

Northern Diabolo, PPP project

Zaventem airport rail connection

24 March 2015

AMBER

AGENDA

1. Northern Diabolo shareholders & stakeholders
2. Project history
3. Project overview
4. Project structure
5. Shareholder involvement in the project
6. Current status of the project
7. Construction and operation of the assets
8. Lessons learned

For further information please contact:

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Northern Diabolo NV

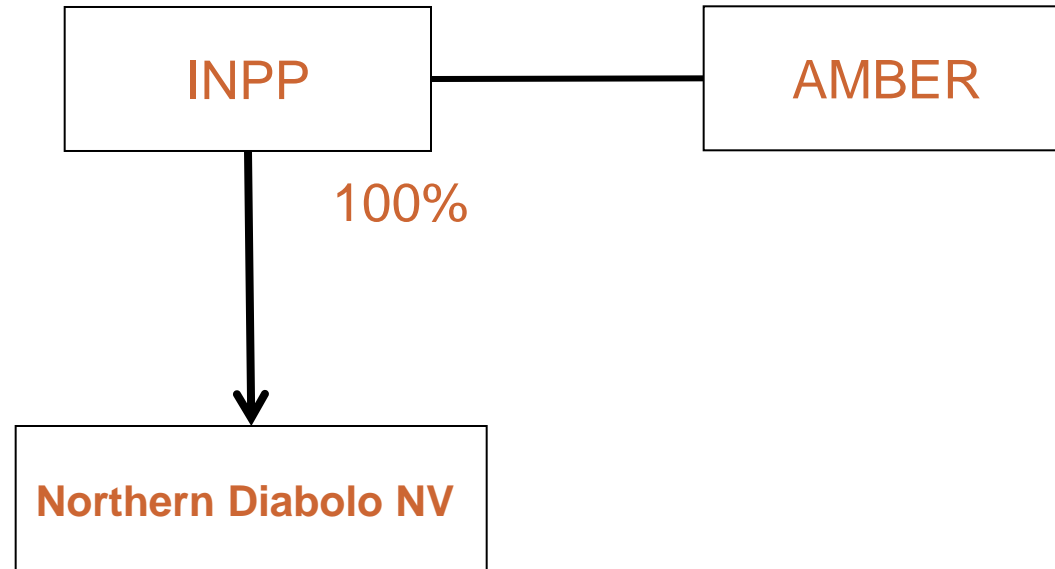
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Northern Diabolo shareholder

- International Public Partnerships (INPP) investing in infrastructure assets, under private finance initiative or public private partnership procurements process. It is open infrastructure fund listed on the London stock exchange and is managed by Amber Infrastructure Group



Amber back ground

- Amber is a leading sponsor and manager of social and economic infrastructure projects. Amber has long standing world wide expertise in the origination, development and management of Public Private Partnership (PPP) and Private Finance Initiative (PFI) infrastructure projects

Dublin courts



Hospital Australia

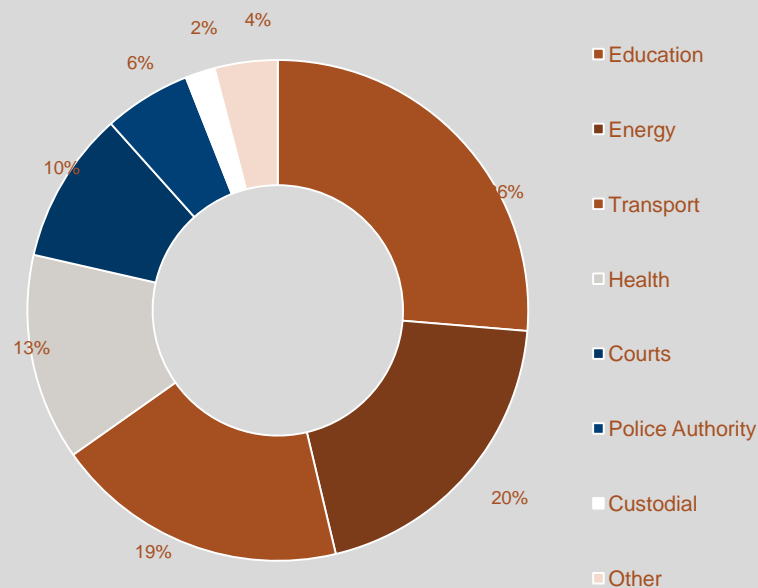


About Amber

Amber Overview

- > **Specialized investor and developer of property and infrastructure assets**
- > Diversified Portfolio
 - > **120** transactions with value in excess of **£4.5bn**
- > Continued access to capital – manages four investment funds with **£1.1bn of equity capital**
 - > INPP, Spruce, RIFW & LEEF
- > **Trusted Partner** with Public Sector
 - > Over 100 public sector clients
 - > **Manages EIB sourced capital** under long term contract
- > Experienced Development and Investment Management Team
 - > 80 professionals
 - > **Manages INPP** – UK FTSE 250 listed investment fund
 - > **Manages LEEF, SPRUCE & RIFW** – for EIB
- > **Strong Credentials in Health**
 - > Developed and manage **over £1.5bn of health assets**

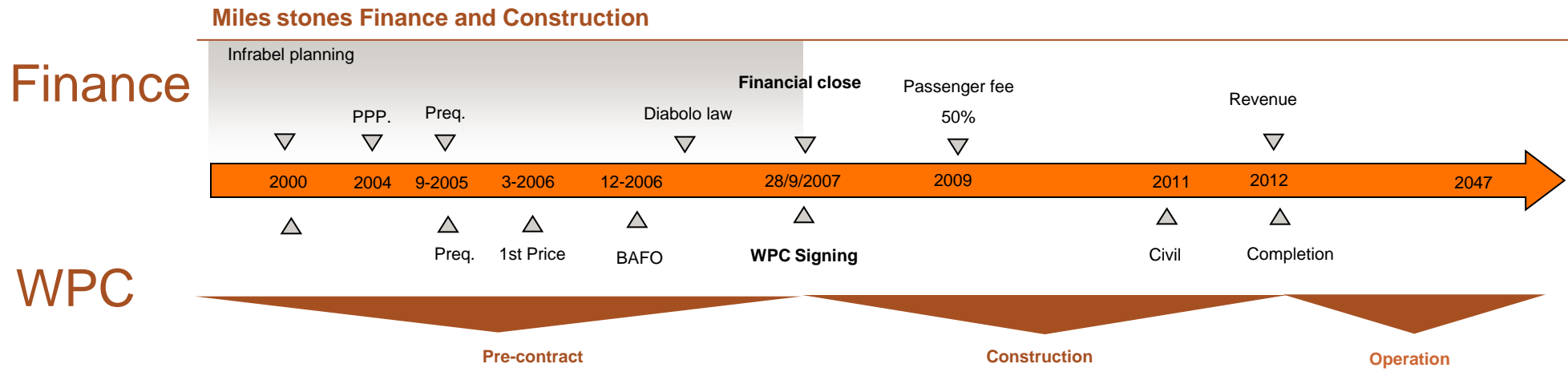
Well Diversified Portfolio



Northern Diabolo stakeholders

- Infrabel, infrastructure subsidiary of the Belgian railway NMBS
- Northern Diabolo NV the concessionaire
- NMBS, Belgian railway operator
- BA: Brussels Airport
- HSH Nordbank; Arranger, Original Lender, Facility agent and Security agent.
- Via-Zaventem, SPV for the road portion of Northern Diabolo project
- AWW: Agentschap voor Wegen en Verkeer, road supervisor
- Infrabel / TUC Rail / Eurostation; rail supervisor
- THV Dialink; Construction joint venture consisting of CEI-De Meyer, MBG, Wayss & Freytag, VINCI Construction Grands Projets and Smet Tunnelling
- Allen & Overy; Legal advisor of Northern Diabolo

Project planning 2000 – 2047



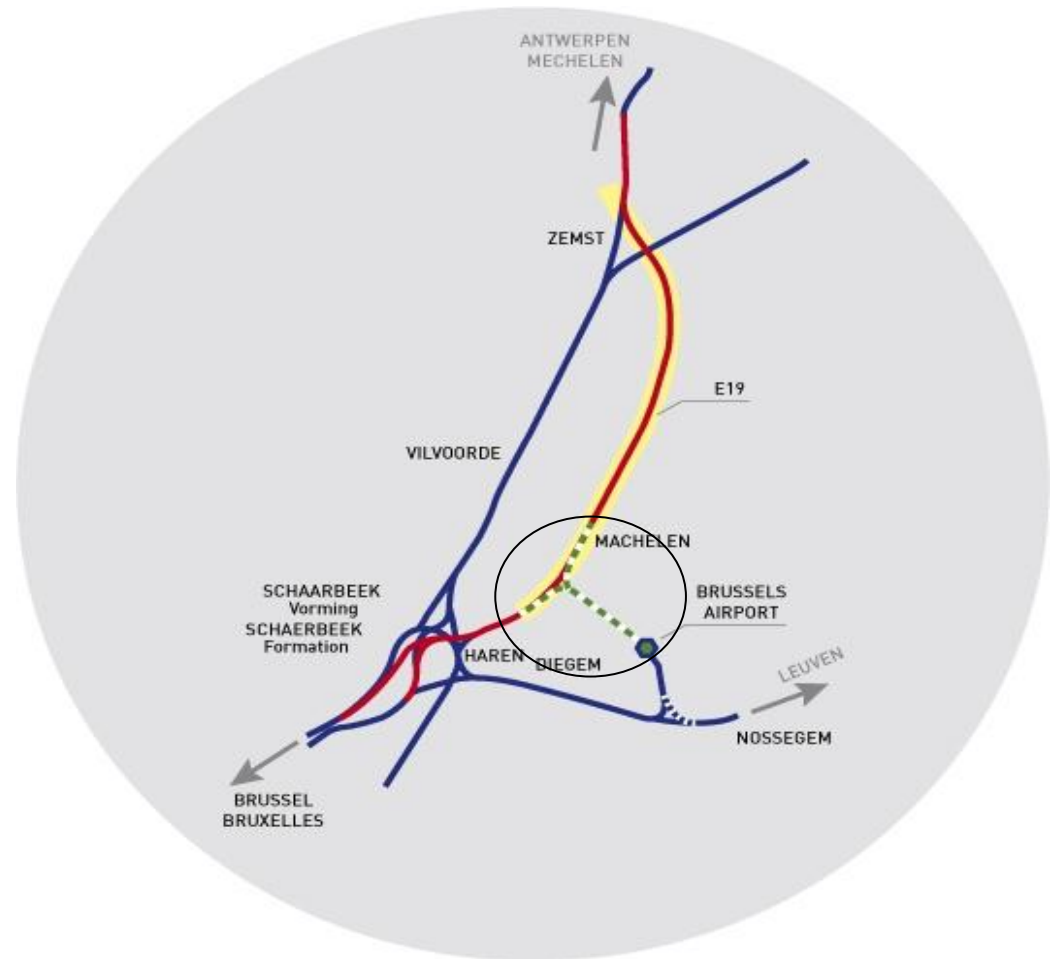
- Project planning
- Project design
- Project specification
- Prequalification process
- Price submission
- Clarifications
- BAFO submission
- Diabolo law 30-4-2007
- Contract negotiation
- Contract signing

- Organisation setup
- Mobilization
- Site clearing
- Rerouting infrastructure
- Construction
- Passenger counting sys.
- Civil completion
- E&M installation
- Testing
- Commissioning & Handover

- Completion list
- WPC finalization
- Warranty period
- Maintenance
- Asset management
- Revenue collection
- Debt. Servicing
- Hand-over

Project overview

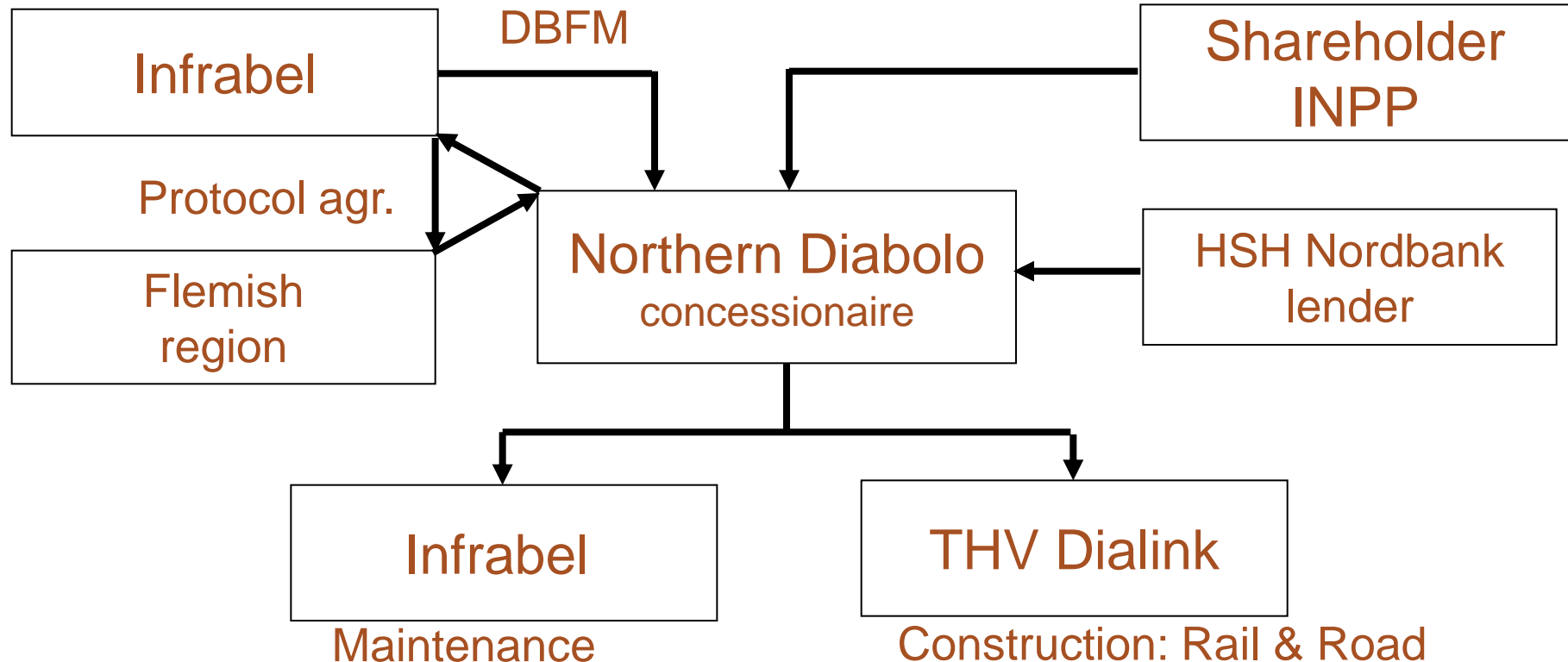
- Overall Diabolo project
- Northern Diabolo PPP
- Construction period 5 years
- PPP period 35 years
- 2 single track tunnels
- Tunnel length 1070m
- Extension train station
- Diabolo investment €540mil.
- Northern Diabolo €290mil



- Zaventem airport high speed rail connection with Frankfurt, Paris and Amsterdam

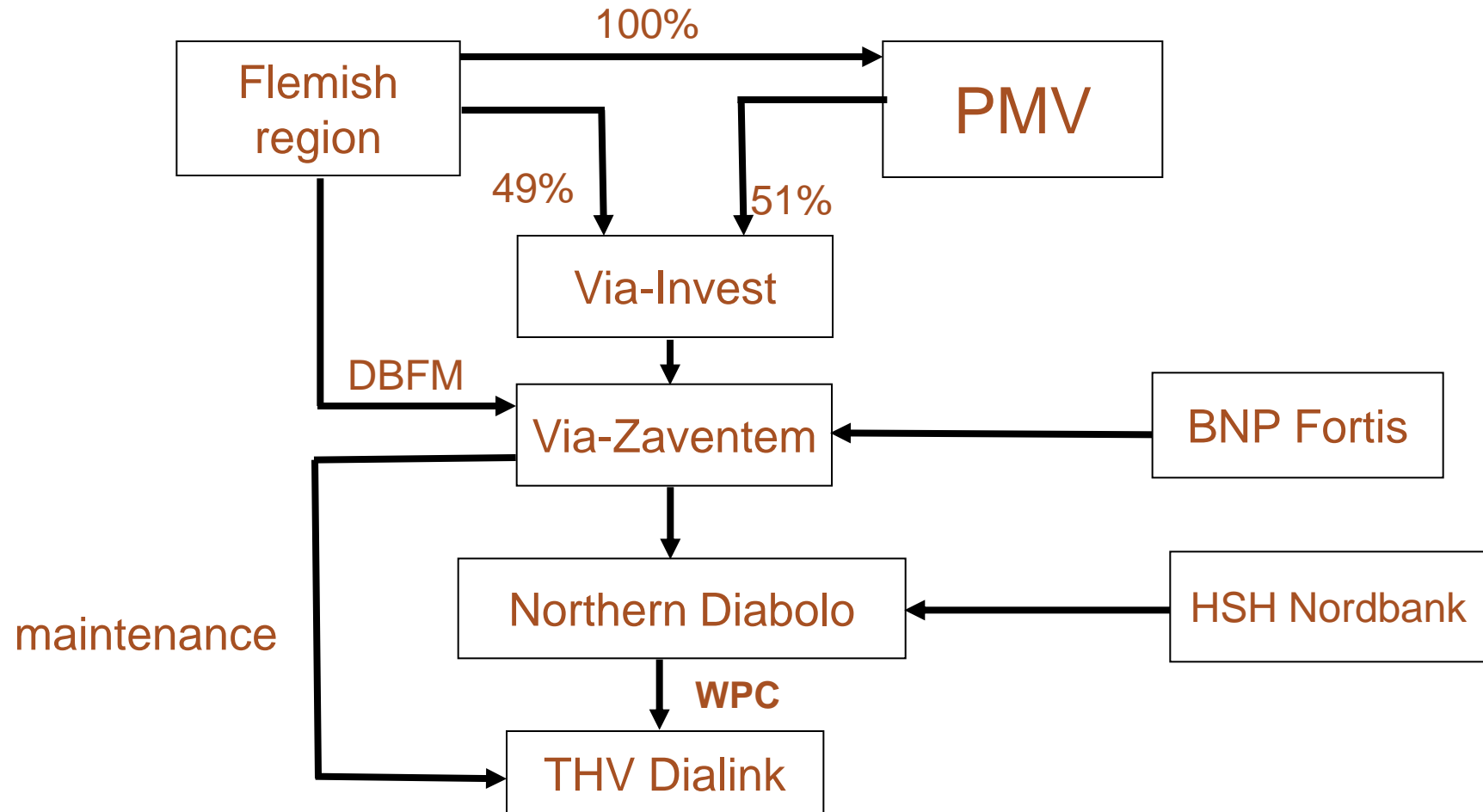
Project structure

- The project consist of two parts:
 - Train part: Extension of the Zaventem airport train station, two single track tunnels, Diabolo tunnel connection to E19
 - Road part: Upgrading Machelen/Vilvoorde exit of the E19, viaduct, bicycle bridge
- Rail part structure:



Road part SPV Via-Zaventem

- The road part of the Northern Diabolo project is financed by Via-Zaventem
- Via-Invest shareholders: Flemish region, Participatie Maatschappij Vlaanderen



Reasons behind the structure

- First large PPP in Belgium, no reference documents.
- Selecting to best Financing BAFO and the best Construction BAFO. No cross subsidies
- Two separate government entities Flemish region road part and Infrabel rail part
- Integrated road and rail works by one contractor required for delicate project coordination, E19 aorta, national airport, Machelen exit and Brucargo area
- Complex risk allocation measures due to one SPV for road and rail
- Complex insurance issues
- Other related works in the area from BA, Infrabel and NMBS
- To setup a bankable project within the framework

Our role

- Arranging a competitive project financing proposal based on a demand based revenue stream
- Analysing, investigating and forecasting passengers traffic flows
- Setup together with Infrabel a bankable structure and agreements
- Short out together with Infrabel; risk, tax and insurance issues
- Integrate with Infrabel the Finance and Construction BAFO
- Asset management during construction and operation
- Develop an overall financial model for the project
- Our PPP development experience in finance and contract management was crucial

- The trust between the team members was the basis for the financial close

Current status

- Construction completion June 2012
- Start of Operation June 2012
- July 2012, one train per hours to Mechelen and Antwerp
- December 2012, extended train schedule to Antwerp
- December 2014, direct train to the Netherlands



Construction of the project

- Highway E19; main traffic aorta of Flemish region
 - Several D-tour phases
 - Severe safety requirements
 - No traffic interruption
- Working on airport and in high security area
 - Radar interaction
 - Dust, pollution
 - Security issues
 - Passenger safety measures
- Technical aspects
 - 2 x 1070m single track tunnels, 8m diameter
 - 2 x under E19 and over E19 flyover
 - Cut and cover tunnel
 - Adapting train station in operation



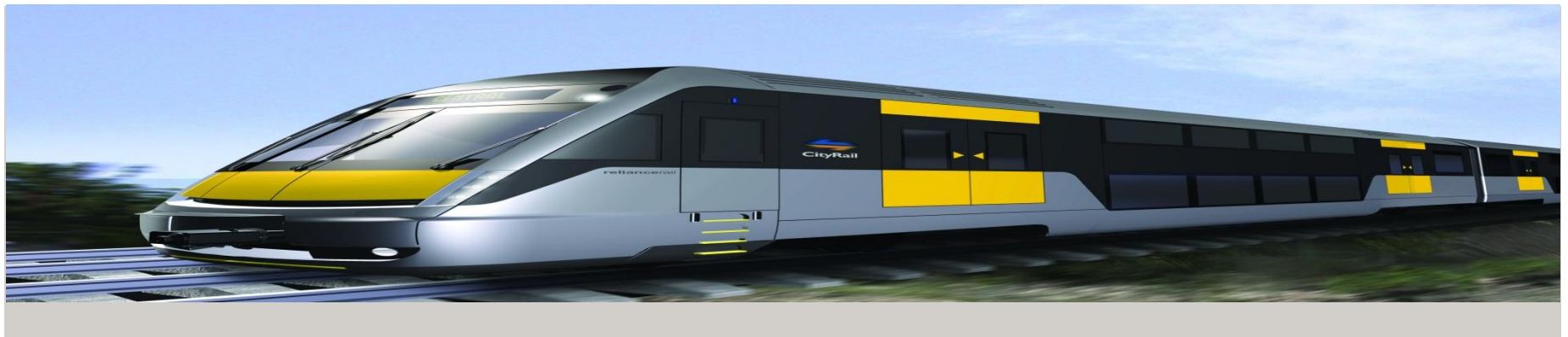
Operation and maintenance

- During a 35-year period, Northern Diabolo NV will put the infrastructure at the disposal of Infrabel. After this period, Northern Diabolo NV will transfer the property of the infrastructure to Infrabel in 2047
- Maintenance subcontracted to Infrabel
- Passenger counting system for demand revenue collection



Revenue structure

- During that 35-year period, Northern Diabolo NV will have the following sources of income:
 - Annual indexed contribution from Infrabel
 - Supplement charged to the individual passenger for every trip with Brussels-National-Airport station as destination or point of departure.
 - Annual contribution from the rail operators



Lessons learned

- Its difficult to integrate two separate tender procedures for finance and construction
- PPP works procurement contracts deviate a lot from standard public tender
- PPP specifications should be more functional
- Include an unit price list for major construction items
- PPP projects reduce amount of design changes
- In PPP projects focus on delivering on time
- A dialogue PPP tender process will optimise design

QUESTIONS?