DELIVERING VALUE

Financial Statements 2006

transurban

FINANCIALS

Dollar values are provided in Australian currency unless otherwise specified.

The Concise Financial Report of
Transurban Limited and Controlled Entities (ABN 96 098 143 410)
For the year ended 30 June 2006

Contents

Directors' report

Relationship of the concise financial report to the full financial report

The concise financial report is an extract from the full financial report for the year ended 30 June 2006. The financial statements and specific disclosures included in the concise financial report have been derived from the full financial report.

The concise financial report cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of Transurban Limited and its subsidiaries as the full financial report. Further financial information can be obtained from the full financial report.

The full financial report and auditor's report will be sent to members on request, free of charge. You can access both the full financial report and the concise report under the Investors section at Tranurban's website: www.transurban.com.au. Alternatively, call 1300 360 146 (free call) for a copy.

The directors present their report on the consolidated entity (referred to hereafter as the Group) consisting of Transurban Limited and the entities it controlled at the end of, or during, the year ended 30 June 2006.

Transurban Limited forms part of the Transurban Group. The securities of the entities comprising the Transurban Group are stapled. A Stapled Security comprises one share in Transurban Limited, one share in Transurban Holdings Limited and one unit in Transurban Holding Trust. None of the components of the Stapled Security can be traded separately.

Directors

With the exception of the changes noted below, the following persons were directors of Transurban Limited during the whole of the financial year and up to the date of this report.

Non-executive directors

Laurence G Cox
Peter C Byers
Geoffrey O Cosgriff
Jeremy G A Davis
Susan M Oliver
David J Ryan
Christopher J S Renwick[1]

Executive directors

Kimberley Edwards
Geoffrey R Phillips[2]

[1] Christopher J S Renwick was appointed a non-executive director on 26 July 2005 and continues in office at the date of this report.

[2] Geoffrey R Phillips was an executive director from the beginning of the financial year until his resignation on 26 July 2005.

Principal activities

During the year the principal continuing activities of the Group consisted of:

(a) providing management services to entities within the Transurban Stapled Group

(b) participation in the direction of the entities responsible for the development of Westlink M7 motorway project

(c) provision of the tolling and customer management system for the Westlink M7 motorway project

(d) providing services to Transurban Infrastructure Management Limited in its capacity as the responsible entity of Transurban Holding Trust, Transurban CARS Trust and CityLink Trust

(e) identification and development of infrastructure projects in accordance with the investment strategies, and

(f) the continued development and enhancement of the existing electronic tolling systems and processes within the Transurban Stapled Group.

Review of operations

(a) Roam tolling

The tolling and customer management system for Westlink M7 was successfully delivered with the road opening on 16 December 2005. Tolling operations commenced on 16 January 2006 following a one month toll free period.

As a direct result of Transurban's marketing campaign to educate the market about the Group's *Roam*® brand, 106,000 customer accounts were opened during the period (including 19,600 e-PASS or video accounts), with 125,000 *e-TAG* devices issued and 208,000 vehicles registered.

Directors' report

(b) Business development

During the year Transurban Limited has continued to pursue new business development opportunities in both the domestic and international markets. Achievements during the period include:

(i) Transurban acquisition of Pocahontas Parkway

On 29 June 2006, Transurban and the Commonwealth of Virginia reached financial close on a Comprehensive Agreement granting Transurban a 99 year concession for the Pocahontas Parkway in Virginia, US.

The Pocahontas Parkway (route 895) is a 14 kilometre, four lane toll road located south-east of the city of Richmond in Virginia. The Parkway provides a crossing of the James River and facilitates access to the Richmond International Airport.

The cost of acquiring the 99 year concession was A$813million/ US$604 million.

(ii) Lane Cove Tunnel Letter of Intent

The Lane Cove Tunnel Company (LCTC) and Transurban have signed a Letter of Intent for Transurban to utilise its *Roam Express* brand as the preferred tag and electronic pass provider for the Lane Cove Tunnel. Transurban will earn a fee per transaction for its service.

(iii) Participation in I-495/Capital Beltway project—Virginia, US

Transurban, through its wholly owned subsidiary Transurban USA Inc, is partnering with Fluor Enterprises to investigate the feasibility of developing High Occupancy Toll (HOT) lanes along a 22.4 kilometre segment of the Capital Beltway (I-495) in Northern Virginia, US.

The Transurban-Fluor team has signed a development agreement with the Virginia Department of Transportation (VDoT) and is currently undertaking detailed evaluation of project feasibility.

In the event that a financial close is achieved in early 2007, Transurban will act as both an investor and tolling operator of the HOT lanes.

(iv) I-95/395 Proposal—Virginia, US

In January 2006, Transurban and its development partner, Fluor Enterprises, were confirmed by the Commonwealth of Virginia's Public Private Transportation Act (PPTA) Advisory Panel as the preferred proponent to develop Bus Rapid Transit (BRT)/HOT lane systems for the I-95/395 motorway in Virginia, US.

Work is progressing on the feasibility of the project with financial close anticipated to occur in the second half of 2007.

Significant changes in the state of affairs

(a) Acquisition of Pocahontas Parkway

See item (b)(i) of Review of Operations

(b) Lane Cove Tunnel Letter of Intent

See item (b)(ii) of Review of Operations

(c) Participation in I-495/Capital Beltway project—Virginia, US

See item (b)(iii) of Review of Operations

(d) I-95/395 Proposal —Virginia, US

See item (b)(iv) of Review of Operations

Matters subsequent to the end of the financial year

At the date of this report the directors are not aware of any circumstances that have arisen since 30 June 2006 that have significantly affected or may significantly affect the operations, and results of those operations or the state of affairs, of the consolidated entity in financial years subsequent to 30 June 2006.

Likely developments and expected results of operations

Information on likely developments in the operations of Transurban Limited and the expected results of operations have not been included in this report because the directors believe it would be likely to result in unreasonable prejudice to the entity.

Environmental regulation

No significant environmental regulations apply.

Directors' report

Information on directors

Laurence G Cox AO, B. Com, FCPA, FSIA
Chairman—non-executive

Experience and expertise

Over 40 years experience in Australian and international financial markets, including Chairman of the Australian Stock Exchange Limited from 1989–1994 and executive Chairman of the Potter Warburg Group from 1989–1995.

Other current directorships

Non-executive Chairman of SMS Management and Technology Limited, executive director of Macquarie Bank Limited and non-executive director of Smorgon Steel Group.

Former directorships in last three years

Non-executive director of Hills Motorway Limited (April 2005–August 2005).

Date of initial appointment

13 February 1996

Special responsibilities

Chairman of Board, Chairman of Nomination and Remuneration Committee and member of Audit Committee.

Kimberley Edwards BE, MAdmin (Bus), FIE (Aust), MAICD
Managing Director

Experience and expertise

Held senior management positions on major commercial and infrastructure projects in Australia, the United Kingdom and the Middle East. Joined Transurban when it was originally bidding for the CityLink project and recently led the development of the Transurban Group into other toll road opportunities and the deployment of its electronic tolling technology in Australia and overseas.

Other current directorships

None

Former directorships in last three years

Executive director of Hills Motorway Limited (April 2005–August 2005)

Date of initial appointment

29 October 1996

Special responsibilities

Managing Director

Peter C Byers B Com (Hons)
Independent non-executive director

Experience and expertise

A former business manager and deputy principal of the University of Tasmania.

Other current directorships

None

Former directorships in last three years

Non-executive director of Hills Motorway Limited (1995–2005).

Date of initial appointment

2 January 1996

Special responsibilities

Member of Audit Committee

Directors' report

Geoffrey O Cosgriff BAppSc, Company Director Diploma. FIE(Aust), FAICD
Independent non-executive director

Experience and expertise

Formerly held executive management roles with Melbourne and Metropolitan Board of Works and has had extensive experience in the information technology industry, including the founding Managing Director of MITS Limited. MITS grew to 600 staff and nearly $100 million in sales of information technology solutions from its formation until December 2000 when it was acquired by Logica Pty Ltd. He is currently a director of LogicaCMG Pty Ltd and UXC Limited which have significant international and local activities in information technology solutions and services, and is a Council Member for Leadership Victoria.

Other current directorships

Non-executive director of UXC Limited

Former directorships in last three years

None

Date of initial appointment

19 December 2000

Special responsibilities

Member of Risk Committee, member of Nomination and Remuneration Committee.

Jeremy G A Davis BEc, MBA, MA, FAICD
Independent non-executive director

Experience and expertise

Professor Davis is a Professor Emeritus of the University of New South Wales after retiring from the Australian Graduate School of Management in January 2006. He spent ten years as a management consultant with the Boston Consulting Group and is a former director of the Australian Stock Exchange Limited. He is currently a director of Singapore Power Limited.

Other current directorships

Non-executive director of SP AusNet

Former directorships in last three years

Non-executive director of Gradipore Limited (2002–2003).

Date of initial appointment

16 December 1997

Special responsibilities

Member of Audit Committee and member of Nomination and Remuneration Committee.

Susan M Oliver B.Prop.& Const, FAICD
Independent non-executive director

Experience and expertise

Former Senior Manager of Andersen Consulting and former Managing Director of the Australian Commission for the Future Limited. Experience covers private and public sector senior management roles, strategic and technology consulting and business development. She is currently a non-executive director and Chairperson of the remuneration committee of MBF Australia Limited, and executive director and owner of wwITe Pty Ltd.

Other current directorships

Non-executive director of Programmed Maintenance Services Limited

Former directorships in last three years

None

Date of initial appointment

25 June 1996

Special responsibilities

Chairperson of Risk Committee and Chairperson of Corporate Social Responsibility Committee.

Directors' report

Christopher J S Renwick AM, BA, LLB, FAIM, FAIE, FTSE

Independent non-executive director

Experience and expertise

Over 35 years experience covering mining, operational business management and law.

Other current directorships

Non-executive Chairman of Coal and Allied Industries Limited and the Rio Tinto Aboriginal Foundation, Governor of the ATSE Ian Clunes Ross Foundation and non-executive director of Downer - EDI Limited.

Former directorships in last three years

Multiple executive directorships with Rio Tinto Group (1986–2004)

Date of initial appointment

26 July 2005

Special responsibilities

Member of the Risk Committee and member of Corporate Social Responsibility Committee.

David J Ryan AO, BBus, FCPA, FAICD

Independent non-executive director

Experience and expertise

Experience covers commercial banking, investment banking and operational business management in a range of sectors.

Other current directorships

Non-executive director of Lend Lease Corporation Limited, ABC Learning Centres Limited and non-executive Chairman of Tooth and Co Limited.

Former directorships in last three years

Non-executive director of Virgin Blue Holdings Limited (2003–2005).

Date of initial appointment

29 April 2003

Special responsibilities

Chairman of the Audit Committee and member of the Risk Committee.

Company Secretary

Mark Licciardo BBus (Acc), GradDip CSP, ASA, FCIS

Mr Licciardo was appointed to the position of Company Secretary in January 2005. Before joining Transurban he held the position of company secretary with a group of listed investment companies, the major one being Australian Foundation Investment Company Limited. Prior to that he held various finance roles with investment companies and major banks.

Paul O'Shea B.Ec, LLB, FCIS

Mr O'Shea is a Company Secretary and Group General Manager, Legal and Risk Management (previously General Counsel, Transurban Legal). He was originally appointed General Counsel in March 1996 and appointed Company Secretary in March 1998. Before joining Transurban he held a senior legal role at Transfield for 18 months and prior to that worked as a solicitor with two major legal firms.

Directors' report

Meetings of directors

The number of meetings of the company's board of directors and of each board committee held during the year ended 30 June 2006, and the number of meetings attended by each director were:

Name	Board of Directors meetings		Audit Committee		Nomination & Remuneration Committee		Risk Committee		Corporate Social Responsibility Committee	
	A	B	A	B	A	B	A	B	A	B
L G Cox	14	14	4	4	7	7	x	x	x	x
P C Byers[1]	10	14	3	4	x	x	x	x	x	x
G O Cosgriff	14	14	x	x	7	7	4	4	x	x
J G A Davis	14	14	4	4	7	7	x	x	x	x
S M Oliver[2]	14	14	x	x	x	x	4	4	4	4
C J S Renwick	11	13	x	x	x	x	3	4	4	4
D J Ryan	14	14	4	4	x	x	4	4	x	x
K Edwards[3]	14	14	x	x	x	x	x	x	x	x
G R Phillips[4]	2	2	x	x	x	x	0	0	x	x

A = Number of meetings attended

B = Number of meetings held during the time the director held office or was a member of the committee during the year

X = Not a member of the relevant committee

[1] P C Byers did not participate in four Board meetings and one Audit Committee meeting due to illness. The Board granted leave for an indefinite period on 20 April 2006.

[2] S M Oliver is not a member of the Audit Committee but attended three of these meetings in her capacity as Chair of the Risk Committee.

[3] K Edwards is not a member of the Audit Committee and Nomination and Remuneration Committee but attends these meetings. Mr Edwards was excluded from discussions on his own remuneration.

[4] G R Phillips was an executive director from the beginning of the financial year until his resignation on 26 July 2005.

Directors' interests

The directors of the company have disclosed relevant interests in Stapled Securities, options over Stapled Securities and Convertible Adjusting Rate Securities (CARS) issued by the Transurban Group as follows:

Name	Number of Stapled Securities	Options over Stapled Securities	Number of CARS
L G Cox	1,142,500	-	-
P C Byers	70,580	-	-
G O Cosgriff	31,110	-	121
J G A Davis	51,817	-	-
S M Oliver	68,009	-	-
C J S Renwick	-	-	-
D J Ryan	22,394	-	-
K Edwards	1,873,500	-	-

Directors' report

Remuneration report

The remuneration report is set out under the following main headings.

(a) Principles used to determine the nature and amount of remuneration

(b) Details of remuneration

(c) Service agreements

(d) Share-based compensation

(e) Additional information

The information provided under the headings (a)-(d) includes remuneration disclosures that are required under Accounting Standards AASB 124 Related Party Disclosures. These disclosures have been transferred from the financial report and have been audited. The disclosures under heading (e) are additional disclosures required by the Corporations Act 2001 and the Corporations Regulations 2001 which have not been audited.

(a) Principles used to determine the nature and amount of remuneration (audited)

Non-executive directors

The remuneration of non-executive directors consists of director's fees and committee fees. Non-executive directors are not currently provided with any form of equity-based compensation.

The constitutions of the entities comprising the Transurban Group (the Group) provide that the total remuneration paid in a year to non-executive directors may not exceed $950,000 per entity. Subject to this limit, remuneration structure and amounts for non-executive directors are recommended by the Nomination and Remuneration Committee of the Board with assistance from external remuneration consultants. Liability for the Superannuation Guarantee Contribution is met from gross remuneration. The current fee arrangements were last reviewed with effect from 1 October 2005.

In 1997, the Board implemented a policy to provide retirement allowances to non-executive directors. The policy provided for an entitlement to a lump sum payment (not exceeding the maximum allowable under the Corporations Act 2001) if the non-executive director completed a minimum of three years service. The lump sum was equivalent to the total emoluments received during the relevant period. The relevant period was one-third of the director's total period of service or three years (both calculated to the day of retirement), whichever was the lesser. This policy was reviewed in September 2005 when it was resolved to discontinue retirement benefits for all participating non-executive directors with effect from 30 September 2005 such that future directors are not entitled to this benefit. The value of benefits accrued up to this date will attract interest from 1 October 2005 at the statutory FBT rate (currently 7.05 per cent). The accrued `frozen' retirement benefits plus interest will be paid to directors upon their retirement.

Executive directors and executives

The key objectives of the Group's policy for executive remuneration are:

- to secure employees with the skills and experience necessary to meet business objectives
- to motivate employees to the highest levels of performance, and
- to align employee incentives with increased shareholder value.

The policy seeks to support the Group's objective to be perceived as an employer of choice by:

- offering remuneration levels which are attractive relative to those offered by comparable employers, and
- providing strong, transparent linkages between individual and group performance and rewards.

In consultation with external remuneration consultants, the Group has structured its executive remuneration to reward both longer term growth and the achievement of short term performance targets.

Executives are remunerated through a combination of base salary and benefits, short-term incentives (STI) in the form of cash bonuses and long-term incentives (LTI).

The proportion of each component of an executive's total remuneration is established by reference to remuneration survey data for comparable companies. As executives progress in seniority, the proportion of remuneration which is dependent on the performance of the entity increases.

The incentive component of executive remuneration is determined by:

- financial performance relative to short-term profitability targets
- business achievements through the achievement of Group key result areas (KRAs)
- project successes
- total shareholder return relative to other companies in the ASX Industrials index, and
- individual performance as measured by the achievement of key performance indicators (KPIs) and the upholding of Group values.

The remuneration of the Managing Director is established by the Board, based on the recommendation of the Nomination and Remuneration Committee. The remuneration of senior executives reporting to the Managing Director is established by the Nomination and Remuneration Committee, based on the recommendation of the Managing Director.

Directors' report

The components of executive remuneration are described as follows:

Base pay

Base pay represents the fixed component of executive remuneration and is structured as a Total Employment Cost (TEC). TEC consists of a mix of cash, superannuation and prescribed benefits. An executive's TEC is reviewed annually against market rates for comparable roles. There are no guaranteed base pay increases fixed in any executive's contract of employment.

Benefits

Executives receive benefits including death and disability insurance, salary continuance insurance and car parking.

Short-term incentives (STI)

On an annual basis, the Group makes available Short-Term Incentive (STI) payments to executives for the achievement of Group and individual performance via KPIs. A target STI amount, expressed as a percentage of the executive's TEC, is specified for each executive and is subject to further adjustment for:

- the extent to which the Group has met its key result areas (KRAs)
- the extent to which a profit-related financial performance target is achieved, and
- the extent to which the executive has achieved his/her individual KPIs.

Such adjustments can result in the actual STI payment received by the executive being above or below the targeted STI amounts. STI payments are made annually in September following annual performance reviews.

The intent of the adjustment is to ensure that STI payments are only made when value has been created for security holders and profit and business growth is consistent with the business plan.

Each year, KRAs, including a financial performance target are established by the Board, based on recommendations made by the Managing Director. The KPIs for the Managing Director are established by the Board based on recommendations made by the Nomination and Remuneration Committee. KPIs for executives reporting to the Managing Director are established by the Managing Director.

The Nomination and Remuneration Committee is also responsible for assessing the extent to which KRAs and the KPIs set for senior executives have been achieved. To assist in making these assessments, the Committee receives reports from the Chief Finance Officer and the Managing Director.

Long-term incentives (LTI)

Three forms of Long-Term Incentives (LTI) are currently in operation. The Executive Option Plan (EOP) provides equity rewards, the Executive Long term Incentive Plan (ELTIP) provides cash rewards linked to equity performance and the Executive Loan Plan (ELP) performance based plan which is linked to improvements is the price of Stapled Securities over a three year period. All plans utilise Total Shareholder Return as the basis for determining payment. The EOP was introduced with a five year term in 2001. Following a review in 2003, it was decided to make no further issues of options under the EOP and to introduce the ELTIP to provide long-term incentives beyond the period when all options issued under the EOP has vested. No options were granted under the EOP during this financial year.

A further review of LTIs was undertaken in 2005 and as a result a revised ELP was introduced. The objective of this Plan is to implement a more cost effective plan to the Group for a given amount of incentive. In addition, the revised Plan takes into consideration those plans which had been introduced by a number of other companies whose equity securities are stapled.

Employee security ownership plan

Executives may elect to participate in the Employee Security Ownership Plan on the same basis as that offered to all permanent employees. Executive Directors do not currently participate in the Plan.

Business Generation Incentive Plan (BGIP)

The Group also operates a Business Generation Incentive Plan (BGIP) in which executives may participate, depending upon their level of involvement in generating new business. The BGIP provides for cash bonuses to be paid from a bonus pool determined by the risk adjusted net present value of a project or business venture.

The BGIP is intended to reward executives for successful business generation activities, based on the increase in security holder value derived from new business. BGIP payments are determined and awarded by the Board, on the recommendation of the Nomination and Remuneration Committee and Managing Director.

Key characteristics of Transurban's Business Generation Incentive Plan (BGIP) are:

- based on success, not effort
- based on the added value of new business
- determined by a risk adjusted market value analysis, and
- distributed based on contribution.

Directors' report

B. Details of remuneration (audited)

Non-executive remuneration reported as 'Transurban Limited' represents the parent's share of remuneration with the remainder divided between Transurban Holdings Limited and Transurban Infrastructure Developments Limited.

Share-based disclosures relate to the Transurban Stapled Group. The full amounts have been disclosed as a reasonable basis of apportionment is not available.

Details of the remuneration of the directors, key management personnel and each of the five highest paid executives of Transurban Limited and the Group are set out in the tables opposite.

The five highest paid executives who are not directors of the Group are:

- M Kulper—Vice President North America
- K Daley—Vice President International Development
- C Brant—Chief Finance Officer
- B Bourke—Group General Manager Operations
- P O'Shea—Group General Manager Legal and Risk Management

The key management personnel of the Group are the directors of Transurban Limited (see page 2) and those executives that report directly to the Managing Director.
The executives are:

- C Brant—Chief Finance Officer
- B Bourke—Group General Manager Operations
- P O'Shea—Group General Manager Legal and Risk Management
- G Mann—Group General Manager Development (from 3 October 2005–30 June 2006)

All of the above persons were also key management personnel during the year ended 30 June 2005, except for G Mann who commenced employment with the Group on 3 October 2005. C Brant was a key management person for only part of the year ended 30 June 2005 as he commenced employment on 22 November 2004.

Directors' report

Transurban Limited

2006	Short-term benefits			Post-employment benefits		Share-based payments			
Name	**Cash salary and fees**	**Cash bonus**	**Non-monetary benefits**	**Super-annuation**	**Retirement benefits[4]**	**Options[1]**	**Executive Loan Plan[2]**	**Long Term Incentive Plan[3]**	**Total**
	$	$	$	$	$	$	$	$	$
Non-executive directors									
L G Cox Chairman	177,681	-	-	5,948	32,598	-	-	-	216,227
P C Byers	70,762	-	-	6,369	12,526	-	-	-	89,657
G O Cosgriff	59,589	-	-	8,794	9,488	-	-	-	77,871
J G A Davis	41,647	-	-	29,155	12,770	-	-	-	83,572
S M Oliver	67,010	-	-	6,031	12,602	-	-	-	85,643
CJS Renwick(i)	20,379	-	-	49,288	-	-	-	-	69,667
D J Ryan	71,106	-	-	6,400	-	-	-	-	77,506
Executive directors									
K Edwards Managing Director	1,400,006	1,100,000	7,900	100,587	-	57,972	93,151	512,111	3,271,727
G R Phillips(ii) Deputy Managing Director	174,592	-	658	861,261	-	19,324	-	-	1,055,835
Other key management personnel									
C Brant	515,872	465,000	7,900	45,460	-	-	35,174	36,030	1,105,436
B Bourke	445,682	442,500	7,900	41,303	-	-	30,405	98,389	1,066,179
P O'Shea	351,333	464,000	7,900	31,399	-	-	22,356	77,822	954,810
G Mann	386,148	120,000	13,400	12,139	-	-	33,534	-	565,221
Five executives receiving the highest remuneration—not already mentioned above									
M Kulper	222,095	1,599,134	-	31,964	-	-	-	27,821	1,881,014
K Daley	340,992	904,100	-	28,748	-	-	-	116,816	1,390,656
Total	**4,344,894**	**5,094,734**	**45,658**	**1,264,846**	**79,984**	**77,296**	**214,620**	**868,989**	**11,991,021**

(i) C J S Renwick was appointed a non-executive director on 26 July 2006.

(ii) G R Phillips was an executive director from the beginning of the financial year until his resignation on 26 July 2006. His remuneration includes a termination benefit of $990,000 in recognition of his long term service to the Group

Directors' report

Transurban Limited Group

2006 Name	Short-term benefits: Cash salary and fees $	Short-term benefits: Cash bonus $	Short-term benefits: Non-monetary benefits $	Post-employment benefits: Super-annuation $	Post-employment benefits: Retirement benefits[4] $	Share-based payments: Options[1] $	Share-based payments: Executive Loan Plan[2] $	Share-based payments: Long Term Incentive Plan[3] $	Total $
Non-executive directors									
L G Cox Chairman	250,204	-	-	8,376	45,903	-	-	-	304,483
P C Byers	99,644	-	-	8,968	17,638	-	-	-	126,250
G O Cosgriff	83,912	-	-	12,384	13,361	-	-	-	109,657
J G A Davis	58,646	-	-	41,055	17,982	-	-	-	117,683
S M Oliver	94,361	-	-	8,492	17,745	-	-	-	120,598
CJS Renwick (i)	28,698	-	-	69,405	-	-	-	-	98,103
D J Ryan	100,129	-	-	9,012	-	-	-	-	109,141
Executive directors									
K Edwards Managing Director	1,400,006	1,100,000	7,900	100,587	-	57,972	93,151	512,111	3,271,727
G R Phillips (ii) Deputy Managing Director	174,592	-	658	861,261	-	19,324	-	-	1,055,835
Other key management personnel									
C Brant	515,872	465,000	7,900	45,460	-	-	35,174	36,030	1,105,436
B Bourke	445,682	442,500	7,900	41,303	-	-	30,405	98,389	1,066,179
P O'Shea	351,333	464,000	7,900	31,399	-	-	22,356	77,822	954,810
G Mann	386,148	120,000	13,400	12,139	-	-	33,534	-	565,221
Five executives receiving the highest remuneration—not already mentioned above									
M Kulper	222,095	1,599,134	-	31,964	-	-	-	27,821	1,881,014
K Daley	340,992	904,100	-	28,748	-	-	-	116,816	1,390,656
Total	**4,552,314**	**5,094,734**	**45,658**	**1,310,553**	**112,629**	**77,296**	**214,620**	**868,989**	**12,276,793**

(i) C J S Renwick was appointed a non-executive director on 26 July 2006.

(ii) G R Phillips was an executive director from the beginning of the financial year until his resignation on 26 July 2006. His remuneration includes a termination benefit of $990,000 in recognition of his long term service to the Group

Directors' report

Transurban Limited Group

2005 Name	Short-term benefits: Cash salary and fees $	Short-term benefits: Cash bonus $	Short-term benefits: Non-monetary benefits $	Post-employment benefits: Super-annuation $	Post-employment benefits: Retirement benefits[4] $	Share-based payments: Options[1] $	Share-based payments: Executive Loan Plan[2] $	Share-based payments: Long Term Incentive Plan[3] $	Total $
Non-executive directors									
L G Cox Chairman	182,675	-	-	13,977	116,443	-	-	-	313,095
P C Byers	71,971	-	-	6,477	54,312	-	-	-	132,760
G O Cosgriff	68,845	-	-	6,196	32,439	-	-	-	107,480
J G A Davis	54,322	-	-	56,429	54,649	-	-	-	165,400
S M Oliver	70,062	-	-	6,306	56,736	-	-	-	133,104
D J Ryan	74,229	-	-	6,681	-	-	-	-	80,910
Executive directors									
K Edwards Managing Director	1,154,259	1,000,000	7,300	95,940	-	183,999	-	2,545,620	4,987,118
G R Phillips Deputy Managing Director	538,509	262,500	7,300	11,585	-	61,333	-	-	881,227
Other key management personnel									
C Brant	265,936	220,000	4,867	23,934	-	-	-	114,060	628,797
B Bourke	385,342	230,000	7,300	46,660	-	35,791	-	485,490	1,190,583
P O'Shea	304,319	225,000	7,300	27,312	-	26,181	-	387,751	977,863
Five executives receiving the highest remuneration—not already mentioned above									
K Daley	321,352	230,000	6,083	27,337	-	30,544	-	482,286	1,097,602
V Howard	254,315	432,500	7,300	15,000	-	21,817	-	350,699	1,081,631
L Hunt	305,473	137,000	13,400	26,511	-	11,742	-	375,935	870,061
Total	**4,051,609**	**2,737,000**	**60,850**	**370,345**	**314,579**	**371,407**	**-**	**4,741,841**	**12,647,631**

Emoluments of non-executive directors represent the portion of emoluments which relate to the Group. For full disclosure, see the Transurban Group Report.

(1) No options were granted during the year over Transurban Group Stapled Securities. Option remuneration relates to options granted to Executive Directors and Executives in prior financial years. The amounts disclosed as remuneration is that part of the value of the options which is attributable to the current year portion of the vesting period.

(2) The amounts disclosed as remuneration is that part of the value of the Executive Loan Plan benefit which is attributable to the current year portion of the vesting period.

(3) The amount shown as Long Term Incentive is that part of the units issued under the cash based ELTIP which is attributable to the current year portion of the vesting period for each current allocation.

(4) Retirement benefits were frozen for all participating non-executive directors at their current levels up to 30 September 2005. Interest accrues on directors entitlement balances at 7.05 per cent per annum.

Directors' report

(c) Service agreements (audited)

Remuneration for the Managing Director and the key management personnel are formalised in service agreements. Each of these agreements provides for access to performance-related cash bonuses and other benefits including death and disability insurance, salary continuance insurance and car parking. Although not specified in agreements, executives are eligible to participate in the Executive Loan Plan (or equivalent Cash Plan) and the Business Generation Incentive Plan. Other major provisions of the agreements, relating to remuneration, are set out below.

Current target remuneration mix

	% of total remuneration TEC	STI	LTI
Executive Director Managing Director	56%	22%	22%
Key Management Personnel Average	59%	18%	24%

Executive directors

K Edwards, Managing Director

- Term of Agreement—permanent, subject to six months notice of termination.
- The payment of one year's fixed remuneration upon termination as disclosed in the 2005 Annual Report.
- Fixed remuneration including base salary and superannuation, for the year ended 30 June 2006 of $1,500,000 to be reviewed annually by the remuneration committee and the Board.
- Long-Term Incentive allocation for FY07 based on 35 per cent of current TEC allocation, and
- Ineligible to participate in the Employee Share Ownership Plan.

Key management personnel and other executives

The major provisions contained in the service agreements of key management personnel are the same for all persons except for the base salary component and the following provisions.

- Term of agreement—permanent, subject to termination on six months notice, and
- TEC reviewed annually by the Nomination and Remuneration Committee and approved by the Board.

(d) Share-based compensation (audited)

Options

Options were issued at no cost to the option holder and vested in three equal tranches on the second, third and fourth anniversaries of their issue. The Exercise of the options was subject to an Exercise Condition. The Exercise Condition involved a comparison between Total Shareholder Return (TSR) of the Transurban Group's Stapled Securities over the two years prior to a vesting date of options and the TSR of each of the other companies in the S&P/ASX 200 Industrials as at the end of the relevant Exercise Condition Test Period which had been in the S&P/ASX 200 Industrials for the full term of the Exercise Condition Test Period (Test Companies) measured over the same period.

Directors' report

TSR measures the total return on investment of a security. It takes into account both capital appreciation and distribution income. The Transurban Group and each of the Test Companies were ranked according to their respective TSRs over the Exercise Condition Test Period. The ranking determines the extent to which vested options could be exercised. If the Group's TSR exceeded the 65th percentile of the ranking, 100 per cent of the vested options were exercisable. If Transurban Group's TSR was below the 25th percentile of the ranking, none of the vested options were exercisable. If the TSR fell between these percentiles, the percentage of vested options that were exercisable were calculated according to a formula.

The exercise price of options was the volume weighted average price at which the Group's Stapled Securities were traded on the Australian Stock Exchange during the five business days immediately prior to granting the options. When exercised, each option was converted into one Stapled Security, comprising one ordinary share in Transurban Limited, one ordinary share in Transurban Holdings Limited and one unit in Transurban Holding Trust. Options were exercisable at any time after vesting.

Fair values at grant date were independently determined, using a Black-Scholes derived option valuation model taking into consideration the exercise price, the term of the option, the market price of Transurban Group Stapled Securities on the grant date, the expected price volatility of Transurban Group Stapled Securities, expected future distributions and the risk free rate of interest over the term of the options.

The terms and conditions of each grant of options affecting remuneration in this or future reporting periods are as follows:

Grant date	Expiry date	Exercise price	Value per option at grant date	Date exercisable
26 April 2001	30 April 2006	$3.817	$0.425	One-third after 28/04/03, 26/04/04, 26/04/05
23 October 2001	31 October 2006	$4.404	$0.491	One-third after 28/04/03, 26/04/04, 26/04/05
1 February 2002	30 April 2007	$4.280	$0.477	One-third after 01/02/04, 01/02/05, 01/02/06
9 April 2002	30 April 2007	$4.030	$0.449	One-third after 20/05/04, 20/05/05, 20/05/06
20 May 2002	30 April 2007	$4.220	$0.470	One-third after 20/05/04, 20/05/05, 20/05/06

Details of options over ordinary shares in the Group provided as remuneration to each director of Transurban Limited and each of the key management personnel of the Group are set out below.

Directors' report

Name	Number of options granted during the year		Number of options vested during the year	
	2006	2005	**2006**	2005
Directors of Transurban Limited				
K Edwards	**-**	-	**-**	500,000
G R Phillips	**-**	-	**-**	166,667
Other key management personnel of the Group				
C Brant	**-**	-	**-**	-
B Bourke	**-**	-	**-**	116,667
P O'Shea	**-**	-	**-**	100,000
G Mann	**-**	-	**-**	-

Shares provided on exercise of remuneration options

Details of ordinary shares in the company provided as a result of the exercise of remuneration options to each director of Transurban Limited and other key management personnel of the Group are set out below.

Name	Number of ordinary shares issued on exercise of options during the year	
	2006	2005
Directors of Transurban Limited		
K Edwards	**1,500,000**	-
G R Phillips	**-**	500,000
Other key management personnel of the Group		
C Brant	**-**	-
B Bourke	**-**	350,000
P O'Shea	**-**	204,300
G Mann	**-**	-

The amounts paid per Stapled Security which includes one share in Transurban Limited, by each director and other key management personnel on the exercise of options at the date of exercise were as follows:

Exercise date	Amount paid per Stapled Security
21 September 2005	$4.404
13 December 2005	$4.404
20 June 2006	$4.404

No amounts are unpaid on any securities issued on the exercise of options.

Directors' report

Executive long term incentive plan

The executive long term incentive plan (ELTIP) was introduced in 2003 to provide long term incentives to executive directors and executives in the period after issued options had fully vested.

Under the ELTIP, participants were allocated 'ELTI units'. Each ELTI unit entitled the holder to a cash payment on the maturity date, approximately two years after the date of allocation. The cash payment per unit is equal to the increase in the Stapled Security price over the period between the date of allocation and the maturity date. The proportion of ELTI units which vest with the executive at maturity is dependent on the Transurban Group's ranking in the Total Shareholder Returns (TSRs) of the companies within the S&P/ASX 200 Industrials over the two years prior to maturity. If Transurban's TSR ranking is below the 40th percentile, no payment will be made. For TSR rankings between the 40th and 70th percentiles, the proportion increases linearly from 25 per cent to 100 per cent. If Transurban's TSR ranking is above the 70th percentile, the proportion is 100 per cent.

The terms and conditions of each grant of long term incentive plan units affecting remuneration in this or future reporting periods are as follows:

Grant date	Expiry date	Grant price	Value per unit at grant date	Value per unit at reporting date	Date payable
30 Sept 2003	30 Sept 2005	$4.23	$0.46	fully paid	30 Nov 2005
30 Sept 2004	30 Sept 2006	$5.45	$0.54	$1.79	30 Nov 2006

Details of ELTIs provided and paid to each director of Transurban Limited and other key management personnel of the Group are set out as follows:

Name	Number of ELTIs granted during the year		Number of ELTIs matured during the year		$ Value of ELTIs paid during the year	
	2006	2005	**2006**	2005	**2006**	2005
Directors of Transurban Limited						
K Edwards	**-**	800,000	**850,000**	-	**2,558,500**	-
G Phillips	**-**	-	**-**	-	**-**	-
Other key management personnel of the Group						
C Brant	**-**	170,000	**-**	-	**-**	-
B Bourke	**-**	160,000	**160,000**	-	**481,600**	-
P O'Shea	**-**	120,000	**130,000**	-	**391,300**	-
G Mann	**-**	-	**-**	-	**-**	-

Directors' report

Executive Loan Plan (ELP)

The Executive Loan plan (ELP) was introduced in 2005 as it offered payoff characteristics similar to those of an option-based plan and thus rewarded TSR out performance. The ELP, similar to those which had been introduced by a number of other companies whose equity securities were stapled, was also more cost effective than an option-based plan in terms of cost to the Group for a given amount of incentive. (The cost referred to above was in the form of fringe benefits tax that was payable by the Group on the allocation of Options.)

The ELP is structured as a performance loan plan which is linked to improvements in the price of Stapled Securities over a three year period. The Plan has been structured so that rewards are only obtained if there are materially improved security holder returns.

Executives participating in the ELP are provided with an interest free loan to assist them to acquire Stapled Securities at market price. The term of the loan is three years and there is only one testing date. The Stapled Securities are held by the executive but will only vest to the executive in accordance with the terms of the Plan. Expiry occurs three years plus 60 days from the date of commencement of the Plan, unless the rules of the Plan otherwise provide. Holding locks are applied to the Stapled Securities to ensure that the Stapled Securities can only be dealt with in accordance with the terms of the Plan. The acquired securities cannot be transferred or sold while the loan is outstanding.

Stapled Securities will vest in the executive if:

(a) the executive is employed by the Transurban Group for at least three years from the date of commencement of the Plan, unless the rules of the Plan otherwise provide, and

(b) the performance hurdle relevant to the offer is met.

If the Stapled Securities vest in the executive:

(a) then the executive can either pay the amount of the loan which needs to be repaid and which is attributable to those vested Stapled Securities in which case they will be free to deal with those Stapled Securities as they see fit, or

(b) the Group will otherwise sell the vested securities and apply for the proceeds of sale in discharge of the amount of the loan which is repayable attributable to those Stapled Securities, with any surplus to be provided to the executive.

Any unvested Stapled Securities will also be sold by the Group and the proceeds will be applied in reduction of the repayable amount of the loan attributable to those unvested securities, with the executive having no entitlement to the surplus.

The Plan has been designed so that the executive does not need to provide any money to purchase securities in the Transurban Group and is not himself or herself directly responsible for repayment of any loan provided. The proceeds of sale of Stapled Securities are, unless the rules of the Plan provide otherwise, applied to discharge the repayable portion of any loan.

If the executive does not meet the hurdle identified, and remains employed by the Transurban Group for a period of three years from the date of commencement of the Plan, unless the rules of the Plan otherwise provide, no Stapled Securities will vest in the executive and all Stapled Securities will be sold with the proceeds being applied in repayment of the repayable portion of the loan, with no surplus being provided to the executive.

If an executive leaves the employ of the Transurban Group those unvested securities will lapse and will be sold with the proceeds being applied in repayment of the repayable portion of the loan.

All dividends and distributions payable in respect of the Stapled Securities subject of the Plan, net of deductions for tax, are to be applied in reduction of the outstanding loan balance.

The performance hurdle attached to Stapled Securities has been set to ensure that both executives and Stapled Security holders generally benefit from the allocation of Stapled Securities to executives under the Plan.

The performance hurdle involves a comparison of Total Shareholder Returns (TSR). The TSR of Transurban's listed Stapled Securities is compared with the TSR of each other company (Test Company) in the S&P/ASX 100 Industrials (or similar or replacement index) for the whole period of comparison. The period of comparison (Performance Hurdle Test Period) is the three years post the date of commencement of the Plan.

TSR measures total return on investment of a security. It takes into account both capital appreciation and distributed income. It assumes a notional reinvestment of distributions paid on the security (on a pre-tax basis) in additional securities, at the market price on the day before the securities begin trading ex the relevant distribution.

Transurban and each of the Test Companies will be ranked according to their respective TSRs over the Performance Hurdle Test Period.

This ranking determines the extent to which Stapled Securities will vest.

- If Transurban's TSR is ranked at or above the 75th percentile, 100 per cent of the Stapled Securities will vest.
- If Transurban's TSR is ranked above the 50th percentile but below the 75th percentile, the percentage of Stapled Securities (P) that will vest will be that calculated according to the following formula:
  - P = 50 + 2 x (RTransurban – 50)
  - Where: RTransurban = The percentile rank of Transurban's TSR.
- If Transurban's TSR is ranked at or below the 50th percentile, none of the Stapled Securities will vest.

The allocation of ELP units is determined by the following:

(i) A remuneration value is determined for each participant relative to their total employment cost. These values are referenced to external market benchmarks. The number of Stapled Securities an executive is entitled to is derived by using an option valuation methodology such as the Black Scholes with Monte Carlo simulations or other similar method of calculation. These valuation methods take into account the fact that the loan will need to be repaid along with performance and other conditions. By dividing the remuneration value or number by this adjusted valuation, the number of Stapled Securities is derived

(ii) the Stapled Securities are acquired and transferred to each participant

(iii) the purchase price per Stapled Security is the average market price of Stapled Securities weighted by reference to volume over the week leading up to and including the date of commencement of the Plan, and

(iv) the amount of the loan provided to a participant is equal to the purchase price per Stapled Security multiplied by the participant's Stapled Securities entitlement.

Details of securities provided to each director of Transurban Limited and other key management personnel of the Group are set out below.

Name	Number of securities granted 2006	Number of securities granted 2005	Number of securities vested 2006	Number of securities vested 2005	Number of securities exercised 2006	Number of securities exercised 2005
Directors of Transurban Limited						
K Edwards	**312,500**	-	**-**	-	**-**	-
Other key management personnel of the Group						
C Brant	**118,000**	-	**-**	-	**-**	-
B Bourke	**102,000**	-	**-**	-	**-**	-
P O'Shea	**75,000**	-	**-**	-	**-**	-
G Mann	**112,500**	-	**-**	-	**-**	-

Executive Loan Plan for executives located overseas

An Executive Long Term Incentive Cash Plan mirroring that of the Executive Loan Plan is used for participants outside Australia. The terms and conditions of each grant of units under this cash plan affecting remuneration in this or future reporting periods are as follows:

Grant date	Expiry date	Grant price	Value per unit at grant date	Value per unit at reporting date	Date payable
1 November 2005	1 November 2008	$6.47	$1.35	$1.40	1 November 2008

Directors' report

Announced taxation changes impacting Stapled Securities

In the May 2006 Budget, the Federal Government announced its intention to extend the employee share scheme and related capital gains tax provisions to Stapled Securities that include an ordinary share and are listed on the ASX, with effect from 1 July 2006. Draft legislation is expected to be introduced around September–October 2006.

The Government's announcement is welcome and will offer some relief to companies which offer other than ordinary shares to their employees. Given this announcement, a review of Transurban's Equity Plans will be carried out once legislation is passed to ensure that the long term incentive programs and Employee Share Plans remain relevant and aligned to the interests of Stapled Security holders. However, Transurban's ability to offer a full range of alternative incentive plans is impacted by the constitution of Transurban Holding Trust.

(e) Additional information (unaudited)

Principles used to determine the nature and amount of remuneration: relationship between remuneration and company performance

The overall level of executive reward takes into account the performance of the Group. In particular the following items are considered in determining executive remuneration:

- financial performance relative to short-term profitability targets
- the extent to which the Group has met its key result areas
- total shareholder return relative to other companies in the ASX Industrials index, and
- individual performance as measured by the achievement of key performance indicators and the upholding of Group values.

Short term profitability targets for the Group were achieved for the year evidenced by the decreased loss reported for the period of $60.9 million compared to $90.4 million for the prior corresponding period. In addition, key result areas were achieved with the business delivering synergies of $9 million following the acquisition of the Hills Motorway Group which was further enhanced by the acquisition of the Tollaust Pty Ltd, tolling and operations manager of Hills M2.

Transurban's ability to grow distributions represents a combination of strong cash generation and its increased debt capacity. Since commencement of operations, Transurban's annual cash contribution from operations has increased from a surplus in 2001 of $0.02 million to $172.2 million for the current period.

Transurban is currently ranked in the top 50 public companies listed on the ASX.

Cash bonuses and options

Cash bonuses

Remuneration of the Group's executives includes a short-term incentive (STI) component and each executive has the potential to receive 100 per cent of his or her target STI payment. The actual STI payment received by each executive is determined by the extent to which the executive's KPIs are met.

Cash bonuses aggregating $6.34 million were incurred under the Business Generation Incentive Plan in relation to the purchase of the Pocahontas Parkway (Virginia, US) and the agreement with the Victorian Government to upgrade the West Gate-CityLink-Monash corridor.

For each cash bonus paid to the directors and the five executives receiving the highest remuneration, the percentage of the available bonus that was paid in the financial year and the percentage that was forfeited because the person did not meet his or her performance criteria is set out opposite. No part of the cash bonuses are payable in future years.

Directors' report

	Cash bonus	
Name	**Paid %**	**Forfeited %**
K Edwards	100	-
M Kulper	100	-
K Daley	100	-
C Brant	100	-
B Bourke	100	-
P O'Shea	100	-

Mr G R Phillips resigned on 26 July 2005 and was ineligible for a bonus in the current financial year.

Options

No options on issue to the directors and the five executives receiving the highest remuneration listed in the above tables vesting in the current year and there are no remaining options on issue.

Long term incentive units

Long term incentive units issued in September 2003 vested in September 2005 and were paid in November 2005. No amounts were forfeited.

Directors' report

Further details relating to options and long term incentives are set out below.

Name	A Remuneration %	B Value at grant date $	C Value at exercise date $	D Value at lapse date $	E Total of columns B-D $
K Edwards					
—options	-	-	3,963,002	-	3,963,002
—ELTI	-	-	2,558,500	-	2,558,500
—share plan	30	437,500	-	-	437,500
G R Phillips					
—options	-	-	-	-	-
—ELTI	-	-	-	-	-
—share plan	-	-	-	-	-
M Kulper					
—options	-	-	-	-	-
—ELTI	30	126,000	-	-	126,000
—share plan	-	-	-	-	-
K Daley					
—options	-	-	723,247	-	723,247
—ELTI	30	103,950	511,700	-	615,650
—share plan	-	-	-	-	-
C Brant					
—options	-	-	-	-	-
—ELTI	-	-	-	-	-
—share plan	30	165,000	-	-	165,000
B Bourke					
—options	-	-	-	-	-
—ELTI	-	-	481,600	-	481,600
—share plan	30	142,500	-	-	142,500
P O'Shea					
—options	-	-	-	-	-
—ELTI	-	-	391,300	-	391,300
—share plan	30	105,000	-	-	105,000

A = The percentage of the value of remuneration, based on the value at grant date set out in column B

B = The value at grant date calculated in accordance with AASB 2 Share-based Payment.

C = The value at exercise date that were granted as part of remuneration and were exercised/matured during the year.

D = The value at lapse date that were granted as part of remuneration and that lapsed during the year.

Directors' report

Shares under option

Unissued Stapled Securities of the Transurban Group which include options over shares of Transurban Limited, under option at the date of this report are as follows. No options were issued during the year.

Grant date	Expiry date	Issue price of Stapled Securities	Number under option
20 May 2002	30 April 2007	$4.220	76,283

Shares issued on the exercise of options

The following Transurban Stapled Securities, which include a share in Transurban Limited, were issued during the year ended 30 June 2006 on the exercise of options granted under the Transurban Group's Employee Option Plan. No further securities have been issued since that date. No amounts are unpaid on any of the securities.

Date options granted	Issue price of securities	Number of securities issued
26 April 2001	$3.817	390,000
23 October 2001	$4.404	1,500,000
1 February 2002	$4.280	-
9 April 2002	$4.030	223,200
20 May 2002	$4.220	586,102

Insurance of officers

Article 12.1 of the Articles of Association of the Company and consolidated entity provides that to the extent permitted by law, each person who is or has been an officer of the Company and consolidated entity shall be indemnified against liability incurred by the person in his capacity as an officer of the Company and consolidated entity, unless the liability arises out of conduct on the part of the officer which involves a lack of good faith. The Company and consolidated entity also indemnifies each person who is or has been an officer of the Company and consolidated entity against liability for costs or expenses incurred by the person in his or her capacity as an officer of the Company and consolidated entity in defending civil or criminal proceedings in which judgement is given in favour of the person or the person is acquitted or in connection with an application in which the Court grants relief to the person under the Corporations Act 2001.

In accordance with common practice, the insurance policy prohibits disclosure of the nature of the liability covered and the amount of the premium.

Rounding off

The Group is of a kind referred to in Class Order 98/0100, issued by the Australian Securities and Investment Commission, relating to the rounding off of amounts in the Directors' Report. Amounts in the Directors' Report have been rounded off in accordance with that Class Order to the nearest thousand dollars, or in certain cases, to the nearest dollar.

Directors' report

Non-audit services

The Group may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Group are important.

The Board of Directors has considered the position and, in accordance with the advice received from the audit committee is satisfied that the provision of the non-audit services is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The directors are satisfied that the provision of non-audit services by the auditor, did not compromise the auditor independence requirements of the Corporations Act 2001 for the following reasons.

- All non-audit services have been reviewed by the audit committee to ensure they do not impact the impartiality and objectivity of the auditor.
- None of the services undermine the general principles relating to auditor independence as set out in professional statement F1, including reviewing or auditing the auditor's own work, acting in a management or a decision making capacity for the company, acting as advocate for the company or jointly sharing economic risk and rewards.

During the year the following fees were paid or payable for services provided by the auditor of the parent entity, its related practices and non-related audit firms.

	Consolidated	
	2006	2005
	$	$
1. Assurance services		
Audit services		
PricewaterhouseCoopers Australian firm:		
Audit and review of financial reports and other audit work under the Corporations Act 2001.	**50,000**	48,800
Total Remuneration for Audit Services	**50,000**	**48,800**
Other assurance services		
PricewaterhouseCoopers Australian firm:		
Due diligence	**-**	432,500
Compliance plan audit	**12,350**	24,700
Other assurance services	**121,834**	-
IFRS accounting services	**-**	115,000
Total Assurance Services	**134,184**	**572,200**

Directors' report

	Consolidated	
	2006	2005
	$	$
2. Taxation services		
PricewaterhouseCoopers Australian firm:		
Tax compliance services, including review of income tax returns	**-**	66,765
Indirect taxation services	**434,714**	258,430
Fees paid to non-PricewaterhouseCoopers audit firms	**38,103**	-
Total Remuneration for Taxation Services	**472,817**	**325,195**

Auditors' independence declaration

A copy of the auditors' independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 27.

Auditor

PricewaterhouseCoopers continues in office in accordance with section 327 of the Corporations Act 2001.

Directors' report

This report is made in accordance with a resolution of the directors.

Laurence G Cox
Chairman

Kimberley Edwards
Managing Director

Melbourne
22 August 2006

Directors' report

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Auditors' independence declaration

As lead auditor for the audit of the Transurban Group for the year ended 30 June 2006, I declare that to the best of my knowledge and belief, there have been:

a) no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit, other than a contravention covered by ASIC Class Order 05/910; and

b) no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of the Transurban Group and the entities it controlled during the year.

Tim Goldsmith
Partner

Melbourne
22 August 2006

Liability limited by a scheme approved under Professional Standards Legislation.

Consolidated income statement for the year ended 30 June 2006

	Consolidated	
	2006 $'000	2005 $'000
Revenue from continuing operations	**89,394**	62,034
Other income	**2,407**	714
Operational costs	**(32,497)**	(11,405)
Corporate costs	**(21,524)**	(21,281)
Business development	**(8,727)**	(18,158)
Corporate and community relations	**(4,244)**	(3,386)
Depreciation and amortisation expenses	**(12,358)**	(6,305)
Finance costs	**(511)**	(808)
Profit from Continuing Operations Before Income Tax	**11,940**	1,405
Income tax expense	**(4,174)**	(972)
Profit Attributable to Members of Transurban Limited	**7,766**	433
Earnings per share for profit attributable to the ordinary equity holders of the company		
	Cents	Cents
Basic earnings per share	**1.0**	0.1
Diluted earnings per share	**1.0**	0.1

The above consolidated income statement should be read in conjunction with the accompanying notes.

Consolidated balance sheet as at 30 June 2006

	Consolidated	
	2006 $'000	2005 $'000
Current assets		
Cash and cash equivalents	**34,179**	17,029
Trade and other receivables	**62,337**	25,204
Total Current Assets	**96,516**	42,233
Non-current assets		
Receivables	**186**	2,114
Property, plant and equipment	**48,801**	40,556
Deferred tax assets	**8,526**	5,534
Intangible assets	**19,260**	4,738
Total Non-Current Assets	**76,773**	52,942
Total Assets	**173,289**	95,175
Current liabilities		
Trade and other payables	**15,508**	25,895
Borrowings	**-**	8,000
Non-interest bearing liabilities	**25,084**	13,056
Provisions	**20,480**	14,238
Total Current Liabilities	**61,072**	61,189
Non-current liabilities		
Non-interest bearing liabilities	**96,581**	30,250
Deferred tax liabilities	**11,730**	4,564
Provisions	**365**	3,397
Total Non-Current Liabilities	**108,676**	38,211
Total Liabilities	**169,748**	99,400
Net Assets	**3,541**	(4,225)
Equity		
Retained profits	**3,541**	(4,225)
Total Equity	**3,541**	(4,225)

The above consolidated balance sheet should be read in conjunction with the accompanying notes.

Consolidated statement of changes in equity for the year ended 30 June 2006

	Consolidated	
	2006 $'000	2005 $'000
Total Equity at the Beginning of the Financial Year	**(4,225)**	(4,658)
Profit for the year	**7,766**	433
Total Equity at the End of the Year Attributable to Members of Transurban Limited	**3,541**	(4,225)

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

Consolidated cash flow statement for the year ended 30 June 2006

	Consolidated	
	2006 $'000	2005 $'000
Cash flows from operating activities		
Receipts from customers (inclusive of GST)	**88,984**	51,843
Payments to suppliers (inclusive of GST)	**(68,889)**	(43,964)
Interest received	**611**	351
Interest paid	**(444)**	(837)
Net Cash Inflow from Operating Activities	**20,262**	7,393
Cash flows from investing activities		
Payments for property, plant and equipment and intangible assets	**(56,582)**	(22,870)
Payment to secure release from single purpose restrictions	**-**	(3,150)
Proceeds from sales of property, plant and equipment	**4,263**	-
Loans to related parties	**(67,153)**	(29,037)
Repayment of loans by related parties	**71,801**	28,272
Net Cash (Outflow) from Investing Activities	**(47,671)**	(26,785)
Cash flows from financing activities		
Repayment of borrowings	**(8,000)**	-
Loans from related parties	**242,834**	157,100
Repayment of loans to related parties	**(191,723)**	(127,179)
Net Cash Inflow from Financing Activities	**43,111**	29,921
Net increase in cash at bank	**15,702**	10,529
Cash at bank at the beginning of the financial year	**17,029**	6,470
Effects of exchange rate changes on cash	**1,448**	30
Cash at Bank at the End of the Financial Year	**34,179**	17,029

The above consolidated cash flow statement should be read in conjunction with the accompanying notes.

Notes to the consolidated financial statements for the year ended 30 June 2006

This concise financial report relates to the consolidated entity consisting of Transurban Limited and the entities it controlled at the end of, or during, the year ended 30 June 2006. The accounting policies adopted have been consistently applied to all years presented, unless otherwise stated in Note 1 below.

The company is of a kind referred to in Class Order 98/0100, issued by the Australian Securities and Investments Commission, relating to the 'rounding off' of amounts in financial reports. Amounts in the concise financial report have been rounded off in accordance with that Class Order to the nearest thousand dollars.

Notes to the consolidated financial statements for the year ended 30 June 2006

1. Adoption of Australian Equivalents to International Financial Reporting Standards

The full financial report on which this concise financial report is based is the first annual Transurban Limited financial report to be prepared in accordance with Australian equivalents to International Financial Reporting Standards (AIFRS). AASB 1 First-Time Adoption of Australian Equivalents to International Financial Reporting Standards has been applied in preparing the full financial report.

Financial statements of Transurban Limited until 30 June 2006 had been prepared in accordance with previous Australian Generally Accepted Accounting Principles (AGAAP). AGAAP differs in certain respects from AIFRS. When preparing Transurban Limited 2006 financial statements, management has amended certain accounting, valuation and consolidation methods applied in the AGAAP financial statements to comply with AIFRS. With the exception of financial instruments, the comparative figures in respect of 2005 were restated to reflect these adjustments. The Group has taken the exception available under AASB 1 to only apply AASB 132 Financial Instruments: Disclosure and Presentation and AASB 139 Financial Instruments: Recognition and Measurement from 1 July 2005.

Reconciliations and descriptions of the effect of transition from previous AGAAP to AIFRS on the Group's equity and its net income are given in Note 34 of the full financial report. A summary of this information is provided below.

(a) Impact on total equity reported under previous AGAAP

	30 June 2005 $'000	1 July 2004 $'000
Total Equity Under Previous AGAAP	**3,057**	2,152
Adjustment to retained earnings (net of related tax impact)		
Derecognition of goodwill	(8,252)	(8,752)
Recognition of deferred tax assets	5,534	6,984
Recognition of deferred tax liabilities	(4,564)	(5,042)
Total Equity Under AIFRS	**(4,225)**	**(4,658)**

(b) Impact on profit for the year ended 30 June 2005

	$'000
Profit for the year ended 30 June 2005 as reported under AGAAP	**905**
Adjustment to depreciation expense	500
Adjustment to income tax expense	(972)
Profit for the year ended 30 June 2005—restated under AIFRS	**433**

(c) Impact on cash flow statement for the year ended 30 June 2005

The adoption of AIFRS has not resulted in any material adjustments to the cash flow statement.

Notes to the consolidated financial statements for the year ended 30 June 2006

2. Presentation currency

The presentation currency used in this concise financial report is Australian dollars.

3. Segment information

Primary reporting—business segment

The primary business segment for the year ending 30 June 2006 was the Management of the entities operating the Toll roads within the Transurban Group and investigating possible investment opportunities. All revenues and expenses are directly attributable to this sole purpose. The management structure and internal financial reporting are based on this single business segment.

Secondary reporting—geographical segments

	Segment Revenues		**Segment Assets**		**Segment Liabilities**	
	2006 $'000	2005 $'000	**2006 $'000**	2005 $'000	**2006 $'000**	2005 $'000
Victoria, Australia	**51,666**	43,036	**110,932**	82,841	**151,495**	82,951
New South Wales, Australia	**29,656**	18,998	**54,775**	10,406	**17,455**	16,449
United States	**8,072**	-	**5,019**	1,928	**798**	-
Other	**-**	-	**2,563**	-	**-**	-
Total	**89,394**	62,034	**173,289**	95,175	**169,748**	99,400

4. Sales revenue

	Consolidated	
	2006 $'000	2005 $'000
Services revenue from continuing operations	**80,426**	52,844

5. Economic dependency

Transurban Limited is dependent on Management and IT fees charged to CityLink Melbourne Limited, Hills Motorway Limited, Transurban Infrastructure Management Limited and Transurban Holding Trust for short term funding. A controlled entity, Transurban Infrastructure Management Limited is dependent on Management Fees and Responsible Entity Fees from Transurban Holding Trust, Transurban CARS Trust and the CityLink Trust.

Directors' declaration

The directors declare that in their opinion, the concise financial report of the consolidated entity for the year ended 30 June 2006, as set out on pages 28 to 34, complies with Accounting Standard AASB 1039: Concise Financial Reports.

The concise financial report is an extract from the full financial report for the year ended 30 June 2006. The financial statements and specific disclosures included in the concise financial report have been derived from the full financial report.

The concise financial report cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the consolidated entity as the full financial report, which is available on request.

This declaration is made in accordance with a resolution of the directors.

Laurence Cox

Laurence G Cox
Chairman

K Edwards

Kimberley Edwards
Managing Director

Melbourne
22 August 2006

Independent audit report to the members

PRICEWATERHOUSECOOPERS

PricewaterhouseCoopers
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GPO Box 1331L
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Independent audit report to the members of Transurban Limited

Audit opinion

In our opinion, the concise financial report of Transurban Limited for the year ended 30 June 2006 complies with Australian Accounting Standard AASB 1039: *Concise Financial Reports*.

This opinion must be read in conjunction with the rest of our audit report.

Scope

The concise financial report and directors' responsibility

The concise financial report comprises the consolidated balance sheet, consolidated income statement, consolidated cash flow statement, consolidated statement of changes in equity, notes to the financial statements, and the directors' declaration for Transurban Limited (the Company) for the year ended 30 June 2006.

The directors of the Company are responsible for the preparation and presentation of the financial report in accordance with Australian Accounting Standard AASB 1039: *Concise Financial Reports*.

Audit approach

We conducted an independent audit of the concise financial report in order to express an opinion on it to the members of the Company. Our audit was conducted in accordance with Australian Auditing Standards, in order to provide reasonable assurance as to whether the concise financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected. For further explanation of an audit, visit our website http://www.pwc.com/au/financialstatementaudit.

We also performed an independent audit of the full financial report of the Company for the financial year ended 30 June 2006. Our audit report on the full financial report was signed on 22 August 2006, and was not subject to any qualification.

In conducting our audit of the concise financial report, we performed procedures to assess whether in all material respects the concise financial report is presented fairly in accordance with Australian Accounting Standard AASB 1039: *Concise Financial Reports*.

Independent audit report to the members

PRICEWATERHOUSECOOPERS

We formed our audit opinion on the basis of these procedures, which included:

- testing that the information included in the concise financial report is consistent with the information in the full financial report, and
- examining, on a test basis, information to provide evidence supporting the amounts, and other disclosures in the concise financial report which were not directly derived from the full financial report.

Our procedures include reading the other information in the Annual Report to determine whether it contains any material inconsistencies with the concise financial report.

Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements and the *Corporations Act 2001*.

PricewaterhouseCoopers

PricewaterhouseCoopers

Tim Goldsmith
Partner

Melbourne
22 August 2006

FINANCIALS

The Concise Financial Report of
Transurban Holding Trust and Controlled Entities (ABN 30 169 362 255)
For the year ended 30 June 2006

Contents

Directors' report

Relationship of the concise financial report to the full financial report

The concise financial report is an extract from the full financial report for the year ended 30 June 2006. The financial statements and specific disclosures included in the concise financial report have been derived from the full financial report.

The concise financial report cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of Transurban Holding Trust and its subsidiaries as the full financial report. Further financial information can be obtained from the full financial report.

The full financial report and auditor's report will be sent to members on request, free of charge. You can access both the full financial report and the concise report under the Investors section at Transurban's website: www.transurban.com.au. Alternatively, ycall 1300 360 146 (free call) for a copy.

Directors report

The directors of Transurban Infrastructure Management Limited, the responsible entity of Transurban Holding Trust, present their report on the consolidated entity consisting of Transurban Holding Trust (the Trust), and the entities it controlled (collectively the Group) at the end of, and during, the year ended 30 June 2006.

Transurban Holding Trust forms part of the Transurban Group. The securities of the entities comprising the Transurban Group are stapled. A Stapled Security comprises one share in Transurban Holdings Limited, one share in Transurban Limited and one unit in Transurban Holding Trust. None of the components of the Stapled Security can be traded separately.

Responsible entity

Transurban Holding Trust is registered, as a managed investment scheme under Chapter 5C of the Corporations Act 2001 and, as a result, requires a responsible entity. Transurban Infrastructure Management Limited is the responsible entity of Transurban Holding Trust and is responsible for performing all functions that are required under the Corporations Act 2001 of a Responsible Entity.

With the exception of the changes noted below, the following persons held office as directors of Transurban Infrastructure Management Limited during the whole of the financial year and up to the date of this report:

Non-executive directors

Laurence G Cox
Geoffrey O Cosgriff
Jeremy G A Davis
Peter C Byers
Susan M Oliver
David J Ryan
Christopher J S Renwick[1]

Executive directors

Kimberley Edwards[2]
Geoffrey R Phillips[3]

[1] C J S Renwick was appointed a non-executive director on 26 July 2005 and continues in office at the date of this report.

[2] K Edwards was appointed an executive director on 26 July 2005 and continues in office at the date of this report.

[3] G R Phillips was an executive director from the beginning of the financial year until his resignation on 26 July 2005.

Principal activities and operations

During the year the principal activities of the consolidated entity consisted of holding 100 per cent of the units in the CityLink Trust, the Transurban Finance Trust, the Hills Motorway Trust and the Transurban CARS Trust. The Transurban CARS Trust holds the Transurban Group's investment in Westlink M7.

Directors' report

Results

The performance of the consolidated entity, as represented by the results of its operations, was as follows:

	2006 $'000	2005 $'000
Revenue from continuing operations	**359,202**	257,085
Profit for the year	**60,428**	20,759

Distributions

	Parent Entity	
	2006 $'000	2005 $'000
Distributions proposed		
Final distribution payable and recognised as a liability: 25.5 cents (2005: 18.0 cents) per fully paid stapled security payable 25 August 2006	**207,422**	142,455
Distributions paid during the year		
Final distribution for 2005 financial year of 18.0 cents (2004: 13.5 cents) per fully paid Stapled Security paid 2 September 2005	**142,443**	71,983
Interim distribution for 2006 financial year of 24.5 cents (2005: 17.0 cents) per fully paid Stapled Security paid 28 February 2006	**194,188**	91,745
Total Distributions Paid	**336,631**	**163,728**
Distributions paid in cash or satisfied by the issue of Stapled Securities under the distribution reinvestment plan during the years ended 30 June 2006 and 30 June 2005		
Paid in cash	**243,240**	131,686
Executive loans—repayments	**352**	-
Satisfied by issue of Stapled Securities[1]	**93,007**	32,042
Distributions waiting to be applied to future DRP	**32**	-
	336,631	**163,728**

[1] The value of Stapled Securities represents the total value of securities issued, however, this value is apportioned between Transurban Holding Trust ($88.9 million), and Transurban Holdings Limited ($4.1 million).

Directors' report

Review of operations

a) Construction Phase Loan Notes (CPLN)

During the year, Transurban CARS Trust (TCT) received distributions from its wholly owned entity, Transurban WSO Trust (TWT). The distributions are funded from interest received by TWT from the CPLNs which it acquired to fund Transurban's contribution to the Westlink motorway Partnership. The CPLNs are subordinated loan notes which pay interest at the rate of 6.27 per cent per annum.

The income received by way of distribution from TWT is the principal source of cash to fund distributions payable by TCT on the Convertible Adjusting Rate Securities (CARS) issued by TCT.

CPLNs held by the Trust converted to Term Loan Notes (TLN) on the Equity Contribution Date defined as the earlier of:

- the date of completion of construction of the Westlink M7 motorway
- the date which is 42 months after Financial close, and
- the date on which a demand is made after the occurrence of an event of default under the subscription agreement.

Construction of the Westlink M7 motorway was completed on 16 December 2005, accordingly CPLN's converted to Term Loan Notes accruing interest at 11.93 per cent. Any unpaid interest capitalises into additional term loan notes.

b) Convertible Adjusting Rate Securities (CARS)

During the period, TCT paid distributions to CARS holders at the fixed rate of 7 per cent per annum. The distributions which are paid twice annually with payment dates of 31 July and 31 December respectively were 100 per cent tax deferred for the year ended 30 June 2006.

Under the terms of the CARS prospectus, unit holders are eligible to convert their CARS units into Transurban triple Stapled Securities (Transurban securities) at any time after the second anniversary of the issue date (14 April 2005). During the year exchange notices were received electing to convert units into Transurban Group Stapled Securities.

c) Westlink M7

The Trust increased its equity interest from 40 per cent to 45 per cent in the Westlink M7 project on 16 December 2005 in line with the opening of the Westlink M7 Motorway, eight months ahead of schedule.

Transurban and Macquarie Infrastructure Group have pre-emptive rights over the remaining 10 per cent held by Abigroup Limited and Leighton Holdings Limited.

Transurban's role in the Westlink project involves:

- 45 per cent equity stake in the road's owner, Westlink motorway
- supply of the tolling system, and
- provision of tolling and customer management services.

Westlink M7 is a 40-kilometre motorway in Western Sydney which links Hills M2 at Baulkham Hills, the M4 at Eastern Creek and the M5 at Prestons, and bypasses 48 sets of traffic lights.

Significant changes in the state of affairs

With the exception of the events mentioned in the Review of Operations above, in the opinion of the directors, there were no significant changes in the state of affairs of the consolidated entity that occurred during the financial year under review.

The table below sets out the conversions for the year ended 30 June 2006.

	Units on issue	Conversion factor	Stapled Securities issued '000
1 July 2005	4,300,000		
31 December 2005, Stapled Securities were issued on 3 January 2006	(288,711)	17.0679	4,928
30 June 2006, Stapled Securities were issued on 3 July 2006	(273,953)	17.4966	4,793
30 June 2006	3,737,336		9,721

Distributions paid to holders of Convertible Adjusting Rate Securities (CARS) made during the year consisted of:

	$ per security	$'000
Distribution for the period 1 January 2005 to 30 June 2005 at a fixed rate of 7 per cent per annum paid 29 July 2005.	3.4712	14,926
Distribution for the period 1 July 2005 to 31 December 2005 at a fixed rate of 7 per cent per annum paid 31 January 2006.	3.5288	15,174

A further distribution for the period 1 January 2006 to 30 June 2006 of $13.9 million was paid on 31 July 2006.

Directors' report

Matters subsequent to the end of the financial period

(a) West Gate-CityLink-Monash freeway corridor improvement project

Transurban has reached agreement with the State of Victoria and VicRoads to jointly fund upgrades and improvements to 75 kilometres of the West Gate-CityLink (Southern Link)-Monash freeway corridor.

The CityLink upgrade, which is estimated to cost $166 million over the three year construction period, will be funded via the Distribution Reinvestment Plan. The State will fund the non-CityLink works, estimated to cost $737 million. Full project completion is expected by December 2010.

Under the agreement, the State will also transfer to Transurban all remaining and future Concession Note liabilities incurred under the provisions of the Melbourne CityLink Concession Deed. These liabilities have a face value of $2.9 billion and will be replaced by payments over the next four years totalling $614 million.

Transurban and the State will share in the revenue uplift generated by the project after Transurban has fully recovered the capital cost and any lost revenue from the construction phase of the Southern Link upgrades.

(b) Westlink M7 increase in equity interest

Transurban has exercised its pre-emptive right to purchase an additional 2.5 per cent equity interest in the Westlink M7 for $34.3 million. This will increase Transurban's holding from 45 per cent to 47.5 per cent. Transurban and Macquarie Infrastructure Group have pre-emptive rights over the remaining 5 per cent held by Leighton Holdings Limited.

With the exception of the above events, at the date of this report the directors are not aware of any circumstances that have arisen since 30 June 2006 that have significantly affected or may significantly affect the operations, and results of those operations or the state of affairs, of the consolidated entity in financial years subsequent to 30 June 2006.

Likely developments and expected results of operations

Information on likely developments in the operations of the Trust and the expected results of operations have not been included in this report because the directors of the responsible entity believe it would be likely to result in unreasonable prejudice to the Trust.

Insurance and indemnification

No insurance premiums are paid for out of the assets of the Trust in regards to insurance cover provided to the responsible entity or any of its agents. So long as the officers of the responsible entity act in accordance with the Trust Constitution and the Law, the officers remain indemnified out of the assets of the Trust against any losses incurred while acting on behalf of the Trust. The auditor of the Trust is in no way indemnified out of the assets of the Trust.

Fees paid to and interest held in the Trust by the responsible entity or its associates

No fees were paid to the directors of the Responsible Entity during the year out of Trust property.

Interests in the Trust issued during the financial year

	Consolidated 2006 '000	Consolidated 2005 '000
Balance at 1 July	**791,416**	532,630
Units issued during the year	**25,217**	258,786
Balance at 30 June	**816,633**	791,416

Value of assets

	Consolidated 2006 $'000	Consolidated 2005 $'000
Value of Trust assets at 30 June	**7,149,605**	6,930,959

Directors' report

Units under option

Unissued units of Transurban Holding Trust under option at the date of this report are as follows. No options were granted in the current year.

Date options granted	Expiry date	Issue price of Stapled Securities	Number under option
26 April 2001	30 April 2006	$3.817	-
23 October 2001	31 October 2006	$4.404	-
1 February 2002	30 April 2007	$4.280	-
9 April 2002	30 April 2007	$4.030	-
20 May 2002	30 April 2007	$4.220	76,283

Units issued on the exercise of options

The following Transurban Stapled Securities, which include a unit in the Trust were issued during the year ended 30 June 2006 on the exercise of options granted under the Transurban Group's Employee Option Plan. No further securities have been issued since that date. No amounts are unpaid on any of the securities.

Date options granted	Issue price of securities	Number of securities issued
26 April 2001	$3.817	390,000
23 October 2001	$4.404	1,500,000
1 February 2002	$4.280	-
9 April 2002	$4.030	223,200
20 May 2002	$4.220	586,102

Directors' interests

The directors of the Responsible Entity have disclosed relevant interests in Stapled Securities, options over Stapled Securities and Convertible Adjusting Rate Securities (CARS) issued by the Transurban Group as follows:

Name	Number of Stapled Securities	Options over Stapled Securities	Number of CARS
L G Cox	1,142,500	-	-
P C Byers	70,580	-	-
G O Cosgriff	31,110	-	121
J G A Davis	51,817	-	-
S M Oliver	68,009	-	-
C J S Renwick	-	-	-
D J Ryan	22,394	-	-
K Edwards	1,873,500	-	-

Directors' report

Environmental regulation

CityLink Melbourne Limited is subject to regulation by the Environment Protection Authority (EPA) Victoria in respect of:

- discharges from the tunnel ventilation system
- discharges from the tunnel drainage systems, and
- groundwater quality in the aquifers surrounding the tunnels.

The main regulation relates to the Waste Discharge Licence (EA41502) that regulates the operation of the tunnel ventilation system and imposes requirements to monitor the emissions of carbon monoxide, oxides of nitrogen and particulate matter.

This monitoring is undertaken by several specialist organisations under the supervision of the CityLink operator, Translink Operations Pty Ltd. The monitoring organisations are certified by the National Association of Testing Authorities.

Monitoring verifies that emission levels are well below the maximum levels specified in the Waste Discharge Licence and that there has been an improvement in ambient air quality since the tunnels opened.

Following discussions with the Environmental Management Committee which includes representatives from CityLink, Translink Operations, EPA Victoria, local councils and community representatives, Translink Operations sought an amendment to the Waste Discharge Licence.

Accordingly, on 7 June 2005, EPA Victoria issued an amended Waste Discharge Licence (Licence EA41502) which materially altered the licence conditions. Under the amended licence, CityLink is no longer required to monitor ambient air quality in vicinity of the tunnel ventilation stacks.

Monitoring of emissions within the tunnels and from the ventilation stacks will continue unchanged.

Monitoring of groundwater quality verifies that the requirements of the EPA are being met.

Monitoring of tunnel drainage water quality verifies that the requirements of the EPA are being met.

CityLink Melbourne is obliged to take remedial action if traffic noise at abutting developments exceeds 63dB(A) L10.

Westlink M7 operations are not subject to any special environmental regulation apart from that which would apply to any other road or development of a similar nature except where protection for sensitive areas and specified trees that are endangered sites used by bats for roosting.

Hills Motorway Limited is subject to environmental regulation in respect to:

- discharge of stormwater runoff from the Hills M2 motorway into the Lane Cove River, and
- carbon-monoxide levels within the Hills M2 tunnels.

Monitoring of these parameters indicates that environmental requirements have been satisfied.

Auditors' independence declaration

A copy of the auditors' independence declaration as required under section 307C of the Corporation Act 2001 is set out on page 47.

Rounding off

The Trust is a registered scheme of a kind referred to in Class Order 98/0100, issued by the Australian Securities and Investments Commission, relating to the 'rounding off' of amounts in the Directors' Report. Amounts in the Directors' Report have been rounded off in accordance with that Class Order to the nearest thousand dollars, or in certain cases, to the nearest dollar.

Auditor

PricewaterhouseCoopers continues in office in accordance with section 327 of the Corporations Act 2001.

Directors' report

This report is made in accordance with a resolution of the directors of Transurban Infrastructure Management Limited.

Laurence G Cox
Chairman

Kimberley Edwards
Managing Director

Melbourne
22 August 2006

Auditors' independence declaration

PRICEWATERHOUSECOOPERS

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Facsimile 61 3 8603 1999

Auditors' independence declaration

As lead auditor for the audit of the Transurban Group for the year ended 30 June 2006, I declare that to the best of my knowledge and belief, there have been:

a) no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit, other than a contravention covered by ASIC Class Order 05/910; and

b) no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of the Transurban Group and the entities it controlled during the year.

Tim Goldsmith
Partner

Melbourne
22 August 2006

Consolidated income statement for the year ended 30 June 2006

	Consolidated 2006 $'000	Consolidated 2005 $'000
Revenue from continuing operations	**359,202**	257,085
Other income	**2,940**	-
Administration costs	**(1,881)**	(1,179)
Operational costs	**(17,686)**	(31,625)
Promissory notes	**(2,025)**	(541)
Depreciation and amortisation expense	**(104,548)**	(45,892)
Finance costs	**(166,940)**	(157,089)
Share of net losses of associate and joint venture partnership accounted for using the equity method	**(8,634)**	-
Profit for the Year Attributable to Members of Transurban Holding Trust	**60,428**	20,759
Earnings per unit for profit attributable to the ordinary equity holders:		
	Cents	Cents
Basic earnings per unit	**7.6**	3.5
Diluted earnings per unit	**7.6**	3.5

The above consolidated income statement should be read in conjunction with the accompanying notes.

Consolidated balance sheet as at 30 June 2006

	Consolidated 2006 $'000	Consolidated 2005 $'000
Current assets		
Cash and cash equivalents	**131,972**	191,908
Trade and other receivables	**9,464**	20,760
Derivative financial instruments	**694**	-
Total Current Assets	**142,130**	212,668
Non-current assets		
Receivables	**243,803**	148,120
Investments accounted for using the equity method	**15,732**	6,236
Held-to-maturity investments	**469,767**	392,000
Derivative financial instruments	**2,288**	-
Other financial assets	**3,576,386**	3,345,077
Property, plant and equipment	**2,699,499**	2,804,047
Other	**-**	22,811
Total Non-Current Assets	**7,007,475**	6,718,291
Total Assets	**7,149,605**	6,930,959
Current liabilities		
Trade and other payables	**93,330**	72,810
Non-interest bearing liabilities	**23,835**	123,780
Provisions	**207,070**	142,455
Derivative financial instruments	**45**	-
Total Current Liabilities	**324,280**	339,045
Non-current liabilities		
Borrowings	**3,348,587**	2,877,321
Non-interest bearing liabilities	**11,711**	67,778
Total Non-Current Liabilities	**3,360,298**	2,945,099
Total Liabilities	**3,684,578**	3,284,144
Net Assets	**3,465,027**	3,646,815
Unitholders' funds		
Issued units	**4,194,672**	4,051,220
Reserves	**(910)**	-
Undistributed losses	**(728,735)**	(404,405)
Total Unit Holders' Funds	**3,465,027**	3,646,815

The above consolidated balance sheet should be read in conjunction with the accompanying notes.

Consolidated statement of changes in equity for the year ended 30 June 2006

	Notes	Consolidated 2006 $'000	Consolidated 2005 $'000
Total Equity at the Beginning of the Year		**3,646,815**	2,117,723
Adjustment on adoption of AASB 132 and AASB 139			
Retained Profits		**16,840**	-
Reserves		**(14,074)**	-
Restated total equity at the beginning of the financial year		**3,649,581**	-
Changes in fair value of share-based payments		**1,168**	-
Changes in fair value of cash flow hedges		**11,996**	-
Net income recognised directly in equity		**13,164**	-
Profit for the year		**60,428**	20,759
Total Recognised Income and Expense for the Year		**73,592**	20,759
Transactions with equity holders in their capacity as equity holders:			
Exercise of employee unit options		**10,711**	10,936
Conversion of CARS		**53,544**	-
Treasury units acquired		**(9,784)**	-
Hills Motorway Group acquisition		**-**	1,771,744
Distribution reinvestment plan		**88,981**	31,982
Dividends provided for or paid	7	**(401,598)**	(306,183)
Transaction costs		**-**	(146)
		(258,146)	1,508,333
Total Equity at the End of the Year Attributable to Members of Transurban Holding Trust		**3,465,027**	3,646,815

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

Consolidated cash flow statement for the year ended 30 June 2006

	Notes	Consolidated 2006 $'000	Consolidated 2005 $'000
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		**76,531**	25,669
Payments to suppliers (inclusive of GST)		**(33,380)**	(13,502)
Interest received		**17,038**	29,487
Interest paid		**(200,039)**	(181,926)
Net Cash Outflow from Operating Activities		**(139,850)**	**(140,272)**
Cash flows from investing activities			
Payment for purchase of subsidiaries, net of cash acquired		**(69,534)**	(35,504)
Payments for property, plant and equipment		**-**	(2,411)
Payments for Tullamarine/Calder Freeway Upgrade		**(150,985)**	-
Loans to related parties		**(385,541)**	(145,227)
Repayment of loans by related parties		**338,297**	351,240
Distributions received		**-**	4,650
Net Cash Outflow/(Inflow) from Investing Activities		**(267,763)**	**172,748**
Cash flows from financing activities			
Proceeds from issue of units		**10,712**	10,937
Proceeds from borrowings		**8,000**	-
Unit issue transaction costs		**-**	(146)
Payments for treasury securities		**(9,786)**	-
Loans from related parties		**2,360,912**	810,488
Repayment of loans to related parties		**(1,778,921)**	(590,083)
Distributions paid	7	**(243,240)**	(131,686)
Net cash inflow from financing activities		**347,677**	99,510
Net (decrease)/increase in cash held		**(59,936)**	131,986
Cash at the beginning of the financial year		**191,908**	59,922
Cash at the End of the Financial Year		**131,972**	**191,908**

The above consolidated cash flow statement should be read in conjunction with the accompanying notes.

Notes to the consolidated financial statements for the year ended 30 June 2006

This concise financial report relates to the consolidated entity consisting of Transurban Holding Trust and the entities it controlled at the end of, or during, the year ended 30 June 2006. The accounting policies adopted have been consistently applied to all years presented, unless otherwise stated in Note 1 below.

The Trust is of a kind referred to in Class Order 98/0100, issued by the Australian Securities and Investments Commission, relating to the rounding off of amounts in financial reports. Amounts in the concise financial report have been rounded off in accordance with that Class Order to the nearest thousand dollars or in certain cases, to the nearest dollar.

1. Adoption of Australian Equivalents to International Financial Reporting Standards

The full financial report on which this concise financial report is based is the first annual Transurban Holding Trust financial report to be prepared in accordance with Australian equivalents to International Financial Reporting Standards (AIFRS). AASB 1 First-Time Adoption of Australian Equivalents to International Financial Reporting Standards has been applied in preparing the full financial report.

Financial statements of Transurban Holding Trust until 30 June 2006 had been prepared in accordance with previous Australian Generally Accepted Accounting Principles (AGAAP). AGAAP differs in certain respects from AIFRS. When preparing Transurban Holding Trust 2006 financial statements, management has amended certain accounting, valuation and consolidation methods applied in the AGAAP financial statements to comply with AIFRS. With the exception of financial instruments, the comparative figures in respect of 2005 were restated to reflect these adjustments. The Trust has taken the exception available under AASB 1 to only apply AASB 132 Financial Instruments: Disclosure and Presentation and AASB 139 Financial Instruments: Recognition and Measurement from 1 July 2005.

Reconciliations and descriptions of the effect of transition from previous AGAAP to AIFRS on the Trust's equity and its net income are given in note 41 of the full financial report. A summary of this information is provided below.

(a) Impact on total equity reported under previous AGAAP

The adoption of AIFRS has not resulted in any adjustments to equity.

(b) Impact on profit for the year ended 30 June 2005

The adoption of AIFRS has not resulted in any adjustments to the profit and loss.

(c) Impact on cash flow statement for the year ended 30 June 2005

The adoption of AIFRS has not resulted in any material adjustments to the cash flow statement.

Notes to the consolidated financial statements for the year ended 30 June 2006

2. Presentation currency

The presentation currency used in this concise financial report is Australian dollars.

3. Change In accounting policy

The Trust has taken the exemption available under AASB 1 First-time Adoption of Australian Equivalents to International Financial Reporting Standards to apply AASB 132 Financial Instruments: Disclosure and Presentation and AASB 139 Financial Instruments: Recognition and Measurement from 1 July 2005. At the date of transition to these standards at 1 July 2005, the following adjustments were recognised:

	30 June 2005 $'000	Adjustment $'000	1 July 2005 $'000
Other financial assets at fair value through profit or loss	-	16,840	16,840
Other non-current assets	22,811	(22,812)	-
Current derivative liabilities	-	1,338	1,338
Non-current interest bearing liabilities	2,877,321	(16,321)	2,861,000
Non-current derivative liabilities	-	6,245	6,245
Adjustment To Net Assets		**2,766**	
Cash flow reserve	-	(14,074)	(14,074)
Accumulated losses	(404,405)	16,840	(387,565)
Adjustment To Total Equity		**2,766**	

Financial assets at fair value through profit or loss

Options held to acquire an additional 5 per cent interest in the Westlink M7 Project at a cost of $49 million were recognised and recorded at fair value. A financial asset and an increase in accumulated losses of $16,840,000 were recognised.

Derivative financial instruments

From 1 July 2004 to 30 June 2005

The Group has taken the exemption available under AASB 1 to apply AASB 132 and AASB 139 from 1 July 2005. The Group has applied previous AGAAP in the comparative information on financial instruments within the scope of AASB 132 and AASB 139.

The following sets out how derivatives were accounted for under previous AGAAP:

Interest rate swaps

The net amount receivable or payable under interest rate swap agreements was progressively brought to account over the period to settlement.
The amount recognised was accounted for as an adjustment to interest and finance charges during the period and included in other debtors or other creditors at each reporting date.

Where an interest rate swap was terminated early and the underlying hedged transaction was:

(a) still expected to occur as designated—the gains and losses arising on the swap upon its early termination continued to be deferred and were progressively brought to account over the period during which the hedged transactions were recognised, and

(b) no longer expected to occur as designated—the gains or losses arising on the swap upon its early termination were recognised in the income statement at termination.

Forward foreign exchange contracts

Gains or costs arising from entering into a contract intended to hedge the purchase or sale of goods or services, together with the subsequent exchange gains or losses resulting from measurement of those contracts by reference to movements in spot exchange rates were deferred in the

Notes to the consolidated financial statements for the year ended 30 June 2006

balance sheet from the inception of the hedging transaction up to the date of the purchase or sale and included in the measurement of the purchase or sale.

Early termination of forward foreign exchange contracts was accounted for on a basis consistent with interest rate swaps (refer above). For both interest rate swaps and foreign exchange contracts if the hedged transaction was not expected to occur as originally designated, or if the hedge was no longer expected to be effective, any previously deferred gains or losses were recognised as revenue or expense immediately.

Adjustments on transition date: 1 July 2005

The nature of the main adjustments to make this information comply with AASB 132 and AASB 139 are that derivatives are measured on a fair value basis. Changes in fair value are either taken to the income statement or an equity reserve (refer below). At the date of transition (1 July 2005) changes in the carrying amounts of derivatives were taken to retained earnings or reserves, depending on whether the criteria for hedge accounting are satisfied at the transition date.

From 1 July 2005

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The accounting for subsequent changes in fair value depends on whether the derivatives are designated as hedging instruments, and if so, the nature of the item being hedged. The Group designates certain derivatives as either:

(1) hedges of the fair value of recognised assets or liabilities or a firm commitment (fair value hedge), or

(2) hedges of the cash flow of recognised assets and liabilities and highly probable forecast transactions (cash flow hedges).

At the inception of the hedging transaction the Group documents the relationship between hedging instruments and hedged items, as well as its risk management objective and strategy for undertaking various hedge transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions have been and will continue to be highly effective in offsetting changes in fair values or cash flows of hedged items.

(i) Fair value hedge

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are reported in the income statement, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. The gain or loss relating to the effective portion of interest rate swaps hedging fixed rate borrowings is recognised in the income statement within other income or other expense together with the gain or loss relating to the ineffective portion and changes in the fair value of the hedge fixed rate borrowings attributable to interest rate risk.

If the hedge no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of a hedge item for which the effective interest method is used is amortised to profit or loss over the period to maturity.

(ii) Cash flow hedge

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in equity in the hedging reserve. The gain or loss relating to ineffective portion is recognised immediately in the income statement within other income or other expense.

Amounts accumulated in equity are recycled in the income statement in the periods when the hedged item will affect profit or loss. The gain or loss relating to the effective portion of interest rate swaps hedging variable rate borrowings is recognised in the income statement within 'finance costs'.

When a hedging instrument expires or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity remains in equity and is recognised when the forecast transaction is ultimately recognised in the income statement. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately transferred to the income statement.

(iii) Derivatives that do not qualify for hedge accounting

Certain derivative instruments do not qualify for hedge accounting. Changes in the fair value of any derivative instrument that does not qualify for the hedge accounting are recognised immediately in the income statement and are included in other income or other expenses.

Impact on adoption

The recognition of a current liability of $1,338,000 and an increase in cash flow reserves of the same amount. The recognition of a non-current liability of $6,245,000 and an increase in cash flow reserves of the same amount.

Re-classification of capitalised borrowing costs

The carrying value of deferred borrowing costs of $16,320,000 has been re-classified as a reduction in interest bearing liabilities, rather than a non-current asset.

Financial Swap Contract Break Costs

In May 2005, the Trust incurred finance costs of $6,491,000 associated with the early termination of swap contracts. These costs have been recognised in a cash flow reserve within equity, rather than a non-current asset.

Notes to the consolidated financial statements for the year ended 30 June 2006

4. Segment information

The Trust's principle business segment for the period ending 30 June 2006 was the provision of funding to the Transurban Group or associates of the Transurban Group. All revenues and expenses are directly attributable to this principle segment. The management structure and internal reporting of the Trust are based on the principle business segment.

Assets of the Transurban Group which the Trust has funded are located in two separate states of Australia and one State within the United States.

	Segment revenues		Segment assets		Segment liabilities	
	2006 $'000	2005 $'000	**2006 $'000**	2005 $'000	**2006 $'000**	2005 $'000
Victoria, Australia	**204,653**	219,111	**3,908,428**	4,008,871	**2,375,150**	2,275,837
New South Wales, Australia	**154,549**	37,974	**2,903,183**	2,922,088	**971,311**	1,008,307
United States	**-**	-	**337,994**	-	**338,117**	-
	359,202	257,085	**7,149,605**	6,930,959	**3,684,578**	3,284,144

5. Revenue

	Consolidated	
	2006 $'000	2005 $'000
Services revenue from continuing operations	**355,166**	250,938

6. Economic dependency

The trust is reliant on distributions from the CityLink Trust and the Hills Motorway Trust and interest on Term Loan Notes for its onging viability.

Notes to the consolidated financial statements for the year ended 30 June 2006

7. Distributions

The distributions set out below represent distributions to Stapled Securities holders.

	Parent Entity	
	2006 $'000	2005 $'000
Distributions proposed		
Final distribution payable and recognised as a liability: 25.5 cents (2005: 18.0 cents) per fully paid Stapled Security payable 25 August 2006	**207,422**	142,455
Distributions paid during the year		
Final distribution for 2005 financial year of 18.0 cents (2004: 13.5 cents) per fully paid Stapled Security paid 2 September 2005	**142,443**	71,983
Interim distribution for 2006 financial year of 24.5 cents (2005: 17.0 cents) per fully paid Stapled Security paid 28 February 2006	**194,188**	91,745
Total Distributions Paid	**336,631**	**163,728**
Distributions paid in cash or satisfied by the issue of Stapled Securities under the distribution reinvestment plan during the years ended 30 June 2006 and 30 June 2005		
Paid in cash	**243,240**	131,686
Executive loans—repayments	**352**	-
Satisfied by issue of Stapled Securities[1]	**93,007**	32,042
Distributions waiting to be applied to future DRP	**32**	-
	336,631	**163,728**

[1] The value of Stapled Securities represents the total value of securities issued. This value is apportioned between Transurban Holding Trust ($89.0 million) and Transurban Holdings Limited ($4 million).

8. Events occurring after the balance date

(a) West Gate-CityLink-Monash freeway corridor improvement project

Transurban has reached agreement with the State of Victoria and VicRoads to jointly fund upgrades and improvements to 75 kilometres of the West Gate-CityLink (Southern Link)-Monash freeway corridor.

The CityLink upgrade, which is estimated to cost $166 million over the three year construction period, will be funded via the Distribution Reinvestment Plan. The State will fund the non-CityLink works, estimated to cost $737 million.

Full project completion is expected by December 2010.

Under the agreement, the State will also transfer to Transurban all remaining and future Concession Note liabilities incurred under the provisions of the Melbourne CityLink Concession Deed. These liabilities have a face value of $2.9 billion and will be replaced by payments over the next four years totalling $614 million.

Transurban and the State will share in the revenue uplift generated by the project after Transurban has fully recovered the capital cost and any lost revenue from the construction phase of the Southern Link upgrades.

(b) Westlink M7 increase in equity interest

Transurban has exercised its pre-emptive right to purchase an additional 2.5 per cent equity interest in the Westlink M7 for $34.3 million. This will increase Transurban's holding from 45 per cent to 47.5 per cent. Transurban and Macquarie Infrastructure Group have pre-emptive rights over the remaining 5 per cent held by Leighton Holdings Limited.

Directors' declaration

The directors declare that in their opinion, the concise financial report of the Trust for the year ended 30 June 2006, as set out on pages 48 to 56, complies with Accounting Standard AASB 1039: Concise Financial Reports.

The concise financial report is an extract from the full financial report for the year ended 30 June 2006. The financial statements and specific disclosures included in the concise financial report have been derived from the full financial report.

The concise financial report cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the consolidated entity as the full financial report, which is available on request.

This declaration is made in accordance with a resolution of the directors.

Laurence G Cox
Chairman

Kimberley Edwards
Managing Director

Melbourne
22 August 2006

Independent audit report to the members

PRICEWATERHOUSECOOPERS

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ABN 52 780 433 757

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SOUTHBANK VIC 3006
GPO Box 1331L
MELBOURNE VIC 3001
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Telephone 61 3 8603 1000
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Independent audit report to the members of Transurban Holdings Trust

Audit opinion

In our opinion, the concise financial report of Transurban Holdings Trust for the year ended 30 June 2006 complies with Australian Accounting Standard AASB 1039: *Concise Financial Reports*.

This opinion must be read in conjunction with the rest of our audit report.

Scope

The concise financial report and directors' responsibility

The concise financial report comprises the consolidated balance sheet, consolidated income statement, consolidated cash flow statement, consolidated statement of changes in equity, notes to the financial statements, and the directors' declaration for Transurban Holdings Trust (the Trust) for the year ended 30 June 2006.

The directors of Transurban Infrastructure Management Limited, the Responsible Entity of the Trust, are responsible for the preparation and presentation of the financial report in accordance with Australian Accounting Standard AASB 1039: *Concise Financial Reports*.

Audit approach

We conducted an independent audit of the concise financial report in order to express an opinion on it to the members of the Trust. Our audit was conducted in accordance with Australian Auditing Standards, in order to provide reasonable assurance as to whether the concise financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected. For further explanation of an audit, visit our website http://www.pwc.com/au/financialstatementaudit.

We also performed an independent audit of the full financial report of the Trust for the financial year ended 30 June 2006. Our audit report on the full financial report was signed on 22 August 2006, and was not subject to any qualification.

In conducting our audit of the concise financial report, we performed procedures to assess whether in all material respects the concise financial report is presented fairly in accordance with Australian Accounting Standard AASB 1039: *Concise Financial Reports*.

Independent audit report to the members

PRICEWATERHOUSECOOPERS

We formed our audit opinion on the basis of these procedures, which included:

- testing that the information included in the concise financial report is consistent with the information in the full financial report, and
- examining, on a test basis, information to provide evidence supporting the amounts, and other disclosures in the concise financial report which were not directly derived from the full financial report.

Our procedures include reading the other information in the Annual Report to determine whether it contains any material inconsistencies with the concise financial report.

Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements and the *Corporations Act 2001*.

PricewaterhouseCoopers

PricewaterhouseCoopers

Tim Goldsmith

Tim Goldsmith
Partner

Melbourne
22 August 2006

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Enquiries and information

Enquiries about your stapled securities

The Stapled Securities Register is maintained by Computershare Investor Services Pty Limited. If you have a question about your Transurban Securities, transfer of securities or distributions, please contact:

Computershare Investor Services Pty Limited

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Melbourne Victoria 3001
Telephone 1300 360 146 (within Australia)
Telephone +613 9415 4000 (outside Australia)
Facsimile +613 9473 2500
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Enquiries about Transurban

Contact Transurban's Investor Relations:
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Telephone +613 9612 6999
Facsimile +613 9649 7380
Email via our website:
www.transurban.com.au

Or write to:
Manager, Investor Relations
Transurban Group
Level 43, Rialto South Tower
525 Collins Street
Melbourne Victoria 3000

Stock Exchange listing

Stapled Securities are listed on the Australian Stock Exchange under the name Transurban Group and under the code 'TCL'.

Transurban CARS Trust: securities are listed on the Australian Stock Exchange under the name Transurban CARS Trust and under the code 'TCS'.

The securities participate in the Clearing House Electronic Subregister System (CHESS).

Removal from Annual Report mailing list

Security holders can nominate not to receive an Annual Report by written notice to the Stapled Securities Register. Security holders will continue to receive all other shareholder information, including Notice of Annual General Meeting and proxy form.

Tax File Number (TFN) information

While it is not compulsory for security holders to provide a TFN, the Company is obliged to deduct tax from distributions or dividends to holders resident in Australia who have not supplied such information. If you have not already supplied your TFN, you may do so by writing to the Stapled Securities Register.

Change of address or name

A security holder should notify the Register immediately, in writing, if there is any change in his/her registered address or name.

Transurban Group

Transurban Holdings Limited
ABN 86 098 143 429

Transurban Holding Trust
ABN 30 169 362 255

Transurban Limited
ABN 96 098 143 410

Transurban Infrastructure
Management Limited
ABN 27 098 147 678 (as responsible entity of the Transurban CARS Trust ARSN 103 090 928)

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Kim Edwards, Managing Director
Peter C Byers
Geoffrey O Cosgriff
Jeremy G A Davis
Susan M Oliver
Christopher J S Renwick
David J Ryan

Company Secretaries

Mark Licciardo
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