## AGENDA: POSITIONING FOR THE FUTURE

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| 2 | FUTURE ENVIRONMENT | Michele Huey |
| 3 | INVESTING IN OUR TECHNOLOGY CAPABILITY | Lisa Tobin and David Hanus |
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2016 INVESTOR DAY | 3 MAY 2016
OVERVIEW AND STRATEGY

SCOTT CHARLTON
To be the partner of choice with governments providing effective and innovative urban road infrastructure utilising core capabilities
### WHO
Governments with:
- Location on eastern seaboard of Australia and North America
- Significant traffic congestion to relieve in urban environment
- Sustainable socio-economic position
- Economic growth potential
- Legislative environment supporting private sector involvement in transport infrastructure

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

### HOW
- Long-term owner/operator
- Leveraging existing networks
- Demonstrating value to the client, users and community
- Leading capabilities in network planning/forecasting, community engagement, development/delivery, technology application, operations and customer management
- Only pursuing sustainable policy
- Delivery and execution of $11 billion project pipeline, Transurban’s share $8 billion

- Operations and technology

Managed motorways
Operations & Maintenance model (O&M)
Customer
Community & stakeholder engagement
MEDIUM TO LONG-TERM FOCUS

NEXT GENERATION DEVELOPMENT OPPORTUNITIES

Sydney
Melbourne

NEXT GENERATION DEVELOPMENT OPPORTUNITIES

MEDIUM TO LONG-TERM FOCUS
MEDIUM TO LONG-TERM FOCUS

NEXT GENERATION DEVELOPMENT OPPORTUNITIES

Brisbane

2016 INVESTOR DAY | 3 MAY 2016

9
MEDIUM TO LONG-TERM FOCUS

NEXT GENERATION DEVELOPMENT OPPORTUNITIES

Greater Washington Area
RECENT CHANGES TO POLICY ENVIRONMENT

HEADLINES

Malcolm Turnbull urged to charge motorists for using roads
The Australian | Feb 2016

Driven mad in traffic? We need user pays roads
Sydney Morning Herald | Feb 2016

Scott Morrison urged to hold road user pricing inquiry as cars become more efficient
Australian Financial Review | Feb 2016

Transurban's reform rev-up
The Age | Oct 2015
### MEDIUM TO LONG-TERM FOCUS

#### POLICY ENVIRONMENT CONSIDERATIONS

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

#### ROAD USAGE STUDY TIMELINE (OCTOBER 2015 – OCTOBER 2016)

<table>
<thead>
<tr>
<th>OCT</th>
<th>NOV</th>
<th>DEC</th>
<th>JAN</th>
<th>FEB</th>
<th>MAR</th>
<th>APR</th>
<th>MAY</th>
<th>JUN</th>
<th>JUL</th>
<th>AUG</th>
<th>SEP</th>
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- PILOT STUDY
- ROAD USAGE STUDY
- STUDY END
Technology advances impacting capacity:

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

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

Safety benefits from reduced human error
LONG-TERM FOCUS

THE FUTURE DEMOGRAPHIC ENVIRONMENT

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

<table>
<thead>
<tr>
<th></th>
<th>POPULATION (MILLIONS)</th>
<th>CAR TRIPS (MILLIONS PER WEEK DAY)</th>
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<tr>
<td>MELBOURNE</td>
<td>4.1</td>
<td>8.3</td>
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<td></td>
<td>6.7</td>
<td>13.6</td>
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<tr>
<td>SYDNEY</td>
<td>4.6</td>
<td>8.4</td>
</tr>
<tr>
<td></td>
<td>7.5</td>
<td>12.8</td>
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<tr>
<td>BRISBANE</td>
<td>2.1</td>
<td>4.1</td>
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<tr>
<td></td>
<td>3.3</td>
<td>6.4</td>
</tr>
<tr>
<td>GREATER WASHINGTON AREA</td>
<td>6.8</td>
<td>20.4</td>
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<tr>
<td></td>
<td>8.8</td>
<td>26.8</td>
</tr>
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</table>

Sources:
Australian cities population: Deloitte Access Economics
Greater Washington Area population: National Capital Region Transportation Planning Board
Vehicle trips – all regions
Transurban’s Strategic Transport Models
FUTURE ENVIRONMENT

MULTIPLE FACTORS DRIVING CHANGE ON TRANSPORT NETWORKS

- Technology advances
- Social changes
- Policy evolutions
Rapid pace in vehicle technology advancement

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

Infrastructure connectivity critical

- Hazard and situation awareness and response
- Traffic flow synchronisation
- Connected navigation
Vehicle automation level as defined by National Highway Traffic Safety Administration (USA)

- **Level 4** – Complete self-driving automation
- **Level 3** – Limited self-driving automation
- **Level 2** – Combined function automation
- **Level 1** – Function-specific automation
- **Level 0** – No automation
Leveraging technology on our assets today

- Incident prevention measures
  - E.g. over-height vehicle detection and incident management

- Road conditions response
  - E.g. variable messaging and variable speed signs to manage real-time road conditions and incidents

- Improvement priority identification
  - E.g. incident hot spots analysis and traffic flow breakthrough solutions

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

POSITIVE IMPACT ON ROAD CAPACITY

Combination of CAVs and infrastructure connectivity to increase throughput

TYPICAL WORKDAY PROFILE

Potential technology enabled capacity
Current capacity
Technology enabled throughput
Theoretical throughput
Current throughput

Vehicles per hour
Hour ending

CONCEPTUAL / ILLUSTRATIVE
FUTURE ENVIRONMENT

SOCIAL CHANGES SHIFTING THE WAY VEHICLES ARE USED

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

![Drivers Licence Ownership by Age (Victoria)](chart)

![CAV Taxis Cost Comparison](chart)

Source: Charting Transport

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

Heavy and light vehicle charging reform

Infrastructure investment priorities

Public and private sector collaboration
25% of the fleet will be autonomous by 2035, with 95% penetration by 2040, without a legal driver by 2050 (Foreign Policy Think Tank Working Group, 2014)

Once technological and regulatory issues have been resolved, up to 15% of new cars sold in 2030 could be fully autonomous (McKinsey, 2016)

75% of fleet autonomous by 2040 (IEEE, 2012)

The Victorian Transport Policy Institute predicts 75% market penetration by 2060 (VTPI – Litman, 2015)

**SHORT & LONG-TERM IMPACT OF CHANGE**

**TRILLIONS OF VEHICLE MILES**

<table>
<thead>
<tr>
<th>Year</th>
<th>Historical</th>
<th>Forecasted</th>
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<tbody>
<tr>
<td>2010</td>
<td>0.95</td>
<td>0.95</td>
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<tr>
<td>2020</td>
<td>1.2</td>
<td>1.67</td>
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<tr>
<td>2030</td>
<td>2.0</td>
<td>2.0</td>
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<tr>
<td>2040</td>
<td>3.0</td>
<td>3.0</td>
</tr>
<tr>
<td>2050</td>
<td>7.0</td>
<td>7.0</td>
</tr>
<tr>
<td>2060</td>
<td>7.0</td>
<td>7.0</td>
</tr>
</tbody>
</table>

Average vehicle occupancy:
- 0.95 Deployment of self-driving vehicles e.g. CAV taxis
- 1.2 Melbourne current observed average
- 1.67 USA status quo
- 2.0 Increased carpooling and ride share

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

TRANSURBAN IS POSITIONED TO BENEFIT FROM THE FUTURE ENVIRONMENT

**MOTORWAYS A LOGICAL CANDIDATE FOR CAV APPLICATION**
- Free flow traffic lane design
- Road conditions and lane qualities
- Infrastructure connectivity

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

**SCALE OF CUSTOMER BASE**
- Leveraging data and access to road users to deploy new technologies and services
INVESTING IN OUR TECHNOLOGY CAPABILITY

LISA TOBIN
INVESTING IN OUR TECHNOLOGY CAPABILITY

- Building smarter motorways
- Scaling tolling services
- Investing in Cloud, digital and data
- Innovating through partnerships
INVESTING IN OUR TECHNOLOGY CAPABILITY

BUILDING SMARTER MOTORWAYS

Intelligent Transport Systems investment to realise greater network benefits

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

SCALING TOLLING SERVICES

Harnessing the benefits of our tolling as a service platform

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

A range of value-adding transport technologies:

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

INNOVATING THROUGH PARTNERSHIPS

Continuing to work with a range of partners

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

SUE JOHNSON
ENHANCING OUR CUSTOMER EXPERIENCE

Converting our customers to advocates

Digital engagement for road users

Harnessing our data for future growth
Customer service is vital in protecting our licence to operate

**95%** of customers are account holders

**30%** CORPORATE CUSTOMERS
Travel time savings, performance reporting, partnerships

**70%** RETAIL CUSTOMERS
Apps, self serve, travel time savings

**5%**
of customers have no arrangement and require additional services / enforcement

Focus on transitioning to account holders and streamlining enforcement
DIGITAL IMPROVEMENTS FOR OUR ACCOUNT HOLDERS

APP FEATURES INCLUDE:
- Easier account management
- New payment options
- Real-time notifications
- Roadside camera feeds

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

Corporates
- Advanced consolidated billing and reporting
- Dedicated web tools for easier account management
- Partnering with corporates on new technologies e.g. GPS data
Retail
- Project to provide travel time savings on statements
- Web based interactive travel time savings map

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

### NETWORK TIME SAVINGS

<table>
<thead>
<tr>
<th>Traffic lights bypassed</th>
<th>Peak travel time savings</th>
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<tbody>
<tr>
<td>M5 South West</td>
<td>16 mins</td>
</tr>
<tr>
<td>Westlink M7</td>
<td>23 mins</td>
</tr>
<tr>
<td>Hills M2</td>
<td>28 mins</td>
</tr>
<tr>
<td>Lane Cove Tunnel</td>
<td>5 mins</td>
</tr>
<tr>
<td>Eastern Distributor</td>
<td>15 mins</td>
</tr>
<tr>
<td>Cross City Tunnel</td>
<td>7 mins</td>
</tr>
<tr>
<td>CityLink—Western Link</td>
<td>18 mins</td>
</tr>
<tr>
<td>CityLink—Southern Link</td>
<td>20 mins</td>
</tr>
<tr>
<td>Gateway Motorway</td>
<td>18 mins</td>
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<tr>
<td>Clem7</td>
<td>9 mins</td>
</tr>
<tr>
<td>Logan Motorway</td>
<td>20 mins</td>
</tr>
</tbody>
</table>

*One direction compared with alternate route

Source: Tom Tom Data
Improving the transition to account holders and streamlining the enforcement process:

- First time fee waiver program
- Campaigns to convert non-account customers
- Proactive outbound communications to customers
- Innovating through partnerships

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

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

CUSTOMER TRENDS

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

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GROWTH IN CAR-SHARE MEMBERSHIPS

| Car-share membership (000) | Monthly toll spend by Transurban car-share accounts ($'000)
<table>
<thead>
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<tbody>
<tr>
<td></td>
<td>Members</td>
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<tr>
<td>2009</td>
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<td>2010</td>
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<tr>
<td>2014</td>
<td></td>
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<tr>
<td>2015</td>
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</table>

Source: City of Sydney
FUNDING FOR THE FUTURE

ADAM WATSON
Disciplined cost management
Optimal capital structuring
Managing funding risk
**FINANCIAL CONSIDERATIONS**

**DISCIPLINED COST MANAGEMENT DURING GROWTH PHASE**

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

<table>
<thead>
<tr>
<th>Year</th>
<th>EBITDA Margin</th>
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<tr>
<td>FY09</td>
<td>68.2%</td>
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<tr>
<td>FY10</td>
<td>72.0%</td>
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<tr>
<td>FY11</td>
<td>73.9%</td>
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<tr>
<td>FY12</td>
<td>74.9%</td>
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<tr>
<td>FY13</td>
<td>75.0%</td>
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<tr>
<td>FY14</td>
<td>75.8%</td>
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<tr>
<td>FY15</td>
<td>74.7%</td>
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</table>

1. Calculated by dividing EBITDA by total revenue.

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1. **Total revenue**
2. **New assets**
3. **Total costs**
4. **Operational initiatives**
5. **Underlying EBITDA**

**2016 INVESTOR DAY | 3 MAY 2016**
MANAGING KEY COST DRIVERS

<table>
<thead>
<tr>
<th>COST CATEGORIES</th>
<th>DRIVERS</th>
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<tr>
<td>ASSET MANAGEMENT</td>
<td>Number of lane kilometres</td>
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<tr>
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<td>Asset mix (tunnel vs open road)</td>
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<td></td>
<td>In-housing O&amp;M activities</td>
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<tr>
<td>TOLLING &amp; RETAIL</td>
<td>Trips/transactions</td>
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<tr>
<td></td>
<td>Customer experience initiatives</td>
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<tr>
<td>TECHNOLOGY</td>
<td>Business growth</td>
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<td>Security enhancements</td>
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<tr>
<td></td>
<td>Revenue enhancing initiatives</td>
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<tr>
<td>CORPORATE</td>
<td>Business growth</td>
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<td>Strategic initiatives</td>
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<th>2015 Ex T0</th>
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<tr>
<td>Asset management</td>
<td>Technology</td>
<td>Lane kms</td>
<td>Corporate</td>
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<tr>
<td>Tolling and retail</td>
<td></td>
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FUNDING FOR THE FUTURE

CAPITAL STRATEGY

CONSISTENTLY GROWING DISTRIBUTIONS

EFFICIENTLY FUND GROWTH

MAINTAIN STRONG INVESTMENT GRADE CREDIT METRICS

COST EFFICIENT FUNDING THROUGH MARKET CYCLES
FUNDING FOR THE FUTURE

OPTIMISING CAPITAL STRUCTURE

Maintaining investment grade credit metrics
Maturity of asset
Concession restrictions
Ownership structure
Development considerations
Hedging interest rates (98% hedged) and currency (100% hedged), consistent with relevant debt instrument

- Investment grade credit metrics
- Diversified funding sources
- Early refinancing plan

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

TONY ADAMS
TRANSPORT SOLUTIONS

OPPORTUNITIES TO ENHANCE TRADITIONAL PROJECT ROLES

Transurban demonstrating value to government during each project phase

Identify transport solutions
Network design
Procurement
Community and stakeholder engagement
Delivery
Benefits of Transurban’s approach to NorthConnex procurement process:

- Greater interaction with contractor to improve project design
- More opportunities for the community to participate in the process
- Contract awarded 12 months earlier than traditional process
WORKING WITH GOVERNMENT PARTNERS

MINIMISING TRAFFIC DISRUPTION DURING CITYLINK-TULLA WIDENING DELIVERY

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

CITYLINK-TULLA WIDENING CONSTRUCTION ON TRACK

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

- Deliver value to customers to increase traffic and revenue and position for expansion opportunities
- Expand 95 Express Lanes to the north and south
- Continue competitive bids for 66 Express Lanes projects
- Leverage industry position into new North American markets
15% reduction in incidents on 95 Express Lanes since conversion to HOT

Average >40% higher speeds on Express Lanes vs general purpose lanes during peak

Customer satisfaction greater than 80% when toll rates are highest
FUNDAMENTALS
Corridor demand driven by population and employment growth, land use and network capacity constraints

INCREMENTAL CONSIDERATIONS
Express Lanes demand driven by general purpose lane congestion, trip purpose and user familiarity
Higher demand leads to increased average toll price
Commitment to accurate forecasting – alignment of interest as long-term operator

In-house traffic team understands nuances of forecasting Express Lanes projects, particularly in GWA

Ensures investment discipline maintained while also providing realistic government revenue sharing payments
SUCCESS OF TRANSURBAN’S EXPRESS LANES CREATING NEW OPPORTUNITIES

**95 CORRIDOR**

Expanding network through existing concession

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

**66 CORRIDOR**

New expansion opportunities

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

LENS FOR CONSIDERING FUTURE MARKETS

Demographics

Government readiness / willingness for PPP

Individuals’ propensity to pay tolls

Network potential

NETWORK POTENTIAL IN NORTH AMERICA’S MOST CONGESTED CITIES

Population (millions)

Source: Tom Tom 2014 Data

Bubble size represents network potential
2016 INVESTOR DAY: POSITIONING FOR THE FUTURE

SYDNEY

ANDREW HEAD
Deliver NorthConnex safely and successfully — demonstration project for Transurban’s network model

Drive O&M of our assets towards best practice

Prepare for WestConnex sell down

Continue to propose other network development opportunities
## BENEFITS OF FIRST GENERATION PROJECTS COMING THROUGH

<table>
<thead>
<tr>
<th>PROJECT</th>
<th>ASSETS BENEFITS</th>
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<tbody>
<tr>
<td>M2 Upgrade</td>
<td>▪ M2</td>
</tr>
<tr>
<td></td>
<td>▪ LCT and Military Road E-Ramp</td>
</tr>
<tr>
<td></td>
<td>▪ M7</td>
</tr>
<tr>
<td>Lane Cove Road East Facing Ramp</td>
<td>▪ LCT and Military Road E-Ramp</td>
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<tr>
<td></td>
<td>▪ M2</td>
</tr>
<tr>
<td></td>
<td>▪ M7</td>
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<tr>
<td>M5 Widening</td>
<td>▪ M5 South</td>
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<td></td>
<td>▪ M7 (South)</td>
</tr>
<tr>
<td>NorthConnex</td>
<td>▪ M7 truck toll multiplier</td>
</tr>
<tr>
<td></td>
<td>▪ Other network benefits upon completion (M2 and M7)</td>
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</table>
BEST PRACTICE DELIVERY

Safety

Community and Stakeholder Engagement

Sustainability

Environment
ENHANCING OPERATIONS IN PREPARATION FOR FUTURE GROWTH

O&M EXCELLENCE

2014
- M2 and LCT operations brought in-house

2015
- Renegotiated ED maintenance contract to remove evergreen term

2016
- Commenced discussions with evergreen contract holder on M7

BEYOND
- NorthConnex operations
- Other Sydney network opportunities

CONTINUOUS IMPROVEMENT

- Invested in capability
- Improving quality
- Reducing risk
LONG-TERM FOCUS

SIGNIFICANT FUTURE OPPORTUNITY IN SYDNEY

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

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

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

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

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

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

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NETWORK STRATEGY

- Improve lane availability and throughput via operational improvements
- Improve capacity on network by delivering CityLink-Tulla Widening project
- Work with government partners to enhance network, through delivery of Western Distributor
- Demonstrate best practice in O&M to position for ongoing development opportunities
Introduction of a Freeway Management System (FMS) enables Transurban to move from an ‘attendance’ to ‘safe clearance’ incident response model
- Vehicle removed from asset as soon as possible
- Transurban not reliant on third-party tow truck provider

Benefits:
- Increased safety
- Increased lane availability

1. Examples of incidents include flat tyres, vehicles out of fuel, broken-down vehicles, debris on motorway and collisions.
EXTENSIVE COMMUNITY AND STAKEHOLDER ENGAGEMENT PROGRESSING

PHASE 1
Consultation on proposal design to inform further design work
- 13 pop up stalls
- 8 information sessions, with over 500 attendees
- More than 150 meetings with key stakeholders
- Over 30,000 households reached via newsletters

PHASE 2
Consultation on concept design to inform contractor requirements, reference design and impact assessments
- 7 community sessions
- 400 houses doorknocked
- Personally addressed letters to over 3,000 residents
- Community liaison group established
- Online consultation hub

PHASE 3
Ongoing discussion on reference design as contractors prepare bids for design and construction

PHASE 4
Public exhibition of Environment Effects Statement

PHASE 5
Updates on how planning process outcomes will inform design and construction approach
FEEDBACK INFLUENCING PROJECT DESIGN

- Two tunnel designs under consideration
- Direct connections to both east and west Swanson Dock
- Increased bicycle and walking tracks included in project design
- Separating existing cycling routes to remove conflicts with vehicles
- Up to 14 overhead power lines removed
- Increased amenity in local area
WESTERN DISTRIBUTOR PROJECT PROGRESSING ON SCHEDULE

- WEBB DOCK ACCESS
- COMMUNITY CONSULTATION
- IN-PRINCIPLE AGREEMENT EXECUTED WITH STATE
- RELEASE OF RFT
- PUBLIC EXHIBITION OF EES COMMENCES
- MONASH FREeway UPGRADE PROJECT WORKS
- WESTERN DISTRIBUTOR PROJECT WORKS
Working with VicRoads to implement common FMS across the network

Components of a FMS:

- Lane use management system
  - Increased control of traffic
  - Increased capability to manage incidents safely

- Ramp metering
  - Improves flow of traffic on the freeway
  - During peak periods:
    - ~42% increase in average speed
    - ~6% increase in throughput

- Automated incident detection
  - Automated alerts of incidents, enabling faster response
Complete integration of TQ and AirportlinkM7
- Roll-out GLIDe
- Align O&M model with Transurban’s national approach

Assist Government to successfully deliver
Gateway Upgrade North project

Achieve financial close on Logan Enhancement Project

Explore further opportunities to deliver network solutions
INTEGRATION PROGRAM ON SCHEDULE

**PHASE 1**
Organisation structure

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

**PHASE 2**
Technology

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

**PHASE 3**
O&M

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

**EXPECTED COMPLETION**

- **2016**
  - 90% complete

- **LATE 2017**
  - 50% complete

- **ONGOING**
  - 10% complete
### CURRENT STATE

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

### FUTURE STATE

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

AIRPORTLINKM7 BENEFITING FROM OPENING OF LEGACY WAY

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

AIRPORTLINKM7 ADT GROWTH JAN 2015 – MAR 2016

- OPENING OF LEGACY WAY
- FY15 ADT
- FY16 ADT

2016 INVESTOR DAY | 3 MAY 2016
ACQUISITION STRENGTHENING PORTFOLIO

LEGACY WAY REVENUE AT HIGHER END OF EXPECTATIONS

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

![Legacy Way Weekly Revenue Since Opening](chart)

- Revenue
- Trend line

**EASTER HOLIDAY PERIOD**

**CHRISTMAS HOLIDAY PERIOD**

<table>
<thead>
<tr>
<th>Jul 15</th>
<th>Aug 15</th>
<th>Sep 15</th>
<th>Oct 15</th>
<th>Nov 15</th>
<th>Dec 15</th>
<th>Jan 16</th>
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</table>
POSITIONING FOR THE FUTURE

OPPORTUNITIES ARISING FROM NETWORK POSITION

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

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

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

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

Deliver findings of road usage study
Contribute to policy reform for future infrastructure provision
MEDIUM TO LONG-TERM FOCUS: POSITIONING FOR THE FUTURE

SUMMARY

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

2016 INVESTOR DAY | 3 MAY 2016
GLOSSARY
<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Description</th>
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</thead>
<tbody>
<tr>
<td>ADT</td>
<td>Average Daily Traffic</td>
</tr>
<tr>
<td>API</td>
<td>Application Program Interface</td>
</tr>
<tr>
<td>AUD</td>
<td>Australian Dollars</td>
</tr>
<tr>
<td>BCG</td>
<td>Boston Consulting Group</td>
</tr>
<tr>
<td>BMS</td>
<td>Brisbane Motorways Services</td>
</tr>
<tr>
<td>BTS</td>
<td>Bureau of Transportation Statistics</td>
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<tr>
<td>CAVs</td>
<td>Connected Autonomous Vehicles</td>
</tr>
<tr>
<td>CCT</td>
<td>Cross City Tunnel</td>
</tr>
<tr>
<td>COA</td>
<td>Conditions of Approval</td>
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<tr>
<td>CTW</td>
<td>CityLink-Tulla Widening</td>
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<tr>
<td>DBFOM</td>
<td>Design, Build, Finance, Operate and Maintain</td>
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<tr>
<td>EBITDA</td>
<td>Earnings Before Interest, Tax, Depreciation and Amortisation</td>
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<tr>
<td>EA</td>
<td>Environmental Assessment</td>
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<tr>
<td>ED</td>
<td>Eastern Distributor</td>
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<tr>
<td>EES</td>
<td>Environment Effects Statement</td>
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<tr>
<td>EIS</td>
<td>Environmental Impact Statement</td>
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<tr>
<td>EOI</td>
<td>Expression of Interest</td>
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<td>FMS</td>
<td>Freeway Management System</td>
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<td>FY</td>
<td>Financial Year</td>
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<tr>
<td>GLIDe</td>
<td>Tolling back office system</td>
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<tr>
<td>GMS</td>
<td>Gateway Motorway Services</td>
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<tr>
<td>GPS</td>
<td>Global Positioning System</td>
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<tr>
<td>GWA</td>
<td>Greater Washington Area</td>
</tr>
<tr>
<td>HOT</td>
<td>High Occupancy Toll Lane</td>
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<tr>
<td>IEEE</td>
<td>Institute of Electrical and Electronics Engineers</td>
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<tr>
<td>KMS</td>
<td>Kilometres</td>
</tr>
<tr>
<td>KM/H</td>
<td>Kilometres per hour</td>
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<tr>
<td>LCT</td>
<td>Lane Cove Tunnel</td>
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<tr>
<td>M2</td>
<td>Hills M2</td>
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<tr>
<td>M5</td>
<td>M5 South West Motorway</td>
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<tr>
<td>M7</td>
<td>Westlink M7</td>
</tr>
<tr>
<td>MPH</td>
<td>Miles per hour</td>
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<tr>
<td>O&amp;O</td>
<td>Operations and Maintenance</td>
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<tr>
<td>NHTS</td>
<td>National Household Travel Survey</td>
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<tr>
<td>PPP</td>
<td>Public Private Partnership</td>
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<tr>
<td>R&amp;D</td>
<td>Research and Development</td>
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<tr>
<td>RFT</td>
<td>Request for Tender</td>
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<tr>
<td>TCL</td>
<td>Transurban ASX code</td>
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<tr>
<td>TQ</td>
<td>Transurban Queensland</td>
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<tr>
<td>USD</td>
<td>USA Dollars</td>
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<td>VDOT</td>
<td>Virginia Department Of Transportation</td>
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<tr>
<td>Virginia Tech</td>
<td>Virginia Polytechnic Institute and State University</td>
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<tr>
<td>VMT</td>
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<td>VTPi</td>
<td>Victoria Transport Policy Institute</td>
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<tr>
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<td>Virginia Tech Transportation Institute</td>
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<td>YOY</td>
<td>Year on Year</td>
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