

21 March 2017

AGREEMENT REACHED ON INNER CITY BYPASS UPGRADE PROJECT

Transurban announces that an in-principle agreement has been reached with Brisbane City Council to deliver the \$60 million Inner City Bypass (ICB) Upgrade project. The Brisbane City Council's media release is attached.

Under the agreement, Transurban Queensland will finance and project manage the delivery of the design and construction phases, and provide operations, routine maintenance and incident response services once the upgrade is completed.

The ICB is adjacent to Transurban's Legacy Way, Clem7, Go Between Bridge and AirportlinkM7 assets, allowing Transurban to deliver a high standard of operations throughout the corridor to improve traffic flows.

The upgrade will include:

- widening the ICB westbound from three to four lanes between the RNA tunnel and the Legacy Way portal
- widening the ICB eastbound from three to four lanes between Legacy Way portal and Herston Road exit
- construction of a new westbound ramp to the ICB from Bowen Bridge Road
- provision of operations and incident response for the length of Legacy Way concession (2065)
- provision of routine maintenance services on a 10 + 10 year contract (at option of Council)

Subject to final agreement, Transurban Queensland will fund the upgrade works through toll increases on Legacy Way, Go Between Bridge and Clem7, specifically:

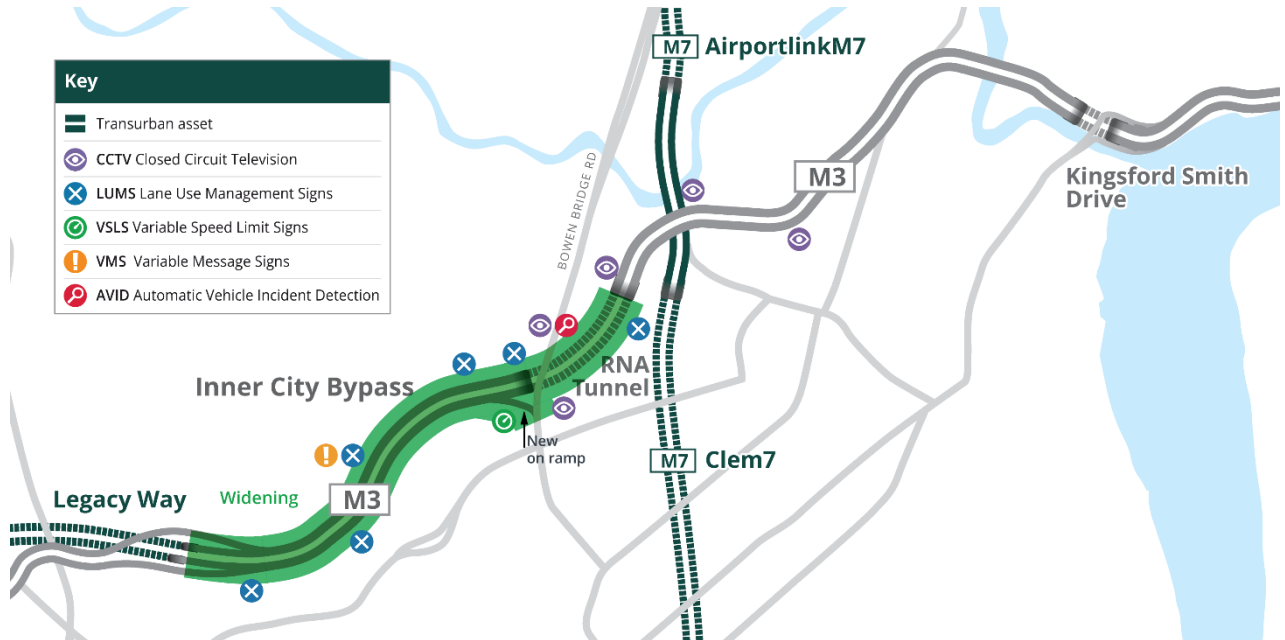
- an increase of heavy vehicle (Class 4) tolls from 2.65 times cars (Class 2) to 3 times – to take effect from 1 July 2018 for Clem7 and Go Between Bridge and 1 July 2020 for Legacy Way
- a 7.76% increase to Legacy Way toll prices for motorcycles, passenger vehicles and light commercial vehicles (Classes 1, 2 and 3 respectively) on 1 July 2020, approximately two years after the benefit of the ICB upgrade has been delivered to Brisbane motorists

Transurban CEO Scott Charlton said that Transurban is pleased to partner with the Brisbane City Council for the delivery, operation and maintenance of the ICB upgrade.

"The ICB is a key transport corridor in Brisbane. This project will help to relieve congestion, reduce travel times and enhance connectivity with major inner-city roads on the network," Mr Charlton said.

BMD Contractors have been awarded the construction contract. Transurban Queensland expects to reach contractual and financial close, subject to standard Council approval processes in March 2017. Construction is expected to be completed in mid-2018.

Inner City Bypass Upgrade Map



A Street

Amanda Street
Company Secretary

Investor enquiries
Jessica O'Brien
Head of Investor Relations
+61 3 8656 8364

Media enquiries
Josie Brophy
Senior Advisor, Media and Communications
+61 4 3716 5424

Classification **Public**

Transurban Group

Transurban International Limited
ABN 90 121 746 825
Transurban Holdings Limited
ABN 86 098 143 429
Transurban Holding Trust
ABN 30 169 362 255
ARSN 098 807 419
corporate@transurban.com
www.transurban.com

Level 23
Tower One, Collins Square
727 Collins Street
Docklands
Victoria 3008 Australia
Telephone +613 8656 8900
Facsimile +613 9649 7380



G r a h a m Q u i r k

Lord Mayor

MEDIA RELEASE

Agreement reached to deliver Inner City Bypass upgrade

Lord Mayor Graham Quirk has today announced Council has reached an in principle agreement for Transurban Queensland to fund and deliver the vital Inner City Bypass (ICB) upgrade.

Cr Quirk said Council was getting on with the job of taking real action on traffic congestion, and today's announcement was a significant step forward in the delivery of key infrastructure in Brisbane, and delivered a saving of more than \$54 million to ratepayers.

"Council is committed to tackling congestion and improving safety across the road network, while ensuring Brisbane's road and public transport infrastructure meets current and future demands to keep our city moving," Cr Quirk said.

"As part of planning for the much needed Inner City Bypass upgrade, Council entered discussions with Transurban in early 2016 regarding their proposal for potential options for the delivery of the ICB upgrade, following an innovative proposal offered by the company in late 2015.

"Today I can announce Council has reached an agreement in principle, which will allow Transurban to take over the responsibility for the ongoing maintenance and operations of the ICB, generating huge ratepayer savings of \$54 million, with an additional \$1 million to be saved annually for up to 20 years as a result of reduced maintenance costs.

"Transurban Queensland will finance the design and construction of the upgrade as well as providing operations, maintenance and incident response services once the upgrade is completed."

Similar to the Queensland Government's announced Logan Enhancement Project, changes to existing tolls on Clem7, the Go Between Bridge and Legacy Way for heavy commercial vehicles will fund improvements to the ICB and delivery of the upgrade.

Cr Quirk said Transurban's delivery and funding of the ICB upgrade, and the provision of ongoing maintenance and management of traffic operations and incident response services, would result in millions in savings and additional benefits for Brisbane's ratepayers, estimated at more than \$54 million.

"This is about delivering the best value for money to Brisbane residents, while upgrading a key arterial link in our city which is already at capacity," he said.

"This in principle agreement with Transurban is subject to final Council consideration and State approvals, including changes to tolling."

Group General Manager Transurban Queensland Wes Ballantine said they were proud to be partnering with Council to deliver the project that would benefit motorists and the wider community.

Media contact: Emily McCowat 3403 5281 or 0409 876 317

Keeping Brisbane on the right track



G r a h a m Q u i r k

Lord Mayor

MEDIA RELEASE

“Once the upgrade is complete, motorists will see the same high level of service extended from Legacy Way to the ICB, including a reduction in incident response times by 25%, which will help to keep traffic flowing across the wider road network,” he said.

The estimated \$60 million upgrade of the ICB includes widening the road to four lanes in each direction between Legacy Way and the RNA tunnel, delivering new and improved on and off-ramps onto the ICB, including new bus priority measures at the Herston Road exit off the ICB, and a new westbound on-ramp from Bowen Bridge Road and the Inner Northern Busway onto the ICB for all vehicles.

“New and improved bus services travelling to and from the western suburbs will also be able to interchange with the planned Brisbane Metro Subway System at Herston, providing benefits across the Brisbane-wide bus network,” Cr Quirk said

Following the announcement of BMD Constructions as the successful contractor last year, major construction activities are expected to take place between March this year and mid-2018.

Subject to final approval, the project will be funded through adjustments to toll prices for vehicles using Clem7, Go Between Bridge and Legacy Way. The toll adjustments will come into effect at the end of the project.

The proposed toll changes include:

- From 1 July 2018 increasing heavy vehicle (Class 4) toll charges for the Go Between Bridge and Clem7 to 3 times the car toll (currently 2.65 times car toll).
- The toll increase will also be applied to Legacy Way for heavy commercial vehicles from 1 July 2020.

From 1 July 2020, toll charges on Legacy Way will also increase to the maximum allowable under the existing State approval, in line with current Airport Link toll charges

Toll increases will not be applied until the end of the project and in some instances such as Legacy Way, increases will not be applied until two years after the benefits will be delivered.

[Ends] 21 MARCH, 2017