
transurban
3 MAY 2016
TRANSURBAN
2016 INVESTOR DAY
POSITIONING FOR THE FUTURE

AGENDA: POSITIONING FOR THE FUTURE

1	**OVERVIEW AND STRATEGY** Scott Charlton	
2	**FUTURE ENVIRONMENT** Michele Huey	
3	**INVESTING IN OUR TECHNOLOGY CAPABILITY** Lisa Tobin and David Hanus	
	MORNING TEA	
4	**ENHANCING OUR CUSTOMER EXPERIENCE** Sue Johnson	
5	**PANEL Q & A**	
6	**FUNDING FOR THE FUTURE** Adam Watson	
	LUNCH	
7	**WORKING WITH GOVERNMENT PARTNERS** Tony Adams	
8	**GREATER WASHINGTON AREA** **Jennifer Aument**	
9	**SYDNEY** Andrew Head	
10	**MELBOURNE** Vin Vassallo	
11	**BRISBANE** Wesley Ballantine	
12	**PANEL Q & A**	
13	**WRAP-UP** Scott Charlton	

OVERVIEW AND STRATEGY

SCOTT CHARLTON

To be the partner of choice with governments providing effective and innovative urban road infrastructure utilising core capabilities

WHO

Governments with:

- Location on eastern seaboard of Australia and North America
- Significant traffic congestion to relieve in urban environment
- Sustainable socio-economic position
- Economic growth potential
- Legislative environment supporting private sector involvement in transport infrastructure

WHAT

- Provide effective and innovative urban road infrastructure
- Offer customers value through productivity and safety benefits

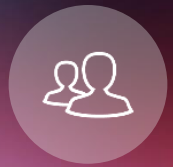
HOW

- Long-term owner/operator
- Leveraging existing networks
- Demonstrating value to the client, users and community
- Leading capabilities in network planning/forecasting, community engagement, development/delivery, technology application, operations and customer management
- Only pursuing sustainable policy

- Delivery and execution of $11 billion project pipeline, Transurban's share $8 billion
- Operations and technology

Managed motorways

Operations & Maintenance model (O&M)

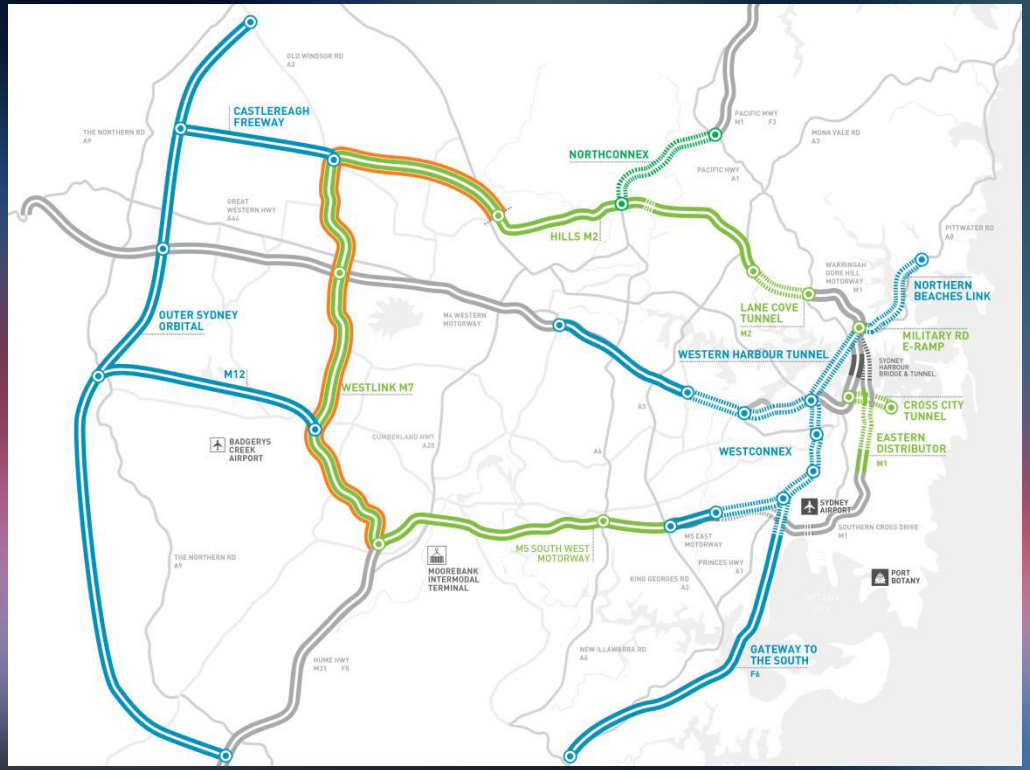


Customer

Community & stakeholder engagement

NEXT GENERATION DEVELOPMENT OPPORTUNITIES

Sydney



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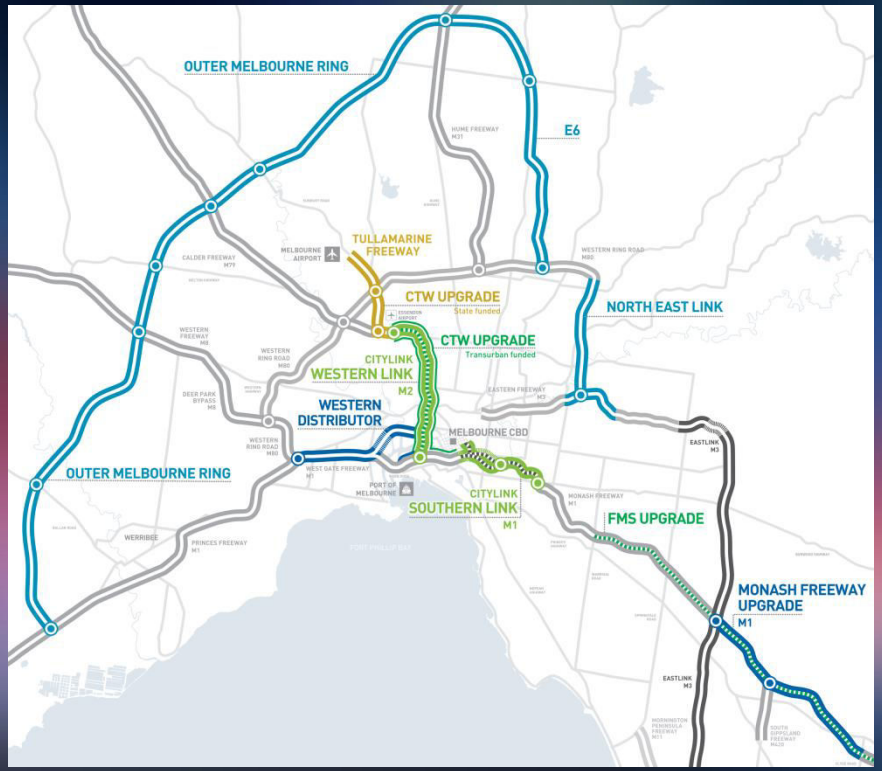
SYDNEY, AUSTRALIA

Transurban asset	Missing links
Transurban development	Other toll road
Transurban in exclusive negotiations	Freeway
Competitive procurement/tender	Arterial
Non-tolled network enhancement	Tunnel
Future widenings	Interchange
FMS operation/upgrade (anticipated to roll out across the entire road network)	

NEXT GENERATION DEVELOPMENT OPPORTUNITIES

Melbourne



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MELBOURNE, AUSTRALIA

Transurban asset	Missing links
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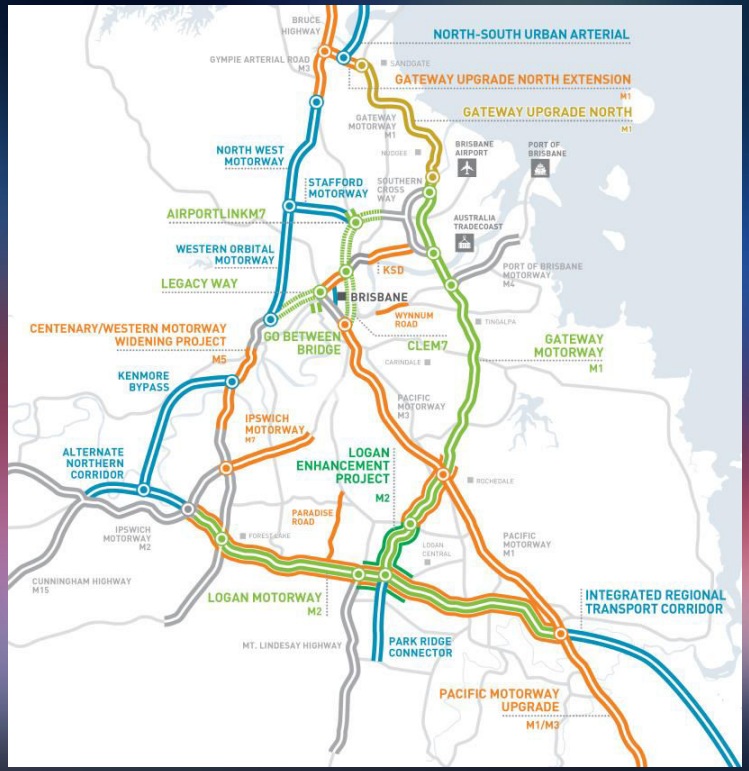
NEXT GENERATION DEVELOPMENT OPPORTUNITIES

Brisbane



BRISBANE, AUSTRALIA

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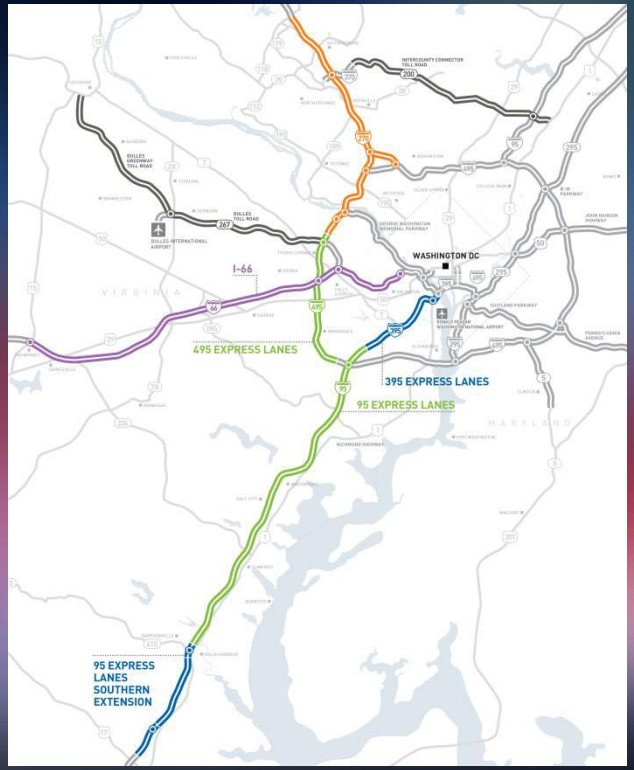
NEXT GENERATION DEVELOPMENT OPPORTUNITIES

Greater Washington Area



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GREATER WASHINGTON AREA, USA

Transurban asset	Missing links
Transurban development	Other toll road
Transurban in exclusive negotiations	Freeway
Competitive procurement/tender	Arterial
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Future widenings	Interchange
FMS operation/upgrade (anticipated to roll out across the entire road network)	

RECENT CHANGES TO POLICY ENVIRONMENT

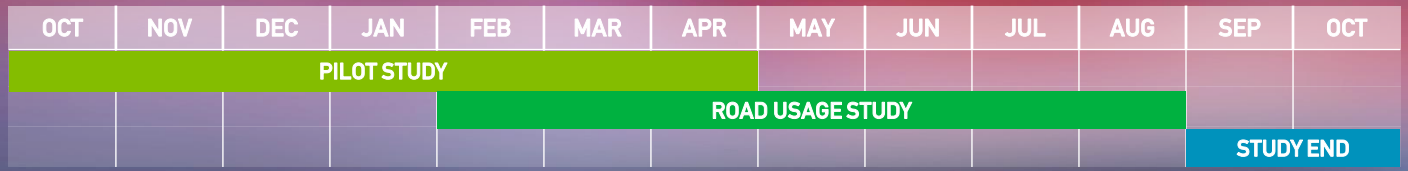
HEADLINES

- Malcolm Turnbull urged to charge motorists for using roads
  The Australian | Feb 2016
- Driven mad in traffic? We need user pays roads
  Sydney Morning Herald | Feb 2016
- Scott Morrison urged to hold road user pricing inquiry as cars become more efficient
  Australian Financial Review | Feb 2016
- Transurban's reform rev-up
  The Age | Oct 2015

POLICY ENVIRONMENT CONSIDERATIONS

- Inequity of current road funding model
  - Fuel efficient and electric cars contribute less in fuel excise
  - Car registration annual fee not based on usage
- Reform inevitable – Transurban preparing for change

ROAD USAGE STUDY TIMELINE (OCTOBER 2015 – OCTOBER 2016)



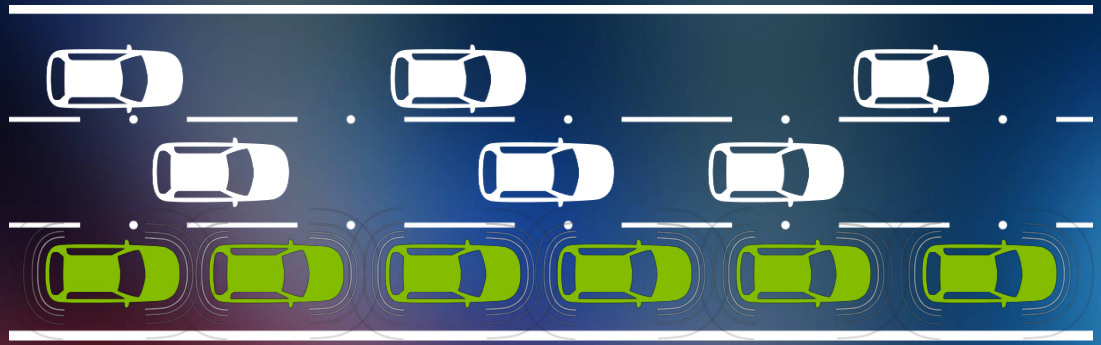
PREPARING FOR TECHNOLOGY ADVANCES

Technology advances impacting capacity:

- Connected and autonomous vehicles (CAVs)
- Vehicle platooning
- Designated lanes

Potential for 10-25% increase in motorway capacity by 2030s

Safety benefits from reduced human error



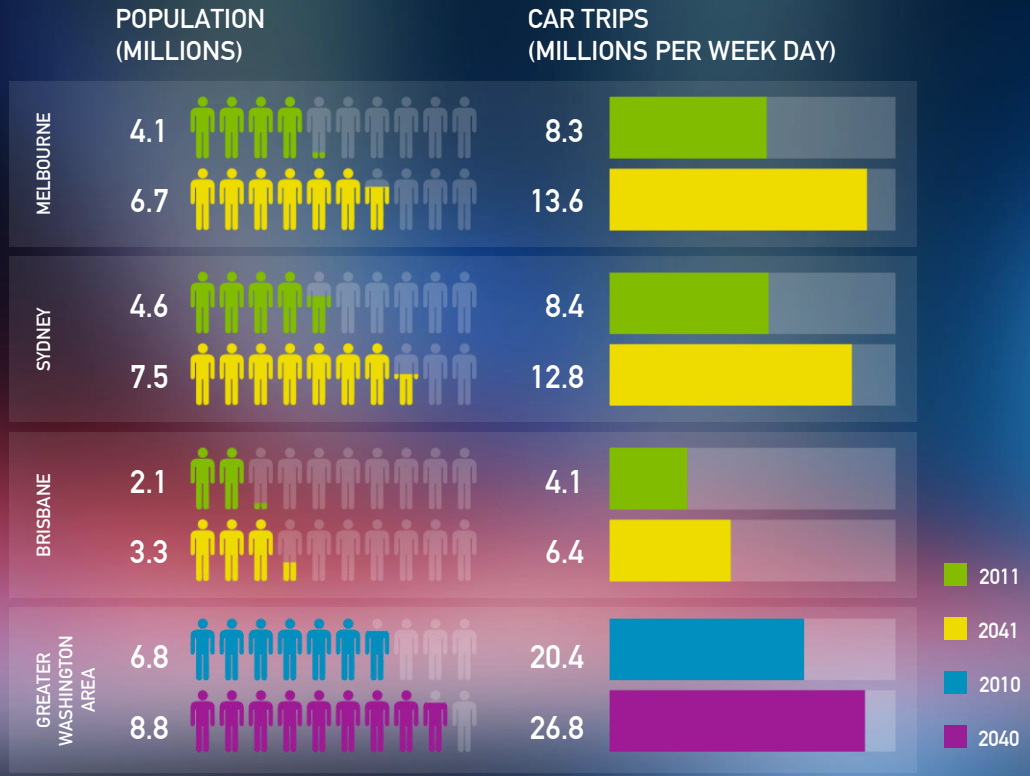
Vehicle platooning

Dedicated lanes for CAVs

Potential to double capacity in dedicated CAV lanes

THE FUTURE DEMOGRAPHIC ENVIRONMENT

- Customer behavioural changes impacting demand
  - Changes in travel patterns
  - Changes in car ownership
- Population growth environment impacting demand



Sources:

Australian cities population:
Deloitte Access Economics

Greater Washington Area population:
National Capital Region Transportation Planning Board

Vehicle trips – all regions
Transurban's Strategic Transport Models

FUTURE ENVIRONMENT

MICHELE HUEY

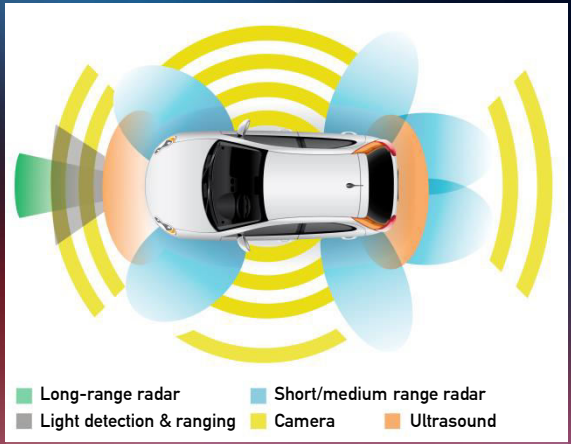
MULTIPLE FACTORS DRIVING CHANGE ON TRANSPORT NETWORKS

Technology advances

Social changes

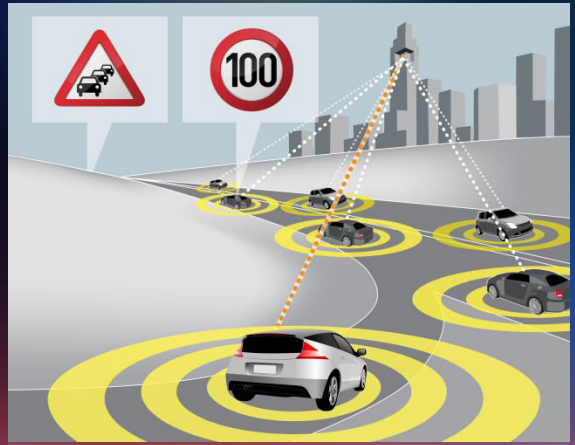
Policy evolutions

ADVANCES IN VEHICLE TECHNOLOGY AND INFRASTRUCTURE CONNECTIVITY



Rapid pace in vehicle technology advancement

- Safety assist
- Vehicle performance
- Vehicle-to-vehicle connectivity

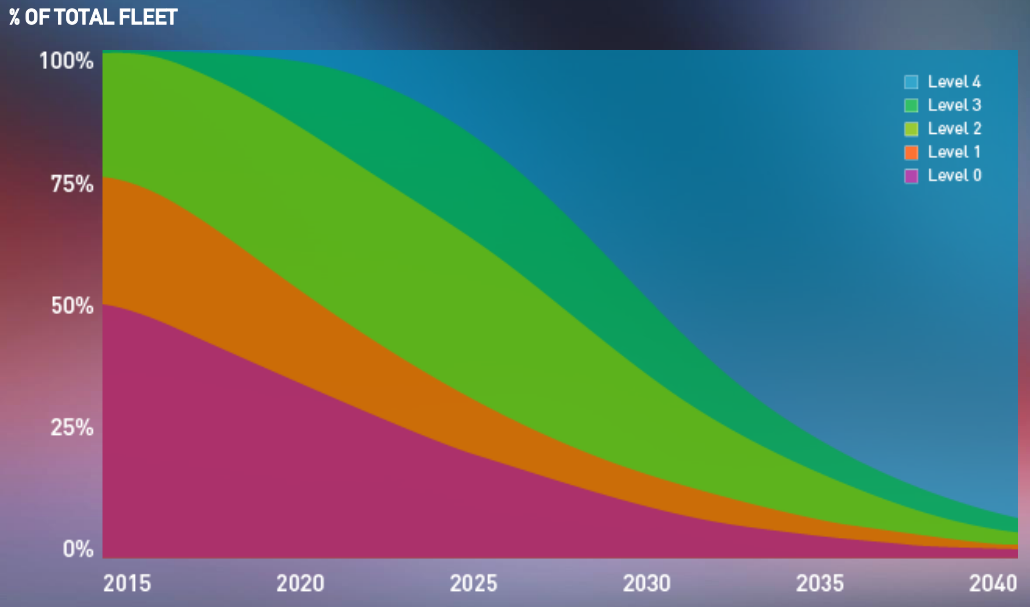


Infrastructure connectivity critical

- Hazard and situation awareness and response
- Traffic flow synchronisation
- Connected navigation

PROGRESSIVE ROLL-OUT OF CAVS

USA VEHICLE FLEET BY AUTOMATION LEVEL



Source: University of Minnesota, Levinson, The End of Traffic and the Future of Transport Funding (Aug 2015)

Vehicle automation level as defined by National Highway Traffic Safety Administration (USA)

- **Level 4 –** Complete self-driving automation
- **Level 3 –** Limited self-driving automation
- **Level 2 –** Combined function automation
- **Level 1 –** Function-specific automation
- **Level 0 –** No automation

POSITIVE IMPACT ON ROAD SAFETY

Crash reduction with the use of CAVs

Level 1 *Crashes with airbag deployment, injury, rollover, a high Delta-V, or that require towing. Injury, if present, should be sufficient to require a doctor's visit. High Delta-V is defined as a change in speed of the subject vehicle in any direction during impact greater than 20 mph (excluding curb strikes) or acceleration on any axis greater than ±2 g (excluding curb strikes).*

Level 2 *Crashes that do not meet the requirements for a Level 1 crash. Includes sufficient property damage that one would anticipate is reported to authorities (minimum of $1,500 worth of damage, as estimated from video).*

Level 3 *Crashes involving physical conflict with another object (but with minimal damage) that do not meet the requirements for a Level 1 or Level 2 crash.*

Source: VTTI, Automated Vehicle Crash Rate Comparison Using Naturalistic Data (Jan 2016)

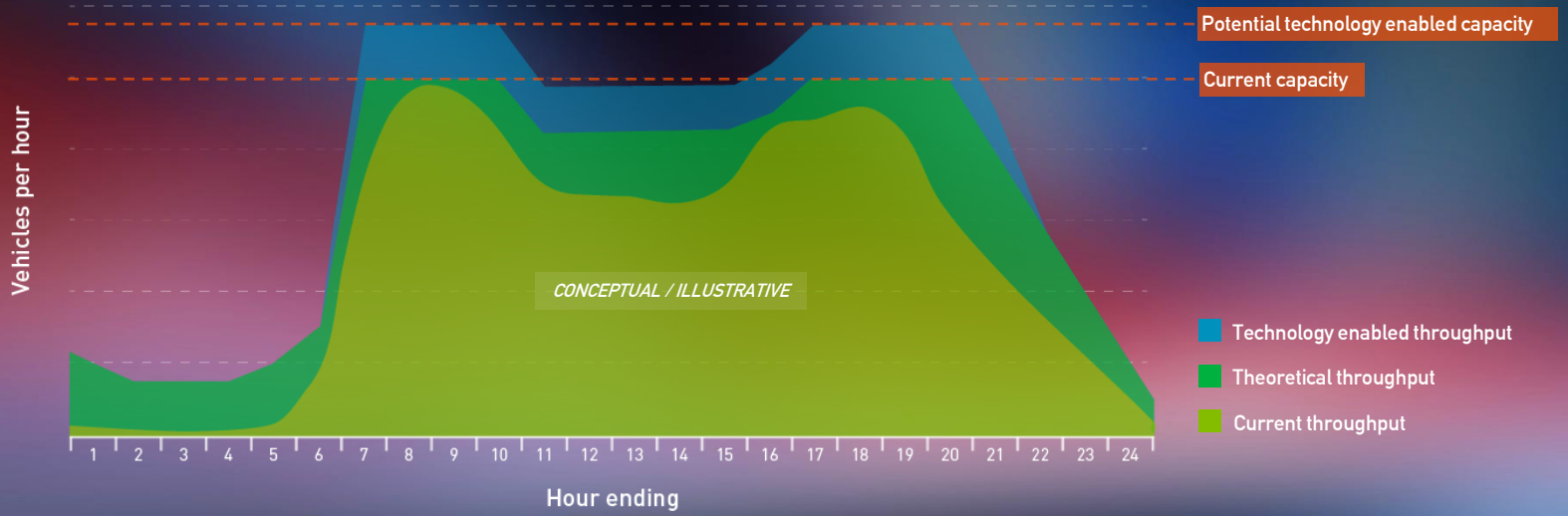
Leveraging technology on our assets today

- Incident prevention measures
  - E.g. over-height vehicle detection and incident management
- Road conditions response
  - E.g. variable messaging and variable speed signs to manage real-time road conditions and incidents
- Improvement priority identification
  - E.g. incident hot spots analysis and traffic flow breakdown solutions

POSITIVE IMPACT ON ROAD CAPACITY

Combination of CAVs and infrastructure connectivity to increase throughput

TYPICAL WORKDAY PROFILE

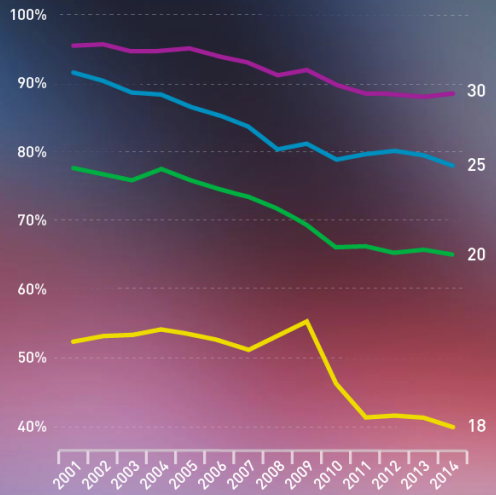


SOCIAL CHANGES SHIFTING THE WAY VEHICLES ARE USED

Key trends

- Population growth
- Service and knowledge economy
- Collaborative economy
- Access versus asset ownership
- Sustainability priorities
- Urbanisation

DRIVERS LICENCE OWNERSHIP BY AGE (VICTORIA)



Source: Charting Transport

CAV TAXIS COULD REPLACE TRADITIONAL TAXIS AND CARS IN MEGACITIES

	Average number of passengers per vehicle	Total cost per passenger mile in New York City
Public transport	N/A	$1.00
Vehicle ownership	1.6	$1.20
Taxi	1.2	$2.80
CAV taxi	1.2	$1.80
CAV taxis that accommodate at least two people could be cost-competitive with mass transit if capital budgets and government subsidies are taken into account	1	$2.20
	2	$1.10
	3	$0.70
	4	$0.60

Source: BCG, Revolution in the Drivers Seat (Apr 2015)

KEY POLICY EVOLUTIONS

Productivity improvement

Heavy and light vehicle charging reform

Infrastructure investment priorities

Public and private sector collaboration

DIFFERENT VIEWS ON TECHNOLOGY IMPACT AND TIMING

PACE OF CHANGE AND ADOPTION

25% of the fleet will be autonomous by 2035, with 95% penetration by 2040, without a legal driver by 2050

(Foreign Policy Think Tank Working Group, 2014)

Once technological and regulatory issues have been resolved, up to 15% of new cars sold in 2030 could be fully autonomous

(McKinsey, 2016)

75% of fleet autonomous by 2040

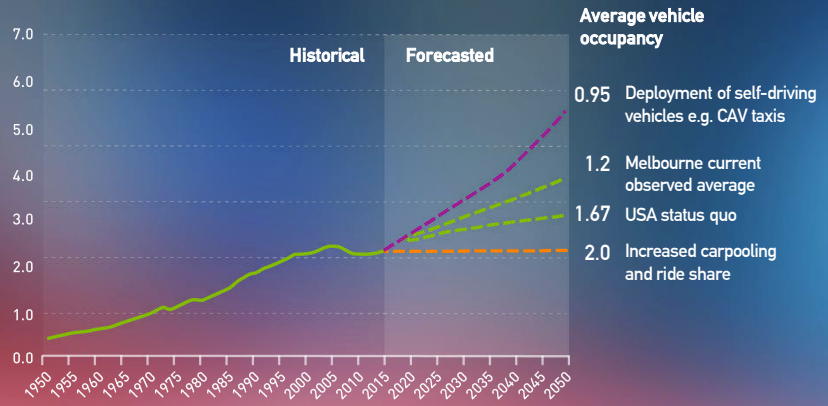
(IEEE, 2012)

The Victorian Transport Policy Institute predicts 75% market penetration by 2060

(VTPI – Litman, 2015)

HOW CHANGE WILL MATERIALISE

SHORT & LONG-TERM IMPACT OF CHANGE



Source: USA BTS data, NHTS data, USA Census data, KPMG Analysis, VicRoads Traffic Monitor report

TRANSURBAN IS POSITIONED TO BENEFIT FROM THE FUTURE ENVIRONMENT

MOTORWAYS A LOGICAL CANDIDATE FOR CAV APPLICATION

Free flow traffic lane design

Road conditions and lane qualities

Infrastructure connectivity

SMART MOTORWAYS

Optimisation of technology across the network (rather than for individual assets) to achieve better utilisation and throughput

SCALE OF CUSTOMER BASE

Leveraging data and access to road users to deploy new technologies and services

INVESTING IN OUR TECHNOLOGY CAPABILITY

LISA TOBIN

INVESTING IN OUR TECHNOLOGY CAPABILITY

Building smarter motorways

Scaling tolling services

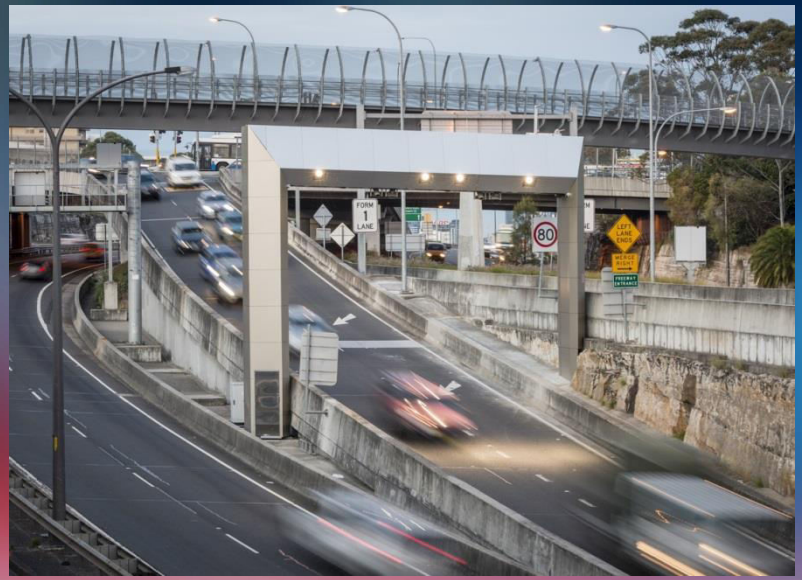
Investing in Cloud, digital and data

Innovating through partnerships

BUILDING SMARTER MOTORWAYS

Intelligent Transport Systems investment to realise greater network benefits

- Standardising technologies across our roadways
- Connecting and sharing data more effectively across our road management systems
- Consolidating systems and processes across the network
- Applying roadside data to improve planning and traffic management activities
- Increasing security and resilience of our roadside networks
- Improving capacity on networks



SCALING TOLLING SERVICES

Harnessing the benefits of our tolling as a service platform

- Proven delivery of our turn-key tolling solutions and services for roadways
- Stable and reliable revenue capture processes
- Evaluating further opportunities to consolidate tolling systems across our markets
- Assessing long-term opportunities to introduce new tolling products and services
- Increase our capacity to scale assets

INVESTING IN CLOUD, DIGITAL AND DATA

A range of value-adding transport technologies:

- Integrating digital Application Programing Interface (API) capabilities to enable a more effective customer experience
- Implementing cloud services and automation technologies to expand capacity and speed up delivery
- Big data technologies to extract more value from the information collected from our roadside, tolling and operational systems

INNOVATING THROUGH PARTNERSHIPS

Continuing to work with a range of partners

- Assessing how we can support the rollout of CAV technology on our networks
- Integrating learnings from our road usage study into our long-term technology strategy
- Exploring data sharing opportunities to deliver new real-time information services to our customers
- Leveraging the R&D capabilities of our partners to improve safety, throughput and enforcement outcomes

ENHANCING OUR CUSTOMER EXPERIENCE

SUE JOHNSON

Converting our customers to advocates

Digital engagement for road users

Harnessing our data for future growth

TRANSURBAN'S CUSTOMER BASE

Customer service is vital in protecting our licence to operate

30%

CORPORATE CUSTOMERS
Travel time savings, performance reporting, partnerships

70%

RETAIL CUSTOMERS
Apps, self serve, travel time savings

Focus on transitioning to account holders and streamlining enforcement

DIGITAL IMPROVEMENTS FOR OUR ACCOUNT HOLDERS

Retail

- Continued migration to self service through website improvements
- Mobile apps
- GPS data for personalised notifications
- Expanded payment and communication channels
- Use of social network profiles for account management

Corporates

- Advanced consolidated billing and reporting
- Dedicated web tools for easier account management
- Partnering with corporates on new technologies e.g. GPS data

APP FEATURES INCLUDE:

- Easier account management
- New payment options
- Real-time notifications
- Roadside camera feeds

DATA IMPROVEMENTS FOR OUR ACCOUNT HOLDERS

Retail

- Project to provide travel time savings on statements
- Web based interactive travel time savings map

Corporates

- Travel time savings corporate reporting
- Proactive notifications for fleet review
- Account management integration into corporate systems

IMPROVING CUSTOMER EXPERIENCE FOR NON-ACCOUNT HOLDERS

Improving the transition to account holders and streamlining the enforcement process:

First time fee waiver program

Campaigns to convert non-account customers

Proactive outbound communications to customers

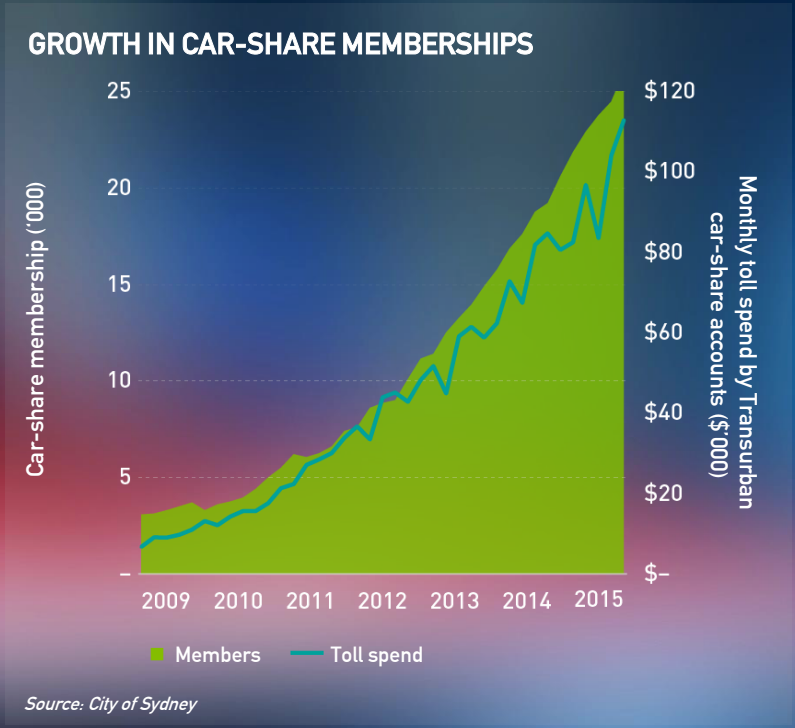
Innovating through partnerships

More than 95% of infringement recoveries retained by State/Council Authority in Australia

In the USA, Transurban manages penalty and court process and collects and retains the majority of enforcement recoveries

CUSTOMER TRENDS

- Consolidation of accounts
  - Corporate customers shifting towards fleet leasing arrangements resulting in need for large scale account management
  - Growth in car-share driving increase in on-billing arrangements
  - Increased appetite for data on effective road usage
- Potential for real time billing through the use of APIs
- Potential to expand reporting and data integration with commercial accounts
- Demand for more digital interaction
- Building stronger partnerships with other transport service providers



FUNDING FOR THE FUTURE

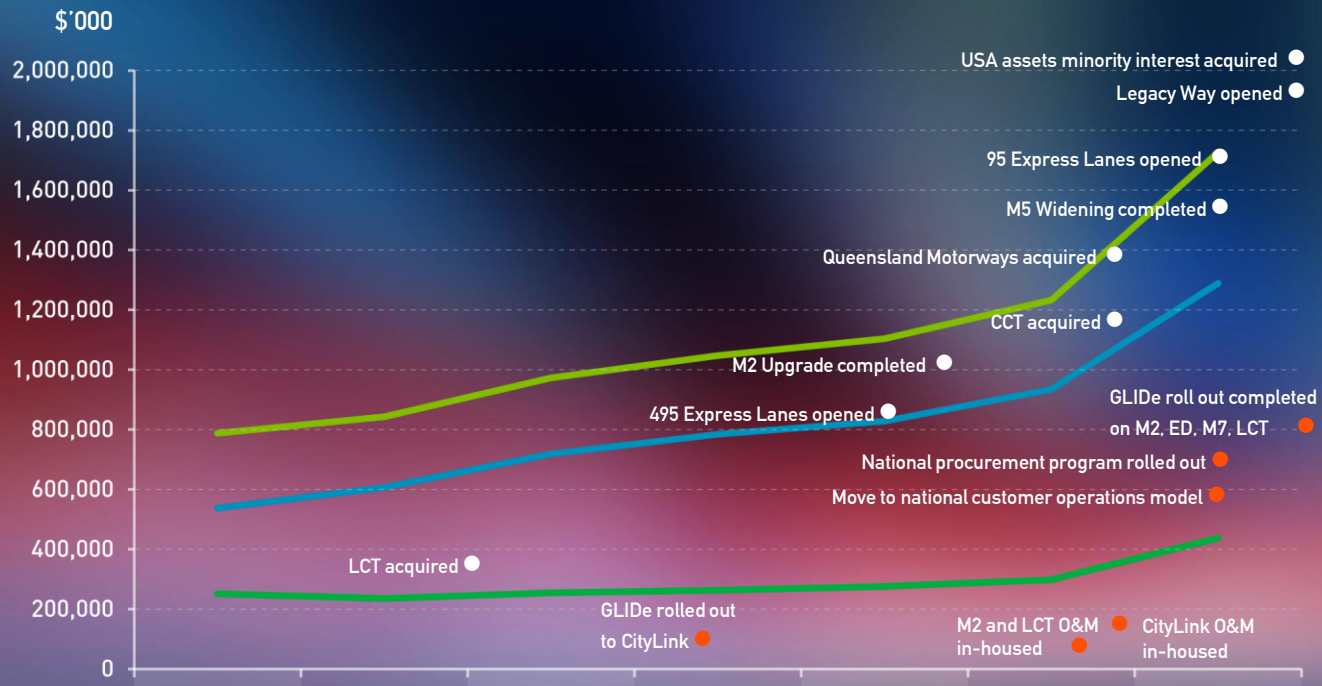
ADAM WATSON

Disciplined cost management

Optimal capital structuring

Managing funding risk

DISCIPLINED COST MANAGEMENT DURING GROWTH PHASE

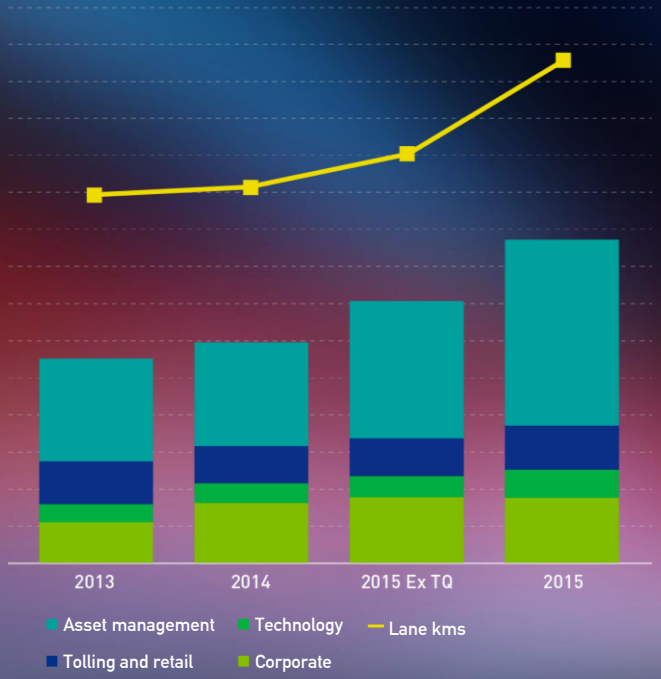


	FY09	FY10	FY11	FY12	FY13	FY14	FY15
EBITDA MARGIN	68.2%	72.0%	73.9%	74.9%	75.0%	75.8%	74.7%

- Earnings growth and margin expansion achieved despite significant increase in business activity
- A number of initiatives, such as in-housing maintenance planning, are cost neutral in the near term but delivered an immediate uplift in lane availability and revenue growth

1. *Calculated by dividing EBITDA by total revenue.*

MANAGING KEY COST DRIVERS



COST CATEGORIES	DRIVERS
ASSET MANAGEMENT O&M, major maintenance and technology roadside costs	Number of lane kilometres Asset mix (tunnel vs open road) In-housing O&M activities
TOLLING & RETAIL Customer account management, transaction processing and customer initiatives	Trips/transactions Customer experience initiatives
TECHNOLOGY Corporate platform development and security and capability improvement	Business growth Security enhancements Revenue enhancing initiatives
CORPORATE	Business growth Strategic initiatives

CAPITAL STRATEGY

CONSISTENTLY GROWING DISTRIBUTIONS

EFFICIENTLY FUND GROWTH

MAINTAIN STRONG INVESTMENT GRADE CREDIT METRICS

COST EFFICIENT FUNDING THROUGH MARKET CYCLES

OPTIMISING CAPITAL STRUCTURE

Maintaining investment grade credit metrics

Maturity of asset

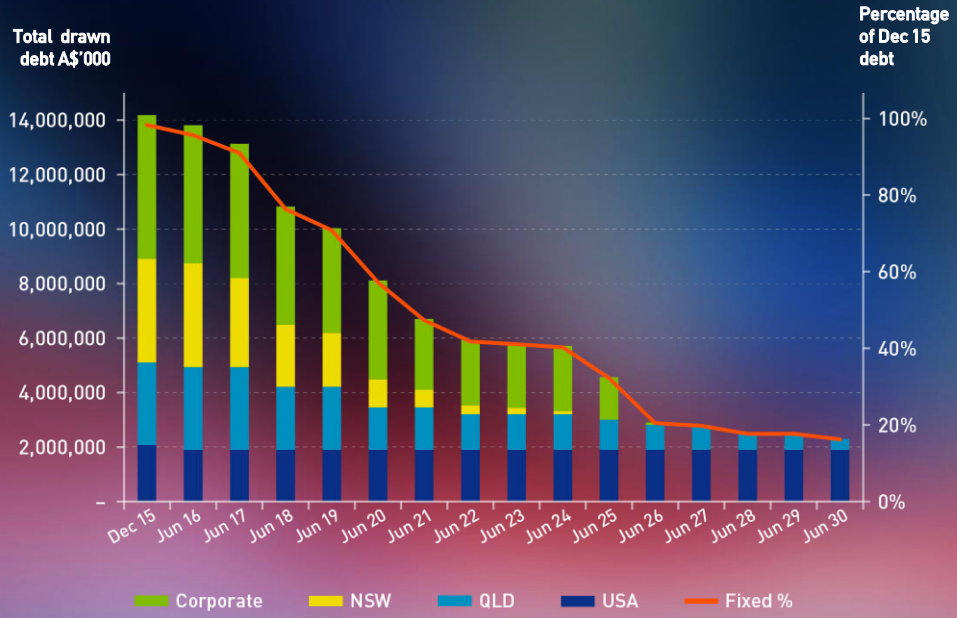
Concession restrictions

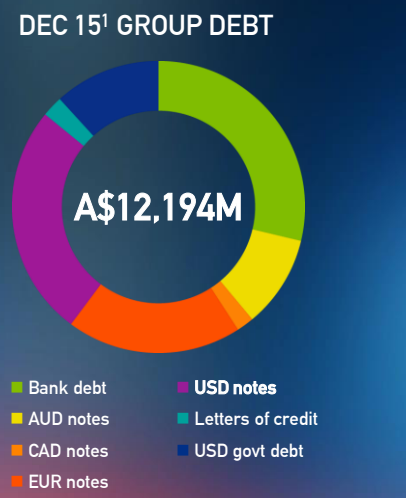
Ownership structure

Development considerations

MANAGING FUNDING RISK

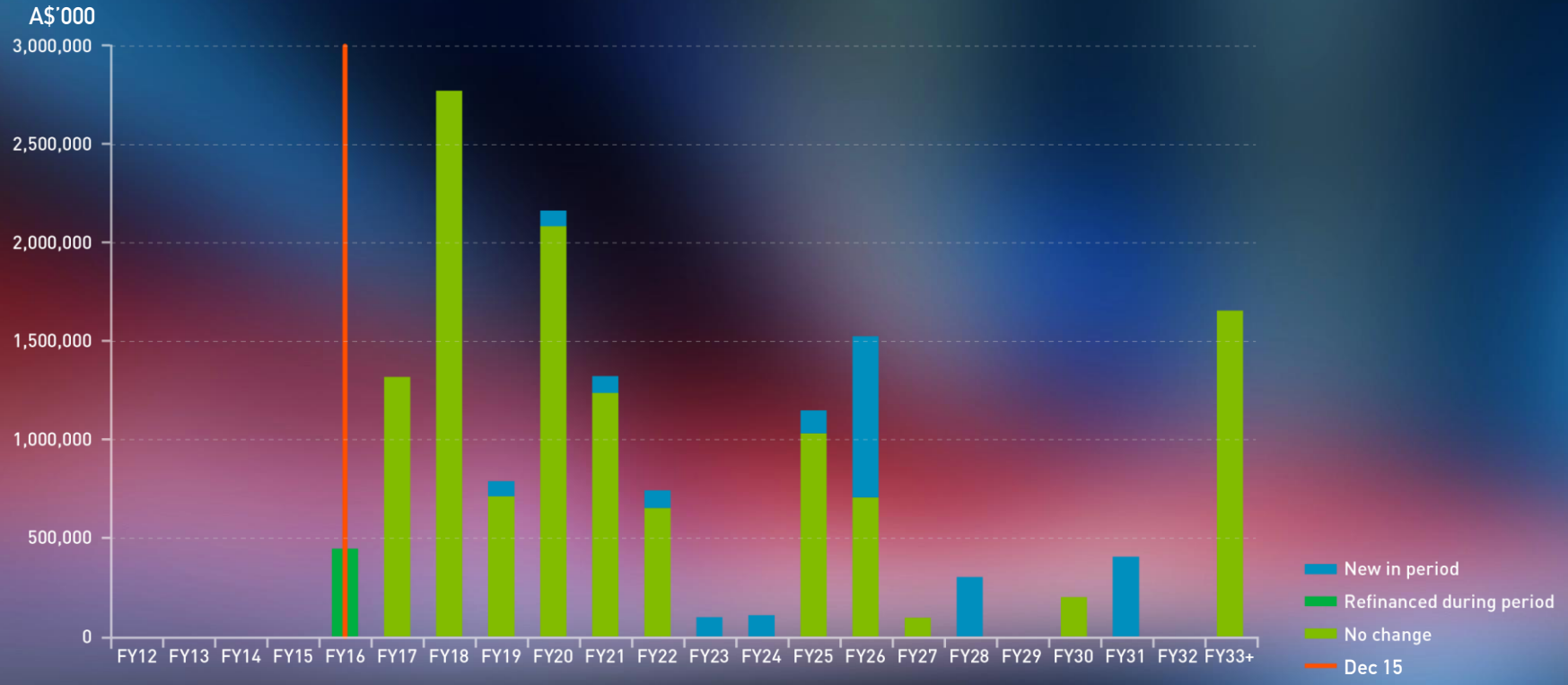
- Hedging interest rates (98% hedged) and currency (100% hedged), consistent with relevant debt instrument
- Investment grade credit metrics
- Diversified funding sources
- Early refinancing plan





1. *Proportional drawn debt. Non AUD debt is converted at the hedged rate where cross currency swaps are in place. Unhedged USD debt is converted at the spot exchange rate of $0.7306 at 31 December 2015.*

GROUP DEBT MATURITY AS AT DEC 15



WORKING WITH GOVERNMENT PARTNERS

TONY ADAMS

OPPORTUNITIES TO ENHANCE TRADITIONAL PROJECT ROLES

Transurban demonstrating value to government during each project phase

Identify transport solutions

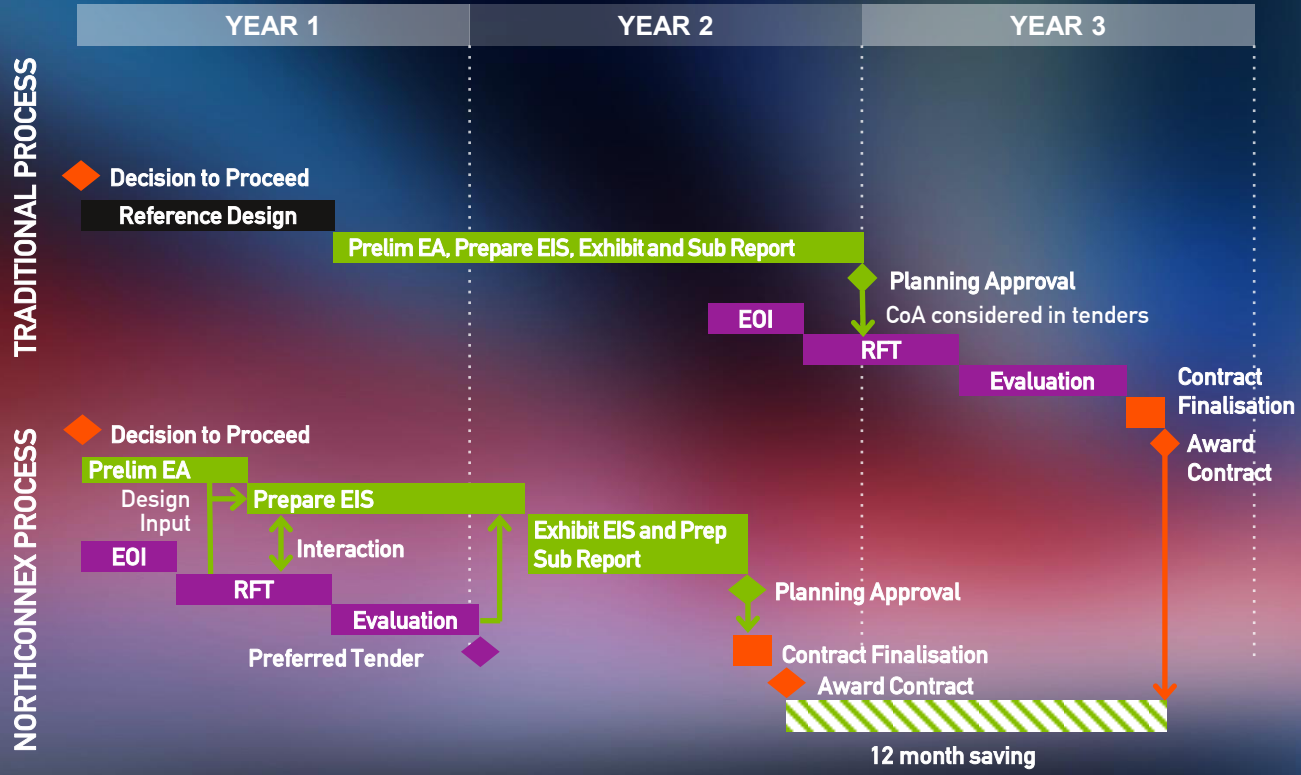
Network design

Procurement

Community and stakeholder engagement

Delivery

DELIVERING EFFICIENCIES THROUGH IMPROVED PROCUREMENT PROCESS

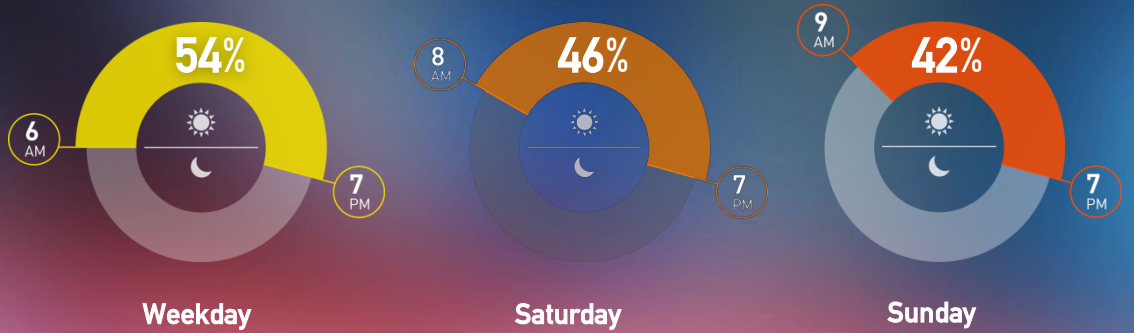


- Benefits of Transurban's approach to NorthConnex procurement process:
  - Greater interaction with contractor to improve project design
  - More opportunities for the community to participate in the process
  - Contract awarded 12 months earlier than traditional process

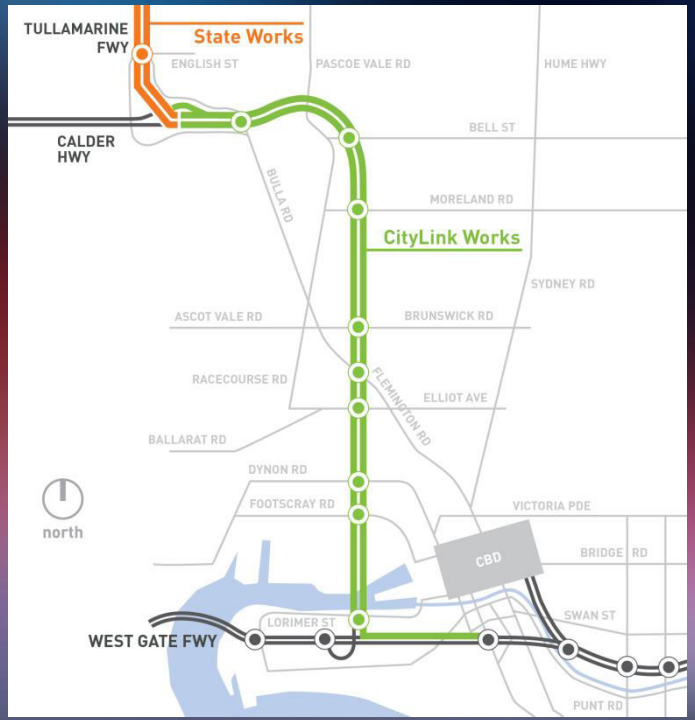
MINIMISING TRAFFIC DISRUPTION DURING CITYLINK-TULLA WIDENING DELIVERY

- Shared objective with Government to reduce impact on road users
- All lanes on CityLink open during peak periods
- Additional incident response crews
- Extensive communications program to advise road users of traffic impacts

TIME PERIODS ALL LANES ARE OPEN ON CITYLINK DURING CONSTRUCTION



CITYLINK-TULLA WIDENING CONSTRUCTION ON TRACK



- Contractors working around the clock
- Bolte Bridge to West Gate Freeway traffic switch implemented March 2016. Travel times in line with modelling
- Partnership between CityLink, VicRoads and Victoria Police on 80km/h speed limit blitz
- Construction has started on major interchange upgrade, Bell Street and Flemington Road

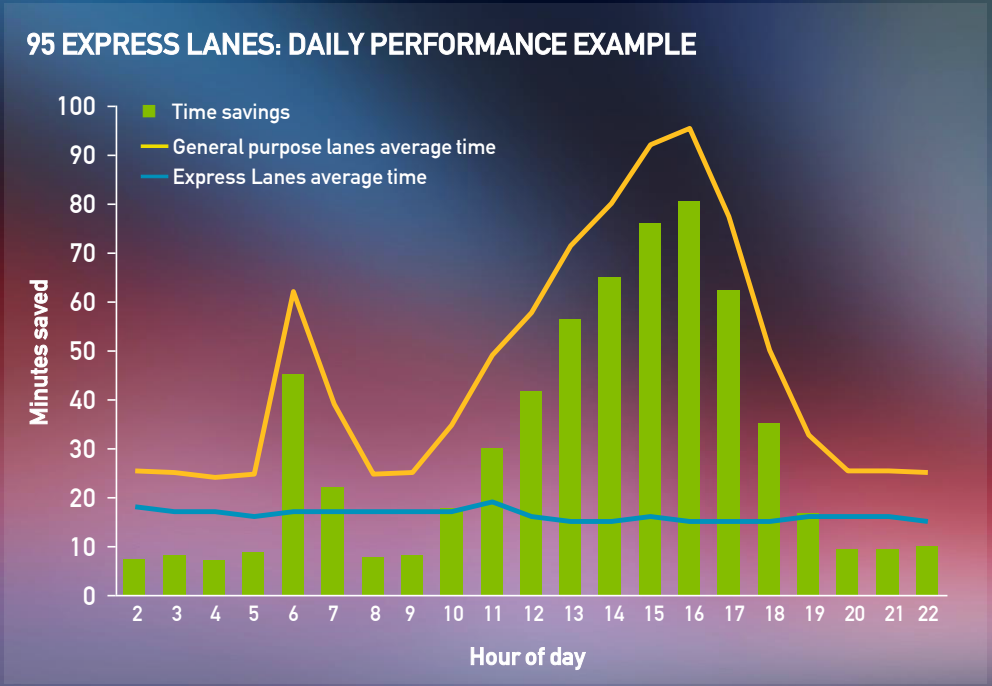
GREATER WASHINGTON AREA

JENNIFER AUMENT

NETWORK STRATEGY

- Deliver value to customers to increase traffic and revenue and position for expansion opportunities
- Expand 95 Express Lanes to the north and south
- Continue competitive bids for 66 Express Lanes projects
- Leverage industry position into new North American markets

VALUE PROPOSITION FOR CUSTOMERS



- 15% reduction in incidents on 95 Express Lanes since conversion to HOT
- Average >40% higher speeds on Express Lanes vs general purpose lanes during peak
- Customer satisfaction greater than 80% when toll rates are highest

INTERPRETING EXPRESS LANES' PERFORMANCE

TOLL ROADS

EXPRESS LANES

FUNDAMENTALS

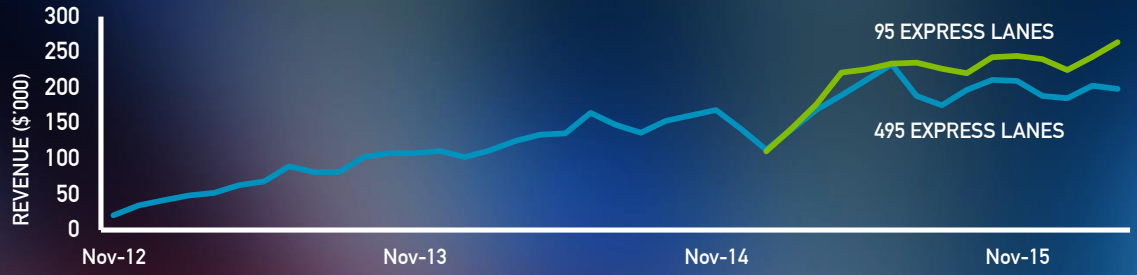
Corridor demand driven by population and employment growth, land use and network capacity constraints

INCREMENTAL CONSIDERATIONS

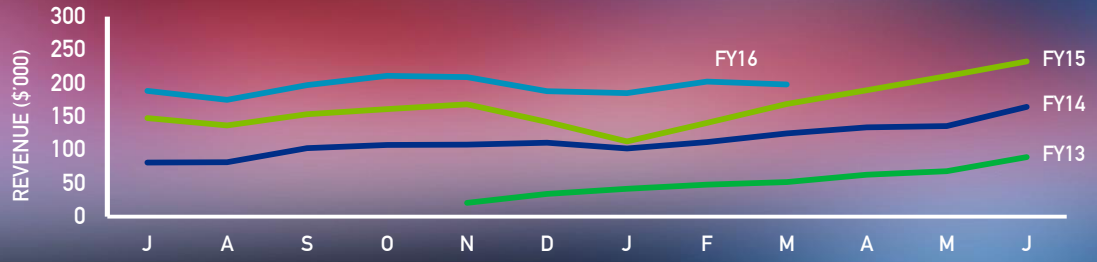
Express Lanes demand driven by general purpose lane congestion, trip purpose and user familiarity

Higher demand leads to increased average toll price

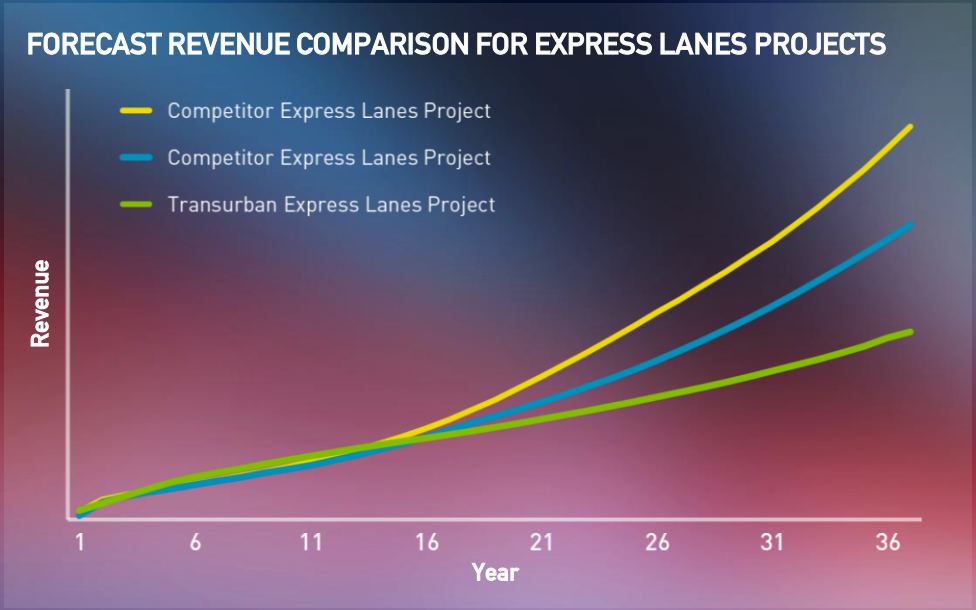
GWA EXPRESS LANES: AVERAGE WEEKDAY REVENUE



495 EXPRESS LANES: CONSISTENT TRENDS YEAR ON YEAR

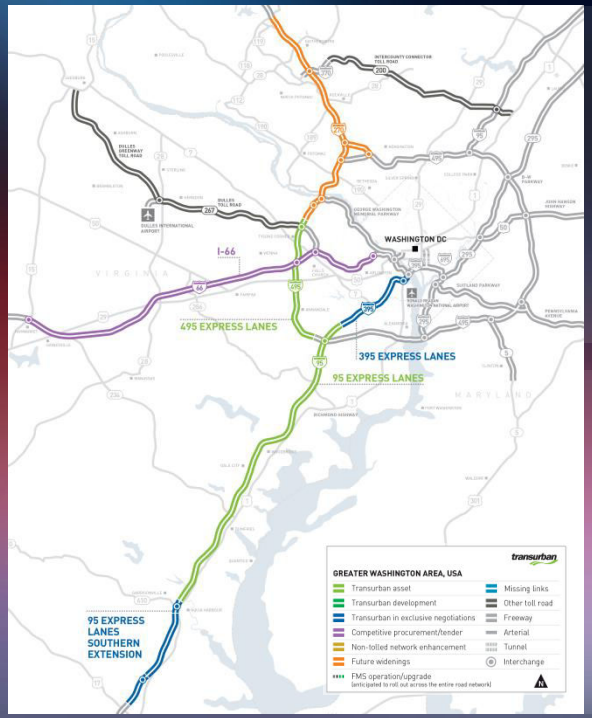


MAINTAINING INVESTMENT DISCIPLINE



- Commitment to accurate forecasting – alignment of interest as long-term operator
- In-house traffic team understands nuances of forecasting Express Lanes projects, particularly in GWA
- Ensures investment discipline maintained while also providing realistic government revenue sharing payments

SUCCESS OF TRANSURBAN'S EXPRESS LANES CREATING NEW OPPORTUNITIES



95 CORRIDOR

Expanding network through existing concession

- 395 Express Lanes - exclusive negotiations with VDOT to expand to the north by ~13km
- In-principle agreement executed to expand to the south by ~3km
- Negotiations underway to expand to the south by a further ~13km

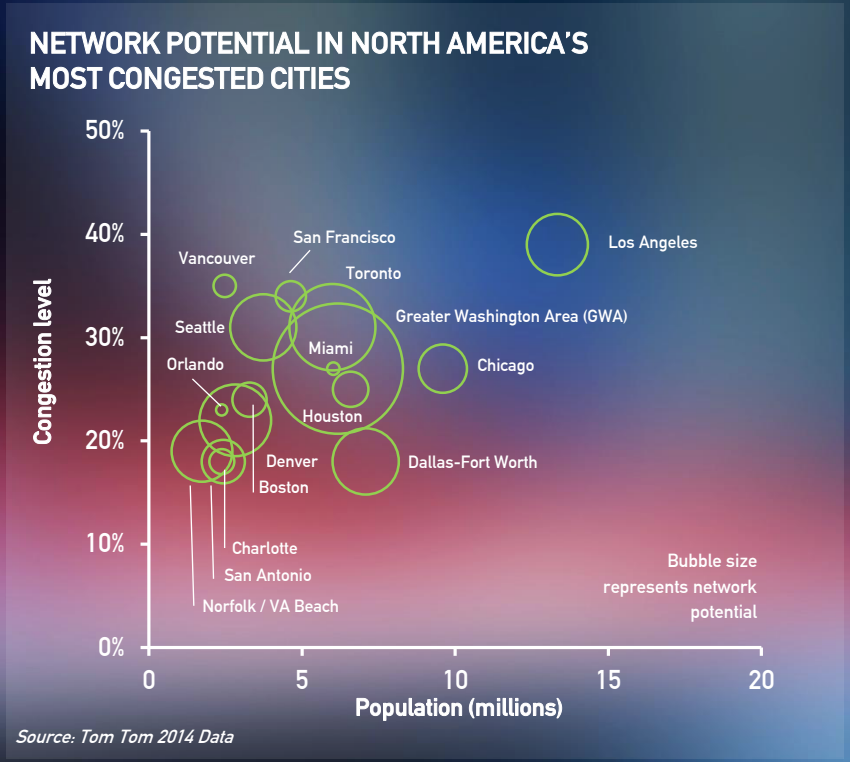
66 CORRIDOR

New expansion opportunities

- Outside the Beltway - competing for DBFOM concession for ~40km of Express Lanes
- Inside the Beltway - submitted proposal to provide tolling and traffic management services for the conversion of existing HOV Lanes to Express Lanes

LENS FOR CONSIDERING FUTURE MARKETS

- Demographics
- Government readiness / willingness for PPP
- Individuals' propensity to pay tolls
- Network potential



SYDNEY

ANDREW HEAD

NETWORK STRATEGY

- Deliver NorthConnex safely and successfully — demonstration project for Transurban's network model
- Drive O&M of our assets towards best practice
- Prepare for WestConnex sell down
- Continue to propose other network development opportunities

BENEFITS OF FIRST GENERATION PROJECTS COMING THROUGH

PROJECT	ASSETS BENEFITS
M2 Upgrade	▪ M2 ▪ LCT and Military Road E-Ramp ▪ M7
Lane Cove Road East Facing Ramp	▪ LCT and Military Road E-Ramp ▪ M2 ▪ M7
M5 Widening	▪ M5 South ▪ M7 (South)
NorthConnex	▪ M7 truck toll multiplier ▪ Other network benefits upon completion (M2 and M7)

BEST PRACTICE DELIVERY

Safety

Community and Stakeholder Engagement

Sustainability

Environment

ENHANCING OPERATIONS IN PREPARATION FOR FUTURE GROWTH

O&M EXCELLENCE

2014 M2 and LCT operations brought in-house

2015 Renegotiated ED maintenance contract to remove evergreen term

2016 Commenced discussions with evergreen contract holder on M7

BEYOND
- NorthConnex operations
- Other Sydney network opportunities

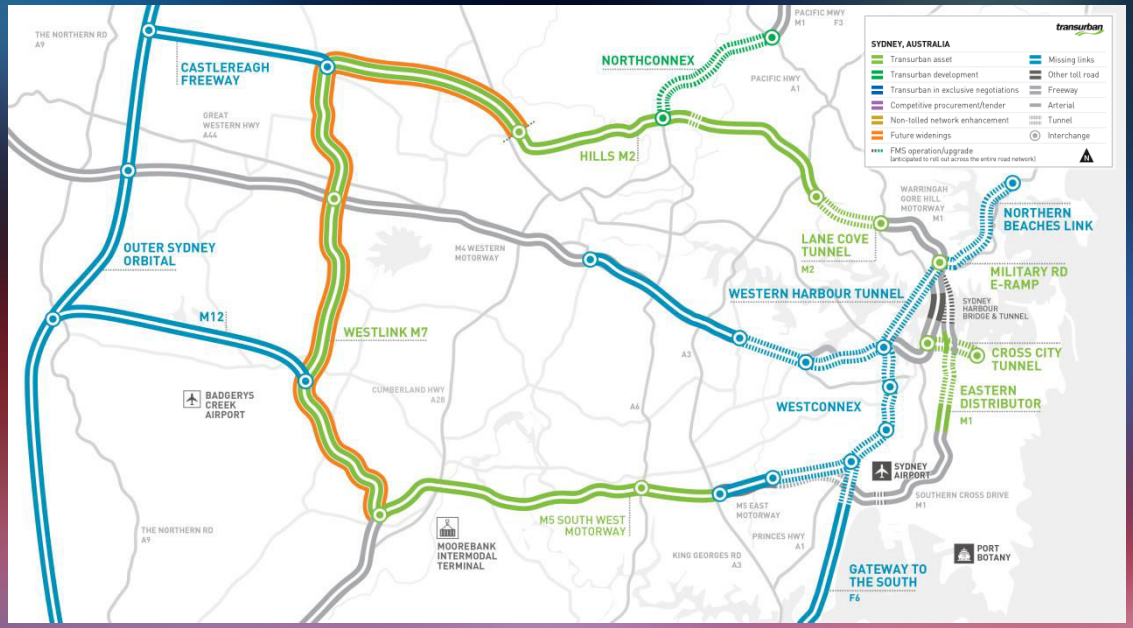
CONTINUOUS IMPROVEMENT

Invested in capability

Improving quality

Reducing risk

SIGNIFICANT FUTURE OPPORTUNITY IN SYDNEY



Western Sydney

- M12 link to planned Western Sydney airport site from M7 motorway
- Part of $3.6 billion road investment plan for Western Sydney

Gateway to the South

- $300 million reserved for pinch points including A1, A3 and A6 corridors
- Scoping studies commissioned on A6 and M1 (previously known as F6) corridors

NorthConnex

- $3 billion Transurban project in construction, linking the M1 Pacific Motorway to the M2 Motorway
- Due for completion late 2019

Northern Beaches Link

- $2.4-3.1 billion project linking Northern Beaches to Warringah Freeway
- Proposed development 2024-2034

Western Harbour Tunnel

- $4.5 billion project providing an additional harbour crossing
- Proposed development by 2024

WestConnex

- $4.3 billion Stage 1 (M4 Widening and M4 East) in construction, due to be completed in 2019
- $5.3 billion Stage 2 (new M5 project and King Georges Road interchange upgrade), due for completion 2019 and Sydney Gateway due for completion by 2023
- $7.2 billion Stage 3 (M4-M5 link) project to be funded, anticipated to be completed by 2023

MELBOURNE

VIN VASSALLO

NETWORK STRATEGY

- Improve lane availability and throughput via operational improvements
- Improve capacity on network by delivering CityLink-Tulla Widening project
- Work with government partners to enhance network, through delivery of Western Distributor
- Demonstrate best practice in O&M to position for ongoing development opportunities

IMPROVING INCIDENT MANAGEMENT TO INCREASE LANE AVAILABILITY

- Introduction of a Freeway Management System (FMS) enables Transurban to move from an 'attendance' to 'safe clearance' incident response model
  - Vehicle removed from asset as soon as possible
  - Transurban not reliant on third-party tow truck provider
- Benefits:
  - Increased safety
  - Increased lane availability

>6,000+
incidents[1] on CityLink per year

~15
incidents on CityLink per day

>30%
potential reduction in average clearance time for **50%** of incidents

1. Examples of incidents include flat tyres, vehicles out of fuel, broken-down vehicles, debris on motorway and collisions.

EXTENSIVE COMMUNITY AND STAKEHOLDER ENGAGEMENT PROGRESSING

PHASE 1

Consultation on proposal design to inform further design work

- 13 pop up stalls
- 8 information sessions, with over 500 attendees
- More than 150 meetings with key stakeholders
- Over 30,000 households reached via newsletters

PHASE 2

WE ARE HERE

Consultation on concept design to inform contractor requirements, reference design and impact assessments

- 7 community sessions
- 400 houses doorknocked
- Personally addressed letters to over 3,000 residents
- Community liaison group established
- Online consultation hub

PHASE 3

Ongoing discussion on reference design as contractors prepare bids for design and construction

PHASE 4

Public exhibition of Environment Effects Statement

PHASE 5

Updates on how planning process outcomes will inform design and construction approach

FEEDBACK INFLUENCING PROJECT DESIGN

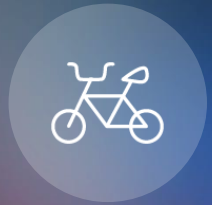
TUNNEL / DESIGN POSITION

- Two tunnel designs under consideration

IMPROVED ACCESS TO PORT

- Direct connections to both east and west Swanson Dock

UPGRADE TO WALKING AND CYCLING PATHS



- Increased bicycle and walking tracks included in project design
- Separating existing cycling routes to remove conflicts with vehicles

POWER LINES

- Up to 14 overhead power lines removed
- Increased amenity in local area

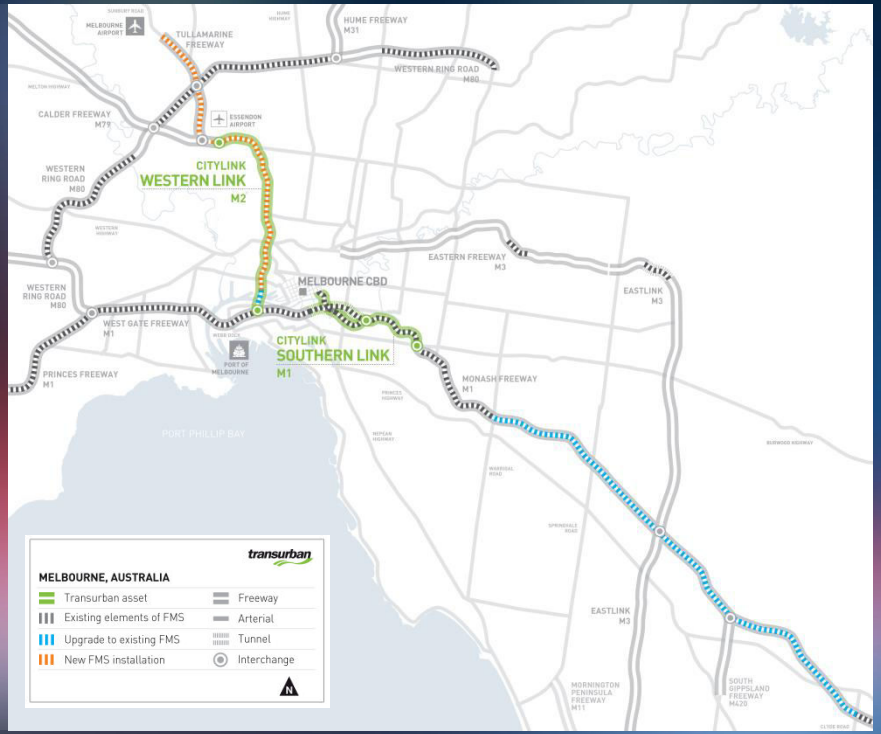
WESTERN DISTRIBUTOR PROJECT PROGRESSING ON SCHEDULE

LEADING THE WAY ON MANAGED MOTORWAYS

Working with VicRoads to implement common FMS across the network

Components of a FMS:

- Lane use management system
  - Increased control of traffic
  - Increased capability to manage incidents safely
- Ramp metering
  - Improves flow of traffic on the freeway
  - During peak periods:
    - ~42% increase in average speed
    - ~6% increase in throughput
- Automated incident detection
  - Automated alerts of incidents, enabling faster response



BRISBANE

WESLEY BALLANTINE

NETWORK STRATEGY

- Complete integration of TQ and AirportlinkM7
  - Roll-out GLIDe
  - Align O&M model with Transurban's national approach
- Assist Government to successfully deliver Gateway Upgrade North project
- Achieve financial close on Logan Enhancement Project
- Explore further opportunities to deliver network solutions

INTEGRATION PROGRAM ON SCHEDULE

EXPECTED COMPLETION

2016

PHASE 1
Organisation structure

- TQ organisational structure aligned to Transurban
- AirportlinkM7 organisational structure review under way—expected completion in 60 days

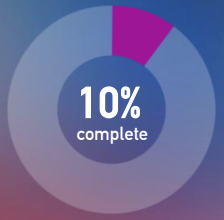
LATE 2017

PHASE 2
Technology

- Work underway to align back office systems and introduction of national platform
- Roll-out of GLIDe commenced

ONGOING

PHASE 3
O&M



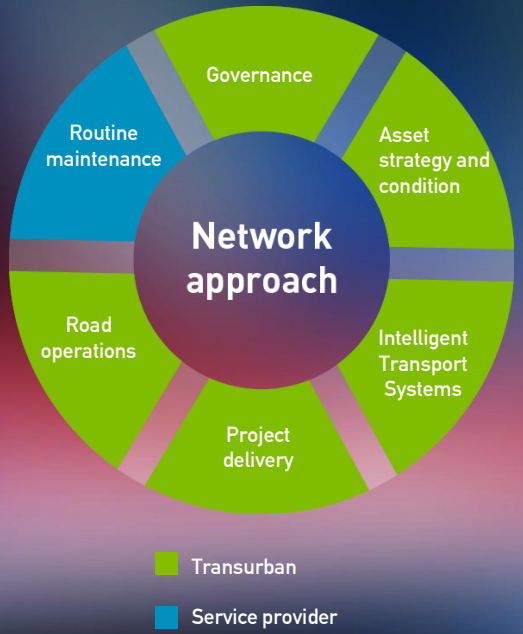
- O&M contracts to be renegotiated
- AirportlinkM7 contract up for renegotiation May 2018
- Alignment with Transurban's operating model

FOCUSED ON PHASE 3: O&M STAGE OF INTEGRATION PROGRAM

CURRENT STATE

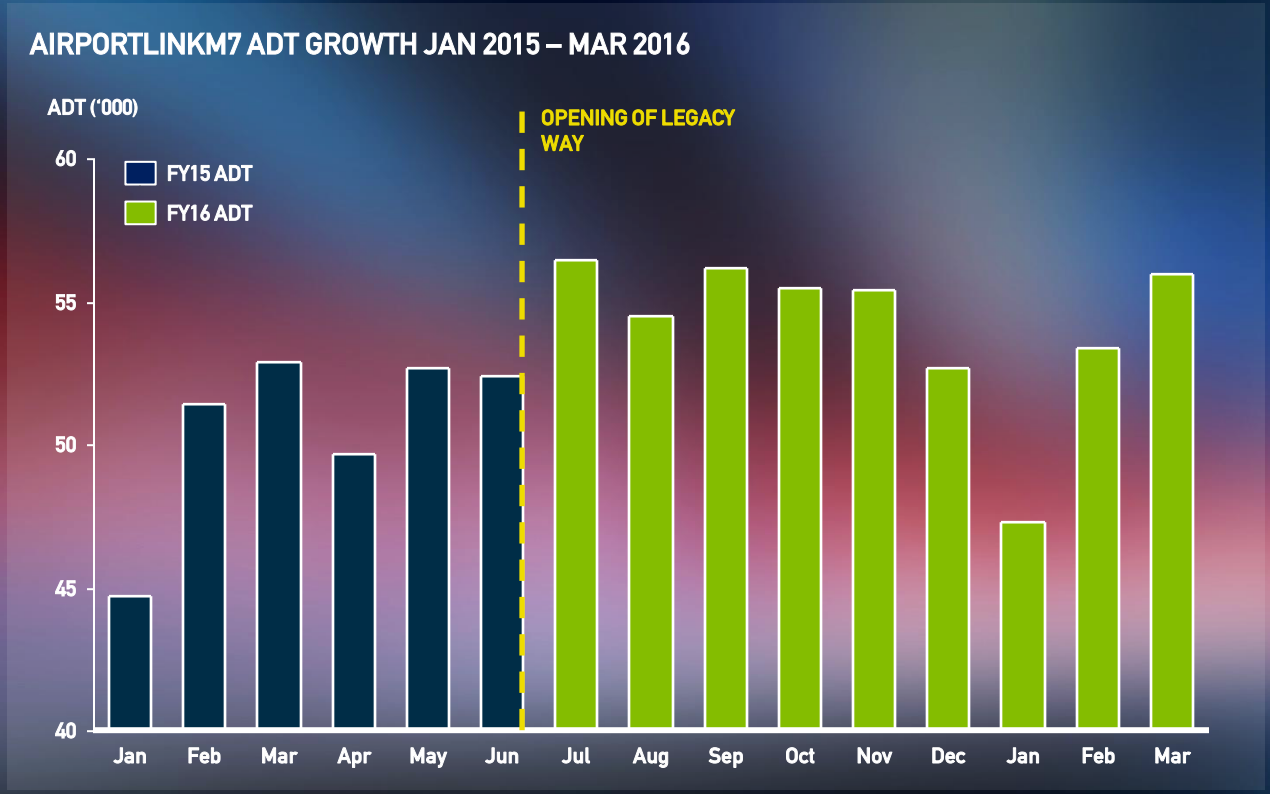
Individual Assets	Road Operations	Routine Maintenance
Gateway Motorway	Transurban	GMS (Ventia /Lendlease)
Logan Motorway	Transurban	Broadspectrum Services
Clem7	BMS (Ventia/Lendlease)	BMS (Ventia/Lendlease)
Legacy Way	Transcity/Egis	Transcity/Egis
Go Between Bridge	A1 Highways/ Brisbane City Council	A1 Highways/ Brisbane City Council
AirportlinkM7	Ventia	Ventia

FUTURE STATE



- External service providers currently managing road operations on four of six assets
- Transurban moving towards network approach
  - Transurban manages road operations across network
  - O&M integrated into broader network strategy

AIRPORTLINKM7 BENEFITING FROM OPENING OF LEGACY WAY

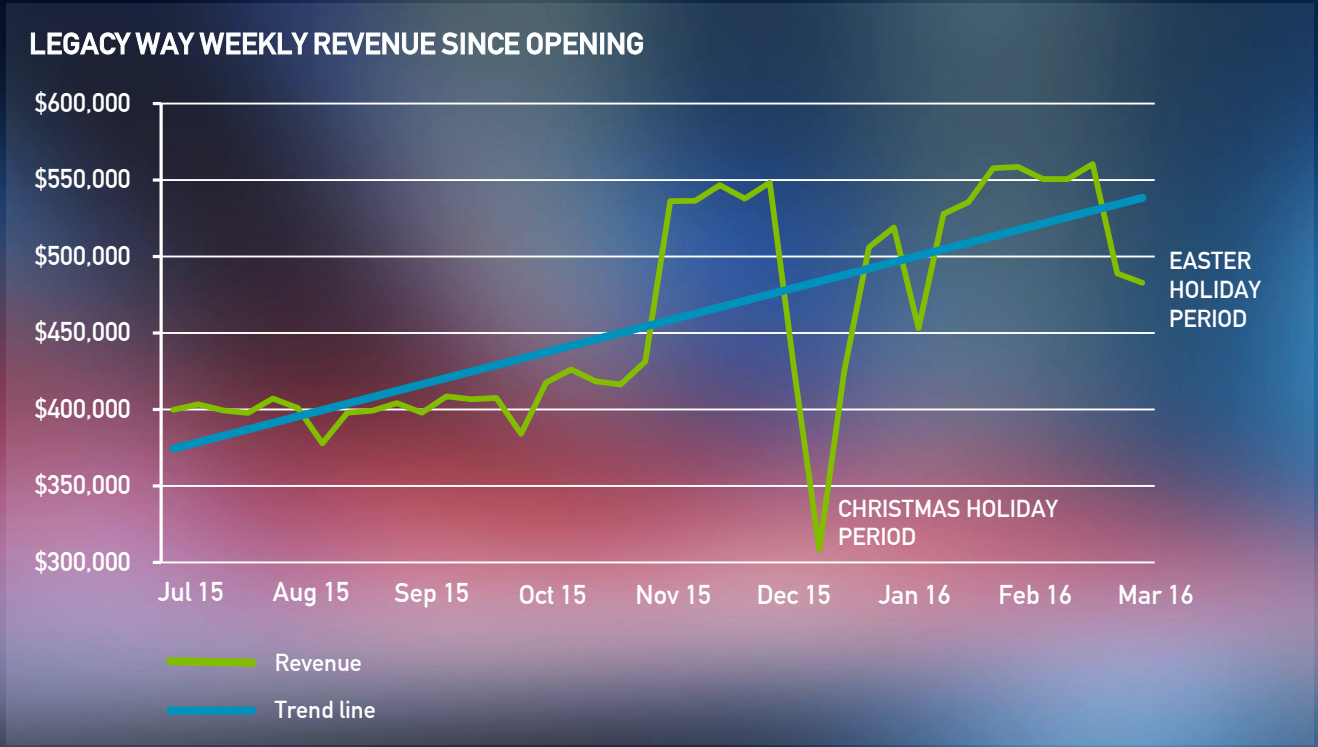


Integration plan

- 90-day integration plan
- Target state:
  - Head count reduced by ~90%
  - Single tolling brand with all customers on '**go via**'
  - Back office integrated with TQ

LEGACY WAY REVENUE AT HIGHER END OF EXPECTATIONS

- Traffic continues to grow
- Full tolls introduced 2 May 2016



OPPORTUNTIES ARISING FROM NETWORK POSITION

- Working with Queensland Government to identify opportunities to improve service delivery
- Control room consolidation
- Improved customer experience
  - Coordinated signage and information
  - Integrated incident response and management

WRAP-UP

SCOTT CHARLTON

SUMMARY

PROJECT PIPELINE

- $11 billion project pipeline
- One project underway and another one in discussion in each market
- Balance sheet structured to deliver pipeline

OPERATIONS

- Deliver best in class asset O&M
- Continue to insource management of asset life-cycle model

TECHNOLOGY

- Investing in Intelligent Transport Systems and value added transport technologies
- Working with partners to bring new innovations to market

POLICY

- Deliver findings of road usage study
- Contribute to policy reform for future infrastructure provision

SUMMARY

Next generation development opportunities in each market	Sustained growth profile
Strategically positioning for technology advances	Increased throughput and lane availability
Policy reform is inevitable	Transurban is preparing for change

GLOSSARY

GLOSSARY

ADT	Average Daily Traffic
API	Application Program Interface
AUD	Australian Dollars
BCG	Boston Consulting Group
BMS	Brisbane Motorways Services
BTS	Bureau of Transportation Statistics
CAVs	Connected Autonomous Vehicles
CCT	Cross City Tunnel
COA	Conditions of Approval
CTW	CityLink-Tulla Widening
DBFOM	Design, Build, Finance, Operate and Maintain
EBITDA	Earnings Before Interest, Tax, Depreciation and Amortisation
EA	Environmental Assessment
ED	Eastern Distributor
EES	Environment Effects Statement
EIS	Environmental Impact Statement
EOI	Expression of Interest
FMS	Freeway Management System
FY	Financial Year
GLIDe	Tolling back office system
GMS	Gateway Motorway Services
GPS	Global Positioning System
GWA	Greater Washington Area
HOV	High Occupancy Vehicle
HOT	High Occupancy Toll Lane
IEEE	Institute of Electrical and Electronics Engineers
KMS	Kilometres
KM/H	Kilometres per hour
LCT	Lane Cove Tunnel
M2	Hills M2
M5	M5 South West Motorway
M7	Westlink M7
MPH	Miles per hour
O&M	Operations and Maintenance
NHTS	National Household Travel Survey
PPP	Public Private Partnership
R&D	Research and Development
RFT	Request for Tender
TCL	Transurban ASX code
TQ	Transurban Queensland
USD	USA Dollars
VDOT	Virginia Department Of Transportation
Virginia Tech	Virginia Polytechnic Institute and State University
VMT	Vehicle Miles Travelled
VTPI	Victoria Transport Policy Institute
VTTI	Virginia Tech Transportation Institute
YOY	Year on Year