

N3 Toll Concession(RF) Proprietary Limited

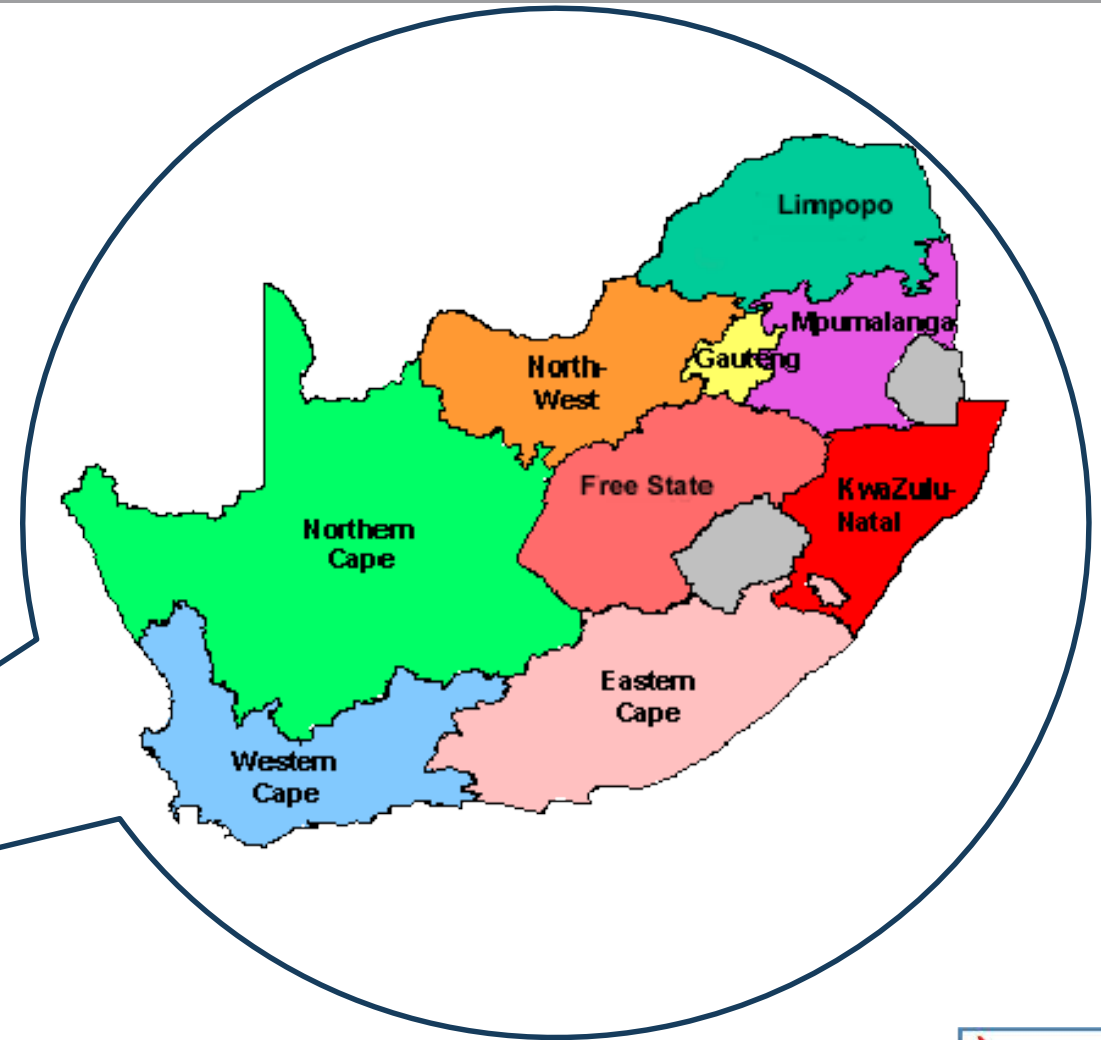
Providing

Safety. Convenience. Mobility.

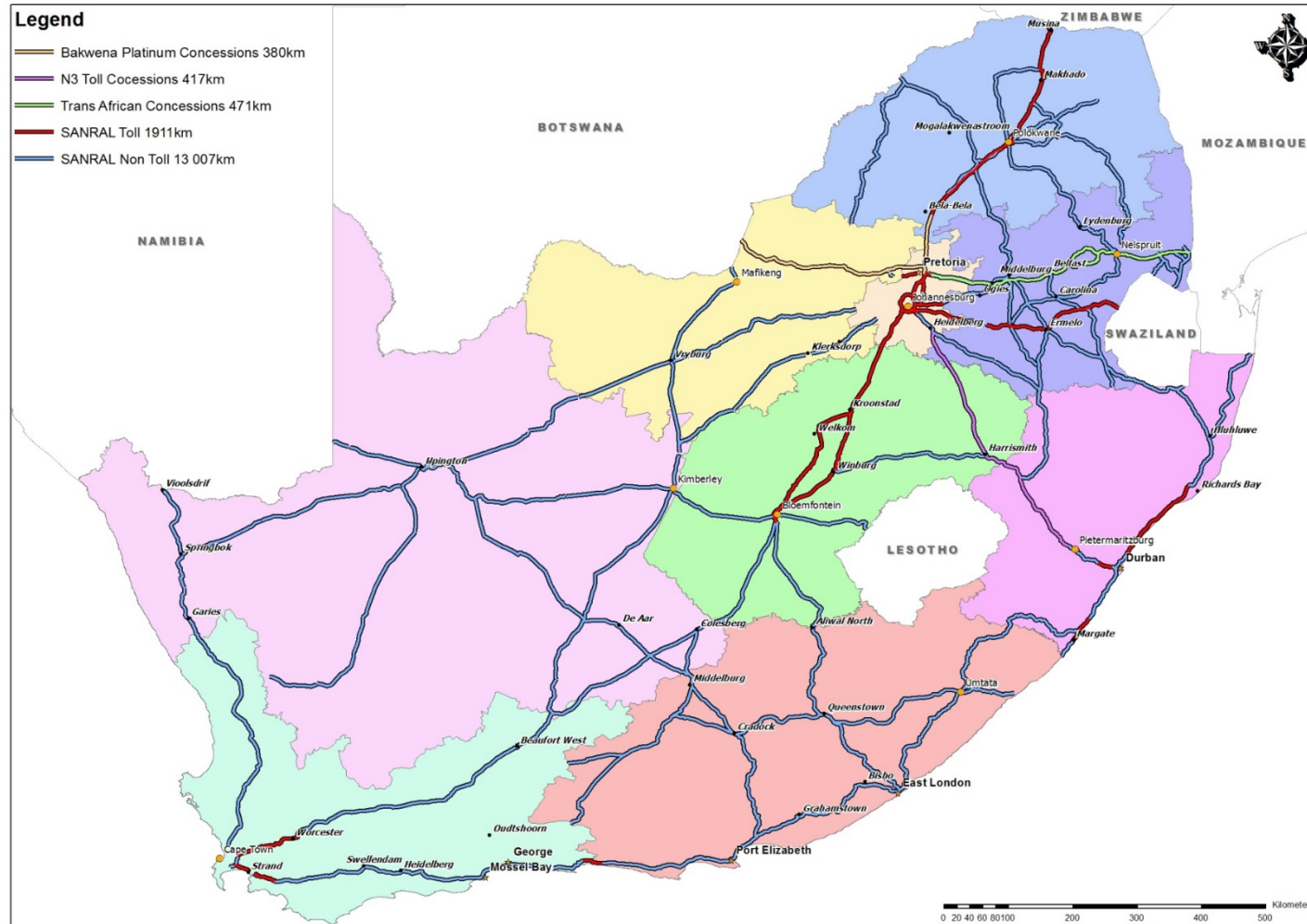


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Where is South Africa?



South Africa – Road Network



Toll Roads in South Africa

- Toll roads introduced in 1984.
- Tolls based on the 'User Pays' principle.
- Grown from 27 kilometres to 3,120 kilometres:
 - 1,832 km managed by SANRAL; and
 - 1,288 km managed by three concessionaires.
- Toll roads constitute 16% of the national road network of 19,704 km.

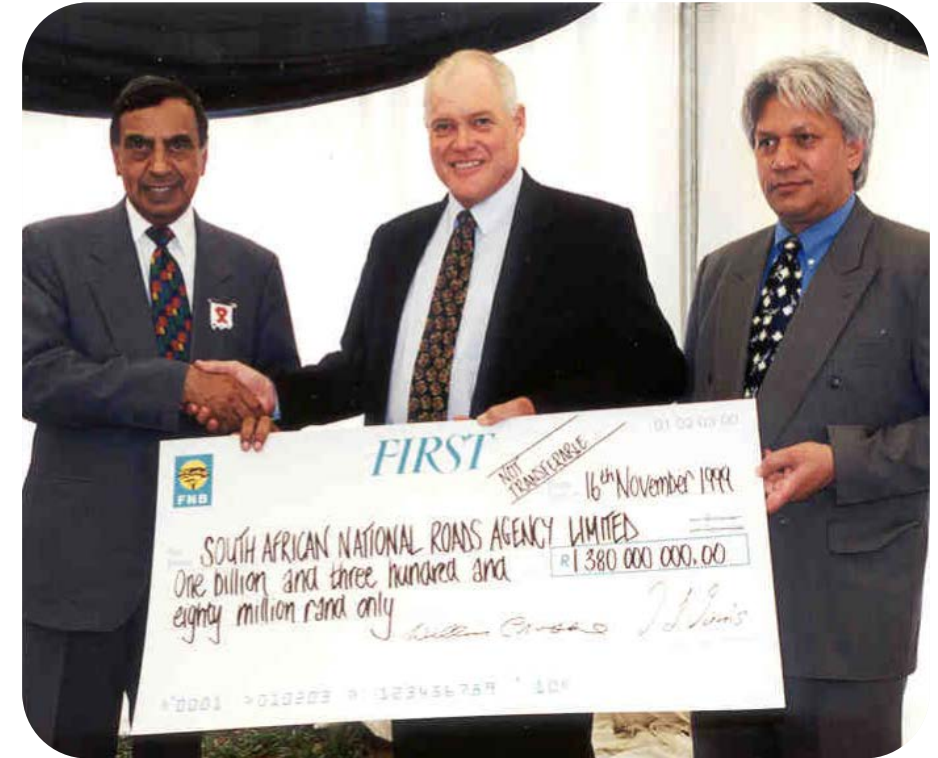


- A single purpose company.
- Effective date 02 November 1999 – 30-year concession.
- Cedara to Heidelberg – 415kms.
- N3 links the industrial heartland in Gauteng to the country's biggest and busiest port in Durban.
- AADT varies between 11,000 and 16,000 at the plazas.
- 30 – 35 % heavy vehicles (based on AADT).



The Asset: Concession Contract

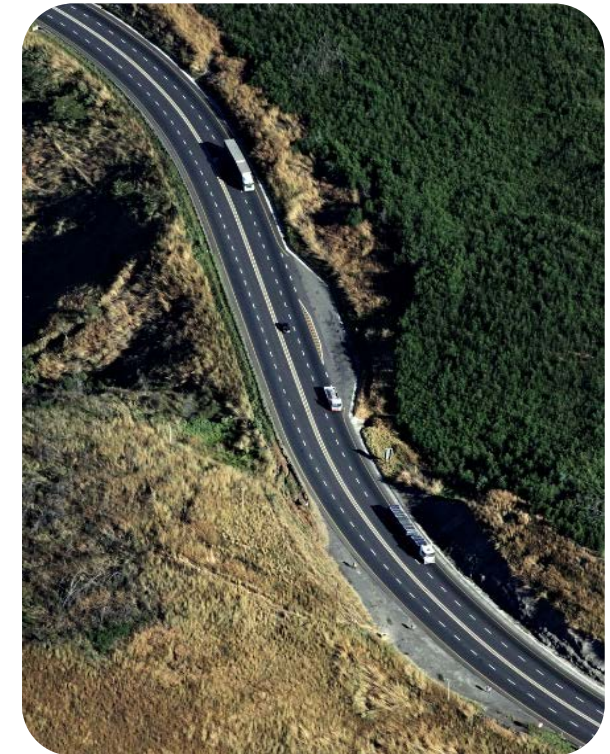
- Concession Contract and 26 Annexures.
- Obligations -> Design, Construct, Finance, Operate and Maintain
- Risks assumed by N3TC
 - Traffic, funding, and construction
- Risks assumed by SANRAL
 - Delivery of site, MAGA, toll rate adjustments, and overloading



- **Safety:** the ability to travel on a world-class road, with engineering, education and enforcement forming the pillars of our drive towards a safer N3.
- **Convenience:** the ease with which our customers – be it for recreational or commercial purposes – can travel along the N3 Toll Route.
- **Mobility:** where traffic congestion, due to weather, construction or accident delays are minimised.

Business model: Design & Construct systems

- Obligation to maintain the road pavement and structures, and to provide a remaining structural capacity at the end of the Concession.
- LOS D Contractual minimum Level of Service.
- Pavement management:
 - The Pavement Management System;
 - Network condition monitoring – annual measurements; and
 - Independent reviews.
- Bridge management
 - The Bridge Management System
- Geotechnical management
 - The Geotechnical Management System



Business Model: Toll Operations

- Toll Collection Services outsourced.
- Revenue collection risk assumed by Operator.
- Toll collected at four mainline and five ramp plazas.
- 58,000 transactions per day.
- Automatic Vehicle Classification (AVC).
- Video Toll Audit System (VTAS).
- Queue Length Monitoring.
- Electronic Toll Collection (ETC).



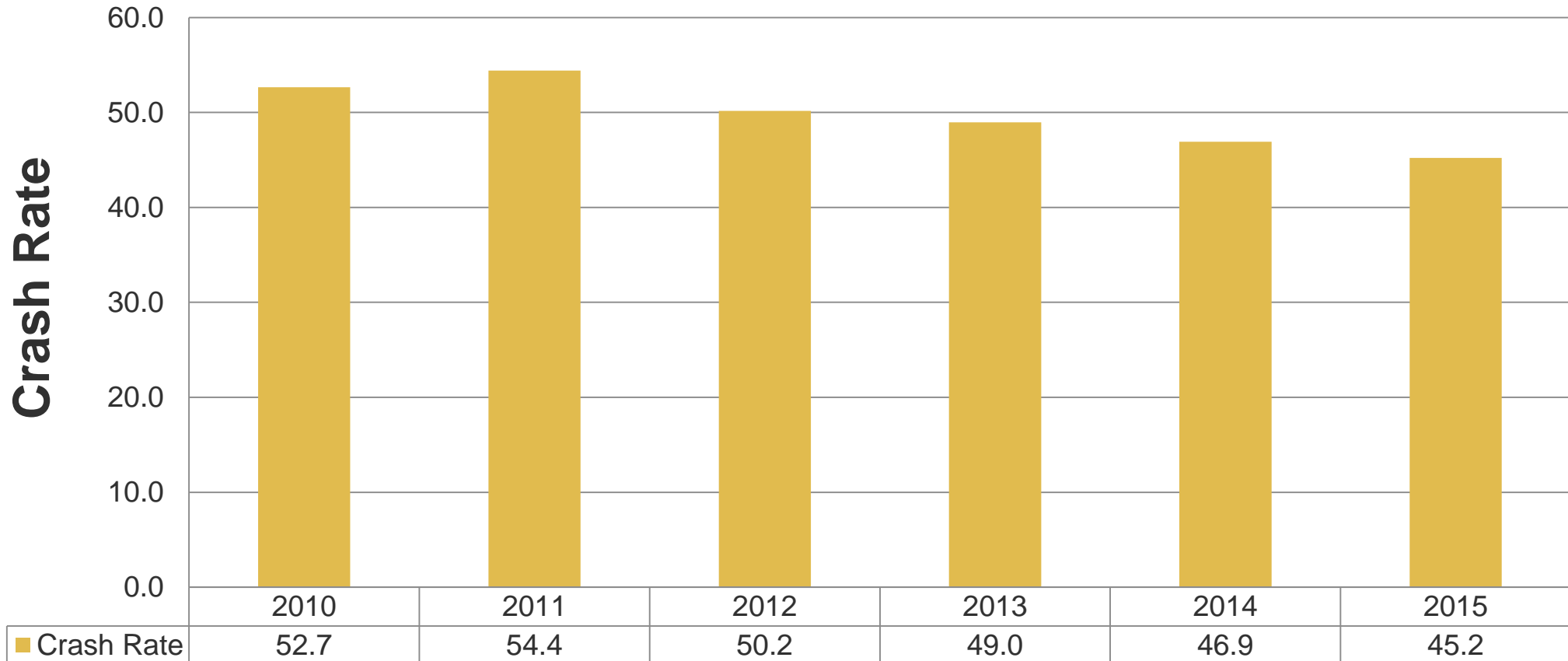
Business Model: Traffic Management

- Operations 24/7:
 - Traffic counts and weigh in motion data;
 - Route control centre – 0800 N3 HELP;
 - Route patrol service;
 - Road Incident Management System;
- Incident Reporting Information System (IRIS).
- Variable message signs and CCTV.
- Average speed enforcement.
- PPP with law enforcement agencies.



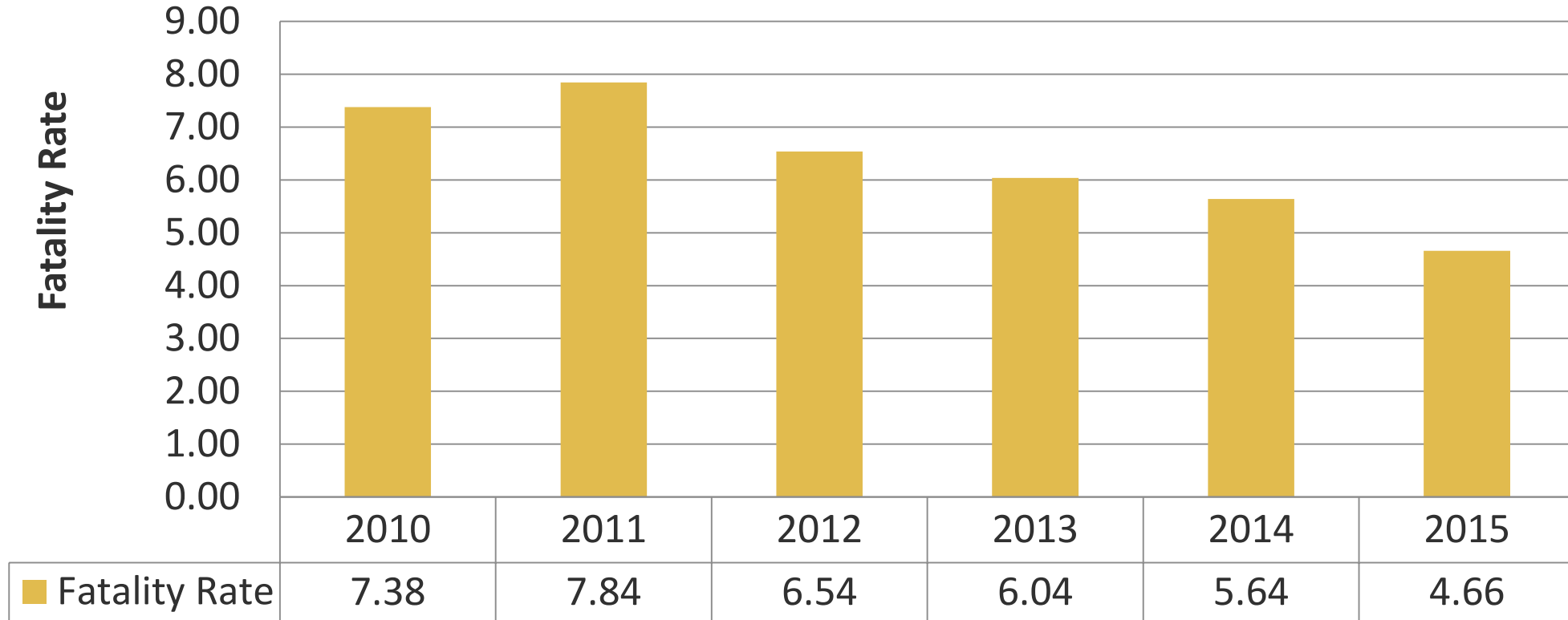
Traffic Management: Crash Rate

Crashes/100 M.V.Km January to June



Traffic Management: Fatalities

Fatalities/100 M.V.Km January to June



Traffic Management: Critical Date Planner

N3TC : CRITICAL DATES YEAR PLANNER : 2015		Inland Schools Gauteng, Limpopo, North west, Mpumalanga, Free State Coastal Schools KZN, Eastern Cape, Northern Cape, Western Cape Cedara to Heidelberg												Potential Leave Public holidays Only Cedara to Mooi			Special Events Only Cedara to Tugela Only Cedara to Lions River			REV 2: 8 JANUARY 2015																								
YEAR	DAY	Mon	Tue	Wed	Thu	Fri	Sat	Sun	Mon	Tue	Wed	Thu	Fri	Sat	Sun	Mon	Tue	Wed	Thu	Fri	Sat	Sun	Mon	Tue	Wed	Thu	Fri	Sat	Sun	Mon	Tue													
2015	Jan-15				1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31									
	Feb-15							1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31						
	Mar-15							1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31						
	Apr-15			1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31										
	May-15				1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31									
	Jun-15	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31												
	Jul-15				1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31									
	Aug-15				1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31									
	Sep-15			1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31										
	Oct-15				1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31									
	Nov-15					1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31								
	Dec-15			1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31										

LEGEND
A = Extremely busy - Unlikely to solve total demand, delays likely
B = Very busy
C = Moderately busy, roadway should normally cope, beware incidents!
n = Northbound
s = Southbound
Example B n = Very busy northbound where lower case omitted, both directions are implied



Traffic Management: Driver Wellness Programme

- Voluntary Program
- State of driver health.
- Important link in understanding unacceptable number of crashes involving trucks.
- Address driver health in a sustainable, co-ordinated manner.
- Reduce the number of health-related crashes.
- Improve the morale and quality of life of drivers.
- A safer Route for all.

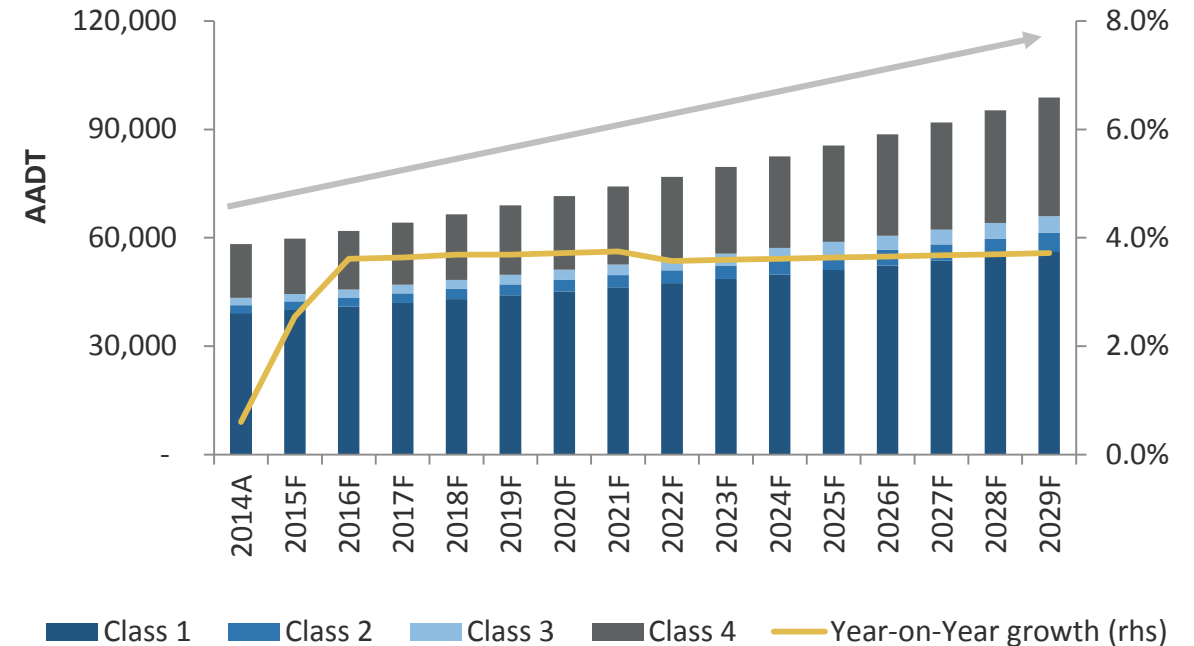


- At Inception – debt/equity ratio was 83/17.
- Fixed rate and CPI linked debt.
- Financial model update: six-monthly.
- Preference share issue.
- Refinancing.
- Hedging.



- Forecasts generated using a **traffic model** developed over the Concession Period.
- Traffic model updated by an independent consultant using **GDP-Traffic Regression methodology**.
- Capacity Upgrades

Forecast traffic: example only



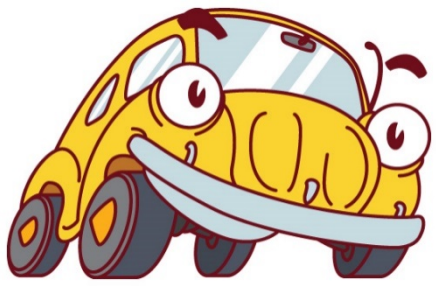
- Environmental
 - Environmental Management Plan.
 - Compliance monitoring by Independent Environmental Consultant.
 - Use of reclaimed asphalt and steel slag.
 - Initiatives with Birdlife SA, Midlands Conservancies Forum, Endangered Wildlife Trust, Wildlands Conservation Trust.
- Health and safety
 - Ongoing audits.



Corporate Social Investment: Touching Lives

- Priority areas
 - Education
 - Tourism
 - Environment
 - Enterprise Development
- Review of 2014 Activities
 - Number of CSI projects: 78
 - Number of lives touched 74,000
 - Number of CSI Jobs created: 640 full time and 462 part time
 - 10 bursaries awarded
 - CSI Spend: R10million
- Targets set by SANRAL exceeded
- N3 Gateway





Public Relations and Marketing

Value Proposition – Brand Awareness – Reputation

- Align activities with business purpose and values.
- Radio and print media releases
 - Tracking of + and – media
- Sponsorships and community event support.
- Media tours.
- Social media
 - Twitter handle @N3Route (48,000 followers)
 - Facebook
 - YouTube
- *Mobility* mobile application.
- N3TC website.



- Service level improvements on congested facilities:
 - Congestion relief – Level of Service (Capacity constraints)
 - Enhanced customer value and experience
- Customers vs Road users.
- Research-informed customer service interventions.
- Value for money - more than a Road...*Safety. Convenience. Mobility.*
- Innovation – keep it simple, it does still work!

