

## **407 ETR Rate Increase Helps Pay For More Lanes And Faster Trips**

**TORONTO, December 30, 2005** — 407 ETR announced today that light-vehicle tolls during peak hours will increase on February 1, 2006, by 1.3 cents per kilometre. This increase will help the company invest in more lanes so customers can continue to experience faster trips.

“Our customers want to avoid stop-and-go traffic and these changes will ensure 407 ETR keeps our customers moving,” said Enrique Díaz-Rato, President and Chief Executive Officer of 407 ETR. “We have added over 28 kilometres of new lanes in the past three years. By the end of next year, we will have added another 50 kilometres of new lanes between Highways 427 and 404.”

This year, 407 ETR commenced the largest lane widening project in the company’s history. Scheduled for completion by the end of 2006, the \$90 million project will build 50 kilometres of new lanes between Highways 427 and 404. The project will use over 93,000 cubic metres of concrete and clock more than 210,000 hours of labour. While 407 ETR is obliged by its contract with the Province to widen the highway based on specific traffic volumes, these lane expansion projects were started before they were required.

The peak rate for light vehicles (cars, motorcycles and SUVs) will be 16.25 cents per kilometre. 407 ETR will continue to offer lower rates when the road is used during “off-peak”, non-rush hour periods. The off-peak rate for light vehicles will be 15.50 cents per kilometre.

Rates for heavy single unit vehicles (trucks) and heavy multiple unit vehicles (18-wheel trucks) will be 32.50 cents per kilometre and 48.75 cents per kilometre, respectively. Off-peak rates for heavy single and heavy multiple vehicles will be 31.00 cents per kilometre and 46.50 cents per kilometre, respectively.

407 ETR also announced that, starting February 1, 2006, it will remove the \$10 Transponder Activation Fee to encourage even more customers to lease a transponder and save Video Toll Charges.

407 International Inc. is the sole shareholder of 407 ETR, the operator and manager of Highway 407, which extends 108 kilometres east-west, just north of Toronto. 407 International Inc. is owned by a consortium comprised of Cintra Concesiones de Infraestructuras de Transporte, Macquarie Infrastructure Group and SNC-Lavalin.

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## **407 ETR Rate Increase Helps Pay For More Lanes And Faster Trips**

### **407 ETR History of Growth:**

- Over 700,000 transponders are now in circulation, up over 245 per cent from 1999.
- Over 347,000 trips are taken on an average workday, up 48 per cent from 1999.
- A one-day record of 413,687 trips was set on June 30, 2005, by customers wanting a faster alternative route.
- 407 ETR has invested \$4 billion on acquiring the highway and on extensions, expansions and other costs since 1999.
- 407 ETR purchased the Highway from the Province in 1999 and the government received more than \$1.5 billion more than what it spent to construct the initial 68 kilometres.
- 407 ETR extended the highway by 40 kilometres in less than two years, increasing the length of the highway by 58 per cent and making it more accessible and convenient to customers.
- The highway extensions were completed 20 years ahead of the Government's original schedule.
- To date, 407 ETR has spent over \$750 million to lengthen and enhance the highway.
- 407 ETR has built over 360 lane kilometres so customers can continue to benefit from a fast, safe and convenient trip.
- Traffic flow increased through the Brampton area due to recently opened new lanes, enabling customers to get home sooner. 407 ETR invested \$30 million to add 22 lane kilometres between Highway 401 and Hurontario St.
- Traffic flow increased through the Pine Valley area due to recently opened new lanes, enabling customers to get home sooner. 407 ETR invested \$6 million on this lane widening project.
- Over 11,100 hours of snowplow operations were required during the 2004-2005 winter.

- Over \$600,000 is spent annually on a free Roadside Assistance Patrol for customers, assisting over 1,300 customers in 2005.

**Toll Rate Fast Facts:**

- Tolls during peak hours are increasing by only 1.3 cents per kilometre.
- For the typical user, this rate increase represents 26 cents per trip – about the cost of a local phone call.
- The typical trip on 407 ETR is 20 kilometres. That trip will now increase from \$2.99 to \$3.25.
- The rate for peak hours has increased by less than 7 cents over the past eight years.
- Compared to other urban toll highways, 407 ETR is excellent value for money. For example, California’s State Route 91 costs up to 55 cents per kilometre.
- 407 ETR’s monthly Transponder Lease Fee of \$2.15 is much less than California’s State Route 91 that charges a monthly Membership Fee of \$22 per-transponder (plus tolls).

<b>Facility</b>	<b>2006 Toll Rate CDN\$/KM/Peak</b>
91 Express Lanes (California)	\$ 0.55
Chicago Skyway (Illinois)	\$ 0.23
Tour – Bordeaux (France)	\$ 0.21
Delaware Turnpike (Delaware)	\$ 0.19
San Joaquin Hills Transportation Corridor (CA)	\$ 0.17
Foothill Transportation Corridor – North Segment (CA)	\$ 0.17
407 ETR (Ontario)	\$ 0.1625
Dulles Greenway (Virginia)	\$ 0.15
Richmond Downtown Expressway (Virginia)	\$ 0.14
Foothill Transportation Corridor – East Segment (CA)	\$ 0.14

1.15% USD exchange; 1.45% EUR exchange; 1.05% AUD exchange

**New Toll Rates:**

	<b>Peak Hours</b>	<b>Off-Peak Hours</b>
<b>Light Vehicles</b>	16.25 cents	15.50 cents
<b>Heavy Single Unit Vehicles</b>	32.50 cents	31.00 cents
<b>Heavy Multiple Unit Vehicles</b>	48.75 cents	46.50 cents

- Peak Hours are weekdays between 6 a.m. and 10 a.m. and 3 p.m. and 7 p.m.
- Off-Peak Hours are weekdays between 10 a.m. and 3 p.m. and 7 p.m. and 6 a.m., as well as holidays and weekends.
- For light vehicles without a transponder, add \$3.50 per trip for a video toll charge.
- Transponder Activation Fee is \$0.00 as of February 1, 2006.
- Collection Fee is \$13.50.

**Usage of Toll Revenues:**

- Tolls provide a dedicated cash flow to ensure above-average operation and maintenance. The result? 407 ETR is among the best-built, safest, best-patrolled and best-maintained roads in North America.
- Revenues from 407 ETR tolls are used to maintain and improve the highway through constructing new lanes and enhancing customer services.
- In 2005, nearly half of all cash from customers was used to service the debt on the original purchase of the highway from the Province in 1999 and to extend, expand and enhance the highway since then.
- To date, 407 ETR has spent over \$750 million to lengthen and enhance the highway.
- For example, in 2004, 407 ETR invested over \$30 million to construct additional lanes between Highway 400 and Hurontario St., improving traffic flow by 50 per cent.
- In 2003, 407 ETR invested \$6 million to construct additional lanes between Pine Valley and Highway 27 to improve traffic flow.
- In addition to highway improvements, in recent years, 407 ETR has spent over \$50 million to enhance customer service and reduce average waiting times to speak to a customer service representative to just seconds.

- Toll revenue supports the company's requirement to maintain the 108 km highway through four different seasons and provide service to millions of customers across the GTA.

**407 ETR:**

- 407 ETR (Express Toll Route) is the world's first all-electronic, barrier-free toll highway.
- 407 ETR is a viable, safe and easy-to-use transportation toll route across the Greater Toronto Area (GTA) that serves daily commuters, industry sectors and geographic markets.
- 407 ETR achieves this through state-of-the-art technology, value-added services and through continuous investments.
- As part of Toronto's integral transportation network, 407 ETR stretches 108 kilometres east-west just north of Toronto.

**Leading-Edge Technology:**

- 407 ETR's use of state-of-the-art technology has become a model for all-electronic toll highways of the future.
- On traditional toll highways in North America and many other parts of the world, motorists have to wait at a toll booth or plaza to pay a collector or an automated machine.
- 407 ETR's all-electronic toll system eliminates traffic line-ups and motorists can forget about ever having to slow down to look for the right change.
- A transponder is easy to install and cost-efficient for frequent users of 407 ETR. A transponder is a small electronic device that attaches to the interior of the windshield behind the rear-view mirror. Installation requires no tools and can be done in less than two minutes. With a transponder, electronic sensors located on each overhead gantry log your 407 ETR entry and exit point.
- If individuals choose not to lease a transponder, trips are logged by using a state-of-the-art, licence plate recognition system. The system is located on each overhead gantry and records the plate of the vehicle using the highway. 407 ETR pays the Province nearly \$6 million a year to be able to identify Ontario motorists using the highway without a transponder.



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*News releases are available at [www.407etr.com](http://www.407etr.com).*