Net turnover and Other operating income.
- (3) We define Adjusted EBITDA for the Group as EBITDA *adjusted for* (i) Non-recurring headquarter operating expenses (including redundancy payments and other related personnel costs), (ii) Non-recurring business unit expenses and (iii) Other "one-off" or non-recurring gains and losses (including gains and losses realized from the sale of parking spaces to local residents and gains and losses realized on the sale of parking facilities). Adjusted EBITDA for the Group is a non-IFRS measure that we use to evaluate our operating and financial performance and should not be considered as an alternative measure to accounting measures under IFRS. See "Presentation of Financial and Other Information".

The following table reconciles Adjusted EBITDA for the Group to total EBITDA for the periods presented:

(€ in millions)	Year ended December 31			Nine months ended September 30		Twelve months ended September 30, 2013
	2010	2011	2012	2012	2013	
EBITDA	72.3	69.9	56.5	44.4	46.4	58.5
Non-recurring headquarter operating expenses ^(a)	–	2.1	5.7	3.1	0.3	2.9
Non-recurring business unit expenses ^(b)	–	1.2	2.4	1.7	0.3	1.0
Other “one off” or non-recurring (gains)/losses ^(c)	(12.0)	(8.9)	(0.4)	(0.3)	0.1	–
Adjusted EBITDA	60.3	64.3	64.2	48.9	47.1	62.4

(a) Represents non-recurring overhead costs, such as redundancy payments and other one-off costs. In the year ended December 31, 2012, we incurred €2.2 million in redundancy payments and €3.5 million in personnel expenses incurred during the period but which will not be incurred in subsequent periods following such redundancies. The year ended December 31, 2011, we incurred €1.8 million in non-recurring fees and expenses in connection with a financing transaction.

(b) Represents redundancy payments and other related one-off personnel costs in our business units, payments arising under or in connection with judicial awards or legal judgments, indemnity payments and other expenses that are “one off” or considered non-recurring by the Group.

(c) Represents gains and losses from the sale of parking spaces to local residents, gains and losses recognized on the sale of parking facilities, fees or other payments arising in connection with our early termination or cancellation of concessions and other contracts and other gains and losses that are “one off” or considered non-recurring by the Group.

- (4) We define Adjusted EBITDA margin as Adjusted EBITDA *divided by* Adjusted Revenue.
- (5) We define Adjusted EBITDA excluding Calle Sevilla parking facility as Adjusted EBITDA excluding EBITDA of €2.7 million generated by our parking facility located on Calle Sevilla in Madrid in the twelve months ended September 30, 2013, which we expect to sell to a third party by January 2014. See “*Summary—Recent Developments—Calle Sevilla Parking Facility Sale*”.
- (6) We define Recourse Adjusted EBITDA as Adjusted EBITDA for the Group *excluding* EBITDA generated by the Non-Recourse Entities.
- (7) We define Non-recourse Adjusted EBITDA as Adjusted EBITDA for the Group generated by the Non-Recourse Entities.
- (8) We define Recourse Adjusted EBITDA excluding Calle Sevilla parking facility as Adjusted EBITDA for the Group *excluding* EBITDA of €2.7 million generated by our parking facility located on Calle Sevilla in Madrid in the twelve months ended September 30, 2013, which we expect to sell to a third party by January 2014. See “*Summary—Recent Developments—Calle Sevilla Parking Facility Sale*”.

Summary Business Line Information

(€ in millions)	Year ended December 31			Nine months ended September 30		Twelve months ended September 30, 2013
	2010	2011	2012	2012	2013	
Adjusted Revenue⁽¹⁾						
Off-street concessions ⁽²⁾	91.1	92.3	88.0	66.0	61.6	83.6
On-street concessions	74.4	73.2	73.0	54.6	55.6	74.1
Off-street contract management	19.7	22.3	22.9	17.3	17.2	22.7
Total Adjusted Revenue⁽³⁾ ...	185.2	187.8	183.9	137.9	134.4	180.4
Adjusted EBITDA by business line⁽⁴⁾						
Off-street concessions ⁽⁵⁾	47.6	51.3	50.6	37.7	36.1	49.0
On-street concessions ⁽⁶⁾	10.8	12.2	13.0	10.2	11.0	13.8
Off-street contract management ⁽⁷⁾	1.9	0.8	0.6	1.0	–	(0.4)
Total Adjusted EBITDA	60.3	64.3	64.2	48.9	47.1	62.4

- (1) We define Adjusted Revenue as Net turnover *plus* Other operating income *less* Other non-recurrent revenue *less* Other “one off” or non-recurring gains and losses. Adjusted Revenue is a non-IFRS measure that we use to evaluate our operating and financial performance and should not be considered as an alternative measure to accounting measures under IFRS. See “*Presentation of Financial and Other Information*”.
- (2) Amount reflects the adjustment for Other “one off” or non-recurring gains and losses described in note (3)(a) below.
- (3) The following table reconciles total Adjusted Revenue to total Net turnover for the periods presented:

(€ in millions)	Year ended December 31			Nine months ended September 30		Twelve months ended September 30, 2013
	2010	2011	2012	2012	2013	
Net turnover	204.4	212.9	180.9	136.0	132.7	177.6
Other operating income	2.9	2.2	3.3	2.1	1.8	3.0
Other “one off” or non-recurring (gains)/losses ^(a)	(22.1)	(27.3)	(0.3)	(0.2)	(0.1)	(0.2)
Adjusted Revenue	185.2	187.8	183.9	137.9	134.4	180.4

- (a) Represents gains and losses realized from the sale of parking spaces to local residents, gains and losses recognized on the sale of parking facilities and other gains and losses that are “one off” or considered non-recurring by the Group. The adjustments shown are attributed solely to our off-street concession business line.
- (4) Adjusted EBITDA by business line reflects certain reclassifications of business line information as presented in the Group's audited financial statements in order to separately present amounts for our off-street concession business in this offering memorandum. Consolidated amounts are not affected by these reclassifications.

We define Adjusted EBITDA by business line as EBITDA for the relevant business line *adjusted for* (i) Reallocation of overhead costs and non-recurring headquarter operating expenses, (ii) Non-recurring business unit expenses (including redundancy payments and other related personnel costs) and (iii) Other “one off” or non-recurring gains and losses (including gains and losses realized from the sale of parking spaces to local residents and gains and losses realized on the sale of parking facilities). Adjusted EBITDA by business line is a non-IFRS measure that we use to evaluate our operating and financial performance and should not be considered as an alternative measure to accounting measures under IFRS. See “*Presentation of Financial and Other Information*”.

(5) The following table reconciles Adjusted EBITDA to EBITDA for our off-street concession business for the periods presented:

	Year ended December 31			Nine months ended September 30		Twelve months ended September 30, 2013
	2010	2011	2012	2012	2013	
Off-street concessions:						
				(€ in millions)		
EBITDA	48.8	50.2	35.6	37.8	36.6	34.4
Reallocation of overhead costs and non-recurring headquarter operating expenses ^(a)	10.8	10.0	14.5	(0.2)	(0.6)	14.1
Non-recurring business unit expenses ^(b)	—	—	0.9	0.4	0.0	0.5
Other “one off” or non-recurring (gains)/losses ^(c)	(12.0)	(8.9)	(0.4)	(0.3)	0.1	—
Adjusted EBITDA	47.6	51.3	50.6	37.7	36.1	49.0

(a) Represents a reallocation of recurring overhead costs according to business criteria and an allocation of non-recurring overhead costs, such as redundancy payments and other one-off personnel costs incurred by our headquarters. Effective January 1, 2013, we changed our management policy for allocating overhead expenses among our business lines. Allocations presented for 2010, 2011 and 2012 have been prepared on the same basis the allocations for the nine months ended September 30, 2013.

(b) Represents redundancy payments and other related one-off personnel costs of the business line and, in respect of the nine months ended September 30, 2013, an indemnity payment in connection with our Poeta Marquina parking facility in the amount of €0.1 million.

(c) Dec 2010: Represents (i) gains realized in connection with the sale of our Clinica Universitaria parking facility in the amount of €4.1 million and (ii) gains realized from the sale of parking spaces to local residents in the amount of €7.9 million.

Dec 2011: Represents gains realized from the sale of parking spaces to local residents in the amount of €8.9 million.

Dec 2012: Represents (i) termination fees in the amount of €0.8 million paid to the Group by the relevant municipality in connection with its early termination of our Cascais concession and (ii) losses incurred with respect to the sale of parking spaces to local residents in the amount of €0.2 million.

Sept 2012: Represents (i) termination fees of €0.8 million paid to the Group by the relevant municipality in connection with its early termination of our Cascais concession and (ii) losses incurred with respect to the sale of parking spaces to local residents in the amount of €0.3 million.

Sept 2013: Represents losses incurred with respect to the sale of parking spaces to local residents in the amount of €0.1 million.

(6) The following table reconciles Adjusted EBITDA to EBITDA for our on-street concession business for the periods presented:

	Year ended December 31			Nine months ended September 30		Twelve months ended September 30, 2013
	2010	2011	2012	2012	2013	
On-street concessions:						
				(€ in millions)		
EBITDA	18.7	15.7	17.6	6.4	10.1	21.3
Reallocation of overhead costs and non-recurring headquarter operating expenses ^(a)	(7.9)	(4.7)	(6.1)	2.5	0.7	(7.9)
Non-recurring business unit expenses ^(b)	—	1.2	1.5	1.3	0.2	0.4
Adjusted EBITDA	10.8	12.2	13.0	10.2	11.0	13.8

(a) Represents a reallocation of recurring overhead costs according to business criteria and an allocation of non-recurring overhead costs, such as redundancy payments and other one-off personnel costs incurred by our headquarters. Effective January 1, 2013, we changed our management policy for allocating overhead expenses among our business lines. Allocations presented for 2010, 2011 and 2012 have been prepared on the same basis as the allocations for the nine months ended September 30, 2013.

(b) Represents redundancy payments and other related personnel costs of the business line and, in respect of the year ended December 31, 2011, a settlement of €0.2 million that we paid in connection with the Sant Cugat legal proceedings.

(7) The following table reconciles Adjusted EBITDA to EBITDA for our off-street contract management business for the periods presented:

	Year ended December 31			Nine months ended September 30		Twelve months ended September 30, 2013
	2010	2011	2012	2012	2013	
Off-street contract management:						
				(€ in millions)		
EBITDA	4.8	4.0	3.3	0.2	(0.2)	2.9
Reallocation of overhead costs and non-recurring headquarter operating expenses ^(a)	(2.9)	(3.2)	(2.7)	0.8	0.2	(3.3)
Adjusted EBITDA	1.9	0.8	0.6	1.0	0.0	(0.4)

(a) Represents a reallocation of recurring overhead costs according to business criteria and an allocation of non-recurring overhead costs, such as redundancy payments and other one-off personnel costs incurred by our headquarters. Effective January 1, 2013, we changed our management policy for allocating overhead expenses among our business lines. Allocations presented for 2010, 2011 and 2012 have been prepared on the same basis the allocations for the nine months ended September 30, 2013.

(€ in millions, except as otherwise indicated)	As of December 31			As of September 30	
	2010	2011	2012	2012	2013
Cash and other equivalent liquid assets.....	38.7	28.2	14.6	28.0	23.9
Recourse cash and other equivalent liquid assets ⁽¹⁾	18.8	20.3	8.7	20.9	17.3
Non-recourse cash and other equivalent liquid assets ⁽¹⁾	19.9	7.9	5.0	7.1	6.6
Gross debt ⁽²⁾	488.5	524.7	502.3	511.9	503.2
Gross recourse debt ⁽²⁾	388.4	418.3	400.3	409.0	401.0
Gross non-recourse debt ⁽²⁾	100.1	106.4	102.0	102.9	102.2
Net debt ⁽³⁾	449.8	496.5	488.6	484.0	479.3
Net recourse debt ⁽³⁾	368.5	398.0	391.6	402.0	383.7
Net non-recourse debt ⁽³⁾	81.3	98.5	97.0	82.0	95.6
Total parking spaces managed (<i>in thousands</i>) (<i>approximate</i>).....	376.3	374.4	382.7	380.2	396.4

- (1) We define Recourse cash and other equivalent liquid assets as Cash and other equivalent liquid assets held by all members of the Group *excluding* the Non-Recourse Entities. We define Non-recourse cash and other equivalent liquid assets as Cash and other equivalent liquid assets held by the Non-Recourse Entities.
- (2) We define Gross debt as debt from our bank loans and other borrowings, including accrued interest and excluding unamortized debt issue costs. We define Gross recourse debt as Gross debt *excluding* debt of the Non-Recourse Entities. We define Gross non-recourse debt as debt of the Non-Recourse Entities, including accrued interest and excluding unamortized debt issue costs.
- (3) We define Net debt as Gross debt less Cash and other equivalent liquid assets. We define Net recourse debt as Gross recourse debt less Recourse cash and other equivalent liquid assets. We define Net non-recourse debt as Gross non-recourse debt less Non-recourse cash and other equivalent liquid assets.

	Twelve months ended September 30, 2013
Ratio of Net recourse debt to Recourse Adjusted EBITDA.....	7.3x
Ratio of Net debt to Adjusted EBITDA.....	7.7x

Summary *Pro Forma* Financial Information

	Twelve months ended September 30, 2013
(€ in millions, except ratios)	
<i>Pro forma</i> Cash and other equivalent liquid assets ⁽¹⁾	11.2
<i>Pro forma</i> Gross debt ⁽¹⁾	515.5
<i>Pro forma</i> Net debt ⁽¹⁾	504.3
<i>Pro forma</i> Net recourse debt ⁽¹⁾	408.6
<i>Pro forma</i> Cash interest expense ⁽²⁾	28.9
Ratio of <i>pro forma</i> Net debt to Adjusted EBITDA	8.1x
Ratio of <i>pro forma</i> Net debt to Adjusted EBITDA excluding <i>Calle Sevilla</i> parking facility	8.1x
Ratio of <i>pro forma</i> Net recourse debt to Recourse Adjusted EBITDA	7.7x
Ratio of <i>pro forma</i> Net recourse debt to Recourse Adjusted EBITDA excluding <i>Calle Sevilla</i> parking facility	7.7x
Ratio of Adjusted EBITDA to <i>pro forma</i> Cash interest expense	2.2x

(1) *Pro forma* Cash and other equivalent liquid assets, *Pro forma* Gross debt, *Pro forma* Net debt and *Pro forma* Net recourse debt reflect the equivalent historical line items, adjusted to give *pro forma* effect to the Refinancing.

(2) We define *Pro forma* Cash interest expense as *Pro forma* interest payable on bank loans and other borrowings, *excluding* unamortized debt issue costs. *Pro forma* Cash interest expense reflects interest payable per annum as adjusted for the interest expense in respect of the Notes offered hereby, borrowings of €22.5 million under the Revolving Credit Facility and the estimated costs of the related issuance and arrangement fees.

Risk Factors

An investment in the Notes involves a high degree of risk. You should carefully consider the following risks, together with other information provided to you in this offering memorandum, in deciding whether to invest in the Notes. The occurrence of any of the events discussed below could materially adversely affect our business, financial condition or results of operations. If these events occur, the trading prices of the Notes could decline, and we may not be able to pay all or part of the interest or principal on the Notes, and you may lose all or part of your investment. Additional risks not currently known to us or that we now deem immaterial could also adversely affect our business, results of operations, or financial condition, or our ability to fulfill our obligations under the Notes and affect your investment.

This offering memorandum contains “forward-looking” statements that involve risks and uncertainties. Our actual results may differ significantly from the results discussed in the forward-looking statements. Factors that might cause such differences include those discussed below and elsewhere in this offering memorandum. See “Forward-Looking Statements”.

Risks Relating to Our Business and Industry

We are subject to intense competition that can constrain our ability to win, renew and acquire parking concessions, which could in turn have a material adverse effect on our business, results of operations, financial condition or prospects.

Our principal business activity is the development and management of off-street parking concessions, primarily in Spain and Portugal. We also manage on-street parking concessions for municipalities and, to a lesser extent, operate our off-street contract management business, which involves contracts to manage parking lots on behalf of public authorities, primarily airports and hospitals, and a limited number of private entities. The off-street and on-street parking concession sector in Spain and Portugal is a highly competitive market, with a variety of competitors ranging from small, local single-concession operators to large, regional, national and international operators with a significant number of concessions. Some of these larger competitors are divisions of diversified global corporations with substantial financial, management and other resources and capabilities.

In Spain and Portugal, concessions for parking facilities are generally awarded and renewed through competitive tenders. In the bidding phase of a concession, a significant number of competing bidders may participate, including large construction groups and financial investors. Generally, public tenders for off-street concessions and off-street contract management are the most competitive, focusing primarily on economics. Public tenders for on-street concessions tend to be less competitive, given the limited number of potential operators, and tend to focus on the technical specifications of the concession and the demonstrated experience of the bidder. There also may be significant competition to renew existing concessions. In addition, there is intense competition in Spain and Portugal to acquire any concessions that may be available for sale by their existing holders or owners (or to acquire concession operators). Certain competitors have greater financial resources and lower cost bases than we have. Consequently, they may be able to bid more competitively than we can in public tenders for concessions or may be able to offer more commercially favorable terms than us. As a result of such competition, we may not be able to win new concessions or renewing existing concessions on commercially favorable terms, which are consistent with those we have negotiated in the past, or at all. Our inability to successfully compete to win new concessions or to retain existing concessions could have a material adverse effect on our business, results of operations and financial condition.

Substantially all our of revenue and cash flow is generated from operations in Spain and Portugal, and the continuation or worsening of the European “sovereign debt crisis” and the recent economic crisis in Spain and Portugal could intensify the risks we face, which could materially adversely affect our business, results of operations, financial condition or prospects.

The continuing credit crisis in Europe has caused widespread concern about the ability of several European governments to repay their debt. Conditions in Europe have resulted in increased volatility in global capital markets, as well as lower consumer confidence in Spain and Portugal, which could continue for the foreseeable future. Our operations are principally located in Europe, and in particular in Spain and Portugal, which for the twelve months ended September 30, 2013 collectively accounted for 93.9% of our net turnover. Accordingly, our financial performance is particularly affected by economic and financial conditions in Spain and Portugal, and our results of operations may be further adversely affected if the difficult macroeconomic circumstances in Spain and Portugal cause a sustained or significant fall in the demand for parking services. In Spain, the unemployment rate

was reported to be 26.0% during the third quarter of 2013, and the gross domestic product contracted in 2012. In Portugal, the unemployment rate was reported to be 15.6% during the third quarter of 2013 and the country has agreed to receive financial assistance from the European Union and the International Monetary Fund. Despite aggressive measures taken by governments and central banks, the economic recovery has been extremely slow. A significant risk remains that these measures may not prevent the global or EU economies from falling back into an even deeper and longer-lasting recession or fail to prevent a depression in Spain, Portugal and several other countries. In these circumstances, many of the risks we face could intensify, which could have a material adverse effect on our business, results of operations and financial condition.

The recent economic downturn has had, and will continue to have, a number of negative impacts on our business in Spain and Portugal. Most significantly, the recent economic downturn has resulted in a reduction in automobile travel of a discretionary nature, which has adversely impacted traffic levels in a number of locations where we operate parking facilities. Additionally, the increase in fuel prices during the last two years also has led to less automobile traffic and a further increase in fuel prices could exacerbate the decline in traffic. The reduced traffic levels have resulted in decreased volumes at our parking facilities in those areas, which had a negative impact on our revenues and margins.

The economic decline in Spain and Portugal, and the resulting need for these governments to close budgetary gaps, has led to and may in the future lead to increases in VAT, corporate income tax or other taxes. Such adverse tax consequences could result in a reduction of consumers' available discretionary income, which could negatively impact the number of people using automobiles and our parking facilities. See *"We are subject to changes in tax laws, tax rates and their application and interpretation in the markets in which we operate, and we may be subject to significant claims related to future tax disputes and audits."*

Our concessions are granted for a limited period of time and are subject to termination by the granting authority on public interest grounds under circumstances stipulated under public law or under the terms and conditions contractually agreed to as well as under the circumstances set forth under applicable private law which may also apply with respect to surface rights agreements.

As of September 30, 2013, we had 172 off-street concessions and 139 on-street concessions granted by municipalities. Our off-street parking concessions are typically long-term arrangements with a maximum term of up to 50 years (although certain older contracts and surface rights agreements in Portugal, such as Camoes or Alexandre Herculano, have longer terms), and our on-street parking concessions generally have a maximum term of up to 25 years (or 20 years in Portugal). Moreover, while these concessions are generally long-term arrangements, most of our concessions will be subject to a public tender process at the end of their term. The loss of, or the renewal on less commercially favorable terms of, a significant number of our existing concessions, or one or more of our largest concessions, could materially adversely affect our business, results of operations, financial condition or prospects.

In addition, under applicable public laws, the relevant awarding authorities in Spain and Portugal may terminate or recover concessions prior to their expiration on public interest grounds, which is subject to interpretation, or under certain other circumstances stipulated under applicable public law, subject to judicial review of the grounds for termination. See *"Regulation—Spain—Termination of the concession"* and *"Regulation—Portugal—Termination of the Concession"*. We have experienced one such termination in the past five years. In 2011, the municipality in Cascais, Portugal (a seaside resort town of approximately 35,000 inhabitants) terminated our concession over a parking area in the municipality for public interest reasons. This concession accounted for 0.5% and 0.4% of our net turnover and Adjusted EBITDA, respectively, in 2010. We challenged the legality of the termination of the Cascais concession and initiated a claim for compensation for our initial investment and loss of profits which resulted in the municipality paying us a settlement payment of €0.8 million in 2012. We are also subject to the termination rights set forth in the terms and conditions in our agreements as well as private law which may also apply with respect to our surface rights agreements.

Additionally, we have continued to operate certain of our concessions past the termination date before the contract is renewed and awarded to us or awarded to another party. If we operate the concession beyond the term of the contract, we may have limited recourse should the municipality terminate our services during such periods.

Generally, in the event of early termination of the concession not due to fault of the concessionaire, the concessionaire will be entitled to compensation from the municipality for the amount of the investments it has made in carrying out the terms of the concession based on the degree to which the investments have been amortized. We may also seek compensation provided by law or contract to cover our anticipated profits for the remaining duration of the concession agreements if the awarding authority terminates the concession, although

there can be no assurance that we will be successful. Additionally, the public authority has some discretion in interpreting the terms of the concession, especially when determining whether we have complied with its terms. If we are unsuccessful in seeking compensation from the municipality, our only recourse may be litigation, which may involve additional expenses and an extended period of time to reach a resolution. Even if successful, due to the recent economic crisis in Spain and Portugal, the public authorities may not have the resources available to satisfy any claim by us for compensation for lost investment or profit on a timely basis.

Additionally, certain of our contract management agreements allow the counterparty to remove some parking spaces from our management without compensation for public interest reasons. While this has not occurred in the past, if the counterparty were to exercise such a clause, our rights to contest this action may be limited.

Changes in transportation and traffic patterns could materially adversely affect demand at our facilities.

A variety of factors are contributing to changes in the transportation industry that could have a negative impact on our business, including changes in regulations and increased use of public transport by end customers, in particular in connection with our off-street concessions where our EBITDA margins are most affected by changes in demand, and to a lesser extent in connection with our on-street concessions. Changes in environmental and traffic control regulations could reduce demand for, and volumes in, our off-street parking facilities that could adversely affect our business, results of operations, financial condition or prospects. For example, some municipalities may impose traffic congestion charges in urban areas, reduce the availability of on-street parking spaces or promote the use of public transportation in lieu of automobiles. Governments may also increase the tax levels on automobiles and petroleum for environmental reasons, which may reduce traffic. We may also be materially adversely affected by temporary or permanent changes to traffic routes or road closures, which may make it more difficult to access our parking facilities and have a material adverse effect on our business, results of operations, financial condition or prospects.

In any particular period in which we experience a decrease in our net turnover, our operating expenses may not decrease at the same rate, which could have a material adverse effect on our net cash flows, margins and profits.

Many of the expenses associated with operating concessions are relatively fixed. These expenses include personnel costs, interest, rent, property taxes, insurance and utilities. If we are unable to decrease our costs significantly or rapidly when demand for our parking concessions decreases, the decline in our net turnover can have a particularly adverse effect on our net cash flows and profits. This effect can be especially pronounced during periods of economic contraction or slow economic growth, such as the recent economic downturn. Where cost cutting efforts are insufficient to offset declines in net turnover, we could experience a material decline in margins and potentially negative cash flows which could have a material adverse effect on our business, results of operations, financial condition or prospects.

In our off-street and on-street parking concessions, the tariff rates that we can charge our customers are governed by our concession agreements.

The net turnover that we generate from our off-street and on-street parking concessions is dependent on our tariff rates. The tariff structure is established under our concession agreements and we generally have limited or no ability to independently raise tariffs beyond the contractual provisions (usually, based on the rate of inflation). Before bidding for any concession project, we typically conduct an analysis to determine the conditions under which we believe such concession can be operated profitably. If the assumptions underlying our analysis prove to be incorrect and our tariffs do not generate sufficient revenues to cover our costs, we may be unable to increase our tariffs or reduce our costs in order for the concession to remain profitable, which could materially adversely affect our business, results of operations, financial condition or prospects. This effect could be compounded with respect to our long-term concession agreements.

If the Draft Law on the De-indexation of the Spanish Economy is approved, new and renewed concession agreements may not include the right to increase tariffs in accordance with inflation, and in such case, tariffs may only be increased in line with the direct cost of the services and goods provided under such concession agreement.

The current price revision regime applicable to concession tariffs may be altered in the future, as the Draft law on the Re-Indexation of the Spanish Economy ("*Anteproyecto de Ley de Desindexación de la Economía Española*") proposes to prohibit formulas that link the review of tariffs to inflation levels. According to this draft legislation, the Spanish Government would establish the elements of the tariffs that can be revised, as well as conditions and

reference prices that can be taken into account when revising the tariff. These elements are limited to increases in the cost of the underlying goods and services, such as energy costs, that are necessary in providing the services under the concession agreement. Labor, financial and structural costs as well as industrial profit will not be taken into account when revising the tariffs. Although this is still a Draft Law, should it be enacted, it may significantly affect the tariffs to be charged under new or renewed concessions which could materially adversely affect our business, results of operations, financial condition or prospects.

The financial difficulties faced by municipalities that grant us concessions could materially adversely affect our business, results of operations, financial condition or prospects.

Most of our concession arrangements are with municipalities in Spain and Portugal. Under a majority of our on-street concessions the municipality receives the parking revenues under those concessions and remits the relevant concession fee to us. As a result, we bear credit risk with respect to these concessions and such credit risk may be exacerbated by the impact of the recent economic downturn in Spain and Portugal and the austerity measures imposed by the national governments. In the event that a municipality experiences financial difficulties, we may not receive payments under the concessions for months, or even years, and may be obliged to continue providing services under the concessions, regardless of such outstanding payments, which could materially adversely affect our business, results of operations, financial condition or prospects. For example, in 2011, we experienced a significant increase in working capital as a result of delays in payment by certain municipalities. Additionally, in the event that we become entitled to receive compensation from a municipality under one of our concessions, such payment could also be materially delayed.

We might be required to complete formal licensing proceedings in Portugal that could result in our need to seek additional approvals from the municipalities and to incur additional licensing taxes, costs, fines and complementary sanctions for potential breaching of municipal licensing requirements.

In general, surface rights agreements and administrative concessions in Portugal include clauses stipulating that upon awarding of the surface right or the administrative concession, the operator shall seek approval from the Portuguese municipality with respect to the construction project and, in a significant number of contracts, it is further stipulated that the car park operation must begin upon the issuance of the applicable municipal use permit (authorizing the use of a certain construction for a specific use). The understanding and practice of the majority of Portuguese municipalities has been that, although the construction project is subject to municipal approval, the construction is not subject to the licensing procedure to which constructions in general are subject, given the fact that it has been widely understood that these are exempted from licensing in article 7 of Decree-Law no. 555/99 of December, as amended by Law no. 60/2007 and Decree-Law no. 26/2010, which states that the works promoted by the Public Administration as well as works promoted by concessionaires of public works are exempt from municipal licensing.

If municipalities were to require formal licensing to operate such parking facilities, this would require us to submit additional projects and be charged with additional licensing taxes and costs in order to obtain such licenses we may incur fines or be subject to sanctions for potential breaching of municipal licensing requirements. In addition, in the event that such licenses are not granted, we may be unable to operate the relevant concession the municipalities may argue that we have breached the relevant surface rights agreements and administrative concessions, which could materially adversely affect our business, results of operations, financial condition or prospects.

In 2005, Emparque brought a legal action against the municipality of Lisbon to challenge its decision to deny Emparque's request that the parking facility in Marquês de Pombal (Lisbon, Portugal) be exempt from the requirement to obtain a use permit. We did not prevail in the lower courts and have appealed this case to the *Tribunal Central Administrativo*. Should a final court ruling be issued against Emparque's petition, Emparque may be required to initiate a new licensing procedure for the car park of Marquês de Pombal in order to obtain the respective use permit, and we may not obtain such license.

Under our concessions, in certain situations, an insolvency proceeding or a change of control may result in the termination of the concession.

Under the terms of our concessions and Spanish and Portuguese law, the municipality may terminate the concession in the event that insolvency or winding-up proceedings are instituted. If an enforcement action is brought under the Indenture or the Revolving Credit Facility, for example, we may be forced into insolvency or winding-up proceedings that could give rise to such termination (subject to compensation for unamortized investments). See "*Regulation—Spain—Termination of the concession*" and "*Regulation—Portugal—Termination of the concession*". In any case, according to the Spanish Public Sector Contracts (*Real Decreto Legislativo*

3/2011, de 14 de noviembre, por el que se aprueba el texto refundido de la Ley de Contratos del Sector Público) the “TRLCSP”, even where insolvency has been declared, the concession will not automatically be terminated by the municipality. Such termination may only occur upon a declaration of insolvency: (i) the company is unable to continue carrying on its business and fulfilling its duties and obligations; or (ii) the winding-up phase under insolvency proceedings commences (and, in this latter case, transfer of the concession to a party authorized to carry out such business might be done to avoid early termination).

Additionally, under some of our concessions in Cataluña, public authorities impose certain restrictions on the transfers of ownership of the concessionaire, including a change of control clause, which prohibits the transfer of the ownership of the concessionaire without the prior approval of the public authority. There is a risk that one or more municipal councils might consider, in practice, that an indirect transfer also falls within the scope of this restriction. Should the municipal councils of Cataluña apply such interpretation, it could be argued that such interpretation goes beyond the stated legal provision. However, in the event of an enforcement action under the terms of the Notes or Note Guarantees which resulted in the transfer of ownership of Empark, or a change in the shareholding of Empark for other reasons, the local authorities may attempt to cancel our concessions in Cataluña on such basis. In addition, the uncertainty concerning the transferability of such concessions itself could reduce the value placed on the concessions by third parties and ultimately reduce the amount recovered in the event of an enforcement action.

We generate a substantial amount of revenues and cash flow from our concessions granted by various municipalities. If we are unable to maintain our position as a reputable concessionaire, we may be unable to win bids to renew our existing concessions or enter into new concessions, and our business, results of operations, financial condition or prospects may be materially and adversely affected.

In the year ended December 31, 2012, a substantial amount of our Adjusted EBITDA was generated under a number of our key concession contracts and any limitations on our operations under these agreements or reduced demand due to changes in traffic patterns could adversely affect our business, results of operations, financial condition or prospects. Additionally, our risk is compounded as we are not geographically diversified, with the vast majority of our operations being conducted in Spain and Portugal. If policies of either of these municipalities change with respect to traffic patterns, or these municipalities experience further financial difficulties that affect the payment of our fees under such concession agreements, or if the volume of traffic declines in these locations, it could adversely affect our business, results of operations, financial condition or prospects.

Additionally, these municipalities may ask us to enter into amendments to our concessions to lower the fees payable to us or to agree to other terms which are less commercially favorable than the original agreements. While municipalities may not unilaterally amend our concessions without indemnifying us for the damages we suffer as a result of such changes, we may agree to such amendments in order to maintain our relationships with the municipalities.

We believe the experience of our management, the quality of our reputation in the key markets in which we operate and the rapport that we maintain with the municipalities differentiate us from our competitors and are important factors for the generation of new business opportunities that support our growth. If we are unable to maintain good working relationships with the municipalities and other third parties, or if we do not meet or exceed their expectations, such parties may be unwilling to maintain or grow their relationship with us, in which case our business, results of operations, financial condition or prospects may be materially and adversely affected.

Changes in the legal framework for concessions may impose significant costs on us.

The grant and operation of public concessions in Spain and Portugal is highly regulated. The legal framework applicable to administrative concessions and other agreements under which we operate parking facilities is subject to changes which could affect the profitability of our concessions and agreements. We must comply with a variety of laws and regulations relating to our concessions, some of which impose substantial financial and other penalties for non-compliance, including the revocation of a concession. In addition, we are exposed to the risk of changes in the regulatory regime, which changes could potentially impose additional costs on our business, and thus have an adverse impact on our business, results of operations, financial condition or prospects. In the event of significant regulatory changes we may request the awarding authority in certain circumstances to modify the terms of the concession in order to restore the economic and financial balance of the relevant concession. However, we can give no assurance that such an adjustment would be available, that it would apply to our surface rights agreements in Portugal or that it would be on terms satisfactory to us or could be made in a timely manner. If such adjustments are not made or do not provide for sufficient or timely increases in our revenues in respect of such concession, our business, financial condition and results of operations could be materially adversely affected. In any event, even if such rebalancing is successful, it would not generally address all the

losses we may have already incurred. Additionally, court proceedings to obtain an order for economic rebalancing of a concession may take a number of years to reach a conclusion and could result in costly and time-consuming litigation, regulatory action or otherwise materially adversely affect our business, results of operations, financial condition or prospects.

Agreements entered into with private entities, although contractual in nature, are also subject to mandatory private law legal provisions. Changes in the relevant legislation may also have a negative impact in our business, results of operation, financial condition or prospects.

We have minority partners for certain concessions and are a minority partner with respect to certain of our other businesses.

We operate a number of our concessions through entities in which we do not have a 100% stake. In some cases, we have a majority ownership interest and have entered into a shareholders' agreement with a minority partner in connection with our bid for concessions in a particular region. In the twelve months ended September 30, 2013, approximately 15.1% of Adjusted EBITDA was generated by entities or consortiums in which we have a majority stake. For other concessions, we do not have a controlling interest in the entity holding the concessions since the municipality requires that the majority stake be held by the municipality. In addition, in October 2013, we, through a consortium in which we are the largest partner (holding a 35% interest), won a tender to manage one of the two on-street parking zones into which Madrid is divided for the next 12 years. This agreement became effective from November 1, 2013. We are exposed to risks associated with the conduct of our partners in connection with our less than 100% owned business. For example, our partners may make poor management decisions, or may fail to supply or be unwilling to supply the required operational, strategic and financial resources to the business. In such cases, we may be required to dedicate more resources to manage such projects and as a result, management's attention may be diverted from existing operations to focus on such businesses. If any of our partners were to encounter financial difficulties, change their business strategies or were no longer willing to participate in the businesses, our business, financial condition, results of operations and prospects could be materially adversely affected. Moreover, in a number of the businesses, we do not have the power to control the payment of dividends or other distributions, so even if the business is performing well, we may not be able to extract value through the payment of our share of any profits. Our shareholder arrangements with such business partners may also require us to provide additional investments or funding from time to time. For example, in respect of our temporary consortium with other partners (*uniones temporales de empresas*), we are jointly and severally liable for the obligations of the consortium vis-a-vis third parties and not only for our share of interest. In such cases, we may be jointly and severally liable for amounts payable by the consortium and our partners may not reimburse us for such payments. There may also be circumstances in which we may desire or be required to acquire the ownership interests of our partners, and we may not have access to the funds necessary to do so. In addition, our reputation and business, including our ability to retain and enter into new contracts with public authorities, could be adversely impacted if any of our partners are alleged to have engaged in illegal or unethical conduct, such as bribery, money laundering and other corrupt activities or membership in, or aiding, illegal organizations and we may be liable for such activities if they occur in connection with any joint ventures.

Instances of fraud, bribery and corruption involving our management, employees, business partners or agents could expose us to penalties and reputational damage and could hinder our ability to acquire or renew concessions or even continue our operating activities.

The tender process and the award of concessions by public authorities involve risks associated with fraud, bribery and corruption. Although, to our knowledge, there have been no instances of fraud, bribery or corruption involving or affecting Empark, we may be unable to detect or prevent every instance of fraud, bribery and corruption involving our employees, business partners or agents in the future. We may therefore be subject to civil and criminal penalties and to reputational damage as a result of such occurrences. Instances of fraud, bribery and corruption may also be taken into account as a negative factor by public authorities in considering our bids to acquire or renew concessions and could result in a prohibition to tender, preventing us or making it more difficult for us to win or renew concessions in the future. The involvement or association of our employees, business partners, construction contractors, suppliers or agents with fraud, bribery or corruption, or allegations or rumors relating thereto, could negatively impact our reputation and materially adversely affect our business, results of operations, financial condition or prospects.

Our ability to expand our business will be dependent upon the availability and cost of capital.

The off-street concession segment of the Spanish and Portuguese parking industry is highly fragmented, and there are opportunities for continued consolidation. We intend to continue to expand our business through organic

growth. Our ability to expand our business will depend in part upon the availability of adequate capital, which in turn will depend in large part upon cash flow generated by our business and the availability of debt and equity financing. The recent economic downturn in Spain and Portugal and the effects of the credit crisis and recent negative developments with respect to Euro zone financial markets have had a negative impact on the availability and cost of our bank financing in Spain and Portugal. If we are unable to obtain the funds needed on acceptable terms, we will not be able to continue to expand our operations, which could materially adversely affect our business, results of operations, financial condition or prospects.

We may fail to successfully carry out construction works under new off-street concessions and may not recover our investment.

When we are awarded a concession for a new parking site, we are exposed to a number of risks associated with large-scale construction projects, such as the failure of our contractors and subcontractors to perform, as well as delays and disruptions caused by technical or environmental problems, adverse weather conditions or other factors. Generally, pursuant to the terms of the development agreements we enter into in connection with our concessions, our contractors and subcontractors must indemnify us for any losses or delays resulting from delays in developing the project and are required to post a performance bond as security for the performance of their obligations. However, our losses may exceed the amount of the performance bond or the maximum loss coverage under these agreements, in which case we would not be adequately compensated for losses derived from construction delays. We may also be required to engage in costly litigation or arbitration proceedings in order to receive compensation under these agreements. Further, our ability to obtain compensation under our development contracts is dependent on the solvency of our contractors and subcontractors. Construction delays will also postpone the time at which the parking facility will be operational and therefore the time from which we will begin to receive revenues from a concession. Such delays will shorten the revenue-generating term of the concession and may entitle the granting authority to impose sanctions or terminate the concession, any of which could materially adversely affect our business, financial conditions, results of operations or prospects.

Once the construction of a parking facility on a new site is completed, we are exposed to a variety of risks in connection with the opening and operation of the new facility, which could result in us failing to recover our investment in the new facility. For example, the actual demand for parking spaces at the new site may not meet our expectations, and we may experience lower than expected volumes and revenues.

We may fail to realize the anticipated benefits from, or may incur unanticipated costs associated with, future acquisitions and geographic expansion and we may also seek to divest some of our properties and other assets, any of which may be unsuccessful or divert our management's attention.

We may, from time to time, consider acquisitions of other concession operators. We may also consider opportunities to expand our operations into geographic markets outside of Spain and Portugal. Acquisitions and geographic expansion can involve significant risks, such as the integration of the newly-acquired business, the entry into unfamiliar markets and the diversion of management's attention from other business concerns. We may not be able to successfully identify suitable acquisition opportunities in the future or complete future acquisitions. If we do complete any acquisitions in the future, we may not be able to successfully integrate the newly-acquired business and we may not realize the anticipated benefits from the acquisitions, or we may encounter unanticipated costs associated with the acquisitions. We have expanded our business into markets such as Turkey, the United Kingdom and more recently, Poland, and we may expand our presence further in those countries, or enter into new markets in the future. As a result, we will be exposed to the risks inherent to such markets. We may not be able to realize the expected benefits from such expansion.

If we fail to identify and enter into attractive markets, to find suitable business partners who can operate the business effectively, ethically and on reasonable terms, to identify and operate concessions on acceptable terms, to attract and hire skilled staff, to implement the required infrastructure or to raise the required funds, our business plans may be jeopardized and the intended consolidation or increase of our market share may fail to materialize, which could materially adversely affect our business, financial condition, results of operations or prospects.

From time to time, we consider and engage in negotiations with respect to disposals of assets. In October 2013, we signed a memorandum of understanding with a third party in connection with the proposed sale of one of our parking facilities located on Calle Sevilla in Madrid for €22.5 million. Divestitures of some of our assets may yield returns below our investment criteria or even result in investment losses. In addition, any acquisitions, investments, dispositions or alliances may demand significant attention from our management that would otherwise be available for our day-to-day running of the business.

Contractual and other disagreements with awarding entities and counterparties could make us liable to them or result in litigation costs or other expenses, which could lower our profits. Under the terms of some of our concessions, surface rights agreements and other agreements, the awarding entity and counterparties may terminate such agreements if we do not successfully comply with our obligations. This risk is exacerbated in those subsidiaries that are not wholly-owned, as we depend on the decisions of other shareholders.

From time to time, we are involved in contractual and other disagreements with municipalities relating to our concession and surface rights agreements and our operations under such agreements. Such disagreements are more likely to occur during periods of challenging economic conditions. For the duration of each concession and surface rights agreements, we are required to maintain the relevant infrastructure asset in satisfactory condition, and upon the expiration of each concession and surface rights agreements, we must surrender substantially all assets related to such concession and surface rights agreements to the relevant municipality without financial compensation. If municipalities claim that we have failed to comply with the terms of our concession and surface rights agreements, the concession may be revoked or we may not be successful in extending the agreement at the end of its term. Alternatively, municipalities may not pay us fees in the full amounts due under the terms of the concession and surface rights agreements. Any such disputes or delays could materially adversely affect our business, financial condition, results of operations or prospects.

In addition, we operate a number of our agreement with majority partners and may, from time to time, participate in consortiums over which we do not exercise control over the day to day operations and decision making process. If a governmental authority decides to terminate or amend our concession agreements due to a serious violation of our contractual or regulatory obligations, such as a failure to maintain the facility creating serious danger to users or a persistent failure to make payments to the awarding authority, we may not be entitled to full compensation for our initial investment or loss of anticipated profits. In addition, upon a serious breach of the terms of the concession, the awarding authority could call due any performance bonds granted by us under the concession agreement, in which case we would be required to immediately repay any such performance bonds and indemnify the local authority for any damages claimed in excess of such performance bond amounts. In agreements entered into with private entities, breach of contractual obligations may also lead to the termination of said agreements. If any of our existing significant concessions, surface rights agreements or other agreements are unilaterally terminated or amended by the relevant awarding authorities or counterparties, our revenues in the future may be reduced, and our business, financial condition and results of operations may be materially adversely affected.

We may incur higher than expected costs as a result of unforeseen maintenance problems.

Generally, our maintenance costs are relatively low once our concessions have been built and are operational. However, many of our concessions are more than ten years old and may incur unforeseen problems such as water damage, cracks in the walls or foundation or sinking. Under the terms of the concessions, we are responsible for all maintenance and upkeep at our facilities, including structural repairs. If we were to experience a significant problem requiring repairs, our maintenance costs may be higher than expected and we may have limited operations at a particular facility for a period of time. Such expenses or reduction in revenue may have a material adverse effect on our business, financial condition, results of operations or prospects.

Labor disputes and other labor matters could lead to loss of revenues or higher costs.

Most of our employees in Spain are represented by labor unions. In particular, due to its labor intensive nature, our on-street parking business is subject to the risks associated with a unionized workforce and we have experienced labor disputes that have led to strikes or other disruptions in our operations in the past. When one or more of our major collective bargaining agreements becomes subject to renegotiation, we may disagree with the union on important issues that, in turn, could lead to a strike, work slowdown or other industrial action. There can be no assurance that we will be able to renew existing labor union contracts on acceptable terms. We can also experience labor disputes in other situations, such as due to disagreements in work practices. A strike, work slowdown or other action could in some cases result in the effective closure of our facilities, temporary free parking at our facilities or disrupt us from providing services, which would result in reduced revenues. The result of renegotiating an existing collective bargaining agreement could result in a substantial increase in labor costs that we may be unable to recover through our existing contractual arrangements. Additionally, we may incur expenses in resolving disputes and complying with local laws relating to overtime, social security and pension contributions, occupational risk matters and other labor related issues. We may also incur increased labor costs due to competition, increased minimum wage, employee benefit costs, medical benefits costs or otherwise could adversely impact our business, results of operations, financial condition or prospects. Although we have not

experienced any material collective labor disputes in the past, there can be no assurance that labor disputes will not arise in the future, which could have a material adverse effect on our business, financial condition, results of operations or prospects. In addition, our employees may claim that they are subject to a more favorable collective bargaining agreement, which may result in increased labor costs for us.

If we fail to stay current with developments in technology necessary for our business, our operations could be harmed and our ability to compete effectively could be diminished.

Sophisticated information technology and other systems, including systems for the efficient collection and management of revenue are integral to our business. Our information technology and other systems must be refined, updated or replaced with more advanced systems on a regular basis. Developing and maintaining our systems may require significant capital. If we are unable to replace or introduce information technology and other systems as quickly as our competitors or within budgeted costs or schedules when these systems become outdated or need replacing, or if we are unable to achieve the intended benefits of any new information technology or other systems, our operations could be harmed and our ability to compete effectively could be diminished, which could have a material adverse effect on our business, financial condition, results of operations or prospects. Further, if we fail to keep up with technological advances in our industry that maintain or improve our cost-effectiveness or add value to the services we can offer to customers, we may not be eligible to participate in or win competitive public tenders.

Our information technology systems may fail or be interrupted, which could materially adversely affect our business. Failure to maintain the integrity of internal or customer data could result in faulty business decisions, harm to our reputation and subject us to costs, fines and lawsuits.

We rely on numerous information technology systems that allow us to monitor and manage our parking concessions and facilities, maintain our financial records, manage our employees and gather information upon which our management makes decisions regarding our business, including technical information used in formulating bids for concessions or contracts. The operation of our business is increasingly dependent on the use of these systems. As a result, system failures or disruptions resulting from computer viruses, hackers or other causes could have a material adverse effect on our business, financial condition, results of operations or prospects.

We also collect and retain large volumes of internal and customer data, including credit card numbers and other personally identifiable information during the normal course of business. Using our various information technology systems, we enter, process, summarize and report such data. We also maintain personally identifiable information about our employees. The integrity and protection of our customer, employee and company data is critical to our business. Our customers and employees expect that we will adequately protect their personal information, and the regulations applicable to security and privacy are increasingly demanding in certain jurisdictions where we operate. Theft, loss, fraudulent or unlawful use of customer, employee or company data could harm our reputation and result in remedial and other costs, fines and lawsuits, which may be material.

Natural disasters, acts of terrorism and other unexpected events could disrupt our services.

Natural disasters, such as storms, earthquakes or floods, acts of terrorism and other unexpected events, such as large-scale electrical power supply outages, fires and vandalism, may result in reduced revenues for our parking businesses. Natural disasters may also cause economic dislocations throughout an urban area, region or country. In addition, terrorist attacks have resulted in, and may continue to result in, heightened security and traffic control measures in urban areas and increased government regulation of airport facilities. These events can result in reduced traffic levels and decreased volumes for our parking facilities, and thus cause a reduction in revenues, and our insurance may not be sufficient to cover claims arising from such events. Significant damage or destruction to one of our facilities may also result in the termination of the concession, and if we were deemed to be at fault for the damage we may be obligated to rebuild the facility without compensation. Additionally, such events could cause interruptions in our monitoring or other information technology systems, which could materially adversely affect our business, financial condition, results of operations or prospects.

Adverse litigation judgments or settlements resulting from legal proceedings in which we may be involved in the normal course of our business could materially adversely affect our business, financial condition, results of operations or prospects.

In the normal course of business, we are involved in various legal proceedings. Such litigation may result from injuries or property damage to our customers or their property while using our facilities, from claims arising against us relating to construction at our facilities or breach of applicable laws and regulations, including laws

relating to personal data protection obligations. In addition, we enter into partnerships with various business partners and are members of trade associations and we may be jointly and severally liable for judgments or claims made against such partners or trade associations. We may face litigation by competitors challenging the award of a concession to us, and we may also litigate against our competitors in connection with the bidding process. It is possible that an unfavorable outcome of some or all such matters could cause us to incur significant liabilities. Likewise, we may incur significant legal and other costs in connection with defending our interests in ongoing legal proceedings. Any significant adverse litigation judgments or settlements could have a material adverse effect on our business, financial condition, results of operations or prospects.

We are subject to changes in tax laws, tax rates and their application and interpretation in the markets in which we operate, and we may be subject to significant claims related to future tax disputes and audits.

Our operations that are profit making are subject to profit and income tax and other applicable taxes, such as property tax. There is no guarantee that tax laws or tax rates may not be changed in the future. Any change in tax laws or tax rates may increase our tax expenses and liabilities and could have a material adverse effect on our business, results of operations, financial condition or prospects. We are subject to various tax proceedings and audits with tax authorities in respect of our operations.

Our insurance coverage may not be adequate to cover all possible losses that we could suffer and our insurance costs may increase.

We maintain a portfolio of insurance policies to help protect us against loss or damage incurred from a wide variety of insurable risks. Each year, we review with our professional insurance advisers whether the insurance policies and associated coverage that we maintain are sufficient to adequately protect us from the various types of risk to which we are exposed. That analysis takes into account various pertinent factors, such as the likelihood that we would incur a material loss from any given risk, as well as the cost of obtaining insurance coverage against any such risk. In addition, under the relevant Spanish laws, the operator of a parking facility is liable for any damages to the vehicle and its contents. The provider of parking services is liable for movable components, accessories or objects when certain conditions are met, including that such movable components, accessories or objects are expressly declared by the user, that the provider of parking services expressly accepts their custody, and that the user complies with security measures. Under Portuguese Law, although the provider of parking services may be generally held liable for damages to vehicles and their attachments, the nature of such liability and the legal requirements applicable thereto depend on the law deemed as applicable to the relationship between the parking services provider and its customers. Notwithstanding our insurance coverage for all or any of these risks, we may experience one or more material losses for which we do not maintain any or adequate insurance coverage that could materially adversely affect our business, financial condition, results of operations or prospects.

Our business is dependent upon key personnel.

Our success has been, and will continue to be, substantially dependent upon the continued services of our senior management team. The loss of the services of one or more of the members of our senior management team could have a material adverse effect on our business, financial condition and results of operations. Although several of our key senior managers are shareholders, and we have entered into employment agreements with, and historically have been successful in retaining the services of, our senior management, there can be no assurance that we will be able to retain them in the future and any failure to do so could have a material adverse effect on our business, financial condition, results of operations or prospects. We do not have any key man life insurance in place. In addition, our continued growth depends upon our ability to attract and retain skilled operating managers and employees.

The interests of our shareholders may not correspond with your interests as a holder of the Notes.

Over 97% of the shares of Empark are currently controlled by ASSIP and four infrastructure funds. As of the date of this offering memorandum, ASSIP owned 50.3% of the capital stock of Empark. Under the arrangements in effect among our shareholders, a number of major corporate actions require approval of our shareholders. The members of our board of directors are nominated by our shareholders. Therefore, our shareholders have significant control over our operations. The interests of our shareholders could conflict with the interests of the holders of the Notes, particularly if we encounter financial difficulties or are unable to pay our debts when due. Our shareholders may also have interests in pursuing acquisitions, disposals and other transactions that, in their judgment, could enhance their equity investment, even though these transactions might involve risks to holders of the Notes. Our shareholders also may disagree over key decisions affecting our business, and such material

disagreements could entitle shareholders to exercise any exit rights provided for under the Shareholders Agreements described under “*Major Shareholders—Shareholders Agreement*” or could otherwise materially adversely affect our business, financial condition, results of operations or prospects.

Risks Relating to Our Indebtedness

Our substantial leverage and debt service obligations could adversely affect our business and prevent us from fulfilling our obligations with respect to the Notes and the Note Guarantees.

We are, and following the issuance of the Notes we will continue to be, highly leveraged. As of September 30, 2013, after giving *pro forma* effect to the Refinancing, we would have had total outstanding indebtedness of €515.5 million, including the Notes.

The degree to which we will be leveraged following the issuance of the Notes could have important consequences to holders of the Notes offered hereby, including, but not limited to:

- making it difficult for us to satisfy our obligations with respect to the Notes;
- increasing our vulnerability to, and reducing our flexibility to respond to, general adverse economic and industry conditions;
- requiring the dedication of a substantial portion of our cash flow from operations to the payment of interest on our indebtedness and the repayment of principal, thereby reducing the availability of such cash flow to fund working capital, capital expenditures, joint ventures or other general corporate purposes;
- limiting our flexibility in planning for, or reacting to, changes in our business and the competitive environment and the industry in which we operate;
- placing us at a competitive disadvantage as compared to our competitors, to the extent that they are not as highly leveraged; and
- limiting our ability to borrow additional funds and increasing the cost of any such borrowing.

Any of these or other consequences or events could have a material adverse effect on our ability to satisfy our debt obligations, including the Notes.

We are subject to restrictive debt covenants that may limit our ability to finance our future operations and capital needs and to pursue business opportunities and activities.

The Indenture and the Revolving Credit Facility Agreement contain covenants that impose significant operating and financial restrictions on us. These agreements limit our ability to, among other things:

- incur or guarantee additional indebtedness and issue certain preferred stock;
- create or incur certain liens;
- make certain payments, including dividends or other distributions, with respect to the shares of the Parent Guarantor;
- prepay or redeem subordinated debt or equity;
- make certain investments;
- create encumbrances or restrictions on the payment of dividends or other distributions, loans or advances to and on the transfer of assets to the Parent Guarantor or its restricted subsidiaries;
- sell, lease or transfer certain assets including stock of restricted subsidiaries;
- consolidate or merge with other entities;
- impair the security interests for the benefit of the holders of the Notes; and
- amend certain documents.

All these limitations will be subject to significant exceptions and qualifications. The covenants to which we are subject could limit our ability to finance our future operations and capital needs and our ability to pursue business opportunities and activities that may be in our interest.

In addition, we will be subject to the affirmative and negative covenants contained in the Revolving Credit Facility Agreement. In particular, the Revolving Credit Facility Agreement requires us to maintain certain financial ratios based on our leverage levels. Our ability to meet these financial ratios can be affected by events beyond our

control, and we cannot assure you that we will meet them. A breach of any of these provisions could result in a draw stop or an event of default under the Revolving Credit Facility Agreement. Upon the occurrence of any event of default under the Revolving Credit Facility Agreement, subject to applicable cure periods and other limitations on acceleration or enforcement, the lenders could cancel the availability of the Revolving Credit Facility and elect to declare all amounts outstanding under the Revolving Credit Facility, together with accrued interest, immediately due and payable. In addition, any default under the Revolving Credit Facility Agreement could lead to an event of default and acceleration under other debt instruments that contain cross-default or cross-acceleration provisions, including the Notes. If our creditors, including the creditors under the Revolving Credit Facility, accelerate the payment of those amounts, we cannot assure you that our assets would be sufficient to repay in full those amounts, to satisfy all other liabilities which would be due and payable and to make payments to enable the Issuer to repay the Notes, in full or in part. In addition, if we are unable to repay those amounts, our creditors could proceed against any Collateral granted to them to secure repayment of those amounts.

We will require a significant amount of cash to service our debt and sustain our operations, which we may not be able to generate or raise. Our ability to generate sufficient cash depends on many factors beyond our control.

Our ability to make payments on and to refinance our debt, and to fund working capital and capital expenditures, will depend on our future operating performance and ability to generate sufficient cash. This depends, to some extent, on the success of our business strategy and on general economic, financial, competitive, market, legislative, regulatory and other factors, as well as the other factors discussed in these “*Risk Factors*”, many of which are beyond our control.

We cannot assure you that our business will generate sufficient cash flows from operations, that we will realize revenue growth and operating improvements that we anticipate or that future debt and equity financing will be available to us in an amount sufficient to enable us to pay our debts when due, including the Notes, or to fund our other liquidity needs.

If our future cash flows from operations and other capital resources (including borrowings under the Revolving Credit Facility) are insufficient to pay our obligations as they mature or to fund our liquidity needs, we may be forced to:

- reduce or delay our business activities and capital expenditures;
- sell assets;
- obtain additional debt or equity capital; or
- restructure or refinance all or a portion of our debt, including the Notes, on or before maturity.

The type, timing and terms of any future financing will depend on our cash needs and the prevailing conditions in the financial markets. We cannot assure you that we would be able to accomplish any of these alternatives on a timely basis or on satisfactory terms, if at all. In addition, the terms of our Revolving Credit Facility Agreement and the Indenture and any future debt may limit our ability to pursue any of these measures.

Any failure to make payments on our indebtedness, including the Notes, on a timely basis would likely result in a reduction of our credit rating, which could also harm our ability to incur additional indebtedness. In addition, the terms of our debt, including the Notes and the Revolving Credit Facility, limit, and any future debt may limit, our ability to pursue any of these alternatives, all of which could have a material adverse effect on our business, financial condition, results of operations or prospects. Any refinancing of our debt could be at higher interest rates and may require us to comply with more onerous covenants, which could further restrict our business, financial condition and results of operations. There can be no assurance that any assets which we could be required to dispose of could be sold or that, if sold, the timing of such sale and the amount of proceeds realized from such sale will be on a timely basis or in a sufficient amount.

Despite our current level of indebtedness, we may still be able to incur substantially more debt in the future, which may make it difficult for us to service our debt, including the Notes, and impair our ability to operate our businesses.

We will be able to incur substantial additional indebtedness in the future. Although the Indenture and the Revolving Credit Facility Agreement will contain restrictions on the incurrence of additional indebtedness, these restrictions are subject to a number of significant qualifications and exceptions, and under certain circumstances, the amount of indebtedness that could be incurred in compliance with those restrictions could be substantial. In

addition, the Indenture and the Revolving Credit Facility Agreement will not prevent us from incurring obligations that do not constitute indebtedness under those agreements.

The loans under our Revolving Credit Facility and the Floating Rate Notes will bear interest at floating rates that could rise significantly, increasing our financing costs and reducing our cash flow.

The Floating Rate Notes and any borrowings under the Revolving Credit Facility will bear interest at a variable rate which is based on EURIBOR plus an applicable margin. Fluctuations in EURIBOR or the occurrence of a market disruption event may increase our overall interest burden and could have a material adverse effect on our ability to service our debt obligations. We do not currently intend to enter into any new interest rate swaps with respect to the Revolving Credit Facility and the Floating Rate Notes. To the extent that EURIBOR were to increase significantly, our interest expense would correspondingly increase, thereby reducing our cash flow.

Risks Relating to Our Structure

The Issuer is a finance subsidiary that has no material assets or revenue generating operations of its own and will depend on cash received under the Funding Loans in order to be able to make payments on the Notes.

The Issuer is a finance subsidiary that was formed in order to offer and issue the Notes. The Issuer conducts no business operations of its own, and has not engaged in, and will not be permitted to engage in, any activities other than the issuance of the Notes and the incurrence of certain other permitted indebtedness, the advancing of the Funding Loans and the Issuer Intercompany Loan to Empark, the servicing of its obligations under the Notes and any other permitted indebtedness, and other activities permitted by the covenant described under *“Description of the Notes—Certain Covenants—The Issuer”*. The Issuer has no subsidiaries, and its only material asset and only source of revenue is its right to receive payments on the Funding Loans from Empark. Therefore, the ability of the Issuer to make payments on the Notes is therefore entirely dependent on the cash flows received under the Funding Loans. Empark intends to provide funds to the Issuer in order for it to meet its obligations under the Notes through interest payments on the Funding Loans. If Empark does not fulfill its obligations under the Funding Loans, the Issuer will not have any other source of funds that would allow it to make payments to the holders of the Notes. The amounts available to the Issuer from the other relevant members of the Group will depend on the profitability and cash flows of such members of the Group and the ability of such members to make payments to it under applicable law or the terms of any financing agreements or other contracts that may limit or restrict their ability to pay such amounts. In addition, certain by-laws of members of the Group require approval by a qualified majority of shareholders to make dividends distributions. Regarding legal limitations, for example, Spanish and Portuguese corporate law provisions require, among other things, each of our subsidiaries to retain at least 10% and 5% for Spain and Portugal, respectively, of the annual net profit (after covering accumulated losses) in a legal reserve until the reserve reaches at least 20% of such company's share capital and that, after payment of any dividend or distribution of reserves, equity (*“patrimonio neto”* in Spain or *“capital próprio”* in Portugal) must not fall below such company's share capital (plus non-distributable reserves for Portugal). Also, no distributions can be made while any costs of incorporation, research or development have not been fully written off, unless the amount of distributable reserves (free reserves for Portugal) and retained earnings is at least equal to the amount of the abovementioned costs that have not been fully written off. Additionally, under Spanish law a non-distributable reserve equivalent to goodwill accounted for in the balance sheet must be created and under Portuguese law certain non-distributable reserves must be created for fair value increases. Therefore operating companies in the Group may not be able to, or may not be permitted under applicable law to, due to the described corporate law provisions and also due to foreign exchange laws and regulations that could limit or tax the remittance of dividends or transfer payments abroad, make distributions or advance payments, directly or indirectly, to Empark in order for Empark to make payments to the Issuer on the Funding Loans. If such payments are not made, the Issuer will not be able to make any payments in respect of the Notes.

Various agreements governing the Group's debt may restrict, and in some cases, may prevent the ability of the members of the Group to transfer funds within the Group. In such circumstances, holders of the Notes would have to rely upon claims for payment under the Guarantees, and payment under the Guarantees is subject to the risks and limitations described in the *“Risks Relating to the Notes—Certain of the Note Guarantees will be limited to a specified amount, and each Note Guarantee will be subject to certain limitations on enforcement and may be limited by applicable laws or subject to certain defenses that may limit its validity and enforceability.”* The members of the Group that do not guarantee the Notes have no obligation to make payments with respect to the Notes.

The Notes will each be structurally subordinated to the liabilities of non-Guarantor subsidiaries.

Some, but not all, members of the Group will guarantee the Notes. The Guarantors generated 78.1% and 79.9% of the Group's Adjusted Revenue and Adjusted EBITDA, respectively, for the twelve months ended September 30, 2013, and held 95.7% of the Group's total assets (and 63.4% of the Group's tangible and intangible assets, excluding goodwill) as of September 30, 2013. Our non-Guarantor subsidiaries generated 21.9% and 21.1% of the Group's Adjusted Revenue and Adjusted EBITDA, respectively, for the twelve months ended September 30, 2013, and held 4.3% of the Group's total assets (and 36.6% of the Group's tangible and intangible assets, excluding goodwill) as of September 30, 2013. Certain of our non-Guarantor subsidiaries are not wholly owned.

Unless a company is a Guarantor, such company will not have any obligation to pay amounts due under the Notes or to make funds available for that purpose. Generally, holders of indebtedness of, and trade creditors of, non-guarantor subsidiaries, including lenders under our Project Finance Facilities and bank financing agreements, are entitled to payments of their claims from the assets of such subsidiaries before these assets are made available for distribution to any Guarantor, as a direct or indirect shareholder. As of September 30, 2013, the Non-Recourse Entities had €102.2 million of outstanding non-recourse indebtedness which would be structurally senior to the Notes.

Accordingly, in the event that any non-Guarantor subsidiary becomes insolvent, is liquidated, reorganized or dissolved or is otherwise wound up other than as part of a solvent transaction:

- the creditors of the Issuer (including the holders of the Notes) and the Guarantors will have no right to proceed against the assets of such subsidiary; and
- creditors of such non-Guarantor subsidiary, including trade creditors, will generally be entitled to payment in full from the sale or other disposal of the assets of such subsidiary before any Guarantor, as a direct or indirect shareholder, will be entitled to receive any distributions from such subsidiary.

As such, the Notes and each Note Guarantee will be structurally subordinated to the creditors (including trade creditors) and any preferred stockholders of non-Guarantor subsidiaries.

The Issuer may not be able to recover any amounts under the Funding Loans because its right to receive payments under the Funding Loans is subordinated to all third-party liabilities of Empark.

Under Spanish insolvency law, as described below, the Funding Loans will be characterized as subordinated obligations of Empark, and will be subordinated in an insolvency proceeding to the preferential and ordinary debts of Empark since the Issuer and Empark will be considered "specially related entities" for the purposes of Spanish insolvency law. Therefore, if Empark is declared insolvent, the claims of both preferred and ordinary third-party creditors shall rank prior to the claims of the Issuer and such third-party creditors shall first receive all available funds until their claims are satisfied. In such circumstances, there may not be sufficient funds remaining to repay amounts outstanding under the Funding Loans, either in whole or in part.

Risks Relating to the Notes

Creditors under the Revolving Credit Facility and certain hedging liabilities are entitled to be repaid in full with the proceeds of the Collateral sold in any enforcement sale in priority to the Notes.

The obligations under the Notes and the Note Guarantees are secured on a first-ranking basis with security interests over Collateral which also secures our obligations under the Revolving Credit Facility and certain hedging obligations on a *pari passu* basis. The Indenture and the Revolving Credit Facility Agreement also permit the Collateral to be pledged to secure additional indebtedness in accordance with the terms thereof and the Intercreditor Agreement.

Pursuant to the Intercreditor Agreement, the liabilities under the Revolving Credit Facility and certain hedging obligations will have priority over the Notes with respect to amounts received from the sale of the Collateral pursuant to an enforcement action taken with respect to the Collateral. As such, in the event of a foreclosure of the Collateral, holders of the Notes will receive less from the proceeds of security in an enforcement or insolvency scenario than if they were not required to share the proceeds. Moreover, holders of the Notes may not be able to recover on the Collateral if the then outstanding claims under the Revolving Credit Facility and such amount in respect of priority hedging obligations are greater than the proceeds realized.

Any proceeds from an enforcement sale of the Collateral by any creditor will, after all priority obligations under the Revolving Credit Facility and such amount in respect of such hedging obligations have been discharged from such recoveries, be applied pro rata in repayment of the Notes and any other obligations ranking *pari passu* with the Notes and secured by the Collateral. The Intercreditor Agreement provides that a common Security Agent,

who will also serve as the security agent for the lenders under the Revolving Credit Facility, hedging obligations and any additional secured debt permitted to be incurred by the Indenture or the Revolving Credit Facility Agreement, will act only as provided for in the Intercreditor Agreement. In general, the facility agent under the Revolving Credit Facility and any agent with respect to any permitted future secured debt will have, subject to certain restrictions in connection with, among others, the ability to provide enforcement instructions to the Security Agent, the right to enforce the shared Collateral.

The Intercreditor Agreement provides that the Security Agent shall act on instructions provided by Majority Super Senior Creditors (as defined under “*Description of Other Indebtedness—Intercreditor Agreement—Enforcement by Holders of Secured Debt*”) and the Majority Pari Passu Creditors (as defined under “*Description of Other Indebtedness—Intercreditor Agreement—Enforcement by Holders of Secured Debt*”). The Security Agent will act in accordance with enforcement instructions received from the Majority Pari Passu Creditors; *provided, however*, that the Security Agent will act in accordance with enforcement instructions received from the Majority Super Senior Creditors if (a) the obligations under the Revolving Credit Facility and certain Super Senior hedging obligations have not been fully discharged within six months of such enforcement instructions first being issued, (b) the Majority Pari Passu Creditors have not either made a determination as to the method of enforcement they wish the Security Agent to pursue or appointed a financial adviser to assist them in making such a determination within three months of the date such instructions are issued, (c) the Majority Pari Passu Creditors have not either made a determination as to the method of enforcement they wish the Security Agent to pursue or appointed a financial adviser to assist them in making such a determination and the Majority Super Senior Creditors determine in good faith that a delay in issuing enforcement instructions could reasonably be expected to have a material adverse effect on the proceeds expected to be realized from the enforcement, or (d) an Insolvency Event (as defined in the Intercreditor Agreement) occurs in respect of an obligation of an obligor or a Material Company. See “*Description of Other Indebtedness—Intercreditor Agreement—Enforcement by Holders of Secured Debt*”. The lenders under the Revolving Credit Facility, certain hedging counterparties or lenders of any other future class of debt that ranks *pari passu* with the indebtedness under the Revolving Credit Facility may have interests that are different from the interests of holders of the Notes and they may, subject to the terms of the Intercreditor Agreement, elect to pursue their remedies under the Security and Guarantee Documents at a time when it would be disadvantageous for the holders of the Notes to do so.

The Notes will be secured only to the extent of the value of the Collateral that has been granted as security for the Notes and the Note Guarantees, and such security may not be sufficient to satisfy the obligations under the Notes and the Note Guarantees.

If there is an event of default on the Notes, the holders of the Notes will be secured only to the extent of the value of the Collateral granted as security for the Notes. Not all our assets secure the Notes. In the future, the obligations to provide additional guarantees and grant additional security over assets, or a particular type or class of assets, whether as a result of the acquisition or creation of future assets or subsidiaries, the designation of a previously unrestricted subsidiary as a restricted subsidiary or otherwise, is subject to the Indenture, the Agreed Security Principles and the Intercreditor Agreement. The Agreed Security Principles (as set out in the Revolving Credit Facility Agreement) set out a number of limitations on the rights of the holders of the Notes to require granting of, or payment or enforcement under, a guarantee or security in certain circumstances. Accordingly, the Agreed Security Principles may affect the value of the guarantees and security to be provided by us and our subsidiaries. The terms of the security documents securing obligations under the Notes and applicable guarantee limitations may result in, among other things, the amount recoverable under any guarantee or security provided by any subsidiary being limited or security not being granted over a particular type or class of assets. Accordingly, the Agreed Security Principles may affect the value of the guarantees and security provided by us and our subsidiaries. The validity and enforceability of the guarantees and security may also be affected by local law limitations. See “*Risks Relating to the Notes—Certain of the Note Guarantees will be limited to a specified amount, and each Note Guarantee will be subject to certain limitations on enforcement and may be limited by applicable laws or subject to certain defenses that may limit its validity and enforceability.*”

The Collateral comprises (i) a first-ranking security interest over 99.9% of the issued and outstanding shares of Empark, (ii) a first-ranking security interest over all the issued and outstanding shares of the Issuer, Emparque (but only following the conversion of the shares thereof to bearer form), Dornier, S.A., Femet, S.A., Estacionamientos Guipuzcoanos, S.L. and Balsol 2001, S.A., (iii) a first-ranking security interest over 43.0% of the issued and outstanding shares of EULSA, (iv) a first-ranking security interest over 24.5% of the issued and outstanding shares of SMASSA, (v) a first-ranking security interest over all the Issuer's credit rights under the Funding Loan Agreements and the Issuer Intercompany Loan Agreement, (vi) a first-ranking security interest over all the credit rights under certain of the Guarantors' Spanish off-street concessions (which includes the rights to

receive compensation, payments and owed amounts under the concession agreements) and (vii) a first-ranking security interest over certain bank accounts of the Issuer and the Spanish Guarantors, as more specifically described under “*Description of the Notes—Security*”. No appraisals of any Collateral have been prepared, and there is no requirement to provide funds to enhance the value of the Collateral if it is insufficient. The proceeds of any sale of the Collateral following an event of default with respect to the Notes may not be sufficient to satisfy, and may be substantially less than, amounts due on the Notes.

The value of the Collateral and the amount to be received upon an enforcement of such Collateral will depend upon many factors, including whether or not our business is sold as a going concern, the jurisdiction in which the enforcement action or sale is completed, the ability to sell the Collateral in an orderly sale, economic conditions where operations are located and the availability of buyers. Further, there may not be any buyer willing and able to purchase our business as a going concern, or willing to buy the Collateral in the event of an enforcement action. The Collateral may be illiquid and may have no readily ascertainable market value.

By its nature, some or all the Collateral may not have a readily ascertainable market value or may not be saleable or, if saleable, there may be substantial delays in its disposal. To the extent that other first-priority security interests, pre-existing liens, liens permitted under the Indenture or the Revolving Credit Facility and other rights encumber the Collateral securing the Notes, those parties may have or may exercise rights and remedies with respect to the Collateral that could adversely affect the value of the Collateral and the ability of the Security Agent to realize or foreclose on the Collateral. There may also be other practical problems generally associated with the realization of security interests in the Collateral. For example, under Luxembourg law, the enforcement of share pledges, whether by means of a sale or an appropriation, is subject to certain specific requirements. The Security Agent may also need to obtain the consent of a third party to enforce a security interest. We cannot assure you that the Security Agent will be able to obtain any such consents. We also cannot assure you that the consents of any third parties will be given when required to facilitate a sale of, or foreclosure on, such assets. Accordingly, the Security Agent may not have the ability to sell or foreclose upon those assets, and the value of the Collateral may significantly decrease.

Each security interest granted over the Collateral will be limited in scope to the value of the relevant assets expressed to be subject to that security interest, and enforcement of each Security and Guarantee Document would be subject to certain generally available defenses. These laws and defenses include those that relate to corporate benefit, fraudulent conveyance or transfer, voidable preference, financial assistance, corporate interest, capital maintenance or similar laws, regulations or defenses affecting the rights of creditors generally. See “*EU, Spanish, Portuguese and Luxembourg Insolvency Laws*” and “*Limitations on Validity and Enforceability of the Note Guarantees and Security Interests*”.

If the proceeds of any sale of Collateral are not sufficient to repay all amounts due on the Notes and the Note Guarantees, holders of the Notes (to the extent not repaid from the proceeds of the sale of the Collateral) would have only an unsecured claim against the Issuer's and the Guarantors' remaining assets. Each of these factors or any challenge to the validity of the Collateral or the intercreditor arrangements governing our creditors' rights could reduce the proceeds realized upon enforcement of the Collateral. In addition, there can be no assurance that the Collateral could be sold in a timely manner, if at all. Proceeds from enforcement sales of the Collateral must first be applied in satisfaction of certain priority obligations under the Revolving Credit Facility and counterparties under certain hedging obligations (and any other future indebtedness that ranks *pari passu* with the Revolving Credit Facility and such hedging obligations) and thereafter towards application to repay on a *pari passu* basis the obligations of the Issuer and the Guarantor under the Notes and any other *pari passu* debt. In addition, the Indenture and the Revolving Credit Facility Agreement will allow the incurrence of certain additional permitted debt in the future that is secured by the Collateral on a priority or *pari passu* basis.

The issuance of the indebtedness contemplated under the Refinancing may not be permitted by certain of our financing agreements as of the Issue Date.

We have sought waivers under certain of our existing financing agreements in order to facilitate the Refinancing, including the Offering of the Notes. To the extent that we are unable to obtain such waivers, the issuance of the Notes and the incurrence of indebtedness under our Revolving Credit Facility may not be permitted under such existing financing agreements. As a result, we may be required to repay and terminate such facilities. As of September 30, 2013, the aggregate outstanding amount under those existing financing agreements was approximately €5 million.

We intend to repay in full the Existing Credit Facilities and to terminate the Existing Credit Facilities in connection with the Refinancing. We will instruct the Initial Purchasers to direct the payment of the proceeds of this Offering, together with the borrowings under the Revolving Credit Facility on the Issue Date, to repay the Existing Credit

Facilities and related expenses. See “*Use of Proceeds*”. Under the Existing Credit Facilities Agreement, we are required to provide ten business days’ prior notice to the facility agent in order to prepay all outstanding amounts due thereunder. Although we intend to repay the Existing Credit Facilities in full on the Issue Date, we will not deliver such prepayment notice to the agent until the Issue Date and as a result, such Existing Credit Facilities may not be discharged on the Issue Date. To the extent that the Existing Credit Facilities are not discharged on the Issue Date, the incurrence of the indebtedness under the Notes and the borrowings under the Revolving Credit Facility will not be permitted under the Existing Credit Facilities Agreement. As a result, the Refinancing, including this Offering, may trigger a breach under the Revolving Credit Facility and the Indenture during the ten business day period between the Issue Date and the date of discharging the Existing Credit Facilities.

The Notes and the Note Guarantees will not be secured by the Collateral on the Issue Date.

Although the Security and Guarantee Documents will be entered into on the Issue Date, the Notes and the Note Guarantees will not be secured by the Collateral on the Issue Date. The discharge of the Existing Credit Facilities is expected to occur within ten business days following the Issue Date. Furthermore, the secured parties under the Existing Credit Facilities are permitted to refuse to release the security thereunder for up to 15 business days following the discharge of the Existing Credit Facilities with respect to the Portuguese security, and up to 20 business days following the discharge of the Existing Credit Facilities with respect to the Spanish security. The Issuer has agreed to take all necessary actions to perfect and make effective the security interest in the Collateral to be granted in favor of the Security Agent (for the benefit of the holders of the Notes, among others), subject to the terms of the Intercreditor Agreement and the Security and Guarantee Documents, as soon as practicable and in any event substantially concurrently with the perfection of the security interest in the Collateral granted to secure the obligations of the obligors under the Revolving Credit Facility. The Security and Guarantee Documents will become effective only following the satisfaction of the conditions subsequent set forth therein, including the release of the security pledged in connection with the Existing Credit Facilities. In addition, the Collateral may be subject to certain perfection requirements in order to be enforced. Accordingly, although we will endeavor to complete all steps necessary to perfect the security over the Collateral as soon as practicable, we cannot provide any assurances as to when the security to be granted over the Collateral to secure the Notes and the Note Guarantees will be perfected, if at all. See “*Description of the Notes—Security—General*” and “*—The Security Agent may not be able to enforce a portion of the Collateral if certain actions are not taken to register and perfect the security interests in the Collateral*”.

Certain of the Note Guarantees will be limited to a specified amount, and each Note Guarantee will be subject to certain limitations on enforcement and may be limited by applicable laws or subject to certain defenses that may limit its validity and enforceability.

Each Note Guarantee provides the holders of the Notes with a direct claim against the relevant Guarantor. However, the Note Guarantees of Emparque and Esli-Parques de Estacionamento, S.A. will each be limited to a maximum amount of €29.97 million and €25.32 million, respectively. The Indenture will provide that each Note Guarantee will be limited to the maximum amount that can be guaranteed by the relevant Guarantor without rendering the relevant Note Guarantee, as it relates to that Guarantor, voidable or otherwise ineffective or limited under applicable law, and enforcement of each Note Guarantee would be subject to certain generally available defenses. Enforcement of any of the Note Guarantees against any Guarantor will be subject to certain defenses available to Guarantors in the relevant jurisdiction. Although laws differ among these jurisdictions, these laws and defenses generally include those that relate to financial assistance, corporate interest or benefit, fraudulent conveyance or transfer, voidable preference, insolvency or bankruptcy challenges, preservation of share capital, thin capitalization, capital maintenance or similar laws, regulations or defenses affecting the rights of creditors generally. If one or more of these laws and defenses is applicable, a Guarantor may have no liability or decreased liability under its Note Guarantee depending on the amounts of its other obligations and applicable law. Limitations on the enforceability of judgments obtained in New York courts in such jurisdictions could limit the enforceability of any Note Guarantee against any Guarantor.

Although laws differ among various jurisdictions, in general, under bankruptcy or insolvency law and other laws, a court could (i) avoid or invalidate all or a portion of a Guarantor’s obligations under its Note Guarantee, (ii) direct that the holders of the Notes return any amounts paid under a Note Guarantee to the relevant Guarantor or to a fund for the benefit of the Guarantor’s creditors or (iii) take other action that is detrimental to you, typically if the court found that:

- the relevant Note Guarantee was incurred with actual intent to give preference to one creditor over another, hinder, delay or defraud creditors or shareholders of the Guarantor or, in certain jurisdictions, when the

granting of the Note Guarantee has the effect of giving a creditor a preference or when the recipient was aware that the Guarantor was insolvent when it granted the relevant Note Guarantee;

- the Guarantor did not receive fair consideration or reasonably equivalent value or corporate benefit for the relevant Note Guarantee and the Guarantor was: (i) insolvent or rendered insolvent because of the relevant Note Guarantee, (ii) undercapitalized or became undercapitalized because of the relevant Note Guarantee or (iii) intended to incur, or believed that it would incur, indebtedness beyond its ability to pay at maturity;
- the relevant Note Guarantee was held to exceed the corporate objects of the Guarantor or not to be in the best interests or for the corporate benefit of the Guarantor (under these circumstances any Note Guarantee granted within two years in Spain or Portugal prior to a declaration of insolvency may be unconditionally extinguished); or
- the amount paid or payable under the relevant Note Guarantee was in excess of the maximum amount permitted under applicable law or against financial assistance laws.

These or similar laws may also apply to any future guarantee granted by any of our subsidiaries pursuant to the Indenture.

We cannot assure you which standard a court would apply in determining whether a Guarantor was “insolvent” at the relevant time or that, regardless of method of valuation, a court would not determine that a Guarantor was insolvent on that date, or that a court would not determine, regardless of whether or not a Guarantor was insolvent on the date its Note Guarantee was issued, that payments to holders of the Notes constituted preferences, fraudulent transfers or conveyances on other grounds.

The liability of each Guarantor under its Note Guarantee will be limited to the amount that will result in such Note Guarantee not constituting a preference, fraudulent conveyance or improper corporate distribution or otherwise being set aside. However, there can be no assurance as to what standard a court will apply in making a determination of the maximum liability of each Guarantor. There is a possibility that the entire Note Guarantee may be set aside, in which case the entire liability may be extinguished.

If a court decided that a Note Guarantee was a preference, fraudulent transfer or conveyance and voided such Note Guarantee, or held it unenforceable for any other reason, you may cease to have any claim in respect of the relevant Guarantor and would be a creditor solely of the Issuer and, if applicable, of any other Guarantor under the relevant Note Guarantee which has not been declared void. In the event that any Note Guarantee is invalid or unenforceable, in whole or in part, or to the extent the agreed limitation of the Note Guarantee obligations apply, the Notes would be effectively subordinated to all liabilities of the applicable Guarantor, and if we cannot satisfy our obligations under the Notes or any Note Guarantee is found to be a preference, fraudulent transfer or conveyance or is otherwise set aside, we cannot assure you that we can ever repay in full any amounts outstanding under the Notes.

Spanish Guarantee Limitations

Spanish law prohibits financial assistance for Spanish stock companies (*sociedades anónimas*) in relation to the acquisition of their own shares or the shares of any direct or indirect parent company. Therefore, any guarantee, security or indemnity granted or assumed pursuant to the Indenture by the Spanish Guarantors shall not extend to any payment obligation incurred by the Issuer for the purpose of acquiring the shares of such Guarantor or the shares of its direct or indirect parent company, to the extent that such guarantee or indemnity would constitute unlawful financial assistance within the meaning of Section 150 of Spanish Companies Act (*Real Decreto Legislativo 1/2010, de 2 de julio, por el que se aprueba el texto refundido de la Ley de Sociedades de Capital*). Guarantees or indemnities granted in breach of financial assistance limitations can be considered null and void, and can result in the imposition of fines to the relevant directors of the companies committing the infraction.

Portuguese Guarantee Limitations

Under Portuguese law, claims may become time-barred (20 years being the ordinary term set forth under article 309 of the Portuguese Civil Code and may be or become subject to the defense of set-off or counterclaim.

The terms “enforceable”, “enforceability”, “valid”, “legal”, “binding” and “effective” (or any combination thereof) mean that all of the obligations assumed by the relevant party under the relevant documents are of a type enforced by Portuguese courts; the terms do not mean that these obligations will necessarily be enforced in all circumstances in accordance with their terms. Enforcement before the courts will, in any event, be subject to:

- the degree to which the relevant obligations are enforceable under their governing law;
- the nature of the remedies available in the courts; and

- the availability of defenses such as (without limitation) set-off, fraud, abuse of rights (*abuso de direito*), violation of public policy principles, duress, misrepresentation, undue influence, conflict of interests, force majeure, exception non adimplenti contractus, error, abatement and counterclaim.

As a general rule, under Portuguese law, any guarantee, pledge or mortgage must guarantee or secure another obligation to which it is ancillary, which must be clearly identified in the relevant guarantee or security agreement. Therefore, the guarantee or security interest follows the underlying obligation in such a way that nullity of the underlying obligation entails nullity of the guarantee or security and termination of the underlying obligation entails termination of the guarantee or security. In the event that the security providers are able to prove that there are no existing and valid guaranteed obligations, Portuguese courts may consider that the security providers' obligations under the relevant guarantees or security are not enforceable.

Pursuant to Portuguese Law the provision of Guarantees or Collateral in favor of third parties is not allowed, unless (i) the company has a justified corporate interest in the granting of the Guarantees and/or of the Collateral or (ii) the company is in a group or control relationship with the beneficiary of the Guarantees and/or of the Security.

In addition, the obligations under Guarantees or Collateral granted by the Portuguese Guarantors shall not extend to any use of the proceeds of the Notes for the purpose of acquiring shares representing the share capital of such Guarantor or shares representing the share capital of the Parent Guarantor, or refinancing a previous debt incurred for the acquisition of shares representing the share capital of such Guarantor or shares representing the share capital of its Parent Guarantor, i.e. said obligations cannot include granting of Guarantees or Collateral which would constitute unlawful financial assistance pursuant to article 322 of the Portuguese Companies Code, approved by Decree Law 262/86 of September 2 (*Código das Sociedades Comerciais*), which might arise since part of the Existing Credit Facilities were used to purchase Emparque. In this respect, all provisions of such Guarantee or Collateral shall be construed accordingly in the sense that in no case can any Guarantee or Collateral granted by a Portuguese Guarantor secure repayment of the above-mentioned funds.

Guarantees or indemnities granted in breach of financial assistance limitations will be considered null and void, and may result in the imposition of fines to the relevant directors of the companies committing the infraction.

Moreover, the Portuguese Guarantors will be entitled to claim for themselves immunity from suit, execution, attachment or other legal process in respect of their obligations under the Note Guarantees to the extent that their assets are covered by the immunities legally set forth, which include, but are not limited to, assets that are part of the public domain of the Portuguese Republic (*domínio público do Estado*) or allocated to public service purposes.

The Security Agent may be required to pay certain Portuguese stamp taxes on behalf of the holders of the Notes in order to enforce the security interest over the issued and outstanding shares of Emparque in Portugal.

The first-ranking security interest over all the issued and outstanding shares of Emparque will be limited to a maximum amount of €40 million with respect to the Notes and the Revolving Credit Facility. The security interest over the issued and outstanding shares of Emparque will be granted in favor of the Security Agent for the benefit of the holders of the Notes and the lenders under the Revolving Credit Facility. Under Portuguese law, certain stamp taxes are required to be paid at the time of enforcement in Portugal with respect to a pledge over the bearer shares of a Portuguese company granted outside Portugal. The Security Agent may be required to pay stamp tax in order to enforce the Portuguese share pledge at the time of such enforcement. The payment of such stamp taxes by the Security Agent would reduce the amount recovered in the event of an enforcement action in Portugal.

There are circumstances other than the repayment or discharge of the Notes under which the Collateral securing the Notes and the Note Guarantees will be released automatically, without your consent or the consent of the Trustee.

Under various circumstances, the Collateral securing the Notes and the Note Guarantees will be released automatically, including:

- in connection with any sale or other disposition of the assets of a Guarantor, if the sale or other disposition does not violate the "Asset Sale" provisions of the Indenture;
- if Empark designates any restricted subsidiary to be an unrestricted subsidiary in accordance with the applicable provisions of the Indenture;

- upon legal defeasance, covenant defeasance or satisfaction and discharge of the Indenture as provided under “*Description of the Notes—Legal Defeasance and Covenant Defeasance*” and “*Description of the Notes—Satisfaction and Discharge*”;
- in accordance with the “Amendment, Supplement and Waiver” provisions of the Indenture; or
- as otherwise set forth under “*Description of the Notes—Security—Release*”.

In addition, under various circumstances, the Note Guarantees will be released automatically, including:

- in connection with any sale or other disposition of all or substantially all the assets of a Subsidiary Guarantor (including by way of merger or consolidation) to a person that is not Empark or one of its restricted subsidiaries if the sale or other disposition does not violate the “Asset Sale” provisions of the Indenture, and all obligations of that Subsidiary Guarantor with respect to other Indebtedness of the Company and its Restricted Subsidiaries are also released;
- in connection with any sale of all the capital stock of a Subsidiary Guarantor to a person that is not (either before or after giving effect to such transaction) Empark or one of its restricted subsidiaries, if the sale or other disposition does not violate the “Asset Sale” provisions of the Indenture, and all obligations of that Subsidiary Guarantor with respect to other Indebtedness of the Company and its Restricted Subsidiaries are also released;
- if Empark designates any restricted subsidiary that is a Guarantor to be an unrestricted subsidiary in accordance with the applicable provisions of the relevant Indenture;
- upon legal defeasance, covenant defeasance or satisfaction and discharge of the Indenture as provided under “*Description of the Notes—Legal Defeasance and Covenant Defeasance*”;
- in accordance with the “Amendment, Supplement and Waiver” provisions of the Indenture; or
- as otherwise set forth under “*Description of the Notes—Release of Note Guarantees*”.

In addition, the Note Guarantees and Collateral will each be subject to release upon an enforcement sale as contemplated under the Intercreditor Agreement. Unless consented to, the Intercreditor Agreement provides that the Security Agent shall not, in an enforcement scenario, exercise its rights to release the relevant Note Guarantees or security interests in the Collateral unless the relevant sale or disposal is made:

- for consideration, all or substantially all of which is in the form of cash;
- to the extent there is a release of Note Guarantees or security granted for the benefit of the holders of Notes, concurrently with the discharge or release of the indebtedness of the disposed entities to certain other creditors, including the creditors under the Revolving Credit Facility and holders of the Notes; and
- pursuant to a public auction, or if a fairness opinion has been obtained from an internationally recognized investment bank or accounting firm selected by the Security Agent.

See “*Description of Other Indebtedness—Intercreditor Agreement*” and “*Description of the Notes*”.

The security interests in the Collateral will be granted to the Security Agent rather than directly to the holders of the Notes. The ability of the Security Agent to enforce certain of the Collateral may be restricted by local law.

The security interests in the Collateral that will secure the obligations of the Issuer under the Notes and the obligations of the Guarantors under the Note Guarantees will not be granted directly to the holders of the Notes but will be granted only in favor of the Security Agent, except for the Collateral governed by Spanish and Portuguese law, which will be granted in favor of the holders of the Notes acting through the Security Agent. The Indenture will provide (along with the Intercreditor Agreement) that only the Security Agent has the right to enforce the Security and Guarantee Documents. As a consequence, holders of the Notes will not have direct security interests and will not be entitled to take enforcement action in respect of the Collateral securing the Notes, except through the Trustee, who will (subject to the provisions of the Indenture and the Intercreditor Agreement) provide instructions to the Security Agent in respect of the Collateral.

Notwithstanding the foregoing, if enforcement of any security interest in Spain and Portugal was to be carried out by the Security Agent in Spain and Portugal, it may be necessary to prove that the Security Agent is duly and expressly empowered for such purpose by means of duly notarized powers of attorney granted in favor of the Security Agent by each of the actual or future creditors, if necessary, with the Apostil of The Hague Convention

dated October 5, 1961. Therefore, there could be a delay in the execution of the Collateral in Spain and Portugal while the Security Agent obtains such powers.

The granting of security interests in favor of a foreign security agent (acting for and on behalf of third-party beneficiaries) would be recognized under Luxembourg law (i) to the extent that the designation of such security agent is valid under the law governing its appointment and (ii) subject to the type of the security interests granted. Generally, according to article 2(4) of the Luxembourg law dated August 5, 2005 concerning financial collateral arrangements, as amended (the “*Collateral Act 2005*”), a security interest which constitutes financial collateral (in accordance with the provisions of the Collateral Act 2005) may be provided in favor of a person acting on behalf of the beneficiary(ies) of such security interest(s), a fiduciary or a trustee in order to secure the claims of third-party beneficiaries, whether present or future, provided that these third-party beneficiaries are determined or may be determined. Without prejudice to their obligations vis-à-vis the third party beneficiaries of the security, persons acting on behalf of beneficiaries of the security interest(s), the fiduciary or the trustee benefit from the same rights as those of the direct beneficiaries of the security interest(s) provided under the Collateral Act 2005.

The Security Agent may not be able to enforce a portion of the Collateral if certain actions are not taken to register and perfect the security interests in the Collateral.

The liens on certain of the Collateral securing the Notes may not be enforceable with respect to the claims of the Notes if we, or the Security Agent, fail or are unable to take certain actions to register, record or cause the recognition of these liens.

The amendment of paragraph 6 of section 1 of article 90 of the Spanish Insolvency Law (*Ley 22/2003 de 9 de julio, Concursal*), which became effective on January 1, 2012, could be interpreted to require registration with a public registry of pledges over future credit rights (*prenda de derechos de crédito futuros*) or pledges securing future credit rights (*prenda en garantía de derechos de crédito futuros*) prior to a pledgor’s declaration of insolvency in order to maintain the Security Agent’s security interests in the Collateral. Empark and the Issuer have agreed to take all necessary actions to perfect the security interests in the Collateral to the extent required under the relevant Security and Guarantee Documents executed on the Issue Date, subject, in each case, to the terms of the Intercreditor Agreement (including the Agreed Security Principles) and the requirements set forth in such Security and Guarantee Documents, as soon as practicable and in any event substantially concurrently with any perfection of the security interest in the Collateral granted to secure the obligations of the obligors under the Revolving Credit Facility. As a result, registration of the pledges of certain of the Guarantors’ Spanish off-street concessions and the first-ranking pledges over certain bank accounts of the Issuer and the Spanish Guarantors with the relevant registries will not be completed until after the closing of the Offering. The existing doctrine regarding the interpretation of this article is not settled, therefore no uniform interpretation of either this article or the scope of the obligation to register the pledge can be provided.

With respect to the pledge over 43.0% of the issued and outstanding shares of EULSA, there are no legal impediments under public law or in the terms of tender to validly pledge the shares of EULSA. However, the current secretary of the Board of EULSA, which is not controlled by Empark but is part of the relevant municipal council, has indicated that EULSA will not recognize this pledge of shares and that this pledge will not be recorded in the share register. The pledge of 43.0% of the issued and outstanding shares of EULSA is being made by Empark through Dornier, S.A., which is wholly-owned and controlled by Empark. As a result, in the event of an enforcement, neither EULSA nor the other shareholders will necessarily recognize the pledge of shares or recognize any party other than Dornier, S.A. as a shareholder of EULSA.

Failure or inability to take actions to register, record or cause the recognition of liens on certain of the Collateral securing the Notes could impair the Security Agent’s ability to enforce that Collateral.

The Issuer and the Guarantors will have control over the Collateral securing the Notes, and the sale of particular assets could reduce the pool of assets securing the Notes.

The Security and Guarantee Documents will allow the Issuer and the Guarantors to remain in possession of, retain exclusive control over, freely operate, and collect, invest and dispose of any income from the Collateral securing the Notes. So long as no default or event of default under the Indenture would result therefrom, the Issuer and the Guarantors may, among other things, without any release or consent by the Security Agent, conduct ordinary course activities with respect to the Collateral, such as selling, factoring, abandoning or otherwise disposing of the Collateral and making ordinary course cash payments, including repayments of indebtedness.

We may not be able to obtain the funds required to repurchase Notes upon a Change of Control.

The Indenture will contain provisions relating to certain events constituting a “Change of Control” of Empark. Upon the occurrence of a Change of Control, we will be required to offer to repurchase all outstanding Notes at a price equal to 101% of their principal amount thereof, plus accrued and unpaid interest and additional amounts, if any, to the date of repurchase. If a Change of Control were to occur, we cannot assure you that we would have sufficient funds available at such time, or that we would have sufficient funds to provide to the Issuer to pay the repurchase price of the outstanding Notes or that the restrictions in our Revolving Credit Facility Agreement, the Intercreditor Agreement or our other then existing contractual obligations would allow us to make such required repurchases. A Change of Control may result in a prepayment event or an event of default under, and the acceleration of, our Revolving Credit Facility and other indebtedness. The repurchase of the Notes pursuant to such an offer could cause a default under such indebtedness, even if the Change of Control itself does not. The ability of the Issuer to receive cash from other members of the Group to allow the Issuer to pay cash to the holders of the Notes following the occurrence of a Change of Control may be limited by our existing financial resources. In addition, under the terms of our Revolving Credit Facility Agreement, under certain circumstances, we are required to repay a pro rata amount of debt under our Revolving Credit Facility if we repay all or a portion of the principal under the Notes. Sufficient funds may not be available when necessary to make any required repurchases. If an event constituting a Change of Control occurs at a time when the Group is prohibited from providing funds to the Issuer for the purpose of repurchasing the Notes, we may seek the consent of the lenders under such indebtedness to the purchase of the Notes or may attempt to refinance the borrowings that contain such prohibition. If such consent to repay such borrowings is not obtained, the Issuer will remain prohibited from repurchasing any Notes. In addition, we expect that we would require third-party financing to make an offer to repurchase the Notes upon a Change of Control. We cannot assure you that we would be able to obtain such financing. Any failure by the Issuer to offer to purchase the Notes would constitute a default under the Indenture which would, in turn, constitute a default under the Revolving Credit Facility. See “*Description of the Notes—Repurchase at the Option of Holders—Change of Control*”.

The Change of Control provision contained in the Indenture may not necessarily afford you protection in the event of certain important corporate events, including a reorganization, restructuring, merger or other similar transaction involving us that may adversely affect you, because such corporate events may not involve a shift in voting power or beneficial ownership or, even if they do, may not constitute a “Change of Control” as defined in the Indenture. Additionally, there are certain exceptions to the definition of “Change of Control” which allow changes in the ownership of Empark if certain conditions are satisfied. Except as described under “*Description of the Notes—Repurchase at the Option of Holders—Change of Control*”, the Indenture will not contain provisions that would require the Issuer to offer to repurchase or redeem the Notes in the event of a reorganization, restructuring, merger, recapitalization or similar transaction.

The definition of “Change of Control” in the Indenture will include a disposition of all or substantially all the assets of the Parent Guarantor and its restricted subsidiaries, taken as a whole, to any person. Although there is a limited body of New York case law interpreting the phrase “all or substantially all”, there is no precise established definition of the phrase under applicable law. Accordingly, in certain circumstances, there may be a degree of uncertainty as to whether a particular transaction would involve a disposition of “all or substantially all” the Parent Guarantor’s assets and its restricted subsidiaries taken as a whole. As a result, it may be unclear as to whether a change of control has occurred and whether the Issuer is required to make an offer to repurchase the Notes.

The interests of holders of Floating Rate Notes and the interests of the holders of Fixed Rate Notes may be inconsistent.

The Floating Rate Notes and the Fixed Rate Notes will be issued pursuant to a single indenture and will vote as a single class with respect to amendments, waivers or other modifications of the Indenture other than with respect to amendments, waivers or other modifications that will only affect the Fixed Rate Notes or the Floating Rate Notes. The Floating Rate Notes will bear interest at a floating rate, will have a different call schedule and call protection and will have other features that will differ from the Fixed Rate Notes. As a result of these differences, the interests of holders of the Floating Rate Notes and the interests of holders of the Fixed Rate Notes could conflict. In addition, the holders of one series of Notes may be in a position to agree to certain terms in a consent solicitation that would be beneficial to such series of Notes but adverse to the economic interest of the other series of Notes; however, to the extent the relevant amendment or waiver is approved by the holders of a majority in aggregate principal amount of the Notes then outstanding (subject to the limited exceptions described above), all holders of the Notes will be bound by such amendment.

If Spanish tax authorities determine that income derived from the Notes or the Note Guarantees should be treated as Spanish source income, tax at a 21% rate could apply. Such tax might be collected by

withholding or by payment by holders of the Notes. In certain situations, we could be required to gross-up any such payments or reimburse holders for the amount of any tax imposed and this could materially affect our financial position.

Under the Spanish Non-Resident Income Tax Legislation, the Spanish tax authorities may determine that, under certain circumstances, payments on the Notes or the Note Guarantees should be treated as Spanish source income subject to tax at a 21% rate. By virtue of Royal Decree-Law 20/2011, tax rates mentioned in this section were increased in principle only for 2012 and 2013. Nevertheless, the draft national budget bill for 2014 (currently under discussion in the Spanish Parliament) amends that rules, and establishes an extension of the increased tax rates for 2014.

We have been advised that, under applicable Spanish tax rules, holders of the Notes should not be subject to such tax, and that all payments of principal and interest made with respect to the Notes or the Note Guarantees should be made free and clear of any withholding or deduction of any taxes, duties, assessments or governmental charges of any nature whatsoever which may be imposed, levied, collected, withheld or assessed by the Kingdom of Spain or any political subdivision or authority thereof or therein. However, there is no clear precedent to support this position.

If such tax were imposed by withholding any payments on the Notes or the Note Guarantees, the Indenture requires us, in certain situations, to gross-up any such payments to cover the full amount of the taxes required to be withheld. If you are obligated to make payments as a result of such tax, we would be obligated under the Indenture to reimburse you for the full amount of the taxes required to be paid. The amounts we would be required to gross-up or reimburse could be substantial and could materially adversely affect our financial condition and results of operations.

There may not be an active trading market for the Notes, in which case your ability to sell the Notes may be limited.

We cannot assure you as to the liquidity of any market in the Notes, your ability to sell your Notes or the prices at which you would be able to sell your Notes. Future trading prices for the Notes will depend on many factors, including, among other things, prevailing interest rates, our operating results and the market for similar securities. Historically, the market for non-investment grade securities has been subject to disruptions that have caused substantial volatility in the prices of securities similar to the Notes. The liquidity of a trading market for the Notes may be adversely affected by a general decline in the market for similar securities and is subject to disruptions that may cause volatility in prices. The trading market for the Notes may attract different investors and this may affect the extent to which the Notes may trade. It is possible that the market for the Notes will be subject to disruptions. Any such disruption may have a negative effect on you, as a holder of the Notes, regardless of our prospects and financial performance. As a result, there is no assurance that there will be an active trading market for the Notes. If no active trading market develops, you may not be able to resell your Notes at a fair value, if at all.

Although an application will be made for the Notes to be listed on the Official List of the Luxembourg Stock Exchange and admitted to trading on the Euro MTF market, we cannot assure you that the Notes will be or will remain listed. Although no assurance is made as to the liquidity of the Notes as a result of the admission to trading on the Euro MTF market, the failure to be approved for listing or the delisting (whether or not for an alternative admission to listing on another stock exchange) of the Notes from the Official List of the Luxembourg Stock Exchange may have a material effect on a holder's ability to resell the Notes, as applicable, in the secondary market.

Credit ratings may not reflect all risks, are not recommendations to buy or hold securities and may be subject to revision, suspension or withdrawal at any time.

One or more independent credit rating agencies may assign credit ratings to the Notes. The credit ratings address our ability to perform our obligations under the terms of the Notes and credit risks in determining the likelihood that payments will be made when due under the Notes. The ratings may not reflect the potential impact of all risks related to the structure, market and other factors that may affect the value of the Notes, including the additional risk factors discussed above. A credit rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal by the rating agency at any time. No assurance can be given that a credit rating will remain constant for any given period of time or that a credit rating will not be lowered or withdrawn entirely by the credit rating agency if, in its judgment, circumstances in the future so warrant. A suspension, reduction or withdrawal at any time of the credit rating assigned to the Notes by one or more of the

credit rating agencies may adversely affect the cost and terms and conditions of our financings and could adversely affect the value and trading of the Notes.

The transfer of the Notes is restricted, which may adversely affect their liquidity and the price at which they may be sold.

The Notes and the Note Guarantees have not been, and will not be, registered under the U.S. Securities Act or the securities laws of any state or any other jurisdiction and, unless so registered, may not be offered or sold in the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and the applicable securities laws of any state or any other jurisdiction. We have not agreed to or otherwise undertaken to register any of the Notes or the Note Guarantees, and do not have any intention to do so. See “*Notice to Investors*”. It is the obligation of holders of the Notes to ensure that their offers and sales of the Notes within the United States and other countries comply with applicable securities laws.

You may be unable to recover in civil proceedings for U.S. securities laws violations.

We are organized under the laws of Luxembourg. All our directors and executive officers and the directors and executive officers of the Guarantors are non-residents of the United States and all their assets are located outside the United States. As a result, it may not be possible for investors to effect service of process within the United States upon us, the Guarantors or our or their respective directors and executive officers, or to enforce any judgments obtained in U.S. courts predicated upon civil liability provisions of the U.S. securities laws. In addition, we cannot assure you that civil liabilities predicated upon the Federal securities laws of the United States will be enforceable in Luxembourg, Spain or Portugal. See “*Enforcement of Civil Liabilities*”.

The Notes will initially be held in book-entry form, and therefore you must rely on the procedures of the relevant clearing systems to exercise any rights and remedies.

Owners of the book-entry interests will not be considered owners or holders of the Notes unless and until definitive notes are issued in exchange for book-entry interests. Instead, the common depository (or its nominee) for Euroclear and Clearstream will be the sole registered holder of the Notes in global form.

Payments of principal, interest and other amounts owing on or in respect of the Notes in global form will be made to Deutsche Bank AG, London Branch, the Principal Paying Agent, which will make payments to Euroclear and Clearstream. Thereafter, such payments will be credited to Euroclear and Clearstream participants' accounts that hold book-entry interests in the Notes in global form and credited by such participants to indirect participants. After payment to the common depository for Euroclear and Clearstream, none of the Issuer, the Guarantors, the Trustee or any paying agent will have any responsibility or liability for any aspect of the records relating to or payments of interest, principal or other amounts to Euroclear and Clearstream, or to owners of book-entry interests. Accordingly, if you own a book-entry interest in the relevant Notes, you must rely on the procedures of Euroclear and Clearstream and, if you are not a participant in Euroclear and/or Clearstream, on the procedures of the participant through which you own your interest, to exercise any rights and obligations of a holder of the Notes under the Indenture.

Owners of book-entry interests will not have the direct right to act upon our solicitations for consents or requests for waivers or other actions from holders of the Notes, including enforcement of security for the Notes. Instead, if you own a book-entry interest, you must rely on the common depository (as registered holder of the Notes) to act on your instructions and will be permitted to act directly only to the extent you have received appropriate proxies to do so from Euroclear and Clearstream or, if applicable, from a participant. We cannot assure you that procedures implemented for the granting of such proxies will be sufficient to enable you to vote on any requested actions or to take any other action on a timely basis.

Provisions of the EU Savings Directive and other legislation may adversely affect your investment in the Notes.

Under EC Council Directive 2003/48/EC on the taxation of savings income (the “*EU Savings Directive*”), each Member State is required to provide to the tax authorities of another Member State details of payments of interest or other similar income (which, arguably, may include payments made under guarantees) paid by a person within its jurisdiction to, or collected by such a person for, an individual resident or certain limited types of entities established in that other Member State; however, for a transitional period, Austria and Luxembourg may instead apply a withholding system in relation to such payments, deducting tax at 35 percent. The transitional period is to terminate at the end of the first full fiscal year following agreement by certain non EU countries to the exchange of

information relating to such payments. In April 2013, the Luxembourg Government announced its intention to abolish the withholding system with effect from January 1, 2015 in favor of automatic information exchanges under the EU Savings Directive.

A number of non EU countries (including Switzerland), and certain dependent or associated territories of certain Member States, have adopted similar measures (either provision of information or transitional withholding) in relation to payments made by a person within its jurisdiction to, or collected by such a person for, an individual resident or certain limited types of entities established in a Member State. In addition, the Member States have entered into provision of information or transitional withholding arrangements with certain of those dependent or associated territories in relation to payments made by a person in a Member State to, or collected by such a person for, an individual resident or certain limited types of entities established in one of those territories.

The European Commission has proposed certain amendments to the EU Savings Directive, which may, if implemented, amend or broaden the scope of the requirements described above. Investors who are in any doubt as to their position should consult their professional advisers.

In addition, the Issuer undertakes that it will ensure that it maintains a paying agent in a Member State of the European Union that is not obliged to withhold or deduct tax pursuant to European Council Directive 2003/48/EC or any other Directive implementing the conclusions of the European Council of Economics and Finance Ministers ("*ECOFIN*") meeting of November 26-27, 2000 or any law implementing or complying with, or introduced in order to conform to, such Directive.

Use of Proceeds

The gross proceeds from the Offering will be €384,250,000, after giving effect to the original issue discount with respect to the Floating Rate Notes as stated on the cover of this offering memorandum. The Issuer will use the gross proceeds from the Offering to make the Funding Loans to Empark pursuant to the Funding Loan Agreements. Empark will apply the gross proceeds of the Funding Loans, together with borrowings under the Revolving Credit Facility and cash in hand, to, directly or indirectly, (i) prepay and discharge all outstanding debt under the Existing Credit Facilities, together with all accrued interest thereon, (ii) pay break costs and termination fees in connection with the repayment and cancellation of the Existing Credit Facilities and the unwinding of certain interest rate swaps relating to the Existing Credit Facilities and (iii) pay other costs and expenses related to the foregoing transactions, as further described below.

The following table sets forth the estimated sources and uses of funds in connection with the Refinancing on the Issue Date:

Sources of Funds	Uses of Funds	
	(€ in millions)	(€ in millions)
Notes offered hereby ⁽¹⁾	385.0	
Revolving Credit Facility ⁽²⁾	22.5	Repayment of Existing Credit Facilities ⁽³⁾ 399.2
Cash in hand	12.7	Transaction costs and expenses ⁽⁴⁾ 21.0
Total Sources	420.2	Total Uses 420.2

- (1) The gross proceeds from the offering of the €150,000,000 aggregate principal amount of Floating Rate Notes will be €149,250,000, reflecting an issue price of 99.50%. The net proceeds of the Notes were €378,475,000.
- (2) We expect to enter into the Revolving Credit Facility Agreement on or prior to the Issue Date. The Revolving Credit Facility thereunder will provide for up to €30 million of borrowings. We intend to draw €22.5 million of borrowings under the Revolving Credit Facility on the Issue Date, which we expect to repay using proceeds received in connection with the Calle Sevilla Parking Facility Sale. See "*Description of Other Indebtedness—Revolving Credit Facility Agreement*".
- (3) The amount shown includes €390.1 million of principal amount outstanding under the Existing Credit Facilities as of September 30, 2013 and €9.1 million of accrued interest to September 30, 2013. Accrued interest from September 30, 2013 to the Issue Date, which we estimate to be in the amount of €5.7 million, has not been included in the amount shown in the table. The Existing Credit Facilities will be repaid in full no later than ten business days after the Issue Date with the proceeds from this Offering, borrowings under the Revolving Credit Facility and cash in hand. The Existing Credit Facilities bear interest at EURIBOR plus a margin of 4% or 4.5%, depending on the tranche, and have a maturity of July 2016 or July 2017, depending on the tranche.
- See footnote (2) under "*Capitalization*" for a reconciliation of the amount of outstanding indebtedness under the Existing Credit Facilities as of September 30, 2013 (including accrued interest to September 30, 2013 and excluding unamortized debt issue costs) to the amount of indebtedness required to be repaid under the Existing Credit Facilities in order to repay and discharge such facilities in full.
- (4) The amount shown represents estimated fees and expenses associated with the Refinancing, including (i) certain break costs and termination fees in connection with the repayment and cancellation of the Existing Credit Facilities, (ii) €9.4 million of costs in connection with the unwinding of certain interest rate swaps relating to the Existing Credit Facilities, (iii) discounts and commissions of the Initial Purchasers, (iv) financing fees associated with the Revolving Credit Facility and (v) other transaction costs and advisory and professional fees in connection with the Refinancing.

Capitalization

The following table sets forth our cash and other equivalent liquid assets and consolidated capitalization as of September 30, 2013 (i) on an actual basis and (ii) as adjusted to give *pro forma* effect to the Refinancing, as if the Refinancing had occurred on September 30, 2013.

The *pro forma* information below is illustrative only and does not purport to be indicative of our capitalization following the completion of the Refinancing.

This table should be read in conjunction with “Summary—Summary Financial, Operating and Other Information”, “Use of Proceeds”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations”, “Description of Other Indebtedness”, “Description of the Notes” and the consolidated financial statements and accompanying notes contained elsewhere in this offering memorandum.

(€ in millions)	As of September 30, 2013	
	Actual	Pro forma
Cash and other equivalent liquid assets⁽¹⁾	23.9	11.2
Debt:		
Existing Credit Facilities ⁽²⁾	395.2	—
Revolving Credit Facility ⁽³⁾	—	22.5
Notes offered hereby:		
Fixed Rate Notes	—	235.0
Floating Rate Notes ⁽⁴⁾	—	150.0
Other recourse debt ⁽⁵⁾	5.8	5.8
Total recourse debt	401.0	413.3
Project Finance Facilities ⁽⁶⁾	92.9	92.9
Other non-recourse debt ⁽⁷⁾	9.3	9.3
Total non-recourse debt	102.2	102.2
Total debt	503.2	515.5
Total equity ⁽⁸⁾	130.8	130.8
Total capitalization	634.0	646.3

(1) Represents cash available at bank and in hand and short-term bank deposits. Due to working capital movements and other factors, the amount of cash and other equivalent liquid assets shown at September 30, 2013 may not be representative of actual amounts of cash and other equivalent liquid assets at subsequent dates.

(2) Represents outstanding indebtedness under the Existing Credit Facilities as of September 30, 2013 (including accrued interest to September 30, 2013 and excluding unamortized debt issue costs). All amounts outstanding under the Existing Credit Facilities, including accrued interest, together with break costs and termination fees in connection therewith, if any, will be repaid in full as part of the Refinancing and the Existing Credit Facilities will be fully discharged and cancelled.

The following table presents a reconciliation of the principal amount of indebtedness under our Existing Credit Facilities as of September 30, 2013 (including accrued interest to September 30, 2013 and excluding unamortized debt issue costs) to the amount of indebtedness required to be repaid under the Existing Credit Facilities in order to repay and discharge such facilities in full.

(€ in millions)	As of September 30, 2013
Principal amount of indebtedness under the Existing Credit Facilities	390.1
Accrued interest to September 30, 2013 under the Existing Credit Facilities	9.1
Total amount required to repay the Existing Credit Facilities	399.2
Unamortized debt issue costs with respect to the Existing Credit Facilities	(4.0)
Total amount outstanding under the Existing Credit Facilities	395.2

(3) Represents the new €30 million Revolving Credit Facility Agreement that we expect to enter into on or prior to the Issue Date. We intend to draw €22.5 million under the Revolving Credit Facility on the Issue Date, which we expect to repay using proceeds received in connection with the Calle Sevilla Parking Facility Sale. See “Description of Other Indebtedness—Revolving Credit Facility Agreement”.

(4) The gross proceeds from the offering of the €150,000,000 aggregate principal amount of Floating Rate Notes will be €149,250,000, reflecting an issue price of 99.50%. The amount of *pro forma* indebtedness with respect to the Floating Rate Notes reflects the aggregate principal amount of such Notes and such presentation varies from Empark’s historical balance sheet presentation with respect to its existing indebtedness.

(5) Represents outstanding indebtedness under certain capital leases and local short-term credit facilities, which are recourse to the Group and will not be refinanced as part of the Refinancing.

- (6) Represents outstanding indebtedness of the Non-Recourse Entities under the Project Finance Facilities (including accrued interest to September 30, 2013 and excluding unamortized debt issue costs), which will not be refinanced as part of the Refinancing. See *“Management’s Discussion and Analysis of Financial Condition and Results of Operations—Project Finance Facilities”* and *“Description of Other Indebtedness—Project Finance Facilities”*.
- (7) Represents outstanding indebtedness of the Non-Recourse Entities under certain capital leases and local short-term credit facilities, which will not be refinanced as part of the Refinancing. See *“Management’s Discussion and Analysis of Financial Condition and Results of Operations—Other Concession Financing”* and *“Description of Other Indebtedness—Other Credit Facilities”*.
- (8) In connection with the repayment in full of amounts outstanding under the Existing Credit Facilities, we expect to write-off unamortized debt issue costs relating to the Existing Credit Facilities in the amount of €4.0 million, which will be an accounting adjustment with no cash effect.

Selected Historical Consolidated Financial Information

The following tables set forth selected historical consolidated financial information of the Group as of and for the periods presented.

The selected historical consolidated financial information presented below for the Group (1) as of and for the years ended December 31, 2010, 2011 and 2012, have been derived from the audited consolidated financial statements of the Group as of and for each of the years ended December 31, 2010, 2011 and 2012, as prepared in accordance with IFRS and included elsewhere in this offering memorandum, and (2) as of and for the nine months ended September 30, 2012 and 2013, have been derived from the unaudited consolidated financial statements of the Group as of and for the nine months ended September 30, 2012 and 2013, as prepared in accordance with IAS 34 and included elsewhere in this offering memorandum.

The results of operations for the interim periods or prior years are not necessarily indicative of the results to be expected for the full year or any future period or our financial condition at any future date. The following selected historical consolidated financial information should be read in conjunction with, and is qualified in its entirety by reference to, the consolidated financial statements of the Group and the accompanying notes included elsewhere in this offering memorandum, and should also be read together with the information set forth under the headings “Presentation of Financial and Other Information”, “Use of Proceeds”, “Capitalization”, “Summary Financial, Operating and Other Information”, “Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations”.

Consolidated Income Statement Information

(€ in thousands)	Year ended December 31			Nine months ended September 30	
	2010	2011	2012	2012	2013
Net turnover	204,416	212,892	180,932	136,028	132,650
Variation in stock of finished products and products in process	(14,142)	(18,367)	(255)	(196)	(118)
Supplies	(1,716)	(1,004)	(830)	(416)	(635)
Other operating income	2,882	2,198	3,326	2,123	1,801
Other revenue	2,591	2,198	2,741	1,546	1,628
Operating subsidiaries incorporated in the result for the financial year	291	—	8	—	33
Other non-recurrent revenue	—	—	577	577	140
Personnel costs	(73,517)	(74,554)	(79,021)	(58,309)	(55,220)
Other operating expenses	(49,712)	(51,268)	(47,628)	(34,851)	(32,057)
Amortization of fixed assets	(26,130)	(29,404)	(29,518)	(22,125)	(21,446)
Provisions and losses through unrecoverable receivables	(1,365)	(1,954)	(1,780)	(1,071)	(924)
Impairment and result through disposal of fixed assets	4,158	—	8	—	48
Operating result	44,874	38,539	25,234	21,183	24,099
Financial result	(34,069)	(38,899)	(38,321)	(29,076)	(27,744)
Share in results of equity-consolidated companies	1,070	1,152	748	1,154	773
Pre-tax consolidated results	11,875	792	(12,339)	(6,739)	(2,872)
Corporate income tax	(1,409)	5,148	2,712	1,843	1,093
Consolidated results from ordinary operations	10,466	5,940	(9,627)	(4,896)	(1,779)
Results attributed to minority interests	(2,478)	(4,341)	367	(20)	(379)
Results attributed to the Group (profit/loss)	7,988	1,599	(9,260)	(4,916)	(2,158)

Consolidated Balance Sheet Information

(€ in thousands)	As of December 31			As of September 30	
	2010	2011	2012	2012	2013

(€ in thousands)	As of December 31			As of September 30	
	2010	2011	2012	2012	2013
Non-current assets	723,606	733,037	716,526	723,350	702,908
Goodwill.....	146,427	146,102	144,763	146,051	144,597
Intangible assets	461,124	468,561	453,541	460,094	443,029
Property, plant and equipment.....	84,570	78,252	74,702	75,771	74,641
Other non-current assets.....	10,577	13,040	13,688	13,879	13,472
Assets through deferred taxes	20,908	27,082	29,832	27,555	27,169
Current assets.....	77,749	82,508	67,696	72,912	72,682
Stock.....	6,944	5,967	9,506	5,841	9,359
Trade and other receivables	28,831	46,961	43,518	37,078	37,382
Other current assets	3,311	1,508	1,027	2,009	2,047
Cash and other equivalent liquid assets	38,663	28,072	13,645	27,984	23,894
Total assets	801,355	815,545	784,222	796,262	775,590
Net equity	132,216	138,703	126,016	132,086	130,820
Non-current liabilities.....	563,061	586,163	549,721	563,468	548,532
Long-term provisions.....	44,256	45,165	48,409	50,393	51,175
Long-term debts	475,830	504,874	468,548	474,127	468,154
Other non-current liabilities	13,063	8,306	6,831	11,445	3,497
Liabilities through deferred taxes	29,912	27,818	25,933	27,503	25,706
Current liabilities	106,078	90,679	108,485	100,708	96,238
Short-term provisions	6,938	6,233	5,854	2,974	3,076
Short-term debts.....	21,132	28,501	42,185	47,514	43,230
Trade creditors and other accounts payable.....	63,080	40,317	40,812	35,908	36,510
Other current liabilities.....	14,928	15,628	19,634	14,312	13,422
Total net equity and liabilities	801,355	815,545	784,222	796,262	775,590

Consolidated Cash Flow Information

(€ in thousands)	Year ended December 31			Nine months ended September 30	
	2010	2011	2012	2012	2013
Cash flow from operating activities.....	41,737	(11,119)	18,161	26,608	28,253
Cash flow from investment activities	(49,256)	(34,946)	(10,647)	(10,713)	(11,913)
Cash flow from financing activities	24,600	35,474	(21,941)	(15,983)	(6,091)
Changes in cash and cash equivalents	17,081	(10,591)	(14,427)	(88)	10,249

Management's Discussion and Analysis of Financial Condition and Results of Operations

The following is a discussion and analysis of our financial condition and results of operations (1) as of and for the years ended December 31, 2010, 2011 and 2012 as derived from the audited consolidated financial statements of the Group for the same periods, except as otherwise indicated, in each case prepared in accordance with IFRS and (2) as of and for the nine months ended September 30, 2012 and 2013 as derived from the unaudited consolidated financial statements of the Group for the same periods, except as otherwise indicated, in each case prepared in accordance with IAS 34.

You should read this discussion in conjunction with the sections entitled "Presentation of Financial and Other Information", "Summary—Summary Financial, Operating and Other Information", "Selected Historical Consolidated Financial Information" and "Capitalization", as well as the consolidated financial statements and the accompanying notes included elsewhere in this offering memorandum.

This discussion includes forward-looking statements, which, although based upon assumptions that we consider to be reasonable, are subject to risks and uncertainties which could cause actual results to differ materially from those expressed or implied by the forward-looking statements. For a discussion of the risks and uncertainties which we face, see "Forward-Looking Statements" and "Risk Factors".

Overview

We are the largest concessionaire and operator of parking infrastructure in the Iberian Peninsula, as measured by number of parking spaces and revenues. We mainly operate underground car parks ("off-street") and parking areas on city streets ("on-street") under concessions and surface rights agreements from public authorities. As of September 30, 2013, our portfolio comprised over 310 concessions with more than 160 municipalities and other contracts with customers such as AENA and ANA, under which we manage over 355,000 parking spaces in Spain and Portugal. For the twelve months ended September 30, 2013, our net turnover was €177.6 million, our Adjusted Revenue was €180.4 million and our Adjusted EBITDA was €62.4 million. Our operations in Spain represented 76.1% of our net turnover, 76.2% of our Adjusted Revenue and 66.7% of our Adjusted EBITDA for the twelve months ended September 30, 2013.

We have served the Iberian market since the late 1960s, when there were fewer competitors in the developing car park sector. We believe this has given us a "first mover" advantage, whereby we have secured long-term concessions and built a portfolio of prime parking locations in Spain and Portugal, including in city centers, airports and other high density traffic areas, such as hospitals and business districts. Due to a variety of physical, regulatory and other constraints, we believe that there is limited opportunity to develop alternative parking options in many of these prime areas, allowing us to benefit from captive demand with limited competition.

We generate revenues under three business lines:

- **Off-street concessions.** Our off-street concession business primarily comprises long-term concessions granted by municipalities to develop and operate underground or multi-story parking facilities, and represented 46.3% of our Adjusted Revenue and 78.6% of Adjusted EBITDA for the twelve months ended September 30, 2013. Under these contracts, we are generally required to invest in the construction of a new parking facility (a "green field" concession) or make an upfront payment to the municipality for an existing parking facility (a "brown field" concession). We operate each parking facility on a long-term basis and generate our fees based on tariffs charged to car park users, as set out in the relevant concession or surface rights agreement, which typically increase each year in line with inflation. We generally retain all fees generated from operating the relevant parking facility and are responsible for all expenses relating to operating and maintaining the parking facility during the term of the concession. With respect to "brown field" concessions, we may pay an annual concession fee to the municipality. In addition, we sell a limited number of parking spaces to local residents as an ancillary activity in connection with the development of some parking facilities. As of September 30, 2013, we had 172 off-street concession contracts with 76 municipalities. The Weighted average remaining duration of our off-street concessions is approximately 28 years.
- **On-street concessions.** Our on-street concession business comprises concessions granted by municipalities to manage meter-controlled on-street parking, and represented 41.1% of our Adjusted Revenue and 22.1% of Adjusted EBITDA in the twelve months ended September 30, 2013. For these types of contracts, we typically receive fixed fees that are inflation-indexed and which cover the yearly amortized amount of our initial

investment and operating costs. In a number of concessions, the contract also includes a variable incentive element (which may be based on a percentage of the collected meter receipts, the number of parking spaces or certain other quality indicators) to align the concessionaire's objectives with optimizing revenue collection. As of September 30, 2013, we had 139 on-street concession contracts with 125 municipalities. The Weighted average remaining duration of our on-street concessions is approximately seven years. Since the beginning of 2010, we have renewed approximately 80% of our expiring on-street concessions for which we submitted bids. In addition, we also won a number of our competitors' contracts and overall our Adjusted EBITDA from on-street concessions grew in each of 2010, 2011 and 2012.

- **Off-street contract management.** Our off-street contract management business involves contracts to manage parking facilities on behalf of public authorities, primarily airports, as well as a limited number of private entities. Our off-street contract management business represented 12.6% of our Adjusted Revenue and had Adjusted EBITDA of €(0.4) million in the twelve months ended September 30, 2013. Under these contracts, we operate and manage parking facilities on behalf of third parties in exchange for a fixed fee. Although it is a relatively small part of our overall business, our off-street contract management business line allows us to leverage our expertise in managing car parks to improve our cash flow with minimal capital costs.

For the nine months ended September 30, 2013 and the year ended December 31, 2012, the Adjusted Revenue and Adjusted EBITDA represented by each of our business lines was as follows:

(€ in millions, except percentages)	Adjusted Revenue ⁽¹⁾	Adjusted Revenue %	Adjusted EBITDA ⁽¹⁾	Adjusted EBITDA %
Nine months ended September 30, 2013				
Off-street concessions	61.6	45.8%	36.1	76.6%
On-street concessions	55.6	41.4%	11.0	23.4%
Off-street contract management.....	17.2	12.8%	—	0.0%
Total	134.4	100.0%	47.1	100.0%

- (1) Adjusted Revenue and Adjusted EBITDA are non-IFRS measures that we use to evaluate our operating and financial performance and should not be considered as alternative measures to accounting measures under IFRS. See "Presentation of Financial and Other Information" and "Summary Financial, Operating and Other Information".

(€ in millions, except percentages)	Adjusted Revenue ⁽¹⁾	Adjusted Revenue %	Adjusted EBITDA ⁽¹⁾	Adjusted EBITDA %
Year ended December 31, 2012				
Off-street concessions	88.0	47.9%	50.6	78.8%
On-street concessions	73.0	39.7%	13.0	20.3%
Off-street contract management.....	22.9	12.4%	0.6	0.9%
Total	183.9	100.0%	64.2	100.0%

- (1) Adjusted Revenue and Adjusted EBITDA are non-IFRS measures that we use to evaluate our operating and financial performance and should not be considered as alternative measures to accounting measures under IFRS. See "Presentation of Financial and Other Information" and "Summary Financial, Operating and Other Information".

Factors affecting results of operations

Business lines

Our Adjusted EBITDA margins vary by business line among our off-street concession, on-street concession and off-street contract management business lines. In general, our long-term off-street concessions have the highest Adjusted EBITDA margins among our different types of concessions, but also involve the largest up-front investments. There is significant variation in Adjusted EBITDA margins among our off-street concessions, with some concessions generating significantly greater Adjusted EBITDA and Adjusted EBITDA margins than others. Our on-street concession and off-street contract management businesses tend to have lower Adjusted EBITDA margins than our off-street concession business, but also require minimal investment and face lower demand risk because a smaller proportion of our revenue depends on volumes or occupancy. For our off-street concessions, as well as many of our on-street concessions and other contracts, our revenue comes primarily from the payments we receive from customers to use the parking spaces on a "pay as you go" (hourly) or subscription (monthly or yearly) basis. We also generate revenue from the sale of parking spaces, primarily to local residents. In our on-street concessions, we generate revenue under a number of different pricing models. The most common model is for us to receive a fixed fee which we withhold from the funds collected from the metered parking spaces. In a number of concessions, the contract also includes a variable incentive element (which may

be based on a percentage of the collected meter receipts, the number of parking spaces or certain other quality indicators) to align the concessionaire's objectives with optimizing revenue collection. Under some of our on-street concessions, we receive the entire amount of tariffs collected from users. For our contracts in the off-street contract management business, our revenue primarily consists of the fixed fees we receive from the owner of the facility for managing the parking facilities.

Concession cycle

Our revenue and Adjusted EBITDA are affected by how much time has passed since our new off-street concessions became operational. The revenue and Adjusted EBITDA of new car parks gradually increase in the first three to four years after they become operational, and then remain fairly stable with, in most cases, moderate increases due to inflation adjustments and volume increases (largely reflecting increased demand due to traffic increases in cities) for the remaining duration of the concession. Off-street concessions can generate significant net turnover and Adjusted EBITDA in the first year they become operational if we sell parking spaces to local residents as an ancillary activity in connection with the development of some parking facilities since we record the sale of such parking spaces as net turnover at the time of sale. We have developed and commenced operating several large parking facilities since 2010. As a result, 9.9%, 12.6% and 0.2% of our net turnover was attributable to the sale of parking spaces to local residents, as required by the terms of the relevant concession in the years ended December 31, 2010, 2011 and 2012, respectively. See “*Liquidity and Capital Resources—Cash flows from investment activities*” below. We do not expect that sales of parking spaces will remain a significant factor affecting our results of operations in future periods.

Demand risk

The revenues from our off-street concessions are influenced by demand and volumes, which primarily depends on the location of the particular concession. On-street concessions and off-street contract management arrangements have less demand risk because the bulk of the revenues from such arrangements are based on a fixed fee. Our concessions are also affected by changes in the traffic flow in cities, which in turn directly impacts demand. Traffic flow in urban areas can be affected by a number of factors, including changes in economic activity in an area, local traffic regulations and gasoline prices. Parking can also be affected by general economic conditions, but we believe to a lesser degree than in other infrastructure businesses because end users view many trips during which they use our parking facilities as non-discretionary. We have experienced a decline in volumes during the recent economic downturn but our Adjusted EBITDA remained relatively stable due to the inflation indexing under our concessions and contracts, growth in our concession portfolio and the diversified mix in our business lines under which some of our revenues are fixed. In addition, we have implemented various measures to increase our revenues and improve EBITDA as further described under “*Summary—Strategy—Maintain focus on growing revenue and improving EBITDA*”.

Obtaining new concessions and contracts

Off-street concessions, which represented 78.8% of our Adjusted EBITDA in 2012, offer stable cash flows given the long-term nature of these contracts (which can be up to 50 years if they include the obligation to carry out construction works). The Weighted average remaining duration of our off-street concessions and contracts is approximately 28 years. Cash flows with respect to our on-street concession business are potentially less stable because such concessions come up for renewal more frequently (approximately every seven years). Increasing our revenues is dependent in part on obtaining new concessions and winning concessions from our competitors when they are up for renewal, while maintaining our existing concessions. Since the beginning of 2010, we have achieved a renewal rate of approximately 80% with respect to on-street contracts and concessions for which we submitted bids when they came up for tender. Furthermore, in both Spain and Portugal, we have won approximately 63% of the tenders for new on-street contracts and concessions, and approximately 36% of the expiring on-street contracts and concessions that were previously operated by our competitors, in each case for which we submitted bids since the beginning of 2010. Recently, municipalities have increased the duration for certain on-street concessions put up to tender in exchange for higher initial fee payments payable by the concessionaire. For example, we have an on-street concession with a term of 20 years in Huelva. We also have an on-street concession which runs for 15 years in Huesca and in Madrid we recently won an on-street concession which runs for 12 years. We believe this trend of increasing the duration of on-street concessions in exchange for higher upfront payments by the concessionaire benefits us given our size, scale and well established position within the market. In addition, from time to time we may make acquisitions which meet our stringent financial requirements, which will in turn expand our portfolio of concessions.

Cost control initiatives and EBITDA improvements

We seek to increase our revenue through obtaining new concessions and winning concessions from our competitors when they are up for renewal. We also seek to increase our revenue in our off-street concession business by increasing volumes and occupancy through a well defined pricing policy, including with respect to our season ticket offering, tariff structure and special offers and promotions. In our on-street concession business, we seek to grow our revenue by improving our on-street revenue collection through the implementation of best practices, so as to improve our variable incentive compensation payments under the relevant concession. Additionally, we anticipate that revenues from our large parking facilities opened in the past three years will increase over the coming years as they are currently in the “ramp up” phase. Since a substantial portion of our revenue is largely stable and predictable as a result of being generated under existing long-term concessions and contracts, one of the drivers of EBITDA is our ability to control costs. The nature of our costs varies between our business lines. In our off-street concession business, we are generally required to make a significant capital expenditure upfront in connection with our investment in a new parking facility or an upfront payment to the municipality for an existing facility. Once that initial expense has been incurred, our off-street costs primarily relate to personnel costs, maintenance costs (primarily cleaning and painting) and utilities and such costs are largely fixed. In our on-street concession business, our upfront costs are considerably lower and may consist of a lump-sum payment to the municipality or relate to the acquisition and installation of on-street parking control equipment, such as parking meters. After that initial investment has been made, most of our on-street costs consist of personnel costs. In our off-street contract management business, our costs consist primarily of personnel costs and the fixed fees that we pay to the owner of the parking facility, with maintenance accounting for only a small portion of costs. We have implemented a number of measures by which we have successfully reduced costs, including the introduction of technological innovations to help increase productivity and the number of parking spaces covered per employee. We have introduced a centralized system to control and manage a substantial majority of our off-street parking facilities from a remote location, which has allowed us to reduce personnel costs by reducing headcount while maintaining our high quality of services and customer satisfaction levels. In addition, such measures have helped us to reduce our reliance on external service providers by enabling us to reallocate personnel to perform certain functions previously performed by third party service providers. Furthermore, we have introduced energy saving measures to drive energy efficiency improvements, such as implementing automatic devices to regulate lighting in our car parks, as well as carrying out active monitoring and management of energy prices through negotiation with utility providers. We continue to seek opportunities to further reduce costs and improve EBITDA.

Key Line Items

Net turnover

Net turnover consists primarily of the parking fees and other revenue we receive from customers for use of parking spaces and fees from municipalities and other entities for managing parking spaces and facilities. The fees we charge users and the fees we receive for managing parking spaces and facilities are typically indexed to inflation. Net turnover also includes revenue from the sale of parking spaces to local residents as an ancillary activity in connection with the development of some parking facilities. For the sale of parking spaces, we recognize revenues at the time the parking space is sold, which coincides with the time at which the relevant contract is signed. In our on-street concession business, in which we may be paid a fixed fee by the municipality, we recognize revenue with respect to such fixed fees when the service is provided to the municipality. Revenue is recognized when the value can reliably be determined and all contingencies have been resolved, and it is probable that we will receive the future economic benefits. In our off-street concession business, revenues are recorded either when the hourly rate is paid or on an accrual basis for season ticket holders. For those concessions in respect of which we are paid a fee linked to the amount of collected meter receipts, we recognize revenue with respect to such fee at the time of such collection.

Other operating income

Other operating income consists of revenue from certain basic amenities provided to car park users within our parking facilities (for example, revenue from vending machines and car washes) and other services and products provided or sold to car park users, as well as other non-recurrent revenue which is “one off” in nature.

Adjusted Revenue

We define Adjusted Revenue as net turnover *plus* other operating income *less* other non-recurrent revenue *less* other “one off” or non-recurring gains and losses (including gains and losses realized from the sale of parking

spaces to local residents and gains and losses realized on the sale of parking facilities). Adjusted Revenue is a non-IFRS measure that we use to evaluate our operating and financial performance and should not be considered as an alternative measure to accounting measures under IFRS. See “*Presentation of Financial and Other Information*”.

Variation in stock of finished products and products in process

Variation in stock of finished products and products in process represents the costs of the parking spaces that are sold. We determine these costs by allocating the construction costs associated with such spaces. Such expense is recognized at the time the corresponding revenue for the sale is recognized. See “—*Amortization of fixed assets*” below.

Supplies

Supplies consists of the cost of goods and materials bought that are necessary to provide customers with the relevant services, including tickets for our automated ticket machines and other materials.

Personnel costs

Personnel costs includes employee wages, salaries and other expenses, as well as redundancy payments, social security, pensions and similar costs. The majority of our personnel costs are incurred with respect to our on-street concession business and, to a lesser extent, our off-street contract management business.

Other operating expenses

Other operating expenses primarily consists of costs for external services including information technology and other outsourced services such as security and shuttle buses at airports. This expense category also includes overhead costs, local taxes, concession fees and non-recurring operating expenses.

Amortization of fixed assets

Under IFRIC 12, we record the capital cost of developing and constructing parking structures and installing parking meters under concession contracts as intangible assets on our balance sheet. Amortization expenses primarily include the amortization of these capital costs over the term of the concession agreement on a straight line basis. It also includes amortization on equipment and other tangible assets accounted for using the straight line method over the estimated useful life of the asset. To the extent an agreement is terminated early, we write off any remaining cost of capital on our balance sheet.

Provisions and loss through unrecoverable receivables

Provisions and loss through unrecoverable receivables consists of expenses that we reserve for in the relevant estimated amount to take account of the potential insolvency of our customers. In general, we do not make provision for municipalities or other public bodies with which we do business. For private bodies, we make provision within 90 to 180 days after the due date for collection and do so on a case by case basis with the relevant contract manager.

Impairment and result through disposal of fixed assets

Impairment and result through disposal of fixed assets primarily consists of gains or losses on the sale of concessions or parking facilities. It also includes any asset impairment charges made at the end of each year to reduce the holding value of assets to recoverable value, if lower. The recoverable value is the lower of the market value and the value in use of the asset.

Financial result

Financial result comprises financial profit or loss primarily attributable to interest expense on our debt and any interest income we receive, usually from cash held at banks. It also includes hedging profits or loss from our hedging instruments. During the period under review, our hedging comprised interest rate swaps on our variable rate debt.

Share in results of equity-consolidated companies

Share in results of equity-consolidated companies consists of our proportionate share of the income from companies in which we hold minority interests. We generally hold minority interests in companies when necessary

to obtain concessions where the municipalities have required that the controlling interest be held by the municipality.

Corporate income tax

We recognize corporate income tax on our income statement both for amounts payable in the current year and any applicable deferred tax attributable to the current year. In past years, we have accumulated significant tax credits from our large capital expenditure program, which we expect to reduce our taxes payable on a cash basis in future years.

Results attributed to minority interests

Results attributed to minority interests consists of the proportionate share of the income attributable to third parties holding a minority interest in the relevant Group company.

EBITDA

We define EBITDA as consolidated results from ordinary operations *excluding* corporate income tax, financial result, amortization of fixed assets and provisions and losses through unrecoverable receivables. EBITDA is a non-IFRS measure that we use to evaluate our operating and financial performance and should not be considered as an alternative measure to accounting measures under IFRS. See “*Presentation of Financial and Other Information*”.

Adjusted EBITDA

We define Adjusted EBITDA as EBITDA *adjusted for* (i) non-recurring headquarter operating expenses (including redundancy payments and other related personnel costs), (ii) non-recurring business unit expenses and (iii) other “one off” or non-recurring gains and losses (including gains and losses realized from the sale of parking spaces to local residents and gains and losses realized on the sale of parking facilities). Adjusted EBITDA is a non-IFRS measure that we use to evaluate our operating and financial performance and should not be considered as an alternative measure to accounting measures under IFRS. See “*Presentation of Financial and Other Information*”.

Adjusted EBITDA by business line

We define Adjusted EBITDA by business line as the EBITDA for the relevant business line *adjusted for* (i) reallocation of overhead costs and non-recurring headquarter operating expenses, (ii) non-recurring business unit expenses (including redundancy payments and other related personnel costs) and (iii) other “one off” or non-recurring gains and losses (including gains and losses realized from the sale of parking spaces to local residents and gains and losses realized on the sale of parking facilities).

Results of Operations

The following table shows our results of operations for the years ended December 31, 2010, 2011 and 2012, and the nine months ended September 30, 2012 and 2013.

(€ in millions, except percentages)	Year ended December 31				Nine months ended September 30			
	2010	% change	2011	% change	2012	2012	% change	2013
Net turnover	204.4	4.2 %	212.9	(15.0)%	180.9	136.0	(2.4)%	132.7
Variation in stock of finished products and products in process	(14.1)	(30.5)%	(18.4)	(98.4)%	(0.3)	(0.2)	(50.0)%	(0.1)
Supplies	(1.7)	(41.2)%	(1.0)	(20.0)%	(0.8)	(0.4)	50.0 %	(0.6)
Other operating income	2.9	(24.1)%	2.2	50.0 %	3.3	2.1	(14.3)%	1.8
Personnel costs	(73.5)	1.5 %	(74.6)	5.9 %	(79.0)	(58.3)	(5.3)%	(55.2)
Other operating expenses	(49.7)	3.2 %	(51.3)	(7.2)%	(47.6)	(34.9)	(8.0)%	(32.1)
Amortization of fixed assets	(26.1)	12.6 %	(29.4)	0.3 %	(29.5)	(22.1)	(3.2)%	(21.4)
Provisions and losses through unrecoverable receivables	(1.4)	42.9 %	(2.0)	(10.0)%	(1.8)	(1.0)	(10.0)%	(0.9)
Impairment and result through disposal of fixed assets	4.1	—	—	—	—	—	—	—
Operating result	44.9	14.3 %	38.5	34.5 %	25.2	21.2	13.7 %	24.1
Financial result	(34.1)	14.1 %	(38.9)	(1.5)%	(38.3)	(29.1)	(4.8)%	(27.7)
Share in results of equity- consolidated companies	1.1	9.1 %	1.2	(41.7)%	0.7	1.2	(33.3)%	0.8
Pre-tax consolidated results	11.9	(93.3)%	0.8	NM*	(12.4)	(6.7)	(56.7)%	(2.9)
Corporate income tax ..	(1.4)	NM*	5.1	(47.0)%	2.7	1.8	(38.9)%	1.1
Consolidated results from ordinary operations	10.5	(43.8)%	5.9	NM*	(9.7)	(4.9)	(63.3)%	(1.8)
Results attributed to minority interests...	(2.5)	72.0 %	(4.3)	NM*	0.4	—	—	(0.4)
Results attributed to the Group (profit/loss)	8.0	(80.0)%	1.6	NM*	(9.3)	(4.9)	(55.1)%	(2.2)

* Not meaningful.

Nine months ended September 30, 2013 compared to nine months ended September 30, 2012

The following table shows our net turnover, Adjusted Revenue and Adjusted EBITDA, by business line, in each case for the nine months ended September 30, 2012 and 2013.

(€ in millions)	Nine months ended September 30		% change
	2012	2013	
Net turnover	136.0	132.7	(2.4)%
Adjusted Revenue			
Off-street concessions.....	66.0	61.6	(6.8)%
On-street concessions.....	54.6	55.6	1.8%
Off-street contract management	17.3	17.2	(0.5)%
Total	137.9	134.4	(2.6)%
Adjusted EBITDA			
Off-street concessions.....	37.7	36.1	(4.2)%
On-street concessions.....	10.2	11.0	8.9%
Off-street contract management	1.0	—	NM*
Total	48.9	47.1	(3.7)%

* Not meaningful.

Net turnover

Our net turnover decreased by 2.4% from €136.0 million in the nine months ended September 30, 2012 to €132.7 million in the nine months ended September 30, 2013, primarily as a result of the expiration of certain concessions, which were not renewed, including our Recoletos off-street concession in Madrid, our Montañeta off-street concession in Alicante and our Estação de Oriente off-street concession in Lisbon.

Other operating income

Other operating income decreased by 14.3% from €2.1 million in the nine months ended September 30, 2012 to €1.8 million in the nine months ended September 30, 2013, primarily as a result of a decrease in the sale of products and services through the amenities we make available to our customers within our parking facilities. In addition, we received an indemnity payment of €0.8 million in 2012 in connection with the early termination of our concession in Cascais, Portugal by the relevant municipality before the end of its term.

Adjusted Revenue

Our Adjusted Revenue decreased by 2.6% from €137.9 million in the nine months ended September 30, 2012 to €134.4 million in the nine months ended September 30, 2013, primarily as a result of a decrease in Adjusted Revenue in our off-street concession business, partially offset by an increase in Adjusted Revenue in our on-street concession business. Adjusted Revenue from our off-street concession business decreased by 6.8% primarily as a result of the expiration of certain concessions reaching the end of their term, including our Recoletos off-street concession in Madrid, our Montañeta off-street concession in Alicante and our Estação de Oriente off-street concession in Lisbon. This decrease was partially offset by Adjusted Revenue generated by two new parking facilities. Adjusted Revenue from our on-street concession business increased by 1.8% primarily as a result of the operation of new concessions, including our concessions in Almería (which is currently in the “ramp up” phase) and Empuries, as well as the expansion of our concession in Pamplona to cover additional parking spaces. Adjusted Revenue from our off-street contract management business remained relatively stable for the nine months ended September 30, 2013 as compared to the nine months ended September 30, 2012.

Variation in stock of finished products and products in process

Variation in stock of finished products and products in process decreased by 50.0% from €0.2 million in the nine months ended September 30, 2012 to €0.1 million in the nine months ended September 30, 2013.

Supplies

Supplies increased by 50.0% from €0.4 million in the nine months ended September 30, 2012 to €0.6 million in the nine months ended September 30, 2013, primarily as a result of an increase in the purchase of tickets for our automated ticket machines and other materials.

Personnel costs

Our personnel costs decreased by 5.3% from €58.3 million in the nine months ended September 30, 2012 to €55.2 million in the nine months ended September 30, 2013, primarily as a result of the restructuring of our workforce undertaken at the end of 2012 and the implementation of measures designed to centralize the management and control of our parking facilities which resulted in a reductions in our employee headcount.

Other operating expenses

Other operating expenses decreased by 8.0% from €34.9 million in the nine months ended September 30, 2012 to €32.1 million in the nine months ended September 30, 2013, primarily as a result of the cost savings program we implemented in 2012 to optimize both our operating expenses and overhead costs. For example, as a result of our implementation of measures to centralize the management and control of our parking facilities, we were able to reduce our reliance on external service providers by reallocating personnel to perform certain functions previously performed by third party service providers. The following table shows the components of other operating expenses for the relevant periods.

(€ in millions)	Nine months ended September 30	
	2012	2013
External services	32.3	29.5
Taxes	2.1	2.2
Other operating expenses	0.4	0.2
Other non-recurrent operating expenses	0.1	0.2
Total	34.9	32.1

Amortization of fixed assets

Amortization of fixed assets decreased by 3.2% from €22.1 million in the nine months ended September 30, 2012 to €21.4 million in the nine months ended September 30, 2013, primarily as a result of the expiration of certain concessions, including our Recoletos off-street concession in Madrid, our Montañeta off-street concession in Alicante and our Estação de Oriente off-street concession in Lisbon.

Provisions and loss through unrecoverable receivables

Provisions and loss through unrecoverable receivables decreased by 10% from €1.0 million in the nine months ended September 30, 2012 to €0.9 million in the nine months ended September 30, 2013, primarily as a result of a reduction in the level of potential customer insolvencies.

Impairment and result through disposal of fixed assets

Impairment and result through disposal of fixed assets increased from nil in the nine months ended September 30, 2012 to €48,000 in the nine months ended September 30, 2013.

Financial result

Financial expense decreased by 4.8% from €29.1 million in the nine months ended September 30, 2012 to €27.7 million in the nine months ended September 30, 2013, primarily due to lower interest expense as a result of a decrease in the rate of EURIBOR during the period, which is used to calculate the rate of interest payable under our Existing Credit Facilities and local credit facilities.

Share in results of equity-consolidated companies

Share in results of equity-consolidated companies decreased by 33.3% from €1.2 million in the nine months ended September 30, 2012 to €0.8 million in the nine months ended September 30, 2013, primarily as a result of a decrease in the result of entities in which we hold a minority equity interest, particularly SMASSA, in the nine months ended September 30, 2013.

Corporate income tax

Corporate income tax decreased by 38.9% from €1.8 million in the nine months ended September 30, 2012 to €1.1 million in the nine months ended September 30, 2013, driven primarily by the decrease in our result for the period.

Results attributed to minority interests

Losses attributed to minority interests increased from €20,000 in the nine months ended September 30, 2012 to €0.4 million in the nine months ended September 30, 2013, primarily as a result of an increase in the result of companies within the Group in which third parties hold a minority interest.

EBITDA and Adjusted EBITDA

Our EBITDA increased by 4.5% from €44.4 million in the nine months ended September 30, 2012 to €46.4 million in the nine months ended September 30, 2013, primarily as a result of a decrease in our personnel costs and other operating expenses. Adjusted EBITDA decreased by 3.7% from €48.9 million in the nine months ended September 30, 2012 to €47.1 million in the nine months ended September 30, 2013, primarily as a result of the expiration of certain concessions reaching the end of their term, including our Recoletos off-street concession in Madrid, our Montañeta off-street concession in Alicante and our Estação de Oriente off-street concession in Lisbon. This decrease was partially offset by Adjusted EBITDA generated by two new parking facilities.

Year ended December 31, 2012 compared to year ended December 31, 2011

The following table shows our net turnover, Adjusted Revenue and Adjusted EBITDA, by business line, in each case for the years ended December 31, 2011 and 2012.

(€ in millions)	Year ended December 31		
	2011	2012	% change
Net turnover	212.9	180.9	(15.0)%
Adjusted Revenue			
Off-street concessions.....	92.3	88.0	(4.6)%
On-street concessions.....	73.2	73.0	(0.3)%
Off-street contract management	22.3	22.9	2.7%
Total	187.8	183.9	(2.1)%
Adjusted EBITDA			
Off-street concessions.....	51.3	50.6	(1.4)%
On-street concessions.....	12.2	13.0	6.6%
Off-street contract management	0.8	0.6	(25.0)%
Total	64.3	64.2	(0.2)%

Net turnover

Our net turnover decreased by 15.0% from €212.9 million in the year ended December 31, 2011 to €180.9 million in the year ended December 31, 2012, primarily as a result of a significant decrease in the sale of parking spaces to local residents in the year ended December 31, 2012 compared to the year ended December 31, 2011. In the year ended December 31, 2012, sales of parking spaces to local residents generated net turnover of €0.3 million, as compared to €26.9 million generated in the prior year. Our net turnover for the year ended December 31, 2012 was also adversely impacted by the early termination of our concession in Cascais, Portugal by the relevant municipality in 2011 before the end of its term. This concession accounted for 0.5% of our net turnover in 2010.

Other operating income

Other operating income increased by 50.0% from €2.2 million in the year ended December 31, 2011 to €3.3 million in the year ended December 31, 2012, primarily as a result of an indemnity payment of €0.8 million in 2012 in connection with the early termination of our concession in Cascais, Portugal by the relevant municipality before the end of its term.

Adjusted Revenue

Our Adjusted Revenue decreased by 2.1% from €187.8 million in the year ended December 31, 2011 to €183.9 million in the year ended December 31, 2012, primarily as a result of a decrease in Adjusted Revenue in our off-street concession business. Adjusted Revenue from our off-street concession business decreased by 4.6% primarily as a result of a slight reduction in volumes. Adjusted Revenue from both our on-street concession and off-street contract management businesses remained generally stable for the year ended December 31, 2012 compared to the year ended December 31, 2011.

Variation in stock of finished products and products in process

Variation in stock of finished products and products in process decreased from €18.4 million in the year ended December 31, 2011 to €0.3 million in the year ended December 31, 2012. This variation was primarily attributable to the sale of parking spaces to local residents in our new parking facilities at Plaza de Cataluña and La Concha in San Sebastián in 2011.

Supplies

Supplies decreased by 20.0% from €1.0 million in the year ended December 31, 2011 to €0.8 million in the year ended December 31, 2012, primarily as a result of a decrease in the purchase of tickets for our automated machines and other materials.

Personnel costs

Our personnel costs increased by 5.9% from €74.6 million in the year ended December 31, 2011 to €79.0 million in the year ended December 31, 2012, primarily as a result of redundancy payments made in connection with a restructuring of our workforce undertaken at the end of 2012.

Other operating expenses

Other operating expenses decreased by 7.2% from €51.3 million in the year ended December 31, 2011 to €47.6 million in the year ended December 31, 2012, primarily as a result of the cost savings program we implemented in 2012 to optimize both our operating expenses and overhead costs. For example, as a result of our implementation of measures to centralize the management and control of our parking facilities, we were able to reduce our reliance on external service providers by reallocating personnel to perform certain functions previously performed by third party service providers. The following table shows the components of other operating expenses for the relevant periods.

(€ in millions)	Year ended December 31	
	2011	2012
External services	44.9	42.6
Taxes	2.9	2.8
Other operating expenses	0.2	0.4
Other non-recurrent operating expenses	3.3	1.8
Total	51.3	47.6

Amortization of fixed assets

Amortization of fixed assets increased from €29.4 million in the year ended December 31, 2011 to €29.5 million in the year ended December 31, 2012.

Provisions and loss through unrecoverable receivables

Provisions and loss through unrecoverable receivables decreased by 10.0% from €2.0 million in the year ended December 31, 2011 to €1.8 million in the year ended December 31, 2012, primarily as a result of a reduction in the level of potential customer insolvencies.

Impairment and result through disposal of fixed assets

Impairment and result through disposal of fixed assets was €8,000 for the year ended December 31, 2012, compared to nil for the year ended December 31, 2011.

Financial result

Financial expense decreased by 1.5% from €38.9 million in the year ended December 31, 2011 to €38.3 million in the year ended December 31, 2012, primarily due to lower interest expense as a result of a decrease in the rate of EURIBOR during the period, which is used to calculate the rate of interest payable under our Existing Credit Facilities and local credit facilities.

Share in results of equity-consolidated companies

Share in results of equity-consolidated companies decreased by 41.7% from €1.2 million in the year ended December 31, 2011 to €0.7 million in the year ended December 31, 2012, primarily as a result of a decrease in the result of entities in which we hold a minority equity interest, particularly SMASSA, in the year ended December 31, 2012.

Corporate income tax

Corporate income tax decreased by 47.0% from €5.1 million in the year ended December 31, 2011 to €2.7 million in the year ended December 31, 2012, primarily driven by the decrease in our overall result for 2012 and the significant deductions made in connection with our investments in fixed assets in 2011 as part of our capital program.

Results attributed to minority interests

Results attributed to minority interests increased from a loss of €4.3 million in the year ended December 31, 2011 to a gain of €0.4 million in the year ended December 31, 2012, primarily as a result of a decrease in the result of companies within the Group in which third parties hold a minority interest.

EBITDA and Adjusted EBITDA

Our EBITDA decreased by 19.2% from €69.9 million in the year ended December 31, 2011 to €56.5 million in the year ended December 31, 2012, primarily due to the fact that a higher amount of net turnover was generated by sales of parking spaces to local residents in 2011 as part of our capital program, as compared to the year ended December 31, 2012, in which significantly fewer parking space sales were made. Adjusted EBITDA remained generally stable for the year ended December 31, 2012 at €64.2 million, as compared to €64.3 million in the year ended December 31, 2011.

Year ended December 31, 2011 compared to year ended December 31, 2010

The following table shows our net turnover, Adjusted Revenue and Adjusted EBITDA, by business line, in each case for the years ended December 31, 2010 and 2011.

(€ in millions)	Year ended December 31		
	2010	2011	% change
Net turnover	204.4	212.9	4.2%
Adjusted Revenue			
Off-street concessions.....	91.1	92.3	1.3%
On-street concessions.....	74.4	73.2	(1.6)%
Off-street contract management	19.7	22.3	13.2%
Total	185.2	187.8	1.4%
Adjusted EBITDA			
Off-street concessions.....	47.6	51.3	(7.8)%
On-street concessions.....	10.8	12.2	13.0%
Off-street contract management	1.9	0.8	(57.9)%
Total	60.3	64.3	6.6%

Net turnover

Our net turnover increased by 4.2% from €204.4 million in the year ended December 31, 2010 to €212.9 million in the year ended December 31, 2011, primarily as a result of an increase in the sale of parking spaces to local residents in the year ended December 31, 2011 compared to the year ended December 31, 2010. In the year

ended December 31, 2011 such sales of parking spaces to local residents generated net turnover of €26.9 million compared to €20.4 million generated in the previous year.

Other operating income

Other operating income decreased by 24.1% from €2.9 million in the year ended December 31, 2010 to €2.2 million in the year ended December 31, 2011, primarily due to the fact that the subsidy we received from the relevant municipality in connection with our concession in Avilés for the year ended December 31, 2010 no longer applied in respect of the year ended December 31, 2011.

Adjusted Revenue

Our Adjusted Revenue increased by 1.4% from €185.2 million in the year ended December 31, 2010 to €187.8 million in the year ended December 31, 2011, primarily as a result of an increase in Adjusted Revenue in our off-street concession business and our off-street contract management business, partially offset by a decrease in Adjusted Revenue in our on-street concession business. Adjusted Revenue from our off-street concession business increased by 1.3% primarily as a result of the commencement of new concessions at Plaza de Cataluña and La Concha in San Sebastián. Adjusted Revenue from our on-street concession business decreased by 1.6% primarily as a result of our concession in Zaragoza reaching the end of its term. Adjusted Revenue from our off-street contract management business increased by 13.2% from €19.7 million in 2010 to €22.3 million in 2011, primarily driven by the increase in net turnover generated by our UK business as a result of our winning the contract to manage parking at Edinburgh Airport.

Variation in stock of finished products and products in process

Variation in stock of finished products and products in process increased by 30.5% from €14.1 million in the year ended December 31, 2010 to €18.4 million in the year ended December 31, 2011, primarily as a result of the sale of parking spaces to local residents in our new parking facilities at Plaza de Cataluña and La Concha in San Sebastián in 2011.

Supplies

Supplies decreased by 41.2% from €1.7 million in the year ended December 31, 2010 to €1.0 million in the year ended December 31, 2011, primarily as a result of a decrease in the purchase of tickets for our automated ticket machines and other materials.

Personnel costs

Our personnel costs increased by 1.5% from €73.5 million in the year ended December 31, 2010 to €74.6 million in the year ended December 31, 2011, primarily as a result of an increase in salaries for employees in Spain and Portugal in accordance with the consumer price index.

Other operating expenses

Other operating expenses increased by 3.2% from €49.7 million in the year ended December 31, 2010 to €51.3 million in the year ended December 31, 2011, primarily as a result of an increase in our external services driven by the opening of our new parking facilities at Plaza de Cataluña and La Concha in San Sebastián. The following table shows the components of other operating expenses for the relevant periods.

(€ in millions)	Year ended December 31	
	2010	2011
External services	38.3	44.9
Taxes	4.4	2.9
Other operating expenses	6.7	0.2
Other non-recurrent operating expenses ⁽¹⁾	—	3.3
Losses, impairment and changes in provision through commercial operations	0.3	—
Total	49.7	51.3

(1) In the year ended December 31, 2011, we incurred €1.8 million in non-recurring fees and expenses in connection with a financing transaction.

Amortization of fixed assets

Amortization of fixed assets increased by 12.6% from €26.1 million in the year ended December 31, 2010 to €29.4 million in the year ended December 31, 2011, primarily as a result of the application of a new accounting regulation IFRIC 12 in 2011, pursuant to which the capital cost of constructing parking structures and installing parking meters was no longer recorded as an expense in the profit and loss account, but amortized over the term of the concession on a straight line basis.

Provisions and loss through unrecoverable receivables

Provisions and loss through unrecoverable receivables increased by 42.9% from €1.4 million in the year ended December 31, 2010 to €2.0 million in the year ended December 31, 2011, primarily as a result of an increase in the level of potential customer insolvencies and delays in payment on our outstanding receivables. In addition, we recorded an expense of €0.2 million in 2011 in connection with the insolvency of Spanair.

Impairment and result through disposal of fixed assets

Impairment and result through disposal of fixed assets for the year ended December 31, 2010 was €4.1 million, as compared to nil for the year ended December 31, 2011. This change can be attributed primarily to the gains realized with respect to the sale of our hospital parking facility in Pamplona.

Financial result

Financial losses increased by 14.1% from €34.1 million in the year ended December 31, 2010 to €38.9 million in the year ended December 31, 2011, primarily as a result of an increase in our outstanding debt under our Existing Credit Facilities and Project Finance Facilities, as well as the introduction of a new accounting regulation IFRIC 12 in 2011, which requires us to account for the future fee payments we are required to make to a municipality under the relevant concession as debt, resulting in an interest expense in connection therewith.

Share in results of equity-consolidated companies

Share in results of equity-consolidated companies increased by 9.1% from €1.1 million in the year ended December 31, 2010 to €1.2 million in the year ended December 31, 2011, primarily as a result of an increase in the result of entities in which we hold a minority equity interest.

Corporate income tax

We had corporate income tax of €1.4 million for the year ended December 31, 2010. We had a corporate income tax benefit of €5.1 million for the year ended December 31, 2011. This change was primarily driven by our overall result for the year and the significant deductions made in connection with our investments in fixed assets in 2011 as part of our capital program.

Results attributed to minority interests

Losses attributed to minority interests increased by 72.0% from a loss of €2.5 million in the year ended December 31, 2010 to a loss of €4.3 million in the year ended December 31, 2011, primarily as a result of an increase in the result of companies within the Group in which third parties hold a minority interest due to the sale of parking spaces to local residents (mainly in our new parking facilities at Plaza de Cataluña and La Concha in San Sebastián).

EBITDA and Adjusted EBITDA

Our EBITDA decreased by 3.3% from €72.3 million in the year ended December 31, 2010 to €69.9 million in the year ended December 31, 2011, primarily as a result of the sale of our hospital parking facility in Pamplona in 2010. Adjusted EBITDA increased by 6.6% from €60.3 million in the year ended December 31, 2010 to €64.3 million in the year ended December 31, 2011, primarily as a result of the commencement of new concessions at Plaza de Cataluña and La Concha in San Sebastián.

Liquidity and Capital Resources

We had cash and other equivalent liquid assets of €23.9 million as of September 30, 2013, compared to €28.0 million as of September 30, 2012. As of September 30, 2013, after giving *pro forma* effect to the Refinancing, our cash and other equivalent liquid assets would have been €11.2 million.

The following table shows our statement of cash flows for the years ended December 31, 2010, 2011 and 2012 and for the nine months ended September 30, 2012 and 2013.

(€ in millions)	Year ended December 31			Nine months ended September 30	
	2010	2011	2012	2012	2013
Cash flows from operating activities	41.7	(11.1)	18.2	26.6	28.2
Cash flows from investment activities	(49.3)	(34.9)	(10.6)	(10.7)	(11.9)
Cash flows from financing activities	24.6	35.5	(21.9)	(15.9)	(6.1)

Cash flows from operating activities

Our on-street concession business generally requires greater working capital, due to the dynamics associated with the payment of receivables from municipalities under the relevant concessions. Our off-street concession business generally requires less working capital, due to the immediate collection of tariffs from car park users (if they do not pay then they cannot exit the car park) and the receipt of payment for season tickets in advance. Generally, our working capital is fairly stable with minimal effects from seasonality.

We seek to maintain a business model that enjoys negative working capital primarily as a result of the direct payments we receive from end users of our off-street parking facilities. However, in the year ended December 31, 2011, we experienced an increase in working capital of €41.5 million as a result of two primary factors. Firstly, our cash flow was impacted by delays in payment by certain municipalities in Spain, which payments amounted to €14.1 million in the year ended December 31, 2011 and arose solely with respect to our on-street concession business. The municipalities in question made the necessary payments under the concessions eventually and none entered bankruptcy. However, certain of our private counterparties have entered bankruptcy in the past, including Spanair. In addition, in 2011 we were nearing the end of our capital program, which involved the construction of eight large parking facilities. Accordingly, we made payments in 2011 to our various construction contractors and suppliers under the program, and also sold a large number of parking spaces within our new parking facilities to local residents. As a result of all the above factors, our cash flow from operations was impacted and our working capital increased. However, in 2012, the Spanish government implemented a number of initiatives to reduce payment delays by the various municipalities with respect to concessionaires. Furthermore, we have since completed our capital program and do not expect to make any additional significant expansionary capital expenditure or sell a significant number of parking spaces to local residents in connection therewith in the near future. As a result, we have improved our working capital management, as demonstrated by a decrease in working capital between December 31, 2012 and September 30, 2013.

The following table sets forth a reconciliation of our result for the financial year before tax to cash flows from operating activities for each of the years ended December 31, 2010, 2011 and 2012 and the nine months ended September 30, 2012 and 2013.

(€ in millions)	Year ended December 31			Nine months ended September 30	
	2010	2011	2012	2012	2013
Result for financial year before tax.....	11.9	0.8	(12.4)	(6.7)	(2.9)
Adjustments to result:.....	56.2	68.4	68.3	50.5	49.3
Amortization of fixed assets	26.9	29.4	29.5	22.1	21.4
Variation in provisions	0.5	2.0	1.8	1.1	0.9
Financial revenue	(1.0)	(1.4)	(0.7)	(0.5)	(0.2)
Financial costs	31.7	39.8	39.1	29.6	27.9
Equity method	(1.1)	(1.2)	(0.7)	(1.2)	(0.7)
Result through cancellations and disposal of financial instruments and others	(0.8)	(0.2)	(0.6)	(0.6)	–
	68.1	69.2	56.0	43.8	46.4
Changes in working capital:	2.9	(41.5)	2.5	8.4	6.5
Stock	0.5	1.0	(3.5)	0.1	0.1
Debtors and other accounts receivable	3.1	(20.4)	3.9	11.1	7.0
Other current assets	(0.3)	0.3	0.4	0.1	0.2
Creditors and other accounts payable	2.5	(23.8)	0.8	(6.7)	(6.3)
Other non-current liabilities	–	1.8	(0.2)	3.8	5.4
Other current liabilities	(2.9)	(0.4)	1.1	(0.0)	0.1

(€ in millions)	Year ended December 31			Nine months ended September 30	
	2010	2011	2012	2012	2013
	71.0	27.7	58.5	52.2	52.9
Other cash flows from operating activities:	(29.3)	(38.8)	(40.4)	(25.6)	(24.7)
Interest payment	(30.2)	(39.7)	(39.3)	(25.1)	(25.1)
Dividends received	0.7	0.7	0.4	0.4	0.7
Interest received	0.3	0.9	0.8	0.5	0.2
Receipts (payments) through taxation of profits	(0.3)	(0.7)	(2.2)	(1.4)	(0.5)
Other payments	0.2	—	—	—	—
Cash flows from operating activities.....	41.7	(11.1)	18.1	26.6	28.2

For the nine months ended September 30, 2013, our cash flows from operating activities consisted of a cash inflow of €28.2 million, driven primarily by adjusting amortizations and provisions of €22.3 million on the negative result for the first nine months of the year before tax of €2.9 million and, to a lesser extent, by a decrease in debtors and other accounts receivable of €7.0 million. Working capital decreased by €6.5 million for the nine months ended September 30, 2013, driven primarily by a decrease in debtors and other accounts receivable. The decrease in stock in the amount of €0.1 million was primarily due to a decrease in the sale of parking spaces to local residents. The decrease in debtors and other accounts receivable in the amount of €7.0 million was primarily a result of the payment by municipalities of fees under our concessions. The decrease in creditors and other accounts payable in the amount of €6.3 million was primarily due to our purchase of our new Mazarredo parking facility in Bilbao, a final payment to the relevant contractor in connection with the construction of our Sancho Ávila parking facility in Barcelona and, to a lesser extent, the payment of a waiver fee under our Existing Credit Facilities.

For the year ended December 31, 2012, our cash flows from operating activities consisted of a cash inflow of €18.1 million, driven primarily by adjusting amortizations and provisions of €31.2 million on the negative result for the year before tax of €12.4 million. Working capital decreased by €2.5 million for the year ended December 31, 2012, driven primarily by (i) an increase in stock in the amount of €3.5 million, related to parking spaces in our Mazarredo parking facility in Bilbao and our Passeig Nou parking facility in Barcelona, (ii) a decrease in debtors and other accounts receivable in the amount of €3.9 million, primarily as a result of improvements in timing for payments from municipalities in our on-street concession business, and (iii) an increase in creditors and other accounts payable in the amount of €0.8 million.

For the year ended December 31, 2011, our cash flows from operating activities consisted of a cash outflow of €11.1 million, driven primarily by pre-tax results of €0.8 million, increased by €29.4 million for amortization of fixed assets and an increase in working capital in the amount of €41.5 million. Working capital increased by €41.5 million for the year ended December 31, 2011, driven primarily by an increase in debtors and other accounts receivable and a decrease in creditors and other accounts payable. The increase in the balance of debtors and other accounts receivable in the amount of €20.4 million was driven primarily by the significant increase in the sale of parking spaces to local residents during that year (mainly in our new parking facilities at Plaza de Cataluña and La Concha in San Sebastián), as well as an increase in the balance of receivables in our on-street concession business during the year. The decrease in the balance of creditors and other accounts payable in the amount of €23.8 million driven was driven primarily by (i) the significant increase in the sale of parking spaces to local residents during that year (mainly in our new parking facilities at Plaza de Cataluña and La Concha in San Sebastián) for which we received payment from our customers upfront and the proceeds of which we were, in turn, able to apply towards the cost of construction for the relevant facilities and (ii) to a lesser extent, the payment to municipalities of concession fees at Plaza de Cataluña and La Concha.

For the year ended December 31, 2010, our cash flows from operating activities consisted of a cash inflow of €41.7 million, driven primarily by pre-tax results of €11.9 million, increased by €26.9 million for amortization of fixed assets and a decrease in working capital in the amount of €2.9 million. Working capital decreased by €2.9 million for the year ended December 31, 2010, driven primarily by (i) a decrease in debtors and other accounts receivable in the amount of €3.1 million, mainly in connection with a decrease in amounts due from tax authorities when we changed from quarterly to monthly VAT filings, and (ii) an increase in creditors and other accounts payable in the amount of €2.5 million in connection with the payment of concession fees due to the relevant municipalities in 2011 with respect to our new parking facilities at Plaza de Cataluña and La Concha in San Sebastián, partially offset by a decrease of €2.9 million in other current liabilities.

Cash flows from investment activities

We invested an aggregate of €124.6 million in car parks between 2010 and September 30, 2013. Specifically, we invested €65.3 million, €35.9 million and €11.4 million in the years ended December 31, 2010, 2011 and 2012, respectively, and €12.0 million in the nine months ended September 30, 2013. As of September 30, 2013, we had approximately €6.3 million in outstanding capital commitments for constructing new car parks, of which we expect to invest approximately €2.1 million in the fourth quarter of 2013 and the remainder in 2014.

The following table sets forth our capital expenditure for the periods indicated:

(€ in millions)	Year ended December 31			Nine months ended September 30	
	2010	2011	2012	2012	2013
Capital expenditure:					
On-street concession renewals	7.0	4.2	1.2	1.1	0.9
Maintenance capital expenditure	2.0	2.3	2.0	1.7	1.4
Expansionary capital expenditure	56.4	45.7	8.2	8.5	9.7
Total	65.4	52.2	11.4	11.3	12.0

During the nine months ended September 30, 2013, our main investment activities related to the following parking facilities:

- Baixa Chiado: €3.6 million in connection with the acquisition of an off-street parking facility in Lisbon, which has been completed and is fully operational;
- Alves Redol: €1.7 million in connection with the construction of an off-street parking facility in Lisbon, which has been completed and is fully operational;
- Don Luis I: €0.6 million in connection with the construction of an off-street parking facility in Portugal, which we expect to be completed in the first half of 2014;
- Ponferrada: €0.5 million in connection with an on-street concession in Northern Spain, which is fully operational; and
- Pamplona: €0.3 million in connection with an on-street concession in Northern Spain, which is fully operational.

In 2012, we successfully completed the capital program initiated by our prior parent company in 2009, which involved the construction of eight large parking facilities and a total capital expenditure for the period 2010 to 2012 of approximately €81.5 million. As a result of this program, we believe we are now a well invested company and we therefore do not expect to make any additional significant expansionary capital expenditure in the near future.

(€ in millions)	Year ended December 31			Nine months ended September 30	
	2010	2011	2012	2012	2013
Payments through investments:	(66.9)	(36.1)	(11.3)	(11.3)	(12.0)
Intangible assets	(36.0)	(31.2)	(8.1)	(8.7)	(6.9)
Group and associated companies	—	—	—	—	—
Tangible fixed assets	(29.3)	(4.7)	(3.3)	(2.6)	(5.1)
Other financial assets, group and associated companies	(1.4)	1.8	—	—	—
Other assets	(0.2)	(2.0)	0.1	—	—
Sums received through divestments:	17.7	1.1	0.7	0.6	0.1
Group and associated companies	—	0.3	—	0.6	—
Intangible assets	12.9	0.9	0.6	—	—
Tangible fixed assets	4.8	(0.1)	0.1	—	—
Other assets	—	—	—	—	0.4
Cash flows from investment activities	(49.2)	(35.0)	(10.6)	(10.7)	(11.9)

For the nine months ended September 30, 2013, our cash flows from investment activities consisted of a cash outflow of €11.9 million, driven primarily by investments made in on-street and off-street concessions, which investment activities are described above.

For the year ended December 31, 2012, our cash flows from investment activities consisted of a cash outflow of €10.6 million, driven primarily by investments in: (i) our Passeig Nou parking facility in the amount of €1.2 million, (ii) our parking facility in Voramar in the amount of €1.3 million, (iii) our Alves Redol parking facility in the amount of €1.2 million, (iv) our Sancho de Avila parking facility in the amount of €0.7 million and (v) our on-street concession in Almería in the amount of €0.8 million, all of which have been completed and are fully operational.

For the year ended December 31, 2011, our cash flows from investment activities consisted of a cash outflow of €35.0 million, driven primarily by investments in: (i) our parking facility in San Agustín in the amount of €14.9 million, (ii) our parking facility at Plaza de Cataluña in San Sebastián in the amount of €10.0 million and (iii) our parking facility at La Concha in San Sebastián in the amount of €8.9 million, all of which have been completed and are fully operational.

For the year ended December 31, 2010, our cash flows from investment activities consisted of a cash outflow of €49.2 million, driven primarily by investments in: (i) new concessions at La Concha in San Sebastián in the amount of €15.9 million, (ii) new concessions at Plaza de Cataluña in San Sebastián in the amount of €9.2 million, (iii) new concessions at Oquendo in San Sebastián in the amount of €3.3 million and (iv) new concessions at Centro Hospitalario in Pamplona in the amount of €7.3 million, with any remaining amount comprising capital expenditure for maintenance and investments in renewed concessions. This was partially offset by gains of €12.9 million realized from the sale of parking spaces at Oquendo in San Sebastián and €4.8 million realized from the sale of our parking facility at Clínica Universitaria in Pamplona.

The following tables set forth a breakdown of our capital expenditure for the periods indicated, as adjusted to exclude the effects of movements in financial assets and other items we do not normally consider to be capital expenditure.

(€ in millions)	Year ended December 31			Nine months ended September 30	
	2010	2011	2012	2012	2013
Payments through investments:	(66.9)	(36.1)	(11.3)	(11.3)	(12.0)
Intangible assets.....	(36.0)	(31.2)	(8.1)	(8.7)	(6.9)
Group and associated companies.....	—	—	—	—	—
Tangible fixed assets.....	(29.3)	(4.7)	(3.3)	(2.6)	(5.1)
Other financial assets, group and associated undertakings.....	(1.4)	1.8	—	—	—
Other assets.....	(0.2)	(2.0)	0.1	—	—

Adjustments to Payments through investments	Year ended December 31			Nine months ended September 30	
	2010	2011	2012	2012	2013
	(€ in millions)				
Payments through investments:	1.6	(16.1)	(0.1)	—	—
Intangible assets.....	—	(16.3)	—	—	—
Group and associated companies.....	—	—	—	—	—
Tangible fixed assets.....	—	—	—	—	—
Other financial assets, group and associated undertakings.....	1.4	(1.8)	—	—	—
Other assets.....	0.2	2.0	(0.1)	—	—

(€ in millions)	Year ended December 31			Nine months ended September 30	
	2010	2011	2012	2012	2013
Payments through investments (adjusted):	(65.3)	(52.2)	(11.4)	(11.3)	(12.0)
Intangible assets.....	(36.0)	(47.5)	(8.1)	(8.7)	(6.9)
Group and associated companies.....	—	—	—	—	—
Tangible fixed assets.....	(29.3)	(4.7)	(3.3)	(2.6)	(5.1)
Other financial assets, group and associated undertakings.....	—	—	—	—	—

(€ in millions)	Year ended December 31			Nine months ended September 30	
	2010	2011	2012	2012	2013
Other assets	–	–	–	–	–

Cash flows from financing activities

(€ in millions)	Year ended December 31			Nine months ended September 30	
	2010	2011	2012	2012	2013
Sums received and paid through financial liability instruments:	24.6	35.5	(21.9)	(15.9)	(6.1)
Issuance:					
Debts with credit institutions	28.0	36.0	(21.5)	(15.7)	(6.0)
Debts with Group and associated companies	(3.4)	(0.5)	(0.4)	(0.2)	(0.1)
Payments through dividends and returns on other asset instruments:	–	–	–	–	–
Dividends	–	–	–	–	–
Cash flows from financing activities	24.6	35.5	(21.9)	(15.9)	(6.1)

For the nine months ended September 30, 2013, our cash flows from financing activities consisted of a cash outflow of €6.1 million, driven primarily by the repayment and servicing of outstanding debt in the amount of €8.1 million.

For the nine months ended September 30, 2012, our cash flows from financing activities consisted of a cash outflow of €15.9 million, driven primarily by the repayment and servicing of outstanding debt in the amount of €19.1 million.

For the year ended December 31, 2012, our cash flows from financing activities consisted of a cash outflow of €21.9 million, driven primarily by the repayment and servicing of outstanding debt in the amount of €21.9 million.

For the year ended December 31, 2011, our cash flows from financing activities consisted of a cash inflow of €35.5 million, driven primarily by a drawdown of new debt in the amount of €62.9 million to finance capital expenditure under our capital program in respect of our parking facilities in San Sebastián, which was partially offset by the repayment and servicing of outstanding debt in the amount of €27.7 million.

For the year ended December 31, 2010, our cash flows from financing activities consisted of a cash inflow of €24.6 million, primarily as a result of the borrowing of €27.5 million under our capital expenditure credit facility and our Project Finance Facilities. This inflow was partially offset by an outflow of €3.4 million, which was lent on behalf of our partners in our majority owned subsidiaries.

Available liquidity

Our principal sources of liquidity are our cash and other equivalent liquid assets, cash flows from operations and our short term credit lines. As of September 30, 2013, after giving *pro forma* effect to the Refinancing, we would have had €6.3 million of availability under these credit lines and no material amounts outstanding. Following the completion of the Offering, our short term facilities will be supplemented by our €30 million Revolving Credit Facility, of which €22.5 million will be drawn as of the Issue Date. We expect to repay such amount using proceeds received in connection with the Calle Sevilla Parking Facility Sale. See “*Use of Proceeds*”. As of September 30, 2013, after giving *pro forma* effect to the Refinancing, our total indebtedness would have been €515.5 million, consisting of €385.0 million outstanding under the Notes, €22.5 million outstanding under our Revolving Credit Facility, €10.5 million outstanding under our capital leases, €4.6 million outstanding under our local short term credit facilities and €92.9 million outstanding under our Project Finance Facilities. See “*Capitalization*”. For further details with respect to our indebtedness, see “*Description of Other Indebtedness*” and “*Description of the Notes*”.

Project Finance Facilities

One of the primary sources of financing for the construction and acquisition of new parking facilities by our non-wholly owned subsidiaries has been our Project Finance Facilities. The following table shows our Project Finance Facilities as of September 30, 2013:

Borrower	Our ownership percentage of applicable borrower ⁽¹⁾	Purpose	Maturity	As of September 30, 2013 ⁽²⁾ (€ in millions)
Concha Parking, S.A.	60%	Construction of La Concha (San Sebastian)	2029	24.9
Aparcamientos Guipuzcoanos, S.L.	60%	Construction of Plaza de Cataluña (San Sebastian)	2029	11.9
Guipuzcoa Parking Siglo XXI, S.A.	60%	Construction of Oquendo (San Sebastian)	2035	29.2
Estacionamiento Alhóndiga, S.A.	50%	Construction of Alhóndiga (Bilbao)	2018	1.4
Aparcamientos de Bilbao, S.A.	75%	Construction of Ap. de Bilbao (Bilbao)	2013 – 2019	7.0
Empark Aparcamientos Andalucia, S.L.U.	100%	Acquisition of Empark Andalucia (Granada)	2029	6.5
Park Yonetimi Ve Sistemleri San. Ve Tic. A.S.	80%	Construction of Park Yonetimi (Turquia)	2013	0.3
Parques de Estação	80%	Construction of Parques da Estação (Cascais)	2013	0.0
Parquegil—Planeamento e Gestão de Estacionamento, S.A.	50%	Construction of ParqueGil (Oporto)	2016	1.6
Parquegil—Planeamento e Gestão de Estacionamento, S.A.	50%	Construction of ParqueGil (Oporto)	2021	9.4
ParqA—Parques de Estacionamento da Amadora, S.A.	50%	Construction of ParqA (Amadora)	2016	0.7
Total				92.9

(1) Empark owns 50% of the capital stock of Aparcamientos de Bilbao, S.A. and a Spanish law right of use (*usufructo*) over 25% of the capital stock of the aforementioned company. As a result, Empark has a 75% economic interest in Aparcamientos de Bilbao, S.A.

(2) Represents amount outstanding including accrued interest and excluding unamortized debt issue costs.

Other Concession Financing

We also utilize capital leases as a source of financing for the construction of parking facilities. As of September 30, 2013, we had 28 such leases outstanding, under which borrowings of €10.5 million were outstanding, of which €9.3 million represents indebtedness of the Non-Recourse Entities. The outstanding amount under our capital leases is capitalized over the term of the respective leases.

We extend performance bonds and guarantees provided by banks to local authorities for our performance under our concessions agreements. The aggregate face amount outstanding under these performance bonds and guarantees was €55.3 million as of September 30, 2013 and no amounts were drawn under such performance bonds.

Hedging transactions

Currently, we hedge our variable rate obligations through the use of interest rate swaps. As of September 30, 2013, we had swaps in place to hedge outstanding debt obligations in the amount of €284.5 million under our Existing Credit Facilities and Project Finance Facilities. We intend to unwind and terminate our outstanding interest rate swaps that we previously entered into in connection with our Existing Credit Facilities.

Cash collections

As a result of day-to-day activity at our parking locations, we collect significant amounts of cash. For our off-street concessions, we collect cash in advance for hourly, daily and monthly charges, and use a portion of this to pay the fees to the concession owners. For our on-street concessions, we generally collect cash daily at the time of service, with the cash in excess of our fees remitted to the municipalities at fixed intervals. For our off-street contract management business, we collect the cash from users and net it against payments owed from the facility owners and pay the remainder to the facility owners as required under the contract. Some municipalities and other clients require us to deposit the cash receipts into client accounts and the clients then reimburse us for our fees.

Contractual obligations

The following table shows our contractual obligations due by period as of September 30, 2013 (excluding accrued interest and amortized costs), after giving *pro forma* effect to the Refinancing.

Contractual obligations	Payments Due by Period				
	Total	Less than 1 year	1-3 years	3-5 years	More than 5 years
	(€ in millions)				
Notes offered hereby	385.0	—	—	—	385.0
Project Finance Facilities ⁽¹⁾	93.9	5.4	12.9	10.0	65.6
Capital lease obligations ⁽²⁾ :					
Recourse capital lease obligations.....	1.2	0.2	0.7	0.3	0.0
Non-recourse capital lease obligations	9.3	0.2	1.1	0.5	7.5
Other debt obligations.....	4.5	2.2	2.1	0.2	—
Total debt obligations⁽³⁾	493.9	8.0	16.8	11.0	458.1
Operating lease obligations	2.1	0.9	1.0	0.2	—
Other obligations ⁽⁴⁾	6.3	6.3	—	—	—
Total other obligations⁽³⁾	8.4	7.2	1.0	0.2	—
Total contractual obligations⁽³⁾	502.3	15.2	17.8	11.2	458.1

(1) Represents non-recourse project financing arrangements entered into by certain of our non-wholly owned subsidiaries to finance the construction of parking infrastructure under concession contracts. "Non-recourse" means that the lenders under the facilities have recourse only against the subsidiary that is the borrower under the arrangement (and its assets and, in some cases, its capital stock), and not to other members of the Group.

(2) Represents capital lease (or finance lease) obligations entered into to finance the construction of parking facilities, among other things.

(3) Does not include borrowings under the Revolving Credit Facility, which borrowings may be drawn, repaid and redrawn at any time. We intend to draw €22.5 million under the Revolving Credit Facility on the Issue Date, which we expect to repay using proceeds received in connection with the Calle Sevilla Parking Facility Sale. See "Description of Other Indebtedness—Revolving Credit Facility Agreement".

(4) Relates principally to outstanding capital commitments for the construction of new parking facilities.

We are required to pay annual concessionary fees to municipalities under many of our concessions. Fixed fees paid to municipalities in the year ended December 31, 2012 amounted to €3.2 million.

Off balance sheet arrangements

Aside from the performance bonds, guarantees and operating leases described above and any non-recourse factoring that we may undertake from time to time, we do not utilize any forms of off balance sheet arrangements.

Quantitative and Qualitative Disclosures About Market Risk

Interest rate risk

Our primary market risk exposure consists of risks related to changes in interest rates. The Floating Rate Notes, the Revolving Credit Facility and most of our local credit facilities bear interest at variable rates. This exposes us

to fluctuations or variability in interest payments due to changes in interest rates. If interest rates increase, our interest expense will also increase, and conversely, if interest rates decrease, our interest expense will also decrease. Additionally, increases in interest rates would cause financing to be more expensive for future projects and acquisitions and would increase the cost of our short-term debt. Currently, we hedge our variable rate obligations through the use of interest rate swaps. We intend to unwind and terminate our outstanding interest rate swaps that we previously entered into in connection with our Existing Credit Facilities. We may decide to undertake hedging with respect to the Floating Rate Notes, the Revolving Credit Facility or any other variable rate obligations we may have outstanding in the future.

Foreign currency risk

We are exposed to foreign currency risk on those transactions or assets and liabilities that are in a currency other than our reporting currency, the Euro. This exposure is currently limited in our business, with our primary foreign currency exposures relating to the British pound and the Turkish lira. For the year ended December 31, 2012, our operations in the United Kingdom and Turkey amounted to 3.9% and 2.1% of our net turnover, respectively.

Liquidity risk

Liquidity risk is the risk of not being able to fulfill present or future obligations if we do not have sufficient funds available to meet such obligations. Liquidity risk arises mostly in relation to cash flows generated and used in financing activities, and particularly by servicing our debt, in terms of both interest and capital, and our payment obligations relating to our ordinary business activities.

We believe that the potential risks to our liquidity include:

- a reduction in operating cash flows due to a lowering of net turnover from our operations, which could be due to downturns in our performance or the industry as a whole;
- adverse working capital developments; and
- exposure to increased interest rates in relation to our borrowings that bear interest at a variable rate, including our Floating Rate Notes and the Revolving Credit Facility.

If our future cash flows from operations and other capital resources (including borrowings under the Revolving Credit Facility) are insufficient to pay our obligations as they mature or to fund our liquidity needs, we may be forced to:

- reduce or delay our business activities and capital expenditures;
- reduce or delay our planned acquisitions;
- sell assets;
- obtain additional debt or equity capital; or
- restructure or refinance all or a portion of our debt, including the Notes, on or before maturity.

We cannot assure you that we would be able to accomplish any of these alternatives on a timely basis or on satisfactory terms, if at all. In addition, the terms of our debt, including the Notes and the Revolving Credit Facility, limit our ability to pursue these alternatives, as may the terms of any future debt.

Critical Accounting Policies

This “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” discusses our consolidated financial statements, which have been prepared in accordance with IFRS. Accounting estimates are an integral part of the preparation of the financial statements and the financial reporting process and are based upon current judgments. The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Certain accounting estimates are particularly sensitive because of their complexity and the possibility that future events affecting them may differ materially from our current judgments and estimates.

This listing of critical accounting policies is not intended to be a comprehensive list of all our accounting policies. In many cases, the accounting treatment of a particular transaction is specifically dictated by IFRS, with no need for management's judgment regarding accounting policy. We believe that of our significant accounting policies, the following policies may involve a higher degree of judgment and complexity.

Revenue and cost recognition

We recognize revenue when it can be reliably valued and it is probable that we will receive the funds. In the case of our off-street concession business, this occurs when we receive fees from our clients, which are recognized on an accrual basis for season ticket holders. In the case of our on-street concession business and off-street contract management business, revenue is recognized at the time the service is provided based on the set fee we are entitled to receive plus, in most cases, the incentive payment, which is based on the funds collected. We must make a calculation in order to determine the amount of revenue earned as an incentive payment, and sometimes we also need to determine if and how to allocate certain costs, which can involve judgment on the part of management.

When we sell off-street parking spaces, we recognize both expenses and revenues at the time of delivery, which is generally when the contract is signed. This requires us to allocate costs of a particular project to the space at such time. Generally, we allocate costs by allocating the construction cost associated with the parking spaces sold. We perform this allocation based on an engineering report prepared by an external advisor.

Impairment of goodwill

We perform a yearly impairment test to identify any instances where book value is greater than the recoverable value of goodwill. Since our goodwill consists of individual car parks acquired upon prior acquisitions, we calculate impairment by comparing the value of these assets with fair value. Typically fair value is based on the price at which the asset could be sold, but since there is often no relevant market comparison, especially for concessions, we typically use a discounted future cash flow model in this analysis. This model requires us to make assumptions about estimated future cash flow, the risk-free discount rate, the risk of the asset and market premium. Additionally, we include in our model an estimate of any residual value based on renewal of the contract and growth. If any discrepancies are identified in the course of our annual impairment testing, we write-down book value to the fair value of the asset.

Taxes

We recognize income taxes based on both the current taxes and any deferred taxes that relate to the current period. Due to differences in depreciation and other accounting policies used in determining our income taxes, our tax payments often occur in a different period than the period in which profits are recognized for accounting purposes. We recognize assets or liabilities for amounts expected to be paid or recovered from tax authorities. In making these determinations we only recognize tax assets to the extent that we believe there will be future taxable profits which could be used to compensate for temporary differences. For these purposes, we must make calculations relating to when expense items will be recognized for tax purposes and whether our future income will be sufficient to allow us to use such deductions and tax credits recognized as assets.

Industry

In this section, we rely on and refer to information regarding our business and the market in which we operate and compete. The market data and certain economic and industry data and forecasts were obtained from publicly available information and independent industry publications and reports. In many cases, there is no readily available external information (whether from trade associations, government bodies or other organizations) to validate market-related analyses and estimates, requiring us to rely on the review of industry publications, including information made available to the public by our competitors. Industry publications and forecasts generally state that the information they contain has been obtained from sources believed to be reliable, but that the accuracy and completeness of such information is not guaranteed. We have not independently verified such data and cannot guarantee their accuracy or completeness.

There are some discrepancies between the figures presented in the Spanish DBK Report of March 2013 and the Portuguese DBK Report of March 2013, (together, the “DBK Report”), with respect to our business and our own internal sources. For the purposes of this “Industry” section, we only refer to the DBK Report.

Introduction

Parking plays a pivotal role in transportation, building design, quality of life and environmental issues. Generally, the parking infrastructure and management business, and in particular the concession-based portion of the industry, has lower demand risk and limited direct competition. Additionally, the industry benefits from a degree of regulatory protection and stability because it provides a critical service to municipalities. The number of car parking spaces has been growing in Iberia mainly as a result of the increase in urbanization and an increase in the number of cars. The profitability of the sector is generally improving, supported by the efficient implementation of cost savings programs and the utilization of innovative industry technology, among other factors.

Market segmentation

The car park industry can be divided into three general categories:

- **Off-street concessions:** Consists of parking in purpose-built facilities which can be located on private land or, more commonly, commissioned by the local authority on public land as part of its urban planning activities. Users can rent car park spaces by the minute, hour, day, week, month or year. Parking spaces may also be sold to local residents for a single lump-sum payment. Concessions are awarded via a public tender process and often require the winning party to build or upgrade a parking facility. Given the required initial capital investment, off-street concessions generally have longer terms than on-street concessions, typically up to 40 or 50 years, depending on the type of contract. A concession agreement regulates the tariff which can be charged by the concessionaire, which is linked to inflation or another agreed formula.
- **On-street concessions:** Consists of parking in dedicated parking bays located “on the street”. As part of its urban planning activities, municipalities will identify parking zones which are reserved for local residents, zones available for general parking and zones for mixed use. Municipalities limit the area of on-street car parking and generally outsource the management and enforcement of on-street parking to specialized firms via a public tender process. If a concessionaire wins a public tender for an on-street concession, it normally will not face any competition for that concession until the concession agreement expires and a new awardee starts to operate the service. On-street concession length typically runs between 5 and 20 years and are typically structured either on a “cost plus fee” basis with low demand risk, or on a basis where the concessionaire pays an up-front fee to the municipality but retains all the on-street revenue and therefore bears demand risk.
- **Off-street contract management:** Off-street contract management activities consist of private or public entities outsourcing the day-to-day management of off-street parking facilities. These contracts tend to have more variable terms than concessions and generally are for shorter terms. Additionally, the bidding process for these contracts is more competitive and, as a result, margins on these contracts tend to be lower than with concessions. Off-street contract management arrangements with private entities are typically structured so that the parking operator pays an annual rental charge to the parking infrastructure owner and in return retains all the revenue, effectively bearing all the demand risk. Contracts with public or quasi-public entities typically carry less demand risk because the operator’s compensation is primarily an annual inflation linked fee for managing the parking operation.

The off-street concession business is Empark’s largest business line, representing 46.3% of the Adjusted Revenue and 78.6% of Adjusted EBITDA for the twelve months ended September 30, 2013. The on-street

concession and the off-street contract management represented 41.1% and 12.6% of the Adjusted Revenues and 22.1% and (0.6)% of the Adjusted EBITDA in the twelve months ended September 30, 2013, respectively.

Business models

The major off-street car park companies mainly operate under one of two separate businesses:

- *Concessionaire* : Under the concessionaire model, the operator constructs the facility which is referred to as “*green field*” concession or pays a fee to the municipality for an existing facility which is referred to as “*brown field*” concession and enters into an agreement with the municipality for the exclusive right to operate, maintain and invest in car parking activities for a given number of years. The concessionaire generally pays an upfront fixed sum or an annual fee (which can be fixed and/or be based on a percentage of revenue) to the municipalities.
- *Car park operator*: Under the car park operator model, the operator enters into a contract management arrangement with a private client to operate the parking facility. Typically, the operator collects the revenues generated from users and pays the client a fixed fee or a fee plus a percentage of revenues. Therefore, the operator retains most of the demand risk, which can result in lower revenues and margins during economic downturns, because in many cases parking facilities owned by private clients are not located in as favorable locations as facilities developed by municipalities and other public authorities.

These two business models have significant differences, with the concessionaire model generally requiring an initial investment in exchange for concessions with higher margins, longer terms and generally lower levels of demand risk. The car park operator business model is subject to more intense competition due to lower barriers to entry and short contract duration. We operate primarily under the concessionaire model. Due to the fundamental structural differences between the models, the economic and other factors applicable to businesses operating under the car park operator model are not fully representative of our business; rather, we believe our business more closely resembles the business of infrastructure companies operating under long-term concessions.

Car parking locations

The car park industry can be divided into various segments with different characteristics:

- *City Centre*
 - High frequency / supply constraint
 - 24 hour operation
- *Office*
 - Control of access (visitor, staff)
 - Mainly daily parking 5/7 days
- *Shopping Centre*
 - Regulation of access to parking facilities and traffic management
- *Hotel*
 - Mainly overnight / medium-term parking
 - 24 hour operation
- *Residential*
 - 24 hour operations
- *Hospital*
 - Control of access to hospital premises (visitor, patient, staff)
- *University*
 - Control of access to university premises (students, staff)

- *Station /Airport*
 - Medium (station) to large (airport) number of spaces
 - Short and long term parking
 - Dedicated car rental spaces
 - 24 hour operation, strong peaks
- *Stadium/Events*
 - Often large number of spaces
 - High peaks
 - Short to medium-term parking
 - Highly seasonal business
- *Tourism*
 - Highly seasonal

Key characteristics of the concessionaire parking industry

The concessionaire parking industry benefits from several characteristics that are exhibited by infrastructure assets:

- *Demand risk*: Demand risk for parking operators is primarily driven by location and contract type. On-street parking concessions typically have low demand risk since the operator's income is primarily based on a fixed fee. Off-street parking concessions have a higher demand risk which is closely tied to location, however, for attractive locations in city centers or near hospitals or other locations with consistent traffic, demand risk is lower.
- *Limited direct competition*: We believe that car park users typically do not park more than a short walk from their ultimate destination. Therefore, for off-street parking facilities, competition is essentially on a street-by-street basis, restricted to small geographic areas near the parking facility which tends to be limited, especially for unique locations in city centers. For on-street activities, the typical concession provides for a territory defined by the municipality and, as such, there is no competition for other public on-street parking. For off-street activities, planning permission for "*green field*" developments is generally difficult for developers to obtain given limited space. As a result, competition between industry players is normally focused on the tender process. Once a tender is awarded, operators are generally able to accurately estimate demand for their parking facilities.
- *An essential asset for municipalities*: Parking, in all its forms, has become a fundamental amenity used by municipalities in city planning and for transit regulation, especially as oversights in planning can lead to negative consequences on the traffic and functionality of the city. Local governments in Europe have increased the amount of overall area used for parking under management which includes both regulated on-street areas and areas off public thoroughfares. Beyond city planning, municipalities look to parking as one of the most basic and essential services they provide to businesses, commuters and tourists. Parking also provides a reliable source of revenue for municipalities, with low capital intensity. As a result, municipalities have a vested interest in ensuring the availability and reliability of high-quality parking in their jurisdictions, creating opportunities for the car park industry to continue to expand.
- *Nature of customer base*: We believe that the off-street parking categories of the parking industry mainly cater to more affluent individuals such as professionals and other skilled workers that commute daily to their workplaces and require parking spaces on a recurring basis. Demand from this segment of the workforce tends to have a low level of elasticity and contributes to the stability of volumes and revenues even during economic downturns.
- *Capital intensity*: For off-street parking concessions, there is typically a large initial capital outlay in order to build the facilities; however, relatively low levels of capital expenditures are required to maintain the facilities over the term of the contract. Minimal capital is required for on-street parking concessions.
- *Manageable operating cash costs*: The car park operator's ongoing cash cost base consists primarily of labor costs, which can be increased or decreased with some flexibility, especially when compared to other

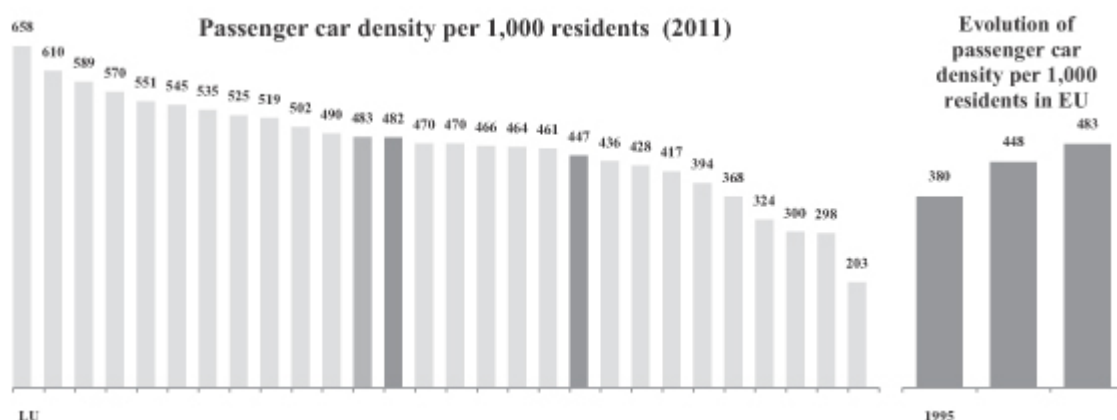
infrastructure assets. This labor flexibility can provide potential cost savings when employee productivity increases through the use of technology.

- **Regulatory regime:** Concessions are governed by public laws and regulations in Spain and Portugal similar to those that govern toll roads and other public concessions. As a result, concessionaires, unlike car park operators, have benefitted from financial rebalancing provisions contained in such laws and in Terms of Tender in some circumstances. These provisions require the municipality to compensate the concessionaire (amending the contract) if fundamental changes occur in the economic arrangements of the contract after its execution. See “Regulation”.

Market developments

Several factors have contributed to the development and improvement of the car park industry in Europe.

- **Urbanization and growth in number of cars:** The car park industry has an inherent growth factor due to population and the continued increase in urbanization. As population levels grow, the number of cars tends to increase leading to higher demand for parking, especially in city centers where the supply is rigid due to the difficulties of developing new infrastructure in these areas. Over the last decade, the number of people in urban areas has increased to two-thirds of the European population. Continued urbanization contributes to the growth of the car park industry. Between 1995 and 2011, the number of cars owned has increased from 380 cars per 1,000 residents to 483 cars per 1,000 residents in the European Union. According to the DBK Report and the Spanish Statistical Office (*Instituto Nacional de Estadística*), in 2012, there were approximately 27 million cars in Spain and Portugal. The increasing number of cars on the road, combined with continued urbanization, is a significant contributor to demand for car parking services.



Source: European Automobile Manufacturers Associations (ACEA), *Automobile Industry—Pocket Guide* (2013)

- **Increase value added services:** The car park industry can benefit from providing consumers with value-added services, including electric vehicle charging docks, car washing services, bicycle rentals and mobile telephone coverage. These services can result in increased revenue sources and higher levels of customer satisfaction and loyalty.
- **Technology utilization:** The car park industry has begun to develop technology that leads to more profitable and efficient operations, and responds effectively to user needs. Innovations in the automation of car park management systems and advancements in centralized control systems and operations are important developments in off-street parking facilities, which reduce the amount of labor required, making management more efficient and effective. Technology platforms are being utilized for our on-street parking operations in order to more efficiently manage the area covered by the concession.
- **Outsourcing:** Using a car park company often leads to cost savings and complementary income for the operators such as hospitals, municipalities and shopping malls.
- **Environmental:** As the environmental impact of urbanization becomes an increasingly important issue for local authorities, parking planning and parking fees are important tools for municipalities to control the volume and flow of traffic.
- **Traffic control:** There are growth opportunities for more parking facilities within cities, even in mature markets throughout Europe. As densely populated cities continue to develop, municipalities may seek to increase the

amount of available parking through the development of additional underground parking structures. Additionally, as municipalities increasingly view paid parking as a means to generate revenue, municipalities are increasing the number of metered on-street parking spaces, which tends to result in higher demand for off-street parking spaces. In some cities in Europe, municipalities have implemented congestion charges and other measures to reduce traffic and benefit the environment. However, we believe that it is unlikely such measures will be implemented in Spain or Portugal as public transport is well developed and we believe such measures would be politically unpopular.

Spanish car park industry

The car park industry in Spain has a long history, with concessions going back to the 1960s. The Spanish Association of Car Parks and Garages (ASESGA), which was formed in 1977, has 1,000 company members that manage an estimated 850,000 parking spaces in 2,050 lots, garages or parking zones in Spain. According to the DBK Report, there are approximately 1.1 million on-street and off-street parking spaces throughout Spain, 47% of which are on-street parking and 53% of which are off-street parking, including car parks in residential areas, short-term parking structures in hospitals, airports and shopping centers among others. There has been an increase in the supply of parking spaces in Spain in response to, amongst others, rising population levels in urban areas and an increase in automobiles.

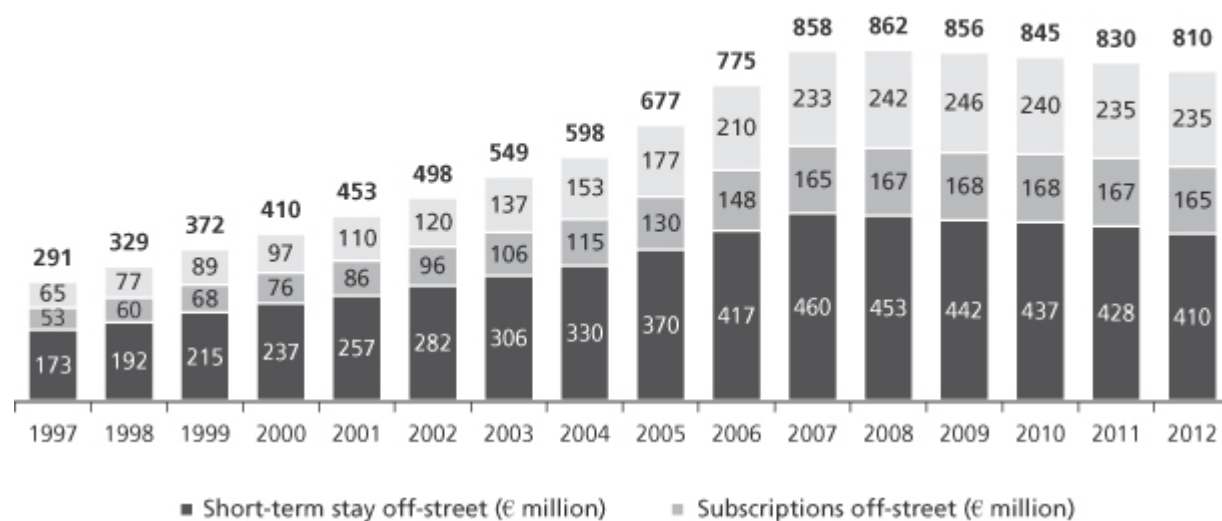
According to the European Automobile Manufacturing Association (ACEA) report in 2011, Spain accounted for 9.2% of all the cars in use throughout the European Union. Despite the economic downturn, the purchase of new automobiles has continued, although at slightly reduced levels; ACEA reported that in 2012 Spain accounted for approximately 0.7 million new private vehicles and SUV registrations which represented 5.6% of all new private vehicles and SUV registrations in Europe (ranked 5th after Germany, UK, France and Italy).

According to DBK, the car park industry in Spain has a market size of €810 million measured by recurring revenue in 2012. For purposes of this “*Industry*” section, recurring revenue refers only to rentals and excludes sales of parking spaces, publicity or other revenue. The DBK Report estimates that in 2012, the five largest parking operators accounted for roughly 43% of the total market. Additionally, there is a large “tail” of smaller participants with highly localized operations.

On-street parking is increasing in Spain, as it is commonly becoming an important component of urban planning. We have also observed a trend towards outsourcing the management of facilities in public places such as shopping centers, hospitals, train stations and universities. The autonomous communities of Madrid and Cataluña account for the largest concentration of off-street parking spaces, totaling 44% of all operating parking spaces in 2012. The autonomous communities of Andalucía and Valencia account for the second highest concentrations, with 10% of the total amount in each.

As indicated by the graphs below, according to the DBK Report, the car park industry in Spain has exhibited resiliency during the current economic downturn, experiencing only minor decreases in market size between 2008 and 2012 (CAGR: -1.5%). The number of cars in Spain has shown a positive performance, having increased consecutively in the last four years. While the ability to generate revenue is largely determined by the portfolio of contracts and concessions, we believe that some operators and concessionaires are well positioned to benefit from strong growth in the coming years as parking volumes start to show early signs of stabilization.

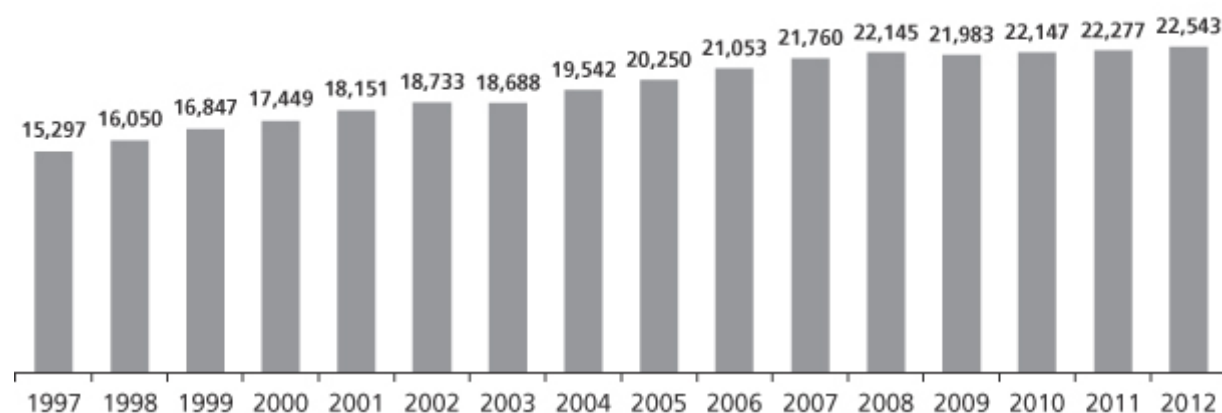
Car parking market evolution in Spain (€ in millions)



Source: DBK Sectores: Aparcamientos (Spain), March 2013

Note: Market size does not include revenues from sale of car parking spaces or other revenues obtained from publicity and/or other value added activities.

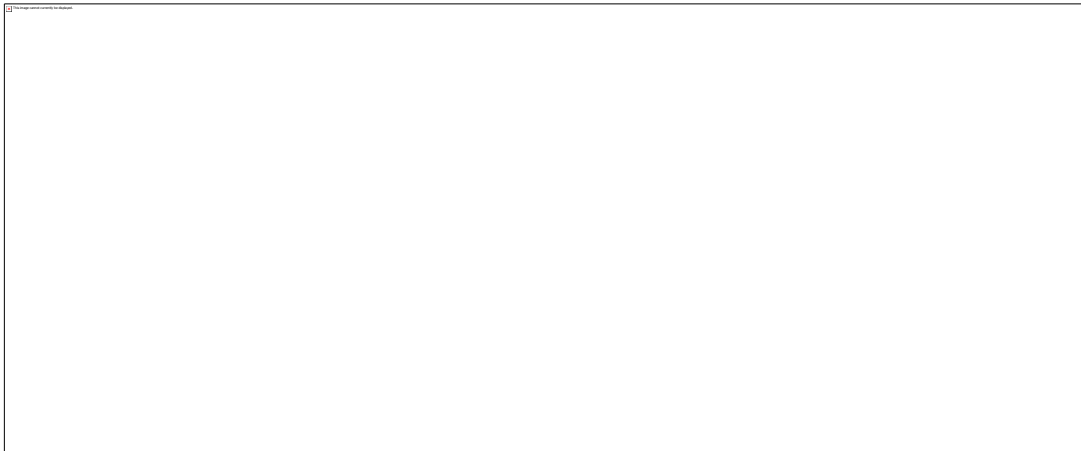
Total number of cars in Spain (in thousands)



Source: DBK Sectores: Aparcamientos (Spain), March 2013; Instituto Nacional de Estadística (INE)

Note: 2012 number based on latest estimate from INE

In addition, as already described, there has been an increase in the supply of parking spaces in Spain due to increased population levels in urban areas and more cars. The number of parking spaces (on-street plus off-street) has increased over the last five years as shown in the graph below:



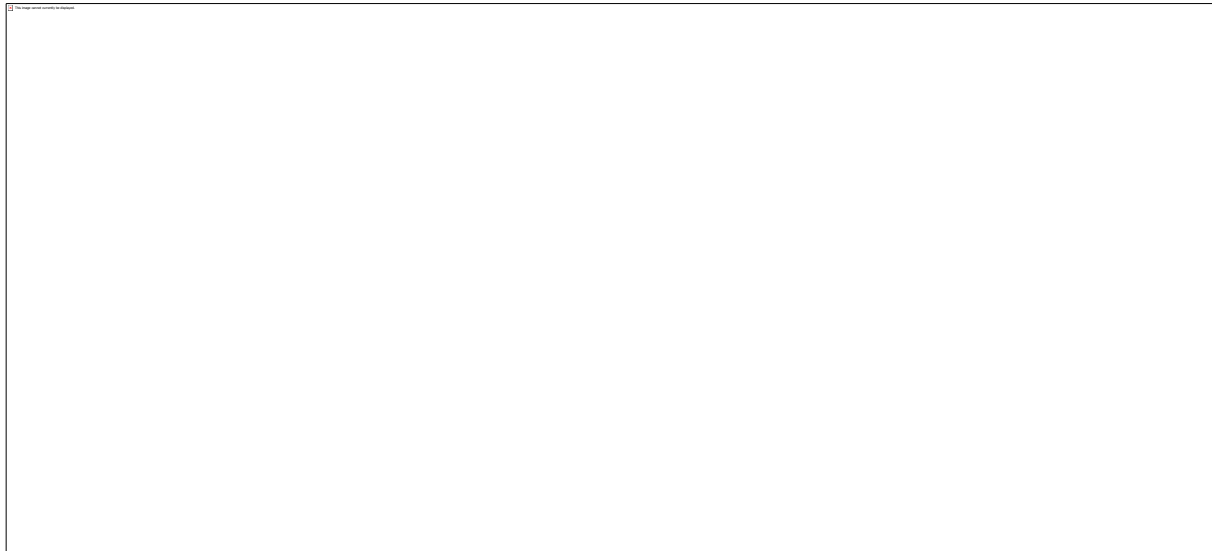
Source: DBK Sectores: Aparcamientos (Spain), March 2013

Portuguese car park industry

In Portugal, the development of the car park industry began to accelerate in the 1990s with the initiation of municipal auctions for car park concessions. The Portuguese National Association of Car Park Businesses (ANEPE) was formed in 1996 and currently has 19 member businesses that manage 130,000 parking spaces throughout Portugal. In 2012, the Portuguese Association of Cars (ACAP) reported, there were 4.5 million cars in Portugal. While the total number of cars remained stable as compared to previous years, the ACEA reported approximately 95,000 new private vehicle and SUV registrations in 2012. The city of Lisbon and Oporto accounted for approximately 37% of total vehicles in 2011. In 2011, the density of cars in Portugal was 447 cars per 1,000 inhabitants below the European average of 483 cars per 1,000 inhabitants.

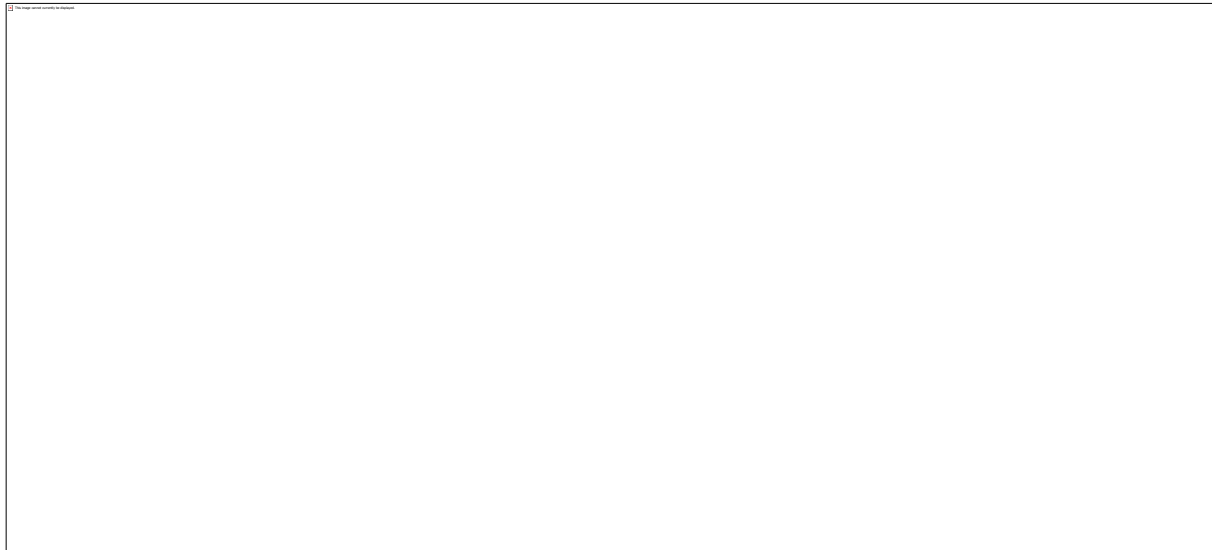
In 2012, the total market size measured by revenue of the car parking industry was €110 million and there were 285,000 parking spaces in Portugal, including 195,000 off-street parking spaces and 90,000 regulated on-street spaces. Of 2012 turnover in the industry, 70% came from off-street parking management. The car parking market in Portugal is geographically concentrated, principally in the areas of Lisbon and Oporto which account for 39% and 18% of total off-street parking spaces, respectively. Construction projects for new car parks in other areas have also been completed in recent years, and there is increasing expansion of regulated on-street parking in mid-size towns. The number of car parking spaces in Portugal has grown from 265,000 parking spaces in 2009 to 285,000 in 2012, which represents an average annual growth rate of approximately 2.5%, as a result of a higher demand due to more cars and more population in urban areas.

The graphs below exhibit the strong growth the Portuguese car park industry market experienced before the economic downturn and the resiliency of the industry during the last several years, only experiencing more significant decreases in the last year due to the extreme difficulties Portugal went through as a result of the austerity measures imposed by the Portuguese state as a condition of its bailout by the European Union. The parking market in Portugal is currently at the same level as of 2009, providing room for sustainable growth in the upcoming years.



Source: DBK Sectores: Aparcamientos (Portugal), March 2013

Note: Market size does not include revenues from sale of car parking spaces or other revenues obtained from publicity and/or other value added activities.



Source: DBK Sectores: Aparcamientos (Portugal), March 2013

Competition in Iberia

We compete with a range of large, medium and small-sized operators in each of our three business lines. Many of our competitors have larger proportions of on-street concessions and off-street contract management, in particular with private entities. Additionally, many of our competitors focus on specific regions of the Iberian Peninsula. Competition tends to depend on the nature of the contract or concession.

We believe that most customers generally do not park more than a short walk away from their destination, and competition tends to be concentrated in small areas. Accordingly, the competition between different parking options is limited, especially in city centers and other densely populated areas. Our experience has been that competition in Spain and Portugal from new car parks is limited given the difficulties and economic impracticality of building new facilities in prime locations. Additionally, given the high level of car usage and limited alternative forms of transport, there is limited competition from public transportation. Due to these factors, the primary area of competition among different car park operators is in winning new concessions and renewing existing concessions.

For off-street parking concessions, competition is essentially on a street-by-street basis with on-street parking and off-street parking alternatives. Competition is minimal for prime locations since the high density of city centers and planning regulations make the approval process for “*green field*” car parks difficult. Therefore concession

operators, especially those in prime locations, typically face limited competition within the local area near the facility.

For on-street parking concessions, there are several barriers to entry such as technology and relevant administrative qualifications. As a result, the on-street parking concession business is concentrated among a limited number of operators, including Empark. Once an operator has won a concession, the operator has exclusivity on the on-street parking within the concession area. Additionally, since the remuneration in these contracts tends to be more from fixed fees, these concessions have limited exposure to demand risk.

The off-street contract management sector has lower barriers to entry than on-street parking concessions and competition among operators for contracts is more intense. Similarly to on-street parking concessions, the remuneration under the contracts tends to come more from fixed fees, so the operators have limited exposure to demand risk. Additionally, for contracts in certain locations such as airports and ferries (which are the types of contracts Empark has in this sector), the parking facility typically has no direct competition in the area.

The following tables show the five largest operators of parking facilities (by parking spaces) in Spain and Portugal.

Top five car park operators by parking spaces—Spain (2012)

in thousands	Off-street		On-street		Total	
Empark	97	17%	178	34%	275	25%
Eyssa	4	1%	126	24%	131	12%
Saba	65	11%	4	1%	68	6%
Valoriza	1	0%	64	12%	65	6%
Setex	1	0%	59	11%	60	5%
Others	415	71%	86	18%	501	46%
Total	583	100%	517	100%	1,100	100%

Source: DBK Sectores: Aparcamientos (Spain), March 2013

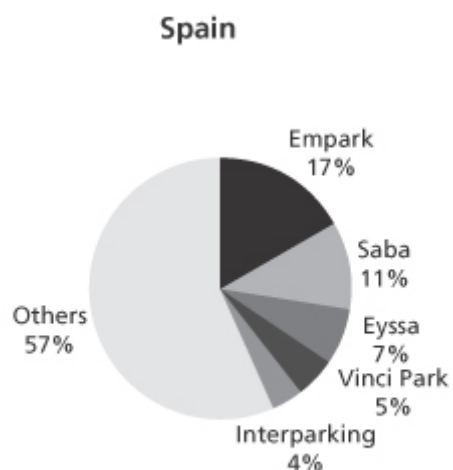
Note: (i) Setex parking spaces split based on revenues breakdown. (ii) AENA and Barcelona Serveis Municipals have not been taken into account as they are owners of parking spaces but not operators. (iii) The figures for on-street Empark include parking spaces in maintenance that are not included in the computation for the other companies.

Top five car park operators by parking spaces—Portugal (2012)

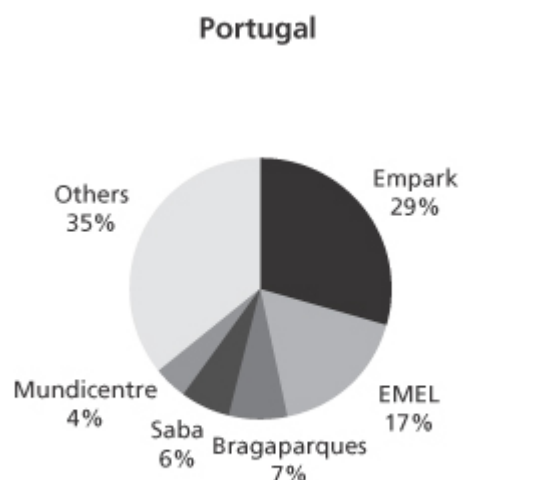
in thousands	Off-street		On-street		Total	
Empark	38	20%	12	13%	50	17%
EMEL	4	2%	43	48%	47	17%
Sonae Sierra	35	18%	—	0%	35	12%
Saba Portugal	19	10%	2	2%	20	7%
Mundicentre	12	6%	—	0%	12	4%
Others	87	44%	33	37%	120	42%
Total	195	100%	90	100%	285	100%

Source: DBK Sectores: Aparcamientos (Portugal), March 2013

The following charts show the market share by revenues of the five largest operators of parking facilities in Spain and Portugal in 2012:



Total share of top 5 operators (2012): 43%



Total share of top 5 operators (2012): 65%

Source: DBK Sectores: Aparcamientos (Spain and Portugal), March 2013

Note: Market size based on revenues has been obtained from the rentals of off-street and on-street parking spaces only (it does not include revenues from sale of car parking spaces or other revenues obtained from publicity and/or other value added activities).

AENA and Barcelona Serveis Municipals have not been taken into account when determining the market share of the top 5 operators, but they have been included to reach the total market size. This is because they are owners of parking spaces but not operators.

The difference in market share when comparing market share by revenues to car parking spaces illustrates the different dynamics and prices of on-street concessions and off-street concessions. For example, EMEL has roughly the same market share by car parking spaces (17%) as Empark but only has 17% of the market share by revenues while Empark has 29% of the market share by revenues. Empark is a market leader in the Iberian car parks industry both in terms of car parking spaces and revenues.

Regulation

The following is a brief summary of the regulatory regimes of Spain and Portugal applicable to our business.

Spain

General

Car parks in Spain may be developed either privately or through the public concessionary regime. Car parks developed through the public concessionary regime are usually located on publicly owned land and involve the exercise of public administrative powers (principally by municipalities) relating to the regulation of traffic and local public highways. The legal regime governing car parks developed through the public concessionary regime is more complex than that for private car parks. The operation of public car parks, which is usually granted to private parties under administrative concessions, is subject to the ongoing control of the public authorities that grant the concessions.

In contrast, car parks that are privately developed are usually built on privately owned land and are subject to a less complex regulatory regime than the regime applicable to car parks developed through the public concessionary regime. Private car park operators are generally required to obtain municipal licenses (which generally cover environmental matters) in order to build and operate car parks and are subject to certain legislation governing the car park industry, particularly with respect to tariffs and consumer rights. For example, Law 40/2002 of November 14, which regulates car park agreements and sets forth the duties of car park operators and their liabilities for personal injury and property damage, is applicable to privately developed car parks.

Under the relevant Spanish laws, the operator of a parking facility is liable for any damages to the vehicle and its contents. The provider of parking services is liable for movable components, accessories or objects when certain conditions are met, including that such movable components, accessories or objects are expressly declared by the user, that the provider of parking services expressly accepts their custody, and that the user complies with security measures.

The following summary applies to car parks developed through the public concessionary regime and accordingly subject to the public regulatory regime.

Applicable legislation

The construction and operation of off-street parking facilities and on-street parking services pursuant to concessions granted by public authorities are regulated in Spain by public laws which govern the construction, maintenance and operation of public car parks and contractual arrangements between private parties and Spanish public authorities (mainly municipalities). Public laws also impose certain requirements and limitations with respect to various types of contracts entered into with public authorities.

In general, contracts entered into with public authorities in Spain are currently governed by the Public Sector Contracts Law, a consolidated text approved by Legislative Royal Decree 3/2011 of November 14 (the “*TRLCSP*”). Contracts entered into prior to the effectiveness of the *TRLCSP* are governed by the legislation on contracts in force when such contracts were entered. Prior to the effectiveness of the *TRLCSP*, the relevant legislation was the Public Sector Contracts Law, 30/2007 of October 30 (the “*LCSP*”). Prior to the effectiveness of the *LCSP*, the relevant legislation was the Law of Contracts with Public Authorities, a consolidated text approved by Legislative Royal Decree 2/2000 of June 16. Prior to the effectiveness of this law, Law 13/1995 of May 18, on Contracts with the Public Authorities was the relevant legislation in force.

In addition, contracts entered into with municipalities are also usually governed by the Local Public Bodies Services Regulations, approved by the Decree of June 17, 1955, as currently in force. In addition, certain of Spain’s autonomous regions have enacted legislation with respect to matters involving local public authorities and local matters. For example, in the Catalan autonomous region, Decree 179/1995 of June 13, regulates certain activities of local public authorities in Cataluña.

Public tender process and award

Concessions for public car parks and on-street parking are generally awarded through a public tender process. Pursuant to the relevant legislation, the public authorities enter into contracts for the concessions with private parties selected through the public tender process. Under the public tender process, interested parties may

submit their bids for the concession. The specific conditions of the concession contract are set forth in the terms of tender (*Pliegos de Condiciones Administrativas y Técnicas*) (the “*Terms of Tender*”) and in the contract itself. These conditions may differ and establish particular legal, economic and technical terms for each type of contract and for each project. The specific legal and contractual regime applicable to each concession contract is determined by the contract and the Terms of Tender for the concession, as well as the relevant legislation in effect at the time the concession was awarded.

Types of contracts

The relevant legislation contemplates that public car parks may be operated generally under three different types of contracts: (i) a contract for the management of a public service without works, which is for the management and/or maintenance of a previously built car park (a “*brown field*” concession); (ii) a contract for the management of a public service with works; and (iii) a contract for a concession of public works. In this context, “works” refers to the construction of a parking facility (a “*green field*” concession). In some cases, significant repair, restructure or redesign work on the parking facility, as well as the construction of a secondary infrastructure connected to the principal one, may also be considered “works”. A contract for concession of public works is considered under the relevant legislation to be a different type of contract than one for the management of a public service with works, but they are functionally similar. There are no significant differences between regulations applicable to (a) contracts for the concession of public works; (b) contracts for the management of public services with works; and (c) contracts for the management of public services without works, except for: (i) the maximum duration of the contract, which is between 40 and 46 years, in the case of (a), and 50 years, in the case of (b), and 25 years in the case of (c); and (ii) the possibility of securing the financing of the construction or works by mortgaging or pledging the concession, subject to authorization of the grantor of the concession, which is regulated by law for the concession of public works and may be permitted in contracts for the management of public services with works, but generally is not permitted in contracts for the management of public services without works.

In general, most contracts for the operation of on-street parking usually take the form of a concession for the management of a public service without works, provided that it is not necessary to build any infrastructure for the operation. Off-street car parks are usually operated under a contract for management of a public service with works, since it is usually necessary to build the car park. However, Law 13/2003 of May 23, on the public works concession agreement (“*Law of Public Works Concession Agreements*”), which came into force in 2003, was integrated in the LCSP and is currently included in the TRLCSP, reinforced and promoted the use of the contract for a concession of public works. The primary type of contract used for the building and subsequent operation of off-street car parks is a contract for a concession of public works.

Certain concessions may be governed by Public Assets Law 33/2003, of November 3, but such concessions are rarely used in practice to operate car parks, because the regime of public assets would not be the optimal way to operate car parks from a legal point of view as parking concessions can be developed through the different classes of concessions specifically regulated in the TRLCSP.

Term and renewal of administrative concessions

In general, contracts for the management of a public service have a maximum statutory term of 50 years if they require the construction of a facility, and 25 years if they do not include works. Contracts for a concession of public works have a maximum term of 40 years, extendable in certain circumstances for another six years (or 15% of the initial term). For any contract, the contract and the Terms of Tender will establish the contract’s term, which term may not exceed the maximum term permitted by the relevant legislation.

In certain circumstances, the term may be extended provided that such possibility of extension had been contemplated in the Terms of Tender and that the maximum term permitted by the relevant legislation is not exceeded.

After the term of the contract expires (including the envisaged extensions), the contract may not be renewed without undergoing a public tender process.

Concept of economic-financial rebalancing

The public authority that awards a concession contract has the authority to interpret the terms of the contract and to amend the terms of the contract for “reasons of public interest” and for other justified grounds. As a result, the municipality cannot amend the contract based on any political initiative but only under these limited circumstances.

The concept of reasons of public interest is not clearly defined in case law, and there is a risk in the interpretation of this concept by the awarding authority. In any event, the awarding authority must justify the existence of the reason of public interest in each particular case, and this interpretation may be challenged in court.

In general, contracts are executed on the “principle of risk and venture” of the contractor, whereby the contractor must assume the consequences that, in economic terms, may arise from the execution of the contract, as they were agreed. Under Spanish law, the concept of financial rebalancing arises as a means to modulate the application of the “principle of risk and venture” since its strict application could imply serious damage for the contractor and for the public interest in certain events that could result in the failure of the concession, and accordingly, of the public service inherent in it.

The public authority may rebalance the economic terms of the contract upon the occurrence of three general types of events if such events result in a change to the disadvantage of the concessionaire in the fundamental economic balance that existed when the contract was awarded (and not just in a mere reduction of the expected profits of the concessionaire):

- (i) a direct amendment by the public authority that granted the concession of the features of the works or services that are the subject matter of the contract (such as the quality, quantity, time or place of performance of the obligation);
- (ii) the adoption of general administrative measures that have a direct and material effect on the contract, thus making the contract more burdensome for the concessionaire; or
- (iii) non-contractual and extraordinary causes that were unforeseen at the time the parties entered into the contract.

The concessionaire can make a claim to the public authority for financial rebalancing and must provide evidence of the event and demonstrate the repercussions that results in the imbalance of the previously agreed terms. The public authority may apply various measures to rebalance the economic-financial terms of the contract. In general, the public authority will provide compensation for the imbalance that such amendments, measures or events imply for the concessionaire or the loss and damage caused. The scope of the rebalancing will be the amount necessary, in terms of prices, costs or other elements, to adjust, reasonably, the economic-financial situation to that agreed in the concession contract. The degree of compensation (complete or partial) granted will depend, essentially, on the cause of the imbalance.

The TRLCSP generally contemplates, depending on the circumstances, the following measures to achieve rebalancing:

- (i) amending the tariffs payable by the users;
- (ii) in certain circumstances, amending the term of the contract (however, this would be subject to the maximum legal term for the concession); and
- (iii) amending the clauses that contain the substantive economic terms of the contract.

The Terms of Tender and the terms of the concession contract may specifically limit the scope of the circumstances under which a claim for financial rebalancing is available.

In addition to the provisions of TRLCSP, the procedure to exercise the right to economic rebalancing is established under Law 29/1998 of July 13. According to this law, the party seeking to enforce such right must first notify the awarding authority of the breach of the economic balance and petition the awarding authority to fulfill its contractual obligation by carrying out an economic rebalancing of the concession. If, after a three-month period has lapsed, the concessionaire and the awarding authority have not reached an agreement to rebalance the concession or the concessionaire determines that the resolution was insufficient, the concessionaire may then appeal to the courts. The duration of such court proceedings depends on many factors, such as the number of appeals required to obtain a definitive judicial resolution (generally two appeals) and the volume of cases handled by the relevant court at the particular time. Typically, court proceedings to obtain an order for economic rebalancing of a concession take approximately one year to complete the first trial and two additional years until a decision is affirmed on appeal if successful, but there can be no assurance that such court proceedings will be completed within this time frame.

The recognition of the financial rebalancing in favor of the concessionaire generally implies an amendment to the terms of the contract. Therefore, the rebalancing provisions are considered to be effective from the moment of the contract amendment, without prejudice to the possibility of taking into consideration when the change that prompted the rebalancing occurred when deciding the scope of the rebalancing.

Concession tariffs and other remuneration arrangements

The Terms of Tender and the contract establish the tariff scheme to remunerate the concessionaire.

Usually off-street car parks are remunerated in accordance with the use of the parking spaces. Thus, short-term parking spaces (*rotación*) are usually remunerated by a regulated tariff which is adjusted regularly according to the consumer price index or another formula relating to inflation. It is customary for the concessionaire to include the tariffs in its offer and subsequently request approval from the public authority for changes to the tariffs established in the contract, accordingly to the Terms of Tender.

In addition, as an ancillary activity, we can sell a limited number of parking spaces to local residents for a price established in the contract, accordingly to the Terms of Tender.

Concessionaires are usually remunerated under on-street concession contracts through a flat fee or by reference to a percentage of the amount collected for the provision of the service less costs or a fee.

Authorizations and change of control clauses

Under some contractual arrangements, public authorities impose certain restrictions on the transfer of ownership of the concessionaire and the guarantees and security interests that the concessionaire can grant to third parties. For example, the concession contract may require the prior authorization of the public authority in order for the concessionaire to grant a mortgage

over the concession. In some cases, a concession contract may contain a change of control clause, which prohibits the transfer of the ownership of the concessionaire without the prior approval of the public authority. In addition, public authorities may terminate the concession in the event that insolvency or winding-up proceedings are instituted against the concessionaire.

General public procurement laws (including TRLCSP, and the precedent LCSP, LCAP, TRLCAP) do not regulate transfers of shares in companies holding contracts or concessions. Although a legal theory of the Council of State (the supreme consultative council of the Spanish government) attempts to consider changes of control through the transfer of shares the same as events of assignment of contracts or concessions (thus requiring authorization of the municipality for such transfer), the successive public procurement laws passed have not adopted this approach. However, the Terms of Tender and specific contracts may contain provisions requiring prior communication and authorization for direct or indirect transfers of shares. Additionally, local municipalities may choose to apply this theory of the Council of State which would require prior authorization for direct or indirect changes of control of the concessionaire, even though this is not explicitly required in the Terms of Tender, the contract or applicable regulations.

The Autonomous Community of Cataluña approved Decree 179/1995, of June 13 covering the transfer of shares in companies that manage local services. Such regulation is in force and applies to our concessions in Cataluña, despite some controversy as to whether or not it contravenes basic State laws. Article 241 of said Decree contemplates as an event of termination of the concession "...in the case of companies, the transfer of shares that is material and implies a change of management or of control of the company or a material modification of the conditions on which the contract was executed". This provision regulates the direct transfer of the shares of the concessionaire of the local service but does not expressly contemplate the indirect transfer through a parent company of the concessionaire. Consequently, we believe such provision should not apply to indirect transfers. Notwithstanding the foregoing, there is a risk that one or more municipal councils might consider, in practice, that an indirect transfer also falls within the scope of said article. Should the municipal councils of Cataluña apply such provision to indirect changes of control, it could be argued that such application goes beyond the stated legal provision. However, in the event of an enforcement action under the terms of the Notes or Note Guarantees which resulted in the transfer of ownership of Empark, or a change in the shareholder composition of Empark for other reasons, the local authorities may attempt to cancel our concessions in Cataluña on such basis.

Termination of the concession

Under the current regulatory regime, a concession contract can be terminated under the following circumstances: (i) extinguishment of the legal personality of the concessionaire through winding up and liquidation; (ii) court order of insolvency in a "*concurso*" proceeding or in any other proceeding; (iii) mutual agreement between the authority and the concessionaire; (iv) delay in the performance of the terms by the concessionaire or a breach of the term for commencement of the performance of the contract; (v) delay in payment by the public authority beyond the legal established term for payment, which is six months; (vi) breach of the essential contractual obligations, classified as such in the Terms of Tender or in the contract; (vii) impossibility of performance of the obligation on the initially agreed terms or certain probability of causing serious damage to the public interest should the

obligation continue to be performed on such terms, where it is impossible to amend the contract; (viii) the confiscation of the concession, the recovery of the public service and the termination in the management of a public work or service for public interest reasons; and (ix) any other circumstances expressly contemplated in the contract.

Liability and compensation for termination of concession contract

In the event of the termination of a concession contract due to breach by the public authority, the authority will be liable for payment of the loss and damage caused to the concessionaire. Likewise, a termination of the contract due to the intentional breach by the concessionaire will result in the concessionaire being liable for indemnifying the authority for the loss and damage caused. Such indemnification will be enforced first against the performance bond provided by the concessionaire to the public authority.

In general (and unless the Terms of Tender and concession contract provide otherwise), in the event of an early termination of a concession, regardless of whether or not such termination is attributable to the concessionaire, the public authority will pay to the concessionaire an amount representing the investment the concessionaire has made to develop the concession. In determining the amount of such investment, the amortization of the investment will be taken into account according to the time remaining to the expiry of the concession and to the terms of the economic-financial plan provided by the concessionaire in its bid containing the estimated economics expected under the concession.

Portugal

General

As in Spain, in Portugal car parks may be developed either privately or through the public concessionary regime. Similar to Spain, car parks developed through the public concessionary regime are located on publicly owned land and involve the exercise of municipal administrative powers relating to the regulation of traffic and local public highways. The legal regime governing car parks developed through the public concessionary regime is more complex than that for private car parks. Car parks developed through the public concessionary regime are managed by a private party under an administrative concession or similar arrangement granted by a public authority, and they are subject to the ongoing control of the public authorities that grant the concession or arrangement.

Car parks that are privately developed are usually built on privately owned land and are subject to a less complex regulatory regime than the regime applicable to car parks developed through the public concessionary regime. The terms and conditions applicable to privately operated car parking facilities are contractual in nature although subject to the applicable mandatory private law provisions. Enforceability of rights under the above mentioned agreements towards third parties may depend on their prior registration before the competent land registry offices, notably in the case of ownership rights, surface rights and lease agreements with a term equal or in excess to six years. Private car park operators generally are required to obtain municipal licenses in order to build and operate the car park and are subject to certain legislation governing the car park industry, particularly with regard to tariffs and consumer rights. For example, Decree-Law 81/2006 of April 20, which regulates the use and access conditions to car parks, is applicable to privately developed car parks.

There is no specific legislation relating to the liability of car park operators for injury and property damage in car parks and therefore the general liability rules of the Portuguese Civil Code are applicable. According to the applicable general rules, car park operators may be liable for injury and property damage to the extent that the damage in question results from an intentional or negligent violation of a third party right. In off-street car parks, car park operators may also be liable for damages caused by third parties (for example theft) in cases where the car park operator assumes an obligation to assure the safety of the vehicles parked. However, in most cases, car park operators explicitly exclude these obligations in the terms and conditions of use posted in the facility for damages caused by third parties to the vehicles parked. There are court decisions recognizing the validity of this exclusion in situations where the car operator had included such exclusion in the conditions of use posted in the facility.

The following summary covers car parks operated through the public concessionary regime and accordingly subject to the public regulatory regime.

Applicable legislation

The construction and operation of public parking structures and on-street parking normally takes place under concession agreements (typically for on-street parking) or under surface rights agreements (typically for off-street parking), usually entered into with municipalities.

The construction and operation of public parking structures and on-street parking are regulated through the enactment of public laws which govern the formation and execution of public contracts by municipal regulations and by contractual arrangements with municipalities.

An administrative concession is used by public authorities to promote the development of public works by private entities that will subsequently operate such public works (a “*public works concession*”) or to contract a private entity to operate a certain public service, in principle, without involving any kind of construction (a “*public service concession*”), although some public service concessions may imply also some construction works as an ancillary obligation.

A surface right is a right to build and maintain a certain construction for a specified period of time over the property of the granting authority. Surface rights agreements entered into with public entities for the construction of off-street parking facilities whilst subject to the rules applicable to the formation and execution of public contracts as referred above may also be subject to private law.

The concessions for the construction and management of parking facilities and on-street parking are currently regulated in Portugal through the Public Contracts Code, approved by Decree-Law 18/2008 of January 29 (“*Public Contracts Code*”). The Public Contracts Code includes provisions relating to the formation, execution and termination of concession agreements. Prior to the Public Contracts Code, these agreements were regulated by Decree-Laws 59/99 of March 2 (that governed public works contracts), 390/82 of September 17, that also imposed certain rights and obligations with respect to any concessions granted by municipalities. These prior laws still govern the concession agreements which formation procedures were initiated before the Public Contracts Code was enacted. One of the most relevant differences between the Public Contracts Code and the former legislation with regard to administrative concessions is that, upon the enactment of the Public Contracts Code, the duration of an administrative concession is no longer subject to a strict limitation rule. In the past, administrative concessions awarded by municipalities, which is the case of all concessions currently operated by the Group in Portugal, could not exceed 20 years. Instead the duration of such contracts is determined in the contract in line with the period required to amortize the investment and obtain remuneration under normal market conditions. In addition, the concessions in the public domain are also subject to Decree-Law 280/2007 of August 7 that sets forth the legal regime applicable to the management of public property. In some situations the public-private partnership regulation set forth in Decree-Law 86/2003, of April 26, as amended by Decree-law 14/2006, of July 27, may apply.

Historically, the term limitation has caused public authorities to adopt surface rights agreements (instead of concession agreements) in respect of off-street parking in order to allow longer duration periods given that construction of parking facilities involves investments that could not be amortized within such a short period of time. Surface rights are not subject to any specific term limitation.

According to the applicable rules, the construction and operation of off-street parking facilities with respect to publicly owned land subject to the public domain legal regime (the “*public domain*”) should take place under concession agreements and, conversely, the construction and operation of off-street facilities with respect to publicly owned land not subject to the public domain legal regime (the “*private domain*”) could be made through surface rights agreements. In order to overcome the above referenced term limitation applicable to concessions and due to this distinction, the general practice adopted by municipalities has been to disaffect parcels of land from the municipal public domain and re-incorporate those parcels in the municipal private domain precisely to allow the execution of surface rights agreements in order to take advantage of the longer term permitted under surface rights agreements.

Currently, the execution of surface rights agreements (in respect of public-owned properties) for the construction of off-street parking facilities may also be subject to tender procedures established in the Public Contracts Code (to the extent that they contain typical stipulations and characteristics of the agreements subject to this Code) and, in addition, is subject to Decree-Law 280/2007 of August 7 that sets forth the legal regime applicable to the management of public property. If the tender surface right contracts are qualified as administrative contracts, then the execution regime of the Public Contracts Code will also apply. Prior to the enactment of this legislation, the execution of such surface rights agreements was also subject to Decree-Laws 59/99 of March 2, 390/82 of September 17 and to Decree-Law 794/76 of November 5. These prior laws still govern older surface rights agreements which formation procedures were initiated before the Public Contracts Code was enacted.

Public tender process and award

The public authorities enter into contracts with the private parties selected through tender processes in which the interested parties may submit their tenders. The specific conditions of these contracts are set forth in the Terms of Tender (“*Caderno de Encargos*”) and in the contract. These conditions may differ among contracts and establish

particular legal features for each specific project, while using the aforementioned legal framework as a reference. Theoretically the grant of a surface right could be made, according to Decree-Law 280/2007 by direct award or through a negotiated procedure, however, given the fact that the surface rights in question substantially contain the typical elements of a concession, they are usually awarded through the aforementioned tender procedures.

Types of contracts

The legislation contemplates various types of contracts. Typically, car parks may operate under three different classes of contract: (i) a contract for concession of management of a public service without works; (ii) a contract for concession of public works; and (iii) a surface rights agreement.

Most contracts for the operation of on-street car parks take the form of a concession for the management of a public service without works, provided that it is not necessary to build any relevant infrastructure for their operation.

Most of the contracts currently in force for the off-street car parks are operated under surface rights agreements awarded by the municipalities, since, as discussed above, prior to the Public Contracts Code's adoption in 2008 concessions awarded by municipalities were limited to a term of 20 years. Although even after the enactment of the Public Contracts Code the municipalities maintain the previous trend of resorting to surface rights agreements for the off-street car parks, it is possible that in the future car parks developed through the public concessionary regime will be more often awarded through concession contracts.

Term and renewal of administrative concessions and surface rights

Currently, the applicable legislation does not impose a specific term limit for administrative concessions. The law establishes that the duration shall be determined in contract taking into account the reasonable period of time required under normal market conditions to amortize the investment and obtain a fair return on the investment. In the absence of such contractual clause stipulating the duration of the concession agreement, the Public Contracts Code sets forth a 30 year term.

Upon expiration of the agreement, the contract may not be renewed without a prior public tender process. Nevertheless, under certain circumstances, the agreement may be extended provided that such possibility had been contemplated by the contract, however rights and certain preference rights for the grant of new surface rights may be deemed null and void.

Surface rights agreements entered into in connection with publicly owned properties do not have a statutory term limit but will have the term specified in the contract, in accordance with public interest criteria and taking into account the economic balance of the service that will be operated under the agreement. The applicable legislation does not allow the renewal of surface rights upon expiration of the contract. Surface rights agreements normally have a long-term and, upon their expiration, a new agreement will need to be executed following a public tender if the Public Contracts Code applies. Otherwise, a limited, a negotiated or a direct award procedure could apply.

Economic-financial balance

In general, public contracts are executed based on the principle that the business risk is assumed by the private entity.

Notwithstanding this, the law foresees certain situations that may lead to a modification of the terms initially agreed in order to ensure that the public service is not affected in the face of abnormal and unpredictable circumstances or unilateral modification of the contract imposed on public interest grounds by the public entities. In light of the Public Contracts Code, the concessionaire or the holder of a surface right (to the extent that such right contains typical stipulations and characteristics of the agreements subject to the Code) is only entitled to the re-establishment of the economic balance of the contract in the following situations:

- (i) when the circumstances upon which the parties have grounded their decision to enter into contract suffer an abnormal and unpredictable modification imputable to the awarding authority acting beyond the contractual frame; or
- (ii) when the agreement is modified by the public entity for public interest reasons.

According to the Public Contracts Code the means to re-establish the financial balance may be included in the contracts. There are no legislative limits with respect to the mechanisms that may be adopted, but often such mechanisms include revision of tariffs, adding parking spaces or a provision stating that the authority and the concessionaire shall jointly seek an agreement to re-establish the financial balance of the contract. In the absence

of contractual provisions, the Public Contracts Code (applicable to concessions and possibly to the surface rights agreements if the tender program determines its applicability or because the contract is materially a concession contract) stipulates that re-establishment of the balance shall be achieved through the extension of the contractual term, through the revision of prices or through the payment of compensation. Any other situation involving an abnormal and unpredictable modification of the circumstances will trigger the right to a modification of the agreement or to receive compensation (without necessarily implying the re-establishment of the initial economic balance).

The legal framework applicable under the former laws to concessions and surface rights agreements did not specify the rebalancing right and mechanism, at least in such detail. However, either by appealing to general rules and principles of Law or through the use of contractual conditions establishing the rebalance right, one could sustain such rebalancing right in similar situations and therefore, from a practical point of view, the final applicable framework may not differ substantially from the one currently in force.

There is no specific claim procedure prescribed by law to apply for the financial rebalancing of the contract. Under circumstances that would trigger the rebalancing mechanism, the concessionaire or holder of the surface right shall apply to the public entity within the contractual framework and in accordance with the general rules applicable to contracts. In practical terms, a written notice should be sent to the awarding entity stating the facts underlying to the request and the relevant legal provisions and proposing the modifications required to maintain the economic balance of the contract. Normally, this will entail a negotiation with the awarding entity. Should the latter accept the modification or compensation proposed, this would typically be formalized by means of an amendment to the initial agreement which would be effective as of its date of execution. In the absence of a favorable decision or in the absence of a decision within a reasonable period of time, a judicial claim may be filed with the administrative courts or with an arbitral tribunal in cases where the agreement stipulates an arbitration clause, in order to obtain a ruling ordering the re-establishment of the economic balance or the payment of compensation. The duration of a court process is difficult to determine, as it depends on numerous factors, such as the number of appeals to be completed in order to obtain a definitive judicial resolution (generally two appeals), or the volume of affairs affecting, in each moment, the competent court. Currently in Portugal judicial procedures in administrative courts may last more than three years but there is no assurance the process will be completed within this time frame.

Concession tariffs and other remuneration arrangements

The Terms of Tender and the contract establish the tariff scheme to remunerate the concessionaire/holder of the surface right.

Normally with off-street structures the concessionaire/holder of the surface rights is remunerated based on the collection of the tariffs established in the contract, which are reviewed periodically based on the consumer price index. In addition, a fixed price or an annual amount may also be payable by the concessionaire/holder of the surface right to the municipality in consideration for the concession or surface right awarded.

With respect to on-street parking, normally the concessionaire agrees to deliver to the municipality a percentage of the tariffs collected or, in some cases, a fixed amount and, in other cases a combination of a fixed amount plus a percentage of the tariffs. It is customary for the concessionaire/holder of surface right to include the tariffs in its offer to tender and subsequently propose to the awarding authority for its approval revisions of the tariffs as allowed by the contract.

Authorizations and change of control clauses

In some of the contractual arrangements, municipalities impose certain restrictions on the shareholder of the concessionaire and the guarantees that such concessionaire can grant to third parties, such as the need for prior authorization to create a mortgage over the concession or, sometimes, change of control clauses.

Legislation relating to these matters does not expressly require prior authorization for share transfers of the concessionaire or changes of control in it. Nevertheless, the specific Terms of Tender and contracts, or their interpretation by the awarding authority, may require prior consent for such transactions. However, the applicable legislation expressly requires prior authorization for mortgages or charges over assets included in the concession or over the surface right. The need for authorization could also result from the fact that the public tender would have established prerequisites for the qualification or the evaluation of the proposals that were met by the tenderer with recourse of the parent company qualifications or expertise.

Termination of the concession

Under the current regulatory regime, apart from a termination resulting from contractual breaches, concession and surface rights agreements may be terminated by the public entity as a result of the following: (i) at any time due to public policy reasons, provided that appropriate compensation is paid to the concessionaire/holder of the surface rights (to be calculated according to the contractual regime or, in the absence of contractual provisions, in accordance with the law); (ii) unauthorized assignment or transfer of the concession or surface right; (iii) unauthorized creation of mortgages or other charges over the concession or surface right; and (iv) certain other situations specified in the Public Contracts Code. In addition, the public entity may be entitled to assume the management of the concession or surface right temporarily in case of severe breach of contract, such as the failure to perform or pay amounts due. During such period the contract will be suspended and if the operation is not resumed, the agreement may be terminated.

Contracts usually include provisions stipulating the formula that shall be used to calculate the indemnity payable in event of early termination grounded on public interest. In general, the formulae are designed to reflect an amount of indemnity calculated on the basis of the investment that was not amortized and such formulae do not usually cover loss of profit, which needs to be claimed on the basis of general principles under law. If the municipality and the concessionaire cannot agree on compensation, the concessionaire may bring an action against the grantor.

Liability and compensation for termination of concession contract

In the event of termination of the contract due to breach by the public authority, the authority will be liable for payment of the loss and damage caused to the concessionaire/holder of the surface right. Similarly, the termination of the contract due to intentional breach by the concessionaire/holder of the surface right will result in such entity being liable to indemnify the authority for the loss and damage caused. Such indemnification may be enforced initially against the guarantee created, if applicable.

Business

Overview

We are the largest concessionaire and operator of parking infrastructure in the Iberian Peninsula, as measured by number of parking spaces and revenues. We mainly operate underground car parks (“*off-street*”) and parking areas on city streets (“*on-street*”) under concessions and surface rights agreements from public authorities. As of September 30, 2013, our portfolio comprised over 310 concessions with more than 160 municipalities and other contracts with customers such as AENA and ANA, under which we manage over 355,000 parking spaces in Spain and Portugal. For the twelve months ended September 30, 2013, our net turnover was €177.6 million, our Adjusted Revenue was €180.4 million and our Adjusted EBITDA was €62.4 million. Our operations in Spain represented 76.1% of our net turnover, 76.2% of our Adjusted Revenue and 66.7% of our Adjusted EBITDA for the twelve months ended September 30, 2013.

We have served the Iberian market since the late 1960s, when there were fewer competitors in the developing car park sector. We believe this has given us a “first mover” advantage, whereby we have secured long-term concessions and built a portfolio of prime parking locations in Spain and Portugal, including in city centers, airports and other high density traffic areas, such as hospitals and business districts. Due to a variety of physical, regulatory and other constraints, we believe that there is limited opportunity to develop alternative parking options in many of these prime areas, allowing us to benefit from captive demand with limited competition.

Business Lines

We operate our business through three business lines: off-street concessions, on-street concessions and off-street contract management. The following table sets forth our Adjusted Revenue and Adjusted EBITDA by business line for the twelve months ended September 30, 2013.

	Adjusted Revenue	Adjusted Revenue %	Adjusted EBITDA	Adjusted EBITDA %
	(€ in millions)		(€ in millions)	
Twelve months ended September 30, 2013				
Off-street concessions	83.6	46.3%	49.0	78.6%
On-street concession	74.1	41.1%	13.8	22.1%
Off-street contract management.....	22.7	12.6%	(0.4)	(0.6)%
Total	180.4	100.0%	62.4	100.0%

The following table sets forth the percentage of Adjusted Contribution Margin with respect to the year ended December 31, 2012 split by remaining concession duration for our two primary business lines, off-street and on-street concessions.

Off-street concessions		On-street concessions	
Remaining term	% of off-street concession Adjusted Contribution Margin	Remaining term	% of on-street concession Adjusted Contribution Margin
1-7 years	24.3%	1 – 2 years	18.3%
7-30 years	29.6%	2 – 5 years	27.6%
30 or more years	46.1%	5 or more years	54.1%

Off-street concessions

Our off-street concession business is our largest business line, representing 78.6% of Adjusted EBITDA for the twelve months ended September 30, 2013 and having a Weighted average remaining duration of approximately 28 years. This business line primarily consists of concessions with municipalities to operate parking facilities and underground parking facilities. Under these contracts, we are generally required to invest in the construction of a new parking facility (a “*green field*” concession) or make an upfront payment to the municipality for an existing parking facility (a “*brown field*” concession). As of September 30, 2013, we operated 172 off-street parking

facilities under this business line, consisting of over 88,800 parking spaces in 76 municipalities, principally in Spain and Portugal. We also have a small number of off-street contracts and concessions in Turkey (our total net turnover from Turkey was €3.8 million, or 2.1% of our total net turnover, in 2012) and Andorra (our total net turnover from Andorra was €0.8 million, or 0.4% of our total net turnover, in 2012).

Our portfolio comprises parking infrastructure located in urban areas and other areas of high traffic density, such as hospitals, and business and administrative centers. Due to our early entry into the Iberian car park sector, our concessions include a number of car parks with prime locations that were originally constructed in the 1960s and 1970s. These prime locations include car parks at Plaza Mayor (Madrid), Plaza de las Cortes (Madrid), Praça dos Restauradores (Lisbon), Praça Luis de Camões (Lisbon), La Concha (San Sebastian), Mercado de Colón (Valencia) and Plaza de España (Burgos). Many of these locations are in highly transited areas that attract a large number of visitors for a variety of purposes with limited free or paid alternative parking options. Demand for our off-street parking facilities in such areas experience relatively low volatility and have remained relatively stable even during difficult economic conditions.

Generally under off-street concessions, we design, build, finance and operate underground and multi-story parking infrastructure facilities. These “*green field*” concessions generally require us to invest capital to build a facility or make an upfront payment to the municipality for an existing facility in exchange for higher potential margins and long-term concession contracts. Under our “*brown field*” concessions, we also pay an annual concession fee to the municipality. Under the concession (or surface rights agreements, in Portugal), we charge the end users a tariff (or fee) for the use of the facility. The fees are charged either on a per minute basis for short-stay tickets or on a daily, weekly, monthly, seasonal or annual basis under a subscription arrangement. The fees paid by end users are specified under the concession (or surface rights agreement) and generally automatically increase annually in line with inflation. We generally retain all fees generated from operating our off-street parking facilities and are responsible for all expenses relating to operating and maintaining the parking facility during the term of the contract. Our off-street parking facilities are also subject to local taxes, for which we are responsible. We also generate a small amount of income through some basic amenities we provide to car park users within our parking facilities, such as vending machines and car washes.

In general, our off-street parking facilities are operated on a 24-hour a day/seven-day a week basis. Most of the features of the parking facilities are automated, including entry and exit controls and ticket machines. Users can obtain information about subscriptions and tariffs online and over the phone. The car parks are staffed and operated by our own employees. We have introduced a centralized system to control and manage a substantial majority of our off-street parking facilities from a remote location, which has allowed us to reduce personnel costs by reducing headcount while maintaining our high quality of services and customer satisfaction levels. In addition, such measures have helped us to reduce our reliance on external service providers by enabling us to reallocate personnel to perform certain functions previously performed by third party service providers. We are also able to realize certain economies of scale by using our on-street concession employees in managing our off-street operations. Routine maintenance, including painting and cleaning, and security for our off-street parking facilities are provided by both third party contractors and our own employees.

In Spain, contracts for the management of a public service can run for a maximum statutory term of 50 years if they include works and 25 years if they do not include works. Contracts for a concession of public works can run for a maximum term of 40 years, extendable in certain circumstances for up to another six years (or 15% of the initial term).

In Portugal, the term of the concessions for the construction and management of parking facilities is not currently subject to a strict limitation rule, but the duration of such contracts is determined in line with the period required to amortize the investment and obtain remuneration under normal market conditions. However, all concessions we currently operate in Portugal are subject to a prior legal regime whereby the term of administrative concessions awarded by municipalities could not exceed 20 years. Notwithstanding this, certain of our off-street parking facilities in Portugal are governed by surface rights agreements with longer terms, such as our 99-year term Alexandre Herculano (Lisbon) concession. Surface rights agreements entered into in connection with publicly owned properties do not have a statutory term, but their term is contractually specified in accordance with public interest criteria and taking into account the economic balance of the service that will be operated under the agreement.

The vast majority of off-street concessions in Spain and Portugal are awarded as a result of a public bidding process conducted by the municipalities. Each municipality has authority to determine the location and economic viability of car parks within its jurisdiction.

As municipalities generally do not want to own and operate the parking infrastructure, the incumbent concessionaire is normally well positioned to negotiate an extension of the term of the concession (if permitted

under the contract), or to obtain the renewal of the concession by using the information and experience it has developed to bid successfully in the new public tender process.

In certain cases when new parking infrastructure is constructed, the municipality may require the concessionaire to sell some parking spaces in the facility to local residents who typically pay the concessionaire the acquisition price of the parking space in one single payment. We recognize revenues for the sale of parking spaces at the time the parking space is sold, which coincides with the time at which the relevant contract is signed. These spaces are usually sold at a discount compared to the market value and allow the purchaser to use the parking space for the remaining duration of our concession agreement. The purchaser of the parking space is required to pay us a periodic fee for maintenance.

In addition to retaining our existing concessions once their initial term has expired, we also seek to obtain new concessions and win renewals from our competitors. For new projects, we engage a third party construction company under a competitive bidding process to build the parking facility. We completed our capital program in 2012, which involved the construction of eight large parking facilities and a total capital expenditure for the period 2010 to 2012 of approximately €81.5 million. The largest of these investments were the construction of an off-street parking facility in Oquendo (San Sebastian, Spain) that was completed in May 2010, an off-street parking facility in La Concha (San Sebastian, Spain) that was completed in July 2011 and an off-street parking facility in Plaza de Cataluña (San Sebastian, Spain) that was completed in June 2011. As of September 30, 2013, we had approximately €6.3 million in outstanding capital commitments for constructing new car parks, of which we expect to invest approximately €2.1 million in the fourth quarter of 2013 and the remainder in 2014.

On-street concessions

Our on-street concession business is our second largest business line, representing 22.1% of Adjusted EBITDA for the twelve months ended September 30, 2013 and having a Weighted average remaining duration of approximately seven years. As of September 30, 2013, we operated 139 on-street concessions consisting of over 215,600 parking spaces in practically all major Spanish and Portuguese cities. We have been a concessionaire in a number of cities, including Madrid, Valencia and Lisbon, since the introduction of controlled on-street parking.

Under our on-street concessions, we primarily manage on-street meter-controlled parking spaces for municipalities. Depending on the needs of the client and the terms of the concession, we provide a variety of additional services, which can include: collecting revenue from meters; maintaining ticket dispensing machines; monitoring parking ordinances (including ticketing or wheel clamping); and managing complaints and appeals. Under some of our on-street concessions, we also provide vehicle removal services. We are not responsible for the enforcement of fines and our remuneration is not linked to enforcement.

On-street concessions are typically awarded through public tenders. Under the terms of the concession, we are generally required to make an initial investment which can consist of a lump-sum payment to the municipality and the acquisition and installment of the on-street parking control equipment, such as parking meters and other devices related to the monitoring of the parking meters. In exchange, we typically receive fixed fees that are inflation-indexed and which cover the yearly amortized amount of our initial investment and operating costs. In a number of concessions which have a fixed fee, the contract also includes a variable incentive element (which may be based on a percentage of the collected meter receipts, the number of parking spaces or certain other quality indicators) to align the concessionaire's objectives with optimizing revenue collection. We believe that there is low demand risk in most of these contracts since the bulk of our remuneration is fixed and our base fee is typically not dependent on the amount of money collected. Even for those on-street concessions under which our remuneration is dependent on collected revenues, we believe our exposure to demand risk is relatively low, as the demand for on-street spaces tends to be greater than the limited supply of on-street parking spaces, even during periods of relatively low demand.

Under a majority of our on-street concessions, the municipality receives the parking revenues generated by those concessions and remits the relevant concession fee to us. As a result, we are exposed to the credit risk of the applicable municipalities with respect to these concessions.

We operate our on-street concessions with our own employees. The operation of on-street concessions is more labor intensive than our off-street concession operations. Accordingly, we have introduced a number of technological innovations in order to more efficiently manage the area covered by our on-street concessions.

Our on-street concession contracts are usually for an initial term of approximately five to seven years, and some agreements include extensions for an additional period under the same contractual terms. Recently, municipalities have increased the duration for certain on-street concessions put to a tender process in exchange for higher initial fee payments payable by the concessionaire. For example, we have an on-street concession with a term of 20 years in Huelva. We also have an on-street concession which runs for 15 years in Huesca and in

Madrid we recently won an on-street concession which runs for 12 years. Upon expiration of an on-street concession, we are usually obliged to transfer to the municipality the ownership of the assets allocated to the operation of the concession, such as parking meters, signage, towing equipment or other vehicles. Likewise, in connection with the transfer of a concession at the end of its term, any of our employees assigned to that concession will be transferred to the new operator, which will, by operation of law, be subrogated to our position as employer in respect of such transferred employees. The same will apply when we win or acquire a concession previously operated by one of our competitors.

The following table sets forth the number of on-street concessions we have renewed and won from our competitors and the number of new contracts awarded to us, in each case compared to the number of bids we submitted in each of the foregoing categories.

	Total since 2010
On-street concessions	
Renewals	
Bids.....	49
Renewed	39
% of success	80%
Won from competitors	
Bids.....	28
Awarded	10
% of success	36%
New contracts	
Bids.....	32
Awarded	20
% of success	63%

As shown above, since the beginning of 2010 we have renewed approximately 80% of the on-street contracts for which we submitted bids, we won approximately 63% of the new on-street contracts for which we submitted bids, and we won approximately 36% of the expiring on-street contracts for which we submitted bids and that were previously operated by our competitors. We believe we have been able to achieve these outcomes mainly as a result of the high barriers to entry in the business, the limited number of major participants in the business, our technical competence and our ability to offer more competitive terms than our competitors due to our ability to realize significant synergies from our overall operations.

Off-Street Contract Management

Our off-street contract management business is our smallest business line, which represented 12.6% of Adjusted Revenue and had Adjusted EBITDA of €(0.4) million in the twelve months ended September 30, 2013. As of September 30, 2013, we managed over 64,200 parking spaces in Spain, Portugal and the United Kingdom (our total net turnover from the United Kingdom was €7.0 million or 3.9% of net turnover in 2012 through our off-street contract management business), primarily at airports, including those serving Madrid, Lisbon, London (Stansted), Edinburgh, Barcelona, Oporto and Santiago de Compostela. This business line also generates a small amount of net turnover derived from providing operational and administrative assistance to other third parties in respect of their concessions.

Our off-street management contracts are generally for shorter terms than our concession arrangements, generally ranging from one to three years. However, in some cases we have entered into off-street management contracts for up to five years plus two additional extensions of one year each at the discretion of the customer, as is the case with our new contract with AENA to manage airport parking facilities on its behalf. Likewise, our off-street management contracts generally generate lower Adjusted EBITDA margins compared to our off-street concessions. However, these contracts require minimal investment and are not subject to significant demand risk. Our two main clients with respect to our off-street contract management business are AENA and ANA, the Spanish and Portuguese public airport operators, respectively. We also manage park-and-ride car parks.

Under our off-street management contracts, we operate parking facilities in exchange for a fixed fee, which is generally inflation-indexed. In some limited cases, the contracts also include a variable incentive fee element based on the amount of revenue generated and certain other quality indicators. We do not make an up-front payment to manage the facilities and we are not required to make significant investments in the parking

infrastructure. We typically operate the parking facility with our own employees. We utilize the expertise and technology from our off-street concession operations in the management of these contracts.

The legislation governing off-street and on-street concessions is not applicable to our off-street management contracts, so there is no ability to apply for economic rebalancing in these contracts.

Rebalancing Provisions in Off-street and On-street Concessions

Our off-street and on-street concessions in Spain and Portugal are primarily governed by administrative laws similar to the laws that regulate highway and road infrastructure concessions in Spain and Portugal. These concessions typically include a rebalancing clause which provides that, in certain cases, if the fundamental economic balance that existed when the contract was awarded has changed to the disadvantage of the concessionaire, the concessionaire can demand fair compensation from the public authority that granted the concession. See *“Regulation—Spain —Concept of Economic-Financial Rebalancing”* and *“—Portugal—Economic—Financial Balance”*.

The changes that can give rise to a claim for compensation include the adoption of administrative measures or other non-contractual and extraordinary causes that were unforeseen at the time the contract was made, which affect the long-term economic benefit of the contract in a material way to the detriment of the concessionaire. For example, a permanent road closure that adversely impacts the flow of traffic with respect to the location of the concession may trigger a rebalancing of the concession terms. The compensation granted by the public authority can include, depending on the circumstances, an extension of the concession term (subject to the maximum legal term) or an increase in the tariffs chargeable to customers or paid by the contracting authorities (for on-street concessions, when applicable). If applicable, the public authority may grant additional parking spaces under the existing concession or another change of the economic terms of the concession contract between the municipality and us. The application of the rebalancing clause is not an automatic procedure and the compensation granted will vary on a case by case basis.

We have obtained such adjustments to our concessions and contracts on a number of occasions. In Portugal, for example, an amendment was agreed and executed with the municipality of Faro in relation to a concession contract for on-street parking. Under this agreement, the terms and conditions of the initial contract were modified to compensate for the tariff modifications imposed by the awarding entity. Additionally, in certain concessions we have been granted additional parking spaces in our on-street contract when the municipality permanently closed certain streets to traffic.

New Concessions and Investments

In 2012, we completed our capital expenditure program. Since the beginning of 2010, we have completed the construction of several large off-street parking facilities, including Oquendo (San Sebastian, Spain) in May 2010, La Concha (San Sebastian, Spain) in July 2011 and Plaza de Cataluña (San Sebastian, Spain) in June 2011. In 2013, we acquired a parking facility in Lisbon, Portugal (Baixa Chiado), and three smaller parking facilities have been constructed and become operational in Portugal (Alves Redol) and Spain (Ponferrada and Pamplona). We expect our Don Luis I parking facility in Lisbon will commence operations in 2014. The revenue and Adjusted EBITDA generated by new parking facilities gradually ramp up over the first three to four years after they become operational, and then remain fairly stable with, in most cases, moderate increases due to inflation adjustments and volume increases (largely reflecting increased demand due to traffic increases in cities) for the remaining term of the concession.

We have a well-established and disciplined process for evaluating potential new concessions and other investment opportunities. We maintain an investment committee comprising members of our senior management team that reviews and evaluates all concession tenders where we consider submitting a bid. When evaluating a potential opportunity, the committee considers targeted investment returns, the proposed financial models, expected consumer demand for the parking facility, potential risks and possible economies of scale with existing concession investments. Our investment committee supervises our business development department, which is dedicated to the preparation of studies, project design and bid documentation for tenders for new concessions and the evaluation of potential acquisitions of existing concessions and concession operators. Our business development department works closely with our regional business units in the evaluation process. We believe that this dedicated approach allows us to evaluate and respond in a timely and efficient matter to potential business opportunities.

In general, the tender process for a new concession requires the preparation and submission of three categories of documentation: documentation demonstrating that the bidder meets the legal and technical requirements to

participate in the tender; documentation outlining the proposed economic terms of the bid, including fees payable to the public authority and the tariffs charged to end users; and the technical specifications for the development and operation of the parking infrastructure.

Generally, bids for off-street concessions and off-street management contracts are the most competitive, focusing primarily on price and other economic terms. Bids for on-street concessions tend to be less competitive, as there are often a limited number of potential operators, and they tend to focus on the technical specifications of the concession and the demonstrated experience of the bidder. Once the term of the contract expires (including the possible extensions, which cannot go beyond the maximum term provided by law for such concessions), it cannot be renewed without a prior public tender process. For off-street contract management, each entity awarding the contract may have its own awarding process and selection criteria, but it will generally be required to follow public bidding rules.

Joint Ventures

For some of our concessions we have entered into joint venture arrangements (including special purpose companies and temporary consortiums) with local minority partners for the purpose of satisfying certain specific tender requirements or to take advantage of local market experience and knowledge. We typically do this through “ring-fenced” non-recourse financing arrangements. As of September 30, 2013, we operated several majority held joint ventures, and also held minority interests in joint ventures where the local municipality requires that it holds a majority stake in the concessionaire.

Set forth below are certain entities in which we held an ownership interest of 50% or less as of September 30, 2013:

Company	% of Group's ownership interest	Location	Principal business activity
Estacionamientos Alhóndiga, S.A	50.00%	Bilbao	Off-street concessionaire
ParqueGil – Planeamento e Gestão de Estacionamento, S.A.	50.00%	Lisbon	Off-street concessionaire / On-street concessionaire
ParqA – Parques de Estacionamento da Amadora, S.A.....	50.00%	Lisbon	Off-street concessionaire / On-street concessionaire
UTE Palma	50.00%	Palma de Mallorca	On-street concessionaire
UTE Valls.....	47.00%	Barcelona	Off-street concessionaire
EULSA	43.00%	León	On-street concessionaire
Parques do Tamariz – Sociedade de Exploração de Parques de Estacionamento, S.A.....	33.33%	Cascais	Off-street concessionaire
Figueira Parques – Empresa Pública Municipal de Estac. Da Figueira de Foz, E.M.	29.96%	Figueira da Foz	On-street concessionaire
SMASSA.....	24.50%	Málaga	Off-street concessionaire

Property

We lease our main corporate offices in Madrid and Lisbon. We also lease regional offices in Spain and maintain offices in the United Kingdom, Andorra and Turkey.

As described in “*Regulation*”, upon the expiration of the term of the concession, unless the concession is renewed, the parking infrastructure reverts to the public authority that granted the concession.

Suppliers

Historically, our primary suppliers have been construction companies and contractors who build our off-street parking facilities. We also rely on suppliers of parking meter equipment and information technology. For parking meter equipment, we fulfill our requirements from a limited number of international suppliers. For information technology, we purchase from a variety of suppliers. Additionally, we outsource part of our information technology needs and certain other limited services, including operating shuttle buses to and from our parking lots at airports. We are not dependent on any single supplier.

Clients

We have two groups of clients. The first group comprises the parties with which we enter into concessions or off-street contract management arrangements. The second group comprises the end users or customers.

Our client base with whom we enter into concessions or off-street contract management agreements includes municipalities, semi-public entities and private companies. As of September 30, 2013, we had 172 off-street concessions with 76 municipalities, 139 on-street concessions with 125 municipalities and off-street management contracts with customers such as AENA and ANA. We manage our relationships with these clients on a centralized, regional and local basis. In general, the same personnel that manage our contracts on an ongoing basis are responsible for maintaining relationships with our clients. A number of our off-street and on-street concessions are managed by personnel who have developed long-standing relationships with the municipalities and private entities with whom we enter into concession management agreements.

The second group of clients we have are the end users that utilize the car parks that we operate. We are focused on providing end users with a car park service that is high quality, easy to use, safe and efficient. We concentrate on the image of our car parks by ensuring that our car parks are up to date, safe and convenient places for end users.

Information Technology

We believe that automation and technology can enhance customer convenience, lower labor costs, improve cash management and increase overall profitability. We have introduced a number of automation and technology based services to the parking industry in recent years and have developed a proprietary set of in-house information technology applications to optimize the utilization of internal resources and increase the quality of the services provided. In our off-street concessions, we have centralized management which is controlled remotely from a single 24-hour hub. As of September 30, 2013, approximately 73% of our car parks were equipped with these systems.

Employees

As of September 30, 2013, we employed 2,917 individuals. As of December 31, 2012, we employed approximately 2,914 individuals. Most of our employees in Spain are represented by a number of different labor unions.

We believe that our relations with employees are satisfactory. We have occasionally experienced strikes and work stoppages. However, such strikes and work stoppages have historically not had a material adverse effect on our business, financial condition or results of operations.

Insurance

We purchase comprehensive liability insurance covering certain claims that can occur at the parking facilities that we operate. As is customary, these policies have deductibles that must be paid before the insurance companies are required to reimburse us for costs and liabilities relating to covered claims. We also have directors and officers insurance as well as life and personal insurance for our employees. We believe that our insurance coverage, including the maximum coverage amounts and terms and conditions of the insurance policies, are both standard for our industry and appropriate. We cannot, however, guarantee that we will not incur any losses or be the subject of claims that exceed the scope of the relevant insurance coverage.

Competition

We face competition from other parking operators in the bidding process for off-street and on-street concessions and contracts. We also face this competition when our concessions and contracts come up for renewal and when we bid on concessions of others which are coming up for renewal. As the largest concessionaire of off-street and

on-street parking in the Iberian Peninsula and due to our long-standing relationships with a diverse number of local authorities, we believe that we are well positioned compared to our competitors. Since the Weighted average remaining duration of our off-street concessions and contracts is approximately 28 years, we face limited competition in the near future to maintain our off-street portfolio. Generally, the competition to obtain off-street concessions is more intense than for on-street concessions. Additionally, there are several barriers to entry to obtain new concessions, in particular for on-street concessions. These barriers to entry include having the relevant administrative qualifications, relevant experience and technology.

Our parking facilities face competition for end users with nearby parking options. In general, we believe end users are not willing to park more than a short walk from their intended destination so competition is generally based on location and proximity to a customer's intended location. However, we may face competition from parking structures built nearby. We believe this competition is normally limited since many of our off-street parking facilities have limited direct competition within easy walking distance and the risk of new structures being built is mitigated by the cost and difficulty of developing new parking facilities in city centers due to the high density and planning regulations. For our on-street concessions, the terms of the concessions provide us with exclusivity within the areas covered by the relevant concession, subject to parking allocated to local residents.

Legal Proceedings

We are party to various legal proceedings involving routine claims that are incidental to our business. Although our legal and financial liability with respect to such proceedings cannot be estimated with certainty, we do not believe that the outcome of these legal proceedings, individually or in the aggregate, will have a material adverse effect on our business, financial condition or results of operations.

Board of Directors and Senior Management

Empark Funding

The following table sets out the names, ages and positions of the members of the board of directors of Empark Funding, the Issuer, as of the date of this offering memorandum.

Name	Age	Position
Pedro Maria Póvoas Mendes Leal	55	Class A director
Gonzalo Gómez Navarro	44	Class A director
Harald Thul	41	Class B director
Vladimir Mornard	34	Class B director
Hille-Paul Schut	36	Class B director

The Issuer is managed by its board of directors, which comprises at least three members with at least one class A director and one class B director. The board of the Issuer may only validly deliberate and act if a majority of its members is present or represented and at least one class A director and at least one class B director are present or represented. Board resolutions will be validly taken by a majority of the votes of the directors present or represented, provided that any resolution will not validly be passed unless it is approved by at least one class A director and at least one class B director. The Issuer will be bound towards third parties in all matters by the joint signature of any class A director and any class B director.

For biographical details of the Issuer's class A directors, Pedro Maria Póvoas Mendes Leal and Gonzalo Gómez Navarro, see "—Empark" below.

Harald Thul (Class B director)

Mr. Thul is a business unit director in the Luxembourg office of ATC Corporate Services (Luxembourg) S.à r.l. (recently integrated with Intertrust Group) since 2013. Previously, he spent the last four years as auditor director of one of the "big four" audit firms, where he was responsible for the audit of regulated and unregulated real estate and private equity structures and other financial institutions). In addition, Mr. Thul was involved in the set-up process of special investment funds and was responsible for technical client training regarding real estate and IFRS. Mr. Thul graduated in business administration (*Diplom-Kaufmann*) at the University of Trier and is a *réviseur d'entreprises* (certified chartered accountant).

Vladimir Mornard (Class B director)

Mr. Mornard is senior account manager in ATC Corporate Services (Luxembourg) S.à r.l. (recently integrated with Intertrust Group) since January 2012. Previously he joined First Trust S.A. in 2006 as an account manager, becoming part of the ATC Corporate Services (Luxembourg) S.à r.l. team when ATC Corporate Services (Luxembourg) S.à r.l. acquired First Trust S.A. In 2011, Vladimir undertook an intensive training programme to build greater capital market experience, focusing on the reporting systems used in the set-up and maintenance of special purpose vehicles. Mr. Mornard was appointed as senior account manager in January 2012 and he continues to focus on securitisation work and private equity. Mr. Mornard studied accountancy and management, and company management at the University of Liège.

Hille-Paul Schut (Class B director)

Mr. Schut has been a business unit director in the Luxembourg office of ATC Corporate Services (Luxembourg) S.à r.l. (recently integrated with Intertrust Group) since 2010 and became director client services in 2013. Prior to joining ATC Corporate Services (Luxembourg) S.à r.l. he spent nine years with another major international trust company both in Amsterdam and Luxembourg, latterly as assistant managing director. He has spent much of his professional career focused on private equity and real estate funds and their special purpose vehicles. Mr. Schut graduated in Fiscal Economics from the Erasmus University of Rotterdam.

Empark

Our board of directors consists of twelve members, which represent our principal shareholders. The following table sets out the names, ages and positions of the members of the board of directors of Empark, the Parent Guarantor of the Notes, as of the date of this offering memorandum.

Name	Age	Position
José Augusto Tavares da Silva ⁽¹⁾	67	Chairman
Pedro Maria Póvoas Mendes Leal ⁽¹⁾	55	Executive Vice-Chairman
Domingos António Cidade Pereira de Moura ⁽¹⁾	62	Director
Francisco Carvalho Martins ⁽¹⁾	50	Director
Pedro Luís Silva Manso Pires ⁽¹⁾⁽²⁾	41	Director
Javier Mateos Jiménez	60	Director
Joana Ricciardi	35	Director
Tiago Alves Caseiro	40	Director
Francisco Cary	48	Director
Manuel Ravara Cary	51	Director
Victoriano López-Pinto Fernández de Navarrete ⁽³⁾	47	Director
Gonzalo Gómez Navarro	44	Director

(1) Holds an indirect interest in Empark.

(2) Pedro Luís Silva Manso Pires is a representative of ASSIP – Consultoria e Serviços, S.A. The appointment of ASSIP – Consultoria e Serviços, S.A. is pending to be registered with the Commercial Registry.

(3) Victoriano López-Pinto Fernández de Navarrete is a representative of Meldon Inversiones 2008, S.L., which is a special purpose vehicle incorporated under Spanish law, fully owned by Ahorro Corporación, which serves as a director in the companies owned by the funds managed by Ahorro Corporación or in the investment vehicles managed by Ahorro Corporación.

José Augusto Tavares da Silva (nominated by ASSIP—Consultoria e Serviços S.A.)

Mr. Tavares da Silva is the executive chairman of the Empark board of directors since 2009. He has been the president of the board of administration of Emparque since 1999. He is also the president of the board of administration of our major shareholder ASSIP—Consultoria e Serviços, S.A. Additionally, he serves on the boards of directors of more than a dozen companies, including A. Silva & Silva, Imobiliário e Serviços, S.A., Holquadros—Sociedade Gestora de Participações Sociais, S.A. and Assimec—Imóveis e Construções de A. Silva & Silva, S.A. Mr. Tavares da Silva has a law degree from Lisbon's Clássica University.

Pedro Maria Póvoas Mendes Leal (nominated by ASSIP—Consultoria e Serviços S.A.)

Mr. Póvoas Mendes Leal is executive vice-chairman of Empark since 2009. He serves as chairman of the executive committee and is our chief executive officer. Mr. Póvoas Mendes Leal created Emparque and has been its chief executive officer since 1992. He has more than 27 years of experience in the parking business. Prior to joining Empark, he served as director of BCI Investimentos. Additionally, he serves on the boards of directors of more than a dozen companies, including ASSIP—Consultoria e Serviços, S.A., our majority shareholder. Mr. Póvoas Mendes Leal earned a degree in business administration from the University of Lausanne (Switzerland).

Domingos António Cidade Pereira de Moura (nominated by ASSIP—Consultoria e Serviços S.A.)

Mr. Pereira de Moura has been a member of the board of directors of Empark since 2009 and he has been a member of the board of directors of Emparque since 1999. He is also vice chairman of the executive committee and director of global operations and executive vice president of Empark. He has 19 years of experience in the parking sector, and was the founder of the car park management company Gisparques-Planeamento e Gestio de Estacionamientos, S.A. in 1993. He currently sits on the boards of directors of more than a dozen companies, including ASSIP—Consultoria e Serviços, S.A., our majority shareholder. He previously held positions at Tecnep, Estudos e Projectos de Desenvolvimento, S.A., Fertibritas, Metropolitano de Lisboa, Tecno Consult and Sotécnica. In 1974 Mr. Pereira de Moura graduated in electrical engineering at the *Instituto Superior Tecnico* of Lisbon.

Francisco Carvalho Martins (nominated by ASSIP—Consultoria e Serviços S.A.)

Mr. Carvalho Martins has been a member of the board of directors of Empark since 2009 and a director of Emparque since 2004. He is the Chief Executive Officer of Portugália Administração de Patrimónios, a family business founded in 1919, which is active in restaurant management, the property sector, car park management and the operation of renewable energy facilities. He currently sits on the boards of directors of more than a dozen companies, including ASSIP—Consultoria e Serviços, S.A., our majority shareholder. Mr. Carvalho Martins graduated in economics from the University of Windsor (Ontario, Canada).

Pedro Luís Silva Manso Pires (nominated by ASSIP—Consultoria e Serviços S.A.)

Mr. Manso Pires is the individual representing ASSIP—Consultoria e Serviços, S.A. on the board of directors of Empark. Mr. Manso Pires has been a member of the board of directors of Empark since 2009 and he currently sits on the boards of a number of companies including ASSIP—Consultoria e Serviços, S.A., our majority shareholder. He previously acted as board member and chief financial officer at A. Silva & Silva—Gestão e Serviços and as an auditor at Ernst & Young. He has a degree in economics from the College of Economic Sciences at the Catholic University of Portugal in Lisbon, where he also obtained an MBA in finance.

Javier Mateos Jiménez (nominated by ASSIP—Consultoria e Serviços S.A.)

Mr. Mateos has been a member of the board of directors of Empark since 2011. He has been chief operations officer of Empark from 2012 up to date. He currently sits on the boards of directors of a number of companies of our Group. From 1998 until 2009, he was head of operations and public thoroughfares at Empark. From 2009 until 2012 he was the head of management of contracts for Spain and Portugal. He has also served as head of services at Aparcamientos Concertados S.A. (FCC Group) and head of the geotextiles department at ITECE (Grupo Uralita). He began his professional career in 1974 as a project technician for Autopista Vascoaragonesa. Mr. Mateos Jimenez has a degree in technical engineering in constructions from Madrid's *Universidad Politécnica*.

Joana Ricciardi (nominated by ESConcessions International Holding BV)

Ms. Ricciardi has been a member of the board of directors of Empark, Emparque and Dornier, S.A. since 2012. She is an executive board member and chief financial officer of Ascendi Group, SGPS, S.A., a holding focused on asset management, operation and maintenance and toll collection businesses. Mrs. Ricciardi joined Ascendi Group, SGPS, S.A. in 2008. She currently sits on the boards of directors of more than a dozen companies, including ES Concessões, SGPS, S.A. and ES Concessions International Holding BV, both part of the Espírito Santo Concessões Group, which offers road, railway and airport construction services. She earned a degree in management from the *Instituto Superior de Gestao* in Lisbon, Portugal.

Tiago Alves Caseiro (nominated by ESConcessions International Holding BV)

Mr. Alves Caseiro has been a member of the board of directors of Empark since 2009. He is an executive board member of Ascendi Group, SGPS, S.A. and ES Concessões, SGPS, S.A. Since 2009 he has been a member of the board of directors of a number of companies of the Empark Group, including, Emparque, Dornier, S.A. and Esli-Parques de Estacionamento, S.A. Mr. Alves Caseiro has a degree in industrial engineering and management from *Instituto Superior Tecnico*, Technical University, Lisbon (Portugal) and a master in international politics, economics and business from the Aoyama Gakuin University in Tokio (Japan).

Francisco Cary (nominated by ESIF I, B.V.)

Mr. Cary has been a member of the board of directors of Empark, Emparque and Dornier, S.A. since 2009. He is executive vice chairman of the board of directors of Banco Espírito Santo de Investimento, S.A. since 2005 and deputy chief executive officer and chief financial officer since 2008. Mr. Cary joined Banco Espírito Santo de Investimento, S.A. in 1990 and started his career in M&A and corporate restructuring. He was elected to the board of directors in 1998 and between 1998 and 2000 was responsible for developing its activities in Brazil. During that period, he was an executive director of Banco Boavista InterAtlantico, S.A. in Brazil and from 2000 to 2002 he was the chief executive officer of Banco Espírito Santo de Investimento do Brasil, S.A. He currently sits on the boards of directors of more than a dozen companies, including BES Investimento do Brasil, S.A., Apolo Films, S.L., SES Iberia Private Equity and Swan Street Limited. He earned a degree in business administration from the Universidade Católica Portuguesa and an MBA from INSEAD (France).

Manuel Ravara Cary (nominated by Transport Infrastructure Holding Company, B.V.)

Mr. Ravara Cary has been a member of the board of directors of Empark and Emparque since 2009. He is a partner and director of Transport Infrastructure Investment Company (SCA) SICAR, advised by Sicit S.A., and has also been a member of the Banco Mello board of directors and a member of the executive committee of Millennium Investment Banking. He currently sits on the boards of directors of a number of companies, including SICIT S.A., Transport Infrastructure S.a r.l., Transport Infrastructure Holding Company, B.V., TIICC S.a r.l., TIIC Holding S.a r.l., TIIC Concesiones and Societe Financiere A150. He has more than 20 years of experience in corporate and project finance and significant experience in the infrastructure sector. He has a degree in civil engineering from *Instituto Superior Tecnico* and a MBA from INSEAD (France).

Meldon Inversiones 2008, S.L., represented by Victoriano López-Pinto Fernández de Navarrete (nominated by Ahorro Corporacion Infraestructuras, FCR and Ahorro Corporacion Infraestructuras 2, S.A. S.C.R.)

Mr. López-Pinto is the individual representing Meldon Inversiones 2008, S.L. on the board of directors of Empark and Dornier, S.A. since January 2013. He is the managing director in Ahorro Corporacion Financiera S.V., S.A. since 2010. Previously, from 1998 to 2010, he was the general manager of the corporate finance department in Ahorro Corporacion Financiera S.V., S.A. He currently sits on the boards of directors of a number of companies, including Indra Sistemas de Tesoreria, S.L., Ahorro Corporacion Coinversion, SCR S.A. and AC JESSICA Andalucía, S.A. He is a graduate in economics and business administration from Comillas University (ICADE, E-2).

Gonzalo Gómez Navarro (nominated by the infrastructure funds)

Mr. Gómez Navarro is Empark's chief financial officer and member of the board of directors of Empark since 2009. He has more than 20 years of experience in the infrastructure and energy sectors. Before joining Empark, he served as chief financial officer at Aldesa and previously worked at Ferrovial. He currently sits on the boards of directors of a number of companies of our Group. Mr. Gómez Navarro has a degree in business administration from the University College of Financial Studies at Madrid's Complutense University and an MBA from INSEAD (France).

Senior Management of Empark

The following table sets out the names, ages and titles of our senior management, as of the date of this offering memorandum.

Name	Age	Position
José Agusto Tavares da Silva	67	Chairman
Pedro Maria Póvoas Mendes Leal	55	Chief Executive Officer, Executive Vice-Chairman
Domingos António Cidade Pereira de Moura	62	Director of Global Operations
Javier Mateos	60	Chief Operating Officer
Gonzalo Gómez Navarro	44	Chief Financial Officer

Compensation of Directors and Senior Management

The aggregate salary and fees, performance-related remuneration and bonuses of our directors and members of senior management in the financial year ended December 31, 2012 was €3.3 million. Additionally, our executive directors and senior management are compensated by way of a fixed annual salary and performance-related incentives. The performance-related incentives can be a significant percentage of the remuneration of our executive directors and senior management. The performance-related incentives are based on both the performance of the individual and the performance of the Group for the respective financial period.

Executive Committee

The purpose of the Executive Committee of our Board of Directors is to lead the Group's day-to-day activities under the framework for operations established by our shareholders. The Executive Committee also determines the global salary policy of the Group. Meetings of the Executive Committee are held every two weeks to carry out the strategic plan defined by the Board of Directors.

The composition of the Executive Committee is as follows:

- Pedro Maria Póvoas Mendes Leal;
- Domingos António Cidade Pereira de Moura;
- Meldon Inversiones 2008, S.L., represented by Victoriano López Pinto Fernández de Navarrete;
- Javier Mateos; and
- Gonzalo Gómez Navarro.

Investment Committee

The purpose of the Investment Committee is to review all bids we submit and any investment proposals. Our Investment Committee generally meets every week to review proposals and decide whether and how to proceed.

Our Investment Committee is comprised of several of our directors and other members of management. The following persons currently serve on our Investment Committee:

- Pedro Maria Póvoas Mendes Leal;
- Domingos António Cidade Pereira de Moura;
- Javier Mateos;
- Antonio Jiménez;
- Manuel Formosinho;
- Joao Caetano; and
- Gonzalo Gómez Navarro.

Major Shareholders

A portion of the equity contribution that supported the formation of Empark in 2009 came from certain infrastructure funds that, at that time, entered our ownership structure. The following table sets forth our shareholders' ownership of Empark as of the date of this offering memorandum:

Shareholder	Number of ordinary shares	Percentage ownership
ASSIP ⁽¹⁾	5,712,117	50.3%
ES Concessions ⁽²⁾	2,520,677	22.2%
AC Infraestructuras ⁽³⁾	810,341	7.1%
AC Infraestructuras 2 ⁽³⁾	127,656	1.1%
ESIF I, B.V. ⁽⁴⁾	937,997	8.3%
Transport Infrastructure Holding Company ⁽⁵⁾	937,997	8.3%
Mellopark ⁽⁶⁾	293,316	2.6%
Others	7,042	0.1%
Total	11,347,143	100%

- (1) ASSIP—Consultoria e Serviços S.A., is owned 100% by ASSIP—SGPS, S.A., the investment vehicle of our management team and a number of the historic shareholders of Cintra Parking and Emparque.
- (2) ES Concessions International Holding B.V., is fully owned by ES Concessões SGPS, S.A. ES Concessões Group offers road, railway and airport construction services. ES Concessões SGPS, S.A. is held in 71.7% by Banco Espírito Santo, S.A. Banco Espírito Santo de Investimento, S.A., which is one of the Initial Purchasers for the Offering, acting through its Spanish branch, is a wholly owned subsidiary of Banco Espírito Santo, S.A.
- (3) Ahorro Corporacion Infraestructuras, F.C.R. de regimen simplificado and Ahorro Corporacion Infraestructuras 2, S.A. S.C.R. are private equity funds of the Ahorro Corporación Group, a provider of advisory and investment services to institutional customers and professional investors based in Spain.
- (4) ESIF I, B.V., is a holding company fully held by Espírito Santo Infrastructure Fund I, FCR, a private equity fund managed by Espírito Santo Capital – Sociedade de Capital de Risco, S.A., a private equity company which invests in later stage projects and infrastructures, fully owned by Banco Espírito Santo de Investimento, S.A., which is one of the Initial Purchasers for the Offering, acting through its Spanish branch.
- (5) Transport Infrastructure Holding Company, B.V. is part of the Transport Infrastructure Investment Company (TIIC) group, which invests in sub-sectors of transport infrastructure.
- (6) Mellopark—Sociedade Gestora de Participações Sociais, S.A. became a shareholder of Empark in 2010.

Share Class

As of September 30, 2013, Empark had a total outstanding issued share capital of €68.2 million, consisting of a class of ordinary shares. Each of the shares had a par value of €6.01.

Shareholders Agreement

On November 12, 2010, ASSIP—SGPS, S.A. and ASSIP—Consultoria e Serviços S.A. (as the lead investor), and several other co-investors (ES Concessões, ES Infrastructure Fund, Transport Infrastructure Holding Company, B.V., AC Infraestructuras, and Banco Espírito Santo de Investimento, S.A.) (collectively, the “Parties”) entered into a shareholders agreement (the “Shareholders Agreement”). Pursuant to the Shareholders Agreement the Parties agreed to matters relating to voting rights in respect of equity shares in Empark, corporate governance (including the appointment of directors of Empark and other members of the Group) and certain incentive mechanisms for our management team. The Shareholders Agreement provides for preemption rights among the shareholders, certain exit rights, including tag-along rights in certain circumstances and drag-along rights (after the sixth anniversary of the acquisition if the parties cannot agree on a sale process), and an agreement to cooperate in the event of an initial public offering of the equity shares of Empark. Certain members of management currently benefit from an incentive plan, related to the divestment of some of our shareholders entitling them to certain payments from our co-investment shareholders, upon a sale of shares by such shareholders, depending on the enterprise valuation at the time of the sale. The Shareholders Agreement also provides for, subject to certain conditions, other customary obligations, warranties and undertakings as between the Parties. The Shareholders Agreement may be terminated under certain conditions, including in the event of an initial public offering of the equity shares of Empark.

Related Party Transactions

We have in the past from time to time entered into transactions with certain of our officers, directors and shareholders and other entities in which certain of our officers, directors and shareholders hold ownership interests. These transactions include, among others, financing arrangements, shareholder arrangements and commercial arrangements. We also have in the past entered into transactions with entities that may be deemed to be affiliates because the Group holds less than a majority ownership interest in such entities. The following discussion is a brief summary of certain of the significant arrangements, agreements and transactions we have with such related parties.

Shareholders Agreement

Certain of our shareholders are parties to a Shareholders Agreement. See “*Major Shareholders—Shareholders Agreement*”. Under the Shareholders Agreement, the shareholders are, among other things, entitled to appoint members of the Board of Directors of Empark as well as of entities controlled by Empark.

Additionally, in connection with the Shareholders Agreement, A. Silva & Silva—Imobiliário e Serviços, S.A. (“ASSIS”), an affiliate of ASSIP, provides certain services to Empark, including assistance in preparing all documents and procedures concerning the consolidated financial statements, tax consultancy and advice, legal and contractual advice, management of common auditing services, providing administrative support as to the management of the Group’s fleet, negotiation of supply contracts, negotiation of insurance coverage, management of IT services, marketing and other similar services where a centralized group management can provide scale economies and synergies.

As remuneration for such services, ASSIS is entitled to a monthly fee which is subject to increase on an annual basis upon proposal from ASSIS and approval by our board of directors, prior recommendation of the chief executive officer (for the avoidance of doubt, the directors nominated by ASSIP would not be entitled to vote such proposal). For the year ended December 31, 2012, Empark paid to ASSIS a fee of €1.1 million.

Management Service Agreements with ASSIP

Empark and Emparque each have management services agreements with ASSIP—Consultoria e Serviços S.A. (“ASSIP”), our largest shareholder. Under these agreements, ASSIP provides technical, financial, technical engineering and operational advisory services and expertise to both Empark and Emparque. Under the agreements, ASSIP charges a fee based on the total hours involved. In the year ended December 31, 2012, the fee paid to ASSIP was €1.1 million for the services rendered to Empark and €0.5 million for the services rendered to Emparque. In the nine months ended September 30, 2013, we paid a fee of €0.5 million to ASSIP pursuant to the agreement with Empark and a fee of €0.3 million pursuant to the agreement with Emparque. The contracts began on January 1, 2010, and are automatically renewed each year, unless terminated by either party with 180 days’ notice before the expiration of the period.

Lease Agreement for Lisbon corporate headquarters

We lease our corporate headquarters in Lisbon from Assimec-Imóveis e Construções de A. Silva & Silva, S.A. (“Assimec”), an affiliate of ASSIP—Consultoria e Serviços S.A., our largest shareholder. Pursuant to the lease, which commenced on November 4, 2002, we pay €0.1 million in rent per year, which is adjusted annually. For the year ended December 31, 2012, we paid €0.2 million for the lease of our Lisbon office. We have made an advance payment to Assimec of €1.8 million in connection with an option to acquire the office space, which we are accounting for as a receivable until such time as Assimec determines whether to sell the premises to us or not.

Shareholder Loans to Empark

In connection with the acquisition of Empark in July 2009, our shareholders which, collectively own approximately 99.9% of our shares, made a subordinated loan to Empark for a total amount of approximately €0.5 million with a term of one year, subject to automatic renewals for successive one year periods, unless otherwise indicated in writing by Empark to the shareholders on one month’s prior notice. Interest accrues on the loan at a rate of 8% per annum plus 1% of the positive net profits of Empark and is payable on the termination date of the agreement or any of its extensions. As of September 30, 2013, the principal amount outstanding was €0.8 million.

Cash Contribution and Issuer Intercompany Loan

On or about the Issue Date, Empark will make an equity contribution in cash to the Issuer for an amount of €2.0 million (the “*Cash Contribution*”), which Cash Contribution will be made in accordance with the terms and conditions of a contribution agreement to be entered into between the Issuer and Empark. The Issuer intends to lend to Empark an amount equal to the Cash Contribution pursuant to the terms of the Issuer Intercompany Loan Agreement to be entered into between the Issuer and Empark on or about the Issue Date.

Description of Other Indebtedness

The following is a summary of the material terms of our principal financing arrangements in addition to the Indenture after giving effect to the Refinancing. The following summaries do not purport to describe all of the applicable terms and conditions of such arrangements and are qualified in their entirety by reference to the actual agreements. Capitalized terms used in the following summaries and not otherwise defined in this offering memorandum have the meanings ascribed to them in their respective agreements.

Revolving Credit Facility Agreement

Overview and structure

On or prior to the Issue Date, among others, (1) Empark, (2) J.P. Morgan Limited and other financial institutions named therein as mandated lead arrangers, (3) the financial institutions named therein as original lenders (the “Lenders”), (4) Deutsche Bank AG, London Branch as agent (the “Agent”) and (5) the Security Agent will enter into the Revolving Credit Facility Agreement.

The Revolving Credit Facility Agreement provides for borrowings up to an aggregate principal amount of €30.0 million on a committed basis. The Revolving Credit Facility may be utilized by any current or future borrower (subject to certain exceptions) under the Revolving Credit Facility Agreement in euro by the drawing of cash advances. Subject to certain exceptions, loans may be borrowed, repaid and reborrowed at any time during the availability period. Borrowings will be available to be used for general corporate and working capital purposes of the Group, provided that no amount borrowed under the Revolving Credit Facility may be used directly or indirectly for the prepayment, repayment, purchase, defeasance, discharge or redemption of any Notes, any pari passu debt liabilities or any other financial indebtedness of any member of the Group with a scheduled maturity date six months or more from the date on which such financial indebtedness was incurred or of any debt of the Non-Recourse Entities.

The Revolving Credit Facility Agreement also provides for an uncommitted accordion facility pursuant to which Empark may request by notice of not less than 15 business days that the commitments under the Revolving Credit Facility are increased by an aggregate principal amount not exceeding €10.0 million. There is no obligation on any lender under the Revolving Credit Facility Agreement to provide or commit to any of the requested increases in commitments.

Availability

The Revolving Credit Facility may, subject to satisfaction of customary conditions precedent, be utilized from the Issue Date until the date falling one month prior to the maturity date of the Revolving Credit Facility Agreement.

Borrowers and Guarantors

Empark is an original borrower and original guarantor under the Revolving Credit Facility Agreement. A mechanism is included in the Revolving Credit Facility Agreement to enable certain of its subsidiaries to accede as borrowers under the Revolving Credit Facility Agreement subject to certain conditions. The Revolving Credit Facility Agreement also requires that in the future each Material Company (which definition includes, among other things, any member of the Group that has EBITDA representing 5% or more of EBITDA or gross assets (excluding intra-Group items) representing 5% or more of the gross assets of the Group) becomes a guarantor (subject to agreed security principles).

Maturity and Repayment Requirements

The Revolving Credit Facility Agreement matures on the date falling five years and six months from the date on which the Notes are issued (the “Closing Date”). Each advance will be repaid on the last day of the interest period relating thereto, subject to a netting mechanism against amounts to be drawn on such date. All outstanding amounts under the Revolving Credit Facility must be repaid in full on or prior to the maturity date for the Revolving Credit Facility Agreement. Amounts repaid by the borrowers on loans made under the Revolving Credit Facility may be reborrowed during the availability period, subject to certain conditions.

Interest Rate and Fees

The interest rate on cash advances under the Revolving Credit Facility will be the rate per annum equal to the aggregate of the applicable margin and EURIBOR (as defined in the Revolving Credit Facility Agreement). The

initial margin under the Revolving Credit Facility will be 3.50%. Beginning from the date which falls twelve months from the Closing Date, the margin on the loans will be reduced if certain leverage ratios (being the ratio of our Total Net Debt to EBITDA) are met.

A commitment fee will be payable on the aggregate undrawn and uncanceled amount of the Revolving Credit Facility from the Closing Date to (and including) the last day of the availability period for the Revolving Credit Facility at a rate of 40% of the then applicable margin for the Revolving Credit Facility. The commitment fee will be payable quarterly in arrears, on the last day of the availability period of the Revolving Credit Facility and on the date on which a lender cancels its commitment. No commitment fee shall be payable unless the Closing Date occurs.

Default interest will be calculated as an additional 1% on the overdue amount.

Empark is also required to pay customary agency fees to the agent and the security agent in connection with the Revolving Credit Facility Agreement.

Guarantees

Subject to certain guarantee limitations, Empark will provide a guarantee of all amounts payable to the Agent, the Arranger, the Security Agent or a Lender under the Revolving Credit Facility Agreement or a hedge counterparty (a "*Hedge Counterparty*") under the Intercreditor Agreement (together, the "*Finance Parties*") by any of its subsidiaries which accedes to the Revolving Credit Facility Agreement as an additional borrower or an additional guarantor and to the hedging banks under certain secured hedging agreements.

The Revolving Credit Facility Agreement requires that (subject to agreed security principles) each subsidiary of Empark that is, or becomes, a Material Company following the Closing Date will be required to become a guarantor under the Revolving Credit Facility Agreement.

Empark is required to ensure that the guarantors represent not less than 90% of EBITDA (excluding that of any Non-Recourse Entity) and consolidated gross assets of the Group (excluding that of any Non-Recourse Entity), calculated by reference to the most recent annual financial statements of the Group (the "*Guarantor Coverage Test*").

Security

The initial security provided for the Revolving Credit Facility is described under the heading "*Ranking and Priority*" in the summary of the Intercreditor Agreement set forth below. In addition, each holding company of any Material Company which becomes a guarantor under the Revolving Credit Facility is required (subject to agreed security principles) to grant security over the shares in such Material Company in favor of the Security Agent.

Under the terms of the Intercreditor Agreement, proceeds from the enforcement of the relevant collateral (whether or not shared with the holders of the Notes) will be required to be applied to repay indebtedness outstanding under the Revolving Credit Facility Agreement in priority to the Notes.

Representations and warranties

The Revolving Credit Facility Agreement contains certain customary representations and warranties, subject to certain customary materiality, actual knowledge and other qualifications, exceptions and baskets, and with certain representations and warranties being repeated, including: (i) status and incorporation; (ii) binding obligations; (iii) non-conflict with constitutional documents, laws or other obligations; (iv) power and authority; (v) validity and admissibility in evidence; (vi) governing law and enforcement; (vii) no default; (viii) accuracy of most recent financial statements delivered; (ix) anti-corruption laws and sanctions; (x) ranking; (xi) good title to assets; (xii) legal and beneficial ownership; and (xiii) center of main interests and establishments.

Covenants

The Revolving Credit Facility Agreement contains certain of the same incurrence covenants and related definitions (with certain adjustments) that apply to the Notes. In addition, the Revolving Credit Facility Agreement also contains certain affirmative and negative covenants. Set forth below is a brief description of such covenants, all of which are subject to customary materiality, actual knowledge or other qualifications, exceptions and baskets.

Notes Purchase Condition

The Revolving Credit Facility Agreement requires that if an amount of Notes, Pari Passu Debt (as defined in the Intercreditor Agreement) or Term Debt which equals or is greater than 35% or more of the aggregate amount of

the Notes issued at the Closing Date are repurchased or repaid, the Revolving Credit Facility will be permanently cancelled and repaid on a matching pro rata basis.

Affirmative Covenants

The affirmative covenants include, among others: (i) providing certain financial information, including annual audited and quarterly financial statements, compliance certificates and an annual budget; (ii) authorizations; (iii) compliance with laws and regulations; (iv) environmental compliance; (v) payment of taxes; (vi) preservation of assets; (vii) maintenance of *pari passu* ranking; (viii) maintenance of intellectual property; (ix) maintenance of Guarantor Coverage Test; (x) granting of additional guarantors and security in prescribed circumstances and (xi) further assurance provisions.

Negative Covenants

The negative covenants include restrictions, among others, with respect to: (i) changing the general nature of the business of the Group and (ii) repayment of subordinated and structural intra-group loans. Otherwise, the negative covenants in the Revolving Credit Facility Agreement are substantially the same as the negative covenants in the Indenture.

Mandatory Prepayment Requirements upon a Change of Control

On a Change of Control (as defined in the “Description of the Notes,” provided that an “Affiliate” for the purpose of the definition of “Change of Control” in the Revolving Credit Facility Agreement and the Intercreditor Agreement will be deemed amended by the deletion of the following: “provided that beneficial ownership of 10% or more of the Voting Stock of a Person will be deemed control”), if a Lender so requires, the Agent shall cancel the Commitment of that Lender and declare the Participation of that Lender in all outstanding utilizations, together with accrued interest, and all other amounts accrued under the Finance Documents immediately due and payable.”

Financial Covenant

The Revolving Credit Facility Agreement will require Empark to comply with a financial covenant. The ratio is based on the definitions in the Revolving Credit Facility Agreement, which may differ from similar definitions in the Indenture and the equivalent definitions described in this offering memorandum. Breach of the financial covenant acts as a drawstop (subject to equity cure provisions in the Revolving Credit Facility Agreement).

Adjusted Leverage

The ratio of Total Net Debt on any quarter date specified in Column 1 below to EBITDA in respect of the relevant measurement period of 12 months ending on that quarter date shall not be less than the ratio set out in Column 2 opposite the expiry date for that relevant measurement period.

Column 1	Column 2
Relevant Period expiring on or about:	Ratio
June 30, 2014	12.5:1
September 30, 2014	12.5:1
December 31, 2014	12.5:1
March 31, 2015.....	12.3:1
June 30, 2015.....	12.2:1
September 30, 2015	12.0:1
December 31, 2015	11.8:1
March 31, 2016.....	11.6:1
June 30, 2016	11.4:1
September 30, 2016	11.2:1
December 31, 2016	11.0:1
March 31, 2017.....	10.8:1
June 30, 2017	10.7:1
September 30, 2017	10.5:1
December 31, 2017	10.3:1
March 31, 2018.....	10.1:1

Column 1	Column 2
June 30, 2018	9.9:1
September 30, 2018	9.7:1
December 31, 2018	9.5:1
March 31, 2019	9.5:1

Events of default

The Revolving Credit Facility Agreement provides for customary events of default, all of which are subject to customary materiality and other qualifications, exceptions, baskets and/or grace periods, as appropriate, including: (i) failure to pay any principal or interest when due subject to a three business day grace period (in the case of administrative or technical breach); (ii) failure to comply with the financial covenant provided it will not be an event of default if there is no loan outstanding when tested; (iii) failure to comply with any provision of the Revolving Credit Facility Agreement and/or any other Finance Document subject to a 15 business days' grace period; (iv) representations or warranties found to be untrue or misleading when made or deemed repeated subject to a 15 business days' grace period; (v) cross-default to the Notes and Pari Passu Debt Liabilities and other Indebtedness (provided except in the case of the Notes or other Pari Passu Debt Liabilities it is in excess of €5 million); (vi) insolvency of an Obligor or Material Company; (vii) unlawfulness and invalidity; (viii) failure to comply with the Intercreditor Agreement in any material respect; (ix) repudiation and rescission; and (x) the occurrence of a Material Adverse Effect.

Intercreditor Agreement

To establish the relative rights of the Senior Secured Creditors (as defined below), the Issuer and any future Guarantors in respect of the Notes, any obligor in respect of the Revolving Credit Facility and any other members of the Group that accede to the Intercreditor Agreement in the future (collectively, the "*Obligors*"), the Intra-Group Lenders (as defined below) and the Shareholder Subordinated Lenders (as defined below), all of such parties will enter into an intercreditor agreement dated on or about the Issue Date. By accepting a Note, the relevant holder thereof shall be deemed to have agreed to, and accepted the terms and conditions of, the Intercreditor Agreement and shall be deemed to have authorized the Trustee to enter into the Intercreditor Agreement on its behalf. The following description is a summary of certain provisions, among others, that will be contained in the Intercreditor Agreement and which relate to the rights and obligations of the holders of the Notes. It does not restate the Intercreditor Agreement in its entirety. As such, you are urged to read the Intercreditor Agreement because it, and not the description that follows, defines certain rights of the holders of the Notes. Unless expressly stated otherwise in the Intercreditor Agreement, in the event of a conflict between the terms of the Revolving Credit Facility Agreement, the Indenture and the Intercreditor Agreement, the provisions of the Intercreditor Agreement will prevail.

Overview

The Intercreditor Agreement sets out, among other things:

- the relative ranking of certain debt of Empark and the Issuer and certain of their subsidiaries in respect of Revolving Credit Facility liabilities (or any replacement thereof), the Fixed Rate Note liabilities, the Floating Rate Note liabilities, the Super Senior Hedging Liabilities (as defined below), the Pari Passu Hedging Liabilities (as defined below), the Intra-Group Liabilities (as defined below) and the Subordinated Debt Liabilities (as defined below);
- the ranking of the Transaction Security (as defined below) in respect of liabilities under various classes of debt;
- when payments can be made in respect of certain indebtedness of the Group;
- when enforcement action (including acceleration and/or demand for payment and certain similar actions) ("*Enforcement Action*") can be taken in respect of the Transaction Security;
- the terms pursuant to which certain indebtedness will be subordinated upon the occurrence of certain insolvency events;
- the requirement to turnover amounts received from enforcement of the Transaction Security;
- when the Transaction Security and any guarantee(s) issued by certain Obligors will be released to permit an enforcement sale;

- the circumstances in which creditors' claims (including noteholders' claims against the Issuer) might be required to be transferred to third parties or released to assist in enforcement; and
- the order for applying proceeds from the enforcement of the Transaction Security and other amounts received by the Security Agent (as defined in "*Description of the Notes*").

Parties

The senior secured creditors (together with those mentioned below, the "*Senior Secured Creditors*") will include (1) the agent under the Revolving Credit Facility Agreement (the "*Senior Agent*"), the Security Agent, the lenders under the Revolving Credit Facility Agreement or any Future Credit Facilities (as defined below) (together the "*Credit Facility Lenders*"), the arrangers under the Revolving Credit Facility Agreement; and (2) the Trustee for the holders of the Notes.

The Intercreditor Agreement will also allow for accession by, among others, (1) creditors of future loan or bond indebtedness (the "*Future Pari Passu Debt*") of the Obligors (which is permitted by or not restricted under the terms of the Revolving Credit Facility Agreement and the Notes), including any senior secured notes issued after the Issue Date pursuant to the Indenture ("*Additional Notes*") which are secured on a pari passu basis, (2) hedge counterparties party to interest rate hedging agreements in respect of interest rate hedging of the Floating Rate Notes (the agreements documenting such hedging being the "*Super Senior Hedging Agreements*" and the providers of such hedging the "*Super Senior Hedging Banks*"), (3) hedge counterparties party to interest rate or foreign exchange hedging agreements referred to below (the agreements documenting such hedging being the "*Pari Passu Hedging Agreements*" and the providers of such hedging the "*Pari Passu Hedging Banks*"), and (4) after the expiry of the Revolving Credit Facility, creditors who provide certain credit facilities ("*Future Credit Facilities*") subject to the terms set out in the Intercreditor Agreement, on a super senior basis. Providers of Future Credit Facilities and Future Pari Passu Debt and the Super Senior Hedging Banks and Pari Passu Hedging Banks are also "*Senior Secured Creditors*". The debt owed to Senior Secured Creditors is together referred to as "*Senior Secured Debt*". There will be a single Security Agent appointed to act at all times on behalf of all Senior Secured Creditors.

Neither the Issuer, nor Empark, nor any of their subsidiaries (each a member of the "*Group*") nor shareholder of a member of the Group which is not otherwise party to (1) a document creating security in favor of the Senior Secured Creditors or (2) the debt documents thereby secured, will be party to the Intercreditor Agreement save for (i) any shareholder of the Parent in respect of any existing or future loan made to the Parent or any of its Subsidiaries (each a "*Shareholder Subordinated Lender*") (and the Intercreditor Agreement will contain customary subordination provisions and restrictions relating to the receivables owing from any member of the Group to any Shareholder Subordinated Lender (the "*Subordinated Debt Liabilities*")), (ii) certain members of the Group that lend to certain other members of the Group (each an "*Intra-Group Lender*") that will accede to the Intercreditor Agreement as lenders under such intra-Group loans (the "*Intra-Group Liabilities*"); and (iii) certain intra-Group debtors. The Intercreditor Agreement will contain subordination provisions relating to any Intra-Group Liabilities. However, borrowers under Intra-Group Liabilities will not be prohibited from incurring, amending or making payments in respect of any Intra-Group Liabilities until an acceleration event under the Revolving Credit Facility or the Indenture is continuing.

Ranking and Priority

Priority of Indebtedness

The Intercreditor Agreement will provide that the liabilities of the Obligors, as the case may be, in respect of the Revolving Credit Facility Agreement (or any Future Credit Facilities) (together the "*Revolving Credit Facility Liabilities*"), the Notes (the "*Notes Liabilities*"), the Future Pari Passu Debt (the "*Future Pari Passu Debt Liabilities*"), the amounts owing to the Super Senior Hedging Banks under the Super Senior Hedging Agreements (the "*Super Senior Hedging Liabilities*") and the amounts owing to the Pari Passu Hedging Banks under the Pari Passu Hedging Agreements (the "*Pari Passu Hedging Liabilities*"), and certain customary costs and expenses of the Note Trustee (the "*Trustee Liabilities*") and other creditor representative liabilities will rank equally (without preference among them) in right and priority of payment and in priority to the liabilities of the Obligors, as the case may be, in respect of the Intra-Group Liabilities and the Subordinated Debt Liabilities.

Priority of Security

The Intercreditor Agreement shall provide that the security described in the "*Description of the Notes*" (the "*Transaction Security*") shall rank and secure (only to the extent that such security is expressed to secure the relevant liabilities) (and subject to the proceeds of such security being distributed in accordance with the

Payments Waterfall (as defined below)) the Revolving Credit Facility Liabilities, the Super Senior Hedging Liabilities, the Notes Liabilities, the Future Pari Passu Debt Liabilities, the Trustee Liabilities and the Pari Passu Hedging Liabilities pari passu and without any prejudice between them.

Payments and Prepayments

Prior to the occurrence of an acceleration event in respect of any Revolving Credit Facility Liabilities, Notes Liabilities or Future Pari Passu Debt Liabilities, the Obligors may make payments and (where applicable) prepayments in respect of the Revolving Credit Facility Liabilities, the Super Senior Hedging Liabilities, the Pari Passu Hedging Liabilities, and the Notes Liabilities at any time in accordance with their terms and may prepay or acquire the Notes subject to compliance with any conditions relating to purchases of Notes described in the Revolving Credit Facility Agreement and the Indenture.

Enforcement by Holders of Secured Debt

Prior to the date upon which all Revolving Credit Facility Liabilities and the Super Senior Hedging Liabilities are fully discharged and paid in full and all commitments thereunder are irrevocably cancelled (the "*Super Senior Discharge Date*"), the Security Agent will act on the instructions of (i) the Credit Facility Lenders and the Super Senior Hedging Banks whose super senior credit participations represent more than 66 $\frac{2}{3}$ % of the aggregate super senior credit participations of all Credit Facility Lenders and the Super Senior Hedging Banks (the "*Majority Super Senior Creditors*") and/or (ii) the holders of the Notes, holders of Future Pari Passu Debt and the Pari Passu Hedging Banks (the "*Pari Passu Creditors*") whose aggregate senior secured credit participations represent more than 50% of the aggregate senior secured credit participations of all such creditors (the "*Majority Senior Secured Creditors*"), in each case provided that such instructions are consistent with the security enforcement principles set forth below. Following the Super Senior Discharge Date, the Security Agent will act on the instructions of the Pari Passu Creditors (including the holders of the Notes) whose senior secured credit participations represent more than 50% of the aggregate senior secured credit participations of all such creditors.

Enforcement Procedure

Prior to giving any instructions to the Security Agent to commence enforcement of all or part of the Transaction Security and/or the requesting of a distressed disposal and/or the release or disposal of claims or Transaction Security on a distressed disposal (an "*Enforcement*"), the relevant representative of holders of the Senior Secured Debt shall notify (via the Security Agent) the other Senior Secured Debt representatives of the intention to enforce the Transaction Security (the "*Enforcement Notice*").

Subject to the paragraphs below, the Security Agent will act in accordance with enforcement instructions received from the Majority Senior Secured Creditors.

If the Majority Senior Secured Creditors have not either:

- (a) made a determination as to the method of Enforcement they wish to instruct the Security Agent to pursue (and notified the Security Agent of that determination in writing); or
- (b) appointed a Financial Adviser (as defined below) to assist them in making such a determination,

(the "*Minimum Enforcement Action*") within three months of the date of the Enforcement Notice then the Security Agent will act in accordance with enforcement instructions received from the Majority Super Senior Creditors until the Super Senior Discharge Date has occurred. In addition, if the Super Senior Discharge Date has not occurred within six months of the date of the Enforcement Notice, then the Security Agent will act in accordance with enforcement instructions received from the Majority Super Senior Creditors.

If an insolvency event occurs with respect to an Obligor or a Material Company, then the Security Agent will, to the extent the Majority Super Senior Creditors elect to provide such instructions, act in accordance with enforcement instructions received from the Majority Super Senior Creditors until the Super Senior Discharge Date has occurred.

If the Majority Senior Secured Creditors have not taken the Minimum Enforcement Action and the Majority Super Senior Creditors (i) determine in good faith that a delay in issuing enforcement instructions could reasonably be expected to have a material adverse effect on the ability to effect a distressed disposal or on the expected realization proceeds of any enforcement and (ii) deliver enforcement instructions which they reasonably believe to be consistent with the Security Enforcement Principles as defined and outlined below before the Security Agent has received instructions from the Majority Senior Secured Creditors, then the Security Agent will act in

accordance with the enforcement instructions received from the Majority Super Senior Creditors until the Super Senior Discharge Date has occurred.

Security Enforcement Principles

Enforcement of the Transaction Security must be conducted in accordance with the “*Security Enforcement Principles*”, which are summarized as follows:

- (a) It shall be the aim of any enforcement of the Transaction Security to maximize, so far as is consistent with a prompt and expeditious realization of value from enforcement of the Transaction Security, within six months of delivery of the Enforcement Notice, the value realized from the enforcement (and if the security enforcement is over all or substantially all of the Group’s assets by virtue of either an asset or share sale, it must reasonably be expected to realize sufficient proceeds to repay in full all amounts owing under the Revolving Credit Facility Agreement) (the “*Security Enforcement Objective*”).
- (b) The Security Enforcement Principles may be amended, varied or waived with the prior written consent of the Security Agent, the Required Pari Passu Creditors (as defined below) and the Majority Super Senior Creditors to the extent the amendment or waiver does not impose any obligations on the Group or any Shareholder Subordinated Lender.

For the purposes of paragraph (b) above, “*Required Pari Passu Creditors*” means the Trustee on behalf of holders of the Notes, each creditor representative of behalf of providers of the Future Pari Passu Debt and Pari Passu Hedging Banks that hold hedge participations of more than 50% of the pari passu hedge participations.

- (c) Without prejudice to the Security Enforcement Objective, the Transaction Security will be enforced such that either (1) all Enforcement Proceeds are received by the Security Agent in cash for distribution in accordance with the Payments Waterfall; or (2) to the extent the instructing group are the Majority Senior Secured Creditors, sufficient Enforcement Proceeds will be received by the Security Agent in cash to ensure that when the proceeds are applied in accordance with the Payments Waterfall, the Super Senior Discharge Date will occur.
- (d) On (i) a proposed enforcement of any of the Transaction Security over assets other than shares in a member of the Group, where the aggregate book or market value of such assets exceeds €1.0 million (or its equivalent); or (ii) a proposed enforcement of any of the Transaction Security over some or all of the shares in a member of the Group over which Transaction Security exists, the Security Agent shall (unless such enforcement is made pursuant to a public auction) obtain an opinion from an independent internationally recognized investment bank or independent internationally recognized accounting firm or (if is not practicable for the Security Agent to make such an appointment on commercially reasonable terms) an independent internationally recognized third-party professional services firm selected by the Security Agent, which is regularly engaged in providing valuations in respect of the type of assets subject to enforcement (any of them, a “*Financial Advisor*”) to provide an opinion that the proceeds received from enforcement are reasonable from a financial point of view for a prompt and expeditious sale, taking into account all relevant circumstances.
- (e) The Security Agent shall be under no obligation to appoint a Financial Advisor or to seek the advice of a Financial Advisor, unless expressly required to do so by the Intercreditor Agreement.
- (f) Subject to certain limited exceptions, once the Security Agent has commenced any security enforcement it shall not accept any subsequent instructions from anyone other than the original instructing group over the assets directly or indirectly subject to such enforcement action, which assets shall include the assets of any subsidiaries of a company the shares of which are subject to a sale process. Nevertheless, the Security Agent may take subsequent instructions in relation to enforcement over other assets in accordance with the enforcement process above.

Turnover

The Intercreditor Agreement will also provide that if any holder of the Notes and/or Additional Notes receives or recovers the proceeds of any enforcement of any Transaction Security or receives or recovers any payment or distribution not permitted under the Intercreditor Agreement or applied other than in accordance with “*Application of Proceeds/Waterfall*” below that it shall (subject to certain prior actual knowledge qualifications in the case of the Trustee):

- in relation to receipts or recoveries not received or recovered by way of set-off, (i) hold that amount on trust for the Security Agent and promptly pay that amount or an amount equal to that amount to the Security Agent for application in accordance with the terms of the Intercreditor Agreement; and (ii) promptly pay an amount equal to the amount (if any) by which receipt or recovery exceeds the relevant liabilities owed to such creditor to the Security Agent for application in accordance with the terms of the Intercreditor Agreement; and
- in relation to receipts and recoveries received or recovered by way of set-off, promptly pay an amount equal to that recovery to the Security Agent for application in accordance with the terms of the Intercreditor Agreement.

Application of Proceeds/Waterfall

All amounts received or recovered by the Security Agent in connection with the realization of all or any part of the Transaction Security or on an Enforcement or otherwise paid to the Security Agent in accordance with the Intercreditor Agreement for application in accordance with the Payments Waterfall (the “*Enforcement Proceeds*”) will be paid to the Security Agent for application in accordance with the following payments waterfall (the “*Payments Waterfall*”):

- *first*, in payment of the following amounts (i) any sums owing to the Security Agent; and (ii) certain fees, costs and expenses owed to creditor representatives in respect of the Senior Secured Debt;
- *secondly*, pro rata to (i) the relevant credit representative in respect of all amounts then due and payable in respect of the Revolving Credit Facility Liabilities; and (ii) to the Super Senior Hedging Banks in respect of amounts then due and payable under any Super Senior Hedging Agreements;
- *thirdly*, pro rata to (i) the Trustee on behalf of the holders of Notes for application towards the discharge of all amounts due and payable to the noteholders under the Notes; (ii) to the representative of the other Pari Passu Creditors on behalf of those Pari Passu Creditors for application towards the discharge of all amounts then due and payable to those Pari Passu Creditors at that time; and (iii) to the Pari Passu Hedging Banks in respect of amounts then due and payable under any Pari Passu Hedging Agreements;
- *fourthly*, in payment to any person to whom the Security Agent is obliged to pay or distribute in priority to any debtor a member of the Group; and
- *thereafter*, to the relevant member of the Group.

For the avoidance of doubt (other than as provided above) payments of Enforcement Proceeds may only be made to the Trustee for the holders of the Notes, if all payments then due and payable under the Revolving Credit Facility Agreement (or any Future Credit Facilities) and the Super Senior Hedging Liabilities have been paid in full. Any Enforcement Proceeds will only be paid to the Shareholder Subordinated Lenders after repayment in full of the Senior Secured Debt.

Payments made in breach of the above will be required to be held in trust by the relevant recipient and turned over to the Security Agent for application in accordance with this paragraph above.

Acceleration

If an event of default occurs under the Revolving Credit Facility Agreement, a Future Credit Facility, the Notes or Future Pari Passu Debt then any decision to accelerate the Revolving Credit Facility, such Future Credit Facility or Notes or Future Pari Passu Debt and, subject as provided below, to take any other Enforcement Action will be determined in accordance with the provisions of the Revolving Credit Facility or the Indenture or in accordance with the terms of the Future Pari Passu Debt (as applicable). The Intercreditor Agreement will contain provisions requiring each representative of any Pari Passu Creditors, the Senior Agent, agent in respect of any Future Credit Liability and the Trustee to notify the other representatives of the Senior Secured Creditors of any instructions to accelerate the Revolving Credit Facility, Future Credit Liabilities, Notes or Future Pari Passu Debt (as applicable).

Non-distressed Disposal

In circumstances where a disposal is not being effected pursuant to a Distress Event (as defined below) (a “*Distressed Disposal*”) and is otherwise permitted by the terms of the Indenture and the Revolving Credit Facility

finance documents, the Intercreditor Agreement will provide that the Security Agent is authorized (i) to release the Transaction Security (and in connection with such release, execute any related documents); and (ii) if the relevant asset consists of shares in the capital of an Obligor, to release the Transaction Security or any other claim in respect of the liabilities secured by the Transaction Security over the assets of that Obligor and the shares in and assets of any of its subsidiaries.

Distressed Disposal

Where a Distressed Disposal of an asset is being effected, the Intercreditor Agreement will provide that the Security Agent is authorized: (i) to release the Transaction Security, or any other claim over that asset; (ii) if the asset which is disposed of consists of shares in the capital of an Obligor, to release (a) that Obligor and any subsidiary of that Obligor from all or any part of its liabilities to the Senior Secured Creditors or others or otherwise in connection with the Transactions ("*Note Liabilities*") or other liabilities it may have to Shareholder Subordinated Lenders, Intra-Group Lenders or Obligors ("*Other Liabilities*"); (b) any Transaction Security granted by that Obligor or any subsidiary of that Obligor over any of its assets; and (c) any other claim of a Shareholder Subordinated Lender, Intra-Group Lender, or another Obligor over that Obligor's assets or over the assets of any subsidiary of that Obligor; (iii) if the asset which is disposed of consists of shares in the capital of any holding company of an Obligor, to release (a) that holding company and any subsidiary of that holding company from all or any part of its Note Liabilities and Other Liabilities; (b) any Transaction Security granted by any subsidiary of that holding company over any of its assets; and (c) any other claim of a Shareholder Subordinated Lender, Intra-Group Lender or another Obligor over the assets of any subsidiary of that holding company; and (iv) if the asset which is disposed of consists of shares in the capital of an Obligor or a holding company of an Obligor, to provide, for (a) the transfer of liabilities to another Obligor and/or (b) at the discretion of the Security Agent (provided that it is acting in accordance with the Security Enforcement Principles) the disposal, to third parties, of creditor's claims against that Obligor or holding company (which may include claims against the Issuer).

Application of Proceeds of a Distressed Disposal

The net proceeds of a Distressed Disposal (and the net proceeds of any disposal of liabilities) shall be paid to the Security Agent (as the case may be) for application in accordance with the provisions set forth under "*Application of Proceeds/Waterfall*" as if those proceeds were the proceeds of an enforcement of the Transaction Security and, to the extent that any disposal of liabilities has occurred, as if the disposal of liabilities had not occurred.

Voting and Amendments

Voting in respect of the Revolving Credit Facility Agreement, the Notes and/or Future Pari Passu Debt will be in accordance with the relevant documents.

An amendment or waiver relating to provisions of the Intercreditor Agreement dealing with or which has the effect of changing provisions dealing with (i) redistribution, (ii) enforcement of Transaction Security, (iii) application of proceeds, (iv) amendments, (v) certain provisions relating to the instructions to and exercise of discretion by the Security Agent or (vi) the order of priority or subordination under the Intercreditor Agreement, shall not be made without the written consent of:

- (a) the creditor representatives of the Credit Facility Lenders and the holders of the Future Pari Passu Debt (other than any trustee in respect of notes that constitute Future Pari Passu Debt (each a "*Pari Passu Note Trustee*"));
- (b) the Credit Facility Lenders;
- (c) each Pari Passu Note Trustee;
- (d) the lenders under any facility agreement that evidences Future Pari Passu Debt;
- (e) each Super Senior Hedging Bank and Pari Passu Hedging Bank (to the extent that the amendment or waiver would adversely affect such hedging bank); and
- (f) the Security Agent.

Option to Purchase

Following either (i) an acceleration of the Revolving Credit Facility, any Future Credit Facility, the Notes or the Future Pari Passu Debt or (ii) the enforcement of any Transaction Security (either (i) or (ii), a "*Distress Event*"),

the holders of the Notes and the Future Pari Passu Debt shall have an option to purchase all (but not part) of the Revolving Credit Facility Liabilities and all their exposures in respect of any Hedging Agreement at par plus accrued interest and all other amounts owing under the Revolving Credit Facility Agreement (or agreement documenting the Future Credit Facility) and Hedging Agreements, with such purchase to occur all at the same time.

Hedging

All payments permitted under a Hedging Agreement (other than close-out payments (or payments when a scheduled payment from the hedging counterparty is due and unpaid)) are permitted payments for the purposes of the Intercreditor Agreement, prior to the occurrence of an acceleration event.

The Intercreditor Agreement will contain customary provisions in relation to the circumstances in which a Hedging Bank may take Enforcement Action in relation to its hedging and customary provisions to provide that the Group is not over-hedged.

General

The Intercreditor Agreement will contain provisions dealing with:

- (a) close-out rights for the Hedging Liabilities;
- (b) permitted payments (including without limitation, the payment of permitted distributions in each case to the extent permitted under the terms of the finance documents relating to the Senior Secured Debt);
- (c) incurrence of Future Pari Passu Debt that will allow certain creditors and agents with respect to such Future Pari Passu Debt, to accede to the Intercreditor Agreement and benefit from, and be subject to, the provisions of the Intercreditor Agreement so long as not prohibited under the Revolving Credit Facility Agreement (or if applicable, a Future Credit Facility) or the Notes Indenture and in compliance with the agreed parameters for such class of debt; and
- (d) the ability to replace the Revolving Credit Facility Agreement with Future Credit Facilities benefiting from a similar position under the terms of the Intercreditor Agreement.

Governing Law

The Intercreditor Agreement will be governed by and construed in accordance with English law.

Project Finance Facilities

A number of our non-wholly owned subsidiaries and our wholly-owned subsidiary, Empark Aparcamientos Andalucía, S.L.U., have entered into certain financing arrangements with banks in order to finance the construction of parking infrastructure under our concession contracts. These financing arrangements are non-recourse project financing arrangements, in which the lenders only have recourse against the subsidiary that is the borrower under the arrangement (and its assets and, in some cases, its capital stock), and not to other members of the Group. As of September 30, 2013, we had €92.9 million of indebtedness outstanding under our Project Finance Facilities.

These Project Finance Facilities will not be refinanced as part of the Refinancing. Set forth below is a summary of certain of our Project Finance Facilities.

- Construction of Oquendo (San Sebastian). During 2006, Guipuzcoa Parking Siglo XXI S.A., which is 60% owned by our wholly-owned subsidiary Estacionamientos Guipuzcoanos, S.L.U., entered into a loan agreement with the Spanish bank Caja de Ahorros y Monte de Piedad de Guipuzcoa y San Sebastian—Guipuzkoa Eta Donostiako Aurrezki Kutxa. The original amount of the loan extended under this agreement was €33.3 million. The amortization payments under the loan commenced in 2008, and the loan has a final maturity in December 2035. The loan is secured by a mortgage over the concession to expand and operate the off-street parking facility Oquendo (San Sebastian) held by the borrower. As of September 30, 2013, the total outstanding amount under the loan was €29.2 million and the interest rate was EURIBOR plus 0.65%.
- Construction of La Concha (San Sebastian). During 2009, Concha Parking, S.A, which is 60% owned by Estacionamientos Guipuzcoanos, S.L.U., our wholly owned subsidiary, entered into a loan facility with a group of Spanish banks. The original amount of this loan was €31.1 million. The amortization payments under the loan commenced in January 2012, and the loan has a final maturity in August 2029. This loan is secured by a mortgage over the concession to operate an off-street parking facility in San Sebastian. As of September 30,

2013, the total outstanding amount under the loan was €24.6 million and the interest rate was EURIBOR plus 2.5%.

This loan agreement imposes restrictions on the ability of the borrower to make distributions to its shareholders. Distributions are permitted only in the form of dividends against the net profit of the borrower for the prior fiscal year and the borrower may not make any distributions prior to making 24 amortization payments under the credit facility. As a result, no distributions are permitted to be paid prior to January 2018. Other forms of remuneration, such as the payment of management fees, are also not permitted under the terms of the facility.

- Construction of Plaza de Cataluña (San Sebastian). During 2010 Aparcamientos Gipuzcoanos, S.L, which is 60% owned by our wholly-owned subsidiary Estacionamientos Gipuzcoanos, S.L.U. entered into a loan agreement with a group of Spanish banks. The original amount of this loan facility was €12.2 million. The amortization payments under the loan commenced in January 2012 and the loan has a final maturity in October 2029. The loan is secured by a mortgage over the concession to operate an off-street parking concession, Plaza de Cataluña, in San Sebastian. As of September 30, 2013, the total outstanding amount under the loan was €11.8 million and the interest rate was EURIBOR plus 2.75%.

The loan agreement imposes restrictions on the ability of the borrower to make distributions to its shareholders. Distributions are permitted only in the form of dividends from the net profit of the borrower for the prior fiscal year and the borrower may not make any distributions prior to making 12 amortization payments under the credit facility. As a result, no distributions are permitted to be paid prior to October 2014. Before making a distribution, the borrower must also meet certain other financial ratios. Other forms of capital remuneration, such as the payment of management fees, are also not permitted under the terms of the facility.

- Construction of Aparcamientos de Bilbao (Bilbao). In 2005, our 75% owned subsidiary, Aparcamientos de Bilbao, S.A. Concesionaria del Ayuntamiento de Bilbao, entered into a loan facility agreement with the Spanish bank Bilbao Bizkaia Kutxa. The original amount under this loan facility was €12.0 million. The amortization payments under the loan commenced in March 2008, and the loan has a final maturity in September 2019. The loan facility is secured by a mortgage over the concession to build and operate various parking facilities in Bilbao.

In 2006, Aparcamientos de Bilbao, S.A. Concesionaria del Ayuntamiento de Bilbao entered into a second loan facility agreement with Bilbao Bizkaia Kutxa. The original amount available under the second loan facility was €3.1 million. The amortization payments under the loan facility commenced in October 2007, and the loan has a final maturity in October 2013. The second loan has the same terms and was secured on the same basis as the loan entered into in 2005. As of September 30, 2013, the total outstanding amount under the two loans was €7.0 million and the interest rate was EURIBOR plus 0.8%.

- Acquisition of Empark Andalucía (Granada). During 2011, our 100%-owned subsidiary, Empark Aparcamientos Andalucía, S.L.U., entered into a loan facility with the Spanish bank Caixabank, S.A. The original amount under this loan facility was €9.0 million. The amortization payments under the loan facility commenced in June 15, 2012, and the loan has a final maturity in November 18, 2029. The loan facility is secured by a pledge over the shares of the borrower, a pledge over the balances of the bank accounts of the company, a pledge over the rights held by the borrower by virtue of specific agreements of the project and over the concession contract; and a mortgage or pledge promise over assets of the project and over the concession. As of September 30, 2013, the total outstanding amount under the loan was €6.4 million and the interest rate was EURIBOR plus 3.50%.

This loan agreement imposes restrictions on the ability of the borrower to make distributions to its shareholders. The borrower may not make any distributions prior to making compulsory amortization payments, and before making a distribution the borrower must also meet certain financial ratios and other requisites established in the facility.

- Construction of Vila Nova de Gaia. In 2009, Parquegil—Planeamento e Gestão de Estacionamento, S.A., which is 50% owned by Emparque, entered into a loan agreement with the Portuguese bank Banco BIC Português, S.A. (formerly known as BPN—Banco Português de Negócios, S.A.) The original amount outstanding under this loan agreement was €10.2 million. This loan was granted with the purposes of financing the construction and the acquisition of equipment necessary for the operation of four car parks located in Vila Nova de Gaia (Oporto, Portugal). The amounts in debt shall be repaid in monthly instalments and the first instalment was due on September 1, 2011. This loan is secured by a blank promissory note subscribed by Parquegil and by a mortgage created by Parquegil over the surface rights over four real

estate properties. As of September 30, 2013, the total outstanding amount under this loan was €9.4 million and the interest rate was EURIBOR (3 months) plus 2.25%. The agreement expires in August 1, 2021.

- Construction of D. João I. On March 8, 2001, Parquegil—Planeamento e Gestão de Estacionamento, S.A., which is 50% owned by Emparque, entered into a loan agreement with the Portuguese bank Banco BPI, SA. The original amount outstanding under this loan agreement was €4.7 million. The credit was granted with the purposes of financing Parquegil with the liquidity necessary for the construction of an underground car park with 403 parking spaces located at Praça D. João I (Oporto, Portugal). The amounts in debt shall be repaid in 20 half-yearly instalments and the first instalment was due after a period of 5 years and 7 months as of the signature of the agreement. The loan is secured, *inter alia*, by a pledge over 5,000 shares, with a face value of €10.00 each, representative of Parquegil's entire share capital. As of September 30, 2013, the total outstanding amount under the loan was €1.6 million. The agreed term of the agreement is 15 years as of the date of signature.

Other Credit Facilities

Long-term credit facilities

Empark and two of its wholly owned subsidiaries have entered into certain financing arrangements with banks. As of September 30, 2013, we had six long-term facilities, and the total principal amount outstanding under such facilities was €4.5 million. Set forth below is a summary of those long-term facilities.

- In 2011, Dornier S.A. and Banco Sabadell entered into a loan agreement for a total amount of €1.0 million. As of September 30, 2013, the total outstanding amount under the loan was €0.6 million. The loan matures in October 2016.
- In 2011, Empark and Banco Sabadell entered into a loan agreement for a total amount of €2.0 million. As of September 30, 2013, the total outstanding amount under this loan was €1.2 million. The loan matures in October 2016.
- In 2012, Empark and Caixabank, as successor to Banco de Valencia, entered into a loan agreement for a total amount of €1.0 million. As of September 30, 2013, the total outstanding amount under this loan was €0.4 million. The loan matures in July 2014.
- In 2013, Empark and Bankinter entered into a loan agreement for a total amount of €1.0 million. As of September 30, 2013, the total outstanding amount under this loan was €1.0 million. The loan matures in August 2015.
- In 2011, Dornier, S.A., as borrower, Empark, as guarantor, and Ibercaja entered into a loan agreement for a total amount of €1.2 million. The loan is partially (€0.3 million) secured by a pledge. As of September 30, 2013, the total outstanding amount under this loan was €0.8 million. The loan matures in November 2016.
- In 2012, Estacionamientos Guipuzcoanos, S.L. and Bankinter, S.A. entered into a loan agreement for a total amount of €0.5 million. As of September 30, 2013, the total outstanding amount under this loan was €0.5 million. The loan matures in August 2014.

In all the abovementioned loans, the interest rate is based in EURIBOR plus a margin.

Short-term credit facilities

We have entered into certain short-term facilities with local banks for access to ordinary liquidity lines. As of September 30, 2013, we had five such facilities, with a maximum of €6.3 million available thereunder.

The total amount outstanding under these short-term facilities was €13,000 as of September 30, 2013. Most of the facilities have a term of one year and interest rates based on EURIBOR plus a margin. Four of these facilities will mature in 2014 and one was terminated in 2013.

These short-term facilities will not be refinanced as part of the Refinancing and are generally unsecured.

Capital leases

We also utilize capital leases as a source of financing for the construction of new parking facilities. As of September 30, 2013, we had 28 such leases outstanding, under which borrowings of €10.5 million were outstanding.

Description of the Notes

You can find the definitions of certain terms used in this description under the subheading “—*Certain Definitions.*” In this description, the word “Issuer” refers only to Empark Funding S.A., a *société anonyme* incorporated and existing under Luxembourg law, having its registered office at 13-15 Avenue de la Liberté, L-1931 Luxembourg and registered with the Luxembourg Register of Commerce and Companies under number B 182.119, and the word “Company” refers only to Empark Aparcamientos y Servicios, S.A. and not to any of its subsidiaries.

The Issuer will issue €385 million in aggregate principal amount of senior secured notes, consisting of €235,000,000 in aggregate principal amount of 6.75% senior secured notes due 2019 (the “*Fixed Rate Notes*”) and €150,000,000 in aggregate principal amount of senior secured floating rate notes due 2019 (the “*Floating Rate Notes*” and, together with the Fixed Rate Notes, the “*Notes*”) under an indenture, dated as of the Issue Date (the “*Indenture*”) among itself, the Company, the Subsidiary Guarantors (as defined below), Deutsche Trustee Company Limited, as trustee (the “*Trustee*”), Deutsche Bank AG, London Branch as principal paying agent and calculation agent, Deutsche Bank Luxembourg S.A., as registrar and transfer agent, and Deutsche Bank AG, London Branch, as Security Agent (the “*Security Agent*”), in a private transaction that is not subject to the registration requirements of the Securities Act. See “*Notice to Investors.*” The Indenture will not incorporate or include any of the provisions of the U.S. Trust Indenture Act of 1939, as amended. The terms of the Notes are subject to the provisions of the Indenture.

The following description is a summary of the material provisions of the Indenture, the Intercreditor Agreement, the Security and Guarantee Documents and the Funding Loans. It does not restate the Indenture, the Intercreditor Agreement, the Security and Guarantee Documents or the Funding Loans in their entirety. We urge you to read the Indenture, the Intercreditor Agreement, the Security and Guarantee Documents and the Funding Loans because they, and not this description, define your rights as holders of the Notes. Copies of the Indenture, the Intercreditor Agreement, the Security and Guarantee Documents and the Funding Loans are available as set forth under “—*Available Information.*” Certain defined terms used in this description but not defined below under “—*Certain Definitions*” have the meanings assigned to them elsewhere in this offering memorandum or in the Indenture.

The registered holder of a Note will be treated as the owner of it for all purposes. Only registered holders will have rights under the Indenture.

Subject to compliance with the covenant described under “—*Certain Covenants—Incurrence of Indebtedness and Issuance of Preferred Stock and Disqualified Stock,*” the Issuer may also issue an unlimited amount of additional Fixed Rate Notes or Floating Rate Notes at later dates under the same Indenture. See “—*Brief Description of the Notes, the Funding Loans, the Note Guarantees and the Intercreditor Agreement—Principal, Maturity and Interest and Payment of Notes*” below.

For purposes of any covenant summarized herein, any reference to an amount in “€” will mean, in respect of any amount in any currency other than euro, the Euro Equivalent thereof.

Brief Description of the Notes, the Funding Loans, the Note Guarantees and the Intercreditor Agreement

The Issuer will use the gross proceeds from the offering of Fixed Rate Notes issued on the Issue Date to make a proceeds loan to the Company (the “*Fixed Rate Notes Funding Loan*”) pursuant to a proceeds loan agreement (the “*Fixed Rate Notes Funding Loan Agreement*”), the principal amount of which shall be equal to the aggregate principal amount of the Fixed Rate Notes issued on the Issue Date. The Issuer will use the gross proceeds from the offering of Floating Rate Notes issued on the Issue Date to make a proceeds loan to the Company (the “*Floating Rate Notes Funding Loan*” and, together with the Fixed Rate Notes Funding Loan, the “*Funding Loans*”) pursuant to a proceeds loan agreement (the “*Floating Rate Notes Funding Loan Agreement*” and, together with the Fixed Rate Notes Funding Loan Agreement, the “*Funding Loan Agreements*”), the principal amount of which shall be equal to the aggregate principal amount of the Floating Rate Notes issued on the Issue Date. The Funding Loan Agreements will provide that the borrower under each of the Funding Loans thereunder will pay to the lender thereunder interest and principal as it becomes payable on the corresponding series of Notes (including any additional amounts due thereunder). The Notes will be initially guaranteed by the Company and the Subsidiary Guarantors as described under “—*The Note Guarantees*” and may, in the future, be guaranteed by certain of the Company’s Restricted Subsidiaries (each such guarantee, a “*Note Guarantee*”). A Note Guarantee given by a Subsidiary Guarantor may be released in certain circumstances, as described herein.

The Notes and the Funding Loans

The Notes will be:

- general senior obligations of the Issuer;
- *pari passu* in right of payment to any future Indebtedness of the Issuer that is not subordinated in right of payment to the Notes;
- senior in right of payment to any future Indebtedness of the Issuer that is subordinated in right of payment to the Notes;
- guaranteed by the Company and the Subsidiary Guarantors (and any future Guarantors) on a senior basis; and
- secured by the Collateral, which will be subject to the Revolving Credit Facility and certain Hedging Obligations having a priority right to any recoveries received by the Security Agent in connection with a distressed sale or realization or enforcement of the Collateral, as described under “—*Security*.”

The Issuer had no other Indebtedness on the date of the Indenture and will not be allowed to incur additional Indebtedness under the Indenture except any Additional Notes, Hedging Obligations, intercompany Indebtedness and any other Indebtedness, in each case, permitted to be incurred in compliance with the Indenture. Upon completion of the Offering the Issuer's only material asset is the right to receive payment from the Company on the Funding Loans.

As of September 30, 2013, after giving pro forma effect to this Offering and borrowings under the Revolving Credit Facility and the application of the proceeds thereof, we would have had consolidated debt, including the Notes, of €515.5 million (excluding €7.5 million of additional borrowing capacity available under the Revolving Credit Facility). See “*Use of Proceeds*” and “*Capitalization*.”

The Funding Loans will be:

- general unsecured senior obligations of the Company;
- effectively subordinated to all existing and future secured borrowings of the Company to the extent of the value of the assets so secured; and
- effectively subordinated (in an insolvency proceeding) to any non-related third party borrowings of the Company, except for those borrowings that have been set aside as fraudulent by a court.

The Floating Rate Notes Funding Loan will bear interest at a floating rate at least equal to the interest rate of the Floating Rate Notes, and interest on the Floating Rate Notes Funding Loan will be payable quarterly in arrears on or before the corresponding interest payment date under the Floating Rate Notes. The Fixed Rate Notes Funding Loan will bear interest at a rate at least equal to the interest rate of the Fixed Rate Notes, and interest on the Fixed Rate Notes Funding Loan will be payable semi-annually in arrears on or before the corresponding interest payment date under the Fixed Rate Notes. The maturity date of the Funding Loans will be the same as the maturity date of the Notes. Except as otherwise required by law, all payments under the Funding Loans will be made without deductions or withholding for, or on account of, any applicable tax. In the event that the Company is required to make any such deduction or withholding, such entity will gross-up each payment to the Issuer to ensure that the Issuer receives and retains a net payment equal to the payment which it would have received had no such deduction or withholding been made. Upon the issuance of any Additional Notes, the proceeds thereof will be loaned to the Company pursuant to an additional loan or loans on substantially the same terms as the Funding Loans.

The Note Guarantees

Each Note Guarantee (and the Note Guarantee by any future Guarantors) will be:

- a general senior obligation of the relevant Guarantor;
- *pari passu* in right of payment to all existing and future Indebtedness of that Guarantor that is not subordinated in right of payment to the Note Guarantee of that Note Guarantor;
- senior in right of payment to any future Indebtedness of that Guarantor that is subordinated in right of payment to the Note Guarantee of that Guarantor;
- secured by the Collateral, which will be subject to the Revolving Credit Facility and to certain Hedging Obligations having a priority right to any recoveries received by the Security Agent in connection with a distressed sale or realization or enforcement of the Collateral, as described under “—*Security*”; and

- subject to limitations described herein and in “*Risk Factors—Risks Related to the Notes*” and “*Risk Factors—Risks Related to Our Structure*.”

As of the date of the Indenture, all the Company’s Subsidiaries will be “Restricted Subsidiaries.” However, under the circumstances described below under the subheading “—*Certain Covenants—Designation of Restricted and Unrestricted Subsidiaries*,” the Company will be permitted to designate certain of its Subsidiaries as “*Unrestricted Subsidiaries*.” Any Unrestricted Subsidiaries will not be subject to the restrictive covenants in the Indenture.

Not all our Subsidiaries will guarantee the Notes. In the event of a bankruptcy, liquidation, reorganization or similar event in the applicable jurisdiction of any non-guarantor Subsidiaries, these Subsidiaries will pay the holders of their debt and their trade creditors before they will be able to distribute any of their assets to the Company. The Company will depend, in part, upon the cash flow of its operating company subsidiaries in order to satisfy its obligations under its Note Guarantee and the Funding Loans.

The initial Guarantors will consist of the Company, which directly or indirectly holds all our Restricted Subsidiaries and also conducts some operations, and the Subsidiary Guarantors. The Subsidiary Guarantors initially will consist of Dornier, S.A., Femet, S.A., Balsol 2001, S.A., ESLI—Parques de Estacionamento, S.A. and Empark Portugal Empreendimentos e Exploração de Parques S.A. and Estacionamientos Guipuzcoanos, S.L., which will become a Subsidiary Guarantor following its conversion into a Spanish *sociedad anónima*. The Company has agreed to implement this conversion as soon as practicable. The conversion is expected to take place within approximately 60 to 90 days following the Issue Date. For the twelve months ended September 30, 2013, the Company and the Subsidiary Guarantors (including Estacionamientos Guipuzcoanos, S.L.) generated 78.1% and 79.9% of the Group’s Adjusted Revenue and Adjusted EBITDA, respectively, and held 95.7% of the Group’s total assets (and 63.4% of the Group’s tangible and intangible assets, excluding goodwill) as of September 30, 2013, in each case as determined under IFRS. As of September 30, 2013, after giving pro forma effect to the Refinancing, the Company’s Subsidiaries that do not guarantee the Notes would have had €102.2 million of Indebtedness outstanding.

In addition, pursuant to the covenant entitled “—*Additional Note Guarantees*,” subject to certain exceptions, any Restricted Subsidiary (i) that after the date of the Indenture is or becomes a Material Subsidiary (except for (a) Restricted Subsidiaries which are Material Subsidiaries at the date of the Indenture but not initial Subsidiary Guarantors, (b) Restricted Subsidiaries that are already Subsidiary Guarantors, (c) Restricted Subsidiaries that are not Wholly Owned Restricted Subsidiaries of the Company and (d) Non-Recourse Restricted Subsidiaries) or (ii) that guarantees certain Indebtedness of other entities, will also be required to become a Subsidiary Guarantor. The Note Guarantees will be joint and several obligations of the Guarantors. The obligations of each Guarantor under its Note Guarantee will be limited as necessary to prevent that Note Guarantee from constituting a fraudulent conveyance under applicable law and as otherwise required under applicable law. See “*Risk Factors—Risks Relating to the Notes—Certain of the Note Guarantees will be limited to a specified amount, and each Note Guarantee will be subject to certain limitations on enforcement and may be limited by applicable laws or subject to certain defenses that may limit its validity and enforceability*.”

A Subsidiary Guarantor may not sell or otherwise dispose of all or substantially all its assets to, or consolidate with or merge with or into (whether or not such Subsidiary Guarantor is the surviving Person) another Person, other than the Company or another Subsidiary Guarantor, unless:

- (1) immediately after giving effect to that transaction, no Default or Event of Default exists; and
- (2)(a) the Person acquiring the property in any such sale or disposition or the Person formed by or surviving any such consolidation or merger assumes all the obligations of that Subsidiary Guarantor under the Indenture and its Note Guarantee pursuant to a supplemental indenture satisfactory to the Trustee;
 - (b) if the transaction constitutes a sale or disposition of all or substantially all its assets, the Net Cash Proceeds of such sale or disposition are applied in accordance with the applicable provisions of the Indenture; or
 - (c) in any transaction between (i) the Company or a Subsidiary Guarantor and (ii) a Restricted Subsidiary that is not a Subsidiary Guarantor, the Company or such Subsidiary Guarantor is the surviving Person or the Restricted Subsidiary is the surviving Person and assumes all the obligations of the Company or such Subsidiary Guarantor under the Indenture and its Note Guarantee pursuant to a supplemental indenture satisfactory to the Trustee.

Release of Note Guarantees

The Note Guarantee of a Subsidiary Guarantor will be released:

- (1) in connection with any sale or other disposition of all or substantially all the assets of that Subsidiary Guarantor (including by way of merger or consolidation) to a Person that is not (either before or after giving effect to such transaction) the Company or a Restricted Subsidiary of the Company, if the sale or other disposition does not violate the “Asset Sale” provisions of the Indenture, and all obligations of that Subsidiary Guarantor with respect to other Indebtedness of the Company and its Restricted Subsidiaries are also released;
- (2) in connection with any sale of all the Capital Stock of that Subsidiary Guarantor to a Person that is not (either before or after giving effect to such transaction) the Company or a Restricted Subsidiary of the Company, if the sale does not violate the “Asset Sale” provisions of the Indenture, and all obligations of that Subsidiary Guarantor with respect to other Indebtedness of the Company and its Restricted Subsidiaries are also released;
- (3) if the Company designates any Restricted Subsidiary that is a Subsidiary Guarantor as an Unrestricted Subsidiary in accordance with the applicable provisions of the Indenture;
- (4) upon legal defeasance or covenant defeasance or discharge of the Notes as described under the captions “*Legal Defeasance and Covenant Defeasance*” and “*Satisfaction and Discharge*,”
- (5) as described under the caption “*Amendment, Supplement and Waiver*,”
- (6) in the case of Note Guarantees granted pursuant to the covenant entitled “—*Additional Note Guarantees*,” upon the discharge of the Indebtedness or the release and discharge of the guarantee that gave rise to the obligation to guarantee the Notes;
- (7) upon the sale of all the Capital Stock of, or all or substantially all the assets of, such Subsidiary Guarantor or its Parent Company pursuant to a security enforcement sale in compliance with the Intercreditor Agreement or any Additional Intercreditor Agreement, or as otherwise provided for under the Intercreditor Agreement and any Additional Intercreditor Agreement;
- (8) upon the full and final payment and performance of all obligations of the Company and the Issuer under the Indenture and the Notes; or
- (9) in accordance with an enforcement action pursuant to the Intercreditor Agreement or any Additional Intercreditor Agreement.

See “—*Repurchase at the Option of Holders—Asset Sales*.”

No release and discharge of a Note Guarantee will be effective against the Trustee, the Security Agent or the holders of Notes until the Issuer has delivered to the Trustee and the Security Agent an officer's certificate and an opinion of counsel stating that all conditions precedent provided for in the Indenture and the Security and Guarantee Documents relating to such release and discharge have been satisfied and that such release and discharge is authorized and permitted under the Indenture and the Security and Guarantee Documents and the Trustee and Security Agent will be entitled to rely on such officer's certificate and opinion absolutely and without further inquiry. At the request and expense of the Issuer, the Trustee, or the Security Agent, as applicable, will execute any documents reasonably required in order to evidence or effect such release, discharge and termination in respect of such Note Guarantee. None of the Issuer, the Trustee, the Security Agent or any Guarantor will be required to make a notation on the Notes to reflect any such release, termination or discharge.

Intercreditor Agreement

To establish the relative rights of certain creditors of the Issuer and the Guarantors under their financing arrangements, including, the Notes, the Revolving Credit Facility and certain Hedging Obligations, the Issuer, the Trustee, the agent under the Revolving Credit Facility and the Security Agent, among others, will enter into the Intercreditor Agreement. See “*Description of Other Indebtedness—Intercreditor Agreement*.”

Under the terms of the Intercreditor Agreement, in the event of acceleration of the Revolving Credit Facility or the Notes, amounts recovered in respect of the Notes, including from the enforcement of the Collateral, are required to be turned over to the Security Agent and, subject to the payment of fees and expenses of the agent under the Revolving Credit Facility, the Trustee and Security Agent, paid by the Security Agent to the lenders under the Revolving Credit Facility and counterparties to certain Hedging Obligations in priority to the holders of the Notes.

Security

General

Pursuant to the Indenture and various Security and Guarantee Documents, the Issuer and the Guarantors will grant to the Security Agent first-priority liens, the benefit of which will be subject in an enforcement to the priority liens securing the Revolving Credit Facility and certain Hedging Obligations and subject to the grant of further Permitted Collateral Liens, over the following assets (the “*Collateral*”):

- (1) all the issued and outstanding shares of the Issuer, 99.9% of the issued and outstanding shares of the Company and all the issued and outstanding shares of Dornier, S.A., Femet, S.A., Estacionamientos Guipuzcoanos, S.L., Balsol 2001, S.A. and Empark Portugal—Empreendimentos e Exploração de Parqueamentos, S.A. (but only following the conversion of the shares thereof to bearer form as described below);
- (2) 24.5% of the issued and outstanding shares of Sociedad Municipal de Aparcamientos y Servicios, S.A.;
- (3) 43.0% of the issued and outstanding shares of Estacionamientos Urbanos de Leon, S.A.;
- (4) a security assignment of the Issuer’s rights under the Funding Loan Agreements and the Issuer Intercompany Loan Agreement;
- (5) a first-ranking pledge over all the credit rights under certain of the Guarantors’ Spanish off-street concessions (which include the rights to receive compensation, payments and owed amounts under the concession agreements); and
- (6) a first-priority account pledge covering certain bank accounts of the Issuer and the Guarantors organized under the laws of Spain.

The Security and Guarantee Documents will be executed on the Issue Date. The Security and Guarantee Documents will be valid and enforceable following the satisfaction of the conditions subsequent set forth therein, including the release of the security pledged in connection with the Existing Credit Facilities and the conversion of the issued and outstanding shares of Empark Portugal—Empreendimentos e Exploração de Parqueamentos, S.A. to bearer form. See “*Risk Factors—The Notes and the Note Guarantees will not be secured by the Collateral on the Issue Date.*” In addition, the Company has agreed to take all necessary actions to perfect the security interests in the Collateral to the extent required under the relevant Security and Guarantee Documents executed on the Issue Date, subject, in each case, to the terms of the Intercreditor Agreement (including the Agreed Security Principles) and the requirements set forth in such Security and Guarantee Documents, as soon as practicable and in any event substantially concurrently with any perfection of the security interest in the Collateral granted to secure the obligations of the obligors under the Revolving Credit Facility.

Subject to certain conditions, including compliance with the covenants described under “—*Certain Covenants—Impairment of Security Interest*” and “—*Certain Covenants—Liens,*” the Company and its Restricted Subsidiaries are permitted to pledge the Collateral in connection with future issuances of its Indebtedness, including any Additional Notes, or Indebtedness of its Restricted Subsidiaries, in each case as permitted under the Indenture and on terms consistent with the relative priority of such Indebtedness.

No appraisals of any Collateral have been prepared by or on behalf of the Issuer, the Security Agent or the Trustee in connection with the issuance of the Notes and the Note Guarantees. By its nature, some or all the Collateral will be illiquid and may have no readily ascertainable market value. Accordingly, the Collateral may not be able to be sold in a short period of time or at all.

Under the terms of the Intercreditor Agreement, the Security Agent will not be required to accept or act with respect to any Collateral if it is of a type or in a jurisdiction which the Security Agent determines does not meet or comply with its internal regulations or policies or with any law or regulation, or which might impose liability on the Security Agent.

The security interests of the Security Agent in the shares of Estacionamientos Urbanos de Leon, S.A. and any future credit rights which are part of the Collateral may not be enforceable if certain actions are not taken in respect of the registration, recordation or recognition of the security interests being granted. See “*Risk Factors—The Security Agent may not be able to enforce a portion of the Collateral if certain actions are not taken to register and perfect the security interests in the Collateral.*”

The Liens on the Collateral will be limited as necessary to recognize certain limitations arising under or imposed by local law and defenses generally available to providers of Collateral (including those that relate to fraudulent

conveyance or transfer, voidable preference, financial assistance, corporate purpose or benefit, capital maintenance or similar laws, regulations or defenses affecting the rights of creditors generally) or other considerations under applicable law. For a brief description of such limitations, please see “*Risk Factors—Risks Relating to the Notes.*”

Security and Guarantee Documents

The Issuer, the Guarantors and the Security Agent will, as applicable, enter into the Security and Guarantee Documents, which define the terms of the security interests that secure the Notes and the Note Guarantees. The Security and Guarantee Documents will secure the payment and performance when due of all the obligations of the Issuer and the Guarantors under the Notes, the Indenture, the Note Guarantees and other obligations.

Subject to the terms of the Indenture and the Security and Guarantee Documents, the Issuer and the Guarantors will have the right to remain in possession and retain exclusive control of the Collateral securing the Notes and the Note Guarantees, to freely operate the Collateral and to collect, invest and dispose of any income therefrom.

The Security and Guarantee Documents will, as described under the caption “*Description of Other Indebtedness—Intercreditor Agreement,*” permit the Trustee and the agent for the Revolving Credit Facility to instruct the Security Agent to take enforcement action under the Security and Guarantee Documents following (i) the occurrence of an event of default under such Indebtedness (ii) such Indebtedness being declared due and payable and (iii) the requisite approval or consent of the holders of such Indebtedness.

Priority

The relative priority among (a) the lenders under the Revolving Credit Facility, (b) the counterparties under certain Hedging Obligations and (c) the Trustee and the holders of Notes under the Indenture with respect to the security interests in the Collateral created by the Security and Guarantee Documents and that secure the obligations under the Notes or the Note Guarantees and the Indenture will be established by the terms of the Intercreditor Agreement, the Indenture, the Security and Guarantee Documents, the Revolving Credit Facility and such Hedging Obligations, which provide that all obligations under the Notes, the Revolving Credit Facility and certain Hedging Obligations are secured equally and ratably by a first priority interest in the Collateral, but in the event of acceleration of the Revolving Credit Facility, lenders under the Revolving Credit Facility and counterparties to certain Hedging Agreements will receive proceeds from the enforcement of the Collateral in priority to holders of the Notes. Amounts recovered in respect of the Notes, including from the enforcement of the Collateral, are required to be turned over to the Security Agent and, subject to the payment of fees and expenses of the agent under the Revolving Credit Facility, the Trustee and Security Agent, will be paid by the Security Agent to the lenders under the Revolving Credit Facility and counterparties to certain Hedging Obligations in priority to the holders of the Notes.

Pursuant to the Intercreditor Agreement, any liabilities in respect of obligations under the Revolving Credit Facility Agreement and certain Hedging Obligations permitted to be incurred under the covenant “—*Certain Covenants—Incurrence of Indebtedness and Issuance of Preferred Stock and Disqualified Stock*” and permitted to be secured on the Collateral on a super priority basis under the covenant “—*Certain Covenants—Liens*” will receive priority over the holders of the Notes with respect to any proceeds received upon any enforcement action over any Collateral. The Company is permitted to grant security over the Collateral in connection with future incurrence of Indebtedness or Indebtedness of its Restricted Subsidiaries, including any Additional Notes, in each case, as permitted under the Indenture and the Intercreditor Agreement.

Release

The Issuer and the Guarantors will be entitled to the release of property and other assets constituting Collateral from the Liens securing the Notes and the Note Guarantees under any one or more of the following circumstances:

- (1) in connection with any sale or other disposition of the assets to a Person that is not (either before or after giving effect to such transaction) the Company or a Restricted Subsidiary of the Company, if the sale or other disposition does not violate the “Asset Sale” provisions of the Indenture;
- (2) if the Company designates any Restricted Subsidiary that is a Guarantor as an Unrestricted Subsidiary in accordance with the applicable provisions of the Indenture;
- (3) upon legal defeasance or covenant defeasance or discharge of the Notes as described under the caption “*Legal Defeasance and Covenant Defeasance*” and “*Satisfaction and Discharge,*”
- (4) as described under the caption “*Amendment, Supplement and Waiver,*”

- (5) in the case of a Guarantor that is released from its Note Guarantee pursuant to the terms of the Indenture, the release of the property and assets, and Capital Stock, of such Guarantor;
- (6) as provided for under the Intercreditor Agreement, including in connection with an enforcement sale;
- (7) upon the full and final payment and performance of all obligations of the Company and the Issuer under the Indenture and the Notes; or
- (8) as described in the second paragraph of the covenant described under “—*Certain Covenants—Liens.*”

The Indenture will provide that any release of a Lien on Collateral will be evidenced by the delivery by the Issuer to the Trustee and the Security Agent of an officer's certificate of the Issuer and an opinion of counsel on which officer's certificate and opinion of counsel the Trustee and Security Agent will be entitled to rely absolutely and without further inquiry, and that the Security Agent will acknowledge and confirm such release upon delivery of such officer's certificate and opinion.

The Security Agent may need to evaluate the impact of the potential liabilities before determining to foreclose on certain Collateral. In this regard, the Security Agent may decline to foreclose on the Collateral or exercise remedies available if it does not receive indemnification, security or pre-funding to its satisfaction from the holders of the Notes. In addition, the Security Agent's ability to foreclose on the Collateral on behalf of the holders of the Notes may be subject to lack of perfection, the consent of third parties, prior Liens and practical problems associated with the realization of the Security Agent's Liens on the Collateral.

The Indenture will provide that the Security Agent will have no liability to any of the holders of the Notes as a consequence of its performance or non-performance under the Security and Guarantee Documents, except for its gross negligence or willful misconduct.

Principal, Maturity and Interest and Payment of Notes

The Issuer will issue €235,000,000 in aggregate principal amount of Fixed Rate Notes and €150,000,000 in aggregate principal amount of Floating Rate Notes in this Offering. The Fixed Rate Notes and the Floating Rate Notes are each separate series of Notes but will be treated as a single class of securities under the Indenture, except as otherwise stated herein. As a result, holders of each series of Notes will not have separate rights to, among other things, give notice of Defaults or to direct the Trustee to exercise remedies during an Event of Default or otherwise.

Subject to compliance with the covenant described under “—*Certain Covenants—Incurrence of Indebtedness and Issuance of Preferred Stock and Disqualified Stock,*” the Issuer is permitted to issue more Floating Rate Notes from time to time under the Indenture in an unlimited aggregate principal amount (the “*Additional Floating Rate Notes*”) and issue more Fixed Rate Notes from time to time under the Indenture, in an unlimited aggregate principal amount (the “*Additional Fixed Rate Notes*”). Any Additional Floating Rate Notes or Additional Fixed Rate Notes (together, the “*Additional Notes*”) that the Issuer issues in the future will be identical in all respects to the Notes that the Issuer is issuing hereby (including with respect to the Note Guarantees), except that Notes issued in the future will have different issuance prices and issuance dates. All Notes, including any Additional Notes, will be treated as a single class under the Indenture with respect to certain waivers, certain amendments, redemptions and offers to purchase; *provided* that Additional Notes will not be issued with the same ISIN or Common Code, as applicable, as existing Notes unless such Additional Notes are fungible with the existing Notes for U.S. Federal income tax purposes. Unless the context otherwise requires, for all purposes of the Indenture and this “*Description of the Notes,*” references to the Fixed Rate Notes include the Fixed Rate Notes offered hereby and any Additional Fixed Rate Notes actually issued, references to the Floating Rate Notes include the Floating Rate Notes offered hereby and any Additional Floating Rate Notes actually issued, and references to the Notes include the Notes offered hereby and any Additional Notes actually issued.

The Issuer will issue Notes in minimum denominations of €100,000 and integral multiples of €1,000 in excess thereof. For so long as the Notes are listed on the Official List of the Luxembourg Stock Exchange and admitted for trading on the Euro MTF market and the rules of such exchange so require, the Issuer will publish a notice of any change in these denominations in a newspaper having a general circulation in Luxembourg (currently expected to be the *Luxemburger Wort*) or the website of the Luxembourg Stock Exchange (www.bourse.lu).

Floating Rate Notes

The Floating Rate Notes will mature on December 15, 2019. Interest on the Floating Rate Notes will be payable quarterly in arrears on March 15, June 15, September 15 and December 15 of each year, commencing on March 15, 2014. We will make each interest payment to the holders of record on the immediately preceding March 1,

June 1, September 1 and December 1. The redemption price at maturity will be 100% of the par value of the Floating Rate Notes.

Each Floating Rate Note will bear interest at a rate per annum (the “*Applicable Rate*”), reset quarterly, equal to EURIBOR plus 5.5%, as determined by the calculation agent (the “*Calculation Agent*”), which will initially be Deutsche Bank AG, London Branch.

Interest on the Floating Rate Notes will accrue from the date of original issuance or, if interest has already been paid, from the date it was most recently paid. Interest will be computed on the basis of the actual number of days in the interest period concerned divided by 360.

Set forth below is a summary of certain of the provisions from the Indenture relating to the calculation of interest on the Floating Rate Notes.

“*Determination Date*” with respect to an Interest Period, means the day that is two TARGET Settlement Days preceding the first day of such Interest Period, except that the initial Determination Date will be December 16, 2013.

“*EURIBOR*” with respect to an Interest Period, means the rate (expressed as a percentage per annum) for deposits in euro for a three-month period beginning on the day that is two TARGET Settlement Days after the Determination Date that appears on Reuters Page 248 as of 11:00 a.m. Brussels time, on the Determination Date, *provided, however*, that EURIBOR shall never be less than 0%. If Reuters Page 248 does not include such a rate or is unavailable on a Determination Date, the Calculation Agent will request the principal London office of each of four major banks in the Euro-zone inter-bank market, as selected by the Calculation Agent, to provide such bank’s offered quotation (expressed as a percentage per annum) as of approximately 11:00 a.m., Brussels time, on such Determination Date, to prime banks in the Euro-zone inter-bank market for deposits in a Representative Amount in euro for a three-month period beginning on the day that is two TARGET Settlement Days after the Determination Date. If at least two such offered quotations are so provided, the rate for the Interest Period will be the arithmetic mean of such quotations. If fewer than two such quotations are so provided, the Calculation Agent will request each of three major banks in London, as selected by the Calculation Agent, to provide such bank’s rate (expressed as a percentage per annum), as of approximately 11:00 a.m., London time, on such Determination Date, for loans in a Representative Amount in euro to leading European banks for a three-month period beginning on the day that is two TARGET Settlement Days after the Determination Date. If at least two such rates are so provided, the rate for the Interest Period will be the arithmetic mean of such rates. If fewer than two such rates are so provided then the rate for the Interest Period will be the rate in effect with respect to the immediately preceding Interest Period.

“*Euro-zone*” means the region comprised of member states of the European Union that adopt the euro.

“*Interest Period*” means the period commencing on and including an interest payment date and ending on and including the day immediately preceding the next succeeding interest payment date, with the exception that the first Interest Period will commence on and include the Issue Date and end on and include March 14, 2014.

“*Representative Amount*” means the greater of (i) €1,000,000 and (ii) an amount that is representative for a single transaction in the relevant market at the relevant time.

“*Reuters Page 248*” means the display page so designated by Reuters (or such other page as may replace that page on that service, or such other service as may be nominated as the information vendor).

“*TARGET Settlement Day*” means any day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET) System is open.

The Calculation Agent will, as soon as practicable after 11:00 a.m. (London time) on each Determination Date, determine the Applicable Rate and calculate the aggregate amount of interest payable in respect of the following Interest Period (the “*Interest Amount*”). The Interest Amount will be calculated by applying the Applicable Rate to the principal amount of each Floating Rate Note outstanding at the commencement of the Interest Period, multiplying each such amount by the actual amounts of days in the Interest Period concerned divided by 360. All percentages resulting from any of the above calculations will be rounded, if necessary, to the nearest one hundred thousandth of a percentage point, with five one-millionths of a percentage point being rounded upwards (e.g., 4.876545% (or .04876545) being rounded to 4.87655% (or .0487655)). The determination of the Applicable Rate and the Interest Amount by the Calculation Agent will, in the absence of willful default, bad faith or manifest error, be final and binding on all parties. In no event will the rate of interest on the Floating Rate Notes be higher than the maximum rate permitted by applicable law.

Fixed Rate Notes

The Fixed Rate Notes will mature on December 15, 2019. Interest on the Fixed Rate Notes will accrue at the rate of 6.75% per annum and will be payable semi-annually in arrears on June 15 and December 15 of each year, commencing on June 15, 2014. We will make each interest payment to the holders of record on the immediately preceding June 1 and December 1. The redemption price at maturity will be 100% of the par value of the Fixed Rate Notes.

Interest on the Fixed Rate Notes will accrue from the date of original issuance or, if interest has already been paid, from the date it was most recently paid. Interest will be computed on the basis of a 360-day year comprised of twelve 30-day months.

Methods of Receiving Payments on the Notes

The Issuer will make payments on the Global Notes to the Principal Paying Agent for further credit to Euroclear or Clearstream (as applicable), which will, in turn, distribute such payments in accordance with its procedures.

Payments of principal of, and premium, if any, on each Note in definitive registered form ("*Definitive Registered Notes*") will be made by transfer on the due date to an account maintained by the payee pursuant to details provided by the holder or, if requested by the holder, by check, in each case against presentation and surrender (or, in the case of partial payment only, endorsement) of the relevant Definitive Registered Note at the office of any Paying Agent. Payments of interest in respect of each Definitive Registered Note will be made by transfer on the due date to an account maintained by the payee (the holder and account details of which appear on the register of holders at the close of business on the relevant record date) or, if requested by the holder, by check mailed on the relevant due date (or, if that is not a business day, the immediately succeeding business day) to the holder (or to the first named of joint holders) of the Definitive Registered Note appearing on the register of holders at the close of business at the address shown on the register of holders on such record date. Payments in respect of principal of, premium, if any, and interest on Definitive Registered Notes are subject in all cases to any tax or other laws and regulations applicable in the place of payment but without prejudice to the provisions under the headings "*—Optional Tax Redemption*" and "*—Additional Amounts.*" The Paying Agent may require payment of a sum sufficient to cover any transfer tax or similar governmental charge in connection with any payment transfer instructions received by the Paying Agent. Definitive Registered Notes, if issued, will only be issued in registered form.

Paying Agent and Registrar for the Notes

The Issuer will maintain one or more Paying Agents for the Notes, including a Paying Agent in London, United Kingdom (the "*Principal Paying Agent*"). The initial Principal Paying Agent will be Deutsche Bank AG, London Branch. Deutsche Bank Luxembourg S.A. will act as Transfer Agent. The Transfer Agent will be responsible for, among other things, facilitating any transfers or exchanges of beneficial interests in different global Notes between holders.

In addition, the Issuer undertakes that it will ensure that it maintains a Paying Agent in a Member State of the European Union that is not obliged to withhold or deduct tax pursuant to European Council Directive 2003/48/EC or any other Directive implementing the conclusions of the European Council of Economics and Finance Ministers ("*ECOFIN*") meeting of November 26-27, 2000 or any law implementing or complying with, or introduced in order to conform to, such Directive.

The Issuer also will maintain one or more registrars (each a "*Registrar*"). The initial Registrar will be Deutsche Bank Luxembourg S.A. The Registrar will maintain a register reflecting ownership of Definitive Registered Notes outstanding from time to time and will make payments on Definitive Registered Notes on behalf of the Issuer (the "*Register*"). A duplicate register of the Notes will also be maintained and kept at all times at the registered office of the Issuer in Luxembourg (the "*Duplicate Register*") in accordance with the relevant provisions of the Luxembourg law of 10 August 1915 on commercial companies (as amended) and will be regularly updated (as applicable). Upon written request of the Issuer or each time the Register is amended, the Registrar will provide to the Issuer a copy of the Register in order to enable the Issuer to maintain the Duplicate Register.

The Issuer may change the Paying Agents, the Transfer Agents or the Registrars without prior notice to the holders. For so long as the Notes are listed on the Official List of the Luxembourg Stock Exchange and admitted for trading on the Euro MTF market and the rules of this exchange so require, the Issuer will publish a notice of any change of Paying Agent, Transfer Agent or Registrar in a newspaper having a general circulation in Luxembourg (currently expected to be the *Luxemburger Wort*) or the website of the Luxembourg Stock Exchange (www.bourse.lu).

Form of Notes

The Notes will be issued in the form of global Notes in registered form and will be issued in minimum denominations of €100,000 principal amount and integral multiples of €1,000 in excess thereof. In no event will Definitive Registered Notes in bearer form be issued. See *“Book-Entry; Delivery and Form.”*

Additional Amounts

All payments made by or on behalf of the Issuer, any Guarantor or a successor of any of them (each a *“Payor”*) on the Notes or on the Note Guarantee will be made without withholding or deduction for, or on account of, any present or future taxes, duties, levies, imposts, assessments or similar governmental charges of whatever nature (including penalties, additions to tax, and interest related thereto) (*“Taxes”*) unless the withholding or deduction of such Taxes is then required by law. If any deduction or withholding for, or on account of, any Taxes imposed or levied by or on behalf of:

- (1) Luxembourg, Spain, Portugal or any political subdivision or governmental authority of any thereof or therein having power to tax;
- (2) any jurisdiction from or through which payment on the Notes or a Note Guarantee is made by or on behalf of a Payor, or any political subdivision or governmental authority thereof or therein having the power to tax; or
- (3) any other jurisdiction in which a Payor is incorporated or organized or otherwise considered to be a resident or doing business for tax purposes, or any political subdivision or governmental authority thereof or therein having the power to tax (each of clause (1), (2) and (3), a *“Relevant Taxing Jurisdiction”*),

will at any time be required from any payments made with respect to the Notes or the Note Guarantees, including payments of principal, redemption price, interest or premium, the Payor will pay (together with such payments) such additional amounts (the *“Additional Amounts”*) as may be necessary in order that the net amounts obtained in respect of such payments by each holder or beneficial owner of the Notes or the Note Guarantees, as the case may be, after such withholding or deduction (including any such deduction or withholding from such Additional Amounts), equal the amounts which would have been obtained in respect of such payments in the absence of such withholding or deduction; *provided, however*, that no such Additional Amounts will be payable with respect to:

- (1) any Taxes that would not have been so imposed but for the existence of any present or former connection between the relevant holder or the beneficial owner of a Note (or between a fiduciary, settlor, beneficiary, member or shareholder of, or possessor of power over the relevant holder or beneficial owner, if the relevant holder or beneficial owner is an estate, nominee, trust, partnership, limited liability company or corporation) and the Relevant Taxing Jurisdiction (including any Tax imposed as a result of a holder or beneficial owner being a citizen or resident or national or domiciliary of, or carrying on a business or maintaining a permanent establishment in, the Relevant Taxing Jurisdiction), other than a connection resulting from the mere ownership or holding of such Note or enforcement of rights thereunder or under any Note Guarantee or the receipt of payments in respect thereof;
- (2) any Taxes that would not have been so imposed if the holder or the beneficial owner of a Note had made a declaration of non-residence or any other claim or filing for exemption to which it is entitled (*provided* that (x) such declaration of non-residence or other claim or filing for exemption is required by the applicable law of the Relevant Taxing Jurisdiction as a precondition to exemption from the requirement to deduct or withhold such Taxes and (y) at least 30 days prior to the first payment date with respect to which such declaration of non-residence or other claim or filing for exemption is required under the applicable law of the Relevant Taxing Jurisdiction, the relevant holder at that time has been notified (in accordance with the procedures set forth in *“—Selection and Notice”*) by the Payor or any other Person through whom payment may be made that a declaration of non-residence or other claim or filing for exemption is required to be made), but, in each case, only to the extent the holder or beneficial owner is legally eligible to make such declaration or other claim or filing;
- (3) any Note presented for payment (where presentation is required) more than 30 days after the relevant payment is first made available for payment to the holder (except to the extent that the holder would have been entitled to Additional Amounts had the Note been presented during such 30-day period);

- (4) any Taxes other than taxes (i) imposed on income, or (ii) payable by withholding or deduction from a payment under or with respect to the Notes or any Note Guarantee;
- (5) any estate, inheritance, gift, sale, transfer, personal property or similar tax, assessment or other governmental charge;
- (6) any withholding or deduction imposed on a payment to a holder or beneficial owner and required to be made pursuant to the European Union Directive on the taxation of savings income (the “*Directive*”) which was adopted by the ECOFIN Council of the European Union (the Council of EU finance and economic ministers) on June 3, 2003 or any other directive implementing the conclusions of the ECOFIN meeting of November 26 and 27, 2000, or any law implementing or complying with, or introduced in order to conform to, the Directive;
- (7) any Taxes which could have been avoided by the presentation (where presentation is required) of the relevant Note to another Paying Agent in a member state of the European Union;
- (8) any Taxes imposed on, or on a third party on behalf of, a Spanish-resident legal entity subject to Spanish Corporate Income Tax if the taxing authorities of the Kingdom of Spain determine that the Notes do not comply with exemption requirements specified in any applicable tax law, including the ruling of the General Directorate of Taxation (*Dirección General de Tributos*) dated 27 July 2004, or any legislation or regulation implementing or complying with, or introduced in order to conform to, such applicable law or such ruling, which law, ruling, legislation or regulation requires a withholding to be made; or
- (9) any combination of (1) through (8) above.

Such Additional Amounts will also not be payable where, had the beneficial owner of the Note been the direct holder of the Note, it would not have been entitled to payment of Additional Amounts by reason of any of clauses (1) to (9) inclusive above.

The applicable withholding agent will (i) make any required withholding or deduction and (ii) remit the full amount deducted, withheld or required to be paid to the Relevant Taxing Jurisdiction in accordance with applicable law. Upon request, the Payor will use all reasonable efforts to obtain certified copies of tax receipts evidencing the payment of any Taxes so deducted or withheld from each Relevant Taxing Jurisdiction imposing such Taxes and will provide such certified copies to each beneficial owner. In its response to such request, the Payor will attach to each certified copy a certificate stating (x) that the amount of Taxes evidenced by the certified copy was paid in connection with payments in respect of the principal amount of Notes then outstanding and (y) the amount of such Taxes paid per €1,000 principal amount of the Notes. Copies of such documentation will be available for inspection during ordinary business hours at the office of the Trustee by the beneficial owners of the Notes upon request and will be made available at the offices of the Registrar located in Luxembourg or the registered office of the Issuer if the Notes are then listed on the Official List of the Luxembourg Stock Exchange and admitted for trading on the Euro MTF market.

At least 30 days prior to each date on which any payment under or with respect to the Notes or any Note Guarantee is due and payable (unless such obligation to pay Additional Amounts arises shortly before or after the 30th day prior to such date, in which case it shall be promptly thereafter), if the Payor will be obligated to pay Additional Amounts with respect to such payment, the Payor will deliver to the Trustee and the Principal Paying Agent an officer’s certificate stating the fact that such Additional Amounts will be payable, the amounts so payable and will set forth such other information necessary to enable the Principal Paying Agent to pay such Additional Amounts to holders on the payment date. Each such officer’s certificate shall be relied upon until receipt of a further officer’s certificate addressing such matters.

Wherever in the Indenture, the Notes, any Note Guarantee or this description of the Notes there are mentioned, in any context:

- (1) the payment of principal;
- (2) purchase prices in connection with a purchase of Notes;
- (3) interest; or
- (4) any other amount payable on or with respect to the Notes or any Note Guarantee,

such reference shall be deemed to include payment of Additional Amounts as described under this heading to the extent that, in such context, Additional Amounts are, were or would be payable in respect thereof.

The Payor will pay any present or future transfer, stamp, issue, registration, court or documentary Taxes, or any other excise or property Taxes which arise in any Relevant Taxing Jurisdiction from the execution, issuance, delivery or registration of any Notes or any other document or instrument referred to therein (other than a transfer of the Notes following their initial resale by the initial purchaser thereof), or the receipt of any payments with respect to the Notes or any Note Guarantee, including Taxes resulting from, or required to be paid in connection with, the enforcement of the Notes, a Note Guarantee or any other such document or instrument following the occurrence of any Event of Default with respect to the Notes but excluding any such taxes, charges or similar levies imposed by any jurisdiction outside the jurisdiction of organization of any Payor or any jurisdiction in which a Paying Agent is located. The Payor will indemnify the holders and the beneficial owners of the Notes for any such Taxes paid by them.

The foregoing obligations will survive any termination, defeasance or discharge of the Indenture and will apply *mutatis mutandis* to any jurisdiction in which any successor to a Payor is incorporated, organized, doing business or otherwise considered to be a resident for tax purposes, or any political subdivision or taxing authority or agency thereof or therein.

Optional Redemption

Floating Rate Notes

At any time on or after December 15, 2014 and prior to December 15, 2015, at the option of the Issuer or the Company, the Issuer may redeem all or a part of the Floating Rate Notes upon not less than 30 nor more than 60 days' notice, at a redemption price of 101% of the principal amount thereof plus accrued and unpaid interest, if any, on the Floating Rate Notes redeemed to the applicable redemption date.

At any time on and after December 15, 2015, at the option of the Issuer or the Company, the Issuer may redeem all or a part of the Floating Rate Notes upon not less than 30 nor more than 60 days' notice, at 100% of the principal amount thereof plus accrued and unpaid interest, if any, on the Floating Rate Notes redeemed, to the applicable redemption date.

In addition, at the option of the Issuer or the Company, the Issuer may prior to December 15, 2014, upon giving not less than 30 nor more than 60 days' notice to the holders of the Floating Rate Notes, at its option on one or more occasions redeem all or a portion of the Floating Rate Notes (which includes Additional Floating Rate Notes, if any) at a redemption price equal to the sum of:

- (1) 100% of the principal amount thereof, *plus*
- (2) accrued and unpaid interest, if any, to the redemption date, *plus*
- (3) the Applicable Premium at the redemption date, subject to the right of holders of record on the relevant record date to receive interest due on any interest payment date occurring on or prior to the redemption date.

Fixed Rate Notes

At any time prior to December 15, 2016, at the option of the Issuer or the Company, the Issuer may, upon not less than 30 nor more than 60 days' notice to the holders of the Fixed Rate Notes, on any one or more occasions redeem up to 35% of the original aggregate principal amount of Fixed Rate Notes (including any Additional Fixed Rate Notes) at a redemption price of 106.75% of the principal amount thereof, plus accrued and unpaid interest, if any, to the redemption date, with the Net Cash Proceeds of one or more Equity Offerings; *provided that*:

- (1) at least 65% of the original aggregate principal amount of the Fixed Rate Notes (including any Additional Fixed Rate Notes) issued under the Indenture remain outstanding immediately after the occurrence of such redemption (excluding Fixed Rate Notes held by the Issuer or the Company and its Subsidiaries); and
- (2) the redemption occurs within 90 days of the date of the closing of such Equity Offering.

At any time on and after December 15, 2016, at the option of the Issuer or the Company, the Issuer may redeem all or a part of the Fixed Rate Notes upon not less than 30 nor more than 60 days' notice, at the redemption prices (expressed as percentages of principal amount) set forth below plus accrued and unpaid interest, if any, on the Fixed Rate Notes redeemed, to the applicable redemption date, if redeemed during the twelve month period beginning on December 15 of the years indicated below:

Year	Percentage
2016	103.375%
2017	101.688%
2018 and thereafter	100.000%

In addition, at the option of the Issuer or the Company, the Issuer may prior to December 15, 2016, upon giving not less than 30 nor more than 60 days' notice to the holders of the Fixed Rate Notes, at its option on one or more occasions redeem all or a portion of the Fixed Rate Notes (which includes Additional Fixed Rate Notes, if any) at a redemption price equal to the sum of:

- (1) 100% of the principal amount thereof, *plus*
- (2) accrued and unpaid interest, if any, to the redemption date, *plus*
- (3) the Applicable Premium at the redemption date, subject to the right of holders of record on the relevant record date to receive interest due on any interest payment date occurring on or prior to the redemption date.

Any redemption and notice may, in the Issuer's or the Company's discretion, be subject to the satisfaction of one or more conditions precedent.

Mandatory Redemption

Neither the Issuer nor the Company is required to make mandatory redemption or sinking fund payments with respect to the Notes.

Optional Tax Redemption

The Issuer may redeem the Notes in whole, but not in part, at any time upon giving not less than 30 nor more than 60 days' notice to the holders of the Notes (which notice will be irrevocable) at a redemption price equal to 100% of the principal amount thereof, together with accrued and unpaid interest, if any, to the date fixed for redemption (a "*Tax Redemption Date*") (subject to the right of holders of record on the relevant record date to receive interest due on the relevant interest payment date) and Additional Amounts, if any, then due and which will become due on the Tax Redemption Date as a result of the redemption or otherwise, if the Issuer determines that, as a result of:

- (1) any change in, or amendment to, the law or treaties (or any regulations or rulings promulgated thereunder) of a Relevant Taxing Jurisdiction (as defined above) which change or amendment is publicly announced and becomes effective after the Issue Date (or, if a Relevant Taxing Jurisdiction became a Relevant Taxing Jurisdiction on a date after the Issue Date, after such later date); or
- (2) any change in position regarding the application, administration or interpretation of such laws, treaties, regulations or rulings (including a holding, judgment or order by a court of competent jurisdiction) of a Relevant Taxing Jurisdiction (as defined above) which change or amendment is publicly announced and becomes effective after the Issue Date (or, if a Relevant Taxing Jurisdiction became a Relevant Taxing Jurisdiction on a date after the Issue Date, after such later date); (each of the foregoing in clauses (1) and (2), a "*Change in Tax Law*"),

the Issuer, with respect to the Notes or a Guarantor, with respect to a Note Guarantee, as the case may be, is, or on the next interest payment date in respect of the Notes would be, required to pay more than *de minimis* Additional Amounts, and such obligation cannot be avoided by taking reasonable measures available to it (including, for the avoidance of doubt, the appointment of a new Paying Agent in accordance with the second paragraph under "*Paying Agent and Registrar for the Notes*" or, where such payment method would be reasonable under the circumstances, payment through another Guarantor or the Issuer). Notwithstanding the foregoing sentence, the imposition of Spanish Non-Resident Income Tax on any payment with respect to the Notes or the Note Guarantees made to a non-Spanish resident without a permanent establishment in Spain (see "*Tax Considerations—Spanish Tax Considerations—Beneficial owners not residents in Spain without a permanent establishment*") shall not be considered to arise as a result of a Change in Tax Law. Notice of redemption for taxation reasons will be published in accordance with the procedures described under "*Selection and Notice*." Notwithstanding the foregoing, no such notice of redemption will be given (a) earlier than 90 days prior to the earliest date on which the Payor would be obliged to make such payment or withholding if a payment in respect of the Notes or the relevant Note Guarantee were then due and (b) unless at the time such notice is given, such obligation to pay such Additional Amounts remains in effect. Prior to the publication or mailing of any notice of redemption of the Notes pursuant to the foregoing, the Issuer will deliver to the Trustee (a) an officer's

certificate stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to its right so to redeem have been satisfied and (b) an opinion of an independent tax counsel reasonably satisfactory to the Trustee to the effect that the circumstances referred to above exist; the Trustee and Security Agent will be entitled to rely absolutely and without further inquiry on such officer's certificate and such opinion of counsel.

Repurchase at the Option of Holders

Change of Control

If a Change of Control occurs, each holder of Notes will have the right to require the Issuer to repurchase all or any part (equal to €100,000 or integral multiples of €1,000 in excess thereof) of that holder's Notes pursuant to a Change of Control Offer on the terms set forth in the Indenture. In the Change of Control Offer, the Issuer will offer a payment (the "*Change of Control Payment*") in cash equal to 101% of the principal amount of each Note repurchased plus accrued and unpaid interest, if any, on such Note, to the date of purchase (the "*Change of Control Payment Date*"). Within 30 days following any Change of Control, the Issuer will mail a notice to each holder describing the transaction or transactions that constitute the Change of Control and offering to repurchase Notes on the Change of Control Payment Date specified in the notice, which date will be no earlier than 30 days and no later than 60 days from the date such notice is mailed, pursuant to the procedures required by the Indenture and described in such notice. The Issuer and the Company will comply with the requirements of Rule 14e-1 under the Exchange Act and any other securities laws and regulations thereunder to the extent those laws and regulations are applicable in connection with the repurchase of the Notes and the related Note Guarantees as a result of a Change of Control. To the extent that the provisions of any securities laws or regulations conflict with the Change of Control provisions of the Indenture, the Issuer and the Company will comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under the Change of Control provisions of the Indenture by virtue of such compliance.

On or prior to the Change of Control Payment Date, the Company will prepay the Funding Loans to the extent necessary to finance the repurchase by the Issuer of any Notes tendered pursuant to the Change of Control Offer.

On the Change of Control Payment Date, the Issuer will, to the extent lawful:

- (1) accept for payment all Notes or portions of Notes properly tendered pursuant to the Change of Control Offer;
- (2) deposit with the Principal Paying Agent an amount equal to the Change of Control Payment in respect of all Notes or portions of Notes properly tendered; and
- (3) deliver or cause to be delivered to the Trustee the Notes properly accepted together with an officer's certificate stating the aggregate principal amount of Notes or portions of Notes being purchased by the Issuer.

The Principal Paying Agent will promptly mail or otherwise transfer to each holder of Notes properly tendered the Change of Control Payment for such Notes, and the Trustee will promptly authenticate and mail (or cause to be transferred by book entry) to each holder a new Note equal in principal amount to any unpurchased portion of the Notes surrendered, if any; *provided* that each new Note will be in a principal amount of €100,000 or, if greater, an integral multiple of €1,000 in excess thereof.

The provisions described above that require the Issuer to make a Change of Control Offer following a Change of Control will be applicable whether or not any other provisions of the Indenture are applicable. Except as described above with respect to a Change of Control, the Indenture does not contain provisions that permit the holders of the Notes to require the Issuer to repurchase or redeem the Notes in the event of a takeover, recapitalization or similar transaction.

The Issuer will not be required to make a Change of Control Offer upon a Change of Control if a third party makes the Change of Control Offer in the manner, at the times and otherwise in compliance with the requirements set forth in the Indenture applicable to a Change of Control Offer made by the Issuer and purchases all Notes properly tendered and not withdrawn under the Change of Control Offer. The Issuer also will not be required to make a Change of Control Offer following a Change of Control if it has theretofore issued a redemption notice in respect of all the Notes in the manner and in accordance with the provisions described under "*Optional Redemption*" and thereafter purchases all the Notes pursuant to such notice.

The definition of Change of Control includes a phrase relating to the direct or indirect sale, lease, transfer, conveyance or other disposition of "all or substantially all" of the properties or assets of the Company and its

Restricted Subsidiaries taken as a whole. Although there is a limited body of case law interpreting the phrase “substantially all,” there is no precise established definition of the phrase under applicable law. Accordingly, the ability of a holder of Notes to require the Issuer to repurchase its Notes as a result of a sale, lease, transfer, conveyance or other disposition of less than all the assets of the Company and its Restricted Subsidiaries taken as a whole to another Person or group may be uncertain. In addition, it should be noted that recent case law suggests that, in the event that incumbent directors are replaced as a result of a contested election, issuers may nevertheless avoid triggering a change of control under a clause similar to clause (4) of the definition of “Change of Control,” if the outgoing directors were to approve the new directors for the purpose of such change of control clause. As a result, it may be unclear as to whether a Change of Control has occurred and whether a holder of Notes may require the Issuer to make an offer to repurchase the Notes as described above.

Subject to the covenants described below, the Company could enter into certain transactions, including acquisitions, refinancings or other recapitalizations which, though not constituting a Change of Control under the Indenture, could increase the amount of outstanding debt or otherwise affect the Company’s capital structure or credit ratings. In addition, we may not be able to finance the payments required for a Change of Control Offer. See “*Risk Factors—Risks Relating to the Notes—We may not be able to obtain the funds required to repurchase Notes upon a change of control.*”

The provisions of the Indenture relating to the Issuer’s obligation to make an offer to repurchase the Notes as a result of a Change of Control may be waived or modified with the written consent of holders of a majority in outstanding aggregate principal amount of the Notes under the Indenture.

Asset Sales

The Company will not, and will not permit any of its Restricted Subsidiaries to, consummate an Asset Sale unless:

- (1) the Company (or the Restricted Subsidiary, as the case may be) receives consideration at the time of the Asset Sale at least equal to the Fair Market Value of the assets or Capital Stock issued or sold, leased, conveyed or otherwise disposed of; and
- (2) at least 75% of the consideration received in the Asset Sale by the Company or such Restricted Subsidiary is in the form of cash, other Cash Equivalents or Replacement Assets. For purposes of this provision, each of the following will be deemed to be cash:
 - (a) any liabilities, as shown on the Company’s or such Restricted Subsidiary’s most recent balance sheet, of the Company or any Restricted Subsidiary (other than contingent liabilities) that are assumed by the transferee of any such assets and as a result of which the Company and its Restricted Subsidiaries are no longer obligated with respect to such liabilities or are indemnified against further liabilities;
 - (b) any securities, notes or other obligations received by the Company or any such Restricted Subsidiary from such transferee that are converted by the Company or such Restricted Subsidiary into cash within 180 days of the receipt thereof, to the extent of the cash received in that conversion;
 - (c) any Capital Stock or assets, in each case, of the kind referred to in clauses (2) or (4) of the next paragraph of this covenant;
 - (d) Indebtedness of any Restricted Subsidiary that is no longer a Restricted Subsidiary as a result of such Asset Sale, to the extent that the Company and each other Restricted Subsidiary are released from any guarantee of such Indebtedness in connection with such Asset Sale; and
 - (e) consideration consisting of Indebtedness of the Company, the Issuer or any Guarantor received from Persons who are not the Company or any Restricted Subsidiary.

Within 360 days after the receipt of any Net Cash Proceeds from an Asset Sale, the Company may apply those Net Cash Proceeds, if any, at its option:

- (1) to repay secured Indebtedness, Indebtedness of a Restricted Subsidiary that is not a Guarantor or Indebtedness incurred under Credit Facilities and, in each case, to correspondingly permanently reduce commitments with respect thereto;
- (2) to acquire all or substantially all the assets of, or a majority of the Voting Stock of, another Permitted Business;
- (3) to make a capital expenditure;

- (4) to acquire other long-term assets that are used or useful in a Permitted Business; or
- (5) to enter into a binding commitment to apply the Net Cash Proceeds pursuant to clauses (2), (3) or (4) of this paragraph; *provided* that such binding commitment shall be treated as a permitted application of the Net Cash Proceeds from the date of such commitment until the earlier of (x) the date on which such acquisition or expenditure is consummated and (y) the 180th day following the expiration of the aforementioned 360-day period;

provided, however, if the assets sold constitute Collateral or constitute all or substantially all the assets of a Restricted Subsidiary whose Capital Stock has been pledged as Collateral, subject to the Agreed Security Principles, the Company will pledge or will cause the applicable Restricted Subsidiary to pledge any acquired Capital Stock or assets (to the extent such assets were of a category of assets included in the Collateral as of the Issue Date) referred to in this covenant in favor of the Notes on a first-ranking basis.

Pending the final application of any Net Cash Proceeds, the Company may temporarily reduce revolving credit borrowings or otherwise invest the Net Cash Proceeds in any manner that is not prohibited by the Indenture. Notwithstanding the foregoing provisions of this covenant, the Company and the Restricted Subsidiaries will not be required to apply any Net Cash Proceeds in accordance with this covenant except to the extent that the aggregate Net Cash Proceeds from all Asset Sales which are not applied in accordance with this covenant exceed €15 million.

Any Net Cash Proceeds from Asset Sales that are not applied or invested as provided in the second paragraph of this covenant will constitute "Excess Proceeds." When the aggregate amount of Excess Proceeds exceeds €15 million, the Issuer will make an offer (the "Asset Sale Offer") to all holders of Notes, and the Company will make any required offer to purchase *pari passu* Indebtedness containing similar asset sale provisions, to purchase the maximum aggregate principal amount of Notes and such *pari passu* Indebtedness that may be purchased out of the Excess Proceeds and the Company will prepay the Funding Loans to the extent necessary to finance the repurchase of the Notes by the Issuer. The offer price in any Asset Sale Offer will be equal to 100% of principal amount plus accrued and unpaid interest to the date of purchase, and will be payable in cash. If any Excess Proceeds remain after consummation of an Asset Sale Offer, the Company may use those Excess Proceeds for any purpose not otherwise prohibited by the Indenture. If the aggregate principal amount of Notes and other *pari passu* Indebtedness tendered into such Asset Sale Offer exceeds the amount of Excess Proceeds, the Trustee will select the Notes to be purchased on a pro rata basis in accordance with the rules of Euroclear and Clearstream, as applicable. Upon completion of each Asset Sale Offer and, if applicable, purchase, the amount of Excess Proceeds will be reset at zero.

The Issuer and the Company will comply with the requirements of Rule 14e-1 under the Exchange Act and any other securities laws and regulations thereunder to the extent those laws and regulations are applicable in connection with each repurchase of Notes and the related Note Guarantees pursuant to an Asset Sale Offer. To the extent that the provisions of any securities laws or regulations conflict with the Asset Sale provisions of the Indenture, the Issuer and the Company will comply with the applicable securities laws and regulations and will not be deemed to have breached their respective obligations under the Asset Sale provisions of the Indenture by virtue of such compliance.

Selection and Notice

If less than all the Notes are to be redeemed at any time, subject to the requirements of Clearstream and Euroclear, the Principal Paying Agent or the Registrar will select Notes for redemption as follows:

- (1) if the Notes are listed on any securities exchange, in compliance with the requirements, if any, of the securities exchange on which the Notes are listed as certified to the Trustee by the Issuer; or
- (2) if the Notes are not listed on any securities exchange, on a pro rata basis by use of pool factor.

No Notes may be redeemed in part such that the remainder of the Note is less than €100,000 in aggregate principal amount. Notices of redemption will be mailed (or otherwise transmitted) by first class mail at least 30 but not more than 60 days before the redemption date to each holder of Notes to be redeemed at its registered address, except that redemption notices may be mailed (or otherwise transmitted) more than 60 days prior to a redemption date if the notice is issued in connection with a defeasance of the Notes or a satisfaction and discharge of the Indenture.

In addition, so long as the Notes are listed on the Official List of the Luxembourg Stock Exchange and admitted for trading on the Euro MTF market and its rules so require, the Issuer will publish notices (including with respect to optional redemptions, repurchases at the option of the holders or the exchange offer) in a leading newspaper having general circulation in Luxembourg (currently expected to be the *Luxemburger Wort*) or the website of the

Luxembourg Stock Exchange (www.bourse.lu) and will inform the Luxembourg Stock Exchange of the outstanding aggregate principal amounts of each series of the Notes then in issue.

If any Note is to be redeemed in part only, the notice of redemption that relates to that Note will state the portion of the principal amount of that Note that is to be redeemed. A new Note in principal amount equal to the unredeemed portion of the original Note will be issued in the name of the holder of Notes upon cancellation of the original Note and will be collectible at the office of the Principal Paying Agent. Notes called for redemption become due on the date fixed for redemption. On and after the redemption date, interest will cease to accrue on Notes or portions of them called for redemption.

Prescription

Claims against the Issuer, the Company or any Guarantor for the payment of principal of, or interest, premium, or Additional Amounts, if any, on the Notes will become void unless presentation for payment is made as required in the Indenture within a period of seven years, in the case of principal, or five years, in the case of interest, premium or Additional Amounts, if any, from the applicable original payment date therefor.

Certain Covenants

Restricted Payments

The Company will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly:

- (1) declare or pay any dividend or make any other payment or distribution on account of the Company's or any of its Restricted Subsidiaries' Equity Interests (including, without limitation, any payment in connection with any merger or consolidation involving the Company or any of its Restricted Subsidiaries) or to the direct or indirect holders of the Company's or any of its Restricted Subsidiaries' Equity Interests in their capacity as such (other than (A) dividends or distributions payable in Equity Interests (other than Disqualified Stock) of the Company, (B) dividends or distributions to the Company or a Restricted Subsidiary of the Company and (C) pro rata dividends or distributions made by a Restricted Subsidiary that is not a Wholly Owned Restricted Subsidiary to minority stockholders (or owners of any equivalent interest in the case of a Restricted Subsidiary that is an entity other than a corporation));
- (2) purchase, redeem or otherwise acquire or retire for value (including, without limitation, in connection with any merger or consolidation involving the Company) any Equity Interests of the Company or any Parent Company;
- (3) make any payment on or with respect to, or purchase, redeem, defease or otherwise acquire or retire for value any Indebtedness that is contractually subordinated in right of payment to the Notes or the Note Guarantees (excluding any intercompany Indebtedness between or among the Company and any of its Restricted Subsidiaries), except (i) a payment of interest or principal at the Stated Maturity thereof or (ii) the purchase, repurchase or other acquisition of Indebtedness purchased in anticipation of satisfying a scheduled sinking fund obligation, principal installment or scheduled maturity, in each case due within one year of the date of such purchase, repurchase or other acquisition; or
- (4) make any Restricted Investment (all such payments and other actions set forth in these clauses (1) through (4) being collectively referred to as "*Restricted Payments*"),

unless, at the time of and after giving effect to such Restricted Payment:

- (1) no Default or Event of Default has occurred and is continuing or would occur as a consequence of such Restricted Payment;
- (2) the Company would, after giving pro forma effect to such Restricted Payment (including the application thereof) as if such Restricted Payment had been made at the beginning of the applicable four-quarter period, have been permitted to incur at least €1.00 of additional Indebtedness (other than Permitted Debt) pursuant to the Fixed Charge Coverage Ratio test set forth in the first paragraph of the covenant described below under the caption "*Certain Covenants—Incurrence of Indebtedness and Issuance of Preferred Stock and Disqualified Stock*;" and

- (3) such Restricted Payment, together with the aggregate amount of all other Restricted Payments made by the Company and its Restricted Subsidiaries after the date of the Indenture (excluding Restricted Payments permitted by clauses (1), (2), (3), (4), (5), (7), (10), (11), (12) and (13) of the next succeeding paragraph), is less than the sum, without duplication, of:
- (a) 50% of the Consolidated Net Income of the Company for the period taken as one accounting period from the first day of the first fiscal quarter commencing immediately prior to the Issue Date to the end of the Company's most recently ended fiscal quarter for which internal financial statements are available at the time of such Restricted Payment or, if such aggregate Consolidated Net Income for such period is a deficit, less 100% of such deficit, *plus*
 - (b) 100% of the aggregate net cash proceeds and Fair Market Value of property, assets or marketable securities received by the Company since the Issue Date as a contribution to its common equity capital or from the issue or sale of Equity Interests of the Company (other than Disqualified Stock) or from the issue or sale of convertible or exchangeable Disqualified Stock or convertible or exchangeable debt securities of the Company that have been converted into or exchanged for such Equity Interests (other than Equity Interests (or Disqualified Stock or debt securities) sold to a Subsidiary of the Company), *plus*
 - (c) 100% of any dividends or distributions (including payments made in respect of loans or advances) received by the Company or a Restricted Subsidiary of the Company after the Issue Date from an Unrestricted Subsidiary of the Company or a Permitted Joint Venture, to the extent that such dividends or distributions were not otherwise included in Consolidated Net Income of the Company for such period (and provided that such dividends or distributions are not included in the calculation of that amount of Permitted Investments permitted under clause (11) of the definition thereof), *plus*
 - (d) to the extent that any Unrestricted Subsidiary of the Company is redesignated as a Restricted Subsidiary after the Issue Date, the lesser of (i) the Fair Market Value of the Company's Investment in such Subsidiary as of the date of such redesignation or (ii) the Fair Market Value of such Subsidiary as of the date on which such Subsidiary was originally designated as an Unrestricted Subsidiary, *plus*
 - (e) to the extent that any Restricted Investment that was made after the Issue Date is sold for cash or otherwise liquidated or repaid for cash or other Cash Equivalents (including, without limitation, any sale for cash or other Cash Equivalents of an Equity Interest in an Unrestricted Subsidiary), the lesser of (i) the cash return of capital with respect to such Restricted Investment (less the cost of disposition, if any) and (ii) the initial amount of such Restricted Investment.

The preceding provisions will not prohibit:

- (1) the payment of any dividend within 60 days after the date of declaration of the dividend, if at the date of declaration the dividend payment would have complied with the provisions of the Indenture;
- (2) the redemption, repurchase, retirement, defeasance or other acquisition of any subordinated Indebtedness of the Company or any Restricted Subsidiary or of any Equity Interests of the Company by conversion into (in the case of subordinated Indebtedness) or in exchange for, or out of the Net Cash Proceeds of the substantially concurrent sale (other than to a Subsidiary of the Company) of, Equity Interests of the Company (other than Disqualified Stock) or from the substantially concurrent contribution of equity capital to the Company; *provided* that the amount of any such Net Cash Proceeds that are utilized for any such redemption, repurchase, retirement, defeasance or other acquisition will be excluded from clause (3)(b) of the preceding paragraph;
- (3) the defeasance, redemption, repurchase or other acquisition of subordinated Indebtedness of the Company or any Guarantor with the Net Cash Proceeds from an incurrence of Permitted Refinancing Indebtedness;
- (4) any Restricted Payment made by exchange for, or out of the proceeds of the substantially concurrent sale of, Equity Interests of the Company (other than Disqualified Stock) or a substantially concurrent cash capital contribution received by the Company from its shareholders; *provided, however*, that the Net Cash Proceeds from such sale or cash capital contribution will be excluded from clause (3)(b) of the preceding paragraph and will not constitute Excluded Contributions;

- (5) the repurchase, redemption or other acquisition for value of Equity Interests of the Company or its Restricted Subsidiaries representing fractional shares of such Equity Interests in connection with a merger, consolidation, amalgamation or other combination of the Company or any such Restricted Subsidiary;
- (6) following the first Public Offering of the Company's ordinary shares or the ordinary shares of any Parent Company, the payment by the Company of, or loans or advances, dividends or distributions to any Parent Company to pay dividends on the ordinary shares of the Company or any Parent Company, in an amount not to exceed in any fiscal year 6% per annum of the net cash proceeds received by the Company in any Public Offering or contributed in cash to the Company's common equity capital with the net cash proceeds of any such Public Offerings by any Parent Company;
- (7) loans or advances made to employees, officers or directors in amounts not exceeding €2 million at any time outstanding;
- (8) other Restricted Payments made after the Issue Date in an amount (measured on the date each such Restricted Payment was made and without giving effect to subsequent changes in value) when taken together with all other Restricted Payments made pursuant to this clause (8) not to exceed €20 million (*provided* that if an Investment is made pursuant to this clause in a Person that is not a Restricted Subsidiary and such Person is subsequently designated a Restricted Subsidiary, such Investment will thereafter be deemed to have been made pursuant to clause (3) of the definition of "Permitted Investments" and not this clause);
- (9) the repurchase, redemption or other acquisition or retirement for value of any Equity Interests of the Company or any Restricted Subsidiary held by any current or former officer, director, employee or consultant of the Company or any of its Restricted Subsidiaries pursuant to any equity subscription agreement, stock option agreement, restricted stock grant, shareholders' agreement or similar agreement; *provided* that the aggregate price paid for all such repurchased, redeemed, acquired or retired Equity Interests may not exceed €1.0 million in any calendar year;
- (10) any purchase, repurchase, redemption, defeasance or other acquisition or retirement for value of Indebtedness of the Company or any Guarantor that is subordinated in right of payment to the Notes or to any Note Guarantee (other than any Indebtedness so subordinated and held by Affiliates of the Company) upon a Change of Control to the extent required by the agreements governing such Indebtedness at a purchase price not greater than 101% of the principal amount of such Indebtedness, but only if the Issuer shall have complied with its obligations under the covenant described under "*Repurchase at the Option of Holders—Change of Control*" and the Issuer repurchased all Notes tendered pursuant to the offer required by such covenants prior to offering to purchase, purchasing or repaying such Indebtedness;
- (11) the declaration and payment of regularly scheduled or accrued dividends to holders of any class or series of Disqualified Stock of the Company or any preferred stock of any Restricted Subsidiary incurred in accordance with the covenant described below under the caption "*—Incurrence of Indebtedness and Issuance of Preferred Stock and Disqualified Stock*";
- (12) Restricted Payments pursuant to clause (g) of the second paragraph of the covenant described under "*—Certain Covenants—Transactions with Affiliates*";
- (13) Restricted Payments that are made with Excluded Contributions; and
- (14) any Restricted Payment; *provided* that the Consolidated Leverage Ratio of the Company on a *pro forma* basis after giving effect to any such Restricted Payment does not exceed 4.5 to 1.0.

provided, however, that after giving effect to any Restricted Payment referred to in clauses (6), (7), (8) or (14) of this paragraph, no Default or Event of Default will have occurred and be continuing or would occur as a consequence thereof.

The amount of all Restricted Payments (other than cash) will be the Fair Market Value on the date of the Restricted Payment of the assets or securities proposed to be transferred or issued by the Company or such Restricted Subsidiary, as the case may be, pursuant to the Restricted Payment. The Fair Market Value of any assets or securities that are required to be valued by this covenant will be determined by the Board of Directors of the Company. In the event of any sale of Equity Interests in a Restricted Subsidiary as a result of which such Restricted Subsidiary is no longer a Restricted Subsidiary, the Company will be deemed to have made a Restricted Investment equal to the Fair Market Value of any remaining Investment in such Restricted Subsidiary,

or will by such Fair Market Value reduce the amount available for future Investments under one or more clauses of the definition of Permitted Investments, as the Company shall determine.

Incurrence of Indebtedness and Issuance of Preferred Stock and Disqualified Stock

The Company will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly, create, incur, issue, assume, guarantee or otherwise become directly or indirectly liable, contingently or otherwise, with respect to (collectively, "*incur*") any Indebtedness (including Acquired Debt), and the Company will not issue any Disqualified Stock and will not permit any of its Restricted Subsidiaries to issue any shares of preferred stock; *provided, however*, that:

- (a) the Company, any Subsidiary Guarantor, the Issuer and any other Financing Subsidiary may incur Indebtedness, the Company or any Subsidiary Guarantor may incur Acquired Debt and the Company or any Subsidiary Guarantor may issue Disqualified Stock and any Guarantor may issue shares of preferred stock, if the Fixed Charge Coverage Ratio for the Company's most recently ended four full fiscal quarters for which internal financial statements are available immediately preceding the date on which such additional Indebtedness is to be incurred or such Disqualified Stock or preferred stock is to be issued would have been at least 2.00 to 1.00, determined on a *pro forma* basis (including a pro forma application of the net proceeds therefrom), as if the additional Indebtedness had been incurred or the Disqualified Stock or Preferred Stock had been issued, as the case may be, at the beginning of such four-quarter period; and
- (b) if such Indebtedness is Senior Secured Indebtedness, the Company, any Subsidiary Guarantor, the Issuer and any other Financing Subsidiary may incur such Senior Secured Indebtedness, if the Consolidated Senior Secured Leverage Ratio for the Company's most recently ended four full fiscal quarters for which internal financial statements are available immediately preceding the date on which such additional Senior Secured Indebtedness is to be incurred would have been less than 6.00 to 1.00, determined on a *pro forma* basis (including a pro forma application of the net proceeds therefrom), as if the additional Senior Secured Indebtedness had been incurred at the beginning of such four-quarter period.

The first paragraph of this covenant will not prohibit the incurrence by the Company or its Restricted Subsidiaries of any of the following items of Indebtedness (collectively, "*Permitted Debt*"):

- (1) the incurrence by the Company and any Restricted Subsidiary of Indebtedness and letters of credit under Credit Facilities in an aggregate principal amount at any one time outstanding under this clause (1) not to exceed €40 million less the aggregate amount of all permanent commitment reductions with respect to any Credit Facility (other than Indebtedness under a revolving credit facility) that have been made pursuant to clause (1) of the second paragraph of the covenant entitled "*—Repurchase at the Option of Holders—Asset Sales*" by the Company or any of its Restricted Subsidiaries since the date of the Indenture;
- (2) the incurrence by the Company and its Restricted Subsidiaries of the Existing Indebtedness;
- (3) the incurrence (a) by the Issuer of Indebtedness represented by the Notes to be issued hereby (but not including any Additional Notes), (b) by the Company, the Subsidiary Guarantors and any future Guarantors of Indebtedness represented by a Note Guarantee (including a Note Guarantee of Additional Notes incurred in compliance with the Indenture) and (c) by the Company of Indebtedness represented by the Funding Loans;
- (4) the incurrence by the Company or any of its Restricted Subsidiaries of Indebtedness represented by Capital Lease Obligations, mortgage financings, sale and leaseback transactions or purchase money obligations, in each case, incurred for the purpose of financing all or any part of the purchase price or cost of construction or improvement of property, plant or equipment or other assets (including Capital Stock) used in the business of the Company or such Restricted Subsidiary, in an aggregate principal amount, including all Permitted Refinancing Indebtedness incurred under clause (5) hereof to refund, refinance or replace any Indebtedness incurred pursuant to this clause (4), not to exceed €10 million at any time outstanding;
- (5) the incurrence by the Company or any of its Restricted Subsidiaries of Permitted Refinancing Indebtedness in exchange for, or the net proceeds of which are used to refund, refinance or replace Indebtedness (other than intercompany Indebtedness) that was permitted by the Indenture to be incurred under the first paragraph of this covenant or clause (2), (3), (4), (5) or (13) of this paragraph;

- (6) the incurrence by the Company or any of its Restricted Subsidiaries of intercompany Indebtedness between or among the Company and any of its Restricted Subsidiaries (including any Funding Loan or other proceeds loan made by the Issuer or any other Financing Subsidiary in respect of Indebtedness incurred by such Person); *provided, however*, that:
- (a) if the Company or any other Guarantor is the obligor on such Indebtedness (other than Indebtedness owed to any Financing Subsidiary in respect of Indebtedness issued by such Financing Subsidiary and borrowed by the Company or another Guarantor) and the creditor is not a Guarantor, such Indebtedness must be unsecured and ((i) except in respect of the intercompany current liabilities incurred in the ordinary course of business in connection with the cash management operations of the Company and its Restricted Subsidiaries and (ii) only to the extent legally permitted (the Company and its Restricted Subsidiaries having completed all procedures required in the reasonable judgment of directors or officers of the obligee or obligor to protect such Persons from any penalty or civil or criminal liability in connection with the subordination of such indebtedness)) expressly subordinated to the prior payment in full in cash of all Obligations with respect, in any bankruptcy, insolvency or winding up of such obligor, to its Note Guarantee;
 - (b) if the creditor is the Issuer or any other Finance Subsidiary, such Indebtedness may only be incurred by the Company or another Guarantor; and
 - (c) (i) any subsequent issuance or transfer of Equity Interests that results in any such Indebtedness being held by a Person other than the Company or a Restricted Subsidiary of the Company and (ii) any sale or other transfer of any such Indebtedness to a Person that is not either the Company or a Restricted Subsidiary of the Company will be deemed, in each case, to constitute an incurrence of such Indebtedness by the Company or such Restricted Subsidiary, as the case may be, that was not permitted by this clause (6);
- (7) the incurrence by the Company or any of its Restricted Subsidiaries of Hedging Obligations that are incurred for the purpose of fixing or hedging interest rate risk or currency risk (i) with respect to any floating rate or non-euro denominated Indebtedness that is permitted by the terms of the Indenture to be outstanding or (ii) for non-speculative purposes in the ordinary course of business;
- (8) the guarantee by the Company or any of the other Guarantors (subject to compliance with the covenant “—*Certain Covenants—Additional Note Guarantees*”) of Indebtedness of the Company or a Restricted Subsidiary of the Company (including the Issuer and any other Financing Subsidiary but excluding any Non-Recourse Restricted Subsidiary) that was permitted to be incurred by another provision of this covenant and the guarantee by the Issuer or any other Financing Subsidiary of Indebtedness and letters of credit under Credit Facilities of the Company or a Restricted Subsidiary of the Company (including the Issuer and any other Financing Subsidiary but excluding any Non-Recourse Restricted Subsidiary) that was permitted to be incurred by another provision of this covenant;
- (9) the incurrence by the Company or any Restricted Subsidiary (other than the Issuer or any other Financing Subsidiary) of Indebtedness in connection with one or more standby letters of credit or performance bonds issued by the Company or a Restricted Subsidiary (other than the Issuer or any other Financing Subsidiary) in the ordinary course of business or pursuant to self-insurance obligations and, in each case, not in connection with the borrowing of money or the obtaining of advances or credit;
- (10) the incurrence by the Company or any Restricted Subsidiary (other than the Issuer or any other Financing Subsidiary) of Indebtedness arising from agreements providing for indemnification or adjustment of purchase price or from guarantees or letters of credit securing any Obligations of the Company or any Restricted Subsidiary (other than the Issuer or any other Financing Subsidiary) pursuant to such agreements, incurred in connection with the sale or other disposition of any business, assets or subsidiary of the Company, other than guarantees or similar credit support by the Company or any Restricted Subsidiary of Indebtedness incurred by any Person acquiring such business, assets or subsidiary; *provided* that the maximum Indebtedness permitted by this clause (10) in respect of any such sale or other disposition of any business, assets or subsidiary shall not exceed the Net Cash Proceeds from such sale or other disposition;
- (11) the incurrence by the Company or any Restricted Subsidiary (other than the Issuer or any other Financing Subsidiary) of Indebtedness arising from guarantees to suppliers, lessors, licensees,

contractors, franchisees, governmental entities or customers who are not, in each case, Affiliates, and incurred in the ordinary course of business;

- (12) the incurrence by the Company or any Restricted Subsidiary (other than the Issuer or any other Financing Subsidiary) of Indebtedness in respect of any obligations under workers' compensation laws and similar legislation;
- (13) Indebtedness, Disqualified Stock or preferred stock of Persons that are acquired by the Company or any Restricted Subsidiary of the Company or merged, consolidated or otherwise combined with (including pursuant to any acquisition of assets and assumption of related liabilities) the Company or a Restricted Subsidiary of the Company in accordance with the terms of the Indenture; *provided* that such Indebtedness, Disqualified Stock or preferred stock are not incurred or issued in connection with such acquisition, merger, consolidation or other combination, and, after giving pro forma effect to such acquisition, merger, consolidation or other combination, either:
 - (a) the Company would be permitted to incur at least €1.00 of additional Indebtedness pursuant to the Fixed Charge Coverage Ratio test set forth in the first sentence, of this covenant; or
 - (b) the Fixed Charge Coverage Ratio of the Company is no less than immediately prior to such acquisition, merger, consolidation or other combination;
- (14) Indebtedness incurred pursuant to the factoring of receivables arising in the ordinary course of business pursuant to customary arrangements; *provided* that either (a) no portion of such Indebtedness has, directly or indirectly, contingent or otherwise, recourse to any property or assets of the Company or any of its Restricted Subsidiaries (other than the receivables that are the subject of the factoring), or (b) if such Indebtedness has recourse to any property or assets of the Company or any of its Restricted Subsidiaries, only the portion of such Indebtedness that is not recourse to any property or assets of the Company or any of its Restricted Subsidiaries (other than receivables that are the subject of the factoring) may be considered as "Permitted Debt" under this clause (14); and
- (15) the incurrence by the Company or any Restricted Subsidiary of additional Indebtedness (including Acquired Debt) in an aggregate principal amount (or accreted value, as applicable) at any time outstanding, including all Permitted Refinancing Indebtedness incurred to refund, refinance or replace any Indebtedness incurred pursuant to this clause (15), not to exceed €30 million.

The accrual of interest or preferred stock dividends, the accretion or amortization of original issue discount, the payment of interest on any Indebtedness in the form of additional Indebtedness with the same terms, the payment of dividends on Disqualified Stock in the form of additional shares of the same class of Disqualified Stock and the reclassification of commitments or obligations not treated as Indebtedness as of the Issue Date (including, without limitation operating leases) due to a change in GAAP will not be deemed to be an incurrence of Indebtedness or an issuance of Disqualified Stock for purposes of this covenant.

The incurrence by an Unrestricted Subsidiary of the Company of Non-Recourse Debt will not be deemed to be an incurrence of Indebtedness or an issuance of Disqualified Stock for purposes of this covenant; *provided, however*, that if any such Indebtedness ceases to be Non-Recourse Debt of such Unrestricted Subsidiary, such Indebtedness will be deemed to constitute an incurrence of Indebtedness by a Restricted Subsidiary of the Company.

For purposes of determining compliance with this covenant, in the event that an item of proposed Indebtedness meets the criteria of more than one of the categories of Permitted Debt described in clauses (1) through (15) above, or is entitled to be incurred pursuant to the first paragraph of this covenant, the Company will be permitted to classify such item of Indebtedness on the date of its incurrence, or later reclassify all or a portion of such item of Indebtedness, in any manner that complies with this covenant. Indebtedness under the Revolving Credit Facility outstanding on the date on which Notes are first issued and authenticated under the Indenture (other than debt refinanced thereby) will be deemed to have been incurred on such date in reliance on the exception provided by clause (1) of the second paragraph of the covenant entitled "*—Certain Covenants—Incurrence of Indebtedness and Issuance of Preferred Stock and Disqualified Stock*" and may not be reclassified.

Liens

The Company will not and will not cause or permit any of its Restricted Subsidiaries to, directly or indirectly, create, incur, assume or otherwise cause or suffer to exist or become effective any Lien (the "*Initial Lien*") of any kind securing Indebtedness upon any of its or their property (including Capital Stock of Restricted Subsidiaries) or assets, now owned or hereafter acquired, except (a) in the case of any property or asset that does not constitute

Collateral, (i) Permitted Liens or (ii) unless all payments due under the Indenture and the Notes (including a Note Guarantee in the case of Liens of a Guarantor) are secured on an equal and ratable basis with the Indebtedness so secured until such time as such Indebtedness is no longer secured by a Lien (and if such Indebtedness so secured is subordinated in right of payment to either the Notes or a Note Guarantee, on a senior priority basis); and (b) in the case of any property or asset that constitutes Collateral, Permitted Collateral Liens.

Any Lien created for the benefit of the holders pursuant to this covenant will provide by its terms that such Lien will be automatically and unconditionally released and discharged (a) upon the release and discharge of the Initial Lien with respect to clause (a) of the preceding paragraph other than as a consequence of an enforcement action with respect to the assets subject to such Lien or (b) as set forth under the heading “—Security”.

Dividend and Other Payment Restrictions Affecting Subsidiaries

The Company will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly, create or permit to exist or become effective any consensual encumbrance or restriction on the ability of any Restricted Subsidiary to:

- (1) pay dividends or make any other distributions on its Capital Stock to the Company or any of its Restricted Subsidiaries, or with respect to any other interest or participation in, or measured by, its profits, or pay any indebtedness owed to the Company or any of its Restricted Subsidiaries;
- (2) make loans or advances to the Company or any of its Restricted Subsidiaries; or
- (3) transfer any of its properties or assets to the Company or any of its Restricted Subsidiaries.

However, the preceding restrictions will not apply to encumbrances or restrictions existing under or by reason of:

- (1) agreements governing Existing Indebtedness and Credit Facilities as in effect on the date of the Indenture and any amendments, modifications, restatements, renewals, increases, supplements, refundings, replacements or refinancings of those agreements; *provided* that the amendments, modifications, restatements, renewals, increases, supplements, refundings, replacement or refinancings are no more restrictive, taken as a whole, with respect to such dividend and other payment restrictions than those contained in those agreements on the date of the Indenture (as determined in good faith by the Company);
- (2) (i) the Indenture, the Notes and the Note Guarantees, (ii) any Notes and guarantees in connection with the subsequent issuance of debt securities by the Issuer or any other Financing Subsidiary in accordance with and on terms no less onerous than the Indenture and (iii) the Intercreditor Agreement, any Additional Intercreditor Agreement and the Security and Guarantee Documents;
- (3) any encumbrance or restriction arising pursuant to an agreement or instrument relating to any Indebtedness permitted to be Incurred subsequent to the Issue Date pursuant to the provisions of the covenant described under “—*Certain Covenants—Incurrence of Indebtedness and Issuance of Preferred Stock*” if the encumbrances and restrictions contained in any such agreement or instrument taken as a whole are not materially less favorable to the holders of the Notes (i) than the encumbrances and restrictions contained in the Revolving Credit Facility and the Intercreditor Agreement, in each case, as in effect on the Issue Date or (ii) than is customary in comparable financings (in each case, as determined in good faith by the Company);
- (4) applicable law or regulation or the terms of any license, authorization, concession or permit granted to or held by the Company or a Restricted Subsidiary in connection with its engagement in any business permitted by the covenant entitled “—*Business Activities*”;
- (5) any instrument governing Indebtedness or Capital Stock of a Person acquired by the Company or any of its Restricted Subsidiaries as in effect at the time of such acquisition (except to the extent such Indebtedness was incurred in connection with or in contemplation of such acquisition), which encumbrance or restriction is not applicable to any Person, or the properties or assets of any Person, other than the Person, or the property or assets of the Person, so acquired; *provided* that, in the case of Indebtedness, such Indebtedness was permitted by the terms of the Indenture to be incurred;
- (6) customary non-assignment provisions in leases entered into in the ordinary course of business and consistent with past practices;
- (7) purchase money obligations for property acquired in the ordinary course of business that impose restrictions on that property of the nature described in clause (4) of the second paragraph of the covenant entitled “—*Certain Covenants—Incurrence of Indebtedness and Issuance of Preferred Stock and Disqualified Stock*,”

- (8) any agreement for the sale or other disposition of a Restricted Subsidiary that restricts distributions by that Restricted Subsidiary pending its sale or other disposition;
- (9) Permitted Refinancing Indebtedness; *provided* that the restrictions contained in the agreements governing such Permitted Refinancing Indebtedness are no more restrictive, taken as a whole, than those contained in the agreements governing the Indebtedness being refinanced (as determined in good faith by the Company);
- (10) Liens securing Indebtedness otherwise permitted to be incurred under the provisions of the covenant entitled “—*Certain Covenants—Liens*” that limit the right of the debtor to dispose of the assets subject to such Liens;
- (11) customary provisions in joint venture agreements, asset sale agreements, stock sale agreements and other similar agreements;
- (12) provisions that restrict in a customary manner the subletting, assignment or transfer of any property or asset that is subject to a lease, license or other contract entered into in the ordinary course of business;
- (13) restrictions on cash or other deposits or net worth imposed by customers under contracts entered into in the ordinary course of business; and
- (14) any encumbrance or restriction existing under any agreement that extends, renews, refinances or replaces the agreements or instruments containing the encumbrances or restrictions in the foregoing clauses (1) through (13), or in this clause (14); *provided* that the terms and conditions of any such encumbrances or restrictions are no more restrictive in any material respect either than those under or pursuant to the agreement or instrument so extended, renewed, refinanced or replaced (as determined by the Company in good faith).

Merger, Consolidation or Sale of Assets

The Company may not, directly or indirectly: (1) consolidate or merge with or into another Person (whether or not the Company is the surviving corporation); or (2) sell, lease, transfer, convey or otherwise dispose of all or substantially all the properties or assets of the Company and its Restricted Subsidiaries taken as a whole, in one or more related transactions, to another Person; unless:

- (1) either: (a) the Company is the surviving corporation; or (b) the Person formed by or surviving any such consolidation or merger (if other than the Company) or to which such sale, assignment, transfer, conveyance or other disposition has been made (the “*Surviving Entity*”) is a Person organized or existing under the laws of (i) Spain, (ii) any other member of the European Union that has adopted the euro as its national currency, (iii) the United Kingdom or (iv) the United States, any state of the United States or the District of Columbia;
- (2) the Surviving Entity (if other than the Company) assumes all the obligations of the Company under its Note Guarantee, the Funding Loans, the Indenture, the Security and Guarantee Documents, the Intercreditor Agreement and any Additional Intercreditor Agreement;
- (3) immediately after giving effect to such transaction no Default or Event of Default exists or would exist; and
- (4) the Company or the Surviving Entity, as the case may be, will:
 - (a) on the date of such transaction after giving pro forma effect thereto and any related financing transactions as if the same had occurred at the beginning of the applicable four-quarter period, either (i) be permitted to incur at least €1.00 of additional Indebtedness pursuant to the Fixed Charge Coverage Ratio test set forth in the first paragraph of the covenant entitled “—*Certain Covenants—Incurrence of Indebtedness and Issuance of Preferred Stock and Disqualified Stock*” or (ii) the Fixed Charge Coverage Ratio of the Company (or, if applicable, the Surviving Entity) would equal or exceed the Fixed Charge Coverage Ratio of the Company immediately prior to giving effect to such transaction; and
 - (b) the Company delivers to the Trustee an officer’s certificate and opinion of counsel, in each case, stating that such consolidation, merger or transfer and such supplemental indenture comply with this covenant and that all conditions precedent in the Indenture relating to such transaction have been satisfied and that the Indenture and the Notes constitute legal, valid and binding obligations of the Company or the Person formed by or surviving any such consolidation

and merger (as applicable) enforceable in accordance with their terms (*provided* that any such opinion of counsel may assume matters of fact, including as a factual matter that one or more conditions precedent have occurred), on which officer's certificate and opinion of counsel the Trustee and Security Agent will be entitled to rely absolutely and without further inquiry.

This “*Merger, Consolidation or Sale of Assets*” covenant will not apply to a consolidation, merger, sale, lease, transfer, conveyance or other disposition of assets between or among the Company and any of the Guarantors. Notwithstanding clause (4)(a) of the foregoing, the Company or any Guarantor may merge or consolidate with or into, or transfer all or substantially all of its properties or assets to, an Affiliate solely for the purpose of reincorporating or reorganizing the Company or such Guarantor in another jurisdiction to change its domicile or to change its legal form.

In the event of any transaction described in and complying with the conditions listed in this covenant in which the Company is not the continuing corporation, the successor Person formed or remaining or to which such transfer is made will succeed to, and be substituted for, and may exercise every right and power of the Company, and the Company will be discharged from all obligations and covenants under the Indenture, the Notes, the Note Guarantee, the Funding Loans, the Intercreditor Deed and the Security and Guarantee Documents.

Transactions with Affiliates

The Company will not, and will not permit any of its Restricted Subsidiaries to, make any payment to, or sell, lease, transfer, convey or otherwise dispose of any of its properties or assets to, or purchase any property or assets from, or enter into or make or amend any transaction, contract, agreement, understanding, loan, advance or guarantee with, or for the benefit of, any Affiliate (each, an “*Affiliate Transaction*”) involving aggregate payments or consideration in excess of €500,000, unless:

- (1) the Affiliate Transaction is on terms no less favorable to the Company or the relevant Restricted Subsidiary than those that would have been obtained in a comparable transaction by the Company or such Restricted Subsidiary with an unrelated Person; and
- (2) the Company delivers to the Trustee:
 - (a) with respect to any Affiliate Transaction or series of related Affiliate Transactions involving aggregate consideration in excess of €5 million, a resolution of the Board of Directors of the Company set forth in an officer's certificate certifying that such Affiliate Transaction complies with this covenant and that such Affiliate Transaction has been approved by a majority of the Qualified Directors or the sole Qualified Director; and
 - (b) with respect to any Affiliate Transaction or series of related Affiliate Transactions involving aggregate consideration in excess of €15 million, or, if there is no Qualified Director, in excess of €5 million, an opinion that such transaction or series of transactions is fair to the holders from a financial point of view, or is not less favorable than could reasonably be expected to be obtained at the time in an arm's length transaction with a Person who was not an Affiliate of the Company, which opinion shall be issued by an independent accounting, appraisal or investment banking firm of international or national standing.

The following items will not be deemed to be Affiliate Transactions and, therefore, will not be subject to the provisions of the prior paragraph:

- (a) transactions between or among (i) the Company or (ii) its Restricted Subsidiaries (or any entity that becomes a Restricted Subsidiary as a result of such transactions);
- (b) transactions with a Person (including any joint venture or equity investee) that is an Affiliate of the Company or a Restricted Subsidiary solely because the Company or a Restricted Subsidiary owns an Equity Interest in such Person;
- (c) any employment agreement, collective bargaining agreement, consultant, employee benefit arrangements with any employee, consultant, officer or director of the Company or any Restricted Subsidiary, including under any stock option, stock appreciation rights, stock incentive or similar plans, entered into in the ordinary course of business;
- (d) payment of reasonable and customary fees and reimbursements of expenses (pursuant to indemnity arrangements or otherwise) of officers, directors, employees or consultants of the Company or any of its Restricted Subsidiaries and payments of benefits and salaries to employees of the Company or its Restricted Subsidiaries in the ordinary course of business;

- (e) issuances or sales of Equity Interests of the Company (other than Disqualified Stock) to Affiliates of the Company;
- (f) the incurrence of any Subordinated Shareholder Debt and any amendment, waiver or other transaction with respect to any Subordinated Shareholder Debt in compliance with the other provisions of the Indenture;
- (g) transactions with customers, clients, suppliers, or purchasers or sellers of goods or services or providers of employees or other labor, in each case in the ordinary course of business and otherwise in compliance with the terms of the Indenture that are fair to the Company or the Restricted Subsidiaries, in the reasonable determination of the members of the Board of Directors of the Company or the senior management thereof, or are on terms at least as favorable as might reasonably have been obtained at such time from an unaffiliated Person;
- (h) Restricted Payments that are permitted by the provisions of the Indenture described above under the caption “—*Certain Covenants—Restricted Payments*” (other than Permitted Investments described in clause (11) of the definition of “Permitted Investments”); and
- (i) performance of any agreement or arrangement of the Company or a Restricted Subsidiary as in effect on the Issue Date and disclosed in this Final Offering Memorandum under “*Related Party Transactions*” or “*Major Shareholders*” and any amendment after the Issue Date (so long as such amendment is not disadvantageous to the holders of the Notes in any material respect) to any such agreement or arrangement.

Designation of Restricted and Unrestricted Subsidiaries

The Board of Directors of the Company or, if required by applicable law, the shareholders of the Company may designate any Restricted Subsidiary of the Company (except the Issuer) to be an Unrestricted Subsidiary if that designation would not cause a Default. If a Restricted Subsidiary is designated as an Unrestricted Subsidiary, the aggregate Fair Market Value of all outstanding Investments owned by the Company and its Restricted Subsidiaries in the Subsidiary so designated will be deemed to be an Investment made as of the time of such designation and will either reduce the amount available for Restricted Payments under the first paragraph of the covenant entitled “—*Certain Covenants—Restricted Payments*” or reduce the amount available for future Investments under one or more clauses of the definition of Permitted Investments, as the Company shall determine. That designation will only be permitted if such Investment would be permitted at that time and if such Restricted Subsidiary otherwise meets the definition of an Unrestricted Subsidiary. The Board of Directors of the Company or, if required by applicable law, the shareholders of the Company may redesignate any Unrestricted Subsidiary to be a Restricted Subsidiary if the redesignation would not cause a Default.

Additional Note Guarantees

The Company will cause any Restricted Subsidiary that after the date of the Indenture is or becomes a Material Subsidiary (except for (i) any Restricted Subsidiary which was a Material Subsidiary at the date of the Indenture but was not an initial Subsidiary Guarantor, (ii) any Restricted Subsidiary that is already a Guarantor, (iii) any Restricted Subsidiary that is not a Wholly Owned Restricted Subsidiary and (iv) any Non-Recourse Restricted Subsidiary) to execute and deliver a supplemental indenture providing for the Note Guarantee by such Restricted Subsidiary on the same terms as the Note Guarantees granted by the other Subsidiary Guarantors hereunder. Subject to the Agreed Security Principles, the Company will also cause all the Capital Stock in such Restricted Subsidiary to be pledged to secure the Notes and the Note Guarantees.

For so long as the Notes are listed on the Official List of the Luxembourg Stock Exchange and admitted for trading on the Euro MTF market and the rules of this exchange so require, the Issuer will publish a notice of such additional guarantees in a newspaper having a general circulation in Luxembourg (currently expected to be the *Luxemburger Wort*) or the website of the Luxembourg Stock Exchange (www.bourse.lu).

The Company will not permit any of its Restricted Subsidiaries, directly or indirectly, to guarantee the payment of any other Credit Facilities of the Issuer or any Guarantor unless such incurrence is permitted by the covenant entitled “—*Certain Covenants—Incurrence of Indebtedness and Issuance of Preferred Stock and Disqualified Stock*,” and such Restricted Subsidiary (if not already a Guarantor) simultaneously executes and delivers a supplemental indenture or Security and Guarantee Document and delivers a supplemental intercreditor agreement or accedes to the Intercreditor Agreement and any Additional Intercreditor Agreement pursuant to which such Restricted Subsidiary will guarantee payment of the Notes on the same terms and conditions as those set forth in the Indenture or applicable Security and Guarantee Document, the Intercreditor Agreement and any

Additional Intercreditor Agreement and which Note Guarantee will be senior to or *pari passu* with such Restricted Subsidiary's guarantee of such other Credit Facilities; *provided* that no such additional Note Guarantee need be provided in respect of Credit Facilities of the Issuer or any Guarantor (i) that does not exceed €5 million, in the aggregate with all other Credit Facilities described under this clause (i), (ii) if the guarantee of such Indebtedness is pursuant to a regulatory requirement and such Credit Facilities is owed to a regulatory body or (iii) if such Credit Facilities is guaranteed by such Restricted Subsidiary on the Issue Date and such Restricted Subsidiary is not a Guarantor.

The Company will not be obligated to cause such Restricted Subsidiary to guarantee the Notes pursuant to either the first or third paragraph of this caption "*—Additional Note Guarantees*" to the extent that such Note Guarantee could reasonably be expected to give rise to or result in: (1) any violation of applicable law that cannot be avoided or otherwise prevented through measures reasonably available to the Company or such Restricted Subsidiary; or (2) any liability for the officers, directors or shareholders of such Restricted Subsidiary.

The Company will not be obligated to cause such Restricted Subsidiary to guarantee the Notes pursuant to either the first or the third paragraph of this caption "*—Additional Note Guarantees*" to the extent that such Note Guarantee could reasonably be expected to give rise to or result in: (1) any cost, expense, liability or obligation (including any Tax) other than reasonable out-of-pocket expenses and other than reasonable governmental or regulatory filing fees; or (2) a requirement under applicable law, rule or regulation to obtain or prepare financial statements or financial information of such Person to be included in any required filing with a legal or regulatory authority that the Company is not able to obtain or prepare without unreasonable expense. Each such Note Guarantee will be limited as necessary to recognize certain defenses generally available to guarantors (including those that relate to fraudulent conveyance or transfer, voidable preference, financial assistance, corporate purpose, thin capitalization, distributable reserves, capital maintenance or similar laws, regulations or defenses affecting the rights of creditors generally) or other considerations under applicable law.

Notwithstanding the preceding paragraphs of this covenant, any Note Guarantee by a Restricted Subsidiary will provide by its terms that it will be automatically and unconditionally released and discharged when (i) the Indebtedness that gave rise to the obligation to guarantee the Notes is discharged, (ii) in the case of any Note Guarantee granted as contemplated under the third paragraph of this caption "*—Additional Note Guarantees*" as a result of a Restricted Subsidiary guaranteeing other Credit Facilities, when such other Indebtedness is released and discharged or (iii) otherwise under the circumstances described above under the caption "*—Brief Description of the Notes, the Funding Loans, the Note Guarantees and the Intercreditor Agreement—The Note Guarantees.*"

Impairment of Security Interest

The Company will not, and will not cause or permit any of its Restricted Subsidiaries to, take or knowingly or negligently omit to take, any action which action or omission would or could reasonably be expected to have the result of materially impairing the security interests with respect to the Collateral (it being understood that the incurrence of Liens on the Collateral permitted by the definition of Permitted Collateral Liens will under no circumstances be deemed to materially impair the security interests with respect to the Collateral) for the benefit of the Trustee and the holders of the Notes, and the Company will not, and will not cause or permit any of its Restricted Subsidiaries to, grant to any Person other than the Security Agent, for the benefit of the Trustee and the holders of the Notes and the other beneficiaries described in the Security and Guarantee Documents, the Intercreditor Agreement and any Additional Intercreditor Agreement, any interest whatsoever in any of the Collateral; *provided* that (a) nothing in this provision will restrict the discharge or release of the Collateral in accordance with the Indenture, the Security and Guarantee Documents, the Intercreditor Agreement and any Additional Intercreditor Agreement and (b) the Company and its Restricted Subsidiaries may incur Permitted Collateral Liens; *provided further, however*, that no Security and Guarantee Document creating a lien on the Collateral for the benefit of the Trustee and the holders of the Notes may be amended, extended, renewed, restated, supplemented or otherwise modified, replaced, or released (followed by an immediate retaking of a Lien of at least equivalent ranking over the same assets) unless contemporaneously with such amendment, extension, replacement, restatement, supplement, modification, renewal or release (followed by an immediate retaking of a Lien of at least equivalent ranking over the assets), the Company delivers to the Trustee either (1) a solvency opinion from an internationally recognized investment bank or accounting firm, in form and substance reasonably satisfactory to the Trustee confirming the solvency of the Company and its Subsidiaries, taken as a whole, after giving effect to any transactions related to such amendment, extension, renewal, supplement, modification, replacement or release, (2) a certificate from the board of directors or chief financial officer of the Company (acting in good faith), that confirms the solvency of the Person granting such Lien after giving effect to any transaction related to such amendment, extension, renewal, restatement, replacement, supplement, modification or release (followed by an immediate retaking of a Lien of at least equivalent ranking over the same assets), or

(3) an opinion of counsel (subject to customary exceptions and qualifications), confirming that, after giving effect to any transactions related to such amendment, extension, renewal, restatement, supplement, modification, replacement or release, the Lien or Liens securing the Notes created under the Security and Guarantee Documents so amended, extended, renewed, restated, supplemented, modified or replaced are valid and perfected Liens not otherwise subject to any limitation, imperfection or new hardening period, in equity or at law, that such Lien or Liens were not otherwise subject to immediately prior to such amendment, extension, renewal, restatement, supplement, modification, replacement or release and retaking.

At the direction of the Company and without the consent of the holders of Notes, the Security Agent will from time to time enter into one or more amendments to the Security and Guarantee Documents to (i) cure any ambiguity, omission, defect or inconsistency therein, (ii) (but subject to compliance with the immediately preceding paragraph) provide for Permitted Collateral Liens, (iii) add to the Collateral (iv) evidence the succession of another Person to the Company or any Guarantor and the assumption by such successor of the obligations under the Indenture, the Notes and the Security and Guarantee Documents, in each case, including in accordance with “— *Certain Covenants—Consolidation, Merger and Sale of Assets*”, (v) provide for the release of property and assets constituting Collateral from the Lien of the Security and Guarantee Documents and/or the release of the Note Guarantee of a Guarantor, in each case, in accordance with the terms of the Indenture, the Intercreditor Agreement, any Additional Intercreditor Agreement and the relevant Security and Guarantee Documents, in each case, as applicable or (vi) make any other change thereto that does not adversely affect the rights of the holders of the Notes in any material respect.

In the event that the Company complies with this covenant, the Trustee and the Security Agent will (subject to customary protections and indemnifications) consent to such amendment, extension, renewal, restatement, supplement, modification, replacement or release with no need for instructions from holders of the Notes.

Maintenance of Listing

The Company will use its commercially reasonable efforts to obtain and maintain the listing of the Notes on the Official List of the Luxembourg Stock Exchange for trading on the Euro MTF market for so long as such Notes are outstanding; *provided* that if the Company is unable to obtain such admission to trading or if at any time the Company determines that it will not maintain such listing, it will use its commercially reasonable efforts to obtain and maintain a listing of such Notes on another recognized stock exchange.

Further Assurances

The Issuer, the Company and the Restricted Subsidiaries will execute any and all further documents, financing statements, agreements and instruments, and take all further action that may be required under applicable law, in order to grant, preserve, protect and perfect the validity and priority of the security interest created or intended to be created by the Security and Guarantee Documents in the Collateral.

Payments for Consent

The Company will not, and will not permit any of its Subsidiaries to, directly or indirectly, pay or cause to be paid any consideration to or for the benefit of any holder for or as an inducement to any consent, waiver or amendment of any of the terms or provisions of the Indenture, the Notes, the Security and Guarantee Documents, the Intercreditor Agreement or any Additional Intercreditor Agreement unless such consideration is offered to be paid and is paid to all holders that consent, waive or agree to amend in the time frame set forth in the solicitation documents relating to such consent, waiver or agreement. Notwithstanding the foregoing, the Company and its Restricted Subsidiaries will be permitted, in any offer or payment of consideration for, or as an inducement to, any consent, waiver or amendment of any of the terms or provisions of the Indenture, to exclude holders of Notes in any jurisdiction where (A)(i) the solicitation of such consent, waiver or amendment, including in connection with an offer to purchase for cash, or (ii) the payment of the consideration therefor would require the Company or any of its Restricted Subsidiaries to file a registration statement, prospectus or similar document under any applicable securities laws (including, but not limited to, the United States federal securities laws and the laws of the European Union or its member states), which the Company in its sole discretion determines (acting in good faith) would be materially burdensome (it being understood that it would not be materially burdensome to file the consent document(s) used in other jurisdictions, any substantially similar documents or any summary thereof with the securities or financial services authorities in such jurisdiction); or (B) such solicitation would otherwise not be permitted under applicable law in such jurisdiction.

Business Activities

The Company will not, and will not permit any Restricted Subsidiary (other than the Issuer and any other Financing Subsidiary) to, engage in any business other than Permitted Businesses, except to such extent as would not be material to the Company and its Restricted Subsidiaries taken as a whole.

The Issuer

The Issuer will not engage in any business activity or undertake any other activity, except any activity (a) relating to the offering, sale or issuance of the Notes (including any Additional Notes) and Hedging Obligations or the incurrence of Indebtedness by the Issuer represented by the Notes (including any Additional Notes), Hedging Obligations or any other Indebtedness permitted to be Incurred by the Issuer by the provisions of the Indenture described above under the caption “—*Certain Covenants—Incurrence of Indebtedness and Issuance of Preferred Stock and Disqualified Stock*,” (b) undertaken with the purpose of, and directly related to, fulfilling its obligations under the Notes (including any Additional Notes), the Indenture, the Intercreditor Agreement and any Additional Intercreditor Agreement, Hedging Obligations or any other Indebtedness permitted to be Incurred by the Issuer by the provisions of the Indenture described above under the caption “—*Certain Covenants—Incurrence of Indebtedness and Issuance of Preferred Stock and Disqualified Stock*” (including the lending of the proceeds from the Notes (including any Additional Notes or such Indebtedness) to the Company or another Guarantor pursuant to the Funding Loans or similar loan or loans and granting Liens in respect of such loans to secure Indebtedness), (c) permitted to be undertaken by the Issuer by the provisions of the Indenture described above under the caption “—*Certain Covenants—Restricted Payments*,” (d) directly related to the establishment and maintenance of the Issuer’s existence or (e) reasonably related to the foregoing. The Issuer will not (a) issue any Capital Stock (other than to the Company or a Wholly Owned Restricted Subsidiary of the Company), or (b) undertake any transaction that will require the Issuer to register as an “investment company” or an entity “controlled by an investment company” as defined in the U.S. Investment Company Act of 1940, as amended and the rules and regulations thereunder.

The Issuer and the Company will not, and will not permit any Restricted Subsidiary or any other Person that is an obligor under the Funding Loans, to (i) sell, dispose, encumber, prepay, repay, repurchase, redeem or otherwise acquire, reduce or retire any amounts outstanding under the Funding Loans except in connection with any redemption, repurchase or cancellation of the Notes or (ii) amend, modify, supplement or waive any rights under the Funding Loans in a manner that would adversely affect the rights in any material respect of the Issuer except as permitted by the Funding Loans, the Intercreditor Agreement, any Additional Intercreditor Agreement or any Security and Guarantee Documents.

Suspension of Certain Covenants when Notes Rated Investment Grade

If on any date following the Issue Date, (1) the Notes are rated Investment Grade Status by Moody’s and S&P (or, if either Moody’s or S&P ceases to rate the Notes for reasons outside of the control of the Issuer or the Company, the equivalent investment grade credit rating from Fitch or, in the absence of such, any other Nationally Recognized Statistical Rating Organization selected by the Issuer or the Company as a replacement agency so that the Notes are so rated by at least two such Rating Agencies); and (2) no Default or Event of Default shall have occurred and be continuing, then, beginning on that day and subject to the provisions of the following paragraph, the covenants specifically listed under the following captions in this Final Offering Memorandum will be suspended and, in each case, any related default provision of the Indenture will cease to be effective and will not be applicable to the Company and its Restricted Subsidiaries:

- (1) “—*Repurchase at the Option of Holders—Asset Sales*;”
- (2) “—*Certain Covenants—Restricted Payments*;”
- (3) “—*Certain Covenants—Incurrence of Indebtedness and Issuance of Preferred Stock and Disqualified Stock*;”
- (4) “—*Certain Covenants—Dividend and Other Payment Restrictions Affecting Subsidiaries*;”
- (5) clause (4) of the covenant described under the caption “—*Certain Covenants—Merger, Consolidation or Sale of Assets*;”
- (6) “—*Certain Covenants—Transactions with Affiliates*;”
- (7) “—*Certain Covenants—Business Activities*;” and
- (8) “—*Certain Covenants—Additional Note Guarantees*.”

During any period that the foregoing covenants have been suspended, the Company's Board of Directors may not designate any of its Subsidiaries as Unrestricted Subsidiaries pursuant to the covenant described under the caption "*—Certain Covenants—Designation of Restricted and Unrestricted Subsidiaries*" or the second paragraph of the definition of "*Unrestricted Subsidiary*."

Notwithstanding the foregoing, if the rating assigned by any such Rating Agency should subsequently decline to below Baa3 or BBB-, as applicable, the foregoing covenants will be reinstituted as of and from the date of such rating decline. Such covenants will not, however, be of any effect with respect to actions properly taken during the period of suspension. Calculations under the reinstated "Restricted Payments" covenant will be made as if the "Restricted Payments" covenant had been in effect since the Issue Date except that no Default or Event of Default will be deemed to have occurred by reason of a Restricted Payment made while that covenant was suspended. On the rating decline date, all Indebtedness incurred during the suspension period will be classified, at the Issuer's option, as having been incurred pursuant to the first paragraph of the covenant described under the caption "*—Certain Covenants—Incurrence of Indebtedness and Issuance of Preferred Stock and Disqualified Stock*" or one or more of the clauses set forth in the second paragraph of such covenant (to the extent such Indebtedness would be permitted to be incurred thereunder as of the rating decline date and after giving effect to Indebtedness incurred prior to the suspension period and outstanding on the rating decline date). To the extent that such Indebtedness would be so permitted to be incurred under the first two paragraphs of the covenant described under "*—Certain Covenants—Incurrence of Indebtedness and Issuance of Preferred Stock and Disqualified Stock*," such Indebtedness will be deemed to have been outstanding on the Issue Date, so that it is classified under clause (2) of the second paragraph of the covenant described under "*—Certain Covenants—Incurrence of Indebtedness and Issuance of Preferred Stock and Disqualified Stock*."

Reports

The Company will (x) make available to the investor website service maintained by Bloomberg L.P. (or if such service website is no longer maintained or accessible for these purposes, a similar service) or (y) post on its website, and in either case provide the Trustee the following reports:

- (1) within 120 days after the end of the Company's fiscal year, annual reports containing the following information: (a) audited consolidated balance sheets of the Company as of the end of the two most recent fiscal years and audited consolidated income statements and cash flow of the Company for the three most recent fiscal years, including appropriate footnotes to such financial statements, and the report of the independent auditors on the financial statements; (b) pro forma income statement and balance sheet information, together with summary explanatory footnotes, for any material acquisitions, dispositions or recapitalizations that have occurred since the beginning of the most recently completed fiscal year; (c) to the extent relating to annual periods, an operating and financial review of the audited financial statements, including a discussion of the results of operations, financial condition, and liquidity and capital resources, and a discussion of material commitments and contingencies and critical accounting policies; (d) a description of the business, management and shareholders of the Company, all material affiliate transactions and a description of all material contractual arrangements, including material debt instruments; and (e) material risk factors and material recent developments;
- (2) within 60 days (except as provided below in relation to any Semi-Annual Report, as defined below) following the end of the first three fiscal quarters in each fiscal year of the Company all quarterly financial statements containing the following information: (a) an unaudited condensed consolidated balance sheet as of the end of such quarter and unaudited condensed statements of income and cash flow for the year-to-date period ending on the unaudited condensed balance sheet date, and the comparable prior year periods, together with condensed footnote disclosure; (b) pro forma income statement and balance sheet information, together with summary explanatory footnotes, for any material acquisitions, dispositions or recapitalizations that have occurred since the beginning of the most recently completed fiscal quarter; (c) an operating and financial review of the unaudited financial statements, including a discussion of the results of operations, financial condition, and liquidity and capital resources, and a discussion of material commitments and contingencies and critical accounting policies; and (d) material recent developments; *provided* that the report provided by the Company following the completion of the second quarter of each year (the "*Semi-Annual Report*") will include in addition a description of any material changes to all material contractual arrangements, including material debt instruments and to material affiliate transactions; and *provided further* that such Semi-Annual Report need not be provided by the Company until 75 days after the end of the second quarter of each year; and

- (3) promptly after the occurrence of a material acquisition, disposition, restructuring, senior management or board of directors' changes or change in auditors, a report containing a description of such event.

All financial statement and pro forma financial information will be prepared on a consistent basis for the periods presented and the financial statements required under clause (1) may be presented in the same format as in this Final Offering Memorandum; *provided, however*, that the reports set forth in clauses (1), (2) and (3) above may, in the event of a change in GAAP, present earlier periods on a basis that applied to such periods, subject to the provisions of the Indenture. No report need include separate financial statements or financial data for any Guarantors or non-guarantor Subsidiaries of the Company; *provided* that the annual report in clause (1) will include a statement of the aggregate percentages of the adjusted EBITDA and total assets of the Company represented by the Guarantors.

At any time that any of the Company's Subsidiaries are Unrestricted Subsidiaries, then the quarterly and annual financial information required by the preceding paragraph will include a reasonably detailed presentation, either on the face of the financial statements or in the footnotes thereto, and in the operating and financial review of the financial condition and results of operations of the Company and its Restricted Subsidiaries separate from the financial condition and results of operations of the Unrestricted Subsidiaries (taken together) of the Company.

In addition, so long as the Notes remain outstanding and during any period during which the Company is not subject to Section 13 or 15(d) of the Exchange Act nor exempt therefrom pursuant to Rule 12g3-2(b), the Company will furnish to the holders, upon their request, the information required to be delivered pursuant to Rule 144A(d)(4) under the Securities Act.

If and for so long as the Notes are listed on the Official List of the Luxembourg Stock Exchange and admitted for trading on the Euro MTF market and the rules of that exchange will so require, the above information will also be made available in Luxembourg through the office of the Registrar or the registered office of the Issuer.

Additional or Amended Intercreditor Agreements

At the request of the Issuer, without the consent of holders of the Notes, in connection with the incurrence by the Company or its Restricted Subsidiaries of any Indebtedness permitted to be incurred or secured under the Indenture, the Company, the Issuer, the relevant Restricted Subsidiaries, the Trustee and the Security Agent will enter into with the holders of such Indebtedness (or their duly authorized representatives) an intercreditor agreement (an "*Additional Intercreditor Agreement*") on substantially the same terms as the Intercreditor Agreement (or terms not materially less favorable to the holders (*provided* that the Trustee and the Security Agent shall have received an officer's certificate to that effect)); *provided* that such Additional Intercreditor Agreement will not impose any personal obligations on the Trustee or the Security Agent or, in the opinion of the Trustee or the Security Agent, adversely affect the rights, duties, liabilities or immunities of the Trustee or the Security Agent, as the case may be, under the Indenture or the Intercreditor Agreement.

At the direction of the Issuer and without the consent of holders of the Notes, the Trustee and the Security Agent will from time to time enter into one or more amendments to any Intercreditor Agreement to: (1) cure any ambiguity, omission, defect or inconsistency of any such agreement, (2) increase the amount or types of Indebtedness covered by any such agreement that may be incurred by the Company or any Restricted Subsidiary that is subject to any such agreement (including with respect to any Intercreditor Agreement or Additional Intercreditor Agreement the addition of provisions relating to new Indebtedness ranking junior in right of payment to the Notes), (3) add Restricted Subsidiaries to the Intercreditor Agreement or an Additional Intercreditor Agreement, (4) secure the Notes (including Additional Notes), (5) make provision for equal and ratable pledges of the Collateral to secure Additional Notes or other Indebtedness permitted to be secured by the Indenture, (6) implement any Permitted Collateral Liens, (7) amend the Intercreditor Agreement or Additional Intercreditor Agreement in accordance with the terms thereof or (8) make any other change to any such agreement that does not adversely affect the holders of the Notes in any material respect (*provided* that the Trustee and the Security Agent shall have received an officer's certificate and legal opinion to that effect). The Issuer may only direct the Trustee and the Security Agent to enter into any amendment to the extent such amendment does not impose any personal obligations on the Trustee or the Security Agent, in the opinion of the Trustee or the Security Agent, or adversely affect the rights, duties, liabilities or immunities of the Trustee under the Indenture, any Intercreditor Agreement or Additional Intercreditor Agreement.

Each holder, by accepting a Note, will be deemed to have agreed to and accepted the terms and conditions of the Intercreditor Agreement or an Additional Intercreditor Agreement (whether then entered into or entered into in the future pursuant to the provisions described herein).

Events of Default and Remedies

Each of the following is an Event of Default:

- (1) default for 30 days in the payment when due of interest on, or Additional Amounts with respect to, the Notes;
- (2) default in payment when due at maturity, upon redemption, upon repurchase, upon declaration or otherwise, of the principal of, or premium, if any, on the Notes;
- (3) failure by the Issuer or the Company or any of its Restricted Subsidiaries to comply with the provisions described under the caption “—*Certain Covenants—Merger, Consolidation or Sale of Assets*;”
- (4) failure by the Issuer or the Company or any of its Restricted Subsidiaries for 30 days after written notice by the Trustee on behalf of the holders of the Notes or by the holders of at least 25% in aggregate principal amount of the then outstanding Notes to comply with the provisions described under the captions “—*Repurchase at the Option of Holders*” and “—*Certain Covenants*” (in each case, other than a failure to purchase Notes which will constitute an Event of Default under clause (2) above and a failure to comply with the provisions described under the caption “—*Certain Covenants—Merger, Consolidation or Sale of Assets*” described in clause (3) above);
- (5) failure by the Issuer or the Company or any of its Restricted Subsidiaries for 60 days after written notice by the Trustee on behalf of the holders of the Notes or by the holders of at least 25% in aggregate principal amount of the then outstanding Notes to comply with any of the other agreements in the Indenture;
- (6) default under any mortgage, indenture or instrument under which there may be outstanding or by which there may be secured or evidenced any Indebtedness for money borrowed by the Company or any of its Restricted Subsidiaries (or the payment of which is guaranteed by the Company or any of its Restricted Subsidiaries) whether such Indebtedness or guarantee now exists, or is created after the date of the Indenture, if that default:
 - (a) is caused by a failure to pay principal of, or interest or premium, if any, on such Indebtedness prior to the expiration of the grace period provided in such Indebtedness on the date of such default (a “*Payment Default*”); or
 - (b) results in the acceleration of such Indebtedness prior to its scheduled maturity;

and, in each case, the principal amount of any such Indebtedness, together with the principal amount of any other such Indebtedness under which there has been a Payment Default or the maturity of which has been so accelerated, which exceed €15 million in the aggregate;

- (7) failure by the Company or any of its Restricted Subsidiaries to pay final judgments (which are not covered by insurance as to which a claim has been submitted and the insurer has not disclaimed or indicated an intent to disclaim responsibility for the payment thereof) which exceed €15 million in the aggregate, which judgments are not paid, discharged or stayed for a period of 60 consecutive days;
- (8) except as permitted by the Indenture, any Note Guarantee of the Company or any Significant Subsidiary of the Notes is held in any judicial proceeding to be unenforceable or invalid or ceases for any reason to be in full force and effect or any Guarantor denies or disaffirms in writing its obligations under its Note Guarantee;
- (9) any security interest under the Security and Guarantee Documents, at any time, ceases to be in full force and effect (other than in accordance with the relevant Security and Guarantee Documents, the Indenture, the Intercreditor Agreement or any Additional Intercreditor Agreement) for any reason other than satisfaction in full of all obligations of the Company and its Restricted Subsidiaries under the Indenture or the release of any such security interest in accordance with the Security and Guarantee Documents, the Indenture, the Intercreditor Agreement or any Additional Intercreditor Agreement, or the Indenture or any security interest created pursuant to the Indenture and the Security and Guarantee Documents is declared invalid or unenforceable or the Company assents in writing that any such security interest is invalid or unenforceable or any pledgor disaffirms in writing its obligations under the Security and Guarantee Documents and any such Default continues for 10 days;
- (10) default under any other Indebtedness that is secured by the Collateral if such default results in the creditors under such Indebtedness commencing an enforcement action of their security rights over the Collateral; and

- (11) certain events of bankruptcy or insolvency described in the Indenture with respect to the Company or any of its Restricted Subsidiaries that is a Significant Subsidiary or any group of Restricted Subsidiaries that, taken together, would constitute a Significant Subsidiary.

In the case of an Event of Default arising from certain events of bankruptcy or insolvency, with respect to the Company, any Restricted Subsidiary that is a Significant Subsidiary or any group of Restricted Subsidiaries that, taken together, would constitute a Significant Subsidiary, all outstanding Notes will become due and payable immediately without further action or notice. If any other Event of Default occurs and is continuing, the Trustee or the holders of at least 25% in aggregate principal amount of the then outstanding Notes may declare all the Notes to be due and payable immediately.

Holders may not enforce the Indenture or the Notes except as provided in the Indenture and may not enforce the Security and Guarantee Documents except as provided in such Security and Guarantee Documents and the Intercreditor Agreement or any Additional Intercreditor Agreement. Subject to certain limitations, holders of a majority in aggregate principal amount of the then outstanding Notes may direct the Trustee in its exercise of any trust or power. The Trustee may withhold from holders notice of any continuing Default or Event of Default if it determines that withholding notice is in their interest, except a Default or Event of Default relating to the payment of principal, premium, interest or Additional Amounts.

The holders of a majority in aggregate principal amount of the Notes then outstanding by notice to the Trustee may on behalf of the holders of all the Notes waive any existing Default or Event of Default and its consequences under the Indenture except a continuing Default or Event of Default in the payment of premium, interest or Additional Amounts on, or the principal of, the Notes.

The Company is required to deliver to the Trustee annually a statement regarding compliance with the Indenture. Upon becoming aware of any Default or Event of Default that would give either the Trustee or the holders of at least 25% or more in aggregate principal amount of Notes then outstanding the right to declare the Notes immediately due and payable, the Issuer is required to deliver to the Trustee a statement specifying such Default or Event of Default.

No Personal Liability of Directors, Officers, Employees and Stockholders

No director, officer, employee, incorporator or stockholder of the Issuer, the Company or any other Guarantor, as such, will have any liability for any obligations of the Issuer, the Company or the other Guarantors under the Notes, the Indenture, the Note Guarantees, the Security and Guarantee Documents, the Intercreditor Agreement or any Additional Intercreditor Agreement or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each holder by accepting a Note waives and releases all such liability. The waiver and release are part of the consideration for issuance of the Notes. The waiver may not be effective to waive liabilities under the Federal securities laws of the United States.

Legal Defeasance and Covenant Defeasance

The Issuer may, at its option or the option of the Company, and at any time, elect to have all its obligations discharged with respect to the outstanding Notes and all obligations of the Company and any other Guarantors discharged with respect to their Note Guarantees ("*Legal Defeasance*") except for:

- (1) the rights of holders of outstanding Notes to receive payments in respect of the principal of, or interest or premium, and Additional Amounts, if any, on such Notes when such payments are due from the trust referred to below;
- (2) the Issuer's obligations with respect to the Notes concerning issuing temporary Notes, registration of Notes, mutilated, destroyed, lost or stolen Notes and the maintenance of an office or agency for payment and money for security payments held in trust;
- (3) the rights, powers, trusts, duties and immunities of the Trustee, and the Issuer's, the Company's and any other Guarantor's obligations in connection therewith; and
- (4) the Legal Defeasance provisions of the Indenture.

In addition, the Issuer may, at its option or the option of the Company, and at any time, elect to have the obligations of the Issuer, the Company and any other Guarantors released with respect to certain covenants that are described in the Indenture ("*Covenant Defeasance*") and thereafter any omission to comply with those covenants will not constitute a Default or Event of Default with respect to the Notes. In the event Covenant Defeasance occurs, certain events (not including non-payment, bankruptcy, receivership, rehabilitation and

insolvency events) described under “—*Events of Default and Remedies*” will no longer constitute an Event of Default with respect to the Notes.

In order to exercise either Legal Defeasance or Covenant Defeasance:

- (1) the Issuer must irrevocably deposit or cause to be deposited with the Trustee or another entity designated by the Trustee for such purposes, in trust, for the benefit of the holders of the Notes, cash in euro, non-callable Government Securities, or a combination of cash in euro and non-callable Government Securities, in amounts as will be sufficient, in the opinion of an internationally recognized firm of independent public accountants, to pay the principal of, or interest and premium, and Additional Amounts, if any, on the outstanding Notes on the stated maturity or on the applicable redemption date, as the case may be, and the Issuer must specify whether the Notes are being defeased to maturity or to a particular redemption date;
- (2) in the case of Legal Defeasance, the Issuer has delivered to the Trustee an opinion of counsel confirming that (a) the Issuer has received from, or there has been published by, the United States Internal Revenue Service a ruling or (b) since the date of the Indenture, there has been a change in the applicable Federal income tax law, in either case to the effect that, and based thereon such opinion of counsel will confirm that, the holders of the outstanding Notes will not recognize income, gain or loss for Federal income tax purposes as a result of such Legal Defeasance and will be subject to Federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Legal Defeasance had not occurred;
- (3) in the case of Covenant Defeasance, the Issuer has delivered to the Trustee an opinion of counsel confirming that the holders of the outstanding Notes will not recognize income, gain or loss for United States Federal income tax purposes as a result of such Covenant Defeasance and will be subject to United States Federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Covenant Defeasance had not occurred;
- (4) no Default or Event of Default has occurred and is continuing on the date of such deposit (other than a Default or Event of Default resulting from the borrowing of funds to be applied to such deposit);
- (5) such Legal Defeasance or Covenant Defeasance will not result in a breach or violation of, or constitute a default under any material agreement or instrument (other than the Indenture) to which the Issuer, the Company or any of its Restricted Subsidiaries is a party or by which the Issuer, the Company or any of its Restricted Subsidiaries is bound;
- (6) the Issuer must deliver to the Trustee an officer's certificate stating that the deposit was not made or caused to be made by the Issuer with the intent of preferring the holders over the other creditors of the Issuer or of the Company with the intent of defeating, hindering, delaying or defrauding creditors of the Issuer or the Company or others; and
- (7) the Issuer must deliver to the Trustee an officer's certificate and an opinion of counsel, each stating that all conditions precedent relating to the Legal Defeasance or the Covenant Defeasance have been complied with.

Amendment, Supplement and Waiver

Except as provided in the next two succeeding paragraphs, the Indenture, the Notes, the Note Guarantees, the Security and Guarantee Documents, the Intercreditor Agreement or any Additional Intercreditor Agreement may be amended or supplemented with the consent of the holders of at least a majority in principal amount of the Notes then outstanding (including, without limitation, consents obtained in connection with a purchase of, or tender offer or exchange offer for, Notes), and any existing default or compliance with any provision of the Indenture, the Notes, the Note Guarantees, the Security and Guarantee Documents, the Intercreditor Agreement or any Additional Intercreditor may be waived with the consent of the holders of a majority in principal amount of the then outstanding Notes (including, without limitation, consents obtained in connection with a purchase of, or tender offer or exchange offer for, Notes); *provided* that, if any amendment, supplement or waiver will only amend, supplement or waive provisions with respect to one series of the Notes, only the consent of a majority in aggregate principal amount of the then outstanding Notes of such series will be required. For so long as the Notes are listed on the Official List of the Luxembourg Stock Exchange and admitted for trading on the Euro MTF market and the rules of this exchange so require, the Issuer will inform the Luxembourg Stock Exchange and publish a notice of any such amendment, supplement or waiver in a newspaper having a general circulation in Luxembourg

(currently expected to be the *Luxemburger Wort*) or the website of the Luxembourg Stock Exchange (www.bourse.lu).

Without the consent of holders of at least 90% of the aggregate principal amount of then outstanding Notes affected (including, without limitation, consents obtained in connection with a purchase of, or tender offer or exchange offer for, the Notes), an amendment, supplement or waiver may not (with respect to any Notes held by a non-consenting holder):

- (1) reduce the aggregate principal amount of Notes whose holders must consent to an amendment, supplement or waiver;
- (2) reduce the principal of or change the scheduled maturity of any Note or alter the provisions with respect to the redemption of the Notes (other than provisions relating to the covenants described above under the caption “—*Repurchase at the Option of Holders*”);
- (3) reduce the rate of or change the time for payment of interest on any Note;
- (4) waive a Default or Event of Default in the payment of principal of, or interest, premium, or Additional Amounts, if any, on the Notes (except a rescission of acceleration of the Notes by the holders of at least a majority in aggregate principal amount of the Notes and a waiver of the payment default that resulted from such acceleration);
- (5) make any Note payable in money other than that stated in such Note;
- (6) make any change in the provisions of the Indenture relating to waivers of past Defaults or the rights of holders of Notes to receive payments of principal of, or interest, premium, or Additional Amounts, if any, on the Notes;
- (7) waive a redemption payment with respect to any Note (other than a payment required by one of the covenants described above under the caption “—*Repurchase at the Option of Holders*”);
- (8) release the Company or any other Guarantor from any of its obligations under its Note Guarantee or the Indenture, except in accordance with the terms of the Indenture;
- (9) release the security interest granted for the benefit of the holders of the Notes in the Collateral other than pursuant to the terms of the Security and Guarantee Documents or as otherwise permitted by the Indenture or the Intercreditor Agreement or any Additional Intercreditor Agreement; or
- (10) make any change in the preceding amendment and waiver provisions;

provided that, if any amendment, supplement or waiver will only amend, supplement or waive such provisions with respect to one series of the Notes, only the consent of at least 90% of the aggregate principal amount of the then outstanding Notes of such series will be required.

Notwithstanding the preceding, without the consent of any holder of Notes, the Issuer, the Company and the other Guarantors, the Trustee, the Security Agent and the other parties thereto may amend or supplement the Indenture, the Notes or the Note Guarantees, the Intercreditor Agreement, any Additional Intercreditor Agreement or the Security and Guarantee Documents:

- (1) to cure any ambiguity, omission, defect or inconsistency, to conform any provision of the Indenture to the “*Description of the Notes*” as set forth in the Final Offering Memorandum or to reduce the minimum denomination of the Notes;
- (2) to provide for uncertificated Notes in addition to or in place of Definitive Registered Notes;
- (3) to provide for the assumption of the Company’s obligations to holders in the case of a merger or consolidation or sale or disposition of all or substantially all the Company’s assets;
- (4) to make such changes as are necessary to provide for the issuance of Additional Notes in compliance with the covenants described herein, or to add guarantees in favor of the Notes;
- (5) to mortgage, pledge, hypothecate or grant a security interest in favor of the Security Agent to the extent necessary to grant a security interest for the benefit of any Person; *provided* that the granting of such security interest is not prohibited by the Indenture;
- (6) to add additional assets or property as Collateral;
- (7) to enter into additional or supplemental Security and Guarantee Documents;
- (8) to release any Note Guarantee in accordance with the terms of the Indenture;

- (9) to add additional parties to the Intercreditor Agreement, any Additional Intercreditor Agreement or any Security and Guarantee Document to the extent permitted hereunder or thereunder and to make changes contemplated under, or to enter into an Additional Intercreditor Agreement pursuant to the provisions under, the caption “—*Certain Covenants—Additional or Amended Intercreditor Agreement*,”
- (10) to confirm and evidence the release, termination, discharge or retaking of any guarantee or Lien (including the Collateral and the Security and Guarantee Documents) with respect to or securing the Notes when such release, termination, discharge or retaking is provided for under the Indenture, the Security and Guarantee Documents, the Intercreditor Agreement or any Additional Intercreditor Agreement; or
- (11) to make any change that would provide any additional rights or benefits to the holders or that does not adversely affect the legal rights under the Indenture of any such holder in any material respect.

Satisfaction and Discharge

The Indenture will be discharged and will cease to be of further effect as to all Notes issued thereunder, when:

- (1) either:
 - (a) all Notes that have been authenticated, except lost, stolen or destroyed Notes that have been replaced or paid and Notes for whose payment money has been deposited in trust and thereafter repaid to the Issuer, have been delivered to the Trustee for cancellation; or
 - (b) all Notes that have not been delivered to the Trustee for cancellation have become due and payable by reason of the mailing of a notice of redemption or otherwise or will become due and payable within one year and the Issuer, the Company or any other Guarantor has irrevocably deposited or caused to be deposited with the Trustee or another entity designated by the Trustee for such purpose as trust funds in trust solely for the benefit of the holders, cash in euro, non-callable Government Securities, or a combination of cash in euro and non-callable Government Securities, in an aggregate amount as will be sufficient without consideration of any reinvestment of interest, to pay and discharge the entire indebtedness on the Notes not delivered to the Trustee for cancellation for principal, premium, Additional Amounts, if any, and accrued interest to the date of maturity or redemption;
- (2) no Default or Event of Default has occurred and is continuing on the date of such deposit or will occur as a result of such deposit and such deposit will not result in a breach or violation of, or constitute a default under, any other instrument to which the Issuer, the Company or any other Guarantor is a party or by which the Issuer, the Company or any other Guarantor is bound;
- (3) the Issuer, the Company or any other Guarantor has paid or caused to be paid all sums payable by it under the Indenture; and
- (4) the Issuer has delivered irrevocable instructions to the Trustee under the Indenture to apply the deposited money toward the payment of the Notes at maturity or the redemption date, as the case may be.

In addition, the Issuer must deliver an officer's certificate and an opinion of counsel to the Trustee stating that all conditions precedent to satisfaction and discharge have been satisfied.

Concerning the Trustee

The Trustee will be permitted to engage in transactions with the Issuer, the Company or any other Guarantor; however, if it acquires any conflicting interest it must eliminate such conflict within 90 days of becoming aware of such conflict or resign. If the Trustee becomes the owner or pledge of the Notes it may deal with the Issuer with the same rights it would have if it were not the Trustee, Paying Agent, Registrar or such other agent.

The holders of a majority in principal amount of the then outstanding Notes will have the right to direct the time, method and place of conducting any proceeding for exercising any remedy available to the Trustee, subject to certain exceptions. The Indenture provides that in case an Event of Default occurs and is continuing, the Trustee will be required, in the exercise of its power, to use the degree of care of a prudent man in the conduct of his own affairs. The Trustee undertakes to perform such duties and only such duties as are specifically set forth in the Indenture, and no implied covenants or obligations can be read into the Indenture against the Trustee. The Trustee will be under no obligation to exercise any of its rights or powers under the Indenture at the request of

any holder of Notes, unless such holder has provided to the Trustee security, indemnity or pre-funding satisfactory to it against any loss, liability or expense.

Judgment Currency

Any payment on account of an amount that is payable in euro (the “*Required Currency*”) which is made to or for the account of any holder of a Note in lawful currency of any other jurisdiction (the “*Other Currency*”) whether as a result of any judgment or order or the enforcement thereof or the realization of any security or the liquidation of any of the Issuer, Company or any other Guarantor will constitute a discharge of the Issuer’s, Company’s or such Guarantor’s obligation under the Indenture, the Notes or the Note Guarantees, as the case may be, only to the extent of the amount of the Required Currency which such holder could purchase in the New York foreign exchange markets with the amount of the Other Currency in accordance with normal banking procedures at the rate of exchange prevailing on the first day (other than a Saturday or Sunday) on which banks in New York, are generally open for business following receipt of the payment first referred to above. If the amount of the Required Currency that could be so purchased is less than the amount of the Required Currency originally due to such holder, the Issuer, Company or such other Guarantor, as the case may be, will indemnify and save harmless such holder from and against all loss or damage arising out of or as a result of such deficiency. This indemnity will constitute an obligation separate and independent from the other obligations contained in the Indenture, the Notes or the Note Guarantees, will give rise to a separate and independent cause of action, will apply irrespective of any indulgence granted by any holder of a Note from time to time and will continue in full force and effect notwithstanding any judgment or order for a liquidated sum in respect of an amount due hereunder or under any judgment or order.

Additional Information

Anyone who receives this offering memorandum may obtain a copy of the Indenture, the Intercreditor Agreement, any Additional Intercreditor Agreement, the Security and Guarantee Documents and the Funding Loan Agreements without charge at the registered office of the Issuer or at the office of the Registrar in Luxembourg, or by writing to Empark Aparcamientos y Servicios, S.A., Plaza Manuel Gómez Moreno nº2, 28020 Madrid, Spain, Attention: Chief Financial Officer, Spain.

Governing Law

The Indenture, the Notes and the Note Guarantees are governed by the laws of the State of New York without regard to its conflict of laws rules, and New York courts have jurisdiction over any action or proceeding arising out of these agreements.

Certain Definitions

Set forth below are certain defined terms used in the Indenture. Reference is made to the Indenture for a full disclosure of all such terms, as well as any other capitalized terms used herein for which no definition is provided.

“*Acquired Debt*” means, with respect to any specified Person:

- (1) Indebtedness of any other Person existing at the time such other Person is merged or consolidated with or into or became a Subsidiary of such specified Person, whether or not such Indebtedness is incurred in connection with, or in contemplation of, such other Person merging or consolidating with or into, or becoming a Subsidiary of, such specified Person; and
- (2) Indebtedness secured by a Lien encumbering any asset acquired by such specified Person.

“*Additional Funding Loan*” means each loan on substantially the same terms as the Funding Loans, between the Issuer, as obligee, and the Company, as obligor, with a principal amount at least equal to the aggregate principal amount of Additional Notes issued.

“*Affiliate*” of any specified Person means any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person and, in the case of any natural Person, any Immediate Family Member of such Person. For purposes of this definition, “control,” as used with respect to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person, whether through the ownership of voting securities, by agreement or otherwise; *provided* that beneficial ownership of 10% or more of the Voting Stock of a Person will be deemed to be control. For purposes of this definition, the terms “controlling,” “controlled by” and “under common control with” will have correlative meanings.

“Agreed Security Principles” means the Agreed Security Principles as set forth in the Revolving Credit Facility (or a schedule thereto), as applied reasonably and in good faith by the Company.

“Applicable Premium” means, with respect to (a) a Floating Rate Note at any redemption date, the greater of (1) 1% of the principal amount of such Note at such time and (2) the excess of (A) the present value at such time of (i) the principal amount of such Floating Rate Note at such time, plus (ii) any required interest payments due on such Note through and including December 15, 2014 (assuming that the rate of interest on the Floating Rate Notes for the period from the redemption date through December 15, 2014 will equal the rate of interest on the Floating Rate Notes in effect on the date on which the applicable notice of redemption is given) (excluding accrued but unpaid interest to the date of redemption), computed using a discount rate equal to the Bund Rate plus 50 basis points, over (B) the principal amount of such Note and (b) a Fixed Rate Note at any redemption date, the greater of (1) 1% of the principal amount of such Note at such time and (2) the excess of (A) the present value at such time of (i) the redemption price of such Note on December 15, 2016 (such redemption price being described in the table appearing in the second paragraph under the caption *“—Optional Redemption—Fixed Rate Notes,”* exclusive of any accrued interest to such redemption date), plus (ii) any required interest payments due on such Note through and including December 15, 2016 (excluding accrued but unpaid interest to the date of redemption), computed using a discount rate equal to the Bund Rate plus 50 basis points, over (B) the principal amount of such Note.

“Asset Sale” means:

- (1) the sale, lease, conveyance or other disposition of any assets, other than sales of inventory in the ordinary course of business; *provided* that the sale, lease, conveyance or other disposition of all or substantially all the assets of the Company and its Restricted Subsidiaries taken as a whole will be governed by the provisions of the Indenture described above under the caption *“—Repurchase at the Option of Holders—Change of Control”* or the provisions described above under the caption *“—Certain Covenants—Merger, Consolidation or Sale of Assets”* and not by the provisions of the Asset Sale covenant; and
- (2) the issuance of Capital Stock in any of the Company’s Restricted Subsidiaries or the sale by the Company or any of its Restricted Subsidiaries of Capital Stock in any of their respective Restricted Subsidiaries (in each case, other than directors’ qualifying shares).

Notwithstanding the preceding, the following items will not be deemed to be Asset Sales:

- (1) any single transaction or series of related transactions that involves assets having a Fair Market Value of less than €5 million;
- (2) a transfer of assets or Equity Interests between or among the Company and any Restricted Subsidiary other than a Non-Recourse Restricted Subsidiary;
- (3) an issuance of Equity Interests by a Restricted Subsidiary of the Company to the Company or to another Restricted Subsidiary of the Company;
- (4) the sale, lease, assignment or sublease of equipment, inventory, accounts receivable or other assets in the ordinary course of business, including in connection with factoring;
- (5) the sale or other disposition of cash or Cash Equivalents;
- (6) a Restricted Payment that is permitted by the covenant described above under the caption *“—Certain Covenants—Restricted Payments,”*
- (7) a Permitted Investment;
- (8) a disposition of obsolete or worn out equipment, property or other assets or of equipment, property or other assets that are no longer useful in the conduct of the business of the Company and its Restricted Subsidiaries;
- (9) the grant of licenses or sub-licenses of intellectual property rights to third parties in the ordinary course of business;
- (10) the disposal or abandonment of intellectual property that is no longer economically practicable to maintain or which is no longer required for the business of the Company and its Restricted Subsidiaries;
- (11) any sale or other disposition of Equity Interests in, or Indebtedness or other securities of, an Unrestricted Subsidiary;

- (12) a disposition by way of the granting of a Permitted Lien or foreclosures on assets; and
- (13) the disposition of the Sevilla Car Park; *provided, however*, such disposition will be conducted in accordance with clause (1) under the first paragraph of “—*Repurchase at the Option of Holders—Asset Sales*.”

“*Attributable Debt*” in respect of a sale and leaseback transaction means, at the time of determination, the present value of the obligation of the lessee for net rental payments during the remaining term of the lease included in such sale and leaseback transaction including any period for which such lease has been extended or may, at the option of the lessor, be extended. Such present value will be calculated using a discount rate equal to the rate of interest implicit in such transaction, determined in accordance with GAAP.

“*Beneficial Owner*” has the meaning assigned to such term in Rule 13d-3 and Rule 13d-5 under the Exchange Act, except that in calculating the beneficial ownership of any particular “person” (as that term is used in Section 13(d)(3) of the Exchange Act), such “person” will be deemed to have beneficial ownership of all securities that such “person” has the right to acquire by conversion or exercise of other securities, whether such right is currently exercisable or is exercisable only upon the occurrence of a subsequent condition. The terms “Beneficially Owns” and “Beneficially Owned” have a corresponding meaning.

“*Board of Directors*” means:

- (1) with respect to a corporation or a company, the board of directors of the corporation or the company;
- (2) with respect to a partnership, the board of directors of the general partner of the partnership; and
- (3) with respect to any other Person, the board or committee of such Person serving a similar function.

“*Bund Rate*” means, with respect to any relevant date, the rate per annum equal to the equivalent yield to maturity as of such date of the Comparable German Bund Issue, assuming a price for the Comparable German Bund Issue (expressed as a percentage of its principal amount) equal to the Comparable German Bund Price for such relevant date, where:

- (1) “*Comparable German Bund Issue*” means the German *Bundesanleihe* security selected by any Reference German Bund Dealer as having a fixed maturity most nearly equal to the period from such redemption date to December 15, 2014 (in the case of the Floating Rate Notes) or to December 15, 2016 (in the case of the Fixed Rate Notes), and that would be utilized at the time of selection and in accordance with customary financial practice, in pricing new issues of euro-denominated corporate debt securities in a principal amount approximately equal to the then outstanding principal amount of the Notes and of a maturity most nearly equal to December 15, 2014 (in the case of the Floating Rate Notes) or to December 15, 2016 (in the case of the Fixed Rate Notes); *provided, however*, that, if the period from such redemption date to December 15, 2014 (in the case of the Floating Rate Notes) or to December 15, 2016 (in the case of the Fixed Rate Notes) is less than one year, a fixed maturity of one year will be used;
- (2) “*Comparable German Bund Price*” means, with respect to any relevant date, the average of all Reference German Bund Dealer Quotations for such date (which, in any event, must include at least two such quotations), after excluding the highest and lowest such Reference German Bund Dealer Quotations, or if the Company obtains fewer than four such Reference German Bund Dealer Quotations, the average of all such quotations;
- (3) “*Reference German Bund Dealer*” means any dealer of German *Bundesanleihe* securities appointed by the Company in consultation with the Trustee; and
- (4) “*Reference German Bund Dealer Quotations*” means, with respect to each Reference German Bund Dealer and any relevant date, the average as determined by the Company of the bid and offered prices for the Comparable German Bund Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the Company by such Reference German Bund Dealer at 3:30 p.m. Frankfurt, Germany, time on the third business day preceding the relevant date,

and *provided* that in no case will the Bund Rate be less than zero.

“*Capital Lease Obligation*” means, at the time any determination is to be made, the amount of the liability in respect of a capital lease that would at that time be required to be capitalized on a balance sheet in accordance with GAAP.

“*Capital Stock*” means:

- (1) in the case of a corporation or a company, ordinary shares, preferred stock, corporate stock, share capital, *acciones*, *participaciones* or other participation in the share capital of such corporation or company;
- (2) in the case of an association or business entity, any and all shares, interests, participations, rights or other equivalents (however designated) of corporate stock;
- (3) in the case of a partnership or limited liability company, shares, partnership or membership interests (whether general or limited); and
- (4) any other interest or participation that confers on a Person the right to receive a share of the profits and losses of, or distributions of assets of, the issuing Person.

“Cash Equivalents” means:

- (1) (a) euro or dollars or (b) in respect of any Restricted Subsidiary of the Company, its local currency;
- (2) securities or marketable direct obligations issued by or directly and fully guaranteed or insured by the government of (a) Spain, (b) the United States or (c) a member of the European Monetary Union having Investment Grade Status from Moody’s or S&P (or if at the time neither is issuing comparable ratings, then a comparable rating of another Nationally Recognized Statistical Rating Organization) or any agency or instrumentality of such government (*provided* that the full faith and credit of such government is pledged in support of those securities) having maturities of not more than 12 months from the date of acquisition;
- (3) certificates of deposit and eurodollar time deposits with maturities of six months or less from the date of acquisition, bankers’ acceptances with maturities not exceeding twelve months and overnight bank deposits, in each case, with any domestic commercial bank having capital and surplus in excess of €500 million and the long-term debt of which is rated Investment Grade Status from Moody’s or S&P (or if at the time neither is issuing comparable ratings, then a comparable rating of another Nationally Recognized Statistical Rating Organization);
- (4) repurchase obligations and reverse repurchase obligations with a term of not more than 30 days for underlying securities of the types described in clauses (2) and (3) above entered into with any financial institution meeting the qualifications specified in clause (3) above;
- (5) commercial paper having the highest rating obtainable from Moody’s or S&P (or if at the time neither is issuing comparable ratings, then a comparable rating of another Nationally Recognized Statistical Rating Organization) and in each case maturing within six months after the date of acquisition; and
- (6) money market funds at least 95% of the assets of which constitute Cash Equivalents of the kinds described in clauses (1)(a), (2), (3), (4) and (6) of this definition.

“Change of Control” means the occurrence of any of the following:

- (1) the direct or indirect sale, lease, transfer, conveyance or other disposition (other than by way of merger or consolidation), in one or a series of related transactions, of all or substantially all the properties or assets of the Company and its Restricted Subsidiaries taken as a whole to another “person” (as that term is used in Section 13(d)(3) of the Exchange Act) (other than one or more Permitted Holders);
- (2) the adoption of a plan relating to the liquidation or dissolution of the Issuer or the Company, except as part of a merger, a consolidation, or a sale, assignment, transfer conveyance or other disposition of all or substantially all the properties or assets of the Company and its Restricted Subsidiaries permitted under “—*Certain Covenants—Merger, Consolidation or Sale of Assets*;”
- (3) the consummation of any transaction (including, without limitation, any merger or consolidation) the result of which is that any “person” (as defined in clause (1) above) or any “group” (as that term is used in Section 14(d) of the Exchange Act), other than the Permitted Holders, becomes the Beneficial Owner, directly or indirectly, (a) prior to the first Equity Offering that is a Public Offering, of more than 50% of the Voting Stock of the Company or (b) on or after the first Equity Offering that is a Public Offering, of (i) more than 35% of the Voting Stock of the Company and (ii) a greater percentage of the Voting Stock of the Company than that held by the Permitted Holders, measured, in the case of clause (a) or (b), by voting power rather than number of shares;
- (4) the first day on which a majority of the members of the Board of Directors of the Company are not Continuing Directors; or

- (5) except as the result of a merger with and into the Company, the first day on which the Company (or any successor entity thereof) ceases to own, directly or indirectly, 100% of the outstanding Capital Stock of the Issuer.

“Collateral” means the rights and assets securing the Notes and the Note Guarantees as described in the section entitled *“—Security”* and any rights or assets over which a Lien has been granted to secure the Obligations of the Issuer and the Guarantors under the Notes, the Note Guarantees and the Indenture.

“Consolidated EBITDA” means, with respect to any specified Person for any period, the Consolidated Net Income of such Person for such period plus:

- (1) an amount equal to any net loss realized by such Person or any of its Restricted Subsidiaries in connection with any sale or other disposition of assets, to the extent such losses were deducted in computing such Consolidated Net Income; *plus*
- (2) provision for taxes or other similar payments based on income or profits or property taxes of such Person and its Restricted Subsidiaries for such period, to the extent that such provision for taxes was deducted in computing such Consolidated Net Income; *plus*
- (3) Consolidated Interest Expense of such Person and its Restricted Subsidiaries, changes in fair value of financial instruments and exchange gains and losses for such period, to the extent that any such expense was deducted in computing such Consolidated Net Income; *plus*
- (4) depreciation, amortization (including amortization of goodwill and other intangibles but excluding amortization of prepaid cash expenses that were paid in a prior period) and other non-cash expenses (excluding any such non-cash expense to the extent that it represents an accrual of or reserve for cash expenses in any future period or amortization of a prepaid cash expense that was paid in a prior period) of such Person and its Restricted Subsidiaries for such period to the extent that such depreciation, amortization and other non-cash expenses were deducted in computing such Consolidated Net Income and except to the extent already counted in clause (1) hereof; *minus*
- (5) non-cash items increasing such Consolidated Net Income for such period (other than any non-cash items increasing such Consolidated Net Income pursuant to clauses (1) through (11) of the definition of Consolidated Net Income); *plus*
- (6) costs and expenses associated with the offering and sale of the Notes and the related refinancing transactions; *plus*
- (7) the amount of any minority interest expense to the extent such expense was deducted in computing such Consolidated Net Income; *plus*
- (8) surplus provisions to the extent such amount was deducted in computing such Consolidated Net Income,

in each case, on a consolidated basis and determined in accordance with GAAP.

“Consolidated Interest Expense” means, with respect to any Person for any period, the sum, without duplication, of:

- (i) the consolidated interest expense (net of interest income) of such Person and its Restricted Subsidiaries for such period, whether paid or accrued (including, without limitation, amortization of original issue discount (but not debt issuance costs, commissions, fees and expenses), Additional Amounts, non-cash interest payments, the interest component of any deferred payment obligations, the interest component of all payments associated with Capital Lease Obligations, imputed interest with respect to Attributable Debt, commissions, discounts and other fees and charges incurred in respect of letter of credit or bankers’ acceptance financings, and net payments (if any) pursuant to Hedging Obligations); and
- (ii) the consolidated interest expense of such Person and its Restricted Subsidiaries that was capitalized during such period (but excluding (A) such interest on Subordinated Shareholder Debt and (B) interest expense associated with the acquisition or construction of parking infrastructure assets that is capitalized prior to such asset becoming operational); and
- (iii) any interest expense on Indebtedness of another Person that is guaranteed by such Person or one of its Restricted Subsidiaries or secured by a Lien on assets of such Person or one of its Restricted Subsidiaries (whether or not such guarantee or Lien is called upon); and

- (iv) the product of (a) all dividend payments on any series of preferred stock of such Person or any of its Restricted Subsidiaries, times (b) a fraction, the numerator of which is one and the denominator of which is one minus the then current applicable statutory tax rate of such Person (if positive), expressed as a decimal, in each case, on a consolidated basis and in accordance with GAAP.

“*Consolidated Leverage*” means, with respect to any Person, the sum of the aggregate outstanding amount of Indebtedness for borrowed money (other than Subordinated Indebtedness) of the Person and its Restricted Subsidiaries as of the relevant date of calculation on a consolidated basis in accordance with GAAP.

“*Consolidated Leverage Ratio*” means the Consolidated Senior Secured Leverage Ratio, but calculated by using Consolidated Leverage in lieu of Consolidated Senior Secured Leverage.

“*Consolidated Net Income*” means, with respect to any specified Person for any period, the aggregate of the Net Income of such Person and its Restricted Subsidiaries for such period, on a consolidated basis, determined in accordance with GAAP; *provided that*:

- (1) the Net Income (but not loss) of any Person that is not a Restricted Subsidiary or that is accounted for by the equity method of accounting will be included only to the extent of the amount of dividends or distributions paid in cash to the specified Person or a Restricted Subsidiary of such Person;
- (2) solely for the purpose of determining the amount available for Restricted Payments under clause (3)(a) of the first paragraph under the caption “—*Certain Covenants—Restricted Payments*”, any net income or loss of any Restricted Subsidiary (other than the Issuer or any Guarantor) will be excluded if such Subsidiary is subject to restrictions, directly or indirectly, on the payment of dividends or the making of distributions by such Restricted Subsidiary, directly or indirectly, to the Company (or any Guarantor that holds the Equity Interests of such Restricted Subsidiary, as applicable) by operation of the terms of such Restricted Subsidiary’s charter or any agreement, instrument, judgment, decree, order, statute or governmental rule or regulation applicable to such Restricted Subsidiary or its shareholders (other than (a) restrictions that have been waived or otherwise released, (b) restrictions pursuant to the Notes, the Indenture or the Revolving Credit Facility, (c) contractual restrictions in effect on the Issue Date with respect to such Restricted Subsidiary and (d) other contractual restrictions with respect to such Restricted Subsidiary that, taken as a whole, are not materially less favorable to the Holders of the Notes than such contractual restrictions in effect on the Issue Date (as deemed in good faith by the Company), except that the Company’s equity in the net income of any such Restricted Subsidiary for such period will be included in such Consolidated Net Income up to the aggregate amount of cash or Cash Equivalents actually distributed or that could have been distributed by such Restricted Subsidiary during such period to the Company or another Restricted Subsidiary as a dividend or other distribution (subject, in the case of a dividend to another Restricted Subsidiary (other than any Guarantor), to the limitation contained in this clause);
- (3) the Net Income of any Person acquired in a pooling of interests transaction for any period prior to the date of such acquisition will be excluded;
- (4) the cumulative effect of a change in accounting principles will be excluded;
- (5) any gain or loss, together with any related provision for taxes on such gain or loss, realized in connection with (a) any sale or disposition of any assets or (b) the sale or disposition of any securities by the Company or any of its Restricted Subsidiaries which are not sold or disposed of in the ordinary course of business or (c) the extinguishment of any Indebtedness of the Company or any of its Restricted Subsidiaries, will be excluded;
- (6) any extraordinary, exceptional or nonrecurring gains or losses or any charges in respect of any restructuring, redundancy or severance (in each case as determined in good faith by the Company) will be excluded;
- (7) any unrealized gains or losses in respect of Hedging Obligations or any ineffectiveness recognized in earnings related to qualifying hedge transactions or the fair value or changes therein recognized in earnings for derivatives that do not qualify as hedge transactions, in each case, in respect of Hedging Obligations will be excluded;
- (8) any non-cash compensation charge or expenses arising from any grant of stock, stock options or other equity-based awards will be excluded;
- (9) any goodwill or other intangible asset impairment charges will be excluded;

- (10) all deferred financing costs written off and premium paid in connection with any early extinguishment of Indebtedness and any net gain or loss from any write-off or forgiveness of Indebtedness will be excluded; and
- (11) any capitalized interest on any Subordinated Shareholder Debt will be excluded.

“Consolidated Senior Secured Leverage” means, with respect to any Person, the sum of the aggregate outstanding amount of Senior Secured Indebtedness of the Person and its Restricted Subsidiaries as of the relevant date of calculation on a consolidated basis in accordance with GAAP.

“Consolidated Senior Secured Leverage Ratio” means for any Person as of any date of determination, the ratio of (a) the Consolidated Senior Secured Leverage of the Person and its Restricted Subsidiaries on such date to (b) the aggregate amount of Consolidated EBITDA for the period of the most recent four consecutive fiscal quarters ending prior to the date of such determination for which consolidated financial statements of that Person are available. In the event that the specified Person or any of its Restricted Subsidiaries incurs, assumes, guarantees, repays, repurchases, redeems, defeases or otherwise discharges any Indebtedness (other than ordinary working capital borrowings) or issues, repurchases or redeems Disqualified Stock or preferred stock subsequent to the commencement of the period for which the Consolidated Senior Secured Leverage Ratio is being calculated and on or prior to the date on which the event for which the calculation of the Consolidated Senior Secured Leverage Ratio is made (for the purpose of this definition, the *“Consolidated Senior Secured Leverage Ratio Calculation Date”*), then the Consolidated Senior Secured Leverage Ratio will be calculated giving pro forma effect to such incurrence, assumption, guarantee, repayment, repurchase or redemption of Indebtedness, or such issuance, repurchase or redemption of Disqualified Stock or preferred stock, and the use of the proceeds therefrom as if the same had occurred at the beginning of the applicable four-quarter reference period.

In addition, for purposes of calculating the Consolidated Senior Secured Leverage Ratio:

- (1) acquisitions that have been made by the specified Person or any of its Restricted Subsidiaries, including through mergers or consolidations, or by any Person or any of its Restricted Subsidiaries acquired by the specified Person or any of its Restricted Subsidiaries, and including any related financing transactions and increases in ownership of Subsidiaries which are Restricted Subsidiaries, during the four-quarter reference period or subsequent to such reference period and on or prior to the Consolidated Senior Secured Leverage Ratio Calculation Date will be given pro forma effect as if they had occurred on the first day of the four-quarter reference period and Consolidated EBITDA for such reference period will be calculated on a pro forma basis;
- (2) the Consolidated EBITDA attributable to discontinued operations, as determined in accordance with GAAP, and operations or businesses (and ownership interests therein) disposed of or the operations of which are substantially terminated prior to the Consolidated Senior Secured Leverage Ratio Calculation Date, will be excluded;
- (3) the Consolidated Interest Expense attributable to discontinued operations, as determined in accordance with GAAP, and operations or businesses disposed of prior to the Consolidated Senior Secured Leverage Ratio Calculation Date, will be excluded, but only to the extent that the obligations giving rise to such Consolidated Interest Expense will not be obligations of the specified Person or any of its Subsidiaries following the Consolidated Senior Secured Leverage Ratio Calculation Date;
- (4) any Person that is a Restricted Subsidiary on the Consolidated Senior Secured Leverage Ratio Calculation Date will be deemed to have been a Restricted Subsidiary at all times during such four-quarter period; and
- (5) any Person that is not a Restricted Subsidiary on the Consolidated Senior Secured Leverage Ratio Calculation Date will be deemed not to have been a Restricted Subsidiary at any time during such four-quarter period.

For purposes of this definition, whenever pro forma effect is to be given to an acquisition of assets, the amount of income or earnings relating thereto and the amount of Consolidated Interest Expense associated with any Indebtedness incurred in connection therewith, the pro forma calculations will be determined in good faith by a responsible financial or accounting officer of the Company (and may include anticipated expense and cost reductions and cost synergies). If any Indebtedness bears a floating rate of interest and is being given pro forma effect, the interest on such Indebtedness will be calculated as if the rate in effect on the date of determination had been the applicable rate for the entire period (taking into account any Hedging Obligation applicable to such Indebtedness). For purposes of this definition, whenever pro forma effect is to be given to any Indebtedness

incurred pursuant to a revolving credit facility, the amount outstanding on the date of such calculation will be computed based on (1) the average daily balance of such Indebtedness during such four fiscal quarters or such shorter period for which the facility was outstanding or (2) if such facility was created after the end of such four fiscal quarters, the average daily balance of such Indebtedness during the period from the date of creation of such facility to the date of such calculation. Interest on Indebtedness that may optionally be determined at an interest rate based on a prime or similar rate, a euro interbank offered rate, or other rate, will be deemed to have been based upon the rate actually chosen or, if none, then based upon such optional rate chosen as the relevant Person may designate.

“Contingent Obligations” means, with respect to any Person, any obligation of such Person guaranteeing in any manner, whether directly or indirectly, any operating lease, dividend or other obligation that, in each case, does not constitute Indebtedness (*“primary obligations”*) of any other Person (the *“primary obligor”*), including any obligation of such Person, whether or not contingent:

- (1) to purchase any such primary obligation or any property constituting direct or indirect security therefor;
- (2) to advance or supply funds:
 - (a) for the purchase or payment of any such primary obligation; or
 - (b) to maintain the working capital or equity capital of the primary obligor or otherwise to maintain the net worth or solvency of the primary obligor; or
- (3) to purchase property, securities or services primarily for the purpose of assuring the owner of any such primary obligation of the ability of the primary obligor to make payment of such primary obligation against loss in respect thereof.

“Continuing Directors” means, as of any date of determination, any member of the Board of Directors of the Company who:

- (1) was a member of such Board of Directors on the date of the Indenture; or
- (2) was nominated for election or elected to such Board of Directors with the approval of either (a) a majority of the Continuing Directors who were members of such Board of Directors at the time of such nomination or election or (b) the Permitted Holders for so long as they own more than 50% of the Voting Stock of the Company.

“Credit Facility” means, one or more debt facilities, instruments or arrangements incurred by the Company, any Subsidiary Guarantor, the Issuer or any other Financing Subsidiary (including the Revolving Credit Facility or commercial paper facilities and overdraft facilities) or commercial paper facilities or indentures or trust deeds or note purchase agreements, in each case, with banks, other institutions, funds or investors, providing for revolving credit loans, term loans, receivables financing (including through the sale of receivables to such institutions or to special purpose entities formed to borrow from such institutions against such receivables), letters of credit, bonds, notes debentures or other corporate debt instruments or other Indebtedness, in each case, as amended, restated, modified, renewed, refunded, replaced, restructured, refinanced, repaid, increased or extended in whole or in part from time to time (and whether in whole or in part and whether or not with the original administrative agent and lenders or another administrative agent or agents or trustees or other banks or institutions and whether provided under the Revolving Credit Facility or one or more other credit or other agreements, indentures, financing agreements or otherwise) and in each case including all agreements, instruments and documents executed and delivered pursuant to or in connection with the foregoing (including any notes and letters of credit issued pursuant thereto and any guarantee and collateral agreement, patent and trademark security agreement, mortgages or letter of credit applications and other guarantees, pledges, agreements, security agreements and collateral documents). Without limiting the generality of the foregoing, the term *“Credit Facilities”* will include any agreement or instrument (1) changing the maturity of any Indebtedness incurred thereunder or contemplated thereby, (2) adding Subsidiaries of the Company as additional borrowers, issuers or guarantors thereunder, (3) increasing the amount of Indebtedness incurred thereunder or available to be borrowed thereunder or (4) otherwise altering the terms and conditions thereof.

“Default” means any event that is, or with the passage of time or the giving of notice or both would be, an Event of Default.

“Disqualified Stock” means any Capital Stock that, by its terms (or by the terms of any security into which it is convertible, or for which it is exchangeable, in each case at the option of the holder of the Capital Stock), or upon the happening of any event, matures or is mandatorily redeemable, pursuant to a sinking fund obligation or otherwise, or redeemable at the option of the holder of the Capital Stock, in whole or in part, on or prior to the

date that is 365 days after the date on which the Notes mature. Notwithstanding the preceding sentence, any Capital Stock that would constitute Disqualified Stock solely because the holders of the Capital Stock have the right to require the Company to repurchase such Capital Stock upon the occurrence of a Change of Control or an Asset Sale will not constitute Disqualified Stock if the terms of such Capital Stock provide that the Company may not repurchase or redeem any such Capital Stock pursuant to such provisions unless such repurchase or redemption complies with the covenant described above under the caption “—*Certain Covenants—Restricted Payments.*”

“*Equity Interests*” means Capital Stock and all warrants, options or other rights to acquire Capital Stock (but excluding any debt security that is convertible into, or exchangeable for, Capital Stock).

“*Equity Offering*” means any public or private sale of Equity Interests of the Company or a Parent Company (other than Disqualified Stock) whereby the Company or a Parent Company receives gross proceeds of not less than €75 million, in the case of any such offering by a Parent Company, only to the extent the net cash proceeds thereof are contributed to the equity (other than through the issuance of Disqualified Stock) of the Company.

“*Euro Equivalent*” means, with respect to any monetary amount in a currency other than the euro, at any time for the determination thereof, the amount of euro obtained by converting such foreign currency involved in such computation into euro at the spot rate for the purchase of euro with the applicable foreign currency as quoted by Reuters (or any successor service) at approximately 11:00 a.m. (New York City time) on the date not more than two business days prior to such determination. For purposes of determining whether any Indebtedness can be incurred (including Permitted Debt), any Investment can be made or any transaction described in the covenant described under “—*Certain Covenants—Transactions with Affiliates*” can be undertaken (a “*Tested Transaction*”), the Euro Equivalent of such Indebtedness, Investment or transaction described in the covenant described under “—*Certain Covenants—Transactions with Affiliates*” will be determined on the date incurred, made or undertaken and, in each case, no subsequent change in the Euro Equivalent will cause such Tested Transaction to have been incurred, made or undertaken in violation of the Indenture.

“*Event of Default*” has the meaning set forth under “—*Events of Default and Remedies.*”

“*Exchange Act*” means the U.S. Exchange Act of 1934, as amended.

“*Excluded Contributions*” means the proceeds received by the Company after the Issue Date from the issue or sale of Equity Interests of the Company (other than Disqualified Stock) or a contribution to its common equity capital, in each case designated as “Excluded Contributions” pursuant to an officer’s certificate of the Company (which shall be designated no later than the date on which such Excluded Contribution has been received by the Company), the Net Cash Proceeds of which will be excluded from clause (3)(b) of the covenant described under “—*Certain Covenants—Restricted Payments.*”

“*Existing Indebtedness*” means Indebtedness in existence on the date of the Indenture (which shall include borrowings under committed credit facilities of the Company and its Subsidiaries, where such borrowing is permitted, and such committed credit facility is in existence, on the date of the Indenture).

“*Fair Market Value*” means, with respect to any asset or property, the price which could be negotiated in an arm’s length, free market transaction, for cash, between a willing seller and a willing and able buyer, neither of whom is under undue pressure or compulsion to complete the transaction. Except as provided herein, Fair Market Value will be determined in good faith by the Board of Directors of the Company, whose determination will be conclusive and evidenced by a resolution of the Board of Directors of the Company.

“*Financing Subsidiary*” means any Wholly Owned Restricted Subsidiary of the Company or a Restricted Subsidiary established solely for the purpose and engaged exclusively in the business of issuing debt securities and loaning the proceeds thereof to the Company or another Guarantor and engaging in such other business and activities of the type in which the Issuer is permitted to engage pursuant to the covenant described under the caption “—*Certain Covenants—The Issuer.*”

“*Fitch*” means Fitch Ratings.

“*Final Offering Memorandum*” means this final offering memorandum, dated March 4, 2014, in relation to the Notes.

“*Fixed Charge Coverage Ratio*” means with respect to any specified Person for any period, the ratio of the Consolidated EBITDA of such Person for such period to the Consolidated Interest Expense of such Person for such period. In the event that the specified Person or any of its Restricted Subsidiaries incurs, assumes, guarantees, repays, repurchases, redeems, defeases or otherwise discharges any Indebtedness (other than ordinary working capital borrowings) or issues, repurchases or redeems Disqualified Stock or preferred stock

subsequent to the commencement of the period for which the Fixed Charge Coverage Ratio is being calculated and on or prior to the date on which the event for which the calculation of the Fixed Charge Coverage Ratio is made (for the purpose of this definition, the “*Fixed Charge Coverage Ratio Calculation Date*”), then the Fixed Charge Coverage Ratio will be calculated giving pro forma effect to such incurrence, assumption, guarantee, repayment, repurchase or redemption of Indebtedness, or such issuance, repurchase or redemption of preferred stock, and the use of the proceeds therefrom as if the same had occurred at the beginning of the applicable four-quarter reference period; *provided, however*, that the pro forma calculation of Consolidated Interest Expense will not give effect to any Permitted Debt (as defined in “—*Certain Covenants—Incurrence of Indebtedness and Issuance of Preferred Stock and Disqualified Stock*”) incurred on the date of determination or to any discharge on the date of determination of any Indebtedness to the extent such discharge results from the proceeds of Permitted Debt.

In addition, for purposes of calculating the Fixed Charge Coverage Ratio:

- (1) acquisitions that have been made by the specified Person or any of its Restricted Subsidiaries, including through mergers or consolidations, or by any Person or any of its Restricted Subsidiaries acquired by the specified Person or any of its Restricted Subsidiaries, and including any related financing transactions and increases in ownership of Subsidiaries which are Restricted Subsidiaries, during the four-quarter reference period or subsequent to such reference period and on or prior to the Fixed Charge Coverage Ratio Calculation Date will be given pro forma effect as if they had occurred on the first day of the four-quarter reference period and Consolidated EBITDA for such reference period will be calculated on a pro forma basis, but without giving effect to clause (2) of the proviso set forth in the definition of Consolidated Net Income;
- (2) the Consolidated EBITDA attributable to discontinued operations, as determined in accordance with GAAP, and operations or businesses (and ownership interests therein) disposed of or the operations of which are substantially terminated prior to the Fixed Charge Coverage Ratio Calculation Date, will be excluded;
- (3) the Consolidated Interest Expense attributable to discontinued operations, as determined in accordance with GAAP, and operations or businesses disposed of prior to the Fixed Charge Coverage Ratio Calculation Date, will be excluded, but only to the extent that the obligations giving rise to such Consolidated Interest Expense will not be obligations of the specified Person or any of its Subsidiaries following the Fixed Charge Coverage Ratio Calculation Date;
- (4) any Person that is a Restricted Subsidiary on the Fixed Charge Coverage Ratio Calculation Date will be deemed to have been a Restricted Subsidiary at all times during such four-quarter period; and
- (5) any Person that is not a Restricted Subsidiary on the Fixed Charge Coverage Ratio Calculation Date will be deemed not to have been a Restricted Subsidiary at any time during such four-quarter period.

For purposes of this definition, whenever pro forma effect is to be given to an acquisition of assets, the amount of income or earnings relating thereto and the amount of Consolidated Interest Expense associated with any Indebtedness incurred in connection therewith, the pro forma calculations will be determined in good faith by a responsible financial or accounting officer of the Company (and may include anticipated expense and cost reductions and synergies. If any Indebtedness bears a floating rate of interest and is being given pro forma effect, the interest on such Indebtedness will be calculated as if the rate in effect on the date of determination had been the applicable rate for the entire period (taking into account any Hedging Obligation applicable to such Indebtedness). For purposes of this definition, whenever pro forma effect is to be given to any Indebtedness incurred pursuant to a revolving credit facility, the amount outstanding on the date of such calculation will be computed based on (1) the average daily balance of such Indebtedness during such four fiscal quarters or such shorter period for which the facility was outstanding or (2) if such facility was created after the end of such four fiscal quarters, the average daily balance of such Indebtedness during the period from the date of creation of such facility to the date of such calculation. Interest on Indebtedness that may optionally be determined at an interest rate based on a prime or similar rate, a euro interbank offered rate, or other rate, will be deemed to have been based upon the rate actually chosen or, if none, then based upon such optional rate chosen as the relevant Person may designate.

“*Funding Loans*” means the proceeds loans, dated the date of the Indenture, between the Issuer, as lender, and the Company, as borrower, with respect to the proceeds from the issuance of the Floating Rate Notes and the Fixed Rate Notes with an initial aggregate principal amount at least equal to the aggregate principal amount of the Notes issued pursuant to this Offering, as well as any Additional Funding Loan, *provided* such Funding Loans and Additional Funding Loan, if any, are at all times held by the Issuer.

“*Funding Loan Agreements*” means the agreements to be dated on or about the Issue Date between the Issuer and the Company with respect to the Funding Loans.

“*GAAP*” means International Financial Reporting Standards promulgated by the International Accounting Standards Board and as adopted by the European Union as in effect from time to time.

“*Government Securities*” means direct obligations (or certificates representing an ownership interest in such obligations) of a member state of the European Union (including any agency or instrumentality thereof) for the payment of which the full faith and credit of such government is pledged.

“*guarantee*” means a guarantee other than by endorsement of negotiable instruments for collection in the ordinary course of business, direct or indirect, in any manner including, without limitation, by way of a pledge of assets or through letters of credit or reimbursement agreements in respect thereof, of all or any part of any Indebtedness.

“*Guarantors*” means each of Empark Aparcamientos y Servicios, S.A., the Subsidiary Guarantors, and their respective successors and assigns.

“*Hedging Obligations*” means, with respect to any specified Person, the obligations of such Person under:

- (1) interest rate swap agreements, interest rate cap agreements and interest rate collar agreements;
- (2) foreign exchange contracts, currency swap agreements, currency futures contracts, currency option contracts or currency derivatives; and
- (3) other agreements or arrangements designed to protect such Person against fluctuations in interest rates or foreign exchange rates.

“*Immediate Family*” has the meaning specified in Rule 16a-1(e) of the Exchange Act;

“*Indebtedness*” means, with respect to any specified Person, any indebtedness of such Person, whether or not contingent:

- (1) in respect of borrowed money;
- (2) evidenced by bonds, notes, debentures or similar instruments or letters of credit (or reimbursement agreements in respect thereof, except to the extent such reimbursement obligation relates to a trade payable and such obligation is satisfied within 30 days of incurrence);
- (3) in respect of banker’s acceptances;
- (4) representing Capital Lease Obligations;
- (5) representing the balance deferred and unpaid of the purchase price of any property due more than one year after such property is acquired (but not including, for the purpose of calculating the Fixed Charge Coverage Ratio, any amount deemed to represent interest pursuant to the definition of Consolidated Interest Expense); or
- (6) representing any Attributable Debt or Hedging Obligations (the amount of any such Indebtedness represented by Hedging Obligations to be equal at any time to either (a) zero if such Hedging Obligation is incurred pursuant to clause (7) of the second paragraph of the covenant described under “—*Certain Covenants—Incurrence of Indebtedness and Issuance of Preferred Stock and Disqualified Stock*” or (b) the mark-to-market value of such Hedging Obligation if not incurred pursuant to such clause or, if the mark-to-market value is not available at such time, the close-out amount that would be payable by such specified Person (or if no amount would be payable, zero) pursuant to such Hedging Obligation as a result of early liquidation or termination),

all without double-counting and if and to the extent any of the preceding items (other than letters of credit and Hedging Obligations) would appear as a liability upon a balance sheet (excluding the footnotes thereto) of the specified Person prepared in accordance with GAAP. In addition, the term “Indebtedness” includes all Indebtedness of others secured by a Lien on any asset of the specified Person (whether or not such Indebtedness is assumed by the specified Person) and, to the extent not otherwise included, the guarantee by the specified Person of any indebtedness of any other Person (to the extent guaranteed by such Person).

The amount of any Indebtedness outstanding as of any date will be:

- (1) in the case of any Indebtedness issued with original issue discount, the amount of the liability in respect thereof determined in accordance with GAAP; and
- (2) the principal amount of the Indebtedness in the case of any other Indebtedness.

The term “*Indebtedness*” will not include:

- (1) Subordinated Shareholder Debt;
- (2) anything accounted for as an operating lease under GAAP and any guarantee given by the Company or any of its Restricted Subsidiaries in the ordinary course of business solely in connection with, and in respect of, the obligations of the Company or any of its Restricted Subsidiaries under any operating lease;
- (3) Indebtedness in respect of the incurrence by the Company or any Restricted Subsidiary of Indebtedness in respect of standby letters of credit, bankers’ acceptances, guarantees, performance bonds, surety bonds or other similar instruments or obligations incurred by the Company or any Restricted Subsidiary in the ordinary course of business or in respect of any governmental requirement to the extent such letters of credit or similar instruments are not drawn upon or, if and to the extent drawn upon, are honored in accordance with their terms and, if to be reimbursed, are reimbursed no later than 30 days following such drawing;
- (4) Contingent Obligations in the ordinary course of business;
- (5) in connection with the purchase by the Company or any Restricted Subsidiary of any business, any post-closing payment adjustments to which the seller may become entitled to the extent such payment is determined by a final closing balance sheet or such payment depends on the performance of such business after the closing; *provided, however*, that, at the time of closing, the amount of any such payment is not determinable and, to the extent such payment thereafter becomes fixed and determined and payable, the amount is paid within 30 days thereafter;
- (6) advances paid by customers in the ordinary course of business for services or products to be delivered in the future or deferred taxes; or
- (7) for the avoidance of doubt, any contingent obligations in respect of workers’ compensation claims, early retirement or termination obligations, pension fund obligations or contributions or similar claims, obligations or contributions or social security or wage Taxes.

“*Intercreditor Agreement*” means the Intercreditor Agreement dated on or about the Issue Date, among the Issuer, the Company, the Subsidiary Guarantors, the lenders and the other parties to the Revolving Credit Facility, the Trustee for the Notes, the Security Agent and the Security Agent under the Revolving Credit Facility as amended from time to time.

“*Investment Grade Status*” means:

- (1) a rating of “BBB–” or higher from S&P; and
- (2) a rating of “Baa3” or higher from Moody’s;

or the equivalent of such rating by either such rating organization or, if no rating of Moody’s or S&P then exists, the equivalent of such rating by any other Nationally Recognized Statistical Ratings Organization.

“*Investments*” means, with respect to any Person, all direct or indirect investments by such Person in other Persons (including Affiliates) in the forms of other extensions of credit, loans (including the maintenance of current accounts, cash accounts, and the extension of guarantees or other obligations), advances or capital contributions (excluding commission, travel and similar advances to officers and employees made in the ordinary course of business), purchases or other acquisitions for consideration of Indebtedness, Equity Interests or other securities, together with all items that are or would be classified as investments on a balance sheet (excluding the footnotes) prepared in accordance with GAAP. If the Company or any Subsidiary of the Company sells or otherwise disposes of any Equity Interests of any direct or indirect Subsidiary of the Company such that, after giving effect to any such sale or disposition, such Person is no longer a Subsidiary of the Company, the Company will be deemed to have made an Investment on the date of any such sale or disposition equal to the Fair Market Value of the Equity Interests of such Subsidiary not sold or disposed of in an amount determined as provided in the last paragraph of the covenant described above under the caption “—*Certain Covenants—Restricted Payments.*” The acquisition by the Company or any Subsidiary of the Company of a Person that holds an Investment in a third Person will be deemed to be an Investment by the Company or such Subsidiary in such third Person in an amount equal to the Fair Market Value of the Investment held by the acquired Person in such third Person.

“*Issue Date*” means December 18, 2013.

“*Lien*” means, with respect to any asset, any mortgage, lien, pledge, charge, security interest or encumbrance of any kind in respect of such asset, whether or not filed, recorded or otherwise perfected under applicable law,

including any conditional sale or other title retention agreement, any lease in the nature thereof, any option or other agreement to sell or give a security interest in and any filing of or agreement to give any financing statement under the Uniform Commercial Code (or equivalent statutes) of any jurisdiction.

“Material Subsidiary” means any Restricted Subsidiary that, for the most recently completed fiscal year ended after the Issue Date, accounts for five percent or greater of the Consolidated EBITDA of the Company.

“Moody’s” means Moody’s Investors Service, Inc.

“Nationally Recognized Statistical Rating Organization” will have the same meaning as used in Rule 15c3-1(c)(2)(vi)(F) under the Exchange Act.

“Net Cash Proceeds” means (a) the aggregate proceeds in cash or Cash Equivalents received by the Company or any of its Restricted Subsidiaries in respect of any Asset Sale (including, without limitation, any cash or Cash Equivalents received upon the sale or other disposition of any non-cash consideration received in any Asset Sale), net of the direct costs relating to such Asset Sale, including, without limitation, legal, accounting and investment banking fees, and sales commissions, and any relocation expenses incurred as a result of the Asset Sale, taxes paid or payable as a result of the Asset Sale, in each case, after taking into account any available tax credits or deductions and any tax sharing arrangements, and amounts required to be applied to the repayment of Indebtedness, secured by a Lien on the asset or assets that were the subject of such Asset Sale and any reserve for adjustment in respect of the sale price of such asset or assets established in accordance with GAAP and (b) with respect to any issuance or sale of Capital Stock or incurrence of Permitted Refinancing Indebtedness, the proceeds of such issuance or sale or incurrence in the form of cash or Cash Equivalents, including payments in respect of deferred payment obligations (to the extent corresponding to the principal, but not interest, component thereof) when received in the form of cash or Cash Equivalents (except to the extent that such obligations are financed or sold with recourse to the Company or any Restricted Subsidiary), net of legal, accounting and investment banking, discounts or commissions and brokerage, consultants’ and other fees incurred in connection with such issuance or sale or incurrence and net of taxes paid or payable as a result thereof.

“Net Income” means, with respect to any specified Person, the net income (loss) of such Person, determined in accordance with GAAP and before any reduction in respect of preferred stock dividends.

“Non-Recourse Debt” means Indebtedness:

- (1) as to which neither the Company nor any of its Restricted Subsidiaries (a) provides Liens or other credit support of any kind (including any undertaking, agreement or instrument that would constitute Indebtedness), (b) is directly or indirectly liable as a guarantor or otherwise, or (c) constitutes the lender;
- (2) no default with respect to which (including any rights that the holders thereof may have to take enforcement action against an Unrestricted Subsidiary) would permit upon notice, lapse of time or both any holder of any other Indebtedness (other than the Notes) of the Company or any of its Restricted Subsidiaries to declare a default on such other Indebtedness or cause the payment thereof to be accelerated or payable prior to its stated maturity (except for any such right that would arise pursuant to Existing Indebtedness or Credit Facilities including any refinancing in respect thereof permitted by the Indenture); and
- (3) as to which such lenders will not have any recourse to the stock or assets of the Company or any of its Restricted Subsidiaries.

“Non-Recourse Restricted Subsidiary” means each of Aparcamientos de Bilbao, S.A., Guipúzcoa Parking Siglo XXI, S.A., Aparcamientos Guipuzcoanos, S.L., Estacionamientos Alhóndiga, S.A., Concha Parking, S.A., Empark Aparcamientos Andalucía, S.L.U., U.T.E. Palma, Parques da Estação Empreendimentos e Exploração de Estacionamento, S.A., Parquegil—Planeamento e Gestão de Estacionamento, S.A., ParqA—Parques de Estacionamento da Amadora, S.A., Street Park—Gestão de Estacionamento, A.C.E, Park Yönetimi ve Sistemleri San. Ve Tic A.S. + Katibin Otopark Isletmeleri Ticaret Ve San A.S., Multi 49 Sociedade Imobiliária, S.A., Segempark, S.A., Orange Park—Gestão de Parques de Estacionamento, S.A., Maksu Services, S.A., Parkivens—Imobiliário e Serviços, S.A. and Castil—Parque, Sociedade Exploradora de Parques de Estacionamento, S.A.

“Obligations” means any principal, interest, penalties, fees, indemnifications, reimbursements, damages and other liabilities payable under the documentation governing any Indebtedness.

“Parent Company” means any corporation, association or other business entity that beneficially owns greater than 50% of the Capital Stock of the Company and of which the Company is a Subsidiary.

“Paying Agent” means any Person authorized by the Issuer to pay the principal of (and premium, if any) or interest on any Note on behalf of the Issuer.

“Permitted Business” means any business in which the Company or any of the Restricted Subsidiaries was engaged on the Issue Date and any related business ancillary or complementary to such business.

“Permitted Collateral Liens” means (x) Liens on the Collateral arising by operation of law that are described in one or more of clauses (4), (7), (8), (10), (13), (16) and (26) of the definition of “Permitted Liens” and that, in each case, would not materially interfere with the ability of the Security Agent to enforce the security interest in the Collateral; and (y) Liens on Collateral to secure the Notes and the Note Guarantees and Indebtedness of the Company or a Restricted Subsidiary that is permitted to be incurred under the first paragraph or clause (1), (5) (if the original Indebtedness was so secured), (7) or (8) (to the extent such guarantee is in respect of Indebtedness otherwise permitted to be secured and specified in this definition of Permitted Collateral Liens) of the second paragraph of the covenant *“—Incurrence of Indebtedness and Issuance of Preferred Stock and Disqualified Stock”* and any Permitted Refinancing Indebtedness in respect of such Indebtedness; *provided, however*, that such Lien ranks either (a) equal to all other Liens on such Collateral securing the Notes and the Note Guarantees (except that (A) a Lien in favor of Indebtedness incurred under clause (1) of the second paragraph of *“—Incurrence of Indebtedness and Issuance of Preferred Stock and Disqualified Stock”* and (B) Priority Hedging Obligations, may secure Indebtedness on a basis having priority to the Notes and the Note Guarantees under the Intercreditor Agreement or any Additional Intercreditor Agreement, as the case may be, or (b) junior to Liens securing the Notes and the Note Guarantees. Permitted Collateral Liens shall include any extension, renewal or replacement, in whole or in part, of any Lien described in the immediately preceding sentence; *provided* that any such extension, renewal or replacement will be no more restrictive in any material respect than the Lien so extended, renewed or replaced and will not extend in any material respect to any additional property or assets (unless such property or assets also secure the Notes and the Note Guarantees). For the purpose of determining compliance with this provision, in the event that an item of Indebtedness and/or a Lien meets the criteria of more than one of the categories of Permitted Collateral Liens described in clauses (x) and (y) above, subject to the last paragraph of the covenant *“—Incurrence of Indebtedness and Issuance of Preferred Stock and Disqualified Stock”*, the Company will be able to classify such item of Indebtedness and/or Lien on the date of its incurrence and reclassify such item of Indebtedness and/or Lien, in each case at any time and in any manner that complies with this definition.

“Permitted Holders” means each of (i) ASSIP—Consultoria e Serviços S.A., (ii) ES Concessions International Holding B.V., (iii) Ahorro Corporacion Infraestructuras, FCR, (iv) Ahorro Corporacion Infraestructuras 2, S.A., (v) Espírito Santo Infrastructure Fund-I, F.C.R., (vi) Transport Infrastructure Holding Company, B.V., (vii) any Affiliate or Related Party of any Permitted Holder described in the foregoing clauses (i) to (vi), (viii) any Person who is acting as an underwriter in connection with any public or private offering of Capital Stock of the Company or any Parent Company, acting in such capacity and (ix) trusts solely for the benefit of any of the foregoing Persons, or any of their heirs by blood or marriage, executors or legal representatives.

“Permitted Investments” means:

- (1) any Investment in the Company or a Restricted Subsidiary of the Company; *provided* that Investments in any Non-Recourse Restricted Subsidiary made after the Issue Date having an aggregate Fair Market Value (measured on the date such Investment was made without giving effect to subsequent changes in value), when taken together with all other Investments made in Non-Recourse Restricted Subsidiaries pursuant to this clause (1) that are at any time outstanding shall not exceed €5 million;
- (2) any Investment in Cash Equivalents;
- (3) any Investment by the Company or any Restricted Subsidiary of the Company in a Person, if as a result of such Investment:
 - (a) such Person becomes a Restricted Subsidiary of the Company; or
 - (b) such Person is merged, consolidated or amalgamated with or into, or transfers or conveys substantially all its assets to, or is liquidated into, the Company or a Restricted Subsidiary of the Company;
- (4) any Investment made as a result of the receipt of non-cash consideration including Replacement Assets from an Asset Sale (or a transaction excepted from the definition of Asset Sale) that was made pursuant to and in compliance with the covenant described under *“—Repurchase at the Option of Holders—Asset Sales;”*

- (5) any acquisition of assets solely in exchange for the issuance of Equity Interests (other than Disqualified Stock) of the Company;
- (6) (i) receivables owing to the Company or any Restricted Subsidiary if created or acquired in the ordinary course of business and payable or dischargeable in accordance with customary trade terms; *provided, however*, that such trade terms may include such concessionary terms as the Company or any such Restricted Subsidiary deems reasonable under the circumstances; and (ii) any Investments, Capital Stock, obligations or securities received in compromise of obligations of trade creditors or customers of such Persons incurred in the ordinary course of business of trade creditors or customers of such Persons that were incurred in the ordinary course of business, including pursuant to any plan of reorganization or similar arrangement upon the bankruptcy or insolvency of any trade creditor or customer of such Persons;
- (7) Loans and advances to, and guarantees of loans or advances to, employees in the ordinary course of business and on terms consistent with past practice, including without limitation, travel, relocation and other like advances;
- (8) Lease, utility and other similar deposits in the ordinary course of business;
- (9) Investments in one or more Unrestricted Subsidiaries made after the date of the Indenture having an aggregate Fair Market Value (measured on the date each such Investment was made and without giving effect to subsequent changes in value), when taken together with all other Investments made pursuant to this clause (9) that are at the time outstanding not to exceed €20 million; *provided* that if an Investment is made pursuant to this clause and such Unrestricted Subsidiary is subsequently designated a Restricted Subsidiary pursuant to the covenant described under “—*Certain Covenants—Restricted Payments*,” such Investment will thereafter be deemed to have been made pursuant to clause (3) of the definition of “Permitted Investments” and not this clause;
- (10) Hedging Obligations;
- (11) Investments made after the date of the Indenture having an aggregate Fair Market Value (measured on the date each such Investment was made and without giving effect to subsequent changes in value), when taken together with all other Investments made pursuant to this clause (11) that are at the time outstanding not to exceed €10 million; *provided* that if an Investment is made pursuant to this clause in a Person that is not a Restricted Subsidiary and such Person is subsequently designated a Restricted Subsidiary pursuant to the covenant described under “—*Certain Covenants—Restricted Payments*,” such Investment will thereafter be deemed to have been made pursuant to clause (3) of the definition of “Permitted Investments” and not this clause;
- (12) Guarantees not prohibited by the covenant described under “—*Certain Covenants —Incurrence of Indebtedness and Issuance of Preferred Stock and Disqualified Stock*” and (other than with respect to Indebtedness) guarantees, keepwells and similar arrangements in the ordinary course of business;
- (13) any (i) Investment existing on the Issue Date or (ii) Investments in Permitted Joint Ventures pursuant to commitments or agreements in existence on the Issue Date and in each case disclosed in the Final Offering Memorandum;
- (14) any Investment in the Notes or any Indebtedness permitted to be incurred under the Indenture which ranks *pari passu* in right of payment to the Notes; and
- (15) the repurchase, redemption or other acquisition for value of Equity Interests of any non-Wholly Owned Restricted Subsidiary if, as a result of such purchase, redemption or other acquisition, the Company increases its percentage ownership, directly or indirectly through its Restricted Subsidiaries, of such non-Wholly Owned Restricted Subsidiary; *provided* that no Default or Event of Default shall have occurred and be continuing or would occur as a consequence thereof.

“*Permitted Joint Venture*” means (a) any corporation, association or other business entity (other than a partnership) that is not a Restricted Subsidiary and that, in each case, is engaged primarily in a Permitted Business and of which at least 20% of the total equity and total Voting Stock is at the time of determination owned or controlled, directly or indirectly, by the Company or one or more Restricted Subsidiaries or a combination thereof and (b) any partnership, joint venture, limited liability company or similar entity that is not a Restricted Subsidiary and that, in each case, is engaged primarily in a Permitted Business and of which at least 20% of the capital accounts, distribution rights, total equity and voting interests or general or limited partnership interests, as applicable, are at the time of determination, owned or controlled, directly or indirectly, by the Company or one or

more Restricted Subsidiaries or a combination thereof, whether in the form of membership, general, special or limited partnership interests or otherwise.

“*Permitted Liens*” means:

- (1) Liens in favor of the Company or a Restricted Subsidiary other than a Non-Recourse Restricted Subsidiary (but not, in the case of a Restricted Subsidiary that is not a Guarantor, Liens in favor of such Restricted Subsidiary over the assets of a Guarantor);
- (2) Liens on property of a Person existing at the time such Person is merged with or into or consolidated with the Company or any Restricted Subsidiary of the Company; *provided* that such Liens were in existence prior to the contemplation of such merger or consolidation and do not extend to any assets other than those of the Person merged into or consolidated with the Company or the Restricted Subsidiary;
- (3) Liens on property existing at the time of acquisition of the property by the Company or any Restricted Subsidiary of the Company, *provided* that such Liens were in existence prior to the contemplation of such acquisition;
- (4) Liens to secure the performance of statutory or regulatory requirements, surety or appeal bonds, performance bonds or other obligations of a like nature incurred in the ordinary course of business;
- (5) Liens to secure Indebtedness (including Capital Lease Obligations) permitted by clause (4) of the second paragraph of the covenant entitled “—*Certain Covenants—Incurrence of Indebtedness and Issuance of Preferred Stock and Disqualified Stock*” covering only the assets acquired with such Indebtedness;
- (6) Liens securing Permitted Refinancing Indebtedness of secured Indebtedness incurred by the Company or a Restricted Subsidiary, *provided* that any such Lien is limited to all or part of the same property or assets (plus improvements, accessions, proceeds or dividends or distributions in respect thereof) that secured the Indebtedness being refinanced;
- (7) Liens for taxes, assessments or governmental charges or claims that are not yet delinquent or that are being contested in good faith by appropriate proceedings promptly instituted and diligently concluded; *provided* that any reserve or other appropriate provision as is required in conformity with GAAP has been made therefor;
- (8) Liens, pledges and deposits incurred in connection with workers’ compensation, unemployment insurance and other types of statutory obligations;
- (9) Liens created for the benefit of (or to secure) the Notes (or any Note Guarantee), and Liens in favor of the Trustee arising under the provisions in the Indenture;
- (10) Liens in favor of customs or revenue authorities to secure payment of customs duties in connection with the importation of goods in the ordinary course of business;
- (11) Liens arising out of put/call agreements with respect to Capital Stock of any joint venture or similar arrangement pursuant to any joint venture or similar agreement;
- (12) Liens securing Hedging Obligations;
- (13) easements, rights-of-way, municipal and zoning ordinances, utility agreements, reservations, encroachments, restrictions and similar charges, encumbrances, title defects or other irregularities that do not materially interfere with the ordinary course of business of the Company or any of its Restricted Subsidiaries;
- (14) Liens on cash or Cash Equivalents set aside at the time of the incurrence of any Indebtedness, to the extent such cash or Cash Equivalents refund the payment of interest on such Indebtedness and are held in an escrow account or similar arrangement to be applied for such purpose;
- (15) Liens on Capital Stock of Unrestricted Subsidiaries that secure Indebtedness of Unrestricted Subsidiaries;
- (16) Liens imposed by law, such as carriers’, landlords’, warehousemen’s, suppliers’, and mechanics’ Liens and other similar Liens, on the property of the Company or any Restricted Subsidiary arising in the ordinary course of business;

- (17) Liens on property of the Company or any Restricted Subsidiary pursuant to conditional sale or title retention agreements;
- (18) Liens on property of the Company or any Restricted Subsidiary arising as a result of immaterial leases of such property to other Persons;
- (19) deposit arrangements entered into in connection with acquisitions or in the ordinary course of business excluding arrangements for borrowed money;
- (20) Liens of the Company or any Restricted Subsidiary of the Company with respect to Indebtedness or other Obligations that do not exceed €20 million at any one time outstanding;
- (21) Liens existing on the Issue Date;
- (22) Liens on the Capital Stock and assets of a Permitted Joint Venture that secure the Indebtedness of such Permitted Joint Venture;
- (23) Liens to secure performance bonds, performance guarantees, letters of credit and similar arrangements in connection with the tender, grant and development of concessions and management contracts;
- (24) Liens on any proceeds loan made by the Issuer or any other Financing Subsidiary in connection with any future incurrence of Indebtedness (other than Additional Notes) permitted under the Indenture (without any requirement to secure the Notes with a Lien on such proceeds loan);
- (25) Liens on insurance policies and proceeds thereof, or other deposits, to secure insurance premium financings;
- (26) banker's Liens, rights of set off or similar rights and remedies as to deposit accounts, cash pooling arrangements, net balance or balance transfer agreements, Liens arising out of judgments or awards not constituting an Event of Default and notices and associated rights related to litigation being contested in good faith by appropriate proceedings and for which adequate reserves have been made; and
- (27) any extension, renewal, refinancing or replacement, in whole or in part, of any Lien described in the foregoing clauses (1) through (26), *provided* that any such Lien is limited to all or part of the same property or assets (plus improvements, accessions, proceeds or dividends or distributions in respect thereof) that secured (or, under the written arrangements under which the original Lien arose, could secure) the Indebtedness being refinanced or is in respect of property that is the security for a Permitted Lien hereunder.

"Permitted Refinancing Indebtedness" means any Indebtedness of the Company or any of its Restricted Subsidiaries issued in exchange for, or the net proceeds of which are used to extend, refinance, renew, replace, defease or refund other Indebtedness of the Company or any of its Restricted Subsidiaries (other than intercompany Indebtedness); provided that:

- (1) in the case of the Company or any of its Restricted Subsidiaries, the principal amount (or accreted value, if applicable) of such Permitted Refinancing Indebtedness does not exceed the principal amount (or accreted value, if applicable) of the Indebtedness extended, refinanced, renewed, replaced, defeased or refunded (plus all accrued interest on the Indebtedness and the amount of all expenses and premiums incurred in connection therewith);
- (2) such Permitted Refinancing Indebtedness has a Weighted Average Life to Maturity equal to or greater than the Weighted Average Life to Maturity of the Indebtedness being extended, refinanced, renewed, replaced, defeased or refunded;
- (3) if the Indebtedness being extended, refinanced, renewed, replaced, defeased or refunded is subordinated in right of payment to the Notes or any Note Guarantee, such Permitted Refinancing Indebtedness has a final maturity date later than the final maturity date of, and is subordinated in right of payment to, the Notes or the Note Guarantee (as applicable) on terms at least as favorable to the holders of Notes as those contained in the documentation governing the Indebtedness being extended, refinanced, renewed, replaced, defeased or refunded; and
- (4) such Indebtedness is incurred either by the Company or by the Restricted Subsidiary which is the obligor on the Indebtedness being extended, refinanced, renewed, replaced, defeased or refunded; *provided* that the Company, any Guarantor, the Issuer or any other Financing Subsidiary may incur

refinancing Indebtedness in respect of the Company, any Guarantor, or any Restricted Subsidiary (including the Issuer and any other Financing Subsidiary but excluding any Non-Recourse Restricted Subsidiary).

“Person” means any individual, corporation, partnership, joint venture, association, joint stock company, trust, unincorporated organization, limited liability company or government or other entity.

“Priority Hedging Obligations” has the meaning given to the term “Super Senior Hedging Liabilities” in the Intercreditor Agreement.

“Public Offering” means any offering of ordinary shares that are listed on an exchange or publicly offered (which shall include an offering pursuant to Rule 144A or Regulation S under the Securities Act, to professional market investors or similar Persons).

“Qualified Director” means any member of the Board of Directors of the Company who (a) has no direct or indirect financial, business, employment, contractual or other relationship to any transaction for which such director’s status as a Qualified Director is being determined that would interfere with the exercise of such director’s independent judgment and (b) who is not an employee or officer of the Company or any of its Subsidiaries or an employee or officer of an Affiliate of the Company.

“Rating Agencies” means Moody’s and S&P or, in the event Moody’s or S&P no longer assigns a rating to the Notes, any other Nationally Recognized Statistical Rating Organization who assigns a rating to the Notes in lieu of the ratings by Moody’s or S&P.

“Related Party” means:

- (1) any controlling stockholder or 80% (or more) owned Subsidiary of the Permitted Holders; or
- (2) any trust, corporation, partnership or other entity, the beneficiaries, stockholders, partners, owners or Persons beneficially holding an 80% or more controlling interest of which consist the Permitted Holders or such other Persons referred to in the immediately preceding clause (1).

“Replacement Assets” means, with respect to any Asset Sale by the Company or a Restricted Subsidiary, consideration received in the form of:

- (1) assets (other than cash or any common stock or other security) that will be used in a Permitted Business by the Company or a Restricted Subsidiary; or
- (2) Capital Stock of any Person (i) that will become, be merged into, or consolidated or otherwise combined with, on or within 90 days of the date of acquisition thereof, a Restricted Subsidiary, if such Person is engaged in a Permitted Business or (ii) that is or that will become a Restricted Subsidiary engaged in a Permitted Business upon the date of acquisition thereof.

“Restricted Investment” means an Investment other than a Permitted Investment.

“Restricted Subsidiary” of a Person means any Subsidiary of the referent Person that is not an Unrestricted Subsidiary.

“Revolving Credit Facility” means the revolving credit facility dated on or about the Issue Date, by and among the Company, as borrower, the original lenders thereunder, and the other parties thereto, together with related documents thereto (including guarantees and security documents), as amended, extended, renewed, restated, supplemented or otherwise modified (in whole or in part, and without limitations as to amount, terms, conditions, covenants and other provisions) from time to time, and any other one Credit Facility governing Indebtedness incurred to refinance, refund or renew, in whole or in part, such revolving credit facility or a successor of such revolving credit facility, whether by the same or any other lender, together with related documents thereto (including guarantees and security documents), as amended, extended, renewed, restated, supplemented or otherwise modified (in whole or in part, and without limitations as to amount, terms, conditions, covenants and other provisions) from time to time.

“S&P” means Standard and Poor’s Rating Group.

“Securities Act” means the U.S. Securities Act of 1933, as amended.

“Security Agent” means any Person acting as Security Agent with respect to the Collateral pursuant to the Indenture, the Security and Guarantee Documents, the Intercreditor Agreement and any Additional Intercreditor Agreement or such successor Security Agent as may be appointed thereunder.

“*Security and Guarantee Documents*” means the share or capital stock pledges, security agreements, guarantee agreements and any other instrument and document executed and delivered pursuant to the Indenture or otherwise or any of the foregoing, as the same may be amended, supplemented or otherwise modified from time to time, creating the security interests in the Collateral as contemplated by the Indenture or providing for Guarantees of the Notes.

“*Senior Secured Indebtedness*” means, as of any date of determination, (a) the principal amount of any Indebtedness for borrowed money that is secured by a Lien on assets other than Collateral and (b) the principal amount of any Indebtedness for borrowed money that is secured on a *pari passu* or senior basis by a Lien on Collateral that also secures the Notes or any Note Guarantee.

“*Sevilla Cark Park*” means the parking facility located on Calle Sevilla in Madrid, Spain to be disposed of as described under “*Summary—Recent Developments*.”

“*Significant Subsidiary*” means any Subsidiary that would be a “significant subsidiary” as defined in Article 1, Rule 1-02 of Regulation S-X, promulgated pursuant to the Securities Act, as such Regulation is in effect on the date hereof.

“*Stated Maturity*” means, with respect to any installment of interest or principal on any series of Indebtedness, the date on which the payment of interest or principal was scheduled to be paid in the original documentation governing such Indebtedness, and will not include any contingent obligations to repay, redeem or repurchase any such interest or principal prior to the date originally scheduled for the payment thereof.

“*Subordinated Indebtedness*” means, with respect to any Person, any Indebtedness (whether outstanding on the Issue Date or thereafter Incurred) which is subordinated in right of payment to the Notes or its Note Guarantees.

“*Subordinated Shareholder Debt*” means, collectively, any debt provided to the Company by any Parent Company or any direct or indirect owner of common equity of the Company, in exchange for or pursuant to any security, instrument or agreement other than Capital Stock, together with any such security, instrument or agreement and any other security or instrument other than Capital Stock issued in payment of any obligation under any Subordinated Shareholder Debt; *provided* that such Subordinated Shareholder Debt:

- (1) does not (including upon the happening of any event) mature or require any amortization or other payment of principal prior to the first anniversary of the maturity of the Notes (other than through conversion or exchange of any such security or instrument for Equity Interests of the Company (other than Disqualified Stock) or for any other security or instrument meeting the requirements of the definition);
- (2) does not (including upon the happening of any event) require the payment of cash interest prior to the first anniversary of the maturity of the Notes;
- (3) does not (including upon the happening of any event) provide for the acceleration of its maturity nor confers on its shareholders any right (including upon the happening of any event) to declare a default or event of default or take any enforcement action, in each case, prior to the first anniversary of the maturity of the Notes;
- (4) is not secured by a lien on any assets of the Company or a Restricted Subsidiary and is not guaranteed by any Subsidiary of the Company;
- (5) is subordinated in right of payment to the prior payment in full in cash of the Notes in the event of any default, bankruptcy, reorganization, liquidation, winding up or other disposition of assets of the Company;
- (6) does not (including upon the happening of any event) restrict the payment of amounts due in respect of the Notes or compliance by the Company with its obligations under the Notes and the Indenture;
- (7) does not (including upon the happening of an event) constitute Voting Stock; and
- (8) is not (including upon the happening of any event) mandatorily convertible or exchangeable, or convertible or exchangeable at the option of the holder, in whole or in part, prior to the date on which the Notes mature other than into or for Capital Stock (other than Disqualified Stock) of the Company;

provided, however, that any event or circumstance that results in such Indebtedness ceasing to qualify as Subordinated Shareholder Debt, such Indebtedness will constitute an incurrence of such Indebtedness by the Company, and any and all Restricted Payments made through the use of the net proceeds from the incurrence of such Indebtedness since the date of the original issuance of such Subordinated Shareholder Debt will constitute

new Restricted Payments that are deemed to have been made after the date of the original issuance of such Subordinated Shareholder Debt.

“*Subsidiary*” means, with respect to any specified Person:

- (1) any corporation, association or other business entity of which more than 50% of the total voting power of shares of Capital Stock entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers or trustees thereof is at the time owned or controlled, directly or indirectly, by that Person or one or more of the other Subsidiaries of that Person (or a combination thereof); and
- (2) any partnership (a) the sole general partner or the managing general partner of which is such Person or a Subsidiary of such Person or (b) the only general partners of which are that Person or one or more Subsidiaries of that Person (or any combination thereof).

“*Subsidiary Guarantors*” means (i) as of the date of the Indenture, Dornier, S.A., Femet, S.A., Balsol 2001, S.A., Empark Portugal Empreendimentos e Exploração de Parqueamentos, S.A. and Esli—Parques de Estacionamento, S.A.; (ii) following its conversion into a Spanish *sociedad anónima* and its accession as a party to the Indenture, Estacionamientos Guipuzcoanos, S.L., and (iii) any Restricted Subsidiary that becomes a Guarantor after the date of the Indenture pursuant to the covenant entitled “—*Certain Covenants—Additional Note Guarantees*” or otherwise pursuant to the terms of the Indenture, *provided*, in each case, that a Subsidiary Guarantor will cease to be a Subsidiary Guarantor upon release of its Note Guarantee in accordance with the terms of the Indenture.

“*Unrestricted Subsidiary*” means any Subsidiary of the Company (other than the Issuer, any Financing Subsidiary or their respective successors) that is designated by the Board of Directors as an Unrestricted Subsidiary pursuant to a board resolution, but only to the extent that such Subsidiary:

- (1) has no Indebtedness other than Non-Recourse Debt;
- (2) is not party to any agreement, contract, arrangement or understanding with the Company or any Restricted Subsidiary of the Company unless the terms of any such agreement, contract, arrangement or understanding are no less favorable to the Company or such Restricted Subsidiary than those that might be obtained at the time from Persons who are not Affiliates of the Company;
- (3) is a Person with respect to which neither the Company nor any of its Restricted Subsidiaries has any direct or indirect obligation (a) to subscribe for additional Equity Interests or (b) to maintain or preserve such Person’s financial condition or to cause such Person to achieve any specified levels of operating results; and
- (4) has not guaranteed or otherwise directly or indirectly provided Collateral or other credit support for any Indebtedness of the Company or any of its Restricted Subsidiaries.

Any designation of a Subsidiary of the Company as an Unrestricted Subsidiary will be evidenced to the Trustee by filing with the Trustee a certified copy of the board resolution giving effect to such designation and an officer’s certificate certifying that such designation complied with the preceding conditions and was permitted by the covenant described above under the caption “—*Certain Covenants—Restricted Payments*.” If, at any time, any Unrestricted Subsidiary would fail to meet the preceding requirements as an Unrestricted Subsidiary, it will thereafter cease to be an Unrestricted Subsidiary for purposes of the Indenture and any Indebtedness of such Subsidiary will be deemed to be incurred by a Restricted Subsidiary of the Company as of such date and, if such Indebtedness is not permitted to be incurred as of such date under the covenant described under the caption “—*Certain Covenants—Incurrence of Indebtedness and Issuance of Preferred Stock and Disqualified Stock*,” the Company will be in default of such covenant. The Board of Directors of the Company may at any time designate any Unrestricted Subsidiary to be a Restricted Subsidiary; *provided* that such designation will be deemed to be an incurrence of Indebtedness by a Restricted Subsidiary of the Company of any outstanding Indebtedness of such Unrestricted Subsidiary and such designation will only be permitted if (1) such Indebtedness is permitted under the covenant described under the caption “—*Certain Covenants—Incurrence of Indebtedness and Issuance of Preferred Stock and Disqualified Stock*,” calculated on a pro forma basis as if such designation had occurred at the beginning of the four-quarter reference period; and (2) no Default or Event of Default would be in existence following such designation.

“*Voting Stock*” of any Person as of any date means the Capital Stock of such Person that is at the time entitled to vote in the election of the Board of Directors of such Person.

"Weighted Average Life to Maturity" means, when applied to any Indebtedness at any date, the number of years obtained by dividing:

- (1) the sum of the products obtained by multiplying (a) the amount of each then remaining installment, sinking fund, serial maturity or other required payments of principal, including payment at final maturity, in respect of the Indebtedness, by (b) the number of years (calculated to the nearest one-twelfth) that will elapse between such date and the making of such payment; by
- (2) the then outstanding principal amount of such Indebtedness.

"Wholly Owned Restricted Subsidiary" of any specified Person means a Restricted Subsidiary of such Person all the outstanding Capital Stock or other ownership interests of which (other than directors' qualifying shares) will at the time be owned by such Person or by one or more Wholly Owned Restricted Subsidiaries of such Person and one or more Wholly Owned Restricted Subsidiaries of such Person.

Book-Entry; Delivery and Form

General

Certain defined terms used but not defined in this section have the meanings assigned to them in the Indenture, as described in the “*Description of the Notes*”.

Notes sold to “qualified institutional buyers” as defined in Rule 144A under the U.S. Securities Act (“*Rule 144A*”) in reliance on Rule 144A will initially be represented by a global note in registered form without interest coupons attached (the “*Rule 144A Global Note*”). Notes sold to persons outside the United States in offshore transactions (as defined in Regulation S under the U.S. Securities Act (“*Regulation S*”)) in reliance on Regulation S will initially be represented by a global note in registered form without interest coupons attached (the “*Regulation S Global Note*” and, together with the Rule 144A Global Note, the “*Global Notes*”). The Global Notes will be deposited, on the closing date, with, or on behalf of, a common depositary and registered in the name of the nominee of the common depositary for the accounts of Euroclear and Clearstream.

Ownership of interests in the Rule 144A Global Note (“*Rule 144A Book-Entry Interests*”) and ownership of interests in the Regulation S Global Note (the “*Regulation S Book-Entry Interests*” and, together with the Rule 144A Book-Entry Interests, the “*Book-Entry Interests*”) will be limited to persons that have accounts with Euroclear and/or Clearstream or persons that hold interests through such participants and has to be in accordance with applicable transfer restrictions set out in the Indenture and in any applicable securities laws of any state of the United States or of any other jurisdiction. See “*Notice to Prospective Investors*”, “*Notice to Certain European Investors*” and “*Notice to Investors*”. Euroclear and Clearstream will hold interests in the Global Notes on behalf of their participants through customers’ securities accounts in their respective names on the books of their respective depositaries. Except under the limited circumstances described below, Book-Entry Interests will not be held in definitive certificated form.

Book-Entry Interests will be shown on, and transfers thereof will be effected only through, records maintained in book-entry form by Euroclear and Clearstream and their participants pursuant to customary procedures and subject to the applicable rules and procedures established by Euroclear or Clearstream and their respective participants. Except under the limited circumstances described below, owners of beneficial interests in the Global Notes will not be entitled to receive definitive notes in registered form (“*Definitive Registered Notes*”). Instead, Euroclear and Clearstream will credit on their respective book-entry registration and transfer systems a participant’s account with the interest beneficially owned by such participant. The laws of some jurisdictions, including certain states of the United States, may require that certain purchasers of securities take physical delivery of such securities in definitive certificated form. The foregoing limitations may impair the ability to own, transfer or pledge Book-Entry Interests. In addition, while the Notes are in global form, holders of Book-Entry Interests will not be considered the owners or “holders” of Notes for any purpose.

So long as the Notes are held in global form, Euroclear and/or Clearstream, as applicable (or their respective nominees), will be considered the sole holders of Global Notes for all purposes under the Indenture governing the Notes. As such, participants must rely on the procedures of Euroclear and/or Clearstream, and indirect participants must rely on the procedures of Euroclear, Clearstream and the participants through which they own Book-Entry Interests, to transfer their interests or to exercise any rights of holders under the Indenture governing the Notes.

Neither the Issuer, the Guarantor nor the Trustee under the Indenture governing the Notes will have any responsibility, or be liable, for any aspect of the records relating to the Book-Entry Interests.

Redemption of the Global Notes

In the event that any Global Note (or any portion thereof) is redeemed, Euroclear and/or Clearstream (or their respective nominees), as applicable, will redeem an equal amount of the Book-Entry Interests in such Global Note from the amount received by it in respect of the redemption of such Global Note. The redemption price payable in connection with the redemption of such Book-Entry Interests will be equal to the amount received by Euroclear and/or Clearstream, as applicable, in connection with the redemption of such Global Note (or any portion thereof). The Issuer understands that, under the existing practices of Euroclear and Clearstream, if fewer than all the Notes are to be redeemed at any time, Euroclear and Clearstream will credit their respective participants’ accounts on a proportionate basis (with adjustments to prevent fractions), by lot or on such other basis as they deem fair and appropriate; *provided, however*, that no Book-Entry Interest of less than €100,000 principal amount may be redeemed in part.

Payments on Global Notes

Payments of any amounts owing in respect of the Global Notes (including principal, premium, interest and additional amounts) will be made by the Issuer to the Principal Paying Agent. The Principal Paying Agent will, in turn, make such payments to the common depositary or its nominee for Euroclear or Clearstream, as applicable. The common depositary or its nominee will in turn distribute such payments to participants in accordance with its procedures. The Issuer will make payments of all such amounts without deduction or withholding for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature except as may be required by law.

The Issuer expects that standing customer instructions and customary practices will govern payments by participants to owners of Book-Entry Interests held through such participants, as is now the case with securities held for the accounts of customers registered in “street name”. Payments by participants to owners of Book-Entry Interests held through participants are the responsibility of such participants, as is now the case with securities held for the accounts of customers registered in “street name”.

In order to tender Book-Entry Interests in a change of control offer or asset sale offer, the holder of the applicable Global Note must, within the time period specified in such offer, give notice of such tender to the Principal Paying Agent and specify the principal amount of Book-Entry Interests to be tendered.

Under the terms of the Indenture governing the Notes, the Issuer and the Trustee will treat the registered holder of the Global Notes (e.g., Euroclear or Clearstream (or their respective nominees)) as the owner thereof for the purpose of receiving payments and for all other purposes. Consequently, none of the Issuer, the Trustee or any of its or their respective agents has or will have any responsibility or liability for:

- any aspect of the records of Euroclear, Clearstream or any participant or indirect participant relating to, or payments made on account of, a Book-Entry Interest or for maintaining, supervising or reviewing the records of Euroclear, Clearstream or any participant or indirect participant relating to, or payments made on account of, a Book-Entry Interest; or
- Euroclear, Clearstream or any participant or indirect participant.

The Notes will be issued in denominations of €100,000 and in integral multiples of €1,000 in excess thereof. We will not impose any fees or other charges in respect of the Notes; however, owners of the Book-Entry Interest may incur fees normally payable in respect of the maintenance and operation of accounts in Euroclear or Clearstream.

Currency of Payment for the Global Notes

The principal of, premium, if any, and interest on, and all other amounts payable in respect of, the Global Notes will be paid in euro. Payments will be subject in all cases to any fiscal or other laws and regulations (including any regulations of the applicable clearing system) applicable thereto.

Action by Owners of Book-Entry Interests

Euroclear and Clearstream have advised the Issuer that they will take any action permitted to be taken by a holder of Notes (including the presentation of Notes for exchange as described above) only at the direction of one or more participants to whose account the Book-Entry Interests in the Global Notes are credited and only in respect of such portion of the aggregate principal amount of Notes as to which such participant or participants has or have given such direction. Euroclear and Clearstream will not exercise any discretion in the granting of consents, waivers or the taking of any other action in respect of the Global Notes. However, if there is an event of default under the Notes, Euroclear and Clearstream reserves the right to exchange the Global Notes for Definitive Registered Notes, and to distribute Definitive Registered Notes to its participants.

Transfers

Transfers between participants in Euroclear and Clearstream will be effected in accordance with Euroclear and Clearstream rules and will be settled in immediately available funds. If a holder requires physical delivery of Definitive Registered Notes for any reason, including to sell Notes to persons in states which require physical delivery of securities or to pledge such securities, such holder must transfer its interests in the Global Notes in accordance with the normal procedures of Euroclear and Clearstream and in accordance with the procedures set forth in the Indenture.

The Rule 144A Global Note will have a legend to the effect set forth under “*Notice to Investors*”. Book-Entry Interests in the Global Notes will be subject to the restrictions on transfers and certification requirements discussed under “*Notice to Investors*”.

Rule 144A Book-Entry Interests may be transferred to a person who takes delivery in the form of a Regulation S Book-Entry Interest only upon delivery by the transferor of a written certification (in the form provided in the Indenture) to the effect that such transfer is being made in accordance with Regulation S or Rule 144 under the U.S. Securities Act or any other exemption (if available under the U.S. Securities Act).

Regulation S Book-Entry Interests may be transferred to a person who takes delivery in the form of a Rule 144A Book-Entry Interest denominated in the same currency only upon delivery by the transferor of a written certification (in the form provided in the Indenture) to the effect that such transfer is being made to a person who the transferor reasonably believes is a “qualified institutional buyer” within the meaning of Rule 144A in a transaction meeting the requirements of Rule 144A or otherwise in accordance with the transfer restrictions described under “*Notice to Investors*” and in accordance with any applicable securities laws of any other jurisdiction.

In connection with transfers involving an exchange of a Regulation S Book-Entry Interest for a Rule 144A Book-Entry Interest, appropriate adjustments will be made to reflect a decrease in the principal amount of the Regulation S Global Note and a corresponding increase in the principal amount of the Rule 144A Global Note.

Any Book-Entry Interest in one of the Global Notes that is transferred to a person who takes delivery in the form of a Book-Entry Interest in any other Global Note will, upon transfer, cease to be a Book-Entry Interest in the first-mentioned Global Note and become a Book-Entry Interest in such other Global Note, and accordingly will thereafter be subject to all transfer restrictions, if any, and other procedures applicable to Book-Entry Interests in such other Global Note for as long as it remains such a Book-Entry Interest.

Definitive Registered Notes

Under the terms of the Indenture governing the Notes, owners of the Book-Entry Interests will receive Definitive Registered Notes only in the following circumstances:

- if Euroclear or Clearstream notifies the Issuer that it is unwilling or unable to continue to act as depository and a successor depository is not appointed by the Issuer within 120 days; or
- if the owner of a Book-Entry Interest requests such exchange in writing delivered through Euroclear or Clearstream following an Event of Default which results in action by the Trustee pursuant to the enforcement provisions under the Indenture.

Euroclear has advised the Issuer that upon request by an owner of a Book-Entry Interest described above, its current procedure is to request that Definitive Registered Notes be issued to all owners of Book-Entry Interests and not only to the owner who made the initial request.

In any such events described above, the Registrar will issue Definitive Registered Notes, registered in the name or names, and issued in any approved denominations, requested by or on behalf of Euroclear and/or Clearstream (in accordance with their respective customary procedures and certain certification requirements and based upon directions received from participants reflecting the beneficial ownership of the Book-Entry Interests). The Definitive Registered Notes will bear a restrictive legend with respect to certain transfer restrictions, unless that legend is not required by the Indenture or by applicable law.

In the case of the issuance of Definitive Registered Notes, the holder of a Definitive Registered Note may transfer such note by surrendering it to the registrar or a transfer agent. In the event of a partial transfer or a partial redemption of a holding of Definitive Registered Notes represented by one Definitive Registered Note, a Definitive Registered Note will be issued to the transferee in respect of the part transferred and a new Definitive Registered Note in respect of the balance of the holding not transferred or redeemed will be issued to the transferor or the holder, as applicable; provided that no Definitive Registered Note in a denomination less than €100,000 will be issued. The Issuer will bear the cost of preparing, printing, packaging and delivering the Definitive Registered Notes.

The Issuer will not be required to register the transfer or exchange of Definitive Registered Notes for a period of 15 calendar days preceding (i) the record date for any payment of interest on the Notes; (ii) any date fixed for redemption of the Notes; or (iii) the date fixed for selection of the Notes to be redeemed in part. Also, the Issuer is not required to register the transfer or exchange of any Notes selected for redemption or which the holder has tendered (and not withdrawn) for repurchase in connection with a change of control offer or asset sale offer. In the event of the transfer of any Definitive Registered Note, the trustee may require a holder, among other things, to furnish appropriate endorsements and transfer documents as described in the Indenture. The Issuer may require a holder to pay any transfer taxes and fees required by law and permitted by the Indenture and the Notes.

If Definitive Registered Notes are issued and a holder thereof claims that such a Definitive Registered Note has been lost, destroyed or wrongfully taken, or if such Definitive Registered Note is mutilated and is surrendered to the registrar or at the office of a transfer agent, the Issuer will issue and the Trustee will authenticate a replacement Definitive Registered Note if the Trustee's and the Issuer's requirements are met. The Issuer or the Trustee may require a holder requesting replacement of a Definitive Registered Note to furnish an indemnity bond sufficient in the judgment of both to protect themselves, the Trustee or the paying agent appointed pursuant to the Indenture from any loss which any of them may suffer if a Definitive Registered Note is replaced. The Issuer may charge for its expenses incurred in replacing a Definitive Registered Note.

In case any such mutilated, destroyed, lost or stolen Definitive Registered Note has become or is about to become due and payable, or is about to be redeemed or purchased by the Issuer pursuant to the provisions of the Indenture, the Issuer, in its discretion, may, instead of issuing a new Definitive Registered Note, pay, redeem or purchase such Definitive Registered Note, as the case may be.

Definitive Registered Notes may be transferred and exchanged for Book-Entry Interests in a Global Note only in accordance with the Indenture and, if required, only after the transferor first delivers to the trustee a written certification (in the form provided in the Indenture) to the effect that such transfer will comply with the transfer restrictions applicable to such Notes. See "*Notice to Investors*".

So long as the Notes are listed on the Official List of the Luxembourg Stock Exchange and the rules of the Luxembourg Stock Exchange so require, the Issuer will publish a notice of any issuance of Definitive Registered Notes in a newspaper having general circulation in Luxembourg (which is expected to be the *Luxemburger Wort*). Payment of principal, any repurchase price, premium and interest on Definitive Registered Notes will be payable at the office of the paying agent in Luxembourg or at the registered office of the Issuer so long as the Notes are listed on the Official List of the Luxembourg Stock Exchange and the rules of the Luxembourg Stock Exchange so require.

Information Concerning Euroclear and Clearstream

All Book-Entry Interests will be subject to the operations and procedures of Euroclear and Clearstream, as applicable. The Issuer provides the following summaries of those operations and procedures solely for the convenience of investors. The operations and procedures of each settlement system are controlled by that settlement system and may be changed at any time. Neither the Issuer nor the Initial Purchasers are responsible for those operations or procedures.

The Issuer understands as follows with respect to Euroclear and Clearstream. Euroclear and Clearstream hold securities for participating organizations. They also facilitate the clearance and settlement of securities transactions between their respective participants through electronic book-entry changes in accounts of such participants. Euroclear and Clearstream provide various services to their participants, including the safekeeping, administration, clearance, settlement, lending and borrowing of internationally traded securities. Euroclear and Clearstream interface with domestic securities markets. Euroclear and Clearstream participants are financial institutions such as underwriters, securities brokers and dealers, banks, trust companies and certain other organizations. Indirect access to Euroclear and Clearstream is also available to others such as banks, brokers, dealers and trust companies that clear through or maintain a custodian relationship with a Euroclear or Clearstream participant, either directly or indirectly.

Because Euroclear and Clearstream can only act on behalf of participants, who in turn act on behalf of indirect participants and certain banks, the ability of an owner of a beneficial interest to pledge such interest to persons or entities that do not participate in the Euroclear or Clearstream systems, or otherwise take actions in respect of such interest, may be limited by the lack of a definite certificate for that interest. The laws of some jurisdictions require that certain persons take physical delivery of securities in definitive form. Consequently, the ability to transfer beneficial interests to such persons may be limited. In addition, owners of beneficial interests through the Euroclear or Clearstream systems will receive distributions attributable to the 144A Global Notes only through Euroclear or Clearstream participants.

Global Clearance and Settlement Under the Book-Entry System

The Notes represented by the Global Notes are expected to be listed on the Official List of the Luxembourg Stock Exchange and admitted to trading on the Euro MTF market. Transfers of interests in the Global Notes between participants in Euroclear and Clearstream will be effected in the ordinary way in accordance with their respective rules and operating procedures.

Although Euroclear and Clearstream currently follow the foregoing procedures in order to facilitate transfers of interests in the Global Notes among participants in Euroclear or Clearstream, as the case may be, they are under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued or modified at any time. None of the Issuer, the Trustee or paying agent will have any responsibility for the performance by Euroclear or Clearstream or their respective participants or indirect participants of their respective obligations under the rules and procedures governing their operations.

Initial Settlement

Initial settlement for the Notes will be made in Euros. Book-Entry Interests owned through Euroclear or Clearstream accounts will follow the settlement procedures applicable to conventional bonds in registered form. Book-Entry Interests will be credited to the securities custody accounts of Euroclear and Clearstream holders on the business day following the settlement date against payment for value of the settlement date.

Secondary Market Trading

The Book-Entry Interests will trade through participants of Euroclear or Clearstream and will settle in same-day funds. Since the purchase determines the place of delivery, it is important to establish at the time of trading of any Book-Entry Interests where both the purchaser's and the seller's accounts are located to ensure that settlement can be made on the desired value date.

EU, Spanish, Portuguese and Luxembourg Insolvency Laws

European Union Insolvency

The Issuer and the Guarantors are incorporated and/or organized under the laws of Member States of the European Union.

Pursuant to Council Regulation (EC) no. 1346/2000 on insolvency proceedings, as amended (the “*EU Insolvency Regulation*”), which applies within the European Union (other than Denmark), the courts of the Member State in which a company’s “centre of main interests” (as that term is used in Article 3(1) of the EU Insolvency Regulation) is situated have jurisdiction to open main insolvency proceedings. The determination of where a company has its centre of main interests is a question of fact on which the courts of the different Member States may have differing and even conflicting views.

Although there is a rebuttable presumption under Article 3(1) of the EU Insolvency Regulation that a company has its centre of main interests in the Member State in which it has its registered office in the absence of proof to the contrary, paragraph 13 of the Preamble to the EU Insolvency Regulation states that the centre of main interests of a debtor “should correspond to the place where the debtor conducts the administration of its interests on a regular basis and is therefore ascertainable by third parties”. The courts have taken into consideration a number of factors in determining the centre of main interests of a company, including in particular where board meetings are held, the location where the company conducts the majority of its business or has its head office and the location where the majority of the company’s creditors are established. A company’s centre of main interests may change from time to time but is determined for the purposes of deciding which courts have competent jurisdiction to open insolvency proceedings at the time of the filing of the insolvency petition.

The EU Insolvency Regulation applies to insolvency proceedings that are collective insolvency proceedings of the types referred to in Annex A to the EU Insolvency Regulation.

If the centre of main interests of a company is in one Member State (other than Denmark) under Article 3(2) of the EU Insolvency Regulation, the courts of another Member State (other than Denmark) have jurisdiction to open insolvency proceedings against that company only if such company has an “establishment” in the territory of such other Member State. An “establishment” is defined as a place of operations where the company carries on non-transitory economic activity with human means and goods. The effects of those insolvency proceedings opened in that other Member State are restricted to the assets of the company situated in such other Member State.

Where main proceedings have been opened in the Member State in which the company has its centre of main interests, any proceedings opened subsequently in another Member State in which the company has an establishment (secondary proceedings) are limited to “winding-up proceedings” listed in Annex B of the EU Insolvency Regulation. Where main proceedings in the Member State in which the company has its centre of main interests have not yet been opened, territorial insolvency proceedings can be opened in another Member State where the company has an establishment only where either: (a) insolvency proceedings cannot be opened in the Member State in which the company’s centre of main interests is situated under that Member State’s law; or (b) the territorial insolvency proceedings are opened at the request of a creditor that is domiciled, habitually resident or has its registered office in the other Member State or whose claim arises from the operation of that establishment.

The courts of all Member States (other than Denmark) must recognize the judgment of the court opening main proceedings, which will be given the same effect in the other Member States, so long as no secondary proceedings have been opened there. The liquidator appointed by a court in a Member State that has jurisdiction to open main proceedings (because the company’s centre of main interests is there) may exercise the powers conferred on him by the law of that Member State in another Member State (such as to remove assets of the company from that other Member State), subject to certain limitations, so long as no insolvency proceedings have been opened in that other Member State or any preservation measure taken to the contrary further to a request to open insolvency proceedings in that other Member State where the company has assets.

Spanish Insolvency Laws

Under Spanish insolvency law, your right to receive payments of interest and principal on the Notes in case of insolvency may be more limited than would be the case under U.S. bankruptcy laws.

Spanish insolvency Law 22/2003, as amended, governs certain out-of court restructurings or refinancings and court insolvency proceedings. This section summarizes the main aspects of Spanish insolvency law affecting corporations, and not individuals, as there are certain specialties for the insolvency of the latest.

Under current Spanish insolvency law, a debtor shall apply for an insolvency proceeding, which are known as “*concurso de acreedores*” when it is not able to meet its current obligations or when it expects that it will shortly be unable to do so (unless the company has made a pre-insolvency filing in accordance Article 5.bis that allows for a 3 month period to close a refinancing agreement with its creditors). The filing of such declaration of insolvency may be requested by the debtor, any creditor thereof and certain interested third parties. If filed by the debtor, the insolvency is deemed “voluntary” (*concurso voluntario*) and, if filed by a third party, the insolvency is deemed “mandatory” (*concurso necesario*). In the case of voluntary insolvency, as a general rule, the debtor still maintains the management and full powers of disposal over its assets, although it is subject to the intervention (*intervención*) of the insolvency administrator (*administrador concursal*) or administrators, as applicable. In the case of mandatory insolvency, as a general rule, the debtor’s management powers are suspended, and management’s former power, including the power to dispose of assets, is conferred solely upon the insolvency administrators (*sustitución*). The time between the petition and the insolvency declaration by the court will depend upon a number of factors, including whether the filing has been made by the debtor or the creditor (and, in turn, whether the debtor has challenged the petition made by the creditor), whether all appropriate documentation has been submitted on a timely basis or is incomplete, and the workload of the court.

Creditors may apply for a joint insolvency declaration of two or more of its debtors if either (i) there is a confusion of assets among them, or (ii) they form part of the same group of companies. Therefore, the request for the joint insolvency of two or more legal entities may only be filed by a common creditor of the relevant companies and each of the affected companies must in fact be separately insolvent. Joint insolvency may also be requested by the companies themselves, *provided* that they form part of the same group. Any of the insolvent debtors, or any of the insolvency administrators, as the case may be, may apply for the accumulation of insolvency proceedings already declared under certain circumstances (and, in particular, if the insolvent debtors form part of the same group of companies). In addition, creditors may apply for the accumulation of the insolvency proceedings of two or more of its debtors already declared if either (i) there is a confusion of assets among them, (ii) they form part of the same group of companies, or (iii) they are managers, shareholders, partners or members personally liable for the debts of the debtor if it is a legal entity, *provided* that a petition has not been submitted by any of the insolvent debtors or by the insolvency administrators. Insolvency proceedings declared jointly or accumulated are processed in coordination, without consolidation of the estate of the insolvent debtors. As a result, and as a general rule, a “group insolvency” does not lead to a commingling of the debtors’ assets and creditors of such group. This means that the creditors of one company of the group will not have recourse against other companies of the same group (except where cross-guarantees exist). The current system is basically a procedural one, aimed at making the insolvency proceedings as time and cost efficient as possible. However, exceptionally, and for the purpose of the drafting of the insolvency report by the insolvency administrators only, assets and liabilities amongst the companies declared insolvent may be consolidated where there is a confusion of states, and assets and liabilities belonging to each of the companies cannot be identified.

The general principle of “no termination effect” is established such that all agreements remain effective at the time of the insolvency. Therefore, the declaration of insolvency does not impair the existence of the contracts entered into by the debtor, which would remain in force. Any contractual arrangements establishing the termination of a contract and/or entitling the relevant creditor to terminate it in the event of the declaration of insolvency of the debtor will be unenforceable.

There is a two-year clawback period starting backward from the date on which insolvency is declared, although transactions within that period will not automatically become void as a result of the initiation of insolvency proceedings but instead the insolvency administrators must expressly challenge those transactions. Also, creditors who have applied to exercise any clawback action (stating the specific action they aim to contest or revoke and their grounds), shall be entitled to exercise such action if the insolvency administrators do not do so within the two months following their request. Under such clawback action, acts detrimental (*perjudiciales*) to the debtor’s estate carried out during the two years prior to the date the insolvency is declared may be rescinded, regardless of fraudulent intention (transactions taking place earlier than two years before insolvency has been declared are subject to the general regime of avoidance in accordance with Article 71.7 of the Spanish insolvency law). Acts where no consideration is received for a disposed asset and acts that result in the early repayment or settlements of obligations which would have become due after the declaration of insolvency (unless such obligations were secured by means of an *in rem* security) are considered detrimental, and this is a non-rebuttable presumption. In addition, unless the debtor or another affected party (such as a creditor) can prove otherwise to the court’s satisfaction, a disposal made in favor of a “related person or entity” (as detailed in the following

paragraph) as well as the creation of a security interest securing a preexisting obligation or a new obligation that replaces an existing one, and those payments or other acts extinguishing obligations that would have become due after the declaration of insolvency and which are secured by means of an *in rem* security, are presumed to be detrimental, and this is a non-rebuttable presumption. In the case of actions not covered by the presumptions above, the burden of proof is on the person bringing the action of rescission. Acts deriving from the debtor's ordinary course of business made at arm's length and certain refinancing arrangements (*acuerdos de refinanciación*) meeting certain legal requirements set forth in Article 71.6 of the Spanish Insolvency Law, as well as the business, acts and payments made in the ordinary course of business and the security created in connection therewith, may not be rescinded.

In the case of a legal entity, the following shall be deemed to be "related person": (i) shareholders with unlimited liability; (ii) limited liability shareholders holding 10% or more of the insolvent company's share capital (or 5% if the company is listed) by the time the credit right under dispute in the insolvency scenario arises; (iii) directors (including shadow directors), liquidators and those holding general powers of attorney from the insolvent company, as well as such individuals holding such positions within two years prior to the declaration of insolvency; and (iv) companies pertaining to the same group as the debtor and their common shareholders *provided* such shareholders meet the minimum shareholding requirements set forth in (ii) above. In addition, it is established the rebuttable presumption that the assignees of the above are also "specially related persons" if the assignment has occurred within two years prior to the declaration of insolvency.

In any event, set-off is prohibited unless the requirements for the set-off were satisfied prior to the declaration of insolvency or the claim of the insolvent is governed by a law that permits set-off.

The current Spanish Insolvency Law makes a distinction between general debts under insolvency proceedings and debts against the insolvency estate (*créditos contra la masa*). Debts against the insolvency estate, which include, among others, (i) certain amounts of the employee payroll, (ii) costs and expenses of the insolvency proceedings, (iii) certain amounts arising from services provided by the insolvent debtor under reciprocal contracts and outstanding obligations that remain in force after insolvency proceedings are declared and deriving from obligations to return and indemnify in cases of voluntary termination or breach by the insolvent debtor, (iv) those that derive from the exercise of a clawback action within the insolvency proceedings of acts performed by the insolvent debtor and correspond to a refund of consideration received by it (except in cases of bad faith), (v) certain amounts arising from obligations created by law or from the non-contractual liability of the insolvent debtor after the declaration of insolvency and until its conclusion, (vi) 50% of the funds lent under a refinancing arrangement entered into in compliance with the requirements set forth in Article 71.6 of the Spanish insolvency law and (vii) certain debts incurred by the debtor following the declaration of insolvency, are not considered part of the debtor's general debt and are payable when due according to their own terms (and, therefore, are paid before other debts under insolvency proceedings).

The Spanish insolvency law procedure includes a common phase (during which, among others, insolvency administrators are appointed, an inventory of the assets and a list of creditors is prepared and claims ranked, as detailed below) and two potential results: (i) a composition agreement between the creditors and the debtor ("CVA") or (ii) the debtor's liquidation.

Upon a filing for insolvency proceedings, the court issues an insolvency order containing an express request for the creditors of the insolvent debtor to declare all debts owed to them by the debtor, providing original documentation to justify such debts, within a period of one month. Based on the documentation provided by the creditors and documentation held by the debtor, the court receivers draw up a list of acknowledged creditors and classify them according to the categories established under law:

- Debts benefiting from special privileges ("*créditos con privilegio especial*"), representing security on certain assets (in essence, *in rem* security). These privileges may entail separate proceedings, subject to certain restrictions derived from a waiting period that may last up to one year. In general terms, privileged creditors are not subject to the restructuring arrangement or to the CVA, except if they give their express support by voting in favor of the restructuring arrangement. In the event of liquidation, they are the first to collect payment against the assets on which their debt is secured.

However, the insolvency administrator has the option to halt any enforcement of the security and pay these claims under specific payment rules. In addition, a recent court resolution considers that dissenting creditors that (i) should be considered "privileged creditors" but (ii) who are not able to enforce their security on their own (because, for instance, their right to enforce is subject to the agreement of a majority of lenders which take part at a syndicated loan) cannot be considered "secured creditors" with regards to restructuring arrangement and its effects. This means that secured creditors may not enforce on their own security interest and may not avoid

the effects of the restructuring arrangement being imposed to them (and so cannot avoid being affected by the deferral agreed therein).

- Debts benefiting from general privileges ("*créditos con privilegio general*") including, among others, labor and public debts. General privileges for public debt, other than debt relating to tax withholdings and certain social security obligations, are recognized for half of the amount of the debt. General privileges are also recognized for half of the amount of debt held by the first creditor to apply for the insolvency proceedings of the debtor. Funds lent under a refinancing arrangement entered into in compliance with the requirements set forth in Article 71.6 of the Spanish insolvency law in the amount not admitted as a debt against the insolvency estate shall be also considered as debts with general privileges. Creditors whose debt benefits from general privileges are not affected by CVA provided that they do not agree to it and, in the event of liquidation, they are the first to collect payment, in the order established under law.
- Ordinary debts (non-subordinated and non-privileged creditors). Creditors of ordinary debt ("*créditos ordinarios*") will be paid after creditors benefiting from special or general privileges on a pro rata basis vis à vis each other.
- Subordinated debts (classified as such by virtue of the underlying credit agreement or pursuant to law). Subordinated debts ("*créditos subordinados*") include, among others, debts communicated late (outside the specific one-month period mentioned above), credits that are contractually subordinated vis-a-vis all other credits of the debtor; credits relating to surcharge and unpaid interest claims (including default interest) except for those credits secured with an *in rem* right up to the secured amount; fines, debts held by "specially related persons", as explained above, claims resulting from acts that were set aside where the creditor was declared in the judgment to have acted in bad faith; and certain credits deriving from contracts with reciprocal obligations if the creditor attempts to prevent the fulfillment of the contract to the detriment of the insolvency interests. Subordinated creditors are not entitled to vote on the CVA and in practice usually have very limited chances of collection, as a result of the ranking established by law.

Applicable jurisdiction

The applicable jurisdiction to conduct an insolvency proceeding is the one in which the insolvent party has its "centre of main interests" ("*COMI*"). This COMI is deemed to be where the insolvent party conducts the administration of its interests on a regular basis and which may be recognized as such by third parties. Insolvency proceedings conducted by the court of the COMI are considered "the principal insolvency proceedings" and have universal reach affecting all the assets of the insolvent party worldwide. If the COMI is not in Spain, but the insolvent party has a permanent establishment in Spain, Spanish courts will only have jurisdiction over the assets located in Spain (the "*territorial insolvency proceedings*").

In the event that any of the Guarantors becomes insolvent and is subject to the current Spanish insolvency law, its Guarantee will be treated as ordinary debt unless it is subordinated by application of any of the criteria indicated above. In addition, creditors may seek repayment directly from the insolvent entity's directors or attorneys-in-fact if a court determines that the bankruptcy resulted from their negligence (*concurso culpable*), if some legal requirements are met. Under the current Spanish insolvency law, the intercompany loans between the Issuer and Empark would be treated as subordinated debt.

Moratorium

The current Spanish insolvency law imposes a moratorium on the enforcement of secured creditor's rights (*in rem* security) in the event of insolvency. The moratorium would take effect following the declaration of insolvency until the earlier of (i) one year from the declaration of the insolvency if the insolvent company has not been placed in liquidation or (ii) the date the creditors reach an agreement that does not affect the exercise of the rights granted by the security interest, with the limitations explained above.

Additionally, once the insolvency proceedings are declared open, singular, judicial or extrajudicial enforcements may not be initiated, nor may administrative or tax demands for payment to be collected coercively against the assets of the debtor be continued.

As a general rule, insolvency proceedings are not compatible with other enforcement proceedings. When compatible, in order to protect the interests of the debtor and creditors, the Spanish insolvency law extends the jurisdiction of the court dealing with insolvency proceedings, which is then legally authorized to handle any enforcement proceedings or interim measures affecting the debtor's assets (whether based upon civil, labor or administrative law).

Limited history

Finally, please note that the current Spanish insolvency law only came into effect in September 2004, and as such, there is only a limited history of its application by Spanish courts and with limited high court resolutions about it.

Limitation on validity and enforcement of Guarantees and Collateral granted by any Spanish Guarantor

Under Spanish law, claims may become time-barred (15 years being the general term established for obligations *in personam* under Article 1,964 of the Spanish Civil Code (*Código Civil*)) or may be or become subject to the defense of set-off or counterclaim.

The terms “enforceable,” “enforceability,” “valid,” “legal,” “binding” and “effective” (or any combination thereof) mean that all of the obligations assumed by the relevant party under the relevant documents are of a type enforced by Spanish courts; the terms do not mean that these obligations will necessarily be enforced in all circumstances in accordance with their terms. Enforcement before the courts will in any event be subject to:

- the nature of the remedies available in the courts; and
- the availability of defenses such as (without limitation) set-off (unless validly waived) or counter-claim, circumvention of law (*fraude de ley*), abuse of rights (*abuso de derecho*), misrepresentation, force majeure, unforeseen circumstances, undue influence, duress, and abatement

In general terms, under Spanish law, any guarantee, pledge or mortgage must guarantee or secure another obligation to which it is ancillary, which must be clearly identified in the relevant guarantee or security agreement. Therefore, the guarantee or security interest follows the underlying obligation in such a way that nullity of the underlying obligation entails nullity of the guarantee or security and termination of the underlying obligation entails termination of the guarantee or security. In the event that the security providers are able to prove that there are no existing and valid guaranteed obligations, Spanish courts may consider that the security providers' obligations under the relevant guarantees or securities are not enforceable.

Following the amendment of paragraph 16 of section 1 article 90 of the Spanish Insolvency Law (Ley 22/2003 de 9 de julio) effective from January 1, 2012, although registering pledges over future credit rights (*prenda de derechos de credito futuros*) has become market practice in Spain, there is no assurance that such a structure will be effective before Spanish courts, in case of insolvency of the grantors, as there is no judicial or other guidance as to its validity and enforceability, and therefore the ability of the Security Agent to enforce the security interest relating to the credit rights under certain of the Spanish Guarantors' off-street concessions and the security interest over certain bank accounts of the Issuer and the Spanish Guarantors may be restricted.

The obligations under Guarantees or Collateral granted by the Spanish Guarantors shall not extend to any use of the proceeds of the Notes for the purpose of acquiring shares representing the share capital of such Guarantor or shares representing the share capital of the Parent Guarantor, or refinancing a previous debt incurred for the acquisition of shares representing the share capital of such Guarantor or shares representing the share capital of its Parent Guarantor; and shall be deemed not to be undertaken or incurred by the Guarantor to the extent that the same would constitute unlawful financial assistance within the meaning of Article 150 of the Spanish Companies Law, and, in that case, all provisions of such Guarantee shall be construed accordingly in the sense that in no case can any Guarantee or security given by the Guarantor secure repayment of the above-mentioned funds.

The security interests in the Collateral that will secure the obligations of the Issuer under the Notes and the obligations of the Guarantors under the Note Guarantees will not be granted directly to the holders of the Notes but will be granted only in favor of the Security Agent, but it should be noted that the parallel debt concept is not recognized in Spain. The Indenture will provide (along with the Intercreditor Agreement) that only the Security Agent has the right to enforce the Security and Guarantee Documents. As a consequence, holders of the Notes will not have direct security interests and will not be entitled to take enforcement action in respect of the Collateral securing the Notes, except through the Trustee, who will (subject to the provisions of the Indenture and the Intercreditor Agreement) provide instructions to the Security Agent in respect of the Collateral. Notwithstanding the foregoing, if enforcement of any security interest in Spain was to be carried out by the Security Agent in Spain, it may be necessary to prove that the Security Agent is duly and expressly empowered for such purpose by means of duly notarized powers of attorney granted in favor of the Security Agent by each of the actual or future creditors, if necessary, with the Apostil of The Hague Convention dated October 5, 1961. Therefore, there could be a delay in the enforcement of the Collateral in Spain while the Security Agent obtains such powers.

Portuguese Insolvency Laws

Under Portuguese insolvency law, your right to receive payments of interest and principal on the Notes in case of insolvency may be more limited than would be the case under U.S. bankruptcy laws.

Portuguese insolvency law (approved by Decree-Law no. 53/2004, of March 18, and generally termed CIRE (*Código da Insolvência e da Recuperação de Empresas*), as amended) governs court insolvency proceedings, as opposed to out-of-court liquidation, which is only available when the debtor has sufficient assets to meet its liabilities.

As a general rule insolvency proceedings governed by the CIRE are applicable to all persons and entities, subject to certain exceptions, such as public entities, state-owned companies and insurance companies, credit institutions, financial companies, investment companies, which render services related with the holding of funds or securities on behalf of third parties, and collective investment schemes to the extent that the submission to the insolvency proceeding would be contradictory/incompatible with the special legal frameworks of such entities. These proceedings may lead either to the restructuring of the business (by the approval of an insolvency plan) or to the liquidation of the assets of the debtor. A debtor may apply for insolvency proceedings when it finds himself unable to meet its current obligations as they become due or when it expects that it will shortly be unable to do so. In such cases, insolvency proceedings are available as a type of legal protection that the debtor may request in order to avoid the attachment of its assets by its creditors. Where a debtor becomes insolvent, failing to meet its current outstanding obligations on a regular basis, the debtor (or, in the case of a company, its directors) is under a legal obligation to file for insolvency proceedings.

Please note that in the case of legal entities, the debtor is also considered to be in an insolvency situation when, according to accounting criteria, the liabilities of the debtor clearly excess its assets (balance sheet test).

Upon a filing for insolvency proceedings, the court issues an insolvency declaration, and the creditors of the insolvent debtor (including secured creditors) have to claim the acknowledgement of all debts owed to them by the debtor, providing documentation to justify such debts, within a period of up to 30 days. Based on the documentation provided by the creditors and documentation held by the debtor, the insolvency administrator draws up a list of acknowledged creditors and classifies them according to the categories established under law:

- a) *Secured credits*: credits secured by *in rem* guarantees (*garantias reais*) including special statutory liens (*privilégios creditórios especiais*), e.g.:
 - Real estate special statutory liens (e.g.: state credits related with real estate property tax “*IMI*”)
 - Third parties credits (e.g. mortgage, income assignment, pledge)
 - Movable assets special statutory liens (e.g. credits resulting of justice expenses incurred in the interest of the creditors)
- b) *Privileged credits*: credits secured by general statutory liens (*privilégios creditórios gerais*) over assets integrated in the insolvency estate up to the amount corresponding to the value of the assets granted in guarantee or the general statutory liens, e.g.:
 - Labor, tax and social security debts;
 - Real estate general statutory liens.
- c) *Common credits*: all credits not included in any other category.
- d) *Subordinated credits*: (classified as such by virtue of the underlying credit agreement or pursuant to law). Subordinated credits include, among others, credits held by parties in special relationships with the debtor, such as, in the case of an individual, credits held by his/her relatives; in the case of a legal entity, credits held by the administrators, group companies and controlling shareholders or shareholders in a group relationship. Certain subordinated creditors are not entitled to vote on the restructuring arrangement and usually subordinated creditors have very limited chances of collection, as a result of the ranking established by law.

The payment will be performed according to the credit ranking, being firstly paid the guaranteed credits, followed by privileged credits (in the event of liquidation, they are the first to collect payment against the assets on which their debt is secured or over which they have privileges in the order established by law), common credits and finally subordinated credits. If the assets of the insolvency estate are insufficient to fully pay all creditors, the payment to common creditors will be made by apportionment amongst all creditors and in proportion of their credits. The payment of subordinated credits will only take place after full payment of common credits.

All creditors may be subject to the restructuring arrangement. However, whilst guaranteed and privileged creditors can dispute the restructuring arrangement by opposing the insolvency plan and claiming that they will be in a worse position than if the restructuring plan was not approved, the remaining credits may only do so provided certain requirements set forth by law are met.

Please note that payments described above are discounted for the payment of certain liquidation and insolvency expenses.

Insolvency proceedings are not compatible with other enforcement proceedings filed, or to be filed against the debtor.

The CIRE provides that, upon the insolvency of a debtor, acts entered into or omitted within the two years prior to the beginning of the insolvency proceeding may be cancelled in favor of the insolvency estate if they: (i) are detrimental to the insolvency estate (i.e., actions that reduce, frustrate, obstruct, jeopardize or delay the payment to the insolvency estate's creditors), and (ii) have been carried out in bad faith. The insolvency administrator has six months to cancel these actions from the moment it becomes aware of them, but may, as a rule, never do so after a two year period has elapsed from the declaration of insolvency. Bad faith for these purposes is the acknowledgment, as of the date of the transaction in question, that (i) the debtor was insolvent, (ii) insolvency proceedings had commenced against the debtor or (iii) the transaction in question would be detrimental to the creditors of the debtor and such debtor was in an imminent insolvency situation. There is a refutable presumption of "bad faith" if the transaction is effected in the two year prior to the commencement of insolvency proceedings and is made with certain related parties.

As an exception to the above rules, article 121 of the CIRE identifies certain actions that are automatically (*iuris et de iure*) considered as hindering the insolvency estate and that may be cancelled irrespective of bad faith. These actions include (i) payments or other forms of debt extinction made in the six month period prior to the commencement of the insolvency procedure and carried out in unusual terms for standard market practice and that the creditor could not demand; (ii) payments or other forms of debt extinction made before the relevant credits had become due that occurred in the six month period prior to the commencement of the insolvency procedure or after such commencement but before the credits had become due; (iii) granting *in rem* security interests (*garantias reais*) to pre-existing credits or others that replace them in the six month period prior to the commencement of the insolvency procedure; (iv) granting *in rem* security interests (*garantias reais*) simultaneously with the secured obligation in the 60 day period prior to the commencement of the insolvency procedure; (v) granting personal guarantees in the six month period prior to the commencement of the insolvency procedure that do not relate to business transactions with a real interest to the debtor.

Under Portuguese law there is no legal concept of "parallel debt" and its use in the context of an insolvency proceeding subject to the CIRE may lead to (i) the holders of the Notes not being ranked as guaranteed creditors since they do not have direct secured claims, (ii) may not have the ability to directly enforce the security interest, and (iii) a Portuguese insolvency court may not enforce the terms of intercreditor agreements, when allocating the proceeds, as in such allocation they are bound to comply with the rules set forth by the CIRE.

Luxembourg Insolvency Laws

The Notes will be issued by the Issuer, which is a *société anonyme* incorporated under Luxembourg law, with its registered office at 13-15 Avenue de la Liberté, L-1931 Luxembourg, Grand Duchy of Luxembourg and registered with the Luxembourg Register of Commerce and Companies under number B 182.119. Under Luxembourg insolvency laws, your ability to receive payments of interest and principal on the Notes may be more limited than would be the case under U.S. or other bankruptcy laws. Under Luxembourg law, the following types of proceedings (together referred to as insolvency proceedings) may be opened against a company incorporated in Luxembourg having its center of main interests (within the meaning of the EU Insolvency Regulation) or an establishment in Luxembourg (in the latter case assuming that the center of main interests is located in a jurisdiction where the EU Insolvency Regulation is applicable):

- Bankruptcy proceedings (*faillite*), the opening of which may be requested by the Luxembourg company, by any of its creditors or by the courts *ex officio*. Following such a request, the Luxembourg courts having jurisdiction may open bankruptcy proceedings if the Luxembourg company (i) is in a state of cessation of payments (*cessation des paiements*) and (ii) has lost its commercial creditworthiness (*ébranlement du crédit*). The main effect of such proceedings is the sale of the assets and allocation of the proceeds of such sale between creditors taking into account their rank of privilege, as well as the suspension of all measures of enforcement against the company, except, subject to certain limited exceptions, for enforcement by secured creditors and the payment of the secured creditors in accordance with their rank upon realization of the assets. In addition,

the managers or directors of a Luxembourg company that ceases its payments (i.e. is unable to pay its debts as they fall due with normal means of payment) must within a month of them having become aware of the company's cessation of payments, file a petition for bankruptcy (*faillite*) with the court clerk of the district court of the company's registered office. If the managers or directors fail to comply with such provision they may be held (i) liable towards the company or any third parties on the basis of principles of managers' / directors' liability for any loss suffered and (ii) criminally liable for simple bankruptcy (*banqueroute simple*) in accordance with article 574 of the Luxembourg commercial code.

- Controlled management proceedings (*gestion contrôlée*), the opening of which may only be requested by the company and not by its creditors and under which a Luxembourg court may order the provisional stay of enforcement of claims except for certain secured creditors (see the below applicable provisions of the Collateral Act 2005); or
- Composition proceedings (*concordat préventif de la faillite*), which may be requested only by the company (subject to obtaining prior consent of the majority of its creditors representing at least three-quarters of its debts) and not by its creditors directly. The Luxembourg court's decision to admit a company to the composition proceedings triggers a provisional stay on enforcement of claims by creditors except for certain secured creditors (see the below applicable provisions of the Collateral Act 2005).
- In addition to the proceedings described above, your ability to receive payment on the Notes may be affected by a decision of a Luxembourg court to grant a stay on payments (*sursis de paiements*) or to put a Luxembourg company into judicial liquidation (*liquidation judiciaire*). Judicial liquidation proceedings may be opened at the request of the public prosecutor against companies pursuing an activity violating criminal laws, or that are in serious breach or in violation of the Luxembourg commercial code or of the Luxembourg law dated 10 August 1915 on commercial companies, as amended (the "*Luxembourg Companies Law*"). The management of such liquidation proceedings will generally follow similar rules as those applicable to Luxembourg bankruptcy proceedings.

The Issuer's liabilities in respect of the Notes will, in the event of a liquidation of the Issuer following, in particular, bankruptcy or judicial liquidation proceedings, only rank after the cost of liquidation (including any debt incurred for the purpose of such liquidation) and any claims that are preferred under Luxembourg law. Preferential claims under Luxembourg law include, among others:

- amounts owed to the Luxembourg Revenue;
- value added tax and other taxes and duties owed to the Luxembourg Customs and Excise;
- employees' and employer's social security contributions;
- landlord, pledgor not under the Collateral Act 2005; and
- remuneration owed to employees (last six months' wages amounting to a maximum of six times the minimum social salary).

Assets over which a security interest has been granted will, in principle, not be available for distribution to unsecured and unpreferred creditors (except after enforcement and, only to the extent a surplus is realized).

Article 20(4) of the Collateral Act 2005 provides that, with the exception of the provisions of the Luxembourg law of December 8, 2000 on over-indebtedness (which only apply to natural persons), the provisions of Book III, Title XVII of the Luxembourg Civil Code, of Book 1, Title VIII and of Book III of the Luxembourg Commercial Code and national or foreign provisions governing reorganization measures, winding-up proceedings or other similar proceedings and attachments or other measures referred to in article 19(b) of the Collateral Act 2005 are not applicable to financial collateral arrangements (such as Luxembourg law pledges over shares or bank accounts) and shall not constitute an obstacle to the enforcement and to the performance by the parties of their obligations. Certain preferred creditors of a Luxembourg company (see above) may have a privilege that ranks senior to the rights of the secured or unsecured creditors.

Article 24 of the Collateral Act 2005 provides that foreign law security interests over claims or financial instruments granted by a Luxembourg pledgor will be valid and enforceable as a matter of Luxembourg law notwithstanding any Luxembourg insolvency proceedings, if such foreign law security interests are similar in nature to a Luxembourg security interest falling within the scope of the Collateral Act 2005. If article 24 applies, Luxembourg preference period rules are not applied (save the case of fraud).

Article 21(2) of the Collateral Act 2005 provides that where a financial collateral arrangement has been entered into after the opening of liquidation proceedings or the coming into force of reorganization measures or the entry

into force of such measures, such arrangement is enforceable against third parties, administrators, insolvency receivers, liquidators and other similar persons if the collateral taker proves that it was unaware of the fact that such proceedings had been opened or that such measures had been taken or that it could not reasonably be aware of such proceedings, measures or arrangement.

Impact of insolvency proceedings on transactions

During such insolvency proceedings, all enforcement measures by unsecured creditors are suspended. Other than as described above in respect of the provisions of the Collateral Act 2005, the ability of secured creditors to enforce their security interests may also be limited, in particular in the event of controlled management proceedings expressly providing that the rights of certain secured creditors are frozen until a final decision has been taken by a Luxembourg court as to the petition for controlled management and may be affected thereafter by any reorganization order given by the court. A reorganization order requires the prior approval by more than 50% of the creditors representing more than 50% of A Luxembourg company's liabilities in order to take effect.

Furthermore, you should note that declarations of default and any subsequent acceleration (such as acceleration upon the occurrence of an event of default) will not be enforceable during controlled management proceedings. However, during such controlled management proceedings a notice of default may still be served.

Luxembourg insolvency laws may also affect transactions entered into or payments made by the Issuer during the preference period (*période suspecte*) which is a maximum of six months plus ten days preceding the judgment declaring bankruptcy, except that in certain specific situations the court may set the start of the suspect period at an earlier date. In particular:

- pursuant to article 445 of the Luxembourg code of commerce (*Code de Commerce*), specified transactions (such as, in particular, the granting of a security interest for antecedent debts save in respect of financial collateral arrangements within the meaning of the Financial Collateral Law 2005; payment of debts which have not fallen due, whether payment is made in cash or by way of assignment, sale, set-off or by any other means; the payment of debts which have fallen due by any means other than in cash or by bill of exchange; the sale of assets without consideration or with substantially inadequate consideration) entered into during the preference period (or the ten days preceding it) must be set aside or declared null and void, if so requested by the insolvency receiver;
- pursuant to article 446 of the Luxembourg code of commerce, payments made for matured debts as well as other transactions (save financial collateral arrangements within the meaning of the Financial Collateral Law 2005) concluded for consideration during the preference period are subject to cancellation by the court upon proceedings instituted by the insolvency receiver if they were concluded with the knowledge of the bankrupt party's cessation of payments; and
- pursuant to article 448 of the Luxembourg code of commerce and article 1167 of the Luxembourg civil code (*action paulienne*), the insolvency receiver (acting on behalf of the creditors) has the right to challenge any fraudulent payments and transactions, including the granting of security with an intent to defraud, made prior to the bankruptcy, without any time limit.

In principle, a bankruptcy order rendered by a Luxembourg court does not result in the automatic termination of contracts except for *intuitu personae* agreements (such as employment agreements and powers of attorney). The contracts, therefore, subsist after the bankruptcy order. However, the bankruptcy receiver may choose to terminate certain contracts so as to avoid worsening the financial situation of the company. As of the date of adjudication of bankruptcy, no interest on any unsecured claim will accrue vis-à-vis the bankruptcy estate. Insolvency proceedings may hence have a material adverse effect on Luxembourg company's business and assets and Luxembourg company's respective obligations under the Notes.

Finally, international aspects of Luxembourg bankruptcy, controlled management or composition proceedings may be subject to the EU Insolvency Regulation. In particular, rights in rem over assets located in another jurisdiction where the EU Insolvency Regulation will not be affected by the opening of insolvency proceedings, without prejudice however to the applicability of rules relating to the voidness, voidability or unenforceability of legal acts detrimental to all the creditors (subject to the application of article 24 of the Collateral Law 2005 as described above and article 13 of the EU Insolvency Regulation).

Limitations on Validity and Enforceability of the Note Guarantees and the Security Interests

Under Luxembourg law, contracts are in principle formed by the mere agreement (*consentement*) between the parties thereto. The granting of any financial collateral governed by the Collateral Act 2005 must be capable of

being evidenced in writing. However, additional steps are required to enforce security interests against third parties.

According to Luxembourg conflict of law rules, Luxembourg courts will generally apply, in relation to the creation, perfection and enforcement of security interests over the assets subject to such security interests, the law of the place where such assets subject are situated. As a consequence, Luxembourg law will apply in relation to the creation, perfection and enforcement of security interests over assets located or deemed to be located in Luxembourg, such as registered shares in Luxembourg companies, cash bank accounts held with a Luxembourg bank, receivables/claims having debtors located in Luxembourg and/or governed by Luxembourg law, securities which are held through an account located (or deemed to be located) in Luxembourg and bearer securities physically held in Luxembourg.

If certain assets are located or deemed to be located in Luxembourg, the security interests over such assets will be governed by Luxembourg law and must be created, perfected and enforced in accordance with Luxembourg law. The creation, validity and enforcement of security interests such as pledges and transfer of ownership as security, granted on financial instruments and claims (in order to secure cash settlement and/or delivery of financial instruments) are notably governed by the Collateral Act 2005. Pursuant to the Collateral Act 2005, a pledge (*gage*) is effected by a transfer of possession of the pledged assets to the pledgee or to a third party acting as depository for the pledgee and the pledgee's preference rights over the pledged assets only remain in existence as long as the pledgee or the depository remains in possession of such assets.

A physical transfer of possession not being possible for intangibles such as monetary claims, the Collateral Act 2005 provides for a fictitious transfer of possession (i.e. perfection) which is effected by mechanisms which depend on the nature of the intangibles involved. In case of registered shares, the dispossession is validly realized by notifying the pledge to the issuer or by an acceptance of the pledge by the issuer who in turn will proceed to an entry of the pledge in the share register held by the issuer.

For the purposes of its creation, validity and perfection, a pledge granted over cash bank account(s) must be notified to and accepted by the relevant account bank. In addition, in order for such pledge to be first-ranking, the account bank has to waive any pre-existing security interests and other rights in respect of the relevant cash account. If any future cash bank accounts are also pledged, the perfection of the pledge over such future accounts will require additional notification to, acceptance and waiver by the account bank. Until such notifications and acceptances occur, the pledge is not perfected against the account bank and other third parties.

In case of receivables/claims, dispossession (and perfection of the pledge) is (as a matter of Luxembourg law) effected as against the debtor of the pledged claims and any third parties by the entry into and the execution (by all parties thereto) of the relevant pledge agreement. In addition, if the relevant debtor is a non-Luxembourg entity, the perfection requirements necessary to be completed under or pursuant to the relevant governing law of such debtor will also need to be accomplished in order for the pledge to be perfected. Nonetheless, the debtor of a pledged claim may validly discharge its obligation by performance rendered to the pledgor as long as it has no knowledge of the pledge (such knowledge to be acquired or deemed acquired, if the debtor has been notified of, or has accepted, the granting and creation of the pledge over the pledged claims).

The above perfection steps and actions need to be undertaken by the grantor of the security interest and/or the Security Agent. If the relevant pledgor or the Security Agent fail or are unable to take the necessary steps/actions required to take or perfect any of the above-mentioned security interests, such security interests will not have been created and/or perfected with respect to the claims arising under the Notes. Absent perfection, the Security Agent may have difficulty enforcing its rights in the Collateral with regard to third parties, including a trustee in bankruptcy and other creditors who claim a security interest in the same collateral. Finally, since the ranking of pledges is determined by the date on which they became enforceable against third parties, a security interest created on a later date over the same Collateral, but which come into force as against third parties earlier (by way of accomplishment of the relevant perfection requirements) has priority.

Article 11 of the Collateral Act 2005 sets out the following enforcement methods, available upon the occurrence of the relevant enforcement event in respect of a pledge governed by the provisions of the Collateral Act 2005:

- appropriation by the pledgee or appropriation by a third party of the pledged assets at (i) a value determined in accordance with a valuation method agreed upon by the parties or (ii) the listing price of the pledged assets (if the pledged assets are listed on an official Luxembourg or foreign stock market or traded on a recognized regulated market open to the public);
- selling or causing the sale of the pledged assets (i) in a private transaction at commercially reasonable terms (conditions commerciales normales), (ii) by a public sale at the stock exchange, or (iii) by way of a public auction;

- court allocation of the pledged assets to the pledgee in discharge of the secured obligations following a valuation made by a court-appointed expert; or
- set-off between the secured obligations and the pledged assets.

As the Collateral Act 2005 does not provide any specific time periods and depending on (i) the method chosen, (ii) the valuation of the pledged assets, (iii) any possible recourses, and (iv) the possible need to involve third parties, such as, e.g., courts, stock exchanges and appraisers, the enforcement of the security interests might be delayed.

Foreign law governed security interests and the powers of any receivers/administrators may not be enforceable in respect of assets located or deemed to be located in Luxembourg. Security interests/arrangements, which are not expressly recognized under Luxembourg law and the powers of any receivers/administrators may not be recognized or enforced by the Luxembourg courts, in particular where the Luxembourg security grantor becomes subject to Luxembourg insolvency proceedings or where the Luxembourg courts otherwise have jurisdiction because of the actual or deemed location of the relevant rights or assets, except if “main insolvency proceedings” (as defined in the EU Insolvency Regulation) are opened under Luxembourg law and such security interests/arrangements constitute rights in rem over assets located in another Member State in which the EU Insolvency Regulation applies, and in accordance of article 5 of the EU Insolvency Regulation.

The perfection of the security interests created pursuant to the pledge agreements does not prevent any third party creditor from seeking attachment or execution against the assets, which are subject to the security interests created under the pledge agreements, to satisfy their unpaid claims against the pledgor. Such creditor may seek the forced sale of the assets of the pledgors through court proceedings, although the beneficiaries of the pledges will in principle remain entitled in priority to the proceeds of such sale (subject to preferred rights by operation of law).

When a Luxembourg company grants guarantees and/or security interests, applicable corporate procedures normally entail that the decision be approved by a board resolution or by the decision of delegates that have been appointed for such purpose. In addition, the granting of the envisaged guarantees and/or security interests must comply with the Luxembourg company’s corporate object.

The proposed action by the company must be “in the corporate interest of the company”, which is a translation of the French “*intérêt social*”, an equivalent term to the English legal concept of corporate benefit. The concept of “corporate interest” is not defined by law, but has been developed by doctrine and court precedents and may be described as being “the limit of acceptable corporate behavior”. Whereas the previous discussions regarding the limits of corporate power are based on objective criteria (provisions of law and of the articles of association), the concept of corporate benefit requires a subjective judgment. In a group context, the interest of the companies of the group taken individually is not entirely eliminated.

With respect to guarantors and/or security grantors incorporated in Luxembourg, even if the Luxembourg Companies Law, does not provide for rules governing the ability of a Luxembourg company to guarantee and/or secure the indebtedness of another entity of the same group, it is generally held that within a group of companies, in the context of a group of related companies, the existence of a group interest in granting upstream or cross-stream assistance under any form (including under the form of guarantee or security) to other group companies could constitute sufficient corporate benefit to enable a Luxembourg company to grant such guarantee or security, provided that the following conditions are met (and subject in any event to all the factual circumstances of the matter): (i) such guarantee or security must be given for the purpose of promoting a common economic, social and financial interest determined in accordance with policies applicable to the entire group, (ii) the commitment to grant such guarantee or security must not be without consideration and such commitment must not be manifestly disproportionate in view of the obligations entered into by other group companies, and (iii) such guarantee or security granted or any other financial commitments must not exceed the financial capabilities of the committing company.

Although the existence of a corporate interest in the granting of a guarantee or a security interest on a group level is certainly important, the mere existence of such a group interest does not compensate for a lack of corporate interest for one or more of the companies of the group taken individually. The concept of corporate benefit is of particular importance in the context of misuse of corporate assets provided by Article 171-1 of the Luxembourg Companies Law.

The failure to comply with the corporate benefit requirement will typically result in liability (personal and/or criminal) for the directors or managers of the guarantor concerned. The guarantees or security interests granted by a Luxembourg company could themselves be held void or unenforceable if their granting is contrary to Luxembourg public policy (*ordre public*). It should be stressed that, as is the case with all criminal offenses

addressed by the Luxembourg Company Law, a director or a manager of a company will in general be prosecuted for misuse of corporate assets only if someone has lodged a complaint with the public prosecutor. This person may be an interested third party, e.g., a creditor, a minority shareholder, a liquidator or an insolvency receiver. In addition, it cannot be excluded that the public prosecutor could act on its own initiative if the existence of such a misuse of corporate assets became known to him. If there is a misuse of corporate assets criminally sanctioned by court, then this could, under general principles of law, have the effect that contracts concluded in breach of Article 171-1 of the Luxembourg Companies Law will be held null and void. The criteria mentioned above have to be applied on a case-by-case basis, and a subjective, fact-based judgment is required to be made, by the directors or managers of the Luxembourg company. As a result of the above developments, the guarantees or security interests granted by a Luxembourg company will be subject to certain limitations, which will take the form of general limitation language (limiting the guarantee obligations of such Luxembourg company to a certain percentage of, inter alia, its net assets (*capitaux propres*) and certain intra-group liabilities), which is inserted in the relevant finance document(s), indenture or guarantee agreements and which covers the aggregate obligations and exposure of the relevant Luxembourg company under all finance documents, indenture or guarantee agreements.

The registration of the Notes, the security interest agreements, the Indenture, the Note Guarantees and the transaction documents (and any document in connection therewith) with the *Administration de l'Enregistrement et des Domaines* in Luxembourg may be required in the case of legal proceedings before Luxembourg courts or in the case that the notes, the security interest agreements, the indenture, the guarantees and the transaction documents (and any document in connection therewith) must be produced before an official Luxembourg authority (*autorité constituée*). In such case, either a nominal registration duty or an ad valorem duty (or, for instance, 0.24% of the amount of the payment obligation mentioned in the document so registered) will be payable depending on the nature of the document to be registered. No ad valorem duty is payable in respect of security interest agreements, which are subject to the Collateral Law 2005.

The Luxembourg courts or the official Luxembourg authority may require (when these are presented before them) that the notes, the security interest agreements, the indenture, the guarantees and the transaction documents (and any document in connection therewith) and any judgment obtained in a foreign court be translated into French or German.

Tax Considerations

European Tax Considerations

Under EC Council Directive 2003/48/EC on the taxation of savings income in the form of interest payments (the “*Tax Directive*”), each Member State is required to provide to the tax authorities of another Member State details of payments of interest (or other similar income) made by a person within its jurisdiction to, or collected by such person for, an individual resident or certain other types of entities (the “*Residual Entities*” within the meaning of Article 4.2 of the Tax Directive) established in that other Member State. However, for a transitional period, Luxembourg and Austria are instead required (unless during that period they elect otherwise) to operate a withholding system in relation to such payments, deducting tax at the rate of 35%. In the case of Luxembourg, the recipient of the interest payment may opt for one of the two information exchange procedures available instead of the application of the above withholding system. The ending of such transitional period being dependent upon the conclusion of certain other agreements relating to information exchange with certain other countries.

On 10 April 2013, Luxembourg officially announced that it will no longer apply the withholding tax system as from 1 January 2015 and will provide details of payment of interest (or similar income) as from this date.

A number of non-EU countries and territories including Switzerland and certain dependent or associated territories of certain Member States have adopted or agreed to adopt similar measures (a withholding system in the case of Switzerland). In addition, the Member States have entered into reciprocal provision of information or transitional withholding arrangements with certain of those dependent or associated territories in relation to payments made by a person in a Member State to, or collected by such a person for, an individual resident or a Residual Entity established in one of those territories. A consultation process is currently underway within the EU in relation to the scope of the Tax Directive and, in particular, whether the Tax Directive should also extend to payments channeled through intermediate entities and/or to payments considered to be of an interest-like nature. If any of the proposed changes are made in relation to the Tax Directive, they may amend or broaden the scope of the requirements above.

If a payment were to be made or collected through a Member State which has opted for a withholding system and an amount of, or in respect of, tax were to be withheld from that payment, neither the Issuer nor any paying agent nor any other person would be obliged to pay additional amounts to the holders of the Notes or to otherwise compensate holders of the Notes for the reduction in the amounts that they will receive as a result of the imposition of such withholding tax. However, the Issuer is required to maintain a paying agent in a Member State that will not be obliged to withhold or deduct for or on account of tax pursuant to the Tax Directive.

Luxembourg Tax Considerations

A) Tax residency

A holder of Notes will not become resident, or be deemed to be resident, in Luxembourg by reason only of the holding of the Notes, or the execution, performance, delivery and/or enforcement of the Notes.

B) Luxembourg withholding tax on the Notes

Under Luxembourg tax law currently in effect and except for certain individual persons and entities as described below, all payments of interest (including accrued but unpaid interest) and principal made by the Issuer in the context of the holding, disposal, redemption or repurchase of the Notes, which are not profit sharing, can be made free and clear of any withholding or deduction for or on account of any taxes of whatsoever nature imposed, levied, withheld, or assessed by Luxembourg or any political subdivision or taxing authority thereof or therein, in accordance with the applicable Luxembourg law.

(a) Luxembourg non-resident holders of Notes

Under the Luxembourg law dated 21 June 2005 as amended implementing the Tax Directive and several agreements concluded between Luxembourg and certain dependent and associated territories of the EU, a Luxembourg-based paying agent (within the meaning of the Tax Directive) is required since 1 July, 2005 to withhold tax on interest and other similar income paid by it to (or under certain circumstances, to the benefit of) an individual or resident in another Member State or in certain EU dependent and associated territories, unless the beneficiary of the interest payments elects for the exchange of information procedure or for the tax certificate procedure. The same regime applies to payments to a residual entity established in another Member State or certain EU dependent or associated territories with the meaning of Article 4.2 of the Tax Directive, i.e.:

- (a) entities which are not legal persons (the Finnish and Swedish companies listed in Article 4.5 of the Tax Directive are not considered as legal persons for this purpose),
- (b) whose profits are not taxed under the general arrangements for the business taxation,
- (c) that are not, or have not opted to be considered as a UCITS (Undertakings for Collective Investment in Transferable Securities) recognized in accordance with the Council Directive 85/611/EEC (Council Directive 2009/65/EC for the recast) resident or established in another Member State or in any of the certain EU dependent or associated territories.

Where withholding tax is applied, it is currently levied at a rate of 35%. Responsibility for the withholding of the tax will be assumed by the Luxembourg paying agent. Payments of interest under the Notes coming within the scope of the Luxembourg laws dated June 21, 2005 would be subject to withholding tax of 35%. The withholding tax system will only apply during a transitional period, the ending of which depends on the conclusion of certain agreements relating to information exchange with certain third countries. However, please note that Luxembourg government officially announced on April 10, 2013 that it will no longer apply the withholding tax system as from January 1, 2015 and will provide details of payment of interest (or similar income).

(b) Luxembourg resident holders of Notes

Under the Luxembourg law of December 23, 2005, as amended, a 10% withholding tax (the “10% Tax”) has been introduced on interest payments made by Luxembourg paying agents (defined in the same way as in the Tax Directive) to (or for the benefit of) Luxembourg individual holder of Notes.

Pursuant to the law of December 23, 2005 as amended by the law of July 17, 2008, Luxembourg resident individuals, acting in the course of their private wealth, can opt to self-declare and pay a 10% levy (the “10% Levy”) on interest payments made by paying agents (as defined in the Tax Directive) located in an Member State other than Luxembourg, a Member State of the European Economic Area other than an Member State, or in a State or territory which has concluded an international agreement directly related to the Tax Directive.

The 10% Tax as described above or the 10% levy are final when Luxembourg resident individuals are acting in the context of the management of their private wealth.

Responsibility for the withholding of tax in application of the above mentioned Luxembourg law of December 23, 2005, as amended, is assumed by the Luxembourg paying agent within the meaning of these law and not by the Issuer (unless the Issuer acts as a paying agent).

C) Luxembourg taxation of the holders of Notes

Taxation of Luxembourg non-residents

Holders of Notes who are non-residents of Luxembourg and who have neither a permanent establishment, nor a permanent representative nor a fixed base of business in Luxembourg with which/whom the holding of the Notes is connected are not liable to pay any Luxembourg income tax, whether they receive payments of principal, payments of interest (including accrued but unpaid interest), payments received upon the redemption, repurchase or exchange of the Notes, or realize capital gains on the sale of any Notes.

Taxation of Luxembourg residents

General

Luxembourg resident holders of Notes will not be liable to any Luxembourg income tax on repayment of principal.

Luxembourg resident individuals

Luxembourg resident individuals holders of Notes, acting in the course of the management of their private wealth, are subject to Luxembourg income tax at progressive rates in respect of interest received, redemption premiums or issue discounts under the Notes, except if the 10% Tax has been levied by a Luxembourg paying agent on such payments or, in case of a non-resident paying agent, if they have opted to self-declare and pay the 10% Levy. The 10% Tax or the 10% Levy represent the final tax liability on interest received for Luxembourg resident individual holders of Notes receiving the payment in the course of the management of their private wealth and can be reduced in consideration of foreign withholding tax, based on double tax treaties concluded by Luxembourg.

Luxembourg resident individual holders of Notes receiving interest as business income must include interest income in their taxable basis. If applicable, the 10% Tax levied will be credited against their final income tax liability.

Luxembourg resident individual holders of Notes are not subject to taxation on capital gains upon the disposal of the Notes owned in the framework of the management of their private wealth, unless (i) the disposal of the Notes precedes the acquisition of the Notes, (ii) the Notes are disposed of within six months of their date of acquisition and (iii) the Notes do not constitute zero coupon notes. Upon redemption/sale of the Notes, the portion of the redemption/sales price corresponding to accrued but unpaid interest will be subject to the 10% Tax or to the 10% Levy. The 10% Tax or the 10% Levy represent the final tax liability for Luxembourg resident individual holders of Notes receiving the payment in the course of the management of their private wealth. Luxembourg resident individual holders of Notes receiving the interest as business income must include the portion of the redemption/sales price corresponding to this interest in their taxable income. The 10% Tax levied will be credited against their final income tax liability.

Luxembourg resident companies

Luxembourg resident company (*sociétés de capitaux*) holders of Notes or foreign entities of the same type which have a permanent establishment or a permanent representative in Luxembourg with which the holding of the Notes is connected, must include in their taxable income any interest income (including accrued but unpaid interest) and the difference between the sales price (including accrued but unpaid interest) and the lower of the cost or book value of the Notes sold or converted.

Luxembourg resident companies benefiting from a special tax regime

Luxembourg resident company holders of Notes which are companies benefiting from a special tax regime, such as, for example (i) family estate management companies subject to the Law of May 11, 2007, as amended, (ii) specialized investment funds subject to the Law of February 13, 2007, as amended or (iii) undertakings for collective investment subject to the Law of December 17, 2010, as amended, are neither subject to Luxembourg income tax in respect of interest accrued or received, any redemption premium or issue discount, nor on gains realized on the sale or disposal, in any form whatsoever, of the Notes.

D) Luxembourg net wealth tax

An individual holder of Notes, whether he/she is resident of Luxembourg or not, should not be subject to Luxembourg wealth tax on such Notes.

Luxembourg net wealth tax will not be levied on a corporate holder of Notes, unless:

- (i) such holder of Notes is, or is deemed to be a fully taxable Luxembourg resident company for the purpose of the relevant provisions and is not a holder of Notes governed by (a) the law of December 17, 2010, as amended, on undertakings for collective investment or (b) the law of March 22, 2004, as amended, on securitization, or (c) the law of June 15, 2004, as amended, on the investment company in risk capital, or (d) the law of May 11, 2007, as amended, on family estate management companies or (e) the law of July 13, 2005, as amended, on Luxembourg pension pooling vehicles or (f) the law of February 13, 2007, as amended, on specialized investment funds; or
- (ii) the Notes are attributable to an enterprise or part thereof which is carried on by a non-resident company in Luxembourg through a permanent establishment, a permanent representative or a fixed place of business.

E) Other Luxembourg taxes

There is no Luxembourg registration tax, stamp duty or any other similar tax or duty payable in Luxembourg by holders of Notes as a consequence of the issuance of the Notes, nor will any of these taxes be payable as a consequence of a subsequent transfer, repurchase or redemption of the Notes.

However, registration duty may be due upon the registration of the Notes in Luxembourg in the case of legal proceedings before Luxembourg courts or in case the Notes must be produced before an official Luxembourg authority, or in the case of a registration of the Notes on a voluntary basis.

There is no Luxembourg value added tax payable in respect of payments in consideration for the issuance of the Notes or in respect of the payment of interest or principal under the Notes of the transfer of the Notes. Luxembourg value added tax may, however, be payable in respect of fees charged for certain services rendered to the Issuer, if for Luxembourg value added tax purposes such services are rendered or are deemed to be rendered in Luxembourg and an exemption from Luxembourg value added tax does not apply with respect to such services.

No gift, estate or inheritance taxes are levied on the transfer of the Notes upon death of a holders of Notes in cases where the deceased was not a resident of Luxembourg for inheritance tax purposes, or in the case of a gift, the gift is neither recorded in a Luxembourg notarial deed nor registered in Luxembourg.

Spanish Tax Considerations

This section does not purport to deal with all aspects of Spanish taxation that relate to investment in the Notes or that may be relevant to particular investors in light of their personal investment circumstances. If you are considering buying Notes, you should consult your own tax advisor concerning the tax consequences of holding the Notes in your particular situation.

By virtue of Royal Decree-Law 20/2011, tax rates mentioned in this section were increased in principle only for 2012 and 2013. Nevertheless, the draft national budget bill for 2014 (currently under discussion in the Spanish Parliament) amends that rules, and establishes an extension of the increased tax rates for 2014.

Tax treatment of income payments made under the Note Guarantees by the Parent Guarantor or other Spanish Guarantors

Although no clear precedent exists with regard to the position of the Spanish tax authorities regarding similar transactions, there is a risk that the Spanish tax authorities or courts could consider that income payments made under the Note Guarantees by the Parent Guarantor or other Spanish Guarantors the ("*Spanish Guarantors*") are Spanish source income on the basis that the Spanish Guarantors have assumed all the obligations of the Notes as Guarantors. In the event that income payments made under the Note Guarantees by the Spanish Guarantors were deemed to be Spanish source income, in the case of non-Spanish tax residents without a permanent establishment in Spain, tax at a 21% rate would be applicable on the part of the payments that constitute income for the beneficial owner subject to the exceptions referred to in the paragraph below. Spanish resident beneficial owners, or Spanish permanent establishments of non-resident beneficial owners, shall be subject to taxation in Spain following the general rules governing Spanish personal, corporate and non-resident income taxes.

However, in the case of beneficial owners of the Notes non-resident in Spain, any interest payments and capital gains under the Note Guarantees will not be subject to Spanish withholding tax if they were resident, for tax purposes, in a European Union Member State other than Spain provided that they were not acting through a territory considered as a tax haven pursuant to Royal Decree 1080/1991 of 5 July 1991 nor through a permanent establishment in Spain nor through a permanent establishment in a state that is not a member of the European Union.

In addition, Spanish withholding tax under the Note Guarantee payments, if any, to non-resident beneficial owners with no Spanish permanent establishment, may be reduced or eliminated pursuant to, and in accordance with, any applicable double taxation treaty to which the Kingdom of Spain is a party and that may be applicable in respect to any interest payment due or that becomes due under the Notes.

For these tax benefits to apply to non-residents without a Spanish permanent establishment, a certificate of tax residency issued by the competent tax authority of the country of residency of the beneficial owner of the Notes required by the Spanish tax authorities must be submitted to the Spanish Guarantors showing that the holders of the Notes are residents of the relevant European Union Member State or treaty state. The certificate must be dated not more than 12 months prior to the date of application. If a tax treaty benefit is applicable, the certificate must expressly state that it is issued within the meaning of the corresponding tax treaty or, if any specific form has been approved in order to apply the treaty, the certificate should be in compliance with such form.

Tax treatment of individuals with tax residence in Spain

Interest on the Notes and disposal of the Notes

Both interest periodically received and income derived from the transfer, redemption or reimbursement of the Notes constitute a return on investment obtained from the transfer of a person's own capital to third parties in accordance with the provisions of Section 25 of the Personal Income Tax ("*Impuesto sobre la Renta de las Personas Físicas*" or "PIT") Law (Law 35/2006, of November 28, 2006), and therefore will form part of the so-called savings income tax base pursuant to the provisions of the PIT Law and will be taxed at 21% rate on the first €6,000, at 25% on the portion of the savings income between €6,000 and €24,000, and at 27% rate on any amount exceeding €24,000 threshold.

In the event that such interest or the income derived from the transfer, redemption or reimbursement of the Notes becomes subject to withholding tax in Luxembourg, as Luxembourg source income, individuals with tax residence in Spain would be entitled to a tax credit for the avoidance of double taxation when determining their tax liability, in accordance with the provisions of the PIT Law or the treaty for the avoidance of double taxation with respect to taxes on income and capital and the prevention of fiscal evasion entered into between Spain and Luxembourg on June 3, 1986, as amended by the Protocol dated November 10, 2009 (the "*Spain/Luxembourg Tax Treaty*").

Spanish withholding tax on the Notes

Irrespective of the Issuer not being a Spanish tax resident entity, a withholding at a 21% rate is applicable on interest payments made to individual Spanish holders in the event the Notes are deposited before or managed by Spanish-resident entities or persons or by non-resident entities or persons operating in the Spanish territory through a permanent establishment or if the above-mentioned persons or entities have been entrusted with the collection of the income derived from the Notes, provided that such income has not been previously subject to withholding tax in Spain. In addition, income obtained upon transfer or redemption of the Notes may also be subject to PIT withholdings. In any event, individual Spanish holders may credit the withholding against their final PIT liability for the relevant fiscal year.

Corporations resident in Spain for tax purposes or permanent establishments in Spain of non-Spanish tax residents

Interest on the Notes

Under Spanish law, interest collected by a Spanish holder of the Notes is subject either to Corporate Income Tax ("*Impuesto sobre Sociedades*" or "CIT") or to Non-Residents' Income Tax ("*Impuesto sobre la Renta de no Residentes*" or "NRIT"), as the case may be. In the event that such interest becomes subject to withholding tax in Luxembourg, as Luxembourg source income, Spanish tax resident corporations would be entitled to a tax credit for the avoidance of double taxation when determining their tax liability, in accordance with the provisions of the CIT Law (approved by Legislative Royal Decree 4/2004, of March 5, 2004) or the Spain/Luxembourg Tax Treaty.

In addition, in accordance with the NRIT Law (approved by Legislative Royal-Decree, of March 5, 2004), permanent establishments in Spain of non-Spanish tax residents would also be eligible for a tax credit to avoid double taxation with respect to any Luxembourg withholding tax on interest payments.

Disposal of the Notes

As a general rule, a disposal, whether in the form of a transfer, redemption or reimbursement, of the Notes by a Spanish holder may give rise to a taxable income or an allowable loss for the purposes of either CIT or NRIT, as the case may be. Some restrictions, however, may apply based on the nature of the permanent establishment.

The profit or loss arising from the disposal of the Notes for a Spanish holder (the quantification of which, as a general rule, follows accounting rules) shall be subject to either the CIT or to the NRIT, as the case may be, at the relevant applicable tax rates.

If for any reason a Spanish tax resident corporation is subject to tax in Luxembourg on the income it obtains upon the disposal of the Notes, it will be entitled to a tax credit for the avoidance of double taxation in accordance with the provisions of the CIT Law or the Spain/Luxembourg Tax Treaty. Moreover, permanent establishments in Spain of non-Spanish tax residents are eligible for a tax credit under the NRIT Law to avoid double taxation with respect to any such Luxembourg source income.

Spanish withholding tax on the Notes

No withholding on account of Spanish CIT or NRIT is levied in Spain on any income arising from Notes held by a Spanish holder that is a corporation or a permanent establishment in Spain of a non-Spanish tax resident if the Notes are traded on an OECD country's official stock market. However, the financial institution (if resident in Spain or acting through a permanent establishment in Spain) acting as paying agent or intervening in any transfer, redemption or refund of the Notes will be obliged to calculate the taxable income of the Spanish holder arising from the relevant transaction and to report such income to the Spanish holder and to the Spanish tax authorities. In addition, the financial institution must provide the Spanish tax authorities with information regarding the persons participating in the transaction.

If the Notes are not traded on an OECD country's official stock market and the Notes are deposited with or managed by a financial institution resident in Spain, or acting through a permanent establishment in Spain, in accordance with the Spanish tax laws in force, the financial institution, acting as depositary or manager of such Notes, will be responsible for making the relevant Spanish withholding on account of tax on any payment to a Spanish holder deriving from the Notes. It should be noted that the financial institution acting as custodian or manager of the Notes may become obliged to comply with the formalities contained in the Spanish CIT Regulations when intervening in the repayment and/or transfer of the Notes.

Beneficial owners not residents in Spain without a permanent establishment

If interest is received by the beneficial owners of the Notes when they were not resident for tax purposes in Spain and do not obtain the income through a permanent establishment located in Spain, the first issue to be determined is whether or not such interest could be considered as Spanish-source income. The Spanish Non-Resident Income Tax legislation establishes that interest that is deemed remuneration relating to capital used within the Spanish territory is regarded as Spanish-source income and subject to taxation in Spain. Although there is no clear guidance from tax administrative or judicial authorities regarding this concept, the Spanish tax authorities could consider that, due to the fact that the capital received by the Issuer is used to enter into loans with a company resident for tax purposes in Spain, interest received by the beneficial owners is related to capital used within the Spanish territory by the Issuer, at least for the portion corresponding to the financing of activities in Spain. Therefore, there is a risk that interest under the Notes could be taxed at a 21% tax rate for such persons, subject to available relief under a treaty for the avoidance of double taxation with Spain or any exemption foreseen in the Spanish Non-Resident Income Tax legislation, if applicable, and provided that corresponding formal requirements are met.

If withholding tax is imposed by the authorities on this basis, if the beneficial owners of the Notes were resident for tax purposes:

- (i) in a Member State of the European Union (and prove it by delivering a valid tax residence certificate), interest would be exempt from Spanish NRIT.
- (ii) in a country having in force a treaty for the avoidance of double taxation with Spain, if such treaty is applicable for the beneficial owner of the Notes and the corresponding tax residence certificate (issued within the meaning of the treaty and taking into account the corresponding required form) is duly provided, interest could be taxed at the relevant rate (if any) foreseen by the applicable treaty.

In any other country, interest would be taxed at the relevant NRIT rate (currently, 21%).

Portuguese Tax Considerations

The information below provides a general description of the tax rules applicable to the acquisition, ownership and subsequent transfer of the Notes under Portuguese tax law in force as of the date of this offering memorandum, and does not take into account any developments or amendments thereof after that date whether or not such developments or amendments have retroactive effect. This section does not intend to deal with all aspects of Portuguese taxation

that relate to investment in the Notes or that may be relevant to particular investors in light of their personal investment circumstances. Prospective purchasers of the Notes are advised to consult their own tax advisors as to the tax consequences of holding the Notes.

Tax treatment of individuals with tax residence in Portugal

Interest on the Notes and disposal of the Notes

Interest and other investment income obtained by Portuguese resident individuals or by a non-Portuguese resident individual having a permanent establishment in the Portuguese territory to which income is imputable on the Notes is subject to Personal Income Tax. If the interest income is paid or made available through a

Portuguese resident entity or a Portuguese branch of a non-resident entity (Portuguese paying agent), such payments will be subject to final withholding taxation at a flat rate of 28%. When subject to final withholding tax the income does not need to be included in the yearly tax return.

The individual may nonetheless opt for the aggregation of such income with the remaining taxable income, which is subject to tax at progressive rates up to 48% (additional solidarity income tax herein excluded but due as detailed below), plus an extraordinary surtax levied at a 3.5% rate over the annual income exceeding the annual amount of the minimum national wage (€6,790). Additional solidarity income tax will be due on the part of the taxable income exceeding €80,000 as follows: (i) 2.5% on the part of the taxable income exceeding €80,000 up to €250,000 and (ii) 5% on the remaining part (if any) of the taxable income exceeding €250,000. In this case, the tax already withheld is considered as payment on account of the final tax due.

If interest is not derived through a Portuguese paying agent, the income is not subject to withholding taxation in Portugal at the time of the payment but the taxpayer is required to include the income in the yearly tax return and apply an autonomous flat rate of 28%, unless an option for aggregation is made (in which case taxation is due under the rules of the previous paragraph).

Resident beneficiaries are entitled under certain circumstances to claim an appropriate credit for any foreign withholding tax against their personal income tax liability.

Non-habitual resident individuals in Portugal may be exempt from investment income arising from the Notes issued by non-resident entities, under certain circumstances.

The disposal of the Notes by a Portuguese resident individual may generate capital gains taxed at a flat rate of 28% levied on the positive difference between the capital gains and capital losses realized each year on the transfer of securities and derivatives (plus the 3.5% extraordinary surtax), unless the individual elects to include such income in his taxable income, in which case it will be subject to tax at progressive income tax rates of up to 48% per cent plus an extraordinary surtax levied at a 3.5% rate over the annual income exceeding the annual amount of the minimum national wage (€6,790). An additional solidarity income tax will be due on the part of the taxable income exceeding €80,000 as follows: (i) 2.5% on the part of the taxable income exceeding €80,000 up to €250,000 and (ii) 5% on the remaining part (if any) of the taxable income exceeding €250,000.

The computation of the annual balance of gains and losses for income tax purposes does not include losses arising from transactions entered into with counterparts resident in a country, territory or region subject to a more favorable tax regime, listed in Ministerial Order 150/2004 of 13 February (as amended by Ministerial Order 292/2011 of November 8, 2011).

No stamp tax applies to the acquisition through gift or inheritance of Notes by an individual. There is no wealth or estate tax in Portugal. The Budget Bill for 2014 has been approved by the Parliament but does not establish any tax rate increase for individuals in 2014.

Corporations resident in Portugal for tax purposes or permanent establishments in Portugal of non-Portuguese tax residents

Interest on the Notes and disposal of the Notes

Interest income and capital gains derived from the disposal of the Notes by legal persons resident for tax purposes in Portugal or attributable to a permanent establishment in Portugal of a non-resident entity are included in their taxable base and subject to corporate tax at a rate of 25%. An additional municipal surtax (*derrama municipal*) of up to 1.5% of the taxable profit may apply. A state surtax (*derrama estadual*) of 3% on the portion of taxable profits which exceeds €1,500,000 and of 5% on the portion of taxable profits which exceeds €7,500,000 is also applicable.

A CIT exemption may apply to specific entities (such as pension funds, retirement and/or education savings funds, share savings funds and venture capital funds constituted under the laws of Portugal).

Non-exempt resident beneficiaries are entitled to claim an appropriate credit for any foreign withholding tax against their final corporate income tax liability.

The acquisition of Notes through gift by a Portuguese resident legal person or attributable to a Portuguese permanent establishment of a non-resident entity is also subject to corporate tax at a rate of 25%. The surtaxes mentioned above may also apply.

The Draft law for CIT Reform, currently under discussion in the Portuguese Parliament, may introduce relevant amendments to the Portuguese corporate taxation. These amendments may include a lowering to 23% of the CIT standard rate in financial year 2014. It is expected that such amendments will apply as from January 1, 2014.

Material U.S. Federal Income Tax Considerations

TO ENSURE COMPLIANCE WITH TREASURY DEPARTMENT CIRCULAR 230, HOLDERS ARE HEREBY NOTIFIED THAT: (A) ANY DISCUSSION OF U.S. FEDERAL TAX ISSUES IN THIS OFFERING MEMORANDUM IS NOT INTENDED OR WRITTEN TO BE RELIED UPON, AND CANNOT BE RELIED UPON, BY HOLDERS FOR THE PURPOSE OF AVOIDING PENALTIES THAT MAY BE IMPOSED ON HOLDERS UNDER THE INTERNAL REVENUE CODE OF 1986, AS AMENDED; (B) SUCH DISCUSSION IS INCLUDED HEREIN BY THE ISSUER IN CONNECTION WITH THE PROMOTION OR MARKETING (WITHIN THE MEANING OF CIRCULAR 230) BY THE ISSUER OF THE TRANSACTIONS OR MATTERS ADDRESSED HEREIN; AND (C) HOLDERS SHOULD SEEK ADVICE BASED ON THEIR PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISER.

The following is a summary of material U.S. federal income tax consequences of the acquisition, ownership and disposition of Notes by a U.S. Holder (as defined below). This summary deals only with initial purchasers of Notes at the "issue price" (as defined below) that are U.S. Holders and that will hold the Notes as capital assets. The summary does not cover all aspects of U.S. federal income taxation that may be relevant to, or the actual tax effect that any of the matters described herein will have on, the acquisition, ownership or disposition of Notes by particular investors, and does not address any tax consequences arising under U.S. federal estate and gift tax laws or under the laws of any state, local, non-U.S. or other taxing jurisdiction. This summary also does not discuss all the tax considerations that may be relevant to certain types of investors subject to special treatment under the U.S. federal income tax laws (such as financial institutions, insurance companies, investors liable for the alternative minimum tax, individual retirement accounts and other tax-deferred accounts, tax-exempt organizations, dealers in securities or currencies, traders that elect to mark to market, real estate investment trusts, regulated investment companies, grantor trusts, investors that will hold the Notes as part of straddles, hedging transactions or conversion transactions for U.S. federal income tax purposes or investors whose functional currency is not the U.S. dollar).

As used herein, the term "U.S. Holder" means a beneficial owner of Notes that is, for U.S. federal income tax purposes, (i) an individual citizen or resident of the U.S., (ii) a corporation (or any other entity treated as a corporation for U.S. federal income tax purposes) created or organized under the laws of the U.S., any State thereof or the District of Columbia, (iii) an estate the income of which is subject to U.S. federal income tax without regard to its source or (iv) a trust if a court within the U.S. is able to exercise primary supervision over the administration of the trust and one or more U.S. persons have the authority to control all substantial decisions of the trust, or the trust has elected to be treated as a domestic trust for U.S. federal income tax purposes.

The U.S. federal income tax treatment of a partner in a partnership (or other entity treated as a partnership for U.S. federal income tax purposes) that holds Notes will depend on the status of the partner and the activities of the partnership. Prospective purchasers that are partnerships (or other entities treated as partnerships for U.S. federal income tax purposes) should consult their tax advisers concerning the U.S. federal income tax consequences to their partners of the acquisition, ownership and disposition of Notes by the partnership.

The summary is based on the tax laws of the U.S., including the Internal Revenue Code of 1986, as amended (the "Code"), its legislative history, existing and proposed regulations thereunder, published rulings and court decisions, all as of the date hereof and all subject to change at any time, possibly with retroactive effect.

THE SUMMARY OF U.S. FEDERAL INCOME TAX CONSEQUENCES SET OUT BELOW IS FOR GENERAL INFORMATION ONLY. ALL PROSPECTIVE PURCHASERS SHOULD CONSULT THEIR TAX ADVISERS AS TO THE PARTICULAR TAX CONSEQUENCES TO THEM OF OWNING THE NOTES, INCLUDING THE APPLICABILITY AND EFFECT OF STATE, LOCAL, FOREIGN AND OTHER TAX LAWS AND POSSIBLE CHANGES IN TAX LAW.

Payments of interest

General

“Qualified stated interest” paid by the Issuer on the Notes (including any amounts withheld and any Additional Amounts paid in respect of withholding taxes imposed on payments on the Notes) will generally be taxable to a U.S. Holder as ordinary income at the time it is received or accrued, depending on the U.S. Holder’s method of accounting for U.S. federal income tax purposes. The term “qualified stated interest” generally means stated interest that is unconditionally payable in cash or in property, other than debt instruments of the Issuer, at least annually at a qualifying rate during the entire term of the Note. The Issuer expects that stated interest on the Notes will be treated as qualified stated interest.

Interest on a Note (including any Additional Amounts) generally will be considered income from sources outside the U.S. and, for purposes of the U.S. foreign tax credit, generally will be considered passive category income. A U.S. Holder will generally be denied a foreign tax credit for foreign taxes imposed with respect to the Notes where such holder does not meet a minimum holding period requirement during which such holder is not protected from risk of loss. Prospective purchasers should consult their tax advisers concerning the applicability of the U.S. foreign tax credit and source of income rules to income attributable to the Notes.

Foreign currency denominated interest

The amount of income recognized by a cash basis U.S. Holder will be the U.S. dollar value of the interest payment, based on the “spot rate” (as such term is defined in the U.S. Treasury Regulations) on the date of receipt, regardless of whether the payment is in fact converted into U.S. dollars.

An accrual basis U.S. Holder may determine the amount of income recognized with respect to an interest payment denominated in Euro in accordance with either of two methods. Under the first method, the amount of income accrued will be based on the average spot rate in effect during the interest accrual period (or, in the case of an accrual period that spans two taxable years of a U.S. Holder, the part of the period within the taxable year).

Under the second method, the accrual basis U.S. Holder may elect to determine the amount of income accrued on the basis of the spot rate in effect on the last day of the accrual period (or, in the case of an accrual period that spans two taxable years, the spot rate in effect on the last day of the part of the period within the taxable year). Additionally, if a payment of interest is actually received within five business days of the last day of the accrual period, an electing accrual basis U.S. Holder may instead translate the accrued interest into U.S. dollars at the exchange rate in effect on the day of actual receipt. Any such election will apply to all debt instruments held by the U.S. Holder at the beginning of the first taxable year to which the election applies or thereafter acquired by the U.S. Holder, and will be irrevocable without the consent of the Internal Revenue Service (the “IRS”).

Upon receipt of the interest payment (including a payment attributable to accrued but unpaid interest upon the sale, exchange, retirement or other taxable disposition of a Note) denominated in Euros, the accrual basis U.S. Holder will generally recognize U.S. source exchange gain or loss (taxable as ordinary income or loss) equal to the difference, if any, between the amount received (translated into U.S. dollars at the spot rate on the date of receipt) and the amount of such interest payment previously accrued, regardless of whether the payment is in fact converted into U.S. dollars.

Effect of Spanish non-resident income tax

As discussed in “*Tax Considerations—Spanish Tax Considerations*”, under current law payments of interest on the Notes to holders not resident in Spain without a permanent establishment may become subject to Spanish Non-Resident Income Tax. The Issuer or the relevant Guarantor would be required to pay Additional Amounts to U.S. Holders (see “*Description of the Notes—Additional Amounts*”) so that U.S. Holders receive the same amounts they would have received had no Spanish Non-Resident Income Tax been imposed. If tax is withheld as a result of the Spanish Non-Resident Income Tax, for U.S. federal income tax purposes, U.S. Holders would be treated as having received the amount of Spanish taxes withheld by the Issuer with respect to a Note (or by the relevant Guarantor with respect to a Note Guarantee), and as then having paid over the withheld taxes to the Spanish taxing authorities. As a result of this rule, the amount of interest income included in gross income for U.S. federal income tax purposes by a U.S. Holder with respect to a payment of interest may be greater than the amount of cash actually received (or receivable) by the U.S. Holder from the Issuer or the Guarantors with respect to the payment.

Disposition of the Notes

A U.S. Holder will generally recognize gain or loss on the sale, exchange, retirement or other taxable disposition of a Note equal to the difference between the amount realized on the disposition (less an amount equal to any accrued but unpaid qualified stated interest, which will be taxable as interest income to the extent not previously

included in income) and the U.S. Holder's tax basis of the Note. A U.S. Holder's tax basis in a Note will generally be its U.S. dollar cost (as defined below), decreased by any cash payments on the Note other than qualified stated interest. The U.S. dollar cost of a Note purchased with Euro will generally be the U.S. dollar value of the purchase price on the date of purchase, or the settlement date for the purchase, in the case of Notes traded on an established securities market, within the meaning of the applicable U.S. Treasury Regulations, that are purchased by a cash basis U.S. Holder (or an accrual basis U.S. Holder that so elects). The amount realized on a sale, exchange, retirement or other taxable disposition for an amount in Euros will be the U.S. dollar value of this amount on the date of the disposition, or the settlement date of the disposition, in the case of Notes traded on an established securities market, within the meaning of the applicable U.S. Treasury Regulations, sold by a cash basis U.S. Holder (or an accrual basis U.S. Holder that so elects). The election available to accrual basis U.S. Holders in regards to the purchase and sale of Notes traded on an established securities market must be applied consistently to all debt instruments from year to year and cannot be changed without the consent of the IRS.

A U.S. Holder will recognize U.S. source exchange rate gain or loss (taxable as ordinary income or loss) on the sale, exchange, retirement or other taxable disposition of a Note equal to the difference, if any, between the U.S. dollar values of the U.S. Holder's purchase price for the Note (or, if less, the principal amount of the Note) (i) on the date of disposition and (ii) the date on which the U.S. Holder acquired the Note. Any such exchange rate gain or loss (including any exchange gain or loss with respect to the receipt of accrued but unpaid interest) will be realized only to the extent of total gain or loss realized on the sale or retirement. Except to the extent attributable to changes in exchange rates, gain or loss recognized by a U.S. Holder on the sale, exchange, retirement or other taxable disposition of a Note will be capital gain or loss and will be long-term capital gain or loss if the Note was held by the U.S. Holder for more than one year. Long-term capital gains recognized by an individual U.S. Holder generally are subject to tax at a lower rate than short-term capital gains or ordinary income. The deductibility of capital losses is subject to significant limitations.

Gain or loss realized by a U.S. Holder on the sale, exchange, retirement or other taxable disposition of a Note generally will be U.S. source. Prospective purchasers should consult their tax advisers as to the foreign tax credit implications of the sale, exchange, retirement or other taxable disposition of Notes.

Disposition of euros

Euros received as interest on a Note or on the sale, exchange, retirement or taxable disposition of a Note will have a tax basis equal to its U.S. dollar value at the time they are received. Foreign currency that is purchased will generally have a tax basis equal to the U.S. dollar value of the foreign currency on the date of purchase. Any gain or loss recognized on a sale, exchange, retirement or other taxable disposition of a foreign currency (including its use to purchase Notes or upon exchange for U.S. dollars) will be U.S. source ordinary income or loss.

Backup withholding and information reporting

Payments of principal and interest on, and the proceeds of sale, exchange, retirement or other taxable disposition of Notes by a U.S. paying agent or other U.S. intermediary will be reported to the IRS and to the U.S. Holder as may be required under applicable regulations. Backup withholding may apply to these payments if the U.S. Holder fails to provide an accurate taxpayer identification number or certification of exempt status or fails to report all interest and dividends required to be shown on its U.S. federal income tax returns. Certain U.S. Holders are not subject to backup withholding.

Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules may be allowed as a refund or a credit against a U.S. Holder's U.S. federal income tax liability provided the required information is timely furnished to the IRS. U.S. Holders should consult their tax advisers regarding backup withholding and information reporting requirements relating to their ownership of the Notes.

Reportable transactions

A U.S. taxpayer that participates in a "reportable transaction" will be required to disclose its participation to the IRS. Under the relevant rule a U.S. Holder may be required to treat a foreign currency exchange loss from the Notes as a reportable transaction if this loss equals or exceeds the relevant threshold in the regulations (US\$50,000 in a single taxable year, if the U.S. Holder is an individual or trust, or higher amounts for other non-individual U.S. Holders), and to disclose its investment by filing IRS Form 8886. A penalty in the amount of US\$10,000 in the case of a natural person and US\$50,000 in all other cases is generally imposed on any taxpayer that fails to timely file an information return with the IRS with respect to a transaction resulting in a loss

that is treated as a reportable transaction. Prospective purchasers are urged to consult their tax advisers regarding the application of these rules.

Foreign financial asset reporting

Recently enacted legislation imposes new reporting requirements on certain holders of “specified foreign financial assets,” including securities of foreign entities, if the aggregate value of all such assets held by a taxpayer exceeds US\$50,000. The Notes are expected to constitute specified foreign financial assets subject to these requirements unless an exception applies (including an exception for Notes held in accounts maintained by certain financial institutions). U.S. Holders may be subject to this information reporting regime and required to file IRS Form 8938 listing these assets with their U.S. federal income tax return. Failure to file information reports may subject a U.S. Holder to penalties. U.S. Holders are urged to consult their own tax advisers regarding their obligations to file information reports with respect to the Notes.

Certain ERISA Considerations

The following is a summary of certain considerations associated with the purchase of the Notes by employee benefit plans that are subject to Title I of the U.S. Employee Retirement Income Security Act of 1974, as amended (“*ERISA*”), plans, individual retirement accounts and other arrangements that are subject to Section 4975 of the U.S. Internal Revenue Code of 1986, as amended (the “*Code*”) or provisions under any other Federal, state, local, non-U.S. or other laws or regulations that are similar to such provisions of ERISA or the Code (collectively, “*Similar Laws*”), and entities whose underlying assets are considered to include “plan assets” of such plans, accounts and arrangements pursuant to the U.S. Department of Labor “plan assets” regulation, 29 CFR Section 2510.3-101, as amended by Section 3(42) of ERISA (each, a “*Plan*”).

General Fiduciary Matters

ERISA and the Code impose certain duties on persons who are fiduciaries of a Plan subject to Title I of ERISA or Section 4975 of the Code (an “*ERISA Plan*”) and prohibit certain transactions involving the assets of an ERISA Plan and its fiduciaries or other interested parties. Under ERISA and the Code, any person who exercises any discretionary authority or control over the administration of such an ERISA Plan or the management or disposition of the assets of such an ERISA Plan, or who renders investment advice for a fee or other compensation to such an ERISA Plan, is generally considered to be a fiduciary of the ERISA Plan.

In considering an investment in the Notes of a portion of the assets of any Plan, a fiduciary should determine whether the investment is in accordance with the documents and instruments governing the Plan and the applicable provisions of ERISA, the Code or any Similar Law relating to the fiduciary’s duties to the Plan including, without limitation, the prudence, diversification, delegation of control and prohibited transaction provisions of ERISA, the Code and any other applicable Similar Laws.

Prohibited Transaction Laws

Section 406 of ERISA and Section 4975 of the Code prohibit ERISA Plans from engaging in specified transactions involving plan assets with persons or entities who are “parties in interest”, within the meaning of Section 3(14) of ERISA, or “disqualified persons”, within the meaning of Section 4975 of the Code, unless an exemption is available. A party in interest or disqualified person who engages in a non-exempt prohibited transaction may be subject to excise taxes and other penalties and liabilities under ERISA and the Code. In addition, the fiduciary of the ERISA Plan that engaged in such a non-exempt prohibited transaction may be subject to penalties and liabilities under ERISA and/or the Code.

The acquisition and/or holding of the Notes by a Plan with respect to which the Issuer is a party in interest or a disqualified person may constitute or result in a direct or indirect prohibited transaction under Section 406 of ERISA and/or Section 4975 of the Code, unless the investment is acquired and is held in accordance with an applicable statutory, class or individual prohibited transaction exemption. In this regard, the U.S. Department of Labor has issued prohibited transaction class exemptions (“*PTCEs*”) that may apply to the acquisition and holding of the Notes. These class exemptions include, without limitation, PTCE 84-14 respecting transactions determined by independent qualified professional asset managers, PTCE 90-1 respecting insurance company pooled separate accounts, PTCE 91-38 respecting bank collective investment funds, PTCE 95-60 respecting life insurance company general accounts and PTCE 96-23 respecting transactions determined by in-house asset managers. There can be no assurance that any class exemption or any other exemption will be available with respect to any particular transaction involving the Notes, or that if an exemption is available, it will cover all aspects of any particular transaction.

Representation

Accordingly, by acceptance of a Note or any interest therein, each purchaser and holder will be deemed to have represented and warranted that either (i) it is not acquiring or holding the Note with the assets of a Plan, or (ii) the acquisition and holding of the Notes will not result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code or a similar violation under any applicable Similar Laws.

The foregoing discussion is general in nature and is not intended to be all-inclusive. Due to the complexity of these rules and the penalties that may be imposed upon persons involved in non-exempt prohibited transactions, it is particularly important that fiduciaries, or other persons considering purchasing the Notes on behalf of, or with the assets of, any Plan, consult with their counsel regarding the potential applicability of ERISA, Section 4975 of

the Code and any Similar Laws to such investment and whether an exemption would be applicable to the purchase and holding of the Notes.

Plan of Distribution

Subject to the terms and conditions set forth in a purchase agreement (the “*Purchase Agreement*”) dated December 11, 2013, the Issuer has agreed to sell to each Initial Purchaser, and each Initial Purchaser has agreed, severally and not jointly, to purchase from the Issuer the Notes. The Purchase Agreement provides that the obligations of the Initial Purchasers to pay for and accept delivery of the Notes are subject to, among other customary closing conditions, the delivery of certain legal opinions by counsel.

The Purchase Agreement provides that the obligations of the Initial Purchasers to pay for and accept delivery of the Notes are subject to, among other customary closing conditions, the delivery of certain legal opinions by counsel. The Issuer has agreed to pay the Initial Purchasers certain customary fees for their services in connection with the Offering and to reimburse them for certain out-of-pocket expenses.

The Fixed Rate Notes and the Floating Rate Notes will initially be offered at the respective price indicated on the cover page of this offering memorandum. After the initial offering, the offering price and other selling terms of the Fixed Rate Notes and the Floating Rate Notes may from time to time be varied by the Initial Purchasers without notice. One or more of the Initial Purchasers may sell through affiliates or other appropriately licensed entities for sales for the Notes in jurisdictions where they are otherwise not permitted.

The Purchase Agreement provides that the Issuer and each Guarantor will indemnify the Initial Purchasers against certain liabilities, including certain liabilities under the U.S. Securities Act, and will contribute to payments that the Initial Purchasers may be required to make in respect thereof.

During a period of 90 days from the date of this offering memorandum, no company of the Group will offer for sale, sell, contract to sell, grant an option for the sale of, or otherwise dispose of, directly or indirectly (except through the Initial Purchasers or with the prior written consent of the Initial Purchasers), any other debt securities or preferred equity securities issued or guaranteed by any company of the Group (other than the Notes) or securities of any company of the Group that are convertible into, or exchangeable with, the Notes or such other debt securities or preferred equity securities.

The Notes have not been and will not be registered under the U.S. Securities Act. The Initial Purchasers have agreed that they will only offer or sell the Notes (a) in the U.S. to persons reasonably believed to be qualified institutional buyers in reliance on Rule 144A under the U.S. Securities Act, and (b) outside the U.S. in offshore transactions in reliance on Regulation S under the U.S. Securities Act. Terms used above have the meanings given to them by Rule 144A and Regulation S under the U.S. Securities Act.

Until 40 days after the date the Notes are originally issued, an offer or sale of such Notes within the U.S. by a dealer that is not participating in the Offering may violate the registration requirements of the U.S. Securities Act.

Each Initial Purchaser has represented that it (i) has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity, within the meaning of section 21 of FSMA, received by it in connection with the issue or sale of any notes in circumstances in which section 21(1) of the FSMA does not apply to the Issuer and (ii) has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Notes in, from or otherwise involving the United Kingdom.

The Notes will constitute a new class of securities with no established trading market. Application will be made for the Notes to be listed on the Official List of the Luxembourg Stock Exchange and admitted to trading on the Euro MTF market thereof. However, there can be no assurance that the prices at which the Notes will sell in the market after the Offering will not be lower than the initial offering price or that an active trading market for the Notes will develop and continue after the Offering. The Initial Purchasers (or persons acting on their behalf) have advised the Issuer that they currently intend to make a market in the Notes. However, the Initial Purchasers are not obligated to do so, and may discontinue any market-making activities with respect to the Notes at any time without notice. In addition, market-making activity will be subject to the limits imposed by the U.S. Securities Act and the U.S. Securities Exchange Act of 1934 (the “*U.S. Exchange Act*”), and may be limited. Accordingly, there can be no assurance as to the liquidity of or the trading market for the Notes. See “*Risk Factors—Risks Relating to the Notes—An active trading market may not develop for the Notes, in which case your ability to sell the Notes will be more limited*”.

Buyers of the Notes sold by the Initial Purchasers may be required to pay stamp taxes, taxes and other charges in accordance with the laws and practice of the country of purchase in addition to the initial offering price set forth on the cover of this offering memorandum.

The Issuer expects that delivery of the Notes will be made against payment on the Notes on or about the date specified on the cover page of this offering memorandum, which will be five business days (as such term is used for the purposes of Rule 15c6-1 of the U.S. Exchange Act) following the date of pricing of the Notes (this settlement cycle is being referred to as "T+5"). Under Rule 15c6-1 of the U.S. Exchange Act, trades in the secondary market generally are required to settle in three business days unless the parties to any such trade expressly agree otherwise. Accordingly, purchasers who wish to trade the Notes on the date of this offering memorandum or the next two succeeding business days will be required to specify an alternative settlement cycle at the time of any such trade to prevent a failed settlement. Purchasers of the Notes who wish to make such trades should consult their own advisors.

In connection with the issue of the Notes, J.P. Morgan Securities plc or persons acting on its behalf may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, there is no assurance that J.P. Morgan Securities plc or persons acting on its behalf will undertake stabilization action. Any stabilization action may begin on or after the date on which adequate public disclosure of the terms of the offer of Notes is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the Issue Date and 60 days after the date of the allotment of the Notes.

The Initial Purchasers or their affiliates have from time to time and are currently providing and may provide in the future commercial and investment banking, consultancy, financial advisory services and cash management services for the Issuer, the Guarantors and their subsidiaries and affiliates for which they have received or may receive customary fees and expenses. The Initial Purchasers and their affiliates may, from time to time, engage in transactions with, and perform services for, the Issuer, the Guarantors and their subsidiaries and affiliates in the ordinary course of their business. A portion of the proceeds from the issuance of the Notes in this Offering will be used to repay indebtedness under our Existing Credit Facilities. Certain of the Initial Purchasers or their affiliates are a lender or arranger in connection with the Existing Credit Facilities and in their capacities as lenders, will receive a portion of the proceeds of the Offering. Certain Initial Purchasers or their affiliates are acting as arrangers and lenders under, and certain other Initial Purchasers are expected to be lenders under, the Revolving Credit Facility. Certain of the Initial Purchasers are affiliates of shareholders of Empark. See "*Major Shareholders*."

Notice to Investors

You are advised to consult legal counsel prior to making any offer, resale, pledge or other transfer of any of the Notes offered hereby.

The Notes and the Note Guarantees have not been and will not be registered under the U.S. Securities Act, or the securities laws of any other jurisdiction, and, unless so registered, may not be offered or sold except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and the securities laws of any other applicable jurisdiction. Accordingly, the Notes offered hereby are being offered and sold only to qualified institutional buyers (as defined in Rule 144A under the U.S. Securities Act) in reliance on Rule 144A under the U.S. Securities Act and in offshore transactions in reliance on Regulation S under the U.S. Securities Act.

We use the terms “offshore transaction” and “United States” with the meanings given to them in Regulation S.

Each purchaser of the Notes, by its acceptance thereof, will be deemed to have acknowledged, represented to and agreed with the Issuer, each Guarantor and the Initial Purchasers as follows:

- (1) The purchaser understands and acknowledges that the Notes and the Note Guarantees have not been registered under the U.S. Securities Act or the securities laws of any other applicable jurisdiction and that the Notes are being offered for resale in transactions not requiring registration under the U.S. Securities Act or any other securities laws, including sales pursuant to Rule 144A under the U.S. Securities Act, and, unless so registered, may not be offered, sold or otherwise transferred except in compliance with the registration requirements of the U.S. Securities Act and any other applicable securities laws, pursuant to an exemption therefrom or in any transaction not subject thereto and in each case in compliance with the conditions for transfer set forth in paragraphs (4) and (5) below.
- (2) The purchaser is not an “affiliate” (as defined in Rule 144 under the U.S. Securities Act) of the Issuer or any Guarantor, is not acting on behalf of the Issuer or any Guarantor and is either:
 - (a) a qualified institutional buyer, within the meaning of Rule 144A under the U.S. Securities Act and is aware that any sale of these Notes to you will be made in reliance on Rule 144A under the U.S. Securities Act, and such acquisition will be for your own account or for the account of another qualified institutional buyer; or
 - (b) is purchasing the Notes in an offshore transaction in accordance with Regulation S under the U.S. Securities Act.
- (3) The purchaser acknowledges that none of the Issuer, the Guarantors, or the Initial Purchasers, nor any person representing any of them, has made any representation to it with respect to us or the offer or sale of any of the Notes, other than the information contained elsewhere in this offering memorandum, which offering memorandum has been delivered to it and upon which it is relying in making its investment decision with respect to the Notes. It acknowledges that neither the Initial Purchasers nor any person representing the Initial Purchasers make any representation or warranty as to the accuracy or completeness of this offering memorandum. It has had access to such financial and other information concerning us and the Notes as it has deemed necessary in connection with its decision to purchase any of the Notes, including an opportunity to ask questions of, and request information from, the Issuer and the Initial Purchasers.
- (4) The purchaser is purchasing the Notes for its own account, or for one or more investor accounts for which it is acting as a fiduciary or agent, in each case for investment, and not with a view to, or for offer or sale in connection with, any distribution thereof in violation of the U.S. Securities Act or any state or other securities laws, subject to any requirement of law that the disposition of its property or the property of such investor account or accounts be at all times within its or their control and subject to its or their ability to resell such Notes pursuant to Rule 144A, Regulation S or any other exemption from registration available under the U.S. Securities Act, or in any transaction not subject to the U.S. Securities Act.
- (5) If it is purchasing Notes pursuant to Rule 144A, it agrees on its own behalf and on behalf of any investor account for which it is purchasing the Notes, and each subsequent holder of the Notes by its acceptance thereof will be deemed to agree, to offer, sell or otherwise transfer such Notes prior to the date (the “*Resale Restriction Termination Date*”) that is one year after the later of the date of the

original issue and the last date on which we or any of our affiliates were the owner of such Notes (or any predecessor thereto) only (i) to us, (ii) pursuant to a registration statement that has been declared effective under the U.S. Securities Act, (iii) for so long as the Notes are eligible for resale pursuant to Rule 144A under the U.S. Securities Act, to a person it reasonably believes is a qualified institutional buyer that purchases for its own account or for the account of a qualified institutional buyer to whom notice is given that the transfer is being made in reliance on Rule 144A under the U.S. Securities Act, (iv) pursuant to offers and sales that occur outside the United States in compliance with Regulation S under the U.S. Securities Act, or (v) pursuant to any other available exemption from the registration requirements of the U.S. Securities Act, subject in each of the foregoing cases to any requirement of law that the disposition of its property or the property of such investor account or accounts be at all times within its or their control and to compliance with any applicable state securities laws, and any applicable local laws and regulations, and further subject to our and the trustee's rights prior to any such offer, sale or transfer (I) pursuant to clause (v) to require the delivery of an opinion of counsel, certification and/or other information satisfactory to each of them and (II) in each of the foregoing cases, to require that a certificate of transfer in the form appearing on the reverse of the security is completed and delivered by the transferor to the Trustee. The foregoing restrictions on resale will not apply subsequent to the Resale Restriction Termination Date.

- (6) Each purchaser acknowledges that each Rule 144A Note will contain a legend substantially to the following effect:

"THIS NOTE HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT"), OR OTHER SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION. NEITHER THIS NOTE NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE OFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF IN THE ABSENCE OF SUCH REGISTRATION UNLESS THE TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT. THE HOLDER OF THIS NOTE BY ITS ACCEPTANCE HEREOF (1) REPRESENTS THAT (A) IT IS A "QUALIFIED INSTITUTIONAL BUYER" (AS DEFINED IN RULE 144A UNDER THE U.S. SECURITIES ACT) OR (B) IT IS NOT A U.S. PERSON AND IS ACQUIRING THIS NOTE IN AN "OFFSHORE TRANSACTION" PURSUANT TO RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT, (2) AGREES THAT IT WILL NOT, ON ITS OWN BEHALF AND ON BEHALF OF ANY INVESTOR FOR WHICH IT HAS PURCHASED SECURITIES, PRIOR TO (X) THE DATE WHICH IS [IN THE CASE OF THE RULE 144A NOTES: ONE YEAR AFTER THE LATER OF THE ORIGINAL ISSUE DATE HEREOF AND THE LAST DATE ON WHICH THE COMPANY OR ANY AFFILIATE OF THE COMPANY WAS THE OWNER OF THIS NOTE (OR ANY PREDECESSOR OF SUCH NOTE)] [IN THE CASE OF THE REGULATION S NOTES: 40 DAYS AFTER THE LATER OF THE ORIGINAL ISSUE DATE HEREOF AND THE DATE ON WHICH THIS NOTE (OR OF ANY PREDECESSOR OF THIS NOTE) WAS FIRST OFFERED TO PERSONS OTHER THAN DISTRIBUTORS (AS DEFINED IN RULE 902 OF REGULATION S) IN RELIANCE ON REGULATION S] AND (Y) SUCH LATER DATE, IF ANY, AS MAY BE REQUIRED BY APPLICABLE LAW (THE "RESALE RESTRICTION TERMINATION DATE"), OFFER, SELL OR OTHERWISE TRANSFER THIS NOTE EXCEPT (A) TO THE ISSUER, (B) PURSUANT TO A REGISTRATION STATEMENT WHICH HAS BEEN DECLARED EFFECTIVE UNDER THE U.S. SECURITIES ACT, (C) FOR SO LONG AS THE NOTES ARE ELIGIBLE FOR RESALE PURSUANT TO RULE 144A UNDER THE U.S. SECURITIES ACT, TO A PERSON IT REASONABLY BELIEVES IS A "QUALIFIED INSTITUTIONAL BUYER" AS DEFINED IN RULE 144A UNDER THE U.S. SECURITIES ACT THAT PURCHASES FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER TO WHOM NOTICE IS GIVEN THAT THE TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A UNDER THE U.S. SECURITIES ACT, (D) PURSUANT TO OFFERS AND SALES TO NON-U.S. PERSONS THAT OCCUR OUTSIDE THE UNITED STATES IN COMPLIANCE WITH REGULATION S UNDER THE U.S. SECURITIES ACT OR (E) PURSUANT TO ANY OTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT, AND (3) AGREES THAT IT WILL GIVE TO EACH PERSON TO WHOM THIS NOTE IS TRANSFERRED A NOTICE SUBSTANTIALLY TO THE EFFECT OF THIS LEGEND; SUBJECT IN EACH OF THE FOREGOING CASES TO ANY REQUIREMENT OF LAW THAT THE DISPOSITION OF ITS PROPERTY OR THE PROPERTY OF SUCH INVESTOR ACCOUNT OR ACCOUNTS BE AT ALL TIMES WITHIN ITS OR THEIR CONTROL AND IN COMPLIANCE WITH ANY APPLICABLE SECURITIES LAWS OF THE STATES OF THE UNITED STATES AND OTHER JURISDICTIONS AND ANY APPLICABLE LOCAL LAWS AND

REGULATIONS AND FURTHER SUBJECT TO THE ISSUER'S AND THE TRUSTEE'S RIGHTS PRIOR TO ANY SUCH OFFER, SALE OR TRANSFER (I) PURSUANT TO CLAUSES (D) AND (E) TO REQUIRE THE DELIVERY OF AN OPINION OF COUNSEL, CERTIFICATION AND/OR OTHER INFORMATION SATISFACTORY TO EACH OF THEM AND (II) IN EACH OF THE FOREGOING CASES, TO REQUIRE THAT A CERTIFICATE OF TRANSFER IN THE FORM APPEARING ON THE OTHER SIDE OF THIS NOTE IS COMPLETED AND DELIVERED BY THE TRANSFEROR TO THE TRUSTEE.

If the purchaser purchases Notes, it will also be deemed to acknowledge that the foregoing restrictions apply to holders of beneficial interests in these Notes as well as to holders of these Notes.

- (7) The purchaser agrees that it will give to each person to whom it transfers the Notes notice of any restrictions on the transfer of such Notes.
- (8) The purchaser acknowledges that until 40 days after the commencement of the Offering, any offer or sale of the Notes within the United States by a dealer (whether or not participating in the Offering) may violate the registration requirements of the U.S. Securities Act if such offer or sale is made otherwise than in accordance with Rule 144A under the U.S. Securities Act.
- (9) The purchaser acknowledges that the Registrar will not be required to accept for registration or transfer any Notes acquired by it except upon presentation of evidence satisfactory to the Issuer and the Registrar that the restrictions set forth therein have been complied with.
- (10) The purchaser acknowledges that the Issuer, the Guarantors, the Initial Purchasers and others will rely upon the truth and accuracy of its acknowledgements, representations, warranties and agreements and agrees that if any of the acknowledgements, representations, warranties and agreements deemed to have been made by its purchase of the Notes are no longer accurate, it shall promptly notify the Initial Purchasers. If it is acquiring any Notes as a fiduciary or agent for one or more investor accounts, it represents that it has sole investment discretion with respect to each such investor account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of each such investor account.
- (11) The purchaser understands that no action has been taken in any jurisdiction (including the United States) by the Issuer, the Guarantors or the Initial Purchasers that would result in a public offering of the Notes or the possession, circulation or distribution of this offering memorandum or any other material relating to us or the Notes in any jurisdiction where action for such purpose is required. Consequently, any transfer of the Notes will be subject to the selling restrictions set forth under "*Plan of Distribution*" and "*Important Information*".

Legal Matters

Certain legal matters will be passed upon for us, the Issuer and the Guarantors by Cravath, Swaine & Moore LLP, as to matters of U.S. Federal law and New York law, J&A Garrigues, S.L.P., as to matters of Spanish law, Garrigues Portugal, S.L.P.—Sucursal as to matters of Portuguese law, Loyens & Loeff Luxembourg S.à r.l. as to matters of Luxembourg law and White & Case LLP as to matters of English law. Certain legal matters will be passed upon for the Initial Purchasers by Simpson Thacher & Bartlett LLP, as to matters of U.S. Federal law, New York law and English law, Cuatrecasas Gonçalves Pereira, S.L.P. as to matters of Spanish law, Cuatrecasas Gonçalves Pereira, R.L. as to matters of Portuguese law and Clifford Chance, Luxembourg as to matters of Luxembourg law.

Independent Auditors

The consolidated financial statements of Empark as of and for the years ended December 31, 2010, 2011 and 2012 included in this offering memorandum are prepared in accordance with IFRS and have been audited by Ernst & Young, S.L., independent auditors, as stated in their reports appearing therein.

The unaudited condensed consolidated financial statements of Empark as of and for the nine months ended September 30, 2012 and 2013 are prepared in accordance with IAS 34 and have been reviewed in accordance with ISRE 2410 by Ernst & Young, S.L., independent auditors.

Enforcement of Civil Liabilities

The Issuer is incorporated under the laws of Luxembourg and none of its directors are residents of the United States. Furthermore, a substantial portion of the Issuer's assets and a substantial portion of the assets of such persons are located outside the United States. As a result, it may not be possible for investors to effect service of process within the United States upon the Issuer or such persons, or to enforce against them judgments of U.S. courts predicated upon the civil liability provisions of U.S. Federal or state securities laws.

If a judgment is obtained in a U.S. court against the Issuer or a Guarantor, purchasers will need to enforce such judgment in jurisdictions where the relevant company has assets. Even though the enforceability of U.S. court judgments outside the United States is described below for the countries in which the Issuer and the Guarantors are located, you should consult with your own advisors in any pertinent jurisdictions as needed to enforce a judgment in those countries or elsewhere outside the United States.

Luxembourg

We have been advised by our Luxembourg counsel that the United States and Luxembourg are not currently bound by a treaty providing for reciprocal recognition and enforcement of judgments, other than arbitral awards rendered in civil and commercial matters. According to such counsel, an enforceable judgment for the payment of monies rendered by any U.S. federal or state court based on civil liability, whether or not predicated solely upon the U.S. securities laws, would not be directly enforceable in Luxembourg. However, a party who received such favorable judgment from a U.S. state or federal court, may initiate enforcement proceedings in Luxembourg (*exequatur*) by requesting enforcement of the U.S. judgment by the District Court (*Tribunal d'Arrondissement*) pursuant to Article 678 et seq. of the *Luxembourg Nouveau Code de Procédure Civile*. The District Court will authorize the enforcement in Luxembourg of the U.S. judgment if it is satisfied that all of the following conditions are met:

- the U.S. court awarding the judgment has jurisdiction to adjudicate the respective matter under its applicable U.S. Federal or state jurisdictions rules, and the jurisdiction of such U.S. court is recognized by Luxembourg private international and local law;
- the U.S. judgment is final and enforceable (*exécutoire*) in the in the United States;
- the U.S. court has applied the substantive law as designated by the Luxembourg conflict of laws rules or, at least, the court order must not contravene the principles underlying those rules;
- the U.S. court must have applied the proper law to the matter submitted to it and has acted in accordance with its own procedural laws;
- the U.S. judgment must not have been obtained subsequent to an evasion of Luxembourg law (*fraude à la loi luxembourgeoise*) and must have been granted following proceedings where the counterparty had the opportunity to appear, and if appeared, to present a defense; and
- the U.S. judgment does not contravene international public policy or order as understood under the laws of Luxembourg and has not been given in proceedings of a criminal, penal or tax nature (which would include awards of damages made under civil liabilities provisions of the U.S. federal securities laws, or other laws, to the extent that the same would be classified by Luxembourg courts as being of a penal or punitive nature (for example, fines or punitive damages)).

Subject to the above conditions, Luxembourg courts tend not to review the merits of a foreign judgment, although there is no statutory prohibition.

We have also been advised by our Luxembourg counsel that if an original action is brought in Luxembourg, Luxembourg courts may refuse to apply the designated law (i) if the choice of such law was not made *bona fide*, or (ii) if the foreign law was not pleaded and proved or (iii) if pleaded and proved, such foreign law would be contrary to mandatory Luxembourg laws or manifestly incompatible with Luxembourg public policy or public order rules. In an action brought in Luxembourg on the basis of U.S. Federal or state securities laws, Luxembourg courts may not have the requisite power to grant the remedies sought. Also, an *exequatur* may be refused in respect of punitive damages.

Further, in the event of any proceedings being brought in a Luxembourg court in respect of a monetary obligation expressed to be payable in a currency other than euro, a Luxembourg court would have power to give judgment expressed as an order to pay a currency other than euro. However, enforcement of the judgment against any

party in Luxembourg would be available only in euro and for such purposes all claims or debts would be converted into euro.

Spain and Portugal

Empark and certain other of the Subsidiary Guarantors are organized under the laws of Spain with limited liability. The controlling shareholders of Empark, and the directors and the executive officers of Empark and the other Spanish Guarantors are non-residents of the United States and a significant portion of the assets of such persons are located outside the United States. As a result, in order to enforce in Spain a judgment entered in another jurisdiction, the service of process on such persons or Empark or the other Spanish Guarantors outside Spain must be made in accordance with the Law of Civil Procedure (Ley de Enjuiciamiento Civil). An investor may also experience difficulty in effecting service of process on or enforcing judgments against such persons or Empark or the other Spanish Guarantors based on civil liability provisions of the U.S. Federal and state securities laws or other laws.

We have been advised by our Spanish counsel that the United States and Spain are not currently bound by a treaty providing for reciprocal recognition and enforcement of judgments. In the absence of any such treaty or proof that similar Spanish judgments are not recognized and enforced in the jurisdiction rendering the judgment (in which case the judgment will not be recognized in Spain), such judgment will be recognized and enforced in Spain provided that it meets the following requirements:

- (i) the U.S. foreign judgment must be final, translated into Spanish and apostilled;
- (ii) the U.S. foreign judgment shall not be contrary to Spanish public policy;
- (iii) there shall not be a pending proceeding between the same parties and in relation to the same issues in Spain;
- (iv) there shall not be a judgment rendered between the same parties and for the same cause of action in Spain or in another country provided that in this latter case the judgment has been recognized in Spain;
- (v) where rendering the U.S. foreign judgment, the courts rendering it must not have infringed an exclusive ground of jurisdiction provided for in Spanish law or have based their jurisdiction on exorbitant grounds;
- (vi) the rights of defense of the defendant should have been protected where rendering the foreign judgment, including but not limited to a proper service of process carried out with sufficient time for the defendant to prepare its defense and appear before the courts;
- (vii) the legal action has to be taken with acknowledgment and appearance of the defendant in the proceeding; and
- (viii) the obligation that the petitioner tries to execute has to be lawful in Spain.

Certain of the Guarantors, including Emparque, are organized under the laws of Portugal with limited liability. The directors and the executive officers of the Portuguese Guarantors are non-residents of the United States and a significant portion of the assets of such persons are located outside the United States. As a result, in order to enforce in Portugal a judgment entered in another jurisdiction, the service of process on such persons or the Portuguese Guarantors outside Portugal must be made in accordance with the Portuguese Code of Civil Procedure. An investor may also experience difficulty in effecting service of process on or enforcing judgments against such persons or the Portuguese Guarantors based on civil liability provisions of the U.S., Federal and state securities laws or other laws.

We have been advised by our Portuguese counsel that the United States and Portugal are not currently bound by a treaty providing for reciprocal recognition and enforcement of judgments. In the absence of any such treaty such judgment will be recognized and enforced in Portugal according to the procedures set out in Portuguese Code of Civil Procedure for the recognition of foreign judgments provided that it meets the following requirements:

- (i) the judgment must be final, translated into Portuguese and apostilled without doubts as to the authenticity of the document and the contents of the judgment;
- (ii) the judgment shall not be contrary to Portuguese public policy and the obligation that the petitioner is attempting to execute has to be lawful in Portugal;

- (iii) there shall not be a pending proceeding between the same parties and in relation to the same issues in Portugal;
- (iv) there shall not be a judgment rendered between the same parties and for the same cause of action in Portugal or in another country;
- (v) the matters under discussion shall not be related to matters in which the Portuguese courts consider themselves exclusively competent, and the competency of such foreign courts shall not have been obtained by unlawfully circumventing applicable rules; and
- (vi) the rights of defense of the defendant should have been protected when rendering the foreign judgment (*princípio do contraditório*), including but not limited to a proper service of process carried out with sufficient time for the defendant to prepare its defense and appear before the courts and notification (*citação*), and with respect for the principle of equal treatment of the parties.

Available Information

Each purchaser of the Notes from the Initial Purchasers will be furnished with a copy of this offering memorandum and any related amendments or supplements to this offering memorandum. Each person receiving this offering memorandum and any related amendments or supplements to this offering memorandum acknowledges that:

- (1) such person has been afforded an opportunity to request from us, and to review, and has received, all additional information considered by it to be necessary to verify the accuracy and completeness of the information herein;
- (2) such person has not relied on the Initial Purchasers or any person affiliated with the Initial Purchasers in connection with its investigation of the accuracy of such information or its investment decision; and
- (3) except as provided pursuant to paragraph (1) above, no person has been authorized to give any information or to make any representation concerning the Notes or the Note Guarantees offered hereby other than those contained herein and, if given or made, such other information or representation should not be relied upon as having been authorized by us or the Initial Purchasers.

For so long as any of the Notes remain outstanding and are “restricted securities” within the meaning of Rule 144(a)(3) under the U.S. Securities Act, we will, during any period in which we are neither subject to the reporting requirements of Section 13 or 15(d) of the U.S. Exchange Act, nor exempt from the reporting requirements under Rule 12g3-2(b) of the U.S. Exchange Act, provide to the holder or beneficial owner of such restricted securities or to any prospective purchaser of such restricted securities designated by such holder or beneficial owner, in each case upon the written request of such holder, beneficial owner or prospective purchaser, the information required to be provided by Rule 144A(d)(4) under the U.S. Securities Act to permit compliance with Rule 144A thereunder in connection with resales of the Notes.

We are not currently subject to the periodic reporting and other information requirements of the U.S. Exchange Act. However, pursuant to the Indenture and so long as the Notes are outstanding, we will furnish periodic information to holders of the Notes. See “*Description of Notes—Certain Covenants—Reports*”.

Upon request, we will provide you with copies of the Indenture, the form of the Notes and any notation of guarantee and the Intercreditor Agreement. You may request copies of such documents free of charge by contacting the Issuer at its registered office or contacting the office of the Registrar in Luxembourg.

So long as the Notes are admitted to trading on the Euro MTF Market of the Luxembourg Stock Exchange, and the rules and regulations of such stock exchange so require, copies of such information will also be available for review during normal business hours on any business day at the registered office of the Issuer and from the office of the Registrar in Luxembourg. See “*Listing and General Information*”.

Listing and General Information

Listing Information

We will apply for the Notes to be listed on the Official List of the Luxembourg Stock Exchange and admitted to trading on the Euro MTF market of the Luxembourg Stock Exchange. Notice of any optional redemption, change of control or any change in the rate of interest payable on the Notes will be published in a Luxembourg newspaper of general circulation (which is expected to be the *Luxemburger Wort*) or, to the extent and in the manner permitted by such rules, posted on the official website of the Luxembourg Stock Exchange (www.bourse.lu).

For so long as the Notes are listed on the Luxembourg Stock Exchange and the rules of that exchange require, copies of the following documents may be inspected and obtained free of charge from the registered office of the Issuer or from the office of the Registrar in Luxembourg:

- the organizational documents of the Issuer and the Guarantors;
- our most recent audited consolidated financial statements, and any interim financial statements published by us;
- the purchase agreement relating to the Notes;
- the Indenture (which includes the form of the Notes);
- the Intercreditor Agreement; and
- the Security and Guarantee Documents.

According to Part I Chapter 5, Section 502 of the Rules and Regulations of the Luxembourg Stock Exchange, the Notes will be freely transferable on the Luxembourg Stock Exchange in accordance with applicable law.

Clearing Information

The Fixed Rate Notes sold pursuant to Regulation S and the Fixed Rate Notes sold pursuant to Rule 144A in this Offering have been accepted for clearance through the facilities of Clearstream and Euroclear under common codes 098271104 and 098271066, respectively. The ISIN for the Fixed Rate Notes sold pursuant to Regulation S is XS0982711045 and the ISIN for the Fixed Rate Notes sold pursuant to Rule 144A is XS0982710666.

The Floating Rate Notes sold pursuant to Regulation S and the Floating Rate Notes sold pursuant to Rule 144A in this Offering have been accepted for clearance through the facilities of Clearstream and Euroclear under common codes 098271295 and 098271040, respectively. The ISIN for the Floating Rate Notes sold pursuant to Regulation S is XS0982712951 and the ISIN for the Floating Rate Notes sold pursuant to Rule 144A is XS0982710401.

Issuer Legal Information

The Issuer was incorporated as a public limited liability company (*société anonyme*) on November 28, 2013 under the name Empark Funding S.A. for an unlimited duration under the laws of the Grand Duchy of Luxembourg registered with the Luxembourg Register of Commerce and Companies under number B 182.119. Its registered office is located at 13-15 Avenue de la Liberté, L-1931 Luxembourg, Grand Duchy of Luxembourg.

The Issuer's subscribed share capital amounts to €31,000, divided into thirty-one thousand (31,000) registered shares, having a nominal value of €1 each. All of the shares are fully paid up. Empark is the sole shareholder of the Issuer.

Corporate Governance. The Issuer is a special purpose vehicle that engages in limited activities. It is primarily governed by its board of directors, which currently consists of the following two class A directors and three class B directors:

The following individuals have been appointed as class A directors of the Issuer:

- Pedro Maria Povoas Mendes Leal, economist, born on January 28, 1958 in Madrid, Spain, having its professional address at Rua Joaquim António de Aguiar, 19-1º, Lisboa (1070-149), Portugal; and
- Gonzalo Gómez Navarro, business administration, born on September 4, 1969 in Madrid, Spain, having its professional address at Plaza Manuel Gómez Moreno, 2, Madrid (28020), Spain.

The following individuals have been appointed as class B directors of the Issuer:

- Harald Thul, director, born on March 13, 1972 in Bonn, Germany, having his professional address at 13-15 Avenue de la Liberté, L-1931 Luxembourg, Grand-Duchy of Luxembourg;
- Vladimir Mornard, senior account manager, born on May 18, 1979 in Verviers, Belgium, having his professional address at 13-15 Avenue de la Liberté, L-1931 Luxembourg Grand-Duchy of Luxembourg; and
- Hille-Paul Schut, director born on September 29, 1977 in 's-Gravenhage, the Netherlands, having his professional address at 13-15 Avenue de la Liberté, L-1931 Luxembourg, Grand-Duchy of Luxembourg.

The Issuer is unaware of any conflicts of interest between the duties that any of its directors owes to the Issuer and such director's private interests or other duties. Intertrust Corporate Services (Luxembourg) S.à r.l. is the domiciliation agent of the Issuer. Its duties include the provision of certain administrative and other services. Its appointment may be terminated and it may retire upon giving 30 days' prior notice, provided that it furnishes the Issuer and the Trustee with a list of at least three suitable domiciliation agency providers that might serve as a replacement.

The Issuer is established for the purposes described in Article 3 of its Articles of Association, which is copied below.

The corporate object of the Issuer is:

- the acquisition of participations, in Luxembourg or abroad, in any company or enterprise in any form whatsoever, and the management of those participations. The Issuer may in particular acquire, by subscription, purchase and exchange or in any other manner, any stock, shares and other participation securities, bonds, debentures, certificates of deposit and other debt instruments and, more generally, any securities and financial instruments issued by any public or private entity. It may participate in the creation, development, management and control of any company or enterprise. Further, it may invest in the acquisition and management of a portfolio of patents or other intellectual property rights of any nature or origin.
- The Issuer may borrow in any form. It may issue notes, bonds and any kind of debt and equity securities. It may lend funds, including, without limitation, the proceeds of any borrowings, to its subsidiaries, affiliated companies and any other companies. It may also give guarantees and pledge, transfer, encumber or otherwise create and grant security over some or all of its assets to guarantee its own obligations and those of any other company, and, generally, for its own benefit and that of any other company or person. For the avoidance of doubt, the Issuer may not carry out any regulated financial sector activities without having obtained the requisite authorisation.
- The Issuer may use any techniques, legal means and instruments to manage its investments efficiently and protect itself against credit risks, currency exchange exposure, interest rate risks and other risks.
- The Issuer may carry out any commercial, financial or industrial operation and any transaction with respect to real estate or movable property, which directly or indirectly, favours or relates to its corporate object.

The issue of the Notes was authorized pursuant to a resolution of the board of directors of the Issuer adopted on December 6, 2013.

Issuer's Financial Year and Accounts

The Issuer's financial year begins on January 1 and ends on December 31 of each year, except for the current financial year that started on November 28, 2013. The Issuer does not publish any interim financial statements. Indebtedness of the Issuer will be limited to the Indebtedness it is permitted to incur under the Indenture, as described in the Description of the Notes.

The Issuer will prepare and publish annual audited financial statements. Any future published financial statements prepared by the Issuer will be available, during normal business hours, at the registered office of the Issuer.

Ernst & Young S.A., having its registered office at, 7, rue Gabriel Lippmann, L-5365 Munsbach and registered with the Luxembourg Register of Commerce and Companies under number B-47771, was appointed to act as external auditor (*réviseur d'entreprises agréé*) of the Issuer. Ernst & Young S.A. is a member of the Luxembourg body of registered auditors (*Institut des Réviseurs d'Entreprises*).

Parent Guarantor's Financial Year and Accounts

The Parent Guarantor's financial year begins on January 1 and ends on December 31 of each year. The Parent Guarantor will prepare and publish annual audited financial statements. Any future published financial statements

prepared by the Parent Guarantor will be available, during normal business hours, at the executive offices of the Parent Guarantor.

General

Except as disclosed in this offering memorandum:

- there has been no material adverse change in our consolidated financial position since the date of our last audited financials; and
- neither we nor any of our subsidiaries is a party to or has been involved in any litigation, administrative proceeding or arbitration relating to claims or amounts which are material in context of the issuance of the Notes except as otherwise disclosed in the offering memorandum, and, so far as we are aware, no such litigation, administrative proceeding or arbitration is pending or threatened.

For the avoidance of doubt, the provisions of articles 86 to 94-8 (inclusive) of the Luxembourg law on commercial companies of August 10, 1915 as amended, do not apply and are excluded.

The registered addresses of the guarantors (other than the Issuer) are as follows: (1) Empark Aparcamientos y Servicios, S.A., Plaza Manuel Gómez Moreno, 2, 28020 Madrid, Spain, (2) Dornier, S.A.U., Plaza Manuel Gómez Moreno, 2, 28020 Madrid, Spain, (3) Estacionamientos Guipuzcoanos, S.A., Calle Ronda, 1, 20001 San Sebastián, Spain, (4) Femet, S.A., Plaza Manuel Gómez Moreno, 2, 28020 Madrid, Spain, (5) Balsol 2001, S.A., Calle Santa Eugenia, 9-11, 17002 Gerona, Spain, (6) Empark Portugal—Empreendimentos e Exploração de Parqueamentos, S.A., Rua Joaquim António de Aguiar, 19, Coracon de Jesus, Lisbon, Portugal and (7) Esli-Parques de Estacionamento, S.A., Rua Joaquim António de Aguiar, 19, Coracon de Jesus, Lisbon, Portugal.

Empark Funding S.A.

Balance Sheet as of 30 December 2013

(unaudited)

The financial information set forth below is based on corporate records and is not audited.

	Euros
	30/12/2013
	(not audited)
ASSETS	
Fixed assets	387,000,000.00
Financial fixed assets	387,000,000.00
Amounts owed by affiliated undertakings	387,000,000.00
Current Assets	1,030,665.19
Debtors	1,000,708.34
Amounts owed by affiliated undertakings	1,000,708.34
becoming due and payable within a year	1,000,708.34
Cash at bank, cash in postal cheque accounts, cheques and cash in hand	29,956.85
Total Assets	388,030,665.19
	Euros
	30/12/2013
	(not audited)
LIABILITIES	
Capital and reserves	2,076,375.28
Subordinated capital	31,000.00
Share premium and similar premiums	2,000,000.00
Profit or loss for the financial period	45,375.28
Non subordinated debts	385,954,289.91
Debenture loans	385,910,562.50
Non convertible loans	385,910,562.50
becoming due and payable within a year	910,562.50
becoming due and payable after more than one year	385,000,000.00
Trade creditors	40,517.41
becoming due and payable within a year	40,517.41
Tax and social security debts	3,210.00
Tax debts	3,210.00
Total Liabilities	388,030,665.19

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EMPARK

EMPARK Aparcamientos y Servicios, S.A. and Subsidiaries

**Interim condensed consolidated financial
statements and interim consolidated
management report for the nine-month period
ended 30 September 2013.**

empark

EMPARK Aparcamientos y Servicios, S.A. and Subsidiaries

Interim consolidated financial statements for the nine-month period ended 30 September 2013

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EMPARK Aparcamientos y Servicios, S.A. and Subsidiaries

Interim consolidated financial statements for the nine-month period ended 30 September 2013

Consolidated statements of financial position as of 30 September 2013 and December 2012

Assets	Note	Thousands of Euros	
		30/09/2013 (not audited)	31/12/2012
Non-current assets		702.908	716.526
Goodwill.....	6	144.597	144.763
Intangible assets	4	443.029	453.541
Property, plant and equipment	5	74.641	74.702
Investments registered using the equity method	7	11.080	10.949
Long-term financial investments	8	2.392	2.739
Credits to companies		1.960	2.037
Other financial assets		432	702
Deferred tax assets	20	27.169	29.832
Current assets		72.682	67.696
Stock	10	9.359	9.506
Trade and other receivables		37.382	43.518
Clients through sales and services provided	8	30.720	38.594
Group company clients	8	218	72
Other debtors	8	3.489	2.802
Current Tax Assets		1.720	—
Other credits with Public Authorities		1.235	2.050
Investments in related companies	8, 9	301	15
Corporate loans		301	15
Short-term financial investments.....	8	1.518	707
Other financial assets		1.518	707
Short-term accruals and deferrals.....		228	305
Cash and other equivalent liquid assets.....	11	23.894	13.645
Total Assets		775.590	784.222

Notes 1 to 28 are an integral part of the Interim Condensed Consolidated Financial Statements for the nine-month period ended 30 September 2013.

EMPARK Aparcamientos y Servicios, S.A. and Subsidiaries

Interim consolidated financial statements for the nine-month period ended 30 September 2013

Consolidated statements of financial position as of 30 September 2013 and 31 December 2012

Net Equity and Liabilities	Note	Thousands of Euros	
		30/09/2013 (not audited)	31/12/2012
Net Equity		130.820	126.016
Shareholders equity		127.306	129.389
Capital	12 a	68.196	68.196
Share premium	12 b	36.940	36.940
Reserves and results from previous years	13	12.972	20.286
Non-distributable reserves		13.540	13.540
Other reserves		8.664	8.664
Result from previous years		(9.232)	(1.918)
Reserves in consolidated companies		6.621	8.607
Reserves in companies by the equity method		4.735	4.620
Result of the financial year attributed to the Group	13	(2.158)	(9.260)
Hedging operations	14	(6.167)	(12.672)
Minority		9.681	9.299
Non-current liabilities		548.532	549.721
Long-term provisions	19	51.175	48.409
Obligations through long-term personnel provisions		132	129
Other provisions		51.043	48.280
Long-term debts	15	468.154	468.548
Debts with credit institutions	15 a	449.459	453.682
Debts with related companies	16	7.885	7.826
Other debts	16	10.810	7.040
Derivatives	14, 17	3.068	6.220
Long-term accruals and deferrals	18	429	611
Deferred through deferred taxes	20	25.706	25.933
Current liabilities		96.238	108.485
Short-term provisions		3.076	5.854
Short-term debts		43.230	42.185
Debts with credit institutions	15 b	43.209	42.084
Debts with related companies	15 c	21	101
Trade creditors and other accounts payable	15	36.510	40.812
Suppliers		13.799	21.788
Sundry creditors		11.739	9.970
Personnel (accrued wages and salary)		1.543	819
Liabilities through current tax		—	275
Other debts with Public Authorities		8.193	7.737
Client advances		1.236	223
Derivatives	14, 17	7.822	13.842
Other current liabilities	15	4.407	4.665
Short-term accruals and deferrals		1.193	1.127
Total Net Equity and Liabilities		775.590	784.222

Notes 1 to 28 are an integral part of the Interim Condensed Consolidated Financial Statements for the nine-month period ended 30 September 2013.

EMPARK Aparcamientos y Servicios, S.A. and Subsidiaries

Interim consolidated financial statements for the nine-month period ended 30 September 2013

Consolidated statements of income for the nine-month periods ended 30 September 2013 and 2012

		Thousands of Euros	
	Note	30/09/2013 (not audited)	30/09/2012 (not audited)
ONGOING OPERATIONS			
Net turnover		132.650	136.028
Sales and services	22	132.650	136.028
Variation in stocks of finished products and products in process	10	(118)	(196)
Supplies	10	(635)	(416)
Other operating income	22	1.801	2.123
Other revenue		1.628	1.546
Operating subsidies incorporated in result for the financial year		33	—
Other non-recurrent revenue	23	140	577
Personnel costs		(55.220)	(58.309)
Wages, salaries, et al.		(43.797)	(41.792)
Social security costs		(10.860)	(11.911)
Other non-recurrent personnel expenses		(563)	(4.606)
Other operating expenses		(32.057)	(34.851)
External services		(29.463)	(32.320)
Taxes		(2.149)	(2.074)
Other operating expenses		(244)	(354)
Other non-recurrent operating expenses		(201)	(103)
Amortisation of fixed assets	4, 5	(21.446)	(22.125)
Provisions and losses through unrecoverable receivables		(924)	(1.071)
Impairment and result through disposal of fixed assets		48	—
Operating result		24.099	21.183
Financial revenue	24	202	520
Financial expenses	24	(21.586)	(25.174)
Financial expenses through hedges	24	(6.360)	(4.422)
Financial result		(27.744)	(29.076)
Share in results of equity-consolidated companies	7	773	1.154
Pre-tax consolidated results		(2.872)	(6.739)
Corporate income tax	20	1.093	1.843
Consolidated results from ordinary operations		(1.779)	(4.896)
Consolidated yearly results from discontinued operations		—	—
Results attributed to minority interests		(379)	(20)
Results attributed to the Group (profit/loss)	13	(2.158)	(4.916)
Profit by action (basic and diluted)	12	(0,19)	(0,43)

Notes 1 to 28 are an integral part of the Interim Condensed Consolidated Financial Statements for the nine-month period ended 30 September 2013.

EMPARK Aparcamientos y Servicios, S.A. and Subsidiaries

Interim consolidated financial statements for the nine-month period ended 30 September 2013

Consolidated overall statements of income for the nine-month periods ended 30 September 2013 and 2012

	Thousands of Euros	
	30/09/2013 (not audited)	30/09/2012 (not audited)
Consolidated result of the financial year attributed to the Group	(2.158)	(4.916)
Minority interests	379	20
Financial net result	(1.779)	(4.896)
In reserves through revaluation of non-listed assets and liabilities		
Changes in the fair value if hedging operations	9.172	(2.354)
Taxation affect.....	(2.667)	662
	6.505	(1.692)
TOTAL RECOGNISED REVENUE AND EXPENDITURE	4.726	(6.588)

Notes 1 to 28 are an integral part of the Interim Condensed Consolidated Financial Statements for the nine-month period ended 30 September 2013.

EMPARK Aparcamientos y Servicios, S.A. and Subsidiaries

Interim consolidated financial statements for the nine-month period ended 30 September 2013

Consolidated statement of changes in equity for the nine-months periods ended 30 September 2013 and 31 December 2013 and 2012

Thousands of Euros	Declared Capital	Share premium	Reserves and results of previous years	Result of the financial year attributed to the dominant Group	Reserves in consolidated companies	Reserves in companies by the equity method	Adjustments due to value changes	Minority interests	TOTAL
BALANCE, END OF 2011	68,196	36,940	22,204	1,599	6,584	3,445	(9,972)	9,706	138,702
Total F-8ecognized revenue and expenditure.....	–	–	–	(4,916)	–	–	(1,692)	20	(6,588)
Distribution of result 2011									
– Reserves.....	–	–	(1,918)	1,599	2,647	881	–	(39)	(28)
BALANCE AS OF SEPTEMBER 2012	68,196	36,940	20,286	(4,916)	9,231	4,326	(11,664)	9,681	132,086
BALANCE, END OF 2012	68,196	36,940	20,286	(9,260)	8,607	4,620	(12,672)	9,299	126,016
Total F-8ecognized revenue and expenditure.....	–	–	–	(2,158)	–	–	6,505	379	4,726
Distribution of result 2012									
– Reserves.....	–	–	(7,314)	9,260	(1,986)	115	–	3	78
BALANCE AS OF SEPTEMBER 2013	68,196	36,940	12,972	(2,158)	6,621	4,735	(6,167)	9,681	130,820

Notes 1 to 28 are an integral part of the Interim Condensed Consolidated Financial Statements for the nine-month period ended 30 September 2013.

EMPARK Aparcamientos y Servicios, S.A. and Subsidiaries

Interim consolidated financial statements for the nine-month period ended 30 September 2013

Consolidated statements of cash flow for the nine-month periods ended 30 September 2013 and 2012

	Note	Thousands of Euros	
		30/09/2013 (not audited)	30/09/2012 (not audited)
Financial year result before tax.....		(2.872)	(6.739)
Adjustments to result		49.293	50.541
Changes in current capital		6.479	8.449
Other cash flows from operating activities		(24.647)	(25.643)
Cash flow from operating activities	25	28.253	26.608
Payments through investments		(12.022)	(11.284)
Payments through divestments		109	571
Cash flows from investment activities	25	(11.913)	(10.713)
Sums received and paid through financial liability instruments		(6.091)	(15.983)
Cash flows from financing activities	25	(6.091)	(15.983)
Changes in cash and cash equivalents		10.249	(88)
Opening cash and cash equivalents at the start of the financial period		13.645	28.072
Opening cash and cash equivalents at the end of the financial period	11	23.894	27.984

Notes 1 to 28 are an integral part of the Interim Condensed Consolidated Financial Statements for the nine-month period ended 30 September 2013.

EMPARK Aparcamientos y Servicios, S.A. and Subsidiaries

1 Group activities and consolidation scope

1.1 Companies forming the Group and their business

EMPARK Aparcamientos y Servicios, S.A. and Subsidiaries (hereinafter the “Group”) is formed by the controlling company Empark Aparcamientos y Servicios, S.A., and its subsidiaries, joint ventures and associates. The domiciled corporate address is: Plaza Manuel Gómez Moreno 2, planta 9, Edificio Alfredo Mahou, Madrid.

Through these companies the Group engages in various lines of business, which constitute its reporting segments in accordance with IFRS 8.

Empark Aparcamientos y Servicios, S.A. (hereinafter the “Parent Company”), previously known as Cintra Aparcamientos, S.A. and previously known as Ferrovial Aparcamientos, S.A. and previously as Ferrevisa, S.A., engages in the construction and operation of car parks under the public authority concession system as its main corporate activity. Such concessions stipulate that, on expiry of the term of the concession, car parks shall be returned to the granting authority in perfect working condition, without any consideration whatsoever on this head in favour of the Group. The Subsidiaries engage in the same activity as the Parent Company.

As of 30 September 2013 the Group included 30 subsidiary companies, 5 associates, participated in 3 JVs and in 3 joint businesses.

For the purposes of drawing up these Consolidated Interim Financial Statements it is understood that a group exists when the parent company has one or more subsidiaries, defined as F-10 recognized F-10io over which the Parent Company exercises either direct or indirect control. The accounting criteria applied in preparing the Group consolidated interim financial statements and the scope of consolidation is set forth below.

Empark Aparcamientos y Servicios, S.A., the Parent Company, was incorporated in Madrid on July 29, 1986 as a public limited liability company. It is registered with the Company Registry of Madrid, on sheet M-53,866, page 86, volume 14,090, and section 8 of the Companies Book. The most recent adaptation and revision of its articles of incorporation, based on the Company Register of Madrid, is registered in volume 21,897, section 8, book 0, page 222, sheet M-53866, entry no. 113.

The financial and tax year of all the Group's subsidiaries coincides with the natural calendar year and no subsidiary is listed on the Stock Market. The scope of Consolidation is the following:

30/09/2013

Company	Address	% Holding	Company holding the investment	Net value investment	Method Consolidation	Activity
Estacionamientos Guipuzcoanos, S.L.U. ^(a)	Ronda, 1, 1º San Sebastián	100.00%	Empark Aparcamientos y Servicios, S.A.	40,543	Full consolidation	2*
Guadianapark, S.A. ^(c)	Pza. Manuel Gómez Moreno, 2 Madrid	75.00%	Empark Aparcamientos y Servicios, S.A.	1,269	Full consolidation	2*
Balsol 2001, S.A. ^(c)	Santa Eugenia, 9 Gerona	50.00%	Empark Aparcamientos y Servicios, S.A.	1,496	Full consolidation	2*
Balsol 2001, S.A. ^(c)	Santa Eugenia, 9 Gerona	50.00%	Dornier, S.A.U	1,385	Full consolidation	2*
Dornier, S.A.U. ^(a)	Pza. Manuel Gómez Moreno, 2 Madrid	100.00%	Empark Aparcamientos y Servicios, S.A.	21,313	Full consolidation	2*
Femet, S.A. ^(c)	Pza. Manuel Gómez Moreno, 2 Madrid	0.05%	Empark Aparcamientos y Servicios, S.A.	7	Full consolidation	2*
Femet, S.A. ^(c)	Pza. Manuel Gómez Moreno, 2 Madrid	99.95%	Dornier, S.A.U	1,405	Full consolidation	2*
Sociedad Municipal de Aparcamientos y Servicios, S.A. ^(c)	Tejón y Rodríguez, 7 Málaga	24.50%	Empark Aparcamientos y Servicios, S.A.	3,757	Equity	2*
Estacionamientos Alhóndiga, S.A. ^(b)	Av. Sabino Arana, 20-3 Vizcaya	50.00%	Empark Aparcamientos y Servicios, S.A.	1,050	Proportionate	2*
Estacionamientos Urbanos de León, S.A. ^(c)	Av. De Ordoño II, 10 León	43.00%	Dornier, S.A.U	452	Equity	2*
Aparcament Escaldes Centre, S.A. ^l	Carrer Constitució Aparcament Prat Gran Planta 1º Escaldes	100.00%	Empark Aparcamientos y Servicios, S.A.	11,400	Full consolidation	2*
Infofer Estacionamientos, A.I.E. ^l	Manuel Silvera, 8 Madrid	16.66%	Dornier, S.A.U	60	Holding	2*
Aparcamientos Guipuzcoanos, S.L. ^(b)	Ronda, 1, 1º San Sebastián	60.00%	Estacionamientos Guipuzcoanos, S.A.U	602	Full consolidation	3*
Aparcamientos de Bilbao, S.A. ^(b)	Pza. de Indautxu, s.n Bilbao	75.00%	Empark Aparcamientos y Servicios, S.A.	1,350	Full consolidation	3*
Concha Parking, S.A. ^(b)	Ronda, 1, 1º San Sebastián	60.00%	Estacionamientos Guipuzcoanos, S.A.U	615	Full consolidation	3*
Empark UK LTD ^l	Bassingbourn House (Stansted Airport) GB	100.00%	Empark Aparcamientos y Servicios, S.A.	0	Full consolidation	2*
Guipúzcoa Parking Siglo XXI, S.A. ^(b)	Ronda, 1, 1º San Sebastián	60.00%	Estacionamientos Guipuzcoanos, S.A.U	600	Full consolidation	3*
Empark Aparcamientos Andalucía, S.L. ^(a)	Pza. Manuel Gómez Moreno, 2 Madrid	100.00%	Empark Aparcamientos y Servicios, S.A.	3	Full consolidation	2*
Empark Aparcamientos Extremadura, S.L. ^(c)	Pza. Manuel Gómez Moreno, 2 Madrid	100.00%	Empark Aparcamientos y Servicios, S.A.	3	Full consolidation	2*
Empark Portugal – Empreendimentos e Exploração de Parques, S.A. ^(a)	Rua Joaquim António de Aguiar, 19 Lisboa	100.00%	Empark Aparcamientos y Servicios, S.A.	145,583	Full consolidation	2*
ELSI – Parques de Estacionamento, S.A. ^(a)	Rua Joaquim António de Aguiar, 19 Lisboa	100.00%	Empark Portugal – Empreendimentos e Exploração de parques, S.A.	29,879	Full consolidation	2*
Gasparques – Planeamento e Gestao de Estacionamento, S.A. ^(a)	Rua Joaquim António de Aguiar, 19 Lisboa	100.00%	Empark Portugal – Empreendimentos e Exploração de parques, S.A.	9,107	Full consolidation	2*
Gasparques II – Planeamento e Gestao de Estacionamento, S.A. ^(a)	Rua Joaquim António de	100.00%	Empark Portugal –	359	Full consolidation	2*

Company	Address	% Holding	Company holding the investment	Net value investment	Method Consolidation	Activity
	Aguiar, 19 Lisboa		Empreendimentos e Exploração de parqueamentos, S.A.			
Serparque – Servicios de Estacionamento, S.A. ^(a)	Rua Joaquim António de Aguiar, 19 Lisboa	100.00%	Empark Portugal – Empreendimentos e Exploração de parqueamentos, S.A.	670	Full consolidation	2*
SP Gis – Planeamiento e Gestao de Estacionamento, S.A. ^(a)	Rua Joaquim António de Aguiar, 19 Lisboa	99.95%	Empark Portugal – Empreendimentos e Exploração de parqueamentos, S.A.	2,143	Full consolidation	2*
Parques de Estação – Empreend. E Exploração de Estac, S.A. ^(a)	Rua Joaquim António de Aguiar, 19 Lisboa	80.00%	Empark Portugal – Empreendimentos e Exploração de parqueamentos, S.A.	800	Full consolidation	2*
Street Park – Gestao de Estacionamento, A.C.E. ^(a)	Rua Joaquim António de Aguiar, 19 Lisboa	53.33%	Empark Portugal – Empreendimentos e Exploração de parqueamentos, S.A.	560	Full consolidation	2*
Maksu Services, S.A. ^(1*)	Rua Joaquim António de Aguiar, 19 Lisboa	100%	Empark Portugal – Empreendimentos e Exploração de parqueamentos, S.A.	50	Full consolidation	2*
Orange Park – Gestao de Parques de Estacionamneto, S.A. ^(1*)	Rua Joaquim António de Aguiar, 19 Lisboa	50%	Empark Portugal – Empreendimentos e Exploração de parqueamentos, S.A.	25	Full consolidation	2*
Parkivens – Imobiliario e Servicos, S.A. ^(1*)	Rua Joaquim António de Aguiar, 19 Lisboa	100%	Empark Portugal – Empreendimentos e Exploração de parqueamentos, S.A.	50	Full consolidation	2*
Mr. Clean – Lavagem de Veículos, S.A. ^(a)	Rua Joaquim António de Aguiar, 19 Lisboa	100.00%	Empark Portugal – Empreendimentos e Exploração de parqueamentos, S.A.	1,191	Full consolidation	2*
Castil – Parque, Sociedade Exploradora de Parques de Estacionamento, S.A. ^(a)	Rua Joaquim António de Aguiar, 19 Lisboa	74.55%	Empark Portugal – Empreendimentos e Exploração de parqueamentos, S.A.	2,020	Full consolidation	2*
Multi 49, Parques de Estacionamento, S.A. ^(a)	Rua Joaquim António de Aguiar, 19 Lisboa	100.00%	Empark Portugal – Empreendimentos e Exploração de parqueamentos, S.A.	54	Full consolidation	2*
Park Yonetimi Ve Sistemleri San. Ve Tic. A.S. ^(a)	Elmadag, Inonu Mah. Cumhuriyet Cad 87/8 Istanbul	80.00%	Empark Portugal – Empreendimentos e Exploração de parqueamentos, S.A.	3,338	Full consolidation	2*
Katibin Optopark Isletmeleri Tic. Vesan. A.S. ^(a)	Elmadag, Inonu Mah. Cumhuriyet Cad 87/8 Istanbul	80.00%	Empark Portugal – Empreendimentos e Exploração de parqueamentos, S.A.	1,947	Full consolidation	2*
ParqueGil – Planemento e Gestao de Estacionamento, S.A. ^(a)	Rua Joaquim António de Aguiar,	50.00%	Empark Portugal –	25	Full consolidation	2*

Company	Address	% Holding	Company holding the investment	Net value investment	Method Consolidation	Activity
	19 Lisboa		Empreendimentos e Exploração de parqueamentos, S.A.			
ParqA – Planemento e Gestao de Estacionamento, S.A. ^(a)	Rua Joaquim António de Aguiar, 19 Lisboa	50.00%	Empark Portugal – Empreendimentos e Exploração de parqueamentos, S.A.	63	Full consolidation	2*
Parques do Tamariz – Sociedade Exploração de Parques de Estacionamento, S.A. ^(c)	Subterrâneo Largo da Estação, 2750-340 Cascais	33.33%	Empark Portugal – Empreendimentos e Exploração de parqueamentos, S.A.	500	Equity	2*
Figueira Parques – Empresa Pública Municipal de Estac. Da Figueira de Foz, E.M. ^(a)	Cais da Alfandega, 18/20, 3º Figueira da Foz	29.96%	Empark Portugal – Empreendimentos e Exploração de parqueamentos, S.A.	154	Equity	2*
Segempark, S.A. ^(a)	Rua Joaquim António de Aguiar, 19 Lisboa	100.00%	Empark Portugal – Empreendimentos e Exploração de parqueamentos, S.A.	125	Full consolidation	2*
Ute Torrellobeta ^(a)	Pza. Manuel Gómez Moreno, 2 Madrid	80.00%	Empark Aparcamientos y Servicios, S.A.	1	Proportionate	3*
UTE Valls ^(a)	Av. De la F-13ecognize 6-8 Barcelona	47.00%	Empark Aparcamientos y Servicios, S.A.	8	Proportionate	3*
UTE Palma ^{(1*)l}	Cl. Isaac Peral 13 Palma de Mallorca	50.00%	Dornier, S.A.U	2	Proportionate	2*

(a) Companies audited by Ernst&Young

(b) Companies audited by Attest Servicios Empresariales, S.L.P.

l Companies not audited

1* Company incorporated within the Group

2* Management and operation of parking facilities

3* Construction and operation of parking facilities

1.2 Changes in the scope

30/09/2013

- The main changes in the consolidation scope over the nine-month period of 2013 were as follows:

At the beginning of 2013 Empark Portugal – Empreendimentos e Exploração de Parqueamentos S.A constituted the corporations Orange Park – Gestao de Parques de Estacionamento S.A., Parkivens – Imobiliario e Servicos S.A., Maksu Sevices S.A., while the company Dornier S.A. constituted Ute Palma.

2 Summary of the main accounting policies

2.1 Basis of presentation

The consolidated financial information presented in these Interim Condensed Consolidated Financial Statements has been drawn up using the International Financial Reporting Standards adopted by the European Union (IFRS-EU). Regarding the methods used to apply these regulations, it is worth mentioning that the Group has opted to value tangible fixed assets and intangible assets at historical cost, capitalizing financial costs during the construction period, and in the case of jointly controlled companies and Joint Ventures with existing companies, to consolidate the same using the proportionate consolidation method. These Interim Condensed Consolidated Financial Statements were drawn up under the provisions of IAS 34.

The Interim Condensed Consolidated Financial Statements do not contain all the information and breakdowns required for annual financial reporting and thus must be read together with the Consolidated Financial Statements for

the year ended 31 December 2012 drawn up in compliance with the International Financial Reporting Standards (IFRS) currently applicable in the European Union.

The Group applied the IFRS-EU to the Consolidated Financial Statements for the first time in financial year 2009.

2.2 Accounting standards applied

a) Standards and interpretations approved by the European Union, which are applicable to this financial year.

The accounting policies applied on drawing up the Interim Condensed Consolidated Financial Statements for the nine-month period ending 30 September 2013 are the same as those applied in the Consolidated Financial Statements for the financial year ended 31 December 2012, except for the following amendments and interpretations:

- IFRS 13 “Measurement of Fair Value: IFRS 13 establishes one single guide for all fair-value valuations in accordance with the IFRS. IFRS 13 does not affect when the fair value must be used, but does offer a guide as to how to establish the fair value in accordance with the IFRS where this is required or permitted. The modification affects only presentation, and has no impact either on the financial situation or the results of the Group.
- IAS 19 revised, “Employee Benefits”: The modifications range from fundamental changes, such as the elimination of the broker method and the concept of yields expected from assets covered by the plan, to simple clarifications and revision. This modification will, however, affect the net expenditure through benefits, as the expected return on the assets associated with the plan will be calculated on the basis of the same rate of interest as that applied in order to calculate the benefits-based obligation. The modification affects only presentation, and has no impact either on the financial situation or the results of the Group.
- Amendment to IAS 1 “Presentation of items of another comprehensive result”: The modifications to IAS 1 change the grouping of entries presented in another overall result. The items that may be reclassified (or “recycled”) in the income statement at some point in the future are presented separately from the items that can never be reclassified. The modification affects only presentation, and has no impact either on the financial situation or the results of the Group.
- Amendment to IFRS 7 “Disclosures – Compensation of financial assets and financial liabilities”: These modifications require the disclosure of information about offset rights and similar agreements (for example, collateral agreements). The disclosures will provide information of use to users in evaluating the effect of presentation of these agreements for net sums in the entity’s financial position. The new disclosures are mandatory for all those financial instruments offset in accordance with the terms of IAS 32. These changes did not have any impact on the Group as it does not have any agreements of this kind in place.
- Amendment to IAS 12 “Deferred tax: Recovery of underlying assets”: The modification clarifies the calculation of deferred taxes on real estate investments recorded at the fair value, including a presumption that the deferred taxes on real estate investments valued using the fair value model described in IAS 40 should be established on the basis that their book value will be recovered through sale. It furthermore introduces the requirement that the deferred taxes on non-amortisable assets valued by means of the revaluation method described in IAS 16 should in all cases be calculated on the basis of the sale of those assets. This change did not have any impact on the Group’s financial position, results or disclosures.
- IFRS IC 20 “Stripping costs in the production phase of a surface mine”: This interpretation applies to waste removal costs (excavation) incurred during the production phase of an opencast mine. The interpretation establishes the manner in which the profits derived from the excavation activity are to be accounted for. This new interpretation did not have any effect on the Group.
- IFRS improvements for the period 2009-2011: This document introduces a series of improvements to the current IFRS, essentially to eliminate inconsistencies and to clarify the wording of some of these standards. These improvements have not have any effect on the Group’s results or financial position.

b) Standards and interpretations published by the IASB and approved by the European Union but not applicable for this period.

As of the publication of these Consolidated Financial Statements, the following standards, changes and interpretation have been published by the IASB and approved by the European Union but their application is not mandatory:

- IFRS 10 “Consolidated Financial Statements”: IFRS 10 establishes one single supervisory model applied to all entities, including special purpose entities. The changes introduced by IFRS 10 will require Senior Management to make substantial judgements in establishing which companies are controlled, and must therefore be consolidated by the Dominant Company, in comparison with the requirements which would be set out in IAS 27. In accordance with the preliminary analysis performed, IFRS 10 is not expected to have any impact on the investments currently held by the Group. IFRS 10 is applicable to financial years beginning as of 1 January 2014.

- IFRS 11 “Joint Agreements”: IFRS 11 eliminates the option of accounting for controlled companies jointly by using the proportional consolidation method. Jointly controlled companies are instead defined as joint entities, and must be accounted for by using the equity method. The Group is currently evaluating the impact that this new standard will have on the Group’s financial situation and results, although on the basis of the preliminary analyses no significant impacts are expected. This standard will take effect for financial years beginning as of 1 January 2014.
- IFRS 12 “Disclosure of Interests in Other Entities”: IFRS 12 includes the disclosures previously listed under IAS 27 regarding the consolidated management report, in addition to all disclosures previously included in IAS 31 and IAS 28. These disclosures refer to stakes in dependent companies, joint agreements, associated entities and structured entities. New, additional disclosures are also required, although this has no impact on the financial position or results of the Group. This standard will take effect for financial years beginning as of 1 January 2014.
- IAS 28 revised, “Investment in Associates and Joint Ventures”: This standard now also describes the application of the equity method to investments in joint ventures and to associated entities. The modification will take effect for financial years beginning as of 1 January 2014.
- Amendment to IAS 32 “Compensation of financial assets and financial liabilities”: These modifications clarify the meaning of “where a legal applicable right to offset is held”. These modifications likewise clarify application of the principal of offsetting settlement systems (such as F-15ecognizedF-15 cash management systems) which apply offset mechanisms based on gross sums items which do not arise simultaneously. These modifications are not expected to have any form of impact on the financial situation or results of the Group, and will take effect for financial years beginning as of 1 January 2014.
- Amendment to IFRS 10, IFRS 11 and IFRS 12 “Transition Guide”: This amendment limits the disclosure requirements in relation to comparative information applicable to financial years beginning as of 01 January 2014.

The Group intends to adopt these standards, modifications and interpretation, if applicable, when they come into force. The Group is current F-15ecognize their impact. On the basis of the analysis carried out to-date, the Group believes that their application will not have a significant impact on the Consolidated Financial Statements.

c) Standards and interpretations published by the IASB and yet to be approved by the European Union

As of the publication of these Consolidated Financial Statements, the following non-mandatory standard, changes and interpretation have been published by the IASB, but have not been approved by the European Union:

- IFRS 9 “Financial instruments”: Applicable to financial years beginning as of 01 January 2015 for the IASB.
- Amendment to IFRS 9 and IFRS 7 “Date of mandatory application and disclosures in transition”: Applicable to financial years beginning as of 01 January 2015 for the IASB.
- Amendment to IFRS 10, IFRS 12 and IFRS 27 “Investment Entities”: Applicable to financial years beginning as of 01 January 2014 for the IASB.
- Amendment to IFRS 36 “Recoverable amounts disclosures for non-financial assets”: Applicable to financial years beginning as of 01 January 2014 for the IASB.
- Amendment to IFRS 39 “Novation of derivatives and continuation of hedge accounting”: Applicable to financial years beginning as of 01 January 2014 for the IASB.
- IFRIC 21 “Levies”: Applicable to financial years beginning as of 01 January 2014 for the IASB.

The Group is currently assessing the impact of applying these standards and amendments. On the basis of the analysis carried out to-date, the Group believes that their application will not have a significant impact on the Consolidated Financial Statements.

2.3 Shareholders in the Parent Company

The following were the shareholders in the Controlling Company of the Group at 30 September 2013 and their percentage holdings:

Shareholders	N° of shares as of	
	30/09/2013	%
ASSIP Consultoría e Serviços, S.A	5,712,117	50.34%
Es Concessions International Holding, B.V.	2,520,677	22.21%
Ahorro Corporación Infraestructuras, F.C.R. Simplified Tax Regime entity	810,341	7.14%
Ahorro Corporación Infraestructuras 2, S.C.R.....	127,656	1.13%
Espírito Santo Infrastructure Fund-I_ Risk Capital Fund	937,997	8.27%

	Nº of shares as of	
	30/09/2013	%
Shareholders		
Transport Infrastructure Holding Company, B.V.....	937,997	8.27%
Mellopark – Sociedade Gestora de Participações Sociais, S.A.	293,316	2.58%
Minority interests.....	7,042	0.06%
Total	11,347,143	100.00%

During the nine-months of 2013 there was no change in capital in the shareholding structure.

2.4 Comparison of the information

Consolidated Statements of Financial Situation.

In compliance with accounting and legal regulations and the procedures applicable to these Interim Condensed Consolidated Financial Statements, the directors present, for comparative purposes, information from the financial statements for the period ended as of 30 September 2013 in addition to those for the period ended as of 31 December 2012.

Consolidated Statements of Income, Consolidated Statements of Comprehensive Income, Consolidated Statements of Changes in Net Equity and Consolidated Statements of Cash Flow.

In compliance with accounting and legal regulations and with the procedures applicable to these Interim Condensed Consolidated Financial Statements, the directors present, for comparative purposes, with each item of the Consolidated Statements of Income, Consolidated Statements of Comprehensive Income, Consolidated Statements of Changes in Net Equity and Consolidated Statements of Cash Flow, the figures for the nine-month period ending 30 September 2013 in addition to those for the nine-month period ending 30 September 2012.

2.5 Company operating with negative working capital

As of 30 September 2013, the Group reports a negative working capital of (23,556) thousands of Euros and of (40,789) thousands of Euros as of 31 December 2012. This circumstance, which could be indicative of uncertainty regarding continuation of the Group, is mitigated by the fact that these types of situation are common in groups such as the present where a large part of turnover is collected in cash.

Additionally, the Group operates a cash-pooling system by which Empark Aparcamientos y Servicios, S.A. manages treasury requirements at Group level.

Furthermore the group has credit lines and other financial resources available to meet its treasury needs (Note 15).

Therefore, the Board of Directors considers that the operating company principle is the appropriate basis for preparation of these Interim Condensed Consolidated Financial Statements. This entails realization of assets and liquidation of liabilities in accordance with the amounts and classification criteria set forth said Interim Condensed Consolidated Financial Statements.

2.6 Accounting estimates and assumptions

These Interim Condensed Consolidated Financial Statements contain estimates made by the directors of the Controlling Company and consolidated companies to quantify some of the assets, liabilities, income, expenses and commitments shown in said statements. Basically, these estimates refer to:

- Evaluation of potential losses due to impairment of certain assets.
- Useful life of tangible and intangible assets.
- Estimates related to the fair value of assets purchased in business combinations and goodwill.
- Assessment of possible contingencies due to legal and tax risks.
- Recovery of deferred tax assets.

These estimates were made on the basis of the best information available at 30 September 2013 and at 31 December 2012 regarding the circumstances analysed. However, it is possible that events that may occur in the future require modifying these estimates, which would be carried out in accordance with IAS 8 if applicable.

2.7 Resource management policies

The Group manages its investments after having performed thorough inspection and assessment of potentially attractive projects from the environmental, socio-occupational, commercial, financial and economic perspectives, for the purpose of achieving a sustainable and balanced growth.

In carrying out this task, the Group's shareholders seek a balanced position regarding expected investment profits and the risk assumed.

2.8 Consolidation criteria

As of 30 September 2013 the Group closed the accounting period for presentation of the individual financial statements of all group companies included within the consolidation scope at the same date. Likewise, for the purpose of uniformity in the presentation of items comprising these Interim Condensed Consolidated Financial Statements, uniform accounting criteria has been applied on the basis of the Controlling Company's accounting policies. These Interim Condensed Consolidated Financial Statements have been drawn up on the basis of the following methods:

- a. **Full consolidation method:** all companies considered subsidiaries are fully consolidated. For these purposes, subsidiaries are those companies in which Empark Aparcamientos y Servicios, S.A. maintains effective control because it directly or indirectly, by means of agreements with other shareholders, holds more than 50% of the voting rights. In assessing whether the Group controls another F-17ecognizedF-17i, consideration is given to the existence and impact of currently exercisable or convertible potential voting rights. Inclusion within the scope of consolidation of the Group is carried out from the time at which control of the subsidiary becomes effective. The value of shares held by minority shareholders in equity and in the result of the financial year of fully consolidated subsidiaries is listed in chapters "Minority interests" of the Consolidated Statements of Financial Situation and "Result attributed to Minority interests" of the Comprehensive Statement of Consolidated Income.
- b. **Equity method:** companies considered to constitute associates are consolidated by the equity method. For these purposes, associate companies are defined as all this in which the Group has significant influence over management but does not exercise control or joint management with third parties. Under the equity method, the percentage of equity held in the associate company with reference to both net equity and the result of the year is F-17ecognized.
- c. **Proportionate consolidation method:** applied to joint ventures, which are businesses in which management of subsidiaries is carried out jointly under contract by the controlling company and by third parties not related to the group. Assets and liabilities assigned to joint ventures or those jointly controlled with other parties are reported in the Consolidated Statements of Financial Position classified in accordance with the specific nature of the holding as defined by percentage. Likewise, income and expenditure arising from joint ventures are recognized in the Consolidated Statement of Income, also in accordance the nature of the holding as defined by percentage.
- d. **Balances and transactions with Group companies:** balances and transactions with Group companies are written off in the consolidation process.
- e. **Conversion of financial statements to currencies different from the Euro:** financial statements of subsidiaries and joint ventures whose accounting records are in a currency other than the Euro are converted to Euros by applying the end of period exchange rates to all assets and liabilities except equity, which is converted using the rate at the time the item was included in the group. Within the consolidation process shares held in group companies are written off against shareholder equity, except in associated companies, which are converted at the closing rate.

Result is converted to Euros at the average exchange rate for the year. Differences arising during the conversion process are entered to shareholder equity as "currency exchange rate differences".

a) Dependent companies

The acquisition cost method is used to determine the book value of newly acquired subsidiaries. The cost of acquisition is the fair value of the assets handed over, the asset instruments shared and liabilities incurred or assumed on the date of exchange, the fair value of any additional consideration dependent on future events (provided that these are probable and can be reliably valued).

When the control is acquired in stages, the goodwill (or the negative difference in consolidation) is determined in each of the individual transactions as the difference between the book value of the participation and the net sum attributable to the participation in terms of the fair value of the identifiable assets and liabilities assumed on said date. The identifiable assets and liabilities assumed are incorporated on the basis of the fair value at the time the control is acquired, and minority interests share must be included for an amount proportional to their equity holding.

The difference between the attributable net amount of the fair value of the acquired assets and liabilities on the date the control is acquired, and the corresponding value on each of the dates on which the participations were acquired, gives rise to an adjustment in the Group's reserves, net of tax effect.

At the start of 2013, Sociedad Orange Park – Gestao de Parques de Estacionamneto S.A., Parkivens – Inmobiliario e Servicos S.A. and Maksu Services S.A. were incorporated.

b) Associated companies

When the equity method procedure is first applied, investments in associated companies are valued at the amount corresponding to the percentage represented by the holding at the time of the investment, based on the fair value of the assets acquired and liabilities incurred. If the resulting difference between the cost of the holding and this value is positive it is included in the book value of the investment. In the event that it is negative, the difference is entered directly to the Interim Condensed Consolidated Financial Statements.

Any variations not involving third parties occurring during the current financial year in Group net equity included in the Interim Condensed Consolidated Financial Statements under the equity method proportionately increase or reduce, as applicable, the book value of the holding in question once any F-18recognizedF-18i and impairment occurring since the method was applied for the first time are taken into account, and after elimination of the proportion based on results of transactions between the aforesaid company and the company holding the interest, or any other group company.

Profits allocated by the Group and included in the Interim Condensed Consolidated Financial Statements under the equity method reduce the book value of the holding.

Temporary evaluative homogeneity is applied to associated investments in the same way as for subsidiaries.

c) TJVs (Temporary Joint Ventures) Companies as Joint Ventures

Non-realised results deriving from reciprocal transactions are written off in proportion to the holding, in addition to the amounts of reciprocal assets, liabilities, revenue, expenses and cash flows.

2.9 Principal measurement rules applying to the Interim Condensed Consolidated Financial Statements.

The main valuation rules and accounting criteria used in drawing up these Interim Condensed Consolidated Financial Statements are consistent with those used and set forth in the Consolidated Annual Financial Statements for the financial year ending 31 December 2012.

2.9.1 Concession intangible and financial assets

The Group constructs or upgrades infrastructure (construction or upgrade services) used to provide a public service and operates and maintains that infrastructure (operation services) for a specified period of time. These arrangements may include Infrastructure used in a public-to-private service concession arrangement for its entire useful life.

These arrangements are accounted for based on the nature of the consideration. The intangible asset model is used to the extent that the Group receives a right (a licence) to charge users of the public service. The financial asset model is used when the Group has an unconditional contractual right to receive cash or another financial asset from or at the direction of the grantor for the construction services. When the unconditional right to receive cash covers only part of the service, the two models are combined to account separately for each component. If the Group performs more than one service (i.e., construction or upgrade services and operation services) under a single contract or arrangement, consideration received or receivable is allocated by reference to the relative fair values of the services delivered, when the amounts are separately identifiable.

- An intangible asset is measured at the fair value of consideration transferred to acquire the asset, which is the fair value of the consideration received or receivable for the construction services delivered. The intangible asset is amortised over its expected useful life in a way that reflects the pattern in which the asset's economic benefits are consumed by the entity, starting from the date when the right to operate starts to be used (for example, in a toll road concession the Group uses the number of cars that use the road). Based on these principles, the intangible asset is amortised in line with the actual usage of the specific public facility, with a maximum of the duration of the concession.
- In the financial asset model, the amount due from the grantor meets the definition of a receivable which is measured at fair value. It is subsequently measured at amortised cost. The amount initially F-18recognized plus the cumulative interest on that amount is calculated using the effective interest method.

Any asset carried under concession arrangements is F-18recognizedF-18i on disposal or when no future economic benefits are expected from its future use or disposal or when the contractual rights to the financial asset expire.

2.9.2 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated F-19ecognizedF-19i and accumulated impairment losses.

Internally generated intangible assets, excluding F-19ecognizedF-19 development costs, are not F-19ecognizedF-19 and expenditure is reflected in profit and loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The F-19ecognizedF-19i period and the F-19ecognizedF-19i method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the F-19ecognizedF-19i period or method, as appropriate, and are treated as changes in accounting estimates. The F-19ecognizedF-19i expense on intangible assets with finite lives is F-19ecognized in the income statement as the expense category that is consistent with the function of the intangible assets.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are F-19ecognized in the income statement when the asset is F-19ecognizedF-19i.

a) Concessions

Concessions includes essentially the licence fees satisfied in certain concessions for operating car parks.

These administrative concessions are entered to assets at cost less accrued F-19ecognizedF-19i and accrued valuation corrections due to impairment.

Concessions also include access rights paid by means of a concession fee during the period of the concession. In this case the concessions are included under the assets at the current value of the minimum agreed payments, without taking into consideration contingent payments.

The concessions are amortised on a linear basis over the term of the concession.

b) IT applications

Licences acquired from third parties for computer programmes are F-19ecognizedF-19 on the basis of acquisition costs and the cost of adaptation to the specific programmes.

The Company depreciates its computer applications on a straight-line basis, distributing the cost of the assets over the estimated useful life of the same, which is three years.

Costs involved in the development or maintenance of computer programs are F-19ecognized as an expense at the time they are incurred. Costs directly related to the production of single identifiable computer programmes controlled by the Company and which will probably generate revenues greater than the costs during more than one year are F-19ecognized as intangible assets. Direct costs include programme development, personnel expenses and a suitable proportion of overheads.

2.9.3 Property, plant and equipment

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the property, plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of property, plant and equipment are required to be replaced at intervals, the Group F-19ecognized such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is F-19ecognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are F-19ecognized in profit or loss as incurred.

Property, plant and equipment transferred from customers is initially measured at the fair value at the date on which control is obtained.

Land and buildings are measured at cost less accumulated depreciation on buildings and impairment losses F-20ecognized.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

Useful life in years	
Buildings and other structures	50
Machinery, installations and tools	10
Furnishings	10
Transport vehicles	6
Other fixed assets	3

An item of property, plant and equipment and any significant part initially F-20ecognized is F-20ecognizedF-20i upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is F-20ecognizedF-20i.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Car parks F-20ecognized in tangible assets (under the head of "Buildings") are valued at acquisition price or production cost and depreciated on a straight-line basis over the term of the concession.

2.9.4 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are F-20ecognizedF-20 as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

2.9.5 Financial assets

a) Loans and receivable:

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate method, less impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate F-20ecognizedF-20i is included in finance income in the income statement. The losses arising from impairment are F-20ecognized in the income statement in finance costs for loans and in cost of sales or other operating expenses for receivables.

b) Investments in the equity of group, multi-group and associated companies:

These are valued at cost less accrued impairment corrections, if any. Notwithstanding, in the event that investment in a company is prior to classification of the same as a Group, Multi-group or Associated Company, the cost of the investment is considered to be the book value prior to such classification. Prior valuation adjustments directly entered to net equity are maintained until cancellation.

Investments in equity of group and associated companies are F-20ecognized in the books, in both current and non-current assets.

Current assets include short-term investments comprising corporate loans and other financial assets in group and associated companies.

The balance of long-term investments comprising equity instruments in group and associated companies are registered in non-current assets. Asset instruments are broken down in the balances of holdings in group companies, holdings in associated companies and share disbursements pending and not called on.

In the event of objective evidence that book value is unrecoverable, the relevant valuation correction is applied as the difference between book value and the recoverable amount, the latter understood as whichever is the greater between fair value less sales costs and the current value of future cash flows deriving from the investment.

2.9.6 Derivative financial instruments

Derivative financial instruments are initially F-21ecognized at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is F-21ecognized in other comprehensive income.

The Group is only necessary Cash flow hedges:

The effective portion of the gain or loss on the hedging instrument is F-21ecognized directly in other comprehensive income in the cash flow hedge reserve, while any ineffective portion is F-21ecognized immediately in the income statement as other operating expenses.

Amounts F-21ecognized as other comprehensive income are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is F-21ecognized or when a forecast sale occurs. When the hedged item is the cost of a non-financial asset or non-financial liability, the amounts F-21ecognized as other comprehensive income are transferred to the initial carrying amount of the non-financial asset or liability.

If the forecast transaction or firm commitment is no longer expected to occur, the cumulative gain or loss previously F-21ecognized in equity is transferred to the income statement. If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover, or if its designation as a hedge is revoked, any cumulative gain or loss previously F-21ecognized in other comprehensive income remains in other comprehensive income until the forecast transaction or firm commitment affects profit or loss.

2.9.7 Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interest in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interest in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in administrative expenses.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, the previously held equity interest is remeasured at its acquisition date fair value and any resulting gain or loss is F-21ecognized in profit or loss.

Any contingent consideration to be transferred by the acquirer will be F-21ecognized at fair value at the acquisition date.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount F-21ecognized for non-controlling interest over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the gain is F-21ecognized in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

2.9.8 Stock

Inventories are valued at the lower of cost and net F-21ecognized value.

The cost of finished products and products in progress corresponds to construction in progress and completed, and includes costs incurred in construction of car parks intended for concession.

Parking spaces intended for sale and included in inventories are valued at acquisition price or production cost.

Net F-22ecognized value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

2.9.9 Cash and other equivalent liquid assets

Cash and short-term deposits in the Condensed Interim Consolidated Statement of Financial Position comprise cash at banks and on hand and short-term deposits with a maturity of three months or less.

This section includes short-term restricted cash flow. This item includes investments of the same nature and expiry date related to financing of specific infrastructure projects, the availability of which is restricted by financing contracts as guarantee of meeting specific short-term obligations relative to payment of interest or principle of the debt and for future maintenance of the infrastructure.

2.9.10 Net Equity

Basic earnings per share is calculated by dividing net profit attributed to the controlling company by the average weighted number of ordinary shares in circulation during said period. In turn, diluted earnings per share is calculated by dividing net income attributable to ordinary shareholders by the average weighted number of ordinary shares in circulation during the period, since there are no shared equity instruments which could be converted to shares in the Controlling Company in the future.

With regard to the Group's Consolidated Annual Financial Statements for the financial years ended on 31 December 2012 and the present Interim Condensed Consolidated Financial Statements as of 30 September 2013, there is no discrepancy between basic and diluted earnings per share.

2.9.11 Transactions between related parties

As a general rule transactions between related parties initially F-22ecognized at fair value. Where appropriate, if the agreed price differs from fair value the difference is entered according to the financial reality of the transaction. Subsequent valuation is carried out in compliance with the provisions of the corresponding accounting standards.

2.9.12 Subsidies

Government grants are F-22ecognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is F-22ecognized as income on a systematic basis over the periods that the costs, which it is intended to compensate, are expensed. When the grant relates to an asset, it is F-22ecognized as income in equal amounts over the expected useful life of the related asset.

When the Group receives non-monetary grants, the asset and the grant are recorded at nominal amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset by equal annual instalments. When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant.

2.9.13 Provisions and contingent liabilities

Provisions are F-22ecognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is F-22ecognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the income statement net of any reimbursement.

Contingent liabilities are possible obligations arising as a result of past events, the F-22ecognizedF-22ionF-22 of which depends on whether or not one or more future events outside the control of the Group occurs.

Given the activities in which the Group is currently engaged, it has no liabilities, expenses, assets or provisions and contingencies of an environmental nature which could prove significant with reference to net equity, the financial situation or result. Hence, specific breakdowns of information on environmental shares are not included in this report on the annual financial statements.

Costs deriving from protection and improvement of the environment are attributed to consolidated result for the financial year in which they are incurred, regardless of when the associated monetary or financial flow occurs.

When such expenses involve the acquisition of tangible assets the purpose of which is to F-22ecogniz environmental impact and to protect and improve the environment, these are F-22ecognized as increased value of fixed assets.

2.9.14 Financial liabilities

Financial liabilities are classified as financial liabilities at fair value through profit or loss, loans and borrowings, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The Group determines the classification of its financial liabilities at initial recognition.

All financial liabilities are F-23ecognized initially at fair value and, in the case of loans and borrowings, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings and derivative financial instruments.

The measurement of financial liabilities depends on their classification as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are acquired for the purpose of selling in the near term. This category includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are F-23ecognized in the income statement.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in IAS 39 are satisfied. The Group has not designated any financial liability as at fair value through profit or loss.

Loans and borrowings

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are F-23ecognized in profit or loss when the liabilities are F-23ecognizedF-23i as well as through the effective interest rate F-23ecognizedF-23i process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate F-23ecognizedF-23i is included as finance costs in the income statement.

Derecognition

A financial liability is F-23ecognizedF-23i when the obligation under the liability is discharged or cancelled, or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is F-23ecognized in the income statement.

2.9.15 Income tax and deferred taxes

As of 1 January 2005 the Group began paying tax under the consolidated tax system with Cintra Concessions de Infraestructuras de Transporte S.A. as a result of the change in ownership which occurred in 2004, following which the Parent Company fell within the aforesaid tax Consolidation perimeter. The Group previously paid taxes under the consolidated taxation system as part of the Ferrovial, S.A. Group. During 2009 and as a consequence of the purchase-sale transaction performed, the Group left the aforementioned tax status, and as of 31 December 2009 the Company requested taxation as a fiscal group, effective 1 January 2010. This group comprises the following companies:

- Empark, Aparcamientos y Servicios, S.A.
- Dornier, S.A.U.
- Femet, S.A.
- Guadianapark, S.A.
- Balsol 2001, S.A.
- Estacionamientos Guipuzcoanos, S.L.U.

- Empark Aparcamientos Andalucía, S.L.
- Empark Aparcamientos Extremadura, S.L.

Current income tax

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Current income tax relating to items F-24recognized directly in equity is F-24recognized in equity and not in the income statement. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are F-24recognized for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are F-24recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are F-24recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be F-24recogniz, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are F-24recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be F-24recogniz

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be F-24recogniz. Unrecognised deferred tax assets are reassessed at each reporting date and are F-24recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is F-24recogniz or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items F-24recognized outside profit or loss is F-24recognized outside profit or loss. Deferred tax items are F-24recognized in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are F-25recognized subsequently if new information about facts and circumstances change. The adjustment is either treated as a reduction to goodwill (as long as it does not exceed goodwill) if it was incurred during the measurement period or F-25recognized in profit or loss.

2.9.16 Foreign currency transactions conversion

The financial statements of companies in foreign currency have been converted to Euros using the closing exchange and average rate method in accordance with the following rates:

Exchange Rate	January-September 2013 Average	September 2013 Closing	January-September 2012 Average
Euro/Pound Sterling	0.852	0.836	0.812
Euro/Turkish Lira	2.459	2.751	3.309

2.9.17 Recognition of revenue

Revenue is F-25recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty. The Group assesses its revenue arrangements against specific criteria to determine if it is acting as principal or agent. The Group has concluded that it is acting as a principal in all of its revenue arrangements. The specific recognition criteria described below must also be met before revenue is F-25recognized.

The Group F-25recognized revenue when the amount can be reliably valued, future earnings are probable and certain specific conditions are met for each activity as set forth below. It is considered that a reliable estimate of the value of the income cannot be made until all contingencies associated with the sale have been settled. The Group bases its estimate on historical result, taking the type of client, the type of transaction and the specific terms of each agreement into account.

a) The car park business may be divided into:

a.1) Off-street and mixed parking

a.2) Regulated on-street car parks (ORA)

a.3) Car parks for local residents

a.1) Off-street and mixed parking

Off-street parking revenues are registered on sale of the parking voucher, and on an accrual basis in the case of reserved parking spaces. Mixed car parks (with public and private spaces) record revenues as follows: in the case of public spaces, in the manner described in the preceding paragraph; and in case of private spaces, the amount received is recorded in the income statement at the time of the transfer of concession usage of the corresponding parking spaces.

The cost of residential parking spaces is registered in inventories and entered to the income statement on the transfer date of assignment of use.

a.2) Regulated on-street parking (ORA)

Revenue from the ORA regulated limited time parking service derives from the cost of providing the service plus a percentage, generally between 1% and 3%, of the difference between service cost and the funds collected. In some ORA contracts revenue is earned at a fixed rate (service cost) which is independent of the funds collected (these belong to the City Council). This is registered in the accounts on provision of the service.

a.3) Car parks for local residents

This business involves the construction of car parks whose spaces are sold directly to the end customer during the term of the concession. The sales and costs are not registered until the parking space is delivered, which tends to coincide with signature of the contract, or exceptionally, the public deed of sale.

2.10.18 Leases

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception date. The arrangement is assessed for whether F-26 recognized F-26 of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Group as a lessee

Finance leases that transfer substantially all the risks and benefits incidental to ownership of the leased item to the Group, are F-26 recognized F-26 at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are F-26 recognized in finance costs in the income statement.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are F-26 recognized as an operating expense in the income statement on a straight-line basis over the lease term.

Group as a lessor

Leases in which the Group does not transfer substantially all the risks and benefits of ownership of an asset are classified as operating leases. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and F-26 recognized over the lease term on the same basis as rental income. Contingent rents are F-26 recognized as revenue in the period in which they are earned.

2.9.19 Operating seasonality

Net turnover and Group profits are not significantly influenced by operating seasonality.

3 Management of financial risks and capital

The Groups activities expose it to a variety of financial risks: market risk (including exchange rate risk, interest rate risk and price risk), credit risk and liquidity risk.

Risk management is carried out by the Empark Aparcamientos y Servicios, S.A. Financial Directorate General which identifies, assesses and hedges financial risks in accordance with the policies approved by the Board of Directors. The Board provides policies for comprehensive risk management and for specific areas such as exchange rate risk, interest rate risk, liquidity risk, use of derivative and non-derivative instruments and investment of surplus liquidity.

The financial risks to which the Company is exposed include those deriving from guarantees and sureties required in order for the company to undertake its activities.

During the 2012 financial year and the nine month period ended 30 September 2013, the Company maintained bank guarantees with third parties and guarantee commitments with other Group companies in order to engage in its business.

Market risk: Exchange rate risk

Management has established an exchange rate risk management policy for foreign currencies in relation to the working currency. The Treasury Department negotiates forward contracts in order to manage exchange rate risks deriving from future commercial transactions and F-26 recognized assets and liabilities. Exchange rate risk arises where future commercial transactions or F-26 recognized assets or liabilities are quoted in a currency other than the F-26 recognized F-26's functional currency.

The board of directors considers that there are not significant impacts on the interim condensed consolidated financial statements, by this risk.

Market risk: Cash flow interest rate risk and fair value risk

As of 30 September 2013, if interest rates on external resources quoted in Euros had been 50 base points higher/lower, with all other variables remaining constant, the result after taxes for the period would have been

(1,020)/1,020 thousands of Euros lower/higher, mainly as a result of an increase/decrease in the cost of interest on variable rate loans.

The Group carries out the corresponding interest rate hedges by contacting an IRS (Interest Rate Swap). (Note 14).

As of 30 September 2013 58 % of the total debt balance is hedged by these instruments.

The board of directors considers that there are not significant impacts on the interim condensed consolidated financial statements, by this risk.

Credit risk

Credit risk is managed by groups. Credit risk arises from cash and cash equivalents and deposits held in banks and financial institutions and wholesale and retail clients including pending accounts receivable and committed transactions. The Group only deals with credit institutions of F-27 recognized prestige and solvency.

The board of directors considers that there are not significant impacts on the interim condensed consolidated financial statements, by this risk.

Liquidity risk

Prudent management of liquidity risk involves holding sufficient cash and tradable securities, having access to finance through sufficient agreed credit facilities and having the capacity to unwind market positions. Given the dynamic nature of the underlying businesses, the object of the Group's Treasury Department is to maintain financing flexibility by the availability of credit lines.

The board of directors considers that there are not significant impacts on the interim condensed consolidated financial statements, by this risk.

4 Intangible assets

The following variations occurred in balances comprising this heading of the Consolidated Statement of Financial Position for the period between 31 December 2012 and 30 September 2013:

	Thousands of Euros		
	Concessions	IT applications	Total
Balance as of 31/12/2012			
Cost.....	674,543	6,386	680,929
Accrued F-27 recognized F-27i.....	(222,563)	(4,825)	(227,388)
Book value	451,980	1,561	453,541
Balance as of 01/01/2013			
Additions	6,140	747	6,887
Amortisation	(16,002)	(853)	(16,855)
Others (cancellations and transfers).....	(484)	(60)	(544)
Balance as of 30/09/2013			
Cost.....	680,199	7,073	687,272
Accrued F-27 recognized F-27i.....	(238,565)	(5,678)	(244,243)
Book value	441,634	1,395	443,029

As explained in note 2.9.1 intangible assets are composed of:

Fees paid in certain concessions for the operation of vehicle parking services and in certain contracts for management of the service in urban thoroughfares subject to hourly control using ticket-issuing devices.

Licences acquired from third parties for IT applications are F-27 recognized F-27 on the basis of acquisition costs and the cost of adaptation to the specific programmes.

The following were the main variations in intangible fixed assets during the first nine months of 2013:

New intangible fixed assets registered by companies:

- Empark Aparcamientos y Servicios, S.A. has made additions amounted to 721 thousands of Euros primarily for computer applications and control centres.
- Dornier, S.A.U. has made additions amounted to 2,322 thousands of Euros mainly for the ORA on-street parking and Tow-away public authority concession in Ponferrada, the ORA public authority concession in Ampuries and issuing devices in the Pamplona ORA scheme.
- Serparque – Servicios de Estacionamiento, S.A has made additions amounted to 3,211 thousands of Euros, mainly through the construction of the new Alves Redol and Don Luis car parks.

During the period between 31 December 2012 and 30 September 2013, new computer applications amounting to 747 thousands of Euros were acquired, primarily due to new computer programs and updates of existing programs.

The cancellations of public authority concessions are essentially the result of the loss of the Benicarló ORA concession.

The provision for F-28recognizedF-28i of intangible assets amounts to 16,855 thousands of Euros, comprising 15,377 thousands of Euros of endowment for concessions, 853 thousands of Euros corresponding to the endowment for computer applications during the financial year and 625 thousands of Euros of F-28recognizedF-28i of the goodwill of Empark Portugal – Empreendimentos e Exploração de Parqueamentos, S.A. assigned to assets.

5 Property, plant and equipment

The following variations occurred in balances comprising this head of the consolidated statement of financial position for the period between 31 December 2012 and 30 September 2013:

	Thousands of Euros			Total
	Land and buildings	Technical facilities and other tangible fixed assets	Fixed assets in progress and prepaid expenses	
Balance at 31/12/2012				
Cost	84,693	41,127	1,216	127,036
Accrued F-28recognizedF-28i	(23,186)	(29,148)	–	(52,334)
Book value	61,507	11,979	1,216	74,702
Balance at 01/01/2013				
Additions	4,492	643	–	5,135
Amortisation	(2,100)	(2,491)	–	(4,591)
Others (cancellations and transfers)	1,216	(605)	(1,216)	(605)
Balance at 30/09/2013				
Cost	90,401	41,165	–	131,566
Accrued F-28recognizedF-28i	(25,286)	(31,639)	–	(56,925)
Book value	65,115	9,526	–	74,641

Land, machinery, installations, equipment and other tangible assets are F-28recognized under the head of property, plant and equipment (Note 2.9.2).

The following were the main variations in tangible fixed assets during the first nine months of 2013:

The additions of tangible fixed assets are essentially explained by:

Empark Aparcamientos y Servicios, S.A. has additions of 88 thousands of Euros. Parkivens – Inmobiliario e Servicios, S.A. amounting to 3,544 thousands of Euros for the new Baixa Chiado car park concession in Portugal.

Empark Aparcamientos y Servicios S.A. made additions for 643 thousands of Euros, primarily for the F-28recognizedF-28i of parking.

The amount of fixed asset F-28recognizedF-28i endowment for the year is 4,591 thousands of Euros.

As of 30 September 2013, there are tangible assets located in Spain, Portugal, Turkey, United Kingdom and Andorra.

6 Goodwill

The following variations occurred in balances under this head during the period between 31 December 2012 and 30 September 2013:

	Thousands of Euros
Balance as of 31 December 2012.....	144,763
Deferred tax adjustment for the Amortisation of assets (625 x 26.5%)	(166)
Balance as of 30 September 2013.....	144,597

As of 30 September 2013 and 31 December 2012, the following were the details by companies composing the Goodwill:

Company	Thousands of Euros	Thousands of Euros
	30/09/2013	31/12/2012
Empark Aparcamientos y Servicios, S.A.	33,565	33,565
Dornier, S.A.U.	7,550	7,550
Balsol 2001, S.A.	685	685
Empark Portugal – Empreendimentos e Exploração de Parqueamentos, S.A.	102,797	102,963
	144,597	144,763

Impairment tests

The Group performs a procedure with the purpose of identifying any possible deficit in the carrying cost with regard to the recoverable value of goodwill.

Possible impairment is calculated by comparing the value of these assets with their fair value, the latter understood as the value of future cash flows it is estimated the assets will generate based on objective hypotheses and discounted at an estimated capital cost based on the risk-free rate using the 30-year bond, the risk level of the asset and estimated market premium as the yardstick.

Additionally, residual value is calculated incorporating renewal of contracts and growth.

In order to establish the present value of the future cash flows derived from the investment, the following hypotheses were applied:

- It was established that the corresponding investment will generate flows over the periods up to maturity, of between 5 and 50 years depending on the concession.
- The corresponding revenue and expenditure forecasts were performed, in accordance with the following general criteria:
 - In the case of revenue, in order to estimate the evolution of rates consideration was given to the official forecast for the evolution of the consumer price index (CPI) in each of the countries where the investments are operational (2.5% in both Spain and Portugal), the corresponding formulae for the adjustment of rates as set out in the concession contracts, on the basis of the evolution of price indices and/or any specific correction factors which may apply.

In the case of new contracts consideration was given to a ramp up in demand over the first 2-5 years of the concession in accordance with a specific analysis of each contract, followed by an estimate of evolution of revenue similar to previous rates.

- In terms of expenditure, the evolution thereof was calculated on the basis of the corresponding expected evolution in the CPI rates (2.5% in both Spain and Portugal), in addition to the forecast evolution of the business.
- Consideration was also given to the impact of works to be performed in order to maintain and improve infrastructure, based on the best estimate available according to the company's experience, and taking into consideration the forecast evolution of the business.
- Consideration was given to the future costs and revenue corresponding to renewals of contracts and also the investments required for these renewals on the basis of the investments occurring on previous contracts.

The renewal percentages employed in the different business lines (off-street, ORA on-street, management) were estimated at between 75% and 85%, based on the actual rates obtained by the Group.

- The forecast cash flows obtained on the basis of the projected revenue and expenditure, in accordance with the aforementioned criteria, were updated at the discount rate resulting from adding to the long-term cost of money the risk premium assigned by the market to the country where the company performs its operations, the risk premium assigned by the market to each business (both based on a long-term vision), along with the financial Company and group companies of the company or cash-generating unit in question. The discount rate employed was 8.24 %.

As a result of the impairment test performed, it has been revealed that the various cash-generating units to which the various recorded sums of goodwill are assigned will serve to recover the net value of each of the sums recorded by 30 September 2013, and there is therefore no need to establish any form of impairment provision.

A sensitivity analysis was also performed regarding reasonably possible changes in the key valuation variables (CPI, inflation, discount rate, renewals...) with the recoverable value being maintained above the net book value.

7 Stakes in companies by the equity method

The following is the breakdown of percentage stakes in companies consolidated by the equity method as of 31 December 2012 and 30 September 2013:

Company	Thousands of Euros	
	30/09/2013	31/12/2012
Infofer Estacionamientos, A.I.E.....	66	66
Municipal Aparcamientos y Servicios, S.A.	8,119	7,999
Estacionamientos Urbanos de León, S.A.	1,595	1,577
Parques do Tamariz – Sociedade Exploração de Parques de Estacionamento, S.A.....	380	386
Figueira Parques – Empresa Pública Municipal de Estacionamento Da Figueira de Foz, E.M.	920	921
Total	11,080	10,949

8 Loans and items receivable

The following is the breakdown of accounts receivable:

	Thousands of Euros	
	30/09/2013	31/12/2012
Long-term financial investments:		
– Corporate loans.....	1,771	1,781
– Staff credits	189	256
– Long-term guarantees and sureties	432	702
Total	2,392	2,739
Trade and other receivables		
– Trade receivables for sales and services	30,720	38,594
– Related parties	218	72
– Staff debts.....	115	143
– Sundry debtors	3,374	2,659
	34,427	41,468
Short-term investments		
– Credits to related parties (Note 9)	301	15
– Short-term guarantees and sureties	1,518	707
Total	36,246	42,190

Trade receivables for sales and services

As of 30 September 2013 the Group carried the amount of 30,720 thousands of Euros, net trade insolvency provision of (884) thousands of Euros and 38,594 thousands of Euros as of 31 December 2012, net trade insolvency provision of (1,767) thousands of Euros under “Trade accounts, Sales and Service Provision”. The trade receivables following are the most significant:

The most significant client of Empark Aparcamientos y Servicios, S.A. is AENA Madrid, with a balance of 250 thousands of Euros.

Dornier S.A.U.'s most important customers are the following City Councils: Madrid, with a balance of 8,419 thousand of Euros; Palma de Mallorca with 3,575 thousand of Euros; Valencia with 2,070 thousand of Euros; Toledo with 1,548 thousand of Euros; Zaragoza with 617 thousand of Euros; Pamplona with 608 thousand of Euros; Alcobendas with 544 thousand of Euros; the Municipal Development Department of the City Council of Arganda del Rey with 441 thousand of Euros; Cuenca with 402 thousand of Euros; Pozuelo de Alarcón with 306 thousand of Euros;; Palencia with 171 thousand of Euros; Fuengirola with 119 thousand of Euros; and San Fernando with 108 thousand of Euros.

The most important customers of Empark Portugal – Empreendimentos e Exploração de Parques e Estacionamento S.A. are ANA – Aeroportos de Portugal S.A., with a balance of 653 thousand of Euros and Futurlagos – Desenvolvimento, E.M. S.A. with 111 thousand of Euros.

The most important customer of Gisparques – Planeamento e Gestão de Estacionamento S.A. is Resopre – Sociedade Revendedora de Aparelhos de Precisão S.A. with a balance of 368 thousand of Euros.

9 Loan operations with related parties

Credits under “Transactions with related parties” cover a number of Empark Aparcamientos y Servicios, S.A. current accounts with group companies. These current accounts accrue interest at a rate of 7.80%.

The breakdown of loan operations with related parties as of 30 September 2013 and 31 December 2012 was as follows:

Company	Thousands of Euros	
	30/09/2013	31/12/2012
Third parties and proportionate consolidation (note 8)	301	15
Estacionamientos Alhóndiga, S.A.	5	5
UTE Valls.....	258	–
Ute Judizmendi	10	–
Others	28	10
Total.....	301	15

10 Stock

The breakdown of inventories as of 30 September 2013 and 31 December 2012 was the following:

	Thousands of Euros			
	31/12/2013	Variation in Stocks	Purchases	30/09/2013
Raw materials and other supplies.....	2,260	(5)	(29)	2,226
Finished products.....	7,714	(113)	–	7,601
Stock provision.....	(468)	–	–	(468)
Total.....	9,506	(118)	(29)	9,359

The caption consolidated financial statement “inventories” mainly include the expenses incurred on the construction of car parks whose expected use expires in the period of one year. The administrative concessions for the construction and operating of said car parks have been given as a concession by the respective municipal governments.

The breakdown of the inventory balance is the following:

	01/12/2012	30/09/2013
EMPARK	6,069	6,012
DORNIER	2,043	2,003
APARCAMIENTOS DE BILBAO	799	787
OKENDO	561	545
Others	34	12
TOTAL	9,506	9,359

No stock has been pledged by way of guarantee. The Group has a number of insurance policies in place to cover the risks to which stocks are subject. This cover is deemed sufficient.

11 Cash and other equivalents liquid assets

	Thousands of Euros	
	30/09/2013	31/12/2012
Cash	914	944
Bank	22,980	12,701
Total cash and other equivalents liquid assets	23,894	13,645

Cash and other equivalent assets correspond to cash and current account balances (these balances are available).

12 Capital stock and share premium

a) Capital stock

As of 30 September 2013 declared capital stands at 68,196 thousands of Euros and is distributed in 11,347,143 registered shares with a nominal value of 6.01 Euros each, numbered sequentially from 1 to 11,347,143, fully called and paid up. All the shares have the same political and economic rights.

As of 30 September 2013, no Controlling Company shares issued and in circulation were listed on any stock market.

The Group's basic/diluted consolidated profit per Controlling Company share for the nine-month periods ended on 30 September 2013 and 2012 amounted to (0.19) and (0.43) Euros respectively.

Shares in the Parent Company are fully pledged as a guarantee for the financial contract.

b) Share premium

Share premium as of 30 September 2013 and 31 December 2012 amounted to 36,940 thousands of Euros. The share premium is distributable.

13 Reserves and results from previous years

Statutory Reserves

Companies must transfer 10% of the profit for each year to the legal reserve until the balance of the same reaches at least 20% of capital stock. This reserve cannot be allocated to shareholders and may only be used to offset losses on the income statement, provided that sufficient other reserves are not available for this purpose. Under certain conditions it may also be used to increase the capital stock.

Contribution to the consolidated result

The breakdown of contributions to the consolidated result for the nine-month period ending as of 30 September 2013 by consolidated companies is as follows:

	Thousand of Euros
	30/09/13
Empark Aparcamientos y Servicios, S.A.	(10,434)
Estacionamientos Alhóndiga, S.A.	156
Guadianapark, S.A.	48
Balsol 2001, S.A.	38
Femet, S.A.	48
Dornier, S.A.U.	5,529
Aparcamientos de Bilbao, S.A.	158
Estacionamientos Urbanos de León, S.A.	488
Sociedad Municipal de Aparcamientos y Servicios, S.A.	287
Estacionamientos Guipuzcoanos, S.L.U.	1,033
Infoser Estacionamientos, A.I.E.	0
UTE Judizmendi	0
Aparcamientos Guipuzcoanos, S.L.	(76)
Empark Aparcamientos Extremadura, S.L.	(1)
Empark Aparcamientos Andalucía, S.L.	(445)
Empark UK LTD	225
Concha Parking, S.A.	(126)
Guipúzcoa Parking Siglo XXI, S.A.	228
Aparcament Escaldes Centre, S.A.	73
Empark Portugal – Empreendimentos e Exploração de Parques, S.A.	(1,039)
ESLI – Parques de Estacionamento, S.A.	716
Parques da Estação – Empreend. E Exploração de Estac, S.A.	100
Gisparques – Planeamento e Gestao de Estacionamento, S.A.	172
Gisparques II – Planeamento e Gestao de Estacionamento, S.A.	(13)
Mr. Clean – Lavagem de Veículos, S.A.	(45)
SP Gis – Planeamento e Gestao de Estacionamento, S.A.	338
ParqueGil – Planemento e Gestao de Estacionamento, S.A.	34
ParqA – Planemento e Gestao de Estacionamento, S.A.	31
Street Park – Gestao de Estacionamento, A.C.E.	211
Serparque – Serviços de Estacionamento, S.A.	(2)
Segempark, S.A.	(4)
Park Yonetimi Ve Sistemleri San. Ve Tic. A.S.+ Katibin Optopark Isletmeleri Tic. Vesan. A.S.	(82)
Multi49, Parques de Estacionamento, S.A.	115
Castil – Parque, Sociedade Exploradora de Parques de Estacionamento, S.A.	36
Orange Park – Gestao de parques de Estacionamento, S.A.	12
Parkivens – Imobiliário e Serviços, S.A.	34
Maksu Services, S.A.	(1)
Total Dominant Company	(2,158)
Minority interests	
Minoritarios de Empark Portugal, S.A.	279
Aparcamientos Guipuzcoanos, S.L.	(50)
Guipúzcoa Parking siglo XXI, S.A.	166
Aparcamientos de Bilbao, S.A.	52
Guadianapark, S.A.	16
Concha Parking, S.A.	(84)
Total Minority	379
Total Consolidated	(1,779)

14 Hedging operations

The derivatives are detailed as follows:

	Thousands of Euros				
	Fair value 31-12-2012	Fair value 30-09-2013	Difference	Tax effect	Value change corrections
Swap A	(4,839)	(2,885)	1,954	(528)	1,426
Swap B	(9,199)	(4,624)	4,575	(1,373)	3,203
Swap C	(2,807)	(1,689)	1,118	(335)	783
Empark Andalucía Swap	(661)	(463)	198	(59)	139
Concha Parking swap	(1,698)	(806)	892	(250)	642
Aparcamientos Guipuzcoanos swap ..	(858)	(423)	435	(122)	313
	(20,062)	(10,890)	9,172	(2,667)	6,505

The effective part of changes in the fair value of derivatives designated and classified as cash flow hedges are F-34 recognized on a transitional basis under the net equity, deducting tax effect, this sum amounting to 6,167 thousands of Euros at 30 September 2013 and 12,672 thousands of Euros at 31 December 2012.

15 Debts and items payable

The following is the breakdown of debts and items payable:

	Thousands of Euros	
	30/09/2013	31/12/2012
Long-term debts and items payable:		
– Loans with credit institutions (a)	449,459	453,682
– Other financial liabilities (Note 16)	18,695	14,866
	468,154	468,548
– Derivatives (Note 17)	3,068	6,220
Total	471,222	474,768
Short-term debts and items payable:		
– Debts with credit institutions (b)	43,209	42,084
– Debts with related companies and third parties I	21	101
	43,230	42,185
– Suppliers	13,799	21,788
– Sundry creditors	11,739	9,970
– Staff (accrued wages and salaries)	1,543	819
– Trade pre-payments	1,236	223
	28,317	32,800
– Other current liabilities	4,407	4,665
– Derivatives (Note 17)	7,822	13,842
Total	83,776	93,492

Long-term loans with credit institutions

30/09/2013

The details of long term bank loans are shown below:

	Thousands of Euros	
	Limit granted	Balance drawn
Debts with credit institutions		
With mortgage guarantee		
– Aparcamientos de Bilbao, S.A.	15,100	5,458
– Estacionamientos Alhóndiga, S.A.	3,500	1,098
– Guipúzcoa Parking Siglo XXI, S.A.	33,300	28,339
– Concha Parking, S.A.	31,134	23,825
– Aparcamientos Guipuzcoanos, S.R.L.	12,215	11,586
– Empark Aparcamientos y Servicios, S.A.	359,257	308,734
– Empark Portugal – Empreendimentos e Exploração de Parqueamentos, S.A.	37,632	27,049
– Gisparques- Parques de Estacionamiento, S.A.	502	361
– Esli – Parques de Estacionamientos, S.A.	31,798	22,893
– SP Gis- Planeamento e Gestão de Estacionamiento, S.A.	3,436	2,474
– Park Yonetimi Ve Sistemleri San. Ve Tic. A.S.	393	–
– ParqueGil – Planemento e Gestao de Estacionamento, S.A.	11,341	10,161
– ParqA – Planemento e Gestao de Estacionamento, S.A.	1,371	466
– Dornier, S.A.U.	2,200	937
– Empark Aparcamientos Andalucía, S.L.U.	7,000	6,078
– Estacionamientos Guipuzcoanos, S.L.	500	–
	550,679	449,459

Aparcamientos de Bilbao, S.A. has two mortgage loans, one for the sum of 3,100 thousands of Euros at an interest rate of 1.045% maturing on 24 October 2013, and the other for 12,000 thousands of Euros at an interest rate of 1.147% maturing on 6 October 2019.

Estacionamientos Alhóndiga, S.A. has a mortgage loan for the sum of 3,500 thousands of Euros at an interest rate of 0.889%, maturing on 16 December 2018.

Guipúzcoa Parking Siglo XXI, S.A. has a mortgage loan for the sum of 33,300 thousands of Euros at an interest rate of 0.869%, maturing on 31 December 2035.

Concha Parking, S.A. has a mortgage loan for the sum of 31,134 thousands of Euros at an interest rate of 2.747%, maturing on 5 August 2029. In 2012 a swap was arranged, with a notional figure of 85% of the loan sum.

Aparcamientos Guipuzcoanos, S.R.L. has a mortgage loan for 12,215 thousands of Euros maturing on 5 August 2029 with interest rate of 2.997%. In 2012 a swap was arranged, with a notional figure of 85% of the loan sum.

Empark Aparcamientos Andalucía, S.L.U. has a credit agreement for 7,000 thousands of Euros, maturing on 15 June 2029 with an interest rate of 3.845%.

Empark Aparcamientos y Servicios, S.A. signed an ICO loan with Banco Sabadell on 18 October 2011, maturing on 25 October 2016, with an interest rate of 5.992%, amounting to a sum of 2,000 thousands of Euros.

In 2012, Empark Aparcamientos y Servicios, S.A. signed another ICO loan with Banco de Valencia, amounting to 1,000 thousands of Euros, maturing on 28 July 2014. The interest rate is 7.844%.

Empark Aparcamientos y Servicios, S.A. signed an ICO loan with Bankinter on 25 July 2013, amounting to 1,000 thousands of Euros, maturing in August 2015, with an interest rate of 6.10%.

In 2011 Dornier, S.A. signed to ICO loans, amounting to 2,200 thousands of Euros in total:

The agreement with Banco Sabadell is 1,000 thousands of Euros ICO liquidity arrangement, maturing on 25 October 2016, the rate of interest being 5.992%.

The agreement signed with Ibercaja is an ICO investment loan of 1,200 thousands of Euros, maturing on 25 November 2016, with a sum of 300 thousands of Euros of this loan being pledged, with an interest rate of 4.295%.

In 2012 Estacionamientos Guipuzcoanos, S.L., assigned an ICO liquidity loan with Bankinter for 500 thousands of Euros. This loan has a grace period of 1 year, maturing on 10 August 2014, with an interest rate of 6.94%.

In September 2013 the loan arranged by Parques da Estação at Caixa Geral de Depósitos was repaid in full.

Parquegil has signed two loans, one with BPI and the other with BPN. The principal amount outstanding for both loans is 11,019 thousands of Euros. The loan with BPI matures in 2016 and uses an interest rate of Euribor plus 0.85%. The loan with BPN, meanwhile, matures in 2021, the interest rate being the Euribor plus 5.25%.

In 2004 ParqA signed a loan with Caixa de Aforros de Vigo, Ourense e Pontevedra. The principal amount outstanding for 2012 is 727 thousands of Euros and the loan matures in 2016. The interest rate is Euribor plus 1.75%.

Park Yonetimi has a loan pending F-36ecognizedF-36i of 256 thousands of Euros, maturing in 2014.

Empark Aparcamientos y Servicios, S.A. jointly with Empark Portugal – Empreendimentos e Exploração de Parques, S.A., Esli, Gisparques, and SP Gis – Planeamiento e Gestão de Estacionamento, S.A. has a syndicated loan signed on 27 July 2009, in the sum of 400,343 thousands of Euros. Of these 400,343 thousands of Euros, 18,680 thousands of Euros were not drawn because funding was obtained for Concha Parking, S.A. through Project Finance. 406 thousands of Euros of financing for Balsol 2001, S.A. were likewise not drawn.

On 14 October 2010 the agreement was renewed and extended by 42,000 thousands of Euros, the sum drawn down as of 31 December 2012 being 40,794 thousands of Euros.

In April 2012 a prepayment of 330 thousands of Euros was made.

The credit limit granted at 30 September 2013 is 423,257 thousands of Euros.

On 18 December 2012 Empark Aparcamientos y Servicios, S.A., signed a novation modifying without terminating the syndicated loan. This novation involved a change to the F-36ecognizedF-36i calendar of all the facilities, without any change to the nominal rate of the various facilities, or the spreads, or the maturity dates (the same conditions as under the previous financing arrangement were maintained).

The costs associated with the novation of this loan were 3,320 thousands of Euros, considered as an amortised cost. The cost was 75 basis points applied to the sum of the loan.

A comprehensive analysis of the new loan has been performed, essentially comprising:

- Calculation of the net present value of the previous financing and the new arrangement, based on the corresponding drawdowns and F-36ecognizedF-36io (in the case of the new F-36ecognizedF-36i calendar, the cost of 3,320 thousands of Euros was likewise taken into consideration), applying the weighted mean discount rate for this financing.

The discount rate employed was 6.67 %.

- The result of the study was a variation between the value of the previous and new financing arrangements of 0.46%.

Therefore, following the analysis carried out it has been determined that there is no substantial change in the loan conditions, and therefore the cost associated with the renewal has been calculated as an amortised cost to be spread over the remaining life of the loan.

This syndicated loan is pegged to the Euribor with a differential of between 3.5% and 4.5%: Facility A at 4%, Facility B at 4.5%, TC1 at 4% and TC2 at 3.5% (see table below).

The total amount is divided into three different loans:

Facility A is an amortising loan payment of which began in 2011, and will expire in 2016. Under the new F-36ecognizedF-36i calendar, aside from the half-yearly F-36ecognizedF-36io, there are three major F-36ecognizedF-36io in December 2013, June 2015 and July 2016, the definitive maturity date.

Facility B was initially a bullet loan, with the sum total of the loan being amortised on maturity, in 2017. However, following signature of the loan novation, F-36ecognizedF-36io were established in December 2013 and June 2015, with a final F-36ecognizedF-36i in July 2017.

With regard to borrowing for Capex, this is divided into TC1 and TC2, and the total sum stands at 72,000 thousands of Euros, which may be drawn down in order to pay for investments. As of 30 September 2013, 30,000 thousands of Euros of TC1 and 42,000 thousands of Euros of TC2 had been drawn.

TC1 was initially an amortising-type loan with half-yearly F-36ecognizedF-36io, maturing in July 2016. It now has three single F-36ecognizedF-36io in December 2013, June 2015 and one final F-36ecognizedF-36i in July 2016.

As for the TC2, this was initially a Bullet loan amortised in full in July 2017. It now has three F-37 recognized F-37io, one in December 2013, another in June 2015 and one final F-37 recognized F-37i in July 2017.

The syndicated loan serves several purposes:

1. – To finance the acquisition of Empark Portugal.
2. – To refinance Cintra Group's existing debt.
3. – To refinance Empark Portugal Group's existing debt.
4. – To fund part of the Group's investment plan.

The loan has the following specifications:

Amount (thousands of Euros)		Interest	Maturity
Facility A	98,721	Euribor + differential	Jul-16
Facility B1	102,577	Euribor + differential	Jul-17
Facility B2	121,800	Euribor + differential	Jul-17
Capex T1	26,185	Euribor + differential	Jul-16
Capex T2	40,794	Euribor + differential	Jul-17
TOTAL	390,077		

This bank finance requires companies within the financing scope to comply with certain financial ratios (Debt Service Coverage Ratio, Net Debt to EBITDA, Interest Coverage Ratio).

As of September 2013 the contractual conditions for the finance had not been breached.

The following table shows the financial situation by companies and by syndicated loan sections as of 30 September 2013.

COMPANY	LIMIT	FACILITIES				TOTAL
		F.A.	F.B	Capex T1	Capex T2	
Empark	352,256.55	40,292.73	224,377.07	26,185.06	40,793.67	331,648.53
Gisparques	485.60	399.61				399.61
Emparque	36,417.59	29,969.06				29,969.06
ESLI	30,771.87	25,323.04				25,323.04
SP Gis	3,325.44	2,736.60				2,736.60
TOTAL	423,257.05	98,721.04	224,377.07	26,185.06	40,793.67	390,076.84

Long-term maturities of the sum of the loans are broken down as follows:

	Thousands of Euros
Over Two years	51,564
Over Three years	107,002
Over Four years	221,425
Others	69,468
	449,459

b) Short term debts with credit institutions.

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The detail of the balance and variations of this caption is as follows:

	Thousands of Euros			
	Balances as of 31/12/2012	Increases	Reductions	Balances as of 30/09/2013
Short-term portion of long-term loans	35,132	6,249	8,039	33,341
Non-due interest payable	6,952	22,685	19,770	9,868
	42,084	28,934	27,809	43,209

As of 30 September 2013, the Group has in place the following credit lines, assigned wholly to Empark Aparcamientos y Servicios, S.A and broken down as follows:

Entity	Type of Loan	Limit	Thousands of Euros			
			Contract / Novation date	Expiry date	Drawn	Interest Rate
La Caixa	Commercial Credit Line	4,000	25/06/2013	30/06/2014	–	6 month Euribor + differential
Banco Popular	Commercial Credit Line	300	11/04/2013	11/04/2014	–	Fixed Rate 5.75% 12 month
Bankinter	Commercial Credit Line	700	25/07/2013	23/07/2014	–	Euribor + differential 3 month
Ibercaja(*)	Commercial Credit Line	550	25/09/2012	30/09/2013	–	Euribor + differential
Banco Sabadell	Commercial Credit Line	800	18/06/2013	29/11/2013	13	Fixed Rate 5.50%

(*) Not renewed by expiry date of 2 October 2013

Amounts owing in short-term debt and unpaid accrued interest: Aparcamientos de Bilbao, S.A. – 1,506 thousands of Euros; Estacionamientos Alhóndiga, S.A. – 259 thousands of Euros; Guipúzcoa Parking, S.A. – 846 thousands of Euros; Concha Parking, S.A. – 1,094 thousands of Euros; Aparcamientos Guipuzcoanos, S.R.L. – 326 thousands of Euros; Empark Aparcamientos Andalucía, S.L. – 429 thousands of Euros; and Estacionamientos Guipuzcoanos, S.L. – 458 thousands of Euros.

The amount owed by Dornier, S.A., including unpaid accrued interest, in connection with the Ibercaja ICO (Official Credit Institute of Spain) loan is 240 thousands of Euros, while the Banco Sabadell ICO loan amounts to 200 thousands of Euros.

Empark Aparcamientos y Servicios, S.A. (individual company), owes a total of 30,617 thousands of Euros in short-term debt and unpaid accrued interest to Banco Espirito Santo de Inversión and in connection with the ICO loans from Banco Sabadell, Banco de Valencia and Bankinter (22,655 thousands of Euros in short-term debt and 7,962 thousands of Euros in unpaid accrued interest).

Empark Portugal – Empreendimentos e Exploração de Parques de Estacionamento, S.A., Esli – Parques de Estacionamento, S.A., Gisparques – Planeamento e Gestão de Estacionamento, S.A., and SP Gis – Planeamento e Gestão de Estacionamento, S.A., owe 5,815 thousands of Euros in short-term debt and unpaid accrued interest in connection with the syndicated loan held with Banco Espirito Santo de Investimento.

The remainder of the short-term debt in Portugal amounts to 1,419 thousands of Euros.

c) Debts with related parties

	Thousands of Euros	
	30/09/2013	31/12/2012
Ute Valls (Cespa)	–	74
Ute Torrellobeta (Ferrovia)	21	24
Others	–	3
Short-term debts with related parties	21	101

16 Other financial liabilities

	Thousands of Euros	
	30/09/2013	31/12/2012
Debts with related companies	7,885	7,826
Long-term debt with Concha Parking, S.A. (Construcciones Moyua)	4,338	4,338
Long-term debt with Aparcamientos Guipuzcoanos, S.L. (Construcciones Moyua)	2,758	2,758
Shareholder loans	789	730
Other debts	10,810	7,040
Leases	10,151	6,560
Guarantees	195	195
Other debts	464	285
Total	18,695	14,866

The long-term debt with Concha Parking, S.A. for 4,338 thousands of Euros pertains to a participating loan from Construcciones Moyua, S.L., which is paid on the basis of changes in equity.

The long-term debt with Aparcamientos Guipuzcoanos, S.L. for 2,758 thousands of Euros pertains to a participating loan from Construcciones Moyua, S.L., which is paid on the basis of changes in equity.

Lease expenses amounting to 10,151 thousands of Euros correspond primarily to:

- 5,134 thousands of Euros for a lease at the Saldanha Residence car parks.
- 3,494 thousands of Euros for a lease at the Alves Redol and Don Luis car parks.
- 1,523 thousands of Euros for ORA equipment leases.

17 Financial instruments

Breakdown of the items is as follows:

	Thousands of Euros	
	30/09/2013 Liabilities	31/12/2012 Liabilities
Non-current	3,068	6,220
Current	7,822	13,842
TOTAL	10,890	20,062

On signing the syndicated loan two interest rate hedging swaps were contracted. one for Facility A and the other for Facility B. Both are for a notional sum of 67% of the debt; in other words, for 83,327 thousands of Euros in the case of Facility A and 164,803 thousands of Euros for Facility B.

Amortisation conditions of these swaps are pegged to the F-39 recognized F-39i conditions of the loan they cover. Thus Swap A is an amortizing swap that matures in 2016. Swap B, on the other hand, is a Bullet swap.

The Group pays a fixed rate of 3.24% for Swap A and 3.19% for Swap B.

On 21 December 2009, a third Swap was signed with La Caixa for a notional amount of 35 million Euros with payments every 6 months and a fixed interest rate of 4.29%. This Swap increases the Facility A hedge.

On 18 November 2011, Empark Aparcamientos Andalucía, S.L.U., signed a loan agreement with La Caixa for 7,000 thousands of Euros. This loan is hedged with the same entity for 6,300 thousands of Euros. Empark Aparcamientos Andalucía, S.L.U. agreed to pay a fixed rate of 2.83% for this Swap.

On 31 December 2012, Aparcamientos Guipuzcoanos, S.L. entered into an interest rate derivative contract to manage exposure to fluctuations in the rates of its variable rate syndicated loans. This contract establishes payments and interest charges, according to the current market interest rate (Euribor). On 30 September 2013, the Company recorded the value of this product, net of tax effect, at 618 thousands of Euros. The derivative notional amount as of 30 September 2013 is of 10,248 thousands of Euros.

On 31 December 2012, Concha Parking, S.A. entered into an interest rate derivative contract to manage exposure to fluctuations in the rates of its variable rate bank loans. This contract establishes payments and interest charges, according to the current market interest rate (Euribor). On 30 September 2013, the Company recorded the value of this product, net of tax effect, at 1,222 thousands of Euros. The derivative notional amount as of 30 September 2013 is of 21,505 thousands of Euros.

The value of the derivatives held by the Group as of 30 September 2013 and 31 December 2012, was (10,890) thousands of Euros and (20,062) thousands of Euros respectively.

18 Long-term accruals and deferrals

The variations in the "Long-term accruals and deferrals" account for the nine-month period ending on 30 September 2013 were as follows:

	Thousands of Euros
	Assignment of Use of Parking
Balances as of 31/12/2012	611
Income and cancellations F-40ecognized.....	(182)
Balances as of 30/09/2013	429

At 30/09/2013 and 31/12/2012 the sums recorded under the long-term accruals and deferrals heading corresponded mainly to long-term contracts with users.

19 Provisions

The variations in the account for the nine-month period ending on 30 September 2013 were as follows:

a) Long-term provisions

Long-term staff benefit liabilities:

	Thousands of Euros
Balance as of 31/12/2012	129
a) Set aside for long-term provisions	3
Balance as of 30/09/2013	132

Provision for infrastructure operations:

	Thousands of Euros
Major repairs	7,602
Replacement works.....	9,393
Fees	31,221
Others.....	64
Balance as of 31/12/2012	48,280
Set aside for provisions for major repairs	259
Set aside for provisions for replacement works	1,481
Set aside for provisions for fees.....	1,942
Transfer – short-term provisions for replacement works	364
Transfer – short-term provisions for fees	555
Major repairs	7,861
Replacement works.....	10,510
Fees	32,608
Others.....	64
Balance as of 30/09/2013	51,043

The provision for replacement works includes liabilities secured in order to meet the cost of specific work undertaken (in relation to usage periods of more than a year) on infrastructure associated with concession agreements that involve the use or consumption of part of said infrastructure.

The provision for fees includes liabilities secured in order to meet the cost of payments to City Councils relating to periods of more than a year and associated with concession agreements.

Provisions for large-scale repairs correspond to the amounts allocated to meet payments for certain assets on the expiry date of the corresponding concessions.

The breakdown of the provision for replacement operations by company as of 30 September 2013 was:

- Future payments – Guipúzcoa Parking Siglo XXI, S.A. amounting to 1,196 thousands of Euros.
- Future payments – Aparcamientos Guipuzcoanos, S.L amounting to 1,197 thousands of Euros.
- Future payments – Concha Parking, S.A. amounting to 1,785 thousands of Euros.
- Future payments – Estacionamientos Guipuzcoanos, S.L.U. amounting to 1,851 thousands of Euros.
- Future payments – Empark Aparcamientos y Servicios, S.A. amounting to 1,832 thousands of Euros.

b) Short-term provisions

The total balance of short-term provisions as of 30 September 2013 is 3,076 thousands of Euros.

Provision for infrastructure operations:

	Thousands of Euros
Replacements and major repair work.	1,493
Fees	4,274
Others.....	87
Balance as of 31/12/2012	5,854
Long-term replacement transfers	364
Long-term fee transfers.....	555
Replacement applications	(198)
Fee applications	(3,500)
Others.....	1
Replacements and major repair work.	1,659
Fees	1,329
Others.....	88
Balance as of 30/09/2013	3,076

20 Tax situation

30/09/2013

Summary of the Tax Situation

Reconciliation of net income and expense for the financial year with the tax base for corporation tax

	30/09/2013
Profit (loss) before tax	(2,872)
Permanent differences	(1,289)
Amount calculated at a rate of 28 % 30 % 25 %.....	(1,119)
Rebates and credits	—
Double taxation deductions.....	—
Tax income for financial year	(1,119)
Tax adjustments from previous years	26
Total income	(1,093)

Variation in deferred tax assets and liabilities were as follows:

Deferred tax assets	
Balance as of 31/12/2012	29,832
2012 Corporate Tax adjustments.....	4
Derivatives (Note 14)	(2,667)
Balance as of 30/09/2013	27,169
Deferred tax liability	
Balance as of 31/12/2012	25,933
Corporate Tax adjustments 2012.....	(61)
Depreciation of goodwill assigned to assets	(166)
Balance as of 30/09/2013	25,706

The tax rate used for calculating the payment was 30% for companies paying Spanish state taxes, 28% for those taxed under autonomous regional schemes and in the United Kingdom, 0% for tax-exempt companies, 26.5% for companies taxed in Portugal and 20% for companies taxed in Turkey.

As of 1 January 2010, for the purposes of Corporate Tax and VAT for companies in Spain within the perimeter, the Group is taxed under Fiscal Consolidation Plan.

Expiry is 4 years from the date of the end of the voluntary reporting or payment period for all taxes and duties in Spain (Value Added Tax, Corporate Tax, Professional Withholdings, Property Tax, Business Activity Tax, etc.)

21 Information regarding geographic segments and by business

IFRS 8 "Operating Segments" defines an operating segment as follows. An operating segment is a component of an entity:

- that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity).
- whose operating results are reviewed regularly by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance.
- With regard separate to this financial information is available.

The Group reports the following information about segments in the Consolidated Statement of Income:

Segmentation by countries

The Group segments operations by countries due to the significant differences from country to country regarding business management, customers, applicable legislation, language barriers and in some cases different currencies.

	(In thousands of Euros)									
	INCN		COST		EBITDA		AMORTISATION + PROVISIONS		OPERATING RESULTS	
	sep-13	sep-12	sep-13	sep-12	sep-13	sep-12	sep-13	sep-12	sep-13	sep-12
Spain	102.668	104.518	(69.231)	(72.400)	33.437	32.118	(17.434)	(18.394)	16.003	13.724
Portugal	23.422	24.701	(11.246)	(13.310)	12.176	11.391	(4.467)	(4.311)	7.709	7.080
United Kingdom	5.561	5.241	(5.107)	(4.879)	454	363	(36)	(96)	418	267
Turkey.....	2.241	3.083	(2.255)	(2.996)	(14)	87	(67)	(76)	(81)	11
Andorra.....	559	608	(191)	(187)	368	421	(318)	(319)	50	102
Total.....	134.451	138.151	(88.030)	(93.772)	46.421	44.379	(22.322)	(23.196)	24.099	21.183

INCN(includes net turnover + other operating income)

COSTS (Supplies + Staff Costs + Other operating costs)

Segmentation by business line

The information by business line is as follow:

	(In thousands of Euros)							
	INCN		COST		EBITDA		OPERATING RESULTS	
	sep-13	sep-12	sep-13	sep-12	sep-13	sep-12	sep-13	sep-12
Off-street	61.516	65.989	(24.815)	(28.021)	36.701	37.968	36.701	37.968
On-street	55.672	54.567	(45.587)	(48.150)	10.085	6.417	10.085	6.417
Management and others	17.263	17.595	(17.628)	(17.601)	(365)	(6)	(365)	(6)
Amortisation + Provisions	—	—	—	—	—	—	(22.322)	(23.196)
Total.....	134.451	138.151	(88.030)	(93.772)	46.421	44.379	24.099	21.183

INCN(includes net turnover + other operating income)

COSTS (Supplies + Staff Costs + Other operating costs)

22 Net turnover and other operating income

Net turnover and other operating income

The breakdown of net turnover and other operating income for the periods ending 30/09/2013 and 30/09/2012 is as follows:

	Thousands of Euros	
	30/09/2013	30/09/2012
SPAIN		
tow-away	5,993	65,193
off-street	39,991	41,410
charges.....	7,917	9,199
residents.....	129	231
on-street parking ora	42,587	42,055
sale of parking meters		
management	1,283	1,236
advertising	158	150
maintenance.....	1,366	1,290
others	3,243	2,428
Total sales Spain	102,668	104,518
PORTUGAL		
off-street	9,377	9,346
charges.....	4,349	4,954
on-street parking ora	5,392	5,776
others	1,323	1,302
management	2,981	3,323
Total sales Portugal	23,422	24,701
ANDORRA		
charges.....	380	401
others	179	207
Total sales Andorra.....	559	608
UK		
off-street	5,561	5,241
Total sales UK.....	5,561	5,241
TURKEY		
off-street	2,241	3,083
Total sales Turkey	2,241	3,083
Total sales revenue and accessories.....	134,451	138,151

1 – Income generated from off-street car parks

Revenue from off-street short-stay car parks corresponds to revenues generated through the use of parking spaces owned by the Group or held under an administrative concession. Off-street car park revenues are recorded when the hourly parking rate is paid and, in the case of season ticket-holders, on an accrual basis.

2 – Revenue generated through the sale of residents parking spaces

This business involves the construction of car parks whose spaces are sold directly to the end customer during the term of the concession. The sales and costs are not registered until the parking space is delivered, which coincides with the signature of the contract.

3 – Revenue generated by on-street car parks (ORA)

Revenue from the ORA regulated limited time parking service derives from the cost of providing the service plus a percentage, generally between 1% and 3%, of the difference between service cost and the funds collected. In some ORA contracts revenue is earned at a fixed rate (service cost) which is independent of the funds collected (these belong to the City Council). This is registered in the accounts on provision of the service.

4 – Management and others

The Group also F-44ecognizedF-44 in the provision of other services associated with the comprehensive management of parking and urban and interurban mobility such as: management of parking facilities in ports and airports, access control to nature reserves, temporary parking services for trade fairs and other mass attendance events, park and ride combined services, etc.

23 Personnel costs

The breakdown of personnel expenses as of 30/09/2013 and 30/09/2012 is as follows:

	Thousands of Euros	
	30/09/2013	30/09/2012
Wages, salaries, et al.	43,797	41,792
Social Security costs	10.860	11.911
Other non-recurrent personnel expenses	563	4.606
	55,220	58,309

The workforce by gender at the end of the first nine-months of 2013 broken down by categories and levels for the Group as of 30 September is the following:

	Men	Women	Total
Administrative personnel.....	12	44	56
Executive.....	34	5	39
Technicians and operators.....	1,556	932	2,488
Supervisors	162	38	200
Employees with tertiary and other higher education qualifications	25	32	57
TOTAL	1,789	1,051	2,840

The workforce by gender at the end of the first nine months of 2013 broken down by categories and levels for the Group for financial first nine-months is the following:

	Men	Women	Total
Administrative personnel.....	11	44	55
Executive.....	34	5	39
Technicians and operators.....	1,585	988	2,573
Supervisors	163	39	202
Employees with tertiary and other higher education qualifications	26	32	58
TOTAL	1,819	1,108	2,927

Remuneration of the Board of Directors and senior management amounted to 1,271 thousands of Euros as of 30 September 2013.

24 Financial result

	Thousand of Euros	
	30/09/2013	30/09/2012
Financial revenue:		
Tradable securities and other financial instruments		
– Third-party	202	520
	202	520
Financial costs:		
Debts with third parties.....	(21,586)	(25,174)
Hedging	(6,360)	(4,422)
	(27,946)	(29,596)
Financial result.....	(27,744)	(29,076)

25 Cash flows

The Statement of Cash Flow set forth in the present financial statements was drawn up in accordance with the provisions of International Accounting Standard No 7.

The Statement of Cash Flow is divided into three types of flows depending on the cash inputs and outputs conducted by the consolidated Group:

- Net operating activity cash flows: these include cash movements at operating level for all businesses managed by the Group.
- Net investment activity cash flows: these include an aggregate of the cash flows generated by investments and divestments in tangible fixed assets, intangible assets, concession projects, real estate assets and financial assets.
- Net financing activity cash flows: these include cash inputs from debt issuances and issuance of bonds and other external financing sources; and cash outlays due to the repayment of debt and commitments, financial interest deriving from outside resources and the distribution of dividends.

25.1 Operating activities

	Thousand of Euros	
	30/09/2013	30/09/2012
Result of financial year before tax	(2,872)	(6,739)
Adjustments to result:	49,293	50,541
– Amortisation of fixed assets	21,446	22,125
– Variation in provisions	924	1,071
– Profit (loss) due to cancellations and disposal of fixed assets	(48)	–
– Financial revenue	(202)	(520)
– Financial costs	27,946	29,596
– Equity method	(773)	(1,154)
– Others income and expenses	–	(577)
	46,421	43,802
Changes in current capital:	6,479	8,449
– Inventories	147	126
– Debtors and other accounts receivable	7,023	11,132
– Other current assets	205	137
– Creditors and other accounts payable	(6,345)	(6,698)
– Other non-current assets and liabilities	5,383	3,791
– Other current liabilities	66	(39)
	52,900	52,251
Other cash flows from operating activities:	(24,647)	(25,643)
– Interest payments	(25,033)	(25,154)
– Dividends received	684	441
– Interest received	202	520
– Other payments	(500)	(1,450)
Cash flows from operating activities:	28,253	26,608

25.2 Investment activities

	Thousand of Euros	
	30/09/2013	30/09/2012
Investment payments:	(12,022)	(11,292)
– Intangible assets	(6,887)	(8,672)
– Tangible fixed assets	(5,135)	(2,612)
– Other financial assets, group and associated companies	–	(8)
Divestment collections	109	579
– Intangible assets	(286)	577
– Tangible fixed assets	48	–
– Other assets	347	2
Cash flows from investment activities	(11,913)	(10,713)

25.3 Financing activities

	Thousand of Euros	
	30/09/2013	30/09/2012
Collections and payments for financial liability instruments:	(6,091)	(15,983)
– Issuance:		
– Debts with credit institutions.....	(6,011)	(15,757)
– Debts with Group and associated companies.....	(80)	(226)
Dividend payments and returns on other equity instruments:	–	–
– Dividends.....	–	–
Cash flows from financing activities	(6,091)	(15,983)

26 Contingent Assets, Contingent Liabilities and Commitments

Contingent liabilities as of 30/09/2013

At 30 September 2013 the Group had provided securities for approximately 55,328 thousands of Euros, primarily to Public Authorities (as of 31 December 2012 this figure stood at 51,057 thousands of Euros). The distribution of securities per company is following::

- Empark Aparcamientos y Servicios, S.A. provided securities for approximately 21,274 thousands of Euros, primarily in connection with various appeals brought for non-payment of council tax, with securities provided to municipal governments awarding concessions for the operation of said concessions, and with obligations resulting from contracts for the execution and sale of property developments.
- Dornier, S.A.U. provided securities to third parties for the sum of 16,157 thousands of Euros, primarily to City Councils to guarantee the execution of the contracts awarded and in connection with various appeals brought for non-payment of certain council taxes.
- Estacionamientos Guipuzcoanos, S.L.U. provided securities for approximately 1,413 thousands of Euros, primarily relating to several actions resulting from non-payment of council taxes.
- Aparcamientos de Bilbao, S.A. provided definitive securities amounting to 860 thousands of Euros, of which 513 thousands of Euros corresponds to the award of the concession to operate the car park on Plaza de Indautxu, and 347 thousands of Euros for the Azoka car park.
- Concha Parking, S.A. placed final surety for the sum of 3,690 thousands of Euros for the second payment of the concession fee. It had also placed another final surety for 1,574 thousands of Euros corresponding to 4% of the quote.
- Aparcamientos Guipuzcoanos, S.L. provided a definitive security for the sum of 2,742 thousands of Euros for the second payment of the concession fee and another for 525 for the same item to the Donostia City Council for award of the concession to operate the Plaza de Cervantes parking facility.
- Guipúzcoa Parking Siglo XXI, S.A. provided a definitive security for the sum of 600 thousands of Euros to the Donostia City Council for award of the concession to operate the Okendo car park.
- Estacionamientos Alhóndiga, S.A. provided definitive securities for the sum of 841 thousands of Euros to the Bilbao City Council for the award of the concession to operate said company's car parks.
- Empark – Empreendimentos e Exploração de Parqueamentos, S.A. provided definitive securities for the sum of 3,174 thousands of Euros, of which 584 thousands of Euros were provided to the City Council of Faro, 288 thousands of Euros to the City Council of Lisbon, 75 thousands of Euros to the City Council of Beja, 100 thousands of Euros to the City Council of Cascais, 1,100 thousands of Euros for the ANA contract and 1,022 thousands of Euros to Milli Restaurants T.A.S (Park Yonetimi Ve Sistemleri San. Ve Tic. A.S.).
- ESLI – Parques de Estacionamento, S.A. provided definitive securities for the sum of 1,044 thousands of Euros, of which 200 thousands of Euros were provided to Câmara Municipal do Porto, 100 thousands of Euros to the Tax Authority, and 719 thousands of Euros to Lisbon's City Council.

The Group's Directors consider that, as of 30 September 2013, if any unforeseen liabilities were to arise from the securities provided, these would not be significant.

Main litigations under way as of 30/09/2013

1.– Major claim by Obrascón Huarte Lain, S.A. against Ferrovial Aparcamientos, S.A. (now Empark Aparcamientos y Servicios, S.A.), Vista Desarrollo, S.A., Caixa Penedés, CARIPLO and Bolsa de Madrid requesting the annulment of the enforcement proceeding against secured collateral affecting 850,614 ESSA shares (now Empark Aparcamientos y Servicios, S.A.).

A judgement in favour of Empark Aparcamientos y Servicios, S.A. and other defendants was handed down by the Supreme Court on 10 December 2008. These proceedings may now be considered closed. As the plaintiff was ordered to pay the court fees, Empark Aparcamientos y Servicios, S.A. submitted three requests for Calculation of Court Fees, by which a claim is made against Obrascón Huarte Lain, S.A. (OHL) for the payment of Court Representative and Barrister fees. The costs relating to these three proceedings have already been collected. Finally, the Supreme Court costs were set by the Order of 22 January 2013 and amounted to 43 thousands of Euros for barristers' fees, and 26 thousands of Euros for court representatives' fees.

Furthermore, Counsel Félix López Antón Esq., who handled the defence of Empark's interests in the various instances of this proceeding, filed three Jura de Cuentas (collection of legal fees) proceedings against Empark, for the payment of fees incurred for the Court of First Instance, the Provincial High Court and the Supreme Court. The current situation of these proceedings is as follows:

- First Instance: Legal fees were set by the Court at 117 thousands of Euros (plus VAT) from which 54 thousands (plus VAT) must be deducted for fees already paid by Empark to the Lawyer. The amount pending payment was thus 63 thousands of Euros (plus VAT), which was deposited with the Court on 17 September 2010. The interest has also been paid, at 3 thousands of Euros. The Court costs for the Jura de Cuentas proceeding remain to be calculated.

Counsel Anton Lopez solicited testimony from various writings and judgements in this claim, possibly in order to bring them before the relevant competent courts in any future legal action that Despacho López Antón SLP might take against Empark Aparcamientos y Servicios, S.A., said testimonies were issued by Court Order of 10 October 2011.

- Provincial Court: The fees accrued in the High Court were initially set by said Court at 31 thousands of Euros (incl. VAT), of which Empark had already paid 8 thousands of Euros. However, the lawyer charging the fees requested annulment of this ruling, arguing that there had been an evident error in applying the Standard Fees scale of the Madrid Bar Association. Said nullity was allowed by the Court and fees were finally set at 47 thousands of Euros (plus VAT), from which 8 thousands of Euros shall be deducted, leaving 39 thousands of Euros (plus VAT). The full sum owed has now been deposited, and the VAT was paid out of court upon the presentation of the corresponding invoice. The Court costs have not been set.

Counsel Anton Lopez solicited testimony from various writings and judgements in this remedy, citing that "they would be brought before the relevant competent courts in any future legal action that Despacho López Antón SLP might take against Empark Aparcamientos y Servicios, S.A." Said testimonies were issued by Court Order of 11 October 2011.

- Supreme Court: The fees were set by the Supreme Court at 43,640 thousands of Euros (incl. VAT), from which the 10 thousands of Euros already paid by Empark is to be deducted. The remaining sum of 33 thousands of Euros has been deposited by Empark. The Lawyer charging the fees requested the nullification of this ruling, which was not granted by the Supreme Court, a decision about which he again requested clarification, a request that was also dismissed by Order of 12 July 2011.

Despacho López Antón Abogados SLP has also filed an ordinary lawsuit, based on the fees incurred in the proceedings of previous Jura de Cuentas, for: (i) the outstanding portion of the fees incurred in the extraordinary legal remedies for procedural infringement and cassation Nº 2901/2003, which were not included in the Jura de Cuentas docket, F-49ecogniz 137 thousands of Euros (plus VAT) and 15 thousands of Euros of accrued penalty interest, without prejudice to any interest that may continue to accrue until the payment of the debt; (ii) the accrued penalty interest not F-49ecognized by the Madrid Provincial Court, for the fees included in the Jura de Cuentas docket, F-49ecogniz 2 thousands of Euros. EMPARK was notified of the lawsuit on 28 December 2011 and answered on 26 January 2012. The Preliminary Hearing was held on 4 June 2012, and the trial on 5 November 2012. The sentence was handed down on 4 December 2012, in which the suit brought by Despacho López Antón Abogados, S.L.P. was dismissed and the latter ordered to pay all legal costs.

On 22 January 2013 Despacho López Antón Abogados, S.L.P. filed an appeal before the Provincial Court of Madrid. Days later we filed notice of opposition to the appeal. Pending judgement on appeal.

- 2.– Ordinary proceedings 117/2011-6. Santiago de Compostela Court of First Instance and Preliminary Jurisdiction No. 5.

The Association of Commercial Premises of the Santiago Area Central Shopping Centre is suing Empark Aparcamientos y Servicios, S.A. for the sum of 66 thousands of Euros based on the claim that the aforesaid company

owes the Association monthly payments, from January 2009 to June 2009 inclusive, pertaining to the budgets of said Association and interest accrued to the present (1 thousands of Euros) and that which will accrue from the complaint lodgement date until a ruling is handed down.

Size of claim: 67 thousands of Euros.

Procedural status: All claims made by the plaintiff were dismissed and the latter ordered to pay costs for bringing a frivolous suit. The Association of Commercial Premises of the Santiago Area Central Shopping Centre appealed and Empark opposed the appeal on 5 March 2012. Pending judgement on appeal.

3.- Ordinary proceedings No.166/2012 brought before the Court of First Instance No. 22 in Valencia, filed by Empark against the User Community of the Ruzafa car park.

Empark is taking action against the User Community for the payment of utilities in the amount of 90 thousands of Euros.

It filed suit on 26 January 2012. The Preliminary Hearing was held on 15 October 2012, and the trial on 30 January 2013.

The sentence was handed down on 20 February 2013, in which the User Community was ordered to pay 90 thousands of Euros plus legal costs.

4.- Ordinary Proceedings brought before the Court of First Instance in Madrid, filed by Empark against the User Community of the Calle General Díaz Porlier car park.

Action taken to recover 122 thousands of Euros paid in Property Tax by Empark.

Procedural status: claim filed and answered.

High probability of successfully.

5.- Ordinary Proceedings brought before the Court of First Instance in Madrid, by Empark against the User Community of the Plaza Santa Cruz Residents' carpark.

Action taken to recover 16 thousands of Euros paid in Property Tax by Empark.

Procedural status: claim filed.

High probability of successfully

6.- Enforcement order 36/2012 resulting from administrative appeal 378/2007 brought before Administrative Court No. 2 in Vigo, and subsequent appeal 4129/2012 brought before the Supreme Court in Galicia.

Parties: plaintiffs: SETEX APARKI, S.A. and ESTACIONAMIENTOS Y SERVICIOS, S.A. Defendant: Vigo City Council. Co-defendant: DORNIER, S.A.

Purpose: enforcement of the execution of the sentence handed down in appeal 4129/201 by which, with the exception of the bid by DORNIER, the administrative contract for the management of a public parking service on a public street in the city of Vigo was annulled in favour of DORNIER.

Procedural status: Order handed down on 2 October 2012, by which it was agreed to provisionally terminate the execution hearing until the parties involved request its continuation, once the Constitutional Court has ruled on the petition made by DORNIER to suspend said execution, under application for amparo No. 3959/2012.

7.- Application for amparo No. 3959/2012 brought before the 2nd Chamber of the Constitutional Court.

Parties: filed by DORNIER, S.A.

Purpose: DORNIER is seeking constitutional amparo against the sentence of 17 March 2011, handed down in appeal No. 4129/2010, and against the order for clarification of this ruling, dated 23 February 2012, on the grounds that they infringe upon the constitutional principle of equality enshrined in Article 14 of the EC and the fundamental right to proper legal protection enshrined in Article 24 of the EC.

Procedural status: waiting to be admitted for processing.

8.– Ordinary Proceeding 518/2010, filed with Administrative Court No.1 in Zaragoza, by DORNIER against the Servicio de Estacionamiento Regulado in Zaragoza.

Parties: plaintiff DORNIER. Defendant: Zaragoza City Council. Co-defendant: Vinci Park.

Procedural status: ruling handed down in July 2012 dismissing the appeal by DORNIER. In September 2012, DORNIER filed an appeal with the Supreme Court of Aragon.

Pending judgement on appeal.

9.– Ordinary Proceeding 53/2012, filed with Administrative Court No. 3 in Palma de Mallorca, by DORNIER against the annulment of the ORA contract award to DORNIER, and the awarding of rectification to EYSSA.

Parties: plaintiff DORNIER. Defendant: Ibiza City Council. Co-defendant: Estacionamientos y Servicios, S.A.

Procedural status: DORNIER filed their claim and the defendants answered said claim.

10.– Ordinary Proceeding 243/2012, filed with Administrative Court No. 1 in Palma de Mallorca, by DORNIER against the award made in connection with the ORA contract in favour of EYSSA.

Parties: plaintiff DORNIER. Defendant: Ibiza City Council. Co-defendant: Estacionamientos y Servicios, S.A.

Procedural status: DORNIER filed an administrative appeal, and brought proceedings on 30 January 2013.

11.– Ordinary Proceeding 1982/2012 filed with Court of the First Instance No.2 in Almería, against Piquer Hermanos, S.A., for recovery of amounts paid unduly.

Parties: plaintiff DORNIER. Defendant: Piquer Hermanos, S.A.

Procedural status: claim filed and admitted for processing. Claim answered. Date of Preliminary Hearing set for 17 September 2014.

12.– Ordinary Proceedings brought before the Court of First Instance in Madrid, by DORNIER, S.A., against the User Community of the Rutilio Gacis car park, in execution of the action to recover funds.

The defendant is the User Community of the Rutilio Gacis carpark, from whom DORNIER seeks recovery of the fees that were paid for the years 2009 to 2012 by DORNIER, and should have been settled by the User Community. The sum sought is 24 thousands of Euros.

Procedural status: claim filed.

High probability of success.

13.– Ordinary Proceedings brought before the Court of First Instance in Madrid, by DORNIER, S.A. against the User Community of the Garajes San Antonio de la Florida.

The defendant is the User Community of the Garajes San Antonio de la Florida, from whom DORNIER seeks recovery of the fees that were paid for the years 2009 to 2012 by DORNIER, and should have been settled by the User Community. The sum sought is 48 thousands of Euros.

Procedural status: claim filed.

High probability of success.

14.– Ordinary Proceeding 276/2013, filed with the Administrative Court in Jerez de la Frontera, brought by DORNIER, S.A., against the resolution of 27 March 2013 by the Local Government of the Jerez de la Frontera City Council.

DORNIER, S.A., filed an administrative appeal against the resolution of 27 March 2013 by the Local Government of the Jerez de la Frontera City Council, in which they agreed to abstain from taking part in the procurement process.

27 Environmental commitments

Environmental activity is defined as any operation the main purpose of which is to prevent, reduce or repair damage caused to the environment.

Investments deriving from environmental activities are valued at acquisition cost and registered as increased fixed asset expenses in the financial year in which they are incurred, following the criteria described in note 2 regarding applicable accounting standards.

Costs deriving from environmental protection and improvement are attributed to result for the financial year in which they are incurred, regardless of the time the associated monetary or financial flow occurs.

Provisions relative to probable or certain responsibilities, legal proceedings in process, compensation and pending obligations of undetermined amounts of an environmental nature not covered by contracted insurance policies are made when the liability or the obligation establishing the compensation becomes effective.

As for any such potential contingencies as may arise in the field of the environment, the directors do not believe that they would have any significant impact on the enclosed annual accounts.

28 Subsequent events

From the date of close up until the date of presentation of these Interim Condensed Consolidated Financial Statements, no events subsequent to the close occurred, which could affect these Interim Condensed Consolidated Financial Statements, except:

Sale of Sevilla car park in Madrid:

On October, 2013, we signed a memorandum of understanding with a third party in connection with the proposed sale of one of our parking facilities located on Calle Sevilla in Madrid for €22.5 million. The transaction remains subject to the negotiation and execution of definitive transaction documentation, as well as the final approval of the Madrid municipality. Subject to the foregoing, we expect that the sale will be completed before year end.

Financing Facility:

On November 2013, Dornier, S.A signed a recourse factoring facility with Caixa Geral amounting €6 million to discount invoices to municipalities.

EMPARK Aparcamientos y Servicios, S.A. and Subsidiaries

Interim consolidated management report for the nine-month period ended 30 September 2013

Management report for the nine-month period ended on 30 September 2013

Economic activity for the financial year

During the first nine-months of 2013 the company carried on business in a difficult financial and economic environment due to the persistent worldwide recession. This recession has caused a significant decrease in economic and financial activity which has also been noticed in Spain and Portugal, the group's main markets.

In spite of this slump the performance of the Empark Group has been very positive, showing considerable resistance and excellent management capacity, which has enabled us to obtain a recurring EBITDA in the first nine months of 2013 of 46,421 thousands of Euros.

The group leads the Spanish and Portuguese car parking markets and has been involved in the construction, management and operation of underground as well as on-street parking since 1968.

It has succeeded in developing the activities required to provide optimal integrated vehicle management services in any environment. Proof of this is the fact that the Group and its subsidiaries managed more than 396,436 parking spaces in Spain, Portugal, Andorra, United Kingdom and Turkey.

Its presence in the industry includes all lines of business:

a) Off-street parking

The Group designs, builds and operates all manner of off-street parking within any context and employing any formula. The most significant are:

1. Pure and mixed off-street parking

Car parks in city centres, in the vicinity of hospitals, shopping centres, airports, bus or train stations, park-and-ride operations and car parks in national parks are some of the parking solutions in which the Group has proven experience throughout every region of Spain and Portugal.

2. Resident parking

Empark Aparcamientos y Servicios, S.A. is one of Spain's most experienced companies in this type of business in the country's main cities.

Empark Aparcamientos y Servicios, S.A. performs comprehensive management of this type of car park on both public and private land, undertaking technical and financial feasibility studies, designing, building and selling parking spaces for local residents.

b) On-Street parking

The Group, through its subsidiaries, is one of Europe's most experienced companies in this type of service, and is the market leader in Spain and Portugal.

Employing the latest technology and drawing on the support of a powerful F-53 recognized F-53i, the Group provides services in more than 160 cities throughout Spain, Portugal, Andorra, United Kingdom and Turkey.

Other complementary services, such as the supply and maintenance of regulation technologies, management of application and processing of penalties and provision of vehicle removal services are provided by the group in the main cities of Spain and Portugal.

c) Car park management

The Group F-53 recognized F-53 in the provision of other services associated with end-to-end management of car parking and urban and inter-urban mobility.

Among others, Empark Aparcamientos y Servicios, S.A. and Dornier, S.A.U., has substantial experience in:

Management of parking facilities for ports and airports, such as the airports of Stansted (United Kingdom) and those at Madrid, Lisbon, Porto and Barcelona in the Iberian Peninsula.

Management of control of access to nature reserves.

Provision of temporary parking services at trade fairs and mass attendance events.

Combined park and bus services around airports.

Management of mass off-street multiple profile subscriber car parks, in particular for Hospitals and Airports, with high levels of 24/24 operation.

Comprehensive management of F-54 recognized F-54 ion, removal and deposit of vehicles.

The Group has developed its executive and managerial skills during its extensive experience in the industry.

- Current competitive advantages include: Nationwide and international presence, ensuring direct management of all businesses, as well as a direct relationship with all public and/or private customers.
- Competitive operating costs resulting from both the company's wide-ranging experience as well as its nationwide presence, providing synergies and key know-how.
- Technological innovation, which allows the company not only to be more competitive but also enables it to offer innovative solutions for traffic planning, design, etc.
- Presence in all areas of the business, enabling us to offer integrated solutions and save costs.
- The ability to offer complex construction solutions.

Financial Information

Net turnover amounted to 132,650 thousands of Euros in the first nine months of 2013 and 136,028 thousands of Euros in the first nine months of 2012, which represents a reduction of (2.48)%.

Operating profits stood at 24,099 thousands of Euros in the first nine months of 2013, representing 18.17% of net turnover.

The consolidated results, before tax, amounted to (2,872) thousands of Euros for the first nine months of 2013.

The Group's average workforce as of 30 September 2013 is made up of 2,840 employees of whom 37% are women and 63% men.

The Company's financial risk management policy is based on Group management of capital in order to guarantee that it will be in a position to continue operating as a profitable business while F-54 recognized shareholder return by striking an optimum balance between debt and equity.

The main risks to which the Group is exposed are set forth below:

- Liquidity risk: Within its general policy the Group identifies treasury need using two tools: treasury budget with a 12 month horizon with monthly update breakdown, and treasury budget with a 30-day horizon, with daily update breakdowns. These tools identify treasury needs in volume and time, and plan new financing needs.
- Credit risk: the Group maintains cash and equivalent liquid assets at financial institutions with a high-level credit rating. It should furthermore be mentioned that there is no significant concentration of credit risk with third parties.
- Interest rate risk: interest-rate risk affects the Group essentially through long-term external resources. The Group has contracted financial instruments that partially cover the risk of possible interest rate hikes.
- Exchange rate risk: The Group has no significant exchange rate risk as most of its assets and liabilities, revenue and expenses, are quoted in Euros.

Subsequent events

There are no relevant events to point out.

Research and development

The Group has not carried out any research and development activities.

Treasury stock

There have been no acquisitions of own shares.

Derivatives

The Group has contracted financial instruments that partially cover the risk of possible interest rate hikes of long-term outside resources.

Environmental aspects

Environmental activities are understood as covering any operation the main purpose of which is to prevent, reduce or repair damage to the environment.

The investments derived from environmental activities are valued at the acquisition cost and are activated as greater fixed asset expenses in the financial year in which they are incurred, following the criteria described in note 2 regarding applicable accounting standards.

Costs derived from the protection and improvements of the environment are attributed to the results for the financial year in which they are incurred, irrespective of the point when the monetary or financial flow derived there from occurs.

The provisions relative to probable or certain responsibilities, legal proceedings in process and for compensation and pending obligations of an undetermined amount, of an environmental nature not covered by contracted insurance policies, are made when the liability or the obligation establishing the compensation becomes effective.

As of 3 September 2013, the costs or expenses incurred with regard to environmental aspects are insignificant.

As for any such potential contingencies as may arise in the field of the environment, the directors do not believe that they would have any significant impact on the enclosed annual accounts.

EMPARK

EMPARK Aparcamientos y Servicios, S.A. and Subsidiaries

**Interim condensed consolidated financial
statements and interim consolidated
management report for the nine-month period
ended 30 September 2012.**

empark

EMPARK Aparcamientos y Servicios, S.A. and Subsidiaries

Interim condensed consolidated financial statements for the nine-month period ended 30 September 2012.

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EMPARK Aparcamientos y Servicios, S.A. and Subsidiaries

Interim condensed consolidated financial statements for the nine-month period ended 30 September 2012.

Consolidated balance sheets at 30 September 2012 and 31 December 2011

Assets	Note	Thousands of Euros	
		30/09/2012 (not audited)	31/12/2011
Non-current assets		723,350	733,037
Goodwill.....	6	146,051	146,102
Intangible assets	4	460,094	468,561
Property, plant and equipment	5	75,771	78,252
Investments accounted by the equity method.....	7	11,055	10,214
Long-term financial investments	8	2,824	2,826
Corporate loans	8	2,436	2,020
Other financial assets	8	388	806
Assets through deferred taxes	20	27,555	27,082
Current assets		72,912	82,508
Stock	10	5,841	5,967
Trade and other receivables		37,078	46,961
Clients through sales and services provided	8	30,768	42,057
Group company clients	8	149	404
Other debtors	8	3,282	2,305
Assets through current taxes		1,918	—
Other accounts receivable from public authorities.....		961	2,195
Investments in related companies	8, 9	26	18
Corporate loans	8, 9	26	18
Short-term financial investments.....	8	1,590	1,217
Other financial assets	8	1,590	1,217
Short-term accruals and deferrals.....		393	273
Cash and other equivalent liquid assets	11	27,984	28,072
Total Assets		796,262	815,545

Notes 1 to 28 form part of the Interim Condensed Consolidated Financial Statements for the nine-month period ended 30 September 2012.

EMPARK Aparcamientos y Servicios, S.A. and Subsidiaries

Interim condensed consolidated financial statements for the nine-month period ended 30 September 2012. (continued)

Consolidated balance sheets at 30 September 2012 and 31 December 2011

	Note	Thousands of Euros	
		30/09/2012 (not audited)	31/12/2011
Net Equity and Liabilities			
Net equity		132,086	138,702
Shareholders equity		134,063	138,968
Capital	12 a	68,196	68,196
Share premium	12 b	36,940	36,940
Reserves and results from previous years	13	20,286	22,204
Non-distributable reserves		13,540	13,540
Other reserves		8,664	8,664
Results from previous years		(1,918)	—
Reserves in consolidated companies		9,231	6,584
Reserves in companies by the equity method		4,326	3,445
Result of the financial year attributed to the Group	13	(4,916)	1,599
Hedging operations	14	(11,664)	(9,972)
Minority		9,687	9,706
Non-current liabilities		563,468	586,163
Long-term provisions	19 a	50,393	45,165
Obligations through long-term personnel provisions	19 a	141	141
Other provisions	19 a	50,252	45,024
Long-term debts	15	474,127	504,874
Debts with credit institutions	15 a	458,963	489,517
Debts with related companies	16	7,758	7,762
Other debts	16	7,406	7,595
Derivatives	14, 17	10,755	7,404
Long-term accruals and deferrals	18	690	902
Liabilities through deferred taxes	20	27,503	27,818
Current liabilities		100,708	90,679
Short-term provisions	19 b	2,974	6,233
Short-term debts	15	47,514	28,501
Debts with credit institutions	15 b	47,162	27,923
Debts with related companies	15 c	352	578
Trade creditors and other accounts payable		35,908	40,317
Suppliers	15	15,983	19,432
Sundry creditors	15	10,253	11,451
Personnel (accrued wages and salaries)	15	1,787	870
Liabilities through current tax		—	1,342
Other debts with Public Authorities		7,846	7,180
Client advances	15	39	42
Derivatives	14, 17	7,895	8,892
Other current liabilities	15	5,171	5,452
Short-term accruals and deferrals		1,246	1,284
Total Net Equity and Liabilities		796,262	815,545

Notes 1 to 28 form part of the Interim Condensed Consolidated Financial Statements for the nine-month period ended 30 September 2012.

EMPARK Aparcamientos y Servicios, S.A. and Subsidiaries

Interim condensed consolidated financial statements for the nine-month period ended 30 September 2012.

Consolidated income statements for the nine-month periods ended 30 September 2012 and 2011

		Thousands of Euros	
	Note	30/09/2012 (not audited)	30/09/2011 (not audited)
ONGOING OPERATIONS			
Net turnover	22	136,028	166,285
Sales and Services		136,028	166,285
Variation in stock of finished products and products in process	10	(196)	(18,044)
Supplies		(416)	(10)
Other operating income	22	2,123	397
Other revenues		1,546	397
Other non-recurrent revenue		577	—
Personnel costs	23	(58,309)	(56,647)
Wages and salaries and similar		(41,792)	(46,444)
Social Security costs		(11,911)	(10,203)
Other non-recurrent personnel expenses		(4,606)	—
Other operating expenses		(34,851)	(36,992)
External services		(32,320)	(32,864)
Taxes		(2,074)	(2,526)
Other operating expenses		(354)	(303)
Other non-recurrent operating expenses		(103)	(1,299)
Amortization of fixed assets	4, 5	(22,125)	(22,044)
Provisions and losses through unrecoverable receivables		(1,071)	(1,140)
Impairment and result of through disposal of fixed assets		—	—
Operating Results		21,183	31,805
Financial revenue.....	24	520	390
Financial expenses	24	(25,174)	(26,163)
Financial expenses through hedges	24	(4,422)	(3,323)
Financial result	24	(29,076)	(29,096)
Share in results of equity-consolidated companies		1,154	1,143
Pre-tax consolidated results	20	(6,739)	3,852
Corporate income Tax	20	1,843	(643)
Consolidated result from ordinary operations	13	(4,896)	3,209
Result attributed to minority interests	13	(20)	(2,827)
Result attributed to the Group (profit/loss)	13	(4,916)	382
Profit by action (basic and diluted)		(0.43)	0,03

Notes 1 to 28 form part of the Interim Condensed Consolidated Financial Statements for the nine-month period ended 30 September 2012.

EMPARK Aparcamientos y Servicios, S.A. and Subsidiaries

Interim condensed consolidated financial statements for the nine-month period ended 30 September 2012.

Global consolidated income statements for the nine-month periods ended 30 September 2012 and 2011

	Note	Thousands of Euros	
		30/09/2012 (not audited)	30/09/2011 (no audited)
Consolidated result attributed to the Group	13	(4,916)	382
Minority	13	20	2,827
Net profit	13	(4,896)	3,209
Items may be subject to reclassification to Income Statement			
Changes in the fair value of hedging operations.....	14	(2,354)	(1,591)
Tax effect.....	14,20	662	467
	14	(1,692)	(1,124)
TOTAL RECOGNISED REVENUE AND EXPENDITURE		(6,588)	2,085

Notes 1 to 28 form part of the Interim Condensed Consolidated Financial Statements for the nine-month period ended 30 September 2012.

EMPARK Aparcamientos y Servicios, S.A. and Subsidiaries
Interim condensed consolidated financial statements for the nine-month
period ended 30 September 2012.

Consolidated statement of changes in equity for the nine-month
periods ended 30 September 2012 and 2011

Thousands of Euros	Declared Capital	Share premium	Reserves and results from previous financial years	Result of the financial year attributed to the Group	Reserves in consolidated companies	Reserves in companies by the equity method	Adjustments due to value changes	Minority interests	TOTAL
BALANCE, END OF 2010	67,701	35,639	19,690	7,988	1,290	2,927	(9,193)	6,174	132,216
Total F-62recognized revenue and expenditure	—	—	—	382	—	—	(1,124)	2,827	2,085
Other changes in net equity	495	1,301	—	—	—	—	—	—	1,796
Distribution of result 2010									
– Reserves	—	—	2,514	(7,988)	5,294	518	—	(809)	(471)
– Interim dividends	—	—	—	—	—	—	720	—	720
BALANCE SEPTEMBER 2011	68,196	36,940	22,204	382	6,584	3,445	(9,597)	8,192	136,346
BALANCE, END OF 2011	68,196	36,940	22,204	1,599	6,584	3,445	(9,972)	9,706	138,702
Total F-62recognized revenue and expenditure	—	—	—	(4,916)	—	—	(1,692)	20	(6,588)
Other changes in net equity	—	—	—	—	—	—	—	—	—
Distribution of result 2011									
– Reserves	—	—	(1,918)	(1,599)	2,647	881	—	(39)	(28)
BALANCE SEPTEMBER 2012	68,196	36,940	20,286	(4,916)	9,231	4,326	(11,664)	9,687	132,086

Notes 1 to 28 form part of the Interim Condensed Consolidated Financial Statements for the nine-month period ended 30 September 2012.

EMPARK Aparcamientos y Servicios, S.A. and Subsidiaries

Interim condensed consolidated financial statements for the nine-month period ended 30 September 2012.

Consolidated cash flow statements for the nine-month periods ended 30 September 2012 and 2011

	Note	Thousands of Euros	
		30/09/2012 (not audited)	30/09/2011 (not audited)
Result before tax		(6,739)	3,852
Adjustments to result		50,541	50,719
Changes in current capital		8,449	(39,099)
Other cash flows from operating activities		(25,643)	(23,487)
Cash flow from operating activities	25	26,608	(8,015)
Payments through investments		(11,292)	(27,106)
Payments through divestments		579	1,020
Cash flows from investment activities	25	(10,713)	(26,086)
Sums received and paid through financial liability instruments		(15,983)	38,191
Cash flows from financing activities	25	(15,983)	38,191
Changes in cash and other equivalent liquid assets		(88)	4,090
Cash and other equivalent liquid assets at beginning of period	11	28,072	38,663
Cash and other equivalent liquid assets at the end of period	11	27,984	42,753

Notes 1 to 28 form part of the Interim Condensed Consolidated Financial Statements for the nine-month period ended 30 September 2012.

EMPARK Aparcamientos y Servicios, S.A. and Subsidiaries

1 Group activities and consolidation scope

1.1 Companies forming the Group and their business

EMPARK Aparcamientos y Servicios, S.A. and Subsidiaries (hereinafter the "Group") is formed by the controlling company Empark Aparcamientos y Servicios, S.A., and its subsidiaries, joint ventures and associates. The domiciled corporate address is: Plaza Manuel Gómez Moreno 2, Edificio Alfredo Mahou.

Through these companies the Group engages in various lines of business, which constitute its primary reporting segments in accordance with IFRS 8.

Empark Aparcamientos y Servicios, S.A. (hereinafter the "Parent Company"), previously known as Cintra Aparcamientos, S.A. and previously known as Ferrovial Aparcamientos, S.A. and previously as Ferrevisa, S.A., engages in the construction and operation of car parks under the public authority concession system as its main corporate activity. Such concessions stipulate that, on expiry of the term of the concession, car parks shall be returned to the granting authority in perfect working condition, without any consideration whatsoever on this head in favour of the Group. The Subsidiaries engage in the same activity as the Parent Company.

As of 30 September 2012 the Group included 27 subsidiary companies, 5 associates, participated in 3 JVs and in 3 Companies as joint businesses.

For the purposes of drawing up of these interim condensed consolidated financial statements, it is understood that a group exists when the parent company has one or more subsidiaries, defined as F-64 recognized F-64io over which the parent company exercises either direct or indirect control.

Empark Aparcamientos y Servicios, S.A., the Parent Company, was incorporated in Madrid on July 29, 1986 as a public limited liability company. It is registered with the Company Registry of Madrid, on sheet M-53,866, page 86, volume 14,090, and section 8 of the Companies Book. The most recent adaptation and revision of its articles of incorporation, based on the Company Register of Madrid, is registered in volume 21,897, section 8, book 0, page 222, sheet M-53866, entry no. 113.

The financial and tax year of all the Group's Subsidiaries coincides with the natural calendar year and no subsidiary is listed on the Stock Market. The scope of Consolidation is the following:

30/09/2012

Company	Address	% Holding	Company holding the investment	Net value investment	Method Consolidation	Activity
Estacionamientos Guipuzcoanos, S.L.U. ^(a)	Ronda, 1, 1º San Sebastián	100.00%	Empark Aparcamientos y Servicios, S.A.	40,543	Full consolidation	2*
Guadianapark, S.A. ^(c)	Pza. Manuel Gómez Moreno, 2 Madrid	75.00%	Empark Aparcamientos y Servicios, S.A.	1,269	Full consolidation	2*
Balsol 2001, S.A. ^(c)	Santa Eugenia, 9 Gerona	50.00%	Empark Aparcamientos y Servicios, S.A.	1,496	Full consolidation	2*
Balsol 2001, S.A. ^(c)	Santa Eugenia, 9 Gerona	50.00%	Dornier, S.A.U	1,385	Full consolidation	2*
Dornier, S.A.U. ^(a)	Pza. Manuel Gómez Moreno, 2 Madrid	100.00%	Empark Aparcamientos y Servicios, S.A.	21,313	Full consolidation	2*
Femet, S.A. ^(c)	Pza. Manuel Gómez Moreno, 2 Madrid	0.05%	Empark Aparcamientos y Servicios, S.A.	7	Full consolidation	2*
Femet, S.A. ^(c)	Pza. Manuel Gómez Moreno, 2 Madrid	99.95%	Dornier, S.A.U	1,405	Full consolidation	2*
Sociedad Municipal de Aparcamientos y Servicios, S.A. ^(c)	Tejón y Rodríguez, 7 Málaga	24.50%	Empark Aparcamientos y Servicios, S.A.	3,757	Equity	2*
Estacionamientos Alhóndiga, S.A. ^(b)	Av. Sabino Arana, 20-3 Vizcaya	50.00%	Empark Aparcamientos y Servicios, S.A.	1,050	Proportionate	2*
Estacionamientos Urbanos de León, S.A. ^(c)	Av. De Ordoño II, 10 León	43.00%	Dornier, S.A.U	452	Equity	2*

Aparcament Escaldes Centre, S.A. ¹	Carrer Constitució Aparcament Prat Gran Planta 1º Escaldes	100.00%	Empark Aparcamientos y Servicios, S.A.	11,400	Full consolidation	2*
Infoser Estacionamientos, A.I.E. ¹	Manuel Silvera, 8 Madrid	16.66%	Dornier, S.A.U	60	Equity	2*
Aparcamientos Guipuzcoanos, S.L. ^(b)	Ronda, 1, 1º San Sebastián	60.00%	Estacionamientos Guipuzcoanos, S.A.U	602	Full consolidation	3*
Aparcamientos de Bilbao, S.A. ^(b)	Pza. de Indautxu, s.n Bilbao	75.00%	Empark Aparcamientos y Servicios, S.A.	1,350	Full consolidation	3*
Concha Parking, S.A. ^(b)	Ronda, 1, 1º San Sebastián	60.00%	Estacionamientos Guipuzcoanos, S.A.U	615	Full consolidation	3*
Empark UK LTD ¹	Bassingbourn House (Stansted Airport) GB	100.00%	Empark Aparcamientos y Servicios, S.A.	0	Full consolidation	2*
Guipúzcoa Parking Siglo XXI, S.A. ^(b)	Ronda, 1, 1º San Sebastián	60.00%	Estacionamientos Guipuzcoanos, S.A.U	600	Full consolidation	3*
Empark Aparcamientos Andalucía, S.L. ^(a)	Pza. Manuel Gómez Moreno, 2 Madrid	100.00%	Empark Aparcamientos y Servicios, S.A.	3	Full consolidation	2*
Empark Aparcamientos Extremadura, S.L. ^{(c)†}	Pza. Manuel Gómez Moreno, 2 Madrid	100.00%	Empark Aparcamientos y Servicios, S.A.	3	Full consolidation	2*
Empark Portugal – Empreendimentos e Exploração de Parques, S.A. ^(a)	Rua Joaquim António de Aguiar, 19 Lisboa	100.00%	Empark Aparcamientos y Servicios, S.A.	145,583	Full consolidation	2*
ELSI – Parques de Estacionamento, S.A. ^(a)	Rua Joaquim António de Aguiar, 19 Lisboa	100.00%	Empark Portugal – Empreendimentos e Exploração de parqueamentos, S.A.	29,879	Full consolidation	2*
Gisparques – Planeamento e Gestao de Estacionamento, S.A. ^(a)	Rua Joaquim António de Aguiar, 19 Lisboa	100.00%	Empark Portugal – Empreendimentos e Exploração de parqueamentos, S.A.	9,107	Full consolidation	2*
Gisparques II – Planeamento e Gestao de Estacionamento, S.A. ^(a)	Rua Joaquim António de Aguiar, 19 Lisboa	100.00%	Empark Portugal – Empreendimentos e Exploração de parqueamentos, S.A.	359	Full consolidation	2*
Serparque – Servicios de Estacionamento, S.A. ^(a)	Rua Joaquim António de Aguiar, 19 Lisboa	100.00%	Empark Portugal – Empreendimentos e Exploração de parqueamentos, S.A.	670	Full consolidation	2*
SP Gis – Planeamiento e Gestao de Estacionamento, S.A. ^(a)	Rua Joaquim António de Aguiar, 19 Lisboa	99.95%	Empark Portugal – Empreendimentos e Exploração de parqueamentos, S.A.	2,143	Full consolidation	2*
Parques de Estação – Empreend. E Exploração de Estac, S.A. ^(a)	Rua Joaquim António de Aguiar, 19 Lisboa	80.00%	Empark Portugal – Empreendimentos e Exploração de parqueamentos, S.A.	800	Full consolidation	2*
Street Park – Gestao de Estacionamento, A.C.E. ^(a)	Rua Joaquim António de Aguiar, 19 Lisboa	53.33%	Empark Portugal – Empreendimentos e Exploração de parqueamentos, S.A.	560	Full consolidation	2*
Mr. Clean – Lavagem de Veículos, S.A. ^(a)	Rua Joaquim António de Aguiar, 19 Lisboa	100.00%	Empark Portugal – Empreendimentos e Exploração de parqueamentos, S.A.	1,191	Full consolidation	2*

Castil – Parque, Sociedade Exploradora de Parques de Estacionamento, S.A. ^(a)	Rua Joaquim António de Aguiar, 19 Lisboa	74.55%	Empark Portugal – Empreendimentos e Exploração de parqueamentos, S.A.	2,020	Full consolidation	2*
Multi 49, Parques de Estacionamento, S.A. ^(a)	Rua Joaquim António de Aguiar, 19 Lisboa	100.00%	Empark Portugal – Empreendimentos e Exploração de parqueamentos, S.A.	54	Full consolidation	2*
Park Yonetimi Ve Sistemleri San. Ve Tic. A.S. ^(a)	Elmadag, Inonu Mah. Cumhuriyet Cad 87/8 Istanbul	80.00%	Empark Portugal – Empreendimentos e Exploração de parqueamentos, S.A.	3,338	Full consolidation	2*
Katibin Optopark Isletmeleri Tic. Vesn. A.S. ^(a)	Elmadag, Inonu Mah. Cumhuriyet Cad 87/8 Istanbul	80.00%	Empark Portugal – Empreendimentos e Exploração de parqueamentos, S.A.	1,947	Full consolidation	2*
ParqueGil – Planemento e Gestao de Estacionamento, S.A. ^(a)	Rua Joaquim António de Aguiar, 19 Lisboa	50.00%	Empark Portugal – Empreendimentos e Exploração de parqueamentos, S.A.	25	Full consolidation	2*
ParqA – Planemento e Gestao de Estacionamento, S.A. ^(a)	Rua Joaquim António de Aguiar, 19 Lisboa	50.00%	Empark Portugal – Empreendimentos e Exploração de parqueamentos, S.A.	63	Full consolidation	2*
Parques do Tamariz – Sociedade Exploração de Parques de Estacionamento, S.A. ^(c)	Parques Subterrâneo Largo da Estação, 2750-340 Cascais	33.33%	Empark Portugal – Empreendimentos e Exploração de parqueamentos, S.A.	500	Equity	2*
Figueira Parques – Empresa Pública Municipal de Estac. Da Figueira de Foz, E.M. ^(a)	Cais da Alfandega, 18/20, 3º Figueira da Foz	29.96%	Empark Portugal – Empreendimentos e Exploração de parqueamentos, S.A.	154	Equity	2*
Segempark, S.A. ^{(a)1*}	Rua Joaquim António de Aguiar, 19 Lisboa	100.00%	Empreendimentos e Exploração de parqueamentos, S.A.	125	Full consolidation	2*
Ute Torrellobeta ^(a)	Pza. Manuel Gómez Moreno, 2 Madrid	80.00%	Empark Aparcamientos y Servicios, S.A.	1	Proportionate	3*
UTE Valls ^(a)	Av. De la F-66ecognize 6-8 Barcelona	47.00%	Empark Aparcamientos y Servicios, S.A.	8	Proportionate	3*
Ute Jado ^(a)	Pza. Manuel Gómez Moreno, 2 Madrid	50.00%	Empark Aparcamientos y Servicios, S.A.	6	Proportionate	3*

(a) Companies audited by Ernst & Young

(b) Companies audited by Attest Servicios Empresariales, S.L.P.

I Companies not audited

1* Company incorporated into the Group in 2012

2* Management and operation of parking facilities

3* Construction and operation of parking facilities

1.2 Changes in the scope

- The main change in the scope of consolidation between the nine-month period ending 30 September 2011 and 30 September 2012 is:

During the last four months of 2011 the group sold the holding that Empark Aparcamientos y Servicios, S.A. had in Estacionamientos y Servicios Extremeños, S.A.; the value of the holding was 90 thousand of Euros; it was sold for a sum of 330 thousand of Euros generating a profit of 240 thousand of Euros.

Dissolution of UTE Tenerife in December 2011.

On 18 January 2012, the sole shareholder, Empark Aparcamientos y Servicios, S.A., created the trading company Empark Aparcamientos Extremadura, S.L. The company has declared the commencement of operations; however, it does not currently hold any concession.

In early 2012, the sole shareholder, Empark Portugal – Empreendimentos e Exploração de Parqueamentos, S.A., created the trading company Segempark, S.A. The company has declared the commencement of operations; however, it does not currently hold any concession.

During the first nine months of 2012 the group dissolved UTE Aparcamientos; the value of the holding was 3 thousand of Euros.

2 Summary of the main accounting policies

2.1 Basis of presentations and reporting standards

The consolidated financial information presented in these financial statements has been drawn up using the International Financial Reporting Standards adopted by the European Union (IFRS-EU). Regarding the methods used to apply these regulations, it is worth mentioning that in the circumstances in which the IFRS-EU permits various alternative criteria, the Group has opted to value tangible fixed assets and intangible assets at historical cost, capitalizing financial costs during the construction period, and in the case of jointly controlled companies and joint ventures with existing companies, to consolidate the same using the proportionate consolidation method. The Interim Condensed Consolidated Financial Statements have been prepared using the historical cost approach amended by revaluations of derivatives. Said criteria were the same as applied in the 2011 financial year.

The interim condensed consolidated financial statements do not contain all the information and breakdowns required for annual financial reporting and thus must be read together with the consolidated financial statements for the year ended 31 December 2011 drawn up in compliance with the International Financial Reporting Standards (IFRS) currently applicable in the European Union.

The Group applied the IFRS-EU to the Consolidated Financial Statements for the first time in financial year 2009.

2.2 Accounting standards applied

a) Standards and interpretations adopted by the European Union applicable in this period.

The accounting policies applied on drawing up the Interim Condensed Consolidated Financial Statements for the nine-month period ending 30 September 2012 are the same as those applied in the consolidated financial statements for the financial year ended 31 December 2011, except for the following amendment that is applicable to the financial years beginning from 1 January 2012:

- Amendment to IFRS 7 “Disclosures – Transfer of financial assets”: The IASB published amendments to IFRS 7 to enhance disclosures on financial assets that have been transferred (as defined in IAS 39). If the transferred assets are not F-67ecognizedF-67i in their entirety in the consolidated financial statements the entity should break down the information to help users of financial statements to understand the relationship between the transferred financial assets and the associated liabilities. If the assets have been F-67ecognizedF-67i in their entirety but the entity continues to have an ongoing involvement, the disclosures must enable the user to assess the nature and risks deriving from the entity’s ongoing involvement in the F-67ecognizedF-67i assets. These amendments are applicable to financial years beginning on or after 1 July 2011 and do not include requirements for comparative information. Application of this amendment has had no impact on the Group’s accounting policies, financial position or performance.

b) Standards and interpretations issued by the IASB and adopted by the European Union, but not applicable in this period

As of the publication of these Consolidated Financial Statements, the following standards, changes and interpretation have been published by the IASB and approved by the European Union but their application is not mandatory:

- Amendment to IAS 1 “Presentation of items of another comprehensive result”: The amendments to IAS 1 change the grouping of the items presented in another comprehensive result. The items that could be reclassified (or “recycled”) to the income statement at some future time shall be presented separately from the items that will never be reclassified. The amendment only affects presentation and has no impact either on the financial situation or the Group’s profit or loss. These amendments are applicable to financial years starting from 1 July 2012.
- IAS 19 revised, “Employee Benefits”: Amendments include both fundamental changes and deletion of the corridor method and the concept of expected yield of the assets allocated to the plan, and simple declarations and review of wording. The Group made a voluntary change in its accounting policy to F-67ecognize actuarial profit and loss in

another comprehensive result during this financial year. However, this amendment will affect the net services expenditure, as the expected return on the assets associated with the plan will be calculated using the same interest rate as applied to calculate the services charge. These amendments are applicable to financial years starting from 01 January 2013.

- The Group is currently assessing the impact of applying these standards and amendments. Based on analyses performed to date the Group believes that implementation of these rules and amendments will not have a significant impact on the consolidated financial statements in the initial application period.

c) Standards and interpretations issued by the IASB and in force but not yet approved by the European Union.

- At the date of issue of these financial statements the following standard and amendment had been published by the IASB. Application was mandatory according to IASB requirements and it had not been approved by the European Union:
- Amendment to IAS 12 “Deferred tax: recovery of underlying assets”: The amendment clarifies the calculation of deferred taxes on property investments recorded at the fair value and introduces the presumption that the deferred taxes on property investments using the fair value model described in IAS 40 should be determined on the basis that their book value will be recovered by the sale. Additionally, it introduces the requirement for deferred taxes on non-depreciable taxes that are valued using the revaluation method described in IAS 16 are always calculated on the basis of the sale of said assets. This amendment is applicable to annual periods beginning on or after 1 January 2012.
- The Group is currently assessing the impact of the application of this rule and amendment. Based on analyses performed to date the Group believes that implementation of these rules and amendments will not have a significant impact on the consolidated financial statements in the initial application period.

d) Standards and interpretations issued by the IASB but not yet approved by the European Union.

- At the date of issue of these financial statements the following standards and amendments had been published by the IASB. Application was not mandatory and they had not been approved by the European Union:
- IFRS 9 “Financial instruments”: Applicable to financial years starting from 01 January 2015 for IASB.
- IFRS 10 “Consolidated Financial Statements”: IFRS 10 establishes a single audit model applied to all entities, including entities with a special purpose. The changes introduced by IFRS 10 will require Senior Management to make substantial judgements in establishing which companies are controlled, and must therefore be consolidated by the Dominant Company, in comparison with the requirements which would be set out in IAS 27. In accordance with the preliminary analysis performed, IFRS 10 is not expected to have any impact on the investments currently held by the Group. IFRS 10 is applicable to financial years starting from 01 January 2013.
- IFRS 11 “Joint Agreements”: IFRS 11 eliminates the option of entering controlled companies into the accounts jointly using the proportionate consolidation method. In turn, jointly-controlled companies, which adjust to the definition of joint entity, must be entered into the accounts using the equity method. The Group is currently assessing the impact this new standard will have on the Group’s financial situation and results, but on the basis of the preliminary analysis significant impacts are not expected. IFRS 11 is applicable to financial years starting from 01 January 2013.
- IFRS 12 “Disclosure of Interests in Other Entities”: IFRS 12 includes the disclosures previously listed under IAS 27 regarding the consolidated management report, in addition to all disclosures previously included in IAS 31 and IAS 28. These disclosures refer to stakes in dependent companies, joint agreements, associated entities and structured entities. It also requires new additional disclosures, but will have no impact on the Group’s financial position or results. This standard will take effect for the financial years starting 1 January 2013.
- IFRS 13 “Measurement of Fair Value”: IFRS 13 establishes a single guideline for all fair value assessments in accordance with the IFRS. The IFRS 13 does not change when the use of the fair value is required, but offers a guideline on how to determine the fair value in accordance with the IFRS when required or permitted. The Group is currently assessing the impact this new standard will have on the Group’s financial situation and results, but on the basis of the preliminary analysis significant impacts are not expected. This standard will take effect for the financial years starting 1 January 2013.
- Revised IAS 27 “Separate Financial Statements”. applicable to financial years beginning as of 01 January 2013.
- IAS 28 revised, “Investment in Associates and Joint Ventures”: It now also describes the application of the equity method to investments in joint businesses, in addition to associated entities. This amendment will take effect for the financial years starting from 01 January 2013.
- IFRIC 20 “Excavation costs in production phase of surface mine”: This interpretation applies to the costs of removing waste (excavation) incurred during the production phase of an open air mine. The interpretation establishes that profits from excavation activity will be recorded in the accounts. The interpretation takes effect for

financial years beginning as of 1 January 2013. This new interpretation will have no impact whatsoever on the Group.

- Amendment to IAS 32 “Offsetting financial assets with financial liabilities”: These changes clarify the meaning of “when there is an applicable legal right to offset”. These amendments also clarify application of the offsetting criteria of cancellation systems (such as F-69 recognized F-69 cash systems), which apply offsetting mechanisms using gross values for items which do not arise simultaneously. These amendments are not expected to have any impact on the financial position or profit or loss of the Group and will be effective for the financial years starting from 1 January 2014.
- Amendment to IFRS 7 “Offsetting financial assets with financial liabilities”: These amendments require that information is disclosed on offsetting rights and similar agreements (e.g. collateral agreements). Disclosures will provide useful information to users to assess the effect of presenting these agreements at net values in the entity’s financial position. The new disclosures are mandatory for all those financial instruments offset in accordance with the terms of IAS 32. These modifications are not expected to have any form of impact on the financial situation or results of the Group, and will take effect for financial years beginning as of 1 January 2013.
- Improvements to IFRS: applicable to financial years beginning as of 01 January 2013.
- The Group is currently assessing the impact of applying these standards and amendments. Based on analyses performed to date the Group believes that implementation of these standards and amendments will not have a significant impact on the consolidated financial statements in the initial application period.

2.3 Shareholders in the Parent Company

No changes were made in the share capital during the nine months of 2012. The composition of the Parent Company of the Group as at 30 September 2012 and 31 December 2011 and its percentages are as follows:

Shareholders	Nº of shares	%
ASSIP Consultoría e Serviços, S.A	5,712,117	50.34%
Es Concessions International Holding, B.V.,	2,520,677	22.21%
Ahorro Corporación Infraestructuras, F.C.R. Simplified Tax Regime entity	810,341	7.14%
Ahorro Corporación Infraestructuras 2, S.C.R.....	127,656	1.13%
Espírito Santo Infrastructure Fund-I_ Risk Capital Fund	937,997	8.27%
Transport Infrastructure Holding Company, B.V.....	937,997	8.27%
Mellopark – Sociedade Gestora de Participações Sociais, S.A.	293,316	2.58%
Minority interests	7,042	0.06%
Total.....	11,347,143	100.00%

2.4 Comparison of the information

Consolidated Statements of Financial Situation.

In accordance with legal and accounting standards and the procedures agreed for these abridged interim consolidated financial statements, the directors present the figures at December 31, 2011 in addition to those at September 30, 2012 for comparative purposes with each item of the associated accounts.

Consolidated Income Statements, Consolidated Statements of Comprehensive Income, Consolidated Statements of Changes in Net Equity and Consolidated Cash Flow Statements.

In compliance with accounting and legal regulations and with the procedures applicable to these Interim Condensed Consolidated Financial Statements, the directors present, for comparative purposes, with each item of the Consolidated Statements of Income, Consolidated Statements of Comprehensive Income, Consolidated Statements of Changes in Net Equity and Consolidated Statements of Cash Flow, the figures for the nine-month period ending 30 September 2012 in addition to those for the nine-month period ending 30 September 2011.

2.5 Company operating with negative working capital

As of 30 September 2012 the Group reports a negative working capital of (27,796) thousand of Euros and as at 31 December 2011 (8,171) thousand of Euros. This circumstance, which could be indicative of uncertainty regarding continuation of the Group, is mitigated by the fact that these types of situation are common in groups such as the present where a large part of turnover is collected in cash.

Additionally, the Group operates a cash-pooling system by which Empark Aparcamientos y Servicios, S.A. manages treasury requirements at Group level.

Furthermore the group has credit lines and other financial resources available to meet its treasury needs (Note 15).

Therefore, the Board of Directors considers that the operating company principle is the appropriate basis for preparation of these Interim Condensed Consolidated Financial Statements. This entails realization of assets and liquidation of liabilities in accordance with the amounts and classification criteria set forth said interim condensed consolidated financial statements.

2.6 Accounting estimates and assumptions

These Interim Condensed Consolidated Financial Statements contain estimates made by the directors of the Controlling Company and consolidated companies to quantify some of the assets, liabilities, income, expenses and commitments shown in said statements. Basically, these estimates refer to:

- Evaluation of potential losses due to impairment of certain assets.
- Useful life of tangible and intangible assets.
- Estimates related to the fair value of assets purchased in business combinations and goodwill.
- Assessment of possible contingencies due to legal and tax risks.

These estimates were made on the basis of the best information available on 30 September 2012 and 31 December 2011 concerning the facts analysed. Nevertheless, it is possible that events which may take place in the future will require that they are amended, which would, where applicable, be done in accordance with the provisions of IAS 8.

2.7 Resource management policies

The Group manages its investments after having performed thorough inspection and assessment of potentially attractive projects from the environmental, socio-occupational, commercial, financial and economic perspectives, for the purpose of achieving a sustainable and balanced growth.

In carrying out this task, the Group's shareholders seek a balanced position regarding expected investment profits and the risk assumed.

2.8 Consolidation criteria

As of 30 September 2012 the Group closed the accounting period for presentation of the individual financial statements of all group companies included within the consolidation scope at the same date. Likewise, for the purpose of uniformity in the presentation of items comprising these Interim Condensed Consolidated Financial Statements, uniform accounting criteria has been applied on the basis of the Controlling Company's accounting policies. These Interim Condensed Consolidated Financial Statements have been drawn up on the basis of the following methods:

- Full consolidation method:** All companies considered subsidiaries are fully consolidated. For these purposes, subsidiaries are those companies in which Empark Aparcamientos y Servicios, S.A. maintains effective control because it directly or indirectly, by means of agreements with other shareholders, holds more than 50% of the voting rights. In assessing whether the Group controls another F-70ecognizedF-70i, consideration is given to the existence and impact of currently exercisable or convertible potential voting rights. Inclusion within the scope of consolidation of the Group is carried out from the time at which control of the subsidiary becomes effective. The value of shares held by minority shareholders in equity and in the result of the financial year of fully consolidated subsidiaries is listed in chapters "Minority interests" of the Consolidated Statements of Financial Situation and "Result attributed to minority interests" of the consolidated income statement.
- Equity method:** Companies considered to constitute associates are consolidated by the equity method. For these purposes, associate companies are defined as all those in which the Group has significant influence over management but does not exercise control or joint management with third parties. Under the equity method, the percentage of equity held in the associate company with reference to both net equity and the result of the year is F-70ecognized.
- Proportionate consolidation method:** Applied to joint ventures, which are businesses in which management of subsidiaries is carried out jointly under contract by the controlling company and by third parties not related to the Group. Assets and liabilities assigned to joint ventures or those jointly controlled with other parties are reported in the Consolidated Statements of Financial Position classified in accordance with the specific nature of the holding as defined by percentage. Likewise, income and expenditure arising from joint ventures are recognized in the Consolidated profit and loss account, also in accordance the nature of the holding as defined by percentage.
- Balances and transactions with Group companies:** Balances and transactions with Group companies are written off in the consolidation process.

- e. **Conversion of financial statements to currencies different from the Euro:** Financial statements of subsidiaries and joint ventures whose accounting records are in a currency other than the Euro are converted to Euros by applying the end of period exchange rates to all assets and liabilities except equity, which is converted using the rate at the time the item was included in the group. Within the consolidation process shares held in group companies are written off against shareholder equity, except in associated companies, which are converted at the closing rate.

Result is converted to Euros at the average exchange rate for the year. Differences arising during the conversion process are entered to shareholder equity as "currency exchange rate differences".

a) Subsidiaries

The acquisition cost method is used to determine the book value of newly acquired subsidiaries. The cost of acquisition is the fair value of the assets handed over, the asset instruments shared and liabilities incurred or assumed on the date of exchange, the fair value of any additional consideration dependent on future events (provided that these are probable and can be reliably valued) plus the costs that can be directly attributed to the acquisition.

When control is acquired in phases, the goodwill (or negative consolidation difference) is determined in each of the individual transactions, and the difference between the book value of the interests and the net value attributable to the holding of the fair value of the identifiable assets and liabilities incurred, as they exist on said date. Identifiable assets and liabilities incurred are incorporated on the basis of the fair value that exists at the time control is acquired. The minority interests item should show the value resulting from their interests in the equity.

The difference between the net value attributable to the fair value of the assets and liabilities acquired and existing on the date control is acquired and that on each of the dates on which the interests were acquired, leads to adjustments of the Group's reserves, shown net of any tax effect.

In early 2012 Empark Aparcamientos Extremadura, S.L. and Segempark, S.A. were incorporated.

b) Associate companies

When the equity method procedure is first applied, investments in associated companies are valued at the amount corresponding to the percentage represented by the holding at the time of the investment, based on the fair value of the assets acquired and liabilities incurred. If the resulting difference between the cost of the holding and this value is positive it is included in the book value of the investment. If negative, the difference is shown directly in the consolidated income statement.

Any variations not involving third parties occurring during the current financial year in Group net equity included in the consolidated financial statements under the equity method proportionately increase or reduce, as applicable, the book value of the holding in question once any F-71 recognized F-71i and impairment occurring since the method was applied for the first time are taken into account, and after elimination of the proportion based on results of transactions between the aforesaid company and the company holding the interest, or any other group company.

Profits distributed by the associate companies, reduce the book value of the stake.

Temporary evaluative homogeneity is applied to associated investments in the same way as for subsidiaries.

c) TJVs (Temporary Joint Ventures) and Companies as Joint Ventures

Non-realised results, deriving from reciprocal transactions, are written off in proportion to the stake, in addition to the amounts of reciprocal assets, liabilities, revenue, expenses and cash flows.

- In May 2012 the Ute Aparcamientos was dissolved.

2.9 Principal measurement rules applying to the Interim Condensed Consolidated Financial Statements.

The main valuation standards and accounting criteria used in drawing up these interim condensed consolidated financial statements are consistent with those used and set forth in the consolidated annual financial statements for the financial year ending 31 December 2011.

2.9.1 Concession intangible and financial assets

The Group constructs or upgrades infrastructure (construction or upgrade services) used to provide a public service and operates and maintains that infrastructure (operation services) for a specified period of time. These arrangements may include Infrastructure used in a public-to-private service concession arrangement for its entire useful life.

These arrangements are accounted for based on the nature of the consideration. The intangible asset model is used to the extent that the Group receives a right (a licence) to charge users of the public service. The financial asset model is used when the Group has an unconditional contractual right to receive cash or another financial asset from or at the direction of the grantor for the construction services. When the unconditional right to receive cash covers only part of the service, the two models are combined to account separately for each component. If the Group performs more than one service (i.e., construction or upgrade services and operation services) under a single contract or arrangement, consideration received or receivable is allocated by reference to the relative fair values of the services delivered, when the amounts are separately identifiable.

- An intangible asset is measured at the fair value of consideration transferred to acquire the asset, which is the fair value of the consideration received or receivable for the construction services delivered. The intangible asset is amortised over its expected useful life in a way that reflects the pattern in which the asset's economic benefits are consumed by the entity, starting from the date when the right to operate starts to be used (for example, in a toll road concession the Group uses the number of cars that use the road). Based on these principles, the intangible asset is amortised in line with the actual usage of the specific public facility, with a maximum of the duration of the concession.
- In the financial asset model, the amount due from the grantor meets the definition of a receivable which is measured at fair value. It is subsequently measured at amortised cost. The amount initially F-72recognized plus the cumulative interest on that amount is calculated using the effective interest method.

Any asset carried under concession arrangements is F-72recognizedF-72i on disposal or when no future economic benefits are expected from its future use or disposal or when the contractual rights to the financial asset expire.

2.9.2 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated F-72recognizedF-72i and accumulated impairment losses.

Internally generated intangible assets, excluding F-72recognizedF-72 development costs, are not F-72recognizedF-72 and expenditure is reflected in profit and loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The F-72recognizedF-72i period and the F-72recognizedF-72i method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the F-72recognizedF-72i period or method, as appropriate, and are treated as changes in accounting estimates. The F-72recognizedF-72i expense on intangible assets with finite lives is F-72recognized in the income statement as the expense category that is consistent with the function of the intangible assets.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are F-73ecognized in the income statement when the asset is F-73ecognizedF-73i.

a) Concessions

Concessions includes essentially the licence fees satisfied in certain concessions for operating car parks.

These administrative concessions are entered to assets at cost less accrued F-73ecognizedF-73i and accrued valuation corrections due to impairment.

Concessions also include the access duties paid by means of a concession levy during the concession term. In this case the concessions are included in the assets at the current value of the minimum payments agreed, without considering contingent payments.

The concessions are amortised on a linear basis over the term of the concession.

b) IT applications

Licences acquired from third parties for computer programs are F-73ecognizedF-73 on the basis of acquisition costs and the cost of adaptation to the specific programs.

The company depreciates its computer applications on a straight-line basis, distributing the cost of the assets over the estimated useful life of the same, which is three years.

Costs involved in the development or maintenance of computer programs are F-73ecognized as an expense at the time they are incurred. Costs directly related to the production of single identifiable computer programs controlled by the Company and which will probably generate revenues greater than the costs during more than one year are F-73ecognized as intangible assets. Direct costs include program development, personnel expenses and a suitable proportion of overheads.

2.9.3 Property, plant and equipment

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the property, plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of property, plant and equipment are required to be replaced at intervals, the Group F-73ecognized such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is F-73ecognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are F-73ecognized in profit or loss as incurred.

Property, plant and equipment transferred from customers is initially measured at the fair value at the date on which control is obtained.

Land and buildings are measured at cost less accumulated depreciation on buildings and impairment losses F-73ecognized.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

Useful life in years	
Buildings and other structures	50
Machinery, installations and tools	10
Furnishings.....	10
Transport vehicles.....	6
Other fixed assets	3

An item of property, plant and equipment and any significant part initially F-73ecognized is F-73ecognizedF-73i upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is F-73ecognizedF-73i.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Car parks F-74 recognized in tangible assets (under the head of "Buildings") are valued at acquisition price or production cost and depreciated on a straight-line basis over the term of the concession.

2.9.4 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are F-74 recognized F-74 as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

2.9.5 Financial assets

a) Loans and receivables:

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate method, less impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate F-74 recognized F-74i is included in finance income in the income statement. The losses arising from impairment are F-74 recognized in the income statement in finance costs for loans and in cost of sales or other operating expenses for receivables.

b) Investments in the equity of group, multi-group and associated companies:

These are valued at cost less accrued impairment corrections, if any. Notwithstanding, in the event that investment in a company is prior to classification of the same as a Group, Multi-group or Associated Company, the cost of the investment is considered to be the book value prior to such classification. Prior valuation adjustments directly entered to net equity are maintained until cancellation.

Investments in equity of group and associated companies are F-74 recognized in the books, in both current and non-current assets.

Current assets include short-term investments comprising corporate loans and other financial assets in group and associated companies.

The balance of long-term investments comprising equity instruments in group and associated companies are registered in non-current assets. Equity instruments are disclosed in the balances of interests in group companies, interests in associated companies and pending disbursements on shares not requested.

In the event of objective evidence that book value is unrecoverable, the relevant valuation correction is applied as the difference between book value and the recoverable amount, the latter understood as whichever is the greater between fair value less sales costs and the current value of future cash flows deriving from the investment.

2.9.6 Derivative financial instruments

Derivative financial instruments are initially F-74 recognized at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is F-74 recognized in other comprehensive income.

The Group only disposes of Cash flow hedges:

The effective portion of the gain or loss on the hedging instrument is F-74 recognized directly in other comprehensive income in the cash flow hedge reserve, while any ineffective portion is F-74 recognized immediately in the income statement as other operating expenses.

Amounts F-74 recognized as other comprehensive income are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is F-74 recognized or when a forecast sale occurs. When the hedged item is the cost of a non-financial asset or non-financial liability, the amounts F-74 recognized as other comprehensive income are transferred to the initial carrying amount of the non-financial asset or liability.

If the forecast transaction or firm commitment is no longer expected to occur, the cumulative gain or loss previously F-74 recognized in equity is transferred to the income statement. If the hedging instrument expires or is sold, terminated

or exercised without replacement or rollover, or if its designation as a hedge is revoked, any cumulative gain or loss previously F-75ecognized in other comprehensive income remains in other comprehensive income until the forecast transaction or firm commitment affects profit or loss.

2.9.7 Business Combinations and Goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interest in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interest in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in administrative expenses.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, the previously held equity interest is remeasured at its acquisition date fair value and any resulting gain or loss is F-75ecognized in profit or loss.

Any contingent consideration to be transferred by the acquirer will be F-75ecognized at fair value at the acquisition date.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount F-75ecognized for non-controlling interest over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the gain is F-75ecognized in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

2.9.8 Stock

Inventories are valued at the lower of cost and net F-75ecognized value.

The cost of finished products and products in progress corresponds to construction in progress and completed, and includes costs incurred in construction of car parks intended for concession.

Parking spaces intended for sale and included in Stocks are valued at acquisition price or production cost.

Net F-75ecognized value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

2.9.9 Cash and other equivalent liquid assets

Cash and short-term deposits in the Condensed Interim Consolidated Statement of Financial Position comprise cash at banks and on hand and short-term deposits with a maturity of three months or less.

This section includes short-term restricted cash flow. This item includes investments of the same nature and expiry date related to financing of specific infrastructure projects, the availability of which is restricted by financing contracts as guarantee of meeting specific short-term obligations relative to payment of interest or principle of the debt and for future maintenance of the infrastructure.

2.9.10 Net Equity

Basic earnings per share is calculated by dividing net profit attributed to the controlling company by the average weighted number of ordinary shares in circulation during said period. In turn, the diluted profit per share is calculated by dividing the net income attributable to ordinary shareholders by the average weighted number of ordinary shares in circulation during the period, because there is no equity instruments issued that could become, at future, into shares of the Parent Company.

With regard to the financial statements for the financial year ended on 31 December 2011 and the present interim condensed consolidated financial statements as of 30 September 2012, there is no discrepancy between basic and diluted earnings per share.

2.9.11 Transactions between related parties

As a general rule transactions between related parties initially F-76ecognized at fair value. Where appropriate, if the agreed price differs from fair value the difference is entered according to the financial reality of the transaction. Subsequent valuation is carried out in compliance with the provisions of the corresponding accounting standards.

2.9.12 Subsidies

Government grants are F-76ecognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is F-76ecognized as income on a systematic basis over the periods that the costs, which it is intended to compensate, are expensed. When the grant relates to an asset, it is F-76ecognized as income in equal amounts over the expected useful life of the related asset.

When the Group receives non-monetary grants, the asset and the grant are recorded at nominal amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset by equal annual instalments. When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant.

2.9.13 Provisions and contingent liabilities

Provisions are F-76ecognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is F-76ecognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the income statement net of any reimbursement.

Contingent liabilities are possible obligations arising as a result of past events, the F-76ecognizedF-76ionF-76 of which depends on whether or not one or more future events outside the control of the Group occurs.

Given the activities in which the Group is currently engaged, it has no liabilities, expenses, assets or provisions and contingencies of an environmental nature which could prove significant with reference to the equity, the financial situation or result. Hence, specific breakdowns of information on environmental shares are not included in this report on the annual financial statements.

Costs deriving from protection and improvement of the environment are attributed to consolidated result for the financial year in which they are incurred, regardless of when the associated monetary or financial flow occurs.

When such expenses involve the acquisition of tangible assets the purpose of which is to F-76ecogniz environmental impact and to protect and improve the environment, these are F-76ecognized as increased value of fixed assets.

2.9.14 Financial liabilities

Financial liabilities are classified as financial liabilities at fair value through profit or loss, loans and borrowings, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The Group determines the classification of its financial liabilities at initial recognition.

All financial liabilities are F-76ecognized initially at fair value and, in the case of loans and borrowings, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings and derivative financial instruments.

The measurement of financial liabilities depends on their classification as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are acquired for the purpose of selling in the near term. This category includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are F-77ecognized in the income statement.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in IAS 39 are satisfied. The Group has not designated any financial liability as at fair value through profit or loss.

Loans and borrowings

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are F-77ecognized in profit or loss when the liabilities are F-77ecognizedF-77i as well as through the effective interest rate F-77ecognizedF-77i process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate F-77ecognizedF-77i is included as finance costs in the income statement.

Derecognition

A financial liability is F-77ecognizedF-77i when the obligation under the liability is discharged or cancelled, or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is F-77ecognized in the income statement.

2.9.15 Income tax and deferred taxes

As of 1 January 2005 the Group began paying tax under the consolidated tax system with Cintra Concessions de Infraestructuras de Transporte, S.A. as a result of the change in ownership which occurred in 2004, following which the Parent Company fell within the aforesaid tax Consolidation perimeter. The Group previously paid taxes under the consolidated taxation system as part of the Ferrovial, S.A. Group. During 2009 and as a consequence of the purchase-sale transaction, the Group left the aforementioned tax status and the Company as of 31 December 2009 requested taxation as a fiscal group effective 1 January 2010. The fiscal group is composed of the following companies:

- Empark, Aparcamientos y Servicios, S.A.
- Dornier, S.A.U.
- Femet, S.A.
- Guadianapark, S.A.
- Balsol 2001, S.A.
- Estacionamientos Guipuzcoanos, S.L.U.
- Empark Aparcamientos Andalucía, S.L.
- Empark Aparcamientos Extremadura, S.L.

Current income tax

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Current income tax relating to items F-77ecognized directly in equity is F-77ecognized in equity and not in the income statement. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are F-78ecognized for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are F-78ecognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are F-78ecognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be F-78ecogniz, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are F-78ecognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be F-78ecogniz

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be F-78ecogniz. Unrecognised deferred tax assets are reassessed at each reporting date and are F-78ecognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is F-78ecogniz or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items F-78ecognized outside profit or loss is F-78ecognized outside profit or loss. Deferred tax items are F-78ecognized in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are F-78ecognized subsequently if new information about facts and circumstances change. The adjustment is either treated as a reduction to goodwill (as long as it does not exceed goodwill) if it was incurred during the measurement period or F-78ecognized in profit or loss.

2.9.16 Foreign currencies

The Group's Condensed Interim Consolidated Statement of Financial Position are presented in Euros, which is also the parent company's functional currency.

The financial statements of companies in foreign currency have been converted to Euros using the closing exchange rate method and average rate method in accordance with the following rates:

Exchange Rate	January-September 2012 average	September 2012 Closing	January-September 2011 average
Euro / Pound Sterling.....	0.812	0.798	0.871
Euro / Turkish Lira	2.309	2.320	2.292

2.9.17 Recognition of revenue

Revenue is F-78ecognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and

excluding taxes or duty. The Group assesses its revenue arrangements against specific criteria to determine if it is acting as principal or agent. The Group has concluded that it is acting as a principal in all of its revenue arrangements. The specific recognition criteria described below must also be met before revenue is F-79ecognized.

The Group F-79ecognized revenue when the amount can be reliably valued, future earnings are probable and certain specific conditions are met for each activity as set forth below. It is considered that a reliable estimate of the value of the income cannot be made until all contingencies associated with the sale have been settled. The Group bases its estimate on historical result, taking the type of client, the type of transaction and the specific terms of each agreement into account.

a) The car park business may be divided into:

a.1) Off-street and mixed parking

a.2) On-street car parks (ORA)

a.3) Car parks for local residents

a.1) Off-street and mixed parking

Off-street parking revenues are recorded when the hourly parking rate is paid, and, on an accrual basis, in the case of season ticket-holders. Car parks which contain off-street and residents' spaces, called mixed, record their income, for off-street spaces, as described above, and for residents, the income is imputed to the income statement when the transfer of use of these parking spaces takes place.

The cost of residential parking spaces is registered in inventories and entered to the income statement on the date of the transfer of the concession of usage.

a.2) Regulated on-street parking (ORA)

Revenue from the ORA regulated limited time parking service derives from the cost of providing the service plus a percentage, generally between 1% and 3%, of the difference between service cost and the funds collected. In some ORA contracts a fixed percentage is obtained, to be paid by the council. This is registered in the accounts at the time when the service is provided.

a.3) Residential off-street car parks

This business involves the construction of car parks whose spaces are sold directly to the end customer during the term of the concession. The sales and costs are not registered until the parking space is delivered, which tends to coincide with signature of the contract, or exceptionally, the public deed of sale.

2.9.18 Leases

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception date. The arrangement is assessed for whether F-79ecognizedF-79 of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Group as a lessee

Finance leases that transfer substantially all the risks and benefits incidental to ownership of the leased item to the Group, are F-79ecognizedF-79 at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are F-79ecognized in finance costs in the income statement.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are F-79ecognized as an operating expense in the income statement on a straight-line basis over the lease term.

Group as a lessor

Leases in which the Group does not transfer substantially all the risks and benefits of ownership of an asset are classified as operating leases. Initial direct costs incurred in negotiating an operating lease are added to the carrying

amount of the leased asset and F-80 recognized over the lease term on the same basis as rental income. Contingent rents are F-80 recognized as revenue in the period in which they are earned.

2.9.19 Operating seasonality

Net turnover and Group profits are not significantly influenced by operating seasonality.

3 Management of financial and currency risks

The Group's activities are exposed to certain financial risks: market risk (including exchange rate risk, interest rate risk and price risk), credit risk and liquidity risk.

Risk management is carried out by the Empark Aparcamientos y Servicios, S.A. Financial Directorate General which identifies, assesses and hedges financial risks in accordance with the policies approved by the Board of Directors. The Board provides policies for comprehensive risk management and for specific areas such as exchange rate risk, interest rate risk, liquidity risk, use of derivative and non-derivative instruments and investment of surplus liquidity.

The financial risks to which the Group is exposed include those deriving from guarantees and sureties required in order for the Group to undertake its activities.

During the 2011 financial year and the nine month period ended 30 September 2012, the Company maintained bank guarantees with third parties and guarantee commitments with other Group companies in order to engage in its business.

Market risk: Exchange rate risk

Management has established an exchange rate risk management policy for foreign currencies in relation to the working currency. The Treasury Department negotiates forward contracts in order to manage exchange rate risks deriving from future commercial transactions and F-80 recognized assets and liabilities. Exchange rate risk arises where future commercial transactions or F-80 recognized assets or liabilities are quoted in a currency other than the F-80 recognized F-80's functional currency.

The board of directors considers that there are not significant impacts on the interim condensed consolidated financial statements produced by this risk.

Market risk: Cash flow interest rate risk and fair value risk

As of 30 September 2012, if interest rates on external resources quoted in Euros had been 50 base points higher/lower, with all other variables remaining constant, the result after taxes for the period would have been (976)/976 thousands of Euros lower/higher, mainly as a result of an increase/decrease in the cost of interest on variable rate loans.

The Group carries out the corresponding interest rate hedges by contacting an IRS (Interest Rate Swap). (Note 15).

As of 30 September 2012 60% of the total debt balance is hedged by these instruments.

The board of directors considers that there are not significant impacts on the interim condensed consolidated financial statements produced by this risk.

Credit risk

Credit risk is managed by groups. Credit risk arises from cash and cash equivalents and deposits held in banks and financial institutions and wholesale and retail clients including pending accounts receivable and committed transactions. The Group only deals with credit institutions of F-80 recognized prestige and solvency.

The board of directors considers that there are not significant impacts on the interim condensed consolidated financial statements produced by this risk.

Liquidity risk

Prudent management of liquidity risk involves holding sufficient cash and tradable securities, having access to finance through sufficient agreed credit facilities and having the capacity to unwind market positions. Given the dynamic nature of the underlying businesses, the object of the Group's Treasury Department is to maintain financing flexibility by the availability of credit lines.

The board of directors considers that there are not significant impacts on the interim condensed consolidated financial statements produced by this risk.

4 Intangible assets

The following variations occurred in balances comprising this head of the Consolidated Balance Sheet for the period between 31 December 2011 and 30 September 2012:

	Thousands of Euros		
	Concessions	IT applications	Total
Balance as of 31/12/2011			
Cost	667,854	5,958	673,812
Accrued F-81ecognizedF-81i	(201,825)	(3,426)	(205,251)
Book value.....	466,029	2,532	468,561
Additions	7,851	821	8,672
Amortisation.....	(16,063)	(1,015)	(17,078)
Others (cancellations and transfers)	(61)	–	(61)
Balance as of 30/09/2012			
Cost	674,562	6,779	681,341
Accrued F-81ecognizedF-81i	(216,806)	(4,441)	(221,247)
Book value.....	457,756	2,338	460,094

As explained in note 2.9.1 intangible assets are composed of:

Fees paid in certain concessions for the operation of vehicle parking services and in certain contracts for management of the service in urban thoroughfares subject to hourly control using ticket-issuing devices.

After applying IFRIC 12, it also includes the construction cost of car parks, concession of which has been awarded by a public authority and in which the demand risk is assumed by the concessionaire.

Licences acquired from third parties for computer programmes are F-81ecognizedF-81 on the basis of acquisition costs and the cost of adaptation to the specific programmes.

The following were the main variations in intangible fixed assets during the periods of 2012:

Entries of intangible fixed assets are attributable for the most part to three companies:

- Empark Aparcamientos y Servicios, S.A. entries valued at 5,705 thousand of Euros, mainly at the Passeig Nou, Voramar, and San Juan car parks.
- Dornier, S.A.U. entries valued at 1,483 thousand of Euros, basically due to the administrative award of the controlled-parking (ORA) scheme in Almeria and Valladolid.
- Serparque – Servicios de Estacionamiento, S.A valued at 1,237 thousand of Euros due to the building works at the D. Luis I and Alves Redol car park concessions.

During the period between 31 December 2011 and 30 September 2012, new computer applications amounting to 821 thousands of Euros were acquired, primarily due to new computer programs and updates of existing programs.

The F-81ecognizedF-81i provision for intangible fixed assets amounts to 17,078 thousands of Euros and this comprises 15,402 thousand of Euros of provision for concessions, 1,015 thousands of Euros corresponding to the provision for computer applications during the first nine-months of the year and 661 thousands of Euros for the F-81ecognizedF-81i of goodwill at Empark Portugal- Empreendimentos e Exploração de Parqueamentos, S.A. assigned to assets.

5 Property, plant and equipment

The following variations occurred in balances comprising this head of the Consolidated Balance Sheet for the period between 31 December 2011 and 30 September 2012:

	Thousands of Euros			Total
	Land and buildings	Technical facilities and other tangible fixed assets	Fixed assets in construction	
Balance as of 31/12/2011				
Cost.....	84,255	39,371	655	124,281
Accrued F-82recognizedF-82i.....	(20,905)	(25,124)	–	(46,029)
Book value	63,350	14,247	655	78,252
Additions	431	1,643	538	2,612
Amortisation	(1,998)	(3,049)	–	(5,047)
Others (cancellations and transfers).....	(28)	(18)	–	(46)
Balance as of 30/09/2012				
Cost.....	84,520	40,913	1,193	126,626
Accrued F-82recognizedF-82i.....	(22,765)	(28,090)	–	(50,855)
Book value	61,755	12,823	1,193	75,771

Land, machinery, installations, equipment and other tangible assets are F-82recognized under the head of property, plant and equipment (Note 2.9.2).

The following were the main variations in tangible fixed assets during the periods of 2012:

Entries of property, plant, and equipment are due for the most part to Empark Aparcamientos y Servicios, S.A. for the amount of 2,449 thousand of Euros:

Land and buildings 399 thousand of Euros: mainly due to the Hospital de Figueras car park with 362 thousand of Euros.

Integrated production, plant and other property, 1,512 thousand of Euros: this is due for the most part to centralization 879 thousand of Euros and the rest is spread over many contracts.

Fixed assets in progress 538 thousand of Euros: this is due to the Sancho Ávila building work.

As of 30 September 2012, there are tangible assets located in Portugal, Turkey, United Kingdom and Andorra.

6 Goodwill

The following variations occurred in balances under this head during the period between 31 December 2011 and 30 September 2012:

	Thousands of Euros
Balance as of 31 December 2011	146,102
Deferred tax adjustment for the Amortisation of assets	(51)
Balances as of 30 September 2012	146,051

As of 30 September 2012 and 31 December 2011, the following were the details by companies composing the Goodwill:

Company	Thousands of Euros	Thousands of Euros
	30/09/2012	31/12/2011
Empark Aparcamientos y Servicios, S.A.	33,565	33,565
Dornier, S.A.U.	7,550	7,550
Balsol 2001, S.A.	685	685
Empark Portugal – Empreendimentos e Exploração de parqueamentos, S.A.	104,251	104,302
	146,051	146,102

Impairment tests

The Group undertakes an annual procedure in order to identify any possible impairment in the registered cost with regard to the recoverable value of goodwill.

Possible impairment is calculated by comparing the recorded value with the recoverable value, the latter understood as the value of future cash flows it is estimated the cash-generating unit (CGU) will generate based on objective hypotheses and discounted at an estimated capital cost based on the risk-free rate using the 30-year bond, the risk level of the cash-generating unit (CGU) and estimated market premium as the yardstick.

Additionally, residual value is calculated incorporating renewal of contracts and growth.

In order to establish the present value of the future cash flows of the cash-generating unit (CGU), the following hypotheses were applied:

- It was established that the cash-generating unit (CGU) will generate flows over the periods up to maturity, of between 5 and 50 years depending on the concession.
- The corresponding revenue and expenditure forecasts were performed, in accordance with the following general criteria:
 - In the case of revenue, in order to estimate the evolution of rates consideration was given to the official forecast for the evolution of the consumer price index (CPI) in each of the countries where the investments are operational (2.5% in both Spain and Portugal), the corresponding formulae for the adjustment of rates as set out in the concession contracts, on the basis of the evolution of price indices and/or any specific correction factors which may apply.

In the case of new contracts consideration was given to a ramp up in demand over the first 2-5 years of the concession in accordance with a specific analysis of each contract, followed by an estimate of evolution of revenue similar to previous rates.

- In terms of expenditure, the evolution thereof was calculated on the basis of the corresponding expected evolution in the CPI rates (2.5% in both Spain and Portugal), in addition to the forecast evolution of the business.
- Consideration was also given to the impact of works to be performed in order to maintain and improve infrastructure, based on the best estimate available according to the experience, and taking into consideration the forecast evolution of the business.
- Consideration was given to the future costs and revenue corresponding to renewals of contracts and also the investments required for these renewals on the basis of the investments occurring on previous contracts.

The renewal percentages employed in the different business lines (off-street, ORA on-street, management) were estimated at between 75% and 85%, based on the actual rates obtained by the Group.

- The forecast cash flows obtained on the basis of the projected revenue and expenditure, in accordance with the aforementioned criteria, were updated at the discount rate resulting from adding to the long-term cost of money the risk premium assigned by the market to the country where the company performs its operations, the risk premium assigned by the market to each business (both based on a long-term vision), along with the financial structure of the cash-generating unit in question. The discount rate employed was 8.24 %.

As a result of the impairment test performed, it has been revealed that the various cash-generating units to which the various recorded sums of goodwill are assigned will serve to recover the net value of each of the sums recorded by 30 September 2012, and there is therefore no need to establish any form of impairment provision.

A sensitivity analysis was also performed regarding reasonably possible changes in the key valuation variables (CPI, inflation, discount rate, renewals...) with the recoverable value being maintained above the net book value.

No indications of impairment in the existing goodwill were uncovered.

7 Stakes in companies by the equity method

The following is the breakdown of percentage holdings in companies consolidated by the equity method as of 31 December 2011 and 30 September 2012:

Company	Thousands of Euros	
	30/09/2012	31/12/2011
Infoser Estacionamientos, A.I.E.	58	58
Municipal Aparcamientos y Servicios, S.A.	8,081	7,322
Estacionamientos Urbanos de León, S.A.	1,610	1,515
Parques do Tamariz – Sociedade Exploração de Parques de Estacionamento, S.A.	390	403
Figueira Parques – Empresa Pública Municipal de Estac. Da Figueira de Foz, E.M.	916	916
Total	11,055	10,214

8 Loans and items receivables

The following is the breakdown of accounts receivable:

	Thousands of Euros	
	30/09/2012	31/12/2011
Long-term financial investments:		
– Corporate loans	2,436	2,020
– Long-term guarantees and sureties	388	806
Total	2,824	2,826
Trade and other receivables		
– Clients through sales and services provided	30,768	42,057
– Group company clients	149	404
– Personnel debts	234	229
– Sundry debtors	3,048	2,076
	34,199	44,766
Short-term investments		
– Corporate loans (Note 9)	26	18
– Short-term guarantees and sureties	1,590	1,217
Total	35,815	46,001

Trade receivables for sales and services

As of 30 September 2013 the Group carried the amount of 30,768 thousands of Euros, net trade insolvency provision of (2,047) thousands of Euros and 42,057 thousands of Euros as of 31 December 2012, net trade insolvency and debt update provisions of (3,157) thousands of Euros under "Trade accounts, Sales and Service Provision". The trade receivables following are the most significant:

As of 30 September 2012 the Group carried the amount of 30,768 thousands of Euros (42,057 thousands of Euros as of 31 December 2011) under "Trade accounts, Sales and Service Provision". The following are the most significant:

Empark Aparcamientos y Servicios, S.A. has a balance of 1,993 thousand of Euros, of which the most important clients are: Las Palmas Port Authority with 66 thousand of Euros, Marbella Town Council with 79 thousand of Euros, AENA with 274 thousand of Euros, Ruzafa Market Users' Association with 166 thousand of Euros, Ferrovial Agromán with 131 thousand of Euros, Serrano Park, S.A. with 233 thousand of Euros, and Vodafone España, S.A.U. with 131 thousand of Euros.

Dornier, S.A.U. holds a balance of 18,160 thousands of Euros, of which the most relevant trade accounts are the following City Councils: Madrid for 8,042 thousands of Euros, Pozuelo de Alarcón for 448 thousands of Euros, Valencia for 2,077 thousands of Euros, Palma de Mallorca for 2,170 thousands of Euros, Toledo for 1,836 thousands of Euros, Zaragoza for 812 thousands of Euros and Pamplona for 1,163 thousands of Euros.

Empark Portugal – Empreendimentos e Exploração de Parques, S.A. has a balance of 1,725 thousand euros of which the most important clients are: ANA-Aeroportos de Portugal, S.A., with 821 thousand euros, Futurlagos with 112 thousand euros, Global Noticias Publicacoes, S.A. with 96 thousand euros and Rede Ferroviária Nacional with 238 thousand euros.

ESLI – Parques de Estacionamento, S.A. has a balance of 315 thousand euros, of which the most important clients are: PT Comunicações, S.A., with 92 thousand euros and TRUSPART – Hotelaria e construção with 55 thousand euros.

Gisparques – Planeamento e Gestao de Estacionamento, S.A. has a balance of 469 thousand euros, of which the most important clients are; Fertagus – Traviessa Tejo with 91 thousand euros, and Transtejo with 103 thousand euros.

Street Park – Gestao de Estacionamento, A.C.E, has a balance of 244 thousand euros associated with the client EMEL Empresa Pública Municipal de Estacionamento de Lisboa.

9 Loan operations with related parties

Credits under “Transactions with related parties” cover a number of Empark Aparcamientos y Servicios, S.A. current accounts with group companies. These current accounts accrue interest at a rate of 7.8%.

The breakdown of loan operations with bound parties as of 30 September 2012 and 31 December 2011 was as follows:

Company	Thousands of Euros	
	30/09/2012	31/12/2011
Third parties and proportionate consolidation (note 8)	26	18
Estacionamientos Alhóndiga, S.A.....	4	2
Ute Jado.....	5	3
Ute Judizmendi	10	–
Ute Aparcamientos	–	7
Others	7	6
Total.....	26	18

10 Stock

The breakdown of inventories as of 30 September 2012 and 31 December 2011 was the following:

	Thousands of Euros			
	31/12/2011	Variation in Stocks	Purchases	30/09/2012
Raw materials and other supplies	1,911	–	70	1,981
Finished products	4,474	(196)	–	4,278
Stock provision	(418)	–	–	(418)
Total.....	5,967	(196)	70	5,841

The caption consolidated financial statement called “inventories”, mainly include the expenses incurred on the construction of car parks whose expected use expires in the period of one year. The administrative concessions for the construction and operating of said car parks have been given as a concession by the respective municipal governments.

The breakdown of the stock balance by company is as follows:

	Thousands of Euros	
	30/09/2012	31/12/2011
EMPARK	2,370	2,422
DORNIER	2,024	1,953
APARCAMIENTOS DE BILBAO	849	943
GUIPUZCOA PARKING SIGLO XXI	561	611
Others	37	38
TOTAL	5,841	5,967

No stock has been pledged by way of guarantee. The Group has a number of insurance policies in place to cover the risks to which stocks are subject. This cover is deemed sufficient.

11 Cash and other equivalent liquid assets

	Thousands of Euros	
	30/09/2012	31/12/2011
Cash	961	962
Banks	27,023	27,110
Total cash and other equivalent liquid assets	27,984	28,072

Cash and other equivalent liquid assets correspond to cash and current account balances.

12 Capital stock and share premium

a) Capital stock

As of 30 September 2012 and 31 December 2011, declared capital stands at 68,196 thousands of Euros and is distributed in 11,347,143 registered shares with a nominal value of 6.01 Euros each, numbered sequentially from 1 to 11,347,143, fully called and paid up. All the shares have the same political and economic rights.

As of 30 September 2012 and 31 December 2011, all of the Parent Company shares issued and in circulation were not admitted for listing in any stock market.

The Group's basic/diluted consolidated profit per Parent Company share for the nine-month periods ended on 30 September 2012 and 2011 amounted to (0.43) and 0.03 Euros respectively.

b) Share premium

Share premium as of 30 September 2012 and 31 December 2011 amounted to 36,940 thousands of Euros. The share premium is distributable.

13 Reserves and results from previous years

• Legal reserves

Companies must transfer 10% of the profit for each year to the legal reserve until the balance of the same reaches at least 20% of capital stock. This reserve cannot be allocated to shareholders and may only be used to offset losses on the income statement, provided that sufficient other reserves are not available for this purpose. Under certain conditions it may also be used to increase the capital stock.

Contribution to the consolidated result

The breakdown of contributions to the consolidated result for the nine-month period ended as of 30 September 2012 by consolidated companies is as follows:

	Thousands of Euros
	30/09/2012
Empark Aparcamientos y Servicios, S.A.	(9,339)
Estacionamientos Alhóndiga, S.A.	106
Guadianapark, S.A.	84
Balsol 2001, S.A.	(72)
Femet, S.A.	73
Dornier, S.A.U.	3,455
Aparcamientos de Bilbao, S.A.	122
Estacionamientos Urbanos de León, S.A.	537
Sociedad Municipal de Aparcamientos y Servicios, S.A.	617
Estacionamientos Guipuzcoanos, S.L.U.	748
Infofer Estacionamientos, A.I.E.	–
UTE Judizmendi	–
Aparcamientos Guipuzcoanos, S.L.	(230)
Empark Aparcamientos Extremadura, S.L.	(2)
Empark Aparcamientos Andalucía, S.L.	(442)
Empark UK LTD	198
Concha Parking, S.A.	(184)
Guipúzcoa Parking Siglo XXI, S.A.	(1)
Aparcament Escaldes Centre, S.A.	(10)
Empark Portugal – Empreendimentos e Exploração de Parques, S.A.	(1,791)
ESLI – Parques de Estacionamento, S.A.	486
Parques da Estação – Empreend. E Exploração de Estac, S.A.	90
Gisparques – Planeamento e Gestao de Estacionamento, S.A.	(55)
Gisparques II – Planeamento e Gestao de Estacionamento, S.A.	276
Mr. Clean – Lavagem de Veículos, S.A.	(93)
SP Gis – Planeamento e Gestao de Estacionamento, S.A.	270
ParqueGil – Planemento e Gestao de Estacionamento, S.A.	(37)
ParqA – Planemento e Gestao de Estacionamento, S.A.	89
Street Park – Gestao de Estacionamento, A.C.E.	177
Serparque – Serviços de Estacionamento, S.A.	(4)
Segempark, S.A.	–
Park Yonetimi Ve Sistemleri San. Ve Tic. A.S.+ Katibin Optopark Isletmeleri Tic. Vesan. A.S.	(9)
Multi49, Parques de Estacionamento, S.A.	27
Castil – Parque, Sociedade Exploradora de Parques de Estacionamento, S.A.	(2)
Total Dominant Company	(4,916)
Minority interests	
Minoritarios de Empark Portugal, S.A.	228
Aparcamientos Guipuzcoanos, S.L.	(153)
Guipúzcoa Parking siglo XXI, S.A.	(1)
Aparcamientos de Bilbao, S.A.	41
Guadianapark, S.A.	28
Concha parking, S.A.	(123)
Total Minority	20
Total Consolidated	(4,896)

14 Hedging operations

The derivatives are detailed as follows:

	Thousands of Euros				
	Fair value as of 31/12/2011	Fair value as of 30/09/2012	Variation	Tax effect	Value change corrections
Swap A	(4,346)	(4,612)	(266)	78	(188)
Swap B	(8,786)	(8,879)	(93)	27	(66)
Swap C	(2,900)	(2,728)	172	(53)	119
Empark Andalucía swap	(264)	(611)	(347)	103	(244)
Concha Parking swap	–	(1,154)	(1,154)	322	(832)
Aparcamientos Guipuzcoanos swap	–	(666)	(666)	185	(481)
	(16,296)	(18,650)	(2,354)	662	(1,692)

The cash items for changes in fair value of derivatives allocated and identified as cash flow hedges are temporarily identified in the net equity, deducting tax effect, this amount was (11,664) thousands of Euros as of 30 September 2012 and (9,972) thousands of Euros as of 31 December 2011.

15 Debts and items payables

The following is the breakdown of debts and accounts payable:

	Thousands of Euros	
	30/09/2012	31/12/2011
Long-term debts and accounts payable:		
– Loans with credit institutions (a)	458,963	489,517
– Other financial liabilities (Note 16)	15,164	15,357
	474,127	504,874
– Derivatives (Note 17)	10,755	7,404
Total	484,882	512,278
Short-term debts and accounts payable:		
– Debts with credit institutions (b)	47,162	27,923
– Debts with related companies and third parties I	352	578
	47,514	28,501
– Suppliers	15,983	19,432
– Sundry creditors	10,253	11,451
– Personnel (accrued wages and salaries)	1,787	870
– Client advances	39	42
	28,062	31,795
– Other current liabilities	5,171	5,452
– Derivatives (Note 17)	7,895	8,892
Total	88,642	74,640

a) Long-term debts with credit institutions.

30/09/2012

The details of long-term bank loans are shown below:

	Thousands of Euros	
	Limit	Rate Balance at available
Debts with credit institutions		
Mortgage-backed		
– Aparcamientos de Bilbao, S.A.	15,100	6,945
– Estacionamientos Alhóndiga, S.A.	3,500	1,356
– Guipúzcoa Parking Siglo XXI, S.A.	33,300	29,368
– Concha Parking, S.A.	31,134	24,596
– Aparcamientos Guipuzcoanos, S.R.L.	12,215	11,752
– Empark Aparcamientos y Servicios, S.A.	358,257	319,615
– Emparque, S.A.	37,632	23,265
– Gisparques- Parques de Estacionamiento, S.A.	502	310
– Esli – Parques de Estacionamientos, S.A.	31,798	19,703
– SP Gis- Planeamento e Gestão de Estacionamiento, S.A.	3,436	2,126
– Park Yonetimi	393	100
– Parques de Estação	629	43
– ParqueGil	11,341	10,823
– ParqA	1,371	707
– Dornier, S.A.	2,200	1,377
– Empark Aparcamientos Andalucía, S.L.U.	7,000	6,377
– Estacionamientos Guipuzcoanos, S.L.	500	500
	550,308	458,963

Aparcamientos de Bilbao, S.A. has two mortgage loans, one for the sum of 3,100 thousands of Euros at an interest rate of 1.283% maturing on 24 October 2013, and the other for 12,000 thousands of Euros at an interest rate of 1.570% maturing on 6 October 2019.

Estacionamientos Alhóndiga, S.A. has a mortgage loan for the sum of 3,500 thousands of Euros at an interest rate of 0.927%, maturing on 16 December 2018.

Guipúzcoa Parking Siglo XXI, S.A. has a mortgage loan for the sum of 33,300 thousands of Euros at an interest rate of 0.870%, maturing on 31 December 2035.

Concha Parking, S.A. has a mortgage loan for the sum of 31,134 thousands of Euros at an interest rate of 3.175%, maturing on 5 August 2029. In 2012 a swap was procured for a notional 85% the loan amount.

Aparcamientos Guipuzcoanos, S.R.L. has a mortgage loan for 12,215 thousands of Euros maturing on 5 August 2029 with an interest rate of 3.425%. In 2012 a swap was procured for a notional 85% the loan amount.

Empark Aparcamientos Andalucía, S.L.U. has a credit agreement for 7,000 thousands of Euros, maturing on 15 June 2029, at an interest rate of 4.464%.

Empark Aparcamientos y Servicios, S.A. has an ICO [Official Credit Institution] loan from Bancaja amounting to 4,000 thousands of Euros, signed on 21 May 2010 and maturing on 25 May 2013 with a fixed interest rate of 4.67%. It also has an ICO loan signed with Banc Sabadell on 18 October 2011, maturing on 25 October 2016, at an interest rate of 6.673%, amounting to 2000 thousands of Euros.

In 2012, Empark Aparcamientos y Servicios, S.A. signed up another ICO (Official Credit Institution) loan from Banco de Valencia in the sum of 1,000 thousand of Euros, maturing on 28 July 2014. The interest rate is 7.50%.

In 2011 Dornier, S.A. signed two ICO loans amounting to 2,200 thousands of Euros in all. The agreement with Banco Sabadell is an ICO liquidity of 1,000 thousands of Euros, maturing on 25 October 2016 and interest rate of 6.673%.

The agreement signed with Ibercaja is an ICO investment loan for 1,200 thousands of Euros, maturing on 25 November 2016, with a sum of 300 thousands of Euros of this loan being pledged, at an interest rate of 4.956 %.

In 2012 Estacionamientos Guipuzcoanos, S.L. signed up an ICO (Official Credit Institution) liquidity loan with Bankinter in the sum of 500 thousand of Euros. This loan has a repayment holiday of 1 year, and matures on 10 August 2014, with an interest rate of 7.367%.

In 1998 Parques da Estação executed a loan with Caixa General de Depósitos in the sum of 6,000 thousands of Euros, maturing in September 2013. The interest rate is Euribor 6 months plus 0.85% differential.

Parquegil has two loans, one with BPI and the other with BPN. The sum pending repayment for the two loans is 11,544 thousand of Euros. The BPI loan matures in 2016 and the interest rate is Euribor plus 0.85%, and the BPN loan matures in 2021 with an interest rate of Euribor plus 5.25%.

In 2004 ParqA signed up a loan with Caixa de Aforros de Vigo, Ourense e Pontevedra. The sum pending repayment as at 2012 is 935 thousand of Euros, and the loan matures in 2016. The interest rate is Euribor plus 1.75%.

Park Yonetimi has a loan pending repayment of 256 thousands of Euros, maturing in 2013 and with a fixed interest rate of 11.35%.

Empark Aparcamientos y Servicios, S.A. jointly with Empark Portugal – Empreendimentos e Exploração de Parques, S.A., Esli, Gisparques, and SP Gis have a syndicated loan signed on 27 July 2009, for the sum of 400,343 thousands of Euros. Of these 400,343 thousands of Euros, 18,680 thousands of Euros were not drawn because funding was obtained for Concha Parking, S.A. through Project Finance and 406 thousands of Euros of financing for Balsol 2001, S.A. were likewise not drawn.

On 14 October 2010 the agreement was renewed and extended by 42,000 thousands of Euros, the sum drawn down as of 31 December 2012 being 40,794 thousands of Euros.

In April 2012, 330 thousand of Euros were repaid early.

The limit granted as of 30 September 2012 is 423,257 thousands of Euros.

This syndicated loan is referencing the Euribor, with a difference between 3.5% and 4.5%: Facility A at 4%, Facility B at 4.5%, TC1 at 4% and TC2 at 3.5% (see table below).

Facility A is an amortising loan payment of which began in 2011, and will expire in 2016. Facility B is a bullet loan, with the sum total of the loan being amortised on maturity, in 2017.

With regard to borrowing for Capex, this is divided into TC1 and TC2, and the total sum stands at 72,000 thousand of Euros, which may be drawn down in order to pay for investments. As of 31 December 2011 30,000 thousands of Euros of TC1 and 42,000 thousands of Euros of TC2 had been drawn. TC1 is an amortizing loan, which like Facility A starts to be paid off in 2011 and matures in 2016. TC2 is a bullet arrangement, amortising on maturity in 2017.

The syndicated loan serves several purposes:

1. – To finance the acquisition of Empark Portugal.
2. – To refinance Cintra Group's existing debt.
3. – To refinance Empark Portugal Group's existing debt.
4. – To fund part of the Groups investment plan in 2009, 2010 and 2011.

The loan has the following specifications:

Amount (thousands of Euros) at 30/09/2012		Interest	Maturity
Facility A.....	101,369	Euribor + differential	Jul-16
Facility B1.....	102,577	Euribor + differential	Jul-17
Facility B2.....	121,800	Euribor + differential	Jul-17
Capex T1.....	26,185	Euribor + differential	Jul-16
Capex T2.....	40,794	Euribor + differential	Jul-17
TOTAL	392,725		

This bank finance requires companies within the financing scope to comply with certain financial ratios (Debt Service Coverage Ratio, Net Debt to EBITDA, Interest Coverage Ratio).

In September 2012 financial year none of the contractual conditions for the financing were breached.

The following table shows the financial situation by companies and by syndicated loan sections as of 30 September 2012.

COMPANY	LIMIT	FACILITIES				TOTAL
		F.A	F.B	Capex T1	Capex T2	
Empark	352,256.55	41,373.42	224,377.07	26,185.06	40,793.67	332,729.23
Gisparques	485.60	410.33				410.33
Emparque	36,417.59	30,772.86				30,772.86
ESLI	30,771.87	26,002.23				26,002.23
SP Gis	3,325.44	2,810.00				2,810.00
TOTAL	423,257.05	101,368.84	224,377.07	26,185.06	40,793.67	392,724.64

Long-term maturities of the sum of the loans are broken down as follows:

	Thousands of Euros
Over two years	36,181
Over three years	42,168
Over four years	43,930
Five years and longer	336,684
	458,963

b) Short-term debts with credit institutions

30/09/2012

As of 30 September 2012, the Group has credit lines in place as per the following breakdown, all entered into by Empark Aparcamientos y Servicios, S.A:

	Thousands of Euros			Balances as of 30/09/2012
	Balances as of 31/12/2011	Increases	Reductions	
Short-term portion of long-term loans	21,787	31,982	18,118	35,652
Non-due interest payable	6,136	25,594	20,219	11,510
	27,923	57,576	38,337	47,162

Entity	Type of loan	Limit	Thousands of Euros			Interest rate
			Contract / Novation date	Expiry date	Drawn	
La Caixa	Commercial Credit Line	4,000	02/07/2012	30/06/2013	60	Euribor Month + differential
Banco Sabadell	Commercial Credit Line	500	17/01/2012	17/01/2013	–	Euribor 3 Month + differential
Unicaja	Commercial Credit Line	3,000	18/04/2012	23/04/2013	–	Euribor 3 Month + differential
Banco Popular	Commercial Credit Line	300	12/04/2012	13/04/2013	–	Fixed rate 5.75% Euribor 3
Bankinter	Commercial Credit Line	1,700	12/07/2012	12/07/2013	–	Month + differential Euribor 3
Ibercaja	Commercial Credit Line	1,000	25/09/2012	30/09/2013	104	Month + differential
Banco CAM	Commercial Credit Line	800	30/05/2012	30/05/2013	111	Fixed rate 5.50%

(*) Non-renewed on maturity

The detail of the balance and variations of this caption is as follows:

The final balance breaks down as follows:

Aparcamientos de Bilbao, S.A. 1,517 thousands of Euros, Estacionamientos Alhóndiga, S.A. 304 thousands of Euros, Guipúzcoa Parking, S.A. 894 thousands of Euros, Concha Parking, S.A. 794 thousands of Euros, Aparcamientos Guipuzcoanos, S.L. 236 thousands of Euros, Empark Aparcamientos Andalucía, S.L. 402 thousands of Euros, between short-term loans and unpaid accrued interest.

Dornier, S.A. the debt and interest accrued and not paid on the Ibercaja ICO loan amounts to 240 thousands of Euros, and the Banco Sabadell ICO loan to 200 thousands of Euros.

Empark Aparcamientos y Servicios, S.A. (individual company), the debt and the interest accrued and not paid under the syndicated loan from the Banco Espirito Santo de Inversión, the ICO loan from Bancaja, the ICO loan from Banco Sabadell, and the ICO loan from Banco de Valencia in the sum of 26,470 thousand of Euros (17,287 thousand of Euros short-term debt and 9,183 in interest accrued and not paid).

At Empark Portugal– Empreendimentos e Exploração de Parques, S.A., Esli, Gisparques, and SP Gis, the short-term debt under the syndicated loan from the Banco Espirito Santo de Inversión and the interest accrued and not paid amount to 14,783 thousand of Euros.

The remainder of the short-term debt in Portugal amounts to 1,322 thousands of Euros.

c) Debts with related companies

	Thousands of Euros	
	30/09/2012	31/12/2012
UTE Valls	191	420
Ute Jado	126	130
Ute Torrellobeta	24	25
Others.....	11	3
Short-term debts with related parties	352	578

16 Other financial liabilities

	Thousands of Euros	
	30/09/2012	31/12/2011
Debts with related companies	7,758	7,762
Long-term debt Concha Parking, S.A. (Construcciones Moyúa)	4,338	4,338
Long-term debt of Aparcamientos Guipuzcoanos, S.L. (Construcciones Moyúa)	2,758	2,758
Shareholder loans	662	666
Other debts	7,406	7,595
Leasing	6,185	7,238
Sureties	545	141
Other debts.....	676	216
Total.....	15,164	15,357

30/09/2012

The long-term debt of Concha Parking, S.A. for the amount of 4,338 thousands of Euros pertains to a participating loan from Construcciones Moyua, S.L., which is paid on the basis of changes in equity.

The long-term debt of Aparcamientos Guipuzcoanos, S.L. for the amount of 2,758 thousands of Euros pertains to a participating loan from Construcciones Moyua, S.L., which is paid on the basis of changes in equity.

Leasing for the amount of 6,185 thousands of Euros corresponding to:

- 5,161 thousands of Euros corresponding to a leasing contract for the Saldanha Residence car park.
- 1,024 thousand of Euros other leasing correspond for the most part to the controlled-parking (ORA) scheme and Tow-away

17 Financial instruments

Breakdown of the items is as follows:

	Thousands of Euros	
	30/09/2012	31/12/2011
Non-current	10,755	7,404
Current	7,895	8,892
TOTAL (Note 14)	18,650	16,296

On signing the syndicated loan two interest rate hedging swaps were contracted. One for Facility A and the other for Facility B. Both are for a notional sum of 67% of the debt; in other words, for 83,327 thousands of Euros in the case of Facility A and 164,803 thousands of Euros for Facility B.

Amortisation conditions of these swaps are pegged to the F-93ecognizedF-93i conditions of the loan they cover. In the case of Swap a, this is thus an amortising arrangement maturing in 2016. Swap B, meanwhile, is a bullet.

For these Swaps the Group pays a fixed interest rate of 3.24% for Swap A and 3.19% for Swap B.

At 21 December 2009, a third Swap was signed with La Caixa for a notional amount of 35 million Euros. With payments every 6 months and a fixed interest rate of 4.29%. This Swap increases the cover for Facility A.

On 18 November 2011, Empark Aparcamientos Andalucía, S.L.U., arranged a loan with La Caixa for 7 million Euros. This loan has a hedge with the same entity for 6.3 million Euros. Empark Aparcamientos de Andalucía, S.L.U., pays for this swap a fixed rate of 2.83%.

As at 30 September 2012, Aparcamientos Guipuzcoanos, S.L. holds a derivative instrument over interest rates in order to manage its exposure to fluctuations in syndicated credit rates procured at a variable rate. This contract establishes a set of payments and interest charges in accordance with the market interest rate (Euribor) in force. As at 30 September 2012 the valuation of the said product, net of any tax effects, amounted to the sum of (481) thousand of Euros. The derivative notional amount as of 30 September 2012 is of 10,326 thousands of Euros.

As at 30 September 2012, Concha Parking, S.A. holds a derivative instrument over interest rates in order to manage its exposure to fluctuations in the interest rates for its bank loans procured at a variable rate. These contracts establish a set of payments and interest charges in accordance with the market interest rate (Euribor) in force. As at 30 September 2012 the valuation of the said product, net of any tax effects, amounted to the sum of (832) thousand of Euros. The derivative notional amount as of 30 September 2012 is of 21,933 thousands of Euros.

The fair value of the hedging derivatives held by the Group as of 30 September 2012 and 31 December 2011 was (18,650) thousands of Euros and (16,296) thousands of Euros respectively. Note 14.

18 Long-term accruals and deferrals

Variations in the "long-term accruals and deferrals" account for the nine-month period ending on 30 September 2012 were the following:

	Thousands of Euros
	Assignment of Use of Parking
Balances as of 31/12/2011	902
Income and cancellations F-93ecognized.....	(212)
Balances as of 30/09/2012	690

As of 30/09/2012 and 31/12/2011 sums registered under the head of long-term accruals and deferrals correspond mainly to long-term contracts with users.

19 Provisions

The variations in the account for the nine-month period ending on 30 September 2012 were as follows:

a) Long-term

The following are the amounts registered under the head of long-term provisions as of 30 September 2012 and 31 December 2011:

	30/09/2012	31/12/2011
Long-term provisions	50,393	45,165
Obligations due to long-term staff provisions	141	141
Provision for infrastructure operations	50,252	45,024

Obligations due to long-term staff provisions

	Thousands of Euros
Balance as of 31/12/2011	141
Long-term provision endowment.....	–
Balance as of 30/09/2012	141

Provision for infrastructure operations:

	Thousands of Euros
Major repairs	5,622
Replacement actions.....	7,905
Fees	31,433
Others.....	64
Balance as of 31/12/2011	45,024
Endowment Provision major repairs	1,683
Replacement Provision Endowment	1,051
Fee Provision Endowment	800
Application – others.....	–
Transfer – short-term provisions for replacement works	(16)
Transfer – short-term provisions for fees	–
Increases due to major Repairs	214
Increases through replacement update	404
Increases through fee update	1,092
Major repairs	7,519
Replacement actions.....	9,344
Fees	33,325
Others.....	64
Balance as of 30/09/2012	50,252

The provision for replacement operations covers liabilities to account for certain operations undertaken with regard to periods of use in excess of one year, involving the infrastructure connected with concession agreements, representing wear and tear or consumption of a part thereof.

The provision for fees covers liabilities to meet payments to Local Councils for periods in excess of one year connected with concession agreements.

Provisions for major repairs correspond to the amounts allocated for payments of different assets on the ending date of the corresponding concessions.

The breakdown of the provision for replacement operations by company as of 30 September 2012 was:

- Future payments Guipúzcoa Parking Siglo XXI, S.A. for 1,131 thousands of Euros.
- Future payments of Aparcamientos Guipuzcoanos, S.L. for 1,143 thousands of Euros.
- Future payments of Concha Parking, S.A. for 1,706 thousands of Euros.
- Future payments of Estacionamientos Guipuzcoanos, S.L.U. for 1,805 thousands of Euros.
- Future payments of Empark Aparcamientos y Servicios, S.A. for 1,725 thousands of Euros.

b) Short-term

The following are the amounts registered under the head of short-term provisions as of 30 September 2012 and 31 December 2011:

Provision for infrastructure operations:

	Thousands of Euros
Restocking activities and major repairs	1,995
Fees	4,154
Others.....	84
Balance as of 31/12/2011	6,233
Long-term replacement transfers	16
Long-term fee transfers.....	—
Applications of replacement	(818)
Applications of fees	(2,459)
Others.....	2
Due to restocking activities and major repairs	1,193
Fees	1,695
Others.....	86
Balance as of 30/09/2012	2,974

20 Tax situation

30/09/2012

Summary of the tax situation

Reconciliation of net income and expense for the financial year with the tax base for corporation tax

	Set/12
Profit (loss) before tax	(6,739)
Permanent differences	119
Amount calculated at a rate of 28 % 30 % 25 %.....	(1,843)
Tax income for financial year.....	(1,843)
Total income	(1,843)

Variation in deferred tax assets and liabilities were as follows:

Deferred tax assets	
Balance as of 31/12/2011	27,082
Corporation Tax adjustments 2011	(189)
Derivatives (note 14)	662
Balance as of 30/09/2012	27,555
Deferred tax liability	
Balance as of 31/12/2011	27,818
Corporation Tax adjustments 2011	(139)
Depreciation of goodwill assigned to assets	(176)
Balance as of 30/09/2012	27,503

The tax rate used for calculating the payment was 30% for companies paying Spanish state taxes, 28% for those taxed under autonomous regional schemes and in the United Kingdom, 0% for tax-exempt companies, 26.5% for companies taxed in Portugal and 20% for companies taxed in Turkey.

As of 1 January 2010, for the purposes of Corporate Tax and VAT for companies in Spain within the perimeter, the Group is taxed under Fiscal Consolidation Plan.

Expiry is 4 years from the date of the end of the voluntary reporting or payment period for all taxes and duties in Spain (Value Added Tax, Corporate Tax, Professional Withholdings, Property Tax, Business Activity Tax, etc.).

21 Information regarding geographic segments and by business

IFRS 8 "Operating Segments" defines an operating segment as follows. An operating segment is a component of an entity:

- That engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity),
- whose operating results are reviewed regularly by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance and,
- with regard to this, separate financial information is available.

The Group reports the following information about segments in the Consolidated Income Statement:

Segmentation by countries

The Group segments operations by countries due to the significant differences from country to country regarding business management, customers, applicable legislation, language barriers and in some cases different currencies.

Segmentation n by countries	INCN		COSTS		EBITDA		AMORTISATION + PROVISIONS		OPERATING RESULT	
	Sep-12	Sep-11	Sep-12	Sep-11	Sep-12	Sep-11	Sep-12	Sep-11	Sep-12	Sep-11
Spain	104,518	132,252	(72,400)	(89,123)	32,118	43,129	(18,394)	(18,312)	13,724	24,817
Portugal	24,701	25,928	(13,310)	(14,753)	11,391	11,175	(4,311)	(4,447)	7,080	6,728
United Kingdom ...	5,241	4,500	(4,879)	(4,224)	363	276	(96)	(80)	267	196
Turkey	3,083	3,430	(2,996)	(3,266)	87	164	(76)	(84)	11	80
Andorra	608	572	(187)	(327)	421	245	(319)	(261)	102	(16)
Total	138,151	166,682	(93,772)	(111,693)	44,379	54,989	(23,196)	(23,184)	21,183	31,805

INCN(includes net turnover + other operating income)

COSTS (Supplies + Staff Costs + Other operating costs)

Segmentation by business line

The information classified by business lines is as follow:

Segmentation by business Line	INCN		COSTS		EBITDA		OPERATING RESULT	
	Sep-12	Sep-11	Sep-12	Sep-11	Sep-12	Sep-11	Sep-12	Sep-11
Off-street	65,989	67,845	(28,021)	(39,175)	37,968	28,670	37,968	28,670
On-street	54,567	54,490	(48,150)	(40,988)	6,417	13,502	6,417	13,502
Management and others	17,595	44,347	(17,601)	(31,530)	(6)	12,817	(6)	12,817
Amortisation + Provisions	–	–	–	–	–	–	(23,196)	(23,184)
Total	138,151	166,682	(93,772)	(111,693)	44,379	54,989	21,183	31,805

INCN (includes net turnover + other operating income)

COSTS (Supplies + Staff Costs + Other operating costs)

22 Information on income statements

Net turnover and other operating income

The breakdown of net turnover and other operating income for the six-month periods ended 30/09/2012 and 30/09/2011 is following:

	Thousands of Euros	
	30/09/2012	30/09/2011
SPAIN		
Tow-away	6,519	6,087
Off-street	41,410	41,170
Charges	9,199	10,758
Residents	231	26,779
on-street parking ora	42,055	41,685
Sale of parking meters		
Management	1236	1,035
Advertising	150	138
Maintenance	1,290	903
Others	2,428	3,697
Total sales Spain	104,518	132,252
PORTUGAL		
Off-street	9,346	10,033
Charges	4,954	5,293
on-street parking ora	5,776	5,563
Others	1,302	1,298
Management	3,323	3,741
Total sales Portugal	24,701	25,928
ANDORRA		
Charges	401	374
Others	207	198
Total sales Andorra	608	572
UK		
Off-street	5,241	4,500
Total sales UK	5,241	4,500
TURKEY		
Off-street	3,083	3,430
Total sales Turkey	3,083	3,430
Total sales, revenue and accessories	138,151	166,682

1 – Income generated by off-street car parks

Revenue from off-street car parks corresponds to revenues generated through the use of parking spaces owned by the Group or held under an administrative concession. Off-street car park revenues are recorded when the hourly parking rate is paid and, in the case of season ticket-holders, on an accrual basis.

2 – Revenue generated through the sale of residents' parking spaces

This business involves the construction of car parks whose spaces are sold directly to the end customer during the term of the concession. The sales and costs are not registered until the parking space is delivered, which coincides with the signature of the contract.

3 – Revenue generated by on-street car parks (ORA)

Revenue from the ORA regulated limited time parking service derives from the cost of providing the service plus a percentage, generally between 1% and 3%, of the difference between service cost and the funds collected. In some ORA contracts revenue is earned at a fixed rate (service cost) which is independent of the funds collected (these belong to the City Council). This is registered in the accounts on provision of the service.

4 – Revenue generated through other services (management y others)

The Group also F-98recognizedF-98 in provision of other services associated with the comprehensive management of parking and urban and interurban mobility such as: Management of control of access to nature reserves, provision of temporary parking services at trade fairs and mass attendance events, combined park and bus services around airports.

23 Personnel costs

The breakdown of personnel expenses as of 30/09/2012 and 31/09/2011 is following:

	Thousands of Euros	
	30/09/2012	30/09/2011
Wages and salaries and similar	41,792	46,444
Social security costs	11,911	10,203
Other non-recurrent personnel costs	4,606	–
	58,309	56,647

The Work force as at 30 September 2012 and the average employee headcount during the first nine months of 2012, listed by male and female and broken down by categories and ranks is as follows:

30/09/2012	PLANTILLA MEDIA			PLANTILLA FINAL		
	Hombres	Mujeres	total	Hombres	Mujeres	total
Administrative personnel	16	53	69	16	55	71
Executive	35	8	43	35	7	42
Technicians and Operators	1.620	1.062	2.682	1.608	1.051	2.659
Supervisors	171	35	206	172	36	208
Employees with tertiary and other higher education qualifications	33	31	64	30	31	61
TOTAL	1.875	1.189	3.064	1.861	1.180	3.041

Remuneration of the Board of Directors and senior management amounted to 1,151 thousands of Euros as of 30 September 2012.

24 Financial Result

	Thousands of Euros	
	30/09/2012	30/09/2011
Financial revenue:		
Tradable securities and other financial instruments		
– Third-party	520	390
	520	390
Financial costs:		
Debts with third parties	(25,174)	(26,163)
Hedging	(4,422)	(3,323)
	(29,596)	(29,486)
Financial result	(29,076)	(29,096)

25 Cash flows

The Statement of Cash Flow set forth in the present financial statements was drawn up in accordance with the provisions of International Accounting Standard No 7.

The Statement of Cash Flow is divided into three types of flows depending on the cash inputs and outputs conducted by the consolidated Group:

- Net operating activity cash flows: these include cash movements at operating level for all businesses managed by the Group.
- Net investment activity cash flows: these include added cash flows generated by investments and divestments in tangible fixed assets, intangible assets, concession projects, real estate assets and financial assets.
- Net financing activity cash flows: these include cash inputs from debt issuances and issuance of bonds and other external financing sources; and cash outlays due to debt reimbursement and commitments, to financial interests deriving from outside resources and by distribution of dividends.

25.1 Operating activities

	Thousands of Euros	
	30/09/2012	30/09/2011
Result of financial year before tax	(6,739)	3,852
Adjustments to result:	50,541	50,719
– Amortisation of fixed assets	22,125	22,044
– Variation in provisions	1,071	1,140
– Financial revenue	(520)	(808)
– Financial costs	29,596	29,486
– Equity method	(1,154)	(1,143)
– Other revenue and expenditures	(577)	–
	43,802	54,571
Changes in current capital:	8,449	(39,099)
– Stock	126	999
– Debtors and other accounts receivable	11,132	(17,476)
– Other current assets	137	202
– Creditors and other accounts payable	(6,698)	(24,244)
– Other non-current assets and liabilities	3,791	1,667
– Other current liabilities	(39)	(247)
	52,251	15,472
Other cash flows from operating activities:	(25,643)	(23,487)
– Interest payments	(25,154)	(24,239)
– Dividends received	441	417
– Interest received	520	390
– Corporate tax receipts (payments)	(1,450)	(55)
Cash flows from operating activities:	26,608	(8,015)

25.2 Investment activities

	Thousands of Euros	
	30/09/2012	30/09/2011
Investment payments:	(11,292)	(27,106)
– Intangible assets	(8,672)	(23,406)
– Tangible fixed assets	(2,612)	(3,528)
– Other financial assets, group and associated companies	(8)	(3)
– Other assets	–	(169)
Divestment payments:	579	1,020
– Intangible assets	577	919
– Other assets	2	101
Cash flows from investment activities	(10,713)	(26,086)

25.3 Financing activities

	Thousands of Euros	
	30/09/2012	30/09/2011
Sums received and paid through financial liability instruments:	(15,983)	38,191
– Issuance:		
– Debts with credit institutions	(15,757)	38,834
– Debts with Group and associated companies	(226)	(643)
Dividend payments and returns on other equity instruments:	–	–
– Dividends	–	–
Cash flows from financing activities	(15,983)	38,191

26 Contingent liabilities, contingent assets and commitments

Contingent liabilities as of 30/09/2012

As of 30 September 2012 the Group had presented sureties for approximately 47,646 thousands of Euros mainly before Public Authorities (as of 31 December 2011 this figure stood at 52,711 thousands of Euros). The distribution of sureties per company is following:

- Empark Aparcamientos y Servicios, S.A. had presented sureties before Public Authorities for approximately 23,786 thousands of Euros, mainly related to various appeals brought for non-conformity with payments of municipal taxes, to those presented before municipal governments awarding concessions for operation, and to obligations resulting from contracts for the execution and sale of property developments.

The Group's Directors consider that in the event of liabilities unforeseen as of 30 September 2012 arising from the sureties presented, these would not be significant.

- Dornier, S.A.U. provided sureties to third parties for the sum of 6,999 thousands of Euros, mostly placed before municipal governments to guarantee the execution of the contracts awarded and various appeals brought for non-conformity with certain municipal tax payments.
- Estacionamientos Guipuzcoanos, S.L.U. had two bank guaranties issued in favour of the Madrid City Council for the sum of 179 thousands of Euros to cover obligations deriving from firm award of the Amendment to the Public-Private Concession for the underground car park on Calle Sevilla, adopted by Madrid City Council in its plenary session of 30 April 1999. It also had bank guaranties in force worth approximately 417 thousand of Euros, relating for the most part to various appeals filed in connection with a dispute over the settlement of municipal taxes before the Madrid City Council.
- Aparcamientos de Bilbao, S.A. placed final sureties of 860 thousands of Euros, of which 513 thousands of Euros correspond to the award of the concession to operate the car park on Plaza de Indautxu, and 347 thousands of Euros for the Azoka car park.
- Concha Parking, S.A. had a definitive guarantee for the sum of 3,690 thousand of Euros by the second payment regarding the award of the concession. It had also placed another final surety for 1,574 thousands of Euros corresponding to 4% of the quote.

- Aparcamientos Guipuzcoanos, S.L. had placed final sureties for the sum of 525 thousands of Euros before the Donostia – San Sebastián City Council for award of the concession to operate the Plaza Cataluña parking. It had also placed a final surety before the Donostia – San Sebastián City Council for the sum of 2,742 thousands of Euros for the same concession.
- Guipúzcoa Parking Siglo XXI, S.A. placed final surety for the sum of 600 thousands of Euros before the Donostia City Council for award of the concession to operate the Oquendo car park.
- Estacionamientos Alhóndiga, S.A. had placed final sureties for the sum of 933 thousands of Euros before the Bilbao City Council for award of the concession to operate the car parks of this company.
- Empark Portugal – Empreendimentos e Exploração de Parques, S.A. had placed final sureties for sum of 1,953 thousands of Euros, of which 584 thousands of Euros were placed before the City Council of Faro, 75 thousands of Euros the City Council of Beja, 100 thousands of Euros before the City Council of Cascais, 125 thousands of Euros before the City Council of Porto, 1,022 thousands of Euros before Milli Reasurants T.A.S (Park Yonetimi Ve Sistemleri San. Ve Tic. A.S.). Ve Tic. A.S.).
- ESLI – Parques de Estacionamiento, S.A. had definitive bank guaranties worth 1,183 thousand of Euros, of which 200 thousand of Euros correspond to the Câmara Municipal do Porto, 152 thousand of Euros to the Autoridade Tributaria Aduaneira, 134 thousand of Euros to the Município de Lisboa, 585 thousand of Euros to the Câmara Municipal de Lisboa, 100 thousand of Euros to the Município de Cascais, and 13 thousand of Euros to the Câmara Municipal de Leira.

Main litigations under way as of 30/09/2012

1.– Major claim by Obrascón Huarte Lain, S.A. against Ferrovial Aparcamientos, S.A. (today Empark Aparcamientos y Servicios, S.A.) against Ferrovial Aparcamientos, S.A., Vista Desarrollo, S.A., Caixa Penedés, CARIPLO and Bolsa de Madrid requesting the cancellation of the collateral ruling affecting 850,614 shares of ESSA (today Empark Aparcamientos y Servicios, S.A.).

A judgement upholding the arguments of Empark Aparcamientos y Servicios, S.A. and the other respondents has been handed down, and this lawsuit must therefore be deemed to be concluded, following the Supreme Court judgment of 10 December 2008. As costs were awarded against the plaintiff, Empark has filed three Cost Calculation applications, claiming from Obrascón Huarte Lain, (OHL) the payment of fees corresponding to Court Agents and Lawyers. Currently the only one pending resolution is before the Supreme Court, in the sum of 224 thousand of Euros. As at today's date the sum being claimed has been confirmed by the Judicial Secretary, and it is awaiting a decision by the Judges.

Furthermore, Counsel Félix López Antón Esq., who assumed the defence of Empark's interests in various instances of this proceeding, presented three proceedings for collecting legal fees against Empark claiming payment of fees incurred for the Lower Court, the Provincial High Court and the Supreme Court. The situation regarding these proceedings is as follows:

- First Instance: Legal fees have been set by the court at 117 thousands of Euros (plus VAT) from which 54 (plus VAT) thousands must be deducted for fees already satisfied by Empark to the Lawyer. The sum pending payment was therefore 63 thousands of Euros (plus VAT), this sum having been lodged with the Court on 17 September 2010. The interest calculated at a sum of 3 thousands of Euros has also been lodged. The costs of the claim proceedings must still be settled, valuation being pending.

The lawyer López Antón requested a record of various written submissions and rulings handed down in this appeal, possibly in order to file these with the corresponding court bodies in order to establish any legal action which the practice Despacho López Antón, S.L.P. could bring against Empark Aparcamientos y Servicios, S.A., with these declarations being issued by means of a Regulation Order dated 10 October 2011.

- Provincial Court: The fees accruing at the Provincial High Court were initially set by the court itself at the sum of 31 thousands of Euros (including VAT), of which Empark had already previously paid 8 thousands of Euros. The invoicing lawyer nonetheless petitioned for this ruling to be struck down, claiming that there was a clear error in application of the scale according to the Fee Standards of the Lawyers' Association of Madrid. Said nullity was allowed by the Court and fees have finally been set at 47 thousands of Euros (plus VAT), from which 8 thousands of Euros shall be deducted. Leaving 39 thousands of Euros (plus VAT). The entire sum of the debt has now been lodged, and the VAT has been paid out of court, following presentation of the corresponding invoice. The costs in the proceedings have not been valued.

The lawyer López Antón requested a record of various written submissions and rulings handed down in this appeal, possibly in order to file these with the corresponding court bodies in order to establish any legal action which the practice Despacho López Antón, S.L.P. could bring against Empark Aparcamientos y Servicios, S.A., with these declarations being issued by means of a Regulation Order dated 11 October 2011.

- Supreme Court: The fees were set by the Supreme Court at the sum of 43 thousands of Euros (including VAT), from which a sum 10 thousands of Euros already previously paid by Empark would need to be deducted. The remaining amount of 33 thousands of Euros has been deposited by Empark. The invoicing lawyer petitioned for the proceedings to be declared null and void. This position was not accepted by the Supreme Court, with a further petition for clarification then being lodged. This was likewise rejected in a Ruling of 12 July 2011.

The practice Despacho López Antón Abogados, S.L.P., as a result of the fees claimed for in the previous legal fee claims proceedings, has also lodged a lawsuit under ordinary court proceedings, claiming for: (i) the part not settled of the fees claimed for in the extraordinary procedural violation and cassation appeals (2901/2003), and which were not F-102e recognized in the legal fee payment claim proceedings, amounting to 137 thousands of Euros, plus the corresponding VAT, and 15 thousands of Euros of late-payment interest accruing, notwithstanding any which may subsequently accrue up until payment of the debt; (ii) the late-payment interest accruing and not F-102e recognized by the Provincial High Court of Madrid on the basis of the fees F-102e recognized in the legal fee claim proceedings, this sum amounting to 2 thousands of Euros. The claim was notified to EMPARK on 28 December 2011 and was answered on 26 January 2012. The Preliminary Hearing was held on 4 June 2012, and the trial is to be held on 5 November 2012.

2. Ordinary Proceedings 117/2011-6. Court of First Instance and Examination no. 5 of Santiago de Compostela.

The Association of Commercial Premises of the Santiago Area Central Shopping Centre is suing Empark Aparcamientos y Servicios, S.A. for the sum of 66 thousands of Euros based on the claim that the aforesaid company owes the Association the monthly instalments from January 2009 to June 2009, both instalments inclusive, pertaining to the budgets of said Association and interest accrued to the present (a thousand of Euros) and those which will accrue from lodging of the complaint until a ruling is handed down.

Procedural status: a judgement has been handed down finding the arguments of the plaintiff to be entirely without merit, and awarding costs against as a result of reckless litigation. The Association of Commercial Premises of the Santiago Area Central Shopping Centre filed an appeal and Empark filed its defence to the appeal on 5 March 2012. The appeal decision is awaited.

3.– Ordinary Court Proceedings 525/2011, brought before the Public Authority Litigation Court by the UTE Valls joint venture comprising Empark Aparcamientos y Servicios, S.A., and CESPA Compañía Española de Servicios Públicos Auxiliares, S.A.

A public authority litigation appeal was lodged by the joint venture against the Decree of the Mayor of Valls, ordering the joint venture to reinstate 2 workers who had been dismissed, and imposing a penalty fine of 24 thousands of Euros. The proceedings were concluded and a judgment is awaited.

4. Ordinary proceedings no. 166/2012 being heard before the Court of First Instance no. of 22 de Valencia, instigated by Empark against the Ruzafa Car Park Users' Association.

Empark is suing the Users' Association for payment of the service charges in the sum of 90 thousand of Euros.

The claim was filed on 26 January 2012. The preliminary hearing will be held on 15 October 2012.

5. Incident concerning the enforcement of judgment 36/2012 deriving from judicial-review appeal 378/2007 before the Court of Judicial Review no. 2 of Vigo and subsequent appeal 4129/2012 before the Galicia Court of Appeal.

Parties: plaintiffs: SETEX APARKI, S.A. and ESTACIONAMIENTOS Y SERVICIOS, S.A. Defendant: Vigo Council. Co-defendant: DORNIER, S.A.

Object: an application is made for enforcement of the judgment given in appeal 4129/201 pursuant to which, with the exclusion of the offer made by DORNIER, the agreement for the award of the contract for the administration of the public service of controlled parking in the public highway in the city of Vigo in favour of DORNIER is set aside.

6. Appeal of last resort no. 3959/2012 heard before the 2nd Chamber of the Constitutional Court.

Parties: instigated by DORNIER, S.A.

Object: an application is made for the protection of the constitution against the judgment of 17 March 2011, given in appeal no. 4129/2010 and against the clarification ruling for this judgment dated 23 February 2012, on the grounds of infringement of the constitutional principle of equality enshrined under article 14 of the Spanish Constitution and the fundamental right of effective legal protection under article 24 of the Spanish Constitution.

Procedural status: waiting to be admitted for processing.

7.– Ordinary Court Proceedings 518/2010, brought before Public Authority Litigation Court 1 of Zaragoza, by DORNIER, against the agreement awarding the Regulated Parking Service in Zaragoza.

Parties: Plaintiff: DORNIER Defendant: Zaragoza Council. Co-defendant: Vinci Park.

Procedural status: a judgment was handed down in July 2012 dismissing the appeal lodged by DORNIER. In September 2012, DORNIER filed an appeal before the Aragon Court of Appeal.

A judgment is awaited in this appeal.

8. Ordinary Proceedings 53/2012 being heard before Judicial Review Court no. 3 of Palma de Majorca, instigated by DORNIER against the cancellation of the award of the contract for controlled-parking (ORA) in favour of DORNIER, and the award of the correction procedure to EYSSA.

Parties: Plaintiff: DORNIER. Defendant: Ibiza Council. Co-defendant: Estacionamientos y Servicios, S.A.

Procedural status: DORNIER filed a claim and the defendants have filed their defences.

9. Ordinary Proceedings 243/2012 being heard before Judicial Review Court no. 1 of Palma de Majorca, instigated by DORNIER against the award of the contract for controlled-parking (ORA) in favour of EYSSA.

Parties: Plaintiff: DORNIER. Defendant: Ibiza Council. Co-defendant: Estacionamientos y Servicios, S.A.

Procedural status: DORNIER filed an appeal for judicial review.

10. Ordinary Proceedings 1982/2012 being heard before the Court of First Instance no. 2 of Almeria, seeking reimbursement for monies improperly collected against Piquer Hermanos, S.A.

Parties: Plaintiff: DORNIER Defendant: Piquer Hermanos, S.A.

Procedural status: claim filed and admitted for process.

11.– Ordinary Proceedings 46/2010, filed before Public Authority Litigation Court 3 of Madrid, by Rogelio Rodríguez Ordás against the City Council of Madrid and Estacionamientos Guipuzcoanos, S.L. The purpose of this appeal is to claim personal liability against the City Council of Madrid and against the parking concession of Calle Sevilla.

Judgment of 26 April 2012 handed down in which the appeal for judicial review is dismissed.

An appeal was lodged before the Madrid Court of Appeal, 13 March 2013 has been set down as the date for voting and judgment.

12.– Ordinary Proceedings 1753/2010 regarding termination of contract and claim for rent filed by Estacionamientos Guipuzcoanos, S.L. against Mr Rogelio Rodríguez Ordás regarding the rent for business premises 3 on the upper floor of the Calle Sevilla car park in Madrid. The petition in these proceedings is termination of the lease agreement dated 1 November 1969, subrogated by the respondent, and a claim for payment of 87 thousand of Euros plus any rent accruing up until the date when the premises are actually handed over.

The trial was held on 16 July 2012.

Procedural status: awaiting judgment.

27 Environmental commitments

Environmental activity is defined as any operation the main purpose of which is to prevent, reduce or repair damage caused to the environment.

Investments deriving from environmental activities are valued at acquisition cost and registered as increased fixed asset expenses in the financial year in which they are incurred, following the criteria described in note 2 regarding applicable accounting standards.

Costs deriving from environmental protection and improvement are attributed to result for the financial year in which they are incurred, regardless of the time the associated monetary or financial flow occurs.

Provisions relative to probable or certain responsibilities, legal proceedings in process, compensation and pending obligations of undetermined amounts of an environmental nature not covered by contracted insurance policies are made when the liability or the obligation establishing the compensation becomes effective.

With respect to potential environment-related contingencies, the directors consider that these would not have any significant impact on interim condensed consolidated financial statements.

28 Subsequent events

No subsequent events have occurred between the closing date and the date, on which, the present financial statements are drawn up that could have an effect on these interim financial statements.

EMPARK Aparcamientos y Servicios, S.A. and Subsidiaries

Interim consolidated management report for the nine-month period ended 30 September 2012

Economic activity for the financial year

During the first nine months of 2012 the company carried on business in a difficult financial and economic environment due to the persistent worldwide recession. This recession has caused a significant decrease in economic and financial activity which has also been noticed in Spain and Portugal, the group's main markets.

In spite of this slump the performance of the Empark Group has been very positive, showing considerable resistance and excellent management capacity, which has enabled us to obtain a recurring EBITDA in the first nine months of 2012 of 44,379 thousands of Euros.

The group leads the Spanish and Portuguese car parking markets and has been involved in the construction, management and operation of underground as well as on-street parking since 1968.

It has succeeded in developing the activities required to provide optimal integrated vehicle management services in any environment. This is supported by the management carried out by the Group during the financial year with more than 380,000 parking spaces in Spain, Portugal, Andorra, United Kingdom, and Turkey.

Its presence in the industry includes all lines of business:

a) Off-street parking

The Group designs, builds and operates all manner of off-street parking within any context and employing any formula.

Car parks in city centres, in the vicinity of hospitals, airports, bus or train stations, park-and-ride operations and car parks in national parks are some of the parking solutions in which the Group has proven experience throughout every region of Spain and Portugal.

b) On-Street parking

The Group, through its subsidiaries, is one of Europe's most experienced companies in this type of service and the market leader in Spain and Portugal.

Employing the latest technology and drawing on the support of a powerful F-104 recognized F-104i, the Group provides services in more than 160 cities throughout Spain, Portugal, Andorra, United Kingdom and Turkey.

Other complementary services, such as the supply and maintenance of regulation technologies, management of application and processing of penalties and provision of vehicle removal services are provided by the group in the main cities of Spain and Portugal.

c) Other services

The Group F-104 recognized F-104 in the provision of other services associated with end-to-end management of car parking and urban and inter-urban mobility.

Among others, Empark Aparcamientos y Servicios, S.A. and Dornier, S.A.U. have substantial experience in:

Management of control of access to nature reserves.

Provision of temporary parking services at trade fairs and mass attendance events.

Combined park and bus services around airports.

Management of mass off-street multiple profile subscriber car parks, in particular for Hospitals and Airports, with high levels of 24/24 operation.

Comprehensive management of F-104 recognized F-104ion, removal and deposit of vehicles.

The Group has developed its executive and managerial skills during its extensive experience in the industry.

- Current competitive advantages include: Nationwide and international presence, ensuring direct management of all businesses, as well as a direct relationship with all public and/or private customers.

- Competitive operating costs resulting from both the company's wide-ranging experience as well as its nationwide presence, providing synergies and key know-how.
- Technological innovation, which allows the company not only to be more competitive but also enables it to offer innovative solutions for traffic planning, design, etc.
- Presence in all areas of the business, enabling us to offer integrated solutions and save costs.
- The ability to offer complex construction solutions.

Financial Information

The net turnover amounted to a figure of 136,028 thousand of Euros during the first nine months of 2012, and 166,285 in the first nine months of 2011, the reduction being due for the most part to the sale of residents' spaces taking place in 2011 as a result of the completion of the Plaza de Cataluña and Plaza de Cervantes car parks.

Net turnover net of the effect of the sale of residents' spaces was 135,760 thousand of Euros during the first nine months of 2012 and 139,056 thousand of Euros in the first nine months of 2011, which represents a reduction of (2.37)%.

The Group's average workforce of the first-nine months of the year 2012 is made up of 3,064 employees of whom 39 % are women and 61 % men.

The Company's financial risk management policy is based on Group management of capital in order to guarantee that it will be in a position to continue operating as a profitable business while F-105ecognized shareholder return by striking an optimum balance between debt and equity.

The main risks to which the Group is exposed are set forth below:

- Liquidity risk: Within its general policy the Group identifies treasury need using two tools: treasury budget with a 12 month horizon with monthly update breakdown, and treasury budget with a 30-day horizon, with daily update breakdowns. These tools identify treasury needs in volume and time, and plan new financing needs.
- Credit risk: the Group maintains cash and equivalent liquid assets at financial institutions with a high-level credit rating. It should furthermore be mentioned that there is no significant concentration of credit risk with third parties.
- Interest rate risk: interest-rate risk affects the Group essentially through long-term external resources. The Group has contracted financial instruments that partially cover the risk of possible interest rate hikes.
- Exchange rate risk: The Group has no significant exchange rate risk as most of its assets and liabilities, revenue and expenses, are quoted in Euros.

Environmental aspects

Environmental activity is defined as any operation the main purpose of which is to prevent, reduce or repair damage caused to the environment.

Investments deriving from environmental activities are valued at acquisition cost and registered as increased fixed asset expenses in the financial year in which they are incurred, following the criteria described in note 2 regarding applicable accounting standards.

Costs deriving from environmental protection and improvement are attributed to result for the financial year in which they are incurred, regardless of the time the associated monetary or financial flow occurs.

Provisions relative to probable or certain responsibilities, legal proceedings in process, compensation and pending obligations of undetermined amounts of an environmental nature not covered by contracted insurance policies are made when the liability or the obligation establishing the compensation becomes effective.

As of 30 September 2012, costs or expenses incurred with regard to environmental aspects are insignificant.

With respect to potential environment-related contingencies, the directors consider that these would not have any significant impact on interim condensed consolidated financial statements.

Ernst & Young, S.L
Torre Picasso
Plaza Pablo Ruiz Picasso, 1
28020 Madrid

Tel.: 902 365 456
Fax: 915 727 300
www.ev.com/es

Auditors' report on the consolidated annual accounts

To the Shareholders of EMPARK APARCAMIENTOS Y SERVICIOS, S.A.:

We have audited the consolidated annual accounts of EMPARK APARCAMIENTOS Y SERVICIOS, S.A. (the parent Company) and dependent Companies (the Group), comprising the consolidated balance sheet at 31 December 2012, the consolidated income statement, the consolidated overall income statement, the consolidated statement of changes in net equity, the consolidated statement of cash flows and the consolidated annual report corresponding to the financial year ended on the aforementioned date. As stated in Explanatory Note 2 hereto attached, the directors of the parent Company are responsible for drawing up the annual financial statements of the Group, in accordance with the International Financial Reporting Standards adopted by the European Union, and all other provisions of the financial reporting regulatory framework applicable to the Group. Our responsibility is to express an opinion on the said annual accounts as a whole, based on the work performed in accordance with the current standards governing accounts auditing in Spain, which require the examination, by performing selective tests, of the evidence in support of the annual accounts and an evaluation of whether their presentation, the accounting principles and criteria applied and the estimates made, comply with the applicable framework of financial reporting standards.

In our opinion, the consolidated annual financial statements for the 2012 financial year hereto attached express, in all significant aspects, a true image of the consolidated net equity and consolidated financial situation of EMPARK APARCAMIENTOS Y SERVICIOS, S.A. and dependent Companies at 31 December 2012, in addition to the consolidated results of their operations and consolidated cash flows corresponding to the financial year ended on the aforementioned date, in accordance with the International Financial Reporting Standards adopted by the European Union and all other provisions of the financial reporting regulatory framework applicable to the Group.

The attached consolidated management' report for 2012 contains the explanations that the directors of EMPARK APARCAMIENTOS Y SERVICIOS, S.A. consider appropriate as to the situation of Group, the development of its business and other matters, and does not form an integral part of the consolidated annual financial statements. We have ascertained that the accounting information contained in the said management' report corresponds to the consolidated annual financial statements for 2012. Our task as auditors is limited to examining the consolidated management' report to the extent described in this paragraph and does not include a review of information other than that obtained from the accounting records of EMPARK APARCAMIENTOS Y SERVICIOS, S.A. and its dependent Companies.

10 April 2013

INSTITUTE OF CHARTERED ACCOUNTS AUDITORS OF SPAIN
Practising member: ERNST & YOUNG, S.L.

Year: 2013

No. 01/13/05945

PRICE: 96.00 EUR

This report is subject to the applicable rate established in Law 44/2002, dated 22 November

ERNST & YOUNG, S.L.

(Registered with the Official Register of accounts Auditors under number S0530)

Francisco V. Fernandez Romero

Registered Office: Pl. Pablo Ruiz Picasso, 1. 28020 Madrid Registered in the Companies Register of Madrid in
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EMPARK

EMPARK Aparcamientos y Servicios, S.A. and Subsidiaries

Consolidated annual report for the financial year 2012

empark

EMPARK Aparcamientos y Servicios, S.A. and Subsidiaries

Consolidated annual financial statements for financial year 2012

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EMPARK Aparcamientos y Servicios, S.A. and Subsidiaries

Consolidated annual financial statements for financial year 2012

Consolidated balance sheets at 31 December 2012 and 2011

Assets	Note	Thousands of euros	
		31/12/2012	31/12/2011
Non-current assets		716,526	733,037
Goodwill.....	6	144,763	146,102
Intangible assets	4	453,541	468,561
Property, plant and equipment.....	5	74,702	78,252
Investments accounted by the equity method	8	10,949	10,214
Long-term financial investments	9	2,739	2,826
Corporate loans		2,037	2,020
Other financial assets		702	806
Assets through deferred taxes	27	29,832	27,082
Current assets		67,696	82,508
Stock	12	9,506	5,967
Trade and other receivables	9	43,518	46,961
Clients through sales and services provided	9a	38,594	42,057
Other debtors		4,852	4,500
Group company clients		72	404
Investments in related companies	9, 11	15	18
Corporate loans		15	18
Short-term financial investments.....	9	707	1,217
Other financial assets		707	1,217
Short-term accruals and deferrals		305	273
Cash and other equivalent liquid assets.....	13	13,645	28,072
Total Assets		784,222	815,545
Liabilities and net equity			
Net equity		126,016	138,702
Shareholders equity		129,389	138,968
Capital	14 a	68,196	68,196
Share premium	14 b	36,940	36,940
Reserves and results from previous years	15	20,286	22,204
Non-distributable reserves.....		13,540	13,540
Other reserves		8,664	8,664
Results from previous years		(1,918)	—
Reserves in consolidated companies	16	8,607	6,584
Reserves in companies by the equity method.....	17	4,620	3,445
Result for the financial year attributed to the Group.....	18	(9,260)	1,599
Interim asset dividend		—	—
Other asset instruments.....		—	—
Hedging Operations	19	(12,672)	(9,972)
Minority.....	20	9,299	9,706
Non-current liabilities		549,721	586,163
Long-term provisions	25	48,409	45,165
Obligations through long-term personnel provisions.....		129	141
Other provisions.....		48,280	45,024
Long-term debts	21	468,548	504,874
Debts with credit institutions	9, 21 a	453,682	489,517
Debts with related companies	9, 22	7,826	7,762
Other debts	9, 22	7,040	7,595
Derivatives	9, 19, 21, 23	6,220	7,404
Long-term accruals and deferrals	24	611	902
Liabilities through deferred taxes	27	25,933	27,818
Current liabilities		108,485	90,679
Short-term provisions	25	5,854	6,233
Short term debts		42,185	28,501
Debts with credit institutions	9, 21 b	42,084	27,923
Debts with related companies	9, 21 c	101	578
Trade creditors and other accounts payable	9, 21	40,812	40,317
Suppliers		21,788	19,432
Sundry creditors.....		9,970	11,451
Personnel (accrued wages and salaries)		819	870
Liabilities through current tax	27	275	1,342
Other debts with Public Authorities	27	7,737	7,180
Client advances		223	42
Derivatives	9, 19, 21, 23	13,842	8,892
Other current liabilities	9, 26	4,665	5,452
Short-term accruals and deferrals		1,127	1,284
Total net equity and liabilities		784,222	815,545

Notes 1 to 44 are part of the Consolidated Annual Report as of 31 December 2012.

EMPARK Aparcamientos y Servicios, S.A. and Subsidiaries
Consolidated annual financial statements for financial year 2012
Consolidated income statements corresponding to financial years
ended on 31 December 2012 and 2011

		Thousands of Euros	
	Note	31/12/2012	31/12/2011
ONGOING OPERATIONS			
Net turnover		180,932	212,892
Sales and services.....	30 a	180,932	212,892
Variation in stock of finished products and products in process		(255)	(18,367)
Supplies	30 b	(830)	(1,004)
Other operating income	30 a	3,326	2,198
Other revenue		2,741	2,198
Operating subsidies incorporated in the result for the financial year.....		8	–
Other non-recurrent revenue	30 d	577	–
Personnel costs	31	(79,021)	(75,539)
Wages, salaries, et al.		(56,836)	(59,477)
Social Security costs.....		(15,920)	(15,077)
Other non-recurrent personnel expenses		(6,265)	(985)
Other operating expenses		(47,628)	(50,283)
External services.....		(42,520)	(44,821)
Taxes		(2,830)	(2,945)
Other operating expenses		(439)	(167)
Other non-recurrent operating expenses.....	30 d	(1,839)	(2,350)
Amortization of fixed assets	4, 5	(29,518)	(29,404)
Provisions and losses through unrecoverable receivables	32	(1,780)	(1,954)
Impairment and result through disposal of fixed assets	33	8	–
Operating Results		25,234	38,539
Financial revenue.....	34	749	897
Financial expenses	34	(32,692)	(35,365)
Financial expenses through hedges	34	(6,378)	(4,431)
Financial result	34	(38,321)	(38,899)
Share in results of equity-consolidated companies	8	748	1,152
Pre-tax consolidated results	33	(12,339)	792
Corporate income tax.....	27	2,712	5,148
Consolidated results from ordinary operations	18	(9,627)	5,940
Consolidated results from discontinued operations		–	–
Results attributed to minority interests	18, 20	367	(4,341)
Results attributed to the Group (profit/loss)	18	(9,260)	1,599
Profit by action (basic and diluted)	14	(0.82)	0.14

Notes 1 to 44 are part of the Consolidated Annual Report as of 31 December 2012.

EMPARK Aparcamientos y Servicios, S.A. and Subsidiaries
Consolidated annual financial statements for financial year 2012
Global consolidated income statements corresponding to financial
years ended on 31 December 2012 and 2011

	Thousands of Euros	
	31/12/2012	31/12/2011
Consolidated result for the financial year attributed to the Group.....	(9,260)	1,599
Minority	(367)	4,341
Financial year net result	(9,627)	5,940
In reserves through revaluation of non-listed assets and liabilities		
Changes in fair value of hedging operations.....	(3,766)	(2,121)
Taxation affect.....	1,066	623
Currency translation differences	-	-
	(2,700)	(1,498)

EMPARK Aparcamientos y Servicios, S.A. and Subsidiaries
Consolidated annual financial statements for financial year 2012

**Consolidated statement of changes in equity corresponding to financial years ended on
31 December 2012 and 2011**

Thousands of euros	Declared capital	Share premium	Reserves and results from previous years	Yearly results attributed to the Parent Company	Reserves in consolidated companies	Reserves in Companies by the equity method	Currency translation differences	Other value change adjustments	Minority	TOTAL
BALANCE, START OF YEAR										
2011.....	67,701	35,639	19,691	7,988	1,290	2,927	–	(9,194)	6,174	132,216
Total revenue and expenditure										
F-114 recognized	–	–	–	1,599	–	–	–	(1,498)	4,341	4,442
Other changes in net equity	495	1,301	–	–	–	–	–	–	–	1,796
Distribution of 2010 results										
Reserves	–	–	2,513	(7,988)	5,294	518	–	–	(809)	(472)
– Interim asset dividends	–	–	–	–	–	–	–	720	–	720
BALANCE, END OF YEAR 2011....	68,196	36,940	22,204	1,599	6,584	3,445	–	(9,972)	9,706	138,702
Total revenue and expenditure										
F-114 recognized	–	–	–	(9,260)	–	–	–	(2,700)	(367)	(12,327)
Other changes in net equity	–	–	–	–	–	–	–	–	–	–
Distribution of 2011 results										
– Reserves	–	–	(1,918)	(1,599)	2,023	1,175	–	–	(40)	(359)
– Distribution of dividends	–	–	–	–	–	–	–	–	–	–
– Interim asset dividends	–	–	–	–	–	–	–	–	–	–
BALANCE, END OF YEAR 2011....	68,196	36,940	20,286	(9,260)	8,607	4,620	–	(12,672)	9,299	126,016

Notes 1 to 44 are part of the Consolidated Annual Report as of 31 December 2012.

EMPARK Aparcamientos y Servicios, S.A. and Subsidiaries

Consolidated annual financial statements for financial year 2012

Consolidated statement of cash flows corresponding to the financial years ended on 31 December 2012 and 2011

	Note	Thousands of euros	
		31/12/2012	31/12/2011
Net Result	18	(9,260)	1,599
Financial year result before tax		(12,339)	792
Adjustments to result		68,286	68,364
Changes in current capitals		2,504	(41,458)
Other cash flows from operating activities		(40,290)	(38,817)
Cash flow from operating activities	35	18,161	(11,119)
Payments through investments		(11,412)	(36,139)
Payments through divestments		765	1,193
Cash flow from Investment activities	36	(10,647)	(34,946)
Sums received and paid through financial liability instruments		(21,941)	35,474
Payments through dividends and returns on other asset instruments		—	—
Cash flow from financing activities	37	(21,941)	35,474
Changes in cash and cash equivalents		(14,427)	(10,591)
Opening cash and cash equivalents at the start of the financial period		28,072	38,663
Opening cash and cash equivalents at the end of the financial period	13	13,645	28,072

Notes 1 to 44 are part of the Consolidated Annual Report as of 31 December 2012.

EMPARK Aparcamientos y Servicios, S.A. and Subsidiaries

Explanatory Notes on 2012

1 Group's activities and consolidation scope

1.1 Companies forming the Group and their business

The EMPARK Group, hereinafter the Group, comprises the dominant company Empark Aparcamientos y Servicios, S.A., and its subsidiaries, joint businesses and associate companies. The registered company office is in Madrid at address Plaza Manuel Gómez Moreno 2, 'Edificio Alfredo Mahou'.

Through these companies, the Group engages in the following lines of business, which are its primary reporting segments in accordance with IFRS 8.

Empark Aparcamientos y Servicios, S.A. previously named Cintra Aparcamientos, S.A. and prior to that named Ferrovial Aparcamientos, S.A. and previously Ferrevisa, S.A., has as its main line of business the construction and operation of car parks under public authority concession arrangements. Such concessions stipulate that, to fulfil the concession timeframes, the car parks shall be returned to the granting company in perfect conditions of use, without any payment for provision of service for the Group. The Subsidiaries carry out the same activity as the Parent Company.

Empark Aparcamientos y Servicios, S.A., is the Parent Company of a group of 27 Dependent Companies, 5 Associates, has stakes in 2 JVs and 3 Companies as joint businesses.

For the purpose of drawing up the consolidated annual accounts, the assumption is that a group exists if the dominant company has one or more dependent F-116 recognized F-116io, over which the dominant company exerts control either directly or indirectly.

Empark Aparcamientos y Servicios, S.A., the dominant company of the Group, was incorporated in Madrid on 29 July 1986 as a public limited company. It is registered with the Company Register of Madrid, on sheet M-53866, page 86, volume 14090, and section 8 of the Companies Book. The most recent adaptation and revision of its by-laws, based on the Company Register of Madrid, is registered in volume 21897, book 0 of section 8, page 222, sheet M-53866, and inscription no. 113.

All of the Group's subsidiaries have the financial and tax year coinciding with the natural calendar year and none of these are listed on the Stock Market. The scope of Consolidation is the following:

31/12/2012

Company	Management	% Stake	Company that owns the investment	Net value investment	Method Consolidation	Activity
Estacionamientos Guipuzcoanos, S.L.U. ^(a)	Ronda, 1, 1º, San Sebastián	100.00%	Empark Aparcamientos y Servicios, S.A.	40,543	Full consolidation	2*
Guadianapark, S.A. ^(c)	Plaza Manuel Gómez Moreno, 2, Madrid	75.00%	Empark Aparcamientos y Servicios, S.A.	1,269	Full consolidation	2*
Balsol 2001, S.A. ^(c)	Santa Eugenia, 9, Gerona	50.00%	Empark Aparcamientos y Servicios, S.A.	1,496	Full consolidation	2*
Balsol 2001, S.A. ^(c)	Santa Eugenia, 9, Gerona	50.00%	Dornier, S.A.U	1,385	Full consolidation	2*
Dornier, S.A.U. ^(a)	Plaza Manuel Gómez Moreno, 2, Madrid	100.00%	Empark Aparcamientos y Servicios, S.A.	21,313	Full consolidation	2*
Femet, S.A. ^(c)	Plaza Manuel Gómez Moreno, 2, Madrid	0.05%	Empark Aparcamientos y Servicios, S.A.	7	Full consolidation	2*
Femet, S.A. ^(c)	Plaza Manuel Gómez Moreno, 2, Madrid	99.95%	Dornier, S.A.U	1,405	Full consolidation	2*
Sociedad Municipal de Aparcamientos y Servicios, S.A. ^(c)	Tejón y Rodríguez, 7, Málaga	24.50%	Empark Aparcamientos y Servicios, S.A.	3,757	Stake	2*
Estacionamientos Alhóndiga, S.A. ^(b)	Av. Sabino Arana, 20-3, Biscay	50.00%	Empark Aparcamientos y Servicios, S.A.	1,050	Proportionate	2*
Estacionamientos Urbanos de León, S.A. ^(c)	Av. De Órdoño II, 10, León	43.00%	Dornier, S.A.U	452	Stake	2*
Aparcament Escaldes Centre, S.A. ^l	Carrer Constitució Aparcament Prat Gran Planta 1º, Escaldes	100.00%	Empark Aparcamientos y Servicios, S.A.	11,400	Full consolidation	2*
Infofer Estacionamientos, A.I.E. ^l	Manuel Silvera, 8 Madrid	16.66%	Dornier, S.A.U	60	Stake	2*
Aparcamientos Guipuzcoanos S.L. ^(b)	Ronda, 1, 1º, San Sebastián	60.00%	Estacionamientos Guipuzcoanos, S.A.U	602	Full consolidation	3*
Aparcamientos de Bilbao, S.A. ^(b)	Pza. de Indautxu, s.n, Bilbao	75.00%	Empark Aparcamientos y Servicios, S.A.	1,350	Full consolidation	3*

Company	Management	% Stake	Company that owns the investment	Net value investment	Method Consolidation	Activity
Concha Parking, S.A. ^(b)	Ronda, 1, 1º, San Sebastián	60.00%	Estacionamientos Guipuzcoanos, S.A.U	615	Full consolidation	3*
Empark UK LTD ^l	Bassingbourn House (Stansted Airport) GB	100.00%	Empark Aparcamientos y Servicios, S.A.	0	Full consolidation	2*
Guipuzcoa Parking Siglo XXI S.A. ^(b)	Ronda, 1, 1º, San Sebastián	60.00%	Estacionamientos Guipuzcoanos, S.A.U	600	Full consolidation	3*
Empark Aparcamientos Andalucía, S.L. ^(a)	Plaza Manuel Gómez Moreno, 2, Madrid	100.00%	Empark Aparcamientos y Servicios, S.A.	3	Full consolidation	2*
Empark Aparcamientos Extremadura, S.L. ^{(c)1*}	Plaza Manuel Gómez Moreno, 2, Madrid	100.00%	Empark Aparcamientos y Servicios, S.A.	3	Full consolidation	2*
Empark Portugal – Empreendimentos e Exploração de Parques, S.A. ^(a)	Rua Joaquim António de Aguiar, 19, Lisbon	100.00%	Empark Aparcamientos y Servicios, S.A.	145,583	Full consolidation	2*
ELSI – Parques de Estacionamento, S.A. ^(a)	Rua Joaquim António de Aguiar, 19 Lisbon	100.00%	Emparque – Empreendimentos e Exploração de Parques, S.A.	29,879	Full consolidation	2*
Gasparques – Planeamento e Gestao de Estacionamento, S.A. ^(a)	Rua Joaquim António de Aguiar, 19, Lisbon	100.00%	Emparque – Empreendimentos e Exploração de Parques, S.A.	9,107	Full consolidation	2*
Gasparques II – Planeamento e Gestao de Estacionamento, S.A. ^(a)	Rua Joaquim António de Aguiar, 19, Lisbon	100.00%	Emparque – Empreendimentos e Exploração de Parques, S.A.	359	Full consolidation	2*
Serparque – Servicios de Estacionamento, S.A. ^(a)	Rua Joaquim António de Aguiar, 19, Lisbon	100.00%	Emparque – Empreendimentos e Exploração de Parques, S.A.	670	Full consolidation	2*
SP Gis – Planeamiento e Gestao de Estacionamento, S.A. ^(a)	Rua Joaquim António de Aguiar, 19, Lisbon	99.95%	Emparque – Empreendimentos e Exploração de Parques, S.A.	2,143	Full consolidation	2*
Parques de Estação – Empreend. E Exploração de Estac, S.A. ^(a)	Rua Joaquim António de Aguiar, 19 Lisbon	80.00%	Emparque – Empreendimentos e Exploração de Parques, S.A.	800	Full consolidation	2*
Streek Park – Gestao de Estacionamento, A.C.E. ^(a)	Rua Joaquim António de Aguiar, 19, Lisbon	53.33%	Emparque – Empreendimentos e Exploração de Parques, S.A.	560	Full consolidation	2*
Mr. Clean – Lavagem de Veículos, S.A. ^(a)	Rua Joaquim António de Aguiar, 19, Lisbon	100.00%	Emparque – Empreendimentos e Exploração de Parques, S.A.	1,191	Full consolidation	2*
Castil – Parque, Sociedade Exploradora de Parques de Estacionamento, S.A. ^(a)	Rua Joaquim António de Aguiar, 19, Lisbon	74.55%	Emparque – Empreendimentos e Exploração de Parques, S.A.	2,020	Full consolidation	2*
Multi 49, Parques de Estacionamento, S.A. ^(a)	Rua Joaquim António de Aguiar, 19, Lisbon	100.00%	Emparque – Empreendimentos e Exploração de Parques, S.A.	54	Full consolidation	2*
Park Yonetimi Ve Sistemleri San. Ve Tic. A.S. ^(a)	Elmadag, Inonu Mah. Cumhuriyet Cad 87/8, Istanbul	80.00%	Emparque – Empreendimentos e Exploração de Parques, S.A.	3,338	Full consolidation	2*
Katibin Optopark Isletmeleri Tic. Vesan. A.S. ^(a)	Elmadag, Inonu Mah. Cumhuriyet Cad 87/8, Istanbul	80.00%	Emparque – Empreendimentos e Exploração de Parques, S.A.	1,947	Full consolidation	2*
ParqueGil – Planemento e Gestao de Estacionamento, S.A. ^(a)	Rua Joaquim António de Aguiar, 19, Lisbon	50.00%	Emparque – Empreendimentos e Exploração de Parques, S.A.	25	Full consolidation	2*
ParqA – Planemento e Gestao de Estacionamento, S.A. ^(a)	Rua Joaquim António de Aguiar, 19, Lisbon	50.00%	Emparque – Empreendimentos e Exploração de Parques, S.A.	63	Full consolidation	2*
Paques do Tamariz – Sociedade Exploração de Parques de Estacionamento, S.A. ^(c)	Parques Subterrâneo Largo da Estação, 2750-340, Cascais	33.33%	Emparque – Empreendimentos e Exploração de Parques, S.A.	500	Stake	2*

Company	Management	% Stake	Company that owns the investment	Net value investment	Method Consolidation	Activity ^{2*}
Figueira Parques – Empresa Pública Municipal de Estac. Da Figueira de Foz, E.M. ^(a)	Cais da Alfandega, 18/20, 3º, Figueira da Foz	29.96%	Emparque – Empreendimentos e Exploração de Parqueamentos, S.A.	154	Stake	
Segempark, S.A. ^(a) 1°	Rua Joaquim António de Aguiar, 19, Lisbon	100.00%	Emparque – Empreendimentos e Exploração de Parqueamentos, S.A.	125	Full consolidation	2*
UTE Torrellobeta	Plaza Manuel Gómez Moreno, 2, Madrid	80.00%	Empark Aparcamientos y Servicios, S.A.	1	Proportionate	3*
UTE Valls	Av. De la F-118ecognize 6-8, Barcelona	47.00%	Empark Aparcamientos y Servicios, S.A.	8	Proportionate	3*

(a) Companies audited by Ernst&Young

(b) Companies audited by Attest Servicios Empresariales, S.L.P.

I Companies not audited

1* Company incorporated within the Group in 2012

2* Management and operation of car parks

3* Construction and operation of car parks

Company	Management	% Stake	Company that owns the investment	Net value investment	Method Consolidation	Activity
Estacionamientos Guipuzcoanos, S.L.U. ^(a)	Ronda, 1, 1º, San Sebastián	100.00%	Empark Aparcamientos y Servicios, S.A.	40,543	Full consolidation	2*
Guadianapark, S.A. ^(c)	Plaza Manuel Gómez Moreno, 2, Madrid	75.00%	Empark Aparcamientos y Servicios, S.A.	1,269	Full consolidation	2*
Balsol 2001, S.A. ^(c)	Santa Eugenia, 9, Gerona	50.00%	Empark Aparcamientos y Servicios, S.A.	1,496	Full consolidation	2*
Balsol 2001, S.A. ^(c)	Santa Eugenia, 9, Gerona	50.00%	Dornier, S.A.U	1,385	Full consolidation	2*
Dornier, S.A.U. ^(a)	Plaza Manuel Gómez Moreno, 2, Madrid	100.00%	Empark Aparcamientos y Servicios, S.A.	21,313	Full consolidation	2*
Femet, S.A. ^(c)	Plaza Manuel Gómez Moreno, 2, Madrid	0,05%	Empark Aparcamientos y Servicios, S.A.	7	Full consolidation	2*
Femet, S.A. ^(c)	Plaza Manuel Gómez Moreno, 2, Madrid	99.95%	Dornier, S.A.U	1,405	Full consolidation	2*
Sociedad Municipal de Aparcamientos y Servicios, S.A. ^(c)	Tejón y Rodríguez, 7, Málaga	24.50%	Empark Aparcamientos y Servicios, S.A.	3,757	Stake	2*
Estacionamientos Alhóndiga, S.A. ^(b)	Av. Sabino Arana, 20-3, Biscay	50.00%	Empark Aparcamientos y Servicios, S.A.	1,050	Proportionate	2*
Estacionamientos Urbanos de León, S.A. ^(c)	Av. De Ordoño II, 10, León	43.00%	Dornier, S.A.U	452	Stake	2*
Aparcament Escaldes Centre, S.A. ^l	Carrer Constitució Aparcament Prat Gran Planta 1º, Escaldes	100.00%	Empark Aparcamientos y Servicios, S.A.	11,400	Full consolidation	2*
Infofer Estacionamientos, A.I.E. ^l	Manuel Silvera, 8, Madrid	16.66%	Dornier, S.A.U	60	Stake	2*
Aparcamientos Guipuzcoanos S.L. ^(b)	Ronda, 1, 1º, San Sebastián	60.00%	Estacionamientos Guipuzcoanos, S.A.U	602	Full consolidation	3*
Aparcamientos de Bilbao, S.A. ^(b)	Pza. de Indautxu, s.n, Bilbao	75.00%	Empark Aparcamientos y Servicios, S.A.	1,350	Full consolidation	3*
Concha Parking, S.A. ^(b)	Ronda, 1, 1º, San Sebastián	60.00%	Estacionamientos Guipuzcoanos, S.A.U	615	Full consolidation	3*
Empark UK LTD ^l	Bassingbourn House (Stansted Airport) GB	100.00%	Empark Aparcamientos y Servicios, S.A.	0	Full consolidation	2*
Guipuzcoa Parking Siglo XXI S.A. ^(b)	Ronda, 1, 1º, San Sebastián	60.00%	Estacionamientos Guipuzcoanos, S.A.U	600	Full consolidation	3*
Empark Aparcamientos Andalucía, S.L. ^{(c)1*}	Plaza Manuel Gómez Moreno, 2, Madrid	100.00%	Empark Aparcamientos y Servicios, S.A.	3	Full consolidation	2*
Empark Portugal – Empreendimentos e Exploração de Parqueamentos, S.A. ^(a)	Rua Joaquim António de Aguiar, 19, Lisbon	100.00%	Empark Aparcamientos y Servicios, S.A.	145,583	Full consolidation	2*
ELSI – Parques de Estacionamiento, S.A. ^(a)	Rua Joaquim António de Aguiar, 19, Lisbon	100.00%	Emparque – Empreendimentos e Exploração de Parqueamentos, S.A.	29,879	Full consolidation	2*
GISPARQUES – Planeamento e Gestao de Estacionamento, S.A. ^(a)	Rua Joaquim António de Aguiar, 19, Lisbon	100.00%	Emparque – Empreendimentos e Exploração de Parqueamentos, S.A.	9,107	Full consolidation	2*
GISPARQUES II – Planeamento e Gestao de Estacionamento, S.A. ^(a)	Rua Joaquim António de Aguiar, 19, Lisbon	100.00%	Emparque – Empreendimentos e Exploração de Parqueamentos, S.A.	359	Full consolidation	2*
SERPARQUE – Servicios de Estacionamiento, S.A. ^(a)	Rua Joaquim António de Aguiar, 19, Lisbon	100.00%	Emparque – Empreendimentos e Exploração de Parqueamentos, S.A.	670	Full consolidation	2*
SP Gis – Planeamiento e Gestao de Estacionamento, S.A. ^(a)	Rua Joaquim António de Aguiar, 19 Lisbon	99.95%	Emparque – Empreendimentos e Exploração de Parqueamentos, S.A.	2,143	Full consolidation	2*
Parques de Estação – Empreend. E Exploração de Estac, S.A. ^(a)	Rua Joaquim António de Aguiar, 19, Lisbon	80.00%	Emparque – Empreendimentos e Exploração de Parqueamentos, S.A.	800	Full consolidation	2*
Streek Park – Gestao de Estacionamento, A.C.E. ^(a)	Rua Joaquim António de Aguiar, 19, Lisbon	53.33%	Emparque – Empreendimentos e Exploração de Parqueamentos, S.A.	560	Full consolidation	2*
Mr. Clean – Lavagem de Veículos, S.A. ^(a)	Rua Joaquim António de Aguiar, 19, Lisbon	100.00%	Emparque – Empreendimentos e Exploração de Parqueamentos, S.A.	1,191	Full consolidation	2*

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Castil – Parque, Sociedade Exploradora de Parques de Estacionamento, S.A. ^(a)	Rua Joaquim António de Aguiar, 19 Lisbon	74.55%	Emparque – Empreendimentos e Exploração de Parqueamentos, S.A.	2,020	Full consolidation	2*
Multi 49, Parques de Estacionamento, S.A. ^(a)	Rua Joaquim António de Aguiar, 19, Lisbon	100.00%	Emparque – Empreendimentos e Exploração de Parqueamentos, S.A.	54	Full consolidation	2*
Park Yonetimi Ve Sistemleri San. Ve Tic. A.S. ^(a)	Elmadag, Inonu Mah. Cumhuriyet Cad 87/8, Istanbul	80.00%	Emparque – Empreendimentos e Exploração de Parqueamentos, S.A.	3,338	Full consolidation	2*
Katibin Optopark Isletmeleri Tic. Vesan. A.S. ^(a)	Elmadag, Inonu Mah. Cumhuriyet Cad 87/8, Istanbul	80.00%	Emparque – Empreendimentos e Exploração de Parqueamentos, S.A.	1,947	Full consolidation	2*
ParqueGil – Planemento e Gestao de Estacionamento, S.A. ^(a)	Rua Joaquim António de Aguiar, 19, Lisboa	50.00%	Emparque – Empreendimentos e Exploração de Parqueamentos, S.A.	25	Full consolidation	2*
ParqA – Planemento e Gestao de Estacionamento, S.A. ^(a)	Rua Joaquim António de Aguiar, 19, Lisboa	50.00%	Emparque – Empreendimentos e Exploração de Parqueamentos, S.A.	63	Full consolidation	2*
Paques do Tamariz – Sociedade Exploração de Parques de Estacionamento, S.A. ^(c)	Parques Subterrâneo Largo da Estação, 2750-340, Cascais	33.33%	Emparque – Empreendimentos e Exploração de Parqueamentos, S.A.	500	Stake	2*
Figueira Parques – Empresa Pública Municipal de Estac. Da Figueira de Foz, E.M. ^(c)	Cais da Alfandega, 18/20, 3º, Figueira da Foz	29.96%	Emparque – Empreendimentos e Exploração de Parqueamentos, S.A.	154	Stake	2*
UTE Torrellobeta	Plaza Manuel Gómez Moreno, 2 Madrid	80.00%	Empark Aparcamientos y Servicios, S.A.	1	Proportionate	3*
UTE Valls	Av. De la F-120ecognize 6-8, Barcelona	47.00%	Empark Aparcamientos y Servicios, S.A.	8	Proportionate	3*
Ute Aparcamientos	Av. Sabino Arana 20-3º, Bilbao	25.00%	Empark Aparcamientos y Servicios, S.A.	3	Proportionate	3*
UTE Jado	Plaza Manuel Gómez Moreno, 2, Madrid	50.00%	Empark Aparcamientos y Servicios, S.A.	6	Proportionate	3*

(a) Companies audited by Ernst&Young

(b) Companies audited by Attest Servicios Empresariales, S.L.P.

I Companies not audited

1* Company incorporated within the Group in 2011

2* Management and operation of car parks

3* Construction and operation of car parks

1.2 Changes in the scope

31/12/12

- The main changes in the scope of consolidation during financial year 2012 have been the following:

On 18 January 2012, the sole shareholder, Empark Aparcamientos y Servicios, S.A., incorporated the company Empark Aparcamientos Extremadura, S.L. The company has declared the commencement of operations, but does not at present hold any concession.

In early 2012 the sole shareholder, Empark Portugal – Empreendimentos e Exploração de Parqueamentos, S.A., incorporated the company Segempark S.A. The company has declared the commencement of operations, but does not at present hold any concession.

During 2012 the group dissolved the UTE Jado and UTE Aparcamientos joint ventures, the value of the stakes being 6 thousands of euros and 3 thousands of euros, respectively.

- The main changes in the scope of consolidation during financial year 2011 have been the following:

On 2 February 2011 a 100% stake was acquired in Victoria Service Project, S.L., a company incorporated on 25 January 2011. On 23 February 2011 it changed its company name to Empark Aparcamientos de Andalucía, S.L.U. Subsequently, on 29 March 2011, Empark Aparcamientos de Andalucía, S.L.U. purchased the public authority concession for the underground car park on Plaza San Agustín in Granada.

During 2011 the group sold the stake held by Empark Aparcamientos y Servicios, S.A. in Estacionamientos y Servicios Extremeños, S.A. the value of the stake was 90 thousands of euros, sold for a sum of 330 thousands of euros, generating a profit of 240 thousands of euros.

Dissolution of the UTE Tenerife.

2 Summary of the main accounting principles

2.1 Basis of presentation

The financial information listed in these annual reports has been drafted using the International Financial Reporting Standards adopted by the European Union (IFRS-EU) and becomes effective at the closure of the financial year. Regarding the methods used to apply these regulations, it is worth mentioning that the Group has opted, in cases where the IFRS-EU allows different alternative criteria, to value the fixed and intangible assets at historical cost, capitalizing financial costs during the construction period and for the case of jointly controlled companies and joint ventures with existing companies, consolidate them using the proportional consolidation method. The Consolidated Annual Reports have been prepared F-121ecogni on historic cost adjusted for the increase in value of the derivatives. These criteria are the same ones applied in 2011.

The Group applied the IFRS-EU for the first time in financial year 2009 for drafting the consolidated financial statements.

2.2 Accounting principles applied

a) Standards and interpretations approved by the European Union, which are applicable to this financial year.

The accounting policies employed in drawing up the Consolidated Annual Report for the financial year ended on 31 December 2012 are the same as those applied to the Consolidated Annual Report for the financial year ended on 31 December 2011, except for the following modification applicable to financial years beginning from 1 January 2012 onwards:

- Modifications to IFRS 7 “Disclosures – Transfers of financial assets”: The IASB published modifications to IFRS 7 in order to improve disclosures of financial assets which have been transferred. If the transferred assets are not entirely cancelled in the Consolidated Annual Report, the company must disclose information to assist users of the financial statements in understanding the relationship between these assets which have not been cancelled and the related liabilities. If the assets have been entirely cancelled, but the company retains an ongoing involvement, the disclosures must serve to evaluate the nature and risks associated with this ongoing involvement. These modifications are applicable to financial years beginning from 1 July 2011 onwards. The Group has no assets of such characteristics, and this therefore had no impact on the presentation of this Consolidated Annual Report.

b) Standards and interpretations published by the IASB and approved by the European Union, but not applicable to this financial year

As of the date of publication of this Consolidated Annual Report, the following standards, modifications and interpretations had been published by the IASB and approved by the European Union, but were not subject to mandatory application:

- Amendments to IAS 1 “Presentation of items of other comprehensive income”: The modifications to IAS 1 change the grouping of entries presented in another overall result. Entries which may be reclassified (or “recycled”) to the statement of income at any future time are to be presented separate from those items which will never be reclassified. The modification affects only presentation, and has no impact either on the financial situation or the results of the Group. The modification is applicable to financial years beginning after 1 July 2012.
- IAS 19 revised “Employee benefits”: The modifications range from fundamental changes, such as the elimination of the broker method and the concept of yields expected from assets covered by the plan, to simple clarifications and textual revision. The Group has made a voluntary change to its accounting policy in order to acknowledge actuarial losses and gains under other overall results for the present financial year. This modification will, however, affect the net expenditure through benefits, as the expected return on the assets associated with the plan will be calculated

on the basis of the same rate of interest as that applied in order to calculate the benefits-based obligation. These modifications will be applicable to financial years beginning from 1 July 2013 onwards.

- IFRS 10 “Consolidated financial statements”: IFRS 10 establishes one single supervisory model applied to all entities, including special purpose entities. The changes introduced by IFRS 10 will require Senior Management to make substantial judgements in establishing which companies are controlled, and must therefore be consolidated by the Dominant Company, in comparison with the requirements which would be set out in IAS 27. In accordance with the preliminary analysis performed, IFRS 10 is not expected to have any impact on the investments currently held by the Group. IFRS 10 is applicable to financial years beginning from 1 January 2014 onwards.
- IFRS 11 “Joint Arrangements”: IFRS 11 eliminates the option of accounting for controlled companies jointly by using the proportional consolidation method. Jointly controlled companies are instead defined as joint entities, and must be accounted for by using the equity method. The Group is currently evaluating the impact that this new standard will have on the Group’s financial situation and results, although on the basis of the preliminary analyses no significant impacts are expected.
- IFRS 12 “Disclosure of interests in other entities”: IFRS 12 includes the disclosures previously listed under IAS 27 regarding the Consolidated Annual Report, in addition to all disclosures previously included in IAS 31 and IAS 28. These disclosures refer to stakes in dependent companies, joint agreements, associated entities and structured entities. New, additional disclosures are also required, although this has no impact on the financial position or results of the Group. This standard will take effect for financial years beginning from 1 January 2014 onwards.
- IFRS 13 “Fair value measurement”: IFRS 13 establishes one single guide for all fair-value valuations in accordance with the IFRS. IFRS 13 does not affect when the fair value must be used, but does offer a guide as to how to establish the fair value in accordance with the IFRS where this is required or permitted. The Group is currently evaluating the impact that this new standard will have on the Group’s financial situation and results, although on the basis of the preliminary analyses no significant impacts are expected. This standard will take effect for financial years beginning from 1 January 2013 onwards.
- IAS 28 revised “Investments in Associates and Joint Businesses”: It now also describes the application of the equity method to investments in joint businesses, in addition to associated entities. The modification will take effect for financial years beginning from 1 January 2014 onwards.
- IFRS IC 20 “Stripping costs in the production phase of a surface mine”: This interpretation applies to waste removal costs (excavation) incurred during the production phase of an opencast mine. The interpretation establishes the manner in which the profits derived from the excavation activity are to be accounted for. The interpretation takes effect for financial years beginning from 1 January 2013 onwards. This new interpretation will have no impact whatsoever on the Group.
- Amendment to IAS 32 “Compensation of financial assets and financial liabilities”: These modifications clarify the meaning of “where a legal applicable right to offset is held”. These modifications likewise clarify application of the principal of offsetting settlement systems (such as F-122 recognized F-122 cash management systems) which apply offset mechanisms based on gross sums items which do not arise simultaneously. These modifications are not expected to have any form of impact on the financial situation or results of the Group, and will take effect for financial years beginning from 1 January 2014 onwards.
- Amendment to IFRS 7 “Disclosures – Compensation of financial assets and financial liabilities”: These modifications require the disclosure of information about offset rights and similar agreements (for example, collateral agreements). The disclosures will provide information of use to users in evaluating the effect of presentation of these agreements for net sums in the company’s financial position. The new disclosures are mandatory for all those financial instruments offset in accordance with the terms of IAS 32. These modifications are not expected to have any impact on the financial situation or on the results of the Group, and will take effect for the financial years beginning from 1 January 2013 onwards.
- Amendment to IAS 12 “Deferred tax – Recovery of underlying assets”: The modification clarifies the calculation of deferred taxes on real estate investments recorded at the fair value, including a presumption that the deferred taxes on real estate investments valued using the fair value model described in IAS 40 should be established on the basis that their book value will be recovered through sale. It furthermore introduces the requirement that the deferred taxes on non-amortisable assets valued by means of the revaluation method described in IAS 16 should in all cases be calculated on the basis of the sale of those assets. The modification applies to financial years beginning from 1 January 2013 onwards, and will have no form of impact on the financial situation, results or disclosures of the Group.

The Group intends to adopt these standards, modifications and interpretation when they take effect.

c) Standards and interpretations published by the IASB and still not approved by the European Union

At the date these consolidated financial statements were published, the following standards and modifications had been published by the IASB but were not required to be followed and had not been approved by the EU:

- IFRS 9 “Financial Instruments”: Applicable to financial years beginning after 01 January 2015 for the IASB.
- Improvements to the IFRS: Applicable to financial years beginning after 01 January 2013 for the IASB.
- Amendments to IFRS 9 and IFRS 7 “Mandatory Effective Date and Transition Disclosures”: Applicable to financial years beginning after 01 January 2015 for the IASB.
- Amendment to IFRS 10, IFRS 11 and IFRS 12 “Transition Guidance”: Applicable to financial years beginning after 01 January 2013 for the IASB.
- Amendments to IFRS 10, IFRS 11 and IAS 27 “Investment Entities”: Applicable to financial years beginning after 01 January 2014 for the IASB.

The Group is currently assessing the impact of applying these standards and modifications. In accordance with the analyses performed to date, the Group believes that initial application thereof will have no significant impact on the annual financial statements.

2.3 Changes in shareholders

During the 2012 financial year no change in capital occurred within the shareholding structure.

The make up of the holdings of the main shareholders as of 31/12/2012 and 31/12/2011 and is as follows:

EMPARK, S.A. Shareholders	31/12/2012	
	Shares	%
ASSIP Consultoria e Serviços S.A.	5,712,117	50.34%
Es Concessions International Holding, BV	2,520,677	22.21%
Ahorro Corporación Infraestructuras, F.C.R. of Simplified Tax Regime	810,341	7.14%
Ahorro Corporación Infraestructuras 2, S.C.R.	127,656	1.13%
Espirito Santo Infrastructure Fund-I – Fundo de Capital Risco	937,997	8.27%
Transport Infrastructure Holding Company, B.V.	937,997	8.27%
Mellopark – Sociedade Gestora de Participações Sociais, S.A.	293,316	2.58%
Total	11,340,101	99.94%

EMPARK, S.A. Shareholders	31/12/2011	
	Shares	%
ASSIP Consultoria e Serviços S.A.	5,712,117	50.34%
Es Concessions International Holding, BV	2,520,677	22.21%
Ahorro Corporación Infraestructuras, F.C.R. of Simplified Tax Regime	810,341	7.14%
Ahorro Corporación Infraestructuras 2, S.C.R.	127,656	1.13%
Espirito Santo Infrastructure Fund -I – Fundo de Capital de Risco	937,997	8.27%
Transport Infrastructure Holding Company, B.V.	937,997	8.27%
Mellopark – Sociedade Gestora de Participações Sociais, S.A.	293,316	2.58%
Total	11,340,101	99.94%

2.4. Negative working capital and operating company

The Group has a negative working capital as of 31 December 2012 of (40,789) thousands of euros (8,171) thousands of euros in 2011. This circumstance, which could be indicative of uncertainty regarding the continuance of operations of the Group is mitigated by the fact that these types of situations are common in these types of groups where a large part of the sales are received in cash.

The Group operates a F-123 recognized F-123 cash pooling system, by means of which Amsterdam handles cash requirements at the group level.

Additionally, the group has lines of credit and other financial resources available for its treasury needs (note 21).

Therefore, the Board of Directors considers appropriate to prepare the annual reports based on the operating company principle, which means the realization of assets and liquidation of liabilities for the amounts and according to how they are classified in the annual reports.

2.5 Accounting estimates and judgements

The information contained in this Consolidated Annual Report is the responsibility of the Group's Board of Directors.

In the Consolidated Annual Reports for the financial years ended in 2012 and 2011 have been carried out using estimates by the Group's Board of Directors to value some of the assets, liabilities, revenues, expenses and commitments listed in them. These estimates essentially refer to:

- Evaluation of potential losses due to the impairment of certain assets.
- Useful life of material and intangible assets.
- Estimates related with the fair value of the assets purchased in business combinations and goodwill.
- Evaluation of possible contingencies due to legal and tax risks.

These estimates were carried using the best available information as of 31 December 2012 and 2011 regarding the analyzed facts. However, it is possible that events that may occur in the future require modifying these estimates, which would be carried out in accordance with IAS 8 if applicable.

2.6 Resource management policies

The Group manages its investments after having carried out an in depth examination and control of potentially attractive projects from the environmental, socio-labour, commercial, financial and economic perspectives, for the purpose of achieving a sustainable and balanced growth.

In carrying out this task, the Group's shareholders want to be in a balance position regarding expected investment profits and the assumed level of risk.

2.7 Consolidation policies

During financial years 2012 and 2011, the individual annual accounting closing date for all companies included in the scope of consolidation was the same. Likewise, for the purpose of uniformly presenting the different items that comprise these consolidated annual accounts, uniform accounting criteria has been applied using the parent company's accounting criteria as a basis. The following methods have been applied to prepare the Consolidated Annual Report:

- Full consolidation method:** All companies considered subsidiaries are fully consolidated. For these purposes, subsidiaries are those companies in which Empark Aparcamientos y Servicios, S.A. maintains effective control because it owns more than 50% of voting rights directly or indirectly by agreements with other shareholders. In assessing whether the Group controls another F-124 recognized F-124i, consideration is given to the existence and impact of potential voting rights which can actually be exercised or converted. Inclusion in the scope of consolidation of the Group is carried out from the first moment in which the control of the subsidiary becomes effective. The value of the shares held by minority shareholders in equity and in the financial year results of fully consolidated subsidiaries is listed in chapters "Minority interests" of the consolidated financial statements" and "Results attributed to minority interests" of the consolidated income statement". The losses attributed to minority interests in a consolidated subsidiary, in the case that they exceed the amount of minority interests in the equity, will be assigned as a reduction of the items corresponding to the majority, except if the aforementioned minority interests have a binding obligation to cover all or part of the losses, and provided they have the capacity to make the additional required investment. Where the subsidiary subsequently records earnings, these will be assigned to the majority until its share in the losses that were previously absorbed by the majority shareholders has been recovered.
- Consolidation method by the participation method:** Subsidiaries are accounted for by the participation method. For these purposes, subsidiaries are defined as all those companies in which the group has significant influence over management but does not exercise control or joint management with third parties. Under the equity method, the percentage of share in equity held by that company in reserves as well as yearly results is identified.
- Proportionate consolidation method:** Applies to joint ventures, which are those in which contractually, the management of subsidiaries is carried out jointly by the parent company and by third parties not related with the group. The assets and liabilities assigned to joint ventures, which are jointly controlled with other parties are listed in the consolidated financial statement and classified in accordance with their specific nature in the existing percentage share. In the same manner, the revenues and expenses arising from joint ventures are recognized in the consolidated income statement in accordance with its own nature also mentioning the percentage of share.
- Balances and transactions with Group companies:** The balances and transactions with Group companies are eliminated in the consolidation process.

- e. **Conversion of financial statements into currency other than the Euro:** The financial statements of subsidiaries and joint ventures, whose records are denominated in a currency other than the Euro are translated to euros by applying the year-end exchange rates to all its assets and liabilities except the balances of the shares held in companies of the group and associated companies, which are converted using the rate at the time they were included in the group. Within the consolidation process, the shares held in companies of the group are eliminated against the shareholder equity, except in the associated companies, which are converted at the exchange rate at closing.

The results are translated to euros at the average exchange rate for the year. Differences arising during the translation process are recorded in the shareholder equity section as "currency translation differences".

The consolidation has been carried out on the basis of the following criteria:

- The companies in which Empark Aparcamientos y Servicios, S.A. has more than a 50% stake in the registered capital and/or whose management is effectively controlled by it, were fully consolidated.
- Companies in which Empark Aparcamientos y Servicios, S.A. is owner of 50% of the share capital, by the proportionate consolidation method.
- The Temporary Joint Ventures are proportionally consolidated into the individual financial statements.
- Companies in which Empark Aparcamientos y Servicios, S.A. has a stake of between 20% and 49%, are consolidated using the equity method.

The annual accounts of the foreign companies have been converted into euros on the basis of the year end exchange rate for the assets and liabilities and the year's average exchange rate for the profit and loss accounts. The shareholders equity corresponding to the consolidated companies whose working currency is not the Euro has been converted using historic exchange rates.

The equity of minority interests in the equity and earnings for the year of the fully consolidated companies are presented under the captions "Minority Interests" in the consolidated financial statements and "Income Attributed to Minority Interests" in the consolidated income statement, respectively (note 20).

a) Dependent companies

Dependent companies are those F-125recognizedF-125io, including special purpose vehicles, over which the Group exerts or could exert control, directly or indirectly, this being understood as the power to direct the financial and operating policies of a business in order to derive economic benefits from its activities.

In assessing whether the Group controls another F-125recognizedF-125i, consideration is given to the existence and impact of potential voting rights which can actually be exercised or converted. Dependent companies are consolidated from the date when control is transferred to the Group, and are excluded from the consolidation perimeter as soon as such control ceases.

The cost of acquisition method is used in accounting for the acquisition of dependent companies. The acquisition cost method is used in accounting for the acquisition of dependent companies. The cost of acquisition is the fair value of the assets handed over, the asset instruments issued and liabilities incurred or assumed on the date of exchange, the fair value of any additional consideration dependent on future events (provided that this is probable and a reliable value can be placed upon it), in addition to those costs directly attributable to the acquisition.

The assets, liabilities, revenue and expenditure of dependent companies are incorporated in the consolidated annual accounts on the basis of the full consolidation method:

1. The book values of stakes in the capital stock of dependent companies are compensated for, on the date of acquisition, through the proportional part which the aforementioned values represent with regard to the fair value of the assets acquired and liabilities undertaken.
2. The difference between the book value of the holding in the dependent company and the value attributable to said holding out of the fair value of the assets acquired and liabilities undertaken is F-125recognized, if positive, as consolidation goodwill. Under the exceptional circumstance that the figure is negative, it is F-125recognized as revenue for the financial year in the consolidated income statement.

3. The assets and liabilities of group companies are included in the consolidated balance sheet, with the same valuations as recorded in the respective balance sheet of the companies in question, financial statement except for assets acquired and liabilities undertaken on the date of acquisition, which are included in the consolidated balance sheet on the basis of their fair value on the date of acquisition, following consideration of any F-126recognizedF-126io and impairments occurring from that date onwards.
4. The revenue and expenditure of Subsidiaries are included in the Consolidated Annual Report.
5. Debits and credits between companies included within the consolidation group are cancelled out, along with revenue and expenditure involved in transactions between such companies, and results generated on the basis of such transactions, if not performed with third parties.

If control is acquired in stages, the goodwill (or the negative consolidation difference) is established for each of the individual transactions as the difference between the fair value of the holding and the net sum attributable to the holding out of the fair value of the identifiable assets and liabilities undertaken which are in place on that date. The identifiable assets and liabilities undertaken are included on the basis of the fair value in place at the time of acquisition of control, with the entry for outside shareholders necessarily recording the sum based on their stake in the equity.

The difference between the net sum attributable from the fair value of the assets and liabilities acquired and in place on the date of acquisition of control and the corresponding sum on each of the dates when the holdings were acquired gives rise to an adjustment in the reserves of the Group, recorded net of the tax burden.

During 2012 the company Empark Aparcamientos Extremadura, S.L. and the company Segempark S.A. were included.

b) Associated companies

Associated companies are F-126recognizedF-126io over which any of the companies included within the consolidation group exerts substantial influence. Substantial influence is deemed to exist if the Group has a stake in the company and can intervene in its financial and operating policy decisions, without having actual control.

When the equity method procedure is first applied, investments in associated companies are valued at the sum corresponding to the percentage represented by the holding at the time of the investment, based on the fair value of the assets acquired and liabilities undertaken. If the resulting difference between the cost of the stake and this value is positive, this is included in the book value of the investment. If it is negative, the difference is recorded directly in the global consolidated income statement.

Any variations experienced during the financial year in progress in the equity of the Group included in the consolidated annual accounts under the equity method, following elimination of the proportion based on results generated in transactions between that company and the company holding the stake, or any other group company, and not involving third parties, increase or reduce, as applicable, the book value of the holding in question to the corresponding proportion, following consideration of any F-126recognizedF-126io and impairments occurring since the method was applied for the first time.

Profits distributed by the Group included in the consolidated annual accounts under the equity method reduce the book value of the holding.

A F-126recognizedF-126ion of values and over time is applied to associated investments in the same way as for dependent companies.

The information referring to the investment in the Associated companies which are consolidated under the equity method are the following:

The associated companies which make up the Group have had of the equity method applied in their consolidation.

c) TJVs (Temporary Joint Ventures) and Companies as Joint Businesses

The balance sheets and the profit and loss accounts of these companies have been consolidated proportionally in the consolidated financial statement and in the consolidated income statement as of 31 December 2012.

The group F-126recognized the proportional part corresponding to it of assets controlled jointly and liabilities incurred jointly in accordance with the percentage stake, along with assets attached to joint operations which are under control and liabilities incurred as a result of joint business.

Likewise, the consolidated income statement F-126recognized the corresponding part of revenue generated and costs incurred through the joint business. Costs incurred with regard to the stake in the joint business are likewise recorded.

Non-realised results deriving from reciprocal transactions are eliminated in proportion to the stake, in addition to the sums of reciprocal assets, liabilities, revenue, expenses and cash flows.

- During 2012 the UTE Jado and the UTE Aparcamientos joint ventures were wound up.

d) Operations and assets controlled jointly

Non-realised results deriving from reciprocal transactions are eliminated in proportion to the stake, in addition to the sums of reciprocal assets, liabilities, revenue, expenses and cash flows.

2.8 Main valuation standards applied in preparing the Consolidated Balance Sheet and the Consolidated Income Statement.

2.8.1 Intangible assets

Tangible fixed assets are initially valued at their cost, whether the price of acquisition or the cost of production. The cost of intangible fixed assets acquired by means of the combination of businesses is stated as the fair value on the date of acquisition.

Following initial recognition, the intangible fixed assets are valued at their cost, less the cumulative F-127recognizedF-127i and, where applicable, the cumulative sum of recorded impairment corrections.

a) Concessions

This section essentially includes the fees paid on certain concessions for the operation of car parks.

These administrative concessions are listed in the assets at their cost, less the cumulative F-127recognizedF-127i and the cumulative sum of acknowledged valuation corrections for impairment.

Concessions also include access rights paid by means of a concession fee during the period of the concession. In this case the concessions are included under the assets at the current value of the minimum agreed payments, without taking into consideration contingent payments.

The concessions are amortised on a linear basis over the period of the concession.

b) Computer applications

Licences acquired for computer programs from third parties are F-127recognizedF-127 on the basis of the costs incurred in acquiring them and preparing the specific program for use.

The Company amortises its computer applications on a linear basis, distributing the cost of the assets over the estimated useful life of the same, which is three years.

The costs connected with the development or maintenance of computer programs are F-127recognized as an expense when they are incurred. The costs directly connected with the production of individual, identifiable computer programs produced by the Group, provided that it is considered probable that they will generate economic benefits greater than the costs for more than one year, are F-127recognized as intangible fixed assets. Direct costs include the cost of the personnel developing the computer programs and an appropriate percentage of general costs.

2.8.2 Property, plant and F-127recognize

Tangible fixed asset elements are F-127recognized at their cost of acquisition, with the addition of the costs incurred up until their operational start-up, less the cumulative F-127recognizedF-127i and the cumulative sum of F-127recognized losses.

The costs of the extension, F-127recognizedF-127io or improvement of tangible fixed assets are incorporated within the asset as an increase in its value only if they represent an increase in its capacity, productivity or an extension to its useful life, and wherever it is possible to calculate or estimate the book value of the elements cancelled from the inventory having been replaced.

The removal or disposal of any items is reflected in the accounts by eliminating the cost there of and the corresponding cumulative F-127recognizedF-127i.

The costs of major repairs are recorded as assets and amortised over the course of their estimated useful life, while recurrent maintenance expenses are debited to the income statements during the financial year in which they occur.

The F-128 recognized F-128i of tangible fixed assets, except for land, which is not amortised, is calculated in accordance with the values of the updated cost, following the linear method based on the estimated useful life, in accordance with the depreciation actually suffered through operation, usage and enjoyment. The estimated useful lifespans are:

Estimated useful life	
Buildings and other construction	50
Machinery, installations and tools	10
Furniture and fittings	10
Transport elements	6
Other fixed assets	3

The car parks which are part of the tangible fixed assets (in the caption "Buildings") are valued at the acquisition price or at the production cost, depreciated on a straight-line basis over the life of the concession.

Where the book value of an asset is greater than its estimated recoverable value, its value is reduced immediately down to the recoverable sum.

The income and expenses from selling tangible fixed assets are calculated by comparing the amount obtained by the sale with the accounting value and are recorded in the income statement in the "Impairment and result through disposal of fixed assets" caption.

The residual value and the useful life of the assets are reviewed, with adjustments made if necessary at the closure of each balance sheet.

At least at the closure of the financial year, the need to perform valuation corrections based on impairment in value is analysed

2.8.3 Impairment losses

In the case of goodwill, the group carries out annual value impairment tests. In the case of depreciable assets, at each account closure the Group assesses the existence of any loss in value that forces it to reduce the carrying amount. If any loss indication is present, the recoverable value of the asset is calculated in order to identify the scope of the loss by impairment in case its recoverable value is lower than its book value, and its effect is recorded in the income statement. Impairment losses must be assessed for each individual asset. If this is not possible, the impairment loss is determined for the smallest identifiable group of assets that generates cash flows independent of flows from other assets (cash-generating units).

The recoverable amount is the higher of the market value (arms length value less associated costs) and the value in use. The usage value is calculated from estimated future cash flows, discounted at a rate that reflects the present market value, taking into account the value of money and specific risks associated with the asset.

2.8.4 Interest costs

Financial costs directly attributable to the acquisition or construction of fixed asset elements requiring a period of time greater than one year in order to be fit for use are included in the cost until such time as the asset is in operational condition.

2.8.5 Financial assets

a) Loans and items receivable:

Loans and items receivable are non-derivative financial assets with sums receivable which are fixed or can be established and are not listed on an active market. These are included under current assets, except those with a maturity date beyond twelve months from the date of the consolidated financial statement, which are classified as non-current assets. Loans and items receivable are included under "Corporate loans" and "Trade and other receivables" on the balance sheet.

These are financial assets are initially valued at their fair value, and subsequently in accordance with their amortised cost based on the effective rate of interest. Transaction costs directly attributable to their acquisition are F-128 recognized in the consolidated income statement. On a quarterly basis, the necessary valuation corrections based on impairment in value are applied, if there is any evidence that the entire sums owed will not be collected. The sum of the value impairment loss is the difference between the book value of the asset and the value of the estimated future cash flows, discounted at the effective rate of interest at the time of initial recognition. Any applicable valuation corrections through impairment and reversion are recorded in the consolidated income statement.

The recognition and reversion of valuation corrections through the impairment of client accounts receivable have been included under "Losses, impairment and variation in provisions through trade operations" in the consolidated income statement.

The sums charged to the impairment account are normally cancelled once there is no expectation of more cash being recovered.

The maximum exposure to credit risk on the date of submission of the information is the fair value of each of the aforementioned categories of accounts receivable. The group maintains no guarantee as insurance.

b) Investments in the assets of group, multi-group and associated companies:

They are valued at their cost less, where applicable, the cumulative value of value impairment corrections. However, where there is an investment made prior to the classification of a company as a Group, Multi-group or Associated Company, the cost of the investment is assumed to be its book value prior to such classification. Prior valuation adjustments entered into the accounts directly under the equity are maintained there until cancellation.

Investments in the assets of group and associated companies are included in the accounting records, under both current assets and non-current.

The current assets include short-term investment in group and associated companies, comprising corporate loans and other financial assets.

The non-current assets record the balance of long-term investments on group and associated companies, comprising asset instruments. Asset instruments are broken down in the balances of holdings in group companies, holdings in associated companies and share disbursements pending and not called on.

If there exists objective evidence that the book value is unrecoverable, the relevant valuation correction is applied as the difference between the book value and the recoverable sum, the latter understood as whichever is the greater of the fair value less the costs of sale and the current value of the future cash flows derived from the investment.

2.8.6 Financial derivatives at fair value

Derivatives are initially identified by their fair market value as of the contract date. The subsequent changes in market value are recorded as well on each balance closing date. The method of identifying the profit and losses will depend on if the instrument is designed as hedging or not and if it is, on the type of hedging. The different types of hedging designated by the Group are the following:

- i. Cash flow hedge: Its purpose is to hedge the exposure to highly probable future transactions and variations in cash flow. The gain or loss on the hedging instrument is recorded by the non efficient section f the Consolidated Income Statement, while the efficient part is identified directly on the Equity of the Consolidated Financial statement. The amount deferred in equity is not F-129ecognized in the consolidated income statement until the transactions hedged are taken to the income settlement or until the maturity date of the transactions. This recognition is carried out the same way as the results of the hedge item.

In the case of derivatives that do not qualify as hedge items, the loss or gain of said instrument are recorded in the consolidated income statement.

2.8.7 Business Combinations and Goodwill

The business combinations are accounted for using the acquisition cost method, which entails recognizing the fair value of the assets and liabilities identified in the acquired business. Goodwill is the positive difference between the cost of an investment and the value of the aforementioned assets and liabilities. In the acquisitions of subsidiaries, the goodwill that is generated is considered as greater value of the share. The consolidated goodwill does not depreciate and is subject to the "impairment test" (Note 6).

Goodwill is assigned to cash generating units for the purpose of performing impairment loss tests. This allocation is made to those cash generating units expected to benefit from the merger of businesses during which the goodwill arose.

2.8.8 Stock

Stock is valued at its cost or its net F-129ecognized value, whichever is the lower. The cost of stock is established by application of the weighted average cost principle.

The cost of the finished products and products in progress correspond to construction in progress and completed, and include the costs incurred in construction of car parking destined to concession of usage.

Parking spaces intended for sale and included in stock valued at the price of acquisition or the cost of production.

If the cost is greater than the market value, the relevant valuation corrections are applied, and are F-130ecognized as an expense in the profit and loss account. If the circumstances leading to the value correction cease to exist, the sum of the correction is subject to reversion and is F-130ecognized as revenue in the consolidated income statement.

2.8.9 Cash and other equivalent liquid assets

Cash and other equivalent liquid assets include cash on hand, demand deposits at banks, and short term, high liquid investments which initially have a maturity of three months or less and are not subject to a significant risk of changes in value.

This section includes the short term restricted cash flow. This concept collects the investments of the same nature and maturity affected by financing of specific infrastructure projects, whose availability is restricted by financing contracts as guarantee to cover specific short term obligations relative to interests or principle of the debt as well as for the future maintenance of the infrastructure.

2.8.10 Net equity

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are presented in equity as a deduction, net of taxes. The purchasing of Parent Company shares by consideration paid, including attributed associated costs are deducted from the equity. When these shares are sold or subsequently reissued, any amount received net of costs includes the equity.

The basic profit by action is calculated as the quotient between the net profits attributed to the parent company and the average weighted number of ordinary shares in circulation during said period. In turn, the diluted profit by action is calculated as the quotient between the net results attributed to the ordinary shareholders and the average weighted number of ordinary shares in circulation during said period.

In the case that the Group's consolidated Annual Accounts correspond with the financial years ended on 31 December 2012 and 2011; the basic profits by action coincide with the diluted.

2.8.11 Provisions for employees

a) Pension commitments:

Fixed provision pension plans

Pension plans which are not classified as fixed contribution plans are deemed as fixed provision arrangements. In general, fixed provision plans establish the sum of the provision to be received by the employee at the time of retirement, normally in accordance with one or more factors, such as age, years of service and remuneration.

The Group F-130ecognized in its balance sheet a provision for fixed provision pension plans based on the difference between the current value of the committed remunerations and the fair value of any possible assets subject to commitments which are to be used to settle the obligations, with any appropriate deduction being made in accordance with the sum of the costs of past services not yet F-130ecognized.

If the above difference gives rise to an asset, the value placed on this may not be greater than the current value of the provisions which may be returned to the Group in the form of direct reimbursements or reduced future contributions plus, where applicable, the part pending allocation to results through costs for past services. Any adjustment which the Group may be required to make on the basis of this limit in the valuation of the assets is attributed directly to the equity, being F-130ecognized as reserves.

The current value of the obligation is established by means of actuarial calculation methods and financial and actuarial hypotheses which are unbiased and mutually compatible.

Any variation in calculation of the current value of the committed remunerations or, as applicable, the corresponding assets, at the date of closure, as a result of actuarial profits and losses, is F-130ecognized in the financial year during which it arises, recorded directly in the equity as reserves. For these purposes, profits and losses cover only variations arising through changes in actuarial hypotheses or adjustments based on experience.

Costs of past services are F-130ecognized immediately in the consolidated income statement, except in the case of revocable rights, in which case they are attributed to the consolidated income statement on a linear basis over the remaining period up until the rights based on past services become irrevocable. However, if an asset is derived, the revocable rights are attributed to the income statement immediately, unless a reduction occurs in the current value of the provisions which may be returned to the Group in the form of direct reimbursement or reduced future contributions, in which case the excess above this reduction is attributed immediately to the consolidated income statement.

As of 31 December 2012 there were no individuals with whom group companies had retirement commitments. In 2011 there were 76, 25 and 3 individuals with which the companies Empark Aparcamientos y Servicios, S.A., Dornier, S.A.U. and Balsol 2001, S.A. respectively, had retirement commitments. These commitments are not significant.

b) Redundancy compensation:

Redundancy compensation is paid to employees as a result of a decision by the Group to terminate their employment contracts prior to the normal retirement age, or if the employee agrees to retire voluntarily in exchange for such provisions. The Group F-131ecognized these provisions when a proven commitment has been agreed for the termination of the employment of workers, in accordance with a detailed, formal plan, with no possible withdrawal, or an agreement has been reached to provide redundancy compensation as a result of an offer made in order to encourage voluntary redundancies. Those provisions which are not payable within 12 months of the date of the balance sheet are discounted at their current value.

2.8.12 Transactions among related parties

In general, operations among related parties are accounted for at the initial point at their fair value. In any case, if the agreed price differs from the fair value, the difference is recorded in accordance with the economic reality of the operation. The subsequent valuation is made in accordance with the terms set out in the corresponding regulations.

2.8.13 Subsidies

A subsidy is considered not refundable when there is an individual concession agreement for the subsidy, all the conditions for its concession have been met and there are no reasonable doubts that payment will be collected.

The monetary type subsidies are valued using the fair value of the awarded amount.

2.8.14 Provisions and contingent liabilities

Provisions for contingencies and expenses are accounted for in accordance with the estimated amount required to deal with probable or certain responsibilities, legal proceedings in progress and for compensation and pending obligations of an undetermined amount, guarantees or other similar sureties.

Provisions are F-131ecognized in the balance sheet when the Group has a present obligation, either legal or implicit, as a result of past events, where it is deemed probable that this will involve the need for outgoing resources for settlement, and the sum can be estimated in a reliable manner.

Provisions are valued at the current value of the disbursements which are expected to be required in order to settle the obligation, using a pre-tax rate which reflects the opinions of the current market as to the temporary value of money and the specific risks of the obligation. Adjustments in the provision based on any updates are F-131ecognized as a financial expense as they gradually accrue.

Provisions maturing within one year or less and with an insignificant financial impact are not discounted.

Contingent liabilities are possible obligations arising as a result of past events, the F-131ecognizedF-131ionF-131 of which depends on whether or not one or more future events should occur, outside the control of the Group.

Given the activities in which the Group is currently engaged, it has no liabilities, expenses, assets or provisions and contingencies of an environmental nature which could prove significant with reference to its equity, its financial situation and its results. Hence, specific breakdowns are not included in the report herein on the consolidated annual accounts with regards information on environmental issues.

Costs derived from the protection and improvements of the environment are attributed to the consolidated results for the financial year in which they are incurred, irrespective of the point when the monetary or financial flow derived there from occurs.

When such expenses involve the acquisition of tangible fixed assets the purpose of which is to F-131ecogniz environmental impact and to protect and improve the environment, these are included in the accounts as an increase in the value of fixed assets.

2.8.15 Financial liabilities

Debts and items payable

These liabilities are initially carried at the fair net value of the expenses incurred in the transaction, subsequently recording these by their depreciated cost according to the effective interest method. The effective interest rate is the discount rate equal to the expected flow of future payments foreseeable up until maturity of the liability. In the case that the effective interest rate is initially considered different from the market interest, the liability is valued taking into account the actual value of the future flows at that market rate in the case of loans with set interest rates. If said interest rate is not fulfilled, the valuation of these is also carried out at the aforementioned market interest rate.

In the event of a renegotiation of existing debts, it is considered that no substantial modification has occurred to the financial liability if the lender of the new loan is the same as that which granted the initial loan and the current value of the cash flows, including the associated issuance and execution costs using the effective interest method, varies by no more than 10% from the current value of the cash flows pending payment on the original liability, calculated in accordance with this same method.

2.8.16 Income tax and deferred taxes

The Group has since 1 January 2005 paid attacks under the consolidated taxation system at Cintra Concesiones de Infraestructuras de Transporte, S.A., as a result of the change in ownership which occurred in 2004, following which the Dominant Company fell within the aforementioned tax consolidation perimeter. The group previously paid taxes under the consolidated taxation system as part of the Ferrovial, S.A. Group. During 2009, as a result of the sale transaction referred, the Group left the aforementioned tax system, and on 31 December 2009 the company applied to pay taxes as a tax group, with effect from 1 January 2010. This group comprises the following companies:

- Empark, Aparcamientos y Servicios, S.A.
- Dornier, S.A.U.
- Femet, S.A.
- Guadianapark, S.A.
- Balsol 2001, S.A.
- Estacionamientos Guipuzcoanos, S.L.U.
- Empark Aparcamientos Andalucía, S.L.
- Empark Aparcamientos Extremadura S.L.

The cost or revenue derived from profits tax is the sum accrued under this item during the financial year, covering both the cost or revenue of current tax and deferred tax.

Both the cost (revenue) derived from current and deferred taxes are recorded in the consolidated income statement. However, the tax impact connected with items directly recorded in the consolidated statement of equity is F-132recognized within the equity.

Assets or liabilities based on current tax are valued for the sums expected to be paid to or recovered from the tax authorities, employing the regulations in force or approved and pending publication at the date of closure of the financial year.

Deferred taxes are calculated in accordance with the liability method, based on the temporary differences arising between the taxable base sums of the assets and their book values. However, where deferred taxes are the result of the initial recognition of an asset or a liability in a transaction other than a combination of businesses which, at the time of the transaction, does not affect either the book result or the calculation base for the tax, they are not F-132recognized. Deferred tax is established by applying the regulations and taxation rates approved or about to be approved at the date of the balance sheet, and which are expected to be applied when the corresponding asset through deferred tax is F-132recognized or the deferred tax liability settled.

Assets by deferred taxes are F-132recognized to the extent that it is considered probable that future taxable profits will be made which could be used to compensate for temporary differences.

Deferred taxes are F-132recognized in accordance with the temporary differences arising in investments in subsidiaries and associated companies and joint businesses, except in those cases where the Company can control the time of reversion of the temporary differences, and it is likewise probable that these will not revert in the foreseeable future.

The term consolidated corporate taxes includes all taxes, national and foreign, related to profits subject to tax. The consolidated corporate tax also includes other taxes such as taxes that encumber the repatriation of results as well as any other tax that uses the accounted income as a basis for calculations.

The income tax expense reflected in the consolidated financial statements is calculated by aggregating the expense registered for each company that belongs to the consolidated group, increased or decreased, as appropriate, by elimination of accounting consolidation adjustments and by the differences arising between the taxable base sums of the assets and liabilities and their book values in the Consolidated Annual Report (balance sheet method).

Deferred taxes are not recognized when the transaction has no effect on the accounting and/or fiscal value of the involved assets or liabilities. In the case of business combinations, the corresponding deferred taxes derived from the price assigning process and the fiscal F-133 recognized F-133i of the generated goodwill in each case.

The assets and liabilities through deferred taxes are calculated at current taxation rates. At the date of the consolidated income statement and which are foreseen to be applicable during the period in which the asset is F-133 recognized or the liability is settled. They are debited or credited to the income statement except when they refer to items that are directly recorded as equity, in which case, they are accounted for as debit or credit to said accounts. By non distributed profit of the subsidiaries, there is no liability by deferred taxes when the Group can control the reversion of the temporary differences and it is not probable that these will be reverted in a foreseeable future. The assets by deferred taxes and the tax credits derived from negative tax base sums are identified when it is probable that the Group may recover these in the future regardless of the time in which they are recovered and always when the recovery is prior to the legal period for usage. The assets and liabilities through deferred taxes are not deducted and are classified as a non-current asset (liability) in the balance sheet. At each year-end, the F-133 recognized deferred tax assets are reviewed.

2.8.17 Conversion of foreign currency transactions

The annual accounts of companies in foreign currency have been converted to euros using the closing exchange rate method in accordance with the following rates:

Exchange Rate	31/12/2012 Average	31/12/2012 Closure	31/12/2011 Average	31/12/2011 Closure
euro/pound.....	0.8257	0.8161	0.8679	0.8353
euro/Turkish lira	2.3992	2.3551	2.3378	2.4432

2.8.18 Recognition of revenue

Revenue and expenses are attributed in accordance with the accrual principle, in other words based on when the true value of the goods and services they represent becomes current, irrespective of when the monetary or financial value arising from them is F-133 recognized.

Revenue is recorded at the fair value of the consideration to be received and represents the sums receivable for goods delivered and services provided within the ordinary course of the Group's activities, less returns, rebates, discounts and VAT.

The Group F-133 recognized revenue when the sum thereof can reliably be valued, it is probable that future economic benefits will be received by the Group and specific conditions are met for each of the activities, as detailed below. The sum of revenue is not deemed to be subject to reliable valuation until all contingencies connected with the sale have been resolved. The Group bases its estimate on historical results, taking into consideration the type of client, the type of transaction and the specific terms of each agreement.

a) The car park business may be divided into:

- a.1) Off-street and mixed parking
- a.2) On-street car parks (ORA)
- a.3) Car parks for local residents

a.1) Off-street and mixed parking

Off-street car park revenues are recorded when the hourly parking rate is paid and, in the case of season ticket-holders, on an accrual basis. Mixed car parks (with public and private spaces) record revenues as follows: in the case of public spaces, in the manner described in the preceding paragraph; and in case of private spaces, the amount received is recorded in the income statement at the time of the transfer of concession usage of the corresponding parking spaces.

Regarding the public spaces, these are recorded in inventories and are transcribed to the income statement on the date of the transfer of the concession of usage.

a.2) On-street parking (ORA)

Revenue from the ORA on-street car parks parking meter service is mainly based on the sum corresponding to the cost of providing the service plus a percentage, generally between 1% and 3%, of the surplus between that cost and the funds collected. In some 'ORA' on-street car parks contracts, revenue is obtained as a fixed percentage of the take, to be paid by the Local Council. This is recorded in the accounts at the time when the service is provided.

a.3) Car parks for local residents

This business involves the construction of car parks whose spaces are sold directly to the end customer during the timeframe of the concession. The sales and costs are not recorded until the parking space is delivered, which tends to coincide with the signature of the contract, or exceptionally, the public deed of sale.

2.8.19 Leases

a) If any Group company is the lessee – Financial lease

The Group leases certain tangible fixed assets. Leases of tangible fixed assets where the Group substantially retains the risks and benefits derived from ownership are classified as financial leases. Financial leases are F-134 recognized at the commencement of the lease at the fair value of the property leased, or the current value of the minimum payments agreed under the lease, whichever is the lower. The calculation of current value is based on the implicit interest rate of the contract, and if this cannot be established, the Group interest rate for similar operations.

Each lease payment is distributed between the liability and financial charges. The total financial charge is distributed over the course of the lease and attributed to the consolidated statement of the financial year when it accrues, applying the effective interest rate method. Contingent payments are recorded as a cost for the financial year when incurred. The corresponding lease obligations, net of financial charges, are included in "Creditors through financial leases". Fixed assets acquired under a financial lease system depreciate during their useful life or the duration of the contract, whichever is the lesser.

b) If any Group company is the lessee – Operating lease

Leases where the lessor retains a substantial part of the risks and benefits derived from ownership are classified as operational leases. Payments under operational leases (net of any incentive received from the lesser) are charged to the consolidated statement of the financial year when they accrue, on a linear basis over the period of the lease.

c) When the group is the lessor

Where assets are leased under a financial lease arrangement, the current value of lease payments, discounted at the implicit interest rate of the contract, is F-134 recognized as an item receivable. The difference between the gross sum to be received and the current value of this sum, corresponding to interest not accrued, is attributed to the consolidated statement of the financial year when that interest accrues, in accordance with the effective interest rate method.

Where assets are leased under an operational lease arrangement, the asset is included in the consolidated statement of the financial statement sheet in accordance with its nature. Revenue derived from the lease is F-134 recognized in a linear manner over the course of the lease period.

2.8.20 Redundancy compensation

In accordance with current legislation, the Company is obliged to pay compensation to those employees who, under certain circumstances, have their employment contracts terminated. Redundancy compensation payments which can reasonably be quantified are recorded as an expense in the financial year in which a valid expectation exists, created by the Company with regard to the third parties affected.

3 Management of financial and currency risks

The Group's activities expose it to a variety of financial risks: market risk (including exchange rate risk, interest rate risk and price risk), credit risk and liquidity risk.

Risk management is controlled by the Senior Economic and Financial Management of Amsterdam, which identifies, evaluates and pages financial risks in accordance with the policies approved by the Board of Directors. The Administrative Board provides policies for overall risk management, and also for specific areas, such as exchange rate risk, interest rate risk, liquidity risk, and use of derivative and non-derivative instruments and the investment of surplus liquidity.

The financial risks to which the Company is exposed include those derived from the guarantees and bonds required in order for the company to undertake its activities.

During the 2012 and 2011 financial years, the Company had in place bank guarantees with third parties and guarantee commitments with other Group companies in order to engage in its business.

Market Risk: Exchange rate risk

Management has established an exchange rate risk management policy for foreign currencies other than the operating currency. In order to manage the exchange rate risks derived from future commercial transactions and F-135 recognized assets and liabilities, futures contracts negotiated by the Treasury Department are employed. Exchange rate risk arises where future commercial transactions or F-135 recognized assets or liabilities are quoted in a currency other than the F-135's operating currency.

Market Risk: Exchange rate risk from cash flows and fair value

As of 31 December 2012, if the interest rates on outside resources quoted in euros had been 50 basis points higher/lower, with all other variables remaining constant, the result after taxes for the period would have been (966)/966 thousands of euros lower/higher, mainly as a result of an increase/decrease in the cost of interest on variable-rate loans.

The Group carries out the corresponding interest rate hedges by contacting an IRS (Interest Rate Swap). (See note 21).

Credit risk

Credit risk arising from cash and cash equivalents, financial derivative instruments and deposits held in banks and financial institutions, along with wholesale and retail clients, including pending accounts receivable and committed transactions. Regarding banks and financial institutions, only financial institutions that are known to be reputable and solvent will be accepted.

Liquidity risk

Prudent management of liquidity risk involves holding sufficient cash and tradable securities, having access to finance through a sufficient sum of agreed credit facilities and having the capacity to unwind market positions. Given the dynamic type data from subjacent businesses, the object of the Group's Treasury Department is to maintain the flexibility in financing by the availability of credit lines.

4. Intangible assets

The movement of the balances that comprise the consolidated financial statement for financial years 2012 and 2011 has been the following:

	Thousands of euros		
	Concessions	Computer applications	Total
Cost	639,618	4,520	644,138
Cumulative F-135 recognized F-135i	(180,316)	(2,698)	(183,014)
Book value	459,302	1,822	461,124
Balance as of 01.01.11			
Additions	29,288	1,920	31,208
Cancellations	(1,052)	(482)	(1,534)
Provision for F-135 recognized F-135i	(21,645)	(1,207)	(21,484)
Amortisation cancellations	136	479	615
Balance as of 31.12.11			
Cost	667,854	5,958	673,812
Cumulative F-135 recognized F-135i	(201,825)	(3,426)	(205,251)
Book value	466,029	2,532	468,561
Balance as of 01.01.12			
Additions	7,651	428	8,079
Cancellations	(962)	—	(962)
Provision for F-135 recognized F-135i	(20,827)	(1,399)	(22,226)
Amortisation cancellations	89	—	89
Balance as of 31.12.12			
Cost	674,543	6,386	680,929
Cumulative F-135 recognized F-135i	(222,563)	(4,825)	(227,388)
Book value	451,980	1,561	453,541

31/12/12

During the 2012 financial year the Concessions added were 7,651 thousands of euros. The primary new concessions are explained below:

- Public authority concessions amount to 3,496 thousands of euros, corresponding to the contracts: San Juan de Irún 1,648 thousands of euros, Passeig Nou, in Figueras 788 thousands of euros and Voramar, in Peñíscola 1,060 thousands of euros. These concessions correspond to Empark Aparcamientos y Servicios, S.A.
- Public authority concessions amount to 1,474 thousands of euros, corresponding to the Noja ORA on-street car park service for 65 thousands of euros, the Ciudad Real ORA on-street car park service for 33 thousands of euros, to the Moguer ORA on-street car park service for 7 thousands of euros, 1,369 thousands of euros for the new ORA on-street car park contracts in Palma de Majorca, Valladolid, Guadalajara, Mahón, Alcobendas, Algemesí, Almería, Arucas, Ávila, Benavente and Baracaldo. These concessions correspond to Dornier, S.A.
- Public authority concessions amount to 1,545 thousands of euros, corresponding to the contracts: Alves Redol 894 thousands of euros and D. Luis I 651 thousands of euros. These concessions correspond to Serparque – Servicios de Estacionamiento, S.A.

During the 2012 financial year additions of computer applications amount to 428 thousands of euros, essentially as the result of new computer programs and updates to those in existence.

Cancellations of public authority concessions are mainly the result of the fee for the concession of the Cascais car park concession belonging to the company Gisparques II – Planeamento e Gestao de Estacionamento, S.A for 806 thousands of euros.

The F-136 recognized F-136i provision for intangible fixed assets amounts to 22,226 thousands of euros and this comprises 19,944 thousands of euros of provision for concessions, 1,399 thousands of euros corresponding to the provision for computer applications during the financial year and 883 thousands of euros for the F-136 recognized F-136i of goodwill at Empark Portugal – Empreendimentos e Exploração de Parqueamentos, S.A. assigned to assets.

As of 31 December 2012 the elements of intangible fixed assets fully amortised amount to 46,149 thousands of euros, the breakdown of these assets by main company being as follows:

- Empark Aparcamientos y Servicios, S.A. 18,179 thousands of euros.
- Dornier, S.A.U. 23,252 thousands of euros.
- Estacionamientos Guipuzcoanos, S.L. 4,088 thousands of euros.
- Others 630 thousands of euros.

31/12/11

During the 2011 financial year the Concessions added were 29,288 thousands of euros. The primary new concessions are explained below:

- Public authority concession for the parking of Plaza de España de Pontevedra amounting to 770 thousands of euros, Plaza America for 39 thousands of euros and Figueres Passeig Nou for 2,314 thousands of euros.
- Public authority concession for the ORA on-street car park and tow-away services in Almería for 1,580 thousands of euros and 504 thousands of euros, respectively, ORA on-street car park for 300 thousands of euros. Concession agreements of 383 thousands of euros corresponding to new additions, essentially two contracts which began in 2010, Tossa de Mar and Almería, for 192 and 146 thousands of euros, respectively. These concessions correspond to Dornier, S.A.
- Public authority concession for the car park on Plaza de San Agustín amounting to a sum of 14,977 thousands of euros, the contracting authority being Granada City Council This concession corresponds to Aparcamientos Empark Andalucía, S.L.
- Public authority concession for the car park on Plaza de Cataluña amounting to a sum of 3,662 thousands of euros, the contracting authority being San Sebastian City Council. This concession corresponds to Aparcamientos Guipuzcoanos, S.L.

During financial year 2011, new computer applications amount to 1,920 thousands of euros and are primarily due to new computer programs and updates of existing programs.

Cancellations of public authority concessions are essentially the result of the concession fee for the Plaza Cervantes Car Park belonging to the company Concha Parking, S.A. for 903 thousands of euros and the ticket issuing machines of Femet, S.A.

The provision for F-137 recognized F-137i of intangible assets amounts to 22,852 thousands of euros, comprising a provision of 21,645 thousands of euros for the financial year, with 1,207 thousands of euros corresponding to the provision for computer applications during the financial year.

As of 31 December 2011 the elements of intangible fixed assets fully amortised amount to 44,062 thousands of euros, the breakdown of these assets by main company being as follows:

- Empark Aparcamientos y Servicios, S.A. 12,780 thousands of euros.
- Dornier, S.A.U. 22,008 thousands of euros.
- Estacionamientos Guipuzcoanos, S.L. 4,077 thousands of euros.
- Others 5,197 thousands of euros.

5. Property, plant and equipment

The movement of the balances that comprise the financial Statement for financial years 2012 and 2011 has been the following:

31/12/12

	Lands and buildings	Technical installations and other fixed assets	Fixed assets in progress and advances	Total
Cost	86,845	39,370	76	126,291
Cumulative F-137 recognized F-137i	(16,889)	(24,832)	—	(41,721)
Book value	69,956	14,538	76	84,570
Balance as of 01.01.2011				
Additions	546	3,507	651	4,704
Transfers	1,480	(1,440)	(40)	—
Cancellations	(4,616)	(2,066)	(32)	(6,714)
Provision for F-137 recognized F-137i	(4,105)	(2,447)	—	(6,552)
Amortisation cancellations	89	2,155	—	2,244
Balance as of 31.12.11				
Cost	84,255	39,371	655	124,281
Cumulative F-137 recognized F-137i	(20,905)	(25,124)	—	(46,029)
Book value	63,350	14,247	655	78,252
Balance as of 01.01.12				
Additions	499	2,161	673	3,333
Transfers	105	7	(112)	—
Cancellations	(166)	(412)	—	(578)
Provision for F-137 recognized F-137i	(2,419)	(4,232)	—	(6,651)
Amortisation cancellations	138	208	—	346
Balance as of 31.12.12				
Cost	84,693	41,127	1,216	127,036
Cumulative F-137 recognized F-137i	(23,186)	(29,148)	—	(52,334)
Book value	61,507	11,979	1,216	74,702

As of 31 December 2012 additions of fixed asset in progress amount to 673 thousands of euros, corresponding to assets of car parks on which works had not been completed as of 31 December 2012, these additions belonging to the Sancho Ávila contract in Barcelona, transferred from assets in progress to definitive assets for 112 thousands of euros, as a result of completion of the works on the car park at the Hospital Clinic in Barcelona. The final balance of 1216 thousands of euros corresponds to the Sancho Ávila contract in Barcelona, on which works had not been completed as a 31 December 2012.

For the year 2012, the amount for additions of land and constructions in progress is 499 thousands of euros.

During 2012 the sum of additions under technical installations and other property, plant and equipment was 2,161 thousands of euros; the main sums correspond to Empark Aparcamientos y Servicios, S.A. 1,626 thousands of euros, mainly: 934 thousands of euros for the F-138 recognized F-138 ion of offices in Madrid, 181 thousands of euros of equipment for the Sancho Ávila contract in Barcelona, 156 thousands of euros of equipment for the T4 Long-Stay contract at Madrid airport 64 thousands of euros at the Pablo Rada car park in Huelva, 37 thousands of euros at the Hospital Clinic car park in Barcelona, the remaining additions corresponding to various investments made at the various car parks operated by the Company.

Cancellations essentially correspond to Empark Aparcamientos y Servicios, S.A. amounting to a sum of 121 thousands of euros, Empark Portugal – Empreendimentos e Exploração de Parques, S.A. amounting to a sum of 175 thousands of euros and Mr Clean, Lavagem de Veículos, S.A. amounting to a sum of 171 thousands of euros.

The sum of the tangible fixed asset F-138 recognized F-138 i provision for the year is 6,651 thousands of euros.

As of 31 December 2012 the elements of tangible fixed assets fully amortised amount to 8,809 thousands of euros, the breakdown of these assets by main company being as follows:

- Empark Aparcamientos y Servicios, S.A. 7,886 thousands of euros.
- Dornier, S.A. 812 thousands of euros.
- Estacionamientos Guipuzcoanos, S.L. 104 thousands of euros.
- Others 7 thousands of euros.

As of 31 December 2012, there are no assets not involved in operations within the intangible fixed assets.

It is the Group's policy to take out insurance policies which provide adequate coverage for the items which are part of tangible fixed assets.

As of 31 December 2012, there are material assets located in Portugal, Turkey, United Kingdom and Andorra.

31/12/11

The assets in progress correspond to works that have not yet been completed. As of 31 December 2011 additions of fixed asset in progress amount to 651 thousands of euros, corresponding to the assets of car parks on which works had not been completed as of 31 December 2011, 112 thousands of euros of the Barcelona Hospital Clinic car park, 525 thousands of euros of the Sancho Avila cemetery car park and 14 thousands of euros of the Colegio Jesús y María car park in Madrid

For the year 2011, the amount for additions of land and constructions in progress is 546 thousands of euros.

During 2011 the sum of additions under technical installations and other property, plant and equipment was 3,507 thousands of euros, the main sums correspond to Dornier, S.A. 10 thousands of euros, essentially through the acquisition of ticket issuing machines, control equipment and signage, and to Empark Aparcamientos y Servicios, S.A. 2,697 thousands of euros, mainly 649 thousands of euros for the F-138 recognized F-138 ion of offices in Madrid, 238 thousands of euros for refurbishment of the Madrid offices, 159 thousands of euros for the Hospital Clinic car park, 112 thousands of euros for the Marbella car park, 138 thousands of euros for the Baluarte car park, 140 thousands of euros for the Palma long-stay car park, 92 thousands of euros on the Madrid long-stay car park, 83 thousands of euros on the Hospital Doce de Octubre car park, 139 thousands of euros for the F-138 recognized F-138 ion of offices in Barcelona, 576 thousands of euros for the UTE Valls joint venture, with other recognitions corresponding to various investments made in the various car parks operated by the Company.

Cancellations essentially correspond to Estacionamientos Alhóndiga, S.A. for a sum of 4,534 thousands of euros and to Femet, S.A. amounting to a sum of 705 thousands of euros.

The amount of amortised tangible fixed asset for the year is 6,543 thousands of euros.

As of 31 December 2011, the fully paid off fixed asset items amount to 4,560 thousands of euros; the breakdown of these assets by main companies is the following:

- Empark Aparcamientos y Servicios, S.A. 3,688 thousands of euros.
- Dornier, S.A. 768 thousands of euros.
- Estacionamientos Guipuzcoanos, S.L. 104 thousands of euros.

As of 31 December 2011, there are no assets not involved in operations within the intangible fixed assets.

It is the Group's policy to take out insurance policies which provide adequate coverage for the items which are part of tangible fixed assets.

As of 31 December 2011, there are material assets located in Portugal, Turkey, United Kingdom and Andorra.

6 Goodwill

The movement in this caption during the 2012 and 2011 financial year was as follows:

Balance as of 01 January 2011.....	146,427
Deferred tax adjustment for the Amortisation of assets (1,229 x 26.5%)	(325)
Balance as of 31 December 2011	146,102
Balance as of 01 January 2012.....	146,102
Deferred tax adjustment for the Amortisation of assets (883 x 26.5%)	(234)
Mr Clean impairment.....	(1,105)
Balance as of 31 December 2012.....	144,763

As of 31 December 2012 and 2011, the details per companies that comprise the Goodwill were as follows:

Company	Thousands of euros	Thousands of euros
	2011	2011
Empark Aparcamientos y Servicios S.A	33,565	33,565
Dornier, S.A.U.	7,550	7,550
Balsol 2001, S.A.....	685	685
Empark Portugal – Empreendimentos e Exploração de Parqueamentos, S.A.....	102,963	104,302
	144,763	146,102

Impairment tests

The Group undertakes an annual procedure in order to identify any possible deficit in the registered cost with regard to the recoverable value of goodwill.

In the case of the goodwill of Empark Aparcamiento y Servicios S.A., Dornier S.A., Balsol 2001, S.A and Empark Portugal-Empreendimentos e Exploração de parqueamentos S.A., this procedure is performed by F-139 recognize the assets which were held by the Companies when they were acquired and which gave rise to the goodwill F-139 recognized, these being the individual car parks.

Any possible impairment is calculated by comparing the value of these assets with their fair value, the latter understood as the value of the future cash flow discounts which it is estimated that the assets will generate, based on objective hypotheses, discounted at an estimated capital cost based on a risk-free rate using the 30-year bond as a benchmark, and the level of risk of the asset, along with an estimated market premium.

A residual value is furthermore calculated, incorporating the renewal of the contract and growth.

In order to establish the present value of the future cash flows derived from the investment, the following hypotheses were applied:

- It was established that the corresponding investment will generate flows over the periods up to maturity, of between 5 and 50 years depending on the concession.
- The corresponding revenue and expenditure forecasts were performed, in accordance with the following general criteria:
 - In the case of revenue, in order to estimate the evolution of rates consideration was given to the official forecast for the evolution of the consumer price index (CPI) in each of the countries where the investments are operational (2.5% in both Spain and Portugal), the corresponding formulae for the adjustment of rates as set out in the concession contracts, on the basis of the evolution of price indices and/or any specific correction factors which may apply.

In the case of new contracts consideration was given to a ramp up in demand over the first 2 -5 years of the concession in accordance with a specific analysis of each contract, followed by an estimate of evolution of revenue similar to previous rates.

- In terms of expenditure, the evolution thereof was calculated on the basis of the corresponding expected evolution in the CPI rates (2.5% in both Spain and Portugal), in addition to the forecast evolution of the business.
- Consideration was also given to the impact of works to be performed in order to maintain and improve infrastructure, based on the best estimate available according to the company's experience, and taking into consideration the forecast evolution of the business.
- Consideration was given to the future costs and revenue corresponding to renewals of contracts and also the investments required for these renewals on the basis of the investments occurring on previous contracts.

The renewal percentages employed in the different business lines (off-street, ORA on-street car parks, management) were estimated at between 75% and 85%, based on the actual rates obtained by the Group.

- The forecast cash flows obtained on the basis of the projected revenue and expenditure, in accordance with the aforementioned criteria, were updated at the discount rate resulting from adding to the long-term cost of money the risk premium assigned by the market to the country where the company performs its operations, the risk premium assigned by the market to each business (both based on a long-term vision), along with the financial Company and group companies of the company or cash-generating unit in question. The discount rate employed was 8.24 %.

As a result of the impairment test performed, it has been revealed that the various cash-generating units to which the various recorded sums of goodwill are assigned will serve to recover the net value of each of the sums recorded by 31 December 2012, and there is therefore no need to establish any form of impairment provision of any kind through impairment, except for the endowment charged to reserves, amounting to (1,105) thousands of euros at Empark Portugal-Empreendimentos e Exploração de Parqueamentos S.A. for the impairment occurring at the company Mr Clean-Lavagem Veículos S.A.

A sensitivity analysis was also performed regarding reasonably possible changes in the key valuation variables (CPI, inflation, discount rate, renewals...) with the recoverable value being maintained above the net book value.

7 Analysis of financial instruments

Analysis by category

The book value of each of the categories of financial instruments as established in the standards for registration and valuation "Financial Instruments", except for investments in the equity of group, multi-group and associated companies, is as follows:

	Thousands of euros	
	Long-term financial assets	
	Credits Derivatives others 31/12/12	Credits Derivatives others 31/12/11
Long-term loans and items receivable (note 9)	2,739	2,826
Total	2,739	2,826

	Thousands of euros	
	Short-term financial assets	
	Credits Derivatives others 31/12/12	Credits Derivatives others 31/12/11
Short-term loans and items receivable (note 9)	42,190	46,001
Total	42,190	46,001

	Thousands of euros			
	Long-term financial liabilities			
	Debts with credit institutions 31/12/12	Derivatives others 31/12/12	Debts with credit institutions 31/12/11	Derivatives others 31/12/11
Debts and items payable (note 21)	453,682	21,086	489,517	22,761
Total	453,682	21,086	489,517	22,761

	Thousands of euros			
	Short-term financial liabilities			
	Debts with credit institutions 31/12/12	Derivatives others 31/12/12	Debts with credit institutions 31/12/11	Derivatives others 31/12/11
Debts and items payable (note 21)	42,084	51,408	27,923	46,717
Total	42,084	51,408	27,923	46,717

8 Stakes in companies by the equity method

Movements during 2012 at companies in which stakes are held

Company	Thousands of euros				
	31/12/11	Stake in Results	Dividends	Adjustments	31/12/12
Infoser estacionamientos, A.I.E.	58	8	–	–	66
Estacionamientos y Servicios Extremeños, S.A.	–	–	–	–	–
Sociedad Municipal Aparcamientos y Servicios, S.A.	7,322	241	–	436	7,999
Estacionamientos Urbanos de León, S.A.	1,515	503	(441)	–	1,577
Parques do Tamariz – Sociedade Exploração de Parques de Estacionamento, S.A.	403	1	–	(18)	386
Figueira Parques – Empresa Pública Municipal de Estac. Da Figueira de Foz, E.M.	916	(5)	–	10	921
Total	10,214	748	(441)	428	10,949

Movements during 2011 at companies in which stakes are held

Company	Thousands of euros				
	31/12/10	Stake in Results	Dividends	Adjustments	31/12/11
Infoser estacionamientos, A.I.E.	58	(2)	–	2	58
Estacionamientos y Servicios Extremeños, S.A.	105	–	(13)	(92)	–
Sociedad Municipal Aparcamientos y Servicios, S.A.	6,935	734	(323)	(24)	7,322
Estacionamientos Urbanos de León, S.A.	1,278	449	(405)	193	1,515
Parques do Tamariz – Sociedade Exploração de Parques de Estacionamento, S.A.	462	(10)	–	(49)	403
Figueira Parques – Empresa Pública Municipal de Estac. Da Figueira de Foz, E.M.	887	(19)	–	48	916
Total	9,725	1,152	(741)	78	10,214

Financial position as of 31/12/12 of associated companies.

Company	Thousands of euros		
	Capital	Reserves	Book value at parent company
Infoser estacionamientos, A.I.E.	360	–	60
Sociedad Municipal Aparcamientos y Servicios, S.A.	27,460	4,204	3,757
Estacionamientos Urbanos de León, S.A.	1,052	1,444	452
Parques do Tamariz – Sociedade Exploração de Parques de Estacionamento, S.A.	1,500	(309)	397
Figueira Parques – Empresa Pública Municipal de Estac. Da Figueira de Foz, E.M.	514	149	199
Total	30,886	5,488	4,865

Financial position as of 31/12/11 of associated companies.

Company	Thousands of euros		
	Capital	Reserves	Book value at parent company
Infoser Estacionamientos, A.I.E.	360	–	60
Sociedad Municipal Aparcamientos y Servicios, S.A.	24,000	2,892	3,757
Estacionamientos Urbanos de León, S.A.	1,052	1,426	452
Parques do Tamariz – Sociedade Exploração de Parques de Estacionamento, S.A.	1,500	(271)	397
Figueira Parques – Empresa Pública Municipal de Estac. Da Figueira de Foz, E.M.	514	261	195
Total	27,426	4,236	4,861

The information referring to the investment in the associated companies which are part of the Group is the following:

31/12/12

Company	Thousands of euros						
	Non-current assets	Current assets	Net equity	Non-current liabilities	Current liabilities	Net Turnover	Result for Financial Year
Infoser Estacionamientos, A.I.E.	87	968	409	–	646	834	49
Estacionamientos Urbanos de León, S.A.	671	3,704	3,665	–	710	3,434	1,169
Sociedad Municipal de Aparcamientos y Servicios, S.A.	49,134	20,761	32,663	15,627	21,605	14,193	984
Parques do Tamariz-Sociedade Exploracao de Parques de Estacionamento, S.A.	1,472	713	1,191	–	994	–	(19)
Figueira Parques-Empresa Pública Municipal de Estac.Da Figueira de Foz E.M.	254	535	697	–	92	232	(24)
TOTAL	51,618	26,681	38,625	15,627	24,047	18,693	2,159

31/12/11

Company	Thousands of euros						
	Non-current assets	Current assets	Net equity	Non-current liabilities	Current liabilities	Net Turnover	Result for Financial Year
Infoser Estacionamientos, A.I.E.	107	861	349	–	619	720	(11)
Estacionamientos Urbanos de León, S.A.	719	3,624	3,522	–	822	3,473	1,044
Sociedad Municipal de Aparcamientos y Servicios, S.A.	50,320	32,849	29,906	19,663	33,599	15,347	2,993
Parques do Tamariz-Sociedade Exploracao de Parques de Estacionamento, S.A.	1,491	713	1,210	–	995	–	(19)
Figueira Parques-Empresa Pública Municipal de Estac.Da figueira de Foz E.M.	284	535	710	–	109	328	(64)
TOTAL	52,922	38,582	35,697	19,663	36,144	19,868	3,944

None of these companies is listed on the stock market.

There are no companies where a stake of less than 20% is held but it is concluded that there exists substantial influence, nor any where there is a stake greater than 20% and it may be concluded that there is no substantial influence. The Group has not incurred any contingencies regarding its associated companies.

9 Loans and items receivable

The list of loans and items receivable are listed below:

	Thousands of euros	
	31/12/12	31/12/11
Long-term loans and items receivable:		
– Corporate loans.....	1,781	1,830
– Credits to personnel	256	190
– Long-term guarantees and deposits	702	806
	2,739	2,826
Total (note 7).....	2,739	2,826
Short-term loans and items receivable:		
– Trade receivables for sales and services (note 9 a).....	40,361	45,214
– Trade insolvency provision (note 9b).....	(1,767)	(2,809)
– Debt update provisions	–	(348)
– Related clients (note 10).....	72	404
– Personnel debtors.....	143	229
– Sundry debtors (note 9 d).....	2,659	2,076
	41,468	44,766
– Credits to related companies (note 11)	15	18
– Short-term guarantees and deposits	707	1,217
Total (note 7).....	42,190	46,001

a) Trade receivables for sales and services

The balances of commercial operations take place at market prices.

The breakdown of the balance of the “Trade Receivables for Sales and Services” caption as of 31 December 2012 and 2011 mainly corresponds to public trade receivables. The part corresponding to private clients corresponds to the selling of tickets, leasing, advertising and maintenance. These operations are undertaken at market prices.

The analysis of the periods by which debts are overdue is as follows:

31/12/2012

	Femet, S.A.	Estacionamientos Guipuzcoanos, S.L.U.	Empark Aparcamientos y Servicios, S.A.	Dornier, S.A.U.	Rest of companies	Total
Non-matured debt	—	274	1,426	6,650	1,256	9,606
Up to 3 months.....	—	91	2,583	7,567	2,015	12,256
Between 3 and 6 months ...	—	36	299	4,860	954	6,149
Longer than 6 months.....	—	400	5,379	4,417	2,154	12,350
Total	—	801	9,687	23,494	6,379	40,361

31/12/2011

	Femet, S.A.	Estacionamientos Guipuzcoanos, S.L.U.	Empark Aparcamientos y Servicios, S.A.	Dornier, S.A.U.	Rest of companies	Total
Non-matured debt	—	0	1,599	11,179	885	13,663
Up to 3 months.....	—	239	1,507	7,210	966	9,922
Between 3 and 6 months ...	—	55	423	5,648	595	6,721
Longer than 6 months.....	190	778	7,451	5,370	1,119	14,908
Total.....	190	1,072	10,980	29,407	3,565	45,214

The recognition and reversion of valuation corrections through the impairment of client accounts receivable have been included under “Losses, impairment and variation in provisions through trade operations” in the consolidated income statement.

The sums allocated to the impairment account are normally cancelled once there is no expectation of more cash being recovered.

The maximum exposure to credit risk on the date of submission of the information is the fair value of each of the aforementioned categories of accounts receivable. The group maintains no guarantee as insurance.

b) Contribution to provision for traffic insolvencies

The movement in the provision for insolvencies is as follows:

31/12/12

Thousands of euros						
	Estacionamientos Guipuzcoanos, S.L.U.	Empark Portugal – Empreendimentos e Exploração de Parqueamentos, S.A	Empark Aparcamientos y Servicios, S.A.	Dornier, S.A.U.	Remainder	Total
Balance as of 01/01/12	(148)	(351)	(1,724)	(426)	(160)	(2,809)
Provision	(33)	(108)	(348)	(112)	(139)	(740)
Application	50	351	1,265	116	—	1,782
Balance as of 31/12/12	(131)	(108)	(807)	(422)	(299)	(1,767)

Thousands of euros						
	Estacionamientos Guipuzcoanos, S.L.U.	Empark Portugal – Empreendimentos e Exploração de Parqueamentos, S.A	Empark Aparcamientos y Servicios, S.A.	Dornier, S.A.U.	Remainder	Total
Balance as of						
01/01/11	(126)	(351)	(1,238)	(426)	(203)	(2,344)
Provision	(22)	–	(1,927)	–	–	(1,949)
Application	–	–	1,441	–	43	1,484
Balance as of						
31/12/11	(148)	(351)	(1,724)	(426)	(160)	(2,809)

The insolvency provision endowment corresponds to overdue balances dating back more than one year.

c) Client advances

As of 31 December 2012 the Group had received advances from clients for the sale of parking spaces amounting to 223 thousands of euros.

As of 31 December 2011 the Group had received advances from clients for the sale of parking spaces amounting to 42 thousands of euros.

d) Sundry debtors

The “sundry debtors” caption is listed below:

Sundry debtors	Thousands of euros	
	31/12/2012	31/12/2011
A. Silva & Silva – Imobiliário e Serviços, S.A.....	6	30
Assimec – Imóveis e Construções de A. Silva & Silva, S.A.	–	172
Pevr – Parques de Estacionamento de Vila Real S.A,	127	252
SITEE – Sistema Integrado de Transportes e Estacionamento de Évora EM	311	506
Figueira Parques – Empresa Pública Municipal de Estac. Da Figueira de Foz, E.M.....	–	52
Mota-Engil II, Gestão, Ambiente, Energia E Concessões De Serviços, S.A.....	153	155
Parques do Tamariz – Sociedade Exploração de Parques de Estacionamento, S.A.	307	307
IMMO Park Sp. z o.o.	28	11
ANA	141	–
Via verde	341	–
Other (Portugal).....	1,245	591
Total.....	2.659	2,076

10 Clients, operations with related parties

The detail of “Operations with tied parties” as of 31 December 2012 and 2011 was as follows:

Company	Thousands of euros	
	31/12/12	31/12/11
Related parties (note 9).....	17	272
Estacionamientos Alhóndiga S.A.....	14	109
UTE Jado	–	135
Others	3	28
Equity method (note 9).....	55	132
Estacionamientos y Servicios Extremeños, S.A.	–	28
Estacionamientos Urbanos León, S.A.	55	104
Total.....	72	404

11 Loan operations with related parties

Credits under “Operations with related parties” cover a number of current accounts of Empark Aparcamientos y servicios, S.A. with group companies. These current accounts accrued interest at a rate of 7.80% in 2012 and 2011.

The breakdown of loan operations with related parties as of 31 December 2012 and 2011 was as follows:

Company	Thousands of euros	
	31/12/1	31/12/11
Third parties and proportional integration (note 9).....	15	18
UTE Jado	—	3
UTE Judizmendi.....	10	—
Estacionamientos Alhóndiga, S.A.....	5	2
Others	—	6
Total	15	18

12 Stock

The breakdown of inventories as of 31 December 2012 and 2011 was the following:

	Thousands of euros			
	31/12/2011	Variation in stock	Purchases	31/12/2012
Raw materials and other supplies	1,911	—	349	2,260
Products in progress	—	—	—	—
Finished products	4,474	(205)	3,445	7,714
Initial costs and general facilities.....	—	—	—	—
Stock provision	(418)	(50)	—	(468)
Total	5,967	(255)	3,794	9,506

	Thousands of euros			
	31/12/2010	Variation in stock	Purchases	31/12/2011
Raw materials and other supplies	1,990	(79)	—	1,911
Products in progress	—	—	—	—
Finished products	5,452	(18,288)	17,310	4,474
Initial costs and general facilities.....	—	—	—	—
Stock provision	(498)	—	80	(418)
Total	6,944	(18,367)	17,390	5,967

The caption Consolidated financial statement “inventories” mainly include the expenses incurred on the construction of car parks whose expected use expires in the period of one year. The administrative concessions for the construction and operating of said car parks have been given as a concession by the respective municipal governments.

The details of inventory balance are as follows:

	Thousands of euros	
	31/12/2012	31/12/2011
EMPARK	6,069	2,422
DORNIER	2,043	1,953
APARCAMIENTOS DE BILBAO	799	943
OKENDO	561	611
OTHERS	34	38
TOTAL	9,506	5,967

None of the Group companies has F-147 recognized F-147 financial costs. Nor has any stock been pledged by way of guarantee. The Group has in place a number of insurance policies to cover the risks to which their stock is subject, this cover being deemed sufficient.

13 Cash and other equivalent liquid assets

	Thousands of euros	
	31/12/12	31/12/11

	Thousands of euros	
	31/12/12	31/12/11
Cash	944	962
Bank	12,701	27,110
Total cash and other equivalent liquid assets	13,645	28,072

Cash and other equivalent assets correspond to cash and current account balances (these balances are available).

14 Capital stock and share premium

During the 2012 financial year no capital increase was performed.

The shares in the parent Company are pledged in guarantee of the syndicated financing agreement. Meanwhile, dividends may not be distributed.

a) Capital

As of 31 December 2012 and 2011, the declared Capital Stock is 68,196 thousands of euros and is distributed in 11,347,143 bearer shares of a nominal value of 6.01 euros each, numbered in sequence from 1 to 11,347,143, both inclusive, fully subscribed and paid up. All the shares have the same political and economic rights.

As of 31 December 2012 and 2011, all of the parent company shares issued and in circulation were not admitted for listing in any stock market.

The group's basic/diluted consolidated profit per parent company share for 2012 and 2011 was (0.82) and 0.14 euros respectively.

As of 31 December 2012, the companies with stakes in the share capital were the following (see note 2.3):

EMPARK, S.A. Shareholders	31/12/2012	
	Shares	%
ASSIP Consultoria e Serviços, S.A	5,712,117	50.34%
Es Concessions International Holding, BV	2,520,677	22.21%
Ahorro Corporación Infraestructuras, F.C.R. of Simplified Tax Regime	810,341	7.14%
Ahorro Corporación Infraestructuras 2, S.C.R.	127,656	1.13%
Espirito Santo Infrastructure Fund-I_ Fundo de Capital Risco	937,997	8.27%
Transport Infrastructure Holding Company, B.V.	937,997	8.27%
Mellopark – Sociedade Gestora de Participações Sociais, S.A.	293,316	2.58%
Minority	7,042	0.06%
Total	11,347,143	100.00%

As of 31 December 2011, the companies with stakes in the share capital were the following (see note 2.3):

EMPARK, S.A. Shareholders	31/12/2011	
	Shares	%
ASSIP Consultoria e Servicos, S.A	5,712,117	50.34%
Es Concessions International Holding, BV	2,520,677	22.21%
Ahorro Corporación Infraestructuras, F.C.R. of Simplified Tax Regime	810,341	7.14%
Ahorro Corporación Infraestructuras 2, S.C.R.	127,656	1.13%
ESIF I, B.V.....	937,997	8.27%
Transport Infrastructure Holding Company, B.V.	937,997	8.27%
Mellopark – Sociedade Gestora de Participações Sociais, S.A.	293,316	2.58%
Minority.....	7,042	0,06%
Total.....	11,347,143	100.00%

b) Share premium

The sum thereof as of 31 December 2012 and 2011 was 36,940 thousands of euros.

The movement in the Share premium caption during the 2012 and 2011 financial year was as follows:

	Thousands of euros
Share premium 01/01/2010	35,639
Share premium variation	1,301
Share premium 31/12/2011	36,940
Share premium variation	–
Share premium 31/12/2012	36,940

15 Reserves and results from previous years

- Legal Reserves

The companies must transfer 10% of income for each year to the legal reserve until the balance of this reserve reaches at least 20% of capital stock. This reserve cannot be distributed to the shareholders and may only be used to offset losses on the profit and loss account, provided that sufficient other reserves are not available for this purpose. Under certain conditions it may also be used to increase the capital stock.

The consolidated financial statement item of “reserves” as of 31 December 2012 and 2011 are listed below:

Reserves	Thousands of euros	
	31/12/12	31/12/11
Legal, statutory and others:		
– Legal reserve.....	13,540	13,540
Other reserves:		
– Voluntary reserves	3,227	4,548
– Goodwill Reserves	5,284	3,963
– Other reserves	153	153
Total	22,204	22,204
Results from previous financial years	(1,918)	–
Total.....	20,286	22,204

16 Reserves in consolidated companies

The details of the reserves in consolidated companies for 2012 and 2011 are as follows:

	Thousands of euros	
	31/12/2012	31/12/2011
Estacionamientos Alhóndiga, S.A.	161	-173
Guadianapark, S.A.	123	170
Balsol 2001, S.A.	-400	-331
Femet, S.A.	-310	-277
Dornier, S.A.U.	-1,227	-31
Aparcamientos de Bilbao, S.A.	617	391
Estacionamientos Guipuzcoanos, S.L.U.	3,279	2,360
Aparcamientos Guipuzcoanos, S.L.	2,807	209
Empark Aparcamientos Extremadura, S.L.	0	0
Empark Aparcamientos Andalucía, S.L.	-489	0
Empark UK LTD	536	199
Concha Parking, S.A.	1,593	-17
UTE Aparcamientos	0	180
Guipúzcoa Parking Siglo XXI, S.A.	2,294	2,457
Aparcamient Escaldes Centre, S.A.	134	264
UTE Valls	-8	-8
UTE Jado	0	-410
UTE Tenerife	0	0
Empark Portugal – Empreendimentos e Exploração de Parques, S.A.	-12,109	-21,628
ESLI – Parques de Estacionamento, S.A.	5,804	18,861
Parques da Estação – Empreend. E Exploração de Estac, S.A.	787	617
Gisparques – Planeamento e Gestao de Estacionamento, S.A.	2,011	1,983
Gisparques II – Planeamento e Gestao de Estacionamento, S.A.	846	746
Mr. Clean – Lavagem de Veículos, S.A.	-531	-266
SP Gis – Planeamento e Gestao de Estacionamento, S.A.	2,128	1,750
ParqueGil – Planemento e Gestao de Estacionamento, S.A.	867	854
ParqA – Planemento e Gestao de Estacionamento, S.A.	-6	-75
Street Park – Gestao de Estacionamento, A.C.E	-54	-53
Serparque – Serviços de Estacionamento, S.A.	-8	-6
Segempark, S.A.	0	0
Park Yonetimi Ve Sistemleri San. Ve Tic. A.S.+ Katibin Optopark Isletmeleri Tic. Vesan. A.S.	-1,536	-2,457
Multi49, Parques de Estacionamento, S.A.	104	47
Castil – Parque, Sociedade Exploradora de Parques de Estacionamento, S.A.	1,194	1,228
Total Reserves in Consolidated Companies	8,607	6,584

17 Reserves in companies by the equity method.

The details of the reserves in consolidated companies by the equity method for 2012 and 2011 are as follows:

	Thousands of euros	
	31/12/12	31/12/11
Sociedad Municipal de Aparcamientos y Servicios, S.A.	4,001	2,831
Infofer Estacionamientos, AIE	(2)	–
Estacionamientos Urbanos de León, S.A.	621	614
Paques do Tamariz – Sociedade Exploração de Parques de Estacionamento, S.A.	–	–
Figueira Parques – Empresa Pública Municipal de Estac. Da Figueira de Foz, E.M.	–	–
Total reserves in companies by the equity method.	4,620	3,445

18 Result for the financial year

The proposed distribution of the earnings of the Parent Company corresponding to the financial year 2012 and 2011, drawn up by the Directors of the same, is the following:

	Thousands of euros	
	31/12/12	31/12/11
Earnings to be distributed:		
Profit for the financial year	(7,315)	(1,917)
Voluntary reserves	1,121	1,321
	(6,194)	(596)
Distribution of Earnings:		
Results from previous financial years	(7,315)	(1,917)
To legal reserve	—	—
To the goodwill reserve	1,121	1,321
To voluntary reserve	—	—
Other reserves	—	—
Dividends	—	—
	(6,194)	(596)

31/12/2012

No distribution of dividends for the financial year 2012 is proposed, as the result was negative.

No endowment of the legal reserve was made during 2012; this reserve is 13,540 thousands of euros, a figure less than the threshold of 20% of the capital stock.

The endowment of the goodwill reserve fund in 2012 was more than 5% of the fund, with this reserve, following the endowment, amounting to a sum of 6,405 thousands of euros.

31/12/2011

No distribution of dividends for the financial year 2011 is proposed, as the result was negative.

No endowment of the legal reserve provision was made in 2011; this reserve stands at 13,540 thousands of euros, a figure which is below the limit of 20% of the capital stock.

The endowment of the goodwill reserve fund in 2011 was more than 5% of the fund, with this reserve, following the endowment, amounting to a sum of 5,285 thousands of euros.

Contribution to consolidated result

The details of the contribution to the consolidated result of the year 2012 and 2011 by consolidated companies are as follows:

	Thousands of euros	
	31/12/12	31/12/11
Empark Aparcamientos y Servicios, S.A.	(14,133)	(13,021)
Estacionamientos Alhóndiga, S.A.	163	334
Guadianapark, S.A.	74	137
Balsol 2001, S.A.	(91)	(70)
Femet, S.A.	91	(32)
Dornier, S.A.U.	4,964	5,459
Aparcamientos de Bilbao, S.A.	173	226
Estacionamientos Urbanos de León, S.A.	503	449
Sociedad Municipal de Aparcamientos y Servicios, S.A.	241	733
Estacionamientos Guipuzcoanos, S.L.U.	1,276	1,897
Estacionamientos y Servicios Extremeños, S.A.	—	—
Infoser Estacionamientos, A.I.E.	8	(2)
UTE Judizmendi.	—	—
Aparcamientos Guipuzcoanos, S.L.	(207)	2,597
Empark Aparcamientos Extremadura, S.L.	(2)	—
Empark Aparcamientos Andalucía, S.L.	(585)	(489)
Empark UK LTD.	214	75
Concha Parking, S.A.	(238)	3,455
UTE Aparcamientos	—	1
Guipúzcoa Parking Siglo XXI, S.A.	20	110
Aparcament Escaldes Centre, S.A.	26	10
UTE Jado.	—	—
UTE Tenerife.	—	—
UTE Torrellobeta.	—	—
UTE Valls.	—	—
Empark Portugal – Empreendimentos e Exploração de Parqueamentos, S.A.	(551)	(1,490)
ESLI – Parques de Estacionamento, S.A.	(815)	513
Parques da Estação – Empreend. E Exploração de Estac, S.A.	35	176
Gisparques – Planeamento e Gestão de Estacionamento, S.A.	(118)	35
Gisparques II – Planeamento e Gestão de Estacionamento, S.A.	12	102
Mr. Clean – Lavagem de Veículos, S.A.	(118)	(254)
SP Gis – Planeamento e Gestão de Estacionamento, S.A.	5	407
ParqueGil – Planeamento e Gestão de Estacionamento, S.A.	(139)	2
ParqA – Planeamento e Gestão de Estacionamento, S.A.	(28)	69
Street Park – Gestão de Estacionamento, A.C.E.	(1)	(2)
Serparque – Serviços de Estacionamento, S.A.	(22)	(3)
Segempark, S.A.	(2)	—
Park Yonetimi Ve Sistemleri San. Ve Tic. A.S.+ Katibin Optopark Isletmeleri Tic. Vesan. A.S.	(22)	133
Multi49, Parques de Estacionamento, S.A.	17	70
Castil – Parque, Sociedade Exploradora de Parques de Estacionamento, S.A.	(6)	-28
Paques do Tamariz – Sociedade Exploração de Parques de Estacionamento, S.A.	1	—
Figueira Parques – Empresa Pública Municipal de Estac. Da Figueira de Foz, E.M.	(5)	—
Total Dominant Company	(9,260)	1,599
Minority		
Minoritarios de Empark Portugal, S.A.	(166)	112
Aparcamientos Guipuzcoanos S.L.	(138)	1,731
Guipúzcoa Parking Siglo XXI, S.A.	14	74
Aparcamientos de Bilbao, S.A.	58	75
Guadianapark, S.A.	25	46
Concha parking S.A.	(160)	2,303
Total Minority	(367)	4,341
Total Consolidated	(9,627)	5,940

19 Hedging operations

The derivatives are detailed as follows:

	Thousands of euros				Adjustment through changes in value
	Initial value	Fair value 31-12-2012	Difference	Taxation affect	
2012					
Swap A	(4,346)	(4,839)	(493)	135	(358)
Swap B	(8,786)	(9,199)	(413)	124	(289)
Swap C	(2,900)	(2,807)	93	(28)	65
Empark Andalucia Swap	(264)	(661)	(397)	119	(278)
Concha Parking swap	–	(1,698)	(1,698)	475	(1,223)
Aparcamientos Guipuzcoanos swap	–	(858)	(858)	240	(618)
	(16,296)	(20,062)	(3,766)	1,066	(2,700)

	Thousands of euros				Adjustment through changes in value
	Initial value	Fair value 31-12-2011	Difference	Taxation affect	
2011					
Swap A	(3,523)	(4,346)	(823)	234	(589)
Swap B	(7,649)	(8,786)	(1,137)	341	(796)
Swap C	(3,003)	(2,900)	103	(31)	72
Empark Andalucia Swap	–	(264)	(264)	79	(185)
	(14,175)	(16,296)	(2,121)	623	(1,498)

The cash items for changes in fair value of derivatives allocated and identified as cash flow hedges are temporarily identified in the equity; this amount was (2,700) thousands in 2012 and (1,498) thousands of euros in 2011) (see note 23).

20 Minority

Below is the list of minority interests:

Company	31/12/2010	2011 results	Adjustments	31/12/2011	2012 results	Adjustments	31/12/2012
Aparcamientos de Bilbao, S.A.	593	75	(13)	655	58	1	714
Guipúzcoa Parking Siglo XXI, S.A.	2,768	74	(730)	2,112	14	18	2,144
Aparcamientos Guipuzcoanos, S.L.	540	1,731	–	2,271	(138)	1	2,134
Guadianapark, S.A.	509	46	(63)	492	25	(42)	475
Concha Parking, S.A.	397	2,303	2	2,702	(160)	–	2,542
Parques da Estação – Empreend. E Exploração de Estac., S.A.	326	35	(2)	359	7	(18)	348
ParqA – Planemento e Gestao de Estacionamento, S.A.	(4)	35	(9)	22	(14)	–	8
ParqueGil – Planemento e Gestao de Estacionamento, S.A.	239	21	213	473	(70)	–	403
SP Gis – Planeamento e Gestao de Estacionamento, S.A.	11	2	–	13	–	–	13
Street Park – Gestao de Estacionamento, A.C.E.	116	–	(1)	115	–	–	115
Park Yonetimi Ve Sistemleri San. Ve Tic. A.S.	354	27	(208)	173	(87)	–	86
Castil – Parque, Sociedade Exploradora de Parques de Estacionamento, S.A.	324	(8)	3	319	(2)	–	317
TOTAL	6,173	4,341	(808)	9,706	(367)	(40)	9,299

21 Debts and items payable

The detail of debts and items payable is given below:

	Thousands of euros	
	31/12/12	31/12/11
Long-term debts and items payable:		
– Loans with credit institutions (note 21 a).....	453,682	489,517
– Other financial liabilities	14,866	15,357
	468,547	504,874
– Derivatives.....	6,220	7,404
Total (note 7).....	474,767	512,278
Short-term debts and items payable:		
– Debts with credit institutions (21b)	42,084	27,923
– Debts with tied companies and third parties (note 21c).....	101	578
	42,185	28,501
– Suppliers	21,788	19,432
– Sundry creditors	9,970	11,451
– Personnel (accrued wages and salaries).....	819	870
– Client advances (note 9)	223	42
	32,800	31,795
– Other current liabilities	4,665	5,452
– Derivatives.....	13,842	8,892
Total (note 7).....	99,492	74,642

a) Long term loans with credit institutions

31/12/2012

The details of long term bank loans are shown below:

	Thousands of euros	
	Limit granted	Balance available
Debts with credit institutions		
With mortgage guarantee		
– Aparcamientos de Bilbao, S.A.	15,100	6,241
– Estacionamientos Alhóndiga, S.A.	3,500	1,291
– Guipuzcoa Parking Siglo XXI, S.A.	33,300	28,966
– Concha Parking, S.A.	31,134	24,438
– Aparcamientos Guipuzcoanos, S.R.L.	12,215	11,734
– Empark Aparcamientos y Servicios, S.A.	358,257	308,834
– Emparque, S.A.	37,632	27,345
– Gisparques- Parques de Estacionamiento, S.A.....	502	365
– Esli – Parques de Estacionamientos, S.A.....	31,798	23,188
– SP Gis- Planeamento e Gestão de Estacionamiento, S.A.	3,436	2,502
– Park Yonetimi	393	–
– Parques de Estação.....	629	–
– ParqueGil	11,341	10,239
– ParqA	1,371	707
– Dornier, S.A.....	2,200	1,267
– Empark Aparcamientos Andalucía, S.L.U.....	7,000	6,233
– Estacionamientos Guipuzcoanos, S.L.	500	333
	550,308	453,682

Aparcamientos de Bilbao, S.A. has two mortgage loans, one for a sum of 3,100 thousands of euros, with a maturity date of 24 October 2013 and an interest rate of 1.029%, and the other amounting for 12,000 thousands of euros, with a maturity date of 6 October 2019 at an interest rate of 1.141%.

Estacionamientos Alhóndiga, S.A. has one mortgage loan to the value of 3,500 thousands of euros, with a maturity date of 16 December 2018 at an interest rate of 0.858%.

Guipúzcoa Parking Siglo XXI, S.A. has a mortgage loan to the value of 33,300 thousands of euros, with a maturity date of 31 December 2035, and an interest rate of 0.870%.

Concha Parking, S.A. has in place a mortgage loan of 31,134 thousands of euros maturing on 5 August 2029, at an interest rate of 2.743%. In 2012 a swap was arranged, with a notional figure of 85% of the loan sum.

Aparcamientos Guipuzcoanos, S.R.L., has one mortgage loan of 12,215 thousands of euros maturing on 5 August 2029, at an interest rate of 2.993%. In 2012 a swap was arranged, with a notional figure of 85% of the loan sum.

Empark Aparcamientos Andalucía, S.L.U. has a credit agreement for 7,000 thousands of euros, maturing on 15 June 2029, at an interest rate of 3.842%.

Empark Aparcamientos y Servicios, S.A. has an ICO [Official Credit Institution] loan from Bancaja amounting to 4,000 thousands of euros, signed on 21 May 2010 and maturing on 25 May 2013 with a fixed interest rate of 4.67%. It also has an ICO loan signed with Banc Sabadell on 18 October 2011, maturing on 25 October 2016, at an interest rate of 7.42%, amounting to 2000 thousands of euros.

In 2012, Empark Aparcamientos y Servicios, S.A. signed another ICO loan with Banco de Valencia, for a sum of 1,000 thousands of euros, maturing on 28 July 2014. The interest rate is 7.50%

In 2011 Dornier, S.A. signed two ICO loans amounting to 2,200 thousands of euros in all.

The agreement with Banco Sabadell is an ICO liquidity loan of 1,000 thousands of euros, maturing on 25 October 2016 at an interest rate of 6.07%.

The agreement signed with Ibercaja is an ICO Investment loan of 1,200 thousands of euros, maturing on 25 November 2016; with a sum of 300 thousands of euros of this loan being pledged, at an interest rate of 4.3490%.

In 2012 Estacionamientos Guipuzcoanos, S.L., assigned an ICO liquidity loan with Bankinter for 500 thousands of euros. This loan has a grace period of 1 year, maturing on 10 August 2014, at an interest rate of 7.367%

In 1998 Parques da Estação signed a loan with con Caixa Geral de Depósitos, maturing in September 2013. The interest rate is the 6-month Euribor plus a differential of 0.85%

Parquegil has signed two loans, one with BPI and the other with BPN. The capital pending F-155ecognizedF-155i on both loans is €11.544M. The loan with BPI matures in 2016, the rate being the Euribor plus 0.85%. The loan with BPN, meanwhile, matures in 2021, the interest rate being the Euribor plus 5.25%

In 2004 ParqA signed a loan with Caixa de Aforros de Vigo, Ourense e Pontevedra. The capital pending F-155ecognizedF-155i at 2012 was €873M, and the loan matures in 2016. The interest rate is the Euribor plus 1.75%

Park Yonetimi has a loan pending F-155ecognizedF-155i of €121M, maturing in 2013

Empark Aparcamientos y Servicios, S.A. jointly with Empark Portugal – Empreendimentos e Exploração de Parqueamentos, S.A., Esli, Gisparques, and SP Gishas, has a syndicated loan signed on 27 July 2009, in the sum of 400,343 thousands of euros. Of these 400,343 thousands of euros, in the end, 18,680 thousands of euros were not received because a Project Finance was received for company Concha Parking S.A., and 406 thousands of euros not drawn down under the Balsol 2001, SA financing arrangement.

On 14 October 2010 the agreement was renewed and extended by 42,000 thousands of euros, the sum drawn down as of 31 December 2011 being 40,846 thousands of euros.

A pre-payment was made in April 2012 of 330 thousands of euros.

The limit granted is 423,257 thousands of euros.

As of 18 December 2012 Empark Aparcamientos y Servicios S.A. signed a novation modifying without terminating the syndicated loan. This novation involved a change to the F-156ecognizedF-156i calendar of all the facilities, without any change to the nominal rate of the various facilities, or the spreads, or the maturity dates (the same conditions as under the previous financing arrangement were maintained).

The costs associated with the novation of this loan were 3320 thousands of euros, considered as an amortised cost. The cost was 75 basis points applied to the sum of the loan.

A comprehensive analysis of the new loan has been performed, essentially comprising:

- Calculation of the net present value of the previous financing and the new arrangement, based on the corresponding drawdowns and F-156ecognizedF-156io (in the case of the new F-156ecognizedF-156i calendar, the cost of 3320 thousands of euros was likewise taken into consideration, applying the weighted mean discount rate for this financing.
- The discount rate employed was 6.67 %.
- The result of the study was a variation between the value of the previous and new financing arrangements of 0.46%.

As a result, following the analysis performed it was established that there was no substantial change in the loan conditions. It was performed because the cost associated with the novation was accounted for as an amortised cost to be deferred over the remaining lifespan of the loan.

This syndicated loan is referencing the Euribor, with a difference between 3.5% and 4.5%: Facility A 4%, Facility B 4.5%, TC1 4% and TC2 3.5% (see table below)

The total amount is divided into three different loans:

Facility A is an amortising loan payment of which began in 2011, and will expire in 2016. Under the new F-156ecognizedF-156i calendar, aside from the half-yearly F-156ecognizedF-156io, there are three major F-156ecognizedF-156io in December 2013, June 2015 and July 2016, the definitive maturity date.

Facility B was initially a bullet loan, with the sum total of the loan being amortised on maturity, in 2017. However, following signature of the loan novation, F-156ecognizedF-156io were established in December 2013 and June 2015, with a final F-156ecognizedF-156i in July 2017.

The Capex is divided into TC1 and TC2, the total amount is 72,000 thousands of euros, which can be made available to pay for investments. As of 31 December 2011, 30,000 euros had been drawn down under TC1, and 42,000 thousands of euros under TC2.

TC1 was initially an amortising-loan with half-yearly F-156ecognizedF-156io, maturing in July 2016. It now has three single F-156ecognizedF-156io in December 2013, June 2015 and one final F-156ecognizedF-156i in July 2016

As for the TC2, this was initially a Bullet loan amortised in full in July 2017. It now has three F-156ecognizedF-156io, one in December 2013, another in June 2015 and a final F-156ecognizedF-156i in July 2017

The syndicated loan serves several purposes:

1. – Finance the acquisition of Empark Portugal.
2. – Refinance Cintra Group's existing debt.
3. – Refinance Empark Portugal Group's existing debt.
4. – Finance part of the Group investment plan

The loan has the following characteristics:

	Amount (thousands of euros)	Interest	Maturity Date
Facility A.....	101,369	euribor + differential	jul-16
Facility B1.....	102,577	euribor + differential	jul-17
Facility B2.....	121,800	euribor + differential	jul-17
Capex T1.....	26,185	euribor + differential	jul-16
Capex T2.....	40,794	euribor + differential	jul-17
TOTAL	392,725		

This bank finance requires compliance on the part of the companies lying within the financing perimeter with certain financial ratios (Debt Service Coverage Ratio, Net Debt to EBITDA, Interest Coverage Ratio).

During the 2012 financial year none of the contractual conditions for the financing were breached.

The attached table shows the financial situation by companies and by loan sections as of 31 December 2012.

COMPANY	LIMIT	FACILITIES				TOTAL
		F.A	F.B	Capex T1	Capex T2	
Empark	352,256.55	41,373.42	224,377.07	26,185.06	40,793.67	332,729.23
Gisparques	485.60	410.33				410.33
Emparque	36,417.59	30,772.86				30,772.86
ESLI	30,771.87	26,002.23				26,002.23
SP Gis	3,325.44	2,810.00				2,810.00
TOTAL	423,257.05	101,368.84	224,377.07	26,185.06	40,793.67	392,724.64

The long term maturities are broken down as follows:

	Thousands of euros
Over two years	8,087
Over three years	48,517
Over four years	106,973
Others	290,106
	453,682

31/12/2011

The details of long term bank loans are shown below:

	Thousands of euros	
	Limit granted	Balance available
Debts with credit institutions		
– Aparcamientos de Bilbao, S.A.	15,100	7,727
– Estacionamientos Alhóndiga, S.A.	3,500	1,550
– Guipúzcoa Parking Siglo XXI, S.A.	33,300	29,761
– Concha Parking, S.A.	31,134	25,069
– Aparcamientos Guipuzcoanos, S.L.	12,215	11,808
– Empark Aparcamientos Andalucía, S.L.	7,000	6,496
– Dornier, S.A.U.	2,200	1,707
– Empark Aparcamientos y Servicios, S.A.	358,257	334,816
– Empark Portugal – Empreendimentos e Exploração de Parques, S.A.	37,632	30,104
– Gisparques- Parques de Estacionamiento, S.A.	502	402
– Esli – Parques de Estacionamientos, S.A.	31,798	25,487
– SP Gis- Planeamento e Gestão de Estacionamiento, S.A.	3,436	2,754
– Park Yonetimi	393	100
– Parques de Estação	629	171
– ParqueGil	11,341	10,692
– ParqA	1,371	873
	549,808	489,517

Aparcamientos de Bilbao, S.A. has two mortgage loans, one for a sum of 3,100 thousands of euros, with a maturity date of 24 October 2013 and an interest rate of 2.41%, and another amounting to 12,000 thousands of euros, with a maturity date of 6 October 2019 at an interest rate of 2.48%.

Estacionamientos Alhóndiga, S.A. has a mortgage loan in the sum of 3,500 thousands of euros, with a maturity date of 16 December 2018 and an interest rate of 2.10%.

Guipúzcoa Parking Siglo XXI, S.A. has a mortgage loan of 33,300 thousands of euros, with a maturity date of 31 December 2035, and an interest rate of 2.03%.

Concha Parking, S.A. has in place a mortgage loan of 31,134 thousands of euros, maturing on 5 August 2029, at an interest rate of 4.082%.

Aparcamientos Guipuzcoanos, S.R.L., has one mortgage loan of 12,215 thousands of euros maturing on 5 August 2029, at an interest rate 4.329%.

Empark Aparcamientos Andalucía, S.L.U. has one credit agreement of 7,000 thousands of euros, maturing on 15 June 2029, at an interest rate of 5.194%.

Empark Aparcamientos y Servicios, S.A. has one ICO loan with Bancaja for 4,000 thousands of euros, signed on 21 May 2010, maturing on 25 May 2013, at a fixed interest rate of 4.67%. It also has an ICO loan signed with BancSabadell 18 October 2011, maturing on 25 October 2016, at an interest rate of 7.42%, for a sum of 2,000 thousands of euros.

In 2011 Dornier, S.A. arranged two ICO loans for a sum of 2,200 thousands of euros in total.

The agreement with Banco Sabadell is an ICO liquidity loan of 1,000 thousands of euros, maturing on 25 October 2016 at an interest rate of 7.42%.

The agreement signed with Ibercaja is an ICO Investment loan of 1,200 thousands of euros, maturing on 25 November 2016; this loan has a pledged sum of 300 thousands of euros at an interest rate of 5.696%.

Likewise, Dornier, S.A. signed a factoring arrangement with Banco de Valencia, with an outstanding risk as of 31 December 2011 of 1023 thousands of euros.

Empark Aparcamientos y Servicios, S.A. jointly with Empark Portugal – Empreendimentos e Exploração de Parqueamentos, S.A., Esli, Gisparques, and SP Gishas, has a syndicated loan signed on 27 July 2009, in the sum of 400,343 thousands of euros. Of these 400,343 thousands of euros, the sum ultimately not drawn down was 18,680 thousands of euros, as a result of Project Finance arranged for the company Concha Parking, S.A., and 406 thousands of euros which were not drawn down under the financing agreement of Balsol 2001, SA.

On 14 October 2010 a novation of the Contract was signed, with an extension of 42,000 thousands of euros, the sum drawn down as of 31 December 2011 being 40,846 thousands of euros.

A prepayment was made on 8 April 2011 of 450 thousands of euros, and on 27 October a prepayment of 7,343 thousands of euros.

The limit granted is 423,257 thousands of euros.

This syndicated loan is referencing the Euribor, with a difference between 3.5% and 4.5%: Facility A 4%, Facility B 4.5%, TC1 4% and TC2 3.5% (see table below)

The total amount is divided into three different loans:

Facility A is an amortising loan payment of which began in 2011 and expiring 2016. Facility B is a bullet loan, with the sum total of the loan being amortised on maturity, in 2017.

As for investment credits (Capex) divided into TC1 and TC2, the sum total is 72,000 thousands of euros, which may be gradually drawn down for the payment of investments. As of 31 December 2011 the sums drawn down were 30,000 thousands of euros of TC1 and 42,000 thousands of euros of TC2. TC1 is an amortizing loan, which like Facility A starts to be paid off in 2011 and matures in 2016. TC2 is a bullet arrangement, amortising on maturity in 2017.

The syndicated loan serves several purposes:

1. – Finance the acquisition of Empark Portugal.
2. – Refinance Cintra Group's existing debt.
3. – Refinance Empark Portugal Group's existing debt.
4. – Finance part of the Group investment plan in 2009, 2010 and 2011.

The loan has the following characteristics:

	Amount (thousands of euros)	interest	Maturity	1 st Primary Amortization
Facility A.....	112,166	euribor + differential	July-16	January-11
Facility B1.....	102,855	euribor + differential	July-17	July-17
Facility B2.....	121,800	euribor + differential	July-17	July-17
Capex T1.....	28,939	euribor + differential	July-16	July-11
Capex T2.....	40,846	euribor + differential	July-17	July-17
TOTAL	406,606			

This bank finance requires compliance on the part of the companies lying within the financing perimeter with certain financial ratios (Debt Service Coverage Ratio, Net Debt to EBITDA, Interest Coverage Ratio).

During the 2011 financial year none of the contractual conditions for the financing were breached. The attached table shows the financial situation by companies and by loan sections as of 31 December 2011.

COMPANY	LIMIT	FACILITIES				TOTAL
		F.A	F.B	Capex T1	Capex T2	
Empark	352,256.55	45,780.06	224,655.17	28,939.44	40,845.58	340,220.25
Gisparques.....	485.60	454.04				454.04
Emparque.....	36,417.59	34,050.44				34,050.44
ESLI	30,771.87	28,771.70				28,771.70
SP Gis.....	3,325.44	3,109.29				3,109.29
TOTAL	423,257.05	112,165.52	224,655.17	28,939.44	40,845.58	406,605.71

The long term maturities are broken down as follows:

	Thousands of euros
Over two years	34,963
Over three years	34,844
Over four years.....	39,565
Others.....	380,145
	489,517

b) Short term debts with credit institutions

31/12/2012

As of 31 December 2012, the company has signed lines of credit that correspond entirely to Empark Aparcamientos y Servicios, S.A. as per the following table:

Thousands of euros						
Entity	Type of loan	Limit	Contracting / Renewal Date	Maturity Date	Drawn down	Interest Rate Applied
La Caixa.....	Commercial Loan Policy	4,000	02/07/2012	30/06/2013	105	Euribor 1 month + differential Euribor 3
Banco Sabadell.....	Commercial Loan Policy	500	17/01/2012	17/01/2013 (*)	–	months + differential Euribor 3
Unicaja.....	Commercial Loan Policy	3,000	18/04/2012	23/04/2013	–	months + differential
Banco Popular	Commercial Loan Policy	300	12/04/2012	13/04/2013	–	Fixed rate 5.75% Euribor 3
Bankinter.....	Commercial Loan Policy	1,700	12/07/2012	12/07/2013	–	months + differential Euribor 3
Ibercaja	Commercial Loan Policy	850	05/09/2012	15/09/2013	–	months+ differential
Banco CAM	Commercial Loan Policy	800	29/05/2012	29/05/2013	3	Fixed rate 5.50%

(*) Not renewed on maturity

The detail of the balance and variations of this caption is as follows:

Thousands of euros				
	Balances 31/12/2011	Increases	Reductions	Balances 31/12/2012
Short term portion of long-term loans	21,787	36,220	(22,875)	35,132
Non-expired Interest to be paid.....	6,136	34,739	(33,923)	6,952
	27,923	70,959	(56,798)	42,084

The final balance breaks down as follows:

Aparcamientos de Bilbao, S.A. 1,632 thousands of euros, Estacionamientos Alhóndiga, S.A. 271 thousands of euros, Guipúzcoa Parking, S.A. 813 thousands of euros, Concha Parking, S.A. 951 thousands of euros, Aparcamientos Guipuzcoanos, S.L. 235 thousands of euros, Empark Aparcamientos Andalucía, S.L. 316 thousands and Estacionamientos Guipuzcoanos, S.L. 167 thousands of euros, including short-term debts and interest accruing and not paid.

Dornier, S.A., the debt and interest accrued and not paid on the Ibercaja ICO loan being 240 thousands of euros; and the ICO loan from Banco Sabadell is 200 thousands of euros.

Empark Aparcamientos y Servicios SA (individual company), the debt and interest accrued and not paid on the syndicated loan with Banco Espirito Santo de Investimento, the Bancaja ICO loan, the BancSabadell ICO loan and the Banco de Valencia ICO loan amounts to 29,325 thousands of euros (23,878 thousands of euros of short-term debt, and 5,448 thousand in interest accrued and not paid)

At Empark Portugal – Empreendimentos e Exploração de Parqueamentos, S.A., Esli, Gisparques, and SP Gis, the short-term syndicated debt with Banco Espirito Santo de Investimento and the interest accrued and not paid amount to 6,140 thousands of euros.

The other of the short-term debt in Portugal amounts to 1,794 thousands of euros.

31/12/2011

As of 31 December 2011, the company has signed lines of credit that correspond entirely to Empark Aparcamientos y Servicios, S.A. as per the following table:

Thousands of euros						
Entity	Type of loan	Limit	Contracting / Renewal Date	Maturity Date	Drawn down	Interest Rate Applied
La Caixa	Commercial Loan Policy	6,000	04/07/2011	30/06/2012	– Euribor, 1-month + differential	
Banco Sabadell	Commercial Loan Policy	500	17/01/2011	17/01/2012 ^(*)	– Euribor, 3-month + differential	
Nova Caixa Galicia	Commercial Loan Policy	2,200	04/07/2011	31/07/2012	– Euribor, 3-month + differential	
Unicaja	Commercial Loan Policy	3,000	23/04/2011	22/04/2012	– Euribor, 3-month + differential	
Banco Popular	Commercial Loan Policy	1,000	04/03/2011	04/03/2012	–	Fixed rate 3.75%
Bankinter	Commercial Loan Policy	1,700	08/04/2011	08/04/2012	– Euribor, 3-month + differential	
Ibercaja	Commercial Loan Policy	1,000	02/09/2011	15/09/2012	– Euribor, 3-month + differential	

(*) Renewed on maturity

The detail of the balance and variations of this caption is as follows:

	Thousands of euros			
	Balances 31/12/10	Increases	Reductions	Balances 31/12/11
Short term portion of long-term loans	13,987	20,185	(12,385)	21,787
Non-expired Interest to be paid	6,049	27,939	(27,852)	6,136
	20,036	48,124	(40,237)	27,923

The final balance breaks down as follows:

Aparcamientos de Bilbao, S.A. 1,540 thousands of euros, Estacionamientos Alhóndiga, S.A. 260 thousands of euros, Guipúzcoa Parking, S.A. 773 thousands of euros, Concha Parking, S.A. 307 thousands of euros, Aparcamientos Guipuzcoanos, S.L. 229 thousands of euros, Empark Aparcamientos Andalucía, S.L. 275 thousands of euros, including short-term debts and interest accruing and not paid.

Dornier, S.A., the debt and interest accrued and not paid on the Ibercaja ICO loan being 240 thousands of euros and the BancSabadell ICO loan is 200 thousands of euros. The debt pending payment to Banco de Valencia for factoring services is 1,023 thousands of euros.

Empark Aparcamientos y Servicios SA (individual company), the debt and interest accrued and not paid on the syndicated loan with the Banco Espirito Santo de Investimento, the ICO loan with Bancaja and the ICO loan with BancSabadell amount to 15,176 thousands of euros (9,560 thousands of euros short-term debt and 5616 of interest accrued and not paid)

Empark Portugal – Empreendimentos e Exploração de Parqueamentos, S.A., Esli, Gisparques, and SP Gis, the short-term debt under the syndicated loan with Banco Espirito Santo de Investimento, amounting to 6,390 thousands of euros.

The other short-term debt in Portugal amounts to 1,510 thousands of euros.

c) Debts with related companies and third parties

	Thousands of euros	
	31/12/12	31/12/11
Ute Valls JV (Cespa)	74	420
Ute Jado JV (Balzola)		130
Ute Torrellobeta JV (Ferrovial)	24	25
Others	3	3
Short-term debts, related companies	101	578

22 Debts with related companies and other debts

	Thousands of euros	
	31/12/12	31/12/11
Debts with associated companies	7,826	7,762
Long term debt Concha Parking, S.A. (Construcciones Moyua)	4,338	4,338
Long-term debt of Aparcamientos Guipuzcoanos, S.L. (Construcciones Moyua)	2,758	2,758
shareholder loans	730	666
Other debts	7,040	7,595
Leasing	6,560	7,238
Deposits	195	141
Other debts	285	216
Total	14,866	15,357

31/12/2012

The long-term debt of Concha Parking, S.A. for the amount of 4,338 thousands of euros corresponds to a participative loan of Construcciones Moyua, S.L.

The long-term debt of Aparcamientos Guipuzcoanos, S.L. for the amount of 2,758 thousands of euros corresponds to a participative loan of Construcciones Moyua, S.L.

Leasing Emparque for the amount of 6,560 thousands corresponding mainly to:

- 5,295 thousands of euros corresponding to a leasing contract for the Saldanha Residence car park.
- 1,265 thousands of euros corresponding to a leasing of ORA on-street car parks equipment.

31/12/2011

The long-term debt of Concha Parking, S.A. amounting to 4,338 thousands of euros corresponds to a participation loan of Construcciones Moyua, S.L.

The long-term debt of Aparcamientos Guipuzcoanos, S.L. amounting to 2,758 thousands of euros corresponds to a participation loan of Construcciones Moyua, S.L.

Leasing Emparque for the amount of 7,238 thousands corresponding mainly to:

- 5,547 thousands of euros corresponding to a leasing contract for the Saldanha Residence car park.
- 1,751 thousands of euros corresponding to a leasing of ORA on-street car park equipment.

23 Financial instruments

The breakdown of the items is shown below:

	Thousands of euros	
	31/12/12 Liabilities	31/12/11 Liabilities
Long-term hedging derivatives	6,220	7,404
Short-term hedging derivatives	13,842	8,892
Non-current	6,220	7,404
Current	13,842	8,892
TOTAL (note 19)	20,062	16,296

With the signing of the syndicated loan, two hedging interest rate swaps were contracted. One for Facility A and another for Facility B. Both at a notional rate of 67% of the debt, in other words 83,327 thousands of euros in the case of Facility A and 164,803 thousands of euros for Facility B

The F-163 recognized F-163i of these swaps is tied to the F-163 recognized F-163i conditions of the loan it covers. In the case of Swap a, this is thus an amortising arrangement maturing in 2016. Swap B, meanwhile, is a bullet.

The Group pays for these swaps a fixed rate of 3.24% for Swap A and 3.19% for Swap B.

As of 21 December 2009, a third Swap was signed with La Caixa for a Notional amount of 35 millions of euros. With half-yearly settlement, and a fixed rate of 4.29%. This Swap increases the hedge of Facility A.

On 18 November 2011, Empark Aparcamientos Andalucía, S.L.U., arranged a loan with La Caixa for 7 million euros. This loan has a hedge with the same company for 6.3 million euros. Empark Aparcamientos Andalucía, S.L.U., pays for this swap a fixed rate of 2.83%.

As of 31 December 2012, the company Aparcamientos Guipuzcoanos S.L. is the holder of an interest rate derivative to manage exposure to fluctuations in the rates of syndicated credits arranged at a variable rate. This contract establishes payments and collections of interest in accordance with the market interest rate (Euribor) in force. As of 31 December 2012 the Company had recorded the valuation of this product, net of the tax impact, for a sum of 618 thousands of euros.

As of 31 December 2012, the company Concha Parking S.A. is the holder of an interest rate derivative to manage exposure to fluctuations of the rates of its bank loans arranged at variable rates. These contracts establish payments and collections of interest in accordance with the market interest rate (Euribor) in force. As of 31 December 2012 the Company had recorded the valuation of this product, net of the tax impact, for a sum of 1,222 thousands of euros.

The valuation of the derivatives owned by the Group as of 31 December 2012 and 2011 is (20,062) thousands of euros and (16,296) thousands of euros respectively. See note 19.

24 Long-term accruals and deferrals

The balance of other financial liabilities corresponds in the main to bonds and deposits, guarantees received by Empark Aparcamientos y Servicios, S.A. for construction work.

The movements occurring under the account for "Advance payments received through sales or service provisions" during the financial year were as follows:

	Thousands of euros
	Sales of Use of Spaces
Balances at 01/01/11	5,749
Acknowledged revenue and cancellations	(4,853)
Payments received	6
Balances as of 01/01/12	902
Acknowledged revenue and cancellations	(312)
Payments received	21
Balances as of 31/12/12	611

As of 31 December 2012 and 2011, the sums set out in the section for long-term accruals and deferrals primarily correspond to long term season parking pass contracts.

25 Long term and short term provisions

a) Long-term

As of 31 December 2012 and 2011, the sums listed in the long-term provisions section are the following:

	31/12/2012	31/12/2011
Long-term provisions	48,409	45,165
Obligations through long-term personnel provisions	129	141
Provision for infrastructure operations	48,280	45,024

Obligations through long-term personnel provisions:

	Thousands of euros
Initial balance 01/01/2011	–
Long-term provision application	141
Final balance 31/12/2011	141
Initial balance 01/01/2012	141
Long-term provision endowment.....	(12)
Final balance 31/12/2012	129

Provision for infrastructure operations:

	Thousands of euros
Major repairs	5,524
Replacement actions.....	6,574
Fees	32,070
Others.....	89
Initial balance 01/01/2011	44,256
Endowment Provision major repairs	98
Replacement Provision Endowment	1,331
Fee Provision Endowment	–
Application – others.....	(25)
S-t transfer, Replacement provision.....	(491)
S-t transfer, Fee provision.....	(3,278)
Increases through replacement update	491
Increases through fee update	2,641
Major repairs	5,622
Replacement actions.....	7,905
Fees	31,433
Others.....	64
Final balance 31/12/2011	45,024
Endowment Provision major repairs	306
Replacement Provision Endowment	1,382
Fee Provision Endowment	855
Application – others.....	–
S-t transfer, Replacement provision.....	(474)
S-t transfer, Fee provision.....	(3,292)
Increases through Major Repairs.....	1,674
Increases through replacement update	580
Increases through fee update	2,225
Major repairs	7,602
Replacement actions.....	9,393
Fees	31,221
Others.....	64
Final balance 31/12/2012	48,280

The provision for replacement operations covers liabilities to account for certain operations undertaken with regard to periods of use in excess of one year, involving the infrastructure connected with concession agreements, representing wear and tear or consumption of a part thereof.

The provision for fees covers liabilities to meet payments to Local Councils for periods in excess of one year connected with concession agreements.

Provisions for major repairs correspond to the amounts allocated for payments of different assets on the ending date of the corresponding concessions.

The breakdown for this period by companies in 2012 corresponds mainly to:

- Future payments of Guipúzcoa Parking Siglo XXI, S.A. amounting to 1,148 thousands of euros
- Future payments of Aparcamientos Guipuzcoanos, S.L. amounting to 1,158 thousands of euros.
- Future payments of Concha Parking, S.A. amounting to 1,727 thousands of euros.
- Future payments of Estacionamientos Guipuzcoanos, S.L.U. amounting to 1,818 thousands of euros.
- Future payments of Empark Aparcamientos y Servicios, S.A. amounting to 1,751 thousands of euros.

b) Short term

The total balance of short-term provisions at the closure of 2012 and 2011 was 5,854 thousands of euros and 6,233 thousands of euros, respectively.

Provision for infrastructure operations:

	Thousands of euros
Through replacement and major repair operations	3,638
Fees	3,222
Others.....	79
Initial balance 01/01/2011	6,938
Long-term replacement transfers	1,995
Long-term fee transfers.....	2,928
Applications of replacement	(3,638)
Applications of fees	(1,996)
Others.....	5
Through replacement and major repair operations.....	1,995
Fees	4,154
Others.....	84
Final balance 31/12/2011	6,233
Long-term replacement transfers	474
Long-term fee transfers.....	3,292
Applications of replacement	(976)
Applications of fees	(3,172)
Others.....	3
Through replacement and major repair operations.....	1,493
Fees	4,274
Others.....	87
Final balance 31/12/2012	5,854

26 Other current liabilities

The detail of other current liabilities is as follows:

	Thousands of euros	
	31/12/12	31/12/11
Personnel remuneration	950	983
Interest payable	—	937
Insurance policies	6	76
Leases	199	302
Other cumulative expenses	276	623
Long-term parking space contracts	2,433	1,732
Other deferred revenue	801	799
	4,665	5,452

27 Tax situation

31/12/12

The detail of the balances held with the Public Authorities as of 31 December 2012 is as follows:

	Thousands of euros	
	Receivable	Payable
Non-current:		
Assets through deferred taxes	29,832	—
Liabilities through deferred taxes	—	25,933
Total	29,832	25,933
Current:		
Withheld and advance payment of Income Tax	1,045	(460)
Tax Office Corporation Tax credit	0	890
Withheld Personal Income Tax	0	1,099
Value Added Tax	982	3,547
Fees	—	1,265
City Council Taxes	—	1,855
Social Security bodies	22	(183)
Total	2,049	8,012

Reconciliation of the net sum of revenue and expenditure for the financial year and the tax base for Income Tax

	Thousands of euros		
	Increases	Reductions	(4,196) Net impact
Profit before tax			
Permanent differences	6,128	(264)	5,864
Temporary differences	14,743	(135)	14,608
Originating in the financial year	10,990	—	10,990
Originating in previous financial years	3,753	(135)	3,618
Eliminations	—	—	(6,811)
Tax base (fiscal result)	—	—	9,465
Asset application of negative Tax Bases	—	—	(2,216)
Prior quota 30%, 28%, 26.5% 20% and 0%	—	—	1,742
Deductions	—	—	(1,026)
Quota	—	—	716

The tax rate used for calculating the payment was 30% for companies paying national taxes, 28% for those paying devolved regional taxes, 0% for those companies which do not pay taxes, 26.5% for companies that pay taxes in Portugal and 20% for companies that pay taxes in Turkey.

The permanent and temporary differences derived from individual companies are described below:

Empark Aparcamientos y Servicios, S.A .

The permanent differences correspond to (264) thousands of euros for F-167 recognized F-167i of goodwill.

The temporary differences correspond in the main to 43 thousands of euros F-167 recognized F-167i adjustment. During the 1995 financial year the Group took advantage of Royal Legislative Decree-Act 2/1995, on the freedom of F-167 recognized F-167i for employment-generating investments, amortising for tax purposes 67.62% of the La Concepción public authority car park concession. Over the lifespan of the concession the adjustment made through the difference between the book and tax F-167 recognized F-167i is gradually recovered.

2,138 thousands of euros for the reinvestment of assets applied under free F-167 recognized F-167i for the years 2010 and 2009. During financial years 2009, the Group abides by the 11th additional disposition of the revised text regarding corporate taxes introduced by Act 4/2008 regarding freedom of F-167 recognized F-167i for all new items like tangible fixed assets as well as real estate investments involved in economic activities and requiring the average work force per company for the 24 months following the start of the period in which the acquired items begin operations is maintained with respect to the average work force of the 12 preceding months.

12,902 thousands of euros corresponding to non-tax-deductible financial expenses under the terms of Royal Decree-Act 12/2012.

The eliminations of 6,811 thousands of euros correspond to the dividends of Dornier, S.A.U., Guadianapark, S.A. and Estacionamientos Guipuzcoanos, S.L.

Dornier, S.A.U.

The temporary differences correspond to:

(135) thousands of euros for the adjustment between the difference in the accounting and fiscal F-167 recognized F-167i principles for the fee paid on the Madrid Regulated Parking Service.

1,207 thousands of euros for the reinvestment of assets applied under free F-167 recognized F-167i for the years 2010 and 2009. During financial years 2009, the Group abides by the 11th additional disposition of the revised text regarding corporate taxes introduced by Act 4/2008 regarding freedom of F-167 recognized F-167i for all new items like tangible fixed assets as well as real estate investments involved in economic activities and requiring the average work force per company for the 24 months following the start of the period in which the acquired items begin operations is maintained with respect to the average work force of the 12 preceding months.

Double-taxation deductions correspond to the dividends of Eulsa in 2010 and 2011, in the sum of 227 thousands of euros.

Estacionamientos Guipuzcoanos S.L

The deductions applied correspond to the double taxation of dividends amounting to 765 thousands of euros.

Guipúzcoa Parking Siglo XXI, S.A.

The temporary differences correspond to:

332 thousands of euros for the reinvestment of assets applied under free F-167 recognized F-167i for the years 2010 and 2009. During financial years 2009, the Group abides by the 11th additional disposition of the revised text regarding corporate taxes introduced by Act 4/2008 regarding freedom of F-167 recognized F-167i for all new items like tangible fixed assets as well as real estate investments involved in economic activities and requiring the average work force per company for the 24 months following the start of the period in which the acquired items begin operations is maintained with respect to the average work force of the 12 preceding months.

The deductions correspond to the application of the fixed asset reinvestment deduction amounting to 16 thousands of euros.

Breakdown of the cost of profits tax

	Thousands of euros
Breakdown of the tax cost for the financial year	31/12/12
Profit before tax	(4,196)
Permanent differences	5,864
Sum calculated at rate (30%, 28%, 26.5% 20% and 0%)	67
Deductions and rebates	(836)
Double taxation deductions	(2,176)
Tax adjustment, previous years	233
Total cost	(2,712)

Movement of deferred taxes

	Thousands of euros
Assets through deferred tax	
Balance as of 01/01/12	27,082
Creation	
Asset registration of Negative Tax Bases	292
Provisions	—
Provisions Royal Decree-Act 12/2012	3,871
Recovery	
Asset application of negative Tax Bases	(1,204)
Results of TJVs	—
Amortisations	—
Corporation Tax adjustments 2011	(188)
Provisions Royal Decree-Act 12/2012	—
Derivatives loss	1,066
New fixed asset deductions	(188)
Dividend deductions	(899)
Balance as of 31/12/12	29,832

	Thousands of euros
Liability through deferred taxes	
Balance as of 01/01/12	27,818
Creation	
TJV results	—
Amortisations	(467)
Amortisation of Goodwill Assigned to Assets	(234)
Recovery	
Freedom of Amortisation 2009 and 2010	(1,095)
Corporation Tax Adjustment 2011	(89)
Balance as of 31/12/12	25,933

31/12/11

The detail of the balances held with the Public Authorities as of 31 December 2011 is as follows:

	Thousands of euros	
	Receivable	Payable
Non-current:		
Assets through deferred taxes	27,082	–
Liabilities through deferred taxes	–	27,818
Total	27,082	27,818
Current:		
Withheld and advance payment of Corporation Tax	271	319
Tax Office Corporation Tax credit	1,221	1,384
Withheld Personal Income Tax	41	603
Value Added Tax	630	3,143
Canons	–	1,335
City Council Taxes	–	1,559
Social Security bodies	32	179
Total	2,195	8,522

Reconciliation of the net sum of revenue and expenditure for the financial year and the tax base for Income Tax

	Thousands of euros		
	Increases	Reductions	13,516 Net impact
Profit before tax			
Permanent differences	215	(1,321)	(1,106)
Temporary differences	4,410	(4,328)	82
Originating in the financial year	6	(4,193)	(31,676)
Originating in previous financial years	4,404	(135)	(368)
Eliminations	–	–	(10,630)
Tax base (fiscal result)	–	–	1,862
Prior quota 30%, 28%, 26.5% 20% and 0%	–	–	268
Deductions	–	–	(1,144)
Quota	–	–	2,181

The tax rate used for calculating the payment was 30% for companies paying national taxes, 28% for those paying devolved regional taxes, 0% for those companies which do not pay taxes, 26.5% for companies that pay taxes in Portugal and 20% for companies that pay taxes in Turkey.

The permanent and temporary differences derived from individual companies are described below:

Empark Aparcamientos y Servicios, S.A.

The permanent differences correspond to (1,321) thousands of euros for F-169ecognizedF-169i of goodwill.

The temporary differences correspond in the main to 43 thousands of euros F-169ecognizedF-169i adjustment. In the 1995 financial year the Group took advantage of Royal Legislative Decree-Act 2/95, on the freedom of F-169ecognizedF-169i for employment-generating investments, amortising for taxation purposes 67.62% of the La Concepción car park administrative concession. Over the lifespan of the concession the adjustment made through the difference between the book and tax F-169ecognizedF-169io is gradually recovered.

2,392 thousands of euros for the reinvestment of assets applied under free F-169ecognizedF-169i for the years 2010 and 2009. During financial years 2009, the Group abides by the 11th additional disposition of the revised text regarding corporate taxes introduced by Act 4/2008 regarding freedom of F-169ecognizedF-169i for all new items like tangible fixed assets as well as real estate investments involved in economic activities and requiring the average work force per company for the 24 months following the start of the period in which the acquired items begin operations is maintained with respect to the average work force of the 12 preceding months.

Cancellations amounting to 10,630 thousands of euros correspond to the dividends of Dornier, S.A.U., Guadianapark, S.A. and Estacionamientos Guipuzcoanos, S.L.

Dornier, S.A.U.

The permanent deduction corresponds to 97 thousands of euros for inspection expenses of IAE (Economic Activity Tax) and ITP (Property Transfer Tax).

The temporary differences correspond to:

(135) thousands of euros for the adjustment between the difference in the accounting and fiscal F-170 recognized F-170i principles for the fee paid on the Madrid Regulated Parking Service.

1,633 thousands of euros for the reinvestment of assets applied under free F-170 recognized F-170i for the years 2010 and 2009. During financial years 2009, the Group abides by the 11th additional disposition of the revised text regarding corporate taxes introduced by Act 4/2008 regarding freedom of F-170 recognized F-170i for all new items like tangible fixed assets as well as real estate investments involved in economic activities and requiring the average work force per company for the 24 months following the start of the period in which the acquired items begin operations is maintained with respect to the average work force of the 12 preceding months.

(1,307) as a result of the adjustment to Reserves caused by the change in criterion under IFRIC 12

Double-taxation deductions correspond to the dividends of Balsol 2001, S.A. and Femet, S.A. amounting to 17 thousands of euros.

Estacionamientos Guipuzcoanos, S.L.U.

The temporary differences correspond to:

(2,531) as a result of the adjustment to Reserves caused by the change in criterion under IFRIC 12.

Guipúzcoa Parking Siglo XXI, S.A.

The temporary differences correspond to:

310 thousands of euros for the reinvestment of assets applied under free F-170 recognized F-170i for the years 2010 and 2009. During financial years 2009, the Group abides by the 11th additional disposition of the revised text regarding corporate taxes introduced by Act 4/2008 regarding freedom of F-170 recognized F-170i for all new items like tangible fixed assets as well as real estate investments involved in economic activities and requiring the average work force per company for the 24 months following the start of the period in which the acquired items begin operations is maintained with respect to the average work force of the 12 preceding months.

The deductions correspond to the application of the fixed asset reinvestment deduction amounting to 154 thousands of euros.

Aparcamientos Guipuzcoanos, S.L.

The deductions correspond to the application of the fixed asset reinvestment deduction amounting to 500 thousands of euros.

Concha Parking, S.A.

The deductions correspond to the application of the fixed asset reinvestment deduction amounting to 486 thousands of euros.

Breakdown of the cost of profits tax

	Thousands of euros
Breakdown of the tax cost for the financial year	31/12/11
Profit before tax	13,516
Permanent differences	(1,106)
Sum calculated at rate (30%, 28%, 26.5% 20% and 0%)	3,467
Deductions and rebates	(5,204)
Double taxation deductions	(3,410)
Tax adjustment, previous years	(1)
Total cost	(5,148)

Movement of deferred taxes

	Thousands of euros
Assets through deferred tax	
Balance as of 01/01/11	20,908
Creation	
Asset registration of Negative Tax Bases	5,594
Provisions	—
Recovery	
Asset application of negative Tax Bases	(3,950)
Results of TJVs	12
Amortisations	(12)
Corporation Tax adjustments 2010	34
Derivatives loss	619
New fixed asset deductions	3,655
Dividend deductions	222
Balance as of 31/12/11	27,082

	Thousands of euros
Liability through deferred taxes	
Balance as of 01/01/11	29,912
Creation	
TJV results	(3)
Amortisations	—
Amortisation of Goodwill Assigned to Assets	(325)
Recovery	
Freedom of Amortisation 2009 and 2010	(1,789)
Corporation Tax Adjustment 2010	23
Balance as of 31/12/10	27,818

28 Information regarding deferrals of payment made to suppliers

Pursuant to the terms of Act 15/2010, 5 July 2010, modifying Act 3/2004, of 29 December 2004, establishing measures to combat payment default in trade operations, and the Ruling of 29 December 2011 of the Accounts and Account Auditing Institute, regarding the information to be included in the explanatory notes on the annual financial statements regarding payment postponements to suppliers in trade operations in Spain, detailed information is set out below regarding payment postponements made to suppliers during the 2012 and 2010 and entry years:

Payments made and pending payment on the date of closure of the balance sheet

	Thousands of Euros			
	2012	%	2011	%
Within the maximum legal period	37,760	73.11%	37,255	73.76%
Remainder	13,886	26.89%	13,255	26.24%
Total payments in the financial year	51,646	100.00%	50,510	100.00%
			2012	2011
Deferrals which at the date of closure were in excess of the maximum legal period			3,440	4,736
			2012	2011
Weighted average excess period (in days)			36	51

29 Information regarding geographic and by business

IFRS 8: "Operating segments" establishes that an operating segment is a component of a company:

- a) That carries out business operations by which it may obtain ordinary income and incur expenses (including the ordinary income and the expense by transactions with other group components).
- b) Whose operating results are reviewed regularly by the maximum authority for making decisions regarding the Groups operations, to decide about the resources that must be assigned to the segment and evaluate its performance.
- c) With regard to this, separate financial information is available

The information of the Group's consolidated income statement by segments would be the following:

Segmentation by countries

The Group has decided to segment by countries due to the great differences each country has regarding the management of businesses, regarding different clients, different legislation, different languages and in some cases different currencies.

	REVENUE		COSTS		MARGIN		AMORTISATION AND PROVISION		STRUCTURAL COSTS		OPERATING RESULT		TOTAL ASSETS AND LIABILITIES	
	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011
SPAIN.....	139,292	169,027	84,021	98,992	55,271	70,035	23,907	23,754	14,983	16,171	16,381	30,110	606,339	632,018
PORTUGAL.....	33,325	34,674	13,387	15,728	19,938	18,946	6,744	6,965	4,790	3,968	8,404	8,013	155,967	163,278
UK.....	6,973	6,000	6,241	5,788	732	212	96	105	330	0	306	107	5,468	3,075
TURKEY.....	3,825	4,489	3,706	3,995	119	494	101	111	0	252	18	131	2,688	3,388
ANDORRA.....	843	899	276	298	567	601	442	423	0	0	125	178	13,760	13,786
TOTAL.....	184,258*	215,089	107,631**	124,801**	76,627	90,288	31,290	31,358	20,103***	20,391***	25,234	38,539	784,222	815,545

* Including non-recurrent revenue (Note 30d)

** Including non-recurrent operating costs (Note 30d)

*** Including non-recurrent structure costs (Note 30 d)

Segmentation by line of Business

The Group has opted for different lines of business as secondary segmentation.

	REVENUE		COSTS		MARGIN		AMORTISATION AND PROVISION		STRUCTURAL COSTS		OPERATING RESULT		NON-CURRENT ASSETS	
	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011
OFF-STREET	110,967	114,459	55,213	55,552	55,754	58,907	24,768	22,667	16,613	13,572	14,373	22,668	689,562	469,046
ORA ON-STREET CAR PARKS & FEMET	73,012	73,494	51,939	50,993	21,073	22,501	6,269	6,561	3,491	6,819	11,314	9,121	26,964	23,465
RESIDENTS	279	26,893	479	18,256	-200	8,637	253	210	0	0	-453	8,427	0	2,863
OTHERS	0	243	0	0	0	243	0	1,920	0	0	0	-1,677	0	237,663
TOTAL	184,258*	215,089	107,631**	124,801**	76,627	90,288	31,290	31,358	20,103***	20,391***	25,234	38,539	716,526	733,037

* Including non-recurrent revenue (Note 30d)

** Including non-recurrent operating costs (Note 30d)

*** Including non-recurrent structure costs (Note 30 d)

30 Information on income statements

a) Net turnover and other operating income

The breakdown of the net sales of financial years 2012 and 2011 are as follows:

	Thousands of euros	
	31/12/12	31/12/11
SPAIN		
Tow-away	9,340	8,258
Off-street	55,864	57,047
Subscriptions	12,437	14,083
Residents	279	27,063
ORA on-street car parks	55,197	56,862
Sale of parking meters	–	3
Management	1,657	1,572
Advertising	230	206
Maintenance	1,713	1,475
Other	2,575	2,458
Total sales Spain	139,292	169,027
PORTUGAL		
Off-street	14,217	14,963
Subscriptions	6,486	7,011
ORA on-street car park equipment	7,989	7,678
Other	167	231
Management	4,466	4,791
Total sales Portugal	33,325	34,674
ANDORRA		
Off-street	300	314
Subscriptions	532	573
Other	11	12
Total sales Andorra	843	899
UK		
Off-street	6,973	6,000
Total sales UK	6,973	6,000
TURKEY		
Off-street	3,825	4,489
Total sales Turkey	3,825	4,489
Total sales, revenue and accessories	184,258	215,089

1 – Revenue generated by off-street car parks

Revenue from off-street car parks corresponds to revenues generated through the use of parking spaces owned by the Group or held under an administrative concession. Off-street car park revenues are recorded when the hourly parking ticket is sold and, in the case of season ticket-holders, on an accrual basis.

2 – Revenue generated by the sale of residents' parking spaces

This business involves the construction of car parks whose spaces are sold directly to the end customer during the timeframe of the concession. The sales and costs are not recorded until the parking space is delivered, which coincides with the signature of the contract.

3 – Revenue generated by off-street car parks (ORA)

Revenue from the ORA on-street car park parking meter service is mainly based on the sum corresponding to the cost of providing the service plus a percentage, generally between 1% and 3%, of the surplus between that cost and the funds collected. On some ORA on-street car park contracts, the revenue is earned at a fixed rate (service cost), entirely irrespective of the funds collected, which are in all cases paid over to the Local Council. This is recorded in the accounts at the time when the service is provided.

4 – Revenue generated through other services.

The Group also F-176ecognizedF-176 in the provision of other services tied to the end-to-end management of car parking and urban and inter-urban mobility, such as: Management of control of access to nature reserves, provision of temporary parking services at trade fairs and mass attendance events, combined park and bus services around airports.

b) Goods, raw materials and other materials consumed

	Thousands of euros	
	31/12/12	31/12/11
Raw materials and other materials consumed.....	830	1,004
Deterioration of goods, raw materials and other supplies.....	–	–
	830	1,004

c) Operating subsidies incorporated in the result

The result as of 31 December 2012 was 8 thousands of euros, while as of 31 December 2011 there were no operating subsidies incorporated within the result.

d) Other non-recurrent operating expenses

During the 2012 financial year the Group undertook a process of F-176ecognizedF-176ion and F-176ecognizedF-176ionF-176 affecting both the contract operation F-176ecognizedF-176i, through the application of remote control criteria, F-176ecognizedF-176ion and the introduction of new technologies in contract administration; and the central and peripheral structural F-176ecognizedF-176i, reducing the number of departments, F-176ecognizedF-176i functions and processes, proceeding better to integrate the peripheral structure, etc.

This process is intended to adapt the Group to new market circumstances and the challenge of the intensive application of new technologies in contract management.

As a result of implementation thereof during 2012, costs arose which will result in future savings improving the Group's operating margins.

We therefore considered these as a block of non-recurrent expenses, since they are either one-off or extraordinary expenses, or are expenses which will not arise in the future.

The sum of these non-recurrent expenses amounts to (8,104) thousands of euros, breaking down as follows:

Personnel expenses corresponding to redundancy compensation and delays of agreements amounting to (3,262) thousands of euros.

Personnel expenses which arose during the financial year but which will not arise in following financial years as a result of the re-organisation and F-176ecognizedF-176ionF-176 process undertaken by the Group during the financial year, amounting to (2,272) thousands of euros.

Expenses corresponding to signatures of new collective agreements with retroactive effect, amounting to (731) thousands of euros.

External service expenses, essentially corresponding to structural and F-176ecognizedF-176ion savings, such as leases, consultancy, etc. which will allow these costs not to be incurred in the future. The sum of these expenses amounts to (1,839) thousands of euros.

With regard to non-recurrent operating revenue, this corresponds in its entirety (577 thousands of euros) to the redemption of a concession by Cascais Local Council in Portugal.

During the 2011 financial year, the sum of non-recurrent expenses was (3,335) thousands of euros, essentially as a result of invoices connected with tasks to prepare for issuance of a bond on the capital market, amounting to 1,862 thousands of euros, 282 thousands of euros through the F-176ecognizedF-176ion of the Sant Cugat fee for previous financial years, 206 thousands of euros for invoices connected with technical consultancy studies and 985 thousands of euros for compensation, of which 423 thousands of euros correspond to the company Empark Aparcamientos y Servicios S.A, 473 thousands of euros to the company Dornier S.A, 5 thousands of euros to the company Estacionamientos Guipuzcoanos S.L. and 84 thousands of euros to the company Empark Portugal-Empreendimentos e Exploração de Parqueamentos S. A..

31 Personnel costs

The details of personnel expenses for 2012 and 2011 are the following:

	Thousands of euros	
	31/12/12	31/12/11
Wages, salaries, et al.	56,836	59,477
Employee welfare expenses paid by the company	15,920	15,077
Other non-recurrent personnel expenses	6,265	985
	79,021	75,539

The workforce listed by male and female at the end of the financial year and broken down by categories and levels for the Group as of 31st December 2012 is the following:

	Men	Women	Total
Administrative personnel.....	13	49	62
Directors	27	4	31
Technicians and Operators	1,534	1,016	2,550
Supervisors	169	36	205
Higher and Intermediate Level Academic Qualified Graduates	35	31	66
TOTAL	1,770	1,136	2,914

The work force listed by male and female at the end of the financial year and broken down by categories and levels for the Group for financial year 2012 is the following:

	Men	Women	Total
Administrative personnel.....	15	55	70
Director	30	6	35
Technicians and Operators	1,622	1,046	2,668
Supervisors	174	37	211
Higher and Intermediate Level Academic Qualified Graduates	37	34	71
TOTAL	1,878	1,177	3,055

The work force listed by male and female at the end of the financial year and broken down by categories and levels for the Group as of 31st December 2011 is the following:

	Men	Women	Total
Administrative personnel.....	18	53	71
Directors	28	6	34
Technicians and Operators	1,627	1,093	2,720
Supervisors	166	38	204
Higher and Intermediate Level Academic Qualified Graduates	31	33	64
TOTAL	1,870	1,223	3,093

The work force listed by male and female at the end of the financial year and broken down by categories and levels for the Group for financial year 2011 is the following:

	Men	Women	Total
Administrative personnel.....	18	54	72
Directors	28	6	34
Technicians and Operators	1,668	1,127	2,795
Supervisors	165	38	203
Higher and Intermediate Level Academic Qualified Graduates	29	32	61
TOTAL	1,909	1,257	3,165

32 Provisions

	Thousands of euros	
	2012	2011
Endowment of trade insolvency provision.....	(740)	(1,949)
Application of trade insolvency provision	1,782	1,484
Variation of trade insolvency provision (see note 9)	1,042	(465)
Loss from unrecoverable credits	(1,440)	
Endowment of Infrastructure Operations Provision	(1,382)	(1,331)
Others.....	–	(158)
	(1,780)	(1,954)

31/12/12

The provisions amounting to (1780) thousands of euros correspond essentially to:

- (18) thousands of euros as a replacement provision in accordance with IFRIC 12 at Guipúzcoa Parking Siglo XXI, S.A.
- 4 thousands of euros as insolvency provisions, (122) thousands of euros for loss of unrecoverable credits and (315) thousands of euros as a replacement provision in accordance with IFRIC 12 at Dornier, S.A.U.
- 917 thousands of euros as insolvency provisions, (1,054) thousands of euros for loss of unrecoverable credits and (649) thousands of euros as a replacement provision in accordance with IFRIC 12 at Empark Aparcamientos y Servicios, S.A.
- 17 thousands of euros as insolvency provisions, (47) thousands of euros for loss of unrecoverable credits and (246) thousands of euros as a replacement provision in accordance with IFRIC 12 at Estacionamientos Guipuzcoanos, S.L.
- (30) thousands of euros for the provision for replacement under IFRIC 12 at Concha Parking, S.A.
- (20) thousands of euros for the provision for replacement according to IFRIC 12 at Estacionamientos Alhóndiga, S.A.
- 104 thousands of euros as insolvency provision at Empark Portugal-Empreendimentos e Exploração de Parqueamentos, S.A.

31/12/11

The provisions amounting to (1,954) thousands of euros correspond essentially to:

- (24) thousands of euros of insolvency provisions and (66) thousands of euros for the provision for replacement under IFRIC 12, at Guipúzcoa Parking Siglo XXI, S.A.
- (1) thousands of euros of insolvency provisions, (348) thousands of euros for debt updating.
- (486) thousands of euros of insolvency provisions and (649) thousands of euros for the provision for replacement under IFRIC 12, at Empark Aparcamientos y Servicios, S.A.
- (22) thousands of euros of insolvency provisions and (272) thousands of euros for the provision for replacement under IFRIC 12, at Estacionamientos Guipuzcoanos, S.L.
- (30) thousands of euros for the provision for replacement under IFRIC 12 at Concha Parking, S.A.
- (13) thousands of euros for the provision for replacement according to IFRS 12 at Estacionamientos Alhóndiga, S.A.

33 Impairment and result through disposal of fixed assets

During the 2012 financial year the result through disposals of fixed assets amounted to 8 thousands of euros, corresponding to a sale of assets to AENA under the Madrid contract, the sum thereof amounting to 106 thousands of euros, the net book value of the assets sold being (98) thousands of euros.

During 2011 financial year there were no disposals of fixed assets.

34 Financial result

	Thousands of euros	
	31/12/12	31/12/11
Financial revenue:		
Tradable securities and other financial instruments		
– Third-party	749	897
	749	897
Financial costs:		
Through debts with third parties	(29,350)	(32,041)
Through update to provisions	(3,342)	(3,324)
	(32,692)	(35,365)
Financial costs through hedges:	(6,378)	(4,431)
Financial result	(38,321)	(38,899)

35 Cash flows from operating activities

The Cash Flow Statements listed in the present financial statements has been drafted in accordance with what is stipulated in the International Accounting Standard 7.

Said Cash Flow Statement is divided into three types of flows depending on the cash inputs and outputs carried out by the consolidated Group:

- Net treasury flows by operating activity: Includes the cash movements at the operating level of all business managed by the Group.
- Net treasury flows by investment activity: Includes added flows generated by investments and divestments in tangible fixed assets, intangible assets, concession projects, real estate assets and financial assets.
- Net treasury flows by financing activity: Includes cash inputs by debt issuances and issuance of bonds, as well as other external financing sources; and cash exits due to debt reimbursement and commitments, due to financial interests derived from outside resources and by distribution of dividends.

	Thousands of euros	
	31/12/12	31/12/11
Result for the financial year before tax	(12,339)	792
Adjustments to result:	68,286	68,364
– Amortisation of fixed assets	29,518	29,404
– Variation in provisions	1,772	1,954
– Financial revenue	(749)	(1,398)
– Financial costs	39,070	39,796
– Equity method	(748)	(1,152)
– Result through cancellations and disposal of financial instruments	(577)	(240)
	55,947	69,156
Changes in current capital:	2,504	(41,458)
– Stock	(3,539)	977
– Debtors and other accounts receivable	3,879	(20,407)
– Other current assets	366	376
– Creditors and other accounts payable	847	(23,789)
– Other non-current liabilities	(157)	1,779
– Other current liabilities	1,108	(394)
	58,451	27,698
Other cash flows from operating activities:	(40,290)	(38,817)
– Interest payment	(39,280)	(39,725)
– Dividends received	441	741
– Interest received	749	868
– Receipts (payments) through taxation of profits	(2,200)	(701)
– Other payments	–	–
Cash flows from operating activities	(18,161)	(11,119)

36 Cash flows from investment activities

	Thousands of euros	
	31/12/12	31/12/11

	Thousands of euros	
	31/12/12	31/12/11
Payments through investments:	(11,322)	(36,139)
– Intangible assets	(8,079)	(31,208)
– Group and associated companies	–	(3)
– Tangible fixed assets	(3,333)	(4,704)
– Other financial assets, group and associated companies	3	1,750
– Other assets	87	(1,974)
Sums received through divestments	675	1,193
– Group and associated companies	–	330
– Intangible assets	577	919
– Tangible fixed assets	98	(56)
Cash flows from investment activities	(10,647)	(34,946)

37 Cash flows from financing activities

	Thousands of euros	
	31/12/12	31/12/11
Sums received and paid through financial liability instruments:	(21,941)	35,474
– Issuance:		
– Debts with credit institutions	(21,465)	35,991
– Debts with Group and associated companies	(477)	(517)
Payments through dividends and returns on other asset instruments:	–	–
– Dividends		
Cash flows from financing activities	(21,941)	35,474

38 Contingent liabilities, contingent assets and commitments

Contingent liabilities as of 31/12/12

The Group's Directors are of the opinion that any liabilities not foreseen as of 31 December 2012 and which could be based on the guarantees presented, should these occur, would not be significant.

As of 31 December 2012, the Group had presented bonds to Public Bodies for approximately 51,077 thousands of euros. The distribution thereof by group Company is essentially as follows:

- Empark Aparcamientos y Servicios, had lodged bonds amounting to approximately 22,597 thousands of euros, essentially corresponding to those lodged with local councils granting concessions for the operation thereof, and the obligations derived from contracts for execution and sale of developments, and various appeals lodged as a result of disputes regarding municipal tax settlements.
- Dornier, S.A.U. had guarantees before third parties for an amount of 7,074 thousands of euros, which were mostly presented before municipal governments to guarantee the execution of the contracts won and various appeals brought for non-conformity with determined payments of municipal taxes.
- Estacionamientos Guipuzcoanos S.L.U. had lodged bonds amounting to approximately 1,549 thousands of euros, mainly in connection with a number of appeals lodged as a result of disagreement with municipal tax settlements, and bonds lodged with Local Councils awarding operational concessions.
- Femet, S.A. had presented guarantees before third parties in the sum of 34 thousands of euros, mainly involving city councils, and guaranteeing performance of the contract awarded.
- Aparcamientos de Bilbao, S.A. had presented a definitive guarantee in the sum of 860 thousands of euros, 513 thousands of euros of which correspond to the award of the concession to operate the car park on Plaza de Indautxu, and 347 thousands of euros the Azoka car park.
- Concha Parking, S.A. had in place a definitive guarantee in the sum of 3,690 thousands of euros, and another in the sum of 1,574 thousands of euros, and another in the sum of 2,460 thousands of euros, presented before the City Council of San Sebastian, based on the adjudication of the concession to operate the Plaza de Cervantes car park.

- Aparcamientos Guipuzcoanos, had definitive guarantees in place in the sum of 5,445 thousands of euros, presented before the City Council of San Sebastian based on the adjudication of the concession to operate the Plaza Cataluña parking.
- Guipúzcoa Parking Siglo XXI, S.A. had in place a definitive guarantee in the sum of 600 thousands of euros, presented before the City Council of San Sebastian for the award of the concession to operate the Okendo car park.
- Estacionamientos Alhóndiga, S.A. had definitive bonds amounting to 841 thousands of euros lodged with Bilbao Local Council for the award of the concession to operate this Company's car parks.
- Empark Portugal – Empreendimentos e Exploração de parqueamentos, S.A. had definitive guarantees in the sum of 1,953 thousands of euros, of which 584 thousands of euros were presented to the City Council of Faro,, 75 thousands of euros before the City Council of Beja, 100 thousands of euros before the City Council of Cascais, 125 thousands of euros before the City Council of Porto, 1,022 thousands of euros before Milli Reasurants T.A.S (Park Yonetimi Ve Sistemleri San. Ve Tic. A.S.)
- ESLI – Parques de Estacionamiento, S.A. had definitive bonds amounting to a sum of 1,183 thousands of euros, of which 200 thousands of euros are before the City Council of ED Porto, 152 thousands of euros before the Autoridade Tributaria Aduaneira, 134 thousands of euros before the City Council of Lisbon, 585 thousands of euros before the Municipal Chamber of Lisbon, 100 thousands of euros before Cascais City Council and 13 thousands of euros before the Municipal Chamber of Leira.

The main legal disputes in progress in 2012 were:

1.– Major Sum Proceedings brought by Obrascón Huarte Laín, S.A. against Ferrovial Aparcamientos, S.A. (now Empark Aparcamientos y Servicios, S.A.) – Vista Desarrollo, S.A., Caixa Penedés, CARIPLO and Bolsa de Madrid requesting that they cancel execution of the pledge of 850,614 shares in ESSA (now Empark Aparcamientos y Servicios, S.A.).

A judgement upholding the arguments of Empark Aparcamientos y Servicios, S.A. and the other respondents has been handed down, and this lawsuit must therefore be deemed to be concluded, following the Supreme Court judgment of 10 December 2008. As costs were awarded against the plaintiff, Empark has filed three Cost Calculation applications, claiming from Obrascón Huarte Laín, S.A. (OHL) for the payment of fees corresponding to Court Agents and Lawyers. The only one pending judgment is currently before the Supreme Court, amounting to a sum of 224 thousands of euros. To date the sum claimed has been confirmed by the Clerk of the Court, and the case is awaiting judgment.

On the other hand, Counsel Mr. Félix López Antón, who assumed the defence of Empark's interests in different instances of this proceeding, presented three proceedings for collecting legal fees against Empark claiming payment of fees incurred for the 1st instance, the Provincial High Court and the Supreme Court. The situation regarding these proceedings is as follows:

- First Instance: The fees have been established by the Court as a sum of 117 thousands of euros (plus VAT), from which must be deducted the sum 54 thousands of euros (plus VAT) already previously paid by Empark to the lawyer. The sum pending payment was therefore 63 thousands of euros (plus VAT), this sum having been lodged with the Court on 17 September 2010. The interest calculated at a sum of 3 thousands of euros has also been lodged. The costs of the claim proceedings must still be settled, valuation being pending.

The lawyer López Antón requested a record of various written submissions and rulings handed down in this appeal, possibly in order to file these with the corresponding court bodies in order to establish any legal action which the practice Despacho López Antón S.L.P. could bring against Empark Aparcamientos y Servicios, S.A., with these declarations being issued by means of a Regulation Order dated 10 October 2011.

- Provincial High Court: The fees accruing at the Provincial High Court were initially set by the court itself at the sum of 31 thousands of euros (including VAT), of which Empark had already previously paid 8 thousands of euros. The invoicing lawyer nonetheless petitioned for this ruling to be struck down, claiming that there was a clear error in application of the scale according to the Fee Standards of the Lawyers' Association of Madrid. This nullification was accepted by the High Court, with the fees ultimately being set at 47 thousands of euros (plus VAT), from which the sum of 8 thousands of euros must be deducted. In other words, 39 thousands of euros (plus VAT). The entire sum of the debt has now been lodged, and the VAT has been paid out of court, following presentation of the corresponding invoice. The costs in the proceedings have not been valued.

The lawyer López Antón requested a record of various written submissions and rulings handed down in this appeal, possibly in order to file these with the corresponding court bodies in order to establish any legal action which the practice Despacho López Antón S.L.P. could bring against Empark Aparcamientos y Servicios, S.A., with these declarations being issued by means of a Regulation Order dated 11 October 2011.

- Supreme Court: The fees were set by the Supreme Court at the sum of 43,640 euros (including VAT), from which a sum 10 thousands of euros already previously paid by Empark would need to be deducted. The sum pending payment (33 thousands of euros) has already been lodged by Empark. The invoicing lawyer petitioned for the proceedings to be declared null and void. This position was not accepted by the Supreme Court, with a further petition for clarification then being lodged. This was likewise rejected in a Ruling of 12 July 2011.

The practice Despacho López Antón Abogados SLP, as a result of the fees claimed for in the previous legal fee claims proceedings, has also lodged a lawsuit under ordinary court proceedings, claiming for: (i) the part not settled of the fees claimed for in the extraordinary procedural violation and cassation appeals (2901/2003), and which were not F-182e recognized in the legal fee payment claim proceedings, amounting to 137 thousands of euros, plus the corresponding VAT, and 15 euros of late-payment interest accruing, notwithstanding any which may subsequently accrue up until payment of the debt; (ii) the late-payment interest accruing and not F-182e recognized by the Provincial High Court of Madrid on the basis of the fees F-182e recognized in the legal fee claim proceedings, this sum amounting to 2 thousands of euros. Notice of the lawsuit was served on Empark on 28 December 2011, the response being submitted on 26 January 2012. The Preliminary Hearing was held on 4 June 2012, and the trial on 5 November 2012. P Judgment was handed down on 4 December 2012, rejecting the suit lodged by the legal practice López Antón Abogados, S.L.P., with costs awarded against it.

On 22 January 2013 the legal practice López Antón Abogados, S.L.P., lodged an appeal with the Provincial High Court of Madrid. Some days later we submitted our written challenge to the appeal. Pending judgment on appeal.

2.– Ordinary Proceedings 117/2011-6. Court of First Instance 5 of Santiago de Compostela.

The Sub-Association of Commercial Premises of the 'Area Central' Shopping Centre in Santiago and has filed a suit against Empark Aparcamientos y Servicios, S.A. claiming that it owes the Sub-Association the sum of 66 thousands of euros corresponding to monthly payments from January 2009 to June 2009, including both months, corresponding to the Sub-Association's Budgets, along with the legal interest accruing up to the present time (1 thousands of euros), and any accruing between the lawsuit being lodged and the judgement handed down.

Sum of the lawsuit: 67 thousands of euros

Status of the proceedings: A judgment was handed down, rejecting in full the claims of the plaintiff, and awarding costs against it on the basis of reckless litigation. The Sub-Association of Commercial Premises of the Area Central Shopping Centre in Santiago lodged an appeal, which was challenged by Empark on 5 March 2012. Pending judgment on appeal.

3.– Ordinary Court Proceedings 525/2011, brought before the Public Authority Litigation Court by the UTE Valls joint venture comprising Empark Aparcamientos y Servicios, S.A., and CESPA Compañía Española de Servicios Públicos Auxiliares, S.A.

A public authority litigation appeal was lodged by the joint venture against the Decree of the Mayor of Valls, ordering the joint venture to reinstate 2 workers who had been dismissed, and imposing a penalty fine of 24 thousands of euros. The case has been considered for judgment.

4.– Ordinary Trial Proceedings 166/2012, pursued before the Court of First Instance 22 of Valencia, and brought by Empark against the User Association of the Ruzafa car park.

Empark is claiming from the User Association payment of communal charges amounting to 90 thousands of euros.

The lawsuit was filed on 26 January 2012. The preliminary hearing was staged on 15 October 2012, and the trial was held on 30 January 2013.

A judgment was handed down on 20 February 2013, ordering the Assignee Association to make payment of the 90 thousands of euros, plus legal costs.

5.– Ordinary Proceedings pursued before the Court of First Instance of Madrid, brought by Empark against the Assignee Association of the Calle General Díaz Porlier Car Park.

A lawsuit was filed, claiming for a sum of 122 thousands of euros for payment of Municipal Property Tax, paid by Empark.

Status of the proceedings: lawsuit filed.

High probability of success.

6.– Ordinary Proceedings pursued before the Court of First Instance of Madrid, brought by Empark against the Assignee Association of the Plaza Santa Cruz Residents Car Park.

A lawsuit was filed, claiming for a sum of 16 thousands of euros for payment of Municipal Property Tax, paid by Empark.

Status of the proceedings: lawsuit filed.

High probability of success.

7.– Enforcement incident regarding judgment 36/2012, derived from the public authority litigation appeal 378/2007, pursued before Public Authority Litigation Court 2 of Vigo, and subsequent appeal 4129/2012, brought before the High Court of Justice of Galicia.

Parties: plaintiffs: SETEX APARKI, S.A. and ESTACIONAMIENTOS Y SERVICIOS, S.A. Respondent: Vigo Local Council. Co-respondent: DORNIER, S.A.

Object: a petition was filed for enforcement of the judgment handed down in appeal 4129/2012, under the terms of which, excluding the DORNIER offer, the resolution to award the public authority contract to manage the regulated on-street public car parking service in the city of the Vigo to DORNIER was declared null and void.

Status of the proceedings: a judgment was handed down on 2 October 2012, ruling that the enforcement incident be provisionally shelved, until continuation thereof was petitioned by the parties, following resolution by the Constitutional Court of the petition filed by DORNIER for suspension of enforcement in constitutional entitlement appeal 3959/2012.

8.– Constitutional entitlement appeal 3959/2012, brought before the Second Chamber of the Constitutional Court.

Parties: brought by DORNIER, S.A.

Object: petition for constitutional entitlement protection against the judgment handed down on 17 March 2011 in appeal 4129/2010, and against the ruling clarifying this judgment, dated 23 March 2012, on the basis of a violation of the constitutional principle of equality enshrined in Article 14 of the Spanish Constitution, and the fundamental right to effective legal protection under Article 24 of the Constitution.

Status of the proceedings: pending admission for processing.

9.– Ordinary Proceedings 518/2010, brought before Public Authority Litigation Court 1 of Zaragoza, by DORNIER, S.A., against the agreement awarding the Regulated Parking Service in Zaragoza.

Parties: plaintiff DORNIER. Respondent: Zaragoza City Council. Co-respondent: Vinci Park.

Status of the proceedings: a judgment was handed down in July 2012, rejecting the appeal lodged by DORNIER. In September 2012, DORNIER lodged an appeal before the High Court of Justice of Aragon.

Pending judgment on appeal.

10.– Ordinary Proceedings 53/2012, pursued before Public Authority Litigation Court 3 of Palma de Mallorca, brought by DORNIER against the cancellation of the award of the ORA on-street car park contract to DORNIER, and the award of the rectification procedure to EYSSA.

Parties: Plaintiff: DORNIER. Respondent: Ibiza Local Council. Co-respondent: Estacionamientos y Servicios S.A.

Status of the proceedings: DORNIER lodged a demand, which was responded to by the respondents.

11.– Ordinary Proceedings 243/2012, pursued before Public Authority Litigation Court 1 of Palma de Mallorca, brought by DORNIER, against the awarding of the ORA on-street car park contract to EYSSA.

Parties: Plaintiff: DORNIER. Respondent: Ibiza Local Council. Co-respondent: Estacionamientos y Servicios S.A.

Status of proceedings: DORNIER lodged a public authority litigation appeal, and filed a suit on 30 January 2013.

12.– Ordinary Proceedings 1982/2012, pursued before the Court of First Instance 2 of Almeria, bringing an undue collection claim against Piquer Hermanos, S.A.

Parties: plaintiff DORNIER. Respondent: Piquer Hermanos, S.A.

Status of the proceedings: lawsuit presented and admitted for processing. Lawsuit responded to. The Preliminary Hearing has been set for 17 September 2014.

13.– Ordinary Proceedings 31/2013, pursued before Public Authority of litigation Court 1 of Cuenca, claiming for unpaid tow-away service invoices.

Respondent: Cuenca City Council.

Status of the proceedings: public authority litigation appeal lodged, and petition for interim remedies filed on 22 January 2013. Admitted for processing.

14.– Ordinary Proceedings pursued before the Court of First Instance of Madrid, brought by DORNIER, S.A., against the User Association of the Rutilio Gacis Car Park, filing legal action to claim for a monetary sum.

Respondent, Rutilio Gacis Car Park User Association, the claim being for the fee for the years 2009 to 2012 paid by DORNIER, which should have been settled by the User Association.

Status of the proceedings: lawsuit filed.

15.– Ordinary Proceedings pursued before the Court of First Instance of Madrid, brought by DORNIER, S.A., against the San Antonio de la Florida Garage User Association.

Respondent, San Antonio de la Florida Garage User Association, the claim being for the fee for the years 2009 to 2012 paid by DORNIER, which should have been settled by the User Association.

Status of the proceedings: lawsuit filed.

16.– Ordinary Proceedings 46/2010, filed before Public Authority Litigation Court 3 of Madrid, by Rogelio Rodríguez Ordás against the City Council of Madrid and Estacionamientos Guipuzcoanos, S.L. The purpose of this appeal is to claim personal liability against the City Council of Madrid and against the parking concession of Calle Sevilla.

Judgment handed down on 26 April 2012, rejecting the public authority litigation appeal.

An appeal was lodged with the High Court of Justice of Madrid, with 13 March 2013 having been designated for a decision and judgment.

17.– Ordinary Proceedings 1753/2010 regarding termination of contract and claim for rent filed by Estacionamientos Guipuzcoanos, S.L. against Mr Rogelio Rodríguez Ordás regarding the rent for business premises 3 on the upper floor of the Calle Sevilla car park in Madrid. The petition in these proceedings is termination of the lease agreement dated 1 November 1969, subrogated by the respondent, and a claim for payment of 87 thousands of euros plus any rent accruing up until the date when the premises are actually handed over.

On 16 July 2012 the trial was staged, the judgment being handed down 3 December 2013, upholding the lawsuit in full and ordering Mr Rogelio Rodríguez Ordás to make payment of 69 thousands of euros, plus the rent pending from May 2009 up to the present, at a rate of 1 thousands of euros. He was also ordered to vacate the premises, and ordered to pay costs. Pending enforcement of the judgment.

Contingent liabilities as of 31/12/11

The Group's Directors are of the opinion that any liabilities not foreseen as of 31 December 2011 and which could be based on the guarantees presented, should these occur, would not be significant.

As of 31 December 2011, the Group presented guarantees before Public Organisations for approximately 52,711 thousands of euros. The distribution thereof by group Company is essentially as follows:

- Empark Aparcamientos y Servicios, S.A. has lodged bonds amounting to approximately 22,665 thousands of euros, essentially corresponding to those lodged with local councils granting concessions for the operation thereof, and the obligations derived from contracts for execution and sale of developments, and various appeals lodged as a result of disputes regarding municipal tax settlements.
- Dornier, S.A.U. had lodged bonds with third parties amounting to 6,778 thousands of euros, mainly lodged with local councils to guarantee execution of the contracts awarded and various appeals lodged against certain settlement calculations of municipal taxes.
- Estacionamientos Guipuzcoanos S.L.U. had lodged bonds of approximately 1,552 thousands of euros, mainly involved in various appeals lodged against municipal tax settlement calculations, and those lodged with local councils which have awarded the corresponding operational concessions.
- Femet, S.A. had lodged bonds with third parties amounting to 36 thousands of euros, mainly lodged with local councils to guarantee execution of the contracts awarded.
- Aparcamientos de Bilbao, S.A. had definitive bonds granted by 860 thousands of euros, of which 513 thousands of euros correspond to the award of the concession to operate the car park in Plaza de Indautxu and 347 thousands of euros for the Azoka car park.
- Concha Parking, S.A. had a definitive bond amounting to 3,690 thousands of euros, another for 1,574 thousands of euros and another for 2460 lodged with San Sebastian Local Council for the award of the concession to operate the Plaza de Cervantes car park.
- Aparcamientos Guipuzcoanos, had definitive bonds amounting to 5,445 thousands of euros lodged with San Sebastian Local Council for the award of the concession to operate the Plaza de Cataluña car park.
- Guipúzcoa Parking Siglo XXI, S.A. had a definitive Bond amounting to 692 thousands of euros lodged with San Sebastian Local Council for the award of the concession to operate the Okendo car park.

- Estacionamientos Alhóndiga, S.A. had a definitive bonds amounting to 935 thousands of euros lodged with Bilbao Local Council for the award of the concession to operate this Company's car parks.
- Empark Portugal – Empreendimentos e Exploração de parqueamentos, S.A. had definitive bonds amounting to 3,389 thousands of euros, of which 584 thousands of euros are lodged with the Municipal Chamber of Faro, 288 thousands of euros with the Municipal Chamber of Lisbon, 75 thousands of euros with the Municipal Chamber of Beja, 100 thousands of euros with the Municipal Chamber of Cascais, 125 thousands of euros with the Municipal Chamber of Porto, 1,100 thousands of euros for the ANA contract, 1,022 thousands of euros with Milli Reasurants T.A.S (Park Yonetimi Ve Sistemleri San. Ve Tic. A.S.).
- ESLI – Parques de Estacionamiento, S.A. had definitive bonds amounting to a sum of 1,355 thousands of euros, of which 575 thousands of euros are: 172 thousands of euros with Repart. Finanças 4 Bº Fiscal Lisboa, 200 thousands of euros with the Municipal Chamber of Porto, 152 thousands of euros with the Direção General do Impostor, 134 thousands of euros with Lisbon City Council and 586 thousands of euros with the Municipal Chamber of Lisbon.

The main legal disputes in progress in 2011 were:

1. – Major Sum Proceedings brought by Huarte, S.A. against Ferrovial Aparcamientos, S.A. (now Empark Aparcamientos y Servicios, S.A.) – Vista Desarrollo, S.A., Caixa Penedés, CARIPLO and Bolsa de Madrid requesting that they cancel execution of the pledge of 850,614 shares in ESSA (now Empark Aparcamientos y Servicios, S.A.).

A judgement upholding the arguments of Empark Aparcamientos y Servicios, S.A. and the other respondents has been handed down, and this lawsuit must therefore be deemed to be concluded, following the Supreme Court judgment of 10 December 2008. As costs were awarded against the plaintiff, Empark has filed three Cost Calculation applications, one at each instance, claiming from Obrascón Huarte Lain, S.A. (OHL) for the payment of fees corresponding to Court Agents and Lawyers. The costs claimed are at First Instance: 145 thousands of euros. A Decree has been issued by the Clerk assessing the costs. This is within the voluntary payment period. The proceedings have been concluded before the Provincial High Court, the costs claimed being 30 thousands of euros (lawyer's fees), which have already been paid by OHL (see note 34), and 3 thousands of euros (court agent's fees), which are pending payment. The costs claimed before the Supreme Court are 224 thousands of euros, which have been confirmed by the Clerk of the Court, and the case is pending judgment.

In the Provincial High Court the petition lodged by Empark Aparcamientos y Servicios, S.A. was upheld, acknowledging its entitlement to receive a total of 33 thousands of euros.

On the other hand, Counsel Mr. Félix López Antón, who assumed the defence of Empark's interests in different instances of this proceeding, presented three proceedings for collecting legal fees against Empark claiming payment of fees incurred for the 1st instance, the Provincial High Court and the Supreme Court. The situation regarding these proceedings is as follows:

- First Instance: The fees have been established by the Court as a sum of 117 thousands of euros (plus VAT), from which must be deducted the sum 54 thousands of euros (plus VAT) already previously paid by Empark to the lawyer. The sum pending payment was therefore 63 thousands of euros (plus VAT), this sum having been lodged with the Court on 17 September 2010. The interest settled has also been deposited to the sum of 3 thousands of euros. The costs of the claim proceedings must still be settled, valuation being pending.

The lawyer López Antón requested a record of various written submissions and rulings handed down in this appeal, possibly in order to file these with the corresponding court bodies in order to establish any legal action which the practice Despacho López Antón S.L.P. could bring against Empark Aparcamientos y Servicios, S.A., with these declarations being issued by means of a Regulation Order dated 10 October 2011.

- Provincial High Court: The fees accrued before the Provincial High Court were initially established by said court at a figure of 30 thousands of euros (including VAT), of which Empark had already previously paid 7 thousands of euros. The invoicing lawyer nonetheless petitioned for this ruling to be struck down, claiming that there was a clear error in application of the scale according to the Fee Standards of the Lawyers' Association of Madrid. This decision to strike down was accepted by the High Court, the fees ultimately being settled at a figure of 47 thousands of euros (plus VAT) from which someone would have to subtract 8 thousands of euros. In other words, 40 thousands of euros (plus VAT). The entire sum of the debt has now been lodged, and the VAT has been paid out of court, following presentation of the corresponding invoice. The costs in the proceedings have not been valued.

The lawyer López Antón requested a record of various written submissions and rulings handed down in this appeal, possibly in order to file these with the corresponding court bodies in order to establish any legal action which the practice Despacho López Antón S.L.P. could bring against Empark Aparcamientos y Servicios, S.A., with these declarations being issued by means of a Regulation Order dated 11 October 2011.

- Supreme Court: The fees were set by the Supreme Court at the sum of 44 thousands of euros (including VAT), from which a sum 10,400 euros already previously paid by Empark would need to be deducted. The sum pending payment (33 thousands of euros) has already been lodged by Empark. The invoicing lawyer petitioned for the proceedings to be declared null and void. This position was not accepted by the Supreme Court, with a further petition for clarification then being lodged. This was likewise rejected in a Ruling of 12 July 2011.

The practice Despacho López Antón Abogados SLP, as a result of the fees claimed for in the previous legal fee claims proceedings, has also lodged a lawsuit under ordinary court proceedings, claiming for: (i) that part of the fees claimed and not settled in the extraordinary procedural violation and cassation appeals 2901/2003, and not F-186 recognized in the accounts board examination, amounting to 137 thousands of euros, plus the corresponding VAT, and 15,499.84 euros as claim proceedings interest accruing, notwithstanding any which may continue to accrue up until payment of the debt; (ii) claim proceedings interest accruing and not F-186 recognized by the Provincial High Court of Madrid, based on fees F-186 recognized in the accounts board examination, this sum amounting to 2 thousands of euros. Notice of the lawsuit was served on Empark on 28 December 2011, the response being submitted on 26 January 2012. The Preliminary Hearing has been scheduled for 4 June 2012 at 11:45 h.

The outcome of the proceedings will substantially depend on the ruling reached in the cost evaluation procedure by the Supreme Court, in which costs have been challenged by their OHL. We would therefore classify this risk as moderate.

2.– Ordinary Proceedings 1041/2009, lodged before the Court of First Instance 5 of Santander by the UTE POMBO joint venture, comprising CONSTRUCTORA OBRAS PÚBLICAS SAN EMETERIO, S.A. AND EXCAVACIONES SAIZ, S.A., against EMPARK APARCAMIENTOS Y SERVICIOS, S.A.

The purpose of the lawsuit is a claim for greater construction costs. The Judgment, upholding the lawsuit issued on 17 May 2010, ordered us to make payment of 490 thousands of euros, and has now been appealed before the Provincial High Court. Nonetheless, the sum in question has already been paid to the UTE POMBO joint-venture.

3.– Ordinary Proceeding 370/2010 filed before Public Authority Litigation Court 3 of Pontevedra, brought by the Socialist Party, which challenges the contacting procedure relative to the construction for an underground parking at Plaza España.

We have been served notice of the lawsuit, and submitted our response in due time. The period for examination of evidence has now concluded.

4.– Ordinary Proceedings 117/2011-6. Court of First Instance 5 of Santiago de Compostela.

The Sub-Association of Commercial Premises of the 'Area Central' Shopping Centre in Santiago and has filed a suit against Empark Aparcamientos y Servicios, S.A. claiming that it owes the Sub-Association the sum of 66 thousands of euros corresponding to monthly payments from January 2009 to June 2009, including both months, corresponding to the Sub-Association's Budgets, along with the legal interest accruing up to the present time (1 thousands of euros), and any accruing between the lawsuit being lodged and the judgement handed down.

Sum of the lawsuit: 67 thousands of euros.

Status of the proceedings: A judgment was handed down, rejecting in full the claims of the plaintiff, and awarding costs against it on the basis of reckless litigation. This judgement can be appealed before the Provincial High Court.

5.– Ordinary Court Proceedings 525/2011, brought before the Public Authority Litigation Court by the UTE Valls joint venture comprising Empark Aparcamientos y Servicios, S.A., and CESPA Compañía Española de Servicios Públicos Auxiliares, S.A.

A public authority litigation appeal was lodged by the joint venture against the Decree of the Mayor of Valls, ordering the joint venture to reinstate 2 workers who had been dismissed, and imposing a penalty fine of 24 thousands of euros. Empark has filed a lawsuit.

The sum is 24 thousands of euros.

6.– Public Authority Litigation Appeal 378/2007, lodged before the Public Authority Litigation Court 2 of Vigo, joindered as 472/2007.

Parties: plaintiffs: SETEX APARKI, S.A. and ESTACIONAMIENTOS Y SERVICIOS, S.A. Respondent: Vigo Local Council. Co-respondent: DORNIER, S.A.

Amount: undefined.

Object: the award made by Vigo Local Council to Dornier, S.A. for the official contract to administer the public regulated on-street parking service in the city of Vigo has been appealed.

Status of the proceedings: judgement handed down finding the arguments of the plaintiffs to be without merit. ESTACIONAMIENTOS Y SERVICIOS, S.A. lodged an appeal, and Dornier, S.A. on 16 February 2010 submitted its challenge to the appeal. On 6 June 2011 notice was served that a judgement had been handed down in the appeal, upholding the appeal lodged by the appellant and striking down the agreed public authority contract award to administer the public regulated on-street parking service in the city of Vigo, awarded to DORNIER. A request for a clarification of the judgement has been presented and this is pending execution.

7.– Ordinary Court Proceedings 265/2010, brought before Public Authority Litigation Court 1 of Ciudad Real, by Estacionamientos y Servicios, S.A., against the agreement awarding the regulated public on-street parking contract to Dornier, S.A.

The appeal involves an unspecified sum. Following conclusion of the evidence examination phase, conclusions have been submitted by all parties involved, with the case now having been referred for judgement.

8.– Ordinary Court Proceedings 164/2010, brought before Public Authority Litigation Court 3 of Palma de Majorca, by SERVICLEOP, S.L., against the agreement awarding the tow-away truck service in Palma de Majorca.

The appeal involves an unspecified sum, and is currently at the evidence examination stage. The object of the appeal is to declare null and void the award and retroactive actions at the point at which the appellant was excluded. This is at the conclusions stage.

9.– Ordinary Court Proceedings 518/2010, brought before Public Authority Litigation Court 1 of Zaragoza, by Dornier, S.A., against the agreement awarding the Regulated Parking Service in Zaragoza.

The appeal involves an unspecified sum. A lawsuit has been presented, the Local Council has responded, and a response from the co-respondent is pending. This is at the evidence presentation stage.

10.– Ordinary Court Proceedings 373/2011 brought before Public Authority Litigation Court 1 of Bilbao, by Ms Amaya Fernández Angulo, Ms Zoe Iratxe Nubla Durango, Mr Manuel José Arribas Casas and Mr José Manuel de Orbe Santorcuator against the Set of Administrative Conditions for the public authority contract for the administration of car park metering services and towing, depositing and clamping of vehicles in the municipal Borough of Barakaldo.

Parties: plaintiffs: Ms Amaya Fernández Angulo, Ms Zoe Iratxe Nubla Durango, Mr Manuel José Arribas Casas and Mr José Manuel de Orbe Santorcuator. Respondent: Barakaldo Local Council. Co-respondent: Dornier, S.A.

Amount: Impossible to quantify until the suit has been seen.

Object: the appeal has been lodged against the Set of Administrative Conditions for the public authority contract for the administration of car park metering services and towing, depositing and clamping of vehicles in the municipal Borough of Barakaldo, awarded to DORNIER, S.A.

Status of the proceedings: On 6 February 2012 it was ruled that the proceedings be shelved, as the plaintiff had served notice that it did not intend to file a suit.

11.– Ordinary Court Proceedings 753/2011, brought before Public Authority Litigation Court 1 of Almeria, by Estacionamientos y Servicios, S.A., against the decision to award the public on-street parking regulation and tow-away truck contract for the city of Almeria to Dornier, S.A.

The appellant has lodged an appeal. As this lawsuit is not available, the probability that the claim will prosper cannot be calculated.

The sum is likely to be unspecified, although this cannot be confirmed at the moment.

12.– Ordinary Appeal 590/2011, lodged before the Public Authority Litigation Court 1 of Cuenca. Public authority litigation appeal lodged by Dornier, S.A., against the decision to award the on-street public parking regulation contract concession for the city of Cuenca to Estacionamientos y Servicios S.A.

An appeal has been lodged, and is awaiting formal acceptance by the Clerk of the Court. The sum involved in the proceedings is undefined. Pending presentation of lawsuit.

13.– Ordinary Proceedings 46/2010, filed before Public Authority Litigation Court 3 of Madrid, by Rogelio Rodríguez Ordás against the City Council of Madrid and Estacionamientos Guipuzcoanos, S.L. The purpose of this appeal is to claim personal liability against the City Council of Madrid and against the parking concession of Calle Sevilla. The sum claimed amounts to 1,130 thousands of euros.

Madrid City Council and Estacionamientos Guipuzcoanos, S.L., have both lodged their written submissions in response to the lawsuit. Evidence has been examined and the case is now at the conclusions stage.

14.– Ordinary Proceedings 1753/2010 regarding termination of contract and claim for rent filed by Estacionamientos Guipuzcoanos, S.L. against Mr Rogelio Rodríguez Ordás regarding the rent for business premises 3 on the upper floor of the Calle Sevilla car park in Madrid. The petition in these proceedings is termination of the lease agreement dated 1 November 1969, subrogated by the respondent, and a claim for payment of 87,370.43 euros plus any rent accruing up until the date when the premises are actually handed over.

The substantive terms of these proceedings are being examined by the Court of First Instance 16 of Madrid. The Court initially began to process the case as verbal eviction proceedings based on non-payment, under the same case number, despite the fact that the petition was lodged for ordinary court proceedings, given the existence of complex

matters which suggested that ordinary proceedings would be more advisable in order to offer the respondent greater guarantees. The hearing was scheduled for 4 April at 2 p.m. On the date scheduled for the hearing, the Judge decided that the proceedings should indeed be processed as ordinary proceedings, rather than a verbal hearing, specifically because of the complexity of the issues raised. On 6 June 2011 a Regulatory Order was served for 26 May 2011, indicating that the response to the lawsuit had been presented in due time and form, and scheduling the prior hearing for 23 January 2012 at 12:30h. On the day of the preliminary hearing, this was suspended as the other party had not been notified. The hearing was rescheduled for 13 March at 9.40 a.m.

15.– Expropriation proceedings:

Since the year 2007 the company Balsol 2001, S.A. has been affected by the works to construct the AVE high-speed train platform in Girona, at the Plaça Marquina car park for which it holds the concession.

In September 2009 the company submitted a written calculation estimating the damages caused by temporary occupation, amounting to 286 thousands of euros.

In June 2010 the public authorities responded to this written calculation, claiming that the fair price in the case would be a sum of 32 thousands of euros.

In September/October 2010 the company projected this public authority valuation, and petitioned for payment to it of the concurrent sum. The aforementioned sum of 32 thousands of euros was collected in September 2011.

The case has been before the Provincial Expropriation Board of Girona since December 2010, pending resolution.

39 Joint Ventures (TJVs)

The sums set out below represent the % stake held by the Group in the assets and liabilities and sales and results of each TJV. These sums have been included in the Consolidated Financial Statement and consolidated Income Statement:

	Thousands of euros	
	31/12/12	
	Torrellobeta	Valls
Assets	127	3,791
Non-current assets.....	–	3,164
Current assets.....	127	627
Liabilities	127	3,791
Non-current liabilities.....	2	188
Current liabilities.....	125	3,603
Revenue.....	–	1,417
Expenses.....	–	(1,417)
Profit after taxes	–	–
Stake held proportionally in undertakings of the JV	80%	47%

During 2012 the UTE Jado and UTE Aparcamientos joint ventures were wound up

	Thousands of euros			
	31/12/11			
	Torrellobeta	Aparcamientos	Jado	Valls
Assets				
Non-current assets	–	–	–	3,479
Current assets	102	196	169	671
	102	196	169	4,150
Liabilities				
Non-current liabilities	–	–	–	194
Current liabilities	100	12	573	3,956
	100	12	573	4,150
Revenue	–	2	–	1,435
Expenses	–	(1)	–	(1,435)
Profit after taxes	–	1	–	–
Stake held proportionally in undertakings of the JV	80%	25%	50%	47%

The UTE Tenerife joint venture was dissolved during 2011.

40 Environmental commitments

Environmental activities are understood as covering any operation the main purpose of which is to prevent, reduce or repair damage to the environment.

The investments derived from environmental activities are valued at the acquisition cost and are activated as greater fixed asset expenses in the financial year in which they are incurred, following the criteria described in note 2 regarding applicable accounting standards.

Costs derived from the protection and improvement of the environment are attributed to the results for the financial year in which they are incurred, irrespective of the point when the monetary or financial flow derived therefrom occurs.

The provisions relative to probable or certain responsibilities, legal proceedings in process and for compensation and pending obligations of an undetermined amount, of an environmental nature not covered by contracted insurance policies, are made when the liability or the obligation establishing the compensation becomes effective.

41 Remunerations of the Board of Directors

2012

a) Remuneration paid to Directors.

During financial year 2012, the remuneration paid to members of the Board of Directors amounted to 3,267 thousands of euros

b) Advance payments and credits to members of the Board of Directors.

As of 31 December 2012 the Directors did not have any advance or credit balances in place with the Company.

c) Remuneration of and loans to senior management personnel.

Personnel attending Board of Director meetings are considered senior management. Remuneration of executive personnel amounts to 3,267 thousands of euros in 2012

d) Holdings and positions of members of the Board of Directors in other comparable companies.

Article 229.2 of legislative Royal Decree 1/2010, dated 2 July, which approves the revised text of the Capital Corporations Act to increase the transparency of listed companies, for them as well as for the tied parties to which 231 refers, the direct or indirect stake they may hold in another company with a similar or complementary activity as that of the company's corporate purpose, as well as the positions or duties carried out on their own or for another company, similar or complementary in nature to the activity constituted by the corporate object.

2011

b) Remuneration paid to Directors.

During the 2011 financial year the remuneration of the members of the Board of Directors amounted to 1,354 thousands of euros.

b) Advance payments and credits to members of the Board of Directors.

As of 31 December 2011 the Directors had balances in place with the Company amounting to 84 thousands of euros by way of advances and credits.

c) Remuneration of and loans to senior management personnel.

Personnel attending Board of Director meetings are considered senior management. Remuneration of executive personnel amounted to 1,354 thousands of euros in 2011

d) Holdings and positions of members of the Board of Directors in other comparable companies.

Article 229.2 of legislative Royal Decree 1/2010, dated 2 July, which approves the revised text of the Capital Corporations Act to increase the transparency of listed companies, for them as well as for the tied parties to which 231 refers, the direct or indirect stake they may hold in another company with a similar or complementary activity as that of the company's corporate purpose, as well as the positions or duties carried out on their own or for another company, similar or complementary in nature to the activity constituted by the corporate object

42 Holdings of members of the board of directors in companies with the same, comparable or complementary activity as that of Empark Aparcamientos y Servicios, S.A., positions of functions.

	Company in which the stake is held	Position
José Augusto Tavares da Silva	EMPARK APARCAMIENTOS Y SERVICIOS, S.A.	Chairman
	DORNIER, S.A.U.	Chairman
	EMPARK PORTUGAL – EMPREENDIMENTOS E EXPLORAÇÃO DE PARQUEAMENTOS, S.A.	Chairman
	ESLI – PARQUES DE ESTACIONAMENTO, S.A.	Director
Pedro Maria Póvoas Mendes Leal	EMPARK APARCAMIENTOS Y SERVICIOS, S.A.	Vice-Chairman Chairman of the Executive commission
	DORNIER, S.A.U.	Vice-Chairman
	APARCAMENT ESCALDES CENTRE, S.A.	Chairman
	EMPARK UK LIMITED	Chairman
	ESTACIONAMIENTOS GUIPUZCOANOS, S.L.	Chairman
	EMPARK PORTUGAL – EMPREENDIMENTOS E EXPLORAÇÃO DE PARQUEAMENTOS, S.A.	Director
		Chairman of the Executive commission
	SERPARQUE – SERVIÇOS DE ESTACIONAMENTO, S.A.	Chairman
	GISPARQUES – PLANEAMENTO E GESTÃO DE ESTACIONAMENTO, S.A.	Chairman
	ESLI – PARQUES DE ESTACIONAMENTO, S.A.	Chairman
	MR CLEAN, LAVAGEM DE VEÍCULOS, S.A.	Chairman
	EMPARK APARCAMIENTOS EXTREMADURA, S.L.	Chairman
	CASTIL – PARQUE, SOCIEDADE EXPLORADORA DE PARQUES DE ESTACIONAMENTO, S.A.	Director
	STREET PARK ACE	Director
	SEGEMPARK, S.A.	Chairman
	PARQUEGIL – PLANEAMENTO E GESTÃO DE ESTACIONAMENTO, S.A.	Chairman
	PARQ A – PARQUES DE ESTACIONAMENTO DA AMADORA, S.A.	Director
	S.P. GIS – PLANEAMENTO E GESTÃO DE ESTACIONAMENTO, S.A.	Chairman
	PARK YÖNETİMİ VE SİSTEMLERİ SAN. VE TIC. A.Ş.	Director
	PARQUES DA ESTAÇÃO – EMPREENDIMENTOS E EXPLORAÇÃO DE ESTACIONAMENTO, S.A.	Chairman
	MULTI 49—SOCIEDADE IMOBILIÁRIA, S.A.	Chairman
	GISPARQUES II- PLANEAMENTO E GESTÃO DE ESTACIONAMENTO, S.A.	Chairman

	Company in which the stake is held	Position
Domingos António Cidade Pereira de Moura	EMPARK APARCAMIENTOS Y SERVICIOS, S.A.	Director
		Vice-Chairman of the Executive Commission
	DORNIER, S.A.U.	Director
	APARCAMENT ESCALDES CENTRE, S.A.	Director
	EMPARK UK LIMITED	Director
	ESTACIONAMIENTOS GUIPUZCOANOS, S.L.	Director
	FEMET, S.A.	Director
	EMPARK PORTUGAL – EMPREENDIMENTOS E EXPLORAÇÃO DE PARQUEAMENTOS, S.A.	Director
		Vice-Chairman of the Executive Commission
	SERPARQUE – SERVIÇOS DE ESTACIONAMENTO, S.A.	Director
	GISPARQUES – PLANEAMENTO E GESTÃO DE ESTACIONAMENTO, S.A.	Director
	GUIPUZCOA PARKING SIGLO XXI, S.A.	Director
	ESLI – PARQUES DE ESTACIONAMENTO, S.A.	Director
	GISPARQUES II- PLANEAMENTO E GESTÃO DE ESTACIONAMENTO, S.A.	Director
	S.P. GIS – PLANEAMENTO E GESTÃO DE ESTACIONAMENTO, S.A.	Director
	PARK YÖNETIMI VE SİSTEMLERİ SAN. VE TİC. A.Ş.	Vice-Chairman Chairman of the Executive commission
	PARQUES DO TAMARIZ – SOCIEDADE DE EXPLORAÇÃO DE ESTACIONAMENTO, S.A.	Director
	MULTI 49 – SOCIEDADE IMOBILIÁRIA, S.A.	Director
	PARQUEGIL – PLANEAMENTO E GESTÃO DE ESTACIONAMENTO, S.A.	Director
	Mr. CLEAN, LAVAGEM DE VEÍCULOS, S.A.	Director
	APARCAMIENTOS GUIPUZCOANOS, S.L.	Director
	CONCHA PARKING, S.A.	Director
	CASTIL- PARQUE, SOCIEDADE EXPLORADORA DE PARQUES DE ESTACIONAMENTO, S.A.	Chairman
Francisco Gomes de Carvalho Martins	PEVR PARQUES DE ESTACIONAMENTO DE VILA REAL, S.A.	Director
	KATIBIN OPTOPARK ISLETMELERİ TİC. VESAN, A.Ş.	Vice-Chairman
	STREET PARK ACE SEGEMPARK, S.A.	Chairman Director
Francisco Ravara Cary	EMPARK APARCAMIENTOS Y SERVICIOS, S.A.	Director
	DORNIER, S.A.U.	Director
	EMPARK PORTUGAL – EMPREENDIMENTOS E EXPLORAÇÃO DE PARQUEAMENTOS, S.A.	Director
Joana Guimarães Serôdio Ricciardi	EMPARK APARCAMIENTOS Y SERVICIOS, S.A.	Director
	EMPARK PORTUGAL – EMPREENDIMENTOS E EXPLORAÇÃO DE PARQUEAMENTOS, S.A.	Director
	DORNIER, S.A.U.	Director
Tiago de Brito Ribeiro Alves Caseiro	EMPARK APARCAMIENTOS Y SERVICIOS, S.A.	Director
	EMPARK PORTUGAL - EMPREENDIMENTOS E EXPLORAÇÃO DE PARQUEAMENTOS, S.A.	Director
	DORNIER, S.A.U.	Director
Manuel Ravara Caldeira Castel- Branco Cary	EMPARK APARCAMIENTOS Y SERVICIOS, S.A.	Director
	DORNIER, S.A.U.	Director
	EMPARK PORTUGAL - EMPREENDIMENTOS E EXPLORAÇÃO DE PARQUEAMENTOS, S.A.	Director

	Company in which the stake is held	Position
MELDON INVERSIONES 2008, S.L.U.	EMPARK APARCAMIENTOS Y SERVICIOS, S.A.	Director
	DORNIER, S.A.U.	Director
Ms. Blanca Rivilla, in her capacity as legal representative of MELDON INVERSIONES 2008, S.L.U.	EMPARK PORTUGAL – EMPREENDIMENTOS E EXPLORAÇÃO DE PARQUEAMENTOS, S.A.	Director
	EMPARK UK LIMITED	Director
	APARCAMENT ESCALDES CENTRE, S.A.	Director
	ESTACIONAMIENTOS GUIPUZCOANOS, S.L.	Director
ASSIP CONSULTORIA E SERVIÇOS, S.A.	EMPARK APARCAMIENTOS Y SERVICIOS, S.A.	Director
Mr. Pedro Luis Silva Manso Pires, in his capacity as natural person representative.		
Director	Company in which the stake is held	Position
Francisco Javier Mateos	EMPARK APARCAMIENTOS Y SERVICIOS, S.A.	Director-Member of the Executive Commission
Jiménez	ESTACIONAMIENTOS GUIPUZCOANOS, S.L.	Director
	APARCAMIENTOS DE BILBAO, S.A, BILBAO CITY COUNCIL CONCESSION-HOLDER	Chairman
	BALSOL 2001, S.A.	Chairman
	APARCAMIENTOS GUIPUZCOANOS, S.L.	Director
	CONCHA PARKING, S.A.	Director
	ESTACIONAMIENTOS ALHÓNDIGA, S.A. BILBAO CITY COUNCIL CONCESSION-HOLDER	Director
	FEMET, S.A.	Chairman
	ESTACIONAMIENTOS URBANOS DE LEÓN, S.A.	Vice-Chairman
	GUADIANAPARK, S.A.	Director
	GUIPÚZCOA PARKING SIGLO XXI, S.A.	Director
	SOCIEDAD MUNICIPAL DE APARCAMIENTOS Y SERVICIOS, S.A.	Director
	EMPARK APARCAMIENTOS ANDALUCÍA, S.L.U.	Chairman
	EMPARK UK LIMITED	Director
	APARCAMENT ESCALDES CENTRE, S.A.	Director
	GISPARQUES – PLANEAMIENTO E GESTAO DE ESTACIONAMENTO, S.A.	Director
	ESLI – PARQUES DE ESTACIONAMENTO, S.A.	Director
	S.P. GIS – PLANEAMIENTO E GESTAO DE ESTACIONAMENTO, S.A.	Director
	SERPARQUE – SERVIÇOS DE ESTACIONAMENTO, S.A.	Director
	EMPARK APARCAMIENTOS EXTREMADURA, S.L.U.	Director
	DORNIER, S.A.	Director
Gonzalo Gómez Navarro	EMPARK APARCAMIENTOS Y SERVICIOS, S.A.	Director Member of Executive Committee
		Managing Director, Finance
	APARCAMENT ESCALDES CENTRE, S.A.	Director
	EMPARK UK LIMITED	Director
	DORNIER, S.A.	Director
	ESTACIONAMIENTOS GUIPUZCOANOS, S.L.	Director
	EMPARK PORTUGAL – EMPREENDIMENTOS E EXPLORAÇÃO DE PARQUEAMENTOS, S.A.	Director
	SERPARQUE – SERVIÇOS DE ESTACIONAMENTO, S.A.	Director
	GISPARQUES – PLANEAMIENTO E GESTAO DE ESTACIONAMENTO, S.A.	Director
	ESLI – PARQUES DE ESTACIONAMENTO, S.A.	Director
	S.P. GIS – PLANEAMIENTO E GESTAO DE ESTACIONAMENTO, S.A.	Director

43 Auditor fees

The fees regarding accounts auditing services and other services provided to the various companies which make up the Empark Aparcamientos y Servicios, S.A. Group connected with auditing by the main auditor, along with other entities related thereto during the 2012 and 2011 financial years, amounted to 168 and 149 thousands of euros, respectively.

Meanwhile, the main auditor and other entities related thereto provided other professional services to the various companies of the Group amounting to 3 thousands of euros in the 2011 financial year. No services were provided in 2012.

44. Events subsequent to the close-of-year

From the date of close up until the date of presentation of these annual accounts, no events subsequent to the closure occurred, which could affect these annual accounts, except.

EMPARK Aparcamientos y Servicios, S.A. and Subsidiaries

Report for 2012 financial year

Management report

Group Shareholding Structure

The make-up of the shareholdings in Empark Aparcamientos y Servicios S.A. as of 31/12/2012 is as follows:

EMPARK,S.A. Shareholders	31/12/12	
	shares	%
ASSIP Consultoria e Servicos S.A.	5,712,117	50.34%
Es Concessions International Holding, BV	2,520,677	22.21%
Ahorro Corporación Infraestructuras, F.C.R. of Simplified Tax Regime	810,341	7.14%
Ahorro Corporación Infraestructuras 2, S.C.R.	127,656	1.13%
Espirito Santo Infrastructure Fund-I_ Fundo de Capital Risco	937,997	8.27%
Transport Infrastructure Holding Company, B.V.	937,997	8.27%
Mellopark - Sociedade Gestora de Participações Sociais, S.A.	293,316	2.58%
Minority	7,042	0.06%
Total	11,347,143	100.00%

Economic activity for the financial year

Over the course of the 2012 financial year, the Company engaged in its business within an economic context complicated as a result of the worldwide financial and economic crisis. This crisis has caused an important decrease in economic and financial activity, which has also been noticed in Spain and Portugal, which are the group's main markets.

In spite of this crisis, the performance of the Empark Group has been very positive, showing a great resistance and an excellent management capacity, which has enabled the group to obtain a recurring EBITDA in 2012 EBITDA of 64,238 thousands of euros.

The group leads the Spanish and car parking Portuguese markets and since 1968, is has been involved in the construction, management and operation of underground as well as on-street parking.

It has succeeded in performing all the activities needed to provide optimal integrated vehicle management services in any environment. Proof of this is the fact that the Group and its subsidiaries manage more than 382,700 parking spaces in Spain, Portugal, Andorra, United Kingdom and Turkey.

Its presence in the industry includes all lines of business:

a) Off-street parking

The Group designs, builds and operates all manner of off-street parking within any context and employing any formula.

Car parks in city centres, in the vicinity of hospitals, , airports, bus or train stations, park-and-ride operations and car parks in national parks are some of the parking solutions in which the Group has proven experience throughout every region of Spain and Portugal.

b) On-Street parking

The Group, through its subsidiaries, one of Europe's most experienced companies in this type of service, and has the largest-scale operations throughout Spain and Portugal.

Employing the latest technology, and drawing on the support of a powerful organisation, the Cintra Aparcamientos group provides its services in more than 160 cities the length and breadth of Spain, Portugal, Andorra, United kingdom and Turkey.

Other complementary services, such as the supply and maintenance of regulation technologies, the administration of the application and processing of penalties and the provision of the vehicle removal service are provided by the group in the main cities of Spain and Portugal.

c) Other services

The Group specialises in the provision of other services tied to the end-to-end management of car parking and urban and inter-urban mobility.

Among others, Empark Aparcamientos y Servicios, S.A. and Dornier, S.A.U. has substantial experience in:

Management of control of access to nature reserves.

Provision of temporary parking services at trade fairs and mass attendance events.

Combined park and bus services around airports.

Management of mass off-street multiple profile subscriber car parks, in particular for Hospitals and Airports, with high levels of operation 24/24 hours.

Comprehensive management of the clamping, removal and impounding of vehicles.

The Group has developed its executive and management abilities during its extensive experience in the industry. The company's competitive factors include:

- Nationwide as well as international presence, ensuring the direct management of all its businesses, as well as a direct relationship with all its public and / or private customers.
- Competitive operating costs resulting from both the company's wide-ranging experience as well as its nationwide presence, providing synergies and key know-how.
- Technological innovation, which allows the company to, not only be more competitive but also enables it to offer innovative solutions for traffic planning, design, etc.
- A presence in all areas of the business, allowing the possibility of offering integrated solutions and cost savings.
- The ability to offer complex construction solutions.

The Group's operations extend to 172 cities. As of 31 December 2012, it handles a total of 382,700 parking spaces

Spaces	2012	2011
Surface area	202,100	183,514
Off-street	88,874	89,599
Management	66,166	75,794
Residents	25,560	25,560
Total	382,700	374,467

Spaces	2012	2011
Spain	275,385	264,245
United Kingdom	37,554	37,554
Portugal	65,900	69,127
Turkey	3,861	3,541
Total	382,700	374,467

Financial Information

The recurrent EBITDA of the Group (made up of recurrent revenue and expenditure, without taking into account residential revenue and expenditure) amounted in 2012 to a figure of 64,238 thousands of euros, as opposed to the comparative EBITDA for 2011 of 64,301 thousands of euros. This means that the Group maintained its EBITDA during 2012, despite a widespread economic crisis situation.

The Group's workforce is comprised of more than 3,055 workers, 39% of whom are female and 61% male. The average age is 41 years and 3 months.

	Men	Women	Total
Spain	1,285	913	2,198
Portugal	345	180	525
United Kingdom.....	102	29	131
Andorra.....	6	1	7
Turkey	40	13	53
TOTAL	1,778	1,136	2,914

As for the Company's financial risk management policy, this is based on the Group managing its capital in order to guarantee that it will be in a position to continue operating as a profitable business, while maximising shareholder return by striking an optimum balance between debt and equity.

Below are set out the main risks to which the Group is exposed:

- **Liquidity risk:** The Group establishes its treasury needs as part of its general policy through the use of two tools: Treasury budget with a 12-month horizon, providing monthly detail and updates, and treasury budget with a 30-day horizon, with daily updates and details. These tools identify treasury needs in volume and time, and make plans for new financing needs.
- **Credit risk:** The Group maintains cash and equivalent liquid assets at financial institutions with a high-level credit rating. It should furthermore be mentioned that there is no significant concentration of credit risk with third parties.
- **Interest rate risk:** Interest-rate risk affects the Group essentially through long-term outside resources. The Group has contracted financial instruments that partially cover the risk of possible interest rate hikes.
- **Exchange rate risk:** The Group has no significant exchange rate risk, as most of its assets and liabilities, revenue and expenses, are quoted in euros.

Subsequent events

There are no relevant events to point out.

Research and development

The Group has not carried out any research and development activities.

Treasury stock

There have been no acquisitions of own shares.

Derivatives

The Group has contracted financial instruments that partially cover the risk of possible interest rate hikes of long-term outside resources.

Environmental aspects

Environmental activities are understood as covering any operation the main purpose of which is to prevent, reduce or repair damage to the environment.

The investments derived from environmental activities are valued at the acquisition cost and are activated as greater fixed asset expenses in the financial year in which they are incurred, following the criteria described in note 2 regarding applicable accounting standards.

Costs derived from the protection and improvement of the environment are attributed to the results for the financial year in which they are incurred, irrespective of the point when the monetary or financial flow derived therefrom occurs.

The provisions relative to probable or certain responsibilities, legal proceedings in process and for compensation and pending obligations of an undetermined amount, of an environmental nature not covered by contracted insurance policies, are made when the liability or the obligation establishing the compensation becomes effective.

As of 31 December 2012, the costs or expenses incurred with regard to environmental aspects are insignificant.

As for any such potential contingencies as may arise in the field of the environment, the directors do not believe that they would have any significant impact on the enclosed annual accounts.



Ernst & Young, S.L.
Torre Picasso
Plaza Pablo Ruiz Picasso, 1
28020 Madrid

Tel.: 902 365 456
Fax: 915 727 300
www.ey.com/es

AUDITORS' REPORT ON THE CONSOLIDATED ANNUAL ACCOUNTS

To the Shareholders of EMPARK APARCAMIENTOS Y SERVICIOS, S.A.:

We have audited the consolidated annual accounts of EMPARK APARCAMIENTOS Y SERVICIOS, S.A. (the parent Company) and dependent Companies (the Group), comprising the consolidated balance sheet at 31 December 2011, the consolidated income statement, the consolidated overall income statement, the consolidated statement of changes in net equity, the consolidated statement of cash flows and the consolidated annual report corresponding to the financial year ended on the aforementioned date. As stated in Explanatory Note 2 hereto attached, the directors of the parent Company are responsible for drawing up the annual financial statements of the Group, in accordance with the International Financial Reporting Standards adopted by the European Union, and all other provisions of the financial reporting regulatory framework applicable to the Group. Our responsibility is to express an opinion on the said annual accounts as a whole, based on the work performed in accordance with the current standards governing accounts auditing in Spain, which require the examination, by performing selective tests, of the evidence in support of the annual accounts and an evaluation of whether their presentation, the accounting principles and criteria applied and the estimates made, comply with the applicable framework of financial reporting standards.

In our opinion, the consolidated annual financial statements for the 2011 financial year hereto attached express, in all significant aspects, a true image of the consolidated net equity and consolidated financial situation of EMPARK APARCAMIENTOS Y SERVICIOS, S.A. and dependent Companies at 31 December 2011, in addition to the consolidated results of their operations and consolidated cash flows corresponding to the financial year ended on the aforementioned date, in accordance with the International Financial Reporting Standards adopted by the European Union and all other provisions of the financial reporting regulatory framework applicable to the Group.

The attached consolidated management' report for 2011 contains the explanations that the directors of EMPARK APARCAMIENTOS Y SERVICIOS, S.A. consider appropriate as to the situation of Group, the development of its business and other matters, and does not form an integral part of the consolidated annual financial statements. We have ascertained that the accounting information contained in the said management' report corresponds to the consolidated annual financial statements for 2011. Our task as auditors is limited to examining the consolidated management' report to the extent described in this paragraph and does not include a review of information other than that obtained from the accounting records of EMPARK APARCAMIENTOS Y SERVICIOS, S.A. and its dependent Companies.

INSTITUTE OF CHARTERED ACCOUNTS AUDITORS OF SPAIN
Practising member: ERNST & YOUNG, S.L.

ERNST & YOUNG, S.L.
(Registered with the Official Register of accounts Auditors under number S0530)

30 March 2012

Francisco V. Fernández Romero

Registered Office: Pl. Pablo Ruiz Picasso, 1. 28020 Madrid Registered in the Companies Register of Madrid in Volume 12749, Book 0, Page 215, Section 8, Sheet M-23123. Entry 116. Tax Identification Code: B-78970506

EMPARK

EMPARK Aparcamientos y Servicios, S.A. and Subsidiaries

Consolidated annual report for the financial year 2011

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EMPARK Aparcamientos y Servicios, S.A. and Subsidiaries

Consolidated annual financial statements for financial year 2011

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EMPARK Aparcamientos y Servicios, S.A. and Subsidiaries

Consolidated annual financial statements for financial year 2011

Consolidated balance sheets at 31 December 2011 and 2010

		Thousands of euros		
		31/12/2011	31/12/2010 restated(*)	01/01/2010 restated(*)
Assets				
Non-current assets		733,037	723,606	689,712
Goodwill.....	6	146,102	146,427	146,474
Intangible Assets	4	468,561	461,124	460,517
Tangible assets	5	78,252	84,570	60,020
Investments accounted for by the equity method	8	10,214	9,725	9,858
Long-term financial investments	9	2,826	852	699
Corporate loans		2,020	227	227
Other financial assets		806	625	472
Assets through deferred taxes	27	27,082	20,908	12,143
Current assets		82,508	77,749	63,053
Stock	12	5,967	6,944	7,526
Trade and other receivables	9	46,961	28,831	32,496
Clients through sales and services provided		42,057	22,234	22,100
Other debtors		4,500	6,261	10,396
Group company clients		404	336	—
Investments in related companies	9, 11	18	1,768	323
Corporate loans		18	1,768	323
Short-term financial investments.....	9, 11	1,217	894	810
Other financial assets		1,217	894	810
Short-term accruals and deferrals.....		273	649	316
Cash and other equivalent liquid assets	13	28,072	38,663	21,582
Total Assets		815,545	801,355	752,765

Notes 1 to 44 are part of the Consolidated Annual Financial Statements as of 31 December 2011.

(*) *Some of the figures included do not correspond to those in the consolidated financial statements for the 2010 financial year, and reflect the adjustments detailed in Note 1.3*

EMPARK Aparcamientos y Servicios, S.A. and Subsidiaries

Consolidated annual financial statements for financial year 2011 (continued)

Consolidated balance sheets at 31 December 2011 and 2010

		Thousands of euros		
Liabilities and Net equity		31/12/2011	31/12/2010 restated(*)	01/01/2010 restated(*)
Net equity		138,703	132,217	119,366
Shareholders equity		138,968	134,515	120,253
Capital	14 a	68,196	67,701	67,701
Share premium	14 b	36,940	35,639	35,639
Reserves and results from previous years	15	22,204	19,690	6,868
Non-distributable reserves		13,540	13,508	12,226
Distributable reserves		8,511	6,029	(5,511)
Other reserves		153	153	153
Reserves in consolidated companies	16	6,584	1,290	2,171
Reserves in companies by the equity method	17	3,445	2,927	2,327
Result for the financial year attributed to the Group	18	1,599	7,988	5,547
Interim asset dividend		—	(720)	—
Other asset instruments		—	—	(21)
Hedging Operations	19	(9,972)	(8,473)	(4,993)
Minority	20	9,706	6,174	4,126
Non-current liabilities		586,163	563,061	535,712
Long-term provisions	25	45,165	44,256	41,998
Obligations through long-term personnel provisions		141	—	142
Other provisions		45,024	44,256	41,856
Long-term debts	21	504,874	475,830	459,413
Debts with credit institutions	9, 21 a	489,517	461,342	436,709
Other debts	9, 22	15,357	14,488	22,704
Derivatives	9, 19, 23	7,404	7,314	5,197
Long-term accruals and deferrals	24	902	5,749	6,099
Liabilities through deferred taxes	27	27,818	29,912	23,004
Current liabilities		90,679	106,078	97,687
Short-term provisions	25	6,233	6,938	5,445
Short-term debts		28,501	21,132	19,701
Debts with credit institutions	9, 21 b	27,923	20,036	15,197
Debts with related companies	9, 21 c	578	1,095	4,504
Trade creditors and other accounts payable	9, 21	40,317	63,080	60,073
Supplies		19,432	24,227	31,770
Sundry creditors		11,451	16,257	6,064
Personnel (accrued wages and salaries)		870	1,422	1,485
Liabilities through current tax		1,342	105	182
Other debts with Public Authorities		7,180	10,315	9,769
Client advances		42	10,754	10,803
Derivatives	9, 19, 23	8,892	6,861	4,041
Other current liabilities	9, 26	5,452	6,389	6,761
Short-term accruals and deferrals		1,284	1,678	1,666
Total net equity and liabilities		815,545	801,355	752,765

Notes 1 to 44 are part of the Consolidated Annual Financial Statements as of 31 December 2011.

(*) Some of the figures included do not correspond to those in the consolidated financial statements for the 2010 financial year, and reflect the adjustments detailed in Note 1.3

EMPARK Aparcamientos y Servicios, S.A. and Subsidiaries

Consolidated annual financial statements for financial year 2011

Consolidated income statements corresponding to financial years ended on 31 December 2011 and 2010

		Thousands of euros	
	Note	31/12/2011	31/12/2010 Restated(*)
ONGOING OPERATIONS			
Net turnover		212,892	204,416
Sales and services		212,892	204,416
Variation in stock of finished products and products in process		(18,367)	(14,142)
Supplies	30 b	(1,004)	(1,716)
Other operating income	30 a	2,198	2,882
Other revenue		2,198	2,591
Operating subsidies incorporated in result for the financial year		–	291
Personnel costs	31	(74,554)	(73,517)
Wages, salaries, et al.		(59,477)	(60,163)
Social Security costs		(15,077)	(13,354)
Other operating expenses		(51,268)	(49,712)
External services		(44,821)	(38,304)
Taxes		(2,945)	(4,406)
Other operating expenses		(167)	(6,726)
Losses, impairment and changes in provision through commercial operations		–	(276)
Other non-recurrent operating expenses		(3,335)	–
Amortisation of fixed assets	4, 5	(29,404)	(26,130)
Provisions and losses through unrecoverable receivables	32	(1,954)	(1,365)
Impairment and result through disposal of fixed assets	33	–	4,158
Operating Result		38,539	44,874
Financial revenue	34	897	274
Financial expenses	34	(35,365)	(27,774)
Financial expenses through hedges	34	(4,431)	(6,569)
Financial result	34	(38,899)	(34,069)
Share in results of equity-consolidated companies	8	1,152	1,070
Pre-tax consolidated results	33	792	11,875
Corporation income tax	27	5,148	(1,409)
Consolidated yearly results from ordinary operations	18	5,940	10,466
Consolidated results from discontinued operations		–	–
Results attributed to minority interests	18, 20	(4,341)	(2,478)
Results attributed to the Group (profit/loss)	18	1,599	7,988
Profit by action (basic and diluted)	14	0.14	0.75

Notes 1 to 44 are part of the Consolidated Annual Financial Statements as of 31 December 2011

(*) Some of the figures included do not correspond to those in the consolidated financial statements for the 2010 financial year, and reflect the adjustments detailed in Note 1.3

EMPARK Aparcamientos y Servicios, S.A. and Subsidiaries

Consolidated annual financial statements for financial year 2011

Global consolidated income statements corresponding to financial years ended on 31 December 2011 and 2010

	Thousands of euros	
	31/12/2011	31/12/2012 Restated
Consolidated result for the financial year attributed to the Group	1,599	7,988
Minority	4,341	2,478
Net result for the financial year	5,940	10,466
In reserves by revaluation of non-listed assets and liabilities	(2,121)	(4,937)
Changes in the fair value of hedging operations.....	623	1,457
Taxation affect.....	–	21
Currency translation differences	(1,498)	(3,459)
TOTAL INCOME AND EXPENSES RECOGNISED	4,442	7,007

EMPARK Aparcamientos y Servicios, S.A. and Subsidiaries

Consolidated annual financial statements for financial year 2011

Consolidated statement of changes in net equity corresponding to financial years ended on 31 December 2011 and 2010

	Declared Capital	Share premium	Reserves and results from previous years	Yearly results Attributed to the Parent Company	Reserves in consolidated companies	Reserves in Companies by The equity method	Currency translation differences	Other adjustments	Minority	TOTAL
BALANCE, START OF YEAR 2010.....	67,701	35,639	10,416	5,547	5,801	2,327	(21)	(4,993)	4,126	126,543
Adjustment through change in criterion	–	–	(3,548)	–	(3,629)	–	–	–	–	(7,177)
BALANCE, START OF YEAR 2010 RESTATE(*).....	67,701	35,639	6,868	5,547	2,172	2,327	(21)	(4,993)	4,126	119,366
Total revenue and expenditure recognised	–	–	–	7,988	–	–	21	(3,480)	2,478	7,007
Other changes in net equity ..	–	–	–	–	–	–	–	–	(430)	(430)
Reserves	–	–	12,822	(5,547)	(882)	600	–	–	–	6,993
– Interim asset dividends	–	–	–	–	–	–	–	(720)	–	(720)
BALANCE, END OF YEAR 2010 Restated(*).....	67,701	35,639	19,690	7,988	1,290	2,927	–	(9,193)	6,174	132,217
Total revenue and expenditure recognised				1,599				(1,498)	4,341	4,442
Other changes in net equity	495	1,301								1,796
Distribution of 2010 results										–
– Reserves			2,514	(7,988)	5,294	518			(809)	(471)
– Distribution of dividends										–
– Interim asset dividends								720		720
BALANCE, END OF YEAR 2011	68,196	36,940	22,204	1,599	6,584	3,445	–	(9,972)	9,707	138,703

Notes 1 to 44 are part of the Consolidated Annual Financial Statements as of 31 December 2011.

(*) Some of the figures included do not correspond to those in the consolidated financial statements for the 2010 financial year, and reflect the adjustments detailed in Note 1.3

EMPARK Aparcamientos y Servicios, S.A. and Subsidiaries

Consolidated annual financial statements for financial year 2011

Consolidated statement of cash flows corresponding to the financial years ended on 31 December 2011 and 2010

	Note	Thousands of Euros	
		31/12/2011	31/12/2010 restated(*)
Net Result	18	1,599	7,988
Financial year result		792	11,875
Adjustments to result.....		68,364	56,184
Changes in current capital		(41,458)	2,965
Other cash flows from operating activities		(38,817)	(29,287)
Cash flow from operating activities	35	(11,119)	41,737
Payments through investments		(36,139)	(66,891)
Payments through divestments		1,193	17,635
Cash flows from Investment activities	36	(34,946)	(49,256)
Sums received and paid through financial liability instruments		35,474	24,600
Payments through dividends and returns on other asset instruments.....		—	—
Cash flows from financing activities	37	35,474	24,600
Changes in cash and cash equivalents		(10,591)	17,081
Opening cash and cash equivalents at the start of the financial period		38,663	21,582
Opening cash and cash equivalents at the end of the financial period	13	28,072	38,663

Notes 1 to 44 are part of the Consolidated Annual Financial Statements as of 31 December 2011.

(*) Some of the figures included do not correspond to those in the consolidated financial statements for the 2010 financial year, and reflect the adjustments detailed in Note 1.3

EMPARK Aparcamientos y Servicios, S.A. and Subsidiaries

Explanatory notes on 2011

1 Group's activities and consolidation scope

1.1 Companies forming the Group and their business

The EMPARK Group, hereinafter the Group, comprises the dominant company Empark Aparcamientos y Servicios, S.A., and its subsidiaries, joint businesses and associate companies. The registered company office is in Madrid at address Plaza Manuel Gómez Moreno 2, 'Edificio Alfredo Mahou'.

Through these companies, the Group engages in the following lines of business, which are its primary reporting segments in accordance with IFRS 8.

Empark Aparcamientos y Servicios, S.A. previously named Cintra Aparcamientos, S.A. and prior to that named Ferrovial Aparcamientos, S.A. and previously Ferrevisa, S.A., has as its main line of business the construction and operation of car parks under public authority concession arrangements. Such concessions stipulate that, to fulfil the concession timeframes, the car parks shall be returned to the granting entity in perfect conditions of use, without any payment for provision of service for the Group. The Subsidiaries carry out the same activity as the Parent Company.

Empark Aparcamientos y Servicios, S.A., is the Parent Company of a group of 25 Dependent Companies, 5 Associates, has stakes in 4 JVs and 3 Companies as joint businesses.

For the purpose of drawing up the consolidated annual accounts, the assumption is that a group exists if the dominant company has one or more dependent organisations, over which the dominant company exerts control either directly or indirectly.

Empark Aparcamientos y Servicios, S.A., the dominant company of the Group, was incorporated in Madrid on 29 July 1986 as a public limited company. It is registered with the Company Register of Madrid, on sheet M-53866, page 86, volume 14090, and section 8 of the Companies Book. The most recent adaptation and revision of its by-laws, based on the Company Register of Madrid, is registered in volume 21897, book 0 of section 8, page 222, sheet M-53866, and inscription no. 113.

All of the Group's subsidiaries have the financial and tax year coinciding with the natural calendar year and none of these are listed on the Stock Market. The scope of Consolidation is the following:

31/12/2011

Company	Management	% Stake	Company that owns the investment	Net value investment	Method Consolidation	Activity
Estacionamientos Guipuzcoanos, S.L.U. ^(a)	Ronda, 1, 1º San Sebastián	100.00%	Empark Aparcamientos y Servicios, S.A.	40,543	Full consolidation	2*
Guadianapark, S.A. ^(c)	Plaza Manuel Gómez Moreno, 2 Madrid	75.00%	Empark Aparcamientos y Servicios, S.A.	1,269	Full consolidation	2*
Balsol 2001, S.A. ^(c)	Santa Eugenia, 9 Girona	50.00%	Empark Aparcamientos y Servicios, S.A.	1,496	Full consolidation	2*
Balsol 2001, S.A. ^(c)	Santa Eugenia, 9 Girona	50.00%	Dornier, S.A.U	1,385	Full consolidation	2*
Dornier, S.A.U. ^(a)	Plaza Manuel Gómez Moreno, 2 Madrid	100.00%	Empark Aparcamientos y Servicios, S.A.	21,313	Full consolidation	2*
Femet, S.A. ^(c)	Plaza Manuel Gómez Moreno, 2 Madrid	0.05%	Empark Aparcamientos y Servicios, S.A.	7	Full consolidation	2*
Femet, S.A. ^(c)	Plaza Manuel Gómez Moreno, 2 Madrid	99.95%	Dornier, S.A.U	1,405	Full consolidation	2*
Sociedad Municipal de Aparcamientos y Servicios, S.A. ^(c)	Tejón y Rodríguez, 7 Málaga	24.50%	Empark Aparcamientos y Servicios, S.A.	3,757	Stake	2*
Estacionamientos Alhóndiga, S.A. ^(b)	Av. Sabino Arana, 20-3 Biscay	50.00%	Empark Aparcamientos y Servicios, S.A.	1,050	Proportionate	2*
Estacionamientos Urbanos de León, S.A. ^(c)	Av. De Ordoño II, 10 León	43.00%	Dornier, S.A.U	452	Stake	2*
Aparcamient Escaldes Centre, S.A. ^(c)	Carrer Constitució Gran Planta 1º Escaldes	100.00%	Empark Aparcamientos y Servicios, S.A.	11,400	Full consolidation	2*
Infofer Estacionamientos, A.I.E. ^(c)	Manuel Silvera, 8 Madrid	16.66%	Dornier, S.A.U	60	Stake	2*

Company	Management	% Stake	Company that owns the investment	Net value investment	Method Consolidation	Activity
Aparcamientos Guipuzcoanos S.L. ^(b)	Ronda, 1, 1º San Sebastián	60.00%	Estacionamientos Guipuzcoanos, S.A.U	602	Full consolidation	3*
Aparcamientos de Bilbao, S.A. ^(b)	Pza. de Indautxu, s.n Bilbao	75.00%	Empark Aparcamientos y Servicios, S.A.	1,350	Full consolidation	3*
Concha Parking, S.A. ^(b)	Ronda, 1, 1º San Sebastián	60.00%	Estacionamientos Guipuzcoanos, S.A.U	615	Full consolidation	3*
Empark UK LTD ^(c)	Bassingbourn House (Stansted Airport) GB	100.00%	Empark Aparcamientos y Servicios, S.A.	0	Full consolidation	2*
Guipuzcoa Parking Siglo XXI S.A. ^(b)	Ronda, 1, 1º San Sebastián	60.00%	Estacionamientos Guipuzcoanos, S.A.U	600	Full consolidation	3*
Empark Aparcamientos Andalucía, S.L. ^(c) 1*	Plaza Manuel Gómez Moreno, 2 Madrid	100.00%	Empark Aparcamientos y Servicios, S.A.	3	Full consolidation	2*
Empark Portugal – Empreendimentos e Exploração de Parques, S.A. ^(a)	Rua Joaquim António de Aguiar, 19 Lisbon	100.00%	Empark Aparcamientos y Servicios, S.A.	145,583	Full consolidation	2*
ELSI – Parques de Estacionamiento, S.A. ^(a)	Rua Joaquim António de Aguiar, 19 Lisbon	100.00%	Emparque – Empreendimentos e Exploração de parques, S.A. Emparque – Empreendimentos e Exploração de parques, S.A. Emparque – Empreendimentos e Exploração de parques, S.A.	29,879	Full consolidation	2*
Gisparques – Planeamento e Gestao de Estacionamento, S.A. ^(a)	Rua Joaquim António de Aguiar, 19 Lisbon	100.00%	Emparque – Empreendimentos e Exploração de parques, S.A. Emparque – Empreendimentos e Exploração de parques, S.A. Emparque – Empreendimentos e Exploração de parques, S.A.	9,107	Full consolidation	2*
Gisparques II – Planeamento e Gestao de Estacionamento, S.A. ^(a)	Rua Joaquim António de Aguiar, 19 Lisbon	100.00%	Emparque – Empreendimentos e Exploração de parques, S.A. Emparque – Empreendimentos e Exploração de parques, S.A. Emparque – Empreendimentos e Exploração de parques, S.A.	359	Full consolidation	2*
Serparque – Servicios de Estacionamento, S.A. ^(a)	Rua Joaquim António de Aguiar, 19 Lisbon	100.00%	Emparque – Empreendimentos e Exploração de parques, S.A. Emparque – Empreendimentos e Exploração de parques, S.A. Emparque – Empreendimentos e Exploração de parques, S.A.	670	Full consolidation	2*
SP Gis – Planeamiento e Gestao de Estacionamento, S.A. ^(a)	Rua Joaquim António de Aguiar, 19 Lisbon	99.95%	Emparque – Empreendimentos e Exploração de parques, S.A. Emparque – Empreendimentos e Exploração de parques, S.A. Emparque – Empreendimentos e Exploração de parques, S.A.	2,143	Full consolidation	2*
Parques de Estação – Empreend. E Exploração de Estac, S.A. ^(a)	Rua Joaquim António de Aguiar, 19 Lisbon	80.00%	Emparque – Empreendimentos e Exploração de parques, S.A. Emparque – Empreendimentos e Exploração de parques, S.A. Emparque – Empreendimentos e Exploração de parques, S.A.	800	Full consolidation	2*
Streek Park – Gestao de Estacionamento, A.C.E. ^(a)	Rua Joaquim António de Aguiar, 19 Lisbon	53.33%	Emparque – Empreendimentos e Exploração de parques, S.A. Emparque – Empreendimentos e Exploração de parques, S.A. Emparque – Empreendimentos e Exploração de parques, S.A.	560	Full consolidation	2*
Mr. Clean – Lavagem de Veículos, S.A. ^(a)	Rua Joaquim António de Aguiar, 19 Lisbon	100.00%	Emparque – Empreendimentos e Exploração de parques, S.A. Emparque – Empreendimentos e Exploração de parques, S.A. Emparque – Empreendimentos e Exploração de parques, S.A.	1,191	Full consolidation	2*
Castil – Parque, Sociedade Exploradora de Parques de Estacionamento, S.A. ^(a)	Rua Joaquim António de Aguiar, 19 Lisbon	74.55%	Emparque – Empreendimentos e Exploração de parques, S.A. Emparque – Empreendimentos e Exploração de parques, S.A. Emparque – Empreendimentos e Exploração de parques, S.A.	2,020	Full consolidation	2*
Multi 49, Parques de Estacionamento, S.A. ^(a)	Rua Joaquim António de Aguiar, 19 Lisbon	100.00%	Emparque – Empreendimentos e Exploração de parques, S.A. Emparque – Empreendimentos e Exploração de parques, S.A. Emparque – Empreendimentos e Exploração de parques, S.A.	54	Full consolidation	2*
Park Yonetimi Ve Sistemleri San. Ve Tic. A.S. ^(a)	Elmadag, Inonu Mah. Cumhuriyet Cad 87/8 Istanbul	80.00%	Emparque – Empreendimentos e Exploração de parques, S.A. Emparque – Empreendimentos e Exploração de parques, S.A. Emparque – Empreendimentos e Exploração de parques, S.A.	3,338	Full consolidation	2*
Katibin Optopark Isletmeleri Tic. Vesan. A.S. ^(a)	Elmadag, Inonu Mah. Cumhuriyet Cad 87/8 Istanbul	80.00%	Emparque – Empreendimentos e Exploração de parques, S.A. Emparque – Empreendimentos e Exploração de parques, S.A. Emparque – Empreendimentos e Exploração de parques, S.A.	1,947	Full consolidation	2*
ParqueGil – Planemento e Gestao de Estacionamento, S.A. ^(a)	Rua Joaquim António de Aguiar, 19 Lisboa	50.00%	Emparque – Empreendimentos e Exploração de parques, S.A. Emparque – Empreendimentos e Exploração de parques, S.A. Emparque – Empreendimentos e Exploração de parques, S.A.	25	Full consolidation	2*

Company	Management	% Stake	Company that owns the investment	Net value investment	Method Consolidation	Activity
ParqA – Planemento e Gestao de Estacionamento, S.A. ^(a)	Rua Joaquim António de Aguiar, 19 Lisboa	50.00%	Empreeendimentos e Exploracao de parqueamentos, S.A. Emparque –	63	Full consolidation	2*
Paques do Tamariz – Sociedade Exploracao de Parques de Estacionamento, S.A. ^(c)	Parques Subterrâneo Largo da Estação, 2750-340 Cascais	33.33%	Empreeendimentos e Exploracao de parqueamentos, S.A. Emparque –	500	Stake	2*
Figueira Parques – Empresa Pública Municipal de Estac. Da Figueira de Foz, E.M. ^(c)	Cais da Alfandega, 18/20, 3º Figueira da Foz	29.96%	Empreeendimentos e Exploracao de parqueamentos, S.A. Empark	154	Stake	2*
UTE Torrellobeta	Plaza Manuel Gómez Moreno, 2 Madrid	80.00%	Aparcamientos y Servicios, S.A. Empark	1	Proportionate	3*
UTE Valls	Av. De la catedral 6-8 Barcelona	47.00%	Aparcamientos y Servicios, S.A. Empark	8	Proportionate	3*
Ute Aparcamientos	Av. Sabino Arana 20-3º Bilbao	25.00%	Aparcamientos y Servicios, S.A. Empark	3	Proportionate	3*
UTE Jado	Plaza Manuel Gómez Moreno, 2 Madrid	50.00%	Aparcamientos y Servicios, S.A. Empark	6	Proportionate	3*

(a) Companies audited by Ernst&Young

(b) Companies audited by Attest Servicios Empresariales, S.L.P.

(c) Companies not audited

1* Company incorporated within the Group in 2011

2* Management and operation of car parks

3* Construction and operation of car parks

31/12/2010

Company	Management	% Stake	Company that owns the investment	Net value investment	Method Consolidation	Activity
Estacionamientos Guipuzcoanos, S.L.U. ^(a)	Ronda, 1, 1º San Sebastián	100.00%	Empark Aparcamientos y Servicios, S.A.	40,543	Full consolidation	2*
Estacionamientos y Servicios Extremeños, S.A. ^(c)	San Francisco, 18 Badajoz	25.00%	Empark Aparcamientos y Servicios, S.A.	90	Stake	2*
Guadianapark, S.A. ^(c)	Plaza Manuel Gómez Moreno, 2 Madrid	75.00%	Empark Aparcamientos y Servicios, S.A.	1,269	Full consolidation	2*
Balsol 2001, S.A. ^(c)	Santa Eugenia, 9 Girona	50.00%	Empark Aparcamientos y Servicios, S.A.	1,496	Full consolidation	2*
Balsol 2001, S.A. ^(c)	Santa Eugenia, 9 Girona	50.00%	Dornier, S.A.U	1,385	Full consolidation	2*
Dornier, S.A.U. ^(a)	Plaza Manuel Gómez Moreno, 2 Madrid	100.00%	Empark Aparcamientos y Servicios, S.A.	21,313	Full consolidation	2*
Femet, S.A. ^(c)	Plaza Manuel Gómez Moreno, 2 Madrid	0,05%	Empark Aparcamientos y Servicios, S.A.	7	Full consolidation	2*
Femet, S.A. ^(c)	Plaza Manuel Gómez Moreno, 2 Madrid	99.95%	Dornier, S.A.U	1,405	Full consolidation	2*
Sociedad Municipal de Aparcamientos y Servicios, S.A. ^(c)	Tejón y Rodríguez, 7 Malaga	24.50%	Empark Aparcamientos y Servicios, S.A.	3,757	Stake	2*
Estacionamientos Alhóndiga, S.A. ^(b)	Av. Sabino Arana, 20-3 Biscay	50.00%	Empark Aparcamientos y Servicios, S.A.	1,050	Proportionate	2*
Estacionamientos Urbanos de León, S.A. ^(c)	Av. De Ordoño II, 10 León	43.00%	Dornier, S.A.U	452	Stake	2*
Aparcamient Escaldes Centre, S.A. ^(c)	Carrer Constitució Aparcamient Prat Gran Planta 1º Escaldes	100.00%	Empark Aparcamientos y Servicios, S.A.	11,400	Full consolidation	2*
Infofer Estacionamientos, A.I.E. ^(c)	Manuel Silvera, 8 Madrid	16.66%	Dornier, S.A.U	60	Stake	2*
Aparcamientos Guipuzcoanos S.L. ^(b)	Ronda, 1, 1º San Sebastián	60.00%	Estacionamientos Guipuzcoanos, S.A.U	602	Full consolidation	3*
Aparcamientos de Bilbao, S.A. ^(b)	Pza. de Indautxu, s.n Bilbao	75.00%	Empark Aparcamientos y Servicios, S.A.	1,350	Full consolidation	3*
Concha Parking, S.A. ^(b)	Ronda, 1, 1º San Sebastián	60.00%	Estacionamientos Guipuzcoanos, S.A.U	615	Full consolidation	3*
Empark UK LTD ^(c)	Bassingbourn House (Stansted Airport) GB	100.00%	Empark Aparcamientos y Servicios, S.A.	0	Full consolidation	2*

Company	Management	% Stake	Company that owns the investment	Net value investment	Method Consolidation	Activity
Guipuzcoa Parking Siglo XXI S.A. ^(b)	Ronda, 1, 1º San Sebastián	60.00%	Estacionamientos Guipuzcoanos, S.A.U	600	Full consolidation	3*
Empark Portugal – Empreendimentos e Exploração de Parqueamentos, S.A. ^(a) 1*	Rua Joaquim António de Aguiar, 19 Lisbon	100.00%	Empark Aparcamientos y Servicios, S.A.	145,583	Full consolidation	2*
ELSI – Parques de Estacionamiento, S.A. ^(a) 1*	Rua Joaquim António de Aguiar, 19 Lisbon	100.00%	Emparque – Empreendimentos e Exploração de parqueamentos, S.A.	29,879	Full consolidation	2*
Gisparques – Planeamento e Gestao de Estacionamento, S.A. ^(a) 1*	Rua Joaquim António de Aguiar, 19 Lisbon	100.00%	Emparque – Empreendimentos e Exploração de parqueamentos, S.A.	9,107	Full consolidation	2*
Gisparques II – Planeamento e Gestao de Estacionamento, S.A. ^(a) 1*	Rua Joaquim António de Aguiar, 19 Lisbon	100.00%	Emparque – Empreendimentos e Exploração de parqueamentos, S.A.	359	Full consolidation	2*
Serparque – Servicios de Estacionamiento, S.A. ^(a) 1*	Rua Joaquim António de Aguiar, 19 Lisbon	100.00%	Emparque – Empreendimentos e Exploração de parqueamentos, S.A.	670	Full consolidation	2*
SP Gis – Planeamiento e Gestao de Estacionamento, S.A. ^(a) 1*	Rua Joaquim António de Aguiar, 19 Lisbon	99.95%	Emparque – Empreendimentos e Exploração de parqueamentos, S.A.	2,143	Full consolidation	2*
Parques de Estação – Empreend. E Exploração de Estac, S.A. ^(a) 1*	Rua Joaquim António de Aguiar, 19 Lisbon	80.00%	Emparque – Empreendimentos e Exploração de parqueamentos, S.A.	800	Full consolidation	2*
Streek Park – Gestao de Estacionamento, A.C.E. ^(a) 1*	Rua Joaquim António de Aguiar, 19 Lisbon	53.33%	Emparque – Empreendimentos e Exploração de parqueamentos, S.A.	560	Full consolidation	2*
Mr. Clean – Lavagem de Veiculos, S.A. ^(a) 1*	Rua Joaquim António de Aguiar, 19 Lisbon	100.00%	Emparque – Empreendimentos e Exploração de parqueamentos, S.A.	1,191	Full consolidation	2*
Castil – Parque, Sociedade Exploradora de Parques de Estacionamento, S.A. ^(a) 1*	Rua Joaquim António de Aguiar, 19 Lisbon	74.55%	Emparque – Empreendimentos e Exploração de parqueamentos, S.A.	2,020	Full consolidation	2*
Multi 49, Parques de Estacionamento, S.A. ^(a) 1*	Rua Joaquim António de Aguiar, 19 Lisbon	100.00%	Emparque – Empreendimentos e Exploração de parqueamentos, S.A.	54	Full consolidation	2*
Park Yonetimi Ve Sistemleri San. Ve Tic. A.S. ^(a) 1*	Elmadag, Inonu Mah. Cumhuriyet Cad 87/8 Istanbul	60.00%	Emparque – Empreendimentos e Exploração de parqueamentos, S.A.	474	Full consolidation	2*
Katibin Optopark Isletmeleri Tic. Vesan. A.S. ^(a) 1*	Elmadag, Inonu Mah. Cumhuriyet Cad 87/8 Istanbul	60.00%	Emparque – Empreendimentos e Exploração de parqueamentos, S.A.	2,141	Full consolidation	2*
ParqueGil – Planemento e Gestao de Estacionamento, S.A. ^(a) 1*	Rua Joaquim António de Aguiar, 19 Lisboa	50.00%	Emparque – Empreendimentos e Exploração de parqueamentos, S.A.	25	Proportionate	2*
ParqA – Planemento e Gestao de Estacionamento, S.A. ^(a) 1*	Rua Joaquim António de Aguiar, 19 Lisboa	50.00%	Emparque – Empreendimentos e Exploração de parqueamentos, S.A.	63	Proportionate	2*
Paques do Tamariz – Sociedade Exploração de Parques de Estacionamento, S.A. ^(a) 1*	Parques Subterrâneo Largo da Estação, 2750-340 Cascais	33.33%	Emparque – Empreendimentos e Exploração de parqueamentos, S.A.	600	Stake	2*
Figueira Parques – Empresa Pública Municipal de Estac. Da Figueira de Foz, E.M. ^(a) 1*	Cais da Alfandega, 18/20, 3º Figueira da Foz	29.96%	Emparque – Empreendimentos e Exploração de parqueamentos, S.A.	154	Stake	2*
UTE Tenerife	Plaza Manuel Gómez Moreno, 2 Madrid	50.00%	Empark Aparcamientos y Servicios, S.A.	1	Proportionate	3*
UTE Tenerife	Plaza Manuel Gómez Moreno, 2 Madrid	50.00%	Dornier, S.A.U	1	Proportionate	3*
UTE Torrellobeta	Plaza Manuel Gómez Moreno, 2 Madrid	80.00%	Empark Aparcamientos y Servicios, S.A.	1	Proportionate	3*

Company	Management	% Stake	Company that owns the investment	Net value investment	Method Consolidation	Activity
UTE Valls	Av. De la catedral 6-8	47.00%	Empark Aparcamientos y Servicios, S.A.	8	Proportionate	3*
Ute Aparcamientos	Barcelona Av. Sabino Arana 20-3º Bilbao	25.00%	Empark Aparcamientos y Servicios, S.A.	3	Proportionate	3*
UTE Jado	Plaza Manuel Gómez Moreno, 2 Madrid	50.00%	Empark Aparcamientos y Servicios, S.A.	6	Proportionate	3*

(a) Companies audited by Ernst&Young

(b) Companies audited by Attest Servicios Empresariales, S.L.P.

(c) Companies not audited

1* Company incorporated within the Group in 2011

2* Management and operation of car parks

3* Construction and operation of car parks

1.2 Changes in the scope

31/12/11

- The main changes in the scope of consolidation during financial year 2011 have been the following:

On 2 February 2011 a 100% stake was acquired in Victoria Service Project, S.L., a company incorporated on 25 January 2011. On 23 February 2011 it changed its company name to Empark Aparcamientos de Andalucía, S.L.U. Subsequently, on 29 March 2011, Empark Aparcamientos de Andalucía, S.L.U. purchased the public authority concession for the underground car park on Plaza San Agustín in Granada.

The company was not active at the time of its acquisition.

During 2011 the group sold the stake held by Empark Aparcamientos y Servicios, S.A. in Estacionamientos y Servicios Extremeños, S.A. The value of the stake was 90 thousands of euros; it was sold for 330 thousands of euros, which generated a profit of 240 thousands of euros.

Dissolution of the UTE Tenerife joint venture.

31/12/10

- The main changes in the scope of consolidation during financial year 2010 have been the following:

Dissolution of the companies Estacionamientos y Galería Comercial Indautxu, S.A., EMES EEM, UTE Lanzarote and UTE T-4 Barajas.

1.3 Accounting Restatement

Below are detailed the main accounting restatements applied in the previous and current financial years, along with a quantification of the impact of these accounting restatements on the company's net equity.

The adjustments and reclassifications applied to the financial statements as of 01/01/2010 are detailed below:

The reclassifications applied by the Group were as follows:

1) Investments in concession projects

With the current restatement, if the concession-holding company has an unconditional right to receive cash or some other financial asset, the concession agreement is classified as a financial asset, and must be classified within the category of "Credits and items receivable", although if the concession-holding company receives in consideration the right to collect future tariffs on the basis of the level of usage of the public service, the concession agreement is classified as an intangible fixed asset.

The Group does not have, and has therefore not reclassified, any concession agreement classified as a financial asset from Tangible assets to non-current trade debtors based on the unconditional collection right with a maturity in excess of one year and to trade debtors and other accounts receivable on the basis of that part of the unconditional collection right maturing in the short term.

The Group has reclassified concession agreements classified as intangible assets from Tangible assets to intangible assets.

With the accounting restatement, replacement and major repair operations, when they highlight an expense or consumption of a part of the infrastructure, are associated with the endowment of a systematic provision in accordance with use of the infrastructure, up until the point at which the operations must be performed.

On the date of transition (01/01/2010), the Company analysed the operations to be performed in association with the new criteria established, and proceeded to record a provision for replacement and major repair operations in accordance with use, charged to reserves.

2) Access rights paid by means of a concession fee

Access rights paid by means of a concession fee during the concession period, and as a result where the standard requires, irrespective of the applicable model, recognition of an intangible asset and a financial liability based on the current value of all fees, excluding contingent payments.

If the Public Authority imposes a fee for the infrastructure access right by means of which the cost of construction is transferred to the concession-holder, it may be concluded that, in essence, the situation is analogous, from the financial perspective, to that which the concession-holding company would reveal if it had constructed or acquired the infrastructure from third parties for subsequent handover to the Public Authority.

As a result, in such cases the infrastructure operator must recognise an asset and the corresponding liability on the basis of the current value of the minimum payments agreed, without taking into consideration contingent payments.

The adjustments applied to the financial statements as of 01/01/2010 are detailed below:

Replacement provision:

On the date of transition (01/01/2010), the group analysed the operations to be performed in association with the new criteria established, and proceeded to record a provision for replacement operations in accordance with use, charged to reserves.

Concession Fee:

On the date of transition (01/01/2010), the Group transferred fees paid for operation of car parks to intangible assets based on the current value of the minimum agreed payments, without taking into consideration contingent payments.

Concession agreements:

On the date of transition (01/01/2010), the Group performed a detailed study of those assets which should be within the concession agreement, and so performed a reclassification of assets which were not within the agreement, reclassifying these from intangible to tangible assets.

Consolidated balance sheets at 01/01/10, 31/12/10 and 31/12/11

Assets	31/12/11	31/12/10 restated	IFRIC 12 provisions	IFRIC 12 fees	31/12/10	01/01/10 restated	IFRIC 12 provisions	IFRIC 12 fees	01/01/10
Non-current assets	733,037	723,606	3,034	35,292	685,280	689,712	3,034	36,861	649,816
Goodwill.....	146,102	146,427	—	—	146,427	146,474	—	—	146,474
Intangible assets	468,561	461,124	(11,845)	35,292	437,676	460,517	(11,845)	36,861	435,500
Tangible assets	78,252	84,570	11,845	—	72,725	60,020	11,845	—	48,176
Investments accounted for using the equity method	10,214	9,725	—	—	9,725	9,858	—	—	9,858
Long-term financial investments	2,826	852	—	—	852	699	—	—	699
Corporate loans	2,020	227	—	—	227	227	—	—	227
Other financial assets.....	806	625	—	—	625	472	—	—	472
Assets through deferred taxes	27,082	20,908	3,034	—	17,875	12,143	3,034	—	9,109
Current assets	82,508	77,749	—	—	77,749	63,053	—	—	63,053
Stock	5,967	6,944	—	—	6,944	7,526	—	—	7,526
Trade and other receivables	46,961	28,831	—	—	28,831	32,496	—	—	32,496
Clients through sales and services provided	42,057	22,234	—	—	22,234	22,100	—	—	22,100
Other debtors	4,500	6,261	—	—	6,261	10,396	—	—	10,396
Group company clients	404	336	—	—	336	—	—	—	—
Investments in related companies	18	1,768	—	—	1,768	323	—	—	323
Corporate loans	18	1,768	—	—	1,768	323	—	—	323
Short-term financial investments	1,217	894	—	—	894	810	—	—	810
Other financial assets.....	1,217	894	—	—	894	810	—	—	810
Short-term accruals and deferrals.....	273	649	—	—	649	316	—	—	316
Cash and other equivalent liquid assets.....	28,072	38,663	—	—	38,663	21,582	—	—	21,582
Total Assets	815,545	801,355	3,034	35,292	763,029	752,765	—	36,861	712,869

Consolidated balance sheets at 01/01/10, 31/12/10 and 31/12/11

Liabilities and Net equity	31/12/11	31/12/10 restated	IFRIC 12 provisions	IFRIC 12 fees	31/12/10	01/01/10 restated	IFRIC 12 provisions	IFRIC 12 fees	01/01/10
Net equity	138,703	132,217	(7,177)	–	139,392	119,366	(7,177)	–	126,543
Shareholder equity	138,968	134,515	(7,177)	–	141,691	120,253	(7,177)	–	127,430
Capital	68,196	67,701	–	–	67,701	67,701	–	–	67,701
Share premium	36,940	35,639	–	–	35,639	35,639	–	–	35,639
Reserves and results from previous years	22,204	19,690	(3,548)	–	23,238	6,868	(3,548)	–	10,416
Non-distributable reserves	13,540	13,508	–	–	13,508	12,226	–	–	12,226
Distributable reserves	8,511	6,029	(3,548)	–	9,577	(5,511)	(3,548)	–	(1,963)
Other reserves	153	153	–	–	153	153	–	–	153
Reserves in consolidated companies	6,584	1,290	(3,629)	–	4,918	2,171	(3,629)	–	5,800
Reserves in companies by the equity method	3,445	2,927	–	–	2,927	2,327	–	–	2,327
Result for the financial year attributed to the group	1,599	7,988	–	–	7,988	5,547	–	–	5,547
Interim asset dividend	–	(720)	–	–	(720)	–	–	–	–
Other asset instruments	–	–	–	–	–	(21)	–	–	(21)
Hedging Operations	(9,972)	(8,473)	–	–	(8,473)	(4,993)	–	–	(4,993)
Minority	9,706	6,174	–	–	6,174	4,126	–	–	4,126
Non-current liabilities	586,163	563,061	6,574	32,070	524,418	535,712	7,841	33,794	494,076
Long-term provisions	45,165	44,256	6,574	32,070	5,613	41,998	7,841	33,794	363
Obligations through long-term personnel provisions	141	–	–	–	–	142	–	–	142
Other provisions	45,024	44,256	6,574	32,070	5,613	41,856	7,841	33,794	221
Long-term debts	504,874	475,830	–	–	475,830	459,413	–	–	459,413
Debts with credit institutions	489,517	461,342	–	–	461,342	436,709	–	–	436,709
Other debtors	15,357	14,488	–	–	14,488	22,704	–	–	22,704
Derivatives	7,404	7,314	–	–	7,314	5,197	–	–	5,197
Long-term accruals and deferrals	902	5,749	–	–	5,749	6,099	–	–	6,099
Liabilities through deferred taxes	27,818	29,912	–	–	29,912	23,004	–	–	23,004
Current liabilities	90,679	106,079	3,638	3,222	99,219	97,687	2,370	3,067	92,250
Short-term provisions	6,233	6,938	3,638	3,222	79	5,445	2,370	3,067	8
Short-term debts	28,501	21,132	–	–	21,132	19,701	–	–	19,701
Debts with credit institutions	27,923	20,036	–	–	20,036	15,197	–	–	15,197
Debts with related companies	578	1,095	–	–	1,095	4,504	–	–	4,504
Trade creditors and other accounts payable	40,317	63,081	–	–	63,081	60,073	–	–	60,073
Suppliers	19,432	24,228	–	–	24,228	31,770	–	–	31,770
Sundry creditors	11,451	16,257	–	–	16,257	6,064	–	–	6,064
Personnel (accrued wages and salaries)	870	1,422	–	–	1,422	1,485	–	–	1,485
Liabilities through current tax	1,342	105	–	–	105	182	–	–	182
Other debtors with Public Authorities	7,180	10,315	–	–	10,315	9,769	–	–	9,769
Client advances	42	10,754	–	–	10,754	10,803	–	–	10,803
Derivatives	8,892	6,861	–	–	6,861	4,041	–	–	4,041
Other current liabilities	5,452	6,389	–	–	6,389	6,761	–	–	6,761
Short-term accruals and deferrals	1,284	1,678	–	–	1,678	1,666	–	–	1,666
Total net equity and liabilities	815,545	801,355	3,034	35,292	763,029	752,765	3,034	36,861	712,869

Consolidated statements of results for financial years ended on 31 December 2011 and 2010

	Note	31/12/11	31/12/10 restated	IFRIC 12 provisions	IFRIC 12 fees	31/12/10
ONGOING OPERATIONS						
Net turnover		212,892	204,416	–	–	204,416
Sales and services		212,892	204,416	–	–	204,416
Variation in stock of finished products and in progress 30b		(18,367)	(14,142)	–	–	(14,142)
Supplies	30a	(1,004)	(1,716)	–	–	(1,716)
Other operating income		2,198	2,882	–	–	2,882
Other revenue		2,198	2,591	–	–	2,591
Operating subsidies incorporated in result for the financial year		–	291	–	–	291
Personnel costs	31	(74,554)	(73,517)	–	–	(73,517)
Wages, salaries, et al.		(59,477)	(60,163)	–	–	(60,163)
Social Security costs		(15,077)	(13,354)	–	–	(13,354)
Other operating expenses		(51,268)	(49,712)	–	3,067	(52,779)
External services		(44,821)	(38,304)	–	3,067	(41,371)
Taxes		(2,945)	(4,406)	–	–	(4,406)
Other operating expenses		(167)	(6,726)	–	–	(6,726)
Losses, impairment and changes in provision through commercial operations		–	(276)	–	–	(276)
Other non-recurrent operating expenses		(3,335)	–	–	–	–
Amortisation of fixed assets	4, 5	(29,404)	(26,130)	2,370	(1,569)	(26,931)
Provisions	32	(1,954)	(1,365)	(1,185)	–	(180)
Impairment and result through disposal of fixed assets	33	–	4,158	–	–	4,158
Operating Result		38,539	44,874	1,185	1,498	42,191
Financial revenue	34	897	274	–	–	274
Financial costs	34	(35,365)	(27,774)	(1,185)	(1,498)	(25,091)
Financial costs through hedges	34	(4,431)	(6,569)	–	–	(6,569)
Financial result	34	(38,899)	(34,069)	(1,185)	(1,498)	(31,386)
Share in results of equity-consolidated companies	8	1,152	1,070	–	–	1,070
Pre-tax consolidated results	33	792	11,875	–	–	11,875
Corporation tax	27	5,148	(1,409)	–	–	(1,409)
Consolidated yearly results from ordinary operations	18	5,940	10,466	–	–	10,466
Consolidated yearly results from discontinued operations		–	–	–	–	–
Results attributed to minority interests	18, 20	(4,341)	(2,478)	–	–	(2,478)
Yearly results attributed to the Group (profit/loss)	18	1,599	7,988	–	–	7,988
Profit by action (basic and diluted)	14	0.14	0.75	–	–	0.75

EMPARK Aparcamientos y Servicios, S.A. and Subsidiaries

Explanatory notes on 2011 (continued)

2 Summary of the main accounting principles

2.1 Basis of presentation

The financial information listed in these annual reports has been drafted using the International Financial Reporting Standards adopted by the European Union (IFRS-EU) and becomes effective at the closing of the financial year. Regarding the methods used to apply these regulations, it is worth mentioning that the Group has opted, in cases where the IFRS-EU allows different alternative criteria, to value the fixed and intangible assets at historical cost, capitalizing financial costs during the construction period and for the case of jointly controlled companies and joint ventures with existing companies, consolidate them using the proportional consolidation method. The Consolidated Annual Reports have been prepared focussed on historic cost adjusted for the increase in value of the derivatives. These criteria are the same ones applied in 2010.

The Group applied the IFRS-EU for the first time in financial year 2009 for drafting the consolidated financial statements.

2.2 Accounting principles applied

a) Standards and interpretations approved by the European Union, which are applicable to this financial year.

The accounting policies used for drafting the consolidated financial statements corresponding to the financial year ended on 31 December 2011 are the same as the ones applied in the consolidated financial statements of the financial year ended on 31 December 2010, except for the following standards and interpretations that are applicable to the financial years beginning on 1 January 2011, to include:

- IAS 32 "Classification of rights issues"

This modification alters the definition of a financial liability in IAS 32, such that rights, options or warrants for the purchase of a given number of the entity's own asset instruments for a fixed sum in any currency will constitute equity instruments if the entity offers these rights on a proportional basis to all current holders of its non- derivative equity instruments in the same class. Application of this modification had no impact either of the financial position or the results of the Group.

- IAS 24 "Related party disclosures"

This standard includes the following modifications: Clarification of the definition of a related party, including a partial exemption for entities with a public stake, requiring that information be disclosed regarding balances and transactions with such parties only if they are significant, taken individually or collectively. Application of these modifications had no impact on the disclosures included in the intermediate consolidated financial statements.

- IFR IC 14 "Prepayments of a minimum funding requirement"

This modification applies in specific situations in which the company is required to make minimum annual contributions in connection with its defined benefit post-employment plans and makes pre-payments to meet this requirement. The amendment allows the company to consider the economic benefits which derive from the pre-payments as an asset. The Group makes no minimum annual contributions to defined benefit plans, and the application of these criteria thus had no impact on the financial position or results of the Group.

- IFR IC 19 "Extinguishing financial liabilities with equity instruments"

This interpretation provides that when the terms of a financial liability are negotiated with the creditor and it accepts company equity instruments in settlement of the liability in whole or in part, the instruments issued are considered part of the consideration settled for cancellation of the financial liability. Such equity instruments must be valued at their fair value, unless this cannot be reliably estimated, in which case the valuation of the new instruments must reflect the fair value of the financial liability settled, and the difference between the book value of the financial liability cancelled and the initial value of the equity instrument issue is imputed to the income statement for the period. Application of the criteria introduced by this new interpretation had no impact on the financial position or results of the Group.

- Improvements to the IFRS (May 2010)

For the first time in May 2010, the IASB published amendments to the standards within the framework of annual improvements for the purpose of eliminating inconsistencies and clarifying the standards, including specific transitional provisions for each standard. The adoption of the following modifications represent a change in accounting policies, although with no impact on the financial position or the results of the Group.

- IFRS 3 Business combinations: The possible valuation options for external shareholders have been modified. Only those components of external shareholders in the acquired party constituting current ownership stakes entitling their holders to a proportional part of the net assets of the entity in the event of liquidation must be valued either at their fair value or the proportional part which the current equity instruments represent out of the sums of identifiable net assets recognised in the acquired party. All other external shareholder components are valued at their fair value on the date of acquisition.
- IFRS 7 Disclosures of financial instruments: The purpose of the modifications is to simplify the disclosures, reducing the volume of disclosures regarding guarantees received and improving the disclosures, by providing qualitative information in order to place the quantitative information in context.

The Group includes the required disclosures in note xx.

- IAS 1 Presentation of financial statements: The modification clarifies that an analysis may be included of each component of other comprehensive income in the statement of changes in net equity or in the notes on the financial statements. The Group includes this analysis in note yy
- IAS 34 Interim financial reporting: The modification requires inclusion in the interim condensed financial statements of additional disclosures for the fair values and changes in the classification of financial assets, along with changes in contingent assets and liabilities. The Group includes the required disclosures in note zz.

The improvements to the IFRS include other modifications to the following standards, although these represent no change in the accounting policies, financial situation or returns of the Group.

- IFRS 3 Business combinations: Clarification that the contingent price arising out of a combination of businesses prior to the adoption of IFRS 3 (revised in 2008) is accounted for in accordance with IFRS 3 (2005).
- IFRS 3 Business combinations: Clarification of the handling in accounts in a combination of businesses of payment agreements based on shares of the acquiring party exchanged under agreements maintained with the employees of the acquired party.
- IAS 27 Consolidated and separate financial statements: Application of the transition requirements of IAS 27 (revised in 2008), as a result of the modified standards.
- IFRS IC 13 Customer loyalty programmes: In determining the fair value of reward credits, an entity must consider the discounts and incentives which would be offered otherwise to clients not receiving reward credits.

b) Standards and interpretations approved by the European Union, which must be forcefully applied to this financial year.

The Group has not adopted any published standard, interpretation or amendment prior to it coming into effect. The Group is evaluating the effect that the following amendment published by the IASB and approved by the European Union, but not yet applicable, could have on the accounting policies, the financial statement or the Group's results:

- Amendment to IFRS 7 "Disclosures – Transfers of financial assets": Applicable to financial years beginning after 01 July 2011.

c) Standards and interpretations published by the IASB and still not approved by the European Union

At the date these consolidated financial statements were published, the following standards, modifications and interpretations had been published by the IASB but were not required to be followed and had not been approved by the EU:

- Amendment to IAS 12 "Deferred tax – Recovery of underlying assets": Applicable to financial years beginning after 01 January 2012.
- Amendments to IAS 1 "Presentation of items of other comprehensive income": Applicable to financial years beginning after 01 July 2012.
- IFRS 9 "Financial instruments" and amendments to IFRS 9 and IFRS 7 "Mandatory effective date and transition disclosures": Applicable to financial years beginning after 01 January 2015.

- IFRS 10 “Consolidated financial statements”: Applicable to financial years beginning after 01 January 2013.
- IFRS 11 “Joint Arrangements”: Applicable to financial years beginning after 01 January 2013.
- IFRS 12 “Disclosure of interests in other entities”: Applicable to financial years beginning after 01 January 2013.
- IFRS 13 “Fair value measurement”: Applicable to financial years beginning after 01 January 2013.
- IAS 19 revised “Employee benefits”: Applicable to financial years beginning after 01 January 2013.
- IAS 27 revised “Separate Financial Statements”: Applicable to financial years beginning after 01 January 2013.
- IAS 28 revised “Investments in Associates and Joint Businesses”: Applicable to financial years beginning after 01 January 2013.
- IFR IC 20 “Stripping costs in the production phase of a surface mine”: Applicable to financial years beginning after 01 January 2013.
- Amendments to IAS 32 “Compensation of financial assets and financial liabilities”: Applicable to financial years beginning after 01 January 2014.
- Amendments to IAS 7 “Disclosures – Compensation of financial assets and financial liabilities”: Applicable to financial years beginning after 01 January 2013.

The Group is currently assessing the impact of applying these standards, modifications and interpretations. On the basis of the analyses performed to date, the Group estimates that the application of these standards and modifications during the initial period of application would have no significant impact on the consolidated financial statements, except with regard to accounting for... (for example, if multi-group companies are accounted for under the proportional method and will now be registered under the equity method)

2.3 Changes in Shareholders

During the 2011 financial year a capital increase amounting to 495 thousands of euros was undertaken, comprising 82,494 shares of a par value of 6.01 euros each. A share premium of 1,301 thousands of euros was in turn recorded, at a rate of 15.77 euros for each of the 82,494 shares. ASSIP – Consultoria e Serviços, S.A. has subscribed in full the 82,494 shares, paying up the corresponding face value and the share premium by means of compensation of the credit which it held against the Company.

The company had a credit amounting to 1800 thousands of euros in favour of ASSIP – Consultoria e Serviços, S.A.; through the capital increase 1796 thousands of euros were compensated for (495 thousands of euros of capital increase and 1,301 thousands of euros of share premium), with 4 thousands of euros remaining as of 31 December 2011. See (note 14)

The make up of the holdings of the main shareholders as of 31/12/11 and 31/12/10 and is as follows:

EMPARK, S.A. Shareholders	31/12/11	
	Shares	%
ASSIP Consultoria e Serviços S.A.	5,712,117	50.34%
Es Concessions International Holding, BV	2,520,677	22.21%
Ahorro Corporación Infraestructuras, F.C.R. of Simplified Tax Regime	810,341	7.14%
Ahorro Corporación Infraestructuras 2, S.C.R.	127,656	1.13%
ESIF I, B.V.	937,997	8.27%
Transport Infrastructure Holding Company, B.V.	937,997	8.27%
Mellopark – Sociedade Gestora de Participações Sociais, S.A.	293,316	2.58%
Total	11,340,101	99.94%

EMPARK, S.A. Shareholders	31/12/10	
	Shares	%
ASSIP Consultoria e Serviços S.A.	5,629,623	49.98%
Es Concessions International Holding, BV	2,520,677	22.38%
Ahorro Corporación Infraestructuras, F.C.R. of Simplified Tax Regime	810,341	7.19%
Ahorro Corporación Infraestructuras 2, S.C.R.	127,656	1.13%
Espirito Santo Infrastructure Fund -I – Fundo de Capital de Risco	937,997	8.33%
Transport Infrastructure Holding Company, B.V.	937,997	8.33%
Mellopark – Sociedade Gestora de Participações Sociais, S.A.	293,316	2.60%
Total	11,257,607	99.94%

2.4 Negative working capital and operating company

The Group has a negative working capital as of 31 December 2011 of (8,173) thousands of euros (28,331) thousands of euros in 2010. This circumstance, which could be indicative of uncertainty regarding the continuance of operations of the Group is mitigated by the fact that these types of situations are common in these types of groups where a large part of the sales are received in cash.

The Group operates a centralised cash pooling system, by means of which Amsterdam handles cash requirements at the group level.

Additionally, the group has lines of credit and other financial resources available for its treasury needs (note 21).

Therefore, the Board of Directors considers appropriate to prepare the annual reports based on the operating company principle, which means the realization of assets and liquidation of liabilities for the amounts and according to how they are classified in the annual reports.

2.5 Accounting estimates and judgements

The information contained in these Consolidated Annual reports is the responsibility of the Group's Board of Directors. In the Consolidated Annual Reports for the financial years ended in 2011 and 2010 have been carried out using estimates by the Group's Board of Directors to value some of the assets, liabilities, revenues, expenses and commitments listed in them. These estimates essentially refer to:

- Evaluation of potential losses due to the impairment of certain assets.
- Useful life of material and intangible assets.
- Estimates related with the fair value of the assets purchased in business combinations and goodwill.
- Evaluation of possible contingencies due to legal and tax risks.
- Evaluation of the recovery of Assets through deferred taxes and Liabilities.

These estimates were carried using the best available information as of 31 December 2011 and 2010 regarding the analyzed facts. However, it is possible that events that may occur in the future require modifying these estimates, which would be carried out in accordance with IAS 8 if applicable.

2.6 Changes in Accounting Standards IFRIC 12

As indicated in note 2.2 (Applicable accounting standard), the current consolidated financial statements as of 31/12/2011 are the first considering the mandatory application of interpretation IFRIC 12 "Current Concession Agreements" after it came into effect on 01/01/2010.

This interpretation regulates the accounting of public-private concession contract agreements for services provided by the concessionaire, and in accordance with the agreements reached between the concessionaire and the awarding authority, establishes the corresponding accounting methods that are to be followed.

IFRIC 12 affects public-private concession of services agreements when:

- The awarding authority controls or regulates what services the concessionaire must destine the infrastructure for, to whom must the services be provided and at what price, and
- The awarding authority controls all significant residual stakes in the infrastructure at the end of the current agreement.

Based on these agreements, the concessionaire acts as the provider of services, specifically infrastructure construction or improvement services on one hand and on the other hand, operation and maintenance services during the period of the agreement.

Depending on the contractual rights received by the concessionaire as payment for providing infrastructure construction or improvement services, the accounting methods will be the following:

Intangible method

Most of the companies under Empark Group affected by the application of IFRIC 12 (the great majority of car park concessionaires) have had the intangible model applied to them. On a general basis, it is understood that said model is applicable when the Concessionaire receives the right to charge a price to users for using the public service.

This right is not unconditional and depends on if the users are using the service; therefore the demand risk is assumed by the concessionaire.

On the other hand we have the public service regulation concessionaires of the on-street parking where the price for users is set by the awarding authority but the demand risk is assumed by the concessionaire.

In this case the valuation of the assets to be recognised (value of the concession or value of the right to collect from users for the public service) as consideration for construction or infrastructure improvement services will be performed in accordance with the terms of IAS 38 "Intangible assets", being amortised over the lifespan of the concession. In this regard, the application of IFRIC 12 essentially meant that those assets which had previously been recorded under the caption "Tangible assets" and which must ultimately revert to the Grantor, are now recorded under the caption "Other intangible assets: Public Authority Concessions", being amortised on a straight-line basis in accordance with the duration of the concession in years.

Likewise, within the applicability of IFRIC 12 framework, depending on the intangible model, future interventions, which the Concessionaire must confront due to the use of the infrastructures for maintaining, re-establishing and supplying them must be determined.

Financial model

The concessionaire identifies a financial asset within the scope of the unconditional contractual right to receive cash or other financial asset of or under the management of whom is providing the construction services. In the Empark Group, there is no case of a Concessionaire having this unconditional right.

The operator has the unconditional right to receive cash if the awarding authority contractually guarantees paying the operator:

(a) specific or established amounts, or

(b) the deficit, if any, between the amounts received from public service users and the amounts specified or established, even if payment is contingent on the operator, ensuring that the infrastructure meets the specified quality or efficiency requirements.

The operator measures the financial asset at fair value.

2.7 Resource management policies

The Group manages its investments after having carried out an in depth examination and control of potentially attractive projects from the environmental, socio-labour, commercial, financial and economic perspectives, for the purpose of achieving a sustainable and balanced growth.

In carrying out this task, the Group's shareholders want to be in a balance position regarding expected investment profits and the assumed level of risk.

2.8 Consolidation policies

The dependent companies in which the Empark Aparcamientos y Servicios, S.A. Group holds a controlling stake have been consolidated by means of the full consolidation method, unless they represent a relatively insignificant interest with regard to a true image of Group Empark Aparcamientos y Servicios, S.A.

Group Empark Aparcamientos y Servicios, S.A. considers that control of a company is held if it has sufficient capacity to establish its financial and operational policies, allowing it to obtain profits from its activities.

Those multi-group companies which Group Empark Aparcamientos y Servicios, S.A. administers jointly with other companies have been consolidated on the basis of the proportional consolidation method.

Those associate companies at which Group Empark Aparcamientos y Servicios, S.A. does not exercise control, but does have a significant influence, have been valued in the consolidated financial statement in accordance with the equity method. For the purpose of drawing up these consolidated annual financial statements, it was deemed that a significant influence was held at those companies where a stake of more than 20% in the capital stock is held, and it can be demonstrated that such significant influence exists.

Note 1.1 to these consolidated annual financial statements sets out the details of the dependent, multi-group and associated companies of Group Empark Aparcamientos y Servicios, S.A., along with the consolidation or valuation method applied in drawing up these consolidated annual financial statements and other related information.

The date of close of the financial statements of the dependent, multi-group and associate companies is 31 December. The accounting policies of these companies are the same or have been standardised with those employed by Group Empark Aparcamientos y Servicios, S.A. in drawing up these consolidated annual financial statements.

The financial statements of each of the foreign companies have been prepared in their operational currency, this being understood as the currency employed within the economic context in which each company operates, and in which cash is generated and employed.

Group Empark Aparcamientos y Servicios, S.A. has been consolidated in accordance with the following principles:

1. On the date when control is assumed, assets, liabilities and contingent liabilities of the subsidiary company are recorded at their market value. In the event of a positive difference between the cost of acquisition of the subsidiary company and the market value of the stated assets and liabilities, this is recorded as goodwill, as it corresponds to assets which cannot be separately identified and valued.

In the event of a negative difference, this is recorded against the consolidated statement of comprehensive income.

The results of dependent companies acquired or disposed of during the financial year are included in the consolidated statement of comprehensive income from the date of effect of the acquisition or up until the date of effect of disposal.

2. Goodwill which comes to light in combinations of businesses is not amortised, although any possible impairment is examined annually.

3. The result of valuing stakes on the basis of the equity method (following elimination of the results of operations between Group companies) is set out under the captions "Reserves of Companies under the equity method" and "Stake in profits of companies under the equity method" on the consolidated balance sheet and consolidated statement of comprehensive income, respectively.

4. The value of the stake held by minority shareholders in the equity and income of dependent companies consolidated through full consolidation and those multi-group subsidiary companies consolidated through proportional consolidation are presented, respectively, under the captions "Minority" under the liabilities on the consolidated balance sheet and "Result attributed to Minority" on the consolidated statement of comprehensive income.

5. The results obtained in transactions for the purchase of shares from minority shareholders in companies over which control is exercised, along with the sale of shares without any loss of control, are charged or credited to reserves.

6. The conversion of the financial statements of foreign companies has been performed in accordance with the rate of exchange at the close of year. This method comprises the conversion to euros of all assets, rights and obligations, by applying the rate of exchange in force on the date of close of the consolidated annual financial statements and the mean rate of exchange for the financial year for entries in the consolidated statements of comprehensive income, maintaining equity at the historical rate of exchange on the date of acquisition thereof (or the mean rate of exchange for the financial year when generated in the case of cumulative income, provided that there are no significant operations which would make application of the mean rate of exchange inappropriate), as applicable. The resulting conversion difference is imputed directly to reserves.

7. All balances and transactions between companies consolidated by means of the full proportional consolidation method were eliminated in the consolidation process.

Joint businesses and joint ventures

A joint business is one in which operations are subject to joint control. Joint control is the contractual arrangement to share control over an economic activity, and exists only if both financial and operational strategic decisions regarding the activity require the unanimous consent of all parties sharing control.

Joint businesses are integrated within the consolidated annual financial statements by the proportional consolidation method, and so include the portion of assets, liabilities, expenses and revenue corresponding to Group Empark Aparcamientos y Servicios, S.A.

2.9 Main valuation standards applied in preparing the Consolidated Balance Sheet and the Consolidated Income Statement.

2.9.1 Intangible assets

Tangible assets are initially valued at their cost, whether the price of acquisition or the cost of production. The cost of intangible assets acquired by means of the combination of businesses is stated as the fair value on the date of acquisition.

Following initial recognition, the intangible assets are valued at their cost, less the cumulative amortisation and, where applicable, the cumulative sum of recorded impairment corrections.

a) Concessions

This section essentially includes the fees paid on certain concessions for the operation of car parks.

These administrative concessions are listed in the assets at their cost, less the cumulative amortisation and the cumulative sum of acknowledged valuation corrections for impairment.

Concessions also include access rights paid by means of a concession fee during the period of the concession. In this case the concessions are included under the assets at the current value of the minimum agreed payments, without taking into consideration contingent payments.

The concessions are amortised on a linear basis over the period of the concession.

b) Computer applications

Licences acquired for computer programs from third parties are capitalised on the basis of the costs incurred in acquiring them and preparing the specific program for use.

The Company amortises its computer software on a linear basis, distributing the cost of the assets over the estimated useful life of the same, which is three years.

The costs connected with the development or maintenance of computer programs are recognised as an expense when they are incurred. The costs directly connected with the production of individual, identifiable computer programs produced by the Group, provided that it is considered probable that they will generate economic benefits greater than the costs for more than one year, are recognised as intangible assets. Direct costs include the cost of the personnel developing the computer programs and an appropriate percentage of general costs.

2.9.2. Tangible assets

Tangible asset elements are recognised at their cost of acquisition, with the addition of the costs incurred up until their operational start-up, less the cumulative amortisation and the cumulative sum of recognised losses.

The costs of the extension, modernisation or improvement of Tangible assets are incorporated within the asset as an increase in its value only if they represent an increase in its capacity, productivity or an extension to its useful life, and wherever it is possible to calculate or estimate the book value of the elements cancelled from the inventory having been replaced.

The removal or disposal of any items is reflected in the accounts by eliminating the cost there of and the corresponding cumulative amortisation.

The costs of major repairs are recorded as assets and amortised over the course of their estimated useful life, while recurrent maintenance expenses are debited to the income statements during the financial year in which they occur.

The amortisation of tangible assets, except for land, which is not amortised, is calculated in accordance with the values of the updated cost, following the linear method based on the estimated useful life, in accordance with the depreciation actually suffered through operation, usage and enjoyment. The estimated useful lifespans are:

Estimated useful life	
Buildings and other construction	50
Machinery, installations and tools	10
Furniture and fittings	10
Transport elements	6
Other fixed assets	3

The car parks which are part of the tangible assets (in the caption "Buildings") are valued at the acquisition price or at the production cost, depreciated on a straight-line basis over the life of the concession.

Where the book value of an asset is greater than its estimated recoverable value, its value is reduced immediately down to the recoverable sum.

The income and expenses from selling tangible assets are calculated by comparing the amount obtained by the sale with the accounting value and are recorded in the income statement in the "Impairment and result through disposal of fixed assets" caption.

The residual value and the useful life of the assets are reviewed, with adjustments made if necessary at the close of each balance sheet.

At least at the close of the financial year, the need to perform valuation corrections based on impairment in value is analysed

2.9.3 Impairment losses

In the case of goodwill, the group carries out annual value impairment tests. In the case of depreciable assets, at each account close the Group assesses the existence of any loss in value that forces it to reduce the carrying amount . If any loss indication is present, the recoverable value of the asset is calculated in order to identify the scope of the loss by impairment in case its recoverable value is lower than its book value, and its effect is recorded in the income statement. Impairment losses must be assessed for each individual asset. If this is not possible, the impairment loss is determined for the smallest identifiable group of assets that generates cash flows independent of flows from other assets (cash-generating units).

The recoverable amount is the higher of the market value (arms length value less associated costs) and the value in use. The usage value is calculated from estimated future cash flows, discounted at a rate that reflects the present market value, taking into account the value of money and specific risks associated with the asset.

2.9.4 Interest costs

Financial costs directly attributable to the acquisition or construction of fixed asset elements requiring a period of time greater than one year in order to be fit for use are included in the cost until such time as the asset is in operational condition.

2.9.5 Financial assets

a) Loans and items receivable:

Loans and items receivable are non-derivative financial assets with sums receivable which are fixed or can be established and are not listed on an active market. These are included under current assets, except those with a maturity date beyond twelve months from the date of the consolidated financial statement, which are classified as non-current assets. Loans and items receivable are included under "Corporate loans" and "Trade and other receivables" on the balance sheet.

These are financial assets are initially valued at their fair value, and subsequently in accordance with their amortised cost based on the effective rate of interest. Transaction costs directly attributable to their acquisition are recognised in the consolidated income statement. On a quarterly basis, the necessary valuation corrections based on impairment in value are applied, if there is any evidence that the entire sums owed will not be collected. The sum of the value impairment loss is the difference between the book value of the asset and the value of the estimated future cash flows, discounted at the effective rate of interest at the time of initial recognition. Any applicable valuation corrections through impairment and reversion are recorded in the consolidated income statement.

The recognition and reversion of valuation corrections through the impairment of client accounts receivable have been included under "Losses, impairment and variation in provisions through trade operations" in the consolidated income statement.

The sums charged to the impairment account are normally cancelled once there is no expectation of more cash being recovered.

The maximum exposure to credit risk on the date of submission of the information is the fair value of each of the aforementioned categories of accounts receivable. The group maintains no guarantee as insurance.

b) Investments in the assets of group, multi-group and associated companies:

They are valued at their cost less, where applicable, the cumulative value of value impairment corrections. However, where there is an investment made prior to the classification of a company as a Group, Multi-group or Associated company, the cost of the investment is assumed to be its book value prior to such classification. Prior valuation adjustments entered into the accounts directly under the net equity are maintained there until cancellation.

Investments in the assets of group and associated companies are included in the accounting records, under both current assets and non-current.

The current assets include short-term investment in group and associated companies, comprising corporate loans and other financial assets.

The non-current assets record the balance of long-term investments on group and associated companies, comprising asset instruments. Asset instruments are broken down in the balances of holdings in group companies, holdings in associated companies and share disbursements pending and not called on.

If there exists objective evidence that the book value is unrecoverable, the relevant valuation correction is applied as the difference between the book value and the recoverable sum, the latter understood as whichever is the greater of the fair value less the costs of sale and the current value of the future cash flows derived from the investment.

2.9.6 Financial derivatives at fair value

Derivatives are initially identified by their fair market value as of the contract date. The subsequent changes in market value are recorded as well on each balance closing date. The method of identifying the profit and losses will depend on if the instrument is designed as hedging or not and if it is, on the type of hedging. The different types of hedging designated by the Group are the following:

- i Cash flow hedge: Its purpose is to hedge the exposure to highly probable future transactions and variations in cash flow. The gain or loss on the hedging instrument is recorded by the non efficient section f the Consolidated Income Statement, while the efficient part is identified directly on the Equity of the Consolidated Financial statement. The amount deferred in equity is not recognised in the consolidated income statement until the transactions hedged are taken to the income settlement or until the maturity date of the transactions. This recognition is carried out the same way as the results of the hedge item.

In the case of derivatives that do not qualify as hedge items, the loss or gain of said instrument are recorded in the consolidated income statement.

2.9.7 Business Combinations and Goodwill

The business combinations are accounted for using the acquisition cost method, which entails recognizing the fair value of the assets and liabilities identified in the acquired business. Goodwill is the positive difference between the cost of an investment and the value of the aforementioned assets and liabilities. In the acquisitions of subsidiaries, the goodwill that is generated is considered as greater value of the share. The consolidated goodwill does not depreciate and is subject to the impairment test (note 6).

Goodwill is assigned to cash generating units for the purpose of performing impairment loss tests. This allocation is made to those cash generating units expected to benefit from the merger of businesses during which the goodwill arose.

2.9.8 Stock

Stock is valued at its cost or its net realisable value, whichever is the lower. The cost of stock is established by application of the weighted average cost principle.

The cost of the finished products and products in progress correspond to construction in progress and completed, and include the costs incurred in construction of car parking destined to concession of usage.

Parking spaces intended for sale and included in stock valued at the price of acquisition or the cost of production.

If the cost is greater than the market value, the relevant valuation corrections are applied, and are recognised as an expense in the profit and loss account. If the circumstances leading to the value correction cease to exist, the sum of the correction is subject to reversion and is recognised as revenue in the consolidated income statement.

2.9.9 Cash and other equivalent liquid assets

Cash and other equivalent liquid assets include cash on hand, demand deposits at banks, and short term, high liquid investments which initially have a maturity of three months or less and are not subject to a significant risk of changes in value.

This section includes the short term restricted cash flow. This concept collects the investments of the same nature and maturity affected by financing of specific infrastructure projects, whose availability is restricted by financing contracts as guarantee to cover specific short term obligations relative to interests or principle of the debt as well as for the future maintenance of the infrastructure.

2.9.10 Net equity

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are presented in equity as a deduction, net of taxes. The purchasing of Parent Company shares by consideration paid, including attributed associated costs are deducted from the equity. When these shares are sold or subsequently reissued, any amount received net of costs includes the equity.

The basic profit by action is calculated as the quotient between the net profits attributed to the parent company and the average weighted number of ordinary shares in circulation during said period. In turn, the diluted profit by action is calculated as the quotient between the net incomes attributed to the ordinary shareholders and the average weighted number of ordinary shares in circulation during said period.

In the case that the Group's consolidated Annual Accounts correspond with the financial years ended on 31 December 2010 and 2011; the basic profits by action coincide with the diluted.

2.9.11 Provisions for employees

a) Pensions commitment:

Fixed provision pension plans

Pension plans which are not classified as fixed contribution plans are deemed as fixed provision arrangements. In general, fixed provision plans establish the sum of the provision to be received by the employee at the time of retirement, normally in accordance with one or more factors, such as age, years of service and remuneration.

The Group recognises in its balance sheet a provision for fixed provision pension plans based on the difference between the current value of the committed remunerations and the fair value of any possible assets subject to commitments which are to be used to settle the obligations, with any appropriate deduction being made in accordance with the sum of the costs of past services not yet recognised.

If the above difference gives rise to an asset, the value placed on this may not be greater than the current value of the provisions which may be returned to the Group in the form of direct reimbursements or reduced future contributions plus, where applicable, the part pending allocation to results through costs for past services. Any adjustment which the Group may be required to make on the basis of this limit in the valuation of the assets is attributed directly to the net equity, being recognised as reserves.

The current value of the obligation is established by means of actuarial calculation methods and financial and actuarial hypotheses which are unbiased and mutually compatible.

Any variation in calculation of the current value of the committed remunerations or, as applicable, the corresponding assets, at the date of close, as a result of actuarial profits and losses, is recognised in the financial year during which it arises, recorded directly in the net equity as reserves. For these purposes, profits and losses cover only variations arising through changes in actuarial hypotheses or adjustments based on experience.

Costs of past services are recognised immediately in the consolidated income statement, except in the case of revocable rights, in which case they are attributed to the consolidated income statement on a linear basis over the remaining period up until the rights based on past services become irrevocable. However, if an asset is derived, the revocable rights are attributed to the income statement immediately, unless a reduction occurs in the current value of the provisions which may be returned to the Group in the form of direct reimbursement or reduced future contributions, in which case the excess above this reduction is attributed immediately to the consolidated income statement.

At 31 December 2011 and 2010 there were 76, 25 and 3 people with which the companies Empark Aparcamientos y Servicios, S.A., Dornier, S.A.U. and Balsol 2001, S.A. respectively had retirement commitments in this regard. These commitments are not significant.

b) Redundancy compensation:

Redundancy compensation is paid to employees as a result of a decision by the Group to terminate their employment contracts prior to the normal retirement age, or if the employee agrees to retire voluntarily in exchange for such provisions. The Group recognises these provisions when a proven commitment has been agreed for the termination of the employment of workers, in accordance with a detailed, formal plan, with no possible withdrawal, or an agreement has been reached to provide redundancy compensation as a result of an offer made in order to encourage voluntary redundancies. Those provisions which are not to be paid within 12 months of the date of the balance sheet are discounted at their current value.

2.9.12 Transactions among related parties

In general, operations among related parties are accounted for at the initial point at their fair value. In any case, if the agreed price differs from the fair value, the difference is recorded in accordance with the economic reality of the operation. The subsequent valuation is made in accordance with the terms set out in the corresponding regulations.

2.9.13 Subsidies

A subsidy is considered not refundable when there is an individual concession agreement for the subsidy, all the conditions for its concession have been met and there are no reasonable doubts that payment will be collected.

The monetary type subsidies are valued using the fair value of the awarded amount.

2.9.14 Provisions and contingent liabilities

Provisions for contingencies and expenses are accounted for in accordance with the estimated amount required to deal with probable or certain responsibilities, legal proceedings in progress and for compensation and pending obligations of an undetermined amount, guarantees or other similar sureties.

Provisions are recognised in the balance sheet when the Group has a present obligation, either legal or implicit, as a result of past events, where it is deemed probable that this will involve the need for outgoing resources for settlement, and the sum can be estimated in a reliable manner.

Provisions are valued at the current value of the disbursements which are expected to be required in order to settle the obligation, using a pre-tax rate which reflects the opinions of the current market as to the temporary value of money and the specific risks of the obligation. Adjustments in the provision based on any updates are recognised as a financial expense as they gradually accrue.

Provisions maturing within one year or less and with an insignificant financial impact are not discounted.

Contingent liabilities are possible obligations arising as a result of past events, the materialisation of which depends on whether or not one or more future events should occur, outside the control of the Group.

Given the activities in which the Group is currently engaged, it has no liabilities, expenses, assets or provisions and contingencies of an environmental nature which could prove significant with reference to its net equity, its financial situation and its results. Hence, specific breakdowns are not included in the report herein on the consolidated annual accounts with regards information on environmental issues.

Costs derived from the protection and improvements of the environment are attributed to the consolidated results for the financial year in which they are incurred, irrespective of the point when the monetary or financial flow derived there from occurs.

When such expenses involve the acquisition of tangible assets the purpose of which is to minimise environmental impact and to protect and improve the environment, these are included in the accounts as an increase in the value of fixed assets.

2.9.15 Financial liabilities

Debts and items payable

These liabilities are initially carried at the fair net value of the expenses incurred in the transaction, subsequently recording these by their depreciated cost according to the effective interest method. The effective interest rate is the

discount rate equal to the expected flow of future payments foreseeable up until maturity of the liability. In the case that the effective interest rate is initially considered different from the market interest, the liability is valued taking into account the actual value of the future flows at that market rate in the case of loans with set interest rates. If said interest rate is not fulfilled, the valuation of these is also carried out at the aforementioned market interest rate.

In the event of a renegotiation of existing debts, it is considered that no substantial modification has occurred to the financial liability if the lender of the new loan is the same as that which granted the initial loan and the current value of the cash flows, including the associated issuance and execution costs using the effective interest method, varies by no more than 10% from the current value of the cash flows pending payment on the original liability, calculated in accordance with this same method.

2.9.16 Income tax and deferred taxes

The Group has since 1 January 2005 paid attacks under the consolidated taxation system at Cintra Concesiones de Infraestructuras de Transporte, S.A., as a result of the change in ownership which occurred in 2004, following which the Dominant Company fell within the aforementioned tax consolidation perimeter. The group previously paid taxes under the consolidated taxation system as part of the Ferrovial, S.A. Group. During 2009, as a result of the sale transaction referred to in Note 31, the Group left the aforementioned tax system, and on 31 December 2009 the company applied to pay taxes as a tax group, with effect from 1 January 2010. This group comprises the following companies:

- Empark, Aparcamientos y Servicios, S.A.
- Dornier, S.A.U.
- Femet, S.A.
- Guadianapark, S.A.
- Balsol 2001, S.A.
- Estacionamientos Guipuzcoanos, S.L.U.

The cost or revenue derived from profits tax is the sum accrued under this item during the financial year, covering both the cost or revenue of current tax and deferred tax.

Both the cost (revenue) derived from current and deferred taxes are recorded in the consolidated income statement. However, the tax impact connected with items directly recorded in the consolidated statement of net equity is recognised within the net equity.

Assets or liabilities based on current tax are valued for the sums expected to be paid to or recovered from the tax authorities, employing the regulations in force or approved and pending publication at the date of close of the financial year.

Deferred taxes are calculated in accordance with the liability method, based on the temporary differences arising between the taxable base sums of the assets and their book values. However, where deferred taxes are the result of the initial recognition of an asset or a liability in a transaction other than a combination of businesses which, at the time of the transaction, does not affect either the book result or the calculation base for the tax, they are not recognised. Deferred tax is established by applying the regulations and taxation rates approved or about to be approved at the date of the balance sheet, and which are expected to be applied when the corresponding asset through deferred tax is realised or the deferred tax liability settled.

Assets through deferred taxes are recognised to the extent that it is considered probable that future taxable profits will be made which could be used to compensate for temporary differences.

Deferred taxes are recognised in accordance with the temporary differences arising in investments in subsidiaries and associated companies and joint businesses, except in those cases where the Company can control the time of reversion of the temporary differences, and it is likewise probable that these will not revert in the foreseeable future.

The term consolidated corporate taxes includes all taxes, national and foreign, related to profits subject to tax. The consolidated corporate tax also includes other taxes such as taxes that encumber the repatriation of results as well as any other tax that uses the accounted income as a basis for calculations.

The corporation tax expense reflected in the consolidated financial statements is calculated by aggregating the expense registered for each company that belongs to the consolidated group, increased or decreased, as appropriate, by elimination of accounting consolidation adjustments and by the differences arising between the taxable base sums of the assets and liabilities and their book values in the consolidated annual financial statements (balance sheet method).

Deferred taxes are not recognized when the transaction has no effect on the accounting and/or fiscal value of the involved assets or liabilities. In the case of business combinations, the corresponding deferred taxes derived from the price assigning process and the fiscal amortisation of the generated goodwill in each case.

The assets and liabilities through deferred taxes are calculated at current taxation rates. At the date of the consolidated income statement and which are foreseen to be applicable during the period in which the asset is realised or the liability is settled. They are debited or credited to the income statement except when they refer to items that are directly recorded as net equity, in which case, they are accounted for as debit or credit to said accounts. By non distributed profit of the subsidiaries, there is no liability by deferred taxes when the Group can control the reversion of the temporary differences and it is not probable that these will be reverted in a foreseeable future. The assets by deferred taxes and the tax credits derived from negative tax base sums are identified when it is probable that the Group may recover these in the future regardless of the time in which they are recovered and always when the recovery is prior to the legal period for usage. The assets and liabilities through deferred taxes are not deducted and are classified as a non-current asset (liability) in the balance sheet. At each year-end, the recognised Assets through deferred taxes are reviewed.

2.9.17 Conversion of foreign currency transactions

The annual accounts of companies in foreign currency have been converted to euros using the closing exchange rate method in accordance with the following rates:

Exchange Rate	31/12/2011 Average	31/12/2011 Closure	31/12/2010 Average	31/12/2010 Closure
euro/pound.....	0.8679	0.8353	0.8561	0.8574
euro/Turkish lira	2.3378	2.4432	2.0491	2.0560

2.9.18 Recognition of revenue

Revenue and expenses are attributed in accordance with the accrual principle, in other words based on when the true value of the goods and services they represent becomes current, irrespective of when the monetary or financial value arising from them is realised.

Revenue is recorded at the fair value of the consideration to be received and represents the sums receivable for goods delivered and services provided within the ordinary course of the Group's activities, less returns, rebates, discounts and VAT.

The Group recognises revenue when the sum thereof can reliably be valued, it is probable that future economic benefits will be received by the Group and specific conditions are met for each of the activities, as detailed below. The sum of revenue is not deemed to be subject to reliable valuation until all contingencies connected with the sale have been resolved. The Group bases its estimate on historical results, taking into consideration the type of client, the type of transaction and the specific terms of each agreement.

a) The car park business may be divided into:

a.1) Off-street and mixed parking

a.2) On-street parking (ORA)

a.3) Car parks for local residents

a.1) Off-street and mixed parking

Off-street car park revenues are recorded when the hourly parking rate is paid and, in the case of season ticket-holders, on an accrual basis. Mixed car parks (with public and private spaces) record revenues as follows: in the case of public spaces, in the manner described in the preceding paragraph; and in case of private spaces, the amount received is recorded in the income statement at the time of the transfer of concession usage of the corresponding parking spaces .

Regarding the public spaces, these are recorded in inventories and are transcribed to the income statement on the date of the transfer of the concession of usage.

a.2) On-street parking (ORA)

Revenue from the ORA parking meter service is mainly based on the sum corresponding to the cost of providing the service plus a percentage, generally between 1% and 3%, of the surplus between that cost and the funds collected. In

some 'ORA' on-street parking contracts, revenue is obtained as a fixed percentage of the take, to be paid by the Local Council. This is recorded in the accounts at the time when the service is provided.

a.3) Car parks for local residents

This business involves the construction of car parks whose spaces are sold directly to the end customer during the timeframe of the concession. The sales and costs are not recorded until the parking space is delivered, which tends to coincide with the signature of the contract, or exceptionally, the public deed of sale.

2.9.19 Leases

a) If any Group company is the lessee – Financial lease

The Group leases certain Tangible assets. Leases of Tangible assets where the Group substantially retains the risks and benefits derived from ownership are classified as financial leases. Financial leases are capitalised at the commencement of the lease at the fair value of the property leased, or the current value of the minimum payments agreed under the lease, whichever is the lower. The calculation of current value is based on the implicit interest rate of the contract, and if this cannot be established, the Group interest rate for similar operations.

Each lease payment is distributed between the liability and financial charges. The total financial charge is distributed over the course of the lease and attributed to the consolidated statement of the financial year when it accrues, applying the effective interest rate method. Contingent payments are recorded as a cost for the financial year when incurred. The corresponding lease obligations, net of financial charges, are included in "Creditors through financial leases". Fixed assets acquired under a financial lease system depreciate during their useful life or the duration of the contract, whichever is the lesser.

b) If any Group company is the lessee – Operating lease

Leases where the lessor retains a substantial part of the risks and benefits derived from ownership are classified as operational leases. Payments under operational leases (net of any incentive received from the lesser) are charged to the consolidated statement of the financial year when they accrue, on a linear basis over the period of the lease.

c) When the Group is the lessor

Where assets are leased under a financial lease arrangement, the current value of lease payments, discounted at the implicit interest rate of the contract, is recognised as an item receivable. The difference between the gross sum to be received and the current value of this sum, corresponding to interest not accrued, is attributed to the consolidated statement of the financial year when that interest accrues, in accordance with the effective interest rate method.

Where assets are leased under an operational lease arrangement, the asset is included in the consolidated statement of the financial statement sheet in accordance with its nature. Revenue derived from the lease is recognised in a linear manner over the course of the lease period.

2.9.20 Redundancy compensation

In accordance with current legislation, the Company is obliged to pay compensation to those employees who, under certain circumstances, have their employment contracts terminated. Redundancy compensation payments which can reasonably be quantified are recorded as an expense in the financial year in which a valid expectation exists, created by the Company with regard to the third parties affected.

3 Management of financial and currency risks

The Groups activities expose it to a variety of financial risks: market risk (including exchange rate risk, interest rate risk and price risk), credit risk and liquidity risk.

Risk management is controlled by the Senior Economic and Financial Management of Amsterdam, which identifies, evaluates and pages financial risks in accordance with the policies approved by the Board of Directors. The Administrative Board provides policies for overall risk management, and also for specific areas, such as exchange rate risk, interest rate risk, liquidity risk, and use of derivative and non-derivative instruments and the investment of surplus liquidity.

The financial risks to which the Company is exposed include those derived from the guarantees and bonds required in order for the company to undertake its activities.

During the 2010 and 2011 financial years, the Company had in place bank guarantees with third parties and guarantee commitments with other Group companies in order to engage in its business.

Market Risk: Exchange rate risk from cash flows and fair value

At 31 December 2011, if the interest rates on outside resources quoted in euros had been 50 basis points higher/lower, with all other variables remaining constant, the result after taxes for the period would have been (1,183)/1,183 thousands of euros lower/higher, mainly as a result of an increase/decrease in the cost of interest on variable-rate loans.

The Group carries out the corresponding interest rate hedges by contacting an IRS (Interest Rate Swap). (See note 21).

Credit risk

Credit risk is handled by groups. Credit risk arising from cash and cash equivalents and deposits held in banks and financial institutions, along with wholesale and retail clients, including pending accounts receivable and committed transactions. Regarding banks and financial institutions, only financial institutions that are known to be reputable and solvent will be accepted.

Liquidity risk

Prudent management of liquidity risk involves holding sufficient cash and tradable securities, having access to finance through a sufficient sum of agreed credit facilities and having the capacity to unwind market positions. Given the dynamic type data from subjacent businesses, the object of the Group's treasury Department is to maintain the flexibility in financing by the availability of lines.

4 Intangible assets

The movement of the balances that comprise the Consolidated financial statement for financial years 2011 and 2010 has been the following:

	Thousands of euros		
	Concessions	Computer applications	Total
Cost	617,673	2,505	620,178
Cumulative amortisation	(157,652)	(2,009)	(159,661)
Book value 01-01-2010 (Restated)	460,021	496	460,517
Additions	34,819	2,015	36,834
Cancellations	(12,874)	—	(12,874)
Provision for amortisation	(22,664)	(689)	(23,353)
Cost	639,618	4,520	644,138
Cumulative amortisation	(180,316)	(2,698)	(183,014)
Book value to 31/12/2010 (Restated)	459,302	1,822	461,124
Additions	29,288	1,920	31,208
Cancellations	(1,052)	(482)	(1,534)
Provision for amortisation	(21,645)	(1,207)	(22,852)
Amortisation cancellation	136	479	615
Cost	667,854	5,958	673,812
Cumulative amortisation	(201,825)	(3,426)	(205,251)
Book value as of 31/12/2011	466,029	2,532	468,561

31/12/11

During financial year 2011, the new Concessions amounted to 29,288 thousands of euros. The primary new concessions are explained below:

- Administrative concession for the parking of Plaza de España de Pontevedra amounting to 770 thousands of euros, Plaza America for 39 thousands of euros and Figueres Passeig Nou for 2,314 thousands of euros. These concessions correspond to Empark Aparcamientos y Servicios, S.A.
- Public authority concession for on-street parking and tow truck services in Almeria, and for 1,580 thousands of euros and 504 thousands of euros, respectively; on-street parking service in Segorbe for 300 thousands of euros. Concession agreement: 383 thousands of euros corresponding to new recognitions, essentially two contracts which began in 2010, Tossa de Mar and Almeria, for 192 and 146 thousands of euros, respectively. These concessions correspond to Dornier, S.A.
- Administrative concession for the parking of Plaza de San Agustín for 14,977 thousands of euros, granted by the City Council of Granada. This concession corresponds to Aparcamientos Empark Andalucía, S.L.
- Administrative concession for the parking of Plaza de Cataluña for 3,662 thousands of euros, granted by the City Council of San Sebastian. This concession corresponds to Aparcamientos Guipuzcoanos, S.L.

During financial year 2011, new computer applications amount to 1,920 thousands of euros and are primarily due to new computer programs and updates of existing programs.

The cancellation of public authority concessions are essentially the result of the concession fee for the Plaza Cervantes car park belonging to the company Concha Parking, S.A., for 903 thousands of euros, and the ticket issuing stations of Femet, S.A.

The provision for the amortisation of intangible assets amounts to 22,852 thousands of euros, comprising a provision of 21,645 thousands of euros for the financial year, with 1,207 thousands of euros corresponding to the provision for computer applications during the financial year.

At 31 December 2011, the fully paid off intangible asset items amount to 44,062 thousands of euros; the breakdown of these assets by main companies is the following:

- Empark Aparcamientos y Servicios, S.A. 12,780 thousands of euros.
- Dornier, S.A.U. 22,008 thousands of euros.
- Estacionamientos Guipuzcoanos, S.L. 4,077 thousands of euros.
- Rest 5,197 thousands of euros.

31/12/10

During financial year 2010, the new Concessions amounted to 36,834 thousands of euros. The primary new concessions are explained below:

- Public authority concession for the car parks at Figueras Hospital, for 75 thousands of euros, and Sancho de Avila, 64 thousands of euros. These concessions correspond to Empark Aparcamientos y Servicios, S.A.
- Administrative concession basically by purchasing ticket meters, control and signalling equipment for 4,573 thousands of euros. These concessions correspond to Dornier, S.A.
- Administrative concession for the parking of Plaza de Cataluña for 9,121 thousands of euros, granted by the City Council of San Sebastian. This concession corresponds to Aparcamientos Guipuzcoanos, S.L.
- Administrative concession for the parking of Plaza Cervantes for 15,975 thousands of euros, granted by the City Council of San Sebastian. This concession corresponds to Concha Parking, S.A.
- Administrative concession for the parking of Mercado del Carmen for 200 thousands of euros, granted by the City Council of Huelva. This concession corresponds to Estacionamientos Guipuzcoanos, S.L.

During financial year 2010, new computer applications amount to 2,015 thousands of euros and are primarily due to new computer programs and updates of existing programs such as: New payroll applications, E-NOTA, XRT, SAP, APARK, GESPRO, etc.

The terminations of administrative concessions were primarily due to the sale of parking spots to parking of Okendo residents. This concession corresponds to Guipúzcoa Parking Siglo XXI, S.A.

The provision for the amortisation of intangible assets amounts to 23,353 thousands of euros, comprising a provision of 22,664 thousands of euros for the financial year, with 689 thousands of euros corresponding to the provision for computer applications during the financial year.

5 Tangible assets

The movement of the balances that comprise the financial Statement for financial years 2011 and 2010 has been the following:

	Thousands of euros			Total
	Land and buildings	Technical and other fixed assets	Fixed assets in progress and advances	
Cost	66,768	33,063	(867)	98,965
Cumulative amortisation	(15,013)	(23,931)	–	(38,944)
Book value 01-01-2010 (Restated)	51,755	9,132	(867)	60,021
Additions	5,871	5,058	16,596	27,524
Transfers	14,206	1,265	(15,471)	–
Cancellations	–	(16)	(182)	(198)
Provision for amortisation	(1,876)	(901)	–	(2,777)
Cost	86,845	39,370	76	126,291
Cumulative amortisation	(16,889)	(24,832)	–	(41,721)
Book value to 31/12/2010 (Restated)	69,956	14,538	76	84,570
Additions	546	3,507	651	4,704
Transfers	1,480	(1,440)	(40)	–
Cancellations	(4,616)	(2,066)	(32)	(6,714)
Provision for amortisation	(4,105)	(2,447)	–	(6,552)
Amortisation cancellation	89	2,155	–	2,244
Cost	84,255	39,371	655	124,281
Cumulative amortisation	(20,905)	(25,124)	–	(46,029)
Book value as of 31/12/2011	63,350	14,247	655	78,252

31/12/11

The assets in progress correspond to works that have not yet been completed. as of 31 December 2011 the recognitions of fixed assets in progress amounted to 651 thousands of euros, corresponding to the assets of car parks on which construction work had not been completed by 31 December 2011: 112 thousands of euros for the Hospital Clinic car park in Barcelona, 525 thousands of euros for the Sancho Avila cemetery car park and 14 thousands of euros for the Jesús y María School car park in Madrid.

For the year 2011, the amount for new land and constructions in progress is 546 thousands of euros.

During 2011 the sum of registrations for technical installations and other property, plant and equipment was 3,507 thousands of euros, the main sums corresponding to Doncaster 10 thousands of euros, essentially through the acquisition of ticket issuing machines, control equipment and signage, and to Empark Aparcamientos y Servicios, S.A. 2,697 thousands of euros, essentially: 649 thousands of euros for the centralisation of offices in Madrid, 238 thousands of euros for refurbishment of the Madrid offices, 159 thousands of euros for the Hospital Clinic car park, 112 thousands of euros for the Marbella car park, 138 thousands of euros for the Baluarte car park, 140 thousands of euros for the Palma long-stay car park, 92 thousands of euros on the Madrid long-stay car park, 83 thousands of euros on the Hospital Doce de Octubre car park, 139 thousands of euros for the centralisation of offices in Barcelona, 576 thousands of euros for the UTE Valls joint venture, with the remainder of the recognitions corresponding to various investments made in the various car parks operated by the Company.

Cancellations essentially corresponds to Estacionamientos Alhondiga, S.A. for a sum of de 4,534 thousands of euros and Femet, S.A.: 705 thousands of euros.

The amount of amortised fixed assets for the year is 6,543 thousands of euros.

At 31 December 2011, the fully paid off fixed asset items amount to 4,560 thousands of euros; the breakdown of these assets by main companies is the following:

- Empark Aparcamientos y Servicios, S.A. 3,688 thousands of euros.
- Dornier, S.A. 768 thousands of euros.
- Estacionamientos Guipuzcoanos, S.L. 104 thousands of euros.

At 31 December 2011, there are no assets not involved in operations within the intangible assets.

It is the Group's policy to take out insurance policies which provide adequate coverage for the items which are part of tangible assets.

At 31 December 2011, there are material assets located in Portugal, Turkey, United Kingdom and Andorra.

31/12/10

During 2010 transfers of Tangible assets correspond in the main to transfers from assets in progress to definitive assets corresponding to the Pamplona Hospital car parks, amounting to 13,070 thousands of euros, and the Hospital 12 de Octubre car park: 662 thousands of euros.

The assets in progress correspond to works that have not yet been completed. as of 31 December 2010, the new additions of fixed assets in progress amount to a total of 14,206 thousands of euros, corresponding to the assets represented by the car parks referred to in the above paragraph and other car parks the construction of which has not yet been completed as of 31 December 2010.

For the year 2010, the amount for new land and constructions in progress is 5,871 thousands of euros.

During 2010 the sum of recognitions involving technical facilities and other Tangible assets was 5,058 thousands of euros, the main sums corresponding to Empark Aparcamientos y Servicios, S.A. with above all the most significant items being 173 thousands of euros for the Hospital Doce de Octubre, 236 thousands of euros for the Plaza de América, 551 thousands of euros for the Control Centre, 297 thousands of euros for Río Hortega, 141 thousands of euros for Aena Malaga, 95 thousands of euros for Figueras Hospital, 80 thousands of euros for the long-stay car park in Barcelona, 73 thousands of euros for Aena Santiago, 51 thousands of euros for the UTE Valls joint venture, the remaining recognitions corresponding to the various investments made in the various car parks operated by the Company.

The amount of amortised fixed assets for the year is 2,777 thousands of euros.

At 31 December 2010, there are no assets not involved in operations within the intangible assets.

It is the Group's policy to take out insurance policies which provide adequate coverage for the items which are part of tangible assets.

At 31 December 2010, there are material assets located in Portugal, Turkey, United Kingdom and Andorra.

6 Goodwill

The movement in this caption during the 2011 and 2010 financial year was as follows:

	Thousands of euros
Balance as of 01 January 2010.....	146,474
Adjustment for 2010	423
Cancellations.....	(470)
Balance as of 31 December 2010.....	146,427
Balance as of 01 January 2011.....	146,427
Cancellations.....	(325)
Balance as of 31 December 2011.....	146,102

At 31 December 2011 and 2011, the details per companies that comprise the Goodwill were as follows:

Company	Thousands of euros 2011	Thousands of euros 2010
Empark Aparcamientos y Servicios, S.A.	33,565	33,565
Dornier, S.A.U.	7,550	7,550
Balsol 2001, S.A.	685	685
Empark Portugal – Empreendimentos e Exploração de parqueamentos, S.A.	104,302	104,627
	146,102	146,427

Impairment tests

The Group undertakes an annual procedure in order to identify any possible deficit in the registered cost with regard to the recoverable value of goodwill.

In the case of the goodwill of Empark Aparcamientos y Servicios, S.A. and Balsol 2001, S.A., and this procedure is performed by analysing the assets available to the company at the time of its acquisition and which gave rise to the recognised goodwill, these being individual car parks.

Any possible impairment is calculated by comparing the value of these assets with their fair value, the latter understood as the value of the future cash flow discounts which it is estimated that the assets will generate, based on objective hypotheses, discounted at an estimated capital cost based on a risk-free rate using the 30-year bond as a benchmark, and the level of risk of the asset, along with an estimated market premium.

A residual value is furthermore calculated, incorporating the renewal of the contract and growth.

In the case of Dornier SAU, the goodwill corresponding to the Group as a whole is analysed, this being the corresponding cash generating unit.

Any possible impairment is calculated by comparing the Group's book value (shareholder equity plus value of net goodwill) with its fair value, the latter understood as the price for which it could be sold between independent parties, less any possible costs tied to such a sale, and provided that this fair value can be estimated in a reliable manner, in other words if the Group in which the stake is held is actively listed on an organised financial market, or there exists some transaction between independent parties which could serve as a benchmark; a residual value is furthermore calculated, incorporating the renewal of the contract and growth.

In order to establish the current value of future cash flows derived from the investment, the following process was performed:

- The timeframe over which it is estimated that the corresponding investment will generate flows (concession period) is established. In most cases this period extends up to the expiry thereof: between 10 and 30 years.
- The corresponding revenue and expenditure forecasts were performed, in accordance with the following general criteria:
 - In the case of revenue, in order to estimate the evolution of rates consideration was given to the official forecast for the evolution of the consumer price index (CPI) in each of the countries where the investments are operational, the corresponding formulae for the adjustment of rates as set out in the concession contracts, on the basis of the evolution of price indices and/or any specific correction factors which may apply.
 - In terms of expenditure, the evolution thereof was calculated on the basis of the corresponding expected evolution in the CPI rates, in addition to the forecast evolution of the business.
 - Consideration is also given to the impact of works to be performed in order to maintain and improve infrastructure, based on the best estimate available according to the company's experience, and taking into consideration the forecast evolution of the business.
- The forecast cash flows obtained on the basis of the projected revenue and expenditure, in accordance with the aforementioned criteria, were updated at the discount rate resulting from adding to the long-term cost of money the risk premium assigned by the market to the country where the company performs its operations, the risk premium assigned by the market to each business (both based on a long-term vision), along with the financial structure of the company or cash-generating unit in question. The discount rate employed was 8.24%

As a result of the impairment test performed, it has been revealed that the various cash-generating units to which the various recorded sums of goodwill are assigned will serve to recover the net value of each of the sums recorded by 31 December 2011, and there is therefore no need to establish any form of impairment provision.

7 Analysis of financial instruments

Analysis by category

The book value of each category of financial instruments as established in the standards for registration and valuation of "Financial instruments" is as follows:

	Thousands of euros	
	Long-term financial assets	
	Credits Derivatives others 31/12/11	Credits Derivatives others 31/12/10
Long-term loans and items receivable (note 9)	2,826	852
Total	2,826	852

	Thousands of euros	
	Short-term financial assets	
	Credits Derivatives others 31/12/11	Credits Derivatives others 31/12/10
Short-term loans and items receivable (note 9)	48,196	31,493
Total	48,196	31,493

	Thousands of euros			
	Long-term financial liabilities			
	Debts with credit institutions 31/12/11	Derivates others 31/12/11	Debts with credit institutions 31/12/10	Derivatives others 31/12/10
Debts and items payable (note 21)	489,517	22,761	461,342	21,802
Total	489,517	22,761	461,342	21,802

	Thousands of euros			
	Short-term financial liabilities			
	Debts with credit institutions 31/12/10	Derivatives others 31/12/11	Debts with credit institutions 31/12/10	Derivatives others 31/12/10
Debts and items payable (note 21)	27,923	55,239	20,036	77,426
Total	27,923	55,239	20,036	77,426

8 Stakes in companies by the equity method

Movements during 2011 at companies in which stakes are held

Company	Thousands of euros				
	31/12/10	Stake in Results	Dividends	Adjustments	31/12/11
Infoser estacionamientos, A.I.E.	58	(2)	–	2	58
Estacionamientos y Servicios Extremeños, S.A.	105	–	(13)	(92)	–
Sociedad Municipal Aparcamientos y Servicios, S.A.	6,935	734	(323)	(24)	7,322
Estacionamientos Urbanos de León, S.A.	1,278	449	(405)	193	1,515
Parques do Tamariz – Sociedade Exploração de Parques de Estacionamento, S.A.	462	(10)	–	(49)	403
Figueira Parques – Empresa Pública Municipal de Estac. Da Figueira de Foz, E.M.	887	(19)	–	48	916
Total	9,725	1,152	(741)	78	10,214

Movements during 2010 at companies in which stakes are held

Company	Thousands of euros				
	31/12/09	Stake in Results	Dividends	Adjustments	31/12/10
Infoser estacionamientos, A.I.E.	188	(2)	–	(128)	58
Estacionamientos y Servicios Extremeños, S.A.	109	15	(12)	(7)	105
Sociedad Municipal Aparcamientos y Servicios, S.A.	6,435	866	(294)	(72)	6,935
Estacionamientos Urbanos de León, S.A.	1,557	221	(371)	(129)	1,278
Parques do Tamariz – Sociedade Exploração de Parques de Estacionamento, S.A.	471	(9)	–	–	462
EMES, EPM	200	(27)	–	(173)	–
Figueira Parques – Empresa Pública Municipal de Estac. Da Figueira de Foz, E.M.	898	6	(17)	–	887
Total	9,858	1,070	(694)	(509)	9,725

Financial position as of 31/12/11 of associated companies.

Company	Thousands of euros		
	Capital	Reserves	Book value at parent company
Infoser estacionamientos, A.I.E.	360	–	60
Sociedad Municipal Aparcamientos y Servicios, S.A.	24,000	2,892	3,757
Estacionamientos Urbanos de León, S.A.	1,052	1,426	452
Parques do Tamariz – Sociedade Exploração de Parques de Estacionamento, S.A.	1,500	(271)	397
Figueira Parques – Empresa Pública Municipal de Estac. Da Figueira de Foz, E.M.	514	261	195
Total	27,426	4,236	4,861

Financial position as of 31/12/10 of associated companies:

Company	Thousands of euros		
	Capital	Reserves	Book value at parent company
Infoser estacionamientos, A.I.E.	360	–	60
Estacionamientos y Servicios Extremeños, S.A.	361	34	90
Sociedad Municipal Aparcamientos y Servicios, S.A.	22,000	2,772	3,757
Estacionamientos Urbanos de León, S.A.	1,051	1,408	452
Parques do Tamariz – Sociedade Exploração de Parques de Estacionamento, S.A.	1.500	(231)	426
Figueira Parques – Empresa Pública Municipal de Estac. Da Figueira de Foz, E.M.	514	149	172
Total	25,786	4,132	4,957

The caption Investments accounted for using the equity method includes the result of said companies after taxes.

The information referring to the investment in the associated companies which are part of the Group is the following:

31/12/11

Company	Thousands of euros						Result for Financial Year
	Non-current assets	Current assets	Net equity	Non-current liabilities	Current liabilities	Net Turnover	
Infoser Estacionamientos, A.I.E.	107	861	349	–	619	720	(11)
Estacionamientos Urbanos de León, S.A.	719	3,624	3,522	–	822	3,473	1,044
Sociedad Municipal de Aparcamientos y Servicios, S.A.	50,320	32,849	29,906	19,663	33,599	15,347	2,993
Parques do Tamariz- Sociedade Exploracao de Parques de Estacionamento, S.A.	1,491	713	1,210	–	995	–	(19)
Figueira Parques-Empresa Pública Municipal de Estac. Da figueira de Foz E.M.	284	535	710	–	109	328	(64)
TOTAL	52,922	38,582	35,697	19,663	36,144	19,868	3,944

31/12/10

Thousands of euros

Company	Non-current assets	Current assets	Net equity	Non-current liabilities	Current liabilities	Net Turnover	Result for Financial Year
Infoser Estacionamientos, A.I.E.	134	655	358	–	431	914	(12)
Estacionamientos Urbanos de León, S.A.	731	3,304	3,736	–	298	2,778	514
Sociedad Municipal de Aparcamientos y Servicios, S.A.	51,832	32,091	28,189	24,546	31,188	14,105	3,530
Estacionamientos y Servicios Extremeños, S.A.	832	721	448	1,066	39	105	61
Parques do Tamariz-Sociedade Exploracao de Parques de Estacionamento, S.A.	4,053	2,688	2,589	1,644	2,508	–	(57)
Figueira Parques-Empresa Pública Municipal de Estac. Da figueira de Foz E.M.	233	2,973	2,583	–	623	1,190	118
TOTAL	57,814	42,432	37,902	27,256	35,088	19,092	4,164

None of these companies is listed on the stock market.

There are no companies where a stake of less than 20% is held but it is concluded that there exists substantial influence, nor any where there is a stake greater than 20% and it may be concluded that there is no substantial influence. The Group has not incurred any contingencies regarding its associated companies.

9 Loans and items receivable

The list of loans and items receivable are listed below:

	Thousands of euros	
	31/12/11	31/12/10
Long-term loans and items receivable:		
– Corporate loans	1,830	31
– Credits to personnel	190	196
– Long-term guarantees and deposits	806	625
	2,826	852
Total (note 7)	2,826	852
Short-term loans and items receivable:		
– Trade receivables for sales and services (note 9a)	45,214	24,578
– Trade insolvency provision (note 9b)	(2,809)	(2,344)
– Debt update provisions	(348)	–
– Associate company clients	–	–
– Tied clients (note 10)	404	336
– Personnel debts	229	233
– Sundry debts (note 9 d)	2,076	2,956
– Public Authorities (Note 27)	2,195	3,072
	46,961	28,831
– Credits with third parties	–	–
– Credits to related companies (note 11)	18	1,768
– Other short term loans	–	–
– Short-term guarantees and deposits	1,217	894
Total (note 7)	48,196	31,493

a) Trade receivables for sales and services

The balances of commercial operations take place at market prices.

The breakdown of the balance of the "Trade Receivables for Sales and Services" caption as of 31 December 2011 and 2010 mainly corresponds to public trade receivables. The part corresponding to private clients corresponds to the selling of tickets, leasing, advertising and maintenance. These operations are undertaken at market prices.

The analysis of the periods by which debts are overdue is as follows:

31/12/11

	Femet, S.A.	Estacionamientos Guipuzcoanos, S.L.U.	Empark Aparcamientos y Servicios, S.A.	Dornier, S.A.U.	Rest of companies	Total
Non-matured debt	—	—	1,599	11,179	885	13,663
Up to 3 Months....	—	239	1,507	7,210	966	9,922
Between 3 and 6 Months	—	55	423	5,648	595	6,721
Longer than 6 Months	190	778	7,451	5,370	1,119	14,908
Total.....	190	1,072	10,980	29,407	3,564	45,214

31/12/10

	Femet, S.A.	Estacionamientos Guipuzcoanos, S.L.U.	Empark Aparcamientos y Servicios, S.A.	Dornier, S.A.U.	Rest of companies	Total
Non-matured debt	754	—	1,325	5,425	836	8,340
Up to 3 Months....	96	406	1,236	6,588	912	9,238
Between 3 and 6 Months	18	61	515	1,415	512	2,521
Longer than 6 Months	325	506	1,420	1,216	1,012	4,479
Total.....	1,193	973	4,496	14,644	3,272	24,578

The recognition and reversion of valuation corrections through the impairment of client accounts receivable have been included under "Losses, impairment and variation in provisions through trade operations" in the consolidated income statement.

The sums allocated to the impairment account are normally cancelled once there is no expectation of more cash being recovered.

The maximum exposure to credit risk on the date of submission of the information is the fair value of each of the aforementioned categories of accounts receivable. The group maintains no guarantee as insurance.

b) Contribution to provision for traffic insolvencies

The movement in the provision for insolvencies is as follows:

31/12/11

Thousands of euros						
	Estacionamientos Guipuzcoanos, S.L.U.	Empark Portugal – Empreendimentos e Exploração de Parqueamentos, S.A	Empark Aparcamientos y Servicios, S.A.	Dornier, S.A.U.	Remainder	Total
Balance as of 01/01/11	(126)	(351)	(1,238)	(426)	(203)	(2,344)
Provision.....	(22)	–	(1,927)	–	–	(1,949)
Application.....	–	–	1,441	–	43	1,484
Balance as of 31/12/11	(148)	(351)	(1,724)	(426)	(160)	(2,809)

31/12/10

Thousands of euros					
	Estacionamientos Guipuzcoanos, S.L.U.	Empark Aparcamientos y Servicios, S.A.	Dornier, S.A.U.	Remainder	Total
Balance as of 01/01/10	(105)	(1,086)	(355)	(350)	(1,896)
Provision.....	(21)	(152)	(135)	(204)	(512)
Application.....	–	–	64	–	64
Balance as of 31/12/10	(126)	(1,238)	(426)	(554)	(2,344)

The insolvency provision endowment corresponds to overdue balances dating back more than one year.

c) Client advances

At 31 December 2011 the Group had received advances from clients for the sale of parking spaces amounting to 42 thousands of euros.

At 31 December 2010, the Group has early payments of receivables for the sale of parking spaces in the sum of 10,754 thousands of euros of which 6,240 thousands of euros correspond primarily to Concha Parking S.A. and 4,276 thousands of euros to Aparcamientos Guipuzcoanos S.L.

d) Sundry debtors

The “sundry debtors” caption is listed below:

Sundry debtors	Thousands of euros	
	31/12/2011	31/12/2010
A. Silva & Silva – Imobiliário e Serviços, S.A.....	30	26
Assimec – Imóveis e Construções de A. Silva & Silva, S.A.	172	–
Pevr – Parques de Estacionamento de Vila Real S.A,	252	26
SITEE – Sistema Integrado de Transportes e Estacionamento de Évora EM	506	–
Figueira Parques – Empresa Pública Municipal de Estac. Da Figueira de Foz, E.M.....	52	196
ParqA – Planamento e Gestao de Estacionamento, S.A.	–	35
Mota-Engil II, Gestão, Ambiente, Energia E Concessões De Serviços, S.A.....	155	113
Parques do Tamariz – Sociedade Exploração de Parques de Estacionamento, S.A.	307	96
ANA – Aeroportos de Portugal, S.A.	–	1,250
BRISA Auto-Estradas de Portugal, S.A.	–	183
Ali Bars	–	23
Câmara Municipal de Lisboa.....	–	81
Park Yonetimi Ve Sistemleri San. Ve Tic. A.S.	–	115
Câmara Municipal de Cascais	–	25
IMMO Park Sp. z o.o.	11	–
Ute Aparcamientos.....	190	163
UTE Judizmendi.....	–	210
UTE Valls	–	–
Others.....	401	414
Total.....	2,076	2,956

10 Clients, operations with related parties

The detail of “Operations with related parties” as of 31 December 2011 and 2010 was as follows:

Company	Thousands of euros	
	31/12/11	31/12/10
Related parties	272	235
Gisparques.....	–	29
Alhondiga	109	133
UTE Jado	135	–
UTE Valls	–	73
Others	28	–
Equity method	132	101
Estacionamientos y Servicios Extremeños, S.A.....	28	28
Estacionamientos Urbanos León, S.A.	104	73
Total (note 9).....	404	336

11 Loan operations with related parties

Credits under "Operations with related parties" cover a number of current accounts of Empark Aparcamientos y servicios, S.A. with group companies. These current accounts accrued interest at a rate of 7.80% in 2011 and 2.00% in 2010.

The breakdown of loan operations with related parties as of 31 December 2011 and 2010 was as follows:

Company	Thousands of euros	
	31/12/11	31/12/10
Third parties and proportional integration	18	1,768
UTE Reinrod, Dornier, S.A.U.	3	–
UTE Valls	–	1,686
Estacionamientos Alhóndiga, S.A.	2	7
Ute Aparcamientos	7	14
Others	6	61
Total (note 9)	18	1,768

12 Stock

The breakdown of inventories as of 31 December 2011 and 2010 was the following:

	Thousands of euros			
	31/12/10	Variation in stock	Purchases	31/12/2011
Raw materials and other supplies	1,990	(79)	–	1,911
Products in progress	–	–	–	–
Finished products	5,452	(18,288)	17,310	4,474
Initial costs and general facilities	–	–	–	–
Stock provision	(498)	–	80	(418)
Total	6,944	(18,367)	17,390	5,967

	Thousands of euros			
	01/01/10	Variation in stock	Purchases	31/12/10
Raw materials and other supplies	1,997	(7)	–	1,990
Products in progress	49	(49)	–	–
Finished products	5,325	(13,433)	13,560	5,452
Initial costs and general facilities	213	(213)	–	–
Stock provision	(58)	(440)	–	(498)
Total	7,526	(14,142)	13,560	6,944

The caption Consolidated financial statement "inventories" mainly include the expenses incurred on the construction of car parks whose expected use expires in the period of one year. The administrative concessions for the construction and operating of said car parks have been given as a concession by the respective municipal governments.

EMPARK Aparcamientos y Servicios, S.A. and Subsidiaries

Explanatory notes on 2011 (continued)

12 Stock (continued)

The details of inventory balance are as follows:

	Thousands of euros	
	31/12/2011	31/12/2010
EMPARK.....	2,422	3,047
DORNIER.....	1,953	1,583
APARCAMIENTOS DE BILBAO.....	943	1,180
OKENDO.....	611	875
OTHERS	38	259
TOTAL	5,967	6,944

Nor has any stock been pledged by way of guarantee. The Group has in place a number of insurance policies to cover the risks to which their stock is subject, this cover being deemed sufficient.

13 Cash and other equivalent liquid assets

	Thousands of euros	
	31/12/11	31/12/10
Cash	962	877
Bank	27,110	37,786
Total cash and other equivalent liquid assets	28,072	38,663

Cash and other equivalent assets correspond to cash and current account balances (these balances are available).

14 Capital and Share Premium

During the 2011 financial year a capital increase amounting to 495 thousands of euros was undertaken, comprising 82,494 shares of a par value of 6.01 euros each. A share premium of 1,301 thousands of euros was in turn recorded, at a rate of 15.77 euros for each of the 82,494 shares. ASSIP – Consultoria e Serviços, S.A. has subscribed in full the 82,494 shares, paying up the corresponding face value and the share premium by means of compensation of the credit which it held against the Company.

The company had a credit amounting to 1,800 thousands of euros in favour of ASSIP – Consultoria e Serviços, S.A., through the capital increase 1,796 thousands of euros were compensated for (495 thousands of euros of capital increase and 1,301 thousands of euros of share premium), with 4 thousands of euros remaining as of 31 December 2011.

The shares in the parent Company are pledged in guarantee of the syndicated financing agreement. Meanwhile, dividends may not be distributed.

a) Capital

At 31 December 2011 the declared capital stock is 68,196 thousands of euros and is distributed in 11,347,143 bearer shares, of a nominal value of 6.01 euros each, numbered in sequence from 1 to 11,347,143, fully subscribed and paid up. All the shares have the same political and economic rights.

At 31 December 2010, the capital stock was made up of 11,264,649 bearer shares, of 6.01 euros face value each, numbered in sequence from 1 to 11,264,649, all subscribed and fully paid up. All the shares have the same political and economic rights.

At 31 December 2011 and 2010, all of the parent company shares issued and in circulation were not admitted for listing in any stock market.

The Group's basic/diluted consolidated profit per parent company share for 2011 and 2010 was 0.14 and 0.75 euros respectively.

At 31 December 2011, the companies with stakes in the share capital were the following (see note 2.3):

EMPARK,S.A. Shareholders	31/12/2011	
	Shares	%
ASSIP Consultoria e Serviços, S.A	5,712,117	50.34%
Es Concessions International Holding, BV	2,520,677	22.21%
Ahorro Corporación Infraestructuras, F.C.R. of Simplified Tax Regime	810,341	7.14%
Ahorro Corporación Infraestructuras 2, S.C.R.	127,656	1.13%
ESIF I, B.V.....	937,997	8.27%
Transport Infrastructure Holding Company,B.V.	937,997	8.27%
Mellopark – Sociedade Gestora de Participações Sociais, S.A.	293,316	2.58%
Minority	7,042	0.06%
Total	11,347,143	100.00%

At 31 December 2010, the companies with stakes in the share capital were the following:

EMPARK,S.A. Shareholders	31/12/2010	
	Shares	%
ASSIP Consultoria e Serviços, S.A	5,629,623	49.98%
Es Concessions International Holding, BV	2,520,677	22.38%
Ahorro Corporación Infraestructuras, F.C.R. of Simplified Tax Regime	810,341	7.19%
Ahorro Corporación Infraestructuras 2, S.C.R.	127,656	1.13%
Espirito Santo Infrastructure Fund-I – Fundo de Capital Risco	937,997	8.33%
Transport Infrastructure Holding Company, B.V.	937,997	8.33%
Mellopark – Sociedade Gestora de Participações Sociais, S.A.	293,316	2.60%
Minority	7,042	0.06%
Total	11,264,649	100.00%

b) Share premium

The sum thereof as of 31 December 2011 was 36,940 thousands of euros, and as of 31 December 2010, 35,639 thousands of euros.

The movement in the Share premium caption during the 2011 and 2010 financial year was as follows:

	Thousands of euros
Share premium 01/01/2010	35,639
Variation share premium	–
Share premium 31/12/2010	35,639
Increase share premium	1,301
Share premium 31/12/2011	36,940

15 Reserves and results from previous years

- Legal Reserves

The companies must transfer 10% of income for each year to the legal reserve until the balance of this reserve reaches at least 20% of capital stock. This reserve cannot be distributed to the shareholders and may only be used to offset losses on the profit and loss account, provided that sufficient other reserves are not available for this purpose. Under certain conditions it may also be used to increase the capital stock.

The consolidated financial statement item of “reserves” as of 31 December 2011 and 2010 are listed below:

Reserves	Thousands of euros	
	31/12/11	31/12/10
Legal, statutory and others:		
– Legal reserve.....	13,540	13,508
Other reserves:		
– Voluntary reserves	4,548	3,387
– Goodwill Reserves	3,963	2,642
– Other reserves	153	153
Total	22,204	19,690

16 Reserves in consolidated companies

The details of the reserves in consolidated companies for 2011 and 2010 are as follows:

	Thousands of euros	
	31/12/11	31/12/10
Guadianapark, S.A.	170	124
Balsol 2001, S.A.	(331)	(270)
Dornier, S.A.U.	(31)	(1,409)
Femet, S.A.	(277)	(108)
Estacionamientos Alhondiga, S.A.	(173)	(344)
Aparcamient Escaldes Centre, S.A.	264	201
Aparcamientos de Bilbao, S.A.	391	190
Estacionamientos Guipuzcoanos, S.L.U.....	2,360	1,488
Aparcamientos Guipuzcoanos S.L.....	209	209
Guipuzcoa Parking Siglo XXI, S.A.	2,457	456
Concha Parking, S.A.	(17)	(17)
Empark Aparcamientos Andalucia, S.L.	–	–
Empark UK LTD.	199	125
UTE Torrellobeta	1	–
UTE Valls	(8)	(8)
UTE Jado	(410)	(409)
Ute Aparcamientos.....	180	180
UTE Tenerife	(1)	1
Empark Portugal – Empreendimentos e Exploração de Parqueamentos, S.A.	865	203
Others.....	736	678
Total Reserves in Consolidated Companies.....	6,584	1,290

17 Reserves in companies by the equity method.

The details of the reserves in consolidated companies by the equity method for 2011 and 2010 are as follows:

	Thousands of euros	
	31/12/11	31/12/10
Sociedad Municipal de Aparcamientos y Servicios, S.A.	2,831	2,312
Estacionamientos y Servicios Extremeños, S.A.	—	9
Infofer Estacionamientos, AIE	—	—
Estacionamientos Urbanos de León, S.A.	614	606
Total reserves in companies by the equity method.	3,445	2,927

18 Result for the financial year

The proposed distribution of the earnings of the Parent Company corresponding to the financial year 2011 and 2010, drawn up by the Directors of the same, is the following:

	Thousands of euros	
	31/12/11	31/12/10
Earnings to be distributed:		
Profit for the financial year	(1,917)	2,514
Voluntary reserves	1,321	—
	(596)	2,514
Distribution of Earnings:		
Results from previous financial years	(1,917)	—
To legal reserve	—	32
To the goodwill reserve	1,321	1,121
To voluntary reserve	—	1,361
Other reserves.....	—	—
Dividends.....	—	—
	(596)	2,514

31/12/2011

No distribution of dividends for the financial year 2011 is proposed, as the result was negative.

No endowment of the legal reserve was made in 2011; this reserve stands at 13,540 thousands of euros, a figure which is below the limit of 20% of the capital stock.

The endowment of the goodwill reserve fund in 2011 was more than 5% of the fund, with this reserve, following the endowment, amounting to a sum of 5,285 thousands of euros.

Contribution to consolidated result

The details of the contribution to the consolidated result of the year 2011 and 2010 by consolidated companies are as follows:

	Thousands of euros	
	31/12/11	31/12/10
Empark Aparcamientos y Servicios, S.A.	(13,021)	(6,617)
Estacionamientos Alhóndiga, S.A.	334	171
Guadianapark, S.A.	137	113
Balsol 2001, S.A.	(70)	(61)
Femet, S.A.	(32)	(113)
Dornier, S.A.U.	5,459	6,974
Aparcamientos de Bilbao, S.A.	226	190
Estacionamientos Urbanos de León, S.A.	449	223
Sociedad Municipal de Aparcamientos y Servicios, S.A.	733	864
Estacionamientos Guipuzcoanos, S.L.U.	1,897	2,068
Estacionamientos y Servicios Extremeños, S.A.	–	15
Infofer Estacionamientos, A.I.E.	(2)	(2)
UTE Judizmendi	–	–
Aparcamientos Guipuzcoanos, S.L.	2,597	–
Empark Aparcamientos Andalucía, S.L.	(489)	–
Empark UK LTD	75	74
Concha Parking, S.A.	3,455	–
UTE Aparcamientos	1	1
Guipúzcoa Parking Siglo XXI, S.A.	110	3,390
Aparcamient Escaldes Centre, S.A.	10	155
UTE Jado	–	3
UTE Tenerife	–	11
Empark Portugal – Empreendimentos e Exploração de Parques, S.A.	(1,490)	(1,044)
ESLI – Parques de Estacionamento, S.A.	513	1,013
Parques da Estação – Empreend. E Exploração de Estac, S.A.	176	161
Gisparques – Planeamento e Gestao de Estacionamento, S.A.	35	86
Gisparques II – Planeamento e Gestao de Estacionamento, S.A.	102	48
Mr. Clean – Lavagem de Veículos, S.A.	(254)	(157)
SP Gis – Planeamento e Gestao de Estacionamento, S.A.	407	385
ParqueGil – Planemento e Gestao de Estacionamento, S.A.	2	294
ParqA – Planemento e Gestao de Estacionamento, S.A.	69	1
Street Park – Gestao de Estacionamento, A.C.E	(2)	(2)
Serparque – Serviços de Estacionamento, S.A.	(3)	(4)
Park Yonetimi Ve Sistemleri San. Ve Tic. A.S.+ Katibin Optopark Isletmeleri Tic. Vesan. A.S.	133	(250)
Multi49, Parques de Estacionamento, S.A.	70	52
Castil – Parque, Sociedade Exploradora de Parques de Estacionamento, S.A.	(28)	(52)
Total Dominant Company	1,599	7,988
Minority		
Minoritarios de Empark Portugal, S.A.	112	118
Aparcamientos Guipuzcoanos S.L.	1,731	–
Guipuzcoa Parking siglo XXI, S.A.	74	2,260
Aparcamientos de Bilbao, S.A.	75	63
Guadianapark, S.A.	46	37
Concha parking S.A.	2,303	–
Total Minority	4,341	2,478
Total Consolidated	5,940	10,466

19 Hedging operations

The amounts in this section come from the hedge derivatives contracted by Empark Aparcamientos y Servicios, S.A. during the years 2011 and 2010 for the amount of (1,498) thousands of euros and (3,480) thousands of euros respectively (see note 23).

The derivatives are detailed as follows:

Year 2011

	Thousands of euros				Adjustment through changes in value
	Initial value	Fair value 31/12/11	Difference	Taxes 30%	
Swap A	(3,523)	(4,346)	(823)	234	(589)
Swap B	(7,649)	(8,786)	(1,137)	341	(796)
Swap C	(3,003)	(2,900)	103	(31)	72
Swap Empark Andalucía, S.L.	—	(264)	(264)	79	(185)
	(14,175)	(16,296)	(2,121)	623	(1,498)

Year 2010

	Thousands of euros				Adjustment through changes in value
	Initial value	Fair value 31/12/10	Difference	Taxes 30%	
Swap A	(2,200)	(3,523)	(1,323)	373	(950)
Swap B	(4,712)	(7,649)	(2,937)	881	(2,056)
Swap C	(2,326)	(3,003)	(677)	203	(474)
	(9,238)	(14,175)	(4,937)	1,457	(3,480)

The cash items for changes in fair value of derivatives allocated and identified as cash flow hedges are temporarily identified in the net equity, this amount was (1,498) thousands in 2011 and (3,480) thousands of euros in 2010.

20 Minority

Below is the list of minority interests:

Company	Thousands of euros						
	01/01/10	Result 2010	Adjustments	31/12/10	2011 results	Adjustments	31/12/11
Aparcamientos de Bilbao, S.A. ...	592	63	(62)	593	75	(13)	655
Guipuzcoa Parking Siglo XXI, S.A.	799	2,260	(291)	2,768	74	(730)	2,112
Aparcamientos Guipuzcoanos, S.L.....	410	–	130	540	1,731	–	2,271
Guadianapark, S.A.....	544	38	(73)	509	46	(63)	492
Concha Parking, S.A.....	234	–	163	397	2,303	2	2,702
Parques da Estação – Empreend. E Exploração de Estac., S.A.	295	31	–	326	35	(2)	359
ParqA – Planemento e Gestao de Estacionamento, S.A.	(6)	2	–	(4)	35	(9)	22
ParqueGil – Planemento e Gestao de Estacionamento, S.A.	391	146	(297)	240	21	212	473
SP Gis – Planeamento e Gestao de Estacionamento, S.A.	9	2	–	11	2	–	13
Street Park – Gestao de Estacionamento, A.C.E.....	116	–	–	116	–	(1)	115
Park Yonetimi Ve Sistemleri San. Ve Tic. A.S.....	405	(51)	–	354	27	(208)	173
Castil – Parque, Sociedade Exploradora de Parques de Estacionamento, S.A.	337	(13)	–	324	(8)	3	319
TOTAL	4,126	2,478	(430)	6,174	4,341	(809)	9,706

21 Debts and items payable

The detail of debts and items payable is given below:

	Thousands of euros	
	31/12/11	31/12/10
Long-term debts and items payable:		
– Loans with credit institutions (Note 21a)	489,517	461,342
– Other financial liabilities (note 22)	15,357	14,488
	504,874	475,830
– Derivatives (note 19)	7,404	7,314
Total (note 7)	512,278	483,144
Short-term debts and items payable:		
– Debts with credit institutions (21b)	27,923	20,036
– Debts with related companies and third parties (note 21c).....	578	1,095
	28,501	21,132
– Suppliers	19,432	24,228
– Sundry creditors	11,451	16,257
– Personnel (accrued wages and salaries).....	870	1,422
– Liabilities through current taxes (note 27).....	1,342	105
– Other debtors with Public Authorities (note 27)	7,180	10,315
– Client advances (note 9)	42	10,754
	40,317	63,081
– Other current liabilities (note 26)	5,452	6,389
– Derivatives (note 19)	8,892	6,861
Total (note 7)	83,162	97,463

a) Long term loans with credit institutions

31/12/2011

The details of long term bank loans are shown below:

	Thousands of euros	
	Limit granted	Balance available
Debts with credit institutions		
– Aparcamientos de Bilbao, S.A.	15,100	7,727
– Estacionamientos Alhóndiga, S.A.	3,500	1,550
– Guipuzcoa Parking Siglo XXI, S.A.	33,300	29,761
– Concha Parking, S.A.	31,134	25,069
– Aparcamientos Guipuzcoanos, S.L.	12,215	11,808
– Empark Aparcamientos Andalucía, S.L.	7,000	6,496
– Dornier, S.A.U.	2,200	1,707
– Empark Aparcamientos y Servicios, S.A.	358,257	334,816
– Empark Portugal – Empreendimentos e Exploração de Parques, S.A.	37,632	30,104
– Gisparques – Parques de Estacionamento, S.A.	502	402
– Esli – Parques de Estacionamento, S.A.	31,798	25,487
– SP Gis – Planeamento e Gestão de Estacionamento, S.A.	3,436	2,754
– Park Yonetimi	393	100
– Parques de Estação	629	171
– ParqueGil	11,341	10,692
– ParqA	1,371	873
	549,808	489,517

Aparcamientos de Bilbao, S.A. has two mortgage loans, one in the sum of 3,100 thousands of euros, with a maturity date of 24 October 2013 and an interest rate of 2.41%, and the other one for 12,000 thousands of euros, with a maturity date of 06 October 2019 at an interest rate of 2.48%.

Estacionamientos Alhóndiga, S.A. has a mortgage loan to the value of 3,500 thousands of euros, with a maturity date of 16 December 2018, and an interest rate of 2.10%.

Guipúzcoa Parking Siglo XXI, S.A. has a mortgage loan to the value of 33,300 thousands of euros, with a maturity date of 31 December 2035, and an interest rate of 2.03%.

Concha Parking, S.A. has in place a mortgage loan of 31,134 thousands of euros, maturing on 5 August 2029, at an interest rate of 4.082%.

Aparcamientos Guipuzcoanos, S.L. has in place a mortgage loan of 12,215 thousands of euros, maturing on 5 August 2029, at an interest rate of 4.329%.

Empark Aparcamientos Andalucía, S.L.U. has a credit agreement for 7,000 thousands of euros, maturing on 15 June 2029, at an interest rate of 5.194%.

Empark Aparcamientos y Servicios, S.A. has an ICO [Official Credit Institution] loan from Bancaja amounting to 4,000 thousands of euros, signed on 21 May 2010 and maturing on 25 May 2013 with a fixed interest rate of 4.67%. It also has an ICO loan signed with Banc Sabadell on 18 October 2011, maturing on 25 October 2016, at an interest rate of 7.42%, amounting to 2000 thousands of euros.

During 2011 Dornier, S.A. signed ICO loans amounting to 2,200 thousands of euros in all.

The agreement with Banco Sabadell is an ICO [Official Credit Institution] liquidity arrangement, maturing on 25 October 2016, the rate of interest being 7.42%.

The agreement signed with Ibercaja is an ICO investment arrangement for 1,200 thousands of euros, maturing on 25 November 2016, with a sum of 300 thousands of euros of this loan being pledged, at an interest rate of 5.696%.

Likewise, Dornier, S.A. signed a factoring arrangement with Banco de Valencia, with an outstanding risk as of 31 December 2011 of 1,023 thousands of euros.

Empark Aparcamientos y Servicios, S.A. jointly with Empark Portugal – Empreendimentos e Exploração de Parques, S.A., has a syndicated loan signed on 27 July 2009, in the sum of 400,343 thousands of euros. Of these 400,343 thousands of euros, in the end, 18,680 thousands of euros were not received because a Project

Finance was received for company Concha Parking S.A., and 406 thousands of euros not drawn down under the Balsol 2001, SA financing arrangement.

On 14 October 2010 the agreement was renewed and extended by 42,000 thousands of euros, the sum drawn down as of 31 December 2011 being 40,846 thousands of euros.

On 8 April 2011 an advance amortisation of 450 thousands of euros was made, and on 27 October an advance amortisation of 7,343 thousands of euros.

The limit granted is 423,257 thousands of euros.

This syndicated loan is referencing the Euribor, with a difference between 3.5% and 4.5%: Facility A 4%, Facility B 4.5%, TC1 4% and TC2 3.5% (see table below)

The total amount is divided into three different loans:

Facility A is an amortising loan payment of which began in 2011, and will expire in 2016. Facility B is a bullet loan, with the sum total of the loan being amortised on maturity, in 2017.

The Capex is divided into TC1 and TC2, the total amount is 72,000 thousands of euros., which can be made available to pay for investments. as of 31 December 2011, 30,000 euros had been drawn down under TC1, and 42,000 thousands of euros under TC2. TC1 is an amortizing loan, which like Facility A starts to be paid off in 2011 and matures in 2016. TC2 is a bullet arrangement, amortising on maturity in 2017.

The syndicated loan serves several purposes:

1. – Finance the acquisition of Empark Portugal.
2. – Refinance Cintra Group's existing debt.
3. – Refinance Empark Portugal Group's existing debt.
4. – Finance part of the Groups investment plan in 2009, 2010 and 2011.

The loan has the following characteristics:

	Amount (thousands of euros)	interest	Maturity Date	1st Primary Amortization
Facility A.....	112,166	euribor + differential	July-16	January-11
Facility B1.....	102,855	euribor + differential	July-17	July-17
Facility B2.....	121,800	euribor + differential	July-17	July-17
Capex T1.....	28,939	euribor + differential	July-16	July-11
Capex T2.....	40,846	euribor + differential	July-17	July-17
TOTAL	406,606			

This bank finance requires compliance on the part of the companies lying within the financing perimeter with certain financial ratios (Debt Service Coverage Ratio, Net Debt to EBITDA, Interest Coverage Ratio).

During the 2011 financial year none of the contractual conditions for the financing were breached.

The attached table shows the financial situation by companies and by loan sections as of 31 December 2011.

COMPANY	LIMIT	FACILITIES				TOTAL
		F.A	F.B	Capex T1	Capex T2	
Empark	352.256,55	45.780,06	224.655,17	28.939,44	40.845,58	340.220,25
Gisparques.....	485,60	454,04				454,04
Emparque.....	36.417,59	34.050,44				34.050,44
ESLI	30.771,87	28.771,70				28.771,70
SP Gis.....	3.325,44	3.109,29				3.109,29
TOTAL	423.257,05	112.165,52	224.655,17	28.939,44	40.845,58	406.605,71

The long term maturities are broken down as follows:

	Thousands of euros
Over two years	34,963
Three years	34,844
Four years	39,565
Remainder	380,145
	489,517

31/12/2010

The details of long term bank loans are shown below:

	Thousands of euros	
	Limit granted	Balance available
Debts with credit institutions		
– Aparcamientos de Bilbao, S.A.	15,100	9,214
– Estacionamientos Alhóndiga, S.A.	3,500	1,808
– Guipuzcoa Parking Siglo XXI, S.A.	33,300	30,515
– Concha Parking, S.A.	31,134	22,220
– Aparcamientos Guipuzcoanos, S.R.L.	12,215	12,215
– Empark Aparcamientos y Servicios, S.A.	356,257	308,426
– Empark Portugal – Empreendimentos e Exploração de Parques, S.A.	36,418	33,219
– Gisparques – Parques de Estacionamento, S.A.	486	441
– Esli – Parques de Estacionamientos, S.A.	30,772	27,977
– SP Gis – Planeamento e Gestão de Estacionamamiento, S.A.	3,325	3,023
– Park Yonetimi	393	254
– Parques de Estação	629	400
– ParqueGil	11,341	10,508
– ParqA	1,371	1,122
	536,241	461,342

Aparcamientos de Bilbao, S.A. has two mortgage loans, one in the sum of 3,100 thousands of euros, with a maturity date of 24 October 2013 and an interest rate of 1.85%, and the other one for 12,000 thousands of euros, with a maturity date of 06 October 2019 at an interest rate of 1.87%.

Estacionamientos Alhóndiga, S.A. has a mortgage loan in the sum of 3,500 thousands of euros, with a maturity date of 16 December 2018, and an interest rate of 1.70%.

Guipuzcoa Parking Siglo XXI, S.A. has a mortgage loan in the sum of 33,300 thousands of euros, with a maturity date of 31 December 2035, and an interest rate of 1.53%.

Concha Parking, S.A. has in place a mortgage loan of 31,134 thousands of euros, maturing on 5 August 2029, at an interest rate of 4.082%.

Aparcamientos Guipuzcoanos, S.L. has in place a mortgage loan of 12,215 thousands of euros, maturing on 5 August 2029, at an interest rate of 4.329%.

Empark Aparcamientos y Servicios, S.A. has an ICO loan signed with Bancaja for 4,000 thousands of euros, signed on 21 May 2010 with a maturity date of 25 May 2013 with a fixed interest rate of 4.67%.

Empark Aparcamientos y Servicios, S.A. jointly with Empark Portugal – Empreendimentos e Exploração de Parques, S.A., has a syndicated loan signed on 27 July 2009, in the sum of 400,343 thousands of euros. Of these 400,343 thousands of euros, in the end, 18,680 thousands of euros were not received because a Project Finance was received for company Concha Parking S.A. On 14 October 2010 the agreement was renewed and extended by 42,000 thousands of euros, the limited granted being increased to 423,257 thousands of euros.

This syndicated loan is referencing the Euribor, with a difference between 3.5% and 4.5%: Facility A 4%, Facility B 4.5%, TC1 4% and TC2 3.5%. (See table below)

The total amount is divided into three different loans:

Facility A is an amortising loan, payment beginning in 2011 and expiring 2016. Facility B, meanwhile, is a bullet loan, with the sum total of the loan being amortised on maturity, in 2017.

The Capex is divided into TC1 and TC2, the total amount is 72,000 thousands of euros., which can be made available to pay for investments. In 2010, 30,000 thousands of euros. are made available and 42,000 thousands of euros. remain pending. TC1 is an amortizing loan, which like Facility A starts to be paid off in 2011 and matures in 2016; TC2 is a Bullet and is paid off when it matures in 2017.

The syndicated loan serves several purposes:

1. – To finance the acquisition of Empark Portugal – Empreendimentos e Exploração de Parqueamentos, S.A.
2. – Refinance Cintra Group's existing debt.
3. – Refinance Empark Portugal Group's existing debt.
4. – Finance part of the Groups investment plan in 2009, 2010 and 2011.

The loan has the following characteristics:

	Amount (thousands of euros)	interest	Maturity Date	1st Primary Amortization
Facility A.....	119,963	euribor + differential	July-16	April -11
Facility B1.....	109,494	euribor + differential	July-17	July-17
Facility B2.....	121,800	euribor + differential	July-17	July-17
Capex T1.....	30,000	euribor + differential	July-16	April -11
Capex T2.....	42,000	euribor + differential	July-17	July-17
TOTAL	423,257			

This bank finance requires compliance on the part of the companies lying within the financing perimeter with certain financial ratios (Debt Service Coverage Ratio, Net Debt to EBITDA, Interest Coverage Ratio).

During the 2010 financial year none of the contractual conditions for the financing were breached.

The attached table shows the financial situation by companies and by loan sections as of 31 December 2010.

COMPANY	FACILITIES					TOTAL
	LIMIT	F.A	F.B	Capex T1	Capex T2	
Empark	352.256,55	48.962,63	231.293,92	30.000,00		310.256,55
Gisparques.....	485,60	485,60				485,60
Emparque.....	36.417,59	36.417,59				36.417,59
ESLI	30.771,87	30.771,87				30.771,87
SP Gis.....	3.325,44	3.325,44				3.325,44
TOTAL	423.257,05	119.963,13	231.293,92	30.000,00		381.257,05

The long term maturities are broken down as follows:

	Thousands of euros
Over two years	22,038
Three years	33,004
Four years	33,004
Remainder.....	373,296
	461,342

b) Short term debts with credit institutions.

31/12/2011

At 31 December 2011, the company has signed lines of credit that correspond entirely to Empark Aparcamientos y Servicios, S.A. as per the following table:

Entity	Type of loan	Limit	Thousands of euros			Interest Rate Applied
			Contracting / Renewal Date	Maturity Date	Drawn down	
La Caixa	Commercial Loan Policy	6,000	04/07/2011	30/06/2012	–	Euribor, 1-month + margin
Banco Sabadell Atlántico	Commercial Loan Policy	500	17/01/2011	17(*)	–	Euribor, 3-month + margin
Nova Caixa Galicia	Commercial Loan Policy	2,200	04/07/2011	31/07/2012	–	Euribor, 3-month + margin
Unicaja	Commercial Loan Policy	3,000	23/04/2011	22/04/2012	–	Euribor, 3-month + margin
Banco Popular	Commercial Loan Policy	1,000	04/03/2011	04/03/2012	–	Fixed rate 3.75%
Bankinter	Commercial Loan Policy	1,700	08/04/2011	08/04/2012	–	Euribor, 3-month + margin
Ibercaja	Commercial Loan Policy	1,000	02/09/2011	15/09/2012	–	Euribor, 3-month + margin

(*) Renewed on maturity

The detail of the balance and variations of this caption is as follows:

	Thousands of euros			
	Balances 31/12/10	Increases	Reductions	Balances 31/12/11
Short term portion of long-term loans	13,987	20,185	(12,385)	21,787
Non-expired Interest to be paid	6,049	27,939	(27,852)	6,136
	20,036	48,124	(40,237)	27,923

The final balance breaks down as follows:

Aparcamientos de Bilbao, S.A. 1,540 thousands of euros, Estacionamientos Alhóndiga, S.A. 260 thousands of euros, Guipúzcoa Parking, S.A. 773 thousands of euros, Concha Parking, S.A. 307 thousands of euros, Aparcamientos Guipuzcoanos, S.L. 229 thousands of euros, Empark Aparcamientos Andalucía, S.L. 275 thousands of euros, including short-term debts and interest accruing and not paid.

Dornier, S.A. the debt and interest accrued and not paid on the Ibercaja ICO loan amounts to 240 thousands of euros, and the Banc Sabadell ICO loan to 200 thousands of euros. The factoring debt pending payment to Banco de Valencia is 1,023 thousands of euros.

Empark Aparcamientos y Servicios SA (individual company), the debt and interest accrued and not paid on the syndicated loan with Banco Espirito Santo de Investimento, the Bancaja ICO loan and the Banc Sabadell ICO loan amounts to 15,176 thousands of euros (9,560 thousands of euros of short-term debt, and 5,616 thousand in interest accrued and not paid)

Empark Portugal – Empreendimentos e Exploração de Parqueamentos, S.A., Esli, Gisparques, and SP Gis, the short-term debt under the syndicated loan with Banco Espirito Santo de Investimento, amounting to 6,390 thousands of euros.

The remainder of the short-term debt in Portugal amounts to 1,510 thousands of euros.

31/12/2010

At 31 December 2010, the company has signed lines of credit that correspond entirely to Empark Aparcamientos y Servicios, S.A. as per the following table:

Thousands of euros						
Entity	Type of loan	Limit	Contracting / Renewal Date	Maturity Date	Drawn down	Interest Rate Applied
La Caixa	Commercial Loan Policy	6,000	25/11/2009	30/06/2012	–	Euribor, 1-month + margin
Banco Sabadell Atlántico	Commercial Loan Policy	500	10/12/2009	17/01/2012	–	Euribor, 3-month + margin
Caixa Galicia	Commercial Loan Policy	1,000	15/03/2010	31/03/2013	–	Euribor, 3-month + margin
Unicaja	Commercial Loan Policy	3,000	23/04/2010	22/04/2013	–	Euribor, 3-month + margin
Caixa Nova.....	Commercial Loan Policy	1,200	21/05/2010	19/05/2011	–	Euribor, 3-month + margin
Bancaja	Commercial Loan Policy	500	21/05/2010	18/05/2013	–	Euribor, 3-month + margin
Ibercaja.....	Commercial Loan Policy	1,000	28/07/2010	15/08/2011	–	Euribor, 3-month + margin

The detail of the balance and variations of this caption is as follows:

	Thousands of euros			
	Balances 01.01.2010	Increases	Reductions	Balances 31.12.2010
Short term portion of long-term loans	11,269	13,987	(11,269)	13,987
Non-expired Interest to be paid.....	3,928	6,049	(3,928)	6,049
	15,197	20,036	(15,197)	20,036

The final balance breaks down as follows:

Aparcamientos de Bilbao, S.A. 1,542 thousands of euros, Estacionamientos Alhóndiga, S.A. 259 thousands of euros, Guipúzcoa Parking, S.A. 717 thousands of euros, Concha Parking, S.A. 450 thousands of euros, Aparcamientos Guipuzcoanos, S.R.L. 319 thousands of euros, including short-term debts and interest accruing and not paid.

Dornier, S.A. has 975 thousands of euros corresponding to the Factoring line with recourse signed with Caja Madrid.

At Empark Aparcamientos y Servicios SA (individual corporation), there are several items: On one hand there is the debt and interest accrued and not paid for the syndicated loan with Banco Espirito Santo de Investimento, S.A. for the amount of 9,560 thousands of euros, and on the other hand, the loan and interest accrued for 985 thousands of euros with Bancaja.

Empark Portugal – Empreendimentos e Exploração de Parqueamentos, S.A., Esli, Gisparques, and SP Gis, the loan and interest accrued and not paid of the syndicated loan with Banco Espirito Santo de Investimento, S.A. for the amount of 3,779 thousands of euros.

This year, the short term loans of the Portuguese and Turkish companies are included. Park Yonetimi, Parques da Estação, ParqueGil and ParqA, for the amount of 1,450 thousands of euros.

c) Debts with related companies and third parties

	Thousands of euros	
	31/12/11	31/12/10
UTE Valls	420	1,095
UTE Jado	130	–
UTE Torrellobeta	25	–
Others.....	3	–
Short-term debts, related companies	578	1,095

22 Other debtors

	Thousands of euros	
	31/12/11	31/12/10
Long term debt Concha Parking, S.A. (Construcciones Moyua)	4,338	4,226
Long-term debt of Aparcamientos Guipuzcoanos, S.L. (Construcciones Moyua)	2,758	–
Shareholder loans	666	2,339
Leasing Emparque	7,238	7,063
Deposits	141	140
Other debtors	216	720
	15,357	14,488

31/12/2011

The long-term debt of Concha Parking, S.A. for the amount of 4,338 thousands of euros corresponds to a participative loan of Construcciones Moyua, S.L.

The long-term debt of Concha parking, S.A. for the amount of 2,758 thousands of euros corresponds to a participative loan of Construcciones Moyua, S.L.

The key characteristics of these loans are as follows:

Interest rate: In accordance with the increase in the Company's net equity. Maturity: 6 September 2029.

Leasing Emparque for the amount of 7,238 thousands corresponding mainly to:

- 5,547 thousands of euros corresponding to a leasing contract for the Saldanha Residence car park.
- 1,751 thousands of euros corresponding to a leasing of ORA equipment.

31/12/2010

The long-term debt of Concha parking, S.A. for the amount of 4,226 thousands of euros corresponds to a participative loan of Construcciones Moyua, S.L.

Leasing Emparque for the amount of 7,063 thousands corresponding mainly to:

- 5,600 thousands of euros corresponding to a leasing contract for the Saldanha Residence car park.
- 1,700 thousands of euros corresponding to a leasing of ORA equipment.

23 Financial instruments

The breakdown of the items is shown below:

	Thousands of euros	
	31/12/11	31/12/10
	Liabilities	Liabilities
Long-term hedging derivatives	7,404	7,314
Short-term hedging derivatives	8,892	6,861
Non-current	7,404	7,314
Current	8,892	6,861
TOTAL (note 19)	16,296	14,175

With the signing of the syndicated loan, two hedging interest rate swaps were contracted. One for Facility A and another for Facility B. Both for a notional figure of 67% of the debt, namely 34,170 thousands of euros in the case of FAA, and 164,803 thousands of euros for FB.

The amortisation of these swaps is tied to the amortisation conditions of the loan it covers. In the case of Swap a, this is thus an amortising arrangement maturing in 2016. Swap B, meanwhile, is a bullet.

The Group pays for these swaps a fixed rate of 3.24% and 3.19%. As of 31 December 2011 and 2010, the current interest rate (the bank pays Empark Aparcamientos y Servicios, S.A.), is 1.83% and 1.13% respectively.

At 21 December 2009, a third Swap was signed with La Caixa for a Notional amount of 35 millions of euros. With half-yearly settlement, and a fixed rate of 4.29%. This Swap increases the hedge of Facility A.

On 18 November 2011, Empark Aparcamientos Andalucía, S.L.U., arranged a loan with La Caixa for 7 million euros. This loan has a hedge with the same entity for 6.3 million euros. Empark Aparcamientos Andalucía, S.L.U., pays for this swap a fixed rate of 2.83%.

The valuation of the derivatives owned by the Group as of 31 December 2011 and 2010 is (16,296) thousands of euros and (14,175) thousands of euros respectively. See note 19.

24 Long-term accruals and deferrals

The movements occurring in the account "Long-term accruals and deferrals" over the financial year were as follows:

	Thousands of euros
	Sales of Use of Spaces
Balances as of 01/01/10	6,099
Acknowledged revenue and cancellations	(513)
Payments received	163
Balance as of 31/12/10	5,749
Acknowledged revenue and cancellations	(4,853)
Payments received	6
Balances as of 31/12/11	902

At 31 December 2011 and 2010, the sums set out in the section for long-term accruals and deferrals primarily correspond to long term season parking pass contracts.

25 Provisions

a) Long-term

At 31 December 2011 and 2010, the sums listed in the long-term provisions section are the following:

	31/12/2011	31/12/2010
Long-term provisions	45,165	44,256
Obligations through long-term personnel provisions	141	—
Provision for infrastructure operations	45,024	44,256

Obligations through long-term personnel provisions:

	Thousands of euros
Balance 01/01/2010	142
Long-term provision application	(142)
Balance 31/12/2010	—
Balance 01/01/2011	—
Long-term provision endowment	141
Balance 31/12/2011	141

Provision for infrastructure operations:

	Thousands of euros
Major repairs	–
Replacement actions	7,842
Canons	33,794
Others	220
Balance 01/01/2010	41,856
Endowment Provision for major repairs	5,524
Replacement Provision Endowment	1,185
Canons Provision Endowment	–
Others	(131)
Short term transfer, Replacement provision	(3,638)
Short term transfer, Canons provision	(3,222)
Increases through replacement update	1,185
Increases through canons update	1,498
Major repairs	5,524
Replacement actions	6,574
Canons	32,070
Others	89
Balance 31/12/2010	44,256
Endowment Provision major repairs	98
Replacement Provision Endowment	1,331
Canons Provision Endowment	–
Application – others	(25)
Short term transfer, Replacement provision	(491)
Short terms transfer, Canons provision	(3,278)
Increases through replacement update	491
Increases through canon s update	2,641
Major repairs	5,622
Replacement actions	7,905
Canons	31,433
Others	64
Balance 31/12/2011	45,024

The provision for replacement operations covers liabilities to account for certain operations undertaken with regard to periods of use in excess of one year, involving the infrastructure connected with concession agreements, representing wear and tear or consumption of a part thereof.

The provision for canon covers liabilities to meet payments to Local Councils for periods in excess of one year connected with concession agreements.

Provisions for major repairs correspond to the amounts allocated for payments of different assets on the ending date of the corresponding concessions.

The breakdown for this period by companies in 2011 corresponds mainly to:

- Future payments Guipúzcoa Parking Siglo XXI, S.A. for 1,088 thousands of euros.
- Future payments of Aparcamientos Guipuzcoanos, S.L. for 1,108 thousands of euros.
- Future payments of Concha Parking, S.A. for 1,652 thousands of euros.
- Future payments of Estacionamientos Guipuzcoanos, S.L.U. for 1,774 thousands of euros.

b) Short term

The total balance of the short-term provisions of the close of the 2011 and 2010 financial years were 6,233 thousands of euros 6,938 thousands of euros, respectively.

Provision for infrastructure operations:

	Thousands of euros
Replacement actions.....	2,370
Canons.....	3,067
Others.....	8
Balance 01/01/2010	5,445
Long-term replacement transfers.....	3,638
Long-term fee transfers.....	3,222
Applications of replacement.....	(2,370)
Applications of canons	(3,067)
Others.....	71
Replacement actions.....	3,638
Canons	3,222
Others.....	79
Balance 31/12/2010	6,938
Long-term replacement transfers.....	491
Long-term canons transfers	3,278
Applications of replacement.....	(2,134)
Applications of canons	(2,346)
Others.....	5
Replacement actions.....	1,995
Canons	4,154
Others.....	84
Balance 31/12/2011	6,233

26 Other current liabilities

The detail of other current liabilities is as follows:

	Thousands of euros	
	31/12/11	31/12/10
Personnel remuneration.....	983	937
Interest payable.....	937	1,134
Insurance policies	76	27
Leases.....	302	369
Other cumulative expenses.....	623	921
Long-term parking space contracts.....	1,732	1,917
Other deferred revenue.....	799	1,084
	5,452	6,389

27 Tax situation

31/12/11

The detail of the balances held with the Public Authorities as of 31 December 2011 is as follows:

	Thousands of euros	
	Receivable	Payable
Non-current:		
Assets through deferred taxes	27,082	–
Liabilities through deferred taxes	–	27,818
Total	27,082	27,818
Current:		
Withheld and advance payment of Corporation Tax	271	319
Tax Office Corporation Tax credit	1,221	1,384
Withheld Personal Income Tax	41	603
Value Added Tax	630	3,143
Canons	–	1,335
City Council Taxes	–	1,559
Social Security bodies	32	179
Total	2,195	8,522

Reconciliation of the net sum of revenue and expenditure for the financial year and the tax base for Corporation Tax

	Thousands of euros		
	Increases	Reductions	Net impact
Profit before tax			13,516
Permanent differences	215	(1,321)	(1,106)
Temporary differences	4,410	(4,328)	82
Originating in the financial year	6	(4,193)	(31,676)
Originating in previous financial years	4,404	(135)	(368)
Eliminations	–	–	(10,630)
Tax base (fiscal result)	–	–	1,862
Prior quota 30%, 28%, 26.5% 20% and 0%	–	–	268
Deductions	–	–	(1,144)
Quota	–	–	2,181

The tax rate used for calculating the payment was 30% for companies paying national taxes, 28% for those paying devolved regional taxes, 0% for those companies which do not pay taxes, 26.5% for companies that pay taxes in Portugal and 20% for companies that pay taxes in turkey.

The permanent and temporary differences derived from individual companies are described below:

Empark Aparcamientos y Servicios, S.A.

The permanent differences correspond to (1,321) thousands of euros for amortisation of goodwill.

The temporary differences correspond to 43 thousands of euros of amortisation adjustment. During the 1995 financial year the Group took advantage of Royal Legislative Decree 2/1995, on the freedom of amortisation for employment-generating investments, amortising for tax purposes the La Concepción car park administrative concession to the level of 67.62%. Over the lifespan of the concession the adjustment made through the difference between the book and tax amortisations is gradually recovered.

2,392 thousands of euros for the reinvestment of assets applied under free amortisation for the years 2010 and 2009. During financial years 2009, the Group abides by the 11th additional disposition of the revised text regarding corporate taxes introduced by Act 4/2008 regarding freedom of amortisation for all new items like tangible assets as well as real estate investments involved in economic activities and requiring the average work force per company for the 24 months following the start of the period in which the acquired items begin operations is maintained with respect to the average work force of the 12 preceding months.

Cancellations amounting to 10,630 thousands of euros correspond to the dividends of Dornier, S.A.U., Guadianapark, S.A. and Estacionamientos Guipuzcoanos, S.L.

Dornier, S.A.U.

The permanent deduction corresponds to 97 thousands of euros for inspection expenses of IAE (Economic Activity Tax) and ITP (Property Transfer Tax).

The temporary differences correspond to:

(135) thousands of euros for the adjustment between the difference in the accounting and fiscal amortisation principles for the fee paid on the Madrid Regulated Parking Service.

1,633 thousands of euros for the reinvestment of assets applied under free amortisation for the years 2010 and 2009. During financial years 2009, the Group abides by the 11th additional disposition of the revised text regarding corporate taxes introduced by Act 4/2008 regarding freedom of amortisation for all new items like tangible assets as well as real estate investments involved in economic activities and requiring the average work force per company for the 24 months following the start of the period in which the acquired items begin operations is maintained with respect to the average work force of the 12 preceding months.

(1,307) as a result of the adjustment to Reserves caused by the change in criterion under IFRIC 12

Double-taxation deductions correspond to the dividends of Balsol 2001, S.A. and Femet, S.A. in the sum of 17 thousands of euros.

Estacionamientos Guipuzcoanos, S.L.U.

The temporary differences correspond to:

(2,531) as a result of the adjustment to Reserves caused by the change in criterion under IFRIC 12.

Guipúzcoa parking Siglo XXI, S.A.

The temporary differences correspond to:

310 thousands of euros for the reinvestment of assets applied under free amortisation for the years 2010 and 2009. During financial years 2009, the Group abides by the 11th additional disposition of the revised text regarding corporate taxes introduced by Act 4/2008 regarding freedom of amortisation for all new items like tangible assets as well as real estate investments involved in economic activities and requiring the average work force per company for the 24 months following the start of the period in which the acquired items begin operations is maintained with respect to the average work force of the 12 preceding months.

The deductions correspond to the application of the fixed asset reinvestment deduction amounting to 154 thousands of euros

Aparcamientos Guipuzcoanos, S.L.

The deductions correspond to the application of the fixed asset reinvestment deduction amounting to 500 thousands of euros

Concha Parking, S.A.

The deductions correspond to the application of the fixed asset reinvestment deduction amounting to 486 thousands of euros

Breakdown of the cost of profits tax

	Thousands of euros
	31/12/11
Breakdown of the tax cost for the financial year	
Profit before tax	13,516
Permanent differences	(1,106)
Sum calculated at rate (30%, 28%, 26.5% 20% and 0%)	3,467
Deductions and rebates	(5,204)
Double taxation deductions	(3,410)
Tax adjustment, previous years	(1)
Total cost	(5,148)

Movement of deferred taxes

	Thousands of euros
Assets through deferred tax	
Balance as of 01/01/11	20,908
Creation	
Asset registration of Negative Tax Bases	5,594
Provisions	—
Recovery	
Asset application of negative Tax Bases	(3,950)
Results of TJVs	12
Amortisations	(12)
Corporation Tax adjustments 2010	34
Derivatives loss	619
New asset deductions	3,655
Dividend deductions	222
Balance as of 31/12/11	27,082

	Thousands of euros
Liability through deferred taxes	
Balance as of 01/01/11	29,912
Creation	
Results of UTEs	(3)
Amortisations	—
Amortisation of Goodwill Assigned to Assets	(325)
Recovery	
Freedom of Amortisation 2009 and 2010	(1,789)
Corporation Tax Adjustment 2010	23
Balance as of 31/12/10	27,818

31/12/10

The detail of the balances held with the Public Authorities as of 31 December 2010 is as follows:

	Thousands of euros	
	Receivable	Payable
Non-current:		
Assets through deferred taxes	20,908	—
Liabilities through deferred taxes	—	29,912
Total	20,908	29,912
Current:		
Withheld and advance payment of Corporation Tax	75	149
Tax Office Corporation Tax credit	111	251
Withheld Personal Income Tax	40	235
Value Added Tax	2,947	5,764
Canons	—	2,445
City Council Taxes	—	1,382
Social Security bodies	14	194
Total	3,187	10,420

Reconciliation of the net sum of revenue and expenditure for the financial year and the tax base for Corporation Tax

	Thousands of euros		
	Increases	Reductions	Net impact
Profit before tax			24,939
Permanent differences	99	(2,205)	(2,106)
Temporary differences	1,620	(33,664)	(32,044)
Originating in the financial year	1,291	(32,967)	(31,676)
Originating in previous financial years	329	(697)	(368)
Tax base (fiscal result)	—	—	9,211
Prior quota 30%, 28%, 26.5% 20% and 0%	—	—	(3,164)
Deductions	—	—	(4,146)
Quota	—	—	860

The tax rate used for calculating the payment was 30% for companies paying national taxes, 28% for those paying devolved regional taxes, 0% for those companies which do not pay taxes, 26.5% for companies that pay taxes in Portugal and 20% for companies that pay taxes in turkey.

The permanent and temporary differences derived from individual companies are described below:

Empark Aparcamientos y Servicios, S.A.

The permanent differences correspond to (1,321) thousands of euros for amortisation of goodwill:

The temporary differences correspond to 43 thousands of euros of amortisation adjustment. During the 1995 financial year the Group took advantage of Royal Legislative Decree 2/1995, on the freedom of amortisation for employment-generating investments, amortising for tax purposes the La Concepción car park administrative concession to the level of 67.62%. Over the lifespan of the concession the adjustment made through the difference between the book and tax amortisations is gradually recovered.

(18,733) thousands of euros for freedom of amortisation. During financial years 2009 and 2010, the Group abides by the 11th additional disposition of the revised text regarding corporate taxes introduced by Act 4/2008 regarding freedom of amortisation for all new items like tangible assets as well as real estate investments involved in economic activities and requiring the average work force per company for the 24 months following the start of the period in which the acquired items begin operations is maintained with respect to the average work force of the 12 preceding months.

(13) thousands of euros attributed to TJV results in 2009 and (4 thousands of euros) deferral of TJV results for 2010.

Dual taxation deductions correspond to the dividends from Balsol 2001, S.A., Femet, S.A., Dornier, S.A.U., Guadianapark, S.A., Estacionamientos Guipuzcoanos, S.L., Sociedad Municipal de Aparcamientos y Servicios, S.A., Estacionamientos y Servicios Extremeños, S.A. amounting to a sum of 2711 thousands of euros

Dornier, S.A.U.

The permanent deduction corresponds to 97 thousands of euros for inspection expenses of IAE (Economic Activity Tax) and ITP (Property Transfer Tax).

The temporary differences correspond to:

(135) thousands of euros for the adjustment between the difference in the accounting and fiscal amortisation principles for the fee paid on the Madrid Regulated Parking Service.

(2,126) thousands of euros for freedom of amortisation. During financial years 2009 and 2010, the Group abides by the 11th additional disposition of the revised text regarding corporate taxes introduced by Act 4/2008 regarding freedom of amortisation for all new items like tangible assets as well as real estate investments involved in economic activities and requiring the average work force per company for the 24 months following the start of the period in which the acquired items begin operations is maintained with respect to the average work force of the 12 preceding months.

Double-taxation deductions correspond to the dividends of Balsol 2001, S.A. and Femet, S.A. in the sum of 17 thousands of euros.

Estacionamientos Guipuzcoanos, S.L.U.

The temporary differences correspond to:

255 thousands of euros for freedom of amortisation. During financial years 2009, the Group abides by the 11th additional disposition of the revised text regarding corporate taxes introduced by Act 4/2008 regarding freedom of amortisation for all new items like tangible assets as well as real estate investments involved in economic activities and requiring the average work force per company for the 24 months following the start of the period in which the acquired items begin operations is maintained with respect to the average work force of the 12 preceding months.

Guipúzcoa Parking Siglo XXI, S.A.

(12,011) thousands of euros for freedom of amortisation. During financial years 2009 and 2010, the Group abides by the 11th additional disposition of the revised text regarding corporate taxes introduced by Act 4/2008 regarding freedom of amortisation for all new items like tangible assets as well as real estate investments involved in economic activities and requiring the average work force per company for the 24 months following the start of the period in which the acquired items begin operations is maintained with respect to the average work force of the 12 preceding months.

The deductions by reinvesting fixed assets correspond to company Guipúzcoa Parking Siglo XXI S.A. in the sum of 1,303 thousands of euros.

Breakdown of the cost of profits tax

	Thousands of euros
Breakdown of the tax cost for the financial year	31/12/10
Profit before tax	24,939
Permanent differences	(2,106)
Sum calculated at rate (30%, 28%, 26.5% 20% and 0%)	6,235
Deductions and rebates	(1,333)
Double taxation deductions	(3,259)
Tax adjustment, previous years	(234)
Total cost	1,409

Movement of deferred taxes

	Thousands of euros
Assets through deferred tax	
Balance as of 01/01/10	12,142
Creation	
Asset registration of Negative Tax Bases	3,869
Provisions	(22)
Recovery	
Asset application of negative Tax Bases	(85)
Results of TJVs	15
Amortisations	(40)
Corporation Tax adjustments 2009	(970)
Derivatives loss	1,457
New asset deductions	1,301
Dividend deductions	3,241
Balance as of 31/12/10	20,908

	Thousands of euros
Liability through deferred taxes	
Balance as of 01/01/10	23,004
Creation	
Results of UTEs	3
Amortisations	12
Amortisation of Goodwill Assigned to Assets	(470)
Recovery	
Freedom of Amortisation 2009 and 2010	7,654
Corporation Tax Adjustment 2009	(291)
Balance as of 31/12/10	29,912

In 2010, there have been capital gains from the selling of the Pamplona Clinic parking in the sum of 4,158 thousands of euros. These capital gains are subject to deductions by reinvestment. Article 42 LIS (taxed at 18% instead of 30%) since company Empark Aparcamientos y Servicios S.A. has reinvested this amount received for the sale of the asset in 2010.

In 2009, Group Empark Aparcamientos y Servicios S.A. no longer falls under the tax consolidation Act.

At 31 December 2009, the Group approves and notifies the Administration of the establishing of the Tax Group as of 1 January 2010 for Corporate and VAT tax purposes. This Tax Group is comprised of:

- Empark Aparcamientos y Servicios, S.A.
- Dornier, S.A.U.
- Femet, S.A.
- Balsol 2001, S.A.
- Guadianapark, S.A.
- Estacionamientos Guipuzcoanos, S.L.U.

28. Information regarding payment postponements to suppliers

Pursuant to the terms of Act 15/2010, 5 July 2010, modifying Act 3/2004, of 29 December 2004, establishing measures to combat payment default in trade operations, and the Ruling of 29 December 2010 of the Accounts and Account Auditing Institute, regarding the information to be included in the explanatory notes on the annual financial statements regarding deferrals of payments to suppliers in trade operations in Spain, detailed information is set out below regarding deferrals of payments made to suppliers during the 2011 and 2010 and entry years:

Payments made and pending payment on the date of close of the balance sheet

	Thousands of Euros	
	2011	%
Within the maximum legal period.....	61,769	77.07%
Remainder	18,379	22.93%
Total payments in the financial year	80,148	100.00%
Deferrals which at the date of close were in excess of the maximum legal period.....	4,672	
		2011
Weighted average excess period (In days)	41	

At 31 December 2010 the sum of the balance pending payment to suppliers which at the close of the 2010 financial year had accumulated a deferral in excess of the legal term for payment amounted to 4,768 thousands of euros.

29 Information regarding geographic segments and by business

IFRS 8: "Operating segments" establishes that an operating segment is a component of a company:

That carries out business operations by which it may obtain ordinary income and incur expenses (including the ordinary income and the expense by transactions with other group components).

Whose operating results are reviewed regularly by the maximum authority for making decisions regarding the Groups operations, to decide about the resources that must be assigned to the segment and evaluate its performance.

With regards to it, separate financial information is available.

The information of the Group's consolidated income statement by segments would be the following:

Segmentation by countries

The Group has decided to segment by countries due to the great differences each country has regarding the management of businesses, regarding different clients, different legislation, different languages and in some cases different currencies.

	REVENUES		COSTS		MARGIN		AMORTISATION AND PROVISION		STRUCTURAL COSTS		OPERATING RESULT		TOTAL ASSETS AND LIABILITIES	
	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
SPAIN	169,027	162,369	98,992	92,793	70,035	69,576	23,754	19,565	16,171	13,466	30,109	36,545	632,018	627,028
PORTUGAL	34,674	35,389	15,728	15,510	18,946	19,880	6,965	7,457	3,968	4,096	8,014	8,327	163,278	155,650
UK	6,000	3,989	5,788	3,915	212	74	105	0	0	0	107	74	3,075	1,627
TURKEY	4,489	4,614	3,995	4,828	494	-214	111	118	252	0	131	-332	3,388	3,318
ANDORRA.....	899	937	298	319	601	618	423	355	0	3	178	260	13,786	13,733
TOTAL.....	215,089	207,298	124,801	117,364	90,288	89,934	31,358	27,495	20,391	17,565	38,539	44,874	815,545	801,356

*

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* Non-recurring operating costs (985 thousands of euros in compensation and 282 thousands of euros adjustment for previous financial years in Sant Cugat)

** Non-recurring structural costs (1862 thousands of euros bond invoices and 206 thousands of euros technical consultancy study invoices)

Segmentation by line of Business

The Group has opted for different lines of business as secondary segmentation.

	REVENUES		COSTS		MARGIN		AMORTISATION AND PROVISION		STRUCTURAL COSTS		OPERATING RESULT		NON-CURRENT ASSETS	
	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
OFF-STREET	114,459	110,766	55,552	50,516	58,907	60,250	22,667	20,948	13,572	14,313	22,668	24,989	469,046	519,540
ORA AND FEMET	73,494	75,004	50,993	53,076	22,501	21,928	6,561	6,198	6,819	3,245	9,122	12,485	23,465	26,153
RESIDENTS.....	26,893	20,376	18,256	14,172	8,637	6,204	210	349	0	7	8,427	5,848	2,863	0
OTHERS	243	1,152	0	-400	243	1,552	1,920	0	0	0	-1,677	1,552	237,663	177,913
TOTAL	215,089	207,298	124,801	117,364	90,288	89,934	31,358	27,495	20,391	17,565	38,539	44,874	733,037	723,606
			*						**					

* Non-recurring operating costs (985 thousands of euros in compensation and 282 thousands of euros adjustment for previous financial years in Sant Cugat)

** Non-recurring structural costs (1862 thousands of euros bond invoices and 206 thousands of euros technical consultancy study invoices)

30 Information regarding account results

Net turnover and other operating income

The breakdown of the net sales of financial years 2011 and 2010 are as follows:

	Thousands of euros	
	31/12/11	31/12/10
SPAIN		
Tow-away	8,258	7,912
Off-street	57,047	48,529
Credits	14,083	14,241
Residents	27,063	21,047
ORA on-street car parks	56,862	47,896
Sale of parking meters	3	634
Management	1,572	7,540
Advertising.....	206	168
Maintenance.....	1,475	13,212
Others.....	2,211	899
Total sales Spain	168,780	162,078
PORTUGAL		
Off-street	14,963	14,801
Credits	7,011	7,361
ORA on-street car parks	7,678	7,240
Others.....	231	0
Management	4,791	5,372
Total sales Portugal	34,674	34,775
ANDORRA		
Off-street	314	937
Credits	573	0
Others.....	12	0
Total sales Andorra	899	937
UK		
Off-street	6,000	3,989
Total sales UK	6,000	3,989
TURKEY		
Off-street	4,489	4,614
Total sales Turkey	4,489	4,614
Other revenue Spain	248	291
Other revenue Portugal.....		915
Total sales, revenue and accessories	215,090	207,298

1 – Revenue generated by off-street car parks

Revenue from off-street car parks corresponds to revenues generated through the use of parking spaces owned by the Group or held under an administrative concession. Off-street car park revenues are recorded when the hourly parking ticket is sold and, in the case of season ticket-holders, on an accrual basis.

2 – Revenue generated through the sale of residents' parking spaces

This business involves the construction of car parks whose spaces are sold directly to the end customer during the timeframe of the concession. The sales and costs are not recorded until the parking space is delivered, which coincides with the signature of the contract.

3 – Revenue generated by on-street car parks (ORA)

Revenue from the ORA parking meter service is mainly based on the sum corresponding to the cost of providing the service plus a percentage, generally between 1% and 3%, of the surplus between that cost and the funds collected.

On some ORA contracts, the revenue is earned at a fixed rate (service cost), entirely irrespective of the funds collected, which are in all cases paid over to the Local Council. This is recorded in the accounts at the time when the service is provided.

4 – Revenue generated through other services.

The Group also specialises in the provision of other services tied to the end-to-end management of car parking and urban and inter-urban mobility, such as: Management of control of access to nature reserves, provision of temporary parking services at trade fairs and mass attendance events, combined park and bus services around airports.

b) Goods, raw materials and other materials consumed

	Thousands of euros	
	31/12/11	31/12/10
Raw materials and other materials consumed.....	1,004	1,478
Deterioration of goods, raw materials and other supplies.....	—	238
	1,004	1,716

c) Operating subsidies incorporated in the result

No operating subsidies were incorporated within the result as of 31 December 2011, while as of 31 December 2010 the sum was 291 thousands of euros.

d) Other non-recurrent operating expenses

During the 2011 financial year the sum of non-recurring expenses amounted to (3,335) thousands of euros, essentially as a result of invoices connected with work to prepare for the issuance of a bond on the capital market amounting to 1,862 thousands of euros, 282 thousands of euros for the adjustment of the fee for Sent Coat in previous financial years, 206 thousands of euros for invoices connected with technical consultancy studies and 985 thousands of euros for compensation, of which 423 thousands of euros correspond to the company Empark Aparcamientos y Servicios S.A, 473 thousands of euros to the company Dornier S.A , 5 thousands of euros to the company Estacionamientos Guipuzcoanos S. L and 84 thousands of euros to the company Empark Portugal-Empreendimentos e Exploração de Parqueamentos S. A.

31 Personnel costs

The details of personnel expenses for 2011 and 2010 are the following:

	Thousands of euros	
	31/12/11	31/12/10
Wages, salaries, et al.....	59,477	60,163
Employee welfare expenses paid by the company.....	15,077	13,354
	74,554	73,517

The work force listed by male and female at the end of the financial year and broken down by categories and levels for the Group as of 31 December 2011 is the following:

	Men	Women	Total
Administrative personnel.....	18	53	71
Director.....	28	6	34
Technicians and Operators.....	1,627	1,093	2,720
Supervisors.....	166	38	204
Higher and Intermediate Level Academic Qualified Graduates.....	31	33	64
TOTAL.....	1,870	1,223	3,093

The work force listed by male and female at the end of the financial year and broken down by categories and levels for the Group for financial year 2011 is the following:

	Men	Women	Total
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	Men	Women	Total
Administrative personnel.....	18	54	72
Director	28	6	34
Technicians and Operators	1,668	1,127	2,795
Supervisors	165	38	203
Higher and Intermediate Level Academic Qualified Graduates.....	29	32	61
TOTAL	1,909	1,257	3,165

The work force listed by male and female at the end of the financial year and broken down by categories and levels for the Group as of 31 December 2010 is the following:

	Men	Women	Total
Administrative personnel.....	19	92	111
Director	30	6	36
Technicians and Operators	1,557	1,019	2,576
Supervisors	153	37	190
Higher and Intermediate Level Academic Qualified Graduates.....	32	34	66
TOTAL	1,791	1,188	2,979

The work force listed by male and female at the end of the financial year and broken down by categories and levels for the Group for financial year 2010 is the following:

	Men	Women	Total
Administrative personnel.....	20	105	125
Director	30	6	36
Technicians and Operators	1,643	1,065	2,709
Supervisors	162	103	265
Higher and Intermediate Level Academic Qualified Graduates.....	31	36	67
TOTAL	1,886	1,315	3,201

32 Provisions

31/12/11

The provisions amounting to (1,954) thousands of euros correspond essentially to:

- (24) thousands of euros of insolvency provisions and (66) thousands of euros for the provision for replacement under IFRIC 12, at Guipuzcoa Parking SXXI, S.A.
- (1) thousands of euros of insolvency provisions, (348) thousands of euros for debt updating.
- (486) thousands of euros of insolvency provisions and (649) thousands of euros for the provision for replacement under IFRIC 12, at Empark Aparcamientos y Servicios, S.A.
- (22) thousands of euros of insolvency provisions and (272) thousands of euros for the provision for replacement under IFRIC 12, at Estacionamientos Guipuzcoanos, S.L.
- (30) thousands of euros for the provision for replacement under IFRIC 12 at Concha Parking, S.A.
- (13) thousands of euros for the provision for replacement under IFRIC 12 at Estacionamientos Alhondiga, S.A.

31/12/10

The provisions amounting to (1,365) thousands of euros essentially correspond to:

- (126) thousands of euros for depreciation of surplus at the Shrike centre.
- (309) thousands of euros for the provision for replacement under IFRIC 12 at Estacionamientos Guipuzcoanos, S.L.
- (160) thousands of euros for the provision for replacement under IFRIC 12 and (206) thousands of euros to endow the Reversal Fund at the centres of Dornier, S.A.U.

- (716) thousands of euros for the provision for replacement under IFRIC 12 and (186) thousands of euros to endow the Reversal Fund at the centres of Empark Aparcamientos y Servicios, S.A.
- 487 thousands of euros for cancellation of parking provision of Plaza de España Pontevedra.

33 Deterioration and Result through disposal of fixed assets

During 2011 financial year there were no disposals of fixed assets.

During financial year 2010, the Company extinguished the surface rights in ram signed with the Universidad de Navarra, S.A., who has 33 years to finish it. The termination contract includes a clause restricting use of the car park by Inmobiliaria de la Universidad de Navarra, S.A. This clause includes the remission of the restriction amounting to an initial sum of 5,000 thousands of euros, proportionally reduced in accordance with the remaining period of enjoyment of the surface right.

The amount paid for the cancellation of the surface rights amounted to 3,500 thousands of euros plus VAT and a positive result of 4,158 thousands of euros was generated for the Company.

34 Financial result

	Thousands of euros	
	31/12/11	31/12/10
Financial revenue:		
Tradable securities and other financial instruments		
– Third-party	897	274
	<u>897</u>	<u>274</u>
Financial costs:		
Debts with credit institutions	(32,233)	(25,091)
Replacement actions	(491)	(1,185)
Canons	(2,641)	(1,498)
	<u>(35,365)</u>	<u>(27,774)</u>
Financial costs through hedges:	<u>(4,431)</u>	<u>(6,569)</u>
Financial result	<u>(38,899)</u>	<u>(34,069)</u>

31/12/11

The limit granted under the financing agreement is 423,257 thousands of euros.

Empark Aparcamientos Andalucía, S.L.U. arranged a credit agreement for 7,000 thousands of euros, maturing on 15 June 2029.

Empark Aparcamientos y Servicios, S.A. has an ICO [Official Credit Institution] loan from Bancaja amounting to 4,000 thousands of euros, signed on 21 May 2010 and maturing on 25 May 2013 with a fixed interest rate of 4.67%. It also has an ICO loan signed with Banc Sabadell on 18 October 2011, maturing on 25 October 2016, at an interest rate of 7.42%, amounting to 2000 thousands of euros.

During 2011 Dornier, S.A. signed ICO loans amounting to 2,200 thousands of euros in all.

The agreement with Banco Sabadell is an ICO liquidity arrangement amounting to 1,000 thousands of euros, maturing on 25 October 2016.

The agreement signed with Ibercaja is an ICO investment arrangement for 1,200 thousands of euros, maturing on 25 November 2016, with a sum of 300 thousands of euros of this loan being pledged.

Likewise, Dornier, S.A. signed a factoring arrangement with Banco de Valencia, with an outstanding risk as of 31 December 2011 of 1,023 thousand of euros.

Credits and loans with credit institutions correspond mainly to Guipúzcoa Parking Siglo XXI to the value of 732 thousands of euros, with 237 thousands of euros corresponding to Aparcamientos de Bilbao, S.A., Empark Aparcamientos y Servicios S.A. 28,293 thousands of euros, Concha Parking, S.A. 903 thousands of euros, Dornier, S.A. 1,980, Aparcamientos Guipuzcoanos, S.L. 515 thousands of euros, Empark Aparcamientos Andalucía, S.L. 59 thousands of euros, Empark Portugal- Empreendimentos e Exploração de Parqueamentos, S.A. 3,023 thousands of euros and Esli S.A. with 2,510 thousands of euros.

31/12/10

On 14/10/2010 a modification to the contract is signed, where the resulting granted limit is now 423,257 thousands of euros since a new Capex line is granted in the sum of 42,000 thousands of euros.

Credits and loans with credit institutions correspond mainly to Guipúzcoa Parking Siglo XXI to the value of 424 thousands of euros, with 179 thousands of euros corresponding to Aparcamientos de Bilbao, S.A., Empark Aparcamientos y Servicios, S.A. 23,554 thousands of euros, Empark Portugal- Empreendimentos e Explotacao de Parqueamentos, S.A. 3,093 thousands of euros and Esli S.A. with 2,539 thousands of euros.

35 Cash flows from operating activities

The Cash Flow Statements listed in the present financial statements has been drafted in accordance with what is stipulated in the International Accounting Standard 7.

Said Cash Flow Statement is divided into three types of flows depending on the cash inputs and outputs carried out by the consolidated Group:

- Net treasury flows by operating activity: Includes the cash movements at the operating level of all business managed by the Group.
- Net treasury flows by investment activity: Includes added flows generated by investments and divestments in tangible assets, intangible assets, concession projects, real estate assets and financial assets.
- Net treasury flows by financing activity: Includes cash inputs by debt issuances and issuance of bonds, as well as other external financing sources; and cash exits due to debt reimbursement and commitments, due to financial interests derived from outside resources and by distribution of dividends.

	Thousands of euros	
	31/12/11	31/12/10
Result for financial year before tax	792	11,875
Adjustments to result:	68,364	56,184
– Amortisation of fixed assets	29,404	26,931
– Variation in provisions	1,954	456
– Financial revenue	(1,398)	(951)
– Financial costs	39,796	31,660
– Exchange rate differences	—	—
– Equity method	(1,152)	(1,070)
– Other revenue and expenditures	—	—
– Result through cancellations and disposal of financial instruments.....	(240)	(842)
	69,156	68,059
Changes in current capital:	(41,458)	2,965
– Stock	977	582
– Debtors and other accounts receivable	(20,407)	3,125
– Other current assets.....	376	(333)
– Creditors and other accounts payable	(23,789)	2,545
– Other non-current liabilities	1,779	—
– Other current liabilities	(394)	(2,954)
	27,698	71,024
Other cash flows from operating activities:	(38,817)	(29,287)
– Interest payment	(39,725)	(30,197)
– Dividends received	741	676
– Interest received.....	868	274
– Receipts (payments) through taxation of profits	(701)	(285)
– Other payments.....	—	245
Cash flows from operating activities	(11,119)	41,737

36 Cash flows from investment activities

	Thousands of euros	
	31/12/11	31/12/10
Payments through investments:	(36,139)	(66,891)
– Intangible assets	(31,208)	(36,025)
– Group and associated companies	(3)	–
– Tangible assets	(4,704)	(29,268)
– Other financial assets, group and associated companies	1,750	(1,445)
– Other assets	(1,974)	(153)
Sums received through divestments	1,193	17,635
– Group and associated companies	330	–
– Intangible assets	919	12,874
– Tangible assets	(56)	4,761
Cash flows from investment activities	(34,946)	(49,256)

37 Cash flows from financing activities

	Thousands of euros	
	31/12/11	31/12/10
Sums received and paid through financial liability instruments:	35,474	24,600
– Issuance:		
– Debts with credit institutions	35,991	28,009
– Debts with Group and associated companies	(517)	(3,409)
Payments through dividends and returns on other asset instruments:	–	–
– Dividends		
Cash flows from financing activities	35,474	24,600

38 Contingent liabilities, contingent assets and commitments

Contingent liabilities as of 31/12/11.

The Group's Directors are of the opinion that any liabilities not foreseen as of 31 December 2011 and which could be based on the guarantees presented, should these occur, would not be significant.

At 31 December 2011, the Group presented guarantees before Public Organisations for approximately 52,711 thousands of euros. Its distribution by the Group's Companies is the following:

- Empark Aparcamientos y Servicios, S.A. has lodged bonds amounting to approximately 22,665 thousands of euros, essentially corresponding to those lodged with local councils granting concessions for the operation thereof, and the obligations derived from contracts for execution and sale of developments, and various appeals lodged as a result of disputes regarding municipal tax settlements.

The Group's Directors are of the opinion that any liabilities not foreseen as of 31 December 2011 and which could be based on the guarantees presented, should these occur, would not be significant.

- Dornier, S.A.U. had guarantees before third parties for an amount of 6,778 thousands of euros, which were mostly presented before municipal governments to guarantee the execution of the contracts won and various appeals brought for non-conformity with determined payments of municipal taxes.
- Estacionamientos Guipuzcoanos S.L.U. had lodged bonds amounting to approximately 1,552 thousands of euros, mainly in connection with a number of appeals lodged as a result of disagreement with municipal tax settlements, and bonds lodged with Local Councils awarding operational concessions.
- Femet, S.A. had presented guarantees before third parties in the sum of 36 thousands of euros, mainly involving city councils, and guaranteeing performance of the contract awarded.
- Aparcamientos de Bilbao, S.A. had presented a definitive guarantee in the sum of 860 thousands of euros, 513 thousands of euros of which correspond to the award of the concession to operate the car park on Plaza de Indautxu, and 347 thousands of euros the Azoka car park.

- Concha Parking, S.A. had in place a definitive guarantee in the sum of 3,690 thousands of euros, and another in the sum of 1,574 thousands of euros, and another in the sum of 2,460 thousands of euros, presented before the City Council of San Sebastian, based on the adjudication of the concession to operate the Plaza de Cervantes car park.
- Aparcamientos Guipuzcoanos, S.L. had definitive guarantees in place in the sum of 5,445 thousands of euros, presented before the City Council of San Sebastian based on the adjudication of the concession to operate the Plaza Cataluña parking.
- Guipuzcoa Parking Siglo XXI, S.A. had in place a definitive guarantee in the sum of 692 thousands of euros, presented before the City Council of San Sebastian for the award of the concession to operate the Okendo car park.
- Aparcamientos Guipuzcoanos, S.A. had definitive guarantees in place in the sum of 935 thousands of euros, presented before the City Council of Bilbao based on the adjudication of the concession to operate the car parks of this company.
- Empark Portugal – Empreendimentos e Exploração de Parqueamentos, S.A. had definitive guarantees in the sum of 3,389 thousands of euros, of which 584 thousands of euros were presented to the City council of Faro, 288 thousands of euros before the City council of Lisbon, 75 thousands of euros before the City council of Beja, 100 thousands of euros before the City Council of Cascais, 125 thousands of euros before the City Council of Porto, 1,100 thousands of euros for the ANA contract, 1,022 thousands of euros before Milli Reasurants T.A.S (Park Yonetimi Ve Sistemleri San. Ve Tic. A.S.).
- ESLI – Parques de Estacionamiento, S.A. had definitive bonds amounting to a sum of 1,355 thousands of euros, of which 575 thousands of euros are: 172 thousands of euros before Repart. Finanças 4 Bº Fiscal Lisboa, 200 thousands of euros before the City Council of do Porto, 152 thousands of euros before the Direção General do Impostor, 134 thousands of euros before the City of Lisbon and 586 thousands of euros before the City Council of Lisbon.

The main legal disputes in progress in 2011 were:

1.- Major Sum Proceedings brought by Huarte, S.A. against Ferrovial Aparcamientos, S.A. (now Empark Aparcamientos y Servicios, S.A.) – Vista Desarrollo, S.A., Caixa Penedés, CARIPLO and Bolsa de Madrid requesting that they cancel execution of the pledge of 850,614 shares in ESSA (now Empark Aparcamientos y Servicios, S.A.).

A judgement upholding the arguments of Empark Aparcamientos y Servicios, S.A. and the other respondents has been handed down, and this lawsuit must therefore be deemed to be concluded, following the Supreme Court judgment of 10 December 2008. As costs were awarded against the plaintiff, Empark has filed three Cost Calculation applications, one at each instance, claiming from Obrascón Huarte Lain, (OHL) the payment of fees corresponding to Court Agents and Lawyers. The costs claimed are at First Instance: 145 thousands of euros. A Decree has been issued by the Clerk assessing the costs. This is within the voluntary payment period. The proceedings have concluded at the Provincial High Court, the costs claimed being 30 thousands of euros (lawyer's fees), which have already been paid by OHL (see note 34), and 3 thousands of euros (court agent fees), which are pending payment. In the Supreme Court the costs claimed are 224 thousands of euros, as confirmed by the Clerk of the Court, pending resolution by the Judges.

In the Provincial High Court the petition lodged by Empark Aparcamientos y Servicios, S.A. was upheld, acknowledging its entitlement to receive a total of 33 thousands of euros.

On the other hand, Counsel Mr. Félix López Antón, who assumed the defence of Empark's interests in different instances of this proceeding, presented three proceedings for collecting legal fees against Empark claiming payment of fees incurred for the 1st instance, the Provincial High Court and the Supreme Court. The situation regarding these proceedings is as follows:

- First Instance: The fees have been set by the Court at the sum of 117 thousands of euros (including VAT), from which must be deducted the sum of 54 thousands of euros already paid by Empark to the lawyer. The sum pending payment was therefore 73 thousands of euros, this sum having been lodged with the Court on 17 September 2010. The interest calculated at a sum of 3 thousands of euros has also been lodged. The costs of the claim proceedings must still be settled, valuation being pending.

The lawyer López Antón requested a record of various written submissions and rulings handed down in this appeal, possibly in order to file these with the corresponding court bodies in order to establish any legal action which the practice Despacho López Antón S.L.P. could bring against Empark Aparcamientos y Servicios, S.A., with these declarations being issued by means of a Regulation Order dated 10 October 2011.

- Provincial High Court: The fees accruing at the Provincial High Court were initially set by the court itself at the sum of 30 thousands of euros (including VAT), of which Empark had already previously paid 7 thousands of euros. The invoicing lawyer nonetheless petitioned for this ruling to be struck down, claiming that there was a clear error in application of the scale according to the Fee Standards of the Lawyers' Association of Madrid. This nullification was accepted by the High Court, with the fees ultimately being set at 47 thousands of euros (plus VAT), from which the sum of 8 thousands of euros must be deducted. In other words, 40 thousands of euros (plus VAT). The entire sum of the debt has now been lodged, and the VAT has been paid out of court, following presentation of the corresponding invoice. The costs in the proceedings have not been valued.

The lawyer López Antón requested a record of various written submissions and rulings handed down in this appeal, possibly in order to file these with the corresponding court bodies in order to establish any legal action which the practice Despacho López Antón S.L.P. could bring against Empark Aparcamientos y Servicios, S.A., with these declarations being issued by means of a Regulation Order dated 11 October 2011.

- Supreme Court: The fees were set by the Supreme Court at the sum of 44 thousands of euros (including VAT), from which a sum 10,400 euros already previously paid by Empark would need to be deducted. The sum pending payment (33 thousands of euros) has already been lodged by Empark. The invoicing lawyer petitioned for the proceedings to be declared null and void. This position was not accepted by the Supreme Court, with a further petition for clarification then being lodged. This was likewise rejected in a Ruling of 12 July 2011.

The practice Despacho López Antón Abogados SLP, as a result of the fees claimed for in the previous legal fee claims proceedings, has also lodged a lawsuit under ordinary court proceedings, claiming for: (i) the part not settled of the fees claimed for in the extraordinary procedural violation and cassation appeals (2901/2003), and which were not recognised in the legal fee payment claim proceedings, amounting to 137 thousands of euros, plus the corresponding VAT, and 15,499.84 euros of late-payment interest accruing, notwithstanding any which may subsequently accrue up until payment of the debt; (ii) the late-payment interest accruing and not recognised by the Provincial High Court of Madrid on the basis of the fees recognised in the legal fee claim proceedings, this sum amounting to 2 thousands of euros. Notice of the lawsuit was served on Empark on 28 December 2011, the response being submitted on 26 January 2012. The Prior Hearing is scheduled for 4 June 2012, at 11:45 a.m.

The outcome of the proceedings will substantially depend on the ruling reached in the cost evaluation procedure by the Supreme Court, in which costs have been challenged by their OHL. We would therefore classify this risk as moderate.

2.– Ordinary Proceedings 1041/2009, lodged before the Court of First Instance 5 of Santander by the UTE POMBO joint venture, comprising CONSTRUCTORA OBRAS PÚBLICAS SAN EMETERIO, S.A. AND EXCAVACIONES SAIZ, S.A., against EMPARK APARCAMIENTOS Y SERVICIOS, S.A.

The purpose of the lawsuit is a claim for greater construction costs. The estimative judgement of the proceeding handed down on 17 May 2010, has sentenced us to pay 490 thousands of euros and is currently appealed before the Provincial higher Court. Nonetheless, the sum in question has already been paid to the UTE POMBO joint-venture.

3.– Ordinary Proceeding 370/2010 filed before Public Authority Litigation Court 3 of Pontevedra, brought by the Socialist Party, which challenges the contacting procedure relative to the construction for an underground parking at Plaza España.

We have been served notice of the lawsuit, and submitted our response in due time. The period for examination of evidence has now concluded.

4.– Ordinary Proceedings 117/2011-6. Court of First Instance 5 of Santiago de Compostela.

The Sub-Association of Commercial Premises of the 'Area Central' Shopping Centre in Santiago and has filed a suit against Empark Aparcamientos y Servicios, S.A. claiming that it owes the Sub-Association the sum of 66 thousands of euros corresponding to monthly payments from January 2009 to June 2009, including both months, corresponding to the Sub-Association's Budgets, along with the legal interest accruing up to the present time (1 thousands of euros), and any accruing between the lawsuit being lodged and the judgement handed down.

Sum of the lawsuit: 67 thousands of euros.

Status of the proceedings: a judgement has been handed down finding the arguments of the plaintiff to be entirely without merit, and awarding costs against as a result of reckless litigation. This judgement can be appealed before the Provincial High Court.

5.– Ordinary Court Proceedings 525/2011, brought before the Public Authority Litigation Court by the UTE Valls joint venture comprising Empark Aparcamientos y Servicios, S.A., and CESPA Compañía Española de Servicios Públicos Auxiliares, S.A.

A public authority litigation appeal was lodged by the joint venture against the Decree of the Mayor of Valls, ordering the joint venture to reinstate 2 workers who had been dismissed, and imposing a penalty fine of 24 thousands of euros. Empark has filed a suit.

The sum is 24 thousands of euros.

6.– Public Authority Litigation Appeal 378/2007, lodged before the Public Authority Litigation Court 2 of Vigo, joindered as 472/2007.

Parties: plaintiffs: SETEX APARKI, S.A. and ESTACIONAMIENTOS Y SERVICIOS, S.A. Respondent: Vigo Local Council. Co-respondent: DORNIER, S.A.

Amount: undefined.

Object: the award made by Vigo Local Council to Dornier, S.A. for the official contract to administer the public regulated on-street parking service in the city of Vigo has been appealed.

Status of the proceedings: judgement handed down finding the arguments of the plaintiffs to be without merit. ESTACIONAMIENTOS Y SERVICIOS, S.A. lodged an appeal, and Dornier, S.A. on 16 February 2010 submitted its challenge to the appeal. On 6 June 2011 notice was served that a judgement had been handed down in the appeal, upholding the appeal lodged by the appellant and striking down the agreed public authority contract award to administer the public regulated on-street parking service in the city of Vigo, awarded to DORNIER. A request for a clarification of the judgement has been presented and this is pending execution.

7.– Ordinary Court Proceedings 265/2010, brought before Public Authority Litigation Court 1 of Ciudad Real, by Estacionamientos y Servicios, S.A., against the agreement awarding the regulated public on-street parking contract to Dornier, S.A.

The appeal involves an unspecified sum. Following conclusion of the evidence examination phase, conclusions have been submitted by all parties involved, with the case now having been referred for judgement.

8. Ordinary Court Proceedings 164/2010, brought before Public Authority Litigation Court 3 of Palma de Majorca, by SERVICLEOP, S.L., against the agreement awarding the tow truck service in Palma de Majorca.

The appeal involves an unspecified sum, and is currently at the evidence examination stage. The object of the appeal is nullification of the award with retroactive effect to the point at which the appellant was excluded. The case is at the conclusions stage.

9.– Ordinary Court Proceedings 518/2010, brought before Public Authority Litigation Court 1 of Zaragoza, by Dornier, S.A., against the agreement awarding the Regulated Parking Service in Zaragoza.

The appeal involves an unspecified sum. A suit has been lodged, the Local Council has responded, and a response from the co-respondent is now pending. The case is at the evidence proposal stage.

10.– Ordinary Court Proceedings 373/2011 brought before Public Authority Litigation Court 1 of Bilbao, by Ms Amaya Fernández Angulo, Ms Zoe Iratxe Nubla Durango, Mr Manuel José Arribas Casas and Mr José Manuel de Orbe Santorcuator against the Set of Administrative Conditions for the public authority contract for the administration of car park metering services and towing, depositing and clamping of vehicles in the municipal Borough of Barakaldo.

Parties: plaintiffs: Ms Amaya Fernández Angulo, Ms Zoe Iratxe Nubla Durango, Mr Manuel José Arribas Casas and Mr José Manuel de Orbe Santorcuator. Respondent: Barakaldo Local Council. Co-respondent: Dornier, S.A.

Amount: Impossible to quantify until the suit has been seen.

Object: the appeal has been lodged against the Set of Administrative Conditions for the public authority contract for the administration of car park metering services and towing, depositing and clamping of vehicles in the municipal Borough of Barakaldo, awarded to DORNIER, S.A.

Status of the proceedings: On 6 February 2012 it was ruled that the proceedings be shelved, as the plaintiff had served notice that it did not intend to file a suit.

11.– Ordinary Court Proceedings 753/2011, brought before Public Authority Litigation Court 1 of Almeria, by Estacionamientos y Servicios, S.A., against the decision to award the public on-street parking regulation and tow truck contract for the city of Almeria to Dornier, S.A.

The appellant has lodged an appeal. As this lawsuit is not available, the probability that the claim will prosper cannot be calculated.

The sum is likely to be unspecified, although this cannot be confirmed at the moment.

12.– Ordinary Appeal 590/2011, lodged before the Public Authority Litigation Court 1 of Cuenca. Public authority litigation appeal lodged by Dornier, S.A., against the decision to award the on-street public parking regulation contract concession for the city of Cuenca to Estacionamientos y Servicios S.A.

The appeal has been lodged, and formal notification of admission by the Clerk of the Court is pending. The sum of the proceedings is unspecified. Pending presentation of the lawsuit.

13.– Ordinary Proceedings 46/2010, filed before Public Authority Litigation Court 3 of Madrid, by Rogelio Rodríguez Ordás against the City Council of Madrid and Estacionamientos Guipuzcoanos, S.L. The purpose of this appeal is to claim personal liability against the City Council of Madrid and against the parking concession of Calle Sevilla. The amount claimed totals 1,130 thousands of euros.

Madrid City Council and Estacionamientos Guipuzcoanos, S.L., have both lodged their written submissions in response to the lawsuit. Evidence has been examined and the case is now at the conclusions stage.

14.– Ordinary Proceedings 1753/2010 regarding termination of contract and claim for rent filed by Estacionamientos Guipuzcoanos, S.L. against Mr Rogelio Rodríguez Ordás regarding the rent for business premises 3 on the upper floor of the Calle Sevilla car park in Madrid. The petition in these proceedings is termination of the lease agreement dated 1 November 1969, subrogated by the respondent, and a claim for payment of 87,370.43 euros plus any rent accruing up until the date when the premises are actually handed over.

The substantive terms of these proceedings are being examined by the Court of First Instance 16 of Madrid. The Court initially began to process the case as verbal eviction proceedings based on non-payment, under the same case number, despite the fact that the petition was lodged for ordinary court proceedings, given the existence of complex matters which suggested that ordinary proceedings would be more advisable in order to offer the respondent greater guarantees. The hearing was scheduled for 4 April at 2 p.m. On the date scheduled for the hearing, the Judge decided that the proceedings should indeed be processed as ordinary proceedings, rather than a verbal hearing, specifically because of the complexity of the issues raised. On 6 June 2011 a Regulatory Order was served for 26 May 2011, indicating that the response to the lawsuit had been presented in due time and form, and scheduling the prior hearing for 23 January 2012 at 12.30 p.m. When the date for the prior hearing arrived, the proceedings were suspended as the other party had not been notified. The hearing was rescheduled for 13 March at 9.40 a.m.

15. Expropriation proceedings:

Since the year 2007 the company Balsol 2001, S.A. has been affected by the works to construct the AVE high-speed train platform in Girona, at the Plaça Marquina car park for which it holds the concession.

In September 2009 the company submitted a written calculation estimating the damages caused by temporary occupation, amounting to 286 thousands of euros.

In June 2010 the public authorities responded to this written calculation, claiming that the fair price in the case would be a sum of 32 thousands of euros.

In September/October 2010 the company projected this public authority valuation, and petitioned for payment to it of the concurrent sum. The aforementioned sum of 32 thousands of euros was collected in September 2011.

The case has been before the Provincial Expropriation Board of Girona since December 2010, pending resolution.

Contingent liabilities as of 31/12/10.

As of 31 December 2010, the Group presented guarantees before Public Organisations for approximately 47,502 thousands of euros. Its distribution by the Group's Companies is the following:

- Empark Aparcamientos y Servicios, S.A. has lodged bonds amounting to approximately 20,121 thousands of euros, essentially corresponding to those lodged with local councils granting concessions for the operation thereof, and the obligations derived from contracts for execution and sale of developments, and various appeals lodged as a result of disputes regarding municipal tax settlements.

The Group's Directors are of the opinion that any liabilities not foreseen as of 31 December 2010 and which could be based on the guarantees presented, should these occur, would not be significant.

- Dornier, S.A.U. had guarantees before third parties for an amount of 7,252 thousands of euros, which were mostly presented before municipal governments to guarantee the execution of the contracts won and various appeals brought for non-conformity with determined payments of municipal taxes.
- Estacionamientos Guipuzcoanos S.L.U. had presented two guarantees before the City Council of Madrid, to the value of 179 thousands of euros, in order to cover obligations derived from the final adjudication of the

Administrative Concession Modification for the underground car park on Calle Sevilla, agreed by Madrid City Council in its plenary session of 30 April 1999.

The Company has also presented two guarantees before the Madrid City Council, for a sum of 17 thousands of euros. It also had guarantees before the Municipal Urban Planning Management Department of Huelva in the sum of 336 thousands of euros for the parking of Mercado del Carmen in Huelva.

9 guarantees are presented to the City Council of Madrid and one to the Tax Management Services Department of Huelva for IAE (economic Activity Tax), IBI (Real Estate Tax) and garbage Tax amounting to 556 thousands of euros.

The Madrid City Council Tax Inspectorate has served a formal Notice regarding the tax inspection proceedings undertaken at Estacionamientos Guipuzcoanos, S.L. in connection with the "Fee for exclusive usage or special exploitation with passage of vehicles", as the holder of the public authority concession for the car park located on Calle Sevilla, Madrid, for the financial years 2006 to 2009. The Notice of Challenge was served on 3 February this year, the sum being 109 thousands of euros. In 2010, the amount of the guarantee was 110 thousands of euros.

- Femet, S.A. had presented guarantees before third parties in the sum of 40 thousands of euros, mainly involving City councils, and guaranteeing performance of the contract awarded.
- Aparcamientos de Bilbao, S.A. had presented a definitive guarantee in the sum of 860 thousands of euros, 513 thousands of euros of which correspond to the award of the concession to operate the car park on Plaza de Indautxu, and 347 thousands of euros the Azoka car park.
- Concha Parking, S.A. had in place a definitive guarantee in the sum of 3,690 thousands of euros, and another in the sum of 1,574 thousands of euros, and another in the sum of 2,460 thousands of euros, presented before the City Council of San Sebastian, based on the adjudication of the concession to operate the Plaza de Cervantes car park.
- Aparcamientos Guipuzcoanos, S.L. had definitive guarantees in place in the sum of 875 thousands of euros, presented before the City Council of Bilbao based on the adjudication of the concession to operate the Plaza Cataluña parking. It had a definitive guarantee presented to the City Council of Donostia- San Sebastián in the sum of 2,742 thousands of euros for the same concession.
- Guipuzcoa Parking Siglo XXI, S.A. had in place a definitive guarantee in the sum of 600 thousands of euros, presented before the City Council of San Sebastian for the award of the concession to operate the Okendo car park.
- Aparcamientos Guipuzcoanos, S.A. had definitive guarantees in place in the sum of 933 thousands of euros, presented before the City Council of Bilbao based on the adjudication of the concession to operate the car parks of this company. It also has a third-party guarantee in place to the value of 17 thousands of euros, presented before the City Council to guarantee the appeal lodged on the basis of a disputed municipal tax settlement.
- Empark Portugal – Empreendimentos e Exploração de Parqueamentos, S.A. had definitive guarantees in the sum of 3,389 thousands of euros, of which 584 thousands of euros were presented to the City council of Faro, 288 thousands of euros before the City council of Lisbon, 75 thousands of euros before the City council of Beja, 100 thousands of euros before the City Council of Cascais, 125 thousands of euros before the City Council of Porto, 1,100 thousands of euros for the ANA contract, 1,022 thousands of euros before Milli Reasurants T.A.S (Park Yonetimi Ve Sistemleri San. Ve Tic. A.S.).
- ESLI – Parques de Estacionamiento, S.A. had definitive bonds amounting to a sum of 1,256 thousands of euros, of which five and 575 thousands of euros are: 172 thousands of euros before Repart. Finanças 4 Bº Fiscal Lisboa, 200 thousands of euros before the City Council of do Porto, 152 thousands of euros before the Direção General do Impostor, 134 thousands of euros before the City of Lisbon and 586 thousands of euros before the City Council of Lisbon.

The main legal disputes in progress in 2010 were:

1.– Public authority litigation appeal 731/2009-F brought before public authority litigation court no. 15 of Barcelona. Parties: Plaintiff: Empark Aparcamientos y Servicios, S.A. Respondent: City Council of Sant Cugat del Vallés. Amount: 563 thousands of euros. (said amount is provisioned)

Object: An appeal is filed jointly A) the Agreement from the Local City Council dated 9 December 2009 by which it is decided to pay (i) the fee for operating the municipal parking spaces of Plaza Lluís Millet corresponding to financial years 2001 to 2008 and (ii) the fixed and variable fee for the concession for operating the blue zones of the aforementioned city, corresponding to the period from November 2007 to October 2008 and October 2001 to October 2008 respectively; and B) the Agreement by the Local City Council of Sant Cugat on 21 December 2009, by which it is decided to pay (i) the fee the municipal parking spaces of Plaza Lluís Millet corresponding to financial years 2009 and (ii) the fixed and variable fee for the concession for operating the blue zones of the aforementioned city, corresponding to the period from November 2008 to October 2008 and November 2007 to October 2008 respectively, after the

decision dated 27 April 2010, issued by the applicable court, which agrees to extend the current contentious – administrative appeal to the aforementioned ruling.

Status of the proceedings: The plaintiff has made conclusions and a subpoena of the plaintiff is pending for her to present these written conclusions.

2.– Major Sum Proceedings brought by Huarte, S.A. against Ferrovial Aparcamientos, S.A. (now Empark Aparcamientos y Servicios, S.A.) – Vista Desarrollo, S.A., Caixa Penedés, CARIPLO and Bolsa de Madrid requesting that they cancel execution of the pledge of 850,614 shares in ESSA (now Cintra Aparcamientos S.A.).

A judgement upholding the arguments of Empark Aparcamientos y Servicios, S.A. and the other respondents has been handed down, and this lawsuit must therefore be deemed to be concluded, following the Supreme Court judgment of 10 December 2008. As costs were awarded against the plaintiff, Empark has filed three Cost Calculation applications, one at each instance, claiming from Obrascón Huarte Lain, (OHL) the payment of fees corresponding to Court Agents and Lawyers. The solicitor fees amount to approximately 80,000 euros and the Lawyer fees amount to 74 thousands of euros and 31 thousands of euros for the 1st and 2nd Instances respectively and 192 thousands of euros for the Supreme Court.

On the other hand, Counsel Mr. Félix López Antón, who assumed the defence of Empark's interests in different instances of this proceeding, presented three proceedings for collecting legal fees against Empark claiming payment of fees incurred for the 1st instance, the Provincial High Court and the Supreme Court. The fees corresponding to the 1st instance and the provincial High court were paid by Empark in October 2010.

The Supreme Court, by means of a court order dated 30 November 2010, and notified on 16 December 2010, has issued judgement regarding the challenge for fees corresponding to this last instance in the legal Fees Claim report, proceeding derived from the appeal for Civil Cassation no. 2903/2003, initiated by DESPACHO LÓPEZ ANTON SLP (Law firm), before the First Chamber of the Supreme Court, claiming 192 thousands of euros as the principal. The Chamber rejects the challenge for fees as undue and finds the challenge for said fees as excessive, setting the amount to 44 thousands of euros. Subtracting the amount of 10 thousands of euros, which had been previously deposited by Empark, the amount remaining to settle is 33 thousands of euros.

Said amount was paid on 28 December 2010.

3.– Ordinary Proceedings 1041/2009, lodged before the Court of First Instance 5 of Santander by the UTE POMBO joint venture, comprising CONSTRUCTORA OBRAS PÚBLICAS SAN EMETERIO, S.A. AND EXCAVACIONES SAIZ, S.A., against EMPARK APARCAMIENTOS Y SERVICIOS, S.A.

The purpose of the lawsuit is a claim for greater construction costs. The estimative judgement of the proceeding handed down on 17 May 2010, has sentenced us to pay 490 thousands of euros and is currently appealed before the Provincial higher Court. However, said payment has been made by UTE POMBO and has been accounted for.

4.– Ordinary Proceeding 370/2010 filed before Contentious-Administrative court number 3 of Pontevedra, brought by the Socialist Party, which challenges the contacting procedure relative to the construction for an underground parking at Plaza España.

5.– Ordinary Court Proceedings 206/2005. Commercial Court 1, Malaga.

In this process, the agreement reached by the board of Directors of the Sociedad Municipal de Aparcamientos y Servicios, S.A. of Malaga (SMASSA) was challenged, accepting a maximum fee of 3,900 thousands of euros for the administrative concession of the underground for the construction of the C/Salitre parking for a period of 50 years.

The issue is currently at cassation before the Supreme Court (appeal no. 286/2007). By means of a court Order dated 14 October 2010, it is set for voting and the decision was issued on 19 January 2011 at 10:30 hours.

6.– Ordinary Court Proceedings 363/2006 and Ordinary Court Proceedings 84/2007. Commercial Court 1, Malaga.

Several agreements made by SMASSA are challenged, which entail the acceptance of a collaboration agreement between SMASSA and the entity INEREXPO, which entails the assumption first of the electricity, cleaning and security expenses as well as the annual payment of 50 thousands of euros for daily maintenance and operating costs of the Interactive Music museum.

The suit ended at first instance with ruling No. 257/08, dated 5 October 2008, which partially finds for the plaintiff. An appeal was filed against this Ruling on the part of the plaintiff by means of a letter dated 22 December 2008, to which we opposed by means of a letter dated 14 October 2009, and as of yet, a decision has not been made.

7.– Ordinary Proceeding 46/2010, filed before the Contentious Administrative Court number 3 of Madrid, by Rogelio Rodríguez Ordás against the City Council of Madrid and Estacionamientos Guipuzcoanos, S.L.

The purpose of this contentious – administrative appeal is to claim personal liability against the City Council of Madrid and against the parking concession of Calle Sevilla. The amount claimed totals 2,130 thousands of euros. Pending allocation for contesting the claim.

39 Temporary Joint Ventures (TJVs)

The sums set out below represent the % stake held by the Group in the assets and liabilities and sales and results of each TJV. These sums have been included in the Consolidated Financial Statement and consolidated Income Statement:

	Thousands of euros			
	Torrellobeta	31/12/11 Car parks	Jado	Valls
Assets				
Non-current assets	–	–	–	3,479
Current assets	102	196	169	671
	102	196	169	4,150
Liabilities				
Non-current liabilities	–	–	–	194
Current liabilities	100	12	573	3,956
	100	12	573	4,150
Revenues	–	2	–	1,435
Expenses	–	(1)	–	(1,435)
Profit after taxes	–	1	–	–
Stake held proportionally in undertakings of the JV	80%	25%	50%	47%

The UTE Tenerife joint venture was dissolved during 2011.

	Thousands of euros				
	Torrellobeta	31/12/10 Car parks	Jado	Valls	Tenerife
Assets					
Non-current assets	–	–	–	1,490	1
Current assets	102	49	19	408	(34)
	102	49	19	1,898	(33)
Liabilities					
Non-current liabilities	1	46	(202)	94	13
Current liabilities	102	2	221	1,804	(46)
	102	48	19	1,898	(33)
Revenues	–	1	–	924	301
Expenses	–	(1)	1	(924)	(289)
Profit after taxes	–	–	1	–	12
Stake held proportionally in undertakings of the JV	80%	25%	50%	47%	100%

During the year 2010 the following TJVs have been dissolved: UTE Lanzarote and UTE T-4 Barajas.

40 Environmental commitments

Environmental activities are understood as covering any operation the main purpose of which is to prevent, reduce or repair damage to the environment.

The investments derived from environmental activities are valued at the acquisition cost and are activated as greater fixed asset expenses in the financial year in which they are incurred, following the criteria described in note 2 regarding applicable accounting standards.

Costs derived from the protection and improvement of the environment are attributed to the results for the financial year in which they are incurred, irrespective of the point when the monetary or financial flow derived therefrom occurs.

The provisions relative to probable or certain responsibilities, legal proceedings in process and for compensation and pending obligations of an undetermined amount, of an environmental nature not covered by contracted insurance policies, are made when the liability or the obligation establishing the compensation becomes effective.

41 Remunerations paid to the Board of Directors

2011

a) Remuneration paid to Directors.

During financial year 2011, the remuneration paid to members of the Board of Directors amounted to 1,354 thousands of euros

b) Advances and loans granted to members of the Board of Directors.

At 31 December 2011 the Directors had in place balances with the Company amounting to 84 thousands of euros of advances and credits.

c) Remuneration of and loans to senior management personnel.

Personnel attending Board of Director meetings are considered senior management. Remuneration of executive personnel amounts to 1,354 thousands of euros in 2011

d) Holdings and positions of members of the Board of Directors in other comparable companies.

Article 229.2 of legislative Royal Decree 1/2010, dated 2 July, which approves the revised text of the Capital Corporations Act to increase the transparency of listed companies, for them as well as for the related parties to which 231 refers, the direct or indirect stake they may hold in another company with a similar or complementary activity as that of the company's corporate purpose, as well as the positions or duties carried out on their own or for another company, similar or complementary in nature to the activity constituted by the corporate object. (note 42)

2010

a) Remuneration paid to Directors.

During financial year 2010, the remuneration paid to members of the Board of Directors amounted to 1,183 thousands of euros.

b) Advances and loans granted to members of the Board of Directors.

At 31 December 2010, the Directors have balances with the Group for loans or advances in the sum of 138 thousands of euros. There are no commitments assumed by them regarding insurance or pension plans.

c) Remuneration of and loans to senior management personnel.

Personnel attending Board of Director meetings are considered senior management. Remuneration paid to senior management amounts to 1,183 thousands of euros.

d) Holdings and positions of members of the Board of Directors in other comparable companies.

Article 229.2 of legislative Royal Decree 1/2010, dated 2 July, which approves the revised text of the Capital Corporations Act to increase the transparency of listed companies, for them as well as for the related parties to which 231 refers, the direct or indirect stake they may hold in another company with a similar or complementary activity as that of the company's corporate purpose, as well as the positions or duties carried out on their own or for another company, similar or complementary in nature to the activity constituted by the corporate object.

42 Holdings of members of the board of directors in companies with the same, comparable or complementary activity as that of Empark Aparcamientos y Servicios, S.A., positions of functions.

	Company in which the stake is held	Position
José Augusto Tavares da Silva	EMPARK APARCAMIENTOS Y SERVICIOS, S.A.	Director- Chairman
	DORNIER, S.A.U.	Director- Chairman
	EMPARK PORTUGAL – EMPREENDIMENTOS E	Director- Chairman
	EXPLORAÇÃO DE PARQUEAMENTOS, S.A.	

Company in which the stake is held		Position
ESLI – PARQUES DE ESTACIONAMENTO, S.A.		Director
Company in which the stake is held		Position
Pedro Maria Póvoas Mendes Leal	EMPARK APARCAMIENTOS Y SERVICIOS, S.A.	Director – Vice-Chairman Chairman of the Executive commission
	DORNIER, S.A.U.	Director – Vice-Chairman
	APARCAMENT ESCALDES CENTRE, S.A.	Director- Chairman
	EMPARK UK LIMITED	Director- Chairman
	ESTACIONAMIENTOS GUIPUZCOANOS, S.L.	Director- Chairman Director
	EMPARK PORTUGAL – EMPREENDIMENTOS E EXPLORAÇÃO DE PARQUEAMENTOS, S.A.	Chairman of the Executive commission
	SERPARQUE – SERVIÇOS DE ESTACIONAMENTO, S.A.	Director- Chairman
	GISPARQUES – PLANEAMENTO E GESTÃO DE ESTACIONAMENTO, S.A.	Director- Chairman
	ESLI – PARQUES DE ESTACIONAMENTO, S.A.	Director- Chairman
	PARQUEGIL – PLANEAMENTO E GESTÃO DE ESTACIONAMENTO, S.A. MR CLEAN, LAVAGEM DE VEÍCULOS, S.A. STREET PARK ACE (UTE)	Director- Chairman Director- Chairman Director
	PARQ A – PARQUES DE ESTACIONAMENTO DA AMADORA, S.A. S.P. GIS – PLANEAMENTO E GESTÃO DE ESTACIONAMENTO, S.A.	Director Director- Chairman
	PARK YÖNETIMI VE SİSTEMLERİ SAN. VE TIC. A.Ş.	Director
	PARQUES DA ESTAÇÃO – EMPREENDIMENTOS E EXPLORAÇÃO DE ESTACIONAMENTO, S.A.	Director- Chairman
	MULTI 49 – SOCIEDADE IMOBILIÁRIA, S.A.	Director-Chairman

	Company in which the stake is held	Position
Leopoldo del Pino y Calvo- Sotelo	EMPARK APARCAMIENTOS Y SERVICIOS, S.A.	Director-Vice-Chairman of the Executive Committee – Managing Director
	DORNIER, S.A.U.	Director – Managing Director
	APARCAMENT ESCALDES CENTRE	Director
	EMPARK UK LIMITED	Director
	FEMET, S.A.	Director- Chairman
	EMPARK PORTUGAL – EMPREENDIMENTOS E EXPLORAÇÃO DE PARQUEAMENTOS, S.A.	Director
	SERPARQUE – SERVIÇOS DE ESTACIONAMENTO, S.A.	Director
	GISPARQUES I – PLANEAMENTO E GESTÃO DE ESTACIONAMENTO, S.A.	Director
	ESLI – PARQUES DE ESTACIONAMENTO, S.A.	Director
	Mr. CLEAN, LAVAGEM DE VEÍCULOS, S.A.	Director
	S.P. GIS – PLANEAMENTO E GESTÃO DE ESTACIONAMENTO, S.A.	Director
	PARK YÖNETIMI VE SİSTEMLERİ SAN. VE TİC. A.Ş.	Director
	GISPARQUES II – PLANEAMENTO E GESTÃO DE ESTACIONAMENTO, S.A.	Director
	CASTIL- PARQUE, SOCIEDADE EXPLORADORA DE PARQUES DE ESTACIONAMENTO, S.A.	Director

	Company in which the stake is held	Position	No. shares	% Holding
Domingos António Cidade Pereira de Moura	EMPARK APARCAMIENTOS Y SERVICIOS, S.A.	Director Vice-Chairman of the Executive Commission		
	DORNIER, S.A.U.	Director		
	APARCAMENT ESCALDES CENTRE, S.A.	Director		
	EMPARK UK LIMITED	Director		
	ESTACIONAMIENTOS GUIPUZCOANOS, S.L.	Director		
	FEMET, S.A.	Director		
	EMPARK PORTUGAL –	Director		
	EMPREENDIMENTOS E EXPLORAÇÃO DE PARQUEAMENTOS, S.A.	Vice-Chairman of the Executive Commission		
	SERPARQUE – SERVIÇOS DE ESTACIONAMENTO, S.A.	Director		
	GISPARQUES – PLANEAMENTO E GESTÃO DE ESTACIONAMENTO, S.A.	Director		
	GUIPUZCOA PARKING SIGLO XXI, S.A.	Director		
	ESLI – PARQUES DE ESTACIONAMENTO, S.A.	Director		
	PARQUEGIL – PLANEAMENTO E GESTÃO DE ESTACIONAMENTO, S.A.	Director		
	S.P. GIS – PLANEAMENTO E GESTÃO DE ESTACIONAMENTO, S.A.	Director		

Company in which the stake is held	Position	No. shares	% Holding
PARK YÖNETİMİ VE SİSTEMLERİ SAN. VE TIC. A.Ş.	Director – Vice- Chairman Chairman of the Executive commission	1,000	0.00015%
PARQUES DO TAMARIZ – SOCIEDADE DE EXPLORAÇÃO DE ESTACIONAMENTO, S.A.	Director		
MULTI 49 – SOCIEDADE IMOBILIÁRIA, S.A.	Director		
GISPARQUES II- PLANEAMENTO E GESTÃO DE ESTACIONAMENTO, S.A.	Director-Chairman		
Mr. CLEAN, LAVAGEM DE VEÍCULOS, S.A.	Director		
STREET PARK ACE (UTE)	Chairman		
APARCAMIENTOS GUIPUZCOANOS, S.L.	Director		
CONCHA PARKING, S.A.	Director		
CASTIL- PARQUE, SOCIEDADE EXPLORADORA DE PARQUES DE ESTACIONAMENTO, S.A.	Director-Chairman		
PEVR PARQUES DE ESTACIONAMENTO DE VILA REAL, S.A.	Director		
KATIBIN OPTOPARK ISLETMELERİ TIC. VESAN, A.Ş.	Director – Vice- Chairman	1	0.0001%

	Company in which the stake is held	Position
Francisco Gomes de Carvalho Martins	EMPARK APARCAMIENTOS Y SERVICIOS, S.A.	Director
	DORNIER, S.A.U.	Director
	EMPARK PORTUGAL– EMPREENDIMENTOSE	
	EXPLORAÇÃO DE PARQUEAMENTOS, S.A.	Director

	Company in which the stake is held	Position
Francisco Ravara Cary	EMPARK APARCAMIENTOS Y SERVICIOS, S.A.	Director
	DORNIER, S.A.U.	Director
	EMPARK PORTUGAL– EMPREENDIMENTOSE	
	EXPLORAÇÃO DE PARQUEAMENTOS, S.A.	Director

	Company in which the stake is held	Position
Gonzalo José Zambrano de Oliveira	EMPARK APARCAMIENTOS Y SERVICIOS, S.A.	Director
	DORNIER, S.A.U.	Director
	EMPARK PORTUGAL– EMPREENDIMENTOSE	
	EXPLORAÇÃO DE PARQUEAMENTOS, S.A.	Director

	Company in which the stake is held	Position
Manuel Ravara Caldeira Castel-Branco Cary	EMPARK APARCAMIENTOS Y SERVICIOS, S.A.	Director
	DORNIER, S.A.U.	Director

Company in which the stake is held				Position	No. shares	% Holding
AHORRO CORPORACION FINANCIERA, S.V., S.A., is sub-delegated the administration of vehicles: Ahorro Corporación Infraestructuras, F.C.R. Ahorro Corporación Infraestructuras 2, S.C.R., S.A. Mr. Juan José Clavería García is the person responsible for AHORRO CORPORACION FINANCIERA, S.V., S.A., S.A.	EMPARK	APARCAMIENTOS	Y	Director	937,997	8.27%
	SERVICIOS, S.A.			Director	–	–
	DORNIER, S.A.U.					
	EMPARK	PORTUGAL	–			
	EMPREENDIMENTOS		E	Director	–	–
	EXPLORAÇÃO		DE			
	PARQUEAMENTOS, S.A.			Director	–	–
	EMPARK UK LIMITED					
	APARCAMENT	ESCALDES	CENTRE,	Director	–	–
	S.A.			Director	–	–
	ESTACIONAMIENTOS			Director	–	–
	GUIPUZCOANOS, S.L.					

AHORRO CORPORACION FINANCIERA, S.V., S.A.

Direct or indirect holdings of related parties as per article 231.2 LSC in companies with a comparable activity (corporate purpose):

Identifying personal details of the related individual	Relationship with ACF	Company engaged in an analogous/ complementary or identical business	Description of the involvement of the related person (Shareholder, director, executive...)	Position/function of the related individual
Ahorro Corporación S.A	Shareholder in ACF with 99.99%	Ahorro Corporación INMUEBLES	Shareholder	N/A
Selectiva Patrimonios SGCSA	Shareholder in ACF with 0.01%	Ahorro Corporación INMUEBLES	Shareholder	N/A
Ahorro Corporación S.A	Shareholder in ACF with 99.99%	Ahorro Corporación Soluciones Inmobiliarias	Shareholder	N/A
Antonio Fernández López	– Chairman – Director of ACF – General Attorney-in-Fact	Ahorro Corporación INMUEBLES	– Director – Director	– Chairman – Chairman of the Board
As above	As above	Ahorro Corporación Soluciones Inmobiliarias	– Director – Director	– Chairman – Chairman of the Board
Victoriano López-Pinto Fernández de Navarrete	– Managing Director – Director of ACF – General Attorney-in-Fact	Ahorro Corporación INMUEBLES	Director	Member
As above	As above	Ahorro Corporación Soluciones inmobiliarias	– Director – Director	Vice-Chairman Board Member
Enrique Sánchez del Villar Boceta	– Director of ACF – General Attorney-in- Fact	Ahorro Corporación INMUEBLES	Director	Member
As above	As above	Ahorro Corporación Soluciones inmobiliarias	Director	Member
Ahorro Corporación Inmuebles	Member of the same Corporate Group with an analogous corporate purpose	N/A	N/A	N/A
Ahorro Corporación Soluciones Inmobiliarias	Member of the same Corporate Group with an analogous corporate purpose	N/A	N/A	N/A

	Company in which the stake is held	Position
Francisco Javier	EMPARK APARCAMIENTOS Y SERVICIOS, S.A.	Executive Committee
Mateos Jimenez	APARCAMENT ESCALDES CENTRE, S.A.	Director
	BALSOL 2001, S.A.	Director- Chairman
	EMPARK UK LIMITED	Director
	ESTACIONAMIENTOS GUIPUZCOANOS, S.L.	Director
	EMPARK APARCAMIENTOS ANDALUCIA, S.L.	Director- Chairman
	FEMET, S.A.	Director- Chairman
	APARCAMIENTOS DE BILBAO, S.A.	Director- Chairman
	APARCAMIENTOS GUIPUZCOANOS, S.L.	Director
	CONCHA PARKING, S.L.	Director
	ESTACIONAMIENTOS ALHÓNDIGA, S.A.	Director
	GUADIANAPARK, S.A.	Director
	GUIPUZCOA PARKING SIGLO SXXI, S.A.	Director
	SERPARQUE – SERVIÇOS DE ESTACIONAMENTO, S.A.	Director

	Company in which the stake is held	Position
Gonzalo Gómez Navarro	EMPARK APARCAMIENTOS Y SERVICIOS, S.A.	Managing Director, Finance
	APARCAMENT ESCALDES CENTRE, S.A.	Director
	EMPARK UK LIMITED	Director
	DORNIER, S.A.	Director
	ESTACIONAMIENTOS GUIPUZCOANOS, S.L.	Director
	EMPARK PORTUGAL – EMPREENDIMENTOS E EXPLORAÇÃO DE PARQUEAMENTOS, S.A.	Director
	SERPARQUE – SERVICIOS DE ESTACIONAMENTO, S.A.	Director
	GISPARQUES – PLANEAMENTO E GESTAO DE ESTACIONAMENTO, S.A.	Director
	ESLI – PARQUES DE ESTACIONAMENTO, S.A.	Director
	S.P. GIS – PLANEAMENTO E GESTAO DE ESTACIONAMENTO, S.A.	Director

43 Auditor fees

The fees regarding accounts auditing services and other services provided to the various companies which make up the Empark Aparcamientos y Servicios, S.A. Group connected with auditing by the main auditor, along with other entities related thereto during the 2011 and 2010 financial years, amounted to 149 and 98 thousands of euros, respectively. The fees paid in this same regard to other auditors involved in the auditing of the various companies of the Empark Aparcamientos y Servicios, S.A. Group amounted to 21 and 20 thousands of euros in the 2011 and 2010 financial years, respectively.

Meanwhile, the main auditor and other entities related thereto provided other professional services to the various companies of the Group amounting to 210 and 3 thousands of euros in the 2011 and 2010 financial years, respectively.

44 Events Subsequent to the close of year

From the date of close up until the date of presentation of these annual accounts, no events subsequent to the close occurred, which could affect these annual accounts, except:

On 23 January 2012 a sum of 31 thousands of euros in costs was collected from OHL.

On 18 January 2012, the company Empark Aparcamientos Extremadura, S.L. was incorporated, with a capital stock of 3,006 shares of a par value of 1 euro each, fully subscribed and paid up by Empark Aparcamientos y Servicios, S.A.

EMPARK Aparcamientos y Servicios, S.A. and Subsidiaries

Consolidated Directors' Report for financial year 2011

Management report

The Group's new shareholdings

The make-up of the shareholdings in Empark Aparcamientos y Servicios S.A. as of 31/12/2011 is as follows:

EMPARK,S.A. Shareholders	31/12/11	
	shares (**)	%
ASSIP Consultoria e Servicos S.A.	5,712,117	50.34%
Es Concessions International Holding, BV	2,520,677	22.21%
Ahorro Corporación Infraestructuras, F.C.R. of Simplified Tax Regime	810,341	7.14%
Ahorro Corporación Infraestructuras 2, S.C.R.	127,656	1.13%
ESIF I, B.V.	937,997	8.27%
Transport Infrastructure Holding Company,B.V.	937,997	8.27%
Mellopark – Sociedade Gestora de Participações Sociais, S.A.	293,316	2.58%
Minority	7,042	0.06%
Total	11,347,143	100.00%

Economic activity for the financial year

Over the course of the 2011 financial year, the Company engaged in its business within an economic context complicated as a result of the worldwide financial and economic crisis. This crisis has caused an important decrease in economic and financial activity, which has also been noticed in Spain and Portugal, which are the group's main markets.

In spite of this crisis, the performance of the Empark Group has been very positive, showing a great resistance and an excellent management capacity, which has enabled the group to obtain a recurring EBITDA in 2011 of 73,232 thousands of euros, which continues on the same growth path that was set in previous years.

The group leads the Spanish and car parking Portuguese markets and since 1968, is has been involved in the construction, management and operation of underground as well as on-street parking.

It has succeeded in performing all the activities needed to provide optimal integrated vehicle management services in any environment. Proof of this is the fact that the Group and its subsidiaries manage more than 374,467 parking spaces in Spain, Portugal, Andorra, United Kingdom and Turkey.

Its presence in the industry includes all lines of business:

a) Off-street parking

The Group designs, builds and operates all manner of off-street parking within any context and employing any formula.

Car parks in city centres, in the vicinity of hospitals, shopping centres, airports, bus or train stations, park-and-ride operations and car parks in national parks are some of the parking solutions in which the Group has proven experience throughout every region of Spain and Portugal.

b) On-Street parking

The Group, through its subsidiaries, one of Europe's most experienced companies in this type of service, and has the largest-scale operations throughout Spain and Portugal.

Employing the latest technology, and drawing on the support of a powerful organisation, the Cintra Aparcamientos group provides its services in more than 160 cities the length and breadth of Spain, Portugal, Andorra, United kingdom and Turkey.

Other complementary services, such as the supply and maintenance of regulation technologies, the administration of the application and processing of penalties and the provision of the vehicle removal service are provided by the group in the main cities of Spain and Portugal.

c) Car parks for local residents

Empark Aparcamientos y servicios, S.A. is one of Spain's most experienced companies in this type of business in the country's main cities.

Empark Aparcamientos y servicios S.A. performs the comprehensive management of this type of car park on both public and private land, undertaking technical and financial feasibility studies, designing, building and selling parking spaces for local residents.

d) Other services

The Group specialises in the provision of other services tied to the end-to-end management of car parking and urban and inter-urban mobility.

Among others, Empark Aparcamientos y Servicios, S.A. and Dornier, S.A.U. has substantial experience in:

Management of control of access to nature reserves.

Provision of temporary parking services at trade fairs and mass attendance events.

Combined park and bus services around airports.

Management of mass off-street multiple profile subscriber car parks, in particular for Hospitals and Airports, with high levels of operation 24/24 hours.

Comprehensive management of the clamping, removal and impounding of vehicles.

The Group has developed its executive and management abilities during its extensive experience in the industry. The company's competitive factors include:

- Nationwide as well as international presence, ensuring the direct management of all its businesses, as well as a direct relationship with all its public and / or private customers.
- Competitive operating costs resulting from both the company's wide-ranging experience as well as its nationwide presence, providing synergies and key know-how.
- Technological innovation, which allows the company to, not only be more competitive but also enables it to offer innovative solutions for traffic planning, design, etc.
- A presence in all areas of the business, allowing the possibility of offering integrated solutions and cost savings.
- The ability to offer complex construction solutions.

The Group's operations extend to 172 cities. As of 31 December 2011, it handles a total of 374,467 parking spaces.

Spaces	31-12-11
Surface	183,514
Maintenance	10,063
Off-street	79,536
Management	75,794
Residents	25,560
TOTAL	374,467

Spaces	31-12-11
SPAIN	264,245
UK	37,554
PORTUGAL	69,127
TURKEY	3,541
TOTAL	374,467

Financial Information

The net turnover amounted to a figure of 212,892 thousands of euros in 2011 and 204,416 thousands of euros in 2010, which is a 4% increase from the previous year.

Operating profits stood at 38.539 thousands of euros in 2011, 18% of the net turnover figure.

Pre-tax consolidated profits were 792 thousands of euros in 2011, 0.4% of the net turnover figure.

The Group's workforce is comprised of more than 3,093 workers, 39% of whom are female and 61% male. The average age is 41 years and 3 months.

WORKFORCE AT CLOSE 31/12/2011	Men	Women	total
Spain	1,359	947	2,306
Portugal	403	213	616
UK	60	49	109
Andorra.....	6	1	7
Turkey	42	13	55
TOTAL	1,870	1,223	3,093

As for the Company's financial risk management policy, this is based on the Group managing its capital in order to guarantee that it will be in a position to continue operating as a profitable business, while maximising shareholder return by striking an optimum balance between debt and equity.

Below are set out the main risks to which the Group is exposed:

- **Liquidity risk:** The Group establishes its treasury needs as part of its general policy through the use of two tools: Treasury budget with a 12-month horizon, providing monthly detail and updates, and treasury budget with a 30-day horizon, with daily updates and details. These tools identify treasury needs in volume and time, and make plans for new financing needs.
- **Credit risk:** The Group maintains cash and equivalent liquid assets at financial institutions with a high-level credit rating. It should furthermore be mentioned that there is no significant concentration of credit risk with third parties.
- **Interest rate risk:** Interest-rate risk affects the Group essentially through long-term outside resources. The Group has contracted financial instruments that partially cover the risk of possible interest rate hikes.
- **Exchange rate risk:** The Group has no significant exchange rate risk, as most of its assets and liabilities, revenue and expenses, are quoted in euros.

Subsequent events

There are no relevant events to point out except:

- On 23 January 2012 a sum of 31 thousands of euros in costs was collected from OHL.
- On 18 January 2012, the company Empark Aparcamientos Extremadura, S.L. was incorporated, with a capital stock of 3,006 shares of a par value of 1 euro each, fully subscribed and paid up by Empark Aparcamientos y Servicios, S.A.

Research and development

The Group has not carried out any research and development activities.

Treasury stock

There have been no acquisitions of own shares.

Derivatives

The Group has contracted financial instruments that partially cover the risk of possible interest rate hikes of long-term outside resources.

Environmental aspects

Environmental activities are understood as covering any operation the main purpose of which is to prevent, reduce or repair damage to the environment.

The investments derived from environmental activities are valued at the acquisition cost and are activated as greater fixed asset expenses in the financial year in which they are incurred, following the criteria described in note 2 regarding applicable accounting standards.

Costs derived from the protection and improvement of the environment are attributed to the results for the financial year in which they are incurred, irrespective of the point when the monetary or financial flow derived therefrom occurs.

The provisions relative to probable or certain responsibilities, legal proceedings in process and for compensation and pending obligations of an undetermined amount, of an environmental nature not covered by contracted insurance policies, are made when the liability or the obligation establishing the compensation becomes effective.

At 31 December 2011, the costs or expenses incurred with regard to environmental aspects are insignificant.

As for any such potential contingencies as may arise in the field of the environment, the directors do not believe that they would have any significant impact on the enclosed annual accounts.



Ernst & Young, S.L.
Torre Picasso
Plaza Pablo Ruiz Picasso, 1
28020 Madrid

Tel.: 902 365 456
Fax: 915 727 300
www.ey.com/es

Translation of a report and consolidated financial statements originally issued in Spanish. In the event of discrepancy, the Spanish-language version prevails

AUDIT REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

To the Shareholders of EMPARK APARCAMIENTOS Y SERVICIOS, S.A.:

1. We have audited the consolidated financial statements of EMPARK APARCAMIENTOS Y SERVICIOS, S.A. (the Parent Company) and its subsidiaries (the Group), which comprise the consolidated statement of financial position at December 31, 2010, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity, the consolidated cash flow statement, and the notes thereto for the year then ended. As indicated in Note 2.1 to the accompanying consolidated financial statements, the directors are responsible for the preparation of the Group's financial statements in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union, and other provisions in the regulatory framework applicable to the Group. Our responsibility is to express an opinion on the aforementioned consolidated financial statements taken as a whole, based upon work performed in accordance with prevailing audit regulations in Spain, which require the examination, through the performance of selective tests, of the evidence supporting the consolidated financial statements, and the evaluation of whether their presentation, the accounting principles and criteria applied and the estimates made are in agreement with the applicable regulatory framework for financial information. Our work did not include the audit of the 2010 annual account of certain subsidiaries, jointly controlled entities and associates, indicated in Note 1.1 to the accompanying consolidated financial statements, whose assets and net results represent 20% and 47%, respectively, related consolidated figures. These companies financial statements have been audited by other auditors and therefore, our opinion expressed in this audit report on the consolidated financial statements of EMPARK APARCAMIENTOS Y SERVICIOS, S.A. and its subsidiaries is based, with respect to the contribution of these companies, mainly on the audit reports of the other auditors.
2. In our opinion, based on our audit and the audit report of other auditors, the accompanying 2010 consolidated financial statements give a true and fair view, in all material respects, of the consolidated equity and consolidated financial position of EMPARK APARCAMIENTOS Y SERVICIOS, S.A. and subsidiaries at December 31, 2010, and the consolidated results of operations and consolidated cash flow for the year then ended, in conformity with IFRS, as adopted by the EU, and other applicable provisions in the regulatory framework for financial information.

Domicilio Social: Pl. Pablo Ruiz Picasso, 1. 28020 Madrid
Inscrita en el Registro Mercantil de Madrid al
Tomo 12749, Libro 0, Folio 215, Sección 8 a
Hoja M-23123. Inscriptción 116. C.I.F. B-78970506
3. The accompanying 2010 consolidated management report contains such explanations as the directors of EMPARK APARCAMIENTOS Y SERVICIOS, S.A. consider appropriate concerning the situation of the Group, the evolution of its business and other matters; however, it is not an integral part of the consolidated financial statements. We have checked that the accounting information included in the aforementioned consolidated management report agrees with the 2010 consolidated financial statements. Our work as auditors is limited to verifying the consolidated management report in accordance with the scope mentioned in this paragraph, and does not include the review of information other than that obtained from the accounting records of EMPARK APARCAMIENTOS Y SERVICIOS, S.A. and its subsidiaries.

ERNST & YOUNG, S.L.

Signed on the original in Spanish

Francisco V. Fernández Romero

April 1, 2011

EMPARK

EMPARK Aparcamientos y Servicios, S.A. and Subsidiaries

Consolidated annual reports for financial year 2010

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EMPARK Aparcamientos y Servicios, S.A. and Subsidiaries

Consolidated annual accounts of financial year 2010

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EMPARK Aparcamientos y Servicios, S.A. and Subsidiaries

Consolidated annual accounts of financial year 2010

Consolidated financial statements as of 31 December 2010 and 2009

Non-current assets		685,280	649,816	353,764
Goodwill.....	6	146,427	146,474	41,800
Intangible asset	4	437,676	435,500	267,673
Tangible fixed asset	5	72,725	48,176	34,493
Investments accounted by using the equity method	8	9,725	9,858	7,312
Long term financial investments.....	9	852	699	414
Corporate loans		227	227	125
Other financial assets		625	472	289
Assets through deferred taxes	27	17,875	9,109	2,072
Current assets		77,749	63,053	72,086
Stock	12	6,944	7,526	27,061
Trade and other receivables	9	28,831	32,496	32,142
Clients through sales and services provided		22,234	22,100	22,387
Other debts		6,261	10,396	9,554
Group company clients		336	—	30
Tied clients.....		—	—	171
Investments in tied companies.....	9, 11	1,768	323	487
Corporate loans		1,768	323	487
Short term financial investment.....	9, 11	894	810	5,228
Corporate loans		—	—	5,224
Other financial assets		894	810	4
Short term accruals and deferrals.....		649	316	448
Cash and other equivalent liquid assets	13	38,663	21,582	6,720
Total Assets		763,029	712,869	425,850

Notes 1 to 42 are part of the Consolidated Annual Reports as of 31 December 2010.

(*) Certain sums included in these balance sheets do not correspond with those included in the consolidated annual reports of the financial year that closed on 31 December 2009, and reflect the adjustments carried out in accordance with CINIF 12 as indicated in note (2.7) and adjustments for the correction of errors as indicated in note (1.3)

EMPARK Aparcamientos y Servicios, S.A. and Subsidiaries

Consolidated annual accounts of financial year 2010

Consolidated financial statements as of 31 December 2010 and 2009

Net Equity and liabilities	Note	31/12//2010	Thousands of euros	
			31/12/2009 Restated(*)	01/01/2009 Restated(*)
Net Equity		139,391	126,543	168,449
Shareholder's equity		141,691	127,431	166,328
Capital	14 a	67,701	67,701	67,701
Share premium	14 b	35,639	35,639	38,575
Reserves and results from previous years	15	23,238	10,416	25,538
Non-distributable reserves		13,508	12,226	9,480
Distributable reserves		9,577	(1,963)	15,905
Other reserves		153	153	153
Reserves in consolidated companies	16	4,918	5,801	12,089
Reserves in companies by the equity method	17	2,927	2,327	2,020
Result for the financial year attributable to the Group	18	7,988	5,547	20,405
Interim asset dividend		(720)	—	—
Other asset instruments		—	(21)	(20)
Hedging operations	19	(8,473)	(4,993)	—
Minority interest	20	6,173	4,126	2,141
Non-current liabilities		524,418	494,076	59,808
Long-term provisions	25	5,613	363	1,953
Obligations through long-term staff provisions		—	142	66
Other provisions		5,613	221	1,887
Long-term debts	21	475,830	459,413	47,954
Debts with credit institutions	21 a	461,342	436,709	46,243
Other debts	22	14,488	22,704	1,711
Derivatives	19, 23	7,314	5,197	—
Long-term accruals and deferrals	24	5,749	6,099	6,411
Liabilities through deferred taxes	27	29,912	23,004	3,490
Current liabilities		99,220	92,250	197,593
Short-term provisions		79	8	1,326
Short-term debts		21,131	19,701	126,180
Debts with credit institutions	21 b	20,036	15,197	2,906
Debts with tied companies	21 c	1,095	4,504	123,274
Trade creditors and other accounts payable	21	63,082	60,073	68,451
Suppliers		24,228	31,770	23,912
Sundry creditors		16,258	6,064	3,586
Staff (accrued wages and salary)		1,422	1,485	1,361
Liabilities through current tax		105	182	131
Other debts with Public Authorities		10,315	9,769	10,812
Client advances		10,754	10,803	28,649
Derivatives	19, 23	6,861	4,041	—
Other current liabilities	26	6,389	6,761	—
Short-term accruals and deferrals		1,678	1,666	1,636
Net Equity and Liabilities		763,029	712,869	425,850

Notes 1 to 42 are part of the Consolidated Annual Reports as of 31 December 2010.

(*) Certain sums included in these balance sheets do not correspond with those included in the consolidated annual reports of the financial year that closed on 31 December 2009, and reflect the adjustments carried out in accordance with CINIF 12 as indicated in note (2.7) and adjustments for the correction of errors as indicated in note (1.3)

EMPARK Aparcamientos y Servicios, S.A. and Subsidiaries

Consolidated annual accounts of financial year 2010

Consolidated income statements corresponding to financial years ended on 31 December 2010 and 2009

ONGOING OPERATIONS			
Net turnover		204,416	182,967
Sales and services	30 a	204,416	182,967
Variation in stock of finished products and products in process		(14,142)	(18,164)
Supplies	30 b	(1,716)	(3,790)
Goods consumed		(503)	(2,787)
Raw materials and other consumable materials		(975)	(32)
Deterioration of goods, raw materials and other supplies		(238)	(971)
Other operating income	30 a	2,882	2,283
Other revenues		2,591	2,206
Operating subsidies incorporated in the result for the financial year		291	77
Personnel costs	31	(73,517)	(64,374)
Wages, salaries, et al.		(60,163)	(51,733)
Social security costs		(13,354)	(12,641)
Provisions		—	—
Other operating expenses		(52,779)	(46,640)
External services		(41,371)	(36,647)
Taxes		(4,406)	(5,072)
Other operating expenses		(6,726)	(309)
Loss, impairment and variation in provision through trade operations		(276)	(203)
Other non-recurrent operating expenses		—	(4,409)
Amortization of fixed assets	4, 5	(26,931)	(20,177)
Surplus provisions	32	(180)	(741)
Impairment and result through disposal of fixed assets	33	4,158	(8,509)
Operating result		42,191	22,855
Financial revenue	34	274	210
Financial expenses	34	(25,091)	(13,145)
Financial expenses through hedging	34	(6,569)	(2,927)
Financial result	34	(31,386)	(15,862)
Share in results of equity-consolidated companies	8	1,070	1,559
Pre-tax consolidated results	33	11,875	8,552
Corporate income taxes	27	(1,409)	(2,662)
Consolidated results from ordinary operations	18	10,466	5,890
Consolidated results from discontinued operations		—	—
Results attributed to minority interests	18, 20	(2,478)	(343)
Results attributed to the Group (profit/loss)	18	7,988	5,547
Profit by action (basic and diluted)	14	0,75	0,50

Notes 1 to 42 are part of the Consolidated Annual Reports as of 31 December 2010

(*) Certain sums included in these balance sheets do not correspond with those included in the consolidated annual reports of the financial year that closed on 31 December 2009, and reflect the adjustments carried out in accordance with CINIF 12 as indicated in note (2.7) and adjustments for the correction of errors as indicated in note (1.3)

EMPARK Aparcamientos y Servicios, S.A. and Subsidiaries

Consolidated annual accounts of financial year 2010

Global consolidated income statements corresponding to financial years 2010 and 2009

Consolidated result for the financial year attributed to the Group	18	7,988	5,547
Minority	20	2,478	343
Net result for the financial year	18	10.466	5,890
In reserves by revaluation of non-listed assets and liabilities			
Changes in the fair value of hedging operations.....	19	(4,937)	(7,069)
Taxation affect.....	19	1,457	2,076
Conversion differences		21	(1)
	19	(3,459)	(4,994)
TOTAL REVENUE AND EXPENDITURE RECOGNISED		7,007	896

EMPARK Aparcamientos y Servicios, S.A. and Subsidiaries

Consolidated annual accounts of financial year 2010

Consolidated statement of changes in equity corresponding to financial years ended on 31 December 2010 and 2009

BALANCE, START OF YEAR 2009(*)	67,701	38,575	25,538	20,405	12,089	2,020	(20)	–	2,141	168,449
Adjustments due to changes in criteria	–	–	–	–	–	–	–	–	–	–
BALANCE, START OF YEAR 2009										
ADJUSTED(*)	67,701	38,575	25,538	20,405	12,089	2,020	(20)	–	2,141	168,449
Total revenue and Expenditure recognised	–	–	–	5,547	–	–	(1)	(4,993)	343	896
Other changes In net worth	–	–	–	–	–	–	–	–	1,642	1,642
Reserves	–	–	2,746	(2,833)	(6,288)	307	–	–	–	(6,068)
Distribution of dividends	–	(2,936)	(17,868)	(17,572)	–	–	–	–	–	(38,376)
BALANCE, END OF YEAR 2009(*)	67,701	35,639	10,416	5,547	5,801	2,327	(21)	(4,993)	4,126	126,543
Total revenue and Expenditure recognised				7,988			21	(3,480)	2,478	7,007
Other changes In net worth									(431)	(431)
Distribution of results 2009										–
– Reserves			12,822	(5,547)	(883)	600				6,992
– Distribution of dividends										–
– Interim dividend								(720)		(720)
BALANCE, END OF YEAR 2010	67,701	35,639	23,238	7,988	4,918	2,927		(9,193)	6,173	139,391

Notes 1 to 42 are part of the Consolidated Annual Reports as of 31 December 2010.

(*) Certain sums included in these balance sheets do not correspond with those included in the consolidated annual reports of the financial year that closed on 31 December 2009, and reflect the adjustments carried out in accordance with CINIF 12 as indicated in note (2.7) and adjustments for the correction of errors as indicated in note (1.3)

EMPARK Aparcamientos y Servicios, S.A. and Subsidiaries

Consolidated annual accounts of financial year 2010

Consolidated statement of cash flows corresponding to financial years ended on 31 December 2010 and 2009

Net Income	18	7,988	5,547
Pre-tax financial year results		11,875	8,552
Adjustment of the result		56,184	43,932
Changes in current capital		2,965	23,662
Other cash flows from operating activities		(29,287)	(19,614)
Cash flow from operating activities	35	41,737	56,532
Payments through investments		(66,891)	(213,705)
Payments through divestments		17,635	3,079
Cash flows from Investment activities	36	(49,256)	(210,626)
Sums received and paid through financial liability instruments		24,600	207,819
Payments through instruments and returns on other asset instruments		—	(38,863)
Cash flows from financing activities	37	24,600	168,956
Changes in cash and cash equivalents		17,081	14,862
Opening cash and cash equivalents at the start of the financial period		21,582	6,720
Opening cash and cash equivalents at the end of the financial period	13	38,663	21,582

Notes 1 to 42 are part of the Consolidated Annual Reports as of 31 December 2010.

(*) Certain sums included in these balance sheets do not correspond with those included in the consolidated annual reports of the financial year that closed on 31 December 2009, and reflect the adjustments carried out in accordance with CINIF 12 as indicated in note (2.7) and adjustments for the correction of errors as indicated in note (1.3)

EMPARK Aparcamientos y Servicios, S.A. and Subsidiaries

Explanatory notes for financial year 2010

1 Group's activities and consolidation scope

1.1 Companies forming the Group and their business

EMPARK Group, from now on the Group, is made up of parent company EMPARK Aparcamientos y Servicios, S.A. and its Subsidiaries, joint ventures and associated. The registered company office is in Madrid at address Plaza Manuel Gómez Moreno 2, planta 9, Edificio Alfredo Mahou.

Through these companies, the Group engages in the following lines of business, which are its primary reporting segments in accordance with IFRS 8.

The main line of business of Empark Aparcamientos y Servicios, S.A. previously known as Cintra Aparcamientos, S.A. and previously known as Ferrovial Aparcamientos, S.A. and previously as Ferrevisa, S.A., is the construction and operation of car parks under the public authority concession system. Such concessions stipulate that, to fulfil the concession timeframes, the car parks shall be returned to the granting entity in perfect conditions of use, without any payment for provision of service for the Group. The Subsidiaries carry out the same activity as the Parent Company.

Empark Aparcamientos y Servicios, S.A., is the parent Company of a group formed by 24 Subsidiaries, 7 associated, with a stake in 5 temporary joint ventures (TJVs) and 3 companies operating as joint businesses,

For the purpose of drawing up the consolidated annual reports, the assumption is that a group exists if the dominant company has one or more dependent organisations, over which the dominant company exerts control either directly or indirectly. The principles applied in preparing the Consolidated Annual Reports for the Group, along with the perimeter of consolidation, are detailed in Note 1.1.

Empark Aparcamientos y Servicios, S.A., parent company was incorporated in Madrid on 29 July 1986 as a public limited company. It is registered with the Company Register of Madrid, on sheet M-53866, page 86, volume 14090, and section 8 of the Companies Book. The most recent adaptation and revision of its by-laws, based on the Company Register of Madrid, is registered in volume 21897, book 0 of section 8, page 222, sheet M-53866, and inscription no. 113.

All of the Group's subsidiary companies have the financial and tax year coinciding with the natural calendar year and none of these are listed on the Stock Market. The scope of Consolidation is the following:

31/12/2010

Company	Address	% Holdings	Company that owns the holding	Net value of the holding	Consolidation method	Activity
Estacionamientos Guipuzcoanos, S.L.U. ^(a)	Ronda, 1, 1º San Sebastián	100.00%	Empark Aparcamientos y Servicios, S.A.	40,543	Full consolidation	Management and operation of Car parks
Estacionamientos y Servicios Extremeños, S.A. ^(c)	San Francisco, 18 Badajoz	25.00%	Empark Aparcamientos y Servicios, S.A.	90	Holding	Management and operation of Car parks
Guadianapark, S.A. ^(c)	Pza. Manuel Gómez Moreno, 2 Madrid	75.00%	Empark Aparcamientos y Servicios, S.A.	1,269	Full consolidation	Management and operation of Car parks
Balsol 2001, S.A. ^(c)	Santa Eugenia, 9 Gerona	50.00%	Empark Aparcamientos y Servicios, S.A.	1,496	Full consolidation	Management and operation of Car parks
Balsol 2001, S.A. ^(c)	Santa Eugenia, 9 Gerona	50.00%	Dornier, S.A.U	1,385	Full consolidation	Management and operation of Car parks
Dornier, S.A.U. ^(a)	Pza. Manuel Gómez Moreno, 2 Madrid	100.00%	Empark Aparcamientos y Servicios, S.A.	21,313	Full consolidation	Management and operation of Car parks
Femet, S.A. ^(c)	Pza. Manuel Gómez Moreno, 2 Madrid	0.05%	Empark Aparcamientos y Servicios, S.A.	7	Full consolidation	Management and operation of Car parks
Femet, S.A. ^(c)	Pza. Manuel Gómez Moreno, 2 Madrid	99.95%	Dornier, S.A.U	1,405	Full consolidation	Management and operation of Car parks
Sociedad Municipal de Aparcamientos y Servicios, S.A. ^(c)	Tejón y Rodríguez, 7 Málaga	24.50%	Empark Aparcamientos y Servicios, S.A.	3,757	Holding	Management and operation of Car parks

Company	Address	% Holdings	Company that owns the holding	Net value of the holding	Consolidation method	Activity
Estacionamientos Alhóndiga, S.A. ^(b)	Av. Sabino Arana, 20-3 Vizcaya	50.00%	Empark Aparcamientos y Servicios, S.A.	1,050	Proportional	Management and operation of Car parks
Estacionamientos Urbanos de León, S.A. ^(c)	Av. De Ordoño II, 10 León	43.00%	Dornier, S.A.U	452	Holding	Management and operation of Car parks
Aparcament Escaldes Centre, S.A. ^(c)	Carrer Constitució Aparcament Prat Gran Planta 1º Escaldes	100.00%	Empark Aparcamientos y Servicios, S.A.	11,400	Full consolidation	Management and operation of Car parks
Infofer Estacionamientos, A.I.E. ^(c)	Manuel Silvera, 8 Madrid	16.66%	Dornier, S.A.U	60	Holding	Management and operation of Car parks
Aparcamientos Guipuzcoanos S.L. ^(b)	Ronda, 1, 1º San Sebastián	60.00%	Estacionamientos Guipuzcoanos, S.A.U	602	Full consolidation	Construction and operation of resident parking
Aparcamientos de Bilbao, S.A. ^(b)	Pza. de Indautxu, s.n Bilbao	75.00%	Empark Aparcamientos y Servicios, S.A.	1,350	Full consolidation	Construction and operation of resident parking
Concha Parking, S.A. ^(b)	Ronda, 1, 1º San Sebastián	60.00%	Estacionamientos Guipuzcoanos, S.A.U	615	Full consolidation	Construction and operation of resident parking
Empark UK LTD ^(c)	Bassingbourn House (Stansted Airport) GB	100.00%	Empark Aparcamientos y Servicios, S.A.	0	Full consolidation	Management and operation of Car parks
Guipuzcoa Parking Siglo XXI S.A. ^(b)	Ronda, 1, 1º San Sebastián	60.00%	Estacionamientos Guipuzcoanos, S.A.U	600	Full consolidation	Construction and operation of resident parking
Empark Portugal – Empreendimentos e Exploração de Parques, S.A. ^(a)	Rua Joaquim António de Aguiar, 19 Lisboa	100.00%	Empark Aparcamientos y Servicios, S.A.	145,583	Full consolidation	Management and operation of Car parks
ELSI – Parques de Estacionamento, S.A. ^(a)	Rua Joaquim António de Aguiar, 19 Lisboa	100.00%	Emparque – Empreendimentos e Exploração de parques, S.A.	29,879	Full consolidation	Management and operation of Car parks
Gisparques – Planeamento e Gestao de Estacionamento, S.A. ^(a)	Rua Joaquim António de Aguiar, 19 Lisboa	100.00%	Emparque – Empreendimentos e Exploração de parques, S.A.	9,107	Full consolidation	Management and operation of Car parks

31/12/2009

Company	Address	% Holdings	Company that owns the holding	Net value of the holding	Consolidation method	Activity
Estacionamientos Guipuzcoanos, S.L.U. ^(a)	Ronda, 1, 1º San Sebastián	100.00%	Empark Aparcamientos y Servicios, S.A.	40,543	Full consolidation	Management and operation of car parks
Estacionamientos y Servicios Extremeños, S.A. ^(c)	San Francisco, 18 Badajoz	25.00%	Empark Aparcamientos y Servicios, S.A.	90	Holding	Management and operation of car parks
Guadianapark, S.A. ^(c)	Pza. Manuel Gómez Moreno, 2 Madrid	75.00%	Empark Aparcamientos y Servicios, S.A.	1,269	Full consolidation	Management and operation of car parks
Balsol 2001, S.A. ^(c)	Santa Eugenia, 9 Gerona	50.00%	Empark Aparcamientos y Servicios, S.A.	1,496	Full consolidation	Management and operation of car parks
Balsol 2001, S.A. ^(c)	Santa Eugenia, 9 Gerona	50.00%	Dornier, S.A.U	1,385	Full consolidation	Management and operation of car parks
Dornier, S.A.U. ^(a)	Pza. Manuel Gómez Moreno, 2 Madrid	100.00%	Empark Aparcamientos y Servicios, S.A.	21,313	Full consolidation	Management and operation of car parks
Femet, S.A. ^(c)	Pza. Manuel Gómez Moreno, 2 Madrid	0.05%	Empark Aparcamientos y Servicios, S.A.	7	Full consolidation	Management and operation of car parks
Femet, S.A. ^(c)	Pza. Manuel Gómez Moreno, 2 Madrid	99.95%	Dornier, S.A.U	1,405	Full consolidation	Management and operation of car parks

Company	Address	% Holdings	Company that owns the holding	Net value of the holding	Consolidation method	Activity
Sociedad Municipal de Aparcamientos y Servicios, S.A. ^(c)	Tejón y Rodríguez, 7 Málaga	24.50%	Empark Aparcamientos y Servicios, S.A.	3,757	Holding	Management and operation of car parks
Estacionamiento y Galería Comercial Indautxu, S.A. ^(c)	Pza. de Indautxu, s.n Bilbao	100.00%	Empark Aparcamientos y Servicios, S.A.	39	Full consolidation	Construction and operation of resident parking
Estacionamientos Alhóndiga, S.A. ^(b)	Av. Sabino Arana, 20-3 Vizcaya	50.00%	Empark Aparcamientos y Servicios, S.A.	1,050	Proportionate	Management and operation of car parks
Estacionamientos Urbanos de León, S.A. ^(c)	Av. De Ordoño II, 10 León	43.00%	Dornier, S.A.U	452	Holding	Management and operation of car parks
Aparcament Escaldes Centre, S.A. ^(c)	Carrer Constitució Aparcament Prat Gran Planta 1º Escaldes	100.00%	Empark Aparcamientos y Servicios, S.A.	11,400	Full consolidation	Management and operation of car parks
Infofer Estacionamientos, A.I.E. ^(c)	Manuel Silvera, 8 Madrid	16.66%	Dornier, S.A.U	60	Holding	Management and operation of car parks
Aparcamientos Guipuzcoanos S.L. ^(b)	Ronda, 1, 1º San Sebastián	60.00%	Estacionamientos Guipuzcoanos, S.A.U	602	Full consolidation	Construction and operation of resident parking
Aparcamientos de Bilbao, S.A. ^(b)	Pza. de Indautxu, s.n Bilbao	75.00%	Empark Aparcamientos y Servicios, S.A.	1,350	Full consolidation	Construction and operation of resident parking
Concha Parking, S.A. ^(b)	Ronda, 1, 1º San Sebastián	60.00%	Estacionamientos Guipuzcoanos, S.A.U	615	Full consolidation	Construction and operation of resident parking
Empark UK LTD ^(c)	Bassingbourn House (Stansted Airport) GB	100,00%	Empark Aparcamientos y Servicios, S.A.	0	Full consolidation	Management and operation of car parks
Guipuzcoa Parking Siglo XXI S.A. ^(b)	Ronda, 1, 1º San Sebastián	60,00%	Estacionamientos Guipuzcoanos, S.A.U	600	Full consolidation	Construction and operation of resident parking
Empark Portugal – Empreendimentos e Exploração de Parques, S.A. ^(a)	Rua Joaquim António de Aguiar, 19 Lisboa	100.00%	Empark Aparcamientos y Servicios, S.A.	144,232	Full consolidation	Management and operation of car parks
ELSI –Parques de Estacionamento, S.A. ^(a)	Rua Joaquim António de Aguiar, 19 Lisboa	100.00%	Emparque – Empreendimentos e Exploração de parques, Emparque –	29,879	Full consolidation	Management and operation of car parks
Gisparques – Planeamento e Gestao de Estacionamento, S.A. ^(a)	Rua Joaquim António de Aguiar, 19 Lisboa	100.00%	Emparque – Empreendimentos e Exploração de parques, Emparque –	9,107	Full consolidation	Management and operation of car parks
Gisparques II – Planeamento e Gestao de Estacionamento, S.A. ^(a)	Rua Joaquim António de Aguiar, 19 Lisboa	100.00%	Emparque – Empreendimentos e Exploração de parques, Emparque –	359	Full consolidation	Management and operation of car parks
Serparque – Servicios de Estacionamento, S.A. ^(a)	Rua Joaquim António de Aguiar, 19 Lisboa	100,00%	Emparque – Empreendimentos e Exploração de parques, Emparque –	670	Full consolidation	Management and operation of car parks
SP Gis – Planeamiento e Gestao de Estacionamento, S.A. ^(a)	Rua Joaquim António de Aguiar, 19 Lisboa	99.95%	Emparque – Empreendimentos e Exploração de parques, Emparque –	2,143	Full consolidation	Management and operation of car parks
Parques de Estação –Empreend. E Exploração de Estac. S.A. ^(a)	Rua Joaquim António de Aguiar, 19 Lisboa	80.00%	Emparque – Empreendimentos e Exploração de parques, Emparque –	800	Full consolidation	Management and operation of car parks
Streek Park – Gestao de Estacionamento, A.C.E. ^(a)	Rua Joaquim António de Aguiar, 19 Lisboa	53.33%	Emparque – Empreendimentos e Exploração de parques, Emparque –	560	Full consolidation	Management and operation of car parks
Mr. Clean – Lavagem de Veículos, S.A. ^(a)	Rua Joaquim António de Aguiar, 19 Lisboa	100.00%	Emparque – Empreendimentos e Exploração de parques, Emparque –	1.191	Full consolidation	Management and operation of car parks

Company	Address	% Holdings	Company that owns the holding	Net value of the holding	Consolidation method	Activity
Castil – Parque, Sociedade Exploradora de Parques de Estacionamento, S.A. ^(a)	Rua Joaquim António de Aguiar, 19 Lisboa	74.55%	Emparque – Empreendimentos e Exploração de parqueamentos,	2.020	Full consolidation	Management and operation of car parks
Multi 49, Parques de Estacionamento, S.A. ^(a)	Rua Joaquim António de Aguiar, 19 Lisboa	100.00%	Emparque – Empreendimentos e Exploração de parqueamentos,	54	Full consolidation	Management and operation of car parks
Park Yonetimi Ve Sistemleri San. Ve Tic. A.S. ^(a)	Elmadag, Inonu Mah. Cumhuriyet Cad 87/8 Istanbul	60.00%	Emparque – Empreendimentos e Exploração de parqueamentos,	474	Full consolidation	Management and operation of car parks
Katibin Optopark Isletmeleri Tic. Vesan. A.S. ^(a)	Elmadag, Inonu Mah. Cumhuriyet Cad 87/8 Istanbul	60.00%	Emparque – Empreendimentos e Exploração de parqueamentos,	2,141	Full consolidation	Management and operation of car parks
ParqueGil – Planemento e Gestao de Estacionamento, S.A. ^(a)	Rua Joaquim António de Aguiar, 19 Lisboa	50.00%	Emparque – Empreendimentos e Exploração de parqueamentos,	25	Proportionate	Management and operation of car parks
ParqA – Planemento e Gestao de Estacionamento, S.A. ^(a)	Rua Joaquim António de Aguiar, 19 Lisboa	50.00%	Emparque – Empreendimentos e Exploração de parqueamentos,	63	Proportionate	Management and operation of car parks
EMES, EEM ^(c)	Edificio dos paços do Concelho, Largo da Virgilio Horta Sintra	30.00%	Emparque – Empreendimentos e Exploração de parqueamentos,	200	Holding	Management and operation of car parks
Paques do Tamariz – Sociedade Exploração de Parques de Estacionamento, S.A. ^(c)	Parques Subterrâneo Largo da Estação, 2750-340 Cascais	33.33%	Emparque – Empreendimentos e Exploração de parqueamentos,	600	Holding	Management and operation of car parks
Figueira Parques – Empresa Pública Municipal de Estac. Da Figueira de Foz, E.M. ^(c)	Cais da Alfandega, 18/20, 3º Figueira da Foz	29.96%	Emparque – Empreendimentos e Exploração de parqueamentos,	154	Holding	Management and operation of car parks
Ute Tenerife	Pza. Manuel Gómez Moreno, 2 Madrid	50.00%	Empark Aparcamientos y Servicios, S.A.	1	Proportionate	Construction and operation of resident parking
Ute Tenerife	Pza. Manuel Gómez Moreno, 2 Madrid	50.00%	Dornier, S.A.U	1	Proportionate	Construction and operation of resident parking
Ute Torrellobeta	Pza. Manuel Gómez Moreno, 2 Madrid	80.00%	Empark Aparcamientos y Servicios, S.A.	1	Proportionate	Construction and operation of resident parking
Ute Judizmendi	Pza. Manuel Gómez Moreno, 2 Madrid	51.00%	Empark Aparcamientos y Servicios, S.A.	2	Proportionate	Construction and operation of

1.2 Changes in the scope

31/12/10

- The main changes in the scope of consolidation during financial year 2010 have been the following:

Dissolution of companies Estacionamientos y Galería Comercial Indautxu S.A., EMES EEM, TJV Lanzarote and TJV T-4 Barajas.

31/12/09

- The main changes in the scope of consolidation during financial year 2009 have been the following:

Empark Portugal- Empreendimentos e Exploração de Parques, S.A

The purchasing of 100% of Empark Portugal – Empreendimentos e Exploração de Parques, S.A., was carried out on the 27th of July 2009 for 144,232 thousands of euros. This company is the parent of a subgroup comprised on the following companies with their corresponding % of stakes:

ESLI – Parques de Estacionamento, S.A	100.00%
Gisparques – Planeamento e Gestao de Estacionamento, S.A.	100.00%
Gisparques II – Planeamento e Gestao de Estacionamento, S.A.	100.00%
Serparque – Serviços de Estacionamento, S.A.	100.00%
SP Gis – Planeamento e Gestao de Estacionamento, S.A.	99.95%
Parques da Estação – Empreend. E Exploração de Estac., S.A.	80.00%
Street Park – Gestao de Estacionamento, A.C.E	53.33%
Mr. Clean – Lavagem de Veículos, S.A.	100.00%
Castil – Parque, Sociedade Exploradora de Parques de Estacionamento, S.A.	74.55%
Multi49, Parques de Estacionamento, S.A.	100.00%
Park Yonetimi Ve Sistemleri San. Ve Tic. A.S.	60.00%
Katibin Optopark Isletmeleri Tic. Vesan. A.S.	60.00%
ParqueGil – Planeamento e Gestao de Estacionamento, S.A.	50.00%
ParqA – Planeamento e Gestao de Estacionamento, S.A.	50.00%
EMES, EEM	30.00%
Parques do Tamariz – Sociedade Exploração de Parques de Estacionamento, S.A.	33.33%
Figueira Parques – Empresa Pública Municipal de Estac. Da Figueira de Foz, E.M.	29.96%

The consolidated financial statements corresponding to Empark Portugal – Empreendimentos e Exploração de Parqueamentos, S.A. at the moment it was purchased were the following:

Consolidated income statement as of 27 July 2009

	EMPARQUE GROUP
Net turnover.....	21,127
Supplies.....	(3)
Other operating income.....	1,403
Personnel expenses.....	(5,762)
Other operating expenses.....	(9,274)
Depreciation of fixed assets	(2,899)
OPERATING RESULT	4,592
Financial revenue.....	21
Financial costs.....	(2,635)
FINANCIAL RESULT	(2,614)
PRE-TAX RESULT	1,978
Tax on profits.....	(905)
CONSOLIDATED INCOME FOR THE FINANCIAL YEAR.....	1,073
INCOME ATTRIBUTED TO MINORITY INTERESTS.....	145
INCOME FOR THE FINANCIAL YEAR ATTRIBUTED TO THE GROUP.....	1,218

Consolidated financial statements as of 27 July 2009

ASSETS	EMPARQUE GROUP
NON-CURRENT ASSETS	119,073
Goodwill.....	14,393
Intangible assets	2,913
Tangible fixed assets	99,608
Long-term investments in group and associated companies.....	788
Long-term financial investments	122
Assets through deferred tax	1,249
CURRENT ASSETS	12,600
Stock	35
Trade and other receivables	4,443
Short-term financial investments.....	2,054
Cash and other equivalent liquid assets	6,068
TOTAL ASSETS	131,673
NET EQUITY AND LIABILITIES	
NET EQUITY	30,620
Capital and reserves	29,063
Capital	21,000
Reserves and results from previous years.....	(2,446)
Result for the financial year attributed to the Group	1,218
Results from previous financial years	9,291
Minority interests	1,557
NON-CURRENT LIABILITIES	71,817
Long-term debts	66,418
Liabilities through deferred tax	5,399
CURRENT LIABILITIES	29,236
Short-term provisions	2,179
Short-term debts	14,586
Trade creditors and other accounts payable.....	6,649
Other current liabilities	5,822
NET EQUITY AND LIABILITIES	131,673

The fair value of the assets and liabilities coincides with their book value.

If the purchasing of Empark Portugal – Empreendimentos e Exploração de Parqueamentos, S.A. had occurred on 01 January 2009, the net turnover and the result of the financial year attributed to the Group would have increased in the sum of 21,127 thousands of euros and 1,218 thousands of euros respectively.

The accounting of this business combination had been provisionally carried out in the consolidated annual reports of financial year 2009, since the valuation of acquired assets and liabilities undertaken had not been completed, nor had the twelve month period set by IFRS-EU 3 yet elapsed: “Business combinations” used to complete said valuation.

This purchase has generated a good will of 115,169 thousands of euros, of which 85,356 thousands of euros correspond to contract renovations and the acquiring of new contracts and 29,813 thousands of euros have been assigned to assets of Empark Portugal – Empreendimentos e Exploração de Parqueamentos, S.A. and they are paid off depending on the lifespan of those assets.

This goodwill assigned to assets has generated a deferred tax amounting to 30% of 29,813 thousands of euros, which has resulted in a larger Goodwill for this amount.

Below is a summary of the elimination of the equity investment with the generation of Goodwill.

ASSETS	ADJUSTMENTS	LIABILITIES	ADJUSTMENTS
Tangible fixed assets	29,813	Equity of Empark Portugal- Empreendimentos e Exploração de Parqueamentos, S.A	(29,063)
Holding over Equity of Empark Portugal- Empreendimentos e Exploração de Parqueamentos, S.A.....	(144,232)	Liabilities through deferred taxes	8,944
Goodwill.....	94,300		
	(20,119)		(20,119)

Serranopark, S.A.

Company Serranopark, S.A. is not a part of the group's consolidation scope as of 31 December 2009, since as of 10 July 2009, Empark Aparcamientos y Servicios, S.A. sold their 50% stake in said company to Cintra Infraestructuras, S.A. (company belonging to the Ferrovial Group).

The value of the stake was 9,030 thousands of euros; it was sold for 521 thousands of euros, which generated a loss of 8,509 thousands of euros. Said loss is reflected on line "impairment through disposal of intangible fixed assets" of the consolidated income statement.

Others

During the year 2009, the following TJVs have been dissolved: Reinrod y Expo Zaragoza.

1.3 Correction of errors

– During the year 2010, the Company has received pending documentation relative to the purchasing of Empark Portugal – Empreendimentos e Exploração de Parqueamentos, S.A., and as a consequence of this, certain operations had been properly recorded, which were recorded in items pending allocation.

The proper recording of such operations is the following:

Invoices related with the purchasing of Empark Portugal – Empreendimentos e Exploração de Parqueamentos, S.A. in the sum of 1,350 thousands of euros, which are recorded as the higher value of the stake.

Value added tax corresponding to part of said invoices for the amount of 450 thousands of euros.

Loans received in the sum of 1,800 thousands of euros.

The company has corrected the error retroactively in 2010, modifying the figures of financial year 2009 in the following manner: the entry for the loan increased by 1,800 thousands of euros the items of other financial liabilities within the long term debts and the entry for invoices increased the investment in companies of the group and subsidiaries in the long term and reduces the items for other debts incurred with public Administrations since the VAT paid balances out with the VAT deducted on the liabilities side.

This increase in the stakes by Empark Aparcamientos y Servicios S.A. over Empark Portugal – Empreendimentos e Exploração de Parqueamentos, S.A., affects the goodwill and its placement on the assets side.

– During the year 2010, the final valuation of acquired assets and of the liabilities assumed by the business combination that occurred on the 27th of July 2009 with the purchase of 100% of Empark Portugal- Empreendimentos e Exploração de Parqueamentos, S.A. has been carried out.

Below is a summary of the elimination of the equity investment with the generation of Goodwill.

ASSETS	ADJUSTMENTS	LIABILITIES	ADJUSTMENTS
Intangible fixed assets.....	33,992	Equity of Emparque- Empark Portugal Empreendimentos e Exploração de Parqueamentos, S.A.	(29,063)
Fixed assets equity method	719	Liabilities through deferred taxes	8,703
Holding in Emparque- Empreendimentos ... e Exploracao de Parqueamentos, S.A.	(145,583)		
Goodwill.....	90,512		
	(20,360)		(20,360)

2 Summary of the main accounting policies

2.1 Basis of presentation

The financial information listed in these annual reports has been drafted using the International Financial Reporting Standards adopted by the European Union (IFRS-EU) and becomes effective at the closing of the financial year. Regarding the methods used to apply these regulations, it is worth mentioning that the Group has opted, in cases where the IFRS-EU allows different alternative criteria, to value the fixed and intangible assets at historical cost, capitalizing financial costs during the construction period and for the case of jointly controlled companies and joint ventures with existing companies, consolidate them using the proportionate consolidation method. The Consolidated Annual Reports have been prepared focussed on historic cost adjusted for the increase in value of the derivatives. These criteria are the same ones applied in 2009.

The Group applied the IFRS-EU for the first time in financial year 2009 for drafting the consolidated financial statements.

2.2 Accounting principles applied

a) Standards and interpretations approved by the European Union, which are applicable to this financial year.

The accounting policies used for drafting the consolidated financial statements corresponding to the financial year ended on 31 December 2010 are the same as the ones applied in the consolidated financial statements of the financial year ended on 31 December 2009, except for the following standards and interpretations that are applicable to the financial years beginning on 1 January 2010, to include:

- IFRS 2 “Share-based payments – group transactions with payments based on shares paid in cash”

The standard has been amended for the purpose of clarifying the accounting of share-based transactions that are paid in cash by the group. This amendment replaces IFRIC 8 and IFRIC 11. The adoption of this amendment has not made an impact on the financial position or in the Group’s results.

- IFRS 3 “Business combinations (Revised)” and IAS 27 “Consolidated and separate financial statements (Amended)”

IFRS 3 (Revised) introduces significant changes in the accounting of business combinations. The changes affect the valuation of the non dominant stakes, the accounting of transaction costs, the initial recognition and the subsequent valuation of the contingent liabilities and the business combinations carried out in phases.

The amendments to IAS 27 specify under what circumstances an entity must present these consolidated financial statements, how parent companies must account for the changes in the shares held of their subsidiaries and how they must distribute the losses incurred by a subsidiary among the shares that grant control and shares that are not dominant.

The adoption of these changes has not made an impact on the financial position or the Group’s results.

- IAS 39 “Financial instruments: Recognition and measurement – Items that can be designated as hedged items”

The amendment clarifies that an entity can designate a part of the changes in fair value or the changes in cash flow of a financial instrument as a hedge item. This also covers the allocation of inflation, or a part of it, as a hedged risk in special situations. The adoption of this amendment has not made an impact on the financial position or on the Group’s results.

- IFRIC 12 “service Concession arrangements”

The interpretation clarifies how to apply the provisions listed in the IFRSs that have already been incorporated by the commission to the Service concession arrangements. IFRIC 12 explains how to recognize the infrastructure of the service concession arrangements in the concession company’s accounts. It also clarifies the difference between the different phases of a service concession arrangement (construction/operation phases) and how the income and expenses in each case must be identified in the accounts. It distinguishes two ways of identifying the infrastructures and the income and expenses relative to them (the “models” for financial and intangible assets) according to the risk of uncertainty relative to the concessionaire’s future income.

- IFRIC 15 “Agreements for real estate construction”

The interpretation clarifies when the revenue derived from construction or residential real estate must be identified in the accounts and in particular, if the construction agreements are included in the scope of application of IAS 11 “Construction contracts” or IAS 18 “Revenue”, and offers guidance in this matter. The adoption of this interpretation has not made an impact on the financial position or on the Group’s results.

- IFRIC 16 “Hedges of a net investment in a foreign operation”

The interpretation must be applied in a prospective manner. IFRIC 16 provides guidance regarding the accounting of hedges of a net investment. It includes guides for identifying the foreign currency risks that qualify as a hedged risk of a net investment; where, within a group, hedging instruments that are hedges of a net investment can be held to qualify for hedge accounting and how an entity should determine the amount of currency exchange loss or profit as related to the net investment as to the hedging instrument, which will be reclassified as earnings from the sale of the net investment. The adoption of this interpretation has not made an impact on the financial position or on the Group's results.

- IFRIC 17 "Distributions of non-cash assets to owners"

The interpretation clarifies and provides guidance regarding the accounting of the distributions of non-cash assets to owners of an entity, as distribution of reserves or as dividends. The adoption of this interpretation has not made an impact on the financial position or on the Group's results.

- IFRIC 18 "Transfer of assets from customers"

The interpretation clarifies and provides guidance regarding the accounting of the transfers of tangible assets from customers or cash for purchasing or building a tangible asset. The adoption of this interpretation has not made an impact on the financial position or on the Group's results.

- IFRS improvements issued in May 2008

For the first time in May 2008, the IASB published amendments to the standards within the framework of annual improvements for the purpose of eliminating inconsistencies and clarifying the standards. All the amendments were adopted on 31 December 2009, except the following:

- IFRS 5 "Non-current assets held for sale and discontinued operations": It clarifies when to classify as held for sale, even when the entity maintains a non dominant stake after the sale. The adoption of the amendment is applied prospectively and has not had an impact on the financial position or the Group's results.

- IFRIC improvements issued in April 2009

For the second time in April 2009, the IASB published amendments to the standards within the framework of annual improvements for the purpose of eliminating inconsistencies and clarifying the standards to include transitory provisions

- IFRS 8 "Operating segments": Clarifies that the assets and liabilities of a segment must be listed only when these assets and liabilities are included in the information received by the entity's chief operating decision maker.
- IAS 7 "Statement of cash flows": It clarifies that only the expenses accounting for an asset can be classified as investment activity cash flow. The adoption of this modification has an effect on the statement of cash flows of contingent payments corresponding to business carried out in 2010 and settled in cash.
- IAS 36 "Impairment of assets": The amendment clarifies the largest unit which can be applied to goodwill, acquired in a business combination, is the operating segment as defined in IFRS 8, before aggregating it for reporting purposes. The adoption of this amendment has not had an effect on the Group, since the annual impairment test prior to aggregation.

Other amendments included in the IFRS Improvements of April 2009, which have not had an effect on accounting policies, on the financial position or in the Group's results are the following:

- IFRS 2 "Share-based payment"
- IFRS 5 "Non-current assets held for sale and discontinued operations":
- IAS 1 "Presentation of financial statements"
- IAS 17 "Leases"
- IAS 38 "Intangible assets"
- IAS 39 "Financial instruments: Recognition and measurements"
- IFRIC 9 "Reassessment of embedded derivatives"
- IFRIC 16 "Hedges of a net investment in a foreign operation"

b) *Standards and interpretations approved by the European Union, which must be forcefully applied to this financial year.*

The Group has not adopted any published standard, interpretation or amendment prior to it coming into effect.

The Group is evaluating the effect that the following standards and interpretations published by the IASB and approved by the European Union could have on the accounting policies, the financial statement or the Group's results:

- IAS 32 "classification of rights issues" Applicable to financial years beginning after 1 February 2010;
- IAS 24 "Related party disclosures" Applicable to financial years beginning after 01 January 2011;
- IFRIC 19 "Extinguishing financial liabilities with equity instruments": Applicable to financial years beginning after 01 July 2010;
- IFRIC 14 "Prepayments of a minimum funding requirement" Applicable to financial years beginning after 01 January 2011;
- Improvements to the IFRS (May 2010): Applicable to financial years after 1 January 2011 (except amendments to IFRS 3 (2008) relative to the valuation of non-dominant stakes and share-based payment plans and the changes to IAS 27 (2008) and amendment to IFRS 3 (2008) relative to contingent payments corresponding to business combinations with a purchasing date prior to the date the revised standards came into effect, which are effective for annual periods beginning after 1 July 2010);

c) *Standards and interpretations published by the IASB and still not approved by the European Union*

As of the date these consolidated financial statements were published, the following IFRS and modifications have been published by the IASB but were not required to be followed and had not been approved by the EU:

- IFRS 9 "Financial instruments": Applicable to financial years beginning after 01 January 2013;
- Amends IFRS 7 "Disclosures – "Transfer of financial assets" Applicable to financial years beginning after 01 July 2011;
- Amendment to IAS 12 "Deferred tax – Recovery of underlying assets": applicable to financial years beginning after 01 January 2012.

The Group is currently assessing the impact of applying these standards and modifications.

Based on the analysis carried out to date, the Group believes that their application will not have a significant impact on the consolidated financial statements during the initial application period.

2.3 Changes in Shareholders

On 27 July 2009, Cintra Concessões de Infraestruturas de Transporte, S.A., who was the owner of 99.92% of the parent company's shares, sold their stake to a group of companies.

Additionally, during the year 2010, the following changes occurred:

Shareholders of EMPARK, S.A.	2010	
	Shares	%
ASSIP Consultoria e Serviços S.A.	5,629,623	49.98%
Es Concessões International Holding, BV	2,520,677	22.38%
Ahorro Corporación Infraestructuras, F.C.R. de Regimen Simplificado	810,341	7.19%
Ahorro Corporación Infraestructuras 2, S.C.R.	127,656	1.13%
Espirito Santo Infrastructure Fund-I_ Fundo de Capital Risco	937,997	8.33%
Transport Infrastructure Holding Company, B.V.	937,997	8.33%
Mellopark – Sociedade Gestora de Participações Sociais, S.A.	293,316	2.60%
Total	11,257,607	99.94%

Shareholders of EMPARK, S.A.	2009	
	Shares	%
ASSIP Consultoria e Serviços S.A.	5,627,985	49.96%
Es Concessões S.G.P.S., S.A.	2,520,677	22.38%
Ahorro Corporación Infraestructuras, FCR	810,341	7.19%
Ahorro Corporación Infraestructuras 2, FSR, S.A.	127,656	1.13%
Espirito Santo Infrastructure Fund -I -Fundo de Capital de Risco	937,997	8.33%
Transport Infrastructure Investment Company (SCA) Sicar	937,997	8.33%
Banco Espirito Santo de Investimento, S.A.	293,316	2.60%
Total	11,255,969	99.92%

2.4 Comparison of the information

As of 27 July 2009, Empark Aparcamientos y Servicios, S.A. purchased 100% of the Group Emparque- Empreendimentos e Exploração de Parqueamentos, S.A. Consequently, while the global consolidated income Statement in equity and the consolidated cash flow statement corresponding to the financial year ended on 31 December 2010 include the entire financial year, those corresponding to financial year 2009 include the activities carried out by the Group Emparque-Empreendimentos e Exploração de Parqueamentos, S.A. since 27 July 2009.

This fact must be taken into account when comparing the figures corresponding to financial year 2010 included in these Consolidated Annual reports with those corresponding to financial year 2009.

Below we show a balance with the variations produced by the correction of errors (see note 1.3) regarding the annual reports of the year 2009, taking into account the adjustments made by applying IFRIC 12 (see note 2.7):

Consolidated financial statements as of 31 December 2010 and 2009

Assets	Thousands of euros			
	31/12/2009 Restated(*)	NOTE(2.7) IFRIC 12	Correction errors	31/12/2009 Report
Non-Current Assets	649,816	–	1,079	648,737
Goodwill	146,474	–	(3,772)	150,246
Intangible Assets	435,500	299,219	4,132	132,149
Tangible Assets	48,176	(299,219)	–	347,395
Investments accounted for using the equity method	9,858	–	719	9,139
Long-term financial investments	699	–	–	699
Assets through deferred taxes	9,109	–	–	9,109
Current assets	63,053	–	450	62,603
Stock	7,526	–	–	7,526
Trade and other receivables	32,496	–	450	32,046
Clients through sales and services provided	22,100	–	–	22,100
Other debtors	10,396	–	450	9,946
Investments in tied companies	323	–	–	323
Short-term financial investments	810	–	–	810
Short-term accruals and deferrals	316	–	–	316
Cash and other equivalent liquid assets	21,582	–	–	21,582
Total Assets	712,869	–	1,529	711,340

	Thousands of euros			31/12/2009
	31/12/2009 Restated ^(*)	NOTE(2.7) IFRIC 12	Correction errors	
Net equity and liabilities				
Net Equity	126,543	–	(46)	126,589
Shareholder's equity	127,431	–	956	126,475
Capital.....	67,701	–	–	67,701
Share premium	35,639	–	–	35,639
Reserves and results from previous years	10,416	–	–	10,416
Reserves from consolidated companies	5,801	–	1,002	4,799
Reserves in consolidated companies by the equity method	2,327	–	–	2,327
Result for the financial year attributed to the Group.....	5,547	–	(46)	5,593
Interim asset dividend.....	–	–	–	–
Other asset instruments	(21)	–	–	(21)
Hedging Operations.....	(4,993)	–	(1,002)	(3,991)
Minority interests	4,126	–	–	4,126
Non-current liabilities	494,076	–	1,575	492,501
Long-term provisions	363	–	–	363
Long-term debt.....	459,413	–	1,800	457,613
Debts with credit institutions	436,709	–	–	436,709
Other debts	22,704	–	1,800	20,904
Derivatives	5,197	–	–	5,197
Long-term accruals and deferrals	6,099	–	–	6,099
Liabilities through deferred taxes.....	23,004	–	(225)	23,229
Current liabilities	92,250	–	–	92,250
Short-term provisions.....	8	–	(1,368)	1,376
Short term debt	19,701	–	–	19,701
Trade creditors and other accounts payable	60,073	–	–	60,073
Derivatives	4,041	–	1,368	2,673
Other current liabilities	6,761	–	–	6,761
Short-term accruals and deferrals	1,666	–	–	1,666
Total Net Equity and Liabilities	712,869	–	1,529	711,340

(*) Certain sums included in these balance sheets do not correspond with those included in the consolidated annual reports of the financial year that closed on 31 December 2009, and reflect the adjustments carried out in accordance with CINIF 12 as indicated in note (2.7) and adjustments for the correction of errors as indicated in note (1.3)

2.5 Negative working capital and operating company

The Group has a negative working capital as of 31 December 2010 of 21,471 thousands of euros (29,197 thousands of euros in 2009). This circumstance, which could be indicative of uncertainty regarding the continuance of operations of the Group is mitigated by the fact that these types of situations are common in these types of groups where a large part of the sales are received in cash.

The Group operates under a centralized treasury system “cashpooling” by which Empark Aparcamientos y Servicios, S.A., manages the needs of the treasury for the group.

Additionally, the group has lines of credit and other financial resources available for its treasury needs (note 21).

Therefore, the Board of Directors considers appropriate to prepare the annual reports based on the operating company principle, which means the realization of assets and liquidation of liabilities for the amounts and according to how they are classified in the annual reports.

2.6 Accounting estimates and judgements

The information contained in these Consolidated Annual reports is the responsibility of the Group's Board of Directors.

In the Consolidated Annual Reports for the financial years ended in 2010 and 2009 have been carried out using estimates by the Group's Board of Directors to value some of the assets, liabilities, revenues, expenses and commitments listed in them. Basically, these estimates refer to:

- Evaluation of potential losses due to the impairment of certain assets.
- Useful life of material and intangible assets.
- Estimates related with the fair value of the assets purchased in business combinations and goodwill.
- Evaluation of possible contingencies due to legal and tax risks.

These estimates were carried using the best available information as of 31 December 2010 and 2009 regarding the analyzed facts. However, it is possible that events that may occur in the future require modifying these estimates, which would be carried out in accordance with IAS 8 if applicable.

2.7 Changes in Accounting Standards IFRIC 12

As indicated in note 2.2 (Applicable accounting standard), the current consolidated financial statements as of 31/12/2010 are the first considering the mandatory application of interpretation IFRIC 12 "Current Concession Agreements" after it came into effect on 01/01/2010.

This interpretation regulates the accounting of public-private concession contract agreements for services provided by the concessionaire, and in accordance with the agreements reached between the concessionaire and the awarding authority, establishes the corresponding accounting methods that are to be followed.

IFRIC 12 affects public-private concession of services agreements when:

- The awarding authority controls or regulates what services the concessionaire must destine the infrastructure for, to whom must the services be provided and at what price, and
- The awarding authority controls all significant residual stakes in the infrastructure at the end of the current agreement.

Based on these agreements, the concessionaire acts as the provider of services, specifically infrastructure construction or improvement services on one hand and on the other hand, operation and maintenance services during the period of the agreement.

Depending on the contractual rights received by the concessionaire as payment for providing infrastructure construction or improvement services, the accounting methods will be the following:

Intangible method

Most of the companies under Empark Group affected by the application of IFRIC 12 (the great majority of car park concessionaires) have had the intangible model applied to them. On a general basis, it is understood that said model is applicable when the Concessionaire receives the right to charge a price to users for using the public service.

This right is not unconditional and depends on if the users are using the service; therefore the demand risk is assumed by the concessionaire.

On the other hand we have the public service regulation concessionaires of the on-street parking where the price for users is set by the awarding authority but the demand risk is assumed by the concessionaire.

In this case, the valuation of the asset to be identified (value of the concession or value of the right to charge users for public use) as a payment for infrastructure construction or improvement services will be carried out in accordance with the provisions of IAS 38 "Intangible assets", depreciating during the life of the concession. In this sense, the application of IFRIC 12 has mainly caused assets that up to then were listed under the "Tangible assets" section, which finally must revert to the awarding authority, to be listed in section "Other intangible assets-Administrative Concessions" depreciating on a straight line basis over the life of the concession.

Likewise, within the applicability of IFRIC 12 framework, depending on the intangible model, future interventions, which the Concessionaire must confront due to the use of the infrastructures for maintaining, re-establishing and supplying them must be determined.

Financial model

The concessionaire identifies a financial asset within the scope of the unconditional contractual right to receive cash or other financial asset of or under the management of whom is providing the construction services. In the Empark Group, there is no case of a Concessionaire having this unconditional right.

The operator has the unconditional right to receive cash if the awarding authority contractually guarantees paying the operator:

- (a) specific or established amounts, or
- (b) the deficit, if any, between the amounts received from public service users and the amounts specified or established, even if payment is contingent on the operator, ensuring that the infrastructure meets the specified quality or efficiency requirements.

The operator measures the financial asset at fair value.

Based on the above, and in accordance with the estimates and requirements set forth in IFRS 8, the information for 2009 has been re-expressed, whose formula did not include this interpretation in order to compare it with the information from financial year 2010.

Below are the variations of the non-current assets produced by the application of IFRIC 12 retroactive to 31/12/2008.

Assets	Note	31/12/2009 (under CINIIF 12)	Impact of adopting CINIIF 12	31/12/2009	01/01/2009 (under CINIIF 12)	Impact of adopting CINIIF 12	31/12/2008
Non-current assets		649,816	–	649,816	353,764	–	353,764
Goodwill	6	146,474		146,474	41,800		41,800
Intangible assets	4	734,719	299,219	435,500	267,673	160,627	107,046
Tangible assets	5	(251,043)	(299,219)	48,176	34,493	(160,627)	195,120
Investments accounted for using the equity method	8	9,858		9,858	7,312		7,312
Long-term financial investments	9	699		699	414	–	414
Assets through deferred taxes	27	9,109		9,109	2,072		2,072
Current assets		63,053	–	63,053	72,086	–	72,086
Stock	12	7,526		7,526	27,061		27,061
Trade and other receivables ...	9	32,496		32,496	32,142	–	32,142
Investments in tied companies	9, 11	323		323	487	–	487
Short-term financial investments	9, 11	810		810	5,228	–	5,228
Short-term accruals and deferrals		316		316	448		448
Cash and other equivalent liquid assets	13	21,582		21,582	6,720		6,720
Total Assets		712,869	–	712,869	425,850	–	425,850

Net equity and liabilities	Note	31/12/2009 (under CINIIF 12)	Impact of adopting CINIIF 12	31/12/2009	01/01/2009 (under CINIIF 12)	Impact of adopting CINIIF 12	31/12/2008
Net worth		126,543	–	126,543	168,449	–	168,449
Shareholder equity		127,431		127,431	166,328	–	166,328
Capital	14 a	67,701		67,701	67,701		67,701
Share premium	14 b	35,639		35,639	38,575		38,575
Reserves and results from previous years	15	10,416	–	10,416	25,538	–	25,538
Reserves in consolidated companies	16	5,801		5,801	12,089		12,089
Reserves in companies by the equity method	17	2,327		2,327	2,020		2,020
Result for the financial year attributed to the Group	18	5,547		5,547	20,405		20,405
Interim asset dividend		–		–	–		–
Other asset instruments		(21)		(21)	(20)		(20)
Hedging operations	19	(4,993)		(4,993)	–		–
Minority holdings	20	4,126		4,126	2,141		2,141
Non-current liabilities		494,076	–	494,076	59,808	–	59,808
Long-term provisions	25	363		363	1,953	–	1,953
Long-term debt	21	459,413		459,413	47,954	–	47,954
Debts with credit institutions	21 a	436,709		436,709	46,243		46,243
Other debts	22	22,704		22,704	1,711		1,711
Derivatives	19, 23	5,197		5,197	–		–
Long term accruals and deferrals	24	6,099		6,099	6,411		6,411
Liabilities through deferred taxes	27	23,004		23,004	3,490		3,490
Current liabilities		92,250	–	92,250	197,593	–	197,593
Short-term provisions		8		8	1,326		1,326
Short term debt		19,701	–	19,701	126,180	–	126,180
Trade creditors and accounts payable	21	60,073	–	60,073	68,451	–	68,451
Derivatives	19, 23	4,041		4,041	–		–
Other current liabilities	26	6,761		6,761	–		–
Short-term accruals and deferrals		1,666		1,666	1,636		1,636
Total net equity and liabilities		712,869	–	712,869	425,850	–	425,850

2.8 Resource management policies

The Group manages its investments after having carried out an in depth examination and control of potentially attractive projects from the environmental, socio-labour, commercial, financial and economic perspectives, for the purpose of achieving a sustainable and balanced growth.

In carrying out this task, the Group's shareholders want to be in a balance position regarding expected investment profits and the assumed level of risk.

2.9 Consolidation policies

During financial years 2010 and 2009, the individual annual accounting closing date for all companies included in the scope of consolidation was the same. Likewise, for the purpose of uniformly presenting the different items that comprise these consolidated annual accounts, uniform accounting criteria has been applied using the parent company's accounting criteria as a basis. The following methods have been applied to prepare the Consolidated Annual Reports:

- a. **Full consolidation method:** All companies considered subsidiaries are fully consolidated. For these purposes, subsidiaries are those companies in which Empark Aparcamientos y Servicios, S.A. maintains effective control

because it owns more than 50% of voting rights directly or indirectly by agreements with other shareholders. In assessing whether the Group controls another organisation, consideration is given to the existence and impact of potential voting rights which can actually be exercised or converted. Inclusion in the scope of consolidation of the Group is carried out from the first moment in which the control of the subsidiary becomes effective. The value of the shares held by minority shareholders in equity and in the financial year results of fully consolidated subsidiaries is listed in chapters "Minority interests" of the consolidated financial statements and "Results attributed to minority interests" of the consolidated income statement. The losses attributed to minority interests in a consolidated subsidiary, in the case that they exceed the amount of minority interests in the net equity, will be assigned as a reduction of the items corresponding to the majority, except if the aforementioned minority interests have a binding obligation to cover all or part of the losses, and provided they have the capacity to make the additional required investment. Where the subsidiary subsequently records earnings, these will be assigned to the majority until its share in the losses that were previously absorbed by the majority shareholders has been recovered.

- b. Consolidation method by the participation method:** Subsidiaries are accounted for by the participation method. For these purposes, subsidiaries are defined as all those companies in which the group has significant influence over management but does not exercise control or joint management with third parties. Under the participation method, the percentage of share in equity held by that company in reserves as well as yearly results is identified.
- c. Proportionate consolidation method:** Applies to joint ventures, which are those in which contractually, the management of subsidiaries is carried out jointly by the parent company and by third parties not related with the group. The assets and liabilities assigned to joint ventures, which are jointly controlled with other parties are listed in the Consolidated financial statement and classified in accordance with their specific nature in the existing percentage share. In the same manner, the revenues and expenses arising from joint ventures are recognized in the consolidated income statement in accordance with its own nature also mentioning the percentage of share.
- d. Balances and transactions with Group companies:** The balances and transactions with Group companies are eliminated in the consolidation process.
- e. Conversion of financial statements into currency other than the Euro:** The financial statements of subsidiaries and joint ventures, whose records are denominated in a currency other than the Euro are translated to euros by applying the year-end exchange rates to all its assets and liabilities except the balances of the shares held in companies of the group and associated companies, which are converted using the rate at the time they were included in the group. Within the consolidation process, the shares held in companies of the group are eliminated against the shareholder equity, except in the associated companies, which are converted at the exchange rate at closing.

The results are translated to euros at the average exchange rate for the year. Differences arising during the translation process are recorded in the shareholder equity section as "currency translation differences".

The consolidation has been carried out on the basis of the following criteria:

- The companies in which Cintra Aparcamientos y servicios, S.A. has more than a 50% stake in the registered capital and/or whose management is effectively controlled by it, were fully consolidated.
- Companies in which Empark Aparcamientos y Servicios, S.A. is owner of 50% of the share capital, by the proportionate consolidation method.
- The Temporary Joint Ventures are proportionally consolidated into the individual financial statements.

Companies in which Empark Aparcamientos y Servicios, S.A. has a stake of between 20% and 49%, are consolidated using the equity method.

The annual accounts of the foreign companies have been converted into euros on the basis of the year end exchange rate for the assets and liabilities and the year's average exchange rate for the profit and loss accounts. The shareholders equity corresponding to the consolidated companies whose working currency is not the Euro has been converted using historic exchange rates.

The equity of minority interests in the net equity and earnings for the year of the fully consolidated companies are presented under the captions "Minority Interests" in the consolidated financial statements and "Income Attributed to Minority Interests" in the consolidated income statement, respectively (note 20).

a) Subsidiaries

Dependent companies are those organisations, including special purpose vehicles, over which the Group exerts or could exert control, directly or indirectly, this being understood as the power to direct the financial and operating policies of a business in order to derive economic benefits from its activities.

In assessing whether the Group controls another organisation, consideration is given to the existence and impact of potential voting rights which can actually be exercised or converted. Dependent companies are consolidated from the date when control is transferred to the Group, and are excluded from the consolidation perimeter as soon as such control ceases.

The acquisition cost method is used in accounting for the acquisition of dependent companies. The cost of acquisition is the fair value of the assets handed over, the asset instruments issued and liabilities incurred or assumed on the date of exchange, the fair value of any additional consideration dependent on future events (provided that this is probable and a reliable value can be placed upon it), in addition to those costs directly attributable to the acquisition.

The assets, liabilities, revenue and expenditure of dependent companies are incorporated in the consolidated annual accounts on the basis of the full consolidation method:

1. The book values of stakes in the capital stock of dependent companies are compensated for, on the date of acquisition, through the proportional part which the aforementioned values represent with regard to the fair value of the assets acquired and liabilities undertaken.
2. The difference between the book value of the holding in the dependent company and the value attributable to said holding out of the fair value of the assets acquired and liabilities undertaken is recognised, if positive, as consolidation goodwill. Under the exceptional circumstance that the figure is negative, it is recognised as revenue for the financial year in the consolidated income statement.
3. The assets and liabilities of group companies are included in the consolidated balance sheet, with the same valuations as recorded in the respective balance sheet of the companies in question, financial statement except for assets acquired and liabilities undertaken on the date of acquisition, which are included in the consolidated balance sheet on the basis of their fair value on the date of acquisition, following consideration of any amortisations and impairments occurring from that date onwards.
4. The revenue and expenditure of Subsidiaries are included in the Consolidated Annual Reports.
5. Debits and credits between companies included within the consolidation group are cancelled out, along with revenue and expenditure involved in transactions between such companies, and results generated on the basis of such transactions, if not performed with third parties.

If control is acquired in stages, the goodwill (or the negative consolidation difference) is established for each of the individual transactions as the difference between the fair value of the holding and the net sum attributable to the holding out of the fair value of the identifiable assets and liabilities undertaken which are in place on that date. The identifiable assets and liabilities undertaken are included on the basis of the fair value in place at the time the control was acquired, with the entry for outside shareholders necessarily recording the sum based on their stake in the net equity.

The difference between the net sum attributable from the fair value of the assets and liabilities acquired and in place on the date of acquisition of control and the corresponding sum on each of the dates when the holdings were acquired gives rise to an adjustment in the reserves of the Group, recorded net of the tax burden.

b) Associated companies

Associated companies are organisations over which any of the companies included within the consolidation group exerts substantial influence. Substantial influence is deemed to exist if the Group has a stake in the company and can intervene in its financial and operating policy decisions, without having actual control.

When the equity method procedure is first applied, investments in associated companies are valued at the sum corresponding to the percentage represented by the holding at the time of the investment, based on the fair value of the assets acquired and liabilities undertaken. If the resulting difference between the cost of the stake and this value is positive, this is included in the book value of the investment. If it is negative, the difference is recorded directly in the global consolidated income statement.

Any variations experienced during the financial year in progress in the net equity of the Group included in the consolidated annual accounts under the equity method, following elimination of the proportion based on results generated in transactions between that company and the company holding the stake, or any other group company, and not involving third parties, increase or reduce, as applicable, the book value of the holding in question to the corresponding proportion, following consideration of any amortisations and impairments occurring since the method was applied for the first time.

Profits distributed by the Group included in the consolidated annual accounts under the equity method reduce the book value of the holding.

A homogenisation of values and over time is applied to associated investments in the same way as for dependent companies.

The information referring to the investment in the Associated companies which are consolidated under the equity method are the following:

The associated companies which make up the Group have had of the equity method applied in their consolidation.

c) TJVs (Temporary Joint Ventures) and Companies as Joint Businesses

The balance sheets and the profit and loss accounts of these companies have been consolidated proportionally in the consolidated financial statement and in the consolidated income statement as of 31 December 2010.

The group recognises the proportional part corresponding to it of assets controlled jointly and liabilities incurred jointly in accordance with the percentage stake, along with assets attached to joint operations which are under control and liabilities incurred as a result of joint business.

Likewise, the consolidated income statement recognises the corresponding part of revenue generated and costs incurred through the joint business. Additionally, the costs incurred with regard to the stake in the joint business are also recorded.

Non-realised results deriving from reciprocal transactions are eliminated in proportion to the stake, in addition to the sums of reciprocal assets, liabilities, revenue, expenses and cash flows.

- During the year 2010 the following TJVs have been dissolved: T-4 Barajas and Lanzarote.

d) Operations and assets controlled jointly

Non-realised results deriving from reciprocal transactions are eliminated in proportion to the stake, in addition to the sums of reciprocal assets, liabilities, revenue, expenses and cash flows.

2.10 Main valuation standards applied by the consolidated financial statement and the consolidated income statement.

2.10.1 Intangible assets

The items included in the "Intangible assets" section of the attached consolidated financial statement are identified initially by their purchasing price or production cost, including capitalised financial expenses and subsequently, they will be measured at cost less accumulated amortisation and loss due to any deterioration. At present the Group records no intangible assets with undefined in the Group. The majority of assets listed in this section are administrative concessions for car parks and are paid off following the straight line method during the concession period.

a. Concessions

This chapter includes the licence fees satisfied in determined concessions for operating car parks.

It likewise includes the fees paid on certain administration contracts for the operation of the vehicle parking service on city streets subject to hourly control using ticket-issuing machines. In this case the concessions correspond to administrative contracts for the operation of public services, under the concession system, as governed by the terms of Royal Legislative Decree 2/2000, approving the Revised Text of the Public Authorities Procurement Act and Public Sector Procurement Act (Law 30/2007, of 30 October 2007).

After applying IFRS 12, it also includes the cost of constructing the car park, whose concession has been awarded by a public entity and in which the demand risk is assumed by the concessionaire, (note 2.7).

These administrative concessions are listed in the assets at their cost, less the cumulative amortisation and the cumulative sum of acknowledged valuation corrections for impairment.

The concessions are amortised on a linear basis over the period of the concession.

b. Computer applications

Licences acquired for computer programs from third parties are capitalised on the basis of the costs incurred in acquiring them and preparing the specific program for use. The Group depreciates its computer software on a straight-line basis, distributing the cost of the assets between the estimated useful lives of the same, which is three years.

The costs connected with the development or maintenance of computer programs are recognised as an expense when they are incurred. The costs directly connected with the production of individual, identifiable computer programs produced by the Group, provided that it is considered probable that they will generate economic benefits greater than the costs for more than one year, are recognised as intangible fixed assets. Direct costs include the cost of the staff developing the computer programs and an appropriate percentage of general costs.

2.10.2 Tangible fixed assets

Tangible fixed asset elements are recognised at their cost of acquisition, with the addition of the costs incurred up until their operational start-up, less the cumulative amortisation and the cumulative sum of recognised losses.

The costs of the extension, modernisation or improvement of tangible fixed assets are incorporated within the asset as an increase in its value only if they represent an increase in its capacity, productivity or an extension to its useful life, and wherever it is possible to calculate or estimate the book value of the elements cancelled from the inventory having been replaced.

The removal or disposal of any items is reflected in the accounts by eliminating the cost there of and the corresponding cumulative amortisation.

The costs of major repairs are recorded as assets and amortised over the course of their estimated useful life, while recurrent maintenance expenses are debited to the income statements during the financial year in which they occur.

The depreciation of tangible fixed assets, except for land, which is not amortised, is calculated in accordance with the values of the updated cost, following the linear method based on the estimated useful life, in accordance with the depreciation actually suffered through operation, usage and enjoyment. The estimated useful lifespan are:

Estimated useful life	
Buildings and other construction	50
Machinery, installations and tools	10
Furniture and fixtures	10
Transport elements	6
Other fixed assets	3

The car parks which are part of the tangible assets (in the caption "Buildings") are valued at the acquisition price or at the production cost, depreciated on a straight-line basis over the life of the concession.

Where the book value of an asset is greater than its estimated recoverable value, its value is reduced immediately down to the recoverable sum.

The income and expenses from selling tangible assets are calculated by comparing the amount obtained by the sale with the accounting value and are recorded in the income statement in the "Impairment and result through disposal of fixed assets" section.

The residual value and the useful life of the assets are reviewed, with adjustments made if necessary at the close of each balance sheet.

At least at the close of the financial year, the necessary evaluation corrections based on any impairment in value are applied.

2.10.3 Impairment losses

In the case of goodwill, the group carries out annual value impairment tests. In the case of depreciable assets, at each account close the Group assesses the existence of any loss in value that forces it to reduce the carrying amount. If any loss indication is present, the recoverable value of the asset is calculated in order to identify the scope of the loss by impairment in case its recoverable value is lower than its book value, and its effect is recorded in the income statement. Impairment losses must be assessed for each individual asset. If this is not possible, the impairment loss is determined for the smallest identifiable group of assets that generates cash flows independent of flows from other assets (cash-generating units).

The recoverable amount is the higher of the market value (arms length value less associated costs) and the value in use. The usage value is calculated from estimated future cash flows, discounted at a rate that reflects the present market value, taking into account the value of money and specific risks associated with the asset.

Where an impairment loss is subsequently reversed, the carrying amount of the asset is increased subject to the maximum limit of the original amount at which the asset was carried before the impairment was recognised. The impairment loss of goodwill is not reversible.

2.10.4 Interest costs

Financial costs directly attributable to the acquisition or construction of fixed asset elements requiring a period of time greater than one year in order to be fit for use are included in the cost until such time as the asset is in operational condition.

2.10.5 Financial assets

a) Loans and items receivable

Loans and items receivable are non-derivative financial assets with sums receivable which are fixed or can be established and are not listed on an active market. These are included under current assets, except those with a maturity date beyond twelve months from the date of the consolidated financial statement, which are classified as non-current assets. Loans and items receivable are included under "Corporate loans" and "Trade debtors and other accounts receivable on the balance sheet.

These are financial assets are initially valued at their fair value, and subsequently in accordance with their amortised cost based on the effective rate of interest. Transaction costs directly attributable to their acquisition are recognised in the consolidated income statement. On a quarterly basis, the necessary valuation corrections based on impairment in value are applied, if there is any evidence that the entire sums owed will not be collected. The sum of the value impairment loss is the difference between the book value of the asset and the value of the estimated future cash flows, discounted at the effective rate of interest at the time of initial recognition. Any applicable valuation corrections through impairment and reversion are recorded in the consolidated income statement.

The recognition and reversion of valuation corrections through the impairment of client accounts receivable have been included under "Losses, impairment and variation in provisions through trade operations" in the consolidated income statement.

The sums charged to the impairment account are normally cancelled once there is no expectation of more cash being recovered.

The maximum credit risk as of the date the information was presented is the fair value of each one of the aforementioned accounts receivable categories. The group maintains no guarantee as insurance.

b) Investments in the assets of group, multi-group and associated companies:

They are valued at their cost less, where applicable, the cumulative value of value impairment corrections. However, where there is an investment made prior to the classification of a company as a Group, Multi-group or Associated Company, the cost of the investment is assumed to be its book value prior to such classification. Prior valuation adjustments entered into the accounts directly under the net equity are maintained there until cancellation.

Investments in the assets of group and associated companies are included in the accounting records, under both current assets and non-current.

The current assets include short-term investment in group and associated companies, comprising corporate loans and other financial assets.

The non-current assets record the balance of long-term investments on group and associated companies, comprising asset instruments. Asset instruments are broken down in the balances of holdings in group companies, holdings in associated companies and share disbursements pending and not called on.

If there exists objective evidence that the book value is unrecoverable, the relevant valuation correction is applied as the difference between the book value and the recoverable sum, the latter understood as whichever is the greater of the fair value less the costs of sale and the current value of the future cash flows derived from the investment.

2.10.6 Financial derivatives at fair value

Derivatives are initially identified by their fair market value as of the contract date. The subsequent changes in market value are recorded as well on each balance closing date. The method of identifying the profit and losses will depend on if the instrument is designed as hedging or not and if it is, on the type of hedging. The different types of hedging designated by the Group are the following:

i. Cash flow hedge: Its purpose is to hedge the exposure to highly probable future transactions and variations in cash flow. The gain or loss on the hedging instrument is recorded by the non efficient section f the Consolidated Income Statement, while the efficient part is identified directly on the Equity of the Consolidated Financial statement. The amount deferred in equity is not recognised in the consolidated income statement until the transactions hedged are taken to the income settlement or until the maturity date of the transactions. This recognition is carried out the same way as the results of the hedge item.

Lastly, in the case that the hedge is interrupted, the amount recognized in equity to date is attributed to the result proportionate to the remaining underlying life.

ii. Fair value hedge: Its purpose is to cover the exposure to changes in the value of an asset or a recognized liability or firm commitments regarding transactions to be carried out. The gain or loss on the hedging instrument along with the loss or gain produced in the hedge asset or liability is recorded in the consolidated income statement.

iii. Hedge of net foreign investments: Its purpose is to cover the exposure to changes in the value of said investments attributed to oscillations in the exchange rate. The gain or loss is recorded by the non efficient section f the Consolidated Income Statement, while the efficient part is identified directly on the Equity of the Consolidated Financial statement. The amount deferred in equity is recognised in the income statement at the sale or maturity of said investment.

In the case of derivatives that do not qualify as hedge items, the loss or gain of said instrument are recorded in the consolidated income statement.

The method applied for calculating the fair value of the financial derivatives is explained in note 21 of this report.

2.10.7 Business Combinations and Goodwill

The business combinations are accounted for using the acquisition cost method, which entails recognizing the fair value of the assets and liabilities identified in the acquired business. Goodwill is the positive difference between the cost of an investment and the value of the aforementioned assets and liabilities. In the acquisitions of subsidiaries, the goodwill that is generated is considered as greater value of the share. The consolidated goodwill does not depreciate and is subject to the "impairment test" (note 6). In subsequent acquisition of companies over which a previous control is had, the difference between the over-prices paid in the currency of the acquired company's country of origin and the net value of the share acquired in the company is recorded as goodwill.

As far as operations with minority interests, the Group handles these as operations with third parties. The gains or losses that result from sale operations with minority interests are recorded in the income statement, while the acquisitions generate goodwill due to the difference between the price paid and the value of the acquired net assets.

On the other hand, in those operations that cause a dilution in the financial participation of any of the companies of the group, the decrease in share participation is valued at fair market value and is recorded in the consolidated income statement.

Goodwill is allocated to cash generating units with the aim of testing losses through impairment. This allocation is made to those cash generating units expected to benefit from the merger of businesses during which the goodwill arose.

2.10.8 Stock

Stock is valued at its cost or its net realisable value, whichever is lower. The cost of stock is established by application of the weighted average cost principle.

The cost of the finished products and products in progress correspond to construction in progress and completed, and include the costs incurred in construction of car parking destined to concession of usage.

Parking spaces intended for sale and included in stock valued at the price of acquisition or the cost of production.

If the cost is greater than the market value, the relevant valuation corrections are applied and are recognised as an expense in the profit and loss account. If the circumstances leading to the value correction cease to exist, the sum of the correction is subject to reversion and is recognised as revenue in the consolidated income statement.

2.10.9 Cash and other equivalent liquid assets

Cash and other equivalent liquid assets include cash on hand, demand deposits at banks, and short term, high liquid investments which initially have a maturity of three months or less and are not subject to a significant risk of changes in value.

This section includes the short term restricted cash flow. This concept collects the investments of the same nature and maturity affected by financing of specific infrastructure projects, whose availability is restricted by financing contracts as guarantee to cover specific short term obligations relative to interests or principle of the debt as well as for the future maintenance of the infrastructure.

2.10.10 Equity

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are presented in equity as a deduction, net of taxes. The purchasing of Parent Company shares by consideration paid, including attributed associated costs are deducted from the equity. When these shares are sold or subsequently reissued, any amount received net of costs includes the equity.

The basic profit by action is calculated as the quotient between the net profits attributed to the parent company and the average weighted number of ordinary shares in circulation during said period. In turn, the diluted profit by action is calculated as the quotient between the net incomes attributed to the ordinary shareholders and the average weighted number of ordinary shares in circulation during said period.

In the case that the Group's consolidated Annual Accounts correspond with the financial years ended on 31 December 2009 and 2010; the basic profits by action coincide with the diluted.

2.10.11 Provisions for employees

a) Pension commitments:

Fixed provision pension plans

Pension plans which are not classified as fixed contribution plans are considered fixed provision arrangements. In general, fixed provision plans establish the sum of the provision to be received by the employee at the time of retirement, normally in accordance with one or more factors, such as age, years of service and remuneration.

The Group recognises in its balance sheet a provision for fixed provision pension plans based on the difference between the current value of the committed remunerations and the fair value of any possible assets subject to commitments which are to be used to settle the obligations, with any appropriate deduction being made in accordance with the sum of the costs of past services not yet recognised.

If the above difference gives rise to an asset, the value placed on this may not be greater than the current value of the provisions which may be returned to the Group in the form of direct reimbursements or reduced future contributions plus, where applicable, the part pending allocation to results through costs for past services. Any adjustment which the Group may be required to make on the basis of this limit in the valuation of the assets is attributed directly to the net equity, being recognised as reserves.

The current value of the obligation is determined by actuarial calculation methods and financial and actuarial hypotheses which are unbiased and mutually compatible.

Any variation in calculation of the current value of the committed remunerations or, as applicable, the corresponding assets, at the date of close, as a result of actuarial profits and losses, is recognised in the financial year during which it arises, recorded directly in the net equity as reserves. For these purposes, profits and losses cover only variations arising through changes in actuarial hypotheses or adjustments based on experience.

Costs of past services are recognised immediately in the consolidated income statement, except in the case of revocable rights, in which case they are attributed to the consolidated income statement on a linear basis over the remaining period up until the rights based on past services become irrevocable. However, if an asset is derived, the revocable rights are attributed to the income statement immediately, unless a reduction occurs in the current value of the provisions which may be returned to the Group in the form of direct reimbursement or reduced future contributions, in which case the excess above this reduction is attributed immediately to the consolidated income statement.

At 31 December 2010 and 2009 there are 76, 25 and 3 persons with whom companies Empark Aparcamientos y Servicios S.A, Dornier S.A.U and Balsol 2001 S.A. respectively maintain retirement plan commitment. These commitments are not significant.

b) Redundancy compensation:

Redundancy compensation is paid to employees as a result of a decision by the Group to terminate their employment contracts prior to the normal retirement age, or if the employee agrees to retire voluntarily in exchange for such provisions. The Group recognises these provisions when a proven commitment has been agreed for the termination of the employment of workers, in accordance with a detailed, formal plan, with no possible withdrawal, or an agreement has been reached to provide redundancy compensation as a result of an offer made in order to encourage voluntary redundancies. Those provisions which are not to be paid within 12 months of the date of the balance sheet are discounted at their current value.

2.10.12 Transactions among tied parties

In general, operations among tied parties are accounted for at the initial point at their fair value. In any case, if the agreed price differs from the fair value, the difference is recorded in accordance with the economic reality of the operation. The subsequent valuation is made in accordance with the terms set out in the corresponding regulations.

2.10.13 Subsidies

A subsidy is considered not refundable when there is an individual concession agreement for the subsidy, all the conditions for its concession have been met and there are no reasonable doubts that payment will be collected.

The monetary type subsidies are valued using the fair value of the awarded amount.

2.10.14 Provisions and contingent liabilities

Provisions for contingencies and expenses are accounted for in accordance with the estimated amount required to deal with probable or certain responsibilities, legal proceedings in progress and for compensation and pending obligations of an undetermined amount, guarantees or other similar sureties.

Provisions are recognised in the balance sheet when the Group has a present obligation, either legal or implicit, as a result of past events, where it is deemed probable that this will involve the need for outgoing resources for settlement, and the sum can be estimated in a reliable manner.

Provisions are valued at the current value of the disbursements which are expected to be required in order to settle the obligation, using a pre-tax rate which reflects the opinions of the current market as to the temporary value of money and the specific risks of the obligation. Adjustments in the provision based on any updates are recognised as a financial expense as they gradually accrue.

Provisions maturing within one year or less and with an insignificant financial impact are not discounted.

Contingent liabilities are possible obligations arising as a result of past events, the materialisation of which depends on whether or not one or more future events should occur, outside the control of the Group.

Given the activities in which the Group is currently engaged, it has no liabilities, expenses, assets or provisions and contingencies of an environmental nature which could prove significant with reference to its net equity, its financial situation and its results. Hence, specific breakdowns are not included in the report herein on the consolidated annual accounts with regards information on environmental issues.

Costs derived from the protection and improvements of the environment are attributed to the consolidated results for the financial year in which they are incurred, irrespective of the point when the monetary or financial flow derived there from occurs.

When such expenses involve the acquisition of tangible assets the purpose of which is to minimise environmental impact and to protect and improve the environment, these are included in the accounts as an increase in the value of fixed assets.

2.10.15 Financial liabilities

Debts and items payable

These liabilities are initially carried at the fair net value of the expenses incurred in the transaction, subsequently recording these by their depreciated cost according to the effective interest method. The effective interest rate is the discount rate equal to the expected flow of future payments foreseeable up until maturity of the liability. In the case that the effective interest rate is initially considered different from the market interest, the liability is valued taking into account the actual value of the future flows at that market rate in the case of loans with set interest rates. If said interest rate is not fulfilled, the valuation of these is also carried out at the aforementioned market interest rate.

In the event of a renegotiation of existing debts, it is considered that no substantial modification has occurred to the financial liability if the lender of the new loan is the same as that which granted the initial loan and the current value of the cash flows, including the associated issuance and execution costs using the effective interest method, varies by no more than 10% from the current value of the cash flows pending payment on the original liability, calculated in accordance with this same method.

2.10.16 Income tax and deferred taxes

After 1 January 2005 the Group began paying tax under the consolidated tax system with Cintra Concessions de Infraestructuras de Transporte S.A., as a result of the change in ownership which occurred in 2004, following which the Parent Company fell within the aforementioned tax Consolidation perimeter. The Group previously paid taxes under the consolidated taxation system as part of the Ferrovial, S.A. Group. During 2009 and as a consequence of the purchase-sale operation mentioned in note 1.2, the Group left the aforementioned tax status and the Company as of 31 December 2009, requested taxation as a fiscal group effective 1 January 2010. It is comprised of the following companies:

- Empark, Aparcamientos y Servicios S.A.
- Dornier, S.A.U.
- Femet, S.A.
- Guadianapark, S.A.
- Balsol 2001, S.A.
- Estacionamientos Guipuzcoanos, S.L.U.

The cost (revenue) derived from profits tax is the sum accrued under this item during the financial year, covering both the cost (revenue) of current tax and deferred tax.

Both the cost (revenue) derived from current and deferred taxes are recorded in the consolidated income statement. However, the tax impact connected with items directly recorded in the consolidated statement of net equity is recognised within the net equity.

Assets or liabilities based on current tax are valued for the sums expected to be paid to or recovered from the tax authorities, employing the regulations in force or approved and pending publication at the date of close of the financial year.

Deferred taxes are calculated in accordance with the liability method, based on the temporary differences arising between the taxable base sums of the assets and liabilities and their book values. However, where deferred taxes are the result of the initial recognition of an asset or a liability in a transaction other than a combination of businesses which, at the time of the transaction, does not affect either the book result or the calculation base for the tax, they are not recognised. Deferred tax is established by applying the regulations and taxation rates approved or about to be approved at the date of the balance sheet, and which are expected to be applied when the corresponding deferred tax asset is realised or the deferred tax liability settled.

Assets through deferred taxes are recognised to the extent that it is considered probable that future taxable profits will be made which could be used to compensate for temporary differences.

Deferred taxes are recognised in accordance with the temporary differences arising in investments in subsidiaries and associated companies and joint businesses, except in those cases where the Company can control the time of reversion of the temporary differences, and it is likewise probable that these will not revert in the foreseeable future.

The term consolidated corporate taxes includes all taxes, national and foreign, related to profits subject to tax. The consolidated corporate tax also includes other taxes such as taxes that encumber the repatriation of results as well as any other tax that uses the accounted income as a basis for calculations.

The corporation tax expense reflected in the consolidated financial statements is calculated by aggregating the expense registered for each company that belongs to the consolidated group, increased or decreased, as appropriate, by elimination of accounting consolidation adjustments and by the differences arising between the taxable base sums of the assets and liabilities and their book values.

Deferred taxes are not recognized when the transaction has no effect on the accounting and/or fiscal value of the involved assets or liabilities. In the case of business combinations, the corresponding deferred taxes derived from the price assigning process and the fiscal amortisation of the generated goodwill in each case.

The assets and liabilities by deferred taxes are calculated at current taxation rates as of the date of the consolidated income statement and which are foreseen to be applicable during the period in which the asset is realised or the liability is settled. They are debited or credited to the income statement except when they refer to items that are directly recorded as net equity, in which case, they are accounted for as debit or credit to said accounts. By non distributed profit of the subsidiaries, there is no liability by deferred taxes when the Group can control the reversion of the temporary differences and it is not probable that these will be reverted in a foreseeable future. The assets by deferred taxes and the tax credits derived from negative tax base sums are identified when it is probable that the Group may recover these in the future regardless of the time in which they are recovered and always when the recovery is prior to the legal period for usage. The assets and liabilities by deferred taxes are not deducted and are classified as a non-current asset (liability) in the balance sheet. At each year-end, the recognised deferred tax assets are reviewed.

2.10.17 Conversion foreign currency transactions

The Group's foreign currency conversions into a currency different than the functional currency is carried out by applying the current exchange rate at closing for balance and average exchange rate operations at the date of the loss and profit transaction.

The annual accounts of companies in foreign currency have been converted to euros using the closing exchange rate method in accordance with the following rates:

Exchange Rate	2010	2010	2009	2009
	Average	Closing	Average	Closing
Euro/pound	0.8561	0.8574	0.8889	0.8876
Euro/Turkish lira	2.0491	2.0560	2.0361	2.0437

2.10.18 Recognition of revenue

Revenue and expenses are attributed in accordance with the accrual principle, in other words based on when the true value of the goods and services they represent becomes current, irrespective of when the monetary or financial value arising from them is realised.

Revenue is recorded at the fair value of the consideration to be received and represents the sums receivable for goods delivered and services provided within the ordinary course of the Group's activities, less returns, rebates, discounts and VAT.

The Group recognises revenue when the sum thereof can reliably be valued, it is probable that future economic benefits will be received by the Group and specific conditions are met for each of the activities, as detailed below. The

sum of revenue is not deemed to be subject to reliable valuation until all contingencies connected with the sale have been resolved. The Group bases its estimate on historical results, taking into consideration the type of client, the type of transaction and the specific terms of each agreement.

a) The car park business may be divided into:

a.1) Off-street and mixed parking

a.2) On-street parking (ORA)

a.3) Car parks for local residents

a.1) Off-street and mixed parking

Off-street car park revenues are recorded when the hourly parking rate is paid and, in the case of season ticket-holders, on an accrual basis. Mixed car parks (with public and private spaces) record revenues as follows: in the case of public spaces, in the manner described in the preceding paragraph; and in case of private spaces, the amount received is recorded in the income statement at the time of the transfer of concession usage of the corresponding parking spaces.

Fixed assets (car parks) are amortised on the basis of their useful life.

Regarding the public spaces, these are recorded in inventories and are transcribed to the income statement on the date of the transfer of the concession of usage.

a.2) On-street parking (ORA)

Revenue from the ORA parking meter service is mainly based on the sum corresponding to the cost of providing the service plus a percentage, generally between 1% and 20%, of the surplus between that cost and the funds collected. On some ORA contracts, the revenue is earned at a fixed rate (service cost), entirely irrespective of the funds collected, which are in all cases paid over to the City Council. This is recorded in the accounts at the time when the service is provided.

a.3) Car parks for local residents

This business involves the construction of car parks whose spaces are sold directly to the end customer during the timeframe of the concession. The sales and costs are not recorded until the parking space is delivered, which tends to coincide with the signature of the contract, or exceptionally, the public deed of sale.

2.10.19 Leases

a) If any Group company is the lessee – Financial lease

The Group leases certain tangible fixed assets. Leases of tangible fixed assets where the Group substantially retains the risks and benefits derived from ownership are classified as financial leases. Financial leases are capitalised at the commencement of the lease at the fair value of the property leased, or the current value of the minimum payments agreed under the lease, whichever is lower. The calculation of current value is based on the implicit interest rate of the contract, and if this cannot be established, the Group interest rate for similar operations.

Each lease payment is distributed between the liability and financial charges. The total financial charge is distributed over the course of the lease and attributed to the consolidated statement of the financial year when it accrues, applying the effective interest rate method. Contingent payments are recorded as a cost for the financial year when incurred. The corresponding lease obligations, net of financial charges, are included in "Creditors through financial leases". Fixed assets acquired under a financial lease system depreciate during their useful life or the duration of the contract, whichever is less.

b) If any Group company is the lessee – Operating lease

Leases where the lesser retains a substantial part of the risks and benefits derived from ownership are classified as operational leases. Payments under operational leases (net of any incentive received from the lesser) are charged to the consolidated statement of the financial year when they accrue, on a linear basis over the period of the lease.

c) When the group is the lesser

Where assets are leased under a financial lease arrangement, the current value of lease payments, discounted at the implicit interest rate of the contract, is recognised as an item receivable. The difference between the gross sum to be received and the current value of this sum, corresponding to interest not accrued, is attributed to the consolidated statement of the financial year when that interest accrues, in accordance with the effective interest rate method.

Where assets are leased under an operational lease arrangement, the asset is included in the consolidated statement of the financial statement sheet in accordance with its nature. Revenue derived from the lease is recognised in a linear manner over the course of the lease period.

3 Management of financial and currency risks

The Groups activities expose it to a variety of financial risks: market risk (including exchange rate risk, interest rate risk and price risk), credit risk and liquidity risk.

Risk management is carried out by the Economic and Financial General Management Department of Empark Aparcamientos y Servicios, S.A., which identifies, evaluates and arranges coverage for financial risks in accordance with the policies approved by the Board of Directors. The Administrative Board provides policies for overall risk management, and also for specific areas, such as exchange rate risk, interest rate risk, liquidity risk, and use of derivative and non-derivative instruments and the investment of surplus liquidity.

The financial risks to which the Company is exposed include those derived from the guarantees and bonds required in order for the company to undertake its activities.

During the 2009 and 2010 financial years, the Company had in place bank guarantees with third parties and guarantee commitments with other Group companies in order to engage in its business.

Market Risk: Exchange rate risk

Management has established an exchange rate risk management policy for foreign currencies other than the operating currency. In order to manage the exchange rate risks derived from future commercial transactions and recognised assets and liabilities, futures contracts negotiated by the Treasury Department are employed. Exchange rate risk arises where future commercial transactions or recognised assets or liabilities are quoted in a currency other than the organisation's operating currency.

Market Risk: Exchange rate risk from cash flows and fair value

At 31 December 2010, if the interest rates on outside resources quoted in euros had been 50 basis points higher/lower, with all other variables remaining constant, the result after taxes for the period would have been (49)/49 thousands of euros lower/higher, mainly as a result of an increase/decrease in the cost of interest on variable-rate loans.

The Group carries out the corresponding interest rate hedges by contacting an IRS (Interest Rate Swap). (See note 21).

Credit risk

Credit risk is managed by groups. Credit risk arising from cash and cash equivalents and deposits held in banks and financial institutions, along with wholesale and retail clients, including pending accounts receivable and committed transactions. Regarding banks and financial institutions, only financial institutions that are known to be reputable and solvent will be accepted.

Liquidity risk

Prudent management of liquidity risk involves holding sufficient cash and tradable securities, having access to finance through a sufficient sum of agreed credit facilities and having the capacity to unwind market positions. Given the dynamic type data from subjacent businesses, the object of the Group's treasury Department is to maintain the flexibility in financing by the availability of lines.

4 Intangible assets

The movement of the balances that comprise the Consolidated financial statement for financial years 2010 and 2009 has been the following:

	Thousands of euros		
	Concessions	Computer programs	Total
Cost.....	382,413	2,256	384,669
Cumulative amortisation.....	(115,161)	(1,835)	(116,996)
Book value.....	267,252	421	267,673
Balance at 01/01/09			
Additions.....	53,474	255	53,729
Additions to the scope of consolidation.....	138,239	—	138,239
New amortisation due to additions to the scope of consolidation.....	(39,390)	—	(39,390)
Transfers.....	—	—	—
Cancellations.....	(203)	(2)	(205)
New goodwill allocation Emparque.....	33,992	—	33,992
Goodwill amortisation allowance Emparque.....	(870)	—	(870)
Provision.....	—	—	—
Amortisation allowance.....	(17,491)	(177)	(17,668)
Low amortisation.....	—	—	—
Balance at 31/12/09			—
Cost.....	607,915	2,509	610,424
Cumulative amortisation.....	(172,912)	(2,012)	(174,924)
Book value.....	435,003	497	435,500
Balance at 01/01/10			
Additions.....	34,819	2,015	36,834
Additions to the scope of consolidation.....	—	—	—
New amortisation due to additions to the scope of consolidation.....	—	—	—
Transfers.....	—	—	—
Cancellations.....	(12,874)	—	(12,874)
Provision.....	—	—	—
Amortisation allowance.....	(19,320)	(689)	(20,009)
New goodwill amortisation allowance Emparque.....	(1,775)	—	(1,775)
Amortisation cancellations.....	—	—	—
Balance at 31/12/10			
Cost.....	629,860	4,524	634,384
Cumulative amortisation.....	(194,006)	(2,701)	(196,707)
Book value.....	435,853	1,823	437,676

31/12/10

During financial year 2010, the new Concessions amounted to 34,819 thousands of euros. The primary new concessions are explained below:

- Administrative concession for the parking of Plaza de España de Pontevedra amounting to 3,897 thousands of euros, Plaza America for 236 thousands of euros and Sancho de Avila for 64 thousands of euros. These concessions correspond to Empark Aparcamientos y Servicios, S.A.
- Administrative concession basically by purchasing ticket meters, control and signalling equipment for 3,575 thousands of euros. These concessions correspond to Dornier, S.A.
- Administrative concession for the parking of Plaza de Cataluña for 9,121 thousands of euros, granted by the City Council of San Sebastian. This concession corresponds to Aparcamientos Guipuzcoanos, S.L.
- Administrative concession for the parking of Plaza Cervantes for 15,975 thousands of euros, granted by the City Council of San Sebastian. This concession corresponds to Concha Parking, S.A.
- Administrative concession for the parking of Mercado del Carmen for 897 thousands of euros, granted by the City Council of Huelva. This concession corresponds to Estacionamientos Guipuzcoanos, S.L.

During financial year 2010, new computer applications amount to 2,015 thousands of euros and are primarily due to new computer programs and updates of existing programs such as: New payroll applications, E-NOTA, XRT, SAP, APARK, GESPRO, etc.

The terminations of administrative concessions were primarily due to the sale of parking spots to parking of Okendo residents. This concession corresponds to Guipúzcoa Parking Siglo XXI, S.A.

The amortisation allowance of intangible assets amounts to 21,784 thousands of euros and is comprised of 19,320 thousands of euros in concessions, 689 thousands of euros corresponding to computer applications during the financial year and 1,775 thousands of euros for amortisation of goodwill assigned to assets.

The amortisation allowance for the goodwill of Empark Portugal – Empreendimentos e Exploração de Parques, S.A. assigned to assets amounts to 1,775 thousands of euros for the financial year.

At 31 December 2010, the fully paid off intangible asset items amount to 28,340 thousands of euros; the breakdown of these assets by main companies is the following:

- Empark Aparcamientos y Servicios, S.A. 9,215 thousands of euros.
- Dornier, S.A.U. 12,577 thousands of euros.
- Estacionamientos Guipuzcoanos, S.L. 3,538 thousands of euros.
- Rest 3,010 thousands of euros.

31/12/09

During financial year 2009, the new Concessions amounted to 53,474 thousands of euros. The primary new concessions are explained below:

- Administrative concession for the parking of Plaza de America for 2,757 thousands of euros, granted by the City Council of Alicante. This concession corresponds to Empark Aparcamientos y Servicios, S.A.
- Administrative concession basically by purchasing ticket meters, control and signalling equipment for 3,246 thousands of euros. These concessions correspond to Dornier, S.A.
- Administrative concession for the parking of Plaza de Cataluña for 11,766 thousands of euros, granted by the City Council of San Sebastian. This concession corresponds to Aparcamientos Guipuzcoanos, S.L.
- Administrative concession for the parking of Oquendo for 8,277 thousands of euros, granted by the City Council of San Sebastian. This concession corresponds to Guipúzcoa Parking Siglo XXI.
- Administrative concession for the parking of Plaza Cervantes for 20,172 thousands of euros, granted by the City Council of San Sebastian. This concession corresponds to Concha Parking, S.A.
- Administrative concession for the parking of Mercado del Carmen for 294 thousands of euros, granted by the City Council of Huelva. This concession corresponds to Estacionamientos Guipuzcoanos, S.L.

During the year 2009, the intangible asset cancellations correspond primarily to the parking of Plaza Cataluña, whose concession ended on 31 December 2008. The value of purchasing the assets amounted to 3,310 thousands of euros and they were fully paid off. The new concession has been awarded to Aparcamientos Guipuzcoanos, S.L., company in which Estacionamientos Guipuzcoanos, S.L.U. has a 60% holding.

During financial year 2009, new computer applications amount to 255 thousands of euros and are primarily due to new computer programs and updates of existing programs.

The new additions to the scope of consolidation were 138,239 thousands of euros and new amortisation due to additions to the scope of consolidation amount to 39,390 thousands of euros and correspond to the purchase of Empark Portugal – Empreendimentos e Exploração de Parques, S.A.

Said purchase has generated goodwill of 116,520 thousands of euros of which 82,528 thousands of euros correspond to a financial goodwill and 33,992 thousands of euros have been assigned to assets of Empark Portugal – Empreendimentos e Exploração de Parques, S.A. This increase in assets is paid off according to their useful life; the amortisation for 2009 has been 870 thousands of euros.

The amortisation allowance of intangible assets amounts to 18,538 thousands of euros and is comprised of 17,491 thousands of euros in concessions, 177 thousands of euros corresponding to computer applications and 870 thousands of euros for amortisation of goodwill assigned to assets.

At 31 December 2009, the fully paid off intangible asset items amount to 22,091 thousands of euros; the breakdown of these assets by main companies is the following:

- Empark Aparcamientos y Servicios, S.A. 8,842 thousands of euros.
- Dornier, S.A.U. 13,160 thousands of euros.

- Estacionamientos Guipuzcoanos, S.L. 89 thousands of euros.

5 Tangible fixed assets

The movement of the balances that comprise the financial Statement for financial years 2010 and 2009 has been the following:

	Thousands of euros			
	Land and constructions	Technical Installations and other fixed assets	Fixed assets In progress and advances	Total
Cost	14,079	8,829	24,974	47,881
Cumulative amortisation	(8,018)	(5,210)	—	(13,228)
Loss through impairment	(160)	—	—	(160)
Book value	5,901	3,619	24,974	34,493
Balance at 01-01-2009				
Additions	3,173	7,047	23,892	34,112
Additions to the scope of consolidation	4,081	14,684	2,388	21,153
New amort. due to addits. to the S.C.	(1,988)	(17,935)	—	(19,923)
Transfers	13,372	1,267	(14,639)	—
Cancellations	(3,071)	(1,766)	(3)	(4,840)
Cancellations to the scope of consolidation	—	—	(15,180)	(15,180)
Amortisation allowance	(984)	(655)	—	(1,639)
New goodwill amortisation allowance Emparque	—	—	—	—
Goodwill amortisation allowance Emparque	—	—	—	—
Amort. cancel. due to cancels. to the S.C.	—	—	—	—
Allowance for contingencies	—	—	—	—
Balance at 31-12-2009				
Cost	31,635	30,061	21,432	83,127
Cumulative amortisation	(11,150)	(23,800)	—	(34,951)
Loss through impairment	—	—	—	—
Book value	20,484	6,260	21,432	48,176
Balance at 01-01-2010				
Additions	7,056	6,243	16,596	29,894
Additions to the scope of consolidation	—	—	—	—
Amort. addit. due to addit. to the S.C.	—	—	—	—
Transfers	14,206	1,265	(15,471)	—
Cancellations	—	(16)	(182)	(198)
Cancellations to the scope of consolidation	—	—	—	—
Amortisation allowance	(3,061)	(2,086)	—	(5,147)
New goodwill allocation Emparque	—	—	—	—
Goodwill amortisation allowance Emparque	—	—	—	—
Amort. cancel. due to cancels. to the S.C.	—	—	—	—
Allowance for contingencies	—	—	—	—
Balance at 31-12-2010				
Cost	52,897	37,552	22,375	112,823
Cumulative amortisation	(14,212)	(25,886)	—	(40,098)
Loss through impairment	—	—	—	—
Book value	38,685	11,666	22,375	72,725

31/12/10

During the year 2010, the transfers of intangible assets correspond mainly to transfers of assets in progress to definitive assets of the following parking: Pamplona Hospital for 13.070 thousands of euros and Hospital 12 de Octubre for 662 thousands of euros.

The assets in progress correspond to works that have not yet been completed. At 31 December 2010, the new additions of fixed assets in progress amount to a total of 16,596 thousands of euros, corresponding to the assets represented by the car parks referred to in the above paragraph and other car parks the construction of which has not yet been completed as of 31 December 2010.

For the year 2010, the amount for new land and constructions in progress is 7,056 thousands of euros.

During the year 2010, the amount for new technical installations and other tangible fixed assets was 6,243 thousands of euros; the main amounts correspond to Dornier, S.A. 277 thousands of euros, basically for purchasing ticket meters, control and signalling equipment and Empark Aparcamientos y Servicios, S.A. 1,928 thousands of euros mainly from new car parks, 173 thousands of euros at Hospital Doce de Octubre, 551 thousands of euros for Control Centre, 297 thousands of euros at Rio Hortega in Valladolid, 80 thousands of euros at Larga Estacion in Barcelona and 73 thousands of euros at AENA Santiago.

The amount of amortised fixed assets for the year is 5,147 thousands of euros.

At 31 December 2010, the fully paid off fixed asset items amount to 5,131 thousands of euros; the breakdown of these assets by main companies is the following:

- Empark Aparcamientos y Servicios, S.A. 4,607 thousands of euros.
- Dornier, S.A.U. 524 thousands of euros.

At 31 December 2010, there are no assets not involved in operations within the intangible fixed assets.

It is the Group's policy to take out insurance policies which provide adequate coverage for the items which are part of tangible assets.

At 31 December 2010, there are material assets located in Portugal, Turkey, United Kingdom and Andorra.

31/12/09

During the year 2009, the transfers of intangible assets correspond mainly to transfers of assets in progress to definitive assets of the following car parks: Hospital 12 de Octubre for 3,112 thousands of euros and Hospital de Figueras for 5,416 thousands of euros for reason of financing the construction of car parks in January, April, October and December 2009 respectively.

The assets in progress correspond to works that have not yet been completed. At 31 December 2009, the new additions of fixed assets in progress amount to a total of 23,892 thousands of euros, corresponding to the assets represented by the car parks referred to in the above paragraph and other car parks the construction of which has not yet been completed as of 31 December 2009; said car park is at the Hospital of Pamplona.

During the year 2009, the amount for new technical installations and other tangible fixed assets was 7,047 thousands of euros; the main amounts correspond to Dornier, S.A. 20 thousands of euros, basically for purchasing ticket meters, control and signalling equipment and Empark Aparcamientos y Servicios, S.A. 1,844 thousands of euros mainly from new car parks, 2,968 thousands of euros at Hospital Doce de octubre, 290 thousands of euros for Rio Ortega and 172 thousands of euros for Figueras Hospital.

The additions to the scope of consolidation correspond to the purchasing of Empark Portugal – Empreendimentos e Exploração de Parqueamentos, S.A.

The cancellations from withdrawals from the scope of consolidation correspond entirely to the sale of company Serranopark, S.A. (see note).

The amount of amortised fixed material assets is comprised of 1,639 thousands of euros for the year and the amortisation decreases as assets are sold.

At 31 December 2009, the fully paid off fixed asset items amount to 4,969 thousands of euros; the breakdown of these assets by main companies is the following:

- Empark Aparcamientos y Servicios, S.A. 4,421 thousands of euros.
- Dornier, S.A.U. 548 thousands of euros.

It is the Group's policy to take out insurance policies which provide adequate coverage for the items which are part of tangible assets.

At 31 December 2009, there are material assets located in Portugal, Turkey, United Kingdom and Andorra.

6 Goodwill

The movement in this section during the 2010 and 2009 financial year was as follows:

Thousands of euros

	Thousands of euros
Balance at 01 January 2009	41,800
Additions in 2009.....	104,674
Balance as of 31 December 2009.....	146,474
Balance at 01 January 2010	146,474
Adjustment for 2010	423
Deferred tax adjustment for the Amortisation of assets (1.775 * 26.5%).....	(470)
Balance as of 31 December 2010.....	146,427

At 31 December 2010 and 2009, the details per companies that comprise the Goodwill were as follows:

	Thousands of euros	Thousands of euros
Company	2010	2009
Empark Aparcamientos y Servicios, S.A.	33,565	33,565
Dornier, S.A.U.	7,550	7,550
Balsol 2001, S.A.	685	685
Empark Portugal – Empreendimentos e Exploração de parqueamentos, S.A.	104,627	104,674
	146,427	146,474

In the year 2000, several companies were merged, resulting in a goodwill amount of 40,480 thousands of euros, which was compensated on the one hand by a reduction in the issue premium for an amount of 35,639 thousands of euros and, on the other hand, with a reduction in the reserves for an amount of 4,841 thousands of euros. In the year 2004, as a result of the stock market flotation of Cintra Concesiones de infraestructuras de Transporte, S.A. this goodwill increased and the depreciation corresponding to the months between August 2000 and December 2003 (41 months) had to be applied in the sum of 6,915 thousands of euros.

In 2009, Aparcamientos y Servicios, S.A purchased Empark Portugal – Empreendimentos e Exploração de Parqueamentos, S.A., this purchase generated goodwill of 116,520 thousands of euros of which 81,809 thousands of euros were financial goodwill since 33,992 thousands of euros were assigned to assets of Empark Portugal – Empreendimentos e Exploração de Parqueamentos, S.A. and 719 thousands of euros to company assets through the participation method and are paid off according to the useful life of the assets. The amortisation for 2009 was 870 thousands of euros and 1,775 thousands of euros in 2010. Additionally, Empark Portugal – Empreendimentos e Exploração de Parqueamentos, S.A. had goodwill of 14,393 thousands of euros.

This goodwill assigned to intangible fixed assets has generated a deferred tax amounting to 26.5 % of 33,279 thousands of euros, which has resulted in a larger Goodwill for this amount. This tax will revert annually according to the amortisation of goodwill assigned to the intangible fixed assets.

The accounting of this business combination was carried out in the consolidated annual reports of financial year 2009, since the valuation of acquired assets and liabilities undertaken had not been completed, nor had the twelve month period set by IFRS-EU 3 yet elapsed: “Business combinations” used to complete said valuation. During the year 2010, the final valuation of these assets has been carried out. (See note 1.2).

Methodology for allocating goodwill

The cash flow discounts for each of Emparque’s contracts have been carried out in order to reach the cash flow discount value of each contract.

To this value, the investments required for maintaining these assets in good operating conditions as well as the structure costs required for proper operation have been subtracted.

This value is higher than the purchase price by 34,711 thousands of euros. This amount has been proportionally allocated to each asset depending on their value.

On the other hand, based on the company’s experience, it is believed that about 75% of the current contracts will be renewed. Additionally, the capability of the company for managing new contracts has been assessed.

These two variables together have been assigned to the remaining Goodwill in accordance with the following table:

	Thousands of euros
--	--------------------

	Thousands of euros
Value assigned to assets	34,711
Value of renewals and new contracts	81,809
TOTAL	116,520

Impairment tests

The Group undertakes an annual procedure in order to identify any possible deficit in the registered cost with regard to the recoverable value of goodwill.

In the case of the goodwill of Empark Aparcamientos y Servicios, S.A. and Balsol 2001, S.A., and this procedure is performed by analysing the assets available to the company at the time of its acquisition and which gave rise to the recognised goodwill, these being individual car parks.

Any possible impairment is calculated by comparing the value of these assets with their fair value, the latter understood as the value of the future cash flow discounts which it is estimated that the assets will generate, based on objective hypotheses, discounted at an estimated capital cost based on a risk-free rate using the 30-year bond as a benchmark, and the level of risk of the asset, along with an estimated market premium.

Additionally, a residual value is calculated, incorporating the renewal of the contract and growth.

In the case of Dornier SAU, the goodwill corresponding to the Group as a whole is analysed, this being the corresponding cash generating unit.

Any possible impairment is calculated by comparing the Group's book value (shareholder equity plus value of net goodwill) with its fair value, the latter understood as the price for which it could be sold between independent parties, less any possible costs tied to such a sale, and provided that this fair value can be estimated in a reliable manner, in other words if the Group in which the stake is held is actively listed on an organised financial market, or there exists some transaction between independent parties which could serve as a benchmark; a residual value is furthermore calculated, incorporating the renewal of the contract and growth.

No indications of impairment in the existing goodwill were uncovered.

7 Analysis of financial instruments

Analysis by categories

The book value of each of the categories of financial instruments as established in the standards for registering and valuing "Financial Instruments", except for investments in the net equity of group, multi-group and associated companies, is as follows:

	Thousands of euros			
	Long-term financial assets			
	Credits		Credits	
	Derivatives	others	Derivatives	others
		31/12/10		31/12/09
Long-term loans and items receivable (note 9)		18,727		9,808
Total		18,727		9,808
	Short-term financial assets			
	Credits		Credits	
	Derivatives	others	Derivatives	others
		31/12/10		31/12/09
Short-term loans and items receivable (note 9)		31,493		33,629
Total		31,493		33,629
	Thousands of euros			
	Long-term financial liabilities			
	Debts with credit	Derivatives	Debts with credit	Derivatives
	institutions	others	institutions	others
	31/12/10	31/12/10	31/12/09	31/12/09
Debts and items payable (note 21)	461,342	51,714	436,709	50,905
Total	461,342	51,714	436,709	50,905

Thousands of euros				
Long-term financial liabilities				
	Debts with credit institutions 31/12/10	Derivatives others 31/12/10	Debts with credit institutions 31/12/09	Derivatives others 31/12/09
Debts and items payable (note 21)	20,036	77,427	15,197	75,379
Total	20,036	77,427	15,197	75,379

8 Stake in companies by the equity method

Movements during 2010 at companies in which stakes are held

Thousands of euros					
Company	Holding		Dividends	Adjustments	31/12/10
	31/12/09	in results			
Infofer estacionamientos, A.I.E.	188	(2)	–	(128)	58
Estacionamientos y Servicios Extremeños, S.A.	109	15	(12)	(7)	105
Municipal Aparcamientos y Servicios, S.A.	6,435	866	(294)	(72)	6,935
Estacionamientos Urbanos de León, S.A.	1,557	221	(371)	(129)	1,278
Parques do Tamariz – Sociedade Exploração de Parques de Estacionamento, S.A.	471	(9)	–	–	462
EMES, EPM	200	(27)	–	(173)	–
Figueira Parques – Empresa Pública Municipal de Estac. Da Figueira de Foz, E.M.	898	6	(17)	–	887
Total	9,858	1,070	(694)	(509)	9,725

Movements during 2009 at companies in which stakes are held

Thousands of euros				
Company	Holding		Dividends	31/12/09
	31/12/08	the Results		
Infofer estacionamientos, A.I.E.	193	(5)	–	188
Estacionamientos y Servicios Extremeños, S.A.	107	13	(11)	109
Municipal Aparcamientos y Servicios, S.A.	5,744	956	(265)	6,435
Estacionamientos Urbanos de León, S.A.	1,268	595	(306)	1,557
Parques do Tamariz – Sociedade Exploração de Parques de Estacionamento, S.A.	–	–	–	471
EMES, EPM	–	–	–	200
Figueira Parques – Empresa Pública Municipal de Estac. Da Figueira de Foz, E.M.	–	–	–	898
Total	7,312	1,559	(582)	9,858

Financial position as of 31/12/10 of associated companies.

Thousands of euros				
Company	Capital	Reserves	Dividends received	Book value at parent company
Infofer estacionamientos, A.I.E.	360	–	–	60
Estacionamientos y Servicios Extremeños, S.A.	361	34	–	90
Municipal Aparcamientos y Servicios, S.A.	22,000	2,772	–	3,757
Estacionamientos Urbanos de León, S.A.	1,051	1,408	–	452
Parques do Tamariz – Sociedade Exploração de Parques de Estacionamento, S.A.	1,500	(231)	–	426

Company	Thousands of euros			
	Capital	Reserves	Dividends received	Book value at parent company
Figueira Parques – Empresa Pública Municipal de Estac. Da Figueira de Foz, E.M.	514	149	–	172
Total	25,786	4,132	–	4,957

Financial position as of 31/12/09 of associated companies.

Company	Thousands of euros			
	Capital	Reserves	Dividends received	Book value at parent company
Infoser estacionamientos, A.I.E.	360	–	–	60
Estacionamientos y Servicios Extremeños, S.A.	361	26	(11)	90
Municipal Aparcamientos y Servicios, S.A.	20,000	1,743	(265)	3,757
Estacionamientos Urbanos de León, S.A.	1,051	558	(306)	452
Parques do Tamariz – Sociedade Exploração de Parques de Estacionamento, S.A.	1,500	(231)	–	426
EMES, EPM	250	(332)	–	200
Figueira Parques – Empresa Pública Municipal de Estac. Da Figueira de Foz, E.M.	514	149	–	172
Total	24,036	1,913	(582)	5,157

The heading “Investments accounted for using the equity method” includes the result of said companies after taxes.

The information referring to the investment in the associated companies which are part of the Group is the following:

31/12/10

Company	Non-current assets	Non-current assets	Net equity	Non-current liabilities	Current liabilities	INCN	Result for Financial Year
Infoser Estacionamientos, A.I.E.	134	655	358	–	431	914	(12)
Estacionamientos Urbanos de León, S.A.	731	3,304	3,736	–	298	2,778	514
Sociedad Municipal de Aparcamientos y Servicios, S.A.	51,832	32,091	28,189	24,546	31,188	14,105	3,530
Estacionamientos y Servicios Extremeños, S.A.	832	721	448	1,066	39	105	61
Parques do Tamariz-Sociedade Exploracao de Parques de Estacionamento, S.A.	4,053	2,688	2,589	1,644	2,508	–	(57)
Figueira Parques-Empresa Pública Municipal de Estac.Da figueira de Foz E.M.	233	2,973	2,583	0	623	1,190	118
TOTAL	57,814	42,432	37,902	27,256	35,088	19,092	4,164

Company	Non-current assets	Non-current assets	Net equity	Non-current liabilities	Current liabilities	INCN	Result for Financial Year
Infoser Estacionamientos, A.I.E.	158	13,841	204	–	13,795	816	(30)
Estacionamientos Urbanos de León, S.A.	678	3,334	3,731	–	281	3,014	1,384
Sociedad Municipal de Aparcamientos y Servicios, S.A.	53,796	66,139	27,561	67,667	24,707	15,698	3,902
Estacionamientos y Servicios Extremeños, S.A.	838	714	1,087	430	35	108	52
EMES,EEM	520	773	217	410	667	163	300
Parques do Tamariz-Sociedade Exploracao de Parques de Estacionamento, S.A.	4,053	2,688	2,589	1,644	2,508	–	(57)
Figueira Parques-Empresa Pública Municipal de Estac.Da figueira de Foz E.M.	854	2,687	1,182	861	1,499	1,332	257
TOTAL	60,897	90,177	36,571	71,012	43,492	21,131	5,808

None of these companies is listed on the stock market.

There are no companies where a stake of less than 20% is held but it is concluded that there exists substantial influence, nor any where there is a stake greater than 20% and it may be concluded that there is no substantial influence. The Group has not incurred any contingencies regarding its associated companies.

9 Loans and items receivable

The list of loans and items receivable are listed below:

	31/12/10	31/12/09
Long-term loans and items receivable:		
– Corporate loans	30	30
– Staff loans	197	197
– Long-term guarantees and deposits	625	472
	852	699
– Deferred taxes (note 27)	17,875	9,109
Total (note 7)	18,727	9,808
Short-term loans and items receivable:		
– Trade receivables for sales and services	24,578	23,996
– provision for traffic insolvencies	(2,344)	(1,896)
– Clients from associated companies (note 10)	–	–
– Tied clients (note 10)	336	–
– Staff debts	233	–
– Sundry debts (note 9 d)	2,956	3,970
– Public Authorities (Note 27)	3,072	6,426
	28,831	32,496
– Loans with third parties (note 11)	1,768	323
– Credits to tied companies (note 11)	–	–
– Other short term loans	–	–
– Short-term guarantees and deposits	894	810
Total (note 7)	31,493	33,629

a) Trade receivables for sales and services

The balances of commercial operations take place at market prices.

The breakdown of the balance of the "Trade Receivables for Sales and Services" caption as of 31 December 2010 and 2009 mainly corresponds to public trade receivables. The part corresponding to private clients corresponds to the selling of tickets, leasing, advertising and maintenance. These operations are undertaken at market prices.

The analysis of the periods by which debts are overdue is as follows:

31/12/2010

	Femet, S.A.	Estacionamientos Guipuzcoanos, S.L.U.	Empark Aparcamientos y Servicios, S.A.	Dornier, S.A.U.	Rest of companies	Total
Non-matured debt	754	0	1,325	5,425	836	8,340
Up to 3 Months	96	406	1,236	6,588	912	9,238
Between 3 and 6 Months ...	18	61	515	1,415	512	2,521
Longer than 6 Months	325	506	1,420	1,216	1,012	4,479
Total	1,193	973	4,496	14,644	3,272	24,578

31/12/2009

	Femet, S.A.	Estacionamientos Guipuzcoanos, S.L.U.	Empark Aparcamientos y Servicios, S.A.	Dornier, S.A.U.	Rest of companies	Total
Non-matured debt	837	142	1,290	5,400	782	8,451
Up to 3 Months	101	57	1,341	6,423	813	8,735
Between 3 and 6 Months ...	11	24	747	802	437	2,021
Longer than 6 months	227	151	1,862	1,453	1,096	4,789
Total	1,176	374	5,240	14,078	3,128	23,996

The recognition and reversion of valuation corrections through the impairment of client accounts receivable have been included under "Losses, impairment and variation in provisions through trade operations" in the consolidated income statement.

The sums allocated to the impairment account are normally cancelled once there is no expectation of more cash being recovered.

The maximum credit risk as of the date the information was presented is the fair value of each one of the aforementioned accounts receivable categories. The group maintains no guarantee as insurance.

b) Provision for traffic insolvencies

The movement in the provision for insolvencies is as follows:

31/12/10

	Estacionamientos Guipuzcoanos, S.L.U.	Empark Aparcamientos y Servicios, S.A.	Dornier, S.A.U.	Others	Total
Balance at 01/01/10	(105)	(1,086)	(355)	(350)	(1,896)
Provision.....	(21)	(152)	(135)	(204)	(512)
Application.....	—	—	64	—	64
Balance as of 31/12/10	(126)	(1,238)	(426)	(554)	(2,344)

31/12/09

	Estacionamientos Guipuzcoanos, S.L.U.	Empark Aparcamientos y Servicios, S.A.	Dornier, S.A.U.	Others	Total
Balance at 01/01/09	(70)	(923)	(700)	–	(1,693)
Provision.....	(35)	(163)	(13)	(350)	(561)
Application.....	–	–	358	–	358
Balance as of 31/12/09	(105)	(1,086)	(355)	(350)	(1,896)

The insolvency provision endowment corresponds to overdue balances dating back more than one year.

c) Client advances

At 31 December 2010, the Group has early payments of receivables for the sale of parking spaces in the sum of 10,754 thousands of euros of which 6,240 thousands of euros correspond primarily to Concha Parking S.A. and 4,276 thousands of euros to Aparcamientos Guipuzcoanos S.L.

At 31 December 2009, the Group has early payments of receivables for the sale of parking spaces in the sum of 10,803 thousands of euros which correspond to Guipúzcoa Parking Siglo, XXI S.A.

d) Sundry debtors

The “sundry debtors” section is listed below.

Sundry debtors	31/12/10	31/12/09
A&SS.....	26	16
PEVR.....	26	150
EMES, EEM	–	40
Figueira Parques – Empresa Pública Municipal de Estac. Da Figueira de Foz, E.M.....	196	272
ParqA – Planemento e Gestao de Estacionamento, S.A.	35	42
Mota Engil	113	147
Parques do Tamariz – Sociedade Exploração de Parques de Estacionamento, S.A.	96	307
ANA	1,250	776
Via verde	183	197
Ali Bars	23	631
CML(IVA).....	81	109
Park Yonetimi Ve Sistemleri San. Ve Tic. A.S.	115	275
CM Cascais/PSP	25	65
Ute Aparcamientos.....	163	183
UTE Judizmendi.....	210	274
UTE Valls	–	–
Others.....	414	486
Total.....	2,956	3,970

10 Clients, operations with tied parties

The breakdown of "Operations with tied parties" as of 31 December 2010 and 2009 was as follows:

Company	Thousands of euros	
	31/12/10	31/12/09
Tied (note 9).....	235	–
Gisparques.....	29	–
Alhondiga	133	–
UTE Valls	73	–
Equity method (note 9).....	101	–
Estacionamientos y Servicios Extremeños, S.A.....	28	–
Estacionamientos Urbanos León, S.A.	73	–
Total	336	–

11 Loan operations with tied parties

Credits under "Operations with tied parties" cover a number of current accounts of Empark Aparcamientos y servicios, S.A. with group companies. These current accounts incur interest at a rate of 2.00%.

The breakdown of loan operations with tied parties as of 31 December 2010 and 2009 was as follows:

Company	Thousands of euros	
	31/12/10	31/12/09
Third parties and proportionate consolidation (note 9)	1,768	323
UTE Reinrod, Dornier, S.A.U.....	–	231
UTE Valls	1,686	–
Estacionamientos Alhondiga, S.A.....	7	–
Ute Aparcamientos	14	92
Others	61	–
Total	1,768	323

12 Stock

The breakdown of inventories as of 31 December 2010 and 2009 was the following:

	Thousands of euros			
	01/01/10	Variation in stock	Purchases	31/12/10
Raw materials and other supplies	1,997	(7)		1,990
Products in progress	49	(49)		–
Finished products	5,325	(13,433)	13,560	5,452
Initial costs and general facilities.....	213	(213)		–
Stock provision	(58)	(440)		(498)
Total	7,526	(14,142)	13,560	6,944

	Thousands of euros			
	01/01/09	Variation in stock	Purchases	31/12/09
Raw materials and other supplies	2,606	(609)		1,997
Products in progress	183	(134)		49
Finished products	24,348	(17,652)	(1,371)	5,325
Initial costs and general facilities.....	(39)	252		213
Stock provision	(37)	(21)		(58)
Total	27,061	(18,164)	(1,371)	7,526

The caption Consolidated financial statement “inventories” mainly include the expenses incurred on the construction of car parks whose expected use expires in the period of one year. The administrative concessions for the construction and operating of said car parks have been given as a concession by the respective municipal governments.

The details of inventory balance are as follows:

	2010	2009
EMPARK	2,417	2,932
Maristas parking spaces	831	1,285
Rambla Celler parking spaces.....	1,586	1,647
DORNIER	1,583	1,710
APARCAMIENTOS DE BILBAO	1,180	1,534
OQUENDO	875	–
OTHER	889	1,350
TOTAL	6,944	7,526

None of the Group companies has capitalised financial costs. Nor has any stock been pledged by way of guarantee. The Group has in place a number of insurance policies to cover the risks to which their stock is subject, this cover being deemed sufficient.

13 Cash and other equivalent liquid assets

	Thousands of euros	
	31/12/10	31/12/09
Cash	878	902
Bank	37,785	20,680
Total cash and other equivalent liquid assets	38,663	21,582

Cash and other equivalent assets correspond to cash and current account balances (these balances are available).

14 Capital and Share Premium

a) Capital

At 31 December 2010 the declared capital stock is 67,701 thousands of euros and is distributed in 11,264,649 bearer shares, of a nominal value of 6.01 euros each, numbered in sequence from 1 to 11,264,649, fully subscribed and paid up. All the shares have the same political and economic rights.

At 31 December 2010 and 2009, all of the parent company shares issued and in circulation were not admitted for listing in any stock market.

The group's basic/diluted consolidated profit per parent company share for 2010 and 2009 was 0.75 and 0.50 euros respectively.

As a guarantee to the financial contract, the shares are pledged.

At 31 December 2010, the companies with stakes in the share capital are the following:

	2010 shares	%
EMPARK, S.A. Shareholders		
ASSIP Consultoria e Serviços, S.A	5,629,623	49.98%
Es Concessions International Holding, BV	2,520,677	22.38%
Ahorro Corporación Infraestructuras, F.C.R. of Simplified Tax Regime	810,341	7.19%
Ahorro Corporación Infraestructuras 2, S.C.R.	127,656	1.13%
Espirito Santo Infrastructure Fund-I_ Fundo de Capital Risco	937,997	8.33%
Transport Infrastructure Holding Company,B.V.	937,997	8.33%
Mellopark – Sociedade Gestora de Participações Sociais, S.A.	293,316	2.60%
Minority.....	7,042	0.06%
Total	11,264,649	100.00%

b) Share premium

The amount as of 31 December 2010 and 2009 was 35,639 thousands of euros.

The movement in Share premium section during the 2010 and 2009 financial year was as follows:

	Thousands of euros
Share premium 01/01/09	38,575
Share premium decrease due to distribution of dividends	2,936
Share premium 31/12/09	35,639
Share premium decrease due to distribution of dividends	–
Share premium 31/12/10	35,639

15 Reserves and results from previous years

• Legal Reserves

The companies must transfer 10% of income for each year to the legal reserve until the balance of this reserve reaches at least 20% of capital stock. This reserve cannot be distributed to the shareholders and may only be used to offset losses on the profit and loss account, provided that sufficient other reserves are not available for this purpose. Under certain conditions it may also be used to increase the capital stock.

The consolidated financial statement item of “reserves” as of 31 December 2010 and 2009 are listed below:

	Thousands of euros	
Reserves	31/12/10	31/12/09
Legal, statutory and others:		
– Legal reserve.....	13,508	12,226
Other reserves:		
– Voluntary reserves	9,577	(1,963)
– Other reserves	153	153
Total	23,238	10,416

16 Reserves in consolidated companies

The details of the reserves in consolidated companies for 2010 and 2009 are as follows:

	Thousands of euros	
	31/12/10	31/12/09
Guadianapark, S.A.	253	114
Balsol 2001, S.A.	(120)	(32)
Dornier, S.A.U.	(111)	(5,730)
Femet, S.A.	(108)	(1,149)
Estacionamientos Alhondiga, S.A.	(290)	(284)
Aparcamient Escaldes Centre, S.A.	201	(117)
Estacionamiento y Galería Comercial Indautxu, S.A.	–	(36)
Aparcamientos de Bilbao, S.A.	233	155
Estacionamientos Guipuzcoanos, S.L.U.	3,260	11,644
Aparcamientos Guipuzcoanos S.L.	209	(1)
Guipuzcoa Parking Siglo XXI, S.A.	541	127
Concha Parking, S.A.	(17)	(17)
Empark UK LTD.	125	125
Empark Portugal – Empreendimentos e Exploração de Parques, S.A.	742	1,002
Total Reserves in Consolidated Companies	4,918	5,801

17 Reserves in companies by the equity method.

The details of the reserves in consolidated companies by the equity method for 2010 and 2009 are as follows:

	Thousands of euros	
	31/12/10	31/12/09
Sociedad Municipal de Aparcamientos y Servicios, S.A.	2,312	1,926
Estacionamientos y Servicios Extremeños, S.A.	9	3
Infoser Estacionamientos, AIE	—	(160)
Estacionamientos Urbanos de León, S.A.	606	558
Total reserves in companies by the equity method.	2,927	2,327

18 Result for the financial year

The proposed distribution of the earnings of the Parent Company corresponding to the financial year 2010 and 2009, drawn up by the Directors of the same, is the following:

	Thousands of euros	
	31/12/10	31/12/09
Earnings to be distributed:		
Years profits	2,514	12,822
	2,514	12,822
Distribution of Earnings:		
To legal reserve	32	1,282
To voluntary reserve	2,482	11,540
Other reserves.....	—	—
Dividends.....	—	—
	2,514	12,822

31/12/2010

No distributions of dividends corresponding to financial year 2010 are proposed.

The provision for the legal reserve for the year 2010 corresponds to 32 thousands of euros of the results for the financial year, this reserve amounting, following the said provision, to a sum 13,540 thousands of euros, less than 20% of the company's capital stock (20% of capital stock = 13,540 thousands of euros). The rest is distributed to voluntary reserve.

31/12/2009

No distributions of dividends corresponding to financial year 2009 are proposed.

The provision for the legal reserve for the year 2009 corresponds to 10% of the results for the financial year, this reserve amounting, following the said provision, to a sum of 13,508 thousands of euros, less than 20% of the company's capital stock (20% of capital stock = 13,540 thousands of euros). The rest is distributed to voluntary reserve.

Contribution of the consolidated result

The details of the contribution to the consolidated result of the year 2010 and 2009 by consolidated companies are as follows:

	31/12/2010	31/12/2009
Empark Aparcamientos y Servicios, S.A.	-6,617	-5,193
Estacionamientos Alhóndiga, S.A.	171	-6
Guadianapark, S.A.	113	110
Balsol 2001, S.A.	-61	-88
Estacionamiento y Galería Comercial Indautxu, S.A.	0	16
Femet, S.A.	-113	57
Dornier, S.A.U.	6,974	5,453
Aparcamientos de Bilbao, S.A.	190	78
Estacionamientos Urbanos de León, S.A.	223	595
Sociedad Municipal de Aparcamientos y Servicios, S.A.	864	956
Estacionamientos Guipuzcoanos, S.L.U.	2,068	2,905
Estacionamientos y Servicios Extremeños, S.A.	15	13
Infofer Estacionamientos, A.I.E.	-2	-5
UTE Judizmendi.	0	-
Aparcamientos Guipuzcoanos, S.L.	0	210
Serranopark, S.A.	0	-
Empark UK LTD.	74	255
UTE Expo Zaragoza	0	-
Concha Parking, S.A.	0	-
UTE Aparcamientos	1	-
Guipúzcoa Parking Siglo XXI, S.A.	3,390	354
Aparcamient Escaldes Centre, S.A.	155	102
UTE Jado	3	-6
UTE Reinrod.	0	-
UTE Tenerife	11	-2
UTE Lanzarote.	0	-12
Empark Portugal – Empreendimentos e Exploração de Parqueamentos, S.A.	-1,044	-870
ESLI – Parques de Estacionamiento, S.A.	1,013	759
Parques da Estação – Empreend. E Exploração de Estac, S.A.	161	53
Gisparques – Planeamento e Gestao de Estacionamento, S.A.	86	2
Gisparques II – Planeamento e Gestao de Estacionamento, S.A.	48	42
Mr. Clean – Lavagem de Veículos, S.A.	-157	-58
SP Gis – Planeamento e Gestao de Estacionamento, S.A.	385	120
ParqueGil – Planemento e Gestao de Estacionamento, S.A.	294	134
ParqA – Planemento e Gestao de Estacionamento, S.A.	1	16
Street Park – Gestao de Estacionamento, A.C.E.	-2	-166
Serparque – Serviços de Estacionamento, S.A.	-4	-
Park Yonetimi Ve Sistemleri San. Ve Tic. A.S.+ Katibin Optopark Isletmeleri Tic. Vesan. A.S.	-250	-247
Multi49, Parques de Estacionamento, S.A.	52	-8
Castil – Parque, Sociedade Exploradora de Parques de Estacionamento, S.A.	-52	-22
Parent Company Total	7,988	5,547
Minority holdings		
Minoritarios de Empark Portugal, S.A.	118	-95
Aparcamientos Guipuzcoanos S.L.	0	139
Guipuzcoa Parking siglo XXI, S.A.	2,260	236
Aparcamientos de Bilbao, S.A.	63	27
Guadianapark, S.A.	37	36
Concha parking S.A.	0	-
Total Minority holdings	2,478	343
Consolidated Total	10,466	5,890

19 Coverage operations

The amounts in this section come from the hedge derivatives contracted by Empark Aparcamientos y Servicios, S.A. during the years 2010 and 2009 for the amount of (3,480) thousands of euros and (4,993) thousands of euros respectively (see note 22).

The derivatives are detailed as follows:

Thousand of euros					
Year 2009	Initial value	Fair value 31-12-2009	Difference	Taxes 30%	Adjustment through changes in value
Swap A	–	(2,200)	(2,200)	616	(1,584)
Swap B	–	(4,712)	(4,712)	1,413	(3,299)
Swap C	(2,169)	(2,326)	(157)	47	(110)
	(2,169)	(9,238)	(7,069)	2,076	(4,993)

Thousand of euros					
Year 2010	Initial value	Fair value 31-12-2010	Difference	Taxes 30%	Adjustment through changes in value
Swap A	(2,200)	(3,523)	(1,323)	373	(950)
Swap B	(4,712)	(7,649)	(2,937)	881	(2,056)
Swap C	(2,326)	(3,003)	(677)	203	(474)
	(9,238)	(14,175)	(4,937)	1,457	(3,480)

The cash items for changes in fair value of derivatives allocated and identified as cash flow hedges are temporarily identified in the net equity, this amount was (3,480) thousands in 2010 and (4,993) thousands of euros in 2009.

20 Minority

Below is the list of minority interests:

Company	01/01/09	Result 2009	Entered the scope of consolidation	31/12/09	2010 Result	Adjustments	31/12/10
Aparcamientos de Bilbao, S.A.	566	26	–	592	63	(62)	593
Guipuzcoa Parking Siglo XXI, S.A.	563	236	–	799	2.260	(291)	2,768
Aparcamientos Guipuzcoanos, S.L.	271	139	–	410	–	130	540
Guadianapark, S.A.	507	37	–	544	38	(73)	509
Concha Parking, S.A.	234	–	–	234	–	163	397
Parques da Estação – Empreend. E Exploração de Estac., S.A.	–	42	253	295	31		326
ParqA – Planemento e Gestao de Estacionamento, S.A.	–	(6)	0	(6)	2		(4)
ParqueGil – Planemento e Gestao de Estacionamento, S.A.	–	(80)	471	391	146	(298)	239
SP Gis – Planeamento e Gestao de Estacionamento, S.A.	–	3	6	9	2		11
Street Park – Gestao de Estacionamento, A.C.E.	–	8	108	116	–		116
Park Yonetimi Ve Sistemleri San. Ve Tic. A.S.	–	90	315	405	(51)		354
Castil – Parque, Sociedade Exploradora de Parques de Estacionamento, S.A.	–	(152)	489	337	(13)		324
TOTAL	2,141	343	1,642	4,126	2,478	(431)	6,173

21 Debts and items payable

Below is the list of debts and items payable:

	Thousands of euros	
	31/12/10	31/12/09
Long-term debts and items payable:		
– Loans with credit institutions (Note 21 a)	461,342	436,709
– Other financial liabilities	14,488	22,704
	475,830	459,413
– Liabilities through deferred taxes (note 27)	29,912	23,004
– Derivatives	7,314	5,197
Total (note 7)	513,056	487,614
Short-term debts and items payable:		
– Debts with credit institutions (note 21 b)	20,036	15,197
– Debts with tied companies and third parties (note 21c)	1,095	4,504
	21,131	19,701
– Suppliers	24,228	31,770
– Sundry creditors	16,258	6,064
– Staff (accrued wages and salaries)	1,422	1,485
– Liabilities through current taxes (note 27)	105	182
– Other debts with Public Authorities (note 27)	10,315	9,769
– Client advances (note 9)	10,754	10,803
	63,082	60,073
– Other current liabilities	6,389	6,761
– Derivatives	6,861	4,041
Total (note 7)	97,463	90,576

a) Long term loans with credit institutions

31/12/2010

At 31 December 2010, the company has signed lines of credit that correspond entirely to Empark Aparcamientos y Servicios, S.A. as per the following table:

Thousands of euros							
Bank	Type of loan	Limit	Date Contracted/ Renewed	Maturity date	Final maturity	Available	Interest rate applied
La Caixa	Commercial loan Policy	6,000	25/11/2009	30/06/2010	30/06/2012	–	1 Month Euribor + differential
Sabadell	Commercial loan Policy	500	17/01/2011	17/01/2012	17/01/2012	–	3 Month Euribor + differential
Caixa Galicia	Commercial loan Policy	1,000	15/03/2010	31/03/2011	31/03/2013	–	3 Month Euribor + differential
Unicaja	Commercial loan Policy	3,000	23/04/2010	22/04/2011	22/04/2011	–	3 Month Euribor + differential
Caixa Nova	Commercial loan Policy	1,200	21/05/2010	19/05/2011	19/05/2011	–	3 Month Euribor + differential
Bancaja	Commercial loan Policy	500	21/05/2010	18/05/2011	18/05/2013	–	3 Month Euribor + differential
Ibercaja	Commercial loan Policy	1,000	28/07/2010	15/08/2011	15/08/2011	–	3 Month Euribor + differential

The details of long term bank loans are shown below:

	Thousands of euros	
	Limit granted	Rate Balance at available
Debts with credit institutions		
– Aparcamientos de Bilbao, S.A.	15,100	9,214
– Estacionamientos Alhóndiga, S.A.	2,840	1,808
– Guipuzcoa Parking Siglo XXI, S.A.	33,300	30,515
– Concha Parking, S.A.	31,134	22,220
– Aparcamientos Guipuzcoanos, S.R.L.	12,215	12,215
– Empark Aparcamientos y Servicios, S.A. (*)	356,257	308,426
– Empark Portugal, S.A. (*)	36,418	33,219
– Gisparques- Parques de Estacionamiento, S.A. (*)	486	441
– Esli – Parques de Estacionamientos, S.A. (*)	30,772	27,977
– SP Gis- Planeamento e Gestão de Estacionamiento, S.A. (*)	3,325	3,023
– Park Yonetimi	393	254
– Parques de Estação	629	400
– ParqueGil	11,341	10,508
– ParqA	1,371	1,122
	535,581	461,342

Aparcamientos de Bilbao, S.A. has two mortgage loans, one in the sum of 3,100 thousands of euros, with a maturity date of 24 October 2013 and an interest rate of 1.85%, and the other one for 12,000 thousands of euros, with a maturity date of 06 October 2019 at an interest rate of 1.87%.

Estacionamientos Alhóndiga, S.A. has a mortgage loan in the sum of 2,840 thousands of euros, with a maturity date of 16 December 2018, and an interest rate of 1.70%.

Guipuzcoa Parking Siglo XXI, S.A. has a mortgage loan in the sum of 33,300 thousands of euros, with a maturity date of 31 December 2035, and an interest rate of 1.53%.

Concha Parking, S.A. has a mortgage loan of 31,134 thousands of euros with a maturity date of 5 august 2029.

Aparcamientos Guipuzcoanos, S.R.L. has a mortgage loan in the sum of 12,215 thousands of euros with a maturity date of 5 August 2029.

Empark Aparcamientos y Servicios, S.A. has an ICO loan signed with Bancaja for 4,000 thousands of euros, signed on 21 may 2010 with a maturity date of 25 May 2013 with a fixed interest rate of 4.67%.

Empark Aparcamientos y Servicios, S.A. jointly with Empark Portugal, Esli, Gisparques, and SP Gis has a syndicated loan signed on 27 July 2009, in the sum of 400,343 thousands of euros. Of theses 400,343 thousands of euros, 18,680 thousands of euros were not received because a Project Finance was received for Concha Parkings S.A. On 14 October 2010, the contract was initially signed with an increase of 42,000 thousands of euros, where the resulting granted limit is 423,257 thousands on euros.

This syndicated loan is referencing the Euribor, with a difference between 3.5% and 4.5%: Facility A 4%, Facility B 4.5%, TC1 4% and TC2 3.5%. (See table below)

The total amount is divided into three different loans:

Facility A is an amortizing which begins to be paid in 2011, and matures in 2016. Facility B is a Bullet; in other words, the entire loan is paid off when it matures in 2017.

The Capex is divided into TC1 and TC2, the total amount is 72 millions of euros, which can be made available to pay for investments. In 2010, 30 millions of euros are made available and 42 millions of euros remain pending. TC1 is an amortizing loan, which like Facility A starts to be paid off in 2011 and matures in 2016; TC2 is a Bullet and is paid off when it matures in 2017.

The syndicated loan serves several purposes:

1. – Finance the acquisition of Empark Portugal.
2. – Refinance Cintra Group's existing debt.
3. – Refinance Empark Portugal Group's existing debt.
4. – Finance part of the Groups investment plan in 2009, 2010 and 2011.

The loan has the following characteristics:

	Amount (thousands of euros)	interest	Maturity	1 st Primary Amortization
Facility A.....	119,963	Euribor + differential	July -16	April -11
Facility B1.....	109,494	Euribor + differential	July -17	July -17
Facility B2.....	121,800	Euribor + differential	July -17	July -17
Capex T1.....	30,000	Euribor + differential	July -16	April -11
Capex T2.....	42,000	Euribor + differential	July-17	July-17
TOTAL	423,257			

This financing requires compliance with certain financial ratios by the part of the companies that are part of the financing scope.

Comparisons of the ratios required by the financing contract with the ratios obtained by the companies that comprise the (ring-fenced) financing scope are shown below:

	Required	Obtained
Debt Service Coverage Ratio (> than).....	1.15	1.29
Net Debt to EBITDA (< than)	7.70	6.17
Interest Coverage Ratio (> than).....	1.70	1.99

The administrators consider that there are no non-compliances in calculating the aforementioned ratios.

The attached table shows the financial situation by companies and by loan sections as of 31 December 2010.

COMPANY	LIMIT	FACILITIES				TOTAL
		F.A	F.B	Capex T1	Capex T2	
Empark.....	352,256.55	48,962.63	231,293.92	30,000.00		310,256.55
Gisparques.....	485.60	485.60				485.60
Emparque.....	36,417.59	36,417.59				36,417.59
ESLI.....	30,771.87	30,771.87				30,771.87
SP Gis.....	3,325.44	3,325.44				3,325.44
TOTAL	423,257.05	119,963.13	231,293.92	30,000.00		381,257.05

The long term maturities are broken down as follows:

	Thousands of euros
Two years.....	22,038
Three years	33,004
Four years	33,004
Remainder.....	373,296
	461,342

31/12/2009

At 31 December 2009, the Group has contracted some commercial loan policies, which are described below:

Institution	Type of loan	Limit	Thousands of euros		Drawn down	Interest Rate Applied
			Contracting / Renewal Date	Maturity date		
Caja de Ahorros y Monte de Piedad de Barcelona (La Caixa).....	Commercial Loan Policy	10,000	25/11/2009	30/06/2012	27	Euribor 1 Month + differential
Banco Sabadell Atlántico	Commercial Loan Policy	500	10/12/2009	10/12/2010	439	Euribor 3 Month + differential

The details of long term bank loans are shown below:

	Thousands of euros	
	Limit granted	Rate Balance at available
Debts with credit institutions		
– Aparcamientos de Bilbao, S.A.	15,100	10,700
– Estacionamientos Alhóndiga, S.A.	2,840	2,066
– Guipuzcoa Parking Siglo XXI, S.A.	33,300	31,212
– Concha Parking, S.A.	31,134	12,254
– Empark Aparcamientos y Servicios, S.A. (*)	326,974	301,465
– Empark Portugal – Empreendimentos e Exploração de Parques, S.A. (*)	37,632	36,291
– Gisparques – Planeamento e Gestao de Estacionamento, S.A.	502	482
– ESLI – Parques de Estacionamento, S.A.	31,798	30,573
– SP Gis – Planeamento e Gestao de Estacionamento, S.A.	3,436	3,304
– Park Yonetimi Ve Sistemleri San. Ve Tic. A.S.	465	465
– Parques da Estação – Empreend. E Exploração de Estac, S.A.	629	629
– ParqueGil – Planeamento e Gestao de Estacionamento, S.A.	5,897	5,897
– ParqA – Planeamento e Gestao de Estacionamento, S.A.	1,371	1,371
	491,078	436,709

Aparcamientos de Bilbao, S.A. has two Project Finance loans with mortgage guarantee over the concession, one in the sum of 3,100 thousands of euros, with a maturity date of 24 October 2013 and an interest rate of 1.56%, and the other one for 12,000 thousands of euros, with a maturity date of 06 October 2019 at an interest rate of 1.67%.

Estacionamientos Alhóndiga, S.A. has a Project Finance with mortgage guarantee over the concession loan in the sum of 2,840 thousands of euros, with a maturity date of 16 December 2018, and an interest rate of 1.39%.

Guipúzcoa Parking Siglo XXI, S.A. has a Project Finance with mortgage guarantee over the concession loan in the sum of 33,300 thousands of euros, with a maturity date of 31 December 2035 and an interest rate of 1.38%.

Concha Parking, S.A. has project finance with mortgage guarantee over the concession loan of 31,134 thousands of euros with a maturity date of 5 august 2029.

At 27 July 2009, coinciding with the change in shareholding and the acquisition of Empark Portugal – Empreendimentos e Exploração de Parques, S.A.(see notes 1.2), the Group in conjunction with its subsidiaries:

- Empark Portugal – Empreendimentos e Exploração de Parques, S.A.
- Dornier, S.A.U.
- Estacionamiento y Galería Comercial Indautxu, S.A.
- Femet, S.A.
- ESLI – Parques Estacionamento, S.A.

- Serparque – Serviços de Estacionamento, S.A.
- Mr. Clean – Lavagem de Veículos, S.A.
- Gisparques – Planeamento e Gestao de Estacionamento, S.A.
- Gisparques II – Planeamento e Gestao de Estacionamento, S.A.
- SPGIS – Planeamento e Gestao de Estacionamento, S.A.

Signed a financing contract with Banco Espirito Santo, S.A. as agent bank and the following group of banks:

- Caixa- Banco de Investimento, S.A.
- Caixa Geral de Depósitos, S.A.
- Banco Comercial Português, S.A.
- Banco BPI, S.A.
- Banco Santander Totta, S.A.
- BANIF – Banco de Investimento, S.A.
- Caja de Ahorros y Monte de Piedad de Madrid.
- Banco Bilbao Vizcaya Argentaria (Portugal), S.A.

The aforementioned companies of the Group comprise the scope of financing, whose assets and present and future cash flows serve as guarantee for repaying the loan and the interest to the banks.

Empark Aparcamientos y Servicios, S.A. jointly with Empark Portugal, Esli, Gisparques, and SP Gis has a syndicated loan signed on 27 July 2009, in the sum of 400.343 thousands of euros. Of these 400,343 thousands of euros, in the end, 18,680 thousands of euros were not received because a Project Finance was received for company Concha Parking S.A.

The syndicated loan serves several purposes:

1. – Finance the acquisition of Empark Portugal.
2. – Refinance Cintra Group's existing debt.
3. – Refinance Empark Portugal Group's existing debt.
4. – Finance part of the Groups investment plan in 2009 and 2010.

This syndicated loan is referencing the Euribor, with a difference between 4% and 4.5%:

The total amount is divided into three different loans:

Facility A is an amortizing which begins to be paid in 2011, and matures in 2016. Facility B is a Bullet; in other words, the entire loan is paid off when it matures in 2017.

Regarding Capex, the total amount was 30 millions of euros, which can be made available to pay for investments. In 2009, 23.6 millions of euros were made available. 6.4 millions of euros remain pending. This is an amortizing loan, which like Facility A starts to be paid off in 2011 and matures in 2016.

The loan has the following characteristics:

	Amount (thousands of euros)	interest	Maturity	1 st Primary Amortization
Facility A.....	124,368	Euribor + differential	July -16	April -11
Facility B1.....	105,494	Euribor + differential	July -17	July -17
Facility B2.....	121,800	Euribor + differential	July -17	July -17
Facility B3.....	18,680	Euribor + differential	July -17	July -17
Capex T1.....	30,000	Euribor + differential	July-16	April -11
TOTAL	400,342			

The loan section called facility B3 was cancelled and replaced by a specific Project Finance loan for company Concha Parking S.A.

This financing requires compliance with certain financial ratios by the part of the companies that are part of the financing scope:

Comparisons of the ratios required by the financing contract with the ratios obtained by the companies that comprise the (ring-fenced) financing scope are shown below:

	Requested	Obtained
Debt Service Coverage Ratio (> than).....	1.15	1.30
Net Debt to EBITDA (< than)	8.50	6.73
Interest Coverage Ratio (> than).....	2.90	3.23

The administrators consider that there are no non-compliances in calculating the aforementioned ratios.

The attached table shows the financial situation by companies and by loan sections as of 31 December 2009.

COMPANY	LIMIT	FACILITIES			TOTAL
		F.A	F.B	Capex	
Empark	326,974	50,595	227,294	23,576	301,465
Gisparques.....	502	482			482
Emparque.....	37,632	36,291			36,291
ESLI	31,798	30,573			30,573
SP Gis.....	3,436	3,304			3,304
TOTAL	400,342	121,245	227,294	23,576	372,115

The long term maturities are broken down as follows:

	Thousands of euros
Two years.....	8,647
Three years	14,653
Four years	15,151
Remainder.....	398,258
	436,709

b) Short term debts with credit institutions.

The detail of the balance and variations of this caption is as follows:

31/12/2010

	Thousands of euros			
	Balances 01.01.2010	Increases	Reductions	Balances 31.12.2010
Short term part of long-term loans	11,269	13,987	(11,269)	13,987
Interest to be paid not expired.....	3,928	6,049	(3,928)	6,049
	15,197	20,036	(15,197)	20,036

The final balance breaks down as follows:

Aparcamientos de Bilbao, S.A. 1,542 thousands of euros, Estacionamientos Alhóndiga, S.A. 259 thousands of euros, Guipúzcoa Parking, S.A. 717 thousands of euros, Concha Parking, S.A. 450 thousands of euros, Aparcamientos Guipuzcoanos, S.R.L. 319 thousands of euros, between short term loans and interest accrued and not paid.

Dornier, S.A. has 975 thousands of euros corresponding to the Factoring line with recourse signed with Caja Madrid.

At Empark Aparcamientos y Servicios SA (individual corporation), there are several items: On one hand there is the debt and interest accrued and not paid for the syndicated loan with Banco Espirito Santo de Investimento, S.A. for the amount of 9,560 thousands of euros, and on the other hand, the loan and interest accrued for 985 thousands of euros with Bancaja.

Empark Portugal, Esli, Gisparques, and SP Gis, la loan and interest accrued and not paid of the syndicated loan with Banco Espirito Santo de Investimento, S.A. for the amount of 3,779 thousands of euros.

This year, the short term loans of the Portuguese and Turkish companies are included. Park Yonetimi, Parques da Estação, ParqueGil and ParqA, for the amount of 1,450 thousands of euros.

31/12/2009

	Thousands of euros		
	Balances 01/01/09	Increases	Reductions
Short term portion of long-term loans	3,780	11,269	(3,780)
Non-expired Interest to be paid.....	204	3,928	(204)
	3,984	15,197	(3,984)

The final balance breaks down as follows:

Aparcamientos de Bilbao, S.A. 1,557 thousands of euros, Estacionamientos Alhóndiga, S.A. 258 thousands of euros, Guipúzcoa Parking, siglo XXI S.A. 664 thousands of euros, Concha Parking, S.A. 114 thousands of euros, between short term loans and interest accrued and not paid.

Dornier, S.A.U. has 4,137 thousands of euros corresponding to the Factoring line with recourse signed with Caja Madrid.

Empark Aparcamientos y Servicios, S.A, has interest accrued with payment pending, whose agent bank is Banco Espirito Santo de Investimento, S.A. for the amount of 3,674 thousands of euros. On the other hand, there is the availability of the two lines of credit totalling 466 thousands of euros. Additionally, there are commissions pending payment to banco Santander Totta, S.A. for 1,762 thousands of euros.

c) Debts with tied companies and third parties

	Thousands of euros	
	2010	2009
UTE Valls	1,095	1,615
Guipúzcoa Parking Siglo XXI, S.A.		1,369
TJVs		755
Dornier, S.A.U.		765
Short-term debts, tied companies	1,095	4,504

22 Other debts

	Thousands of euros	
	31/12/10	31/12/09
Future payments		5,183
Long term debt Concha Parking, S.A.	4,226	4,226
Trucks pending payment.....		9,997
shareholder loans.....	1,800	1,800
Leasing Emparque	7,063	
Other debts.....	1,399	1,498
	14,488	22,704

31/12/2010

The long-term debt of Concha parking, S.A. for the amount of 4,226 thousands of euros corresponds to a participative loan of Construcciones Moyua, S.L.

Leasing Emparque for the amount of 7,063 thousands corresponding mainly to:

- 5,600 thousands of euros corresponding to a leasing contract for the Saldanha Residence car park.
- 1,700 thousands of euros corresponding to a leasing of ORA equipment.

31/12/2009

Future payments correspond to the amounts allocated for payments of different assets on the ending date of the corresponding concessions.

The breakdown of this item by companies would be as follows:

- Future payments Guipúzcoa Parking Siglo XXI, S.A. for 978 thousands of euros.
- Future payments of Aparcamientos Guipuzcoanos, S.L. for 1,015 thousands of euros.
- Future payments of Concha Parking, S.A. for 1,513 thousands of euros.
- Future payments of Estacionamientos Guipuzcoanos, S.L.U. for 1,677 thousands of euros.

The long-term debt of Concha parking, S.A. for the amount of 4,226 thousands of euros corresponds to a participative loan of Construcciones Moyua, S.L.

The fees pending payment correspond to commitments assumed by companies of the group for payment of fees to awarding authorities for the corresponding concessions.

The breakdown of these fees to be paid by companies would be the following:

- Aparcamientos Guipuzcoanos, S.L fee for 4,262 thousands of euros.
- Concha Parking, S.A. fee for 5,735 thousands of euros.

23 Financial derivative instruments

The breakdown of the items is shown below:

	Thousands of euros	
	31/12/10	31/12/09
	Liabilities	Liabilities
Long-term hedging derivatives.....	7,314	5,197
Short-term hedging derivatives	6,861	4,041
Non-current	7,314	5,197
Current	6,861	4,041
TOTAL (note 19)	14,175	9,238

With the signing of the syndicated loan, two hedging interest rate swaps were contracted. One for Facility A and the other for Facility B, both for a notional sum of 67% of the debt; in other words, for 34,170 thousands of euros in the case of Facility A and 164,803 thousands of euros for Facility B.

The amortisation of these swaps is tied to the amortisation conditions of the loan it covers. Thus, in the case of Swap A, it is an amortisation that matures in 2016; and by the contrary, Swap B is a Bullet.

The Group pays for these swaps a fixed rate of 3.24% and 3.19%. At 31 December 2010 and 2009, the current interest rate (the bank pays Empark Aparcamientos y Servicios, S.A.), is 1.13% and 0.73% respectively.

At 21 December 2009, a third Swap was signed with La Caixa for a Notional amount of 35 millions of euros. With payments every 6 months and a fixed interest rate of 4.29%. The first period that is going to be paid runs from 27 January 2010 to 27 July 2010. This Swap increases the hedge of Facility A.

The valuation of the derivatives owned by the Group as of 31 December 2009 and 2010 is (9,238) thousands of euros and (14,175) thousands of euros respectively. See note 19.

24 Long-term accruals and deferrals

The balance of other financial liabilities corresponds in the main to bonds and deposits, guarantees received by Empark Aparcamientos y Servicios, S.A. for construction work.

The movements occurring under the account for “Advance payments received through sales or service provisions” during the financial year were as follows:

	Thousand of euros
	Sales of Use of Spaces
Balance as of 01/01/09	6,411
Acknowledged revenue and cancellations	(416)
Payments received	104
Balance as of 31/12/09	6,099
Acknowledged revenue and cancellations	(513)
Payments received	163
Balance as of 31/12/10	5,749

At 31 December 2010 and 2009, the sums set out in the section for long-term deferrals and accruals primarily correspond to long term season parking pass contracts.

25. Long-term provisions

At 31 December 2010 and 2009, the sums listed in the long-term provisions section are the following:

	Thousand of euros	
	2010	2009
Long-term provisions	5,613	363

The breakdown for this period by companies in 2010 corresponds mainly to:

- Future payments Guipúzcoa Parking Siglo XXI, S.A. for 1,032 thousands of euros.
- Future payments of Aparcamientos Guipuzcoanos, S.L. for 1,061 thousands of euros.
- Future payments of Concha Parking, S.A. for 1,582 thousands of euros.
- Future payments of Estacionamientos Guipuzcoanos, S.L.U. for 1,849 thousands of euros.

Future payments correspond to the amounts allocated for payments of different assets on the ending date of the corresponding concessions.

26 Other current liabilities

	Thousand of euros	
	2010	2009
Staff remunerations	937	1,023
Interest payable	1,134	861
Insurance policies	27	121
Leases	369	822
Other cumulative expenses	921	623
Long-term parking space contracts	1,917	2,199
Other deferred revenue	1,084	1,112
	6,389	6,761

27 Tax situation

31/12/10

The detail of the balances held with the Public Authorities as of 31 December 2010 is as follows:

	Thousands of euros	
	Receivable	Payable
Non-current:		
Assets through deferred taxes	17,875	–
Liabilities through deferred taxes	–	29,912

	Thousands of euros	
	Receivable	Payable
Total	17,875	29,912
Current:		
Withheld and advance payment of Corporation Tax.....	75	149
Tax Office Corporation Tax credit.....	111	251
Withheld Personal Income Tax.....	40	235
Value Added Tax.....	2,947	5,764
Fees.....		2,445
City Council Taxes.....		1,382
Social Security institutions credit.....	14	194
Total	3,187	10,420

Reconciliation of the net sum of revenue and expenditure for the financial year and the tax base for Corporation Tax

	Thousands of euros		
Profit before tax			24,939
	Increases	Reductions	Net impact
Permanent differences	99	(2,205)	(2,106)
Temporary differences	1,620	(33,664)	(32,044)
Originating in the financial year.....	1,291	(32,967)	(31,676)
Originating in previous financial years.....	329	(697)	(368)
Tax base (fiscal result)	–	–	9,211
Prior quota 30%, 28%, 26,5 % 20% and 0%	–	–	(3,164)
Deductions	–	–	(4,146)
Payment	–	–	860

The tax rate used for calculating the payment was 30% for companies paying national taxes, 28% for those paying devolved regional taxes, 0% for those companies which do not pay taxes, 26.5% for companies that pay taxes in Portugal and 20% for companies that pay taxes in turkey.

The permanent and temporary differences derived from individual companies are described below:

– *Empark Aparcamientos y Servicios, S.A.*

The permanent differences correspond to (1,321) thousands of euros for amortisation of goodwill:

The temporary differences correspond to 43 thousands of euros of amortisation adjustment. During the 1995 financial year the Group took advantage of Royal Legislative Decree 2/1995, on the freedom of amortisation for employment-generating investments, amortising for tax purposes the La Concepción car park administrative concession to the level of 67.62%. Over the lifespan of the concession the adjustment made through the difference between the book and tax amortisations is gradually recovered.

(18,733) thousands of euros for freedom of amortisation. During financial years 2009 and 2010, the Group abides by the 11th additional disposition of the revised text regarding corporate taxes introduced by Act 4/2008 regarding freedom of amortisation for all new items like tangible assets as well as real estate investments involved in economic activities and requiring the average work force per company for the 24 months following the start of the period in which the acquired items begin operations is maintained with respect to the average work force of the 12 preceding months.

(13) thousands of euros attributed to TJV results in 2009 and (4 thousands of euros) deferral of TJV results for 2010.

Double taxation deductions correspond to the dividends of Balsol 2001, S.A., Femet, S.A., Dornier, S.A.U., Guadianapark, S.A., Estacionamientos Guipuzcoanos, S.L., Sociedad Municipal de Aparcamientos y Servicios, S.A., Estacionamientos y Servicios Extremeños, and S.A. in the sum of 2,711 thousands of euros.

Dornier, S.A.U.

The permanent deduction corresponds to 97 thousands of euros for inspection expenses of IAE (Economic Activity Tax) and ITP (Property Transfer Tax).

The temporary differences correspond to:

(135) thousands of euros for the adjustment between the difference in the accounting and fiscal amortisation principles for the fee paid on the Madrid Regulated Parking Service.

(2,126) thousands of euros for freedom of amortisation. During financial years 2009 and 2010, the Group abides by the 11th additional disposition of the revised text regarding corporate taxes introduced by Act 4/2008 regarding freedom of amortisation for all new items like tangible assets as well as real estate investments involved in economic activities and requiring the average work force per company for the 24 months following the start of the period in which the acquired items begin operations is maintained with respect to the average work force of the 12 preceding months.

Double taxation deductions correspond to the dividends of Balsol 2001, S.A. and Femet, S.A. in the sum of 17 thousands of euros.

Estacionamientos Guipuzcoanos, S.L.U.

The temporary differences correspond to:

255 thousands of euros for freedom of amortisation. During financial years 2009, the Group abides by the 11th additional disposition of the revised text regarding corporate taxes introduced by Act 4/2008 regarding freedom of amortisation for all new items like tangible assets as well as real estate investments involved in economic activities and requiring the average work force per company for the 24 months following the start of the period in which the acquired items begin operations is maintained with respect to the average work force of the 12 preceding months.

Guipúzcoa parking Siglo XXI S.A.

(12,011) thousands of euros for freedom of amortisation. During financial years 2009 and 2010, the Group abides by the 11th additional disposition of the revised text regarding corporate taxes introduced by Act 4/2008 regarding freedom of amortisation for all new items like tangible assets as well as real estate investments involved in economic activities and requiring the average work force per company for the 24 months following the start of the period in which the acquired items begin operations is maintained with respect to the average work force of the 12 preceding months.

The deductions by reinvesting fixed assets correspond to company Guipúzcoa Parking Siglo XXI S.A. in the sum of 1,303 thousands of euros.

Breakdown of the cost of profits tax

Breakdown of the tax cost for the financial year		31/12/10
Profit before tax		24,939
Permanent differences		(2,106)
Sum calculated at rate (30%, 28%, 26,5% 20% and 0%)		6,235
Deductions and rebates		(1,333)
Double taxation deductions		(3,259)
Tax adjustments from previous years		(234)
Total cost		1,409

Movement of deferred taxes

Assets through deferred tax	
Balance at 01.01.10	9,109
Creation	
Asset registration of Negative Tax Bases	3,869
Provisions	(22)
Recovery	
Asset application of negative Tax Bases	(85)
Results of TJVs	15
Amortisations	(40)
Corporation Tax adjustments 2009	(970)
Derivatives loss	1,457
New fixed asset deductions	1,301
Dividend deductions	3,241
Balance as of 31/12/10	17,875
Liability through deferred taxes	
Balance at 01.01.10	23,004
Creation	
Results of TJVs	3
Amortisations	12
Amortisation of Goodwill Assigned to Assets	(470)
Recovery	
Freedom of Amortisation 2009 and 2010	7,654
2009 Corporate Tax Adjustment	(291)
Balance as of 31/12/10	29,912

In 2010, there have been capital gains from the selling of the Pamplona Clinic parking in the sum of 4,158 thousands of euros. These capital gains are subject to deductions by reinvestment. Article 42 LIS (taxed at 18% instead of 30%) since company Empark Aparcamientos y Servicios S.A. has reinvested this amount received for the sale of the asset in 2010.

In 2009, Group Empark Aparcamientos y Servicios S.A. no longer falls under the tax consolidation Act.

At 31 December 2009, the Group approves and notifies the Administration of the establishing of the Tax Group as of 1 January 2010 for Corporate and VAT tax purposes. This Tax Group is comprised of:

- Empark Aparcamientos y Servicios, S.A.
- Dornier, S.A.U.
- Femet, S.A.
- Balsol 2001, S.A.
- Guadianapark, S.A.
- Estacionamientos Guipuzcoanos, S.L.U.

31/12/09

The detail of the balances held with the Public Authorities as of 31 December 2009 is as follows:

	Thousands of euros	
	Receivable	Payable
Non-current:		
Assets through deferred taxes	9,109	–
Liabilities through deferred taxes	–	23,004
Total	9,109	23,004
Current:		
Withheld and advance payment of Corporation Tax	1,403	–
Tax Office Corporation Tax credit	–	1,722
Withheld Personal Income Tax	–	488
Value Added Tax	4,933	2,619
Fees	–	1,178
City Council Taxes	–	3,014
Social Security institutions credit	90	748
Total	6,426	9,769

Reconciliation of the net sum of revenue and expenditure for the financial year and the tax base for Corporation Tax

	Thousands of euros
Profit before tax	27,464

	Increases	Reductions	Net impact
Permanent differences	48	7,185	7,233
Temporary differences	86	(18,438)	(18,352)
Originating in the financial year	43	(18,276)	(18,233)
Originating in previous financial years	43	(162)	(119)
Tax base (fiscal result)	–	–	16,345
Prior quota 30%, 28%, 26% 20% and 0%	–	–	4,699
Deductions	–	–	(6,523)
Payment	–	–	–

The tax rate used for calculating the payment was 30% for companies paying national taxes, 28% for those paying devolved regional taxes, 0% for those companies which do not pay taxes, 26.5% for companies that pay taxes in Portugal and 20% for companies that pay taxes in Turkey.

The permanent and temporary differences derived from individual companies are described below:

– *Empark Aparcamientos y Servicios, S.A.*

The permanent differences correspond to (1,321) thousands of euros for the amortisation of Goodwill and 8,509 for the sale of Serranopark, S.A. which is specified below:

On 10 July 2009, the Group sold their 50% holding in company Serranopark, S.A. in the sum of 521 thousands of euros. Said holding had been previously valued at 9,030 thousands of euros and therefore, a loss of 8,509 thousands of euros was incurred as can be seen in line “Impairment and result through disposal of fixed assets” of the Consolidated Income Account.

The Group considers that these losses are justified and therefore, that it is tax deductible; however, following a prudent criteria, said loss has not been applied to the taxable base sum, notwithstanding that afterwards, the Group may take benefit from the tax deduction relative to this loss.

The temporary differences correspond to 43 thousands of euros of amortisation adjustment. During the 1995 financial year the Group took advantage of Royal Legislative Decree 2/1995, on the freedom of amortisation for employment-generating investments, amortising for tax purposes the La Concepción car park administrative concession to the level of 67.62%. Over the lifespan of the concession the adjustment made through the difference between the book and tax amortisations is gradually recovered.

11,478 thousands of euros for freedom of amortisation. During financial years 2009, the Group abides by the 11th additional disposition of the revised text regarding corporate taxes introduced by Act 4/2008 regarding freedom of amortisation for all new items like tangible assets as well as real estate investments involved in economic activities and requiring the average work force per company for the 24 months following the start of the period in which the acquired items begin operations is maintained with respect to the average work force of the 12 preceding months.

(27 thousands of euros) attributed to TJV results in 2008 and (1 thousand euros) deferral of TJV results for 2009.

Double taxation deductions correspond to the dividends of Balsol 2001, S.A., Femet, S.A., Dornier, S.A.U., Guadianapark, S.A., Estacionamientos Guipuzcoanos, S.L., Sociedad Municipal de Aparcamientos y Servicios, S.A., Estacionamientos y Servicios Extremeños, S.A. for the amount of 5,354 thousands of euros.

Dornier, S.A.U.

The permanent differences correspond to (4) thousands of euros to the result as of 31 December 2009 of the Group Infofer Estacionamientos, A.I.E., which pays taxes under the fiscal transparency system and 46 thousands of euros in IAE (Economic Activity Act) and ITP (Property Transfer Tax) inspection expenses.

The temporary differences correspond to:

– 135 thousands of euros for the adjustment between the difference in the accounting and fiscal amortisation principles for the fee paid on the Madrid Regulated Parking Service.

– 2,879 thousands of euros for freedom of amortisation. During financial years 2009, the Group abides by the 11th additional disposition of the revised text regarding corporate taxes introduced by Act 4/2008 regarding freedom of amortisation for all new items like tangible assets as well as real estate investments involved in economic activities and requiring the average work force per company for the 24 months following the start of the period in which the acquired items begin operations is maintained with respect to the average work force of the 12 preceding months.

Double taxation deductions correspond to the dividends of Balsol 2001, S.A. and Femet, S.A. in the sum of 83 thousands of euros and for the dividend of Estacionamientos Urbanos de León, S.A. in the sum of 92 thousands of euros.

Estacionamientos Guipuzcoanos, S.L.U.

The temporary differences correspond to:

(1,362) thousands of euros for freedom of amortisation. During financial years 2009, the Group abides by the 11th additional disposition of the revised text regarding corporate taxes introduced by Act 4/2008 regarding freedom of amortisation for all new items like tangible assets as well as real estate investments involved in economic activities and requiring the average work force per company for the 24 months following the start of the period in which the acquired items begin operations is maintained with respect to the average work force of the 12 preceding months.

(27 thousands of euros) attributed to TJV results in 2008 and (1 thousands of euros) deferral of TJV results for 2009.

Deductions

The sum of 854 thousands of euros corresponds to double-taxation deductions based on the dividend derived from the merger of Aparva and Estacionamientos Guipuzcoanos, S.L.U. on 1 January 2007.

Aparcamientos Guipuzcoanos S.L.

– 2,438 thousands of euros for freedom of amortisation. During financial years 2009, the Group abides by the 11th additional disposition of the revised text regarding corporate taxes introduced by Act 4/2008 regarding freedom of amortisation for all new items like tangible assets as well as real estate investments involved in economic activities and requiring the average work force per company for the 24 months following the start of the period in which the acquired items begin operations is maintained with respect to the average work force of the 12 preceding months.

Breakdown of the cost of profits tax

Breakdown of the tax cost for the financial year	31/12/09
Profit before tax	27,464
Permanent differences	7,233
Sum calculated at rate (30%, 28%, 26.5% 20% and 0%)	10,099
Double taxation deductions	(6,383)
Other payments Emparque	(1,233)
Tax adjustments from previous years	179
Total cost	2,662

Movement of deferred taxes

Assets through deferred tax	
Balance at 01.01.09	2,072
Creation	
Asset registration of Negative Tax Bases	3,947
Provisions	1
Recovery	
Asset application of negative Tax Bases	(528)
Results of TJVs	(8)
Amortisations	(41)
Corporation Tax adjustments 2007	(656)
Derivatives loss	2,076
Assets through deferred taxes Emparque	2,246
Balance as of 31/12/09	9,109
Liability through deferred taxes	
Balance at 01/01/09	3,317
Creation	
Results of UTEs	257
Amortisations	324
Deferred generated by the Goodwill Assigned to Assets	8,699
Liabilities through deferred taxes Emparque	4,881
Recovery	
Freedom of amortisation 2009	5,674
2008 Corporate Tax Adjustment	(148)
Balance as of 31/12/09	23,004

In 2009, Group Empark Aparcamientos y Servicios S.A. no longer falls under the tax consolidation Act.

At 31 December 2009, the Group approves and notifies the Administration of the establishing of the Tax Group as of 1 January 2010 for Corporate and VAT tax purposes. This Tax Group is comprised of:

- Empark Aparcamientos y Servicios, S.A.
- Dornier, S.A.U.
- Femet, S.A.
- Balsol 2001, S.A.
- Guadianapark, S.A.
- Estacionamientos Guipuzcoanos, S.L.U.

At the companies Empark Aparcamientos y Servicios, S.A. and Dornier, S.A.U., Corporation Tax for the year 2005 was opened for inspection in January 2008, along with the remaining taxes from the same financial year. The inspectors requested an extension to the period of operations in December 2008, meaning that the gathering and tracking of data is still being performed by the inspectors. Based on the criteria which the tax authorities could adopt regarding the years open to inspection, contingent tax liabilities not open to objective quantification could arise, although the Company does not believe these will be greater than the assumptions made.

The inspectors requested an extension to the operational period for a further year, as the gathering and tracking of data was at that time still in progress.

28. Information regarding payment postponements to suppliers

In accordance with Act 15/2010, dated 5 July, the modifications of Act 3/2004, dated 29 December, which establishes measures to fight against delinquency in commercial operations, the amount pending payment to suppliers, which at the closing of 2010 accumulates a postponement that is longer than the legal payment term amounts to 4,768 thousands of euros.

29 Information regarding geographic segments and by business

IFRS 8: "Operating segments" establishes that an operating segment is a component of a company:

- a) That carries out business operations by which it may obtain ordinary income and incur expenses (including the ordinary income and the expense by transactions with other group components).
- b) Whose operating results are reviewed regularly by the maximum authority for making decisions regarding the Groups operations, to decide about the resources that must be assigned to the segment and evaluate its performance.
- c) With regards to it, separate financial information is available.

The information of the Group's consolidated income statement by segments would be the following:

Segmentation by countries

The Group has decided to segment by countries due to the great differences each country has regarding the management of businesses, regarding different clients, different legislation, different languages and in some cases different currencies.

	REVENUE		EXPENSES		DIFFERENTIAL		AMORTISATION AND PROVISION		STRUCTURE COSTS		OPERATING RESULTS		TOTAL ASSETS AND LIABILITIES	
	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009
SPAIN.....	162,369	163,151	94,827	109,081	67,542	54,070	19,662	18,437	13,466	15,292	34,414	20,341	604,726	536,949
PORTUGAL...	35,389	14,100	16,399	7,156	18,991	6,944	6,976	2,070	4,096	2,337	7,918	2,537	141,693	158,688
UK.....	3,989	5,475	3,915	5,139	74	336	0	0	0	0	74	336	1,627	1,765
TURKEY	4,614	1,659	4,828	2,053	-214	-394	118	47	0	0	-332	-441	3,318	3,854
ANDORRA	937	865	463	419	474	446	355	364	3	0	116	82	11,665	11,613
TOTAL	207,298	185,250	120,431	123,848	86,867	61,402	27,111	20,918	17,565	17,629	42,191	22,855	763,029	712,869

Segmentation by line of Business

The Group has opted for different lines of business as secondary segmentation.

	REVENUE		EXPENSES		DIFFERENTIAL		AMORTISATION AND PROVISION		STRUCTURE COSTS		OPERATING RESULTS		NON-CURRENT ASSETS ^(*)	
	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009
OFF STREET....	110,766	94,369	53,565	56,347	57,201	38,022	20,564	15,381	14,313	11,750	22,324	10,891	484,285	459,230
ORA AND FEMET.....	75,004	66,003	53,094	49,771	21,910	16,232	6,198	4,556	3,245	4,081	12,467	7,595	26,116	24,446
RESIDENTS	20,376	24,335	14,172	18,634	6,204	5,701	349	981	7	1,433	5,848	3,287	0	0
OTHERS	1,152	543	-400	-904	1,552	1,447	0	0	0	364	1,552	1,083	0	0
TOTAL	207,298	185,250	120,431	123,848	86,867	61,402	27,111	20,918	17,565	17,629	42,191	22,855	510,401	483,676

(*) : Non-current assets for this purpose consist of intangible assets and tangible assets.

30 Information regarding account results

a) Net turnover and other operating income

The breakdown of the net sales of financial years 2010 and 2009 are as follows:

	31/12/2010	31/12/2009
Spain		
Crane.....	7,912	7,023
Off-street	48,529	33,670
Payments	14,241	14,264
Residents	21,047	24,335
On-street parking ORA.....	47,896	53,212
Sale of parking meters	634	3,992
Management	7,540	11,980
Advertising.....	168	218
Maintenance.....	13,212	13,914
Other	899	466
Operating subsidies	291	77
Total sales in Spain.....	162,369	163,151
Portugal		
Off-street	14,801	5,195
Paymetns	7,361	2,980
On-street ORA.....	7,240	1,775
Management	5,372	1,867
Other	615	2,283
Total sales in Portugal.....	35,389	14,100
Andorra		
Off-street	937	865
Total sales in Andorra	937	865
Empark UK LTD (Stansted)		
Off-street	3,989	5,475
Total sales in Stansted	3,989	5,475
Turkey		
Off-street	4,614	1,659
Total sales in Turkey.....	4,614	1,659
Total sales and accessory income	207,298	185,250

1 – Income generated by off-street car parks

Revenue from off-street car parks corresponds to revenues generated through the use of parking spaces owned by the Group or held under an administrative concession. Off-street car park revenues are recorded when the hourly parking rate is paid and, in the case of season ticket-holders, on an accrual basis.

2 – Revenue generated through the sale of residents' parking spaces

This business involves the construction of car parks whose spaces are sold directly to the end customer during the timeframe of the concession. The sales and costs are not recorded until the parking space is delivered, which coincides with the signature of the contract.

3 – Revenue generated by off-street car parks (ORA)

Revenue from the ORA parking meter service is mainly based on the sum corresponding to the cost of providing the service plus a percentage, generally between 1% and 3%, of the surplus between that cost and the funds collected. On some ORA contracts, the revenue is earned at a fixed rate (service cost), entirely irrespective of the funds collected, which are in all cases paid over to the City Council. This is recorded in the accounts at the time when the service is provided.

4 – Revenue generated through other services.

The Group also specialises in the provision of other services tied to the end-to-end management of car parking and urban and inter-urban mobility, such as: Management of control of access to nature reserves, provision of temporary parking services at trade fairs and mass attendance events, combined park and bus services around airports.

b) Goods, raw materials and other materials consumed

	Thousands of euros	
	31/12/10	31/12/09
Raw materials and other materials consumed	1,478	2,819
Deterioration of goods, raw materials and other supplies	238	971
	1,716	3,790

c) Operating subsidies incorporated in the result

The total amount of subsidies amounts to 291 thousands of euros as of 31 December 2010 and 77 thousands of euros as of 31 December 2009. A breakdown of the subsidies for 2010 is listed below:

– Empark Aparcamientos y Servicios, S.A.

The Group obtained and recognised as revenue operating subsidies amounting to a total of 60 thousands of euros as of 31 December 2010. A part of these subsidies corresponds to Social Security rebates for permanent employment contracts. The Group also received a Forcem subsidy.

– Dornier, S.A.U.

The Group received a subsidy in the sum of 231 thousands of euros from FORCEM.

d) Other non-recurrent operating expenses

During financial years 2009 there are 4,409 thousands of euros of which 3,438 thousands of euros correspond to invoices issued by Cintra Concesión de Infraestructuras de Transportes, S.A. related to the sale of the company and 971 thousands of euros correspond to lawyer expenses related with said sale.

31 Personnel expenses

The details of personnel expenses for 2010 and 2009 are the following:

	Thousands of euros	
	31/12/10	31/12/09
Wages, salaries, et al.	60,163	51,733
Employee welfare expenses paid by the company	13,354	12,641
Provisions	–	–
	73,517	64,374

The work force listed by male and female at the end of the financial year and broken down by categories and levels for the Group as of 31 December 2010 is the following:

	Men	Women	Total
Administrative	19	92	111
Manager	30	6	36
Technicians and Operators	1,557	1,019	2,576
Supervisors	153	37	190
Higher and Intermediate Level university graduates	32	34	66
TOTAL	1,791	1,188	2,979

The work force listed by male and female at the end of the financial year and broken down by categories and levels for the Group for financial year 2010 is the following:

	Men	Women	Total
Administrative personnel.....	20	105	125
Managers	30	6	36
Technicians and Operators	1,643	1,065	2,709
Supervisors	162	103	265
Higher and Intermediate Level university graduates	31	36	67
TOTAL	1,886	1,315	3,201

The work force listed by male and female at the end of the financial year and broken down by categories and levels for the Group as of 31/12/09 is the following:

	Men	Women	Total
Administrative personnel.....	81	160	241
Managers	11	10	21
Technicians and Operators	1,647	1,063	2,710
Higher and Intermediate Level Academic Qualified.....	34	35	69
TOTAL	1,773	1,268	3,041

The work force listed by male and female at the end of the financial year and broken down by categories and levels for the Group for financial year 2009 is the following:

	Men	Women	Total
Administrative personnel.....	81	160	241
Managers	14	10	24
Technicians and Operators	1,660	1,061	2,721
Higher and Intermediate Level Academic Qualified.....	34	35	69
TOTAL	1,789	1,266	3,055

32 Surplus provisions

31/12/10

The surplus provision in the sum of (180) thousands of euros corresponds mainly to:

- (126) thousands of euros for depreciation of surplus at the Sarriko centre.
- (206) thousands of euros for allowance of the reversion fund of Dornier, S.A.
- (186) thousands of euros for allowance of the reversion fund of Empark España, S.A.
- 487 thousands of euros for cancellation of parking provision of Plaza de España Pontevedra.

31/12/09

The surplus provision in the sum of (741) thousands of euros corresponds to:

– *Empark Aparcamientos y Servicios, S.A.:*

- (487) thousands of euros corresponding to a provision of an invoice from Parking de Plaza España Pontevedra
- (62) thousands of euros corresponding to several provisions for Milicolores invoices.

33 Deterioration and Result through disposal of fixed assets

During financial year 2010, the Company extinguished the surface rights in rem signed with the Universidad de Navarra, S.A., who has 33 years to finish it. The cancellation contract includes an exemption clause for the use of the parking by Inmobiliaria de la Universidad de Navarra, S.A. Said clause includes the remission of the exemption for an initial amount of 5,000 thousands of euros, which is decreased proportionally to the time remaining for using the surface right.

The amount paid for the cancellation of the surface rights amounted to 3,500 thousands of euros plus VAT and a positive result of 4,158 thousands of euros was generated for the Company.

During financial year 2009, the Group incorporated to their income account, a loss due to disposal of fixed assets in the sum of 8,509 thousands of euros, which corresponds to the loss for the sale of their holding in Serranopark, S.A.

34 Financial result

	31/12/10	31/12/09
Financial revenue:		
Tradable securities and other financial instruments		
– Group and associated companies		
– Third-party	274	210
	274	210
Financial costs:		
Through debts with group and associated companies		
Through debts with third parties	(25,091)	(13,145)
	(25,091)	(13,145)
Financial expenses through hedging:	(6,569)	(2,927)
Financial result	(31,386)	(15,862)

31/12/2010

On 14/10/2010 a modification to the contract is signed, where the resulting granted limit is now 423,257 thousands of euros since a new Capex line is granted in the sum of 42,000 thousands of euros.

Credits and loans with credit institutions correspond mainly to Guipúzcoa Parking Siglo XXI in the sum of 424 thousands of euros, with 179 thousands of euros corresponding to Aparcamientos de Bilbao, S.A., Empark Aparcamientos y Servicios S.A. 23,554 thousands of euros, Empark Portugal Empreendimentos e Explotacao de Parqueamentos, S.A. 3,093 thousands of euros y Esli S.A. with 2,539 thousands of euros.

31/12/2009

Empark Aparcamientos y Servicios, S.A. jointly with Empark Portugal, Esli, Gisparques, and SP Gis has a syndicated loan signed on 27/07/09, in the sum of 400,343 thousands of euros.

Credits and loans with credit institutions correspond mainly to Guipúzcoa Parking Siglo XXI in the sum of 502 thousands of euros, with 430 thousands of euros corresponding to Aparcamientos de Bilbao, S.A. and Empark S.A. 7,060 thousands of euros.

35 Cash flows from operating activities

The Cash Flow Statements listed in the present financial statements has been drafted in accordance with what is stipulated in the International Accounting Standard 7.

Said Cash Flow Statement is divided into three types of flows depending on the cash inputs and outputs carried out by the consolidated Group:

- Net treasury flows by operating activity: Includes the cash movements at the operating level of all business managed by the Group.
- Net treasury flows by investment activity: Includes added flows generated by investments and divestments in tangible assets, intangible assets, concession projects, real estate assets and financial assets.
- Net treasury flows by financing activity: Includes cash inputs by debt issuances and issuance of bonds, as well as other external financing sources; and cash exits due to debt reimbursement and commitments, due to financial interests derived from outside resources and by distribution of dividends.

35 Cash flows from operating activities (continued)

	31/12/10	31/12/09
Result for financial year before tax	11,875	8,552
Adjustments to result:	56,184	43,932
– Amortisation of fixed assets	26,931	20,176
– Variation in provisions	456	944
– Financial revenue	(951)	(210)
– Financial costs	31,660	16,066
– Exchange rate differences	–	6
– Equity method	(1,070)	(1,559)
– Other revenue and expenditures	–	–
– Result through cancellations and disposal of financial instruments.....	(842)	8,509
	68,059	52,484
Changes in current capital:	2,965	23,662
– Stock	582	22,547
– Debtors and other accounts receivable	3,125	12,269
– Other current assets.....	(333)	132
– Creditors and other accounts payable	2,545	(12,226)
– Other current liabilities	(2,954)	940
	71,024	76,146
Other cash flows from operating activities:	(29,287)	(19,614)
– Interest payment	(30,197)	(16,066)
– Dividends received	676	(582)
– Interest received	274	372
– Receipts (payments) through taxation of profits	(285)	(4,130)
– Other payments.....	245	–
Cash flows from operating activities	41,737	56,532

36 Cash flows from investment activities

	31/12/10	31/12/09
Payments through investments:	(66,891)	(213,705)
– Intangible assets	(36,025)	(27,158)
– Tangible fixed assets	(29,268)	(48,384)
– Other financial assets, group and associated companies	(1,445)	(138,164)
– Other assets	(153)	1
Payments received for divestments	17,635	3,079
– Group and associated companies	–	521
– Intangible assets	12,874	–
– Tangible fixed assets	4,761	2,558
Cash flows from investment activities	(49,256)	(210,626)

37 Cash flows from financing activities

	31/12/10	31/12/09
Sums received and paid through financial liability instruments:	24,600	207,819
– Issuance:		
– Debts with credit institutions.....	28,009	322,363
– Debts with Group and associated companies.....	(3,409)	(114,544)
Payments through dividends and returns on other asset instruments:	–	(38,863)
– Dividends.....		(38,863)
Cash flows from financing activities	24,600	168,956

38 Contingent liabilities, contingent assets and commitments

Contingent liabilities as of 31/12/10.

As of 31 December 2010, the Group presented guarantees before Public Organisations for approximately 47,502 thousands of euros. Its distribution by the Group's Companies, is the following:

- Cintra Aparcamientos y Servicios S.A. had presented guarantees before Public Organisations for approximately 20,121 thousands of euros, mainly related to various appeals brought for non-conformity with determined payments of municipal taxes, those presented before the municipal governments awarding the concessions for their operation, and to the obligations resulting from the execution contracts and sale of promotions.

The Group's Directors are of the opinion that any liabilities not foreseen as of 31 December 2010 and which could be based on the guarantees presented, should these occur, would not be significant.

- Dornier, S.A.U. had guarantees before third parties for an amount of 7,252 thousands of euros, which were mostly presented before municipal governments to guarantee the execution of the contracts won and various appeals brought for non-conformity with determined payments of municipal taxes.
- Estacionamientos Guipuzcoanos S.L.U. had guarantees before the City council Of Madrid, in the sum of 179 thousands of euros, in order to cover obligations derived from the final adjudication of the Administrative Concession Modification for the underground car park on Calle Sevilla, agreed by Madrid City Council in its plenary session of 30 April 1999.

Additionally, the Group had guarantees before the City council Of Madrid, in the sum of 17 thousands of euros. It also had guarantees before the Municipal Urban Planning Management Department of Huelva in the sum of 336 thousands of euros for the parking of Mercado del Carmen in Huelva.

9 guarantees are presented to the City Council of Madrid and one to the Tax Management Services Department of Huelva for IAE (economic Activity Tax), IBI (Real Estate Tax) and garbage Tax amounting to 556 thousands of euros.

The inspection of the City Council of Madrid Taxes has initiated a Notice in relation to the inspection activities carried out of Estacionamientos Guipuzcoanos, S.L. regarding the taxation of "Tax for private usage or special usage for vehicle traffic" as owner of the administrative concession regarding the car park located in Calle Sevilla in Madrid, financial years 2006 to 2009. It has been notified on the 3rd of February of the present year, notice of disagreement in the sum of 109 thousands of euros. In 2010, the amount of the guarantee was 110 thousands of euros.

- Femet, S.A. had presented guarantees before third parties in the sum of 40 thousands of euros, mainly involving City councils, and guaranteeing performance of the contract awarded.
- Aparcamientos de Bilbao, S.A. had presented a definitive guarantee in the sum of 860 thousands of euros, 513 thousands of euros of which correspond to the award of the concession to operate the car park on Plaza de Indautxu, and 347 thousands of euros the Azoka car park.
- Concha Parking, S.A. had in place a definitive guarantee in the sum of 3,690 thousands of euros, and another in the sum of 1,574 thousands of euros, and another in the sum of 2,460 thousands of euros, presented before the City Council of San Sebastian, based on the adjudication of the concession to operate the Plaza de Cervantes car park.
- Aparcamientos Guipuzcoanos, S.L. had definitive guarantees in place in the sum of 875 thousands of euros, presented before the City Council of Bilbao based on the adjudication of the concession to operate the Plaza Cataluña parking. It had a definitive guarantee presented to the City Council of Donostia- San Sebastián in the sum of 2,742 thousands of euros for the same concession.

- Guipuzcoa Parking Siglo XXI, S.A. had in place a definitive guarantee in the sum of 600 thousands of euros, presented before the City Council of San Sebastian for the award of the concession to operate the Okendo car park.
- Aparcamientos Guipuzcoanos, S.A. had definitive guarantees in place in the sum of 933 thousands of euros, presented before the City Council of Bilbao based on the adjudication of the concession to operate the car parks of this company. It also has a third-party guarantee in place in the sum of 17 thousands of euros, presented before the City Council to guarantee the appeal lodged on the basis of a disputed municipal tax settlement.
- Empark Portugal – Empreendimentos e Exploração de Parqueamentos, S.A. had definitive guarantees in the sum of 3,389 thousands of euros, of which 584 thousands of euros were presented to the City council of Faro, 288 thousands of euros before the City council of Lisbon, 75 thousands of euros before the City council of Beja, 100 thousand euros before the City Council of Cascais, 125 thousands of euros before the City Council of Porto, 1,100 thousands of euros for the ANA contract, 1,022 thousands of euros before Milli Reasurants T.A.S (Park Yonetimi Ve Sistemleri San. Ve Tic. A.S.).
- ESLI – Parques de Estacionamiento, S.A. had definitive guarantees in the sum of 1,256 thousands of euros, of which 575 thousands of euros were: 172 thousands of euros before Repart. Finanças 4 Bº Fiscal Lisboa, 200 thousands of euros before the City Council of do Porto, 152 thousands of euros before the Direção General do Impostor, 134 thousands of euros before the City of Lisbon and 586 thousands of euros before the City Council of Lisbon.

The main legal disputes in progress in 2010 are:

1.– Contentious-administrative appeal 731/2009-F brought before contentious-administrative court no. 15 of Barcelona.

Parties: Plaintiff: -Empark Aparcamientos y Servicios, S.A. Defendant: City Council of Sant Cugat del Vallés.

Amount: 563 thousands of euros. (said amount is provisioned)

Object: An appeal is filed jointly A) the Agreement from the Local City Council dated 9 December 2009 by which it is decided to pay (i) the fee for operating the municipal parking spaces of Plaza Lluís Millet corresponding to financial years 2001 to 2008 and (ii) the fixed and variable fee for the concession for operating the blue zones of the aforementioned city, corresponding to the period from November 2007 to October 2008 and October 2001 to October 2008 respectively; and B) the Agreement by the Local City council of Sant Cugat on 21 December 2009, by which it is decided to pay (i) the fee the municipal parking spaces of Plaza Lluís Millet corresponding to financial years 2009 and (ii) the fixed and variable fee for the concession for operating the blue zones of the aforementioned city, corresponding to the period from November 2008 to October 2009 and November 2007 to October 2008 respectively, after the decision dated 27 April 2010, issued by the applicable court, which agrees to extend the current contentious – administrative appeal to the aforementioned ruling.

Status of the proceedings: The plaintiff has made conclusions and a subpoena of the plaintiff is pending for her to present these written conclusions.

2.– Major proceedings brought by Huarte, S.A. against Ferrovial Aparcamientos, S.A., Vista Desarrollo, S.A., Caixa Penedés, CARIPLO and Bolsa de Madrid requesting the cancellation of the collateral judgement of 850,614 shares of ESSA (today Cintra Aparcamientos, S.A.).

A favourable sentence has been obtained for the claims of Empark Aparcamientos y Servicios, S.A. and other defendants and therefore this lawsuit should be considered concluded after the Supreme Court ruling dated 10 December 2008. To the extent that judgement against the plaintiff for court fees as been entered, Empark has submitted three requests for calculating court fees, one for each case, by which a claim is made against Obrascón Huarte Laín, S.A. (OHL) for the payment of Lawyer and Solicitor fees. The solicitor fees amount to approximately 80,000 euros and the Lawyer fees amount to 74 thousands of euros and 31 thousands of euros for the 1st and 2nd Instances respectively and 192 thousands of euros for the Supreme Court.

On the other hand, Counsel Mr. Félix López Antón, who assumed the defence of Empark's interests in different instances of this proceeding, presented three proceedings for collecting legal fees against Empark claiming payment of fees incurred for the 1st instance, the Provincial High Court and the Supreme Court. The fees corresponding to the 1st instance and the provincial High court were paid by Empark in October 2010.

The Supreme Court, by means of a court order dated 30 November 2010, and notified on 16 December 2010, has issued judgement regarding the challenge for fees corresponding to this last instance in the legal Fees Claim report, proceeding derived from the appeal for Civil Cassation no. 2903/2003, initiated by DESPACHO LÓPEZ ANTON SLP (Law firm), before the First Chamber of the Supreme Court, claiming 192,460.97 euros for the principle and 1,872.79 euros. The Chamber rejects the challenge for fees as undue and finds the challenge for said fees as excessive, setting the amount to 44 thousands of euros. Subtracting the amount of 10 thousand euros, which had been previously deposited by Empark, the amount remaining to settle is 33 thousand euros.

Said amount was paid on 28 December 2010.

3.– Ordinary Proceeding 1041/2009 filed before the Court of 1st Instance number 5 of Santander, as requested by UTE (TJV) POMBO comprised of CONSTRUCTORA OBRAS PÚBLICAS SAN EMETERIO, S.A. Y EXCAVACIONES SAIZ, S.A., against EMPARK APARCAMIENTOS Y SERVICIOS, S.A.

The purpose of the lawsuit is a claim for greater construction costs. The estimative judgement of the proceeding handed down on 17 May 2010, has sentenced us to pay 490 thousands of euros and is currently appealed before the Provincial higher Court. However, said payment has been made by UTE POMBO and has been accounted for.

4. – Ordinary Proceeding 370/2010 filed before Contentious-Administrative court number 3 of Pontevedra, brought by the Socialist Party, which challenges the contacting procedure relative to the construction for an underground parking at Plaza España.

5. – Ordinary lawsuit No. 206/2005. Commercial Court No.1 of Malaga.

In this process, the agreement reached by the board of Directors of the Sociedad Municipal de Aparcamientos y Servicios, S.A. of Malaga (SMASSA) was challenged, accepting a maximum fee of 3,900 thousands of euros for the administrative concession of the underground for the construction of the C/Salitre parking for a period of 50 years.

The issue is currently at cassation before the Supreme Court (appeal no. 286/2007). By means of a court Order dated 14 October 2010, it is set for voting and the decision was issued on 19 January 2011 at 10:30 hours.

6. – Ordinary lawsuit No. 363/2006 and Ordinary Lawsuit No. 84/2007. Commercial Court No.1 of Malaga.

Several agreements made by SMASSA are challenged, which entail the acceptance of a collaboration agreement between SMASSA and the entity INEREXPO, which entails the assumption first of the electricity, cleaning and security expenses as well as the annual payment of 50 thousands of euros for daily maintenance and operating costs of the Interactive Music museum.

The suit ended at first instance with ruling No. 257/08, dated 5 October 2008, which partially finds for the plaintiff. An appeal was filed against this Ruling on the part of the plaintiff by means of a letter dated 22 December 2008, to which we opposed by means of a letter dated 14 October 2009, and as of yet, a decision has not been made.

7. – Ordinary Proceeding 46/2010, filed before the Contentious Administrative Court number 3 of Madrid, by Rogelio Rodríguez Ordás against the City Council of Madrid and Estacionamientos Guipuzcoanos, S.L.

The purpose of this contentious – administrative appeal is to claim personal liability against the City Council of Madrid and against the parking concession of Calle Sevilla. The amount claimed totals 2,130 thousands of euros. Pending allocation for contesting the claim.

Contingent liabilities as of 31/12/09.

As of 31 December 2009, the Group presented guarantees before Public Organisations for approximately 46,439 thousands of euros. Its distribution by the Groups Companies is the following:

- Cintra Aparcamientos y Servicios S.A. had presented guarantees before Public Organisations for approximately 18,124 thousands of euros, mainly related to various appeals brought for non-conformity with determined payments of municipal taxes, those presented before the municipal governments awarding the concessions for their operation, and to the obligations resulting from the execution contracts and sale of promotions.

The Group's Directors are of the opinion that any liabilities not foreseen as of 31 December 2009 and which could be based on the guarantees presented, should these occur, would not be significant.

- Dornier, S.A.U. had guarantees before third parties for an amount of 8,219 thousands of euros, which were mostly presented before municipal governments to guarantee the execution of the contracts won and various appeals brought for non-conformity with determined payments of municipal taxes.
- Estacionamientos Guipuzcoanos S.L.U. had guarantees before the City council Of Madrid, in the sum of 179 thousands of euros, in order to cover obligations derived from the final adjudication of the Administrative Concession Modification for the underground car park on Calle Sevilla, agreed by Madrid City Council in its plenary session of 30 April 1999.

Additionally, the Group had guarantees before the City council Of Madrid, in the sum of 17 thousands of euros. It also had guarantees before the Municipal Urban Planning Management Department of Huelva in the sum of 336 thousands of euros for the parking of Mercado del Carmen in Huelva.

- Femet, S.A. had presented guarantees before third parties in the sum of 40 thousands of euros, mainly involving City councils, and guaranteeing performance of the contract awarded.

- Aparcamientos de Bilbao, S.A. had presented a definitive guarantees in the sum of 860 thousands of euros, 513 thousands of euros of which correspond to the award of the concession to operate the car park on Plaza de Indautxu, and 347 thousand euros the Azoka car park.
- Concha Parking, S.A. had in place a definitive guarantee in the sum of 3,690 thousands of euros, and another in the sum of 1,574 thousands of euros, and another in the sum of 2,460 thousands of euros, presented before the City Council of San Sebastian, based on the adjudication of the concession to operate the Plaza de Cervantes car park.
- Aparcamientos Guipuzcoanos, S.L. had definitive guarantees in place in the sum of 875 thousands of euros, presented before the City Council of Bilbao based on the adjudication of the concession to operate the Plaza Cataluña parking. It had a definitive guarantee presented to the City Council of Donostia- San Sebastián in the sum of 2,742 thousands of euros for the same concession.
- Guipuzcoa Parking Siglo XXI, S.A. had in place a definitive guarantee in the sum of 600 thousands of euros, presented before the City Council of San Sebastian for the award of the concession to operate the Okendo car park.
- Aparcamientos Guipuzcoanos, S.A. had definitive guarantees in place in the sum of 933 thousands of euros, presented before the City Council of Bilbao based on the adjudication of the concession to operate the car parks of this company. It also has a third-party guarantee in place in the sum of 17 thousands of euros, presented before the City Council to guarantee the appeal lodged on the basis of a disputed municipal tax settlement.
- Empark Portugal – Empreendimentos e Exploração de Parqueamentos, S.A. had definitive guarantees in the sum of 3,389 thousands of euros, of which 584 thousands of euros were presented to the City council of Faro, 288 thousands of euros before the City council of Lisbon, 75 thousand euros before the City council of Beja, 100 thousand euros before the City Council of Cascais, 125 thousand euros before the City Council of Porto, 1,100 thousands of euros for the ANA contract, 1,022 thousands of euros before Milli Reasurants T.A.S (Park Yonetimi Ve Sistemleri San. Ve Tic. A.S.).
- ESLI – Parques de Estacionamento, S.A. had definitive guarantees in the sum of 1,256 thousands of euros, of which 575 thousands of euros were: 172 thousands of euros before Repart. Finanças 4 Bº Fiscal Lisboa, 200 thousands of euros before the City Council of do Porto, 152 thousands of euros before the Direção General do Impostor, 134 thousands of euros before the City of Lisbon and 586 thousands of euros before the City Council of Lisbon.
- Gisparques – Planeamento e Gestão de Estacionamento, S.A. had definitive guarantees in the sum of 23 thousands of euros before the Administração do Porto de Lisboa S.A., 249 thousands of euros before the City council of Cascais, 33 thousands of euros before Trans Tejo and 5 thousands of euros before the City council of Sintra.
- ParqA – Planeamento e Gestão de Estacionamento, S.A. had guarantees in the sum of 150 thousands of euros before the City Council of Amadora.
- SP Gis – Planeamento e Gestão de Estacionamento, S.A. had guarantees in the sum of 6 thousands of euros before EDP Serviço Universal S.A.
- Street Park – Gestão de Estacionamento, A.C.E. had guarantees in the sum of 350 thousands of euros before Emel-Empresa Pub.Minic.Estac.Lisboa.

The main legal disputes in progress in 2009 were:

- Contentious-administrative appeal 731/2009-F brought before Contentious-Administrative Court no. 15 of Barcelona. Parties: Plaintiff: Empark Aparcamientos y Servicios, S.A. Defendant: City Council of Sant Cugat del Vallés.

Amount: 425 thousands of euros

Object: The payment of fees demanded by the City Council for operating the municipal parking of Plaza Lluís Millet and blue zones for the period between October 2001 and October 2008 is appealed.

Status of the proceedings: The plaintiff has been given a notification to file suit. However, Empark Aparcamientos y Servicios, S.A. has requested the file be completed with cancellation of the time period to file suit. Pending resolution.

- Major proceedings brought by Huarte, S.A. against Ferrovial Aparcamientos, S.A., Vista Desarrollo, S.A., Caixa Penedés, CARIPLO and Bolsa de Madrid requesting the cancellation of the collateral judgement of 850,614 shares of ESSA (today Empark Aparcamientos y Servicios, S.A.) previously owned by the plaintiff and stated in the property deed of the same. The lawsuit brought by Obrascón Huarte Lain, S.A. (then named Huarte, S.A.) was rejected, and costs awarded against the plaintiff, in a judgement of 24/03/2000. OHL filed an appeal against the said judgement, which was likewise rejected by the Provincial High Court of Madrid, in a judgement handed down

on 17/06/2003, with costs awarded against the appellant. OHL then brought an extraordinary appeal against the aforementioned judgement, based on procedural irregularities, along with a cassation appeal, on 29/10/2003. In a judgement handed down on 10/12/2008, the Supreme High Court rejected both the cassation appeal and the extraordinary appeal based on procedural irregularities, awarding costs against the appellant. The intention of Empark Aparcamientos y Servicios, S.A. is to request payment of legal costs from the appellant and the party against which costs were awarded, Obrascón Huarte Lain, S.A., beginning the procedure for calculation of costs.

39 Temporary Joint Ventures (TJVs)

The sums set out below represent the % stake held by the Group in the assets and liabilities and sales and results of each UTE joint venture. These sums have been included in the Consolidated Financial Statement and consolidated Income Statement:

	Thousands of euros				
	31/12/2010				
	Torrellobeta	Aparcamientos	Jado	Valls	Tenerife
Assets					
Non-current assets	–	–	–	1,490	1
Current assets	102	49	19	408	(34)
	102	49	19	1,898	(33)
Liabilities					
Non-current liabilities	1	46	(202)	94	13
Current liabilities	102	2	221	1,804	(46)
	102	48	19	1,898	(33)
Revenues	–	1	–	924	301
Expenses	–	(1)	1	(924)	(289)
Profit after taxes	–	–	1	–	12
Proportionate holdings In UTE (TJV)					
commitments	80%	25%	50%	47%	100%

During the year 2010, the following UTEs have been dissolved: UTE Lanzarote and UTE T-4 Barajas.

	Thousands of euros						31/12/2009 Lanzarote
	Torrellobeta	Aparcamientos	Jado	Valls	T4	Tenerife	
Assets							
Non-current assets	–	–	–	3,361	–	2	–
Current assets	102	482	59	449	320	106	56
	102	482	59	3,810	320	108	56
Liabilities							
Non-current liabilities	1	183	(403)	205			
Current liabilities	101	299	462	3,605	317	108	66
	102	482	59	3,810	317	108	66
Revenues	4	115	–	1,368	1,764	288	108
Expenses	(4)	(115)	(6)	(1,368)	(1,764)	(290)	(120)
Profit after taxes	–	–	(6)	–	–	(2)	(12)
Proportionate holdings							
In UTE							
commitments	80%	25%	50%	47%	54%	100%	100%

During the year 2009, the following UTES (TJVs) have been dissolved: Aguilar de Campo and ExpoZaragoza.

40 Environmental commitments

Environmental activity is defined as any operation whose main purpose is to prevent, reduce or repair damage caused to the environment.

The investments derived from environmental activities are valued at the acquisition cost and are activated as greater fixed asset expenses in the financial year in which they are incurred, following the criteria described in note 2 regarding applicable accounting standards.

Costs derived from environmental protection and improvement is attributed to the results for the financial year in which they are incurred, irrespective of the point when the monetary or financial flow derived there from occurs.

The provisions relative to probable or certain responsibilities, legal proceedings in process and for compensation and pending obligations of an undetermined amount, of an environmental nature not covered by contracted insurance policies, are made when the liability or the obligation establishing the compensation becomes effective.

41 Remunerations paid to the Board of Directors

2010

a) Remuneration paid to Directors.

During financial year 2010, the remuneration paid to members of the Board of Directors amounted to 1,183 thousands of euros.

b) Advances and loans granted to members of the Board of Directors.

At 31 December 2010, the Directors have balances with the Group for loans or advances in the sum of 138 thousands of euros. There are no commitments assumed by them regarding insurance or pension plans.

c) Remuneration and loans to senior management.

Personnel attending Board of Director meetings are considered senior management. Remuneration paid to senior management amounts to 1,183 thousands of euros.

d) Holdings and positions of members of the Board of Directors in other comparable companies.

Art. 229.2 of legislative Royal Decree 1/2010, dated 2 July, which approves the revised text of the Capital Corporations Act to increase the transparency of listed companies, for them as well as for the related parties to which article 231 refers, the direct or indirect stake they may hold in another company with a similar or complementary activity as that of the company's corporate purpose, as well as the positions or duties carried out on their own or for another company, similar or complementary in nature to the activity constituted by the corporate object.

2009

b) Remuneration paid to Directors.

During financial year 2009, the remuneration paid to members of the Board of Directors amounted to 96 thousands of euros.

At 31 December 2009, the Directors do not have balances with the Group for loans or advancements, nor are there commitments made on their own with regards to insurance or pension plans.

b) Advances and loans granted to members of the Board of Directors.

Obligations have not been assumed on behalf of the Directors, as there are no obligations assumed by the Group on their behalf, or contracted obligations in terms of pensions or life insurance.

c) Holdings and positions of members of the Board of Directors in other comparable companies.

Art. 229.2 of legislative Royal Decree 1/2010, dated 2 July, which approves the revised text of the Capital Corporations Act to increase the transparency of listed companies, for them as well as for the related parties to which article 231 refers, the direct or indirect stake they may hold in another company with a similar or complementary activity as that of the company's corporate purpose, as well as the positions or duties carried out on their own or for another company, similar or complementary in nature to the activity constituted by the corporate object.

42 Holdings of members of the board of directors in companies with the same, comparable or complementary activity as that of Empark Aparcamientos y Servicios, S.A., positions or functions.

	Company in which the stake is held	Position
José Augusto Tavares da Silva	EMPARK APARCAMIENTOS Y SERVICIOS, S.A.	Director- Chairman
	DORNIER, S.A.U.	Director- Chairman
	EMPARK PORTUGAL – EMPREENDIMENTOS E EXPLORAÇÃO DE PARQUEAMENTOS, S.A.	Director- Chairman
	ESLI – PARQUES DE ESTACIONAMENTO, S.A.	Director
	Company in which the stake is held	Position
Pedro Maria Póvoas Mendes Leal	EMPARK APARCAMIENTOS Y SERVICIOS, S.A.	Director – Vice-Chairman Chairman of the Executive commission
	DORNIER, S.A.U.	Director – Vice-Chairman
	APARCAMENT ESCALDES CENTRE, S.A.	Director- Chairman
	EMPARK UK LIMITED	Director- Chairman
	ESTACIONAMIENTOS GUIPUZCOANOS, S.L.	Director- Chairman Director
	EMPARK PORTUGAL – EMPREENDIMENTOS E EXPLORAÇÃO DE PARQUEAMENTOS, S.A.	Chairman of the Executive commission
	SERPARQUE – SERVIÇOS DE ESTACIONAMENTO, S.A.	Director- Chairman
	GISPARQUES – PLANEAMENTO E GESTÃO DE ESTACIONAMENTO, S.A.	Director- Chairman
	ESLI – PARQUES DE ESTACIONAMENTO, S.A.	Director- Chairman
	PARQUEGIL – PLANEAMENTO E GESTÃO DE ESTACIONAMENTO, S.A.	Director- Chairman
	PARQ A – PARQUES DE ESTACIONAMENTO DA AMADORA, S.A. S.P. GIS – PLANEAMENTO E GESTÃO DE ESTACIONAMENTO, S.A.	Director
	PARK YÖNETİMİ VE SİSTEMLERİ SAN. VE TİC. A.Ş.	Director- Chairman
	PARQUES DA ESTAÇÃO – EMPREENDIMENTOS E EXPLORAÇÃO DE ESTACIONAMENTO, S.A.	Director
	MULTI 49 – SOCIEDADE IMOBILIÁRIA, S.A.	Director- Chairman

	Company in which the stake is held	Position
Leopoldo del Pino y Calvo-Sotelo	EMPARK APARCAMIENTOS Y SERVICIOS, S.A.	Director-Vice-Chairman of the Executive Commission
	DORNIER, S.A.U.	Director – Vice-Chairman
	APARCAMENT ESCALDES CENTRE	Director
	EMPARK UK LIMITED	Director
	FEMET, S.A.	Director- Chairman
	EMPARK PORTUGAL – EMPREENDIMENTOS E EXPLORAÇÃO DE PARQUEAMENTOS, S.A.	Director-Vice-Chairman of the Executive Commission
	SERPARQUE – SERVIÇOS DE ESTACIONAMENTO, S.A.	Director
	GISPARQUES I– PLANEAMENTO E GESTÃO DE ESTACIONAMENTO, S.A.	Director
	ESLI – PARQUES DE ESTACIONAMENTO, S.A.	Director
	MR. CLEAN, LAVAGEM DE VEÍCULOS, S.A.	Director
	S.P. GIS – PLANEAMENTO E GESTÃO DE ESTACIONAMENTO, S.A.	Director
	PARK YÖNETİMİ VE SİSTEMLERİ SAN. VE TİC. A.Ş.	Director
	GISPARQUES II- PLANEAMENTO E GESTÃO DE ESTACIONAMENTO, S.A.	Director
	CASTIL- PARQUE, SOCIEDADE EXPLORADORA DE PARQUES DE ESTACIONAMENTO, S.A.	Director

	Company in which the stake is held	Position	No. shares	% Holding
Domingos António Cidade Pereira de Moura		Director		
	EMPARK APARCAMIENTOS Y SERVICIOS, S.A.	Vice-Chairman of the Executive Commission		
	DORNIER, S.A.U.	Director		
	APARCAMENT ESCALDES CENTRE, S.A.	Director		
	EMPARK UK LIMITED	Director		
	ESTACIONAMIENTOS GUIPUZCOANOS, S.L.	Director		
	FEMET, S.A.	Director		
	EMPARK PORTUGAL – EMPREENDIMENTOS E EXPLORAÇÃO DE PARQUEAMENTOS, S.A.	Director Vice-Chairman of the Executive Commission		
	SERPARQUE – SERVIÇOS DE ESTACIONAMENTO, S.A.	Director		
	GISPARQUES – PLANEAMENTO E GESTÃO DE ESTACIONAMENTO, S.A.	Director		
	GUIPUZCOA PARKING SIGLO XXI, S.A.	Director		
	ESLI – PARQUES DE ESTACIONAMENTO, S.A.	Director		
	PARQUEGIL – PLANEAMENTO E GESTÃO DE ESTACIONAMENTO, S.A.	Director		
	S.P. GIS – PLANEAMENTO E GESTÃO DE ESTACIONAMENTO, S.A.	Director		

Company in which the stake is held		Position	No. shares	% Holding
	PARK YÖNETİMİ VE SİSTEMLERİ SAN. VE TIC. A.Ş.	Director – Vice-Chairman Chairman of the Executive commission	1,000	0.00015%
	PARQUES DO TAMARIZ – SOCIEDADE DE EXPLORAÇÃO DE ESTACIONAMENTO, S.A.	Director		
	MULTI 49 – SOCIEDADE IMOBILIÁRIA, S.A.	Director		
	GISPARQUES II- PLANEAMENTO E GESTÃO DE ESTACIONAMENTO, S.A.	Director- Chairman		
	MR. CLEAN, LAVAGEM DE VEÍCULOS, S.A.	Director- Chairman		
	APARCAMIENTOS GUIPUZCOANOS, S.L.	Director		
	CONCHA PARKING, S.A.	Director		
	CASTIL- PARQUE, SOCIEDADE EXPLORADORA DE PARQUES DE ESTACIONAMENTO, S.A.	Director- Chairman		
	PEVR PARQUES DE ESTACIONAMENTO DE VILA REAL, S.A.	Director		
	KATIBIN OPTOPARK ISLETMELERİ TIC. VESAN, A.Ş.	Director – Vice-Chairman	1	0.0001%
Company in which the stake is held		Position		
Pedro Luis Silva Manso Pires	EMPARK APARCAMIENTOS Y SERVICIOS, S.A.	Director		
	EMPARK UK LIMITED	Director		
	ESTACIONAMIENTOS GUIPUZCOANOS, S.L.	Director		
	APARCAMENT ESCALDES CENTRE, S.A.	Director		
Company in which the stake is held		Position		
Ana Paula Chaves E Sá Ribeiro	EMPARK APARCAMIENTOS Y SERVICIOS, S.A.	Director		
	DORNIER, S.A.U.	Director		
	EMPARK PORTUGAL – EMPREENDIMENTOS E EXPLORAÇÃO DE PARQUEAMENTOS, S.A.	Director		
Company in which the stake is held		Position		
Francisco Gomes de Carvalho Martins	EMPARK APARCAMIENTOS Y SERVICIOS, S.A.	Director		
	DORNIER, S.A.U.	Director		
	EMPARK PORTUGAL– EMPREENDIMENTOS E EXPLORAÇÃO DE PARQUEAMENTOS, S.A.	Director		
Company in which the stake is held		Position		
Francisco Ravara Cary	EMPARK APARCAMIENTOS Y SERVICIOS, S.A.	Director		
	DORNIER, S.A.U.	Director		
	EMPARK PORTUGAL– EMPREENDIMENTOS E EXPLORAÇÃO DE PARQUEAMENTOS, S.A.	Director		
Company in which the stake is held		Position		
Gonzalo José Zambrano de Oliveira	EMPARK APARCAMIENTOS Y SERVICIOS, S.A.	Director		
	DORNIER, S.A.U.	Director		
	EMPARK PORTUGAL– EMPREENDIMENTOS E EXPLORAÇÃO DE PARQUEAMENTOS, S.A.	Director		

Company in which the stake is held				Position		
Manuel Ravara Caldeira Castel-Branco Cary	EMPARK APARCAMIENTOS Y SERVICIOS, S.A.			Director		
				No.	%	
Company in which the stake is held				Position	shares	Holding
AHORRO CORPORACION FINANCIERA, S.V., S.A., has the management of the vehicles sub delegated:	EMPARK SERVICIOS, S.A. DORNIER, S.A.U.	APARCAMIENTOS Y	–	Director	937,997	8.33%
Ahorro Corporación Infraestructuras, F.C.R.	EMPARK EMPREENDIMENTOS EXPLORAÇÃO PARQUEAMENTOS, S.A.	PORTUGAL	–	Director	–	–
Ahorro Corporación Infraestructuras 2, S.C.R., S.A.	EMPARK UK LIMITED APARCAMENT ESCALDES	CENTRE,	DE	Director	–	–
D. Juan José Clavería García is the person responsible for AHORRO CORPORACION FINANCIERA, S.V., S.A.	S.A. ESTACIONAMIENTOS GUIPUZCOANOS, S.L.			Director	–	–

AHORRO CORPORACION FINANCIERA, S.V., S.A.

Direct or indirect holdings of related parties as per article 231.2 LSC in companies with a comparable activity (corporate purpose):

Personal identifying data of the tied party	Relation to ACF	Company with similar / complementary activity	Description of the involvement of the tied party (partner, director, manager)	Position/Function of the tied party
Ahorro Corporación S.A	ACF member at 99.99%	Ahorro Corporación INMUEBLES	Partner	N/A
Selectiva Patrimonios SGCSA	ACF member at 0.01%	Ahorro Corporación INMUEBLES	Partner	N/A
Ahorro Corporación S.A	ACF member at 99.99%	Ahorro Corporación Soluciones Inmobiliarias	Partner	N/A
Antonio Fernández López	– Chairman – ACF Board member – Legal Representative	Ahorro Corporación INMUEBLES	– Manager – Board Member	– Chairman – Chairman of the Board
Same as above	Same as above	Ahorro Corporación Soluciones inmobiliarias	– Manager – Board Member	– Chairman – Chairman of the Board
Victoriano López-Pinto Fernández de Navarrete	– Chief Executive / Managing Director: – ACF Board member – Legal Representative	Ahorro Corporación INMUEBLES	Board Member	Member
Same as above	Same as above	Ahorro Corporación Soluciones inmobiliarias	– Manager – Board Member	Vice-Chairman Member
Enrique Sánchez del Villar Boceta	– ACF Board member – Legal Representative	Ahorro Corporación INMUEBLES	Board Member	Member
Same as above	Same as above	Ahorro Corporación Soluciones Inmobiliarias	Board Member	Member
Ahorro Corporación Inmuebles	Member of the same Corporate Group with the same corporate purpose	N/A	N/A	N/A
Ahorro Corporación Soluciones Inmobiliarias	Member of the same Corporate Group with the same corporate purpose	N/A	N/A	N/A

	Company in which the stake is held	Position
Gonzalo Gómez Navarro	EMPARK APARCAMIENTOS Y SERVICIOS, S.A.	Director – Financial Director General
	APARCAMENT ESCALDES CENTRE, S.A.	Director
	EMPARK UK LIMITED	Director
	DORNIER, S.A.	Director
	ESTACIONAMIENTOS GUIPUZCOANOS, S.L.	Director
	EMPARK PORTUGAL – EMPREENDIMENTOS E EXPLORAÇÃO DE PARQUEAMENTOS, S.A.	Director
	SERPARQUE – SERVICIOS DE ESTACIONAMIENTO, S.A.	Director
	GISPARQUES – PLANEAMIENTO E GESTAO DE ESTACIONAMIENTO, S.A.	Director
	ESLI – PARQUES DE ESTACIONAMIENTO, S.A.	Director
	S.P. GIS – PLANEAMIENTO E GESTAO DE ESTACIONAMIENTO, S.A.	Director

43 Auditor fees

In accordance with what is stipulated in the fourteenth additional provision of Law 44/2002, dated 22 November, on the Financial Systems Reform Measures, the total fees invoiced in 2010 by the Group's account auditors for auditing services has been notified, which amounted to 121 thousands of euros.

The total fees relative to the auditing of financial statements for financial year 2009 received by the Group's auditors amounted to 170 thousands of euros.

44 Events subsequent to the close of year

From the date of close up until the date of presentation of these annual accounts, no events subsequent to the close occurred, which could affect these annual accounts, except:

- On 3 February 2011, the cancellation of the mortgage guarantees provided over the commercial property No. 5 located on the bottom floor of the building known as Mercado de Marbella was signed with Banco Espirito Santo de Inverimento, S.A. and rest of banks.
- On 19 January 2011, a judgement has been handed down rejecting the contentious administrative appeal 731/2009-F brought by the company against the City Council of San Cugat. Said judgement has not been appealed by the company, which is why payment in the sum of 563 thousands of euros has been paid to the City Council. This payment did not entail expenditure for the company since it already had been provisioned.

EMPARK Aparcamientos y Servicios, S.A. and Subsidiaries

Consolidated Management Report for Financial Year 2010

The Group's new shareholders

The following are shareholders of Empark Aparcamientos y Servicios S.A.:

EMPARK,S.A. Shareholders	2010	
	shares	%
ASSIP Consultoria e Servicos S.A.	5,629,623	49.98%
Es Concessions International Holding, BV	2,520,677	22.38%
Ahorro Corporación Infraestructuras, F.C.R. of Simplified Tax Regime	810,341	7.19%
Ahorro Corporación Infraestructuras 2, S.C.R.	127,656	1.13%
Espirito Santo Infrastructure Fund-I_ Fundo de Capital Risco	937,997	8.33%
Transport Infrastructure Holding Company,B.V.	937,997	8.33%
Mellopark - Sociedade Gestora de Participações Sociais, S.A.	293,316	2.60%
Minority.....	7,042	0.06%
Total.....	11,264,649	100.00%

Economic activity for the financial year

Over the course of the 2010 financial year, the Company engaged in its business within an economic context complicated as a result of the worldwide financial and economic crisis. This crisis has caused an important decrease in economic and financial activity, which has also been noticed in Spain and Portugal, which are the group's main markets.

In spite of this crisis, the performance of the Empark Group has been very positive, showing a great resistance and an excellent management capacity, which has enabled the group to obtain a recurring EBITDA in 2010 of 69,302 thousands of euros, which continues on the same growth path that was set in previous years.

The group leads the Spanish and car parking Portuguese markets and since 1968, is has been involved in the construction, management and operation of underground as well as on-street parking.

It has succeeded in performing all the activities needed to provide optimal integrated vehicle management services in any environment. Proof of this is the fact that the Group and its subsidiaries manage more than 375,000 parking spaces in Spain, Portugal, Andorra, United Kingdom and Turkey.

Its presence in the industry includes all lines of business:

a) Off-street parking

The Group designs, builds and operates all manner of off-street parking within any context and employing any formula.

Car parks in city centres, in the vicinity of hospitals, shopping centres, airports, bus or train stations, park-and-ride operations and car parks in national parks are some of the parking solutions in which the Group has proven experience throughout every region of Spain and Portugal.

b) On-Street parking

The Group, through its subsidiaries, one of Europe's most experienced companies in this type of service, and has the largest-scale operations throughout Spain and Portugal.

Employing the latest technology, and drawing on the support of a powerful organisation, the Cintra Aparcamientos group provides its services in more than 160 cities the length and breadth of Spain, Portugal, Andorra, United kingdom and Turkey.

Other complementary services, such as the supply and maintenance of regulation technologies, the administration of the application and processing of penalties and the provision of the vehicle removal service are provided by the group in the main cities of Spain and Portugal.

c) Car parks for local residents

Empark Aparcamientos y servicios, S.A. is one of Spain's most experienced companies in this type of business in the country's main cities.

Empark Aparcamientos y servicios S.A. performs the comprehensive management of this type of car park on both public and private land, undertaking technical and financial feasibility studies, designing, building and selling parking spaces for local residents.

d) Other services

The Group specialises in the provision of other services tied to the end-to-end management of car parking and urban and inter-urban mobility.

Among others, Empark Aparcamientos y Servicios, S.A. and Dornier, S.A.U. has substantial experience in:

Management of control of access to nature reserves.

Provision of temporary parking services at trade fairs and mass attendance events.

Combined park and bus services around airports.

Management of mass off-street multiple profile subscriber car parks, in particular for Hospitals and Airports, with high levels of operation 24/24 hours.

Comprehensive management of immobilisation, removal and deposit of vehicles.

The Group has developed its executive and management abilities during its extensive experience in the industry. The company's competitive factors include:

- Nationwide as well as international presence, ensuring the direct management of all its businesses, as well as a direct relationship with all its public and / or private customers.
- Competitive operating costs resulting from both the company's wide-ranging experience as well as its nationwide presence, providing synergies and key know-how.
- Technological innovation, which allows the company to, not only be more competitive but also enables it to offer innovative solutions for traffic planning, design, etc.
- A presence in all areas of the business, allowing the possibility of offering integrated solutions and cost savings.
- The ability to offer complex construction solutions.

The Group's operations extend to 193 cities. As at 31 December 2010, it handles a total of 376,780 parking spaces.

Financial Information

The net turnover amounted to a figure of 204,416 thousands of euros in 2010 and 182,967 thousands of euros in 2009, which is a 12% increase from the previous year.

Operating profits stood at 42,191 thousands of euros in 2010, 20% of the net turnover figure.

Pre-tax consolidated profits were 11,875 thousands of euros in 2010, 6% of the net turnover figure.

The Group's workforce is comprised of more than 2,979 workers, 40% of whom are female and 60% male. The average age is 39 and 1/2 years.

As for the Company's financial risk management policy, this is based on the Group managing its capital in order to guarantee that it will be in a position to continue operating as a profitable business, while maximising shareholder return by striking an optimum balance between debt and equity.

Below are set out the main risks to which the Group is exposed:

- **Liquidity risk:** The Group establishes its treasury needs as part of its general policy through the use of two tools: Treasury budget with a 12-month horizon, providing monthly detail and updates, and treasury budget with a 30-day horizon, with daily updates and details. These tools identify treasury needs in volume and time, and make plans for new financing needs.
- **Credit risk:** The Group maintains cash and equivalent liquid assets at financial institutions with a high-level credit rating. It should furthermore be mentioned that there is no significant concentration of credit risk with third parties.

- Interest rate risk: Interest-rate risk affects the Group essentially through long-term outside resources. The Group has contracted financial instruments that partially cover the risk of possible interest rate hikes.
- Exchange rate risk: The Group has no significant exchange rate risk, as most of its assets and liabilities, revenue and expenses, are quoted in euros.

Financial debt

The Group's debt as of 31 December 2010 amounts to 480,636 thousands of euros, which is 63% of the total liability and it is considered a reasonable debt for this type of company.

Subsequent events

There are no relevant events to point out except:

- On 3 February 2011, the cancellation of the mortgage guarantees provided over the commercial property No. 5 located on the bottom floor of the building known as Mercado de Marbella was signed with Banco Espirito Santo de Inverimento, S.A. and rest of banks.
- On 19 January 2011, a judgement has been handed down rejecting the contentious administrative appeal 731/2009-F brought by the company against the City Council of San Cugat. Said judgement has not been appealed by the company, which is why payment in the sum of 563 thousands of euros has been paid to the City Council. This payment did not entail expenditure for the company since it already had been provisioned.

Research and development

The Group has not carried out any research and development activities.

Treasury stock

There have been no acquisitions of own shares.

Derivatives

The Group has contracted financial instruments that partially cover the risk of possible interest rate hikes of long-term outside resources.

Environmental aspects

Environmental activity is defined as any operation whose main purpose is to prevent, reduce or repair damage caused to the environment.

The investments derived from environmental activities are valued at the acquisition cost and are activated as greater fixed asset expenses in the financial year in which they are incurred, following the criteria described in note 2 regarding applicable accounting standards.

Costs derived from environmental protection and improvement is attributed to the results for the financial year in which they are incurred, irrespective of the point when the monetary or financial flow derived there from occurs.

The provisions relative to probable or certain responsibilities, legal proceedings in process and for compensation and pending obligations of an undetermined amount, of an environmental nature not covered by contracted insurance policies, are made when the liability or the obligation establishing the compensation becomes effective.

At 31 December 2010, the costs or expenses incurred with regard to environmental aspects are insignificant.

As for any such potential contingencies as may arise in the field of the environment, the directors do not believe that they would have any significant impact on the enclosed annual accounts.

THE ISSUER

Empark Funding S.A.
13-15 Avenue de la Liberté, L-1931 Luxembourg

LEGAL ADVISORS TO THE ISSUER

as to U.S. Federal law and New York law

Cravath, Swaine & Moore LLP
CityPoint
One Ropemaker Street
London EC2Y 9HR
United Kingdom

as to Spanish law

J&A Garrigues, S.L.P.
Hermosilla, 3
28001 Madrid
Spain

as to Portuguese law

Garrigues Portugal, S.L.P.—Sucursal Loyens & Loeff Luxembourg S.à r.l.
Av. da República, 25—1.º
1050-186 Lisboa
Portugal

as to Luxembourg law

Avocats à la Cour
18-20, rue Edward Steichen,
L-2540 Luxembourg

as to English law

White & Case LLP
5 Old Broad Street
London EC2N 1DW
United Kingdom

THE INITIAL PURCHASERS

J.P. Morgan Securities plc
25 Bank Street
London E14 5JP
United Kingdom

Caixa - Banco de Investimento, S.A.
Sucursal en España
Paseo de la Castellana,
n. 21 - 3º izq
28046 Madrid
Spain

Deutsche Bank AG, London Branch
Winchester House
1 Great Winchester Street
London EC2N 2DB
United Kingdom

Banco Espírito Santo de
Investimento, S.A.
Sucursal en España
Calle de Serrano 88
28006 Madrid
Spain

LEGAL ADVISORS TO THE INITIAL PURCHASERS

as to U.S. Federal law, New York law and English law

Simpson Thacher & Bartlett LLP
CityPoint
One Ropemaker Street
London EC2Y 9HU
United Kingdom

as to Spanish law

Cuatrecasas, Gonçalves Pereira, S.L.P.
Almagro, 9
28010 Madrid
Spain

as to Portuguese law

Cuatrecasas Gonçalves Pereira, R.L.
Praça Marquês de Pombal, n.º 2
1250-160 Lisboa
Portugal

as to Luxembourg law

Clifford Chance, Luxembourg
2-4 pl. de Paris, L-1011
Luxembourg City, Luxembourg

INDEPENDENT AUDITORS

Ernst & Young, S.L.
Torre Picasso
Plaza Pablo Ruiz Picasso, 1
28020 Madrid, Spain

TRUSTEE

Deutsche Trustee Company Limited
Winchester House
1 Great Winchester Street
London EC2N 2DB
United Kingdom

PRINCIPAL PAYING AGENT AND SECURITY AGENT

Deutsche Bank AG, London Branch
Winchester House
1 Great Winchester Street
London EC2N 2DB
United Kingdom

REGISTRAR, LUXEMBOURG LISTING AGENT AND TRANSFER AGENT

Deutsche Bank Luxembourg S.A.
2, boulevard Konrad Adenauer
L-1115 Luxembourg

LEGAL ADVISORS TO THE TRUSTEE

Allen & Overy LLP
One Bishops Square
London E1 6AD
United Kingdom

