

FitchRatings

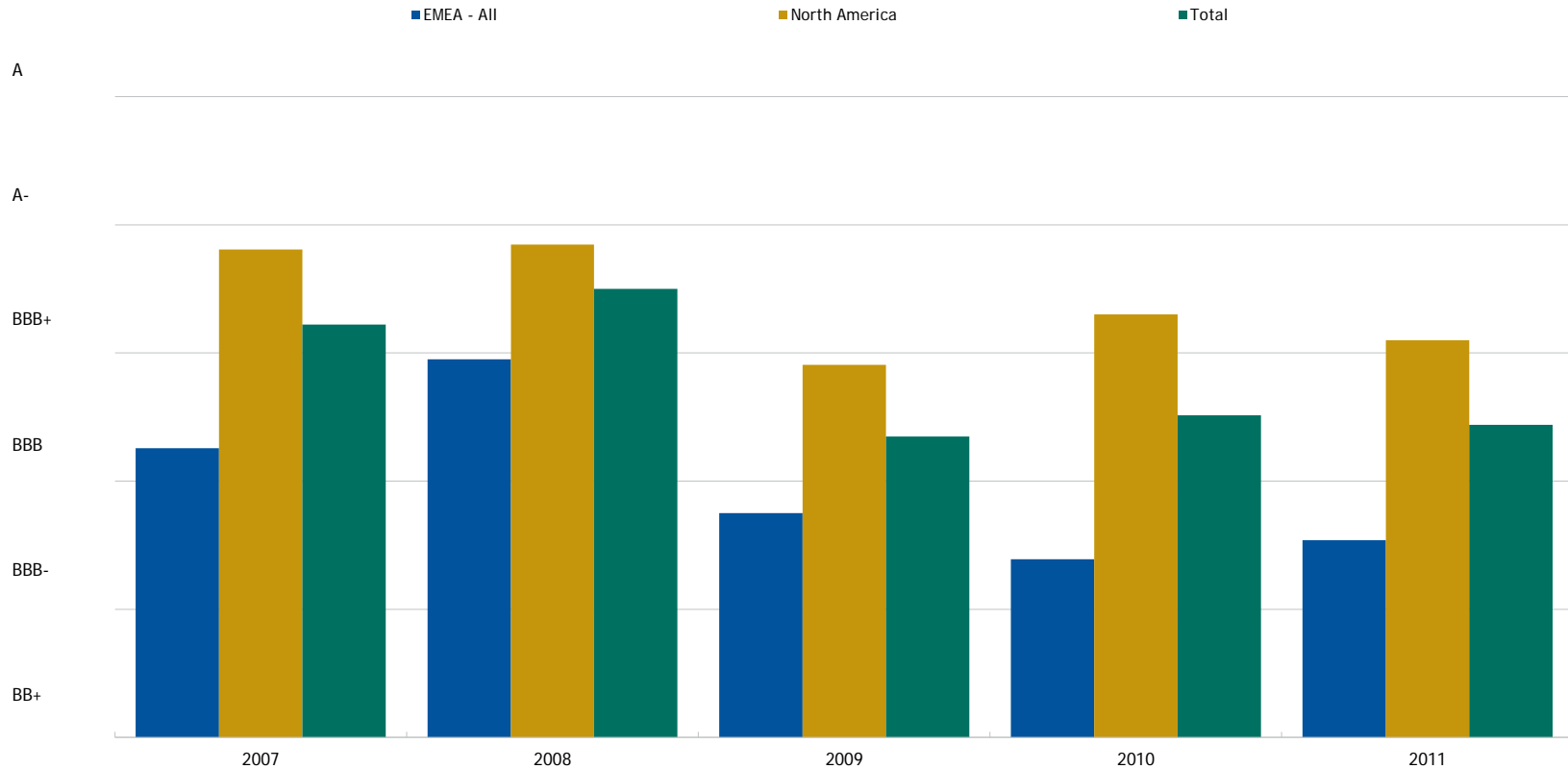
2012 Outlook

Managed Lanes

Cherian George
TEAM FL Winter Meeting,
Orlando, FL

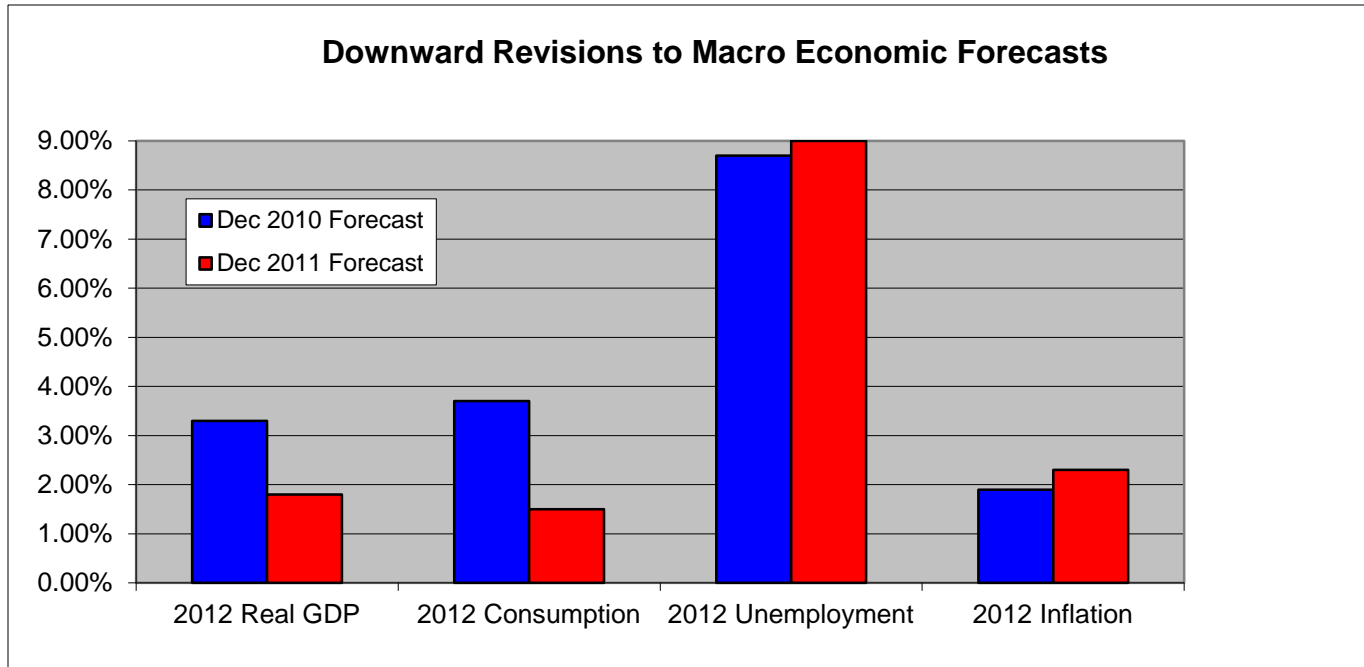
January 19th, 2012

Rating Migration for Infrastructure



Source: Fitch

U.S. Economic Outlook:



Sector Overview – U.S. Transportation

<u>Sector</u>	<u>2010 Outlook</u>	<u>2011 Outlook</u>	<u>2012 Outlook</u>
Airports	Negative	Stable/Negative	Stable/Negative
Toll Roads	Stable/Negative	Stable	Stable
Seaports	Stable/Negative	Stable	Stable

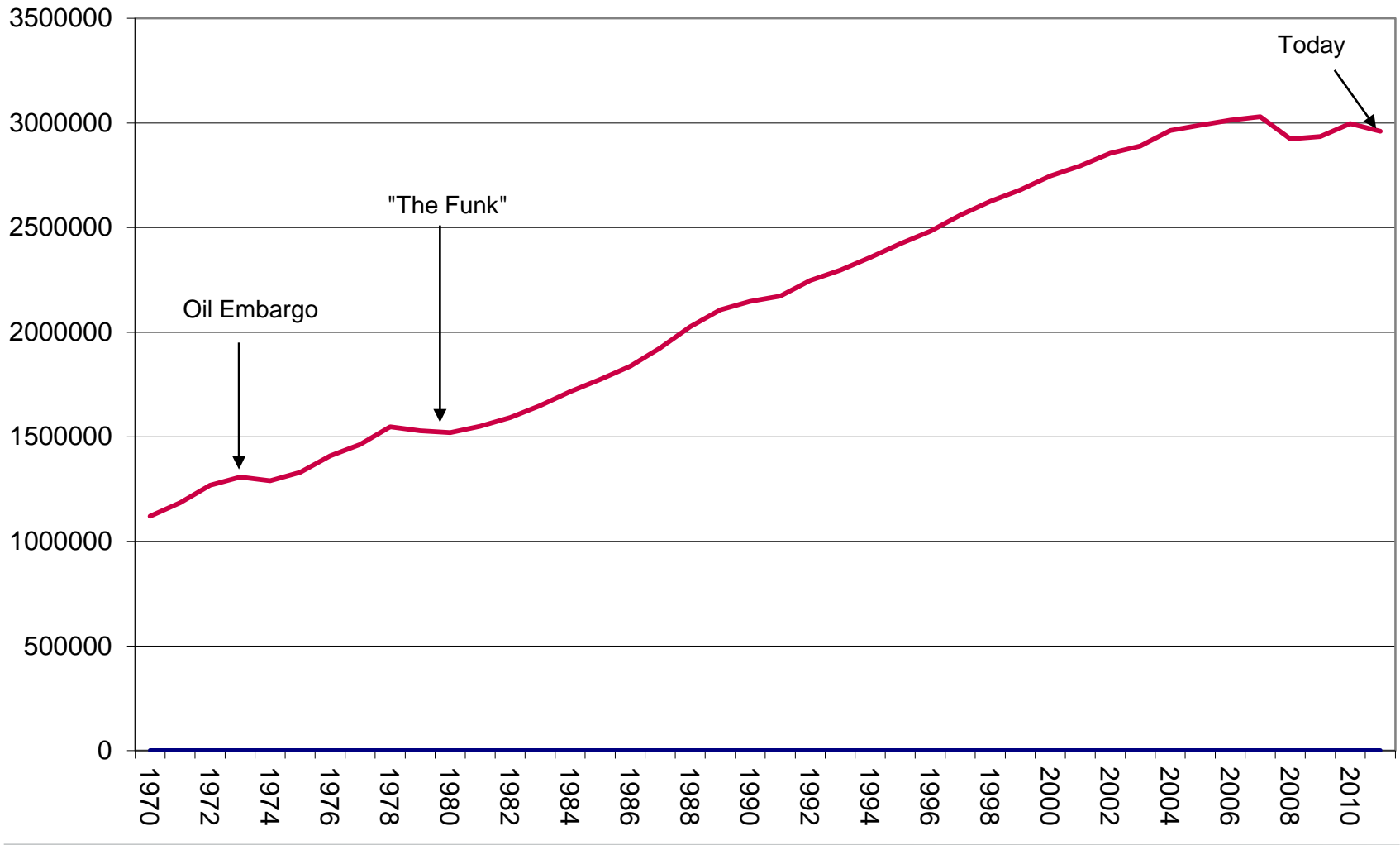
Transport – Key Credit Themes

Themes	Comment	Likely Impact
Soft economic conditions	<ul style="list-style-type: none">• Slow to no growth in the near term; how long is the issue.• Low inflation suggests more limited pricing power for some toll roads.• Moderately priced publicly managed roads retain pricing flexibility.	Low/Moderate
Oil prices	<ul style="list-style-type: none">• Higher prices could put an additional drag on the economy and impact toll road demand.	Low/Moderate
Traffic Performance Will Vary by Asset Type	<ul style="list-style-type: none">• Traffic volume to be flat to slightly positive .• Urban expressway systems and urban bridge systems have proven to be the most resilient.• Turnpikes exposed to commercial traffic volatility.• Standalone projects more exposed to competition.	Low/Moderate

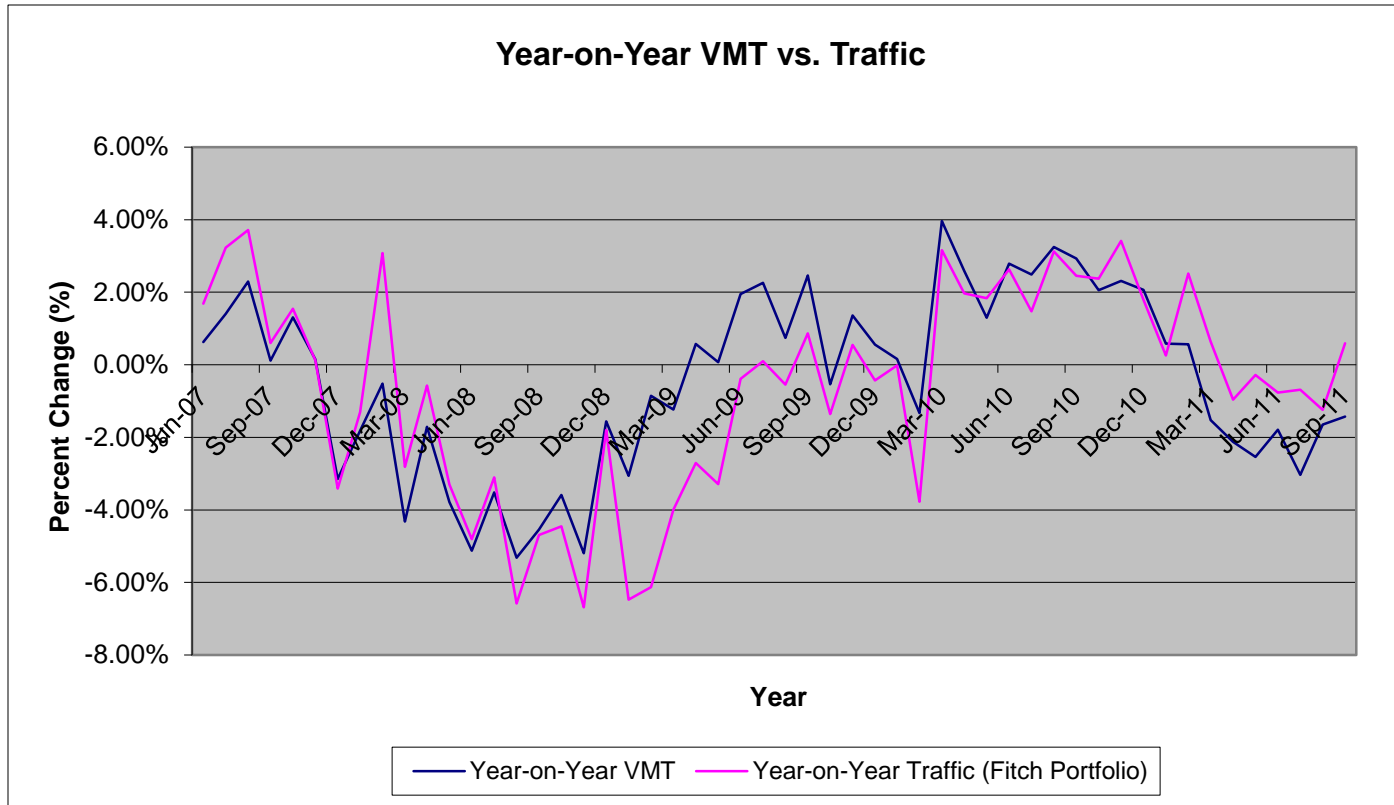
Transport – Key Credit Themes (Contd.)

Themes	Comment	Likely Impact
Pricing Power Influenced by Toll Rates and Political Environment	<ul style="list-style-type: none"> • High toll rates will likely experience greater toll elasticity than in the past. • Economic environment may constrain political willingness to raise tolls. 	Low/Moderate
Debt Structure – A Tale of Two Cities	<ul style="list-style-type: none"> • Some escalation but MADS coverage is > 0.5x • Heavily back-loaded and MADS coverage is > 0.5x 	Moderate/High
Infrastructure Renewal and Development Risk	<ul style="list-style-type: none"> • Deferred major maintenance cannot be prolonged • Expansion projects need to be calibrated to financial capacity • Retaining flexibility for the unknown is important 	Low/Moderate/High

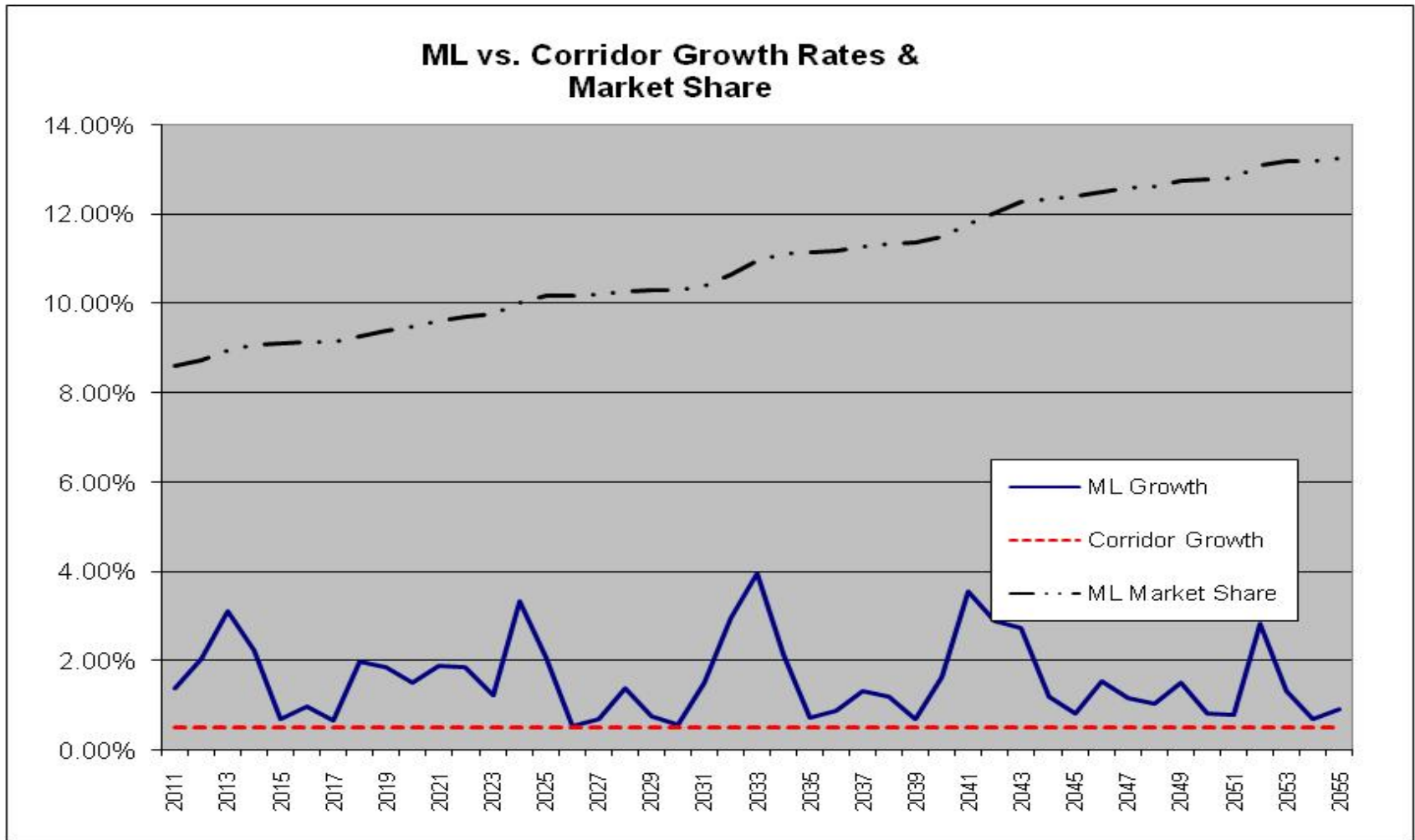
Vehicle Miles Travelled Slows Again:



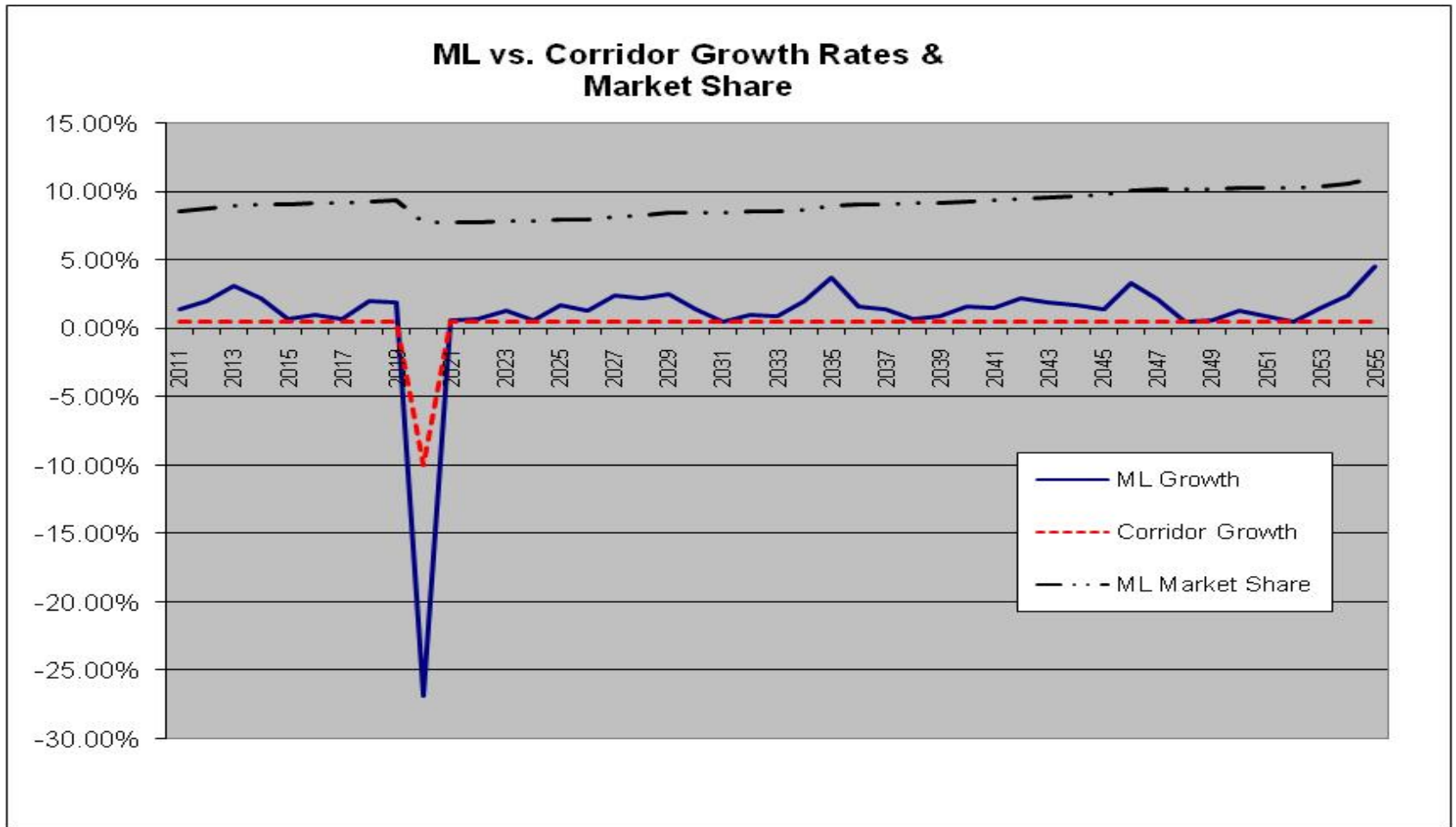
Vehicle Miles Travelled Slows Again (Contd.):



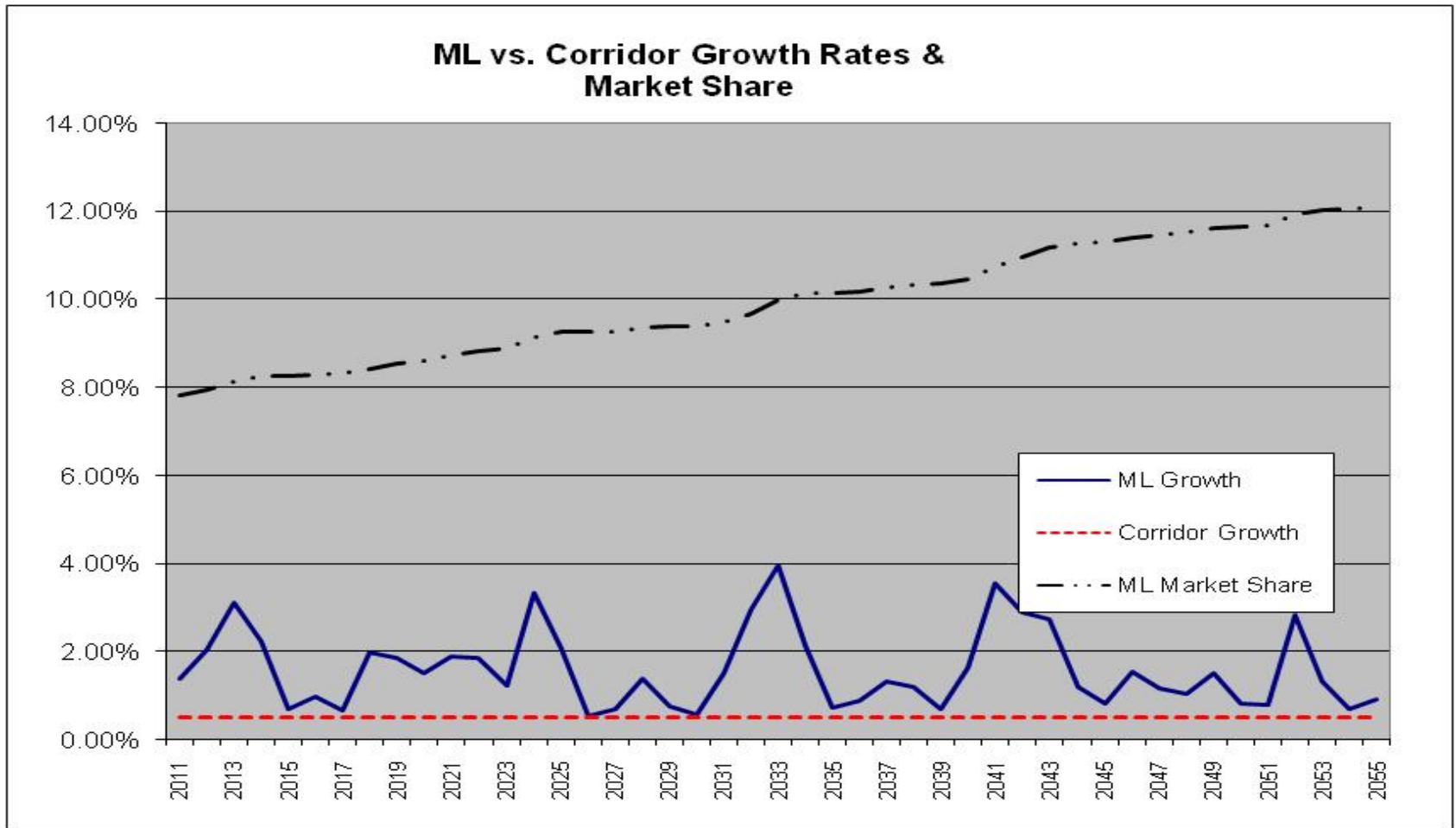
Managed Lanes – Expected Performance



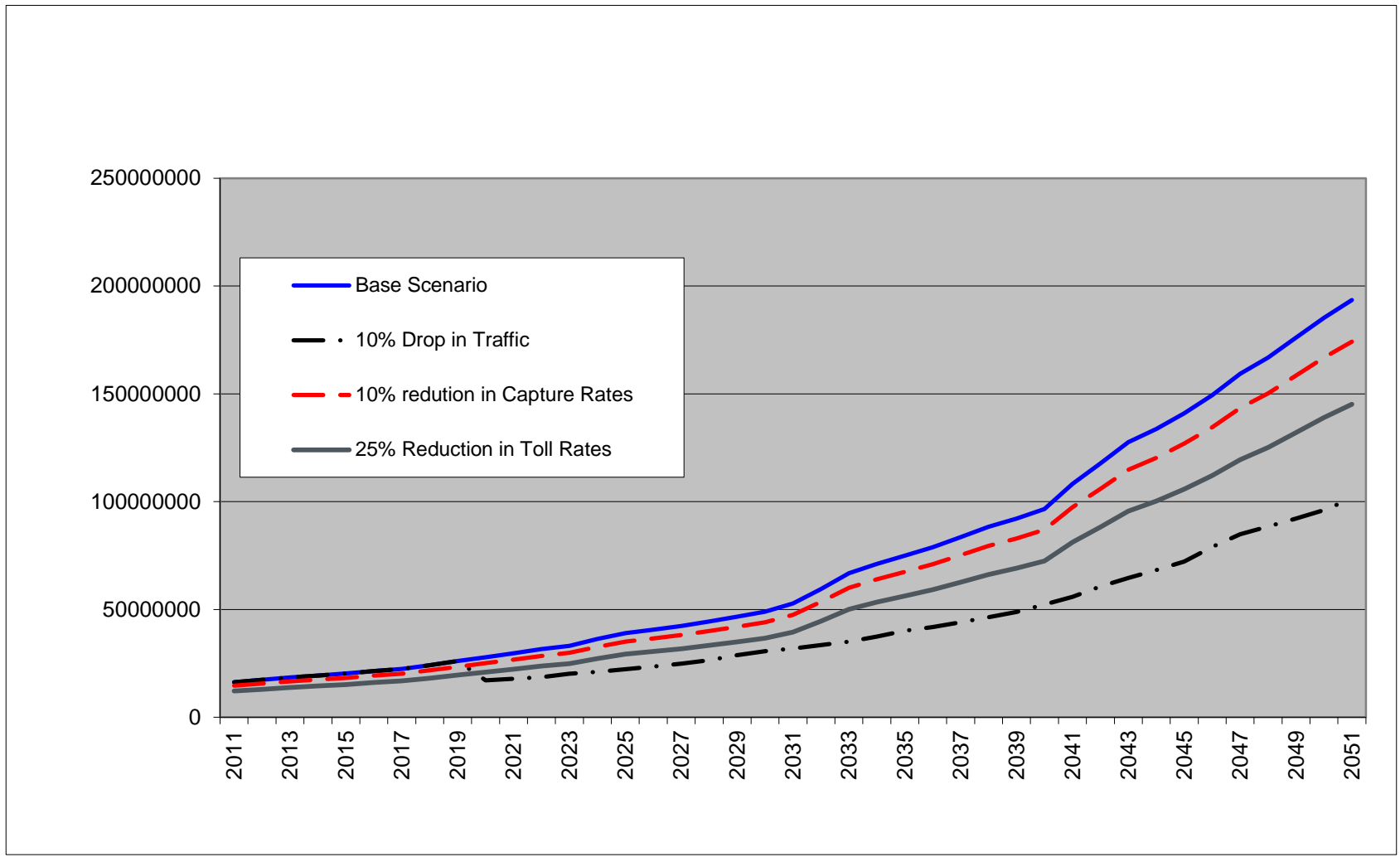
Managed Lanes – 10% Traffic Drop



Managed Lanes – 10% Capture Rate Drop



Managed Lanes – Revenue Scenarios



Disclaimer

Fitch Ratings' credit ratings rely on factual information received from issuers and other sources. Fitch Ratings cannot ensure that all such information will be accurate and complete. Further, ratings are inherently forward-looking, embody assumptions and predictions that by their nature cannot be verified as facts, and can be affected by future events or conditions that were not anticipated at the time a rating was issued or affirmed.

The information in this presentation is provided "as is" without any representation or warranty. A Fitch Ratings credit rating is an opinion as to the creditworthiness of a security and does not address the risk of loss due to risks other than credit risk, unless such risk is specifically mentioned. A Fitch Ratings report is not a substitute for information provided to investors by the issuer and its agents in connection with a sale of securities.

Ratings may be changed or withdrawn at any time for any reason in the sole discretion of Fitch Ratings. The agency does not provide investment advice of any sort. Ratings are not a recommendation to buy, sell, or hold any security.

ALL FITCH CREDIT RATINGS ARE SUBJECT TO CERTAIN LIMITATIONS AND DISCLAIMERS. PLEASE READ THESE LIMITATIONS AND DISCLAIMERS AND THE TERMS OF USE OF SUCH RATINGS AT WWW.FITCHRATINGS.COM.

The logo for Fitch Ratings, featuring the word "Fitch" in a red serif font and "Ratings" in a black serif font.

FitchRatings

New York

One State Street Plaza
New York, NY 10004

London

30 North Colonnade
Canary Wharf
London E14 5GN