

**GENERAL REPORT TO BE PRESENTED BY EACH DELEGATION DURING THE ASECAP STUDY AND
INFORMATION DAYS**

**Kapsch Telematic Services
GENERAL REPORT**

PREAMBLE

The Konsorcium Kapsch is the General Supplier of the Toll Collection System on Roads and Provider of Services Related to the Operation of the Toll Collection System.

The Road and Motorway Directorate of the Czech Republic is the Operator of Toll Collection System on Roads. RMD is the organizational organ of the Ministry of Transport of Czech Republic.

Introduction

The Czech Government discussed the introduction of the road toll shortly after the country joined the European Union (EU) in 2004. The primary reasons for this were:

- Change of time-based taxation to a more just performance-based charging where a user pays for the number of kilometres travelled
- Increase of funds flowing into road management;
- Attempt to balance the conditions for road and railroad transport as well as the related eventual reduction of increased truck traffic in the Czech Republic;
- Possibility to introduce telematic services.

The EU membership of the Czech Republic and the related expectations of highly increased transit truck traffic resulted in a demand for specifying an electronic toll collection system that would offer maximum user comfort.

The considered systems should not discriminate international carriers who occasionally use the chargeable road network in the country compared to the domestic carriers, who use it frequently. This is the reason why the competitors in the tendering process for the toll only included those who offered a system based on the microwave (DSRC) communication. One of the benefits of the microwave toll system is the use of low-cost and easy-to install onboard units (OBU), which can be very easily distributed, installed and uninstalled into a vehicle. That this requirement was justified is confirmed by the experience from the first months of the system's operation, primarily by the continuously growing number of active OBUs. If we compare this system with the satellite-based one, there is no doubt that the acquisition costs of the first one are higher. However the savings on acquiring more affordable low-cost and easy-to install OBUs have entirely eliminated the extra cost by now. They have proven to be the right decision.

The Czech Government decided to cover the costs for upgrading and maintenance of the transport infrastructure by introducing a distance-based truck toll. This road toll applies to Czech and foreign road users alike. On January 1, 2007, the Czech nationwide electronic toll collection system for heavy vehicles with a maximum permissible laden weight of 12 tons and above started commercial operation. As mentioned above, the system is fully electronic, using DSRC technology to achieve multi lane free flow toll collection.

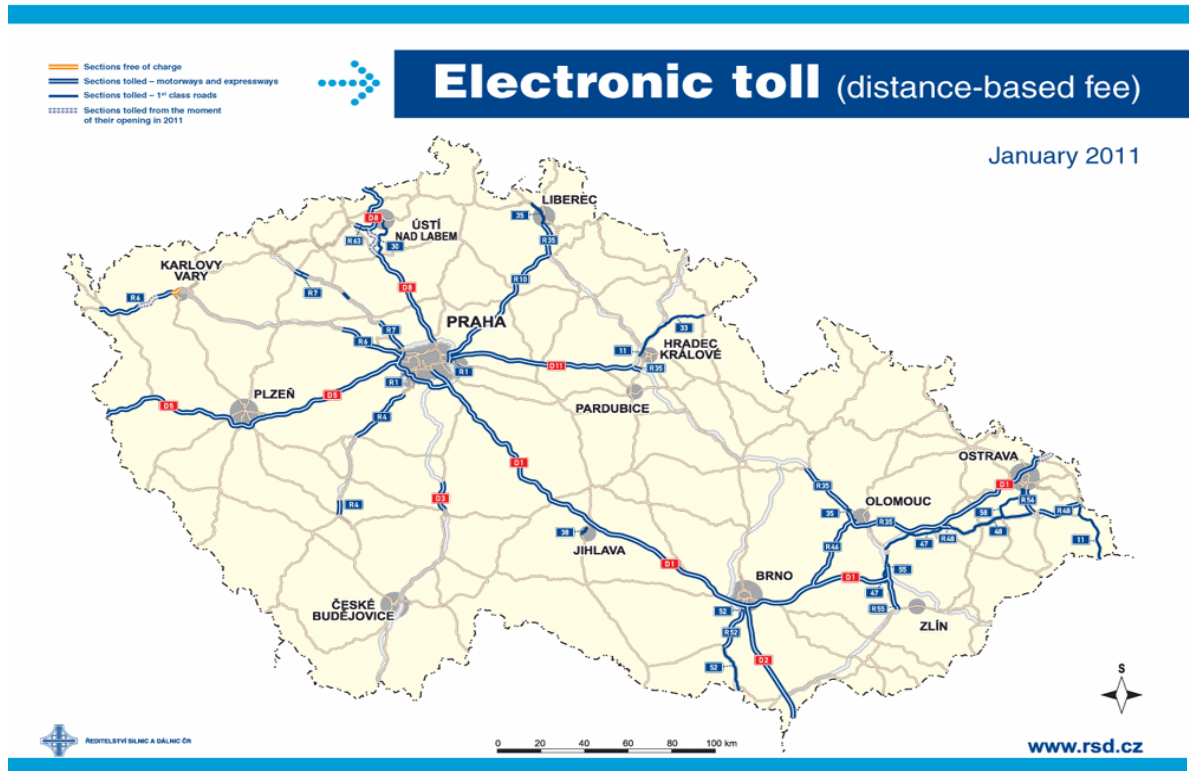
Within nine months from the date of contract signature, Kapsch, as the chosen supplier, was able to design, develop, manufacture, erect, integrate and implement this complex toll collection system, including setting up a nationwide distribution network for OBUs with pre-pay and post-pay capabilities, as well as establish multilingual services and a support network to enable technical and commercial operation of the system.

Since 1st January of 2010 the toll system was extended for vehicles over 3,5 tons. Tolling for these vehicles is for all charged roads in the Czech Republic.

Network length

In 2007 the electronic toll system was implemented for one part of the network - on 970 km of motorways and expressways. After evaluation of technical and economical aspects the Czech Ministry of Transport decided to complete electronic tolling on the motorway and expressway network with microwave technology due to the undeniable benefit of this technology. That means approximately 170 km of selected 1st class roads used for transit and 50 km in 2008, 90 km in 2009 and another 52 km in 2010 of new sections of highways and motorways have been tolled with microwave technology. The length of the Czech tolled road network consisting of all roads reached 1348,5 km by 1st January 2011.

Maps of the Czech tolled road network at January 1, 2011, source: by RMD Czech Republic



Investments

The complete price of the whole toll project represents the delivery of the toll system, its implementation, setting into the commercial operation and 10 years of the operation services.

Phase 1 of the toll project including 970 km of motorways and expressways represents approximately 3,5 Mld CZK (EUR 125 million) without VAT which was paid during the first 3 years of the systems operation as planned.

During three years of commercial operation the average performance of the tolling system has been calculated with more than 99% (required performance in the toll tender was 95 %).

Financing

As of 11 July 2007, after only 6 months of operation the total amount of the tolls collected reached the total capital expenditure. This excellent indicator is in addition amplified by the fact that the system was built using the contractor's method, meaning that the general contractor bears the initial costs related to the construction – which is a type of PPP project! The state will reimburse the general contractor for those costs gradually within a horizon of 30 months after the launch of the system.

Traffic

Total number of truck km travelled with a permissible total weight over 3,5 tons reached over 1,87 billion km in 2010.

The average daily traffic of heavy vehicles with a maximum permissible laden weight more than 3,5 tons per km was 3 881 in 2010. It means total travelled km /365 days and the total length of road network subjects to toll.

The good performance is demonstrated also by the number of OBU units – at the end of December 2010, almost 521.506 active OBUs were registered by the system, which exceeded even the highest expectations before the launch of toll system!

Active OBU 1st January

2008 – 289 500
2009 – 357 113
2010 – 412 315
2011 – 521 506

Annual toll revenues (in million Euros)

2008 – 245,4
2009 – 221,7
2010 – 262,8 The exchange rate with Euro: 1€ = 25 CZK

Payment in 2010

Pre pay = 46 %
Post pay = 54 %

Local lorries = 59 %
Foreign lorries = 41 %

The decrease in toll revenues in 2009 showed the intensity of the impact of the economy crisis in Europe.

Toll statistics have shown that the highest movement of tractor-trailers takes place in the third decade of each month. Records usually occur between the 20th and 30th day of each month, which is most likely related to economic production cycles.

Tolls

Putting the motorways and expressways as a subject to toll charges is regulated by the amended Act no. 13/1997 Coll. for the Road Network.

The usage of motorways, expressways and selected roads in Czech Republic by vehicles with a permitted total weight greater than 3,5 tons is subject to toll (distance based charge). Such vehicles are not obliged any more to fix a vignette (time based toll sticker) on their windshields.

Tolled roads and sections are delimited by traffic signs

(Motorway — Expressway — Tolled Road)



Overview Emission Categories and Toll Rates

Time-based toll charge (motorway coupons)

The fees for the use of motorways and expressways by road motor vehicles of total weight under 3,5 tons (motorbikes are free of charge) are set by the Government Directive no. 404/2009 Coll., which came into effect on 1st December 2009.

The length of the Czech time - based tolled roads was 1081,9 km in 2010.

The fees are as follows:

- a) For one calendar year CZK 1200 (€ 48)
- b) For one calendar month CZK 350 (€ 14)
- c) For ten days CZK 250 (€ 10)

Distance-based toll charge

Toll rates were stipulated by Czech Government Regulation No. 484/2006 Coll and since February by its amendment 26/2010 Coll, which came into effect on 1st February 2010. The toll rates for the heavy traffic period on Friday from 3 pm to 5 pm risen and reduced for other time in order to regulate the traffic without impact on toll revenues.

The amount of toll for the use of a particular section of a tolled road depends on the length of the section and the category of the respective vehicle, depending on the number of axles and the emissions class of the vehicle.

Toll rates for highway

On Friday from 3 pm up to 9 pm

| Table of toll rates (Kč/km) | | | | | |
|------------------------------|------|------|------------------------------------|------|------|
| Emission Class up to Euro II | | | Emission Class Euro III and higher | | |
| Number of Axles | | | | | |
| 2 | 3 | 4+ | 2 | 3 | 4+ |
| 2,87 | 5,55 | 8,10 | 2,12 | 4,35 | 6,30 |

In other time of week

| Table of toll rates (Kč/km) | | | | | |
|------------------------------|------|------|------------------------------------|------|------|
| Emission Class up to Euro II | | | Emission Class Euro III and higher | | |
| Number of Axles | | | | | |
| 2 | 3 | 4+ | 2 | 3 | 4+ |
| 2,26 | 3,63 | 5,30 | 1,67 | 2,85 | 4,12 |

Toll rates for main road

On Friday from 3 pm up to 9 pm

| Table of toll rates (Kč/km) | | | | | |
|------------------------------|------|------|------------------------------------|------|------|
| Emission Class up to Euro II | | | Emission Class Euro III and higher | | |
| Number of Axles | | | | | |
| 2 | 3 | 4+ | 2 | 3 | 4+ |
| 1.37 | 2.70 | 3.90 | 1.00 | 2.10 | 3.00 |

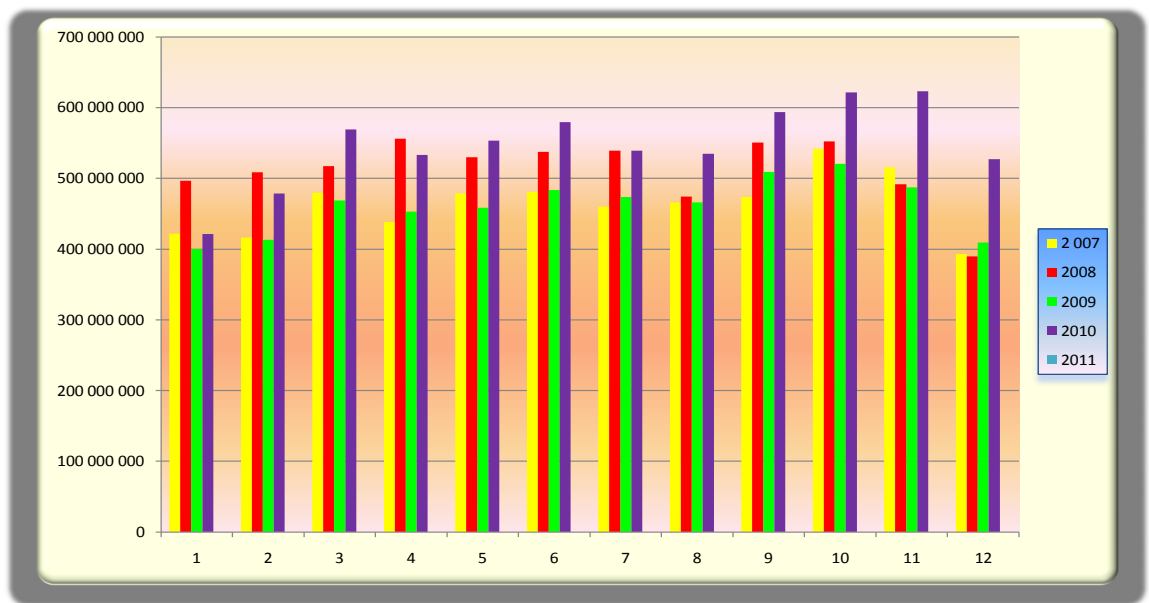
In other time of week

| Table of toll rates (Kč/km) | | | | | |
|------------------------------|------|------|------------------------------------|------|------|
| Emission Class up to Euro II | | | Emission Class Euro III and higher | | |
| Number of Axles | | | | | |
| 2 | 3 | 4+ | 2 | 3 | 4+ |
| 1,08 | 1,77 | 2,55 | 0,79 | 1,37 | 1,96 |

in CZK

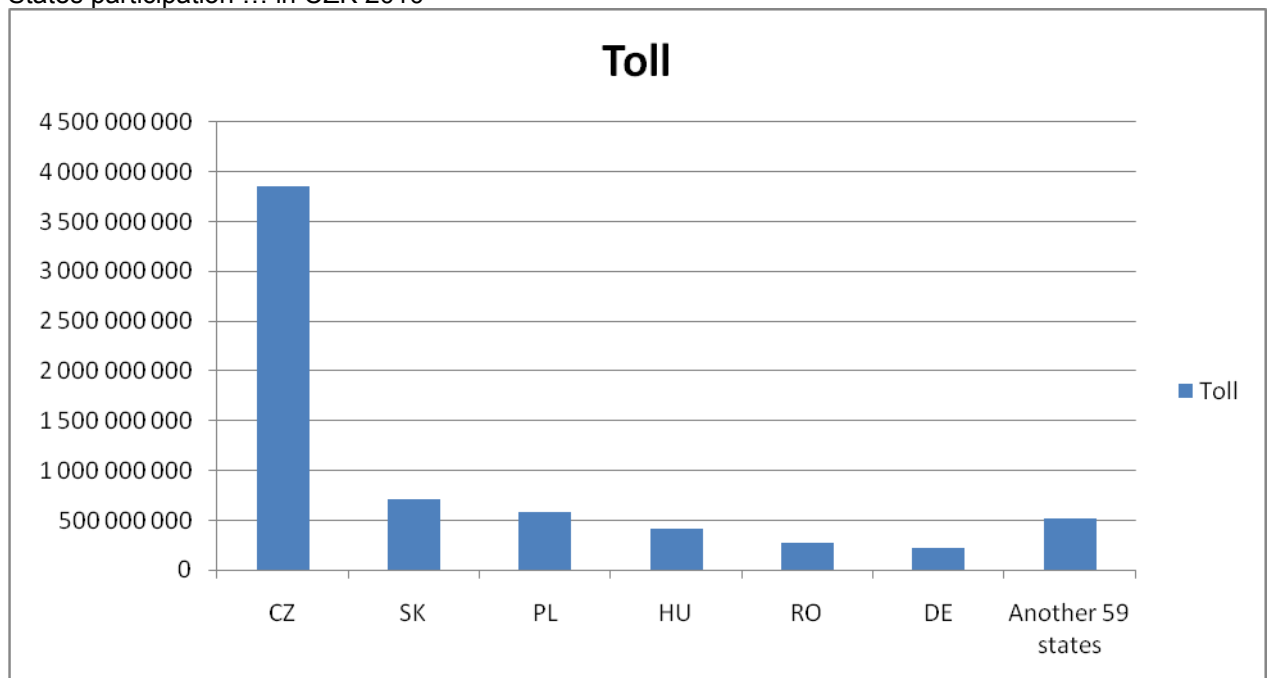
Revenues

Income comparison shows diagram
(CZK)



Source: RMD Czech Republic

States participation ... in CZK 2010



| State | Toll |
|----------------|----------------|
| CZ | 3 854 473 478 |
| SK | 713 399 874 |
| PL | 581 742 276 |
| HU | 412 797 733 |
| RO | 276 503 883 |
| DE | 217 225 907 |
| Another states | 59 515 099 112 |

Source: RMD Czech Republic ... in CZK

Significant actions already started and foreseen for 2011

The Czech Ministry of Transport has adjusted its toll tariff, which is effective from 1st January 2011. The new toll tariff has been significantly changed in division of emission classes. The emission class 5 and above was added, which remains at the same rate as the rate for previous emission class 3 and above and rest rised by 25 %.

There should also be a new category of the vehicles for buses added from 1st September 2011.

| Toll rates (Kč/km) in other time of week | | | | | | | | | |
|--|------------|------|------|------------|------|------|----------|------|------|
| Emission Class | Euro 0 - 2 | | | Euro 3 - 4 | | | Euro 5 + | | |
| Axles | 2 | 3 | 4+ | 2 | 3 | 4+ | 2 | 3 | 4+ |
| Highway | 2,83 | 4,54 | 6,63 | 2,09 | 3,56 | 5,15 | 1,67 | 2,85 | 4,12 |
| Main Road | 1,35 | 2,21 | 3,19 | 0,99 | 1,71 | 2,45 | 0,79 | 1,37 | 1,96 |

| Toll rates (Kč/km) Friday 3 pm to 9 pm | | | | | | | | | |
|--|------------|------|------|------------|------|------|----------|------|------|
| Emission Class | Euro 0 - 2 | | | Euro 3 - 4 | | | Euro 5 + | | |
| Axles | 2 | 3 | 4+ | 2 | 3 | 4+ | 2 | 3 | 4+ |
| Highway | 3,59 | 6,48 | 9,45 | 2,65 | 5,08 | 7,35 | 2,12 | 4,06 | 5,88 |
| Main Road | 1,71 | 3,15 | 4,55 | 1,25 | 2,45 | 3,50 | 1,00 | 1,96 | 2,80 |

MAIN ASECAP KEY FIGURES

| Country: Czech Republic | 2010 | 2011 |
|--|---------|--------|
| The length of the Czech tolled road network in Km | 1318,6 | 1348,5 |
| Highways | 715,5 | 729,5 |
| Motorways | 406,8 | 419,70 |
| The 1st class roads (all 1st class roads 5 836km) | 172,2 | 199,30 |
| No. of km in construction | 262,9 | 80 |
| Highways | 76,9 | 6 |
| Motorways | 74,2 | 14 |
| The 1st class roads | 111,8 | 60 |
| Forecasts of opening motorways in Km | 82,1 | 50,9 |
| Highways | 11,3 | 6 |
| Motorways | 46,7 | 12,9 |
| The 1st class roads | 24,1 | 32 |
| Annual toll revenue in Million Euros | 262,8 | |
| Permanent staff | 149 | |
| Average daily traffic (LV> 3,5 tons) | 13000 | |
| Average daily traffic (HV ≥ 12 tons) | 45000 | |
| Average daily traffic (LV+HV) | 58000 | |
| Total number of accidents on all roads (55600km) | 75522 | |
| No. of personal injury accidents on all roads | 24433 | |
| No. of dead on all roads | 753 | |
| Km travelled Trucks >3,5 tons (10 ⁶ x km) | 1868 | |
| No. of toll plazas | 0 | |
| No. of lanes | NA | |
| No. of teletoll equipped lanes | 0 | |
| No. of active OBUs | 521 506 | |

| | | |
|--|----------------|--|
| No. of Contact and Distribution Points with Toll service | 15 + 250 = 265 | |
| No. of rest areas with station services on Highways only | 68 | |
| No. of restaurants | NA | |
| No. of hotels | NA | |