

# Official Notice to SIX Swiss Exchange

Title: Transurban Queensland Finance Pty Ltd  
Valor Symbol: TQF16  
Valor No: 32766686  
ISIN: CH0327226863

## TRANSURBAN QUEENSLAND FINANCE PTY LTD

Please see the attached ASX release by Transurban (ASX: TCL), which contains information regarding Transurban Queensland.<sup>1</sup>

Transurban Queensland Finance Pty Ltd has Bonds listed on SIX Swiss Exchange.

Notices from Transurban Queensland Finance Pty Ltd to SIX Swiss Exchange are also available from the website: [www.transurban.com/tqfinstatements](http://www.transurban.com/tqfinstatements)



**Amanda Street**  
Company Secretary

### Investor enquiries

#### Jessica O'Brien

General Manager, Investor Relations &  
Strategic Projects

+61 3 8656 8364

[investor.relations@transurban.com](mailto:investor.relations@transurban.com)

<sup>1</sup> Transurban has a 62.5% interest in Transurban Queensland. Transurban Queensland Finance Pty Ltd is a wholly owned subsidiary of Transurban Queensland.

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](mailto:corporate@transurban.com)  
[www.transurban.com](http://www.transurban.com)

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

# Results for FY18

7 August 2018



# Disclaimer and basis of preparation

This publication is prepared by the Transurban Group comprising Transurban Holdings Limited (ACN 098 143 429), Transurban Holding Trust (ARSN 098 807 419) and Transurban International Limited (ACN 121 746 825). The responsible entity of Transurban Holding Trust is Transurban Infrastructure Management Limited (ACN 098 147 678) (AFSL 246 585). No representation or warranty is made as to the accuracy, completeness or correctness of the information contained in this publication. To the maximum extent permitted by law, none of the Transurban Group, its Directors, employees or agents or any other person, accept any liability for any loss arising from or in connection with this publication including, without limitation, any liability arising from fault or negligence, or make any representations or warranties regarding, and take no responsibility for, any part of this publication and make no representation or warranty, express or implied, as to the currency, accuracy, reliability, or completeness of information in this publication. The information in this publication does not take into account individual investment and financial circumstances and is not intended in any way to influence a person dealing with a financial product, nor provide financial advice. It does not constitute an offer to subscribe for securities in the Transurban Group. Any person intending to deal in Transurban Group securities is recommended to obtain professional advice.

## **UNITED STATES OF AMERICA**

These materials do not constitute an offer of securities for sale in the United States of America, and the securities referred to in these materials have not been and will not be registered under the United States Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an exemption from registration.

© Copyright Transurban Limited ABN 96 098 143 410. All rights reserved. No part of this publication may be reproduced, stored in a retrieval system, or transmitted in any form or by any means, electronic, mechanical, photocopying, recording or otherwise, without the written permission of the Transurban Group.

## **BASIS OF PREPARATION**

This document includes the presentation of results on a statutory as well as non-statutory basis. The non-statutory basis includes Proportional Results and Free Cash. Numbers in this presentation are prepared on a proportional basis unless specifically referred to as statutory or total. All financial results are presented in AUD unless otherwise stated. Data used for calculating percentage movements has been based on whole actual numbers. Refer to the Supplementary information for an explanation of terms used throughout the presentation.



# Highlights

- FY19 distribution guidance of 59.0 cps
- FY19 distribution guidance of 59.0 cps will be maintained in the event of a successful WestConnex bid
- Strong distribution growth in FY18 whilst raising \$1.9 billion of equity to support the West Gate Tunnel Project, delivering long term value to stakeholders
- Average traffic growth of 2.2% inclusive of disruption from upgrade projects including CityLink Tulla Widening (CTW), Monash Freeway Upgrade (MFU), Logan Enhancement Project (LEP), Gateway Upgrade North (GUN) and Inner City Bypass (ICB)
- West Gate Tunnel Project remains on schedule with planning scheme amendment passed through both houses of Victorian Parliament
- CTW and MFU completed ahead of schedule and budget
- Linkt tolling brand now active across Sydney, Brisbane and Melbourne, incorporating fee reductions and enhanced digital platforms for our customers
- Acquisition and financial close of A25 in Montreal providing second geographical market in North America

8.7%

TOLL REVENUE  
GROWTH

10.2%

EBITDA  
GROWTH<sup>1</sup>

2.2%

ADT  
GROWTH

59.0¢

FY19 DISTRIBUTION  
GUIDANCE

328,000hrs

AVERAGE WORKDAY  
TRAVEL TIME SAVINGS<sup>2</sup>

\$18.2b

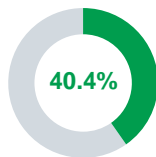
CAPITAL INVESTED /  
COMMITTED SINCE 2012<sup>3</sup>

1. Excludes FY18 significant items which include \$21 million of transaction and integration costs associated with the acquisition of A25.

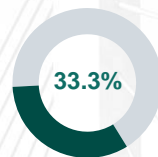
2. Average workday travel time savings in hours from July 2017 to June 2018, excluding the A25. Source: TomTom data (Australia) and Regional Integrated Transportation Information System data (Greater Washington Area).

3. Capital invested / committed represents Transurban's proportional share of projects completed / under construction and maintenance spend.

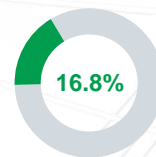
# FY18 performance



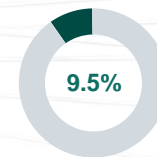
SYDNEY



MELBOURNE



BRISBANE



NORTH AMERICA<sup>1</sup>

Segment and toll revenue contribution	SYDNEY	MELBOURNE	BRISBANE	NORTH AMERICA <sup>1</sup>
Toll revenue growth <sup>2</sup>	8.3%	13.4%	2.1%	7.1%
EBITDA growth <sup>2</sup>	9.1%	15.7%	4.0%	12.4%
ADT growth	3.1%	1.4% (QoQ: 4.7%, 8.7% large vehicles)	2.6%	1.9% <sup>3</sup>
Capital invested / committed since 2012 <sup>4</sup>	\$2.3 billion	\$5.1 billion	\$5.8 billion	\$5.0 billion
Travel time savings <sup>5</sup>	162,000 hours	87,000 hours	66,000 hours	13,000 hours
Comments	<ul style="list-style-type: none"> <li>Toll revenue growth benefitted from strong large vehicle traffic</li> <li>Closing Cleveland Street off-ramp improved safety and travel times on Eastern Distributor and South Dowling Street (non-tolled alternative)</li> </ul>	<ul style="list-style-type: none"> <li>Double digit toll revenue growth due to full year impact of CTW large vehicle toll multiplier increase, enhancing important freight route</li> <li>Traffic growth has improved following completion of CTW works but continues to be impacted by State works</li> </ul>	<ul style="list-style-type: none"> <li>Toll revenue impacted by improved fee arrangements for customers</li> <li>Traffic impacted by LEP, GUN and ICB construction works</li> </ul>	<ul style="list-style-type: none"> <li>Traffic growth for FY18 in GWA relative to high growth in previous corresponding period due to wider transport network activities</li> <li>A25 asset in Montreal reached financial close in June 2018</li> </ul>

1. North America numbers and growth calculated in AUD.

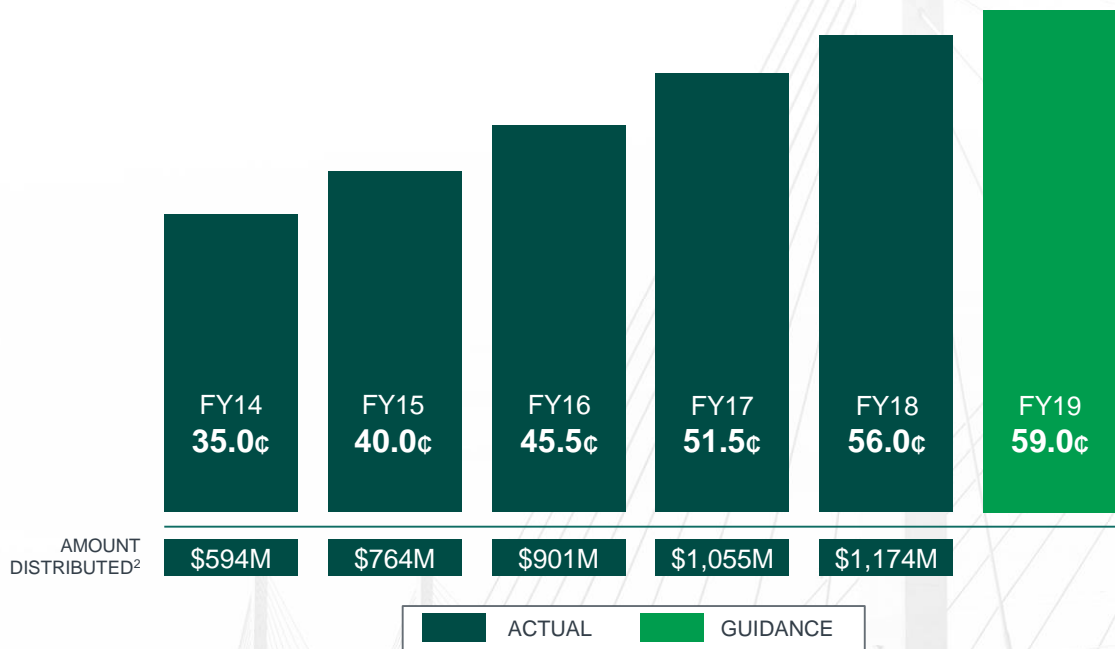
2. Toll revenue and EBITDA growth calculations based on proportional results.

3. ADT includes traffic numbers for A25 prior to Transurban ownership and is shown for comparison purposes. Excluding A25 North America ADT was flat at 0.0%.

4. Capital invested / committed represents Transurban's proportional share of projects completed / under construction and maintenance spend.

5. Average workday travel time savings in hours from July 2017 to June 2018, excluding the A25. Source: TomTom data (Australia) and Regional Integrated Transportation Information System data (Greater Washington Area).

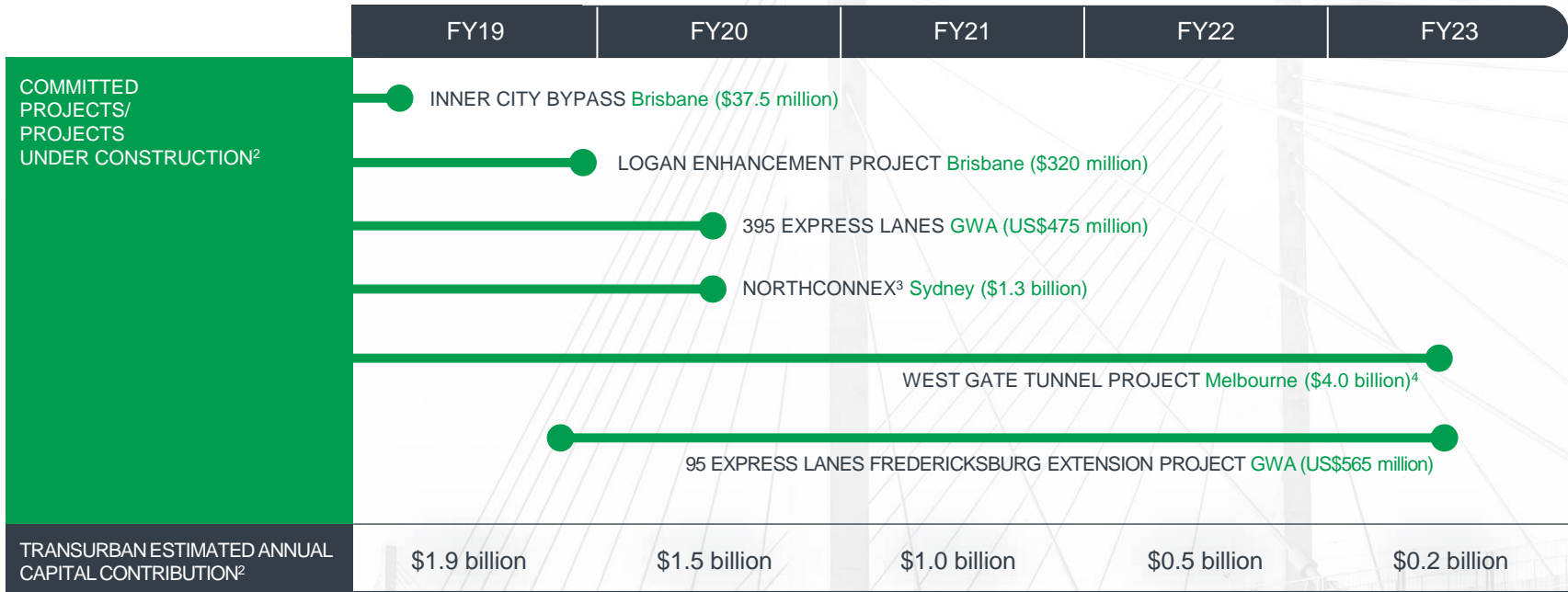
# Transurban distribution growth



- Strong distribution growth in FY18 whilst raising \$1.9 billion of equity to support the West Gate Tunnel Project, delivering long term value to stakeholders
- Free cash flow coverage for FY18 of 101.4%
- FY19 distribution guidance of 59.0 cps
- FY19 distribution guidance of 59.0 cps will be maintained in the event of a successful WestConnex bid
- FY19 free cash flow incorporates TIFIA interest payments and amortisation of the M5 and ED debt as well as scheduled capital releases as pre-agreed with state governments<sup>1</sup>

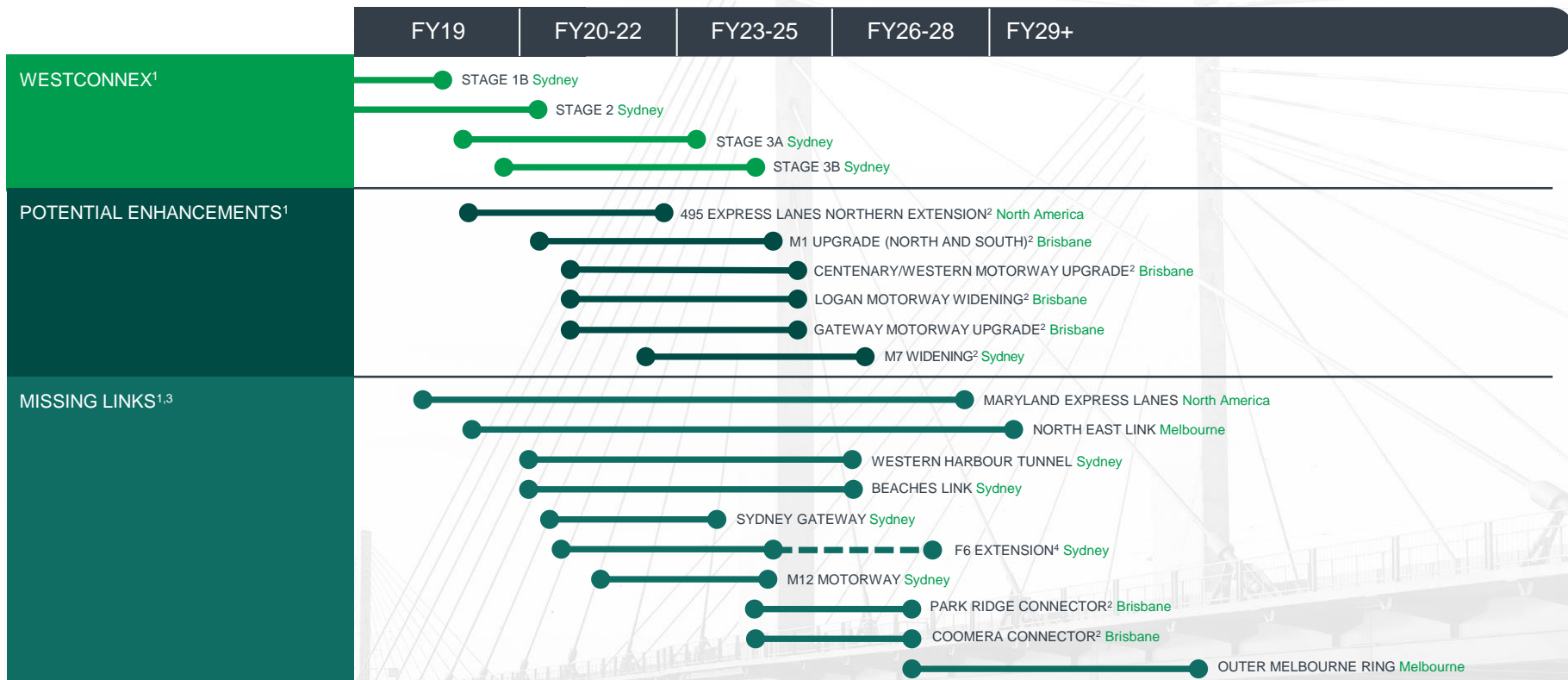
1. Future capital releases over the next several years have been pre-agreed with governments and managed within Transurban's credit metric parameters for developments including Transurban Queensland, NorthConnex and the 95 Express Lanes.  
2. Gross distributions paid inclusive of DRP.

# \$10 billion committed pipeline<sup>1</sup>



1. Estimated spend reflects 100% of the total project cost of committed projects, including those under construction, not Transurban's share.
2. Timings reflect construction schedules. Estimated spend reflects Transurban's proportion of the total project cost, net of government contribution at time of announcement.
3. The delivery timeframe is currently under review. Project expected to remain within Transurban's budget.
4. WGTP cost to Transurban of \$4.0 billion of the total \$5.5 billion WGTP D&C and associated costs (inclusive of Webb Dock Access and Monash Freeway Upgrade).

# Potential next generation opportunities



1. Timings reflect government process and construction schedules. Revenue sources, if any, are yet to be determined. Some government-owned assets may include opportunities for operational and asset enhancements, which will not include tolls.

2. Timing estimated by Transurban.

3. Timing sourced from publicly available information where available.

4. Stage 1 details announced by NSW Government. Second milestone includes Stages 2 and 3 as estimated by Transurban.



# Disciplined approach to investment

## Valuation discipline

- Alignment of interest as long-term owner-operator
- Through-the-cycle approach to assumptions
- Commitment to clearly defined investment hurdles

## Internal capability informing decisions

- Sector specialists focused on operations and development
- Track record of prudent forecasts—experienced, multi-disciplinary team
- Operations and maintenance assumptions based on extensive experience

## Core capabilities

- Customer focus
- Community engagement
- Technology development and application
- Proven partner with governments

## Applying discipline

Discipline demonstrated in both project selection and valuation approach when participating in bidding processes

- Traffic forecasting and investment return
  - Transurban was not successful or did not participate in processes during 2006-2008 on projects such as Airport Link, Clem7, Lane Cove Tunnel and Cross City Tunnel due to unrealistic traffic forecasts
  - I-66 Express Lanes—Transurban bid was US\$500 million - US\$1.1 billion less than winning bid on US\$3.5 billion project<sup>1</sup>
  - A25 acquisition is immediately accretive to Transurban's distributions per security
- Did not align with strategy and financial objectives (did not bid)
  - Chicago Skyway
  - Indiana Toll Road
- Incumbent with pre-emptive rights (did not bid)
  - Dulles Greenway (50% stake)
- Outside strategic geographies (did not bid)
  - M6 Toll (Birmingham)

1. Source: VDOT, "Overview of the Procurement and Project Milestones", November 2016; Secretary of Transportation, "Transform66: Outside the Beltway P3 Procurement Update", November 2016.

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



# Capabilities underpinning strategy



## Network planning / forecasting

- Multi-disciplinary team with industry-leading expertise
- Team of network planners and traffic modellers



## Community engagement

- Extensive stakeholder engagement with teams embedded in development and delivery projects
- Investment in initiatives to enhance social licence



## Development / delivery

- Creation of Group Executive, Development position in FY18 enhances investment in management of development pipeline



## Technology

- Supporting and developing tolling systems, customer experience platforms, operational security and corporate systems



## Operations

- Insourced workforce to ensure excellence in management of operations and strategic life cycle planning



## Customer experience

- Focus on Voice of Customer, including customer service training and enhancement of digital and online channels
- Dedicated team to improve customer experience

# Delivering outcomes with government partners

## Monash Freeway Upgrade (MFU)

- Stage 1 of the MFU added new lanes to the Monash Freeway between EastLink and Clyde Road and smart freeway management systems between Chadstone and Pakenham
- Upgrade extended the managed motorway system from CityLink along Monash Freeway, improving traffic flow of entire corridor
- Transurban and government shared traffic data analysis to ensure minimal traffic disruption and best practice traffic management
- Delivered in partnership with the Victorian Government and VicRoads and funded as part of the West Gate Tunnel Project
- Project was completed ahead of schedule and budget in June, with lanes open two months early



## Inner City Bypass (ICB) Upgrade

- Transurban Queensland (TQ) is project managing and financing the delivery of \$60 million ICB upgrade
- TQ will provide ongoing operations, routine maintenance and incident response services once the upgrade is complete
- TQ's managed motorway capability will provide safer, more reliable journeys for motorists
- ICB additional lanes and new on-ramp forecast to open in the coming weeks





## Linkt tolling brand, now active across Sydney, Melbourne and Brisbane



### Customer service

- Expanding customer service channels
- Improving approach to recognising and responding to customers in financial hardship
- Further initiatives to improve customer assistance and reduce tolling debt and fines



### Enhanced offerings

- Simpler and easier retail fees and reduced administration fees
- Pilot trial of GPS tolling for commercial customers
- Trip compare tool showing differences in travel times between toll roads and alternate routes<sup>1</sup>



### Digital experience

- Making it easier for customers through updated Australian website [linkt.com.au](http://linkt.com.au)
- Account management and LinktGO GPS apps now available to customers Australia-wide, with over 600,000 downloads to date



### Customer insights

- Voice of Customer program expanded to cover all customer channels including digital with over 200,000 customer interactions in FY18
- Customer segmentation and research programs in place

1. Currently available in Melbourne.

## Sustainability

### Sustainable procurement

- Aligning practices with Sustainable Procurement (ISO 20400) international standard
- Preparation underway ahead of Modern Slavery Act in Australia

### Infrastructure Sustainability Council of Australia ratings

- Excellent rating for CTW for As Built
- Excellent rating for LEP for Design

### Dow Jones Sustainability Index

- Second-highest-rated company in the Transport and Transportation Infrastructure category, scoring in the 98th percentile

### Innovation Partnership

- Working with Banksia Foundation to significantly increase carpooling

### Task Force for Climate-related Financial Disclosures (TCFD)

- Transurban Climate Change Strategy to be updated in FY19 to implement TCFD recommendations

## People & Culture

- Received Employer of Choice for Gender Equality award for fourth year in a row
- Employee pulse survey results showed 83% of employees are proud to work at Transurban

## Health, Safety and Environment (HSE)

- Member of the Victorian Vulnerable Road Users and Construction Trucks Steering Committee to ensure contractors manage construction risks
- Continued focus on road safety, including support of National Road Safety week, to increase awareness for “drive so others survive”



56 grants awarded to community organisations



6,026 hours spent lending a hand



50 community organisations consulted to improve customer hardship programs

# Connected Automated Vehicle (CAV) trials

## Melbourne

Three-phase program in partnership with Victorian Government, VicRoads and RACV

### Phase One

- How partially automated vehicles react to motorways in different conditions (full report available online)

### Phase Two

- First trial of highly automated vehicles<sup>1</sup> on Australian motorway underway in live traffic

### Phase Three

- Further trials to come, involving highly automated vehicles and connected vehicle communications

## Sydney

Trials of partially automated vehicles in progress in partnership with Transport for NSW and RMS

## GWA

Trials in partnership with Federal Highway Administration and Virginia Department of Transportation

- Co-operative ITS trials run as part of the Virginia Connected Corridors program allow roadside units to communicate
- Conducting trials of vehicle-to-vehicle communications enabling platooning



Automated vehicles operating on the reversible 95 Express Lanes

<sup>1</sup> Vehicle with high degree of automation and low human interaction. Levels three and over on the automation scale (from level 0 to level 5) are considered highly automated.

# From concessionaire to integrated transport company

## CORE BUSINESS

- Operating in five urban markets
- Inflation-linked revenue
- Traffic growth through economic cycles
- Focus on organisational culture and people

## OPERATIONAL EXCELLENCE

- Application of smart motorway technology
- Organisational expertise and capability
- Advanced data analytics capability
- Continuous investment in safety and efficiency
- Traffic modelling
- Using data to determine optimal incident response staging locations

## LONG-TERM SUSTAINABILITY

- Investing in improved experiences for customers through fee restructuring, and service offerings to give customers choice and flexibility
- Balanced view of stakeholder interests including customers and the community

## FUTURE POSITIONING

- CAV trials
- Road usage and transport policy reform
- Data analytics
- Technology partnerships
- Mobility as a service

## DEVELOPMENT

- Approximately 256 lane kilometres across six projects with multiple government partners
- \$10 billion development pipeline<sup>1</sup>

1. Estimated spend reflects 100% of the total project cost of committed projects, including those under construction, not Transurban's share.





# Financial results

# Statutory results

	FY17 (\$M)	FY18 (\$M)	KEY DRIVERS
<b>Toll revenue</b>	2,083	2,249	<b>Toll revenue</b> <ul style="list-style-type: none"> <li>\$162 million increase from existing assets driven by traffic growth and toll price escalation across the Australian and GWA assets</li> <li>\$4 million contribution from A25 since Financial Close on 5 June 2018</li> </ul>
<b>EBITDA</b>	1,526	1,649	<b>EBITDA</b> <ul style="list-style-type: none"> <li>\$140 million increase to EBITDA largely driven by toll revenue growth, net of costs</li> <li>(\$17) million impact from A25 since Financial Close on 5 June 2018, including transaction and integration costs (significant items) of \$21 million and \$4 million revenue contribution</li> </ul>
<b>Net profit</b>	209	468	<b>Net profit</b> <ul style="list-style-type: none"> <li>\$284 million increase from existing assets in toll revenue, net finance costs and non-cash income tax benefit from recognition of \$105 million of previously unrecognised US tax losses partially offset by an income tax expense of \$26 million from changes to US tax legislation (refer to Note B7 of the consolidated financial statements)</li> <li>(\$25) million impact from A25 since Financial Close</li> <li>Net profit excluding non-recurring income tax benefits and significant items is \$410 million</li> </ul>
<b>EBITDA</b> Excluding significant items <sup>1</sup>	1,526	1,670	
<b>Net profit</b> Excluding significant items <sup>1</sup>	209	489	

## FY18 distribution

Final distribution of 28.0 cps, including 2.5 cps fully franked component. FY18 distribution of 56.0 cps including 5.0 cps fully franked component.

1. FY18 significant items include \$21 million of transaction and integration costs associated with the acquisition of A25.

# Proportional results

	FY17 (\$M)	FY18 (\$M)	% CHANGE	KEY DRIVERS
<b>Toll revenue<sup>1</sup></b>	2,153	2,340	8.7%	Toll revenue <ul style="list-style-type: none"> <li>• \$182 million increase from existing assets driven by traffic growth and toll price escalation</li> <li>• \$5 million contribution from A25 since Financial Close on 5 June 2018<sup>2</sup></li> </ul>
<b>Other revenue<sup>3</sup></b>	51	56	8.6%	
<b>Total revenue</b>	2,204	2,396	8.7%	
<b>Total costs<sup>4</sup></b> Excluding significant items	(575)	(600)	4.5%	Total costs <ul style="list-style-type: none"> <li>• \$24 million increase to support underlying business growth and strategic growth project opportunities</li> <li>• \$1 million contribution from A25 since Financial Close</li> </ul>
<b>EBITDA<sup>4</sup></b> Excluding significant items	1,629	1,796	10.2%	
<b>EBITDA</b>	1,629	1,775	8.9%	
<b>EBITDA margin<sup>5,6</sup></b>	73.9%	74.9%	1.0%	EBITDA margin <ul style="list-style-type: none"> <li>• EBITDA margin growth across all segments</li> </ul>

1. Toll revenue includes toll revenue and service and fee revenue.

2. Proportional toll revenue for A25 is higher than the equivalent statutory toll revenue as proportional toll revenue has been adjusted to include the amount generated under the guaranteed minimum toll income scheme for the period from 5 June 2018 (acquisition date) to 30 June 2018.

3. Other revenue includes management fee revenue, business development revenue, other road revenue and A25 availability payments.

4. FY18 significant items include transaction and integration costs associated with the acquisition of A25.

5. Group EBITDA margin includes A25 since Financial Close and excludes significant items. Excluding A25, Group EBITDA is also 74.9%.

6. Restated FY17 margin reflects a reclassification impacting Other revenue and Total costs. FY18 is presented on a consistent basis.

# EBITDA margins<sup>1</sup>

	FY16	FY17	FY18
Sydney	79.7%	80.5%	81.1%
Melbourne	85.5%	86.5%	88.2%
Brisbane	69.6%	69.7%	71.0%
North America <sup>2</sup>	49.5%	55.8%	58.6%
<b>Group<sup>3,4</sup></b>	<b>73.8%</b>	<b>73.9%</b>	<b>74.9%</b>

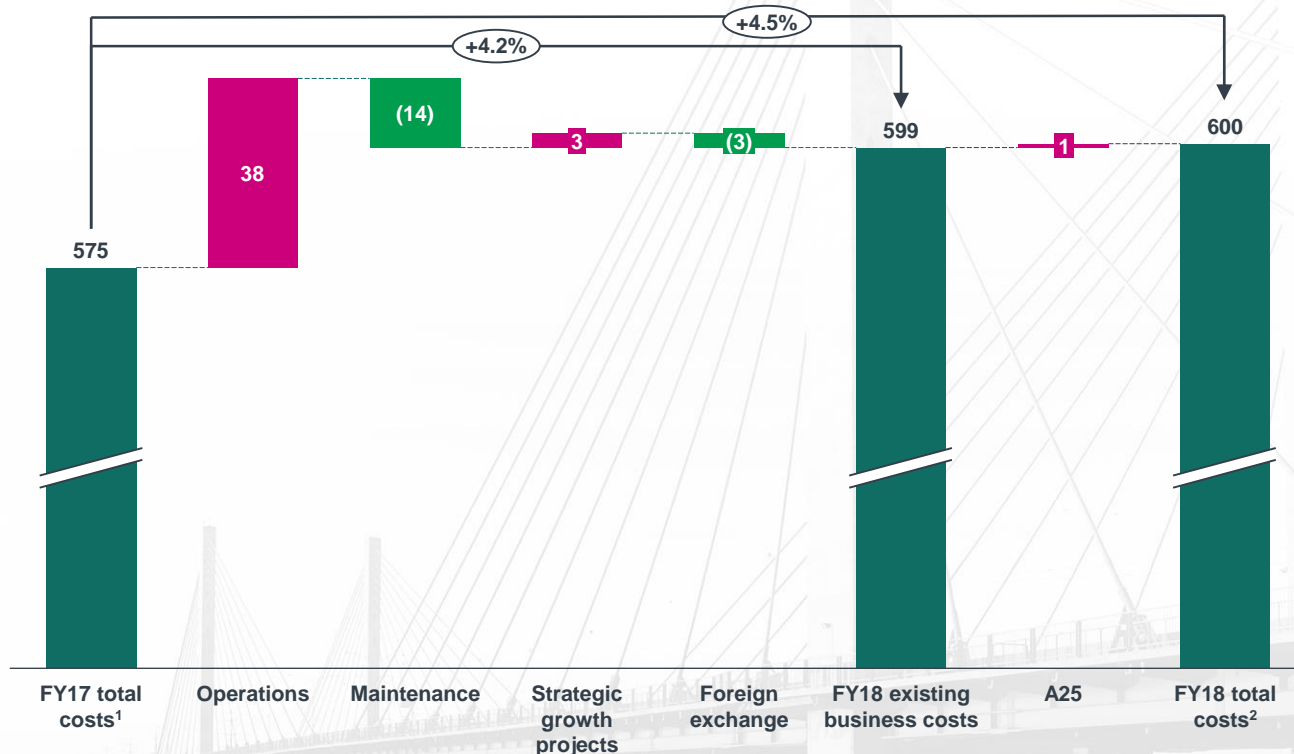
- EBITDA margin expansion across all regions for FY18
- Melbourne EBITDA margin increase due to increases in toll revenue from large vehicle toll multipliers
- Margin growth for Brisbane tracking in line with expectation
- North America assets continue to demonstrate solid margin growth given early stage in lifecycle
- FY18 Group EBT (Earnings Before Tax) margin of 17.0% reflects significant capital investment made by the business with proportional depreciation and amortisation and net finance costs paid of more than \$1.4 billion in FY18

1. Group EBITDA margins are calculated using total revenue and segment EBITDA margins are calculated using toll revenue.  
2. North America EBITDA margin includes A25 since Financial Close on 5 June 2018 and excludes significant items. Excluding A25, North America margin is 57.6%.  
3. Group EBITDA margin includes A25 since Financial Close and excludes significant items. Excluding A25, Group EBITDA is also 74.9%.  
4. Restated FY17 margin reflects a reclassification impacting Other revenue and Total costs. FY18 is presented on a consistent basis.



# Cost movement

Cost increases to support growth in underlying business operations



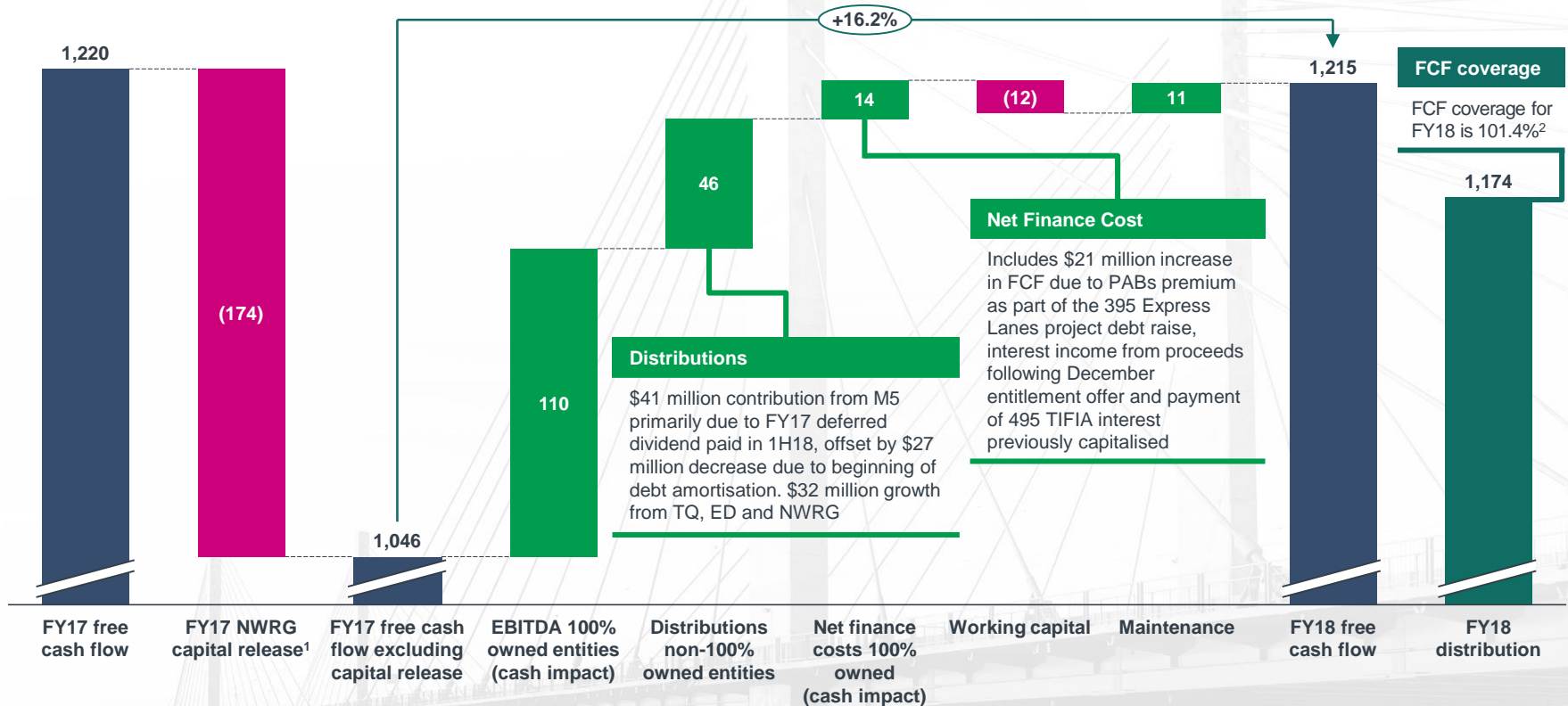
## Cost movement for the period driven by

- Cost discipline across all segments
- Ongoing investment in core capabilities (e.g. customer initiatives)
- Continual in-housing of asset operations (e.g. TQ O&M)
- Development costs associated with project pipeline (e.g. WestConnex)

1. Restated FY17 Total costs reflects a reclassification impacting Other revenue and Total costs. FY18 is presented on a consistent basis.

2. FY18 costs excluding significant items.

# Free cash flow movement



1. \$174 million decrease due to prior period distributions from NWRG relating to capital release proceeds as per NCX Development Agreement.  
 2. Calculated on a cents per security basis.

# Funding growth opportunities

## Positioned to fund growth opportunities

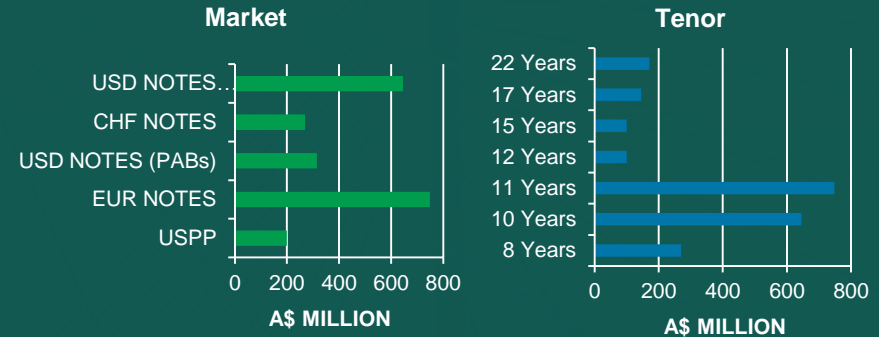
- Continue to maintain a balanced mix of debt/equity funding to support strong investment grade credit metrics
- Minimal FY19 debt maturities require refinancing

## Funding activities<sup>1</sup>

- Raised \$1.9 billion through December equity entitlement offer used largely to support the West Gate Tunnel Project
- Raised \$2.2 billion<sup>2</sup> of capital markets debt including EUR and CHF notes, US Private Placements, USD Regulation S and Private Activity Bonds
- Raised \$1.65 billion of corporate syndicated working capital facilities and \$250 million of corporate letter of credit facilities
- Raised \$676 million of asset level bank debt to refinance existing debt
- Repaid all AirportlinkM7 debt facilities prior to maturity using debt raised in Transurban Queensland
- Addition of \$386 million of amortising term bank debt through the acquisition of A25
- Cost of debt expiring in FY19 above current average cost of debt

1. CAD, CHF, EUR, NOK and USD debt converted at the hedged rate where cross currency swaps are in place. USD debt is converted at the spot exchange rate (0.7692 at 30 June 2017 and 0.7391 at 30 June 2018) where no cross currency swaps are in place. CAD debt is converted at the spot exchange rate (0.9771 at 30 June 2018) where no cross currency swaps are in place.  
2. Debt calculated on the full facility basis.

## FY18 DEBT CAPITAL MARKET ISSUANCES (TOTAL \$2.2B)



### GROUP DEBT<sup>1</sup>

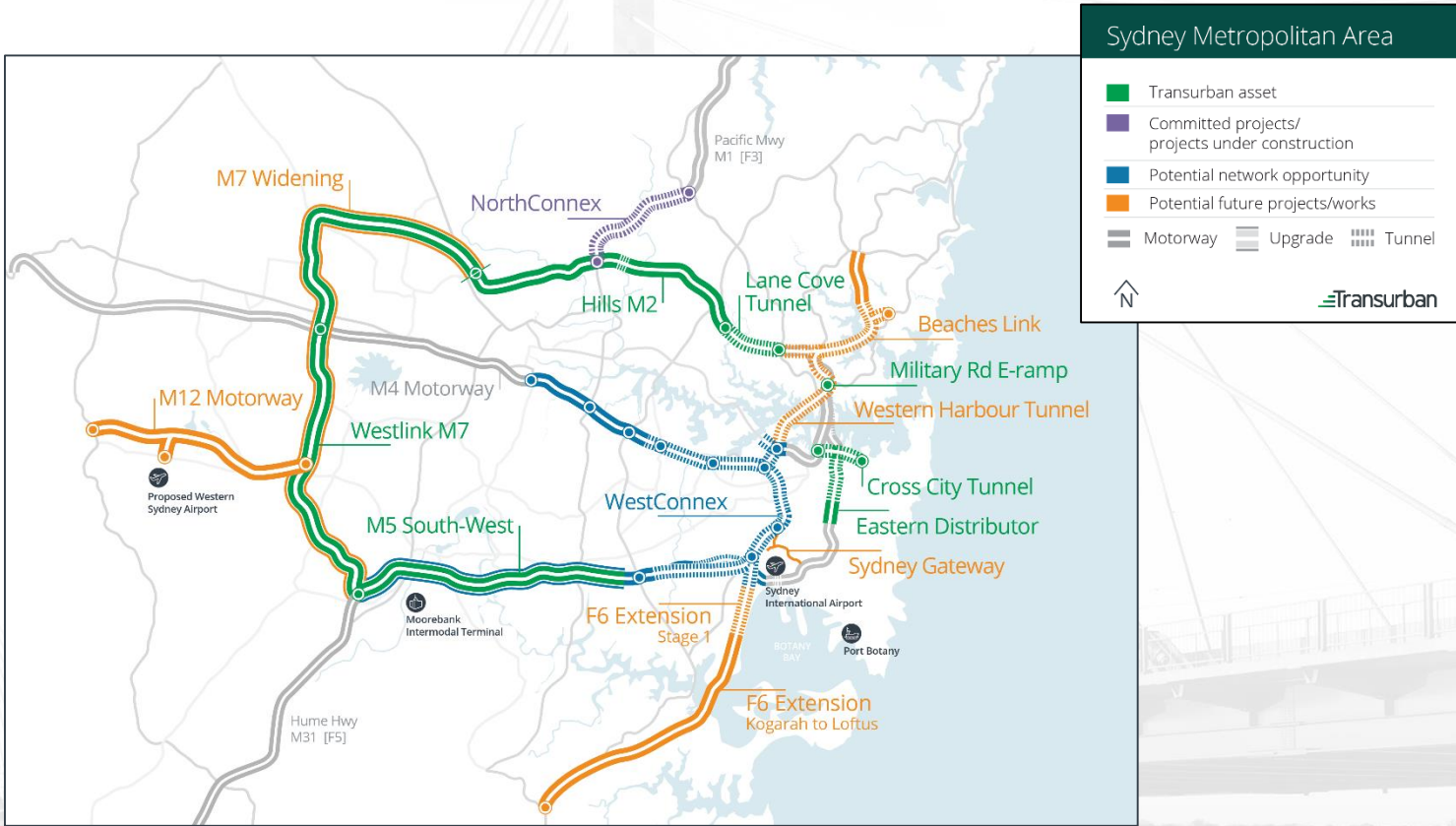
	JUN 17	JUN 18
Group debt <sup>3</sup>	A\$13,639M	A\$14,971M
Weighted average maturity <sup>4</sup>	9.0 years	9.2 years
Weighted average cost of AUD debt <sup>5</sup>	4.9%	4.9%
Weighted average cost of USD debt <sup>5</sup>	4.3%	4.4%
Gearing <sup>6</sup>	35.3%	35.2%
FFO/Debt <sup>7</sup>	8.5%	8.9%

3. Proportional drawn debt inclusive of issued letters of credit.  
4. Full value of drawn debt.  
5. Calculated using proportional drawn debt exclusive of issued letters of credit.  
6. Calculated using proportional debt to enterprise value, exclusive of issued letters of credit. Security price was \$11.85 at 30 June 2017 and \$11.97 at 30 June 2018 with 2,052 million securities on issue at 30 June 2017 and 2,225 million securities on issue at 30 June 2018.  
7. Based on S&P methodology. June 2017 FFO / Debt has been updated due to a clarification in the methodology, previously it was reported as 8.6%.



# Market updates





## Operations

- Six-month trial closure of the Cleveland Street off-ramp showed a 4% improvement in weekday motorway speeds and travel time benefits along the Eastern Distributor and the adjacent South Dowling Street (non-tolled alternative). The closure was made permanent in February 2018

## Projects

- F6 – Transurban participating in market feedback process
- Transurban has agreed to acquire an additional 8.24% equity interest in the M5 motorway, taking its total equity interest to 58.24%<sup>1</sup>

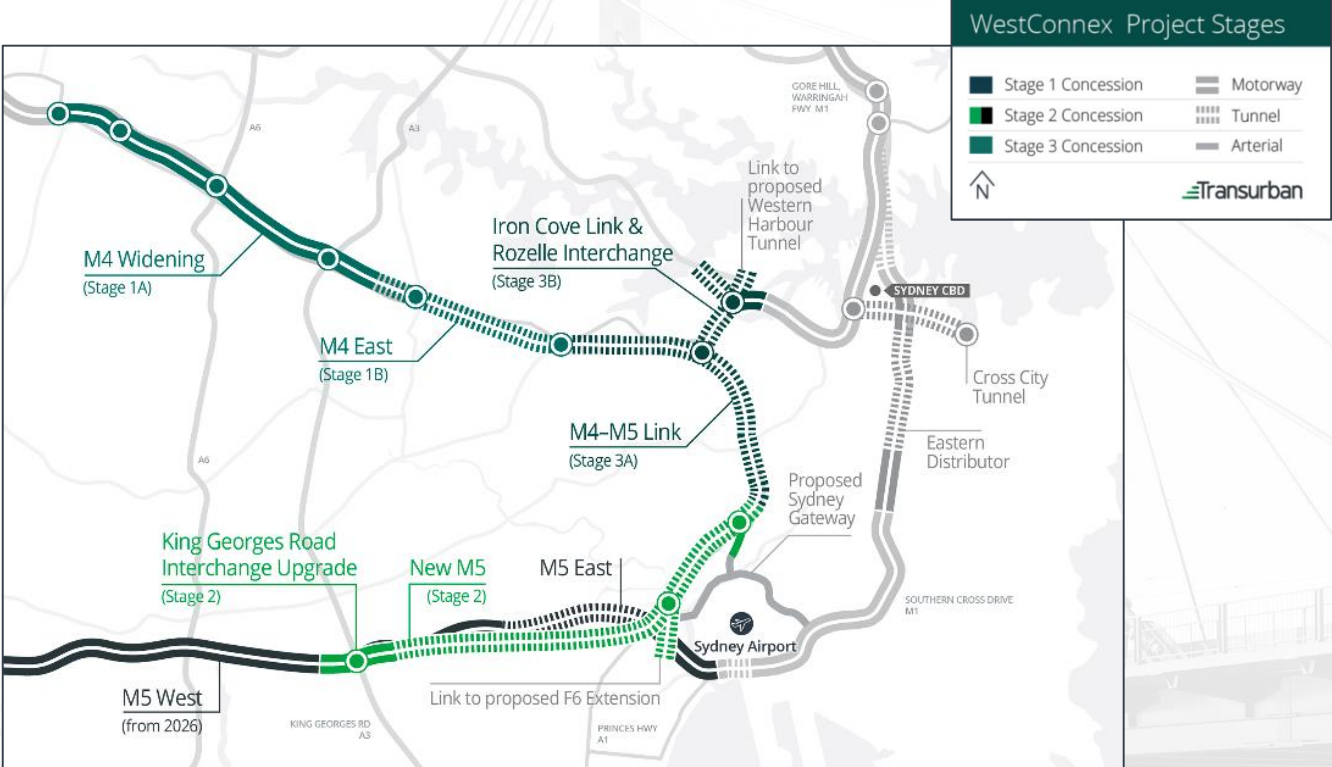


Waterproof membrane being applied in NorthConnex tunnel

## NORTHCONNEX

- Majority of tunnelling completed with excavation of the top heading 99% complete
- Delivery timeframe is currently under review. Project expected to remain within Transurban's budget
- Construction of surface structures has commenced
- Excavation filling of former Hornsby Quarry with spoil nearing completion
  - Site returned to Hornsby Council mid FY19
  - Subsequently transformed into a community space
  - Approximately 3.7 million km of spoil travel saved
- M2 Integration project was completed in May 2018, one month ahead of schedule

1. Subject to customary closing conditions.



## Process

- Participating in bid with AustralianSuper, CPPIB and Tawreed Investments Limited
- Bid to acquire a 51% equity stake in WestConnex from the NSW Government submitted in July 2018
- Transurban's bid is conditional on approvals from the Australian Competition and Consumer Commission (ACCC) and the Foreign Investment Review Board
- Continue to work constructively and collaboratively with both agencies to enable NSW Government to conclude its competitive process as expeditiously as possible and achieve the best outcome for NSW taxpayers and road users

## ACCC

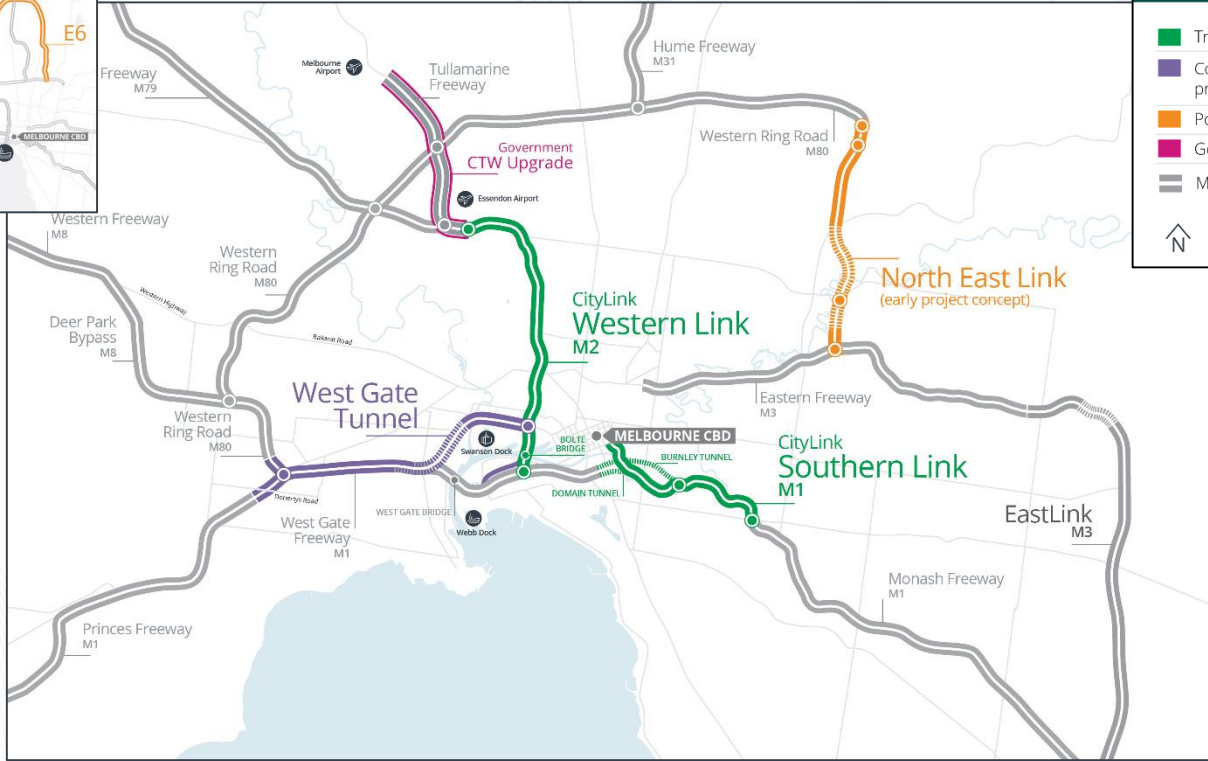
- Transurban has been engaging with the ACCC since December 2017
- ACCC released Statement of Issues in May, identifying “issues that may raise concerns” but did not identify any “issues of concern”
- Transurban remains confident that it will obtain all necessary approvals



*Completed M4 widening – Stage 1A of WestConnex*



# Melbourne



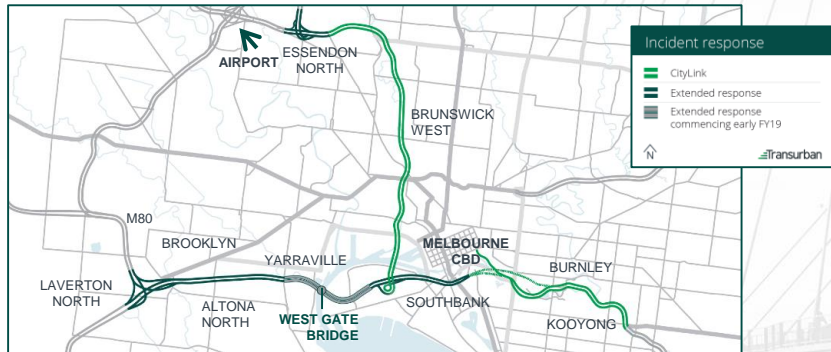
Melbourne Metropolitan Area

- Transurban asset
- Committed projects/ projects under construction
- Potential future projects/works
- Government works
- Motorway
- Upgrade
- Tunnel

↑

## Operations

- Six-month 100km/h dynamic speed trial commenced in March on Western Link
- Transurban's incident response services extended beyond CityLink to WGTP construction areas between Williamstown Road and M80
  - Transurban now manages incident response on 35km of Melbourne's road network
- Linkt tolling brand introduced in July 2018 offering improved customer choice and reduced fees



## WEST GATE TUNNEL PROJECT<sup>1</sup>

- Over 2,000 workers on the project
- Planning scheme amendment passed through both houses of Victorian Parliament
- Community visitor centre now open at tunnelling hub
- Work zones established along length of the West Gate Freeway
- Tunnel boring machines (TBM) manufacture progressing - delivery early 2019
- \$1.1 billion spent to date
- Project completion expected in 2022

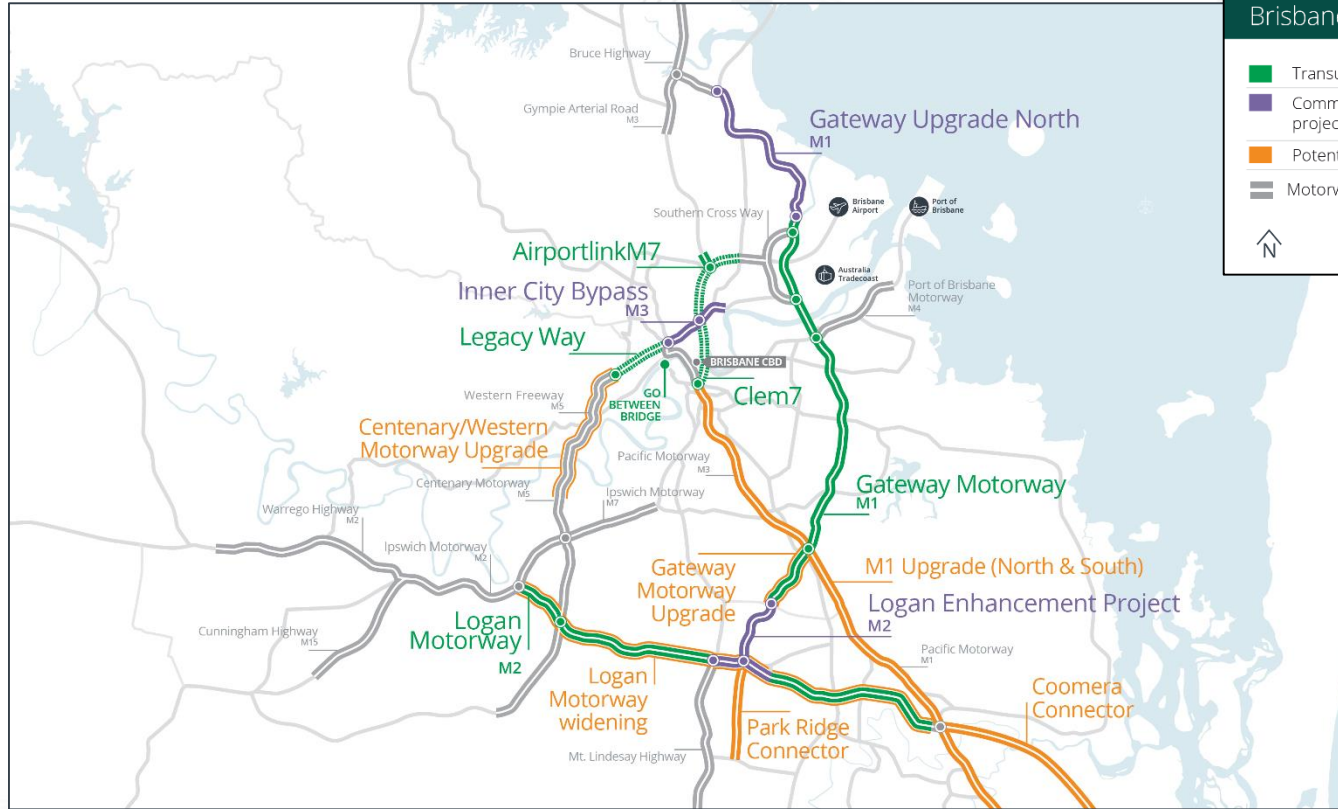


TBM under construction



TBM shield under construction

1. Legislative approval for the CityLink funding sources is pending. The State has confirmed that it is Government policy intention to implement the necessary legislative support for the CityLink concession deed amendments during the WGTP construction period.



**Brisbane Metropolitan Area**

- Transurban asset
- Committed projects/ projects under construction
- Potential future projects/works

Motorway   
  Upgrade   
  Tunnel

↑ N

## Operations

- AirportlinkM7 operations insourced as part of broader tunnel integration program
- New O&M contract executed on open road assets with Gateway Motorway Services
- Delivery of O&M services on ICB to follow project completion in August 2018
- Linkt tolling brand introduced, enhancing customer services, reducing fees and introducing new digital platforms
- Improved fee arrangements for customers including Notices of Demand aggregation whereby trips made over a three-day period are bundled together with a single administration fee

## Tolling Inquiry

- Submission demonstrates:
  - Benefits toll roads have delivered to motorists and the community
  - Substantial operations and customer improvements to Queensland's toll road assets under Transurban Queensland ownership
- To be lodged today and available at [transurban.com/news](https://transurban.com/news) from 8 August

## LOGAN ENHANCEMENT PROJECT

- Total project cost of \$512 million, increasing capacity and safety in key areas of the Logan Motorway
- Project expected to be completed late FY19 with substantial benefits to freight community
- Logan and Gateway HCV tolls increasing post completion

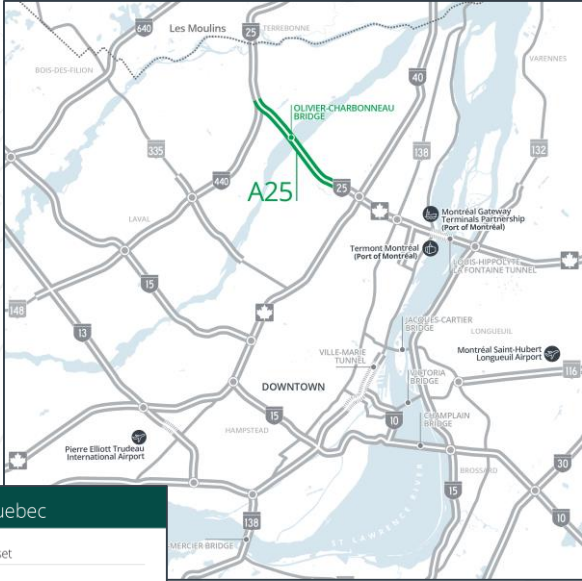
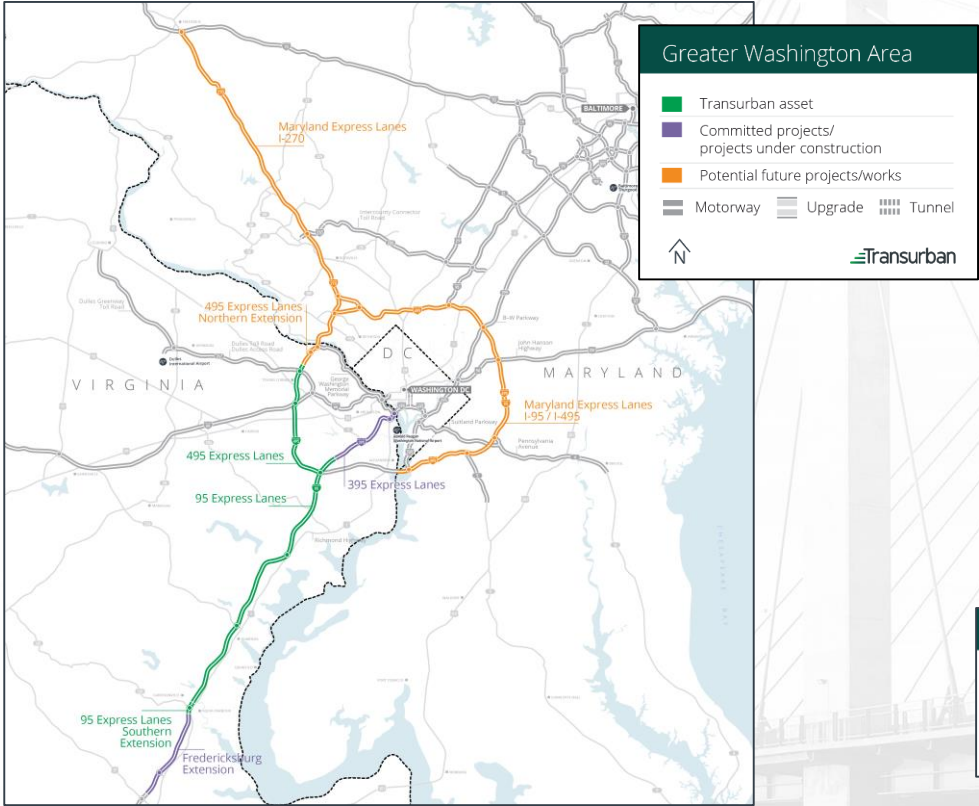
## GATEWAY UPGRADE NORTH



*Gateway Upgrade North construction continues*

- Construction 90% complete
- New Deagon Deviation overpass open to traffic improving safety and efficiency
- Pedestrian and cycle pathway along full length of project - progressive opening from early FY19





# North America

## Greater Washington Area

### Operations

- Successful integration and operation of two-mile extension to the southern end of the 95 Express Lanes

### Innovation Challenge

- Smart Highways Challenge in partnership with global incubator, Union
- Start-ups benefitted from Transurban and Union's expertise and guidance, completing real-life testing of their innovative technology
- Ongoing partnerships using new demand analytics techniques and installing advanced ITS roadside devices

### Delivery and projects

- 395 Express Lanes construction expected to be completed in FY20
- Design-build request for proposal for Fredericksburg Extension project issued with financial close expected in FY19

### Potential projects

- Maryland Department of Transportation plans for an extensive network of managed lanes on Maryland side of I-495 and I-270
- Investigating further Express Lanes access improvements
- Pursuing selective opportunities in key markets across USA and Canada

## MONTREAL, QUEBEC

### Integration

- Integration activities to be performed by combined Transurban and A25 teams - expected completion in FY19
- Preliminary engagement with Quebec Ministry of Transport

### Operations and maintenance

- Asset assessments in line with expectation
- Lifecycle and maintenance approach alignment underway
- Record high peak traffic in the peak direction<sup>1</sup> was 3,217 vehicles per hour for June quarter which was a record traffic number



1. Peak direction on the A25 means southbound in the morning peak and northbound in the evening peak.

Continued improvements to enable fee reduction and enhanced digital platforms for customers



Strong balance sheet to fund existing \$10 billion pipeline



FY19 distribution guidance of 59.0 cps; will be maintained in the event of a successful WestConnex bid



Conducting CAV trials to better understand and prepare for automated vehicles



Development opportunities continue to present across Australia and North America



Continued focus on localised engagement with communities and social investment projects

## From concessionaire to integrated transport company



A wide-angle photograph of a cable-stayed bridge spanning a body of water. The bridge features several tall, rectangular concrete pylons with numerous stay cables fanning out to support the deck. The scene is captured during the "golden hour" of sunset or sunrise, with a warm, orange glow on the bridge's structure and the water. The sky is a clear, pale blue. In the background, a city skyline is visible across the water.

# Supplementary information

1. Detailed financials
2. Treasury
3. Corporate overview
4. Glossary





# Detailed financials

Supplementary information

# Traffic and revenue performance

	JUN 18 QUARTER <sup>1</sup>		FY18 <sup>1</sup>	
	PROPORTIONAL TOLL REVENUE (AUD) % CHANGE	ADT % CHANGE	PROPORTIONAL TOLL REVENUE (AUD) % CHANGE	ADT % CHANGE
Sydney	6.9%	3.3%	8.3%	3.1%
Melbourne	8.6%	4.7%	13.4%	1.4%
Brisbane	0.4%	1.5%	2.1%	2.6%
North America	2.7%	0.5%	7.1%	1.9%

1. Compared to prior corresponding period.

# Traffic and revenue data<sup>1</sup>

ASSET		JUNE 17 QUARTER	JUNE 18 QUARTER	% CHANGE	FY17	FY18	% CHANGE
<b>Sydney</b>							
M2	Total Toll Revenue (\$M)	\$71	\$77	8.1%	\$277	\$301	8.7%
	Average Daily Trips ('000)	130	135	3.9%	129	133	3.2%
LCT	Total Toll Revenue (\$M)	\$24	\$25	5.6%	\$93	\$100	6.8%
	Average Daily Trips ('000)	90	93	3.7%	89	92	3.3%
CCT	Total Toll Revenue (\$M)	\$16	\$17	6.9%	\$63	\$67	6.3%
	Average Daily Trips ('000)	38	39	2.6%	38	39	1.5%
ED	Total Toll Revenue (\$M)	\$34	\$37	7.0%	\$135	\$146	8.8%
	Average Daily Trips ('000)	56	58	3.5%	56	59	4.5%
M7 <sup>2</sup>	Total Toll Revenue (\$M)	\$103	\$110	6.6%	\$397	\$438	10.3%
	Average Daily Trips ('000)	185	190	3.1%	183	189	3.2%
M5	Total Toll Revenue (\$M)	\$69	\$73	5.4%	\$271	\$287	6.0%
	Average Daily Trips ('000)	152	156	2.7%	151	155	2.9%
<b>Melbourne</b>							
CityLink	Total Toll Revenue (\$M)	\$183	\$199	8.6%	\$687	\$780	13.4%
	Average Daily Transactions ('000)	803	841	4.7%	816	828	1.4%

1. Assets at 100%.

2. Average tolled trip length was 12.8 kilometres for the quarter on Westlink M7.

# Traffic and revenue data<sup>1</sup>

ASSET		JUNE 17 QUARTER	JUNE 18 QUARTER	% CHANGE	FY17	FY18	% CHANGE
<b>Brisbane</b>							
Gateway Motorway	Total Toll Revenue (\$M)	\$55	\$55	0.4%	\$219	\$220	0.4%
	Average Daily Trips ('000)	115	117	1.6%	115	117	1.4%
Logan Motorway	Total Toll Revenue (\$M)	\$46	\$46	(1.1%)	\$183	\$185	1.4%
	Average Daily Trips ('000)	166	167	0.5%	164	168	2.7%
AirportlinkM7	Total Toll Revenue (\$M)	\$29	\$30	3.5%	\$112	\$120	6.8%
	Average Daily Trips ('000)	59	62	4.4%	58	61	5.2%
Clem7	Total Toll Revenue (\$M)	\$14	\$13	(1.3%)	\$53	\$54	1.0%
	Average Daily Trips ('000)	28	29	0.6%	28	28	2.2%
Legacy Way	Total Toll Revenue (\$M)	\$9	\$10	1.8%	\$36	\$37	3.5%
	Average Daily Trips ('000)	19	20	3.7%	18	19	4.3%
Go Between Bridge	Total Toll Revenue (\$M)	\$3	\$3	(5.4%)	\$13	\$13	(3.2%)
	Average Daily Trips ('000)	11	11	(1.1%)	11	11	(0.3%)
<b>North America</b>							
95 Express Lanes	Total Toll Revenue (\$USD M)	\$25	\$26	3.3%	\$84	\$93	10.9%
	Average Daily Trips ('000)	54	54	(0.4%)	49	50	1.2%
495 Express Lanes	Total Toll Revenue (\$USD M)	\$23	\$20	(13.2%)	\$73	\$76	4.0%
	Average Daily Trips ('000)	51	48	(5.3%)	46	46	(1.2%)
A25 <sup>2</sup>	Total Toll Revenue (\$CAD M)	N/A	\$5	N/A	N/A	\$5	N/A
	Average Daily Trips ('000)	48	51	7.6%	45	48	5.9%

1. Assets at 100%.

2. Transurban acquired A25 on 5 June 2018. Toll revenue data prior to Transurban ownership is not included.



# Proportional toll revenue by asset

	OWNERSHIP	JUNE 18 QUARTER (\$M)		FY18 (\$M)	
		100%	PROPORTIONAL	100%	PROPORTIONAL
M2	100.0%	\$77	\$77	\$301	\$301
LCT	100.0%	\$25	\$25	\$100	\$100
CCT	100.0%	\$17	\$17	\$67	\$67
ED	75.1%	\$37	\$27	\$146	\$110
M7	50.0%	\$110	\$55	\$438	\$219
M5	50.0%	\$73	\$37	\$287	\$144
CityLink	100.0%	\$199	\$199	\$780	\$780
Gateway Motorway	62.5%	\$55	\$35	\$220	\$137
Logan Motorway	62.5%	\$46	\$29	\$185	\$116
AirportlinkM7	62.5%	\$30	\$19	\$120	\$75
Clem7	62.5%	\$13	\$8	\$54	\$34
Legacy Way	62.5%	\$10	\$6	\$37	\$23
Go Between Bridge	62.5%	\$3	\$2	\$13	\$8
95 Express Lanes (\$USD)	100.0%	\$26	\$26	\$93	\$93
495 Express Lanes (\$USD)	100.0%	\$20	\$20	\$76	\$76
A25 (\$CAD) <sup>1</sup>	100.0%	\$5	\$5	\$5	\$5

1. Transurban acquired A25 on 5 June 2018. Toll revenue data prior to Transurban ownership is not included.

# Statutory results

	FY17 (\$M)	FY18 (\$M)
Toll revenue	2,083	2,249
Construction revenue	592	989
Other revenue	57	60
<b>Total revenue</b>	<b>2,732</b>	<b>3,298</b>
Employee benefit expense	(168)	(180)
Road operating costs	(335)	(326)
Construction costs	(592)	(989)
Transaction and integration costs	(5)	(21)
Corporate/other expenses	(106)	(133)
<b>Total costs</b>	<b>(1,206)</b>	<b>(1,649)</b>
<b>EBITDA</b>	<b>1,526</b>	<b>1,649</b>
Depreciation and amortisation	(628)	(671)
Finance income	63	97
Finance costs	(812)	(819)
<b>Net finance costs</b>	<b>(749)</b>	<b>(722)</b>
Share of equity accounted investments	25	33
<b>Profit before tax</b>	<b>174</b>	<b>289</b>
Tax benefit	35	179
<b>Net profit</b>	<b>209</b>	<b>468</b>

# Proportional results

## PROPORTIONAL EARNINGS

	FY17 (\$M)	FY18 (\$M)	% CHANGE
Toll revenue	2,153	2,340	8.7%
Other revenue <sup>1</sup>	51	56	8.6%
<b>Total revenue</b>	<b>2,204</b>	<b>2,396</b>	<b>8.7%</b>
<b>Total costs<sup>1</sup></b>	<b>(575)</b>	<b>(600)</b>	<b>4.5%</b>
EBITDA (excluding significant items)	1,629	1,796	10.2%
Significant items	–	(21)	n/m
<b>EBITDA</b>	<b>1,629</b>	<b>1,775</b>	<b>8.9%</b>

## RECONCILIATION OF STATUTORY EBITDA TO PROPORTIONAL EBITDA

	FY17 (\$M)	FY18 (\$M)	% CHANGE
<b>Statutory EBITDA</b>	<b>1,526</b>	<b>1,649</b>	<b>8.1%</b>
Less: EBITDA attributable to non-controlling interest – ED	(25)	(27)	7.8%
Less: EBITDA attributable to non-controlling interest – TQ	(161)	(166)	4.0%
Add: M5 proportional EBITDA	121	131	7.9%
Add: NWRG proportional EBITDA	168	186	10.7%
Add: Toll and other revenue on A25 concessional financial asset recognised as financial income	–	2	n/m
<b>Proportional EBITDA</b>	<b>1,629</b>	<b>1,775</b>	<b>8.9%</b>
Significant items	–	21	n/m
<b>Proportional EBITDA (excluding significant items)</b>	<b>1,629</b>	<b>1,796</b>	<b>10.2%</b>

1. Restated FY17 figures reflect a reclassification impacting Other revenue and Total costs. FY18 is presented on a consistent basis.

# FY18 proportional result by asset

OWNERSHIP	ASSET	TOLL REVENUE \$M	OTHER REVENUE \$M	EBITDA \$M	D&A \$M	NET FINANCE COST EXPENSE \$M	NPBT \$M	INCOME TAX (EXP) / BENEFIT \$M	NPAT \$M
100.0%	M2	301	2	255	(74)	(36)	145	9	154
100.0%	LCT	100	–	65	(21)	(29)	15	(4)	11
100.0%	CCT	67	–	44	(24)	(10)	10	(1)	9
75.1%	ED	110	–	81	(39)	(24)	18	3	21
100.0%	Roam Tolling and Tollaust	3	16	4	(1)	–	3	(1)	2
50.0%	M7 <sup>1</sup>	219	3	186	(41)	(106)	39	–	39
50.0%	M5	144	7	131	(46)	(21)	64	(28)	36
	<b>Sydney</b>	<b>944</b>	<b>28</b>	<b>766</b>	<b>(246)</b>	<b>(226)</b>	<b>294</b>	<b>(22)</b>	<b>272</b>
100.0%	CityLink	780	23	688	(165)	(31)	492	13	505
	<b>Melbourne</b>	<b>780</b>	<b>23</b>	<b>688</b>	<b>(165)</b>	<b>(31)</b>	<b>492</b>	<b>13</b>	<b>505</b>
62.5%	Gateway Motorway	137	–	105	(46)	(6)	53	(8)	45
62.5%	Logan Motorway	116	–	92	(42)	(10)	40	(6)	34
62.5%	AirportlinkM7	75	–	48	(32)	(28)	(12)	1	(11)
62.5%	Clem7	34	1	18	(10)	(11)	(3)	1	(2)
62.5%	Legacy Way	23	–	9	(8)	(8)	(7)	1	(6)
62.5%	Go Between Bridge	8	–	6	(2)	–	4	(1)	3
62.5%	TQ Corp	–	2	1	(2)	(131)	(132)	24	(108)
	<b>Brisbane</b>	<b>393</b>	<b>3</b>	<b>279</b>	<b>(142)</b>	<b>(194)</b>	<b>(57)</b>	<b>12</b>	<b>(45)</b>
100.0%	95 Express Lanes	120	–	71	(14)	(29)	28	–	28
100.0%	495 Express Lanes	98	–	57	(22)	(65)	(30)	–	(30)
100.0%	A25 <sup>2</sup>	5	1	(16)	(5)	(5)	(26)	1	(25)
100.0%	GWA Corp	–	–	(3)	(1)	(77)	(81)	97	16
	<b>North America</b>	<b>223</b>	<b>1</b>	<b>109</b>	<b>(42)</b>	<b>(176)</b>	<b>(109)</b>	<b>98</b>	<b>(11)</b>
	Corporate and other	–	1	(67)	(66)	(99)	(232)	40	(192)
	<b>Transurban Group</b>	<b>2,340</b>	<b>56</b>	<b>1,775</b>	<b>(661)</b>	<b>(726)</b>	<b>388</b>	<b>141</b>	<b>529</b>

1. Includes NWRG's corporate entities' results.

2. Includes significant items. Toll revenue is net of revenue sharing arrangement with MTMDET of \$2 million.



# FY17 proportional result by asset

OWNERSHIP	ASSET	TOLL	OTHER	EBITDA	D&A	NET FINANCE	NPBT	INCOME TAX	NPAT
		REVENUE	REVENUE <sup>1</sup>			COST		(EXP) /	
		\$M	\$M	\$M	\$M	EXPENSE	\$M	BENEFIT	\$M
100.0%	M2	277	3	236	(74)	(32)	130	12	142
100.0%	LCT	93	–	58	(21)	(30)	7	(8)	(1)
100.0%	CCT	63	–	39	(24)	(12)	3	–	3
75.1%	ED	101	1	76	(39)	(31)	6	8	14
100.0%	Roam Tolling and Tollaustr	3	13	4	(1)	–	3	(1)	2
50.0%	M7 <sup>2</sup>	199	2	168	(41)	(98)	29	2	31
50.0%	M5	136	5	121	(48)	(23)	50	(25)	25
	<b>Sydney</b>	<b>872</b>	<b>24</b>	<b>702</b>	<b>(248)</b>	<b>(226)</b>	<b>228</b>	<b>(12)</b>	<b>216</b>
100.0%	CityLink	687	22	594	(137)	(24)	433	(119)	314
	<b>Melbourne</b>	<b>687</b>	<b>22</b>	<b>594</b>	<b>(137)</b>	<b>(24)</b>	<b>433</b>	<b>(119)</b>	<b>314</b>
62.5%	Gateway Motorway	137	–	107	(45)	(5)	57	(7)	50
62.5%	Logan Motorway	114	–	87	(45)	(9)	33	(4)	29
62.5%	AirportlinkM7	70	–	46	(31)	(22)	(7)	2	(5)
62.5%	Clem7	33	1	16	(10)	(11)	(5)	1	(4)
62.5%	Legacy Way	23	–	5	(8)	(3)	(6)	5	(1)
62.5%	Go Between Bridge	8	–	7	(2)	(1)	4	(2)	2
62.5%	TQ Corp	–	1	–	–	(153)	(153)	20	(133)
	<b>Brisbane<sup>3</sup></b>	<b>385</b>	<b>2</b>	<b>268</b>	<b>(141)</b>	<b>(204)</b>	<b>(77)</b>	<b>15</b>	<b>(62)</b>
100.0%	95 Express Lanes	111	–	65	(14)	(28)	23	–	23
100.0%	495 Express Lanes	98	–	58	(22)	(63)	(27)	–	(27)
100.0%	GWA Corp	–	–	(7)	(4)	(73)	(84)	41	(43)
	<b>North America</b>	<b>209</b>	<b>–</b>	<b>116</b>	<b>(40)</b>	<b>(164)</b>	<b>(88)</b>	<b>41</b>	<b>(47)</b>
	Corporate and other	–	3	(51)	(55)	(119)	(225)	76	(149)
	<b>Transurban Group</b>	<b>2,153</b>	<b>51</b>	<b>1,629</b>	<b>(621)</b>	<b>(737)</b>	<b>271</b>	<b>1</b>	<b>272</b>

1. Restated FY17 Other revenue reflects a reclassification. FY18 is presented on a consistent basis.

2. Includes NWRG's corporate entities' results.

3. For consistency with FY18 results, FY17 EBITDA, NPBT and NPAT have been restated for all Brisbane assets to reflect an updated cost allocation methodology for assets in this segment. There is no change to the overall Brisbane EBITDA.

# FY18 net finance costs paid

CONTROLLED ENTITIES	OWNER-SHIP	STATUTORY NET INTEREST \$M	NON-CASH ITEMS					NET INTEREST PAID \$M	PROPORTIONAL NET INTEREST PAID \$M
			DEBT FEES \$M	CONCESSION PAYMENTS & MAINTENANCE PROVISION UNWIND \$M	INTEREST CAPITALISATION \$M	OTHER <sup>1</sup> \$M	INTEREST ACCRUALS <sup>2</sup> \$M		
CityLink	100.0%	(31)	–	7	–	–	13	(11)	(11)
M2	100.0%	(36)	1	11	–	–	–	(24)	(24)
LCT	100.0%	(29)	–	10	–	–	–	(19)	(19)
CCT	100.0%	(10)	–	2	–	–	–	(8)	(8)
ED	75.1%	(33)	1	–	–	–	1	(31)	(24)
95 Express Lanes	100.0%	(29)	21 <sup>3</sup>	4	11	–	–	7	7
495 Express Lanes	100.0%	(65)	1	3	15	–	–	(46)	(46)
A25	100.0%	(3)	–	–	–	1	(4)	(6)	(6)
Transurban Queensland – External expense	62.5%	(245)	10	41	–	(1)	5	(190)	(119)
Transurban Queensland – SLN interest expense	62.5%	(65)	–	–	–	–	–	(65)	(41)
Corporate – M5 TLN	100.0%	4	–	–	–	–	–	4	4
Corporate – NorthConnex SLN interest income	100.0%	57	–	–	(57)	–	–	–	–
Corporate – Other	100.0%	(237)	22	–	–	1	21	(193)	(193)
<b>Total controlled entities at 100%</b>		<b>(722)</b>	<b>56</b>	<b>78</b>	<b>(31)</b>	<b>1</b>	<b>36</b>	<b>(582)</b>	<b>(480)</b>
<b>EQUITY OWNED ENTITIES</b>									
NWRG – M7 External Interest	50.0%	(99)	2	20	–	–	(9)	(86)	(43)
NWRG – NorthConnex SLN interest expense	50.0%	(113)	–	–	113	–	–	–	–
M5 – External Interest	50.0%	(34)	1	4	–	–	–	(29)	(15)
M5 – TLN interest expense	50.0%	(7)	–	–	–	–	–	(7)	(4)
<b>Total equity accounted investments at 100%</b>		<b>(253)</b>	<b>3</b>	<b>24</b>	<b>113</b>	<b>–</b>	<b>(9)</b>	<b>(122)</b>	<b>(62)</b>
<b>Proportional net finance costs</b>		<b>(726)</b>	<b>54</b>	<b>74</b>	<b>26</b>	<b>1</b>	<b>29</b>	<b>(542)</b>	<b>(542)</b>

1. Includes hedge ineffectiveness and concession financial asset income.

2. Interest accrual movements due to the timing of cash interest payments.

3. Includes \$21 million PABs premium received in July 2017 as part of the 395 project debt raise.

# FY17 net finance costs paid

CONTROLLED ENTITIES	OWNER-SHIP	STATUTORY NET INTEREST \$M	NON-CASH ITEMS				NET INTEREST PAID \$M	PROPORTIONAL NET INTEREST PAID \$M
			DEBT FEES \$M	CONCESSION PAYMENTS & MAINTENANCE PROVISION UNWIND \$M	INTEREST CAPITALISATION \$M	INTEREST ACCRUALS <sup>1</sup> \$M		
CityLink	100.0%	(24)	–	5	–	1	(18)	(18)
M2	100.0%	(32)	1	4	–	(1)	(28)	(28)
LCT	100.0%	(30)	–	11	–	2	(17)	(17)
CCT	100.0%	(12)	1	1	–	(1)	(11)	(11)
ED	75.1%	(41)	1	8	–	1	(31)	(23)
95 Express Lanes	100.0%	(28)	–	1	12	(2)	(17)	(17)
495 Express Lanes	100.0%	(63)	1	1	45	(0)	(16)	(16)
Transurban Queensland – External expense	62.5%	(262)	19	30	–	(7)	(220)	(138)
Transurban Queensland – SLN interest expense	62.5%	(65)	–	–	–	–	(65)	(41)
Corporate – M5 TLN	100.0%	7	–	–	–	2	9	9
Corporate – NorthConnex SLN interest income	100.0%	36	–	–	(36)	–	–	–
Corporate – TQ SLN interest income	100.0%	41	–	–	–	–	41	41
Corporate – Other	100.0%	(276)	30	–	–	(6)	(252)	(252)
<b>Total controlled entities at 100%</b>		<b>(749)</b>	<b>53</b>	<b>61</b>	<b>21</b>	<b>(11)</b>	<b>(625)</b>	<b>(511)</b>
<b>EQUITY OWNED ENTITIES</b>								
NWRG – External Interest	50.0%	(125)	6	21	–	12	(86)	(43)
NWRG – NorthConnex SLN interest expense	50.0%	(71)	–	–	71	–	–	–
M5 – External Interest	50.0%	(31)	1	1	–	–	(29)	(14)
M5 – TLN interest expense	50.0%	(14)	–	–	–	(4)	(18)	(9)
<b>Total equity accounted investments at 100%</b>		<b>(241)</b>	<b>7</b>	<b>22</b>	<b>71</b>	<b>8</b>	<b>(133)</b>	<b>(66)</b>
<b>Proportional net finance costs</b>		<b>(737)</b>	<b>49</b>	<b>59</b>	<b>57</b>	<b>(5)</b>	<b>(577)</b>	<b>(577)</b>

1. Interest accrual movements due to the frequency of cash interest payments.

# Maintenance provision<sup>1</sup>

	MAINTENANCE EXPENSE RECOGNISED <sup>2</sup>		MAINTENANCE CASH SPEND	
	FY17 (\$M)	FY18 (\$M)	FY17 (\$M)	FY18 (\$M)
CityLink	(14)	(6)	(11)	(11)
M2	(2)	(5)	(4)	(3)
LCT	(8)	(6)	(6)	(4)
CCT	(8)	(6)	(4)	(5)
ED	(7)	(8)	(7)	(6)
M7	(10)	(11)	(13)	(29)
M5	(4)	(3)	(1)	(2)
Gateway Motorway	(9)	(10)	(7)	(4)
Logan Motorway	(11)	(7)	(27)	(52)
AirportlinkM7	(8)	(8)	-	(2)
Clem7	(8)	(6)	(1)	(5)
Legacy Way	(4)	(4)	-	-
Go Between Bridge	(1)	-	-	-
95 Express Lanes	(13)	(12)	(1)	(1)
495 Express Lanes	(10)	(10)	(1)	(2)
A25	-	-	-	-

1. Assets at 100%.

2. Tag purchases put through free cash reconciliation not included above - \$4m in FY18 and \$6m in FY17.



# Free cash calculation

FREE CASH CALCULATION	SOURCE OF INFORMATION/EXPLANATION
Cash flows from operating activities (refer Group Statutory accounts)	Statutory Transurban Holdings Limited operating cash flow (includes cash inflow from M5 TLNs).
Add back transaction and integration costs related to acquisitions	Transaction and integration related cash payments incurred on the acquisition of new assets.
Add back payments for maintenance of intangible assets	For statutory purposes payments for maintenance are classified as operating activities. For the calculation of free cash Transurban removes these payments and replaces them with increases or decreases to the maintenance provision recognised in the Statement of Comprehensive Income (see slide 47). This provides a smoother representation of maintenance spend and reflects the incurrence of damage through the facilities' use.
Add capital releases from 100% owned assets	Capital releases received from 100% owned assets.
Less: debt amortisation of 100% owned assets	Debt amortisation of 100% owned assets.
Less cash flow from operating activities from consolidated non-100% owned entities	100% of the operating cash flows of ED and TQ are included in the statutory results, however the distribution received by Transurban from these entities better reflects the cash available for distribution to Transurban security holders. The cash flows from operating activities are therefore eliminated and, where applicable, replaced with distributions received.
Less allowance for maintenance of intangible assets for 100% owned assets	Expenditure for maintenance of intangible assets is provided for over the period of the facilities' use. The annual charge to recognise this provision reflects the yearly damage to the facility requiring maintenance. Also includes allowance for expenditure on electronic tags within 100% owned tolling businesses.
Add distributions and interest received from non-100% owned entities	Cash distributions received from ED, M5, TQ and NWRG by Transurban and interest received / principle received on Transurban's long term loans to M5 and TQ

## Free cash

# Free cash flow

## RECONCILIATION OF STATUTORY CASH FLOW FROM OPERATING ACTIVITIES TO FREE CASH

	FY17 (\$M)	FY18 (\$M)
Cash flows from operating activities	837	1,053
Add back transaction and integration costs related to acquisitions	113	20
Add back payments for maintenance of intangible assets	69	95
Less cash flow from operating activities from consolidated non-100% owned entities <sup>1</sup>	(312)	(350)
Less allowance for maintenance of intangible assets for 100% owned assets	(61)	(49)
<b>Add distributions and interest received from non-100% owned entities</b>		
ED distribution	55	59
M5 distribution and TLN payments	68	82
TQ distribution and SLN payments	161	164
NWRG distribution	290	141
<b>Free cash</b>	<b>1,220</b>	<b>1,215</b>

FREE CASH FLOW	FY17	FY18	% CHANGE
Free cash	\$1,220M	\$1,215M	(0.5%)
Weighted average securities eligible for distribution <sup>2</sup>	2,048M	2,140M	4.5%
Free cash per security	59.6cps	56.8cps	(4.7%)

1. Consolidated cash flows from non-100% owned entities includes ED and TQ.

2. Weighted average calculation based on entitlement to distribution.

# Reconciliation of proportional EBITDA to free cash

	FY18 (\$M)	Comments
Proportional EBITDA	1,775	Refer to slide 42 for further detail
Proportional net finance costs paid (cash)	(542)	Refer to slide 45 for further detail
Add back proportional maintenance expense (non-100% owned assets)	35	Refer to slide 47 for further detail
Less proportional maintenance cash spend (non-100% owned assets)	(58)	Refer to slide 47 for further detail
Significant items	20	Transaction and integration costs on acquisition of A25
Working capital	4	Working capital movement
Tax paid	(36)	Tax paid by M5 and M7
Other	17	TQ debt funding of maintenance and debt fees
<b>Free Cash</b>	<b>1,215</b>	

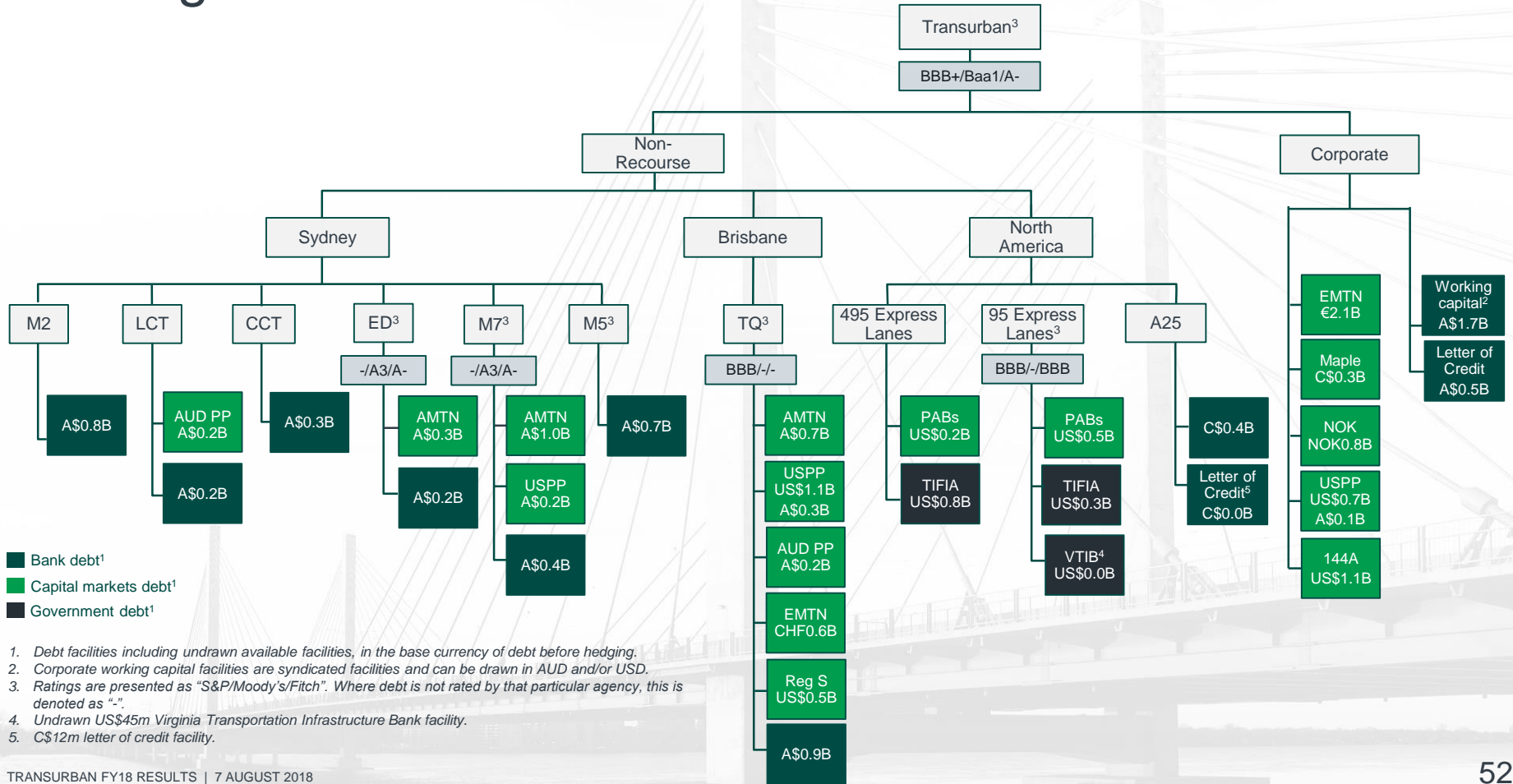


# Treasury

Supplementary information



# Funding structure at 30 June 2018



- Bank debt<sup>1</sup>
- Capital markets debt<sup>1</sup>
- Government debt<sup>1</sup>

1. Debt facilities including undrawn available facilities, in the base currency of debt before hedging.  
 2. Corporate working capital facilities are syndicated facilities and can be drawn in AUD and/or USD.  
 3. Ratings are presented as "S&P/Moody's/Fitch". Where debt is not rated by that particular agency, this is denoted as "-".  
 4. Undrawn US\$45m Virginia Transportation Infrastructure Bank facility.  
 5. C\$12m letter of credit facility.

# Group debt at 30 June 2018

	FACILITY (US\$M) <sup>1</sup>	FACILITY (C\$M) <sup>1</sup>	FACILITY (\$M) <sup>1</sup>	TOTAL FACILITY (\$M)	TOTAL DRAWN (\$M)	PROPORTIONAL DRAWN (\$M)	STATUTORY DRAWN (\$M) <sup>2</sup>
<b>CORPORATE DEBT<sup>3</sup></b>							
Working capital facilities <sup>4</sup>	–	–	1,650	1,650	–	–	–
USPP	162	–	774	993	993	993	987
EMTN (CAD, NOK and EUR Notes)	305	–	3,037	3,449	3,449	3,449	3,691
144A	500	–	802	1,479	1,479	1,479	1,488
<b>TOTAL CORPORATE DEBT</b>	<b>967</b>	<b>–</b>	<b>6,263</b>	<b>7,571</b>	<b>5,921</b>	<b>5,921</b>	<b>6,166</b>
Letters of credit <sup>5</sup>	–	–	546	546	477	477	–
<b>NON-RECOURSE DEBT<sup>3</sup></b>							
TQ	–	–	4,853	4,853	4,311	2,695	4,387
LCT	–	–	460	460	460	460	460
CCT	–	–	278	278	278	278	278
ED	–	–	526	526	526	395	526
M2	–	–	758	758	758	758	758
M5	–	–	656	656	654	327	–
M7	–	–	1,639	1,639	1,639	819	–
95 Express Lanes	843	–	–	1,140	1,079	1,079	981
495 Express Lanes	1,009	–	–	1,365	1,365	1,365	1,209
A25	–	377	–	385	385	385	385
<b>TOTAL NON-RECOURSE DEBT</b>	<b>1,852</b>	<b>377</b>	<b>9,170</b>	<b>12,060</b>	<b>11,455</b>	<b>8,561</b>	<b>8,984</b>
Other <sup>6</sup>	–	–	–	–	–	–	245
Letters of credit <sup>7</sup>	–	12	–	12	12	12	–
<b>TOTAL GROUP DEBT</b>	<b>2,819</b>	<b>389</b>	<b>15,979</b>	<b>20,189</b>	<b>17,865</b>	<b>14,971</b>	<b>15,395</b>

1. Shown in effective currency after hedging.

2. Statutory drawn debt differs to proportional drawn debt due to US asset debt being carried at fair value following the consolidation of the US assets in June 2014. In addition, statutory debt does not adjust for proportional ownership. M5 and M7 are not consolidated and foreign currency debt issuances are translated at the spot rather than hedged rate.

3. CAD, CHF, EUR, NOK and USD debt converted at the hedged rate where cross currency swaps are in place. USD debt is converted at the spot exchange rate (0.7391 at 30 June 2018) where no cross currency swaps are in place. CAD debt is converted at the spot exchange rate (0.9771 at 30 June 2018) where no cross currency swaps are in place.

4. Working capital facilities are syndicated bank facilities and can be drawn in AUD and/or USD.

5. Issued in relation to corporate, CityLink, ED, M2, CCT, Transurban Queensland, 95 Express Lanes and NCX. Drawn values represent letters of credit issued.

6. Consists of shareholder loans and net capitalised borrowing costs.

7. Issued in relation to A25. Drawn values represent letters of credit issued.

# Drawn debt<sup>1</sup>

AUD <sup>2</sup>	30 JUN 17 (\$M)	30 JUN 18 (\$M)	MOVEMENT (\$M)	EXPLANATION
Corporate	4,330	4,613	283	Maturity of A\$165 million USPP and A\$300 million AMTN. A\$749 million Euro MTN issuance.
Non-recourse	5,613	5,732	119	Net A\$5 million increase in proportional M7 debt as a result of USPP issuance and term bank repayment. Hills M2 debt increased by A\$3 million as a result of November refinancing. A\$141 million in TQ capex drawings for the period. M5 debt amortisation of A\$37 million. TQ raised A\$169 million via a CHF EMTN Issuance, A\$404 million with a USD Regulation S issuance and A\$27 million through a Bridge Facility, to facilitate the prepayment of the AirportlinkM7 bank debt worth A\$594 million.
<b>Total</b>	<b>9,943</b>	<b>10,345</b>	<b>402</b>	
USD <sup>3</sup>	30 JUN 17 (\$M)	30 JUN 18 (\$M)	MOVEMENT (\$M)	EXPLANATION
Corporate	992	967	(25)	Repayment of US\$25 million working capital drawing.
Non-recourse	1,575	1,807	232	US\$233m of new PABs issued in July 2017. US\$1 million increase in 495 Express Lanes TIFIA and US\$3m decrease in 95 Express Lanes TIFIA being the net result of increases from capitalised interest and reductions from principal repayment.
<b>Total</b>	<b>2,567</b>	<b>2,774</b>	<b>207</b>	
CAD <sup>4</sup>	30 JUN 17 (\$M)	30 JUN 18 (\$M)	MOVEMENT (\$M)	EXPLANATION
Corporate	–	–	–	
Non-recourse	–	377	377	Addition of C\$377 million of amortising term bank debt through the acquisition of the A25 toll road and concession in Montreal, Canada.
<b>Total</b>	<b>–</b>	<b>377</b>	<b>377</b>	

1. Proportional values noted. Amounts will differ to consolidated accounts due to the spot translation used in financial accounts as opposed to the hedged FX rate. The consolidated accounts include external shareholder loans and a fair value measurement on 95 and 495 Express Lanes. M5 and M7 are not included in the consolidated accounts.

2. AUD represents debt issued in AUD plus debt that has been issued in CAD, EUR, CHF, NOK and USD and has been swapped back into AUD. Issued letters of credit are not included.  
 3. USD represents debt issued in USD (including US entity debt, working capital drawings, 144A bonds, and tranche C of the 2006 USPP which was not swapped back to AUD) and debt issued in EUR that has been swapped to USD. Issued letters of credit are not included.  
 4. CAD represents debt issued in CAD. Issued letters of credit are not included.

# Key debt metrics

	30 JUNE 2017			30 JUNE 2018		
	TRANSURBAN GROUP	CORPORATE	NON-RECURSE	TRANSURBAN GROUP	CORPORATE	NON-RECURSE
Weighted average maturity (years) <sup>1,2</sup>	9.0 years	5.8 years	10.7 years <sup>3</sup>	9.2 years	5.9 years	10.8 years <sup>4</sup>
Weighted average cost of AUD debt <sup>1,5</sup>	4.9%	5.5%	4.5%	4.9%	5.5%	4.5%
Weighted average cost of USD debt <sup>5</sup>	4.3%	4.2%	4.3%	4.4%	4.3%	4.5%
Weighted average cost of CAD debt <sup>5</sup>	–	–	–	5.8%	–	5.8%
Hedged <sup>1,6</sup>	99.4%	99.4%	99.4%	98.5%	100.0%	97.5%
Gearing (proportional debt to enterprise value) <sup>1,7</sup>	35.3%			35.2%		
FFO/Debt <sup>8</sup>	8.5%			8.9%		
Corporate senior interest cover ratio (historical ratio for 12 months)	3.9x			4.9x		
Corporate debt rating (S&P/Moody's/Fitch)	BBB+/Baa1/A-			BBB+/Baa1/A-		

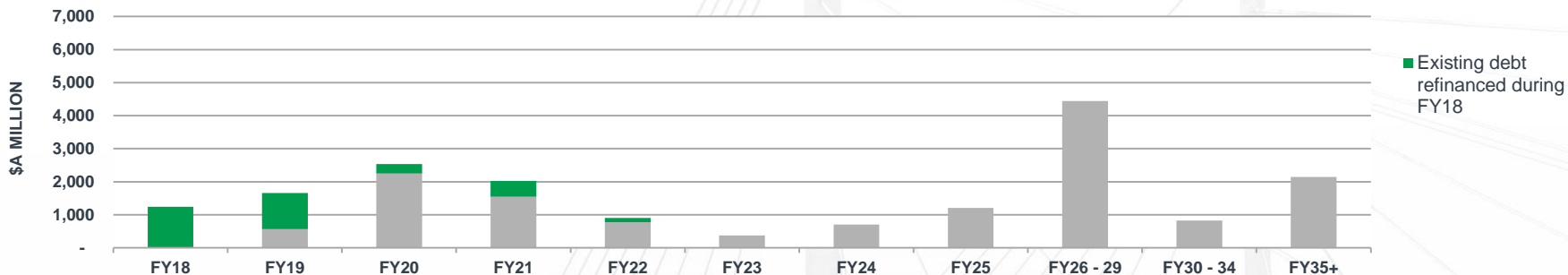
- CAD, CHF, EUR, NOK and USD debt converted at the hedged rate where cross currency swaps are in place. USD debt is converted at the spot exchange rate (0.7692 at 30 June 2017 and 0.7391 at 30 June 2018) where no cross currency swaps are in place. CAD debt is converted at the spot exchange rate (0.9771 at 30 June 2018) where no cross currency swaps are in place.
- Full value of drawn debt.
- The average weighted average maturity of Australian non-recourse debt is 6.3 years at 30 June 2017.
- The average weighted average maturity of Australian non-recourse debt is 6.6 years at 30 June 2018.

- Proportional debt exclusive of letters of credit.
- Hedged percentage comprises fixed rate debt and floating rate debt that has been hedged and is a weighted average of total proportional drawn debt, exclusive of issued letters of credit.
- Calculated using proportional debt to enterprise value, exclusive of issued letters of credit. Security price was \$11.85 at 30 June 2017 and \$11.97 at 30 June 2018 with 2,052 million securities on issue at 30 June 2017 and 2,225 million securities on issue at 30 June 2018.
- Based on S&P methodology. June 2017 FFO / Debt has been updated due to a clarification in the methodology, previously it was reported as 8.6%.

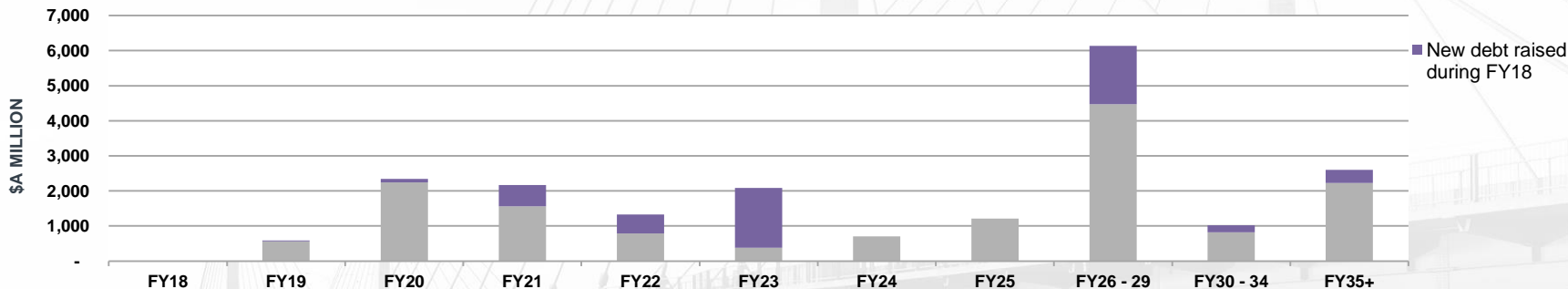


# Extension of Group debt maturity profile

June 2017 maturity profile<sup>1,2,3</sup>



June 2018 maturity profile<sup>1,2,3</sup>

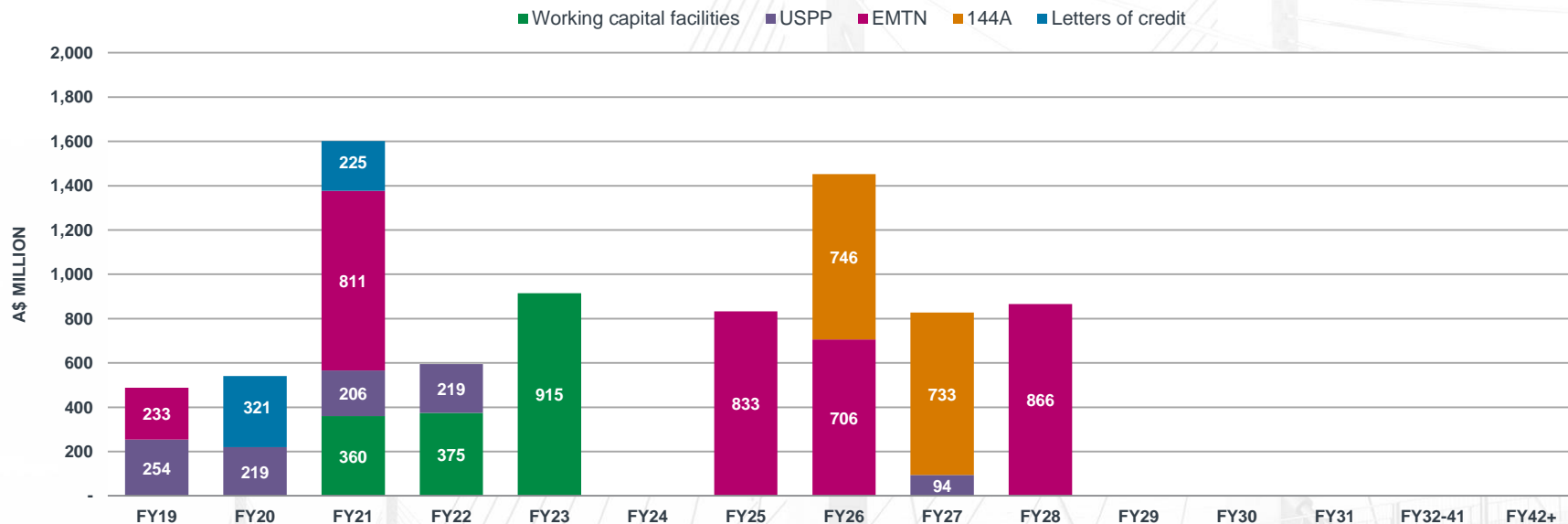


1. The full value of debt facilities is shown as this is the value of debt for refinancing purposes. This overstates Transurban's ownership share of the debt.

2. Debt is shown in the financial year in which it matures.

3. Debt values are represented in AUD as at the reported date. CAD, CHF, EUR, NOK and USD debt converted at the hedged rate where cross currency swaps are in place. USD debt is converted at the spot exchange rate (0.7692 at 30 June 2017 and 0.7391 at 30 June 2018) where no cross currency swaps are in place. CAD debt is converted at the spot exchange rate (0.9771 at 30 June 2018) where no cross currency swaps are in place.

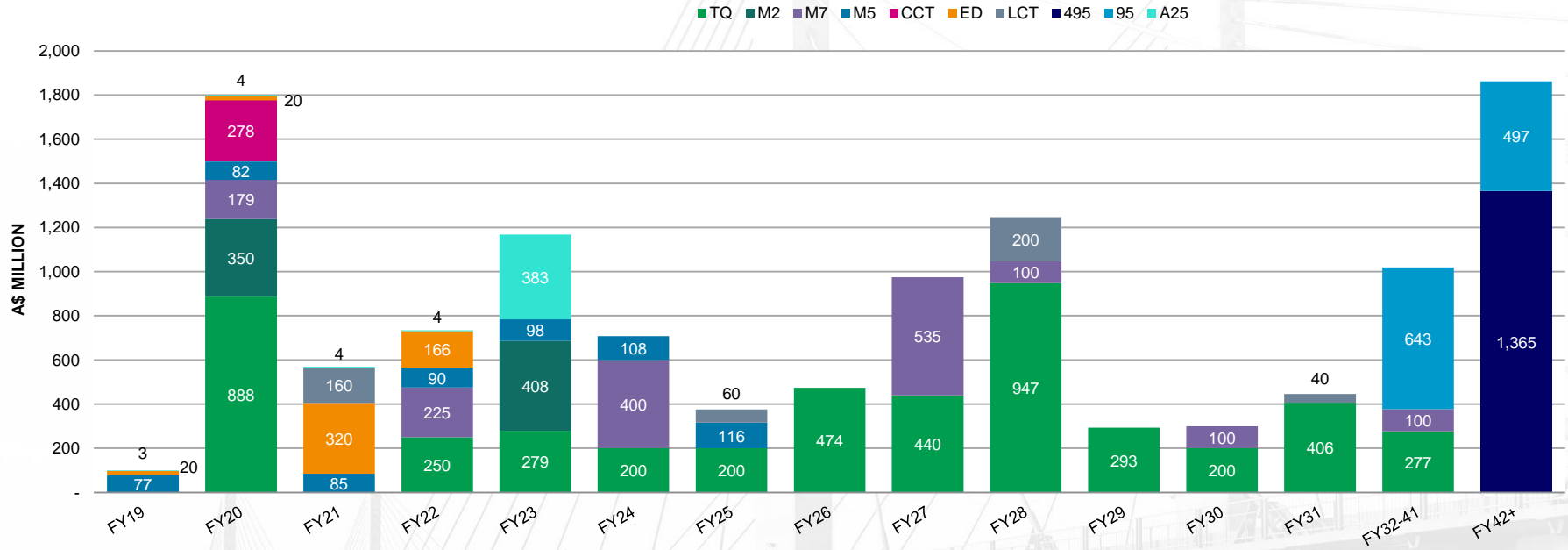
# Corporate debt maturities at 30 June 2018



1. Debt is shown in the financial year in which it matures.

2. Debt values are shown in AUD as at 30 June 2018. CAD, EUR, NOK and USD debt is converted at the hedged rate where cross currency swaps are in place. USD debt is converted at the spot exchange rate (0.7391 at 30 June 2018) where no cross currency swaps are in place.

# Non-recourse debt maturities at 30 June 2018

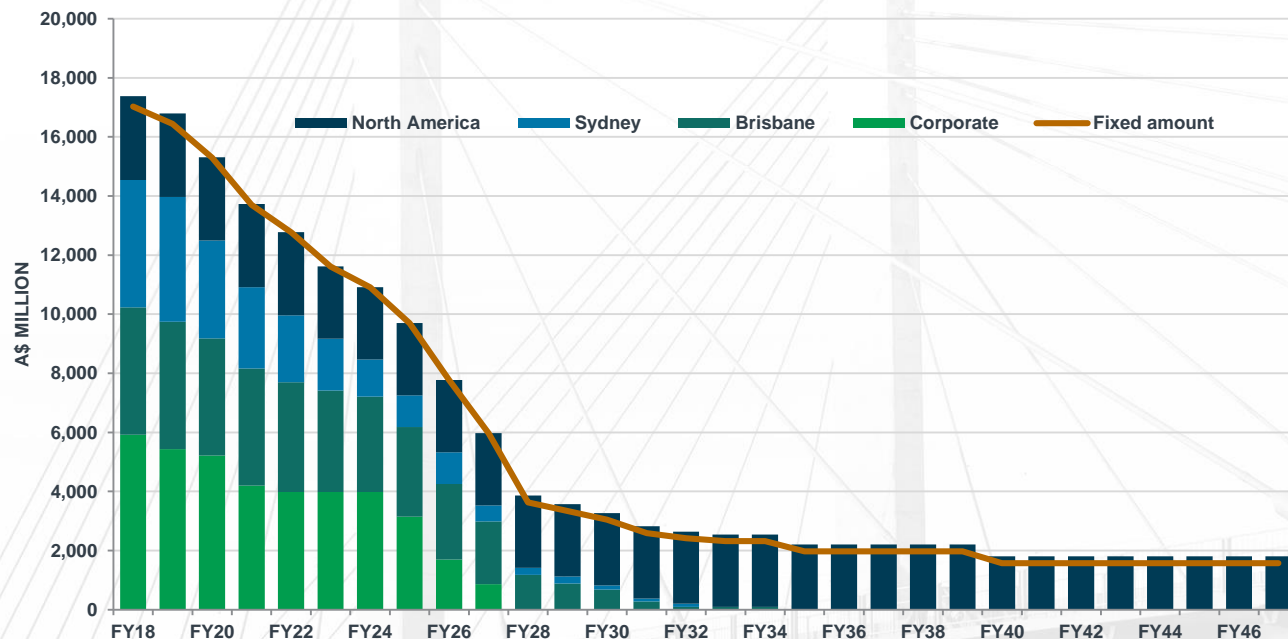


1. The full value of debt facilities is shown, not Transurban's share, as this is the value of debt for refinancing purposes.
2. Debt is shown in the financial year in which it matures.
3. Debt values are shown in AUD as at 30 June 2018. CAD, CHF, EUR, NOK and USD debt is converted at the hedged rate where cross currency swaps are in place. USD debt is converted at the spot exchange rate (0.7391 at 30 June 2018) where no cross currency swaps are in place. CAD debt is converted at the spot exchange rate (0.9771 at 30 June 2018) where no cross currency swaps are in place.
4. A A\$304 million tranche of the A\$1,365 million in 495 debt maturing in FY42+ will be refinanced in FY21, per the financing structure agreed with the sole holder, J.P. Morgan.
5. 95 Express Lanes and 495 Express Lanes maturities show final maturity dates.

# Hedging profile

- 98.5% of debt is interest rate hedged as at 30 June 2018
- Hedge tenor is matched to the tenor of the debt on 97%<sup>2</sup> of drawn debt
- All foreign currency debt issued by Australian entities in FY18 was swapped to AUD for the life of the debt
- Currently 100%<sup>3</sup> of debt is currency hedged

TRANSURBAN INTEREST RATE HEDGING PROFILE<sup>1</sup>



1. Calculated on the full value of drawn debt including 100% of non-recourse debt. Non-AUD debt is converted at the hedged rate where cross currency swaps are in place. USD debt is converted at the spot exchange rate (0.7391 at 30 June 2018) where no cross currency swaps are in place. CAD debt is converted at the spot exchange rate (0.9771 at 30 June 2018) where no cross currency swaps are in place.
2. Transurban Queensland has \$303 million drawn under the capital expenditure facilities (maturing December 2019) and \$42.5 million under the bridge facility (maturing October 2019) which is not hedged. \$288 million of PABs for 495 Express Lanes maturing in FY48 are hedged to FY28. \$22 million of M7 debt maturing August 2021 is unhedged from August 2019. M1 has \$1.3 million unhedged to 9 July 2018.
3. A total of US\$967 million of corporate debt is not swapped to AUD, this debt forms part of the Group's net investment hedge relating to US entities.

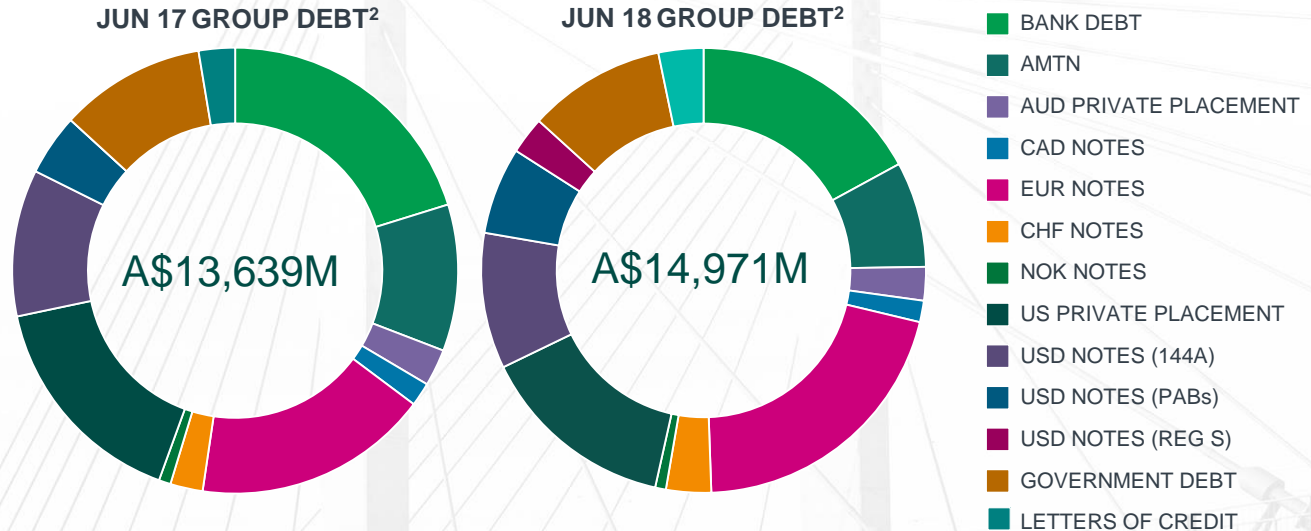


# Diversification of funding sources

## Debt funding activities

Major debt issuances<sup>1</sup> during FY18:

- A\$749 million corporate EUR notes
- A\$1,650 million corporate syndicated working capital facility
- A\$200 million M7 USPP notes
- US\$45 million VTIB facility
- US\$233 million PAB notes
- A\$408 million Hills M2 debt
- A\$250 million corporate letters of credit facilities
- A\$226 million M1 bank debt
- CHF200 million TQ EMTN
- US\$500 million TQ Regulation S
- A\$954 million TQ Bridge facility, repaid to a balance of A\$42.5 million during the period.
- Acquired C\$377 million A25 bank debt and C\$12 million letter of credit facility



1. Represents the full debt facility.

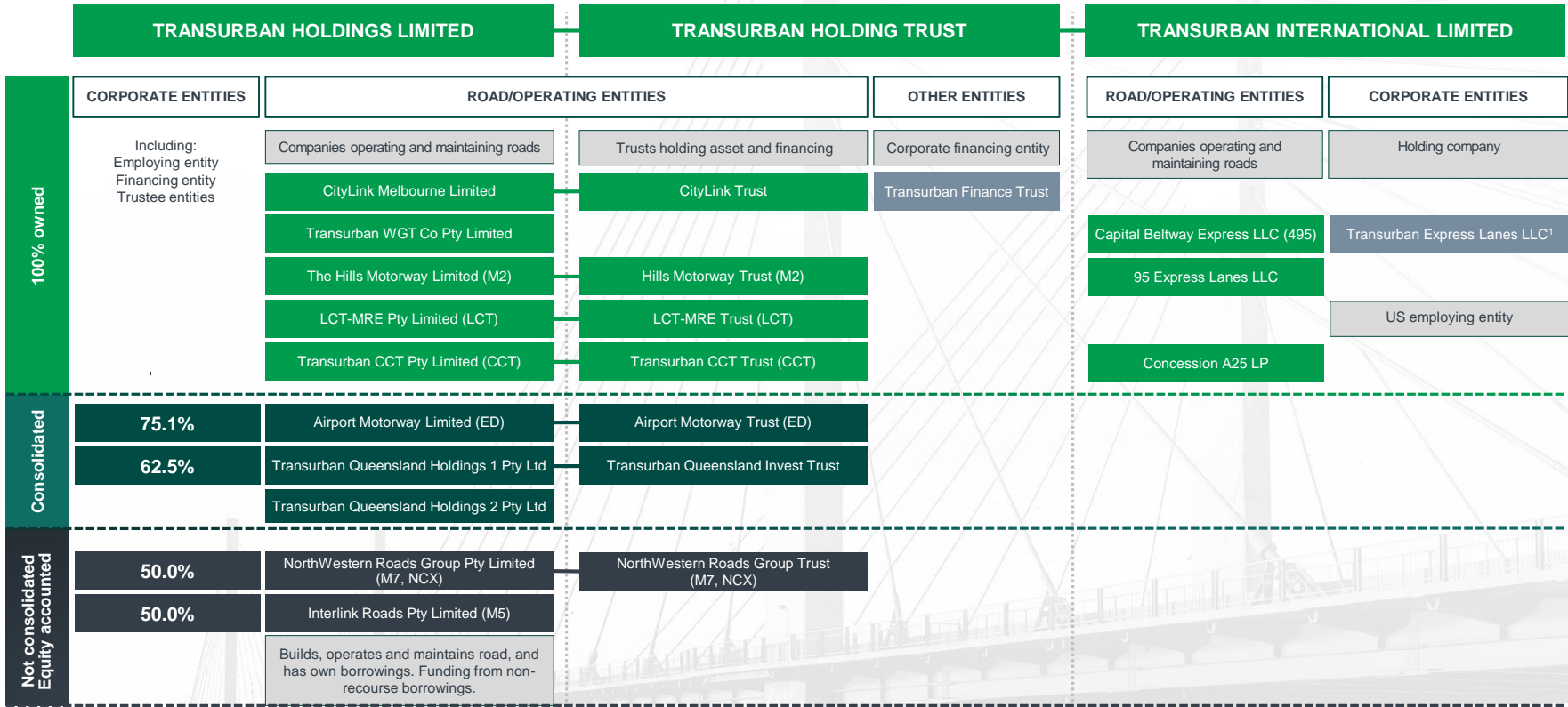
2. Proportional drawn debt inclusive of issued letters of credit. CAD, CHF, EUR, NOK and USD debt converted at the hedged rate where cross currency swaps are in place. USD debt is converted at the spot exchange rate (0.7692 at 30 June 2017 and 0.7391 at 30 June 2018) where no cross currency swaps are in place. CAD debt is converted at the spot exchange rate (0.9771 at 30 June 2018) where no cross currency swaps are in place.

A wide-angle photograph of a cable-stayed bridge spanning a body of water. The bridge features several tall, rectangular concrete pylars with numerous stay cables fanning out to support the deck. The scene is captured during the "golden hour" of sunset or sunrise, with a warm, orange glow on the bridge's structure and the water. The sky is a clear, pale blue. In the background, a city skyline is visible across the water.

# Corporate overview

Supplementary information

# Summarised Group structure



1. Changed from Transurban DRiVe Holdings LLC on 1 July 2018.

# Asset portfolio at 30 June 2018

OVERVIEW	MELBOURNE		SYDNEY						
	CITYLINK	WGT	M5	M2	ED	M7	NCX	LCT	CCT
Opening date	Dec 2000	Under construction	Aug 1992	May 1997	Dec 1999	Dec 2005	Under construction	Mar 2007	Aug 2005
Remaining concession period	17 years	22 years <sup>2</sup>	8 years	30 years	30 years	30 years	28 years <sup>3</sup>	30 years	18 years
Concession end date	Jan 2035 <sup>1</sup>	Jan 2045	Dec 2026	Jun 2048	Jul 2048	Jun 2048	Jun 2048	Jun 2048	Dec 2035
<b>PHYSICAL DETAILS</b>									
Length – total	22 km in 2 sections	17 km	22 km	21 km	6 km	40 km	9 km	3.8 km	2.1 km
Length – surface	16.8 km	10.2 km	22 km	20.4 km	4.3 km	40 km	–	0.3 km	–
Length – tunnel	5.2 km	6.8 km	–	0.6 km	1.7 km	–	9 km	3.5 km	2.1 km
Lanes	2x4 in most sections	2x6 on WGF 2x3 on remaining sections	2x3	2x3	2x3 2x2 some sections	2x2	2x2	2x2 2x3 some sections	2x2 2x3 some ramp sections
<b>OWNERSHIP</b>									
Transurban ownership	100%	100%	50%	100%	75.1%	50%	50%	100%	100%
<b>TOLLING</b>									
Large vehicle multiplier	LCV: 1.6x HCV: 3x (day) 2x (night)	LCV: 1.6x HCV: 3x (day) 2x (night) HPFV: 1.5x	3x	3x	2x	3x	3x	Minimum 3x <sup>4</sup>	2x

1. Ten-year extension to CityLink concession to 2045 as part of the WGTP requires the successful passage of legislation through Parliament. In the event that this passage is not successful, the State will replace this funding source with completion/substitution payments.

2. Concession period from expected opening date in late 2022.  
 3. Concession period from expected opening date in late 2019.  
 4. Refer to Tolling escalation slide for further details.



# Asset portfolio at 30 June 2018

OVERVIEW	BRISBANE						NORTH AMERICA		
	GATEWAY MOTORWAY	LOGAN MOTORWAY	CLEM7	GO BETWEEN BRIDGE	LEGACY WAY	AIRPORTLINK M7	495 EXPRESS LANES	95 EXPRESS LANES <sup>4</sup>	A25 <sup>5</sup>
Opening date	Dec 1986	Dec 1988	Mar 2010	Jul 2010	Jun 2015	Jul 2012	Nov 2012	Dec 2014	May 2011
Remaining concession period	33 years	33 years	33 years	45 years	47 years	35 years	69 years	69 years	24 years
Concession end date	Dec 2051	Dec 2051	Aug 2051	Dec 2063	Jun 2065	Jun 2053	Dec 2087	Dec 2087	Sept 2042
<b>PHYSICAL DETAILS</b>									
Length – total	23.1 km	38.7 <sup>1</sup> km	6.8 km	0.3 km	5.7 km	6.7 km	22 km	49.8 km <sup>4</sup>	7.2 km
Length – surface	23.1 km	38.7 <sup>1</sup> km	2.0 km	0.3 km	1.1 km	1.0 km	22 km	49.8 km <sup>4</sup>	7.2 km
Length – tunnel	–	–	4.8 km	–	4.6 km	5.7 km	–	–	–
Lanes	6,8 and 10 (various) 12 Gateway Bridge	2x2	2x2	2x2	2x2	2x3	2x2 HOT lanes	2 and 3 reversible HOT lanes <sup>4</sup>	2x3 on bridge 2x2 on remaining sections
<b>OWNERSHIP</b>									
Transurban ownership	62.5%	62.5%	62.5%	62.5%	62.5%	62.5%	100%	100%	100%
<b>TOLLING</b>									
Large vehicle multiplier	LCV – 1.5x HCV – 2.65x <sup>2</sup>	LCV – 1.5x HCV – 2.65x <sup>2</sup>	LCV – 1.5x HCV – 2.65x <sup>3</sup>	LCV – 1.5x HCV – 2.65x <sup>3</sup>	LCV – 1.5x HCV – 2.65x <sup>3</sup>	LCV – 1.5x HCV – 2.65x	No multiplier – trucks >2 axles not permitted	No multiplier – trucks >2 axles not permitted	2x per axle

1. Length includes 9.8 km of Gateway Extension Motorway.

2. Logan and Gateway HCV tolls progressively moving up to 3.46 times cars post LEP (completion expected late FY19).

3. HCV multiplier moving to 3 times cars during peak periods on completion of Inner City Bypass for Clem7 and Go Between Bridge, and 1 July 2020 for Legacy Way.

4. 95 Express Lanes concession includes 395 Express Lanes (currently under construction) and will include the Fredericksburg Extension (construction set to commence in FY19). Data relates to operational lanes only.

5. A25 income includes fixed availability payment from the local government and guaranteed minimum toll income.

# Tolling escalation

## EMBEDDED INFLATION PROTECTION

MOTORWAY	ESCALATION
<b>M2</b>	Tolls escalate quarterly by the greater of quarterly CPI or 1%
<b>LCT</b>	Car tolls escalate quarterly by quarterly CPI. Large vehicle tolls escalate quarterly by the greater of quarterly CPI or 1%
<b>CCT</b>	Tolls escalate quarterly by the greater of quarterly CPI or 0.7417% (equivalent to 3% per annum) to June 2018; thereafter tolls escalate by quarterly CPI to concession end. The toll cannot be lowered as a result of deflation
<b>ED</b>	Tolls escalate quarterly by the greater of a weighted sum of quarterly AWE and quarterly CPI or 1%
<b>M7</b>	Tolls escalate or de-escalate quarterly by quarterly CPI
<b>M5</b>	Tolls escalate quarterly by quarterly Sydney CPI. The toll cannot be lowered as a result of deflation
<b>NorthConnex<sup>1</sup></b>	Tolls escalate quarterly by the greater of quarterly CPI or 1%
<b>CityLink<sup>2</sup></b>	Tolls escalate quarterly by CPI. This is subject to a cap of annual CPI plus 2.5%, which cannot be exceeded. If changes to the CityLink Project Deed are approved by the Victorian Parliament, escalation rate will be 4.25% per annum from 1 July 2019 to 30 June 2029, and at CPI thereafter
<b>West Gate Tunnel<sup>1</sup></b>	Tolls escalate quarterly an equivalent of 4.25% per annum from construction completion to 30 June 2029 and quarterly CPI thereafter
<b>Logan Motorway</b>	Tolls escalate annually by Brisbane CPI. The toll cannot be lowered as a result of deflation
<b>Gateway Motorway</b>	Tolls escalate annually by Brisbane CPI. The toll cannot be lowered as a result of deflation
<b>Clem7</b>	Tolls escalate annually by Brisbane CPI. The toll cannot be lowered as a result of deflation
<b>Go Between Bridge</b>	Tolls escalate annually by Brisbane CPI. The toll cannot be lowered as a result of deflation
<b>Legacy Way</b>	Tolls escalate annually by Brisbane CPI. The toll cannot be lowered as a result of deflation
<b>AirportlinkM7</b>	Tolls escalate annually by Brisbane CPI. The toll cannot be lowered as a result of deflation
<b>95 Express Lanes<sup>3</sup></b>	Dynamic, uncapped
<b>495 Express Lanes</b>	Dynamic, uncapped
<b>A25</b>	Tolls escalate annually at Canadian CPI. Additional toll escalation applies when peak traffic volumes (for peak tolls) or total daily traffic volumes (for off-peak tolls) reach pre-determined thresholds

1. Assets currently under construction.

2. In the event required changes to the CityLink Project Deed do not successfully pass through Victorian Parliament, the State of Victoria will replace the WGTP funding source with completion/substitution payments.

3. 95 Express Lanes concession includes 395 Express Lanes (currently under construction) and will include the Fredericksburg Extension (construction set to commence in FY19).

# Transurban operates in a regulated environment

## CONCESSION DEEDS

### Example industries

Toll roads

### Pricing freedoms

Australian tolls fixed from date of concession with defined escalation. Other charges are set out in concession deeds, legislation or agreed with client (cost recovery)

### Customer choice

Road users have alternatives including non-tolled roads and other modes of transport

### Volume risk

Demand risk borne by toll road owner, including shortfalls in revenue or higher than anticipated costs

## INDEPENDENT REGULATION

Utilities including electricity, water, gas

Prices reset periodically (around every five years) to allow agreed return hurdles to be met based upon a regulated asset base

Choice at retailer level but monopolies around distribution infrastructure

Prices can be adjusted annually to allow costs to be covered and margin earned even if volumes fall

## LIGHT HANDED MONITORING

Airports, railway and some ports

Price monitoring by the ACCC. Commercial arrangements with users renegotiated periodically

Limited alternatives for consumers and users (airlines, shipping lines)

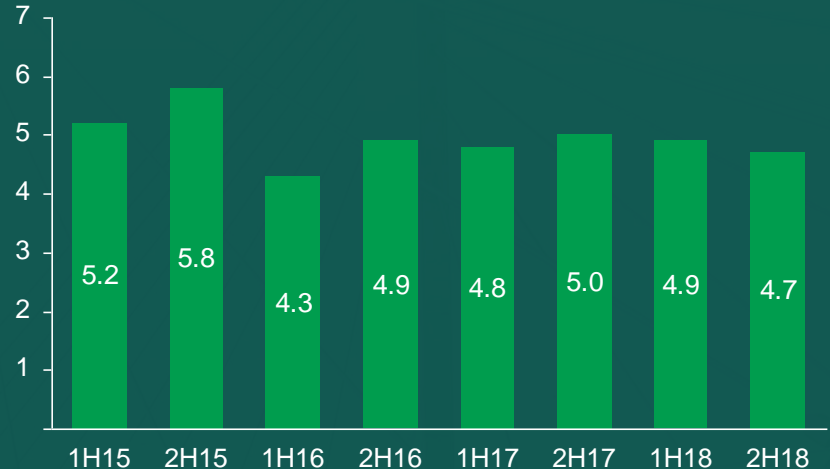
Price reset is a commercial negotiation which covers cost recovery, volumes and returns

# Safety

## FY18 RESULTS

- Slight reduction in Road Injury Crash Index (RICI) was recorded<sup>1</sup>
- Tragically there were two fatalities on our major projects
  - In August 2017 an employee of our contractor on the 395 Express Lanes project was fatally injured
  - In June 2018 an employee of a subcontractor on the West Gate Tunnel Project was fatally injured
- Ten LTIs for contractors recorded for the year
- Over 11 million construction hours on our major projects
- The employee recordable injury frequency rate (RIFR) remains at zero

## TRANSURBAN RICI<sup>1</sup>



1. RICI measures the number of serious injury road crashes (where an individual is transported from, or receives medical treatment, at scene) per 100 million vehicle kilometres travelled on Transurban's roads.





# Glossary

Supplementary information

# Glossary

TERM	DEFINITION
1H/2H	First or second half of a financial year
ADT	Average Daily Traffic. ADT is calculated by dividing the total number of trips on each asset (transactions on CityLink) by the number of days in the period
ALM7	AirportlinkM7
AMTN	Australian Medium Term Note
AUD	Australian Dollars
AWE	Average Weekly Earnings
BCC	Brisbane City Council
CAD	Canadian Dollars
CAV	Connected and Automated Vehicles
CCT	Cross City Tunnel
CHF	Swiss Franc
CO2	Carbon Dioxide
CPI	Consumer Price Index. Refers to Australian CPI unless otherwise stated
CPPIB	Canada Pension Plan Investment Board
CPS	Cents per security
CTW	CityLink Tulla Widening
D&A	Depreciation and Amortisation
D&C	Design and Construct
DRIVE	Direct Road Investment Vehicle. Transurban entity that holds an interest in the 495 and 95 Express Lanes
DTMR	Department of Transport and Main Roads (Brisbane)
EBITDA	Earnings Before Interest, Tax, Depreciation and Amortisation
EBT	Earnings Before Tax
ED	Eastern Distributor
EMTN	Euro Medium Term Note
EUR	Euros
FFO	Funds From Operations

TERM	DEFINITION
FREE CASH/FCF	Free cash is calculated as statutory cash flows from operating activities from 100% owned subsidiaries plus distributions and interest received from non-100% owned subsidiaries, adjusted to include the allowance for maintenance of intangible assets and excludes cash payments for maintenance of intangible assets
FX	Foreign Exchange
FY	Financial year 1 July to 30 June
GBB	Go Between Bridge
GLIDe	Transurban's tolling back-office system
GUN	Gateway Upgrade North
GWA	Greater Washington Area meaning northern Virginia, Washington D.C., areas of Maryland and the surrounding metropolitan area
HCV	Heavy Commercial Vehicle
HIGHLY AUTOMATED VEHICLE	Vehicle with high degree of automation and low human interaction. Level three and over on the automation scale (from level 0 to level 5) are considered highly automated
HOT	High Occupancy Toll
ICB	Inner City Bypass
ITS	Information Technology Systems
LCT	Lane Cove Tunnel
LCV	Light Commercial Vehicle
LEP	Logan Enhancement Project
LinktGO GPS app	LinktGO is a mobile phone application which uses GPS to track a customer's trip. The app is perfect for occasional toll road users as the customer does not require a tag
LTI	Lost time injury
M2	Hills M2
M5	M5 South West Motorway
M7	Westlink M7
MFU	Monash Freeway Upgrade
MTMDET	Ministère des Transports, de la Mobilité durable et de l'Électrification (formerly Ministère des Transports du Québec (MTQ))
NCX	NorthConnex
NOK	Norwegian Krone

# Glossary

TERM	DEFINITION
<b>NPAT and NPBT</b>	Net Profit After Tax and Net Profit Before Tax
<b>NWRG</b>	NorthWestern Roads Group
<b>O&amp;M</b>	Operations and Maintenance
<b>OSAR</b>	Outer suburban arterial roads
<b>OTHER REVENUE</b>	Other revenue includes interoperability charges, development and construction performance fees
<b>PAB</b>	Private Activity Bond
<b>PCP</b>	Prior Corresponding Period
<b>PPP</b>	Public Private Partnership
<b>PROP/ PROPORTIONAL RESULTS</b>	The proportional results are the aggregation of the results from each asset multiplied by Transurban's percentage ownership as well as the contribution from central Group functions. Proportional EBITDA is one of the primary measures used to assess the operating performance of Transurban, with an aim to maintain a focus on operating results and associated cash generation. The EBITDA calculation from the statutory accounts does not include the EBITDA contribution of the M5 or M7 and includes the non-controlling interests in TQ and ED. Proportional EBITDA is reconciled to the statutory income statement on slide 42
<b>RACV</b>	Royal Automobile Club of Victoria
<b>RICI</b>	Road Injury Crash Index. Serious road injury (an individual transported from, or receives medical treatment, at scene) crashes per 100 million vehicle km travelled
<b>RMS</b>	Roads and Maritime Services
<b>S&amp;P</b>	Standard and Poor's
<b>SERVICE AND FEE REVENUE</b>	Service and fee revenue includes customer administration charges and enforcement recoveries
<b>SLN</b>	Shareholder Loan Note. An interest bearing shareholder loan. Currently Transurban has SLNs on TQ
<b>TfNSW</b>	Transport for New South Wales
<b>TIFIA</b>	Transportation Infrastructure Finance and Innovation Act
<b>TLN</b>	Term Loan Note. An interest bearing shareholder loan. Currently Transurban has TLNs in place on NWRG and M5

TERM	DEFINITION
<b>TOLL REVENUE</b>	Toll revenue includes revenue from customers, specifically tolls, service and fee revenue
<b>TOLLAUST</b>	Service provider including O&M and retail services to NSW assets
<b>TSRC</b>	Toowoomba Second Range Crossing
<b>TQ</b>	Transurban Queensland. Name change post acquisition of Queensland Motorways (QM). Transurban has a 62.5% interest in TQ
<b>USD</b>	US Dollars
<b>USPP</b>	US Private Placement
<b>VB</b>	Virginia Beach
<b>VDOT</b>	Virginia Department of Transportation
<b>WEIGHTED AVERAGE COST OF DEBT</b>	Calculated using proportional debt
<b>WEIGHTED AVERAGE MATURITY</b>	Calculated based on weighted average maturity of total Group debt facility
<b>WGEA</b>	Workplace Gender Equality Agency
<b>WGT</b>	West Gate Tunnel asset currently under construction. Includes West Gate Freeway
<b>WGTP</b>	West Gate Tunnel Project