

NEWS RELEASE

Conference Board of Canada report confirms 407 ETR saves customers time and money

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A report by the Conference Board of Canada released earlier today confirms that 407 ETR saves customers time and money.

The Conference Board of Canada report states that commuters using 407 ETR derive greatest value from the achievement of significant commute time savings (including both actual trip time and the buffer time drivers must include to account for traffic congestion when taking other routes). The report goes on to note additional potential savings (related to maintenance and fuel costs) and other factors that show the added value of travelling on 407 ETR.

“The report provides confirmation of the high value savings we continue to provide customers,” said 407 ETR President and Chief Executive Officer, Jose Tamariz. In thanking the Conference Board of Canada for their report, Mr. Tamariz also noted, “The report illustrates the very positive impact of investments we have continued to make in the extension and expansion of the highway since 1999.”

407 ETR is well known as being a fast, safe and reliable choice that continues to provide excellent service, providing a congestion free trip for drivers and relieving traffic on other area roads and highways. The report notes that 407 ETR (which has been both extended and expanded since opening in 1999) has been, and continues to be, a major contributor to both residential and business/commercial growth along the highway and the rate of growth along 407 ETR continues to outpace that of the Greater Toronto and Hamilton Area.

The report outlines the significant differences in travel times on 407 ETR as compared to other routes that run parallel to the highway and examines the specific dollar value that can be attributed to travel time savings.

Specifically, the report confirms:

1. On average, 407 ETR drivers save at least 26 minutes on their commuting time each day. This amounts to a savings of as much as 36 percent (based on the analysis of cellular data) in commuting time. Time savings can vary depending on the distance a commuter must travel, time of day and the route driven. In many cases where commuters travel 407 ETR routes that run parallel to other routes that are heavily congested, time savings can be much greater than the average.
2. The report notes that 407 ETR drivers benefit from cost savings through reduced wear and tear and maintenance expenses that come as a result of driving at safe and consistent speeds and avoiding stop-and-go traffic. The research conservatively notes that the calculation of savings may be under-estimated in the report, but are at least \$5.10 per 1,000km for morning commuters and at least \$7.80 per 1,000km for afternoon commuters.

3. Potential savings on fuel noted in the report are relatively small as 407 ETR drivers travel at speeds higher than that recommended for the highest fuel efficiency – cited as being between 50 and 80 kilometres per hour. Potential for even greater fuel efficiency exists depending on driving habits and speed.
4. The report notes that predictability and reliability of travel times on 407 ETR are important factors in the decision to use the toll road and lead to an overall better understanding of the value of paying for its use. In addition, the report quotes examples of commuter experiences on 407 ETR, which include, “driving at my own pace, smoother traffic, consistent speeds, safer.”

The research was based on data from three sources:

1. Trip time aggregated Global Positioning System (GPS) data provided by TomTom;
2. Data from cellular networks provided by Waterloo-based firm IMS; and,
3. Data from a field study that was conducted in order to collect both GPS and on board diagnostic data directly from volunteer motorists with logger units installed in their vehicles.

The full report is available on the Conference Board of Canada website at:

www.conferenceboard.ca/e-Library/abstract.aspx?did=5913

A short video highlighting some customer experiences and opinions of 407 ETR is available at:

<http://www.407etr.com/highway/stories.html>

407 International Inc. is owned by Cintra Infraestructuras S.A., a wholly owned subsidiary of Ferrovial S. A. (43.23%), by indirectly owned subsidiaries of Canada Pension Plan Investment Board (total 40%), and by SNC-Lavalin (16.77%).

Please see the background below and visit www.407etr.com for more information.

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BACKGROUND

- Average daily work day trips have increased from about 237,000 in 1999 to over 380,000 in 2012.
- Total annual trips have increased from 71.9 million in 1999 to over 114 million in 2012.
- Approximately 30% of all traffic is business/commercial and this segment of customer has grown over time and continues to grow.
- The number of transponders in circulation has increased from 346,371 with a user rate of 67% in 1999 to over 1,100,000 and a user rate of over 81% in 2012.
- Average length of a trip on the highway has increased from 17.75 km in 1999 to 20.38 km in 2012.
- Total vehicle kilometres travelled per year has increased from 1.275 billion in 1999 to 2.340 billion in 2012.
- Trips/Trip length and transponder growth has happened alongside growth in development, extension of the highway in both the east and west and the widening of the highway by adding new lanes (205 lane kilometres since 2004). Extensions and expansions have been possible through 407 ETR (Express Toll Route) investments of over \$1.2 billion to keep traffic free-flowing.
- Investments in safety initiatives, both on and off the road have continued to provide customers a fast, safe and reliable trip. Safety events and sponsorships continue to demonstrate 407 ETR's commitment to its customers.
- 24/7 monitoring of highway and conditions from our control room – safety patrollers can assist drivers and call for emergency responders when needed.
- 407 ETR is barrier free – with no congestion causing toll booths.
- Just over 80% of all customers have a transponder – there are more than a million in circulation. The cost of an annual lease is frozen at \$21.50 per year and pays for itself after only 6 trips on the highway, as the video toll charge for travelling without a transponder is \$3.80 per trip.
- 96% percent of customers report being satisfied with 407 ETR customer service. Over \$110 million has been invested to ensure excellent customer service and the average wait time when calling into the 407 ETR Call Centre has been under 30 seconds for 8 years.
- Customers have many account options such as Paperless Billing and Pre-Authorized payment.
- 407 ETR continues to appreciate customer loyalty and has offered more than \$80 million to customers as part of its "ETR Rewards" customer loyalty program.
- In addition to several national and international awards, 407 ETR was awarded the Intelligent Transportation Systems Society of Canada first-ever New Canadian Commercial Technology/Innovation or Research and Development Award for its vehicle fingerprinting system.