

407 International Reports 2023 Results

Annual Traffic increased by 13% over 2022

TORONTO, February 22, 2024 - 407 International Inc. (the Company) announced today financial results for its year ended December 31, 2023. Revenues were \$1,495.5 million and net income was \$567.3 million, up 13% and 30% respectively, compared with the year ended December 31, 2022. Earnings before interest and other expenses, taxes, depreciation and amortization (EBITDA¹) for the year ended December 31, 2023 totalled \$1,283.9 million and were also up 13% compared with the same period in 2022.

Trips during the year ended December 31, 2023 were higher by 13% compared to the same period in 2022, and vehicle kilometres travelled increased by 15%. Cash flows from operations were \$644.6 million, up 14% for the year ended December 31, 2023 compared with the same period in 2022.

“We’re encouraged by the strong financial results we achieved in 2023 and proud of the significant progress we’ve made to further our efforts in corporate citizenship and environmental, social and governance,” says Javier Tamargo, President & CEO, 407 ETR.

In 2023, to help support the growing demands of biodiversity loss and climate change, the Company increased its investment in environmental conservation. The Company planted 10,000 native trees including white pine, red cedar and bur oak species along Highway 407 ETR as part of an ongoing biodiversity pilot project.

Through its support of integral organizations including Nature Conservancy of Canada, Canadian Wildlife Federation, Toronto and Region Conservation Authority, Credit Valley Conservation, Conservation Halton, and A Greener Future, 407 ETR invested over \$600,000 in sponsorships and donations in 2023 to protect and enhance green spaces in Ontario.

In 2023, the Company also continued its efforts to strengthen diversity, equity and inclusion in the GTA. In the third quarter of 2023, 407 ETR received the Community Impact Award from the City of Brampton for its support of specialized accessibility programming and recreational activities to provide more opportunities for Brampton residents to stay active.

¹ EBITDA is not a standardized financial measure under International Financial Reporting Standards and investors are cautioned that EBITDA should not be construed as an alternative to net income as an indicator of the Company's performance. The Company's method of calculating EBITDA may differ from other company's methods, and may not be comparable to measures used by other companies. See "Non-IFRS Financial Measures" in the Company's management's discussion and analysis which is available on SEDAR+ at sedarplus.ca.

Highlights

(unaudited)

	Three-month period ended December 31		Year ended December 31	
	2023	2022	2023	2022
Selected Financial Information (in millions)				
Revenues	\$ 375.9	\$ 362.5	\$ 1,495.5	\$ 1,327.2
Operating expenses	60.6	58.1	211.6	188.4
EBITDA ¹	315.3	304.4	1,283.9	1,138.8
Depreciation and amortization	24.1	26.4	97.1	100.0
Interest and other expenses	110.6	104.1	412.0	447.0
Income before tax	180.6	173.9	774.8	591.8
Income tax expenses	51.3	46.0	207.5	156.5
Net income	\$ 129.3	\$ 127.9	\$ 567.3	\$ 435.3
Traffic				
Total trips (in thousands)	28,336	26,315	110,844	98,112
Average revenue per trip	\$13.13	\$13.39	\$13.23	\$13.32
Average workday number of trips	359,656	332,095	350,747	309,944
Total vehicle kilometres (in thousands)	642,403	590,504	2,535,447	2,212,817
Number of transponders in circulation at December 31	1,745,050	1,663,482	1,745,050	1,663,482

ABOUT 407 INTERNATIONAL

The Company is owned by indirectly owned subsidiaries of Canada Pension Plan Investment Board (total 50.01%), also known as CPP Investments; Cintra Global S.E., a wholly owned subsidiary of Ferrovial S. A. (43.23%); and AtkinsRéalis Canada Inc., formerly SNC-Lavalin Inc. (6.76%).

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News releases are available at 407etr.com/newsroom

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