

asx release

7 December 2011

In-principle, non-binding agreement reached with the Commonwealth of Virginia on the I-95 HOV/HOT Lanes Project in Northern Virginia, US

Please find attached a media release by the Commonwealth of Virginia related to the I-95 High Occupancy Vehicle (HOV) / High Occupancy Toll (HOT) Lanes Project (Appendix 1). The release was issued overnight (Australian EDT).

Transurban welcomes the next step in the development of the I-95 Project with the achievement of an in-principle, non-binding agreement with the Virginia Department of Transportation (VDOT) on key commercial terms. However, Transurban highlights that financial close remains contingent upon acceptable final risk allocation within the primary concession agreement, arrangement of project financing, and Transurban Board approvals.

Under Virginia law, VDOT is required to disclose the key commercial terms of the agreement before finalising it.

Transurban confirms that the I-95 HOT Lanes Project scope under in-principle agreement is as follows:

- Build new or improve existing HOV Lanes to complete a **29-mile (46-kilometre) HOT Lane facility** from Fairfax to Stafford County (as shown below). The facility varies from two to three lanes that will be 'reversible' (i.e. will operate in the direction of peak travel).
- Add eight new or improved access points to and from the HOV/HOT network at key interchanges.
- The I-95 concession length would be timed to conclude in line with Transurban's Capital Beltway HOT Lanes concession agreement – resulting in an approximate 73-year operating period under current timelines for financial close.

Under the timeframe highlighted by the Commonwealth of Virginia in the attached release, construction completion would be targeted for 2015 (approximately a three-year construction program) with operations beginning immediately thereafter.

The in-principle, non-binding agreement anticipates key concession agreement terms that are materially consistent with the Capital Beltway HOT Lanes Project. Transurban will provide further clarity on funding arrangements at financial close (if reached).

The I-95 HOT Lanes Project will connect to Transurban's Capital Beltway HOT Lanes Project which is more than 80% complete and scheduled for construction completion in late 2012.



Amanda Street
Company Secretary

Investor and media enquiries
Wesley Ballantine +61 3 8656 8904
General Manager Investor Relations, Media and Government

Classification

Public

Transurban Group

Transurban International Limited
ARBN 121 746 825

Transurban Holdings Limited
ABN 86 098 143 429

Transurban Holding Trust
ABN 30 169 362 255
ARSN 098 807 419

email@transurban.com.au
www.transurban.com.au

Level 3
505 Little Collins Street
Melbourne Victoria 3000
Australia
Telephone +613 9612 6999
Facsimile +613 9649 7380

Level 5
50 Pitt Street
Sydney NSW 2000
Australia
Telephone +612 9254 4900
Facsimile +612 9254 4990

I-95 HOT Lanes Project



Classification

Public

Transurban Group

Transurban International Limited
ARBN 121 746 825

Transurban Holdings Limited
ABN 86 098 143 429

Transurban Holding Trust
ABN 30 169 362 255
ARSN 098 807 419

email@transurban.com.au
www.transurban.com.au

Level 3
505 Little Collins Street
Melbourne Victoria 3000
Australia
Telephone +613 9612 6999
Facsimile +613 9649 7380

Level 5
50 Pitt Street
Sydney NSW 2000
Australia
Telephone +612 9254 4900
Facsimile +612 9254 4990



Commonwealth of Virginia

Office of Governor Bob McDonnell

FOR IMMEDIATE RELEASE

December 6, 2011

Office of the Governor

Contact: Jeff Caldwell

Phone: (804) 225-4260

Email: Jeff.Caldwell@Governor.Virginia.Gov

Virginia Department of Transportation

Contact: Tamara Rollison

Phone: (804) 786-2715

Email: Tamara.Rollison@VDOT.Virginia.Gov

Governor McDonnell Announces I-95 HOV/HOT Lanes Project in Northern Virginia Advances

~Construction could begin as soon as spring 2012~

Media availability information at end of release

RICHMOND – Governor Bob McDonnell announced today that the Virginia Department of Transportation (VDOT) and Fluor-Transurban have come to an in-principle agreement on the major commercial terms to build the I-95 High Occupancy Vehicle/High Occupancy Toll (HOV/HOT) Lanes Project in Northern Virginia. Agreement on the commercial terms means both parties have established the major tenets of a contract. This step forward enables VDOT and Fluor-Transurban to finalize the details of a comprehensive agreement and financing package for the \$940 million project.

“Through this action, we will put to work nearly \$1 billion in private sector investment to address one of Virginia’s most critical transportation needs,” said Governor McDonnell “The project will bring congestion relief and new travel choices to Northern Virginians. It will also provide an

Appendix 1

economic boost by supporting nearly 8,000 jobs over the construction period and stimulating \$2 billion in economic activity.”

The in-principle agreement was negotiated between Fluor-Transurban, VDOT Commissioner Greg Whirley, and Virginia’s new Office of Transportation Public-Private Partnerships (OTP3). The project is being financed and constructed under Virginia’s Public-Private Transportation Act with \$843 million financed by Fluor-Transurban, with financial close targeted to occur in mid 2012. The state contribution is \$97 million, which will be used in part to advance construction activities as early as spring 2012.

The project will expand the existing HOV facility on I-95 to create 29 miles of HOV/HOT Lanes between Edsall Road in Fairfax County and Garrisonville Road in Stafford County, with improved access to major Virginia employment centers and military sites. Motorists will have an option to pay a toll to use the HOT Lanes, while carpools with three people or more and buses will have free access to the lanes.

“Virginia recognizes it must get the most out of its existing transportation assets and find innovative solutions to move people and freight more efficiently,” said Transportation Secretary Sean T. Connaughton. “With HOT lanes on both the Beltway and I-95, we will create a region-wide network of managed lanes that will enable travelers to get to and from some of Virginia’s most important employment centers and military sites.”

To maximize the benefits of the new HOT Lanes network, the Commonwealth will invest \$200 million to expand bus service in Spotsylvania, Stafford, Prince William and Fairfax counties, and construct more than 3,000 new park and ride spaces.

Whirley added, “VDOT expects carpools and other travelers who use the existing HOV lanes will see faster, and more reliable commuting times when HOT lanes are introduced. The project will help keep traffic moving with improved enforcement and incident response, and by eliminating what is one of the worst traffic bottlenecks in the region at Dumfries.”

Key aspects of the agreement require Fluor-Transurban to:

- Provide a fixed-price, fixed-date, design-build contract
- Finance, design and build the facility; manage and fund all operations and maintenance for a period of 73 years following construction
- Share revenue with the Commonwealth at agreed upon rates to fund other transportation improvements in the corridor should the HOT Lanes be a financial success
- Provide substantial contract opportunities for Disadvantaged Business Enterprises and Small, Women and Minority-Owned businesses
- Maintain free access for High Occupancy Vehicles (HOV) meeting state eligibility requirements and buses
- Manage traffic levels over the long-term to facilitate quality, reliable travel for HOV and buses
- Develop and operate a dynamic tolling system. Tolls will vary based on demand to provide fast, reliable travel times. All tolls will be paid with an E-ZPass and there will be no toll booths. Electronic signs will alert travelers to current toll rates so they can make an informed choice whether or not to use the HOT Lanes.
- Return the asset to the Commonwealth in good working order at the end of the agreement

Appendix 1

VDOT will continue to own and oversee all aspects of the facility to ensure the HOV/HOT lanes are constructed, operated and maintained in accordance with agreed-upon standards.

The I-95 HOV/HOT lanes will:

- Expand the I-95 HOV lanes from two to three lanes for 14 miles from Edsall Road to the Prince William Parkway, improve six miles of existing HOV lanes from the Prince William Parkway to Route 234, and extend the HOV lanes for nine miles from Dumfries in Prince William County to Garrisonville Road in Stafford County, alleviating the worst bottleneck in the region. Stafford County would have HOV lanes for the first time.
- Provide a seamless connection to the I-495 HOT Lanes (under construction) and Tysons Corner
- Allow free travel for carpools with three or more persons as well as buses, vanpools, motorcycles and emergency vehicles. Charge single-person vehicles a toll based on time of day and travel distance.

The Department of Rail and Public Transportation recently completed a study to fully maximize the benefits of the HOV/HOT lanes by identifying multi-modal solutions. Recommendations include an additional 9,575 park and ride spaces (over 3,000 of those spaces will be provided by VDOT); expanded transit routes and services from Spotsylvania, Stafford, Prince William and Fairfax counties, including adding 46 buses; 750 off-site parking spaces and shuttle services at the Franconia-Springfield Metrorail station; and vanpool, carpool and telework program assistance. Improvements are or will be funded in the Commonwealth's Six-Year Improvement Program.

Go to www.VirginiaDOT.org for more information.

MEDIA AVAILABILITY

Secretary Connaughton will hold a media briefing via teleconference at 3 p.m. today, Tuesday, Dec. 6. Please call (866) 842-5779. The conference code is 761 792 3761.