

# Discussion Materials

Empresa Geral do Fomento (“EGF”)

BBVA Corporate Finance

February 6<sup>th</sup>, 2014





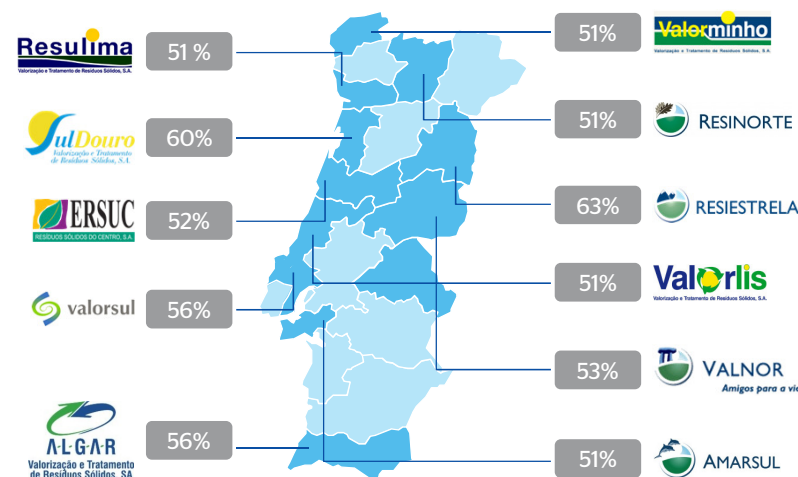
Section 1

# An Outside Perspective of EGF (1/2) - Introduction

## Company Description

- EGF is Aguas de Portugal's subsidiary responsible for guaranteeing the treatment and recovery of solid waste
- Management of waste treatment and recovery systems carried out through 11 companies set up in partnership with the municipalities served
  - These companies process around 3,7 million tons of municipal solid waste
- EGF serves an area of 48,009 Km<sup>2</sup> (52% of the domestic territory) and provides services to more than 60% of the Portuguese population across 174 municipalities
- The company owns and operates 1 energy generation plant, 6 biogas recovery plants, 4 composting plants and 8 ecocenters <sup>(1)</sup> and EGF is engaged in the following activities:
  - Collection: urban solid waste ("USW") is collected and transported to treatment, recovery or final destination facilities
  - Treatment: USW is treated and recovered
  - Valorisation: reintegration of waste in production cycles after its recovery

## Geographical Presence and Ownership (%)



## Financial Evolution <sup>2</sup>

EUR Mn	2009A	2010A	2011A	2012A	CAGR 09-12
Revenues	158.2	165.4	169.9	157.1	-0.2%
<b>EBITDA <sup>3</sup></b>	<b>47.2</b>	<b>52.0</b>	<b>65.8</b>	<b>60.0</b>	<b>6.2%</b>
EBITDA Margin	30%	31%	39%	38%	
NFD <sup>4</sup>	94.4	134.0	183.0	193.0	19.6%
NFD/EBITDA	2.0x	1.9x	2.5x	3.2x	

Source: EGF, ERSAR

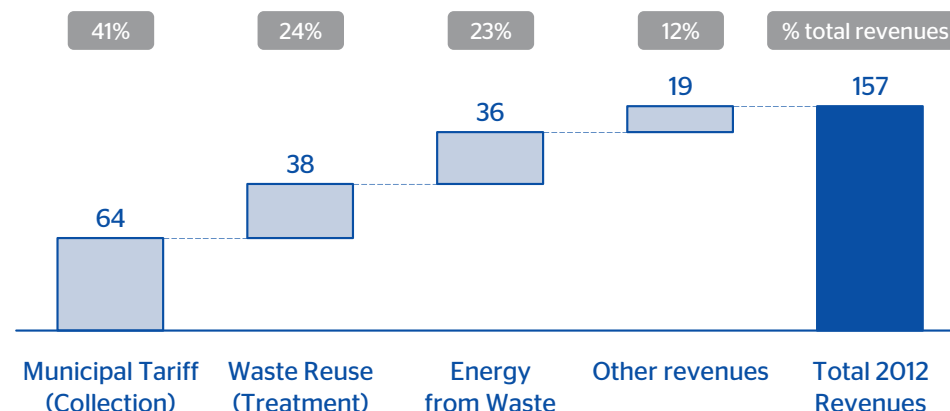
Note (1): EGF also operates 1 processing and transformation plant, 1 organic processing and recovery plant, 58 collection centers, 21 landfills, 18 sorting centers, and 45 transfer stations

Note (2): Proforma Consolidation as EGF does not report consolidated accounts

Note (3): EBITDA Calculation: EBIT + D&A + Impairment Losses - Investment Subsidies

Note (4): Does not include adjustment due to tariff surplus (50% equal to EUR 32.0 Mn)

## Revenue Breakdown by Type of Activity (% of total)



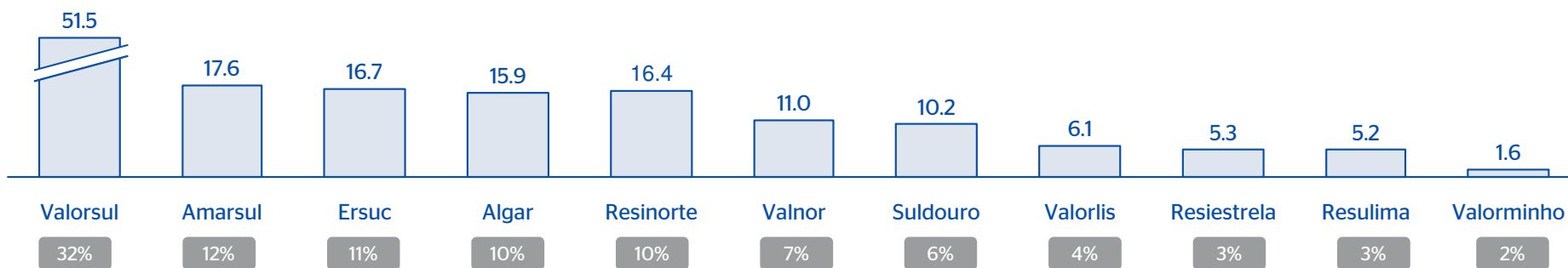


Section 1

# An Outside Perspective of EGF (2/2) – Contracts Overview

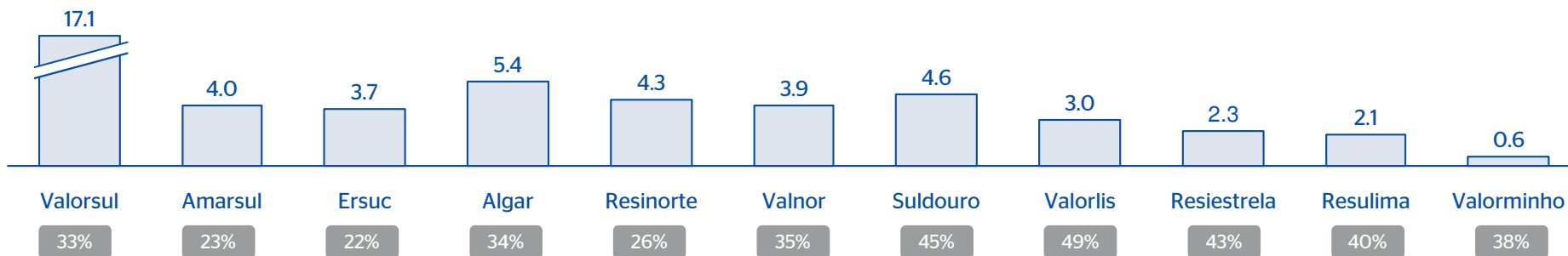
**Revenues<sup>1</sup>**

% of total

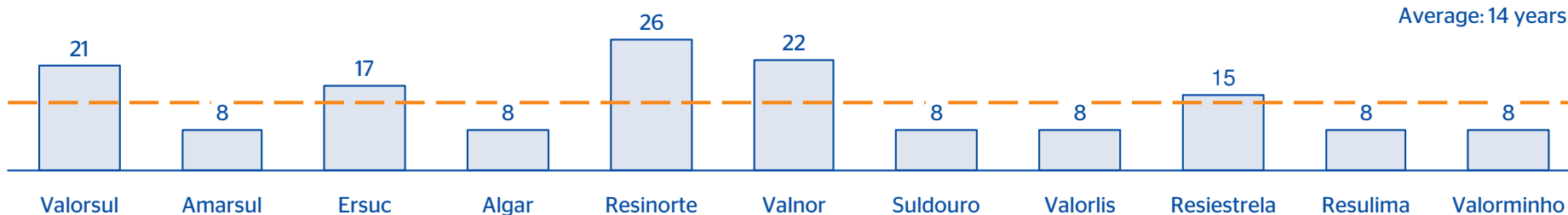


**EBITDA<sup>1</sup>**

EBITDA Margin



**Concession Remaining Life (years)**



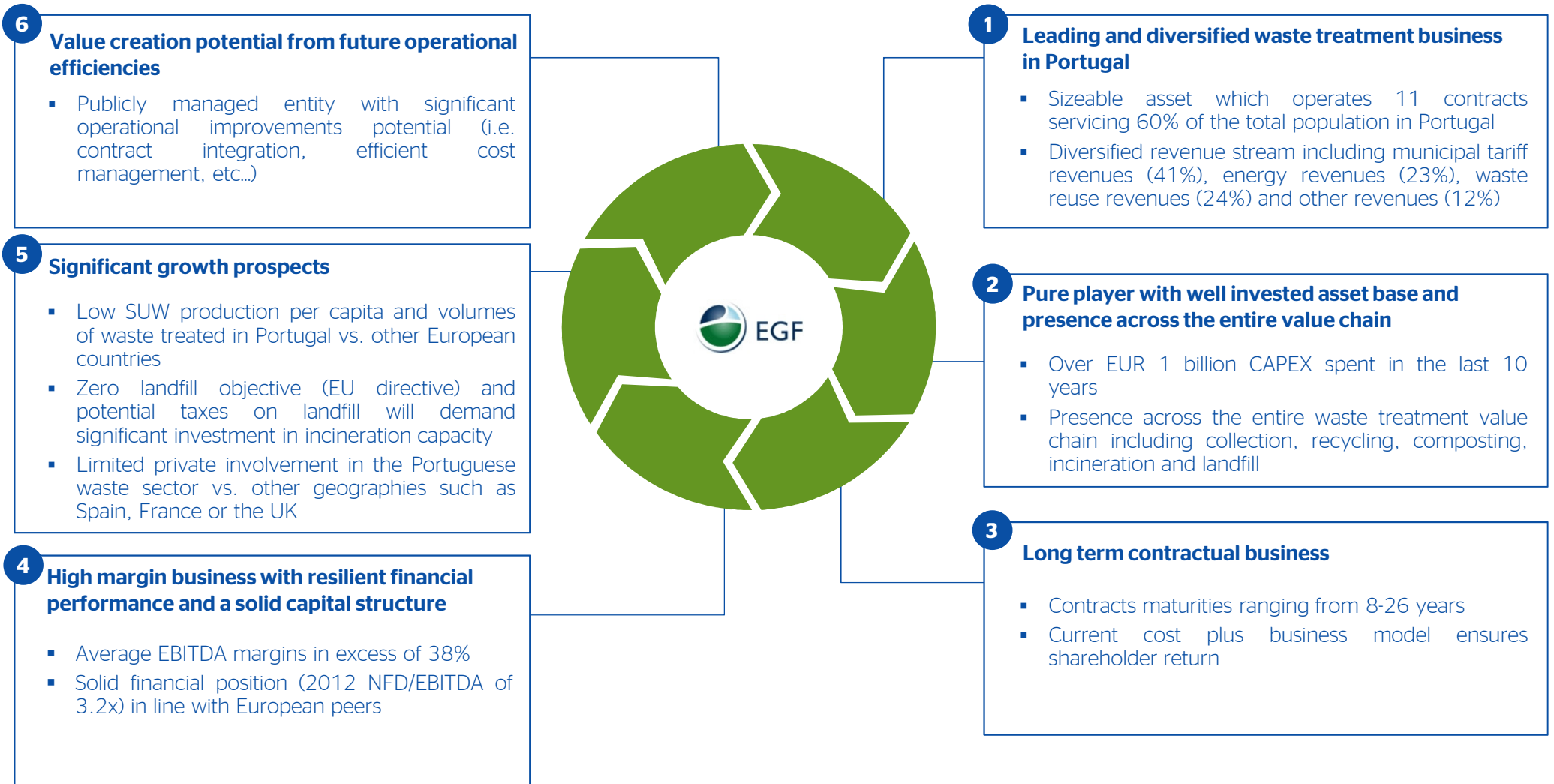
Source: Company Filings, ERSAR. Data as of 2012

Note (1): In order to reconcile Aggregated Revenues and EBITDA figures with Audited figures (Page 4), include EUR 0.4 Mn regarding Holdco Results



Section 1

# Key Investment Highlights





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