

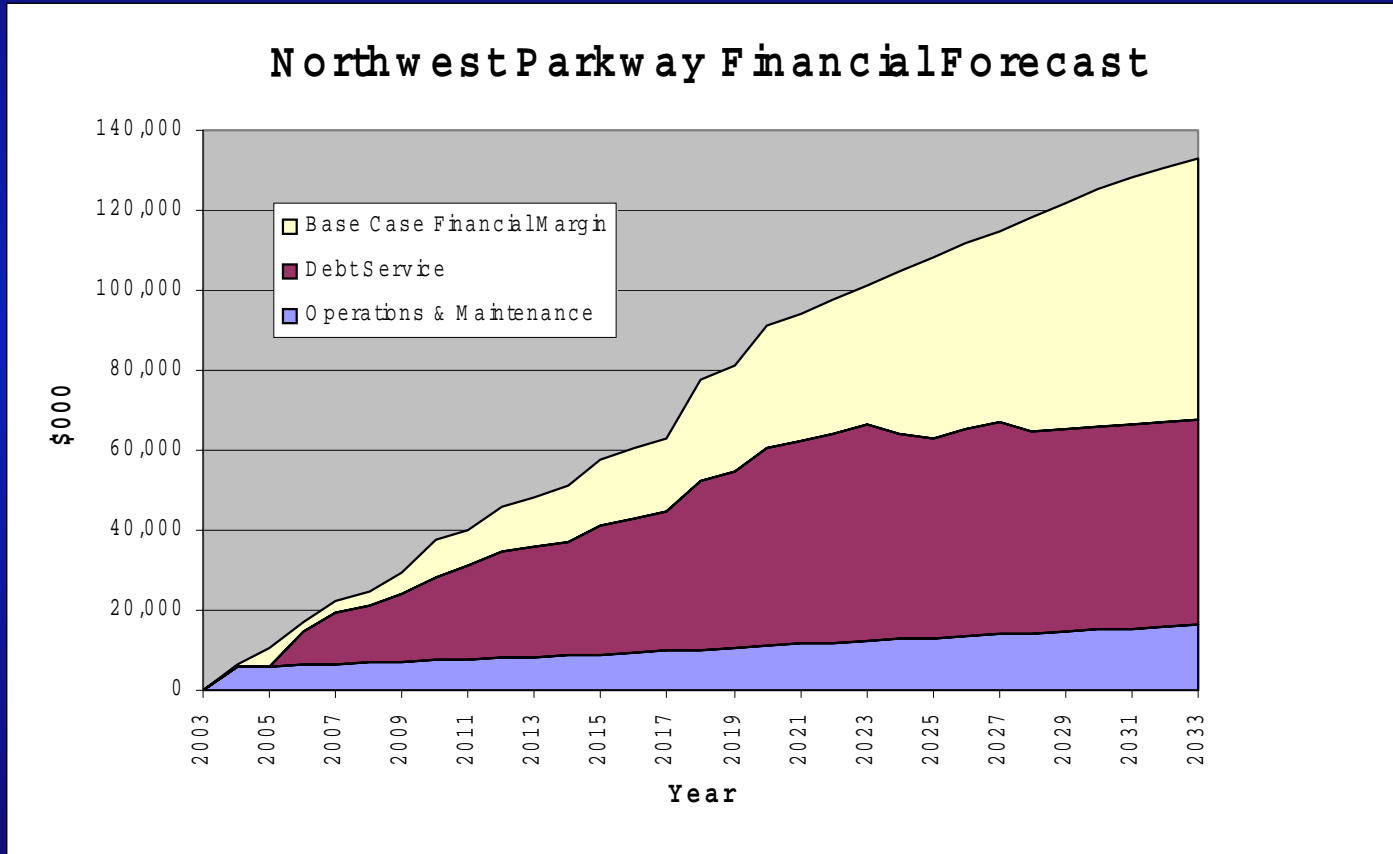
# Capital Structure vs. Business Profile : Finding the Match



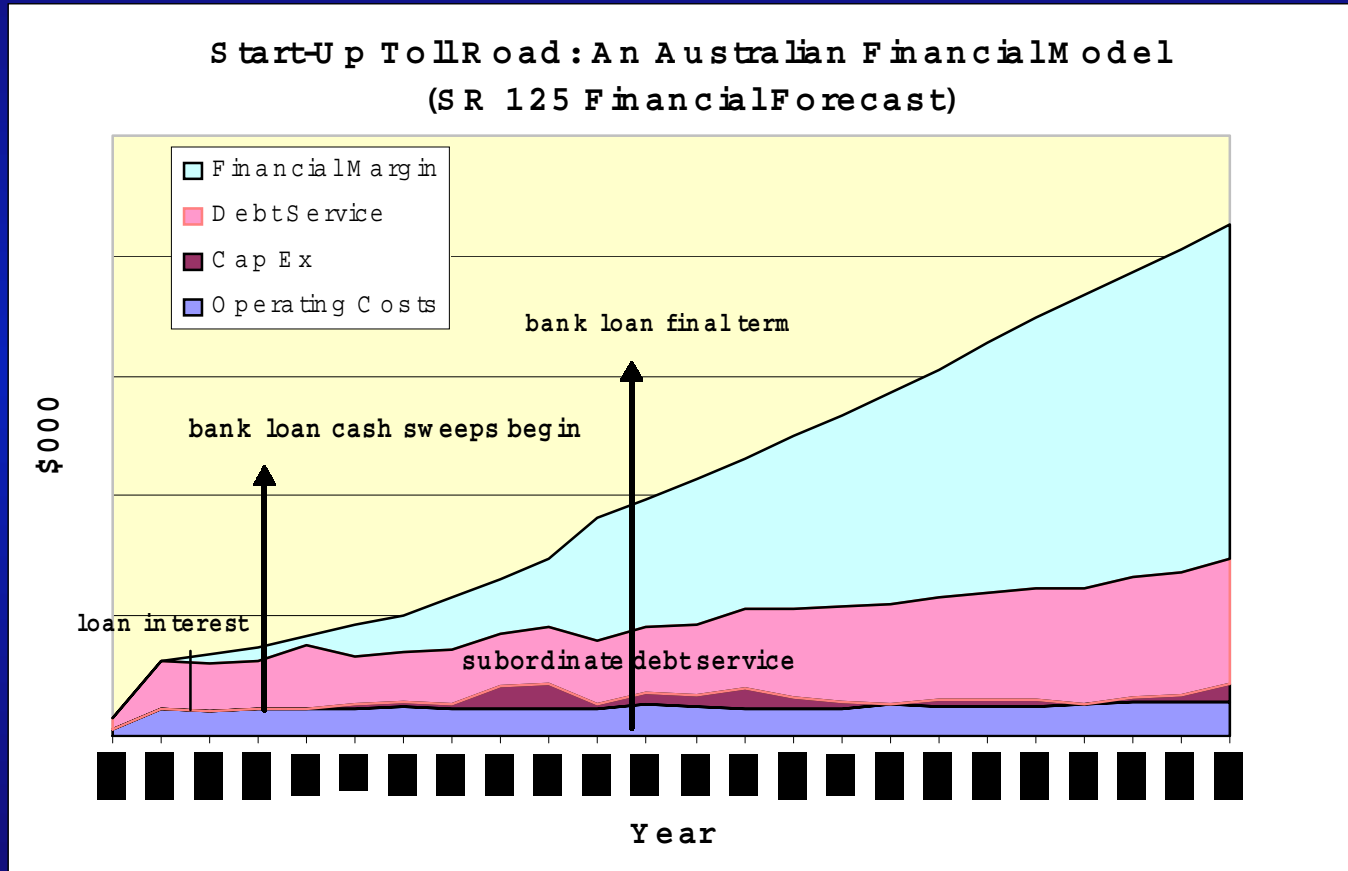
# Capital Structure vs. Business Profile : Finding the Match

- TM Initial Financing for Start-Up Toll Roads (*Infant Stage*)
- TM Recapitalization Models for Newly Operating Toll Roads (*Adolescent Stage*)
- TM Asset Value Models for Mature Toll Roads (*Adult Stage*)

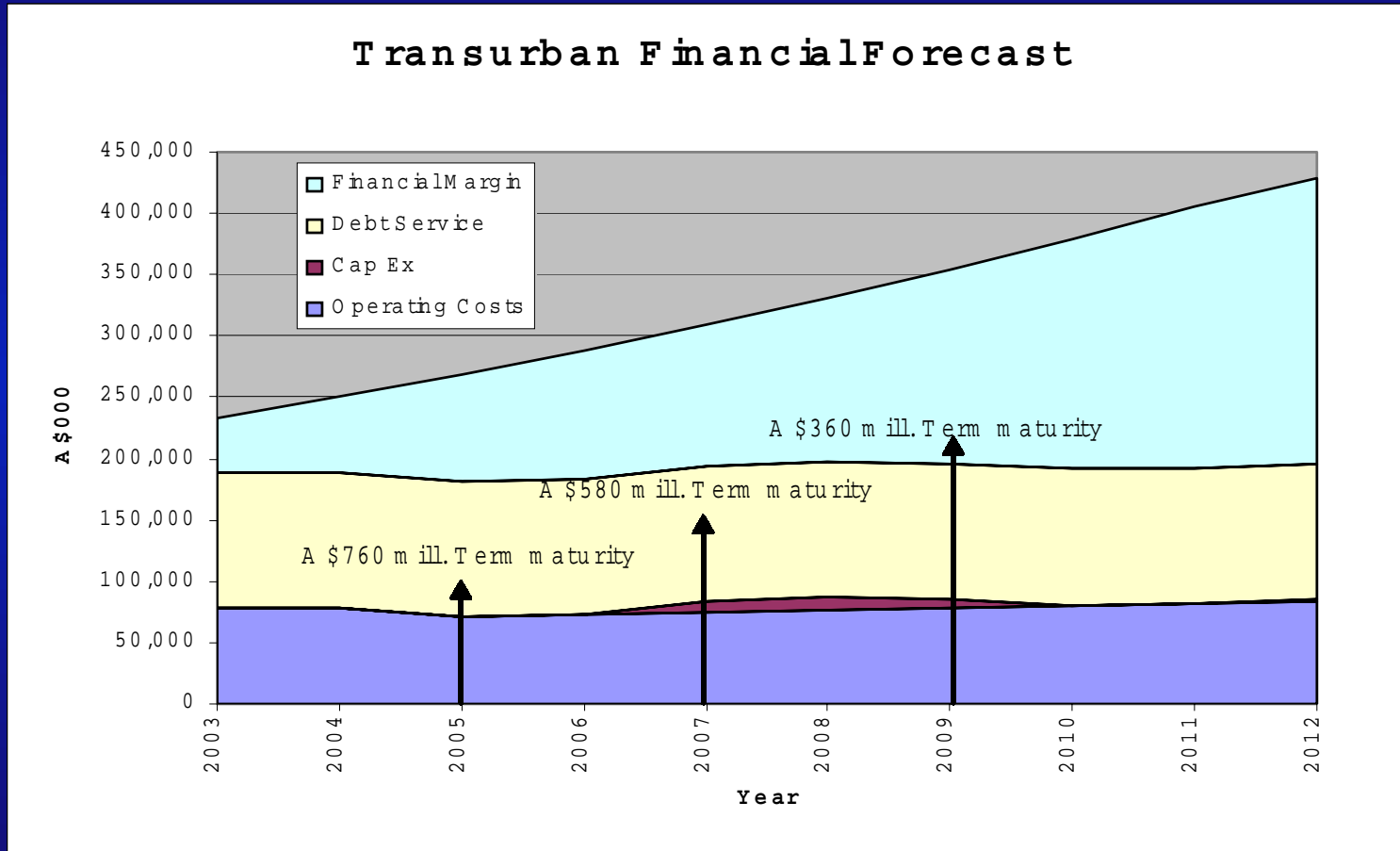
# Start-Up Toll Road : U.S. Municipal Market Solution (the Infancy Stage)



# U.S. Start-up Toll Road: Australian Finance Model

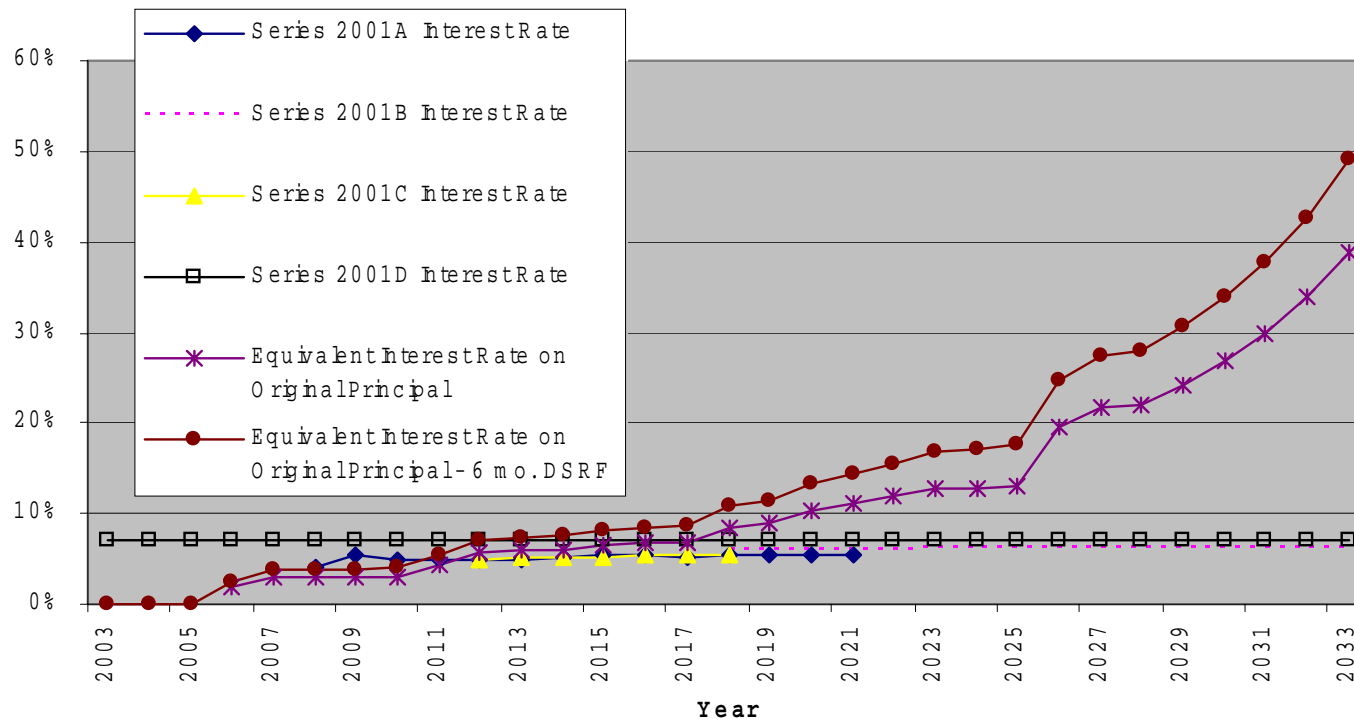


# Recapitalization Models (Adolescent Stage)

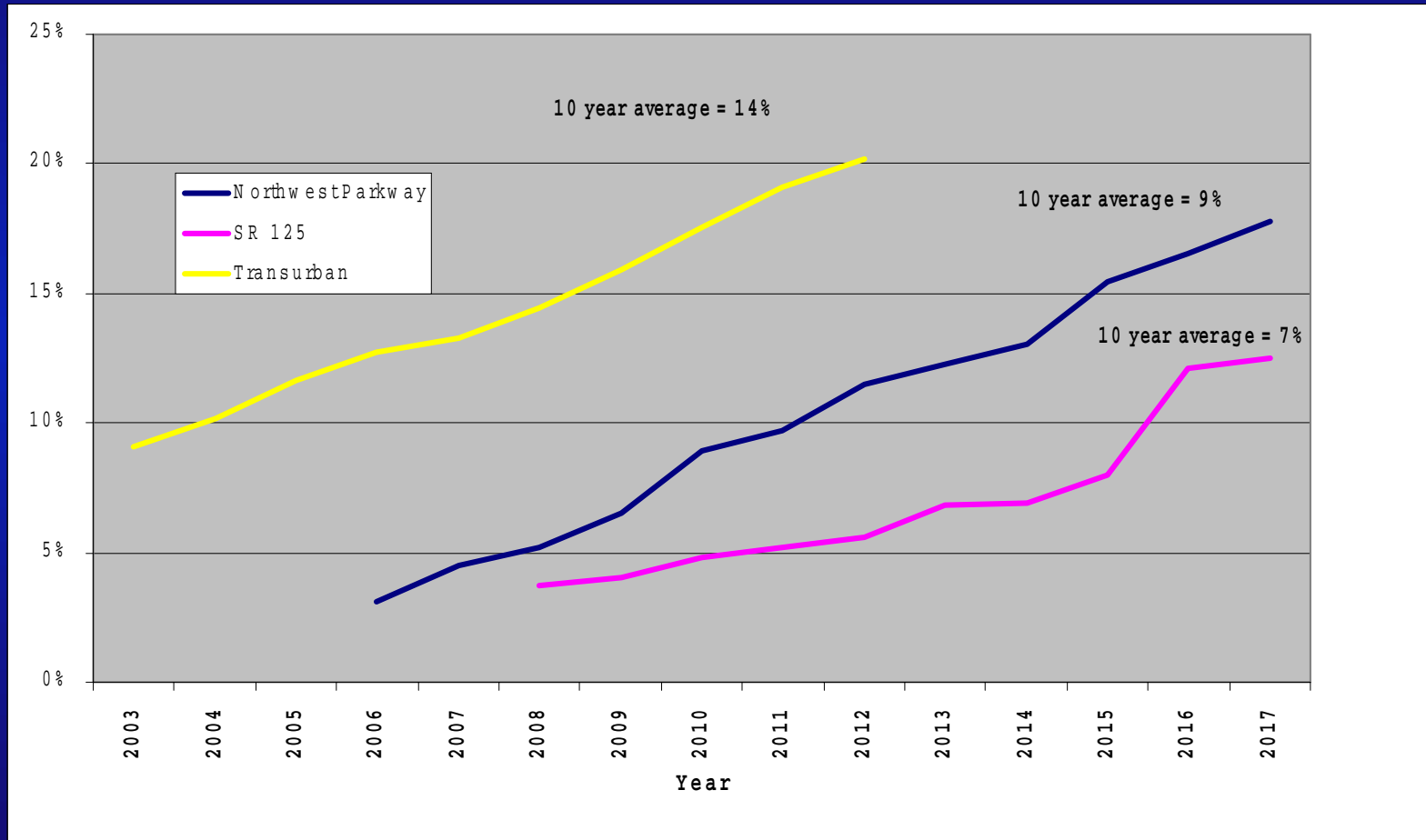


# Tax-Exempt Paradox: The Start-Up Toll Road Tight Rope

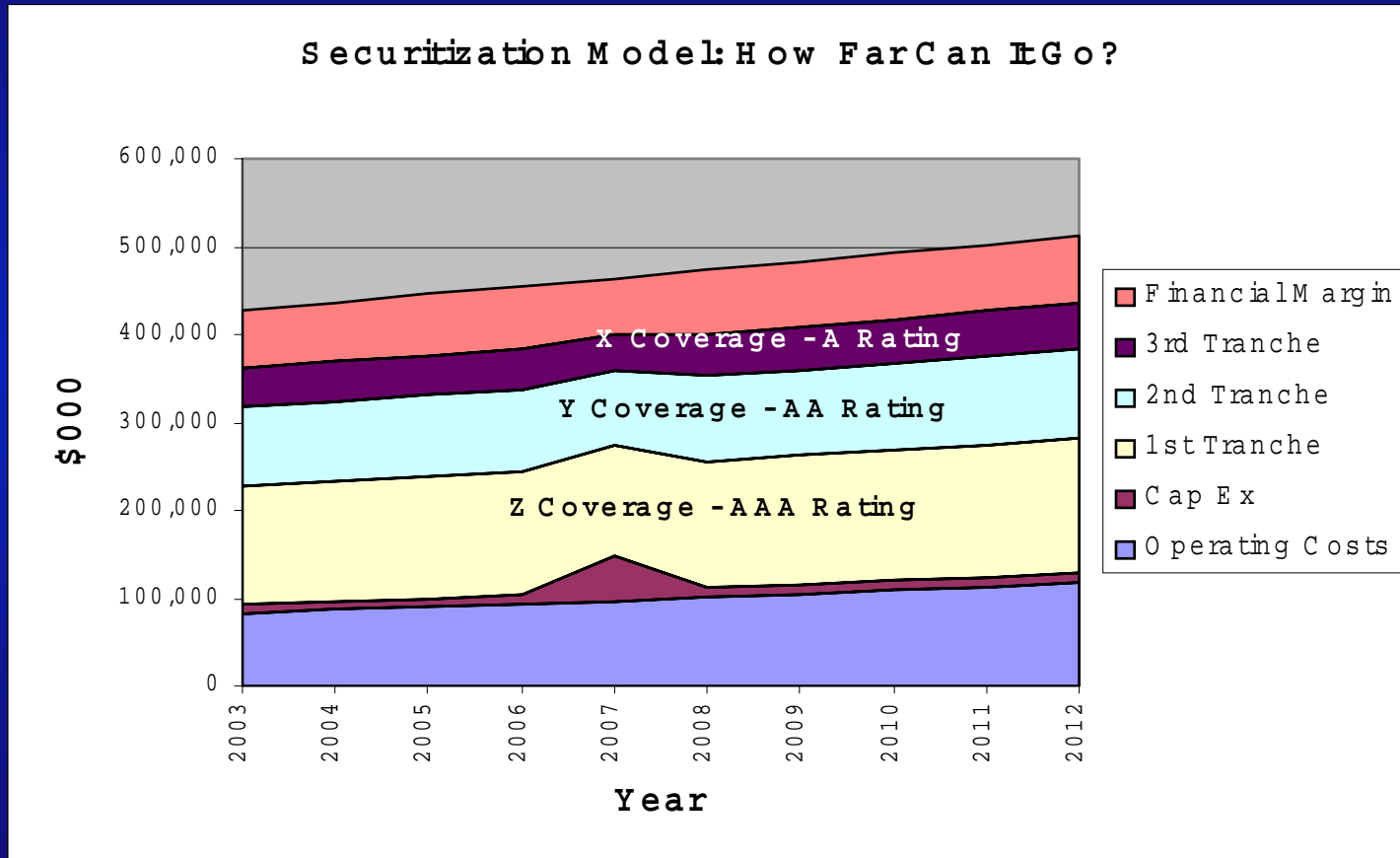
## Coupon vs. Equivalent Interest Rates



# Comparative Yields on Original Principal



# Asset Value Models for Mature Toll Roads (Adult Stage)



# Indicative Debt Service Coverage Ranges for Toll Road Securitizations

<u>Rating Category</u>	<u>Debt Service Coverage Range*</u>
AAA'	3.0x plus
AA'	2.25x to 3.25x
A'	1.75x to 2.75x
BBB'	1.25x to 2.0x

- *Based on Fitch Adjusted DSCR's ; Includes adjustments for amortization, debt service tail*

## Determinations Within a Rating Range

TM Maturity of operating toll road asset

TM Susceptibility of cash flows to:

- Economic cycles
- Structural changes in economic profile
- Political intervention
- Planned improvements to roadway network
- Operating & capital cost overruns
- Need to build up & maintain certain reserve levels

# Structural Enhancements of Financing

TM Trustee control over to load cash flow

TM Multi-tranching debt layers

TM Cash back-up tests (debt service coverage vs. refinancing, amortization, valuation risks)

TM Cash reserves (debt service, maintenance / capex)

TM Financing tail

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