

## **Brisa Concessão Rodoviária, S.A.**

Registered Office: Quinta da Torre da Aguilha, Edifício BRISA, São Domingos de Rana  
Share capital: EUR 75 000 000; Registered with the Commercial Registry Office of Cascais,  
under Commercial Registration and Corporate Tax Number 502790024

# **PRESS RELEASE**

## **2020 Annual Results**

**10 February 2021**

The financial statements for 2020 of Brisa Concessão Rodoviária, S.A. ("BCR") were prepared in accordance with the International Financial Reporting Standards (IFRS) and have not yet been subject to an Audit Report.

### **1. Traffic Evolution in BCR Network**

2020 was a very atypical year, heavily influenced by the COVID-19 pandemic. From March until the end of the year, successive declarations of a State of Emergency and the various measures and restrictions imposed by the Portuguese Government on the movement of people and the free exercise of economic activities, in response to the pandemic, had a negative impact on traffic in the road infrastructures concessioned to BCR.

Average Daily Traffic (ADT) during the year decreased 25.2% in comparison to 2019, with traffic volume reaching 15 981 vehicles/day. Vehicles per kilometre fell 25.0%, slightly less than ADT, benefiting from the fact that 2020 was a leap year. The variation in organic traffic was also negative, reaching 22.4%.

All the motorways in the concession registered decreases in demand, with ADT falling between 12.4% on the A14 and 32.6% on the A6. The analysis of traffic by type of vehicle shows a less unfavourable evolution of heavy vehicles, having registered a much lower decrease (-7.3%) than light vehicles (-26.3%).

## Traffic Evolution in BCR Network

|                               | 2020          |
|-------------------------------|---------------|
| <b>Vehicles per KM (v.km)</b> | <b>-25.0%</b> |
| <i>Breakdown:</i>             |               |
| <i>Organic growth</i>         | <i>-22.4%</i> |
| <i>Calendar effect</i>        | <i>-3.0%</i>  |
| <i>Other*</i>                 | <i>+0.4%</i>  |
| <b>ADT</b>                    | <b>15 981</b> |
| <b>YoY change</b>             | <b>-25.2%</b> |

\* Includes leap year effect

## 2. Capital Expenditure (CAPEX)

Capital expenditure (CAPEX) in the network under concession totalled €52.1m at the end of the year, representing a decrease of 21.2% over the same period of the previous year and it was mostly directed to lane widening and pavement improvement works. This figure includes €31.1m related to major repairs of pavements, engineering works and slopes (which in accounting terms are treated as provisions according to IFRIC 12) on the A1, A3, A6, A13 and A14, with renovation of viaducts on the A1, A2, A3, A4, A5 and A9. Around €8.2m were allocated to widenings in the Águas Santas/Ermesinde (A4/A3) sub-stretch.

## 3. Profit and Loss Statement

### Operating income

In 2020, operating income totalled €500.9m, which represents a decrease of 23.4% compared to the same period of the previous year. Toll revenues reached €475.3m (a 23.7% decrease relative to the end of 2019), due to the above-mentioned fall in traffic caused by the COVID-19 pandemic and the consequent limitations imposed by the Government on the movement of people and freedom of economic activity. Revenues associated with service areas reached €20.1m (-19.5% year-on-year).

### Operating costs

Operating costs excluding Amortisation, Depreciation, Adjustments and Provisions reached €131.7m in 2020, representing a decrease of 1.7% relative to the same period of the previous year.

External Supplies and Services, which mainly reflect the costs of subcontracted services for the operation and maintenance of the motorway under concession and electronic toll collection costs, fell 1.4% compared to the same period of the previous year, totalling €128.9m.

As of 31 December 2020, BCR had 9 employees with Personnel costs totalling €1.4m. Amortisation, Depreciation, Adjustments and Provisions, net of reversals, came to €134.6m (-17.8% relative to 2019), reflecting new traffic projections adjusted as a result of the current pandemic crisis. It is important to note that the method to calculate the amortisation of assets associated to BCR's concession right is based on traffic evolution.

### Operating Results

Operating Results (EBITDA) at the end of 2020 totalled €369.2m, which represents a decrease of 29.0% (or €150.7m) over the same period of the previous year. The fall in operating income, combined with the decrease in operating costs, resulted in an EBITDA margin of 73.7%.

EBIT came to €234.6m, which represents a year-on-year decrease of 34.1%.

### Financial Results

In 2020 BCR recorded negative net financial results of €56.2m, which represents an improvement of €4.4m compared to the same period of the previous year.

Financial income, which corresponds entirely to interest earned, came to zero, continuing to reflect the low rates offered on bank deposits.

Financial expenses evolved favourably, having fallen 7.3% relative to the same period of the previous year. This reduction is mainly due to the decrease in interest paid, which reflects the debt repayments made (in the amount of approximately €164m) and which resulted in a lower level of gross debt compared to 2019.

## Net Profit

Net Profit was €122.9m, determined by reference to Profit Before Tax of €178.4m and income tax expenses of €55.5m.

## 4. Debt Profile and Financial Position

### Financial debt and liquidity

| €m                          | Nominal Debt |                              |              | Accounting Debt |                              |              |
|-----------------------------|--------------|------------------------------|--------------|-----------------|------------------------------|--------------|
|                             | December     | Δ against dec/2019<br>(€m/%) |              | December        | Δ against dec/2019<br>(€m/%) |              |
| <b>Gross Debt</b>           | 1 810        | -164                         | -8.3%        | 1 795           | -156                         | -8.0%        |
| <b>Cash and equivalents</b> | 149          | -83                          | -35.6%       | 149             | -83                          | -35.6%       |
| <b>Net Debt</b>             | <b>1 660</b> | <b>-81</b>                   | <b>-4.7%</b> | <b>1 646</b>    | <b>-73</b>                   | <b>-4.3%</b> |

*Note: Nominal debt represents the contractual value whilst accounting debt corresponds, according to accounting standards, to net nominal debt plus accrued interest less expenses with loan issuance and placement*

As of 31 December 2020, BCR's gross debt was €1 810m (nominal debt). During the year, BCR amortised €39m with reference to the EIB loan and redeemed the €125m that were drawn under committed commercial paper programmes. The cash position totalled €149.4m, including an amount of €87.9m placed in reserve accounts for CAPEX and debt service purposes.

At the end of 2020, BCR had committed credit lines in a total amount of €400m, which were fully undrawn. Approximately 67% of BCR's debt was subject to fixed interest rates and 33% was subject to floating interest rates. The weighted average cost of debt in 2020 (including the impact of derivative instruments) was 2.1%, which represents a decrease of approximately 2 bps relative to the same period in 2019.

### Financial Position

At the end of December 2020, BCR's Assets came to €2 373.9m, comprising mostly intangible assets associated with the motorways concession right and bank deposits. Liabilities fell €144.7m to €2 160.3m in comparison with December 2019, as a result of the above-mentioned financial debt

reduction. Equity fell €12.3m (to €213.6m), mainly as a result of the distribution made to the shareholder BCR SGPS, S.A. in the total amount of €135.5m, partly offset by net profit for the year.

## 5. Covenants and Rating

### Covenants

BCR continues to follow a prudent and conservative financial management. The four covenants in the form of financial ratios to which BCR is subject according to the Common Term Agreement (CTA) stood significantly within established thresholds as of 31 December 2020. The Net Senior Debt / EBITDA ratio stood at 4.52x, i.e. 0.73x below the established trigger event threshold of 5.25x. The Historic ICR ratio, as at December 2020, stood at 7.11x, i.e. significantly above the established trigger event threshold of 2.25x.

### Rating

The ratings assigned to BCR are "A-"(Stable Outlook) by Fitch Ratings and "Baa2" (Stable Outlook) by Moody's. It should be noted that on 8 April, amidst the COVID-19 pandemic, the rating agency Moody's revised BCR's Outlook from "Positive" to "Stable", maintaining the rating unchanged. Both Fitch Ratings and Moody's kept BCR's rating unchanged throughout the year.

## Condensed Statement of Profit and Loss and Other Comprehensive Income

| €m   | 2019         | 2020         | % Change      |
|--|--------------|--------------|---------------|
| <b>Operating Revenues</b>                    | <b>653.8</b> | <b>500.9</b> | <b>-23.4%</b> |
| Toll revenues                                | 622.9        | 475.3        | -23.7%        |
| Service areas                                | 25.0         | 20.1         | -19.5%        |
| Other operating revenues                     | 5.8          | 5.5          | -5.9%         |
| <b>Operating Costs</b>                       | <b>133.9</b> | <b>131.7</b> | <b>-1.7%</b>  |
| Supplies and Services                        | 130.8        | 128.9        | -1.4%         |
| Personnel costs                              | 1.7          | 1.4          | -17.3%        |
| Other operating costs                        | 1.4          | 1.3          | -3.2%         |
| <b>EBITDA</b>                                | <b>519.9</b> | <b>369.2</b> | <b>-29.0%</b> |
| Amort.. deprec.. adjust. prov. and reversals | 163.7        | 134.6        | -17.8%        |
| <b>EBIT</b>                                  | <b>356.2</b> | <b>234.6</b> | <b>-34.1%</b> |
| Construction revenue (IAS11)                 | 19.1         | 15.5         | -18.8%        |
| Construction costs (IAS11)                   | 19.1         | 15.5         | -18.8%        |
| <b>Net Financial Results</b>                 | <b>-60.6</b> | <b>-56.2</b> | <b>-</b>      |
| Financial expenses                           | 60.6         | 56.2         | -7.3%         |
| Financial revenues                           | -            | -            | -             |
| <b>Profit before tax</b>                     | <b>295.6</b> | <b>178.4</b> | <b>-39.6%</b> |
| Income tax                                   | 91.1         | 55.5         | -39.1%        |
| <b>Net income</b>                            | <b>204.5</b> | <b>122.9</b> | <b>-39.9%</b> |

## Condensed Statement of Financial Position

| €m                                  | 2019           | 2020           | % Change      |
|-------------------------------------|----------------|----------------|---------------|
| <b>Non-current assets</b>           | <b>2 253.7</b> | <b>2 186.2</b> | <b>-3.0%</b>  |
| Intangible assets                   | 2 165.6        | 2 090.2        | -3.5%         |
| Tangible assets                     | 13.1           | 16.2           | 23.4%         |
| Deferred tax                        | 75.0           | 79.8           | 6.5%          |
| <b>Current assets</b>               | <b>277.2</b>   | <b>187.7</b>   | <b>-32.3%</b> |
| Cash and Cash equivalents           | 231.9          | 149.4          | -35.6%        |
| Other                               | 45.3           | 38.3           | -15.3%        |
| <b>Total Assets</b>                 | <b>2 530.9</b> | <b>2 373.9</b> | <b>-6.2%</b>  |
| <b>Total Equity</b>                 | <b>225.9</b>   | <b>213.6</b>   | <b>-5.5%</b>  |
| <b>Non-current liabilities</b>      | <b>2 023.1</b> | <b>1 713.5</b> | <b>-15.3%</b> |
| M/Long-term financial debt          | 1 768.4        | 1 437.2        | -18.7%        |
| Other                               | 254.7          | 276.3          | 8.5%          |
| <b>Current liabilities</b>          | <b>281.9</b>   | <b>446.8</b>   | <b>58.5%</b>  |
| Short-term financial debt           | 182.5          | 358.3          | 96.3%         |
| Other                               | 99.4           | 88.5           | -11.0%        |
| <b>Total Liabilities</b>            | <b>2 305.0</b> | <b>2 160.3</b> | <b>-6.3%</b>  |
| <b>Total Equity and Liabilities</b> | <b>2 530.9</b> | <b>2 373.9</b> | <b>-6.2%</b>  |