

407 ETR and Ontario Government Reach Amicable Settlement to All Disputes

TORONTO, March 31, 2006 – 407 ETR announced today that it had reached an amicable settlement with the Ontario Government regarding all disputes between the parties.

“We have successfully resolved our disputes. This is a reasonable settlement for both sides and we look forward to a new era of cooperation with the Government,” said Enrique Diaz-Rato, President and Chief Executive Officer of 407 ETR. “We have achieved certainty and stability. In addition, we will improve services to our customers on and off the highway and provide new benefits to our best customers.”

Benefits for 407 ETR customers arising from the settlement include:

- The introduction of a \$40 million customer benefit program;
- Savings for heavy usage and heavy-vehicle drivers;
- The addition of over 100 kilometres of new highway capacity by late 2007;
- Settlement of all outstanding disputes between the 407 ETR and the Province; and
- The appointment of an ombudsman to advocate on behalf of 407 ETR users.

As part of the settlement, all existing disputes and litigation between the two parties will be settled. In particular, the Government will dismiss its pending appeals of the toll setting and base year disputes and will accept as final and binding all court and arbitration decisions released to date.

In the settlement, the parties agree to work together to improve customer service and to deter individuals from refusing to pay after using 407 ETR.

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