

*(Convenience Translation into English from the  
Original Previously Issued in Portuguese)*

***Obrascon Huarte Lain  
Brasil S.A. and Subsidiaries***

*Financial Statements for the Quarter and  
Six-month Period Ended June 30, 2007 and  
Independent Accountants' Limited Review  
Report*

Deloitte Touche Tohmatsu Auditores Independentes

(Convenience Translation into English from the Original Previously Issued in Portuguese)

INDEPENDENT ACCOUNTANTS' LIMITED REVIEW REPORT

To the Board of Directors and Shareholders of  
Obrascon Huarte Lain Brasil S.A.  
São Paulo - SP

1. We have performed a limited review of the accompanying interim financial statements of Obrascon Huarte Lain Brasil S.A. and subsidiaries, consisting of the balance sheets (Company and consolidated) as of June 30, 2007, and the related statements of income and changes in shareholders' equity (Company) for the quarter and six-month period then ended, all expressed in Brazilian reais and prepared in accordance with Brazilian accounting practices under the responsibility of the Company's management.
2. Our review was conducted in accordance with specific standards established by the Brazilian Institute of Independent Auditors (IBRACON) and consisted principally of applying analytical procedures to financial data and making inquiries of persons responsible for financial and accounting matters as to the criteria adopted in the preparation of the financial statements. Since the scope of this review does not represent an audit in accordance with generally accepted auditing standards in Brazil, we do not express an opinion on the aforementioned financial statements.
3. Based on our limited review, we are not aware of any material modifications that should be made to the financial statements referred to in paragraph 1 for them to be in conformity with Brazilian accounting practices and standards established by the Brazilian Securities Commission (CVM), specifically applicable to the preparation of mandatory interim financial statements.
4. We had previously reviewed the balance sheets (Company and consolidated) as of March 31, 2007, presented for comparative purposes, and issued an unqualified review report thereon, dated May 2, 2007.
5. The information included in the Attachment - Supplementary Table, referring to the statements of cash flows for the six-month periods ended June 30, 2007 and 2006, is presented for purposes of additional analysis and is not a required part of the basic financial statements. This information has been subjected to the limited review procedures mentioned in paragraph 2 and, based on our limited review, we are not aware of any material modifications that should be made to the statements of cash flows.
6. The accompanying financial statements have been translated into English for the convenience of readers outside Brazil.

São Paulo, August 1, 2007

DELOITTE TOUCHE TOHMATSU  
Auditores Independentes

Walter Dalsasso  
Engagement Partner

(Convenience Translation into English from the Original Previously Issued in Portuguese)

**OBRASCON HUARTE LAIN BRASIL S.A. AND SUBSIDIARIES**

**BALANCE SHEETS AS OF JUNE 30 AND MARCH 31, 2007**

(The financial statements as of June 30 and March 31, 2007 were reviewed by independent accountants to the extent described in the reports dated August 1 and May 2, 2007, respectively)

(In thousands of Brazilian reais)

ASSETS	Note	Company		Consolidated		LIABILITIES AND SHAREHOLDERS' EQUITY	Note	Company		Consolidated	
		06.30.07	03.31.07	06.30.07	03.31.07			06.30.07	03.31.07	06.30.07	03.31.07
<b>CURRENT ASSETS</b>						<b>CURRENT LIABILITIES</b>					
Cash and banks		429	552	8,205	9,476	Loans and financing	14	185,170	-	291,352	335,434
Temporary cash investments	4	23,877	12,689	45,180	143,054	Trade accounts payable		880	535	33,860	26,814
Trade accounts receivable		6	195	1	1	Payroll taxes		1,009	965	10,016	8,215
Intercompany receivables	16	87	87	87	87	Taxes payable	15	48	629	17,067	19,497
Sundry receivables	5	8	-	26,056	26,514	Other payables		35	35	2,119	2,999
Inventories		-	-	1,270	1,051	Intercompany payables	16	814	853	814	854
Prepaid expenses	6	265	7	3,047	4,805	Collateral for agreements	13	-	-	7,165	6,739
Deferred income and social contribution taxes	7	-	-	4,403	4,197	Concession fee obligations	17	-	-	48,676	48,151
Recoverable taxes		6,255	5,138	8,422	7,355	Reserve for contingencies		-	-	4,803	4,652
Advances for new projects		3,729	3,036	3,729	3,036	Dividends payable		33	41,848	33	41,848
Dividends receivable	16	39,374	39,374	-	-	Total current liabilities		<u>187,989</u>	<u>44,865</u>	<u>415,905</u>	<u>495,203</u>
Other receivables		98	95	585	491						
Total current assets		<u>74,128</u>	<u>61,173</u>	<u>100,985</u>	<u>200,067</u>	<b>NONCURRENT LIABILITIES</b>					
<b>NONCURRENT ASSETS</b>						Long-term liabilities:					
Long-term assets:						Loans and financing	14	-	-	245,989	249,621
Restricted cash investments	8	-	-	17,161	16,203	Intercompany payables	16	-	3,536	-	-
Intercompany receivables	16	30,267	32,330	-	-	Trade accounts payable		-	-	32	64
Deferred income and social contribution taxes	7	-	-	15,203	16,404	Concession fee obligations	17	-	-	469,208	479,366
Prepaid expenses	6	-	-	240	295	Deferred revenue		-	-	978	94
Escrow deposits		244	241	1,379	1,365	Other payables		-	-	10	7
Investments	9	764,979	618,446	89,741	92,095	Total noncurrent liabilities		<u>-</u>	<u>3,536</u>	<u>716,217</u>	<u>729,152</u>
Property and equipment	10	3,378	3,468	1,544,679	1,514,458	<b>SHAREHOLDERS' EQUITY</b>					
Deferred charges	11	-	-	47,741	50,725	Capital	18	549,083	549,083	549,083	549,083
Total noncurrent assets		<u>798,868</u>	<u>654,485</u>	<u>1,716,144</u>	<u>1,691,545</u>	Profit reserves		131,293	131,293	131,293	131,293
						Retained earnings		26,902	9,152	26,902	9,152
						Adjustment to shareholders' equity - exchange variation on capital		<u>(22,271)</u>	<u>(22,271)</u>	<u>(22,271)</u>	<u>(22,271)</u>
						Total shareholders' equity		<u>685,007</u>	<u>667,257</u>	<u>685,007</u>	<u>667,257</u>
<b>TOTAL ASSETS</b>		<u><u>872,996</u></u>	<u><u>715,658</u></u>	<u><u>1,817,129</u></u>	<u><u>1,891,612</u></u>	<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		<u><u>872,996</u></u>	<u><u>715,658</u></u>	<u><u>1,817,129</u></u>	<u><u>1,891,612</u></u>

The accompanying notes are an integral part of these financial statements.

(Convenience Translation into English from the Original Previously Issued in Portuguese)

**OBRASCON HUARTE LAIN BRASIL S.A. AND SUBSIDIARIES**

STATEMENTS OF INCOME

FOR THE QUARTER AND SIX-MONTH PERIOD ENDED JUNE 30, 2007

(The financial statements as of June 30, 2007 were reviewed by independent accountants to the extent described in the report dated August 1, 2007)

(In thousands of Brazilian reais, except earnings per share)

	Note	Company		Consolidated	
		Quarter	Six-month period	Quarter	Six-month period
GROSS SERVICE REVENUE					
Services provided		-	-	156,225	306,994
Deductions		-	-	(14,068)	(27,171)
NET SERVICE REVENUE		-	-	142,157	279,823
COST OF SERVICES		-	-	(78,186)	(158,317)
OTHER REVENUES					
Equity in subsidiaries	9.a	24,657	36,863	-	-
Other		-	-	84	84
GROSS PROFIT		24,657	36,863	64,055	121,590
OPERATING (EXPENSES) INCOME					
General and administrative expenses		(2,487)	(5,804)	(14,357)	(28,455)
Director's compensation		(113)	(1,100)	(567)	(2,000)
Management compensation		(45)	(238)	(45)	(238)
Tax expenses		(139)	(204)	(936)	(1,896)
Amortization of goodwill on investments, net		-	-	(2,354)	(4,709)
INCOME FROM OPERATIONS BEFORE FINANCIAL INCOME (EXPENSES)		21,873	29,517	45,796	84,292
FINANCIAL INCOME (EXPENSES)					
Financial income		1,915	3,448	2,472	7,502
Financial expenses		(6,378)	(6,513)	(18,971)	(43,331)
Exchange variation, net		18	44	18	44
		(4,445)	(3,021)	(16,481)	(35,785)
INCOME FROM OPERATIONS		17,428	26,496	29,315	48,507
NONOPERATING INCOME		322	406	488	864
INCOME BEFORE INCOME AND SOCIAL CONTRIBUTION TAXES		17,750	26,902	29,803	49,371
INCOME AND SOCIAL CONTRIBUTION TAXES					
Current	21.a	-	-	(11,058)	(20,659)
Deferred	21.b	-	-	(995)	(1,810)
NET INCOME FOR THE QUARTER/SIX-MONTH PERIOD		17,750	26,902	17,750	26,902
EARNINGS PER SHARE - R\$		0.2577	0.3905		

The accompanying notes are an integral part of these financial statements.

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OBRASCON HUARTE LAIN BRASIL S.A.

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (COMPANY)  
FOR THE QUARTER AND SIX-MONTH PERIOD ENDED JUNE 30, 2007

(The financial statements as of June 30, 2007 were reviewed by independent accountants to the extent described in the report dated August 1, 2007)

(In thousands of Brazilian reais)

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	<u>Capital</u>	<u>Profit reserves</u>	<u>Profit retention</u>	<u>Retained earnings</u>	<u>Adjustments to shareholders' equity - exchange variation on capital</u>	<u>Total</u>
BALANCES AS OF DECEMBER 31, 2006	549,083	8,810	122,483	-	(22,271)	658,105
Net income	-	-	-	9,152	-	9,152
BALANCES AS OF MARCH 31, 2007	<u>549,083</u>	<u>8,810</u>	<u>122,483</u>	<u>9,152</u>	<u>(22,271)</u>	<u>667,257</u>
Net income	-	-	-	17,750	-	17,750
BALANCES AS OF JUNE 30, 2007	<u>549,083</u>	<u>8,810</u>	<u>122,483</u>	<u>26,902</u>	<u>(22,271)</u>	<u>685,007</u>

The accompanying notes are an integral part of these financial statements

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OBRASCON HUARTE LAIN BRASIL S.A. AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE QUARTER AND SIX-MONTH PERIOD ENDED JUNE 30, 2007

(The financial statements as of June 30, 2007 were reviewed by independent accountants to the extent described in the report dated August 1, 2007)

(Amounts in thousands of Brazilian reais, unless otherwise stated)

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1. OPERATIONS

Obrascon Huarte Lain Brasil S.A. (the “Company”) was established on November 9, 1998 and is primarily engaged in:

- Operation of highway concession agreements, with direct or indirect ownership interests.
- Studies, calculations, projects, tests and supervision related to engineering and civil construction.
- Infrastructure work in general.
- Investments in other companies engaged in the aforementioned activities.

As of June 30, 2007, in furtherance of its corporate purposes, the Company holds 100% of Autovias S.A. (“Autovias”), 100% of Centrovias Sistemas Rodoviários S.A. (“Centrovias”), 100% of Concessionária de Rodovias do Interior Paulista S.A. - Intervias (“Intervias”), and 100% of Vianorte S.A (“Vianorte”), highway concessionaires.

In addition, the Company holds 100% of Latina Manutenção de Rodovias Ltda. (“Latina Manutenção”) and 100% of Paulista Infra-Estrutura Ltda. (“Paulista”), which were both established on January 26, 2005 and provide services to the concessionaires Autovias, Centrovias, Intervias and Vianorte.

On April 10, 2006, the Company acquired 100% of SPR - Sociedade para Participações em Rodovias S.A. (“SPR”), whose corporate purpose is to hold interests in other companies as partner or shareholder, as well as perform any activities related to its corporate purpose, including the representation of domestic and foreign companies. In December 2006, through SPR, the Company acquired 100% of Vianorte.

OHL Participações

Merger

An appraisal report, at book value as of March 31, 2007, on the shareholders’ equity of the subsidiary OHL Brasil Participações em Infraestrutura Ltda. (“OHL Participações”) was issued on April 3, 2007 for the upstream merger of this subsidiary. The amount of the shareholders’ equity merged by the Company is R\$4,156.

### Autovias

This company is engaged in operating the toll-road network connecting Franca, Batatais, Ribeirão Preto, Araraquara, São Carlos and Santa Rita do Passa Quatro and the respective access roads, according to the terms of the Concession Agreement signed with the State of São Paulo Highway Department (DER/SP) No. 18/CIC/97/Lot 10, valid until August 31, 2018. This company started its operations on September 1, 1998 and assumed the following principal commitments arising from the concession:

### Works

#### SP 255 - Antônio Machado Sant'anna Highway

- Construction of the second lane of the section between km 2.8 and km 48.35.
- Construction of additional lanes of the section between km 48.35 and km 77.

#### SP 318 - Eng. Thales de Lorena Peixoto Júnior Highway

- Construction of additional lanes from km 257.8 to km 280.

#### SP 330 - Anhangüera Highway

- Construction of service roads in Ribeirão Preto (17.2 km).

#### SP 334 - Cândido Portinari Highway

- Widening of the section between km 322 and km 337.
- Construction of the second lane of the section between km 337 and km 348.
- Construction of the second lane of the section between km 358 and km 395.5.

#### SP 345 - Eng. Ronan Rocha Highway

- Construction of the second lane and repaving of the section between km 10 and km 36.
- Construction of service roads between km 30 and km 35 on the right-hand side and between km 33 and km 35 on the left-hand side.

In addition to the necessary maintenance and conservation to maintain an adequate level of service during the concession period, Autovias should return the highway in good condition, with the adequate upkeep at the time of the return and guaranteed useful life of six years for structures in general, principally pavement. In that period, structure recovery and/or repair services should not be necessary.

As of June 30, 2007, investments to meet future commitments for the next five years are estimated at R\$101 million.

### Merger

An appraisal report, at book values as of May 31, 2006, on the shareholders' equity of the controlling shareholder OHL Participações was issued on June 23, 2006, in order to conduct a partial spin-off followed by merger of the spun-off portions into its subsidiaries. The spun-off shareholders' equity amount absorbed by Autovias is R\$13,514 and was converted into capital increase.

The shareholders' equity spun off and merged into Autovias is composed of the following:

	<u>R\$</u>
Investment in subsidiary	108,376
Goodwill (resulting from the aforementioned investment purchase)	192
Credits absorbed	<u>13,322</u>
Net assets spun off	121,890
Investment in subsidiary as of the spin-off date	<u>(108,376)</u>
Amount merged into Autovias	<u>13,514</u>

Additionally, income and social contribution tax credits related to the amount of goodwill amortized through the spin-off date, controlled in part B of LALUR (taxable income computation book) of the former controlling shareholder (OHL Participações), in the amount of R\$3,838, were recorded in Autovias' assets under the caption "Deferred income and social contribution taxes", with a corresponding credit to income. This asset was recognized based on its expected realization from future taxable income and will be amortized over 60 months.

### Centrovias

Centrovias was incorporated on May 27, 1998 and started its operations on June 9, 1998, according to the Toll-Road Concession Agreement entered into with the Highway Department (DER), regulated by State Decree No. 42,411, of October 30, 1997. This company is engaged in operating, under concession, the highway system connecting the municipalities of Cordeirópolis to São Carlos and Itirapina to Bauru.

Through Modifying Addendum No. 11, of December 21, 2006, Artesp (São Paulo State Regulatory Agency for Delegated Public Services) authorized to reestablish the financial balance of the Concession Agreement. Such financial balance was reestablished by extending the concession period for additional 12 months without changing the fixed fee. Thus, the concession is effective until June 9, 2019.

Centrovias assumed the following main commitments arising from the concession:

### Works

#### SP 225 - Engenheiro Paulo Nilo Romano and Comandante João Ribeiro de Barros

#### Highways

- Construction of the second lane of the sections between km 91.429 and between km 177.400.
- Construction of the second lane of the sections between km 183.850 and km 235.040.



According to the terms of the Concession Agreement, Centrovias has the right to request from the Concession Authority the maintenance of the financial balance of the original Concession Agreement. Future investment commitments until the expiration of the concession were estimated upon the signature of the Concession Agreement.

As of June 30, 2007, investments to meet future commitments in the next five years are estimated at R\$131 million.

After the expiration of the concession, all assets, rights and privileges related to the operation of the highway system will return to the Concession Authority. Centrovias will be entitled to an indemnity equivalent to the unamortized or undepreciated balance of assets or investments that were acquired or made with appropriate authorization from the Concession Authority in the last five years of the concession period.

### Merger

An appraisal report, at book values as of May 31, 2006, on the shareholders' equity of the controlling shareholder OHL Participações was issued on June 23, 2006, in order to conduct a partial spin-off followed by merger of the spun-off portions into its subsidiaries. The spun-off shareholders' equity amount absorbed by Centrovias is R\$12,838 and was converted into capital increase.

The shareholders' equity spun off and merged into Centrovias is composed of the following:

	<u>R\$</u>
Investment in subsidiary	124,032
Goodwill (resulting from the aforementioned investment purchase)	9,474
Credits absorbed	<u>3,364</u>
Net assets spun off	136,870
Investment in subsidiary as of the spin-off date	<u>(124,032)</u>
Amount merged into Centrovias	<u>12,838</u>

Additionally, income and social contribution tax credits related to the amount of goodwill amortized through the spin-off date, controlled in part B of LALUR of the controlling shareholder (OHL Participações), in the amount of R\$6,731, were recorded in Centrovias' assets under the caption "Deferred income and social contribution taxes", with a corresponding credit to income. This asset was recognized based on its expected realization from future taxable income and will be amortized over 60 months.

### Intervias

Intervias was formed on May 28, 1999 and started its operations on February 18, 2000, according to the Highway Concession Agreement signed with the Highway Department (DER), regulated by State Decree No. 42,411, of October 30, 1997. This company holds a concession to operate the highway system connecting the municipalities of Itapira, Mogi-Mirim, Limeira, Piracicaba, Conchal, Araras, Rio Claro, Casa Branca, Porto Ferreira and São Carlos - Lot 06, including the performance, management and inspection of delegated

services, consisting of operating, upkeep and expansion services, supplemental and nondelegated services, in addition to the necessary acts to meet the purpose of the Concession Agreement signed with the DER/SP No. 19/CIC/98.

Through Modifying Addendum No. 14, of December 21, 2006, Artesp (São Paulo State Regulatory Agency for Delegated Public Services) authorized to reestablish the financial balance of the Concession Agreement. Such financial balance was reestablished by extending the concession period for additional 95 months without changing the fixed fee. Thus, the concession is effective until January 17, 2028.

Intervias assumed the following main commitments arising from the concession:

### Works

#### SP 147 - Engenheiro João Tosello Highway

- Widening of the sections between km 41.36 (Itapira) and km 54 (Mogi-Mirim) and between km 62.45 (Mogi-Mirim) and km 106.32 (Limeira).

#### SP 191 - Wilson Finardi Highway

- Widening of the sections between km 43.8 and km 44.9 (Mogi-Mirim - Araras), between km 45.6 and km 46.9 (Araras - Anhangüera) and between km 49.7 and km 74.72 (Araras - Rio Claro)
- Cloverleaf - work completed on December 2, 2005.

#### SP 352 - Comendador Virgolino de Oliveira Highway

- Widening of the section between km 162.45 and km 185.17 (Itapira - border with the State of Minas Gerais).

#### SP 165/330 - Anhangüera Highway - Araras Loop

- Pursuant to Modifying Addendum No. 06/02 and the 3<sup>rd</sup> change to schedule made on October 8, 2002, a 4.67-km section, called Araras Loop, was built on SP 165/330 Highway, starting from km 165.225 of SP 330 - Anhangüera Highway to km 42.300 of SP 191 - Wilson Finardi Highway. This work was completed on December 17, 2005.

After the expiration of the concession, all assets, rights and privileges related to the operation of the highway system will return to the Concession Authority. Intervias will be entitled to an indemnity equivalent to the unamortized or undepreciated balance of assets or investments that were acquired or made with appropriate authorization from the Concession Authority in the last five years of the concession period.

According to the terms of the Concession Agreement, Intervias has the right to request from the Concession Authority the maintenance of the financial balance of the original Concession Agreement. Future investment commitments until the expiration of the concession were estimated upon the signature of the Concession Agreement.

As of June 30, 2007, investments to meet future commitments in the next five years are estimated at R\$127 million.

### Merger

An appraisal report, at book values as of May 31, 2006, on the shareholders' equity of the controlling shareholder OHL Participações was issued on June 23, 2006, in order to conduct a partial spin-off followed by merger of the spun-off portions into its subsidiaries. The spun-off shareholders' equity amount absorbed by Intervias is R\$51,979 and was converted into capital increase.

The shareholders' equity spun off and merged into Intervias is composed of the following:

	<u>R\$</u>
Investment in subsidiary	141,013
Goodwill (resulting from the aforementioned investment purchase)	50,010
Credits absorbed	<u>1,969</u>
Net assets spun off	192,992
Investment in subsidiary as of the spin-off date	(141,013)
Amount merged into Intervias	<u>51,979</u>

Additionally, income and social contribution tax credits related to the amount of goodwill amortized through the spin-off date, controlled in part B of LALUR of the controlling shareholder (OHL Participações), in the amount of R\$9,492, were recorded in Intervias' assets under the caption "Deferred income and social contribution taxes", with a corresponding credit to income. This asset was recognized based on its expected realization from future taxable income and will be amortized over 60 months.

### Vianorte

Vianorte was formed on February 13, 1998 and started its operations on March 6, 1998, according to the Highway Concession Agreement signed with the Highway Department (DER). This company holds a concession to operate the highway system composed of SP 330 - Anhangüera Highway, SP 322 - Attílio Balbo/Armando Salles de Oliveira Highways, SP 328 - Alexandre Balbo Highway/Loop North Ribeirão Preto and SP 325/322 - Rodovia dos Bandeirantes, including the performance, management and inspection of delegated services, consisting of operating, upkeep and expansion services, supplementary services, necessary services to maintain adequate service throughout the highway system and nondelegated service support, i.e., services under the sole responsibility of public authorities. The concession period is 240 months (20 years) from the date the control of the existing highway system is received.

Vianorte assumed the following main commitments arising from the concession:

#### SP 322 - Attílio Balbo/Armando Salles de Oliveira Highways

- Widening of the section between km 343.500 and km 390.500 - Sertãozinho/Bebedouro.
- Widening of the section between km 307.500 and km 325.910 - Loop South.

- Construction of access roads/cloverleaf.
- Construction of overpass at km 334.860 and km 337.790 - Sertãozinho.
- Construction of service roads between km 333.160 and km 343.480.
- Extension of cloverleaf with SP 325/322 km 325.910 (intersection).
- Construction of bridge over Sta. Elisa Stream km 345.100.

SP 328 - Alexandre Balbo Highway/Contorno Norte de Ribeirão Preto

- Widening of the section between km 323.130 and km 337.010.
- Construction of cloverleaves at km 326.220, 330.720, 334.710 and 335.160 - PSU.

SP 330 - Anhangüera Highway

- Construction of overpass at km 380 - São Joaquim da Barra.
- Construction of overpass at km 366.150 - Orlândia.
- Construction of cloverleaf with Av. Lara Nilza Raffaini Cação at km 319.650.

SP 325/322 - Rodovia dos Bandeirantes

- Construction of overpass at km 8.550.
- Construction of steel passageway at km 6.400.
- Construction of cloverleaf at km 8.300.

After the expiration of the concession, all assets, rights and privileges related to the operation of the highway system will return to the Concession Authority. Vianorte will be entitled to an indemnity equivalent to the unamortized or undepreciated balance of assets or investments that were acquired or made with appropriate authorization from the Concession Authority in the last five years of the concession period.

As of June 30, 2007, investments to meet future commitments in the next five years are estimated at R\$121 million.

Latina Manutenção

Latina Manutenção is engaged in the upkeep, maintenance and repair of highways and structures in general, including cleaning services, highway signaling and small civil works in general, as well as the management, inspection and preparation of studies, plans and projects related to the aforementioned services.

Paulista

Paulista is engaged in large highway construction works, such as the construction and widening of highways and service roads and the construction of bridges, overpasses, access roads and large buildings, including ground leveling, paving, signaling, buildings, technological control, preparation of studies and plans.

2. PRESENTATION OF FINANCIAL STATEMENTS

The financial statements have been prepared and are presented in conformity with Brazilian accounting practices and provisions of the Brazilian Corporate Law.

3. SIGNIFICANT ACCOUNTING PRACTICES

a) Consolidation principles

The consolidated financial statements include the accounts of the Company and subsidiaries in which the Company directly or indirectly controls more than 50% of the voting shares, as listed below. In consolidation, investments in subsidiaries, intercompany balances and transactions, and unrealized profits have been eliminated. Minority interest is recorded in a separate caption, when applicable.

	<u>Ownership interest - %</u>			
	<u>06.30.07</u>		<u>03.31.07</u>	
	<u>Direct</u>	<u>Indirect</u>	<u>Direct</u>	<u>Indirect</u>
OHL Participações	-	-	100	-
Autovias	100	-	100	-
Centrovias	100	-	100	-
Intervias	100	-	100	-
Vianorte	-	100	-	100
SPR	100	-	100	-
Latina Manutenção	100	-	100	-
Paulista	100	-	100	-

b) Temporary cash investments

Stated at cost, plus income earned through the balance sheet dates.

c) Trade accounts receivable

Stated at realizable value as of the balance sheet dates. An allowance for doubtful accounts is recorded, if necessary, based on estimated losses. As of June 30 and March 31, 2007, the Company and its subsidiaries did not record an allowance for doubtful accounts.

d) Current and deferred income and social contribution taxes

Current income and social contribution taxes are calculated according to the criteria established by prevailing tax legislation.

Deferred income and social contribution taxes are recognized for tax loss carryforwards and temporary differences between the carrying amount and tax basis of assets and liabilities, using the rate of 25% for income tax and 9% for social contribution tax.

e) Property and equipment

Stated at acquisition or construction cost, less depreciation and amortization calculated based on the economic useful lives of the assets, limited, if applicable, to the concession period.

Financial charges incurred on funds borrowed to finance construction work are allocated to cost of works.

f) Deferred charges

In the consolidated financial statements, deferred charges refer to the goodwill spun off from OHL Participações and merged into the concessionaires. The balances will be amortized over 60 months.

g) Loans and financing

Stated at cost, plus monetary adjustment and interest incurred through the balance sheet dates.

h) Concession fee obligations

Refer to fixed payments stated at cost, plus monetary adjustment through the balance sheet dates.

On December 5, 2006, the controlling interest in Vianorte (100% of shares) was acquired by SPR. Together with the other companies of the Group, the concessionaire decided to adopt the same accounting practice as the Group for the financial commitment to the Concession Authority, which is now recorded in current and noncurrent liabilities and noncurrent assets under the caption "Property and equipment".

The principal effects of this change in accounting practice on the consolidated financial statements, related to the entries recorded in Vianorte as of December 31, 2006, are as follows:

<u>Description of account</u>	<u>Caption</u>	<u>Increase (decrease)</u>
Concession right	Noncurrent assets - property and equipment	331,378
Deferred charges	Noncurrent assets - deferred charges	(5,750)
Deferred income and social contribution taxes	Noncurrent assets	1,955
Concession fee obligations	Current liabilities	29,260
Concession fee obligations	Noncurrent liabilities	302,118
Contraentry of effects of change in accounting practice - prior years	Shareholders' equity	(4,135)
Contraentry of effects of change in accounting practice - year ended December 31, 2006	Net income (allocated to captions of origin)	340

i) Reserve for contingencies

Based on the management's and legal counsel's opinion, this reserve is recorded to cover probable losses on outstanding lawsuits at the balance sheet dates.

j) Service revenue

Recognized on the accrual basis, i.e., upon the use of the highways by users.

k) Earnings per share

Calculated based on the number of shares outstanding at the balance sheet dates.

l) Use of estimates

The preparation of financial statements in accordance with Brazilian accounting practices requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. These estimates and assumptions include the selection of the useful lives of property and equipment, the reserve for contingencies, the adequacy of the provisions for income tax, other accrued expenses and the fair value of financial instruments. Actual results could differ from those estimates.

m) Reporting by segment

The Company operates in one business segment: the operation of highway concessions. Revenues have been derived from the collection of tolls.

#### 4. TEMPORARY CASH INVESTMENTS

Represented by money-market investments and certificates of deposit with yield based on the variation of the CDI (interbank deposit rate).

5. SUNDRY RECEIVABLES

The balances as of June 30 and March 31, 2007 were composed of:

	<u>06.30.07</u>		<u>03.31.07</u>
	<u>Company</u>	<u>Consolidated</u>	<u>Consolidated</u>
Accessory revenues receivable	-	158	477
Electronic toll receivable	-	22,470	21,597
Toll tickets receivable	-	1,572	1,549
Collection by credit card		308	323
Recoverable taxes	-	327	251
Escrow deposits	-	335	944
Utility regulatory agency	-	89	89
Other	<u>8</u>	<u>797</u>	<u>1,284</u>
Total	<u>8</u>	<u>26,056</u>	<u>26,514</u>

6. PREPAID EXPENSES

The balances as of June 30 and March 31, 2007 were composed of:

	<u>06.30.07</u>		<u>03.31.07</u>	
	<u>Company</u>	<u>Consolidated</u>	<u>Company</u>	<u>Consolidated</u>
Prepaid expenses - current assets (a)	<u>265</u>	<u>3,047</u>	<u>7</u>	<u>4,805</u>
Prepaid expenses - noncurrent assets (b)	<u>-</u>	<u>240</u>	<u>=</u>	<u>295</u>

(a) Refer to insurance policies of Autovias, Centrovias, Intervias and Vianorte.

(b) Refer to costs of financing of Autovias.

7. DEFERRED INCOME AND SOCIAL CONTRIBUTION TAXES

The balances as of June 30 and March 31, 2007 are composed of:

	<u>Consolidated</u>	
	<u>06.30.07</u>	<u>03.31.07</u>
Current:		
Goodwill previously amortized in the spun-off company (*)	4,012	4,012
Temporary differences	<u>391</u>	<u>185</u>
Total	<u>4,403</u>	<u>4,197</u>
Noncurrent:		
Goodwill previously amortized in the spun-off company (*)	12,037	13,041
Temporary differences	<u>3,166</u>	<u>3,363</u>
Total	<u>15,203</u>	<u>16,404</u>



(\*) Calculated using the rate of 34% (income and social contribution taxes) on the goodwill previously amortized in the spun-off company, in accordance with prevailing tax legislation. This asset is recognized based on its expected realization from future taxable income to be generated by the concessionaires.

## 8. RESTRICTED CASH INVESTMENTS

The balances as of June 30 and March 31, 2007 were composed of:

	<u>Noncurrent</u>	
	<u>Consolidated</u>	
	<u>06.30.07</u>	<u>03.31.07</u>
Cash investments (a)	12,250	12,133
Contractual pledges (b)	<u>4,911</u>	<u>4,070</u>
Total	<u>17,161</u>	<u>16,203</u>

(a) Represented by deposits into a reserve account as collateral for the financing obtained from the National Bank for Economic and Social Development (BNDES) (Project Finance). These investments are maintained with the banks Itaú S.A. and Unibanco S.A.

(b) Refers to the collateral required by the BNDES for financing contracts. According to the terms of the contract, Centrovias has been pledging, on a monthly basis, 5% of its gross revenue, limited to twice the amount of the last interest payment.

## 9. INVESTMENTS

Investments as of June 30 and March 31, 2007 are represented as follows:

	<u>06.30.07</u>		<u>03.31.07</u>	
	<u>Company</u>	<u>Consolidated</u>	<u>Company</u>	<u>Consolidated</u>
OHL Brasil Participações em Infraestrutura Ltda.	-	-	4,156	-
Serviço e Tecnologia de Pagamentos S.A.	1,034	1,034	1,034	1,034
Latina Manutenção de Rodovias Ltda.	2,995	-	2,855	-
Paulista Infra-Estrutura Ltda.	(2,799)	-	7,425	-
Autovias S.A.	179,098	-	174,213	-
Centrovias Sistemas Rodoviários S.A.	181,205	-	173,693	-
Concessionária de Rodovias do Interior Paulista S.A. - Intervias	215,788	-	205,172	-
SPR - Sociedade para Participações em Rodovias S.A.	229,247	-	92,413	-
Adjustment related to decrease in investments resulting from elimination of unrealized intercompany profits	(41,608)	-	(42,534)	-
Goodwill on investments acquired by SPR	-	94,182	-	94,182
Other	<u>19</u>	<u>19</u>	<u>19</u>	<u>19</u>
Subtotal	764,979	95,235	618,446	95,235
Accumulated amortization of goodwill, net	-	<u>(5,494)</u>	-	<u>(3,140)</u>
Total	<u>764,979</u>	<u>89,741</u>	<u>618,446</u>	<u>92,095</u>

The adjustment related to the decrease in investments resulting from the elimination of unrealized intercompany profits represents profits recorded by OHL Participações and Latina Infraestrutura S.A. (“Latina”) (merged company) from Consórcio Construtor Paulista (“CCP”) in past years. This amount is realized monthly on a straight-line basis.

a) Investments in subsidiaries as of June 30, 2007 are as follows:

	Shareholders’ <u>equity</u>	Net income (loss) for the six- <u>-month period</u>	Ownership interest - %	Equity in subsidiaries
OHL Participações (i)	-	-	-	1,295
Autovias (ii)	179,097	8,908	100	9,551
Latina Manutenção (iii)	2,084	(28)	100	728
Paulista (iv)	9,539	(1,122)	100	(2,254)
SPR (v)	229,246	(8,023)	100	(8,023)
Centrovias	181,204	16,129	100	16,129
Intervias	215,789	19,437	100	<u>19,437</u>
Total				<u>36,863</u>

(i) The equity in the subsidiary OHL Participações corresponds to R\$84, plus the realization of unrealized profits from CCP, in the amount of R\$1,211. According to Note 1, on April 3, 2007, OHL Participações was merged into the Company.

(ii) The equity in subsidiary Autovias includes the realization of the unrealized profits from CCP, in the amount of R\$643 for the six-month period.

(iii) The equity in subsidiary Latina Manutenção includes the realization of the unrealized profits with the intercompanies in the amount of R\$756 for the six-month period.

(iv) The equity in subsidiary Paulista includes the unrealized profits from transactions with intercompanies in the amount of R\$1,132 for the six-month period.

(v) Em 4 de abril de 2007 a Sociedade integralizou capital no montante de R\$136.000 na SPR, para liquidação das notas promissórias emitidas pela SPR.

b) In the second quarter of 2007, Paulista paid dividends in the amount of R\$9,951. The investment is negative since unrealized profits on transactions with the four concessionaries since January 2005 were eliminated and not because liabilities exceed assets.

c) Future tax credits from unrealized intercompany profits are approximately R\$27,318 as of June 30, 2007 and R\$27,730 as of March 31, 2007, and are recorded as an adjustment of decrease in property and equipment resulting from elimination of unrealized profits (see Note 10).

## 10. PROPERTY AND EQUIPMENT

The balances as of June 30 and March 31, 2007 were composed of:

	Company				
	Annual weighted average depreciation rate - %	06.30.07			03.31.07
		Cost	Accumulated depreciation	Net	Net
Property and equipment - highway	4	2,732	(341)	2,391	2,417
Leasehold improvements	33.33	530	(194)	336	380
Furniture and fixtures	10	488	(177)	311	318
Other	14.6	<u>539</u>	<u>(199)</u>	<u>340</u>	<u>353</u>
Total		<u>4,289</u>	<u>(911)</u>	<u>3,378</u>	<u>3,468</u>

  

	Consolidated				
	Annual weighted average depreciation rate - %	06.30.07			03.31.07
		Cost	Accumulated depreciation	Net	Net
Property and equipment - concession right	8.15	480,320	(90,976)	389,344	399,051
Property and equipment - works and services	7.98	1,128,986	(294,190)	834,796	864,280
Paving and repaving	19.82	450,577	(274,620)	175,957	149,345
Movable equipment	13.74	27,759	(11,700)	16,059	12,199
Furniture, fixtures and installations	15.97	45,579	(26,965)	18,614	21,469
Expropriations	6.18	27,347	(4,933)	22,414	22,071
Indemnities	6.71	1,236	(273)	963	887
Software	20	5,180	(3,000)	2,180	2,289
Protection and security devices	15.74	36,398	(22,269)	14,129	11,812
Leasehold improvements	33.33	530	(194)	336	380
Other	22.32	9,904	(5,740)	4,164	4,174
Property and equipment in progress	-	118,753	-	118,753	80,329
Adjustment of decrease in property and equipment resulting from elimination of unrealized profits, net of taxes (see Note 9.c))		<u>(53,030)</u>	<u>-</u>	<u>(53,030)</u>	<u>(53,828)</u>
		<u>2,279,539</u>	<u>(734,860)</u>	<u>1,544,679</u>	<u>1,514,458</u>

Additions to property and equipment after the Concession Agreement, whose estimated useful life is longer than the concession period, are depreciated (amortized) based on the remaining period of the Concession Agreement.

## 11. DEFERRED CHARGES

The balances as of June 30 and March 31, 2007 are composed of:

	<u>Consolidated</u>	
	<u>06.30.07</u>	<u>03.31.07</u>
Goodwill absorbed by the following concessionaires, net of amortization (Note 1):		
Autovias	154	163
Centrovias	7,579	8,053
Intervias	<u>40,008</u>	<u>42,509</u>
Total	<u>47,741</u>	<u>50,725</u>

## 12. GUARANTEES AND INSURANCE

Autovias, Centrovias, Intervias and Vianorte are required, by their Concession Agreements, to maintain adequate and updated guarantees for performance of expansion and special maintenance and operational activities of usual maintenance of the highway network and the payment of the fixed concession fee. Additionally, the concessionaires maintain necessary and adequate insurance coverages for risks inherent in their activities, including all risk insurance against property damage, covering loss, destruction or damage to all assets pertaining to the concession, in accordance with international standards for this type of business: risks of construction, design, construction machinery and equipment, property damage, machinery damage and revenue loss.

As of June 30, 2007, insurance coverages are summarized as follows:

<u>Type of insurance</u>	<u>Covered risks</u>	<u>Indemnity limits</u>			
		<u>Autovias</u>	<u>Centrovias</u>	<u>Intervias</u>	<u>Vianorte</u>
All risk	Engineering risks	24,085	68,543	71,164	2,000
	Asset risks	15,271	7,200	7,556	7,172
	Revenue loss	24,000	33,500	49,566	25,966
	Civil liability	16,641	14,400	17,957	14,105
	Civil liability and work	-	-	-	5,000
Guarantee	Guarantees performance of expansion activities	15,408	36,678	39,493	18,755
	Guarantees performance of operating upkeep activities and monthly payment (variable fee)	35,184	38,608	46,491	37,756
	Guarantee of monthly payment (fixed fee)	8,601	11,715	9,002	47,525

## 13. COLLATERAL FOR AGREEMENTS

The balances as of June 30 and March 31, 2007 were composed of:

	<u>Consolidated</u>	
	<u>06.30.07</u>	<u>03.31.07</u>
Current liability-		
Retention of 5% from service providers (*)	<u>7,165</u>	<u>6,739</u>

(\*) 5% of the amount of contractors' service invoices, which will be paid after the completion and approval of the construction work by the Company's management.

## 14. LOANS AND FINANCING

The balances as of June 30 and March 31, 2007 were composed of:

Creditors	Charges	Final maturity	06.30.07			03.31.07	
			Company	Consolidated		Consolidated	
			Current	Current	Noncurrent	Current	Noncurrent
<b>Autovias:</b>							
BNDES - Project Finance (a)	TJLP + 5% per year	November 2010	-	10,716	25,516	10,727	28,122
BNDES (b)	TJLP + 5% per year	April 2011	-	1,295	3,610	1,296	3,923
BNDES (c)	TJLP + 3.9% per year	May 2012	-	146	4,898	-	-
Caixa Econômica Federal (a)	TJLP + 6% per year	November 2010	-	10,729	25,515	10,740	28,121
Banco Itaú BBA (c)	CDI + 2.3% per year	June 2009	-	3,028	4,200	3,290	4,200
Banco Fibra (c)	101.8% of CDI	June 2008	-	21,246	-	20,645	-
<b>Centrovias:</b>							
BNDES - Automatic	TJLP + 3.95% per year	June 2012	-	14	4,804	-	-
BNDES - Project Finance (d)	TJLP + 5% per year	August 2010	-	21,880	46,760	20,469	48,685
<b>Intervias:</b>							
BNDES (e)	TJLP + UMBNDES + 5% per year	July 2011	-	16,732	48,196	16,779	52,348
Lease	CDI + 2.0% per year	July 2010	-	76	-	80	-
<b>Vianorte:</b>							
BNDES (f)	TJLP + 4.5% to 7.5% per year	August 2013	-	13,981	78,845	13,964	82,017
Banco Safra - Finame (f)	TJLP + 4.9% per year	March 2008	-	686	-	914	-
Banco ABC - Finame (f)	TJLP + 6.3% per year	July 2010	-	475	997	299	944
Banco ABC - secured account (f)	CDI + 0.35% per month	February 2007	-	3,156	-	3,048	-
Banco Fibra - buyer financing (f)	CDI + 0.37% per month	October 2008	-	701	84	524	230
Unibanco - Prosoft	TJLP + 2.18% per year	April 2010	-	89	855	-	-
Unibanco - Finame	TJLP + 3.48% per year	April 2012	-	41	897	-	-
Banespa - lease (f)	1.52% to 1.87% per month	April 2009	-	607	369	716	492
Itaú - lease (f)	1.53% to 1.66% per month	June 2008	-	318	-	380	51
Bradesco - lease (f)	1.66% per month	January 2008	-	114	-	156	-
Banco Dibens - lease (f)	CDI + 1.824% per year	February 2010	-	18	39	17	44
<b>SPR:</b>							
Banco Unibanco (g)	102.75% of CDI	April 2007	-	-	-	105,119	-
Banco Bradesco (g)	102.75% of CDI	April 2007	-	-	-	42,047	-
Banco Citibank (g)	102.75% of CDI	April 2007	-	-	-	42,047	-
Banco Itaú BBA (g)	102.75% of CDI	April 2007	-	-	-	42,047	-
<b>Latina-</b>							
Banco Itaú BBA (h)	11.5% per year	July 2011	-	134	404	130	444
<b>Company:</b>							
Banco Unibanco (i)	102.75% of CDI	October 2007	46,293	46,293	-	-	-
Banco Bradesco (i)	102.75% of CDI	October 2007	46,293	46,293	-	-	-
Banco Citibank (i)	102.75% of CDI	October 2007	46,292	46,292	-	-	-
Banco Itaú BBA (i)	102.75% of CDI	October 2007	46,292	46,292	-	-	-
<b>Total</b>			<u>185,170</u>	<u>291,352</u>	<u>245,989</u>	<u>335,434</u>	<u>249,621</u>

### Autovias

- (a) Refer to long-term financing obtained from the BNDES and Caixa Econômica Federal due in November 2010, which is being used in investments set forth in the Concession Agreement. As of June 30, 2007, 100% of this financing had been released. The principal is subject to interest calculated according to the variation of the TJLP (long-term interest rate) plus 5% to 6% per year. The financing is collateralized by a portion of the toll revenue and the Company's shares, limited to the ownership interest of each shareholder.
- (b) Refer to long-term financing, due in April 2011, for the implementation of an integrated system of monitoring and control of highway system operation. As of June 30, 2007, 100% of this financing had been released. The principal is subject to interest calculated according to the variation of the TJLP plus 5% per year. As of June 30, 2007, this financing is collateralized by promissory notes totaling R\$7,897.
- (c) Working capital loans due in 2008 and 2009. These loans are subject to interest between 101.8% of the CDI and CDI plus 2.3% per year, beginning on the loan agreement date. As of June 30, 2007, the loans are collateralized by promissory notes, totaling R\$28,702, and shareholders' guarantees.

### Centrovias

- (d) In connection with the financing obtained from the BNDES, Centrovias and its shareholders also assumed, among others, the following financial commitments set forth in the agreement:

#### Centrovias

- Shall not obtain additional short-term loans, including renewals whose accumulated amount exceeds R\$3,000 adjusted based on the IGP-M (general market price index), without express authorization from the BNDES.
- Shall not sell or permit a lien on the operating assets to third parties, except small vehicles.

## Obrascon Huarte Lain Brasil S.A. and Subsidiaries

- Shall not pay dividends until the completion of the financed project.
- Shall maintain a minimum ratio of shareholders' equity to total liabilities of 30%, excluding the negative effects of the accounting for concession charges owed to the Concession Authority.
- Shall convert, into simple debentures, the debit balance of the agreement in part or in whole, if the BNDES so requires, after the completion of the project.
- Shall maintain insurance for the toll collection revenue with minimum coverage equivalent to 90 days of toll collection, and deductible amount acceptable by the BNDES.
- Shall maintain a reserve account equivalent to three times the amount of the last past-due payment of principal and interest.

### Shareholders

- Shall maintain, until the completion of the financed project, Centrovias' subscribed and paid-up capital in an amount equivalent to at least 20% of total investments in the financed project.
- Shall provide, until the completion of the financed project, capital contributions in cash to meet any shortage of cash to fund the project.
- Shall maintain, during the period the agreement is effective, their current equity interests and shall not sell, pledge, place liens or encumbrance on their shares, without the prior and express permission of the BNDES.
- Shall vote, until the completion of the financed project, against the payment of dividends at the Shareholders' Meeting.
- Shall pledge all common shares in favor of the BNDES during the period this agreement is effective.

### Intervias

- (e) In connection with the financing obtained from the BNDES, Intervias and its shareholders also assumed, among others, the following financial commitments set forth in the agreement:

### Intervias

- Shall not obtain additional short-term loans, including renewals whose accumulated amount exceeds R\$3,000 adjusted based on the IGP-M, without the express authorization from the BNDES.
- Shall deposit the total toll revenue into a single bank account specified in the agreement. The BNDES may collect the installments directly from this account.
- Shall not sell or permit a lien on the operating assets to third parties, except small vehicles.
- Shall maintain a ratio of shareholders' equity to total liabilities of 30%, excluding the negative effects of the accounting for concession charges owed to the Concession Authority.
- Shall maintain in a reserve account a portion of the amounts collected, within the limits stipulated by the agreement, which are one to three times the amount of the installments including principal and interest.
- Expenses for the operation and maintenance of Lot 06 (Anhangüera Highway from Cordeirópolis to Santa Rita do Passa Quatro) run by Intervias are limited to R\$2,700 per month. This amount is adjusted at the time of changes in toll rates, and as of June 30 and March 31, 2007 the amounts were R\$5,220 and R\$4,997 per month.

### Shareholders

- Shall maintain, until the completion of the financed project, Intervias subscribed and paid-up capital in an amount equivalent to at least 20% of total investments in the financed project.
- Shall provide, until the completion of the financed project, capital contributions in cash to meet any shortage of cash to fund the project.
- Shall maintain, during the period the agreement is effective, their current equity interests and shall not sell, pledge, place liens or encumbrance on their shares, without the prior and express permission of the BNDES.
- Shall vote, until the completion of the financed project, against the payment of dividends at the Shareholders' Meeting.
- Shall pledge all common shares in favor of the BNDES during the period this agreement is effective.

### Vianorte

- (f) The financing is collateralized by the financed assets, a portion of toll collection revenue and restricted cash investments recorded in noncurrent assets.

Additionally, guarantees for highway expansion and special upkeep financing are as follows:

### Vianorte

- Shall not obtain additional short-term loans, including renewals whose accumulated amount exceeds R\$3,000 as of November 10, 2000, adjusted based on the IGP-M, without the express authorization from the BNDES.
- Shall not sell or permit a lien on the operating assets to third parties, except small vehicles.
- Shall not pay dividends and/or interest on capital during the grace period of the financing and until the completion of the financed project.

## Obrascon Huarte Lain Brasil S.A. and Subsidiaries

- Shall maintain a debt service coverage ratio of at least 1.20, calculated by dividing income before financial expenses, tax expenses, amortization and depreciation expenses by the sum of interest and principal payments in the period.
- Shall maintain a minimum ratio of shareholders' equity to total liabilities of 30%, excluding the negative effects of the accounting for concession charges owed to the Concession Authority and considering lease obligations in total liabilities.
- Shall maintain insurance for the toll collection revenue with minimum coverage equivalent to 90 days of toll collection, and deductible amount acceptable by the BNDES.

### Shareholders

- Shall maintain, until the completion of the financed project, Vianorte's subscribed and paid-up capital in an amount equivalent to at least 20% of total investments in the financed project.
- Shall provide, until the completion of the financed project, capital contributions in cash to meet any shortage of cash to fund the project.
- Shall maintain, during the period the agreement is effective, their current equity interests and shall not sell, pledge, place liens or encumbrance on their shares, without the prior and express permission of the BNDES.
- Shall vote, until the completion of the financed project, against the payment of dividends and interest on capital at the Shareholders' Meeting.
- Shall pledge all common shares in favor of the BNDES during the period this agreement is effective.

### SPR

- (g) Working capital loans and payment of the agreement for purchase of shares of Vianorte, through the 1<sup>st</sup> issue of promissory notes for public offering, according to CVM Instruction No. 429, of March 22, 2006, in the amount of R\$220,000.

The promissory notes bear interest of 102.75% of the CDI from the issue date, October 6, 2006, and have maturities of 180 calendar days. The promissory notes are guaranteed by Obrascon Huarte Lain Brasil S.A. (parent company).

Said notes were settled on April 4, 2007 in the amount of R\$233,851.

### Latina

- (h) Financing for purchase of a self-propelled machine and roadmarking equipment.

### Company

- (i) Working capital loan to settle the 1<sup>st</sup> issuance of promissory notes for public offering, pursuant to the provisions of CVM Instruction No. 429, of March 22, 2006, in the amount of R\$180,000.

The promissory notes bear interest of 102.75% of the CDI from the issuance date, April 4, 2007, with a maturity of 180 calendar days.

As of June 30, 2007, maturities of the principal of long-term financing are as follows:

	<u>Consolidated</u>
2008 (starting on July)	43,756
2009	89,508
2010	76,229
2011	19,554
2012	10,645
2013	<u>6,297</u>
Total	<u>245,989</u>

Management understands that the Companies are in compliance with the restrictive covenants contained in the financing agreements.

## 15. TAXES PAYABLE

As of June 30 and March 31, 2007, taxes payable were composed of:

	<u>06.30.07</u>		<u>03.31.07</u>	
	<u>Company</u>	<u>Consolidated</u>	<u>Company</u>	<u>Consolidated</u>
Income tax	-	7,756	-	6,838
Social contribution tax	-	2,952	-	2,584
Withholding income tax	34	904	619	4,799
Other federal taxes	14	2,421	10	2,340
Other municipal taxes	-	<u>3,034</u>	-	<u>2,936</u>
Total	<u>48</u>	<u>17,067</u>	<u>629</u>	<u>19,497</u>

## 16. RELATED-PARTY TRANSACTIONS

As of June 30 and March 31, 2007, related-party transactions are represented principally by the following:

	<u>06.30.07</u>		<u>03.31.07</u>	
	<u>Company</u>	<u>Consolidated</u>	<u>Company</u>	<u>Consolidated</u>
Intercompany receivables - current- OHL Concesiones S.L.	<u>87</u>	<u>87</u>	<u>87</u>	<u>87</u>
Dividends receivable:				
Autovias	9,416	-	9,416	-
Intervias	<u>29,958</u>	-	<u>29,958</u>	-
Total	<u>39,374</u>	-	<u>39,374</u>	-
Intercompany receivables - noncurrent:				
Autovias - interest on capital	4,370	-	4,370	-
Autovias (a)	24,893	-	24,306	-
Intervias	-	-	3,654	-
Centrovias (b)	<u>1,004</u>	-	-	-
Total	<u>30,267</u>	-	<u>32,330</u>	-
Intercompany payables - current:				
OHL Concesiones S.L.	68	68	68	68
Hur S.A.	281	281	299	299
Obrascon Huarte Lain S.A. (Spain)	465	465	486	486
OHL Participações	-	-	-	<u>1</u>
Total	<u>814</u>	<u>814</u>	<u>853</u>	<u>854</u>
Intercompany payables - noncurrent- OHL Participações	-	-	<u>3,536</u>	-



- (a) Loan agreements subject to interest rates equal to 100% of the CDI with maturity beginning January 2009.
- (b) Loan agreements subject to interest rates equal to 100% of the CDI with maturity beginning July 2010.

	<u>Financial income, net</u>	
	<u>Company</u>	
	<u>06.30.07</u>	<u>03.31.07</u>
Autovias	1,418	717
Intervias	295	270
OHL Participações	33	13
Hur S.A.	<u>11</u>	<u>19</u>
Total	<u>1,757</u>	<u>1,019</u>

## 17. CONCESSION FEE OBLIGATIONS

Refer to the amounts payable to the DER/SP for the concessions granted to Autovias, Centrovias, Intervias and Vianorte.

Fixed amount to be paid in 240 monthly and consecutive installments, the first of which was paid in September 1998 by Autovias, June 1998 by Centrovias, February 2000 by Intervias, and March 1998 by Vianorte. The amount is adjusted using the same formula and on the same dates of the adjustment of tolls, due on the last business day of each month.

Pursuant to the Concession Agreement, tolls are adjusted in July based on the variation of the IGP-M (general market price index) through May 31. Thus, the obligation was determined as follows:

<u>Current</u>		<u>Concession right</u>		<u>Present value (*)</u>	
		<u>06.30.07</u>	<u>03.31.07</u>	<u>06.30.07</u>	<u>03.31.07</u>
Autovias	Concession right	4,954	4,898	4,825	4,770
	Variable amount (a)	349	367	-	-
Centrovias	Concession right	7,412	7,317	7,220	7,138
	Variable amount (a)	352	365	-	-
Intervias	Concession right	4,613	4,561	4,493	4,445
	Variable amount (b)	552	535	-	-
Vianorte	Concession right	30,070	29,736	29,289	28,958
	Variable amount (a)	<u>374</u>	<u>372</u>	<u>-</u>	<u>-</u>
		<u>48,676</u>	<u>48,151</u>	<u>45,827</u>	<u>45,311</u>

(\*) Present value was calculated considering an annual interest rate of 5%.

- (a) Variable amount equivalent to 3% of gross monthly revenue, due by the last business day of the subsequent month.
- (b) Variable amount equivalent to 3% of the toll revenue and 25% of other monthly revenue, due by the last business day of the subsequent month.

<u>Noncurrent</u>		<u>Provision</u>		<u>Present value (*)</u>	
		<u>06.30.07</u>	<u>03.31.07</u>	<u>06.30.07</u>	<u>03.31.07</u>
Autovias	Concession right	50,495	51,558	37,836	38,418
Centrovias	Concession right	73,697	75,299	55,388	59,243
Intervias	Concession right	53,568	54,538	38,892	39,163
Vianorte	Concession right	<u>291,448</u>	<u>297,971</u>	<u>220,847</u>	<u>224,526</u>
		<u>469,208</u>	<u>479,366</u>	<u>352,963</u>	<u>361,350</u>

(\*) Present value was calculated considering an annual interest rate of 5%.

The balance of installments payable as of June 30, 2007 is as follows:

	<u>Installments</u>		<u>Total payable</u>
	<u>Current</u>	<u>Noncurrent</u>	
Autovias	12	122	134
Centrovias	12	119	131
Intervias	12	139	151
Vianorte	12	116	128

During the six-month period ended June 30, 2007, the amount paid to the Concession Authority is as follows:

	<u>Concession</u>		<u>Amount paid</u>
	<u>Fixed</u>	<u>Variable</u>	
Autovias	2,372	2,150	4,522
Centrovias	3,550	2,162	5,712
Intervias	2,208	3,121	5,329
Vianorte	<u>14,401</u>	<u>2,160</u>	<u>16,561</u>
Total	<u>22,531</u>	<u>9,593</u>	<u>32,124</u>

## 18. SHAREHOLDERS' EQUITY

Capital as of June 30, 2007 is represented by 68,888,888 common shares without par value, as follows:

	Number of subscribed <u>shares</u>	Ownership interest - % <u></u>
Participes em Brasil S.L.	35,861,593	52.06
Obrascon Huarte Lain S.A.	5,471,733	7.94
Kendall Develops S.L.	3,444,445	5.00
Other	<u>24,111,117</u>	<u>35.00</u>
Total	<u>68,888,888</u>	<u>100.00</u>

## 19. RESERVE FOR CONTINGENCIES

The Company and its subsidiaries have outstanding lawsuits involving principally civil liability to highway users and labor claims.

Based on the opinion of its outside and in-house legal counsel, management recognized a provision to cover probable losses on said lawsuits and believes that the final outcome will not significantly affect the Company's cash flow, consolidated financial position and results of operations.

## 20. FINANCIAL INSTRUMENTS

### a) Exchange risks

As of June 30 and March 31, 2007, the Company and its subsidiaries had no foreign currency-denominated loans or financing.

### b) Interest rate risks

The Company, through its subsidiaries, is exposed to changes in interest rates, mainly the variation of the TJLP, on loans in Brazilian reais. Most of the interest rates for temporary cash investments are linked to the variation of the CDI and Selic (Central Bank overnight rate).

### c) Concentration of credit risk

Financial instruments that potentially subject the Company and its subsidiaries to credit risk concentration consist mainly of cash and banks, temporary cash investments, collateral for agreements, and accounts receivable.

The Company and its subsidiaries have bank accounts, temporary cash investments and reserve accounts with financial institutions approved by management under objective criteria for credit risk diversification.

As of June 30 and March 31, 2007, the Company, through its subsidiaries, had accounts receivable from CGMP - Centro de Gestão dos Meios de Pagamento S.A., in the amounts of R\$22,470 and R\$21,597, respectively, derived from toll collection through the electronic toll payment system (“Sem Parar”), recorded under the caption “Sundry receivables”.

The Company has a bank letter of guarantee to secure the collection of the aforementioned accounts receivable.

d) Fair value of financial instruments - consolidated

The carrying values and fair values of financial instruments as of June 30 and March 31, 2007 are as follows:

	06.30.07		03.31.07	
	Carrying <u>value</u>	Fair <u>value</u>	Carrying <u>value</u>	Fair <u>Value</u>
Cash and banks	8,205	8,205	9,476	9,476
Temporary cash investments	45,180	45,180	143,054	143,054
Loans and financing (including accrued interest) - current and noncurrent	537,341	537,407	585,055	585,055
Concession fee obligations - current and noncurrent	517,884	398,790	527,517	406,661

The fair values as of June 30 and March 31, 2007 do not reflect subsequent changes in the economy, such as interest rates, tax rates and other variables that may have effect in their determination. The following methods and assumptions were adopted to determine fair value:

- Cash and banks, temporary cash investments and reserve account - the carrying values stated in the balance sheet approximate fair values due to the short-term maturity of these instruments.
- Loans and financing - the carrying values stated in the balance sheets approximate fair values.
- Concession fee obligations - are calculated based on the cash flow at present value, discounted at an interest rate of 5%, which approximates long-term market transactions adjusted based on the IGP-M.

As of June 30 and March 31, 2007, there are no derivative transactions.

## 21. RECONCILIATION OF INCOME AND SOCIAL CONTRIBUTION TAXES

Reconciliation of tax charges between effective and statutory rates in the consolidated statements of income as of June 30, 2007 is as follows:

a) Current

	<u>Consolidated</u>	
	<u>Quarter</u>	<u>Six-month period</u>
Income before income and social contribution taxes	29,803	49,371
Income and social contribution tax rate	<u>34%</u>	<u>34%</u>
Expected income and social contribution expenses, according to the tax rate	(10,133)	(16,786)
a) Effect of income and social contribution taxes on permanent differences-		
Other	(707)	(3,873)
b) Effect of income and social contribution taxes on temporary differences and tax loss carryforwards for prior years, for which a provision was recorded, since in those years there was no assurance that they were realizable-		
Tax loss carryforwards	(218)	-
Expense recognized	<u>(11,058)</u>	<u>(20,659)</u>

b) Deferred

	<u>Consolidated</u>	
	<u>Quarter</u>	<u>Six-month period</u>
Deferred taxes on goodwill absorbed by subsidiaries, net of realization	(1,213)	(2,006)
Deferred taxes on temporary differences	<u>218</u>	<u>196</u>
Expense recognized	<u>(995)</u>	<u>(1,810)</u>

## 22. SALE-LEASEBACK TRANSACTIONS

In 2005, through sale-leaseback transactions, Intervias entered into a lease agreement for Highway Monitoring Systems with Banco Itaú S.A. The Highway Monitoring Systems were sold at market values, and no gain on this transaction was generated.

As of June 30 and March 31, 2007, the position of the sale-leaseback agreement is as follows:

	<u>06.30.07</u>		<u>03.31.07</u>
	<u>Agreement value</u>	<u>Debit balance</u>	<u>Debit balance</u>
Agreement No. 566,950	<u>9,300</u>	<u>7,765</u>	<u>8,170</u>

The agreement is payable in 60 months from July 8, 2005 to June 8, 2010, subject to CDI - Over-Cetip (average rate for interbank loans for one day registered with the Clearinghouse for the Custody and Financial Settlement of Securities).

23. SUBSEQUENT EVENT

On July 13, 2007, the subsidiary Paulista paid dividends in the amount of R\$2,000 related to prior year dividends.

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## OBRASCON HUARTE LAIN BRASIL LTDA. AND SUBSIDIARIES

## STATEMENTS OF CASH FLOWS

## FOR THE SIX-MONTH PERIODS ENDED JUNE 30, 2007 AND 2006 (SUPPLEMENTARY TABLE)

(The financial statements as of June 30, 2007 and 2006 were reviewed by independent accountants to the extent described in the reports dated August 1, 2007 and August 4, 2006, respectively)

(In thousands of Brazilian reais)

	Note	Company		Consolidated	
		06.30.07	06.30.06	06.30.07	06.30.06
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Net income for the six-month period		26,902	58,378	26,902	58,378
Adjustments to reconcile net income to net cash provided by operating activities:					
Depreciation and amortization		203	99	99,791	55,801
Amortization of goodwill (negative goodwill) on investments		-	(72)	4,709	10,497
Write-off of permanent assets		18	-	673	285
Deferred income and social contribution taxes		-	-	1,810	(22,022)
Interest (income) expenses, net		3,830	(2,720)	39,831	19,082
Deferred income		-	-	605	556
Equity in subsidiaries	9.a	(36,863)	(54,801)	-	-
Decrease (increase) of reserve for contingencies		-	-	115	(862)
Receipt of dividends		9,951	-	-	-
Decrease (increase) in assets:					
Trade accounts receivable		1,272	(926)	490	473
Sundry receivables		(7)	(84)	2,814	1,868
Inventories		-	-	(56)	(66)
Prepaid expenses		(259)	3	490	1,508
Recoverable taxes		(1,076)	(644)	(2,351)	(1,400)
Other receivables		(726)	(293)	(1,060)	(336)
Increase (decrease) in liabilities:					
Trade accounts payable		(429)	242	7,620	1,234
Payroll and related charges		513	456	1,421	865
Taxes payable		(8)	(692)	481	(2,963)
Other payables		(69)	(6)	1,410	(1,752)
<b>NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES</b>		<b>3,252</b>	<b>(1,060)</b>	<b>185,695</b>	<b>121,146</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Increase in restricted deposits		-	-	(1,257)	(859)
Amount redeemed from restricted deposits		-	-	6,546	2,290
Payments of property and equipment		(19)	(735)	(126,368)	(71,473)
Increase in deferred charges		-	-	-	(149)
Capital increase in subsidiaries		(136,000)	(106,420)	-	(106,919)
Receipt of intercompany loans		10,870	13,924	-	-
Intercompany loans		(1,000)	-	-	(97)
<b>NET CASH USED IN INVESTING ACTIVITIES</b>		<b>(126,149)</b>	<b>(93,231)</b>	<b>(121,079)</b>	<b>(177,207)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>					
Loans and financing:					
Funding		180,000	-	204,044	19,182
Repayments		-	-	(290,147)	(39,493)
Payment of concession fee obligations		-	-	(22,587)	(8,158)
Paid dividends		(41,815)	-	(41,815)	-
<b>NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES</b>		<b>138,185</b>	<b>-</b>	<b>(150,505)</b>	<b>(28,469)</b>
<b>INCREASE (DECREASE) IN CASH, NET</b>		<b>15,288</b>	<b>(94,291)</b>	<b>(85,889)</b>	<b>(84,530)</b>
<b>CASH AT BEGINNING OF THE SIX-MONTH PERIOD</b>		<b>9,018</b>	<b>100,105</b>	<b>139,274</b>	<b>139,357</b>
<b>CASH AT END OF THE SIX-MONTH PERIOD</b>		<b>24,306</b>	<b>5,814</b>	<b>53,385</b>	<b>54,827</b>
<b>SUPPLEMENTAL INFORMATION</b>					
Cash paid for the six-month period:					
Interest paid		123	123	19,820	10,367
Income tax		166	828	19,928	21,781

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