MOODY'S
RATINGS

Rating Action: Moody's Ratings assigns Aa3 to Illinois State Toll Highway Authority's 2025 Series A Toll Highway Senior Revenue Bonds; outlook is stable

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New York, October 24, 2025 -- Moody's Ratings (Moody's) has assigned Aa3 to Illinois State Toll Highway Authority's (ISTHA) $500 million Toll Highway Senior Revenue Bonds, 2025 Series A. The outlook is stable. ISTHA has $6.9 billion of debt outstanding.

RATINGS RATIONALE

The Aa3 senior lien rating is based on the authority's very strong market position characterized by the essential nature of its tollway system serving one of the nation's largest population bases and most diverse economies. Strong traffic and revenue growth trends through toll increases and state-level fiscal stress demonstrate the inelastic demand for the tollway system roads and limited competition. Debt service coverage remains strong, and leverage will increase somewhat as a result of plans to issue an additional $1.5 billion through 2027, including the $500 million from 2025 Series A, to fund a portion of the Move Illinois capital program, which is expected to be substantially complete in 2028. Beginning in 2025 is ISTHA's new 7-year $2.0 billion capital program, Bridging the Future. Capital spending for this capital plan includes no additional debt, with funding relying on revenues and liquidity. While ISTHA is in the planning phases for a future long term capital program and its respective funding, Moody's expects that some additional debt will be issued and that liquidity will decline from very strong current levels. However we believe that management will take action as needed on its toll structure to maintain its sound financial metrics. The authority does not rely on state funding and its credit profile acknowledges strong protections in the authorizing legislation, the master trust indenture, and the Illinois Constitution.

RATING OUTLOOK

The stable outlook is based on the expectation that the authority will continue to exercise its rate-setting autonomy and that management will move forward with its capital programs in a manner to keep its strong financial metrics.

FACTORS THAT COULD LEAD TO AN UPGRADE OF THE RATING

- Traffic and revenues that significantly exceed current projection, with Moody's net revenue DSCR above 3.0x

- Adjusted debt to operating revenues below 4.0x

- Substantial improvement in the state's credit strength

- Liquidity remaining above 730 days cash on hand

FACTORS THAT COULD LEAD TO A DOWNGRADE OF THE RATING

- Substantial deterioration of the state credit profile

- DSCRs consistently falling below 1.75x on Moody's net revenue basis

- Adjusted debt to operating revenues above 7.0x

- Liquidity below 365 days cash on hand

PROFILE

ISTHA operates a tollway system that consists of approximately 294 miles of limited access highway in twelve counties in the northern part of Illinois and is an integral part of the expressway system in northern Illinois. The entire tollway system has been designated a part of the US Interstate Highway System, except for the 10 miles of Illinois Route 390. The system consists of five components: the widened and extended Illinois Route 390 (formerly the Elgin O'Hare Expressway) whose widened 6.5 mile segment opened for tolling in July 2016, and whose 3.5 mile extension opened in November 2017. At completion the Elgin O'Hare Western Access Project will total 17 miles and provide Western access to O'Hare airport; the 76 mile Jane Addams Memorial Tollway, which constitutes a portion of US Interstate Highway 90; the 82 mile Tri-State Tollway constituting portions of US Interstate Highways 80, 94 and 294; the 30 mile Veterans Memorial Tollway (Interstate 355) which opened in December 1989 and was extended in 2007, and the 96 mile Ronald Reagan Memorial Tollway that constitutes a portion of US Interstate Highway 88.

METHODOLOGY

The principal methodology used in this rating was Publicly Managed Toll Roads and Parking Facilities published in May 2023 and available at https://ratings.moodys.com/rmc-documents/403120. Alternatively, please see the Rating Methodologies page on https://ratings.moodys.com for a copy of this methodology.

REGULATORY DISCLOSURES

For further specification of Moody's key rating assumptions and sensitivity analysis, see the sections Methodology Assumptions and Sensitivity to Assumptions in the disclosure form. Moody's Rating Symbols and Definitions can be found on https://ratings.moodys.com/rating-definitions.

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