

CINTRA AIRPORTS (UK) LIMITED
FINANCIAL STATEMENTS

31 DECEMBER 2002

Company Registration Number 04085761



CINTRA AIRPORTS (UK) LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2002

CONTENTS	PAGE
Officers and professional advisers	1
Directors' report	2
Independent auditors' report to the shareholders	4
Profit and loss account	5
Balance sheet	6
Notes to the financial statements	7

CINTRA AIRPORTS (UK) LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

Board of directors

T Aranda
J Angoitia Grijalba

Company secretary

Ovalsec Limited

Registered office

2 Temple Back East
Temple Quay
Bristol
BS1 6EG

Auditors

KPMG LLP
Chartered Accountants
Registered Auditors
100 Temple Street
Bristol
BS1 6AG

Solicitors

Osborne Clarke
2 Temple Back East
Temple Quay
Bristol
BS1 6EG

CINTRA AIRPORTS (UK) LIMITED

DIRECTORS' REPORT

YEAR ENDED 31 DECEMBER 2002

The directors present their report and the financial statements of the company for the year ended 31 December 2002.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the company during the year was that of a parent company.

On 28 January 2002, as part of a corporate re-organisation, Ferrovial Aeropuertos, S.L. acquired all of the shares in Cintra Airports (UK) Limited, previously owned by Cintra Concesiones de Infraestructuras de Transporte, S.A..

Ferrovial Aeropuertos S.L. has replaced Cintra Concesiones de Infraestructuras de Transporte, S.A., as provider of the commercial loan which was granted by Cintra Concesiones de Infraestructuras de Transporte, S.A. to Cintra Airports (UK) Limited on 24 January 2001 to the sum of £17,500,000.

The directors are satisfied with the financial position of the company at the period end.

RESULTS AND DIVIDENDS

The trading results for the year, and the company's financial position at the end of the year are shown in the attached financial statements.

The directors have not recommended a dividend.

THE DIRECTORS AND THEIR INTERESTS IN SHARES OF THE COMPANY

The directors who served the company during the year were as follows:

T Aranda
J Angoitia Grijalba

The interests of the directors in the share capital of the ultimate parent company are disclosed in the accounts of that company.

ECONOMIC AND MONETARY UNION

The directors are of the opinion that the introduction of the Euro into a commercial environment has caused no disruption to the company's ability to carry on its trade in a European market. The directors have taken steps to ensure that the company's systems are able to make a smooth transition to the new currency, should it become necessary.

CINTRA AIRPORTS (UK) LIMITED

DIRECTORS' REPORT

YEAR ENDED 31 DECEMBER 2002

DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company at the end of the year and of the profit or loss for the year then ended.

In preparing those financial statements, the directors are required to:

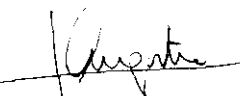
- select suitable accounting policies, as described on pages 7 to 8, and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. The directors are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITORS

During the year, KPMG, the company's auditor, transferred its business to KPMG LLP, a limited liability partnership incorporated under the Limited Liability Partnership Act 2000. The directors consented to treating the appointment of KPMG as extending to KPMG LLP. A resolution to re-appoint KPMG LLP as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

Signed on behalf of the directors



J Angoitia Grijalba
Director

Approved by the directors on 24/09/03

REPORT OF THE INDEPENDENT AUDITORS TO THE SHAREHOLDERS OF CINTRA AIRPORTS (UK) LIMITED

YEAR ENDED 31 DECEMBER 2002

We have audited the financial statements on pages 5 to 12.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinion we have formed.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the directors' report and, as described on page 3, the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

Basis of audit opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 December 2002 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

KPMG LLP

Chartered Accountants
Registered Auditors
100 Temple Street
Bristol

KPMG LLP

Date

24 September 2003

CINTRA AIRPORTS (UK) LIMITED**PROFIT AND LOSS ACCOUNT****YEAR ENDED 31 DECEMBER 2002**

	Note	Year to 31 Dec 02 £	Period from 9 Oct 00 to 31 Dec 01 £
TURNOVER		—	—
Administrative expenses		25,309	(42,680)
OPERATING PROFIT/(LOSS)	2	25,309	(42,680)
Interest receivable	4	1,569,000	—
Interest payable	5	(1,759,551)	—
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(165,242)	(42,680)
Tax on loss on ordinary activities	6	—	—
LOSS FOR THE FINANCIAL YEAR		(165,242)	(42,680)
Balance brought forward		(42,680)	—
Balance carried forward		(207,922)	(42,680)

The company has no recognised gains or losses other than the results for the year as set out above.

All of the activities of the company are classed as continuing.

The notes on pages 7 to 12 form part of these financial statements.

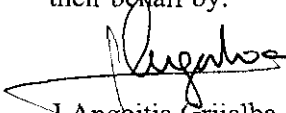
CINTRA AIRPORTS (UK) LIMITED

BALANCE SHEET

31 DECEMBER 2002

	Note	2002 £	2001 £
FIXED ASSETS			
Investments	7	29,750,000	35,000,000
CURRENT ASSETS			
Debtors	8	1,569,000	—
Cash at bank		1,054,840	—
		<u>2,623,840</u>	<u>—</u>
CREDITORS: Amounts falling due within one year	9	<u>(354,424)</u>	<u>(42,680)</u>
NET CURRENT ASSETS/(LIABILITIES)		2,269,416	(42,680)
TOTAL ASSETS LESS CURRENT LIABILITIES		32,019,416	34,957,320
CREDITORS: Amounts falling due after more than one year	10	<u>(14,727,338)</u>	<u>(17,500,000)</u>
NET ASSETS		<u>17,292,078</u>	<u>17,457,320</u>
CAPITAL AND RESERVES			
Called-up equity share capital	13	17,500,000	17,500,000
Profit and Loss Account		<u>(207,922)</u>	<u>(42,680)</u>
EQUITY SHAREHOLDERS' FUNDS	14	<u>17,292,078</u>	<u>17,457,320</u>

These financial statements were approved by the directors on the 24/09/03 and are signed on their behalf by:


J. Angoitia Grijalba
Director

The notes on pages 7 to 12 form part of these financial statements.

CINTRA AIRPORTS (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2002

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with applicable accounting standards.

Going concern

The company is dependent for its working capital on funds provided to it by Grupo Ferrovial S.A., the company's ultimate holding company. Grupo Ferrovial S.A has provided the company with an undertaking that for at least 12 months from the date of approval of these financial statements, it will continue to make available such funds as are needed by the company. This should enable the company to continue in operational existence for the foreseeable future by meeting its liabilities as they fall due for payment.

As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Based on this undertaking the directors believe that it remains appropriate to prepare the financial statements on a going concern basis. The financial statements do not include any adjustments that would result from the basis of preparation being inappropriate.

Cash flow statement

The company is taking exemption from preparing a cash flow statement under Financial Reporting Standard 1 (revised) on the grounds that it is a wholly owned subsidiary and group accounts including a consolidated cashflow statement will be publicly available.

Deferred taxation

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred taxation balance has not been discounted.

The above amounts to a change in accounting policy. The previous policy was to provide for deferred taxation only to the extent that it was probable that liabilities would crystallise in the foreseeable future.

This change in policy has had no effect on the results of the current or preceding year.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

Fixed asset investments

Fixed asset investments are stated at cost, less provision for any impairment in value.

CINTRA AIRPORTS (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2002

1. ACCOUNTING POLICIES *(continued)*

Consolidation

The company has taken exemption from producing consolidated accounts with its joint venture under Financial Reporting Standard 9, 'Associates and Joint Ventures' on the grounds that it is a wholly owned subsidiary of an EU parent and group accounts will be publicly available. The accounts present information about the company as an individual undertaking and not about its group.

Interest

Interest due to and from the company is spread over the life of the capital instrument to which it relates in accordance with Financial Reporting Standard 4 'Capital Instruments'.

2. OPERATING PROFIT/(LOSS)

Operating profit/(loss) is stated after charging/(crediting):

	Year to 31 Dec 02 £	Period from 9 Oct 00 to 31 Dec 01 £
Directors' emoluments	—	—
Profit on foreign currency translation	<u>(25,309)</u>	<u>—</u>

3. PARTICULARS OF EMPLOYEES

The average number of staff employed by the company during the financial year amounted to:

	Year to 31 Dec 02 No.	Period from 9 Oct 00 to 31 Dec 01 No.
Number of management staff	<u>2</u>	<u>2</u>

No salaries or wages have been paid to employees, including the directors, during the year.

During the year, the company was recharged £nil (2001 - £42,680) by its parent company, Cintra Concesiones de Infraestructuras de Transporte, S.A., in respect of directors salaries.

4. INTEREST RECEIVABLE

	Year to 31 Dec 02 £	Period from 9 Oct 00 to 31 Dec 01 £
Interest from group undertakings	<u>1,569,000</u>	<u>—</u>

CINTRA AIRPORTS (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2002

5. INTEREST PAYABLE

	Year to 31 Dec 02 £	Period from 9 Oct 00 to 31 Dec 01 £
Other similar charges payable	<u>1,759,551</u>	<u>-</u>

6. TAX ON LOSS ON ORDINARY ACTIVITIES

(a) Analysis of current period tax charge

	Year to 31 Dec 02 £	Period from 9 Oct 00 to 31 Dec 01 £
Corporation tax charge at 30% (2001 – 30%)	<u>-</u>	<u>-</u>

(b) Factors affecting the current tax charge for the period

Loss on ordinary activities before tax	<u>(165,242)</u>	<u>(42,680)</u>
Loss on ordinary activities at the standard rate of tax in the United Kingdom – 30%	(49,573)	(12,804)
Tax losses carried forward	<u>49,573</u>	<u>12,804</u>
Current tax charge for the period (note 5 (a))	<u>-</u>	<u>-</u>

7. INVESTMENTS

	Unlisted Investment £	Loan Notes £	Total £
COST:			
At 1 January 2002	35,000	34,965,000	35,000,000
Disposals	-	(5,250,000)	(5,250,000)
At 31 December 2002	<u>35,000</u>	<u>29,715,000</u>	<u>29,750,000</u>
NET BOOK VALUE:			
At 31 December 2002	<u>35,000</u>	<u>29,715,000</u>	<u>29,750,000</u>
At 31 December 2001	<u>35,000</u>	<u>34,965,000</u>	<u>35,000,000</u>

CINTRA AIRPORTS (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2002

7. INVESTMENTS *(continued)*

Unlisted Investment

The unlisted investment is in Tidefast Limited, a joint venture. It is comprised of 35,000 £1 ordinary shares, representing 50% of the entire share capital.

The company has taken exemption from producing consolidated accounts with its joint venture under Financial Reporting Standard 9, 'Associates and Joint Ventures' on the grounds that it is a wholly owned subsidiary of an EU parent and group accounts will be publicly available. The accounts present information about the company as an individual undertaking and not about its group.

Loan Notes

During the year, two tranches of the loan notes were repaid, the first being £3,500,000 on 23 May 2002 and the second of £1,750,000 on 25 November 2002.

Interest on the loan notes is receivable half yearly in arrears on 31 March and 30 September each year but may be waived at the discretion of the directors of Tidefast Limited.

All interest for the year has been waived.

8. DEBTORS

	2002 £	2001 £
Prepayments and accrued income	<u>1,569,000</u>	<u>—</u>

9. CREDITORS: Amounts falling due within one year

	2002 £	2001 £
Withholding tax	180,117	—
Accruals and deferred income	174,307	42,680
	<u>354,424</u>	<u>42,680</u>

10. CREDITORS: Amounts falling due after more than one year

	2002 £	2001 £
Amounts owed to group undertakings	<u>14,727,338</u>	<u>17,500,000</u>

The inter-company loan due to Ferrovial Aeropuertos S.L. is secured by way of a mortgage dated 24 January 2001 on the company's interest in the shares and the equity loan notes of Tidefast Limited.

CINTRA AIRPORTS (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2002

10. CREDITORS: Amounts falling due after more than one year *(continued)*

The loan is repayable after more than 5 years and accrues interest at a rate of 12% per annum. Settlement of the interest is at the option of Cintra Airports (UK) Limited. Any interest not settled is added to the outstanding balance and attracts interest at the same rate as the capital loan.

During the year, interest of £1,759,551 was charged in respect of this loan, of which £174,307 remains outstanding at the year-end.

In addition, an amount of £2,772,662 of the principal loan was repaid during the year.

11. DEFERRED TAXATION

No provision has been made in the accounts and the deferred tax asset unprovided at the end of the year is as follows:

	Year to 31 Dec 02 £	Period from 9 Oct 00 to 31 Dec 01 £
Tax losses available	<u>(62,377)</u>	<u>(12,804)</u>

12. RELATED PARTY TRANSACTIONS

The company has taken exemption from disclosing transactions with other group companies under Financial Reporting Standard 8 on the grounds that it is a wholly owned subsidiary and group accounts will be publicly available.

Interest of £1,569,000 (2001 - £nil) on the loan to Tidefast Limited, a company in which Cintra Airports (UK) Limited has a 50% stake, was paid in the year. Interest of £1,712,250 was waived in the year.

The company's immediate parent company is Ferrovial Aeropuertos S.L., incorporated in Spain. The ultimate parent company is Grupo Ferrovial S.A. and is also incorporated in Spain. Consolidated accounts can be obtained from Grupo Ferrovial S.A., C/ Principe de Vergara, 135, Madrid-28002.

13. SHARE CAPITAL

Authorised share capital:

	2002 £	2001 £
17,500,000 Ordinary shares of £1 each	<u>17,500,000</u>	<u>17,500,000</u>

Allotted, called up and fully paid:

	2002 £	2001 £
Ordinary share capital	17,500,000	-
Issue of ordinary shares	-	17,500,000
	<u>17,500,000</u>	<u>17,500,000</u>

CINTRA AIRPORTS (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2002

14. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2002 £	2001 £
Loss for the financial year	(165,242)	(42,680)
New equity share capital subscribed	—	17,500,000
Net (reduction)/addition to funds	(165,242)	17,457,320
Opening shareholders' equity funds	17,457,320	—
Closing shareholders' equity funds	<u>17,292,078</u>	<u>17,457,320</u>