

## **FOR IMMEDIATE RELEASE**

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### MILBANK CLOSSES FINANCING FOR TOLL ROAD IN PERU; INTERSUR CONCESSIONES S.A. ISSUES \$562 MILLION IN SENIOR SECURED NOTES

*- Pioneering Structure Hedges Construction, Currency and Operating Risk  
With Government Backed Obligations -*

TOKYO and NEW YORK, May 10, 2007 – Supporting continued infrastructure development in South America, toll road concessionaire Intersur Concesiones S.A., through a special purpose vehicle (“SPV”) Interoceanica IV Finance Limited, has issued \$562 million in senior secured notes to finance the construction, operation and maintenance of a toll road in Peru. The international law firm Milbank, Tweed, Hadley & McCloy LLP, led by partner Gary S. Wigmore, represented BNP Paribas Securities Corp. in negotiating and closing the transaction.

Mr. Wigmore, senior project finance partner, noted, “This is third financing related to the construction of the Corredor Vial Interoceanica Sur. Given its innovative hedging and support structure as well as the flexible purchase schedule set for the obligation certificates issued by the Republic of Peru, it is truly the ‘state of the art’ structure for this type of financing.”

Interoceanica’s debt issuance is part of a public-private partnership program known as the Initiative for the Integration of Regional Infrastructure in South America (“IIRSA”). IIRSA is a multilateral program established by a group of twelve South American countries in 2000 to coordinate, develop and implement priority infrastructure projects critical to the region’s economic development. The toll road

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concession consists of a 2,600 kilometer network of existing toll roads connecting port cities in Peru with those in Brazil.

In addition to Mr. Wigmore, the Milbank team representing BNP Paribas Securities included senior associate Caroline Walther-Meade and associates Jeffrey Rector and Peter Hughes.

### About the Offering:

Intersur Concesiones S.A. (“Intersur”), through a SPV Interoceanica Finance IV Limited, has issued \$562 million senior secured notes to finance the construction, operation and maintenance of a toll road in Peru approximately 306 kilometers long from Azangaro to the Inambari Bridge. Intersur is a special purpose vehicle owned by three of Latin America’s largest construction companies, Construtora Andrade Gutierrez S.A., Construções e Comércio Camargo Corrêa S.A. and Construtora Queiroz Galvão S.A., pursuant to a 25-year concession agreement awarded in 2005.

The total aggregate amount of \$562 million was issued in a two-tranche zero-coupon bond deal. Repayment of the notes is secured by irrevocable, unconditional, dollar-denominated payment obligation certificates (Certificados de Reconocimiento de Pago Annual Por Obras (“CRPAOs”)) issued by the Republic of Peru to Intersur Concesiones S.A. The transaction was structured by, and the notes were initially purchased by, BNP Paribas Securities Corp.

CRPAOs are generated on an ongoing basis in conjunction with the advance of construction. The government delivers CRPAOs, which acknowledge the company’s right to collect annual construction payments in U.S. dollars, to Intersur. While legally different from public debt, CRPAOs are backed by the full faith and credit of the government of Peru. The concessionaire, Intersur, then sells the CRPAOs to a purchaser, Interoceanica IV CRPAO Purchase, LLC (the “CRPAO Purchaser”), with proceeds from the notes being used to make capital contributions to the CRPAO Purchaser to fund this purchase and the CRPAO Purchaser’s interest in the purchased CRPAOs forming part of the collateral securing payment of the bonds. Under the financing structure, note issuance proceeds will initially be placed into

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an investment vehicle with a counterparty rated at least Aa/AA. Proceeds will not be released for the purchase of CRPAOs until the CRPAOs are issued by the government. The transaction also includes a make-whole agreement and a credit default swap, which acts as a debt service reserve equal to six months of payments.

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### **About Milbank**

Milbank, Tweed, Hadley & McCloy LLP is a preeminent global law firm that for more than 140 years has provided innovative legal solutions in many of the world's largest, most complex, "first-ever" corporate transactions and litigation. Our transactional expertise includes capital markets, corporate finance and transactions, project finance, acquisition finance, and other major fields of law practice. Milbank litigation teams resolve disputes involving mergers and acquisitions, proxy battles, financings and securities offerings, intellectual property, white collar crime, and corporate restructurings, among others. Our clients range from prominent multinational financial, industrial and commercial enterprises to governments, institutions and individuals. The Firm is headquartered in New York with offices in Beijing, Frankfurt, Hong Kong, London, Los Angeles, Munich, Singapore, Tokyo, and Washington, DC.

To learn more about Milbank and its attorneys, go to [www.milbank.com](http://www.milbank.com).

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