



2008 Budget Analysis

(Unaudited)

Quarterly Financial Review

April 1 – June 30, 2008

INTRODUCTION

In December 2007, the Board of Directors adopted an annual budget for 2008. Each quarter, the Finance Department reviews the actual revenues and expenditures against the budget, and presents analysis in this quarterly report to the Board's Audit Committee.

The 2008 Tollway Budget includes estimated revenues of \$670 million. Revenue sources include Toll Revenue and Evasion Recovery, Concessions, Investment Income, and Miscellaneous Income. Toll Revenues are collected from Tollway users either by cash or electronic toll collection for users of I-PASS. Evasion Recovery revenues are fines collected from toll violators. Concessions consist of revenues generated from the Tollway's Oases, which provide fuel, food and other conveniences to users of the Tollway. Investment Income is primarily interest income on Tollway funds and I-PASS cash escrow accounts. Miscellaneous Income includes revenue from overweight truck fines, rental income from assets such as fiber optic lines, and data towers, and other minor miscellaneous receipts.

Tollway expenditures are divided into three categories: Maintenance and Operations (M&O), Capital, and Debt Service. The Tollway's 2008 M&O Budget is \$236 million. Capital expenditures are those associated with the Tollway's capital program, including costs of the Congestion-Relief Program (CRP) and other capital projects; the 2008 Budget for the capital program is \$1,380 million. The aggregate 2008 Debt Service Budget of \$204 million provides for the payment of principal and interest on bonds issued to finance Tollway capital projects.

This report provides an analysis of unaudited actual revenues and expenditures through the second quarter of fiscal year 2008. The purpose of this analysis is to assess the actual financial performance of the Tollway relative to the 2008 annual budgeted plan. The report indicates variances from Budget amounts. A favorable variance contributes to a higher fund balance, and unfavorable variance would reduce the fund balance. For example, if toll revenues were higher during the quarter than anticipated in the budget, it would be a favorable variance. The expenditures reported for the capital program do not include accruals for work completed and not yet invoiced. During the fourth quarter review, estimated accruals will be provided to show accrual based expenditures versus budget. **All figures contained in this report are unaudited, and should be used for informational purposes only.** Additionally, some variances may exist between budget and actual line items due to accounting treatments.

OVERVIEW

Through June 30, 2008, the Tollway generated \$326.9 million of revenues, or 48.7 percent of the amount projected for all of 2008. Operating expenditures (M&O) totaled \$107.9 million, or 45.7 percent of the annual projected M&O budget. Capital expenditures totaled \$403.9 million, or 29.3 percent of the 2008 annual Capital budget projections. Debt Service transfers totaled \$102.4 million, or 50.2 percent of the projected 2008 Debt Service budget.

Summary			
% of 2008 Annual Budget Realized thru Second Quarter			
(\$ millions)			
	2008 Annual Budget	2nd Quarter YTD Unaudited Actual	%
			Realized
Toll Revenue & Evasion Recovery	\$636.0	\$309.6	48.7%
Concession	2.0	1.1	57.3%
Investment Income	30.0	14.8	49.3%
Miscellaneous	2.0	1.4	70.1%
Total Revenues	\$670.0	\$326.9	48.8%
M&O Expenses	\$236.3	\$107.9	45.7%
Capital Program Expenses	1,379.5	403.9	29.3%
Debt Service Expenses	203.8	102.4	50.2%
Total Expenditures	\$1,819.6	\$614.2	33.8%

Note: Numbers may not add to totals due to rounding.

REVENUES

The Tollway's 2008 second quarter revenues totaled \$173.6 million, representing a favorable variance of \$4.1 million, or 2.4 percent more than allocated for the second quarter. Through June 30, 2008, revenues were \$326.9 million, 1.5 million or 0.5 percent less than budgeted for the first two quarters of 2008.

The largest category, Tolls and Evasion Recovery, generated \$3.9 million more than budget for the second quarter 2008, or a favorable variance of 2.4 percent. This favorable variance is attributed to increased revenues from evasion recovery which totaled \$16.2 million in the second quarter.

Concession revenues, investment income, and miscellaneous revenue all tracked very close to budgeted amounts. In total, these sources generated \$8.8 million of revenue in the second quarter; \$0.2 million more than budgeted for the quarter.

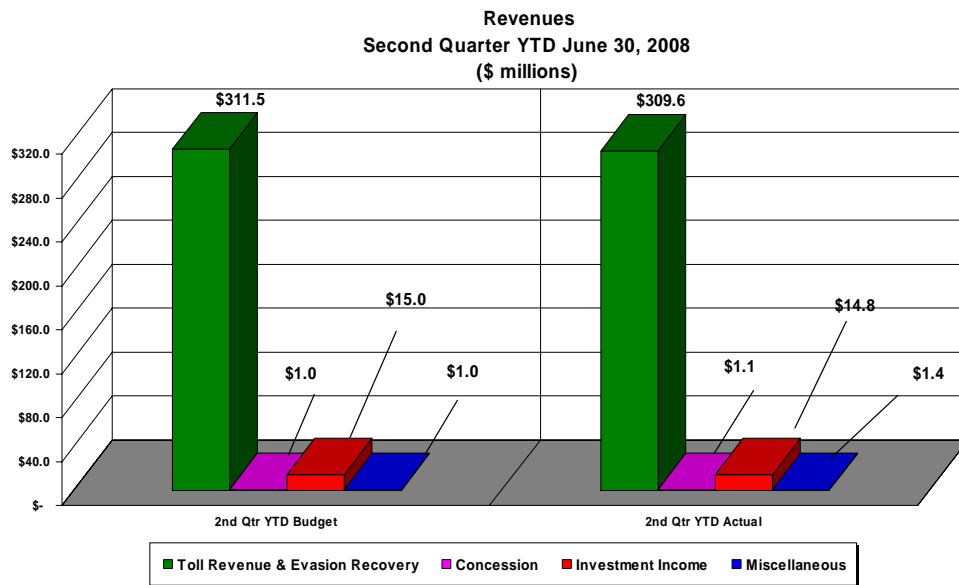
REVENUES				
For the 2nd Quarter Ended June 30, 2008				
(\$ millions)				
	2nd Qtr Budget	2nd Qtr Unaudited Actual	Variance (\$)	Variance (%)
REVENUES				
Toll Revenue & Evasion Recovery	\$161.0	\$164.9	\$3.9	2.4%
Concession	0.5	0.6	0.0	7.7%
Investment Income	7.5	7.4	(0.1)	-1.8%
Miscellaneous	0.5	0.8	0.3	60.6%
Total Revenues	\$169.5	\$173.6	\$4.1	2.4%

Note: Numbers may not add to totals due to rounding.

Quarterly Financial Review, June 30, 2008

REVENUES				
Second Quarter YTD June 30, 2008				
(\$ millions)				
	2nd Qtr YTD Budget	2nd Qtr YTD Unaudited Actual	Variance (\$)	Variance (%)
REVENUES				
Toll Revenue & Evasion Recovery	\$311.5	\$309.6	(\$1.9)	-0.6%
Concession	1.0	1.1	0.2	15.6%
Investment Income	15.0	14.8	(0.2)	-1.4%
Miscellaneous	1.0	1.4	0.4	44.3%
Total Revenues	\$328.4	\$326.9	(\$1.5)	-0.5%

Note: Numbers may not add to totals due to rounding.



MAINTENANCE AND OPERATIONS EXPENDITURES

The Tollway's 2008 second quarter M&O expenditures totaled \$55.6 million representing an unfavorable variance of \$1.1 million, approximately 1.9 percent greater than amounts allocated for the second quarter budget. M&O expenditures through the second quarter total \$107.9 million, or at 45.7 percent of the \$236.3 million annual M&O budget.

Payroll and Related Costs for the second quarter resulted in a favorable variance of \$1.7 million, 5.4 percent less than the amount budgeted in the second quarter budget. Payroll expenses are less than anticipated due to a greater number of vacant positions than planned.

Group Insurance had a small favorable variance of \$0.2 million or 3.6 percent relative to amounts budgeted for the second quarter. The variance is also attributable to the current level of vacancies.

Contractual Service expenditures exceeded the second quarter budget by \$3.1 million or 51.3 percent. Contractual services are expected to be a budget pressure for the rest of the year as increased costs associated with the Customer Call Center have increased as the issuance of violation notices has continued at high volumes in order to eliminate a backlog that developed last year. Merchant card fees have also increased as violators make payments on outstanding notices.

Materials and Operational Supplies and Other Expenses category had a favorable variance of \$2.9 million, and were 54.5 percent under the second quarter budget.

The Utilities category, which includes electricity, natural gas, water and telephone, exceeded the second quarter budget by \$0.7 million, primarily due to increased electricity charges and telephone charges associated with the Customer Call Center.

All Other Insurance had an unfavorable variance of \$0.1 million or 18.1 percent. However, year-to-date expenditures were within budget, accounting for 27.9 percent of the annual budgeted amount of \$6.5 million.

Expenditures in the Parts and Fuel category totaled \$1.7 million for the second quarter; or 53.7 percent over budget. Year-to-date expenditures accounted for 77.3 percent of the annual budget of 5.2 million for Parts and Fuel. The main drivers for the unfavorable variance are the increase in fuel prices and the harsh winter that caused an increase in consumption of fuel and parts.

Quarterly Financial Review, June 30, 2008

Equipment/Office Rental & Maintenance had an unfavorable variance of \$1.4 million, 59.2 percent greater than the second quarter budget. Much of this variance is due to the timing of the payments for maintenance of electronic toll collection equipment. Year-to-date expenditures totaled \$6.3 million, or 51.4% of the amount budgeted in 2008.

Employee Development had a favorable variance of 30.8 percent for the second quarter, and year-to-date expenditures comprised 44 percent of the annual budget of \$1.1 million.

Recovery of Expenses had an unfavorable variance of \$.2 million during the second quarter.

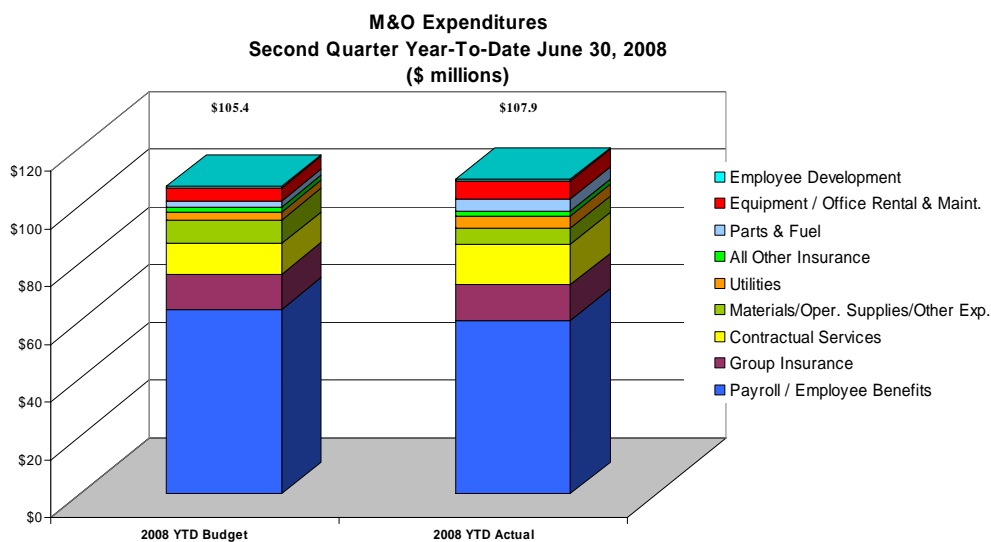
M&O EXPENSES				
For the 2nd Quarter Ended June 30, 2008				
(\$ millions)				
	2nd Qtr Budget	2nd Qtr Unaudited Actual	Variance (\$)	Variance (%)
<u>Maintenance & Operations</u>				
Payroll and Related Costs	\$31.4	\$29.7	\$1.7	5.4%
Group Insurance	6.4	6.2	0.2	3.6%
Contractual Services	6.0	9.0	(3.1)	-51.3%
Materials/Oper. Supplies/Other Exp.	5.4	2.5	2.9	54.5%
Utilities	1.7	2.3	(0.7)	-40.7%
All Other Insurance	0.4	0.5	(0.1)	-18.1%
Parts & Fuel	1.1	1.7	(0.6)	-53.7%
Equipment / Office Rental & Maint.	2.4	3.8	(1.4)	-59.2%
Employee Development	0.3	0.2	0.1	30.8%
Recovery of Expenses	(0.6)	(0.4)	(0.2)	-30.6%
Total M&O Expenses	\$54.6	\$55.6	(\$1.1)	-1.9%

Note: Numbers may not add to totals due to rounding.

Quarterly Financial Review, June 30, 2008

M&O Expenditures				
Second Quarter YTD June 30, 2008				
(\$ millions)				
	2nd Qtr YTD Budget	2nd Qtr YTD Unaudited Actual	Variance (\$)	Variance (%)
Maintenance & Operations				
Payroll and Related Costs	\$63.8	\$59.9	\$3.9	6.1%
Group Insurance	12.2	12.4	(0.3)	-2.3%
Contractual Services	10.7	14.1	(3.4)	-31.8%
Materials/Oper. Supplies/Other Exp.	8.2	5.6	2.6	32.0%
Utilities	2.7	4.1	(1.4)	-50.5%
All Other Insurance	1.7	1.8	(0.2)	-9.1%
Parts & Fuel	2.2	4.0	(1.9)	-86.7%
Equipment/Office Rental & Maint.	4.5	6.3	(1.9)	-41.5%
Employee Development	0.5	0.5	0.0	6.4%
Recovery of Expenses	(1.1)	(1.0)	(0.1)	-11.4%
Total M&O Expenses	\$105.4	\$107.9	(\$2.5)	-2.4%

Note: Numbers may not add to totals due to rounding.



CAPITAL PROGRAM

Capital expenditures include Renewal/Replacement costs related to repairs of the existing system, non-roadway capital investments, and Improvement costs related to expanded system capacity and Open Road Tolling (ORT).

The majority of the expenditures for the capital program are for one-time non-recurring payments for improvements made to the system. Variances from year to year are due to the schedule of work and the differing values for projects included in the overall capital program.

The fiscal year 2008 capital budget reflects the Tollway's pledge to maintain and upgrade the existing facilities and infrastructure of the system. The budget includes funding for the fourth year of the \$6.3 billion, multi-year, Congestion-Relief Program (CRP). In December 2007, the Tollway's Board of Directors approved \$1,379.4 million for the Fiscal Year 2008 Capital Budget. The budget allocates \$1,270.8 million to the CRP and \$108.6 million to support other needs such as roadway equipment and vehicles, building repair and improvements and technological equipment and enhancements.

The majority of 2008 CRP expenditures are budgeted to rebuild and widen the Tri-State Tollway (\$738.6 million), which includes \$169.9 million for 159th Street to 95th Street; \$147.6 million for Balmoral Avenue to Dempster Street; \$131.0 million for Dempster Street to Lake-Cook Road; \$114.9 million for Half Day Road to IL 137; and \$171.1 million for IL 137 to Russell Road. An additional \$4.1 million is also budgeted on the Tri-State Tollway for improvements at the I-57 Interchange.

The budget includes \$272.5 million to rebuild and widen the Ronald Reagan Memorial Tollway from York Road to Washington Street and from the Aurora Toll Plaza to IL 56; and \$112.6 million is allocated to continue the Jane Addams Memorial Tollway improvements, which includes rebuild and widen from Newburg Road to Rockton Road and I-39 interchange improvements.

The 2008 approved capital budget allocated \$88.5 million for Systemwide Improvements which include bridge improvements, interchange improvements, environmental, and intermittent pavement projects.

The budget also allocates \$38.2 million on the Veterans Memorial Tollway for the resurfacing and widening between 75th Street and the Ronald Reagan Memorial Tollway (I-88) and on the South Extension for ongoing restoration of wetlands adjacent to the Des Plaines River and other roadside completion improvements.

In 2008, approximately \$20.5 million is budgeted to complete the wrap-up work as part of the Open Road Tolling (ORT) initiative.

The capital budget includes \$108.6 million for non-roadway capital projects in the areas of traffic management, communications equipment, maintenance and roadway

equipment, technology initiatives, maintenance facility building improvements and other miscellaneous projects.

During the second quarter of 2008, construction continued on the Tri-State Tollway (I-294-I-94) for the rebuild and widening projects along the corridor, including reconstruction of the 95th Street Interchange. On-going projects along the Central Tri-State section include mainline work and reconstruction of bridges, plazas and entrance ramps in the northbound direction between Balmoral Avenue and Touhy Avenue; mainline widening and reconstruction from Balmoral Avenue to Lake-Cook Road in the southbound direction; reconstruction of the Lake-Cook Road bridge; and design for northbound contracts between Dempster Street and Lake-Cook Road. Reconstruction and widening of the North Tri-State section northbound from Stearns School Road to IL Route 173 continues, as well as reconstruction from IL Route 173 to Russell Road and resurfacing from Russell Road to the State line.

On the Ronald Reagan Memorial (I-88) from IL Route 83 to York Road, construction of the replacement of the Tri-State Connector Ramp Bridge (I-294 northbound to I-88 westbound), as well as the eastbound portion of the new I-88 bridge over Salt Creek were completed at the end of the second quarter. Work continues to rebuild and widen I-88 westbound mainline pavement between the 22nd Street overpass and Finley Road. Construction of the eastbound roadway and bridges from Washington Street to Finley Road is complete. Reconstruction and widening of the eastbound lanes from IL Route 31 to Orchard Road and work to convert 2 ORT lanes into 4 ORT lanes at the Aurora Toll Plaza began in the second quarter. Work continues for the reconstruction of IL Route 31, the IL Route 31 ramp bridge, and the new eastbound bridge over the Fox River.

On the Jane Addams Memorial Tollway (I-90), work to rebuild and widen the eastbound lanes from Cherry Valley Interchange to Rockton Road started. Reconstruction of the Newburg Road Bridge continues during the second quarter.

Punch list work and restoration of wetlands adjacent to the Des Plaines River are ongoing on the South Extension of the Veterans Memorial Tollway (I-355). In addition, during the second quarter, the resurfacing and widening project northbound from 75th Street to Ogden Avenue began.

Through the second quarter ending June 30, 2008, unaudited capital program expenditures totaled \$403.9 million. This amount includes \$313.6 million for 2008 work paid during the first and second quarters, as well as \$90.3 million for invoices received but not yet paid as of July 17, 2008. Work completed through the second quarter for which invoices have not been received are not included. As shown in the following table, through June 30, 2008, capital program expenditures comprise a favorable variance of \$148.7 million, or 26.9 percent as compared to the estimated year-to-date budget of \$552.6 million.

Quarterly Financial Review, June 30, 2008

CAPITAL PROGRAM				
Second Quarter YTD June 30, 2008				
(\$ millions)				
	2nd Qtr YTD Budget	2nd Qtr YTD Unaudited Actual	Variance (\$)	Variance (%)
CAPITAL PROGRAM				
Jane Addams Memorial Tollway (I-90)	\$37.6	\$48.8	(\$11.1)	-29.5%
Open Road Tolling (ORT)	14.7	13.0	1.6	11.1%
Ronald Reagan Memorial Tollway (I-88)	101.8	98.5	3.3	3.2%
Systemwide Improvements	49.5	11.9	37.6	75.9%
Tri-State Tollway(I-294/I-94)	276.2	197.4	78.8	28.5%
Veterans Memorial Tollway (I-355)	18.6	16.3	2.3	12.4%
Congestion-Relief Program Subtotal	\$498.3	\$385.9	\$112.4	22.6%
"Other" Capital Projects Subtotal	54.3	18.1	36.3	66.8%
Total Capital Program Expenses	\$552.6	\$403.9	\$148.7	26.9%

Note: Numbers may not add to totals due to rounding.

The following table indicates the annual budget by Corridor for 2008, as well as expenditures through June 30. Budgeted amounts represent the estimated value of work to be completed during fiscal year 2008. Year-to-date expenditures include 2008 work paid through June 30, as well as invoices received but not yet paid as of July 17. Through June 30, 2008, expenditures for the capital program total \$403.9 million, or 29.3 percent of the 2008 annual budget.

CAPITAL PROGRAM			
% of 2008 Annual Budget Realized thru Second Quarter			
(\$ millions)			
	2008 Annual Budget	2nd Qtr YTD Unaudited Actual	% Realized
Capital Program			
Jane Addams Memorial Tollway (I-90)	\$112.6	\$48.8	43.3%
Open Road Tolling (ORT)	20.5	13.0	63.7%
Ronald Reagan Memorial Tollway (I-88)	272.5	98.5	36.2%
Systemwide Improvements	88.5	11.9	13.4%
Tri-State Tollway(I-294/I-94)	738.6	197.4	26.7%
Veterans Memorial Tollway (I-355)	38.2	16.3	42.6%
Congestion-Relief Program Subtotal	\$1,270.8	\$385.9	30.4%
"Other" Capital Projects Subtotal	108.6	18.1	16.6%
Total Capital Program Expenses	\$1,379.5	\$403.9	29.3%

Note: Numbers may not add to totals due to rounding.

DEBT SERVICE

Debt service expenditures consist of the retirement of principal at maturity or redemption plus the payment of interest due on the Tollway's outstanding bonds. Transfers from the Revenue Fund for debt service for the six months ended June 30, 2008 were approximately \$102.4 million, \$4.7 million more than budgeted for that period. The variance over budget in the first six months of 2008 is comprised of: \$5.7 million in transfers in excess of actual debt service resulting from timing issues; and (\$1.0) million of reduced interest expense, both as described below.

- An Indenture provision relating to the Tollway's variable rate Series 2008A Bonds requires that when monthly interest expense is calculated to determine the amount to be transferred to the Trustee, any days for which the weekly interest rates have not yet been set must be calculated assuming the Maximum Rate allowed for the 2008A Bonds, 12%. This provision increased the amount transferred from the Revenue Fund for 2008A debt service in the first six months of 2008 by approximately \$4.8 million. This \$4.8 million amount is in excess of the actual interest expense on the 2008A Bonds, and is available to offset future transfers for debt service. A similar provision exists for the variable rate Series 2007A Bonds, which increased the amount transferred from the Revenue Fund for 2007A debt service in the first six months of 2008 by approximately \$0.9 million (an amount much smaller than the 2008A excess amount because of increased amounts previously transferred in 2007).
- The (\$1.0) million of reduced interest expense is comprised of: (i) \$2.5 million additional interest expense on the Series 2007A Bonds primarily caused by the credit deterioration of the Series 2007A Bond Insurer, a problem resolved by the cancellation of the 2007A Bond Insurance on March 20, 2008; and (ii) (\$3.5) million reduced interest expense from the refunding of a portion of the Tollway's Series 2006A Bonds, which closed on February 7, 2008.

Bond Costs – Credit Enhancement Providers, Remarketing Agents and Miscellaneous

In addition to debt service, there were approximately \$2.0 million costs related to the Tollway's outstanding bond issues, which included credit enhancement fees, remarketing fees, rating agency fees, and costs related to the Series 2007A bond insurance cancellation. Such costs are typically paid from a Provider Payment Account held by the Trustee. In January of 2008, the Tollway deposited \$4.5 million to the Provider Payment Account to fund such costs during fiscal year 2008. This \$4.5 million amount equaled the excess investment earnings that had accumulated throughout fiscal year 2007 in the Tollway's various debt service accounts.

Debt Service			
% of 2008 Annual Budget Realized thru Second Quarter			
(\$ millions)			
	2008	2nd Qtr YTD	%
	Annual Budget	Unaudited Actual	Realized
Debt Service			
Previous Debt	\$195.5	\$102.4	52.4%
New Debt	8.3	-	0.0%
Total Debt Service Expenses	\$203.8	\$102.4	50.2%

Notes: Numbers may not add to totals due to rounding.

DERIVATIVES

The Tollway has employed the use of interest rate exchange agreements (agreements) and forward-starting interest rate exchange agreements (forward agreements) to hedge against increases in interest rates, and to provide synthetic fixed rates associated with the Tollway's variable rate bonds issued in 1993, 1998, 2007 and 2008. As of June 30, 2008, the Tollway had one agreement attached to the 1993 Series B bond issue, two agreements attached to the 1998 Series B bond issue, four agreements attached to the Series 2007 bond issue (two each to Series 2007A-1 and 2007A-2) and four agreements attached to the Series 2008 bond issue (two each to Series 2008A-1 and 2008A-2). The four agreements attached to Series 2007 were originally entered into as forward agreements in September 2005, and became effective upon closing of the \$700 million Series 2007A Bonds on November 1, 2007. The four agreements attached to Series 2008 were originally entered into in December 2007, and became effective upon the closing the \$766.2 million Series 2008A Bonds on February 7, 2008.

Mark-to-market valuations of the Tollway's agreements typically decline in value when interest rates decline and increase in value when interest rates increase. Thus to the extent that any negative valuation of the Tollway's derivatives were to become realized by an agreement termination, it is probable that such a realization would be mitigated by a lower cost of capital expected to be available in that lower-interest rate market.

Quarterly Financial Review, June 30, 2008

DERIVATIVES		
Second Quarter 2008		
SWAP	NOTIONAL AMOUNT	MARK-to-MARKET AS OF 6/30/2008
1993 SERIES B	\$ 80,500,000	\$ (3,249,356)
1993 SERIES B TOTAL	\$ 80,500,000	\$ (3,402,120)
1998 SERIES B	\$ 67,705,000	\$ (5,068,462)
1998 SERIES B	\$ 55,395,000	\$ (4,146,923)
1998 SERIES B TOTAL	\$ 123,100,000	\$ (9,215,385)
2007 SERIES A-1	\$ 175,000,000	\$ (6,083,664)
2007 SERIES A-1	\$ 175,000,000	\$ (6,083,664)
2007 SERIES A-1 TOTAL	\$ 350,000,000	\$ (12,167,328)
2007 SERIES A-2	\$ 262,500,000	\$ (9,830,552)
2007 SERIES A-2	\$ 87,500,000	\$ (3,276,851)
2007 SERIES A-2 TOTAL	\$ 350,000,000	\$ (13,107,403)
2008 SERIES A-1	\$ 287,325,000	\$ 627,135
2008 SERIES A-1	\$ 95,775,000	\$ 209,045
2008 SERIES A-1 TOTAL	\$ 383,100,000	\$ 836,180
2008 SERIES A-2	\$ 191,550,000	\$ 175,960
2008 SERIES A-2	\$ 191,550,000	\$ 175,960
2008 SERIES A-2 TOTAL	\$ 383,100,000	\$ 351,920
TOTAL	\$ 1,669,800,000	\$ (36,704,136)

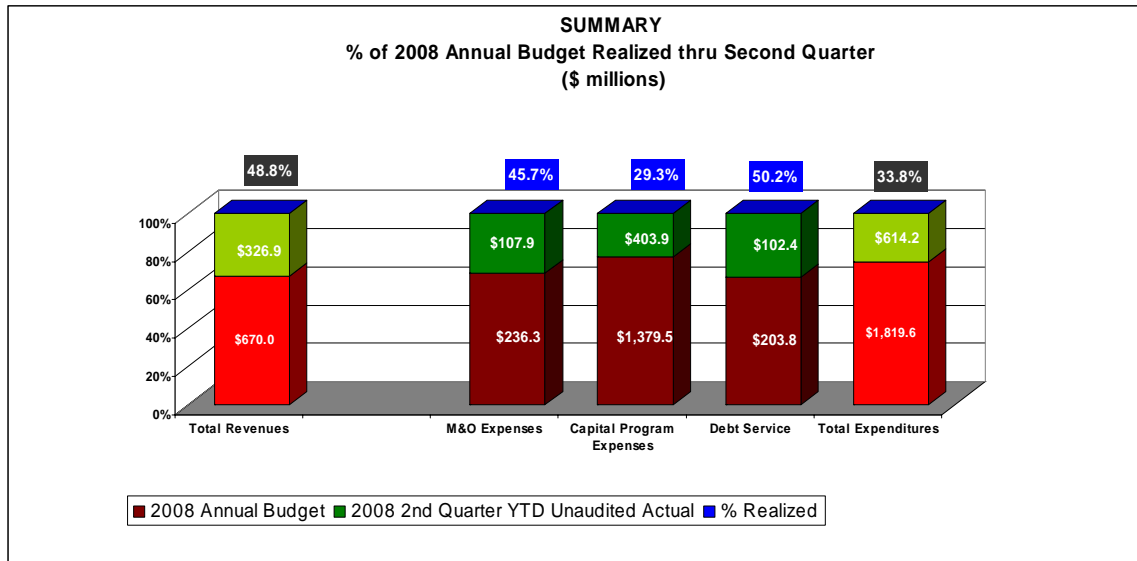
SUMMARY

Through the second quarter 2008, the Tollway's revenues generated \$326.9 million, or 48.8 percent of the 2008 budget projection of \$670 million.

Operating expenditures totaled \$107.9 million or 45.7 percent of the 2008 projection of \$236.3 million.

Capital expenditures totaled \$403.9 million, or 29.3 percent of the 2008 budget projection of \$1,379.5 million.

Debt Service expenditures totaled \$102.4 million, or 50.2 percent of the 2008 budget projection of \$203.8 million.



Quarterly Financial Review, June 30, 2008

ILLINOIS TOLLWAY				
BUDGET vs Unaudited ACTUAL				
For the 2nd Quarter Ended June 30, 2008				
	2nd Quarter Budget	2nd Quarter Unaudited Actual	Variance (\$)	Variance (%)
REVENUES				
Toll Revenue & Evasion Recovery	\$160,991,980	\$164,877,580	\$3,885,600	2.4%
Concession	518,000	557,881	39,881	7.7%
Investment Income	7,500,000	7,365,000	(135,000)	-1.8%
Miscellaneous	486,000	780,699	294,699	60.6%
Total Revenues	\$169,495,980	\$173,581,160	\$4,085,180	2.4%
EXPENDITURES				
Maintenance & Operations (M&O)				
Payroll and Related Costs	\$31,412,264	\$29,708,532	\$1,703,732	5.4%
Group Insurance	6,424,020	6,192,899	231,121	3.6%
Contractual Services	5,976,289	9,041,144	(3,064,855)	-51.3%
Materials/Oper. Supplies/Other Exp.	5,392,278	2,455,146	2,937,132	54.5%
Utilities	1,659,566	2,335,528	(675,962)	-40.7%
All Other Insurance	439,111	518,397	(79,286)	-18.1%
Parts & Fuel	1,117,819	1,717,830	(600,011)	-53.7%
Equipment/Office Rental & Maint.	2,416,067	3,845,771	(1,429,704)	-59.2%
Employee Development	297,079	205,663	91,416	30.8%
Recovery of Expenses	(566,381)	(392,876)	(173,505)	-30.6%
Total M&O Expenses	\$54,568,112	\$55,628,034	(\$1,059,922)	-1.9%
Debt Service				
Existing Debt	\$48,835,183	\$48,628,721	\$206,462	0.4%
New Debt	-	-	-	N/A
Total Debt Service Expenses	\$48,835,183	\$48,628,721	\$206,462	0.4%
Total M&O & Debt Servie Expenditures	\$103,403,295	\$104,256,755	(\$853,460)	-0.8%

Quarterly Financial Review, June 30, 2008

ILLINOIS TOLLWAY				
BUDGET vs Unaudited ACTUAL				
Second Quarter YTD June 30, 2008				
	2nd Qtr YTD Budget	2nd Qtr YTD Unaudited Actual	Variance (\$)	Variance (%)
REVENUES				
Toll Revenue & Evasion Recovery	\$311,477,622	\$309,593,850	(\$1,883,772)	-0.6%
Concession	992,000	1,146,882	154,882	15.6%
Investment Income	15,000,000	14,785,499	(214,501)	-1.4%
Miscellaneous	972,000	1,402,132	430,132	44.3%
Total Revenues	\$328,441,622	\$326,928,363	(\$1,513,259)	-0.5%
EXPENDITURES				
Maintenance & Operations (M&O)				
Payroll and Related Costs	\$63,782,137	\$59,899,361	\$3,882,776	6.1%
Group Insurance	12,164,520	12,443,351	(278,831)	-2.3%
Contractual Services	10,719,827	14,128,162	(3,408,335)	-31.8%
Materials/Oper. Supplies/Other Exp.	8,216,714	5,590,178	2,626,536	32.0%
Utilities	2,745,567	4,132,838	(1,387,271)	-50.5%
All Other Insurance	1,668,492	1,820,635	(152,144)	-9.1%
Parts & Fuel	2,160,561	4,032,742	(1,872,181)	-86.7%
Equipment/Office Rental & Maint.	4,471,509	6,329,139	(1,857,630)	-41.5%
Employee Development	525,842	492,098	33,744	6.4%
Recovery of Expenses	(1,080,801)	(957,844)	(122,957)	-11.4%
Total M&O Expenses	\$105,374,368	\$107,910,660	(\$2,536,292)	-2.4%
Capital Program				
Jane Addams Memorial Tollway (I-90)	\$37,640,948	\$48,763,404	(\$11,122,456)	-29.5%
Open Road Tolling (ORT)	14,665,118	13,038,520.0	1,626,598.0	11.1%
Ronald Reagan Memorial Tollway (I-88)	101,783,423	98,498,758.0	3,284,665.0	3.2%
Systemwide Improvements	49,464,563	11,903,477.0	37,561,086.0	75.9%
Tri-State Tollway(I-294/I-94)	276,159,381	197,384,273.0	78,775,108.0	28.5%
Veterans Memorial Tollway (I-355)	18,594,654	16,282,761.0	2,311,893.0	12.4%
Congestion-Relief Program Subtotal	\$498,308,087	\$385,871,193	\$112,436,894	22.6%
"Other" Capital Projects Subtotal	54,324,524	18,054,801	36,269,723	66.8%
Total Capital Program Expenses	\$552,632,611	\$403,925,994	\$148,706,617	26.9%
Debt Service				
Previous Debt	\$97,670,366	\$102,390,939	(\$4,720,573)	-4.8%
New Debt	-	-	-	N/A
Total Debt Service	\$97,670,366	\$102,390,939	(\$4,720,573)	-4.8%
Total Expenditures	\$755,677,345	\$614,227,593	\$141,449,752	18.7%

* Through the second quarter ending June 30, 2008, unaudited capital program expenditures totaled \$403.9 million. This amount includes \$313.6 million for work paid during the first and second quarters, as well as \$90.3 million for invoices received but not yet paid as of July 17. These amounts do not include work completed for which invoices have not been received.

Quarterly Financial Review, June 30, 2008

ILLINOIS TOLLWAY			
% of 2008 Annual Budget Realized			
Thru Second Quarter			
	2008 Annual Budget	2008 2nd Quarter YTD Unaudited Actual	2nd Qtr YTD Actual vs Annual Budget (%)
REVENUES			
Toll Revenue & Evasion Recovery	\$636,000,000	\$309,593,850	48.7%
Concession	2,000,000	1,146,882	57.3%
Investment Income	30,000,000	14,785,499	49.3%
Miscellaneous	2,000,000	1,402,132	70.1%
Total Revenues	\$670,000,000	\$326,928,363	48.8%
EXPENDITURES			
Maintenance & Operations (M&O)			
Payroll and Related Costs	\$134,874,471	\$59,899,361	44.4%
Group Insurance	26,700,000	\$12,443,351	46.6%
Contractual Services	28,404,416	\$14,128,162	49.7%
Materials/Oper. Supplies/Other Exp.	16,912,795	\$5,590,178	33.1%
Utilities	6,503,000	\$4,132,838	63.6%
All Other Insurance	6,515,000	\$1,820,635	27.9%
Parts & Fuel	5,213,710	\$4,032,742	77.3%
Equipment/Office Rental & Maint.	12,308,035	\$6,329,139	51.4%
Employee Development	1,118,100	\$492,098	44.0%
Recovery of Expenses	(2,259,200)	(\$957,844)	42.4%
Total M&O Expenses	\$236,290,327	\$107,910,660	45.7%
Capital Program*			
Jane Addams Memorial Tollway (I-90)	\$112,620,525	\$48,763,404	43.3%
Open Road Tolling (ORT)	20,476,966	13,038,520	63.7%
Ronald Reagan Memorial Tollway (I-88)	272,466,286	98,498,758	36.2%
Systemwide Improvements	88,515,342	11,903,477	13.4%
Tri-State Tollway(I-294/I-94)	738,554,956	197,384,273	26.7%
Veterans Memorial Tollway (I-355)	38,188,963	16,282,761	42.6%
Congestion-Relief Program Subtotal	\$1,270,823,038	\$385,871,193	30.4%
"Other" Capital Projects Subtotal	108,649,046	\$18,054,801	16.6%
Total Capital Program Expenses	\$1,379,472,084	\$403,925,994	29.3%
Debt Service			
Previous Debt	\$195,493,059	\$102,390,939	52.4%
New Debt	8,333,333	-	0.0%
Total Debt Service Expenses	\$203,826,392	\$102,390,939	50.2%
Total Expenditures	\$1,819,588,803	\$614,227,593	33.8%

* Through the second quarter ending June 30, 2008, unaudited capital program expenditures totaled \$403.9 million. This amount includes \$313.6 million for work paid during the first and second quarters, as well as \$90.3 million for invoices received but not yet paid as of July 17. These amounts do not include work completed for which invoices have not been received.