

ILLINOIS STATE TOLL HIGHWAY AUTHORITY

\$430,000,000*

Toll Highway Senior Revenue Bonds, 2018 Series A

Investor Presentation

November 27, 2018



* Preliminary, Subject to Change

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2018 Series A Transaction Overview

Transaction Summary	
Issuer:	Illinois State Toll Highway Authority
Par Amount*:	\$430 million
Pricing*:	Tuesday, December 11, 2018
Closing*:	Thursday, January 10, 2019
Security:	The 2018A Bonds are payable from and secured solely by a pledge of and lien on the Net Revenues of the Tollway System and certain other funds as provided in the Indenture.
Ratings:	Fitch: AA- (Stable Outlook) Moody's: Aa3 (Stable Outlook) S&P: AA- (Stable Outlook)
Use of Proceeds:	The proceeds of Bonds will be used to refund certain outstanding bonds of the Authority, fund payments to exit associated interest rate swaps, make a deposit to the Debt Reserve Account and pay costs of issuance.
Structure*:	Fixed rate bonds with serial maturities January 1, 2021 through January 1, 2031
Tax Status:	Federal tax-exempt; State taxable

*Preliminary, subject to change.

Tollway Overview and Strengths

Mission Statement: *The Illinois Tollway is dedicated to providing and promoting a safe and efficient system of toll-supported highways while ensuring the highest possible level of service to our customers*

Strong Market Position & Senior Management

- Essential road system with a strong economic and financial history serving metropolitan Chicago, one of the largest and most diverse regional economies in the United States
- Experienced and proactive Board and management team, providing strong governance and oversight

Robust Traffic Performance

- Mature, growing traffic base with limited viable competing roads, with approximately 2.9% year over year growth in transactions since 2010
- Strong revenue growth and stable toll transactions despite construction impacts and toll increases
- Demonstrated willingness to increase tolls
- Even after recent increases, toll rates remain affordable and compare favorably with peers

Solid Financials and Debt Service Coverage

- Conservative debt profile with relatively level debt service and final maturities limited to 25 years
- 2017 unrestricted cash/cash equivalents exceeds 1,300 days cash on hand
- The Authority's Debt Management Guidelines target annual debt service coverage at 2x or greater; debt service coverage in years 2013-2017 ranged from 2.4x to 2.7x
- Strong legal protections and covenants for bondholders

Exceptional Capital Improvement Program Management

- \$14.2 billion *Move Illinois Program* (2012-2026) addresses long term system needs: approximately 70% to be expended on state of good repair and 30% expansion
- Multiple projects and 15-year timeframe of *Move Illinois Program* allow for flexibility with respect to scheduling and management. 50% of total cost, or \$7 billion, is expected to have been spent by 2019
- The prior capital program, the \$5.7 billion *Congestion-Relief Program*, is substantially complete.

Overview of the Illinois Tollway System

- The Tollway System is a multi-asset system of 294 centerline miles of interstate tollways throughout 12 counties in the greater Metropolitan Chicago Area including the:
 - Jane Addams Memorial Tollway
 - Tri-State Tollway
 - Reagan Memorial Tollway
 - Veterans Memorial Tollway
 - Illinois Route 390
- Authority has exclusive right to fix, adjust, revise, and collect tolls

Strategic Priorities:

- Execute the *Move Illinois Program* (15-year capital plan scheduled from 2012 - 2026)
- Improve regional mobility and link economies across northern Illinois
- Relieve congestion
- Reduce pollution



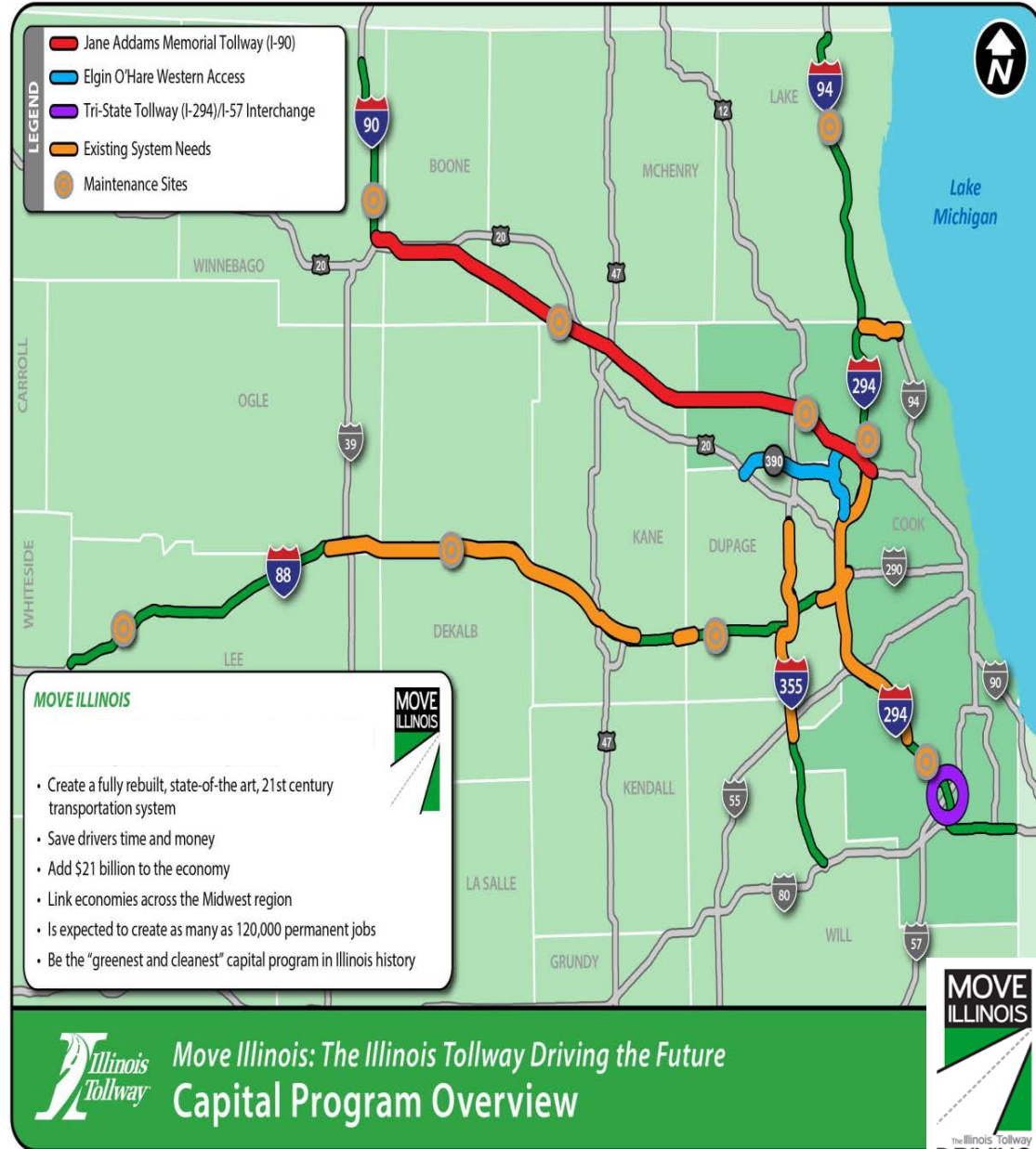
Current State of the Tollway System

- Since the Tollway System was first designed and constructed 60 years ago, the 12-county service area economy, population, and traffic travel patterns have dramatically changed
- The prior capital program, the \$5.7 billion Congestion-Relief Program, is substantially complete. Major projects included:
 - Conversion to open road tolling
 - Construction of a 12.5 mile south extension of the Veterans Memorial Tollway (I-355)
 - Reconstructed, and for significant portions widened, about 115 miles on the South and North portions of the Tri-State Tollway (I-94, I-294, I-80) and parts of the Ronald Reagan Memorial Tollway (I-88)
 - Resurfaced and rehabilitated portions of roadway across all major routes (*not including IL-390*)
- As part of the Authority's *Move Illinois Program*, large sections of the Tollway System are being rebuilt and modernized to preserve a state of good repair and accommodate the growing economy of the region



Move Illinois: The Illinois Tollway Driving the Future

- After completion of the **15-year, \$14 billion capital program, *Move Illinois: The Illinois Tollway Driving the Future***, customers will have a largely rebuilt, state-of-the-art system and critical new regional projects that will improve mobility, relieve congestion, reduce pollution, create jobs and stimulate the economy
- The Program's current budget is estimated to cost approximately \$14 billion, financed with \$5.8 billion of bond proceeds and the remainder with pay-as-you-go revenues
 - Existing System Needs: \$10 billion
 - New Projects: \$4 billion
- Authority has a history of executing large capital improvement projects on schedule / within budget
 - Allowed for strong revenue growth and stable transactions despite construction impacts and toll increases
- Approximately \$2.9B additional revenue bonds are projected to be issued for *Move Illinois*. Revenue growth is projected to be sufficient to fund the pay-as-you-go portion of the *Move Illinois Program*



Move Illinois: Addressing Existing System and Expansion Needs

Taking Care of Existing System (approximately \$10 billion)

- Projects totaling \$10 billion to maintain the existing System:
 - Reconstructing the Jane Addams Memorial Tollway (I-90) from the Tri-State Tollway (I-294) near O'Hare to the I-39 Interchange in Rockford
 - Substantially complete
 - Reconstructing all, and widening significant portions of, the central Tri-State Tollway from 95th St to Balmoral Ave; reconstruct the Edens Spur (I-94)
 - Preserving the Ronald Reagan Memorial Tollway (I-88)
 - Preserving the Veterans Memorial Tollway (I-355)
 - Repairing roads, bridges and maintenance facilities

System Expansion (approximately \$4 billion)

New Elgin O'Hare Western Access

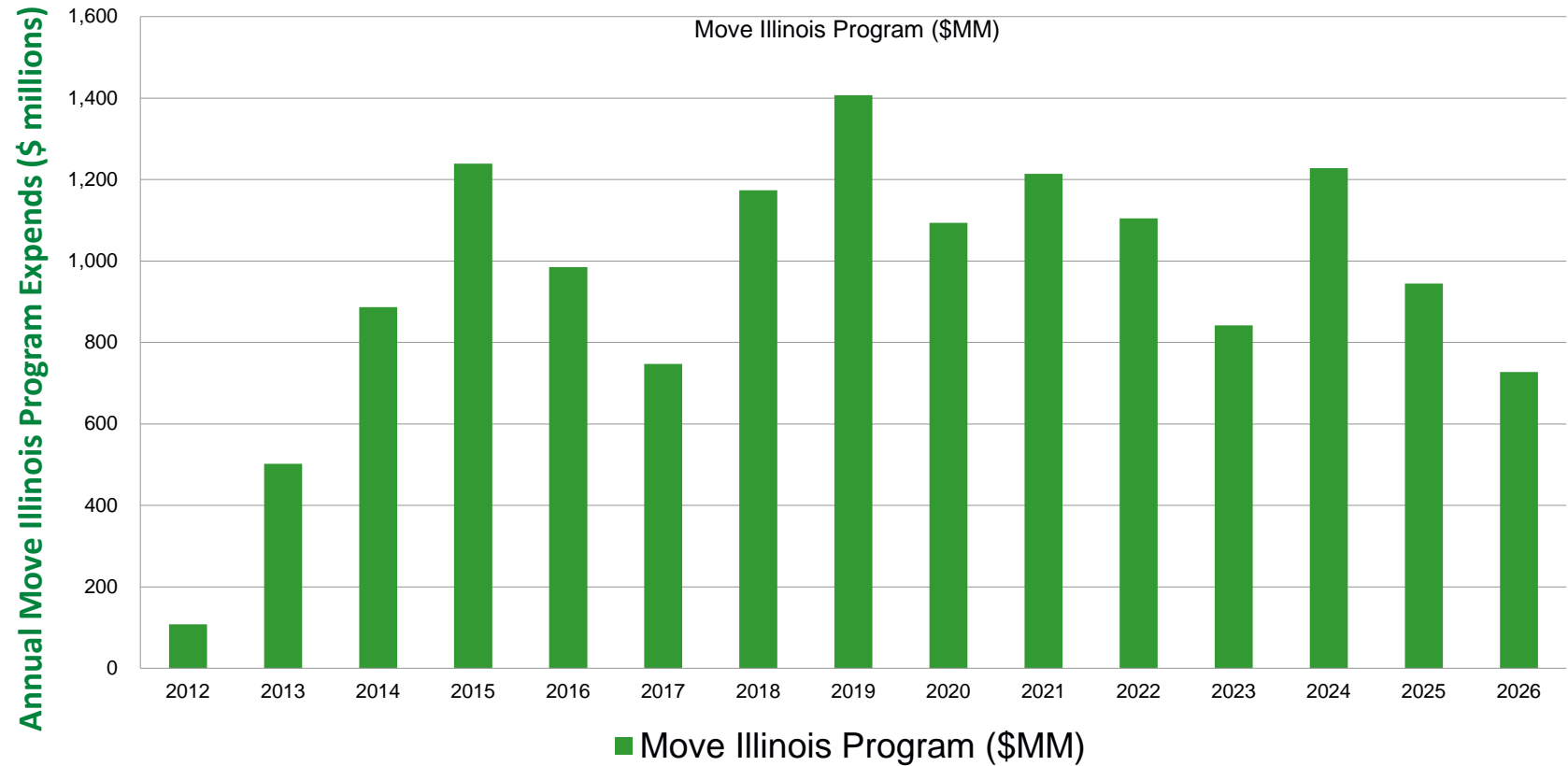
- Save drivers 7 minutes on 11-mile trip from western side of O'Hare to Lake St (Rte 20)
- Reduce rush-hour traffic on local roads
- Accommodate three times as many vehicles per day versus local roads
- Better link between O'Hare and surrounding communities / businesses to facilitate economic growth
- Project timing contingent on land acquisition
- Rehabilitation and widening of existing portion of Illinois Route 390 Tollway (formerly Elgin O'Hare Expressway) completed (tolling began July 5, 2016); eastern extension completed (tolling began November 1, 2017).

New I-294/I-57 Interchange

- One of few places in the nation where two interstates crossed but did not connect
- Projected to accommodate as many as 76,000 vehicles per day
- Projected to save drivers \$4 million annually in fuel consumption
- Increases economic development opportunities throughout Chicago Southland
- Direct freight access to south suburbs
- First phase completed in October 2014, allowing movements from northbound I-57 to I-294 and from I-294 to southbound I-57
- Second phase currently scheduled for 2024-2026

Move Illinois Capital Spending

- Construction schedule demonstrates a measured approach to capital spending
- Multiple projects allow for flexibility in scheduling and management



Source: Consulting Engineer's Report, November 2018
Note: Schedule/amounts are subject to change

Toll Rates by Vehicle Class

- Authority maintains flexibility to raise toll rates and has demonstrated willingness to do so to fund essential capital projects
- Commercial vehicle toll rates adjust annually at rate of inflation; first two increases of 1.839% and 2.254% effective January 1, 2018 and January 1, 2019, respectively
- All toll rate increases necessary to fund currently projected capital expenditures are in place

Toll Rates by Vehicle Class (1959-Present)

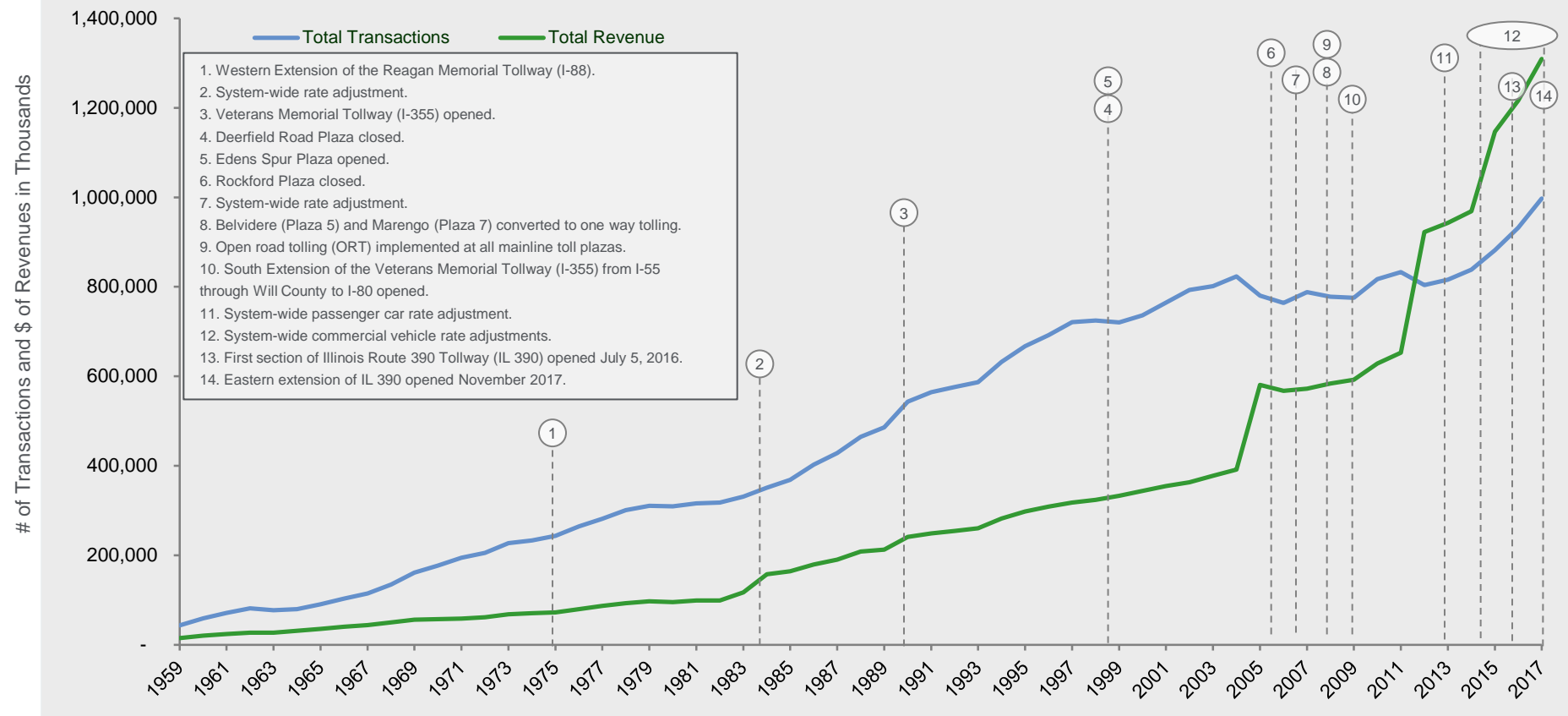
		1959 – 2004	2005 – 2011 ⁽¹⁾⁽²⁾⁽³⁾		2012 – 2014 ⁽¹⁾⁽²⁾⁽³⁾		2015 ⁽¹⁾⁽²⁾⁽³⁾		2016 ⁽¹⁾⁽²⁾⁽³⁾		2017 ⁽¹⁾⁽²⁾⁽³⁾		2018 ⁽¹⁾⁽²⁾⁽³⁾⁽⁴⁾		2019 ⁽¹⁾⁽²⁾⁽³⁾⁽⁴⁾	
Class	Description	Toll range	No Discount	Discount	No Discount	Discount	No Discount	Discount	No Discount	Discount	No Discount	Discount	No Discount	Discount	No Discount	Discount
1	Automobile/SUV, motorcycle, taxi, single unit truck or tractor, two axles, four or less tires	\$0.30 – \$0.40	\$0.80	\$0.40	\$1.50	\$0.75	\$1.50	\$0.75	\$1.50	\$0.75	\$1.50	\$0.75	\$1.50	\$0.75	\$1.50	\$0.75
2	Single unit truck or tractor, bus, two axles, six tires	\$0.30 – \$0.50	\$1.50	\$1.00	\$1.50	\$1.00	\$2.10	\$1.40	\$2.25	\$1.50	\$2.40	\$1.60	\$2.45	\$1.65	\$2.50	\$1.65
3	Three and four axle trucks, three axle buses, and Class 1 vehicles with one and two axle trailers	\$0.45 – \$0.80	\$2.25	\$1.75	\$2.25	\$1.75	\$3.15	\$2.45	\$3.40	\$2.65	\$3.60	\$2.80	\$3.65	\$2.85	\$3.75	\$2.90
4	Five and six axle trucks and miscellaneous, special, or unusual vehicles not classified above	\$0.50 – \$1.75	\$4.00	\$3.00	\$4.00	\$3.00	\$5.60	\$4.20	\$6.00	\$4.50	\$6.40	\$4.80	\$6.50	\$4.90	\$6.65	\$5.00

- (1) Toll rates listed are toll rates for 11 of the 28 mainline plazas on the existing Tollway System. Toll rates at the other 17 mainline plazas differ by various amounts. A complete listing of toll rates at each Tollway System plaza may be found on the Authority's website. No other information from the Authority's website is incorporated by reference. Toll rates on the Elgin O'Hare corridor are significantly higher on a per-mile basis than average toll rates on the existing Tollway System.
- (2) Class 1 vehicles making payment via I-PASS are tolled at the discounted rate, and the non-discounted rate applies to cash forms of payment.
- (3) Commercial vehicles (Classes 2-4) are tolled at a discounted rate during the overnight period of 10 p.m. – 6 a.m. whether paying by I-PASS or cash (the "Overnight Discount Rate"). Prior to January 1, 2009, commercial vehicles paying by I-PASS were tolled at the discounted rate for certain off-peak time periods (the "I-PASS Off-Peak Discount Rate"). This I-PASS Off-Peak Discount Rate expired on 12/31/2008. The Overnight Discount Rate continues.
- (4) Beginning January 1, 2018, and each January 1 thereafter, commercial vehicle toll rates adjust at approximately the rate of change of the Consumer Price Index for All Urban Consumers ("CPI-U"). The adjustments effective 1/1/2018 and 1/1/2019 are based on CPI-U increases of 1.839% and 2.254%, respectively.

History of Strong Revenue Growth

- The Authority has experienced continued revenue growth and stable transactions despite construction impacts and toll increases
- The continued transaction growth, subsequent to toll increases, implies low elasticity between toll ratios & transaction growth and speaks to the continuity of the system

Illinois Tollway System-Wide Annual Transactions and Revenues



Note: Revenues shown are collected Toll Revenues

Source: Traffic Engineer's Report, November 2018

Low Toll Elasticity Demonstrates Essentiality of Roadways

- Despite toll increases, the relationship between toll rates and revenues/transactions has been relatively inelastic

— In January 2015, commercial vehicle toll rates increased by 40%

- The number of commercial vehicle transactions increase by 2.8% from 2014 to 2015, which was better than forecasted
- Commercial vehicle toll revenue increased 43.0% from 2014 to 2015

Transaction Change

	Traffic Engineer 2015 Forecast	2015 Actual
Passenger Cars	1.6% Increase	5.5% Increase
Commercial Vehicles	1.1% Decline	2.8% Increase

— In January 2012, passenger car toll rates increased by 87%

- The number of passenger car transactions decreased by only 4.2% from 2011 to 2012, which was better than forecasted
- Passenger car toll revenue increased 73.9% from 2011 to 2012

Transaction Change

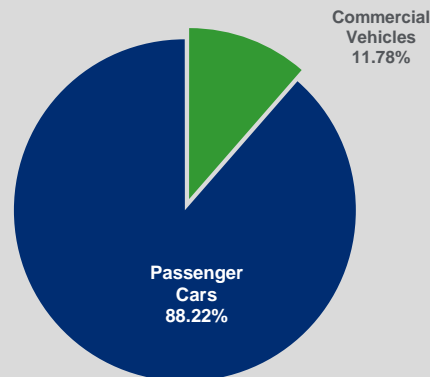
	Traffic Engineer 2012 Forecast	2012 Actual
Passenger Cars	5.9% Decline	4.2% Decline
Commercial Vehicles	2.2% Increase	2.8% Increase

- Low toll elasticity has continued through 2016 – 2018 commercial vehicle rate increases

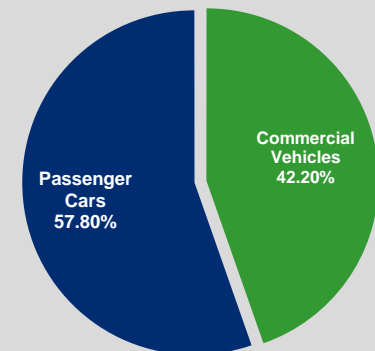
- Low elasticity for both passenger and commercial traffic on the Tollway System demonstrates the **essentiality of its roadways**

- A breakdown of 2017 toll transactions and toll revenue by passenger cars and commercial vehicles follows to the right

Toll Transaction Breakdown (2017)



Toll Revenue Breakdown (2017)



Toll Rate Peer Comparison

- The Tollway System maintains one of the lowest per-mile passenger car toll rates among U.S. facilities

Toll Rate Peer Comparison

Toll Agency (State)	\$ per mile		Toll Agency (State)	\$ per mile	
	Passenger Car	5-Axle Truck		Passenger Car	5-Axle Truck
Adams Avenue Parkway, Inc (UT)	\$1.000	\$2.500	Miami-Dade Expressway Authority (FL)	\$0.171	\$0.685
Skyway Concession Company (IL)	\$0.667	\$3.859	Osceola County (FL)	\$0.161	\$0.645
Montgomery County Toll Road Authority (TX)	\$0.625	\$2.500	Delaware Department of Transportation (DE)	\$0.160	\$0.313
DBi Services (VA)	\$0.489	\$0.847	Central Florida Expressway Authority (FL)	\$0.138	\$0.332
City of Chesapeake (VA)	\$0.457	\$0.587	New Jersey Turnpike Authority (NJ) - New Jersey Turnpike	\$0.117	\$0.385
Northwest Parkway, LLC (CO)	\$0.411	\$1.642	South Carolina Department of Transportation (SC)	\$0.110	\$0.551
Toll Road Investors Partnership II (VA)	\$0.393	\$1.182	Pennsylvania Turnpike Commission (PA)	\$0.105	\$0.550
Transportation Corridor Agencies (CA)	\$0.360	\$1.355	Maryland Transportation Authority (MD)	\$0.102	\$0.698
E-470 Public Highway Authority (CO)	\$0.305	\$1.221	Mid-Bay Bridge Authority (FL)	\$0.100	\$0.533
Central Texas Regional Mobility Authority (TX)	\$0.301	\$1.204	South Jersey Transportation Authority (NJ)	\$0.085	\$0.341
San Diego Association of Governments (CA)	\$0.275	\$0.550	Florida Turnpike Enterprise (FL)	\$0.082	\$0.283
Metropolitan Washington Airports Authority (VA)	\$0.261	\$0.784	Virginia Department of Transportation (VA)	\$0.075	\$0.150
Osceola County Expressway Authority (FL)	\$0.258	\$0.644	Indiana Toll Road Concession Company (IN)	\$0.068	\$0.274
Orchard Pond Greenway, LLC (FL)	\$0.229	\$0.915	Illinois State Toll Highway Authority (IL)	\$0.067	\$0.531
North Carolina Turnpike Authority (NC)	\$0.211	\$0.843	Oklahoma Turnpike Authority (OK)	\$0.061	\$0.213
Fort Bend County Toll Road Authority (TX)	\$0.207	\$0.827	Maine Turnpike Authority (ME)	\$0.058	\$0.233
Richmond Metropolitan Transportation Authority (VA)	\$0.206	\$0.294	Ohio Turnpike and Infrastructure Commission (OH)	\$0.053	\$0.166
Tampa-Hillsborough County Expressway Authority (FL)	\$0.193	\$0.773	Florida Department of Transportation (FL)	\$0.049	\$0.198
Cameron County Regional Mobility Authority (TX)	\$0.190	\$0.759	New York State Thruway Authority (NY)	\$0.049	\$0.258
Harris County Toll Road Authority (TX)	\$0.189	\$0.880	New Jersey Turnpike Authority (NJ) - Garden State Parkway	\$0.048	\$0.214
Connector 2000 Association (SC)	\$0.188	\$0.625	Kansas Turnpike Authority (KS)	\$0.045	\$0.133
North East Texas Regional Mobility Authority (TX)	\$0.185	\$0.738	West Virginia Parkways, Economic Development, and Tourism Authority (WV)	\$0.044	\$0.184
North Texas Tollway Authority (TX)	\$0.184	\$0.738	Massachusetts Department of Transportation (MA)	\$0.044	\$0.167
Texas Department of Transportation (TX)	\$0.182	\$0.664	New Hampshire Department of Transportation (NH)	\$0.043	\$0.187
SH 130 Concession Company, LLC (TX)	\$0.180	\$0.720	National Average	\$0.100	\$0.400

Note: Toll rates are for electronic payments at peak hour rates, if applicable. Toll rates are for full-length trips, with the exception of the Garden State Parkway 5-axle truck rates, which reflect only for the part of the facility where 5-axle trucks are allowed. Toll rates are current as of **January 2018**.

Source: Traffic Engineer's Report, November 2018

Use of Electronic Tolling

- High rate of electronic tolling – currently 88%
- Evaded tolls averaged a manageable 6.3% of expected revenues over the past five years (2013-2017)
- Evaded tolls net of evasion recovery averaged 1.2% over the past five years (2013-2017)

2017 ETC Usage Rates Comparison			
ETC Usage Rank	ETC Usage Rates	Toll Agency Name	Name of ETC System
1	90.4%	Metropolitan Transportation Authority (NY)	E-ZPass
2	87.8%	Illinois Tollway	I-PASS
3	87.0%	Massachusetts Department of Transportation	E-ZPass
4	85.0%	Port Authority of New York and New Jersey	E-ZPass
5	84.2%	New Jersey Turnpike Authority	E-ZPass
6	82.2%	Florida Turnpike	SunPass
7	81.0%	Maryland Transportation Authority	E-ZPass
8	81.0%	North Texas Tollway Authority System	TollTag
9	80.5%	Indiana Toll Road Concession Company	E-ZPass
10	77.2%	Harris County Toll Road Authority (Houston) (2016)	E-Z Tag
11	77.1%	Pennsylvania Turnpike Commission	E-ZPass
12	75.2%	Oklahoma Turnpike Authority	PIKEPASS
13	74.4%	New York State Thruway Authority	E-ZPass
14	68.6%	Bay Area Toll Authority	FasTrak
15	59.5%	Ohio Turnpike Commission	E-ZPass

Source: Traffic Engineer's Report, November 2018

History of Strong Financial Performance and Liquidity⁽¹⁾

- As of FY 2017, unrestricted cash/cash equivalents/investments totaled \$1.2 billion, equating to over 1,300 days cash on hand.

Strong Financial Performance

- Tollway's strong financial performance, shown below, and manageable debt issuance has allowed for sound budgeting.

(\$000's)	2013	2014	2015	2016	2017
Operating Revenues:					
Toll Revenue	\$943,152	\$968,972	\$1,146,629	\$1,216,298	\$1,309,190
Toll Evasion Recovery ⁽²⁾	54,221	53,769	64,323	64,491	65,640
Concession & Miscellaneous	11,537	12,373	7,664	11,481	13,041
Investment Income	866	1,041	1,846	6,530	13,947
Total Operating Revenue	\$1,009,776	\$1,036,156	\$1,220,463	\$1,298,800	\$1,401,818
(\$000's)					
Maintenance and Operating Expense:					
General Administration	\$19,138	\$24,192	\$23,851	\$25,732	\$32,077
Engineering & Maintenance	43,225	47,614	55,477	53,650	74,055
Toll Services	106,321	107,326	101,415	109,854	140,217
Police, Safety, and Communication	22,551	27,606	24,958	27,256	37,908
Insurance and Employee Benefits ⁽³⁾	86,278	91,082	92,778	92,748	35,282
Total Expenses	\$277,513	\$297,821	\$298,479	\$309,239	\$319,538
Net Operating Revenues	\$732,263	\$738,335	\$921,984	\$989,561	\$1,082,279

(1) Determined in accordance with accounting principles set forth in the Indenture and may differ from financial statements prepared in accordance with generally accepted accounting principles. Operating Expenses exclude depreciation and amortization.

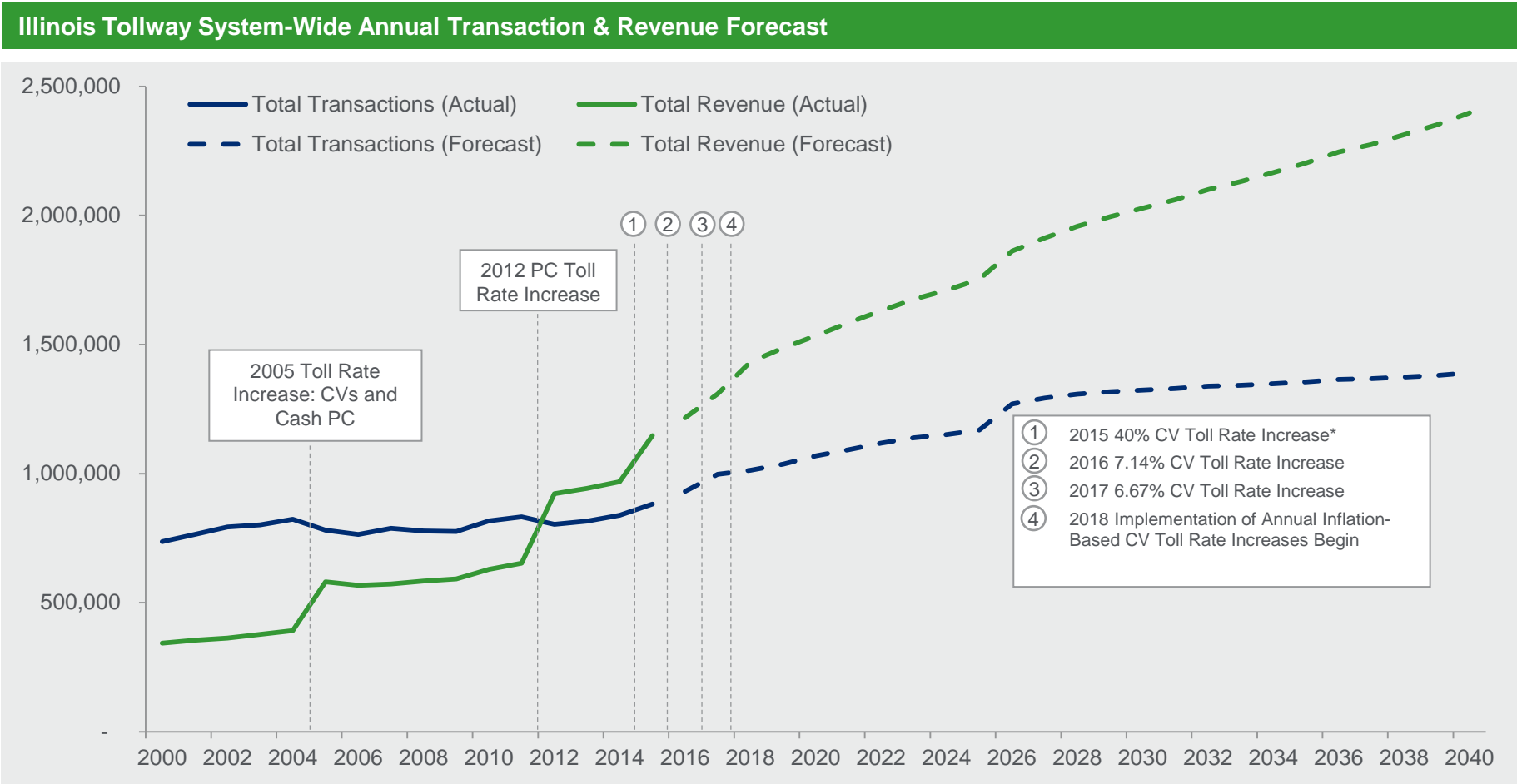
(2) The Authority recognizes fines as revenues when collected.

(3) In years 2013 - 2016, the line-item "Insurance and Employee Benefits" includes expenses for retirement, FICA, workers compensation, and medical insurance, whereas in year 2017 that line-item includes expenses only for workers compensation and medical insurance. In 2017, the expenses for retirement and FICA were allocated among the four department-based groupings listed above under Maintenance and Operating Expenses.

Source: Comprehensive Annual Financial Report for the Year Ended December 31, 2017.

Historical and Projected Traffic and Revenues

■ Forecasted average annual transaction growth is 1.4% from 2018-2042



Source: Traffic Engineer's Report, November 2018

NOTE: Historical revenue (2000-2017) is booked revenue (after evaded tolls). Projected revenue (2018-2042) is expected revenue (before evaded tolls).

CV – Commercial Vehicles; PC – Passenger Cars

Projected Debt Service Coverage

- Per its Debt Management Guidelines, the Authority will strive to maintain average senior lien debt service coverage near 2.0x

	Forecasted (\$ in millions)													
	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Projected Revenues														
Expected Toll Revenues ⁽¹⁾	\$ 1,433	\$ 1,487	\$ 1,534	\$ 1,585	\$ 1,631	\$ 1,675	\$ 1,711	\$ 1,753	\$ 1,862	\$ 1,913	\$ 1,958	\$ 1,995	\$ 2,028	\$ 2,061
Evaded Tolls ⁽²⁾	(86)	(90)	(92)	(95)	(98)	(101)	(103)	(105)	(112)	(115)	(117)	(120)	(122)	(124)
Evasion Recovery ⁽³⁾	70	73	74	76	78	80	82	84	89	92	94	96	97	99
Concession / Misc.	10	10	10	10	10	10	10	10	10	10	10	10	10	10
Investment Income	28	30	25	25	25	25	25	25	25	25	25	25	25	25
Total Revenues	\$ 1,455	\$ 1,510	\$ 1,551	\$ 1,601	\$ 1,647	\$ 1,690	\$ 1,725	\$ 1,767	\$ 1,875	\$ 1,925	\$ 1,970	\$ 2,006	\$ 2,038	\$ 2,071
Projected Operating Expenses ⁽⁴⁾	353	365	384	398	413	431	448	465	487	505	524	543	562	583
Projected Net Revenues	1,102	1,145	1,167	1,203	1,234	1,260	1,278	1,302	1,388	1,420	1,446	1,463	1,476	1,488
Projected Debt Service ⁽⁵⁾	422	440	439	439	439	447	441	477	487	499	498	497	495	501
Pro Forma Debt Serv. Coverage	2.6 x	2.6 x	2.7 x	2.7 x	2.8 x	2.8 x	2.9 x	2.7 x	2.9 x	2.8 x	2.9 x	2.9 x	3.0 x	3.0 x
Projected Net Cash Flow	\$ 680	\$ 704	\$ 728	\$ 764	\$ 795	\$ 813	\$ 836	\$ 825	\$ 902	\$ 921	\$ 948	\$ 966	\$ 981	\$ 987

⁽¹⁾ Projected Toll Revenues, the toll revenues that would be collected if applicable toll payments were received from all vehicles, are based upon the Traffic Engineers' Report.

⁽²⁾ Evaded Tolls (aka Toll Revenue Leakage) is projected for 2018 and 2019 as per the Authority's 2019 tentative budget and thereafter at 6.0% of Expected Toll Revenues.

⁽³⁾ Evasion Recovery is projected for 2018 and 2019 as per the Authority's 2019 tentative budget and thereafter at 80% of Evaded Tolls.

⁽⁴⁾ Projected Operating Expenses are based upon the Consulting Engineers' Report.

⁽⁵⁾ **This table assumes the issuance of 2018A Bonds, the refunding of the Refunded Bonds, and the issuance, anticipated within a month of the issuance of the Series 2018A Bonds, of \$300,000,000 senior lien revenue bonds to finance a portion of the costs of the Move Illinois Program, but does not take into account any bond issuance thereafter.** The Authority's current estimate of projected debt service coverage assuming the issuance of all additional bonds for the Move Illinois Program, is approximately 2x for each of the years of 2018 through 2031. This table does not take into account, either as revenue or as a credit against debt service, any Subsidy Payments expected in connection with its 2009A and 2009B Build America Bonds. Debt Service due January 1 of each year is deemed payable in the preceding year; see the definition of "Debt Service" in master Indenture.

Bondholder Security

Pledge of Revenues and Funds

Bonds issued under the Indenture are payable solely from and secured solely by a pledge of and lien on Net Revenues (defined below) of the Tollway System and certain other funds as provided in the Indenture

Net Revenues

For any Fiscal Year, the Revenues, excluding the amounts transferred (i) to the Revenue Fund from the Construction Fund and (ii) to the Trustee by the Authority from the System Reserve Account, the Improvement Account or the Renewal and Replacement Account, less the Operating Expenses for such Fiscal Year or period

Toll Covenant

The Tollway, which by statute has the exclusive right to set tolls, covenants to set tolls at levels that produce sufficient Net Revenues to meet or exceed the Net Revenue Requirement

- Amount necessary to cure deficiencies, if any, in the Debt Service Account, the Debt Reserve Account, any Junior Bond Debt Service and/or Junior Reserve Account, *plus*
- The greater of (i) the sum of Aggregate Debt Service on Senior Bonds, the Junior Bonds Revenue Requirement and the Renewal and Replacement Deposit or (ii) 1.30x Aggregate Debt Service on Senior Bonds

Net Revenue Requirement

The amount necessary to cure any deficiencies in the Debt Service and Debt Reserve Accounts (Senior and Junior), *plus* the greater of:

- The sum of: Debt Service and reserve fund requirements on Senior and Junior Bonds and the Renewal and Replacement Deposit
- 1.30x Aggregate Debt Service on the Senior Bonds

Additional Bonds Test

Look-Back (Test #1) - Net Revenues for a period of 12 consecutive months out of the 18 months preceding the issuance of additional senior bonds must exceed the Net Revenue Requirement; and

Forward-Looking (Test #2) - For the current and each Fiscal Year through the fifth full Fiscal Year after the date of issuance, Net Revenues shall be at least equal to the estimated Net Revenue Requirement for such Fiscal Year

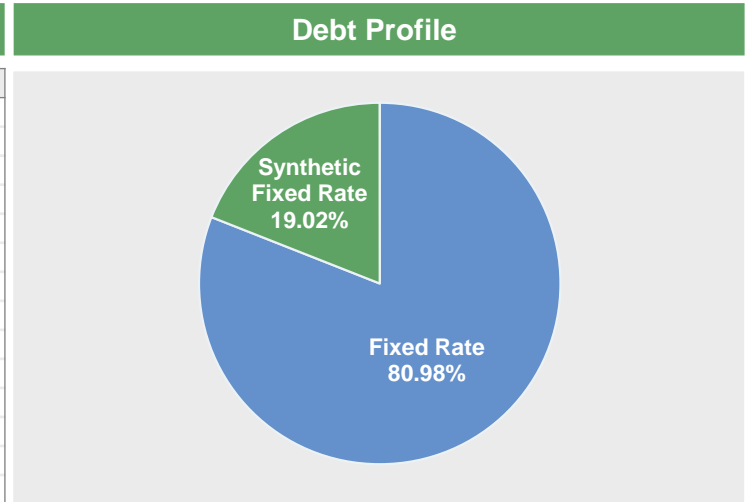
Debt Reserve Requirement

The maximum annual Aggregate Debt Service for any Fiscal Year for all outstanding Senior Bonds

Authority's Debt Profile

- The Authority currently has approximately \$6 billion in par amount of bonds outstanding

Fixed Rate Debt			
Series	Type	Issued Amount (\$000s)	Outstanding Amount (\$000s)
2009A	Fixed	500,000	500,000
2009B	Fixed	280,000	280,000
2010A-1	Fixed	279,300	277,820
2013A	Fixed	500,000	500,000
2013B-1	Fixed	217,390	93,305
2014A	Fixed	378,720	378,720
2014B	Fixed	500,000	500,000
2014C	Fixed	400,000	400,000
2014D	Fixed	264,555	248,555
2015A	Fixed	400,000	400,000
2015B	Fixed	400,000	400,000
2016A	Fixed	333,060	333,060
2016B	Fixed	300,000	300,000
2017A	Fixed	300,000	300,000



Variable Rate Debt Portfolio*							
Series	Par Amount of Bonds (\$000)	Type	Liquidity Provider / Expiration Date of Liquidity and/or Facility	Insurer	Swap Counter Party(ies)	Swap Notional / Outstanding Amount (\$000s)	Est Valuation (\$000s)
2007A-1	350,000	VRDB	Landesbank Hessen-Thüringen Girozentrale (1/30/2022) Bank of America, N.A. (3/7/2019)	None	Citibank Goldman Sachs Bank USA	350,000	(45,302)
2007A-2	350,000	VRDB	MUFJ Bank, Ltd. (3/16/2020) PNC Bank N.A. (3/5/2020) Landesbank Hessen-Thüringen Girozentrale (1/30/2022) Bank of America, N.A. (3/7/2019)	None	Bank of America Wells Fargo Bank	350,000	(45,867)
2008A-1	381,200	VRDB	JPMorgan Chase Bank (2/1/2019) RBC Municipal Products, LLC (2/3/2020)	AGMC	The Bank of New York Deutsche Bank AG	381,200	(42,728)
2008A-2	95,325	VRDB	JPMorgan Chase Bank (2/1/2019)	AGMC	Bank of America	95,300	(10,609)
Total	1,176,525					1,176,500	(144,507)

- Future new money debt issuances are projected to be fixed rate, which will decrease variable-rate exposure as a percentage of total debt over time. The majority of the Authority's variable rate debt amortizes in Authority fiscal years 2024 – 2030. The Authority expects to issue approximately \$700 million in new money bonds in 2019.

*Estimated swap valuations as of November 26, 2018.

2018 Series A Plan of Finance

- Proceeds of the 2018 Series A Bonds are expected to refund various variable rate bonds and fund payments to exit associated interest rate swaps
- The 2018 Series A Bonds may refund a portion of 2009A fixed rate bonds for savings if market conditions permit
- Expected amortization 2020-2031

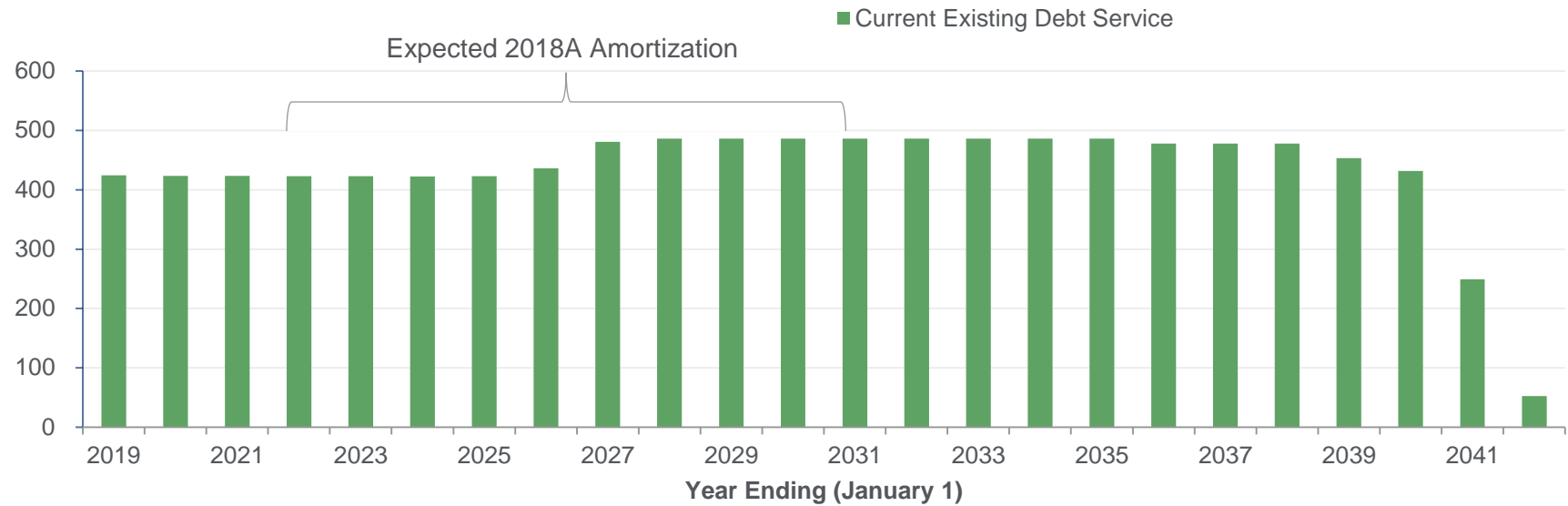
Summary of Potential Refunded Bonds

Series	Maturity Range	Outstanding Amount (\$000)
2007A-1A	7/1/24 - 30	175,000
2007A-1B	7/1/24 - 30	175,000
2007A-2A, 2B & 2C	7/1/24 - 30	262,500
2007A-2D	7/1/24 - 30	87,500
2008A-1A	1/1/20 - 31	191,550
2008A-1B	1/1/20 - 31	191,550
2008A-2	1/1/20 - 31	95,775
2009A*	1/1/20 - 24	78,060

*Build America Bonds - Direct Payment

The refunding is not expected to materially impact the current aggregate debt service schedule *(see below)*

Existing Debt Service (\$'s in millions)



Source: POS

Transaction Timeline* and Contact Data

Transaction Timeline

November 2018						
S	M	T	W	T	F	S
				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	

December 2018						
S	M	T	W	T	F	S
						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					

Closing Thursday, January 10

Date*	Event
Nov 27	Post Preliminary Official Statement
Dec 11	Price Bonds
Jan 10	Closing

For additional information on the offering, please contact your J.P. Morgan or Goldman Sachs sales representative.

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* Preliminary, Subject to Change