

407 ETR Disappointed With Government Decision To Appeal Judicial Ruling

TORONTO, January 21, 2005 – 407 ETR announced today that the Ontario Government has sought leave to appeal a recent ruling of the Ontario Superior Court of Justice regarding the right to set toll rates.

On January 6, Justice Maurice Cullity ruled that the company is not required to submit a Change Request, nor obtain any other Government approval, in order to change tolls or fees. Justice Cullity upheld an earlier decision by independent arbitrator Drew Hudson, Q.C. who also ruled against the Province's argument that the company must file a Change Request before increasing tolls. The Government announced today that it would seek leave to appeal Justice Cullity's decision to the Ontario Court of Appeal.

"Apparently the Government does not consider two consecutive and clear-cut rulings in our favour on the same dispute to be sufficient to ascertain our right to set tolls," said Enrique Diaz-Rato, 407 ETR's President and Chief Executive Officer. "We are disappointed with the Government's decision to seek leave to appeal, but we remain very confident in our contractual rights."

407 ETR has indicated that it is prepared to meet with the Government to resolve other issues of disagreement, rather than continue to defend its contractual and legal rights in costly and lengthy litigation.

407 International Inc. is the sole shareholder, operator and manager of 407 ETR, 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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