

## **407 International Reports Second Quarter Results**

**TORONTO, July 19, 2006** - 407 International Inc. announced today income from operations of \$77.6 million for the second quarter of 2006, up 10.7 per cent from the second quarter of 2005. Earnings before interest, taxes, depreciation and amortization ("EBITDA"<sup>1</sup>) totalled \$92.4 million compared with \$84.1 million in the corresponding period of 2005. Revenues grew 8.5 per cent to \$117.4 million in the second quarter of 2006, compared to \$108.2 million in the second quarter of 2005. Net income for the second quarter decreased to \$10.8 million from \$17.0 million for the same period last year after accounting for a \$13.6 million non-cash increase in the inflation component of its inflation-linked bonds. The Board of Directors declared a dividend of \$0.031 per common share payable on or about July 19, 2006, to shareholders of record on July 19, 2006.

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

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<sup>1</sup> EBITDA is not a recognized measure under Canadian generally accepted accounting principles and investors are cautioned that EBITDA should not be construed as an alternative to net loss or cash from operating activities as an indicator of the Company's performance or cash flows. The Company's method of calculating EBITDA may differ from other companies' and may not be comparable to measures used by other companies. EBITDA less Depreciation and amortization, Interest and other expenses (net), and Income taxes – current, result in Net loss.

## Highlights Unaudited

	Three month period ended June 30		Six month period ended June 30	
	2006	2005	2006	2005
<b>Selected Financial Information (in thousands)</b>				
Revenues	\$ 117,368	\$ 108,177	\$ 216,140	\$ 196,603
Operating expenses	24,972	24,110	50,397	50,778
Depreciation and amortization	14,785	13,927	28,492	26,645
	<u>39,757</u>	<u>38,037</u>	<u>78,889</u>	<u>77,423</u>
Income from operations	77,611	70,140	137,251	119,180
Interest and other expenses, net	67,636	52,033	137,425	113,127
Income (Loss) before income taxes	9,975	18,107	(174)	6,053
Income taxes expense (recovery) - current	(855)	1,076	-	2,151
Net income (loss)	<u>\$ 10,830</u>	<u>\$ 17,031</u>	<u>\$ (174)</u>	<u>\$ 3,902</u>

## Traffic

Total trips (in thousands)	27,496	26,954	51,688	50,038
Average revenue per trip	\$4.27	\$4.01	\$4.18	\$3.93
Average workday number of trips	367,805	357,600	346,196	336,162
Total vehicle kilometres (in thousands)	544,542	533,540	1,006,398	975,365
Number of transponders in circulation at June 30	744,901	674,264	744,901	674,264