

407 International Reports Second Quarter Results

TORONTO, July 18, 2007 – 407 International Inc. announced today income from operations of \$89.3 million for the second quarter of 2007, up \$11.7 million from the second quarter of 2006. Earnings before interest, taxes, depreciation and amortization (“EBITDA”¹) totalled \$106.2 million compared with \$92.4 million in the corresponding period of 2006. Revenues grew to \$131.2 million in the second quarter of 2007, compared to \$117.4 million in the second quarter of 2006. Net income for the second quarter increased to \$11.2 million from \$10.8 million for the same period last year after accounting for a \$12.3 million non-cash increase in the inflation component of its inflation-linked bonds. The Board of Directors declared an eligible dividend of \$0.040 per common share payable on or about July 18, 2007, to shareholders of record on July 18, 2007.

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.

- 30 -

For more information, contact:

Investors:
Kenneth A. Walker
Chief Financial Officer
Tel: 905-265-4070

Media:
Dale A. Albers
Manager, Public Relations
Tel: 905-264-5221

News releases are available at www.407etr.com.

¹ 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 tax recovery – current, result in Net Income (loss).

Highlights
Unaudited

	Three month period ended June 30		Six month period ended June 30	
	2007	2006	2007	2006
Selected Financial Information (in thousands)				
Revenues	<u>\$ 131,242</u>	<u>\$ 117,368</u>	<u>\$ 238,318</u>	<u>\$ 216,140</u>
Operating expenses	<u>25,004</u>	<u>24,972</u>	<u>51,504</u>	<u>50,397</u>
Depreciation and amortization	<u>16,934</u>	<u>14,785</u>	<u>33,904</u>	<u>28,492</u>
	<u>41,938</u>	<u>39,757</u>	<u>85,408</u>	<u>78,889</u>
Income from operations	<u>89,304</u>	<u>77,611</u>	<u>152,910</u>	<u>137,251</u>
Interest and other expenses, net	<u>78,095</u>	<u>67,636</u>	<u>150,463</u>	<u>137,425</u>
Income (Loss) before income taxes	<u>11,209</u>	<u>9,975</u>	<u>2,447</u>	<u>(174)</u>
Income tax recovery - current	<u>-</u>	<u>(855)</u>	<u>-</u>	<u>-</u>
Net income (loss)	<u>\$ 11,209</u>	<u>\$ 10,830</u>	<u>\$ 2,447</u>	<u>\$ (174)</u>
Traffic				
Total trips (in thousands)	<u>28,839</u>	<u>27,496</u>	<u>53,914</u>	<u>51,688</u>
Average revenue per trip	<u>\$4.55</u>	<u>\$4.27</u>	<u>\$4.42</u>	<u>\$4.18</u>
Average workday number of trips	<u>385,374</u>	<u>367,805</u>	<u>360,626</u>	<u>346,196</u>
Total vehicle kilometres (in thousands)	<u>573,258</u>	<u>544,542</u>	<u>1,052,784</u>	<u>1,006,398</u>
Number of transponders in circulation at June 30	<u>815,868</u>	<u>744,901</u>	<u>815,868</u>	<u>744,901</u>