



Dominic D Smith
SVP & Company Secretary

QR National Limited
ABN 14 146 335 622

Level 14, 305 Edward Street
Brisbane QLD 4000, Australia
GPO Box 456
Brisbane QLD 4001, Australia

T +61 7 3235 9197
F +61 7 3235 2188
companysecretary@qrnational.com.au

24 March 2011

Company Announcements Office
Australian Securities Exchange Limited
Riverside Centre, Level 5
123 Eagle Street
BRISBANE QLD 4000

Investor Presentation – Credit Suisse Asian Investment Conference

Please find attached a copy of a presentation to be delivered later today by the
Managing Director & CEO of QR National Limited.

Yours faithfully

A handwritten signature in black ink, appearing to read 'D. Smith', with a horizontal line under the first name.

Dominic D Smith
SVP & Company Secretary



Delivering Australian resources to the world

Credit Suisse Asian Investment Conference

Lance Hockridge
Managing Director and CEO

24 March 2011



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A new era for Australia's largest rail freight business

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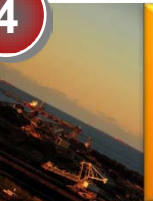
Creating value through business transformation

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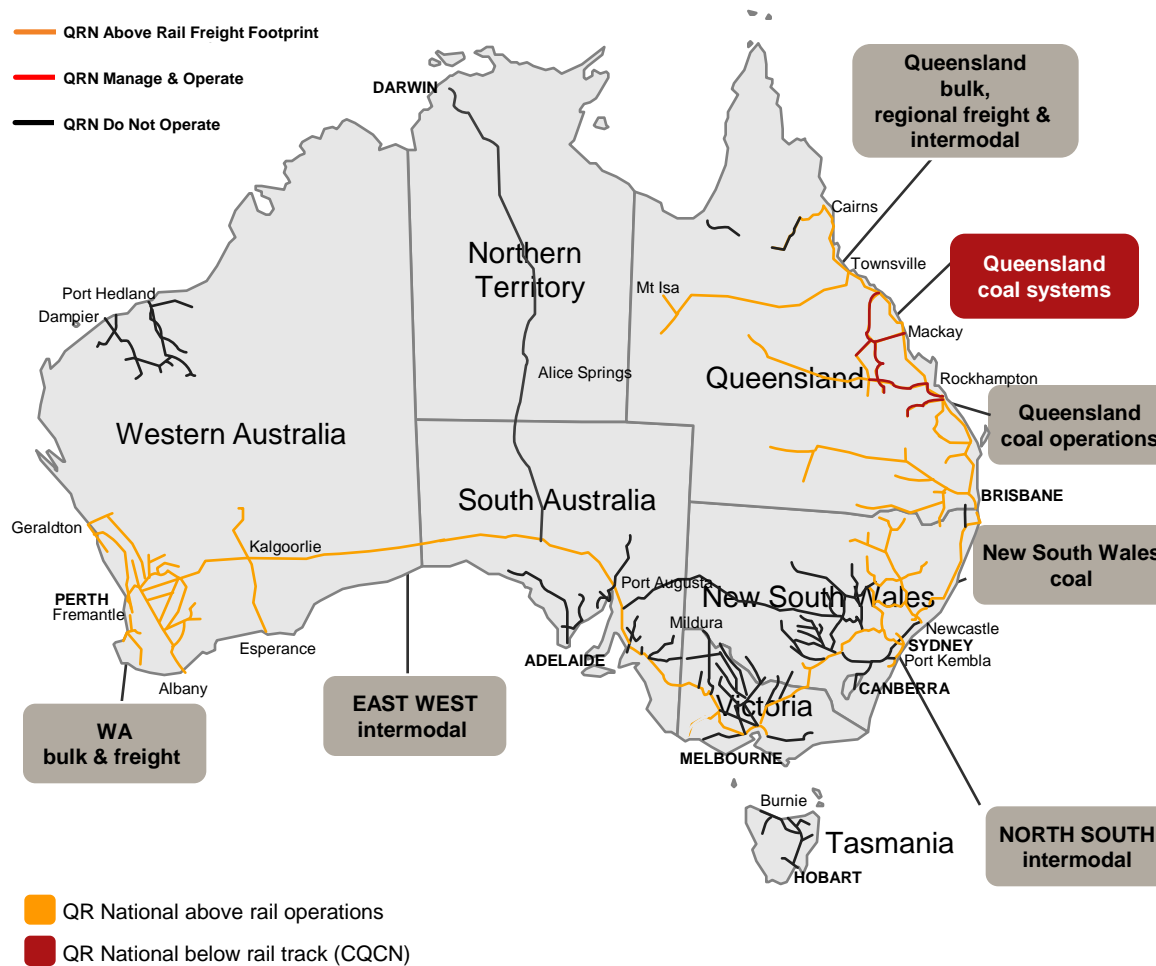
Delivering results as a newly listed company

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Future growth underpinned by global demand for coal and iron ore

A national footprint



QR National's Business Profile FY10A pro forma

Revenue (A\$ billion)	2.9
EBITDA (A\$ million)	621
Fixed Assets (A\$ billion)	7.5
Tonnes	263mt
Locomotives	~700
Wagons	~16,000
Employees	9,390
Track managed	2,300km

Source: QR Ltd management analysis, 2010; QR National draft pro forma financial statements

Three major operating divisions



Coal



- ▶ Largest coal haulage operator in Australia
- ▶ >500,000 tonnes hauled per day
- ▶ >500 coal train services per week from 56 mines for 23 customers in QLD & NSW

Freight



- ▶ National transporter of bulk mineral commodities (including iron ore), agricultural, mining and industrial products, general and containerised freight

Network Services



- ▶ **Network** – 2,300km of track across four coal rail systems in Central Queensland
- ▶ **Infrastructure & Rollingstock Services** – provides specialist rollingstock & track maintenance services internally and externally

Operational Excellence

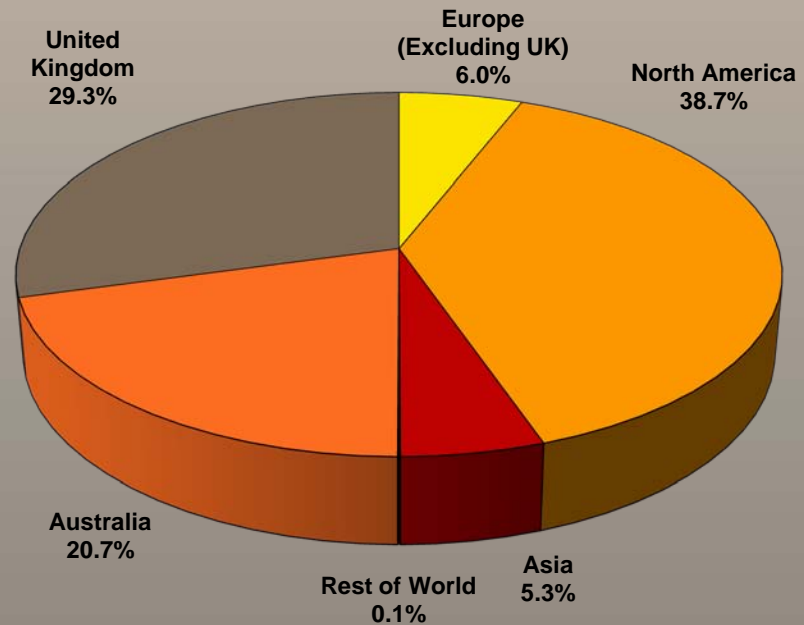


- ▶ Asset Engineering
- ▶ Fleet planning
- ▶ Safety and Environment
- ▶ Asset Reliability, Planning & Scheduling

Australia's largest IPO in over a decade

- ▶ Listed on ASX in Nov 2010 as a top 50 company with a market cap of \$6.4b
- ▶ Qld Government retained 33.8% shareholding
- ▶ March inclusion in the S&P/ASX 100 and S&P/ASX 200 indices

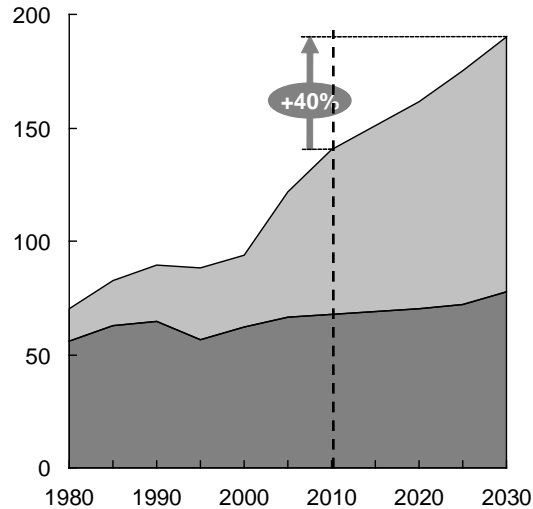
**Institutional shareholders
by location
(Feb 2011)**



Highly leveraged to global growth sectors

Coal

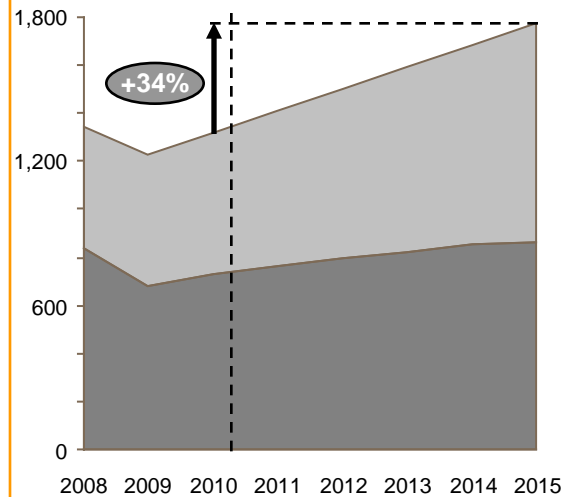
Global thermal/metallurgical coal consumption
Quadrillion BTU



- China and India
- Rest of world

Iron ore

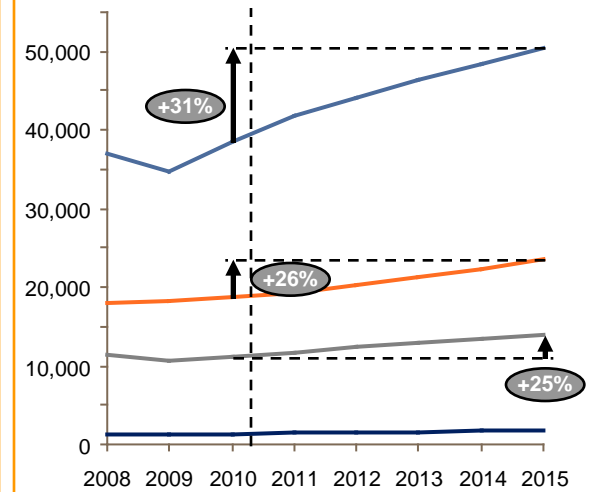
Global crude steel consumption
Million Tonnes



- China and India
- Rest of world

Other major commodities

Global other bulk commodities consumption
Kilo Tonnes

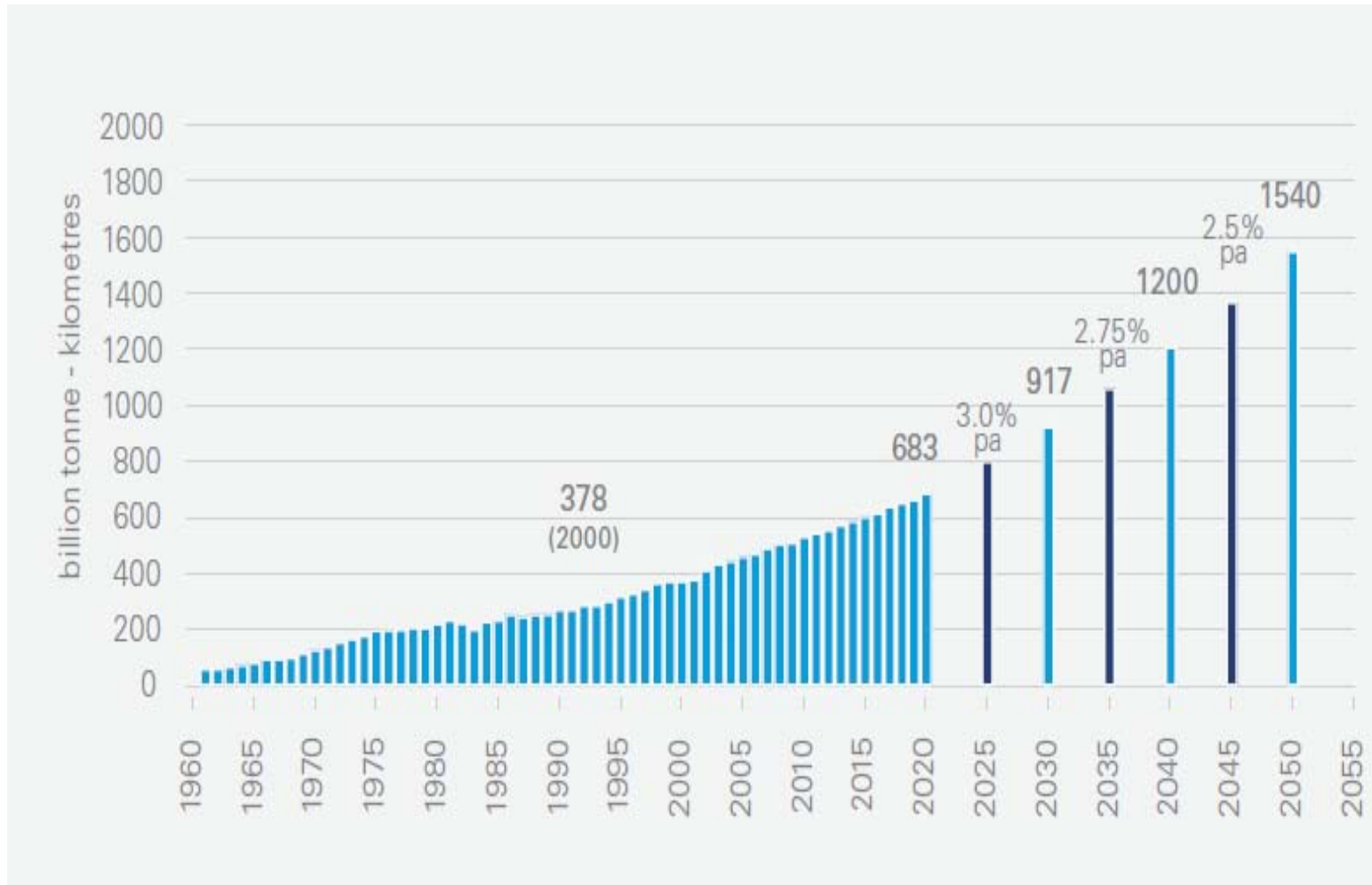


- Aluminium
- Copper
- Zinc
- Nickel

Australia's freight task expected to double over next 20 years



Australia's domestic freight growth, 1961 - 2050

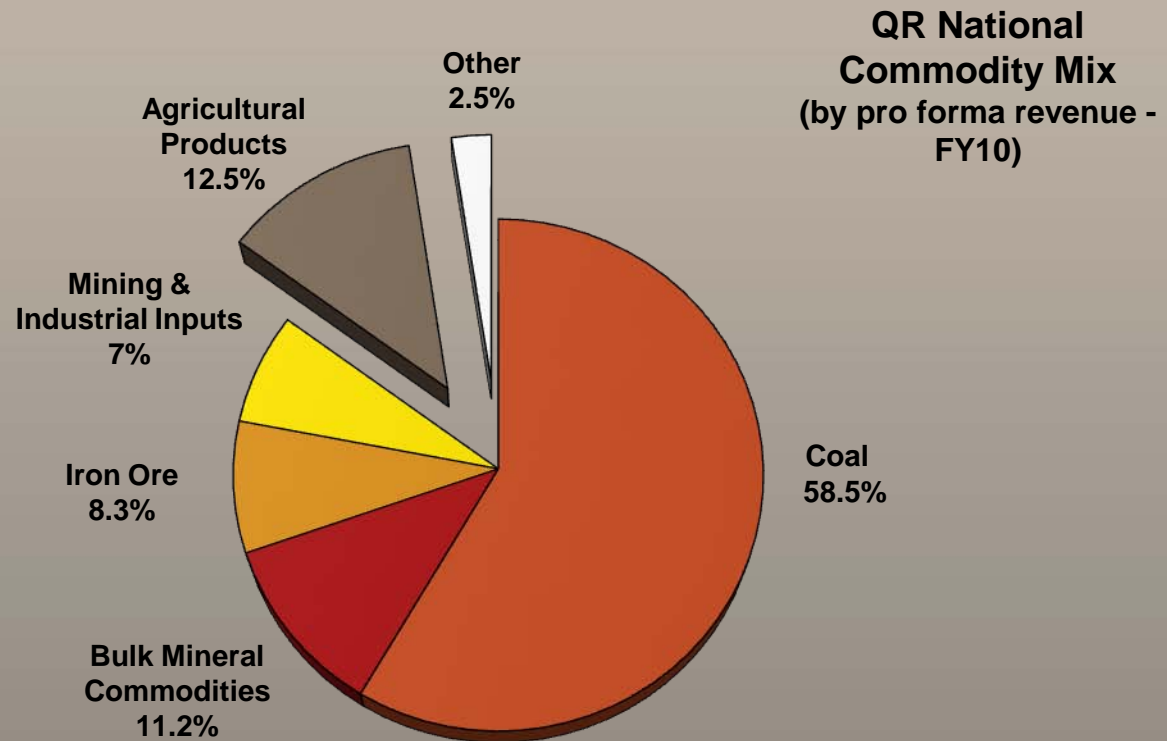


SOURCE: IBIS World (2008)

Exposed to booming Australian resources



► 85% revenue derived from Australian resources



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Future growth underpinned by global demand for coal and iron ore

A performance-based culture

Delivery focused
Committed to people and safety

- ▶ Develop strong and empowered leadership across the organisation
- ▶ Create a performance culture, improve commercial capabilities and drive greater accountability
- ▶ Embed a strong safety culture

The right customers, markets and assets

Establishing solid foundations

- ▶ Improve service to customers
- ▶ Focus on attractive bulk rail freight markets
- ▶ Pursue cross business synergies

Return over life of asset view

Using assets to deliver value

- ▶ Focus on asset utilisation, availability and cost reduction
- ▶ Improve returns on invested capital
- ▶ Improve asset utilisation and lifecycle management

Coal system growth

A pipeline of new opportunities

- ▶ Commit to significant, commercial growth opportunities
- ▶ Improve capital efficiency
- ▶ Strengthen customer relationships

Opportunities to diversify growth

Options beyond coal to further grow our business

- ▶ Pursue growth opportunities in contestable iron ore markets
- ▶ Build a sustainable position in Intermodal
- ▶ Strategically market services and maintenance capabilities externally

Creating value through internal reform and external growth



Market Growth

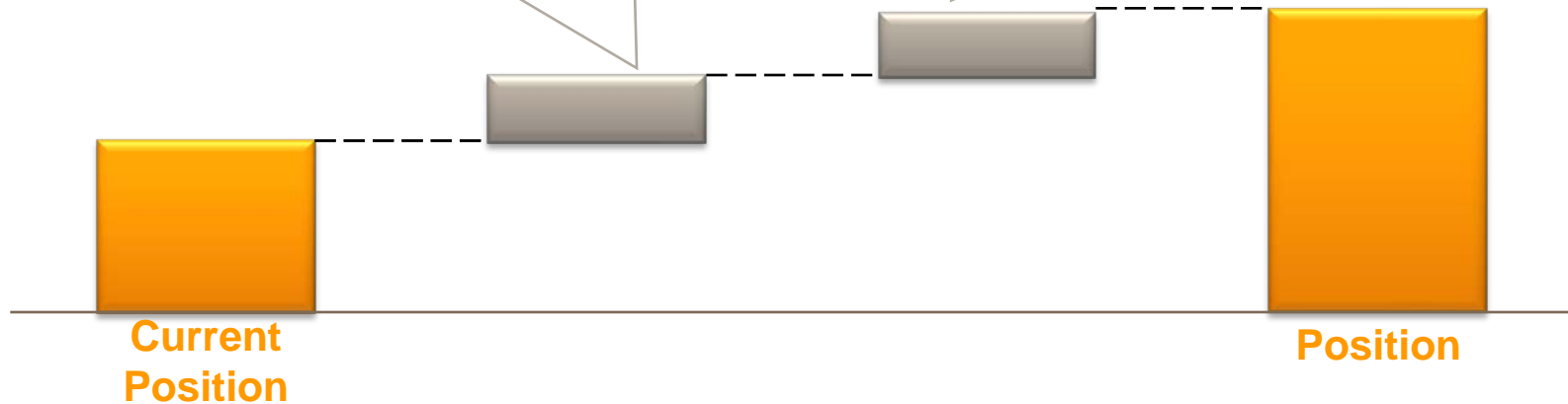
Internal Reform

Improvements through Efficiency Programs & Integrated Operating Model in:

- ▶ Capital productivity
- ▶ Labour productivity
- ▶ End-to-end efficiency improvements
- ▶ Cost savings through improved asset management and utilisation

New Volume / Value through:

- ▶ Retaining our leadership position and leveraging the continued growth in the Coal market
- ▶ A strong focus on improving revenue quality
- ▶ Establishing and growing substantial positions in Iron Ore, Bulk Commodities and Intermodal Markets
- ▶ Strategically pursuing new growth opportunities



Source: QR National Strategy Program, 2010

Note: Table not drawn to scale and is illustrative only

- ▶ Voluntary Redundancy program announced in February 2011
- ▶ 3,500 employees in scope including head office, administration and shared services to ensure alignment of costs and productivity to benchmark levels
- ▶ Part of cultural change towards performance -based organisation
- ▶ Foreshadowed proposed future restructure with further redundancies
- ▶ Strong interest to date in redundancies, with offer closing on 25 March
- ▶ Overall employment number in frontline operations underpinned by robust business growth

Management execution capability



An experienced Board and Management Team to lead the transformation

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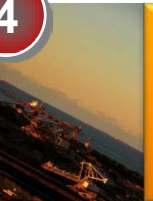
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Future growth underpinned by global demand for coal and iron ore

- ▶ Underlying EBITDA of \$446 million up 17%
- ▶ Underlying EBIT of \$226 million up 31%
- ▶ Statutory profit of \$278 million up >100%
- ▶ Coal volumes of 99.6mt are broadly in line with HY10 despite record rainfall in Q2

Rapid recovery from record flooding

- ▶ All systems now operational
- ▶ Work to recover infrastructure completed within days of floods receding
- ▶ Flood Recovery Taskforce co-ordinates recovery & maximises system-wide railings
- ▶ Maintenance brought forward, anticipating strong Q4 railings
- ▶ Infrastructure damage limited to \$4m; no damage to rolling stock



- ▶ Smooth transition from Government ownership to ASX listed entity

- ▶ Safety performance continues to improve
 - ▶ 41% improvement in LTIFR for calendar year 2010
 - ▶ LTIFR now 3.7 (per million hours worked)

- ▶ Transformation initiatives are gaining traction
 - ▶ Operating model
 - ▶ Commercial excellence
 - ▶ Capital productivity
 - ▶ Addressing administrative overheads

Transformation gaining traction



Enterprise wide projects

Key results

World class safety

- ▶ 41% reduction in LTIFR over calendar year 2010 – now 3.7 (per million hours worked)
- ▶ Safety Interactions progressing toward target at 6,000 per month
- ▶ Established Safety, Health and Environment communities of competency

Strong and empowered leadership

- ▶ Significant change in the Executive & Management Leadership Teams
- ▶ New organisational values launched February 2011
- ▶ Front line supervisor training rolled out to 660 staff – completed February 11

Commercial excellence

- ▶ EBIT uplift from all new or renegotiated contracts achieved
- ▶ Dedicated customer relationship management
- ▶ Operating model projects established in Blackwater, Moura and Goonyella systems and payload improvements are being realised

World class capital productivity

- ▶ Capital management disciplines and processes embedded
- ▶ Cost optimisation process established for significant capital projects
- ▶ Established Rail Fleet Planning community of competency

Procurement excellence

- ▶ Procurement OPEX savings realised in FY11
- ▶ Centralised procurement coordination structure in place
- ▶ Improved procurement capability – recruitment and training

End to end maintenance

- ▶ Established Asset Reliability community of competency
- ▶ Rollingstock maintenance practices review completed
- ▶ Reliability Centred Maintenance program driving improvements in reliability and availability of locomotives

Strong focus on revenue quality uplift

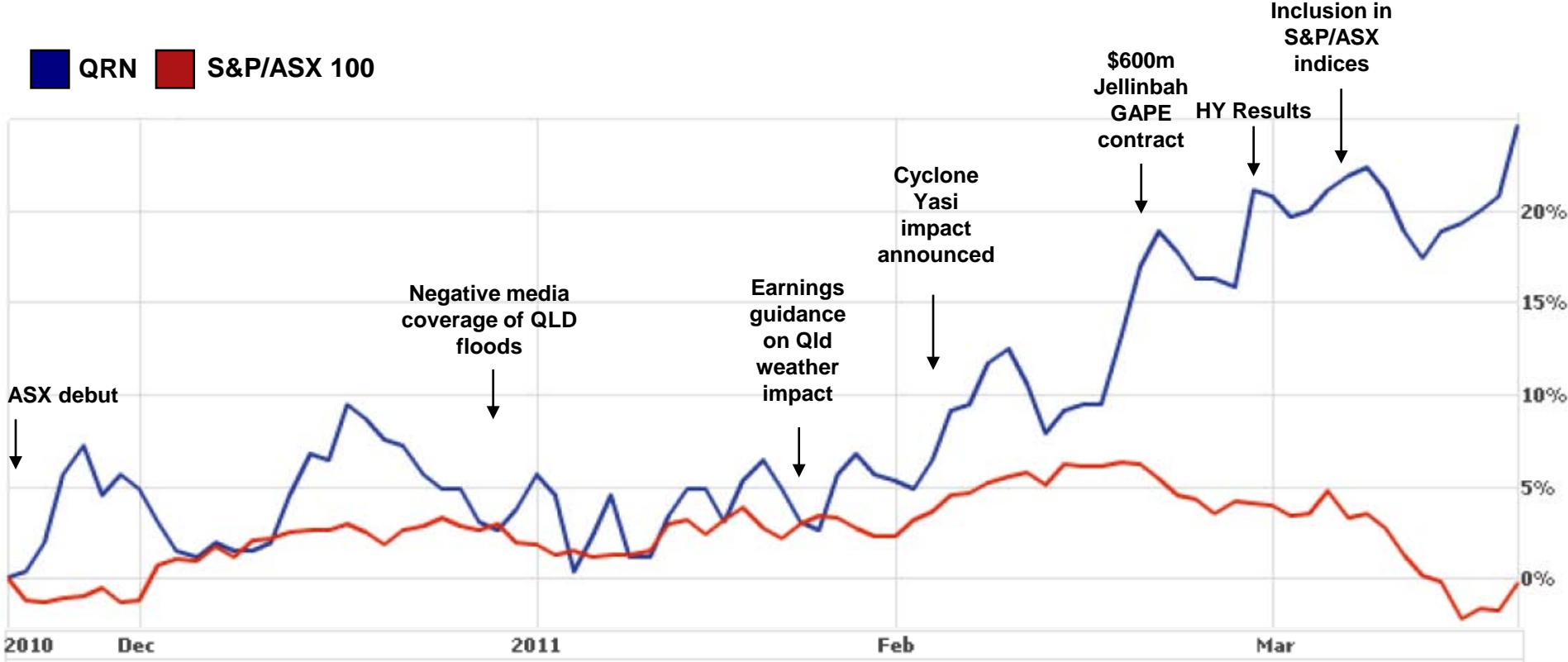


- ▶ Revenue quality uplift in new & renegotiated coal contracts in Coal
- ▶ Coal contracts announced in HY11
 - ▶ Jellinbah Resources – up to 5.1mta to the Port of Gladstone
 - ▶ Peabody Energy – up to 9mta to DBCT
- ▶ Coal contracts announced since 31 December 2010
 - ▶ Anglo American – 2.7mta over 3 years to DBCT
 - ▶ Jellinbah Resources – up to 6mta over 10 years to Abbot Point
- ▶ Iron ore heads of agreement with Mineral Resources announced
- ▶ Goonyella to Abbot Point Expansion, Blackwater Electrification and Hunter Valley Rollingstock capital projects remain on schedule and will underpin future growth

Share price trend since float



■ QRN ■ S&P/ASX 100



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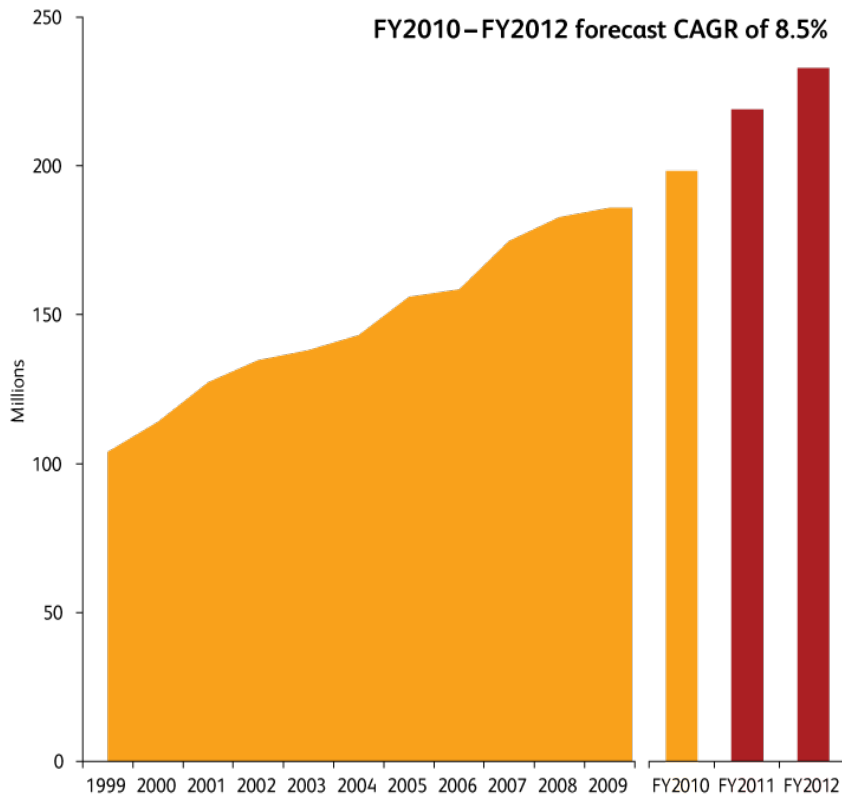


Future growth underpinned by global demand for coal and iron ore

Strong demand growth in global coal markets

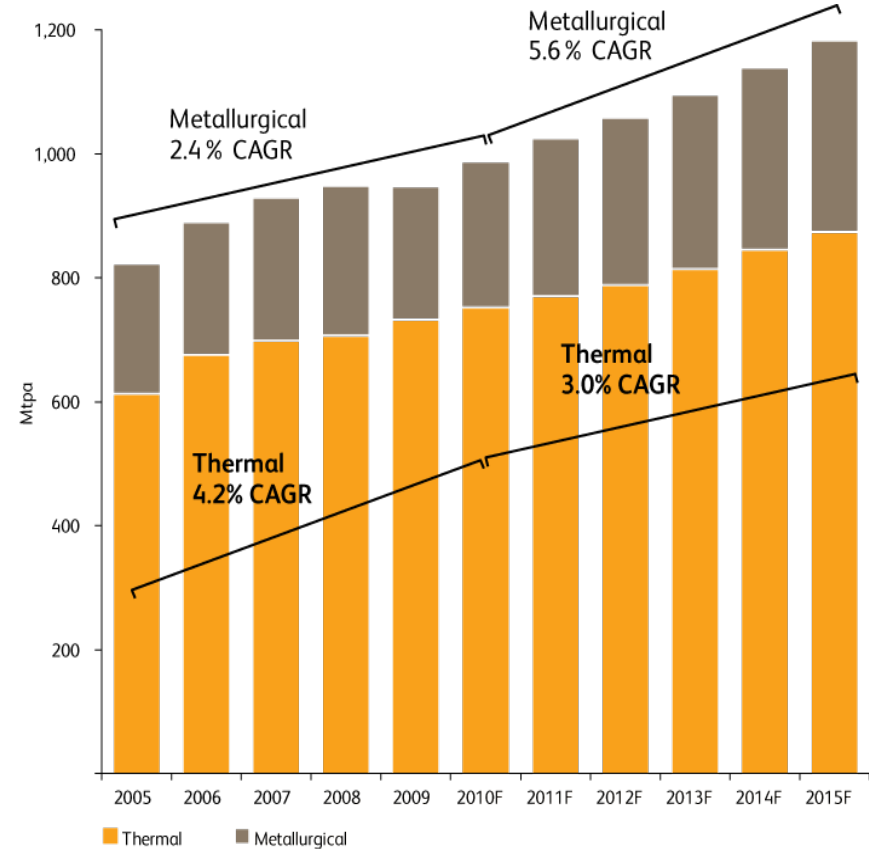


QRN's track record of coal haulage growth



Note: Above data is calendar year data
 Source: Australian Commodities, ABARE, March 2010

Global coal import demand – 2005 to 2015

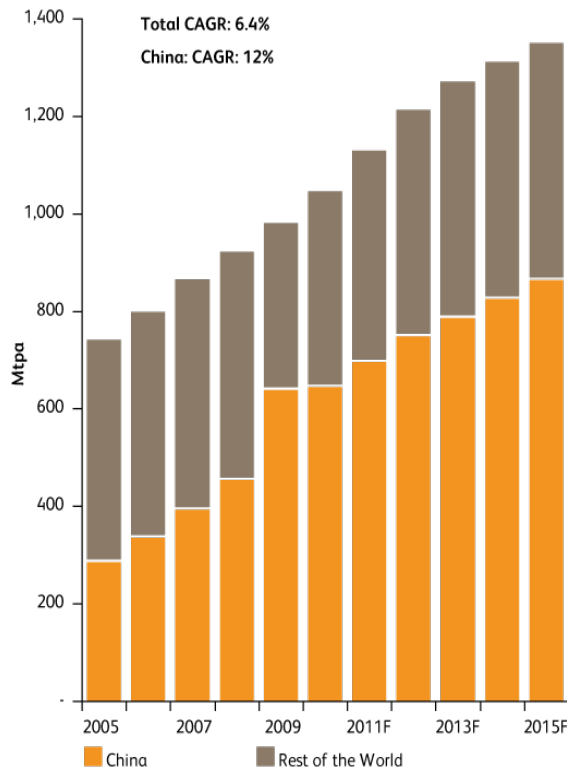


Source: Australian Commodities, ABARE, March 2010. The above data is calendar year data

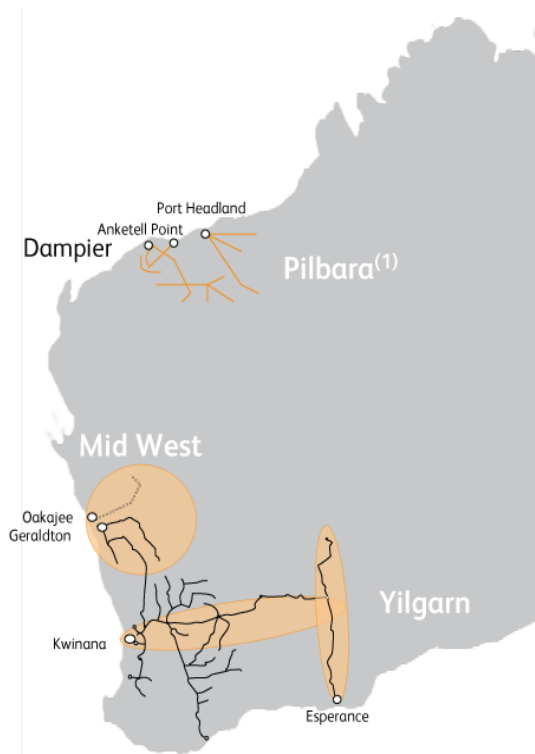
Positioned for growing iron ore demand



Global iron ore imports – 2005 to 2015



Growth opportunities



Iron Ore

- Iron ore demand is a key driver of expected future growth
- Heads of agreement for 14mtpa with two key customers in the Mid West contestable iron ore markets in Western Australia
- Planned expansions of existing iron ore contracts well advanced
- New locomotives ordered

Source: Australian Commodities, ABARE, March 2010
The above data is calendar year data

(1) Currently not contestable

Committed capital projects on schedule



GAPE X50

- ▶ Project at halfway point. All major milestones achieved on scope and budget

Blackwater Electrification

- ▶ Largest electrical upgrade on the coal network since 1980s
- ▶ Projects remain on schedule for commissioning in the latter half of 2012

Hunter Valley Coal

- ▶ Expansion in NSW is progressing well with investments of over \$360 million in rollingstock to support its NSW contracts
- ▶ Eleven consists are now operational

WA Iron Ore

- ▶ Locomotives and wagons have been ordered for new iron ore projects

System expansions

- ▶ Scoping and design work underway pending mine and port commitments

► Financial

► Queensland Coal

► Global demand

► Growth

► Programs

- Volume impact from floods now expected to be 25 million tonnes for the remainder of FY11
- Underlying EBIT for FY11 expected to be in the range of \$380m to \$410m (Statutory EBIT \$280m to \$310m)
- Readiness for customers to return to normal volumes in 4Q FY11 after floods and cyclone
- Global demand for Australian coal is expected to maintain current growth trajectory
- Coal shortages resulting from floods are likely to place upward pressure on prices
- Growth in Mid West Iron Ore is expected to continue – underpinning QR National’s growth & diversification
- Existing projects on time and budget and new projects expected to advance in 2H FY11
- Continued focus on delivering safety improvements, corporate wide reform and cost reductions through transformation program

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Questions