N3 Toll Concession(RF) Proprietary Limited

Providing

Safety. Convenience. Mobility.
Contents

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• 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).
• 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.
• 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
• 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).
• 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: Fatalities

Fatalities/100 M.V.Km January to June

<table>
<thead>
<tr>
<th>Year</th>
<th>Fatality Rate</th>
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<tbody>
<tr>
<td>2010</td>
<td>7.38</td>
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<tr>
<td>2011</td>
<td>7.84</td>
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<tr>
<td>2012</td>
<td>6.54</td>
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<td>2013</td>
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<tr>
<td>2014</td>
<td>5.64</td>
</tr>
<tr>
<td>2015</td>
<td>4.66</td>
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**Traffic Management: Critical Date Planner**

### N3TC : Critical Dates Year Planner

**2015**

#### Coates and Schools
- Gauteng: Limpopo, North west, Mozambique, Free State
- coastal schools: KZN, Eastern Cape, Northern Cape, Western Cape
- Cedars to Heidelberg

#### Critical Dates

<table>
<thead>
<tr>
<th>Year</th>
<th>Jan</th>
<th>Feb</th>
<th>Mar</th>
<th>Apr</th>
<th>May</th>
<th>Jun</th>
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**Legend**

- **A** = Extremely busy - unlikely to solve
- **B** = Very busy
- **C** = Moderately busy, roadway should normally cope, beware incidents!
- **n** = Northbound
- **s** = Southbound (where lower case omitted, both directions implied)

**Critical Dates**

- **New Year’s Day**
- **Public Holiday**
- **Freedom Day**
- **Youth Day**
- **Day of Goodwill**
- **Day of Reconciliation**
- **Christmas**
- **Good Friday**
- **Family Day**
- **Heritage Day**
- **Day of Remembrance**
- **Comrades Marathon**
- **Durban July**
- **Women’s Day**
- **Midmar Race**
- **Traffic to peak from 14:00 to 18:00: Vehicles on SB greater than 1000 vehicles per hour (2014 data used)**

**Traffic Management**

- N3TC: Safety, Convenience, Mobility

**Contact Information**

- www.n3tc.co.za
- 0800 N3 HELP (0800 63 4357)
- @N3Route
- N3 Route
• 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.

Traffic Management: Driver Wellness Programme
• 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
Environmental Management

• Environmental
  – Compliance monitoring by Independent Environmental Consultant.
  – Use of reclaimed asphalt and steel slag.

• 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**
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!