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ASX Market Announcements
ASX Limited
20 Bridge Street
Sydney NSW 2000

19 August 2013

BY ELECTRONIC LODGEMENT

Aurizon – Full year results presentation

Please find attached for immediate release to the market the Company's full year results presentation.

The presentation will be delivered to an analyst and investor briefing which will commence at 10.30am (AEST). This briefing will be web-cast and accessible via the following link: http://www.media-server.com/m/p/pwt9z573.

Yours faithfully

Dominic D Smith
SVP & Company Secretary

FY2013 Results Presentation

Lance Hockridge – Managing Director & CEO
Keith Neate – EVP & CFO

19 August 2013

Important notice

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FY2013 in review

Lance Hockridge - Managing Director & CEO

Key highlights

Safety	• 60% improvement in LTIFR • 54% improvement in MTIFR
Earnings	• Underlying EBIT up 29% • Underlying NPAT up 16%
Operating ratio	• 3.6ppt improvement from 83.4%[(1)] to 79.8% • On target for 75% Operating Ratio in FY2015
Dividends	• Dividend guidance changed – payout ratio increased from 50% to range 60-70% • Final dividend declared 8.2cps (payout of 65%/franking increased to 90%) • Total FY2013 dividend 12.3cps, up 48% on FY2012
Coal contracts	• Circa120Mtpa tonnes secured under new form contract terms during FY2013
Growth	• Iron Ore and GAPE projects completed on time, on budget and delivering expected returns

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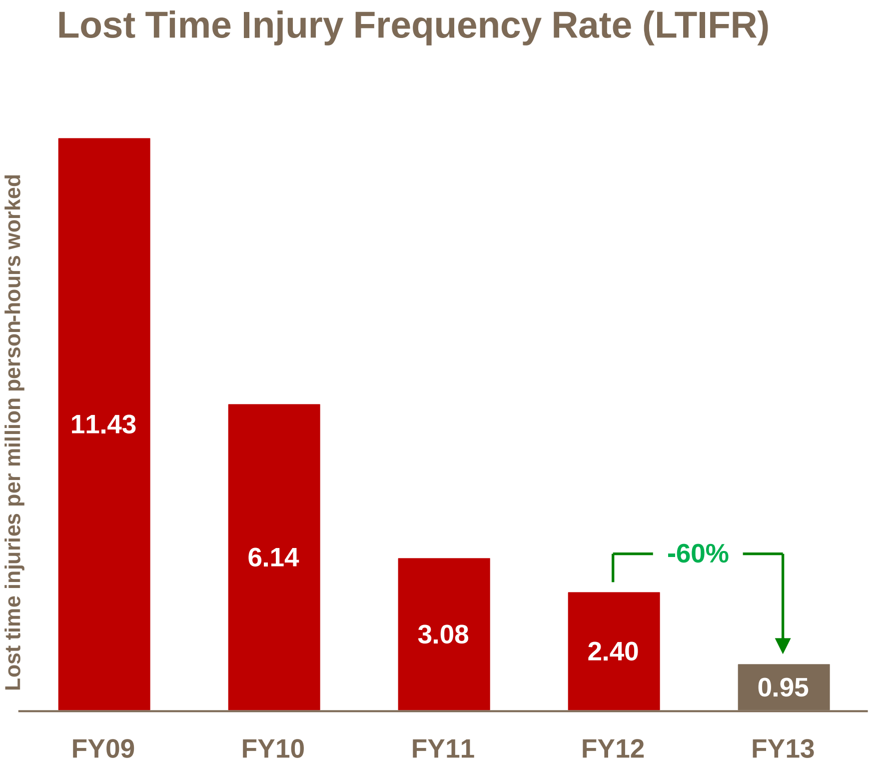
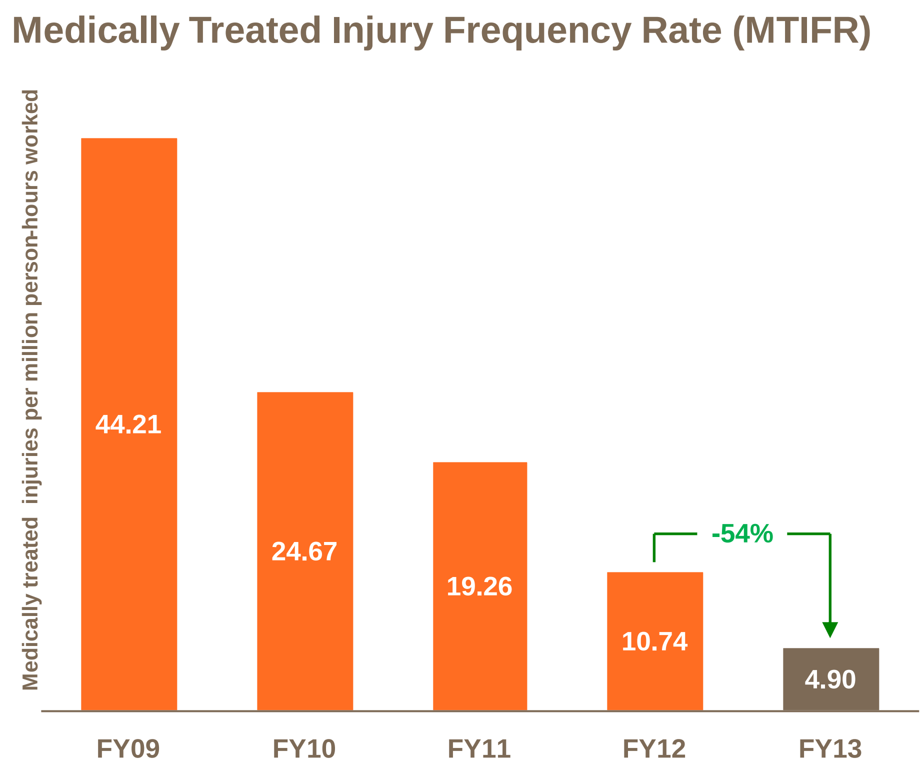
1) FY2012 Operating Ratio restated to reflect reclassification of diesel fuel rebate (refer slide 26)

Our safety performance reflects our changing culture





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Financial highlights

$m		FY13	FY12	Variance fav/(adv)
Total revenue[1]		3,766	3,536	7%
EBITDA	– Statutory	1,182	1,057	12%
	– Underlying[2]	1,251	1,048	19%
EBIT	– Statutory	685	593	16%
	– Underlying[2]	754	584	29%
NPAT	– Statutory	447	441	1%
	– Underlying[2]	487	420	16%
EPS[3] (cps)	– Statutory	19.8	18.1	9%
	– Underlying[2]	21.6	17.2	26%
Final dividend (cps)		8.2	4.6	78%
ROIC[4]		8.0%	6.7%	1.3ppt

Notes

- GAPE and Iron Ore volume ramp up
- Coal volumes hauled under new form contracts increased 18%
- Total coal volume growth 4%
- Flood/derailment impact $11m and 5mt lost volume
- Voluntary Redundancy Program (VRP) cost $96m
- Payout ratio increased from 50% to 65% (90% franked)
- Disciplined capital management

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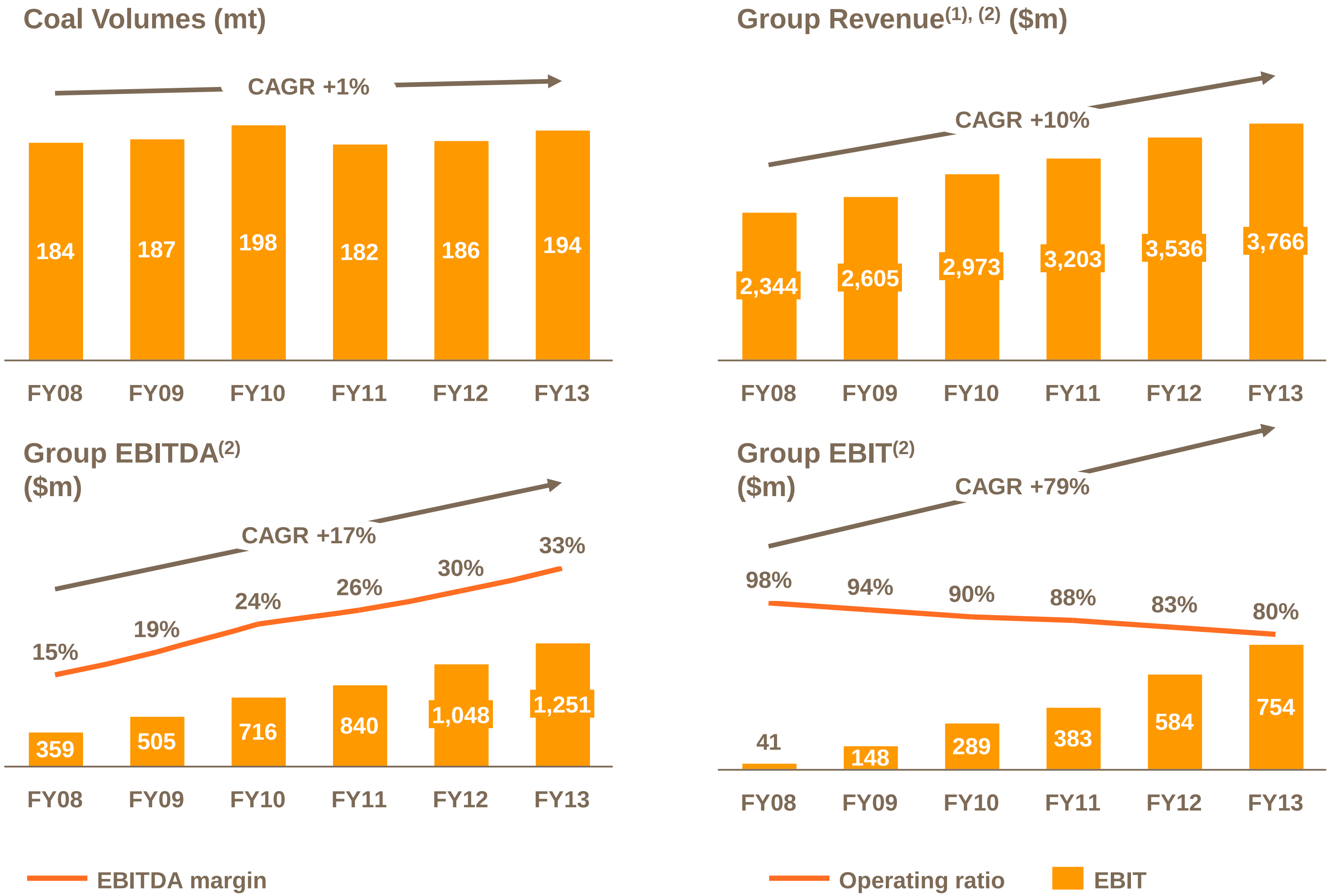
1) Revenue restated to reflect reclassification of diesel fuel rebate (refer slide 26)
2) Underlying adjusts for significant items (refer slide 17)
3) EPS calculated on weighted average number of shares on issue 2,257,248,177 in FY2013 and 2,440,000,000 in FY2012
4) ROIC = Underlying EBIT / (Net Working Capital + Net PP&E + Assets Under Construction + Gross Intangible Assets)

Operating highlights

	2013		FY13	FY12	Variance fav/(adv)	Notes
	2H	1H				
Revenue/NTK(1) ($/000 NTK)	55.5	56.0	55.8	56.0	0%	• Customer and commodity mix driving marginal decrease
Labour Costs/ Revenue	28%	30%	29%	32%	3ppt	• VRP benefits, 960 employees accepted offer
NTK/employee (MNTK)	8.4	8.4	8.4	7.0	20%	• Coal & Iron ore volume growth + labour productivity
Opex/NTK ($/000 NTK)	43.6	45.4	44.5	46.7	5%	• Transformation benefits
Operating Ratio(2)	78.6%	81.0%	79.8%	83.4%	3.6ppt	
ROIC	8.0%	7.5%	8.0%	6.7%	1.3ppt	• Earnings & asset productivity
NTK (bn)	33.5	33.5	67.0	62.9	7%	
Tonnes (m)	133.9	133.8	267.7	252.2	6%	
People (3)	7,969	7,965	7,969	8,969	11%	• Impact of VRP

1) NTK – Net tonne kilometre
2) FY2012 Operating Ratio restated to reflect reclassification of diesel fuel rebate (refer slide 26)
3) Headcount includes all employees including permanent full-time and part-time and casual staff. It does not include consultants or contractors

Material uplift in underlying earnings since IPO – on flat coal volumes, less employees and with growth delivering (Iron ore/GAPE)



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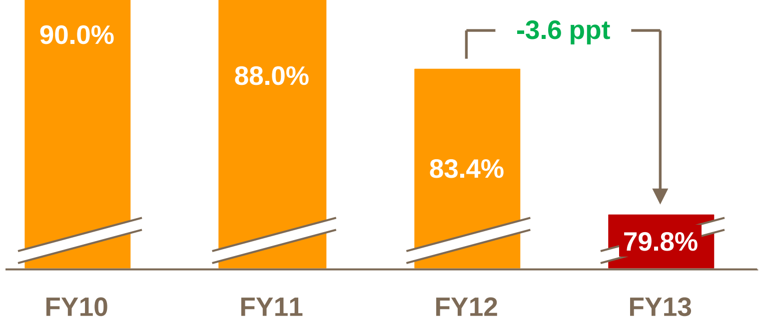
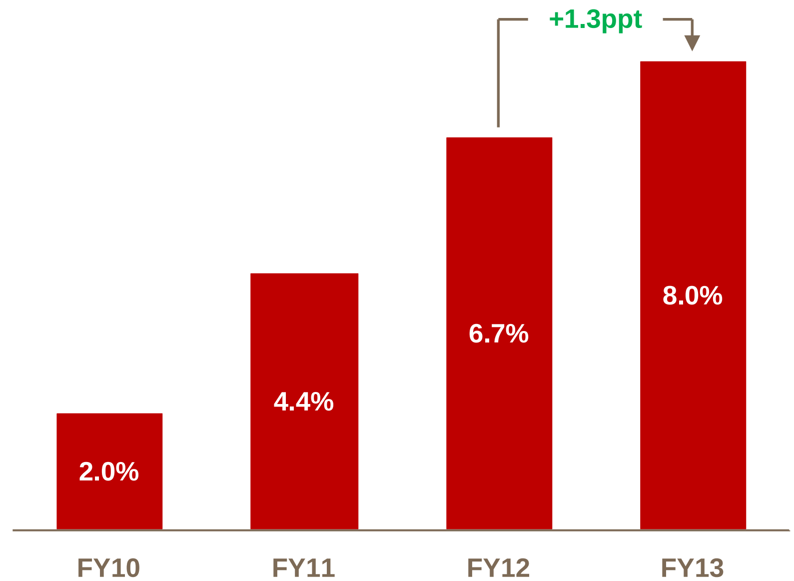
1) FY2011 and FY2012 Revenue restated to reflect reclassification of diesel fuel rebate (refer slide 26)
2) EBITDA margin, EBIT margin and Operating Ratio excludes significant items (refer slide 17)

The journey to World Class

Operating Ratio[1]



Return on Invested Capital (ROIC)[2]



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1) Operating Ratio = 1 – EBIT margin
2) ROIC = Underlying EBIT/(Net Working Capital + Net PP&E + AUC+ Gross Intangible Assets)

75% OR – Update on 'Drive to 75'

- Options are being considered to divest non-core businesses in a number of segments
- Today, Managing Director & CEO announced changes to the Executive Committee, as part of the transformation program (9 to 7 direct reports):
  - Ken Lewsey (EVP Business Development) & Greg Robinson (EVP Sustainability) will be leaving the Company
  - Mike Carter will move from EVP Network to EVP Strategy & Business Development
  - Alex Kummant will move from EVP Strategy to EVP Network
- Operations
  - Ongoing implementation of the integrated operating plan
  - Identification and disposal of non-core operational assets
- Centralised support cost review well advanced
- Timing of benefits skewed towards FY2015, with sustainable cost reductions and efficiencies of circa $90m in FY2014 and a further $140m+ in FY2015
- Progress update at AGM

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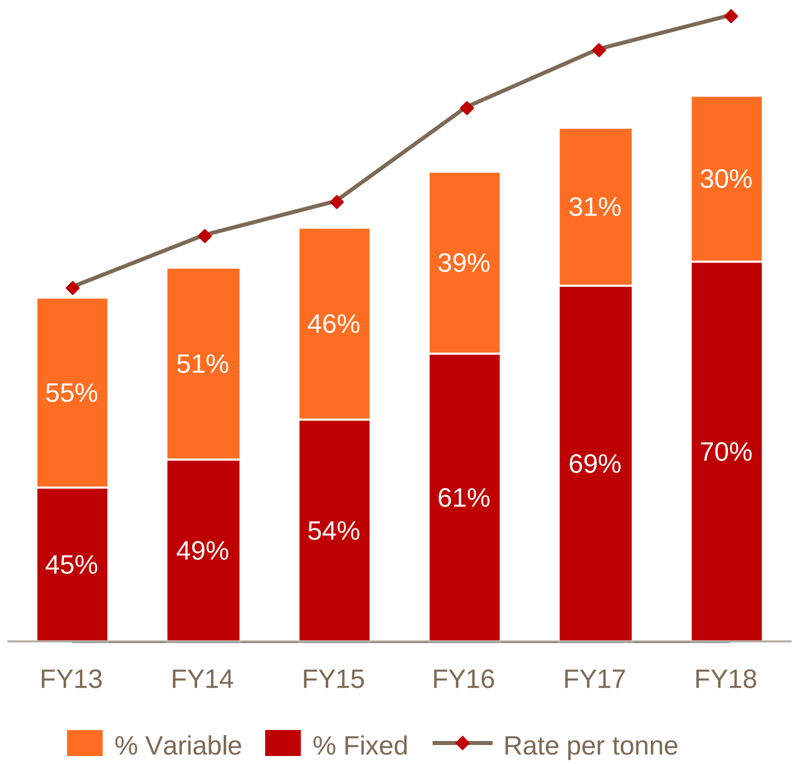
Coal revenue quality & protection enhanced through "New Form" contracts

Fixed / variable proportion of above rail coal revenue



- Revenue protection will be enhanced through an increase in fixed capacity charges
- This improvement is a result of the recontracting of legacy contracts to new form contracts:
    - 70% of above rail coal revenue in FY2018 will be fixed compared to 45% in FY2013
    - Variable revenue will be supported by volume growth, however the average variable rate per tonne will decline as the fixed revenue increases

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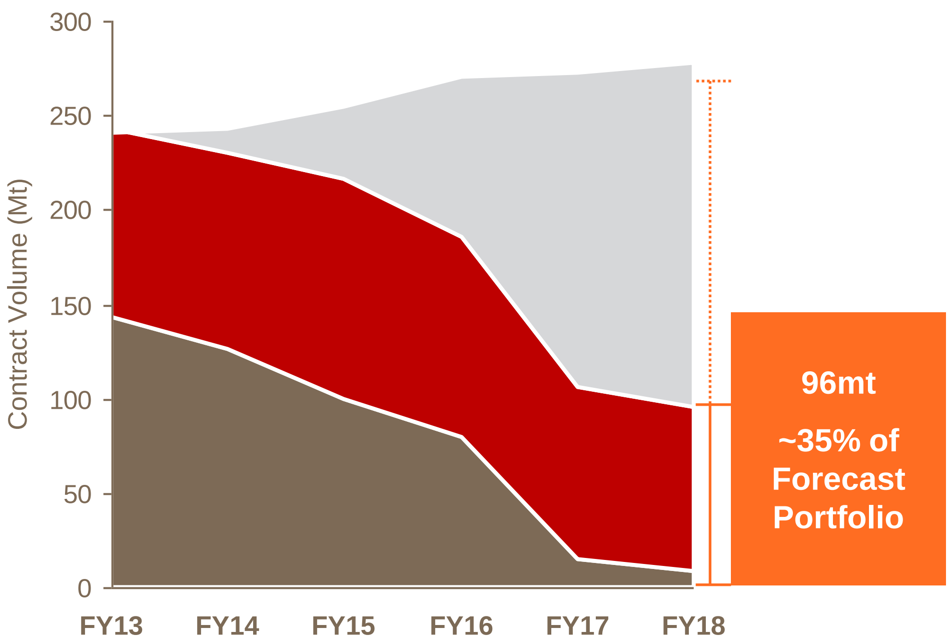
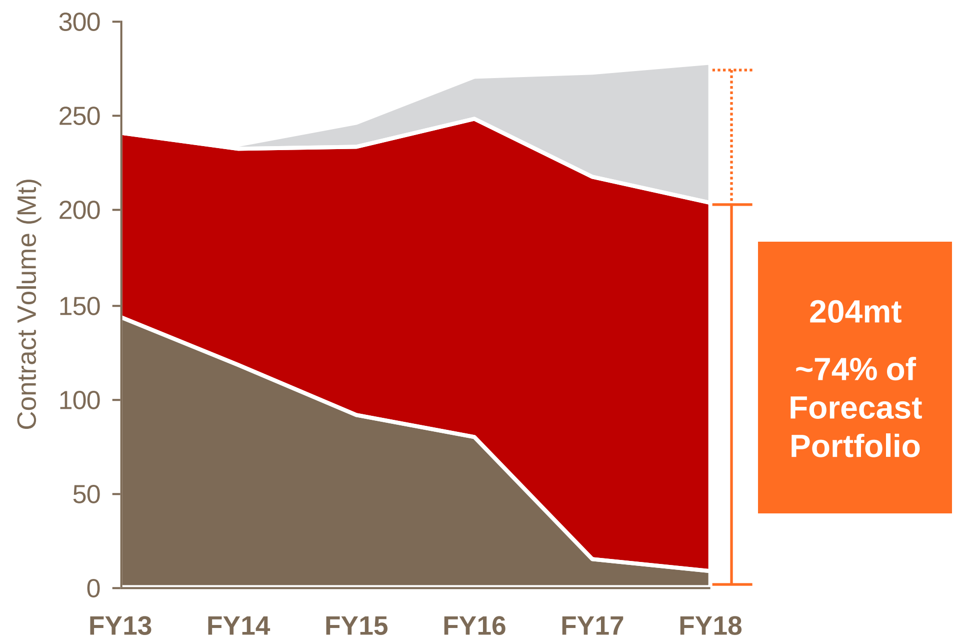
Notes
- Variable coal revenue = Above Rail Variable Usage Charges/tonne including performance bonuses, incentives and fuel charges
- Fixed coal revenue = includes capacity charges and other fixed revenue (i.e. deficit tonnage charges)

74% of FY2018 coal volume portfolio has been secured

Coal Volume Portfolio: as at January 2012



Coal Volume Portfolio: as at June 2013



Potential Growth/Re-contracting   New Form Contracts   Old Form contracts

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Network regulatory update

- Regulatory matters currently in progress:
  - Access undertaking 4 (UT4)
    - Aurizon's draft undertaking for UT4 was submitted to Queensland Competition Authority (QCA) on 30 April 2013
    - Transitional arrangement agreed and in place for FY2014. Refer slide 78 of the FY2013 Results Support Pack for further details
    - UT4 update reports will be provided as discussions progress
  - Electric Traction Services Draft Amending Access Undertaking (DAAU)
    - Initial DAAU was withdrawn 22 January 2013 and a new submission was lodged with the QCA 24 April 2013. The QCA published an independent volume forecast 10 July 2013 with stakeholder comments due 21 August 2013
  - Standard User Funding Agreement (SUFA)
    - Revised SUFA DAAU submitted 22 July 2013
    - The QRC has acknowledged agreement on substantive first order issues
    - Stakeholder submissions due 30 August 2013

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Flood/Derailment impact

- Cyclone Oswald flood - January 2013:
  - Blackwater system closed 12 days. Moura system closed 19 days in total
  - ~$15m total costs, of which $8m expensed and $7m capitalised
  - Review Event seeking full recovery of flood costs has been submitted to the QCA for their consideration and approval
  - Further costs to be incurred in FY2014 during planned maintenance periods, which will increase the total cost recovery claim from the QCA
- Epala derailment - the line closed for 7 days, with a direct cost of $3m after insurance recoveries
- Total volume impact of the above events estimated to be 5mt, with revenue impact in the order of $45m based on average rate/tonne hauled

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Results analysis

Keith Neate - EVP & CFO

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Underlying results summary

$m	2013		FY13	FY12	Variance fav/(adv)	Notes
	2H	1H				
Total revenue[1]	1,887	1,879	3,766	3,536	7%	• GAPE and Iron Ore volume ramp up
EBITDA	649	602	1,251	1,048	19%	• Coal volumes hauled under new form contracts increased 18%
EBIT	398	356	754	584	29%	
Net finance cost	(61)	(42)	(103)	(39)	(164%)	• Increased debt due to buy-back
Tax expense	(72)	(92)	(164)	(125)	31%	
NPAT	265	222	487	420	16%	
EPS (cps)	12.4	9.4	21.6	17.2	26%	• Growth in NPAT and lower number of shares from buy-back
Dividend (cps)	8.2[2]	4.1[2]	12.3	8.3	48%	• Payout ratio increased to 65%
ROIC	8.0%	7.5%	8.0%	6.7%	1.3ppt	
Gearing[4]	26.7%	27.8%	26.7%	13.1%	(13.6ppt)	• Investment grade credit rating maintained

1) Revenue restated to reflect reclassification of diesel fuel rebate (refer slide 26)
2) Final dividend 90% franked. Interim dividend 70% franked
3) Gearing = Net debt /(net debt plus equity)

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Reconciliation Underlying vs. Statutory earnings

$m	2013 2H	2013 1H	FY13	FY12
Underlying EBIT	398	356	754	584
Significant items				
- VRP	(8)	(88)	(96)	-
- Stamp Duty	27	-	27	9
Statutory EBIT	417	268	685	593
Net finance costs	(61)	(42)	(103)	(39)
Statutory PBT	356	226	582	554
Taxation Expense	(85)	(50)	(135)	(113)
Statutory NPAT	271	176	447	441

Notes

- A major voluntary redundancy program (VRP) at a cost of $96m was carried out during the year. A total of 960 employees accepted the offer, which resulted in 921 employees exiting the business by 30 June 2013
- Stamp duty paid in 2006 on acquisition of Australian Railroad Group Limited (ARG), recovered in 2013 following successful application to Supreme Court of WA

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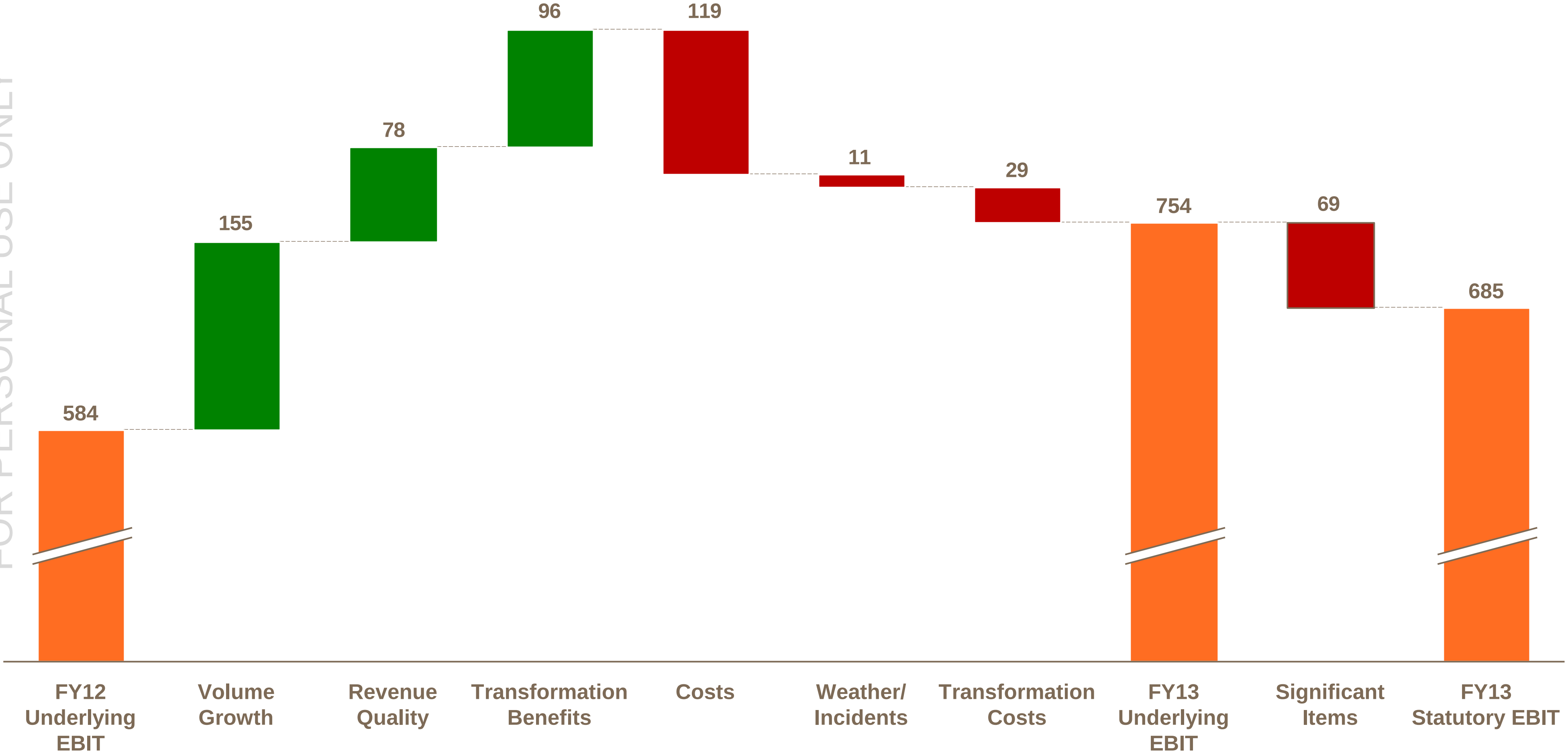
EBIT improvement



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Sustainable transformation benefits achieved in FY2013

- Program delivered $96m in sustainable benefits:
  - Voluntary redundancy program
    - $66m in FY2013
    - annualised benefit circa $85m
  - Other
    - $12m in CBD office consolidation and net Procurement savings
    - $11m in Intermodal and maintenance consumables savings
    - $7m Train operation efficiencies – longer trains with increased payloads
    - One-off execution costs associated with these activities and continued implementation and refinement of the functional restructure in FY2013 $16m
- Other major initiative:
  - Closure of the wagon manufacturing facility at Redbank in September 2012. Closure costs were $13m, with benefits to flow through in FY2014

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Disciplined capital management - Priorities

Priorities	Results
• **Invest in high return growth opportunities, backed by new form contract security**	✓ Iron ore volume growth on track for 30 Mtpa by FY2014 ✓ Iron Ore EBITDA contribution increased $80m in FY2013 ✓ GAPE EBITDA contribution increased $87m in FY2013 ✓ 42% of coal volumes railed in FY2013 under new form contracts ✓ 45% of above rail coal revenues in FY2013 are fixed, growing to 70% in FY2018
• **Maintain solid credit rating, BBB+/Baa1**	✓ Debt refinanced June 2013
• **Continued improvement in dividend growth/yield**	✓ Dividend guidance updated - increasing payout ratio from 50% to 60-70% range, subject to capital requirements ✓ Final FY2013 payout ratio increased to 65%
• **Return excess capital to shareholders**	✓ $1.1bn share buy-back November 2012

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Strong balance sheet

As at 30 June ($m)	2013	2012	Notes
Total current assets	933	880	• Increase in trade receivables
Property, plant & equipment	9,473	9,037	• Capex spend $981m including capitalised interest
Other non-current assets	113	104	
Total assets	10,519	10,021	
Total current liabilities	(791)	(768)	
Total borrowings	(2,479)	(1,202)	• Share buy-back
Other non-current liabilities	(753)	(757)	
Total liabilities	(4,023)	(2,727)	
Net assets	6,496	7,294	
Gearing (Net debt / net debt plus equity)	26.7%	13.1%	• Maintains investment grade rating

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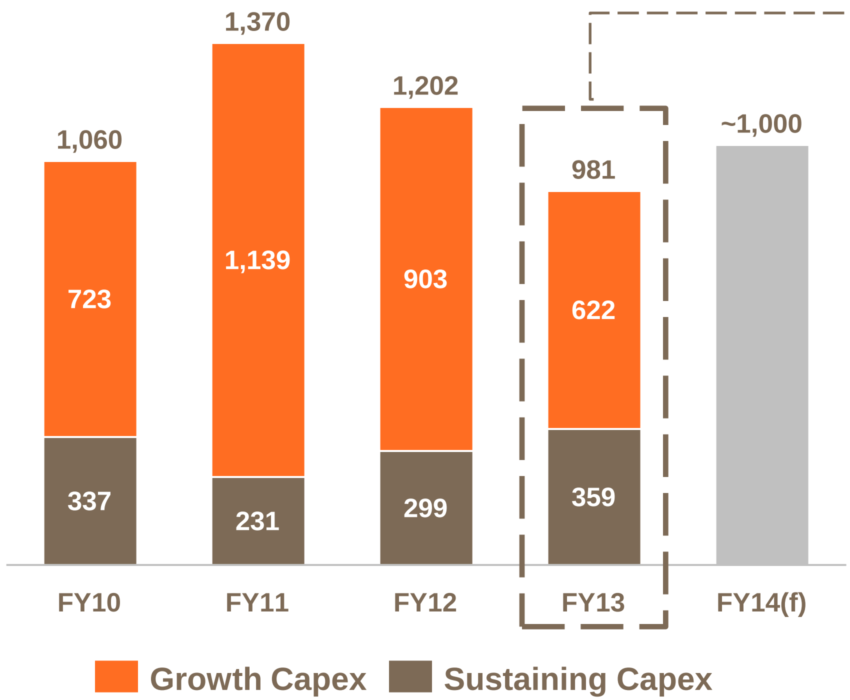
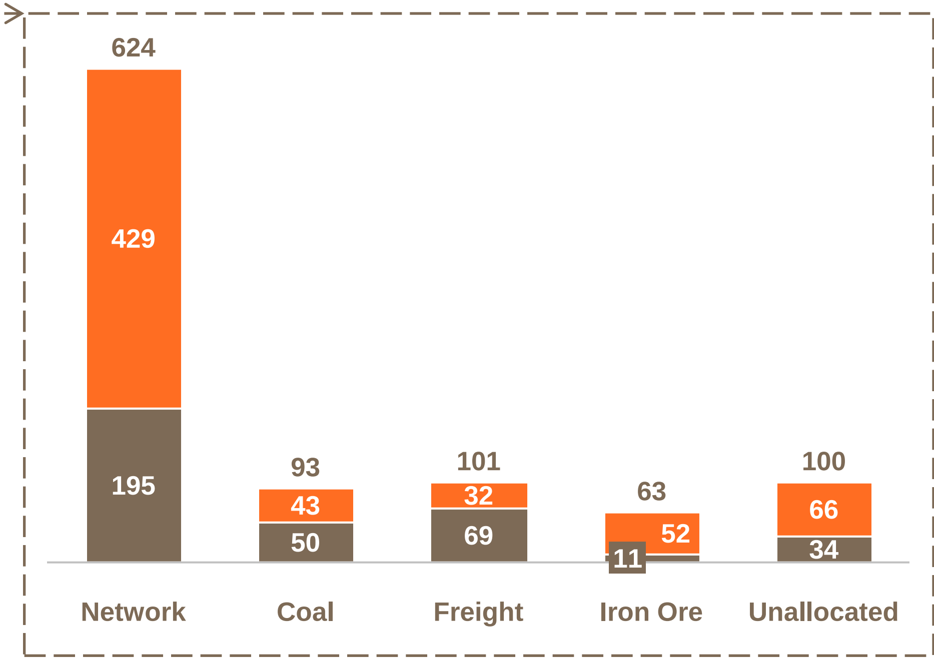
Capital expenditure

Group - growth vs. sustaining capex ($m)[(1),(2)]



Segment capex ($m)[(2)]



- Major growth projects in execution – total spend to date:
  - Wiggins Island Rail Project Stage 1 - $355m
  - Hay Point Expansion - $91m

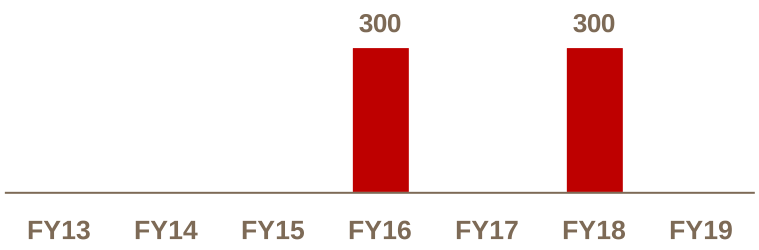
- Underlying sustaining capex expected to be $300-$350m per annum
- Forecast sustaining capex of $400m+ in FY2014 includes some one-off items including the purchase of new high capacity Specialised Track Services plant

1) FY2010 and FY2011 comparatives adjusted to include the ballast capitalisation of $30m and $31m respectively in sustaining capex
2) Includes capitalised interest

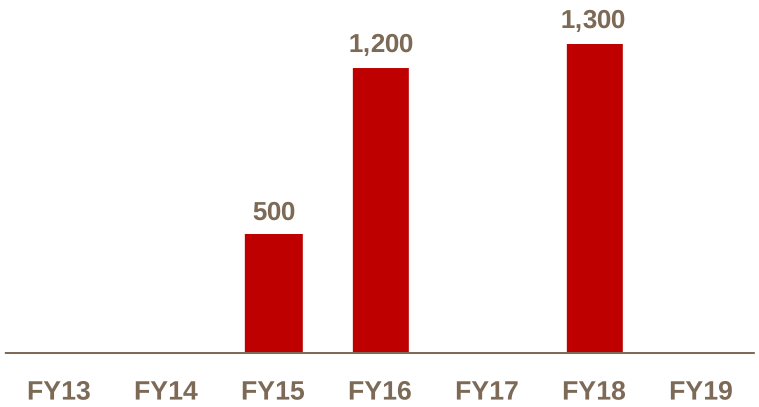
Debt refinancing completed FY2013

- New $3.6bn unsecured facilities executed in June 2013
  - $0.6bn at Aurizon Group level
  - $3.0bn at Aurizon Network level, geared 55% to Regulated Asset Base (RAB)
- Debt margin under new facilities reduced by up to 35 bps and tenor extended to average 3.6 years
- $0.25bn working capital facility split between both levels
- Stable credit rating BBB+/Baa1 at both Group and Network
- Liquidity at 30 June 2013 $1.4bn (undrawn facility + cash)
- All committed capex fully funded

Aurizon Group $600m debt maturity profile ($m)



Aurizon Network $3.0bn debt maturity profile ($m)



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Cash flow

Year ended 30 June ($m)	FY13	FY12	Notes
Statutory EBITDA	**1,182**	**1,057**	• Includes $96m VRP costs
Working capital movement	(57)	(73)	
Other	(76)	18	• Additional cash cost of $42m for VRP leave payout
Cash from operations	**1,049**	**1,002**	• Includes voluntary redundancy cash costs $138m
Net interest paid	(112)	(78)	• Increased debt from buy-back
Income taxes paid	(31)	0	• First corporation tax payment
Net operating cash flows	**906**	**924**	
Cash flows from investing activities			
Proceeds from sale of PPE	49	46	
Payments for PPE	(944)	(1,156)	• 2012 includes completion of GAPE (small capex spend in 2013)
Net (payments for) / distribution from investment in associates	4	(41)	
Net cash (outflow) from investing activities	**(891)**	**(1,151)**	
Cash flows from financing activities			
Net proceeds from borrowings	1,306	390	
Payment for share buy-back/share based payments	(1,112)	0	• Share buy-back
Dividends paid to Company shareholders	(200)	(181)	
Net cash (outflow) / inflow from financing activities	**(6)**	**209**	
Net (decrease) / increase in cash	**9**	**(18)**	

Structural changes

- Iron Ore now reported separately in FY2013 accounts due to its EBIT contribution being greater than 10% of consolidated EBIT
- From 1 July 2013:
  - Iron Ore and Intermodal businesses transitioned to Commercial & Marketing and Operations (previously incubated in Business Development)
  - As part of Aurizon's debt refinancing, two Aurizon Network divisions, Engineering and Project Delivery and Specialised Track Services, were moved to Operations function to establish stand-alone operating and financing structures for Aurizon and Aurizon Network
    - Adjusted historic financials for Aurizon to reflect changes to the Network segment will be provided prior to Half Year Results announcement

Accounting changes included in FY2013 Financial Statements

- **Comparison to FY2012 Financial Statements**
  - **Note 4 Segment Note**
    1. Iron Ore has been separated from the Freight business
    2. Revenue for the Coal Segment relating to Take-or-Pay charges that are passed through to customers have been reclassified as track access revenue (previously freight transport revenue) FY2013 $11.4m (FY2012 $31.8m)
    3. Network Services segment has been updated to Network. External Rollingstock Services component has been carved out of Network Services and included as part of Unallocated segment
  - Fuel Rebates previously classified as Other Income are now classified as a recovery of the fuel expense under Consumables[1]
  - **Note 15 Property, Plant & Equipment**
    1. The leased and owned classifications have been combined together
    2. A reclassification between owned and leased infrastructure has been completed for FY2012 closing net book values, with an adjustment of $1.8bn reflecting the reclassification of Network assets to leased infrastructure
- **Comparison to 1H FY2013 Financial Statements**
  - Consolidated Income Statement – Interest income was disclosed as a separate line item in the half-year accounts. In the FY2013 Financial Statements it will be reported in Other Income which is consistent with the FY2012 Financial Statements.

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1) Future remuneration targets in respect of FY2015 and FY2016 will include diesel fuel rebate as revenue for purposes of calculating the Operating Ratio

Segment results

Underlying EBIT by segment

$m	2013 2H	2013 1H	FY13	FY12	Variance fav/(adv)	Notes
Network	198	226	424	334	27%	• GAPE ramp up, revenue cap and MAR increase
Coal	178	142	320	257	25%	• Volume growth, revenue quality and lower take-or-pay expense
Iron ore	52	45	97	32	203%	• Volume ramp up
Freight	18	5	23	68	(66%)	• Expiry of CBH contract and lower TSC payments
Unallocated[1]	(48)	(62)	(110)	(107)	(3%)	
Group	**398**	**356**	**754**	**584**	**29%**	

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1) Unallocated includes costs which cannot be directly allocated to the business functions or distinguished between each of the segments and as such are reported as 'Unallocated' e.g. Finance, Strategy, Business Development, Human Resources and Enterprise Service costs (refer slide 50)

Network profit & loss - underlying

$m	2013 2H	2013 1H	FY13	FY12	Variance fav/(adv)	Notes
Revenue - Access	451	470	921	744	24%	GAPE ($87m), revenue cap ($59m) and MAR increase ($29m)
- Services	46	44	90	126	(29%)	Lower external construction works
- Other	28	19	47	50	(6%)	
Total Revenue	**525**	**533**	**1,058**	**920**	**15%**	
Operating costs	(228)	(207)	(435)	(401)	(8%)	Increased traction costs from higher electric volumes ($26m) and flood rectification ($8m)
EBITDA	**297**	**326**	**623**	**519**	**20%**	Operational & labour efficiencies including VRP
EBITDA margin	56.6%	61.1%	58.9%	56.4%	2.5ppt	
Depreciation and amortisation	(99)	(100)	(199)	(185)	(8%)	Full year GAPE impact
EBIT	**198**	**226**	**424**	**334**	**27%**	
Operating ratio	**62.3%**	**57.6%**	**59.9%**	**63.7%**	**3.8ppt**	

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Network metrics

	2013		FY13	FY12	Variance fav/(adv)	Notes
	2H	1H				
Tonnes (m)	92.3	90.0	182.3	166.7	9%	• Increased CQCN and GAPE volumes
NTK (bn)	22.6	22.1	44.7	41.2	8%	
Access revenue[1]/NTK ($/000 NTK)	19.9	21.3	20.6	18.1	14%	• GAPE ramp up
Maintenance[2]/NTK ($/000 NTK)	2.5	2.6	2.5	2.6	4%	• Increased volumes, operational & labour efficiencies
Opex[3]/NTK ($/000 NTK)	14.5	13.9	14.2	14.2	0%	

1) Amount received for access to the Network infrastructure under the Access Agreement
2) Maintenance costs exclude flood repairs, mechanised ballast undercutting, derailment repairs and electric traction maintenance
3) Operating expenses plus depreciation and amortisation

Coal profit & loss - underlying

$m		2013 2H	2013 1H	FY13	FY12	Variance fav/(adv)
Revenue	- Above Rail	539	540	1,079	1,026	5%
	- Below Rail	391	385	776	732	6%
	- Other	4	4	8	14	(43%)
Total Revenue		**934**	**929**	**1,863**	**1,772**	**5%**
Operating costs		(668)	(701)	(1,369)	(1,339)	(2%)
EBITDA		**266**	**228**	**494**	**433**	**14%**
EBITDA margin		28.5%	24.6%	26.5%	24.4%	2.1ppt
Depreciation and amortisation		(88)	(86)	(174)	(176)	1%
EBIT		**178**	**142**	**320**	**257**	**25%**
Operating ratio		**80.9%**	**84.7%**	**82.8%**	**85.5%**	**2.7ppt**

Notes

- Increased volumes and improving revenue quality, 42% new form contracts
- Higher access tariffs and volumes, lower take-or-pay ($19m)
- Higher access charges ($78m) offsetting lower take-or-pay expense ($54m), lower labour following VRP
- Lower growth capex
- Revenue quality and net take-or-pay ($34m)

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Coal metrics

		2013 2H	2013 1H	FY13	FY12	Variance fav/(adv)	Notes
Tonnes hauled (m)	- QLD	77.4	78.4	155.8	151.7	3%	• Strong Q4 haulage
	- NSW	19.0	18.9	37.9	33.9	12%	• Improved mine production
	- Total	**96.4**	**97.3**	**193.7**	**185.6**	**4%**	
NTK (bn)	- QLD	18.8	19.0	37.8	36.8	3%	
	- NSW	2.9	2.9	5.8	5.1	14%	
	- Total	**21.7**	**21.9**	**43.6**	**41.9**	**4%**	
Above Rail Revenue/NTK ($/000 NTK)		24.8	24.7	24.7	24.5	1%	• Impacted by major legacy customer
Total Revenue/NTK ($/000 NTK)		43.0	42.4	42.7	42.3	1%	
Opex[1]/NTK ($/000 NTK)		34.8	35.9	35.4	36.2	2%	• VRP benefits and lower take or pay expense

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1) Operating expenses plus depreciation and amortisation

Iron Ore profit & loss - underlying

$m	2013 2H	2013 1H	FY13	FY12	Variance fav/(adv)	Notes
Revenue	**189**	**168**	**357**	**197**	**81%**	• Volume ramp up
Operating costs	(118)	(105)	(223)	(143)	(56%)	• Operational efficiencies & economies of scale on 82% volume increase
EBITDA	**71**	**63**	**134**	**54**	**148%**	
EBITDA margin	37.6%	37.5%	37.5%	27.2%	10.3ppt	
Depreciation expense	(19)	(18)	(37)	(22)	(68%)	• Asset growth supporting higher volumes
EBIT	**52**	**45**	**97**	**32**	**203%**	• Volume ramp up
Operating ratio	**72.5%**	**73.2%**	**72.8%**	**83.8%**	**11.0ppt**	• Sustainable margin

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Iron Ore metrics

	2013				
	2H	**1H**	**FY13**	**FY12**	**Variance fav/(adv)**
Tonnes hauled (m)	14.1	10.6	24.7	13.6	82%
NTK (bn)	5.5	4.8	10.3	6.7	54%
Revenue/NTK ($/000 NTK)	34.4	35.0	34.7	29.4	18%
Opex[1]/NTK ($/000 NTK)	24.9	25.6	25.2	24.6	(2%)

Notes

- Growth across all customers
- Majority of growth on shorter hauls (Karara)
- Higher cost of shorter average haul

1) Operating expenses plus depreciation and amortisation

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Freight profit & loss – underlying

(Freight includes Bulk and Intermodal businesses)

($m)	2013 2H	2013 1H	FY13	FY12	Variance fav/(adv)	Notes
Revenue	**516**	**566**	**1,082**	**1,173**	**(8%)**	• Expiry of CBH contract ($56m) and lower TSC payments ($31m)
Operating costs	(468)	(534)	(1,002)	(1,054)	5%	• VRP benefit and lower volumes
EBITDA	**48**	**32**	**80**	**119**	**(33%)**	
EBITDA margin	9.3%	5.6%	7.4%	10.1%	(2.7ppt)	
Depreciation and amortisation	(30)	(27)	(57)	(51)	(12%)	• New Intermodal locomotives
EBIT	**18**	**5**	**23**	**68**	**(66%)**	
Operating ratio	**96.5%**	**99.1%**	**97.9%**	**94.2%**	**(3.7ppt)**	• Reflects fixed cost structure of business

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Freight metrics

	2013					
	2H	1H	FY13	FY12	Variance fav/(adv)	Notes
Tonnes hauled (m)	23.4	25.9	49.3	53.0	(7%)	• Expiry of CBH contract
NTK (bn)	6.4	6.8	13.2	14.3	(8%)	
Revenue/NTK ($/000 NTK)	80.6	83.2	82.0	82.0	0%	
Opex[(1)]/NTK ($/000 NTK)	77.8	82.5	80.2	77.3	(4%)	• Fixed cost structure of business

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1) Operating expense plus depreciation and amortisation

Strategy

Lance Hockridge - Managing Director & CEO

Strategy

- Delivering improved shareholder value in two ways:

1. Principal focus on reforming the business to achieve the 75% operating ratio target (or 25% EBIT margin) by FY2015, and thereafter targeting further improvements to achieve world class levels

    - Refer to the presentation given on 18 July 2013 for more details

2. Securing further high return growth opportunities to enhance longer term earnings

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75% Operating Ratio by FY2015 roadmap

	FY2010 >>> FY2012	FY2013	FY2015
	90% >>> 83.4%[1]	79.8%	75%
Safety	• LTIFR reduced by 61% since FY2010 • MTIFR reduced by 56% since FY2010	• LTIFR reduced by 60% versus FY2012 • MTIFR reduced by 54% versus FY2012	• Achieve World class targets • ZERO Harm
Customers Revenue Quality	• Performance based contracts • Differentiated solutions that are valuable for our customers	• Secured ~120 mtpa+ in new coal contracts and renewals	• Continued growth of coal volumes under new contracts • Continued engagement and partnering with our customers
Transformation	• Right sizing of the company • Restructured to functional model	• Rationalisation of maintenance footprint and closed 3 infrastructure depots • Voluntary Redundancy Program (VRP2) • $6m in net procurement savings	• $230m+ cost and productivity improvements
Capital efficiency	• Improved fleet availability and reliability • Whole of life asset management implemented	• Payload performance improved 29% in Newlands and 6% NSW from longer consists • Capital Management - $1.1bn buy-back • Network Asset Renewal Program	• Longer, faster trains • Technology enabled operations
Growth	• GAPE NML completed delivering 33 mtpa of additional system capacity while delivering $48m in savings	• Iron ore ramp up • Short listed for Abbot Point coal terminal expansion	• Continuous improvement • Diversifying beyond our core • Exposure to high growth segments

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1) FY2012 Operating Ratio restated to reflect reclassification of diesel fuel rebate (refer slide 26)

Update on major committed growth projects

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Project	State	Update
Wiggins Island Rail Project (WIRP)	QLD	• Construction commenced in FY2012 • $355m spent to end FY2013 • WICET port construction delayed by approximately nine months • WIRP expected to be fully commissioned in CY2015 with tonnes to ramp up from there
Hay Point Rail Expansion	QLD	• Expansion of Goonyella system to support Hay Point port upgrade • Revised target ~$130m [1] investment to add a further 11mtpa below rail capacity – project on time and on budget (Circa $50m reduction in investment to achieve same outcome) • First railings expected in CY2014
Hunter Valley Hexham	NSW	• Progressing Train Support Facility (TSF) to support growth in NSW coal • Final design has amalgamated earlier plans for three stages of construction into a multipurpose facility servicing locos & wagons, provisioning and unit train maintenance • Environmental Assessment submitted to Department of Planning and Infrastructure currently awaiting approval • Commissioning expected in CY2014
Whitehaven	NSW	• Up to $280m[1] approved for investment in locomotives and wagons • Aurizon is working closely with Whitehaven and ARTC for the latter to expand the capacity of the network infrastructure in the Gunnedah Basin through heavier track axle load capability • Expect full ramp up of tonnages by third year after project commencement • Aurizon started hauling tonnage in August 2013 for Whitehaven on an interim basis as part of a better than anticipated increase in production output

Below Rail Coal Above Rail Coal

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1) Targets & approved amounts exclude capitalised interest

Investment criteria – Strategic growth initiatives

- **Alignment and fit to enterprise strategy, objectives and capabilities**
  - *Providing appropriate portfolio exposure, momentum and opportunity*
- **Return – risk vs. reward/internal hurdles and timing**
  - *Providing appropriate and timely support to our value creation efforts*
- **Risk – strategic, operational, financial, legal and regulatory**
  - *Providing appropriate and manageable exposures*

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Strategic growth opportunities

As at 30 June 2013, total development costs capitalised in respect of growth projects was $108m

Coal – Queensland

- Bowen Basin– continue development of expansion opportunities within existing operating footprints
  - Preferred proponent status on expansion of Abbot Point port with Lend Lease (NorthHub)
- Galilee Basin
  - Non-binding Term Sheet with GVK to acquire majority of rail and port project (port could support Bowen Basin met coal)
  - Queensland Government endorsed two rail corridors, including Aurizon's East-West corridor
- Surat Basin
  - Aurizon is a one-third JV partner in Surat Basin Railway, with ATEC Rail Group & Glencore Coal to support potential thermal coal developments

Iron Ore – Western Australia

- Pilbara - Joint study with potential customers into a multi-user open access iron ore railway and port solution in the East Pilbara is continuing

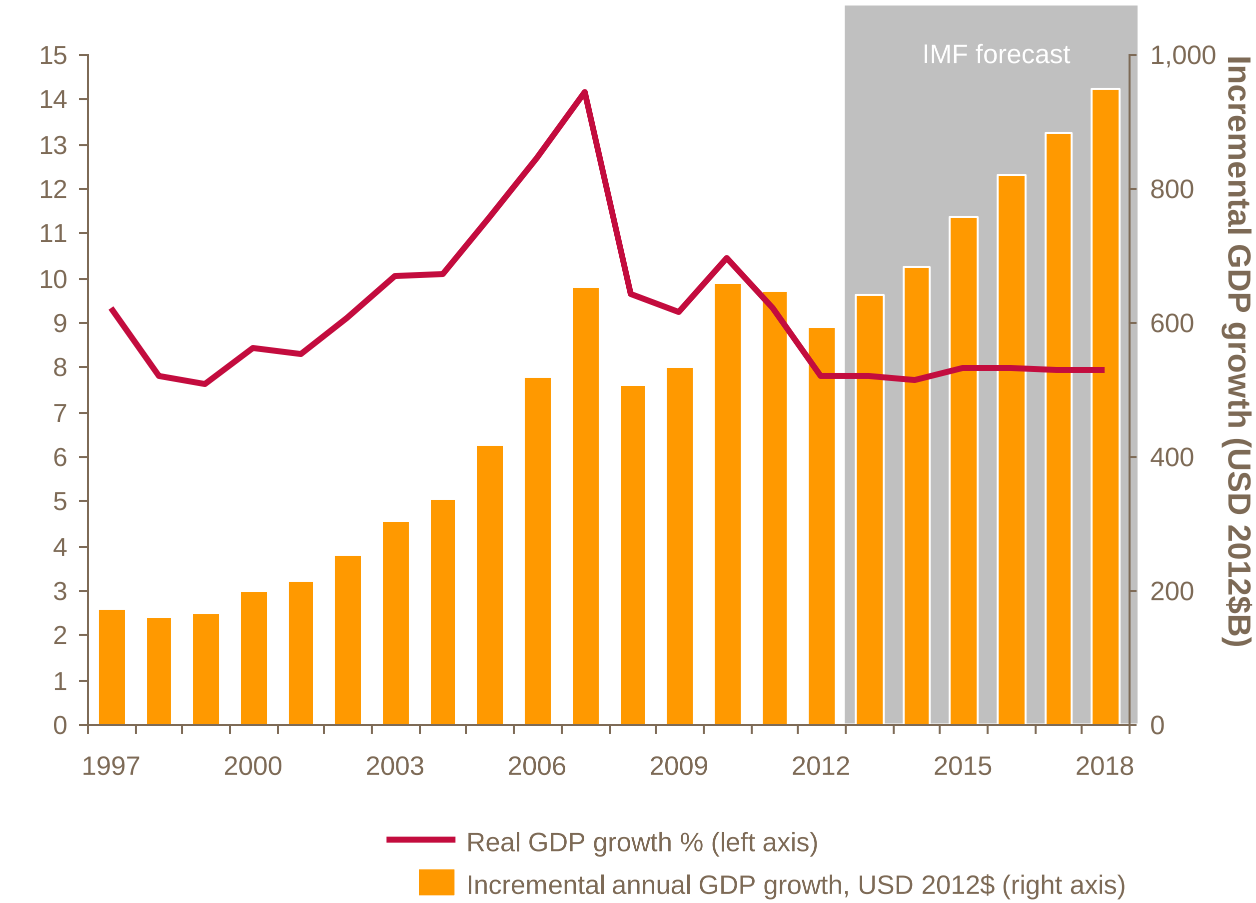
Commercial outcomes will remain under constant review

Outlook & summary

Lance Hockridge - Managing Director& CEO

Long term demand fundamentals remain strong

China – GDP growth rate and incremental GDP growth
Historical and IMF forecasts



- While growth in China's economy has moderated to a more sustainable pace it is now growing from a much larger base
- Given the scale of the Chinese economy now, growth at the current pace of 7-8% will be creating around as much or more activity each year as when the rate of growth was at its double-digit peaks (>10%/yr) a few years ago
- Put another way, if the Chinese economy were to grow at a rate of 7%pa, by 2022 it will have doubled in size compared with 2012

Source: CEIC, IMF, Aurizon analysis

FY2014 outlook

- Our current expectations are for:
  - Coal – approx 5% increase in haulage volumes to a range of 200 - 205mt in FY2014 (193.7mt in FY2013)
  - Iron Ore – increase in volumes towards the contracted level of 30mt in FY2014 (24.7mt in FY2013)
- Commencing from September 2013 quarter, Aurizon will provide quarterly updates of:
  - Coal haulage for Queensland and NSW
  - Iron Ore haulage

Summary

- Continued reform and growth drive strong underlying result
- $230m+ cost-out and new coal contracts – platform for future
- Increased dividend pay-out ratio and improved franking
- Leadership team in place to drive:
  - Further efficiency
  - Growth opportunities
- Improved customer service proposition resulted in contract awards

I would like to thank all our employees for their contributions in FY2013

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Questions & answers

FY2013 Results Presentation

Lance Hockridge – Managing Director & CEO
Keith Neate – EVP & CFO

19 August 2013

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FY2013 Results Support Pack

19 August 2013

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Additional FY2013 information

Definitions

Metric	Description
Access Revenue	Amount received for access to the Network infrastructure under the Access Agreement
GAPE	Goonyella to Abbot Point Expansion
Gearing	Net debt/net debt + equity
MAR	Maximum Allowable Revenue that Aurizon Network Pty Ltd is entitled to earn from the provision of coal carrying train services in the CQCN
Mtpa	Million tonnes per annum
NTK	Net Tonnages x Kilometres
Operating Ratio	Operating ratio defined as (1 - EBIT margin)
Opex	Operating expense including depreciation and amortisation
ROIC	Rolling 12-month underlying EBIT/Net working capital + Net PP&E + AUC + Gross Intangible Assets
TSC	Transport Services Contract entered into between the Queensland State Government and Aurizon for the provision of regional freight and livestock services
VRP	Voluntary redundancy program
WACC	Weighted average cost of capital
WIRP	Wiggins Island Rail Project

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30 June 2012 segment restatement ($m)

Following the move to the functional model, we have restated prior year earnings with the principal changes detailed below:

	30 June 2012					30 June 2012						30 June 2012					
	Original					Restatements						Restated					
Segment Revenue	Network Services	Coal	Freight	Unallocated	Total	Network Services	Coal	Iron ore	Freight	Unallocated	Total	Network	Coal	Iron ore	Freight	Unallocated	Total
Revenue from external customers																	
Services Revenue																	
Track access	107	700	3	0	809		32				32	107	732	0	3	0	841
Freight transport	0	1,058	1,110	0	2,168		(32)	197	(197)		(32)	0	1,026	197	913	0	2,136
Other services	109	0	178	0	287						0	109	0	0	178	0	287
Other revenue	138	11	62	29	240	(85)				85	0	53	11	0	62	114	240
Total revenue from external customers	353	1,769	1,353	29	3,504	(85)	0	197	(197)	85	(0)	268	1,769	197	1,156	114	3,504
Intersegment revenue																	
Services Revenue												0				0	
Track access	638	0	0	0	638						0	638	0	0	0	0	638
Freight transport	0	21	103	0	124		(19)		(94)		(113)	0	2	0	9	0	11
Other services	222	0	0	0	222	(204)					(204)	18	0	0	0	0	18
Other revenue	0	0	0	98	98						0	0	0	0	0	98	98
Total intersegment revenue	860	21	103	98	1,081	(204)	(19)	0	(94)	0	(317)	655	2	0	9	98	764
Total sales revenue	1,213	1,790	1,456	127	4,585	(289)	(19)	197	(291)	85	(317)	924	1,772	197	1,165	212	4,268
Other income	(3)	37	68	27	130	(1)	(37)	0	(60)	0	(98)	(4)	0	0	8	27	32
Total segment revenue and other income	1,210	1,828	1,524	154	4,715	(290)	(56)	197	(351)	85	(415)	920	1,772	197	1,172	239	4,300
Intersegment elimination					(1,081)						317						(764)
Unallocated revenue					0						0						0
Consolidated revenue and other income					3,634						(98)						3,536
Segment result																	
Underlying EBITDA	527	441	173	(93)	1,048	(8)	(8)	54	(54)	16	0	519	433	54	119	(77)	1,048
Depreciation and amortisation expense	(186)	(184)	(73)	(21)	(464)	1	8	(22)	22	(9)	0	(185)	(176)	(22)	(51)	(29)	(464)
Underlying EBIT	341	257	100	(114)	584	(8)	0	32	(32)	8	0	334	257	32	68	(107)	584

The segment information for the prior comparative period has been restated based on the following changes:

1) There have been changes in the way segment information is reported as a result of the group's transition to a functional organisational structure, similar to that of the Class 1 railroads of North America. The new functional structure has resulted in lower intersegment revenue being allocated across the group's reportable segments ($317m in total – eliminated on consolidation)
2) Additionally the provision of overhaul and maintenance services to external customers previously reported in the Network segment is now reported in the Unallocated segment ($85m)
3) The application of diesel fuel rebates against fuel costs rather than recognising as income ($98m)
4) Iron Ore has been reported separately from the Freight business
5) Coal Take or Pay revenue (amounts recovered from customers) has been reclassified as track access revenue (previously freight transport revenue)
6) The above table may not add due to rounding

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Centralised Support Costs

$m	Labour	IT[1]	Real Estate[2]	Dep'n	Other[3]	FY13
Finance	36			1	6	43
Human Resources	36				15	51
Enterprise Services	41	47		8	2	98
Business Sustainability	15		73	19	(5)	102
Strategy	12				13	25
Business development	21				2	23
TOTAL	161	47	73	28	33	342

FY13 Allocation	
Network	
Coal	$232m
Freight	
Iron Ore	
Unallocated(4)	$110m
	$342m

1) IT costs include outsourcing support, data centre, applications licence support & maintenance and Telecoms backbone
2) Real estate costs include all group property leases, land tax and facilities management costs
3) Other cost element includes Profit on Asset Sales (Business Sustainability) and consumables
4) Includes $8m profit from external Rollingstock Services

People[1]

	FY13	FY12	Variance
Network	1,492	1,689	(197)
Operations[2]	5,536	6,158	(622)
Commercial and Marketing	116	118	(2)
Support functions	825	1,004	(179)
Total	**7,969**	**8,969**	**(1,000)**

Note:
1) Headcount includes all employees (permanent full-time, part-time and casual staff) but excludes consultants and contractors
2) Operations includes Intermodal and Iron Ore headcount

Revenue cap adjustments

Year	AT_{2-4} (diesel tariff) $m	AT_5 (electric tariff) $m	Total[1] $m
2012	3.3	13.5	16.8
2011	23.2	36.3	59.5
2010	(6.1)[2]	6.0	(0.1)[2]
2009	4.6	28.3	32.9
2008	27.9	15.7	43.6
2007	15.6	10.0	25.6

- A further revenue protection mechanism is the revenue cap adjustment. Actual Network revenue is compared to the regulatory determination, and under/over recoveries are adjusted in the Reference Tariff in the second financial year subsequent
- The FY2012 revenue cap submission (the 2012 submission) was approved by QCA in January 2013
- The Revenue Adjustment Amounts contained in the 2012 submission have been incorporated into the approved transitional tariffs for FY2014
- In FY2013, throughput on all systems fell short of the relevant System Forecast. Total tonnages for the year were 177.8 million (excluding GAPE) compared with the total of the System Forecasts of 186.0 million (excluding GAPE), a shortfall of around 4%
- The FY2013 revenue cap submission is currently being finalised and will be submitted to the QCA for consideration by September 2013, with an approximate value $21.4m (excluding interest and GAPE)

Note: AT = Access Tariff Revenue Adjustment Amount

1) Revenue cap recovery (including interest) subject to volumes railed
2) Return to access holders

Above rail - haulage coal tonnages by system

mt	2H FY13	1H FY13	FY13	FY12	Annual Variance (%)	
Queensland						
Newlands	8.7	8.3	17.0	14.1	21%	• Increase largely due to GAPE volume ramp up
Goonyella	34.7	33.9	68.6	65.3	5%	
Blackwater	25.1	25.4	50.5	50.3	0%	
Moura	4.6	6.3	10.9	13.1	(17%)	• Decrease largely due to flood impacts in 2H FY13
West Moreton	4.3	4.5	8.8	8.9	(1%)	
Total Qld	77.4	78.4	155.8	151.7	3%	
New South Wales						
Hunter Valley	19.0	18.9	37.9	33.9	12%	• Ramp up of contracts
Total Coal	96.4	97.3	193.7	185.6	4%	

Network coal tonnages by system in Central Queensland Coal Network (CQCN)

mt	2H FY13	1H FY13	FY13	FY12	Variance
Newlands	7.5	7.0	14.5	13.8	5%
Goonyella	49.9	47.7	97.6	84.0	16%
Blackwater	27.5	27.4	54.9	55.1	0%
Moura	4.6	6.2	10.8	13.0	(17%)
GAPE	2.8	1.7	4.5	0.8	463%
Total[1]	92.3	90.0	182.3	166.7	9%

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1) Represents tonnes hauled on the CQCN by all operators including Aurizon and Pacific National

Queensland Coal FY2013 Take-or-Pay(1)

$m	Coal	Network	Consolidated
Income			
Coal Customers	13.9		13.9
Network Customers		55.6	55.6
Prior Year Adjustments	(2.5)		(2.5)
Expense			
Aurizon Network	(15.8)		(15.8)
Queensland Rail	(0.2)		(0.2)
Prior Year Adjustments	0.7	(1.6)	(0.9)
EBIT impact	(3.9)	54.0	50.1

- Revenue Protection mechanisms exists where volumes hauled are less than contracted amounts
- Where actual Network revenues earned are less than the levels used in setting the relevant Reference Tariff, the shortfall is predominantly recovered either through Take-or-Pay charges or the Revenue Cap mechanism
- Take-or-Pay charges are levied on the haulage customers, with charges based on contracted train service entitlements set out in the Access Agreements
- Take-or-Pay charges, where applicable, are levied first in determining the amount calculable under the revenue cap mechanism
- New form contracts enable the above rail operator to pass this charge through to the customer
- The weaker contractual protection under 'old form' contracts exposes Aurizon's above rail business in situations where Take-or-Pay charges levied by Aurizon Network cannot be passed through to the end customer

1) Take-or-pay charge is levied by Aurizon Network to above rail operators (Aurizon and Pacific National) and GAPE users
2) GAPE access entitlements are contracted directly with the GAPE users NOT the above rail operator i.e. Aurizon Network charges the miners directly for GAPE access tariffs – Total GAPE Take-or-Pay charge in FY2013 was $41.3m

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Coal - Below Rail Take-or-Pay

$m	FY13	FY12	FY11
Take-or-pay charge[1]	(16.0)	(62.2)	(68.3)
Take-or Pay passed through to customers (Revenue)	13.9	32.7	37.8
Adjustments relating to earlier years	(1.8)	(8.0)	-
Net EBIT impact	(3.9)	(37.5)	(30.5)

- $34m improvement in non-pass through below rail Take-or-Pay charges
- Driven by stronger railings across Queensland, especially in Q4 FY2013
- Legacy contracts typically do not allow the pass through of below rail Take-or-Pay charges
- Take-or-Pay was only triggered in Moura & Newlands where most contracts are New Form

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1) Principally from Aurizon Network, however some relates to QR for the West-Moreton system and ARTC in the Hunter Valley (prior to FY2012)

Queensland coal - Deficit tonnage charges (DTC)

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$m	2H[(1)]	1H[(1)]	FY[(1)]
2013	4.2	33.2	37.4
2012	7.5	21.1	28.6
2011	9.8	5.1	14.9

- A form of protection for the above rail coal business when actual tonnages are less than contracted
- Usually seen in old form or “legacy” contracts
- Annual charge to the customer after the contract year has finished (i.e. contracts ending 30 June will have DTC levied in the first half of the subsequent financial year)
- Only levied if haulage is below a pre-determined level for at least five of the twelve months for the contract year
- Generally set at a low proportion of the haulage freight rate (i.e. 30-40%)
- 1H FY2014 estimate $6.9m

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Notes:
(1) Refers to the period in which the income was earned, not the period to which it related which is six months prior

Coal Contracts "Old Form" vs. "New Form"

Old form "legacy" haulage coal contracts	Characteristics of new form coal contracts
• Typically reflect a specified volume of product of even railings in each year	• Tailored service offers are provided to allow customers choice to best meet volume fluctuations
• Contracts are typically medium to long term (five to 10 years)	• Performance based contracts with KPIs such as on time delivery, consist configuration and train cancellations.
• The majority of old form contracts included limited ability to pass through Take-or-Pay levied by Aurizon Network, with varying application thresholds and varying rates	• Gain / pain share for Aurizon's performance with penalties for under performance and upside for exceeding performance targets
• Above rail protection through Deficit Tonnage Charges (DTC) paid annually at 30-40% of freight rate if customer order target missed for at least 5 months	• Sharing risks with customers through pricing: – Monthly capacity charge protection at 60-80% – Third party supply chain performance – Volume risk

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Aurizon's secured circa 120mtpa in "New Form" coal contracts in FY2013

Customer	Tonnes (p.a.)	Date Announced	Contract Duration	Description
Ensham	Up to 5.5 mtpa	March 2013	11 years 9 months to 31 December 2024	Renewal of contract for the transport of coal from Ensham mine
Glencore	14.6 mtpa	March 2013	10+ years - Earliest of Dec 2014 or WICET commencement	Renewal and expansion of tonnes from Rolleston mine
BMA/BMC	Up to 65 mtpa	March 2013	Up to 12 years July 2016 (Goonyella) July 2015 (Blackwater)	Renewed 100% of tendered tonnes in Blackwater and Goonyella systems
Whitehaven	Up to 16 mtpa	Dec 2012	12 years from July 2014 (approx)	New contract to expand Aurizon's footprint in NSW and Gunnedah basin
Rio Tinto (QLD Coal)	Up to 12 mtpa	Dec 2012	10 years July 2013 to June 2023	Renewal of Clermont to Dalrymple Bay Coal Terminal contract
Cockatoo Coal	Up to 3.5 mtpa	July 2012	10 years from WICET commencement	New long-term haulage contract for the transport of coal from Baralaba and Wonbindi mines to the Wiggins Island Coal Export Terminal (WICET)
Jellinbah Group	Up to 4 mtpa	July 2012	10 years from July 2012 to June 2022	New long-term haulage contract for the transport of coal from Lake Vermont mine

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Company Overview

Our vision, our mission and our values

Our Vision

- Grow our people
- Grow with our customers
- Grow the nation

Our Values

- Safety
- Integrity
- Leadership, passion and courage
- World-class performance

Our Mission

To be a world leading transport business. To partner with our customers for growth. To double the value of the company every five years. To be the safest transporter in the world

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Who we are

- Aurizon (previously QR National) is a top-50 ASX-listed company offering rail and road-based freight transport and infrastructure solutions across Australia
- The new name Aurizon, is a combination of Australia and Horizon. It conveys the geographical scope of our expanding operations across Australia and our aspirations spanning the Australian horizon
- Aurizon is the largest rail freight haulage operator in Australia by tonnes hauled, focusing primarily on large, heavy haul rail tasks such as the transportation of coal, iron ore, other minerals, agricultural products and general freight as well as containerised freight

Bulk and intermodal operations
- North-south (Cairns to Melbourne)
- East-west (Perth to Melbourne)

- Aurizon comprises two distinct but related operating divisions:
  1. "Haulage": Every day Aurizon moves thousands of tonnes of coal, iron ore and other minerals, agricultural products and general freight around the nation. Aurizon provides bulk freight and logistics solutions for a wide range of customers and commodities
  2. "Track infrastructure": Aurizon Network operates and manages the Central Queensland Coal Network made up of approximately 2,670km of heavy haul rail infrastructure. Aurizon Network also provide a range of specialist services in rail design, engineering, construction, management and maintenance

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Aurizon's key rail network & haulage corridors

There are three major interstate rail segments in Australia:	Network Owners
1. The east-west corridor from Sydney, through Melbourne, across to Adelaide and Perth	Australian Rail Track Corporation (ARTC)
2. The north-south corridor along the east coast from Cairns to Melbourne	Queensland Rail and ARTC
3. The Darwin to Adelaide corridor	Genesee & Wyoming

There are a number of intrastate rail freight networks, the major systems being:	Network Owners
1. Central Queensland Coal Network (Newlands, Goonyella, Blackwater and Moura systems);	Aurizon
2. Hunter Valley Coal Network in New South Wales	ARTC
3. Pilbara network in Western Australia	BHP Billiton, Rio Tinto and Fortescue Metals Group
4. The southern half of Western Australia (Mid-West and Yilgarn regions	Brookfield and ARTC

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Aurizon's key products

Aurizon comprises distinct but related operating divisions: Network, Coal, Iron Ore and Bulk Freight

- Located in Queensland
- We operate and manage the 2,670 kilometre open access Central Queensland Coal Network (CQCN)
- Construction of brownfield and greenfield rail expansion projects
- Additional network services

- Operations in QLD and NSW
- Aurizon is the world's largest rail transporter of export coal from mine to port
- Hauling on average ~530,000 tonnes of coal each day, hauling over 180 mtpa
- Servicing near to 50 mine sites across 6 major coal systems in Queensland and New South Wales

- Western Australian footprint
- First third party haulage provider to the iron ore industry in Western Australia
- Based in Perth with six iron ore depots across Western Australia
- Hauled circa 25mt of iron ore in FY2013 and on track to deliver 30mtpa by FY2014
- Continued study of other growth opportunities

- National footprint
- Includes intermodal containerised freight offering a vertically integrated rail and road solution
- Hauling 60 mtpa of bulk minerals and commodities including Alumina, Bauxite, Nickel, across road and rail
- Capabilities extend to fleet planning and optimisation, supply chain solutions and transportation of dangerous goods

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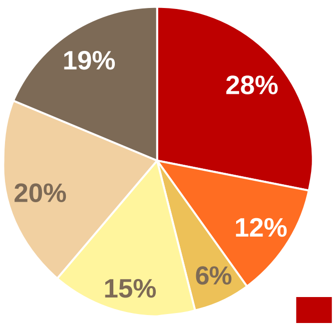
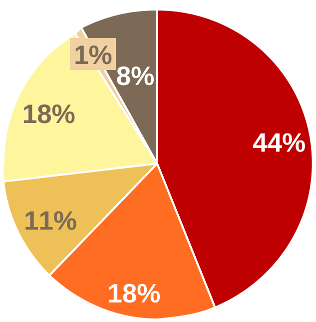
Australian Coal Industry

Australia's coal export destinations FY2012[3]

Metallurgical coal



Thermal coal



Australia is the fourth largest producer of coal in the world, and is the largest seaborne exporter of metallurgical coal. Rail infrastructure is essential to the coal industry as it is the primary mode of transport between coal mines and export ports

Overview

- Australia is the world's fourth largest producer of coal behind China, the United States and India[1]
- Australia is the largest seaborne exporter of metallurgical coal and second largest exporter of thermal coal[1]
  - Australia exported 301mt of coal in FY2012, estimated at 80-85% of marketable production[2]
- In FY2012, 82% of Australia's metallurgical coal and 92% of thermal coal was exported to five countries (Japan, South Korea, Taiwan, China and India)[3]
  - Japan remains Australia's largest export market[3], although the industry landscape is rapidly changing
  - China and India are expected to emerge as major consumers of Australia's coal exports while demand from traditional markets such as Japan, Taiwan and South Korea is expected to remain stable[4]

1. World Coal Association, 2011
2. Australian Bureau of Statistics, FY2012; Wood Mackenzie, November 2011
3. Australian Bureau of Statistics, FY2012
4. Bureau of Resources and Energy Economics, 'Resources and Energy Quarterly', June 2012

AURIZON

Aurizon's Strategy for value creation

PRIMARY ENTERPRISE FOCUS

1

2

3

	1 (Primary enterprise focus)	2	3
Value creation pillars	**Become World Class**	**Operate, develop and integrate bulk supply chains**	**Maximise Value in the freight and logistics space**
Description	Become a lean, World Class operator by building on lessons from Class 1's	Expand our presence and role in new and existing bulk supply chains	Integrate intermodal freight business into corporate portfolio to leverage scale and efficiencies
Growth options	Co-ordinate our connected network Develop a competitive cost base Run disciplined operations Engage deeply with customers • Expert manager of regulators, governments and partners Develop strength in technology Pursue safety and performance-driven culture	Operate: Extend into rail systems currently owned/operated by others • Gain share in single-user systems owned/operated by miners • Pursue privatisation and concession opportunities Develop: Connect new basins with ports or end users by developing greenfield rail systems Integrate: Expand along the value chain, primarily into ports, to optimise supply chain operations	Increase share in rail linehaul Grow rail linehaul market Consider vertically integrating Consider value-creating divestment

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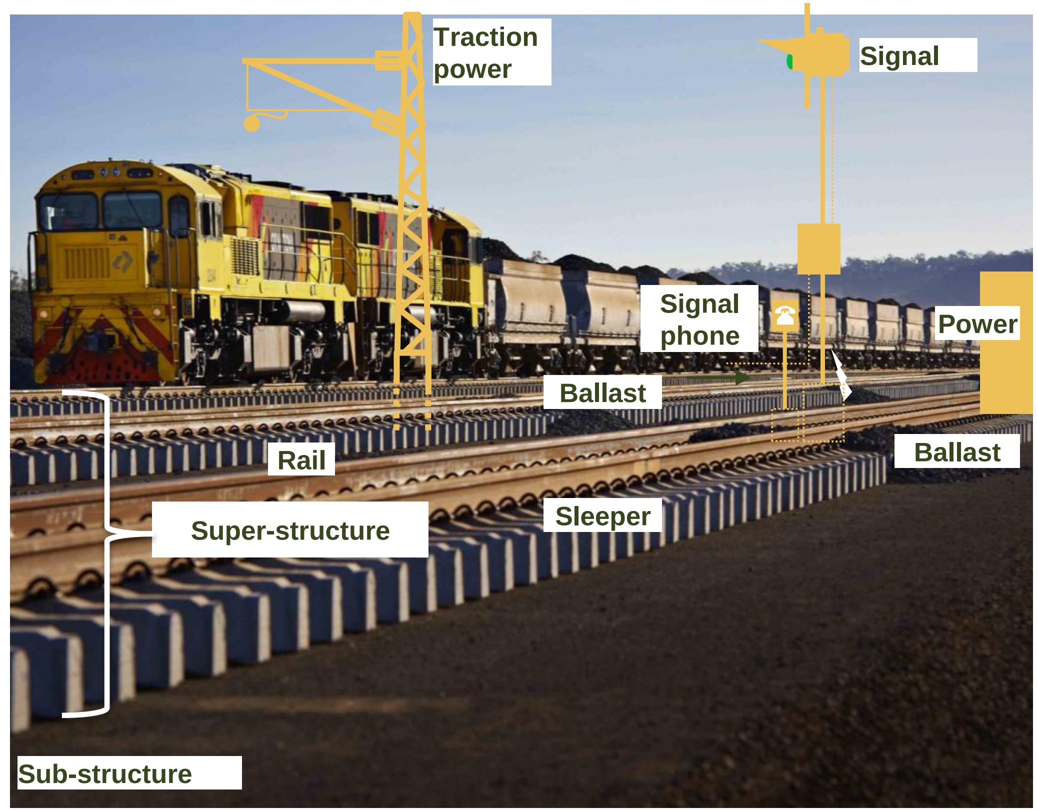
Aurizon’s Network Infrastructure Operations (Queensland)

Aurizon's regulated Network business in Queensland

- The Central Queensland Coal Network (CQCN) is the largest coal export rail network in Australia. Aurizon Network controls, manages, operates and maintains the fixed rail infrastructure assets on the CQCN
- Aurizon Network also delivers rail infrastructure to the major mines in the Central Queensland coal region
- Core CQCN Assets comprise: Traction Power, Embankments, Earthworks, Railway Track, Bridges, Culverts, Roads, Communication & Data assets
- The CQCN comprises four major coal systems within the Bowen Basin coal region:
    1) Newlands
    2) Goonyella
    3) Blackwater
    4) Moura
- Aurizon Network has held 99 year leases of the CQCN assets since July 2010. The term of the leases may be extended for rolling periods of 99 years following 20 years notice



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CQCN Regulation

- Queensland Competition Authority (QCA) is the economic regulator under state access regime and regulates Aurizon Network as the access provider for rail transport infrastructure in the CQCN
- The Queensland Competition Authority (QCA) provides open access to all accredited rail operators (currently only two prime rail operators - Aurizon and Pacific National)
- The Regulated Asset Base (RAB) is defined as the value of the asset base on which access pricing is determined by the regulator.
- The RAB includes the CQCN and expands with future expansion projects
- Current expansion projects include the Goonyella to Abbot Point Expansion (Opened in December 2011) and the Wiggins Island Rail Project (expected final completion in late CY2015)

Regulatory overview - current framework for CQCN

- The CQCN operates under a stable and well established regulatory regime
- The present Network Access Undertaking (AU) expired on 30 June 2013. This is the third approved AU (UT3) covering the Central Queensland Coal Network
- The AU's fundamentals go back to the initial AU from 2001. The AU has evolved since this time as have the coal market and customer priorities and expectations. Some aspects remain unchanged from the original AU and some aspects are quite different
- The form of regulation is a conventional revenue cap - meaning Network can earn a set return on its asset base over the regulatory period i.e. Network's revenue is essentially assured and independent of the tonnes hauled on the network (no volume risk)
- Over recent years, Network has taken a more proactive and innovative approach to regulatory matters that focuses on protecting value, responding to customer value drivers and retaining flexibility for the business, while recognising the legitimate role of the QCA as regulator
- It has been Network management practice to give a voluntary AU to the QCA which specifies the terms and conditions (including the price) for accessing the network
- Tariffs and access contracts are negotiated within the framework provided by the AU
- Transitioning arrangements will take effect from 1 July 2013 (refer slide 27)

For more information on the current UT4 process please refer to the detailed presentation released to the ASX on 29 April 2013 and accessible on the Aurizon investor centre website: http://www.aurizon.com.au/investor/Pages/Presentations.aspx

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Regulatory overview - Price regulation (revenue)

The annual revenue allowance, known as the MAR (Maximum Allowable Revenue), is calculated in accordance with the AU through a building block approach. The MAR is then converted into reference tariffs according to forecast volumes and the nature of the various cost components. Adjustment of revenue for actual volumes occurs after two years

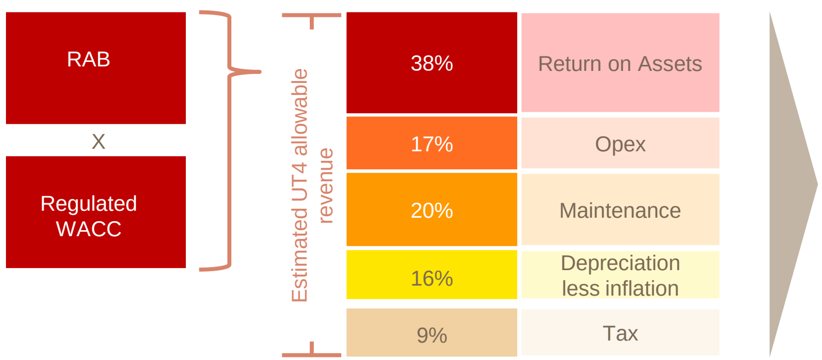
MAR

- The MAR is comprised of the following components
  - Return on Assets = RAB x Regulatory WACC
  - Operating Expenditure Allowance
  - Maintenance Expenditure Allowance
  - Return of Depreciation less inflation
  - Tax benefits

Reference tariffs

- Under UT3, reference tariffs are determined to recover costs on an individual coal system basis
- Reference tariffs are calculated for each system by dividing MAR by system forecast volume
- There are six different reference tariffs which reflect different cost categories
- The units on which reference tariffs are charged is the way that costs are incurred
  - AT1—Gross Tonne Kilometre ($/1000gtk)
  - AT2—Reference Train Paths ($/rtp)
  - AT3—Net Tonnes ($/nt)
  - AT4—Net Tonne Kilometre (ntk)
  - AT5—Electric Gross Tonne Kilometre ($/egtk)
  - EC—Electric Gross Tonne Kilometre ($/egtk)

Revenue building block approach and revenue protection



Revenue cap

Take or pay

AT1	Incremental maintenance charge, volume exposed
AT2	Reflects investment for each additional train path
AT3	Recovers the cost of investment in and operation of the network
AT4	
AT5	Recovers the costs related to electric traction assets
EC	Recovers the cost of electrical energy

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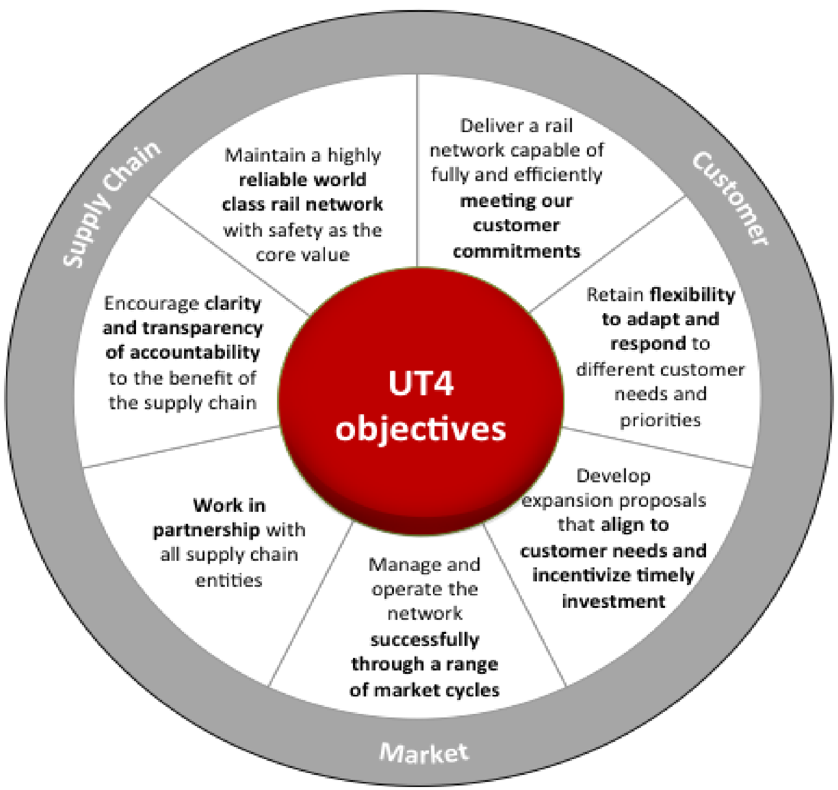
2013 Access Undertaking

Network is committed to working continuously with customers and the regulator through a phased, disciplined approach aiming for approval of the 2013 Access Undertaking by 30 June 2014



Phase 1 – Inform, negotiate and recalibrate

30-Apr-13 – *10-Oct-13*

Refine scope of October submissions to regulator

Objective: Work with customers to identify points of difference and agree substantive matters

Phase 2 – Consult and substantiate

Nov-13 – *Dec-13*

Demonstrate prudency of policy and revenue positions

Objective: Work with the regulator to clarify policy and modelling assumptions

Phase 3 – Refine and execute

Jan-14 – *Jun-14*

Incorporate agreed positions into UT4 drafting

Objective: Refine agreed positions and provide additional evidence to remove uncertainty over ambiguous positions

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Transitional tariffs for FY2014

Transitional Tariffs approved by the QCA 31 May 2013

- Withdrawal and re-submission agreed with the Queensland Resources Council following consultation
- For systems other than GAPE, tariffs are adjusted for the outcome negotiated with industry including forecast tonnage
- Transitional FY2014 revenue approximately $740m including revenue cap but excluding GAPE
- GAPE pricing is per direct GAPE customer agreements
- Transitional tariffs apply from 1 July 2013 to 30 June 2014 or when the QCA approves the UT4 document (if earlier)
- Difference between transitional allowable revenues (by system) and UT4 approved revenues for FY2014 to be recovered/repaid via an Adjustment Charge

Outcomes

- 2010AU extended to 30 June 2014 or earlier if UT4 is approved
- Network revenues fixed at approximately $740m excluding GAPE, Review Events or UT4 outcome
- Aim is to finalise UT4 in FY2014. If so then the difference will be reflected in FY2014 results and recovered/repaid during FY2015
- If UT4 is not approved then transitional FY2014 revenues will be fixed for FY2014. Accrual and recovery/repayment of the FY2014 difference to approved undertaking would occur in FY2015. Transitional tariffs for FY2015 may also be required.
- A further DAAU may need to be approved by the QCA by 30 June 2014

Further consultation with the Queensland Resources Council may be required regarding the finalisation of UT4 and transitional tariffs for FY15

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Aurizon's haulage operations (Australia-wide)

Aurizon's service delivery footprint

Provides
- Greenfield site development
- Management of project and operational interfaces
- Fully integrated solutions
- Railway design and construction
- Heavy haul operation management

Operations Service Delivery

Coal

- QLD North
- QLD South
- NSW Hunter Valley

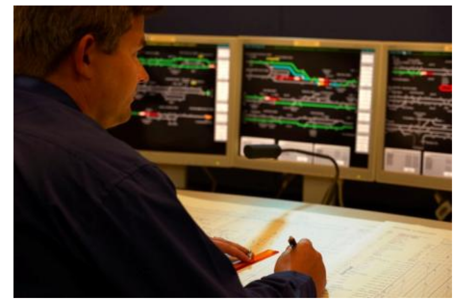
Iron Ore

- WA

Bulk & Intermodal Freight

- North (QLD)
- South (NSW & VIC)
- WA

Other



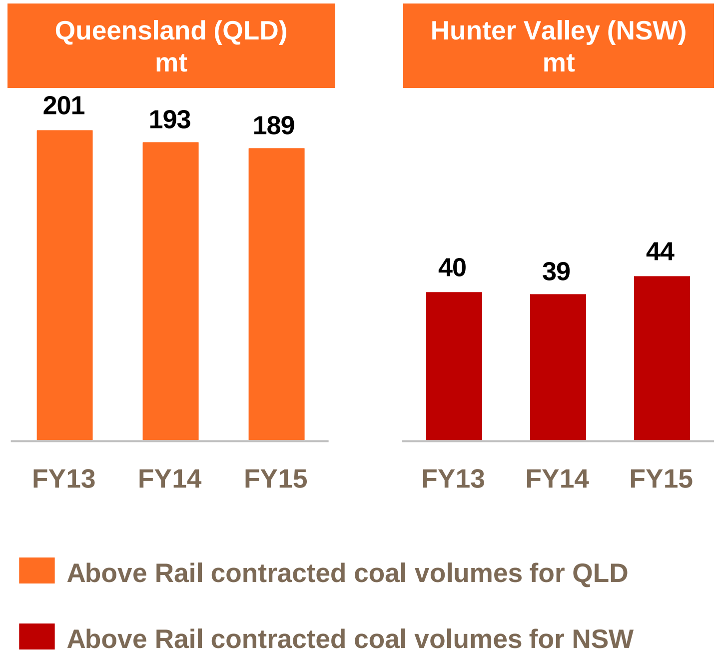
- Engineering Services
- National Operations
- Rollingstock Maintenance
- Safety, Health & Environment

Coal operations

Major above rail operators	State/Region
Aurizon	QLD, NSW
Asciano (Pacific National)	NSW, QLD
X-Rail (Glencore Xstrata/Freightliner)	NSW
Southern Short Haul (SSR)	NSW

Major Aurizon Coal Customers	
Anglo	New Hope
BHP Billiton	Peabody
BHP Billiton Mitsubishi Alliance (BMA)	Rio Tinto
Ensham	Wesfarmers
Glencore Xstrata	Yancoal
Jellinbah	Vale

Above rail contracted coal volume profiles for existing contracts

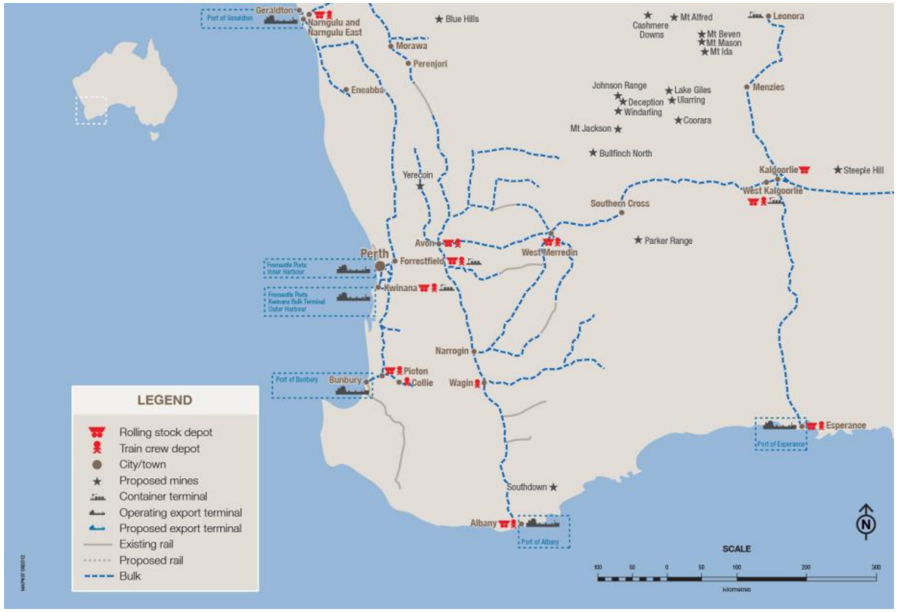


Notes:

- The existing Aurizon contracted tonnes include nominations, options or other uncertainty that have the potential to cause variance in our 'contracted' tonnes
- Transfers are often not 1 for 1 and this will influence Aurizon total contract tonnes
- Contracted tonnages (excludes any potential wins)

Aurizon's Iron Ore operations

WA Operations



Iron Ore Customers	State	Product	Port
Cliffs Asia Pacific Iron Ore	WA	Iron Ore	Esperance
Karara (KML)	WA	Iron Ore	Geraldton
Mount Gibson Iron	WA	Iron Ore	Geraldton
Polaris (Mineral Resources)	WA	Iron Ore	Kwinana

Major Iron Ore operators	State/Region
BHP Billiton	WA – Pilbara[1]
Rio Tinto	WA – Pilbara[1]
Fortescue Metals Group	WA – Pilbara[1]
Aurizon	Yilgarn & Mid-West[2]

1. These haulage operations are non-contestable as third party haulage operators are not utilised by the mine operators i.e. the below rail is not multi-user/open access
2. A contestable market is emerging in the Mid-West and Yilgarn regions of Western where a number of companies are operating and developing iron ore projects and using third party rail freight services e.g. Cliffs

AURIZON

Aurizon’s Freight business

Aurizon's freight business (excluding Iron Ore) transports more than 30 million tonnes per annum of bulk minerals and commodities including agricultural products, mining and industrial inputs and general and containerised freight

Intermodal

- Transports general freight, industrial freight and specialised bulk freight to a diverse customer base across Australia
- Provides containerised linehaul, specialised bulk handling and integrated supply chain solutions
- Rail services are supported by an extensive road fleet
- National network of freight terminals, distribution centres and depots located close to major transport hubs
- Warehouses and storage facilities across five states

Bulk

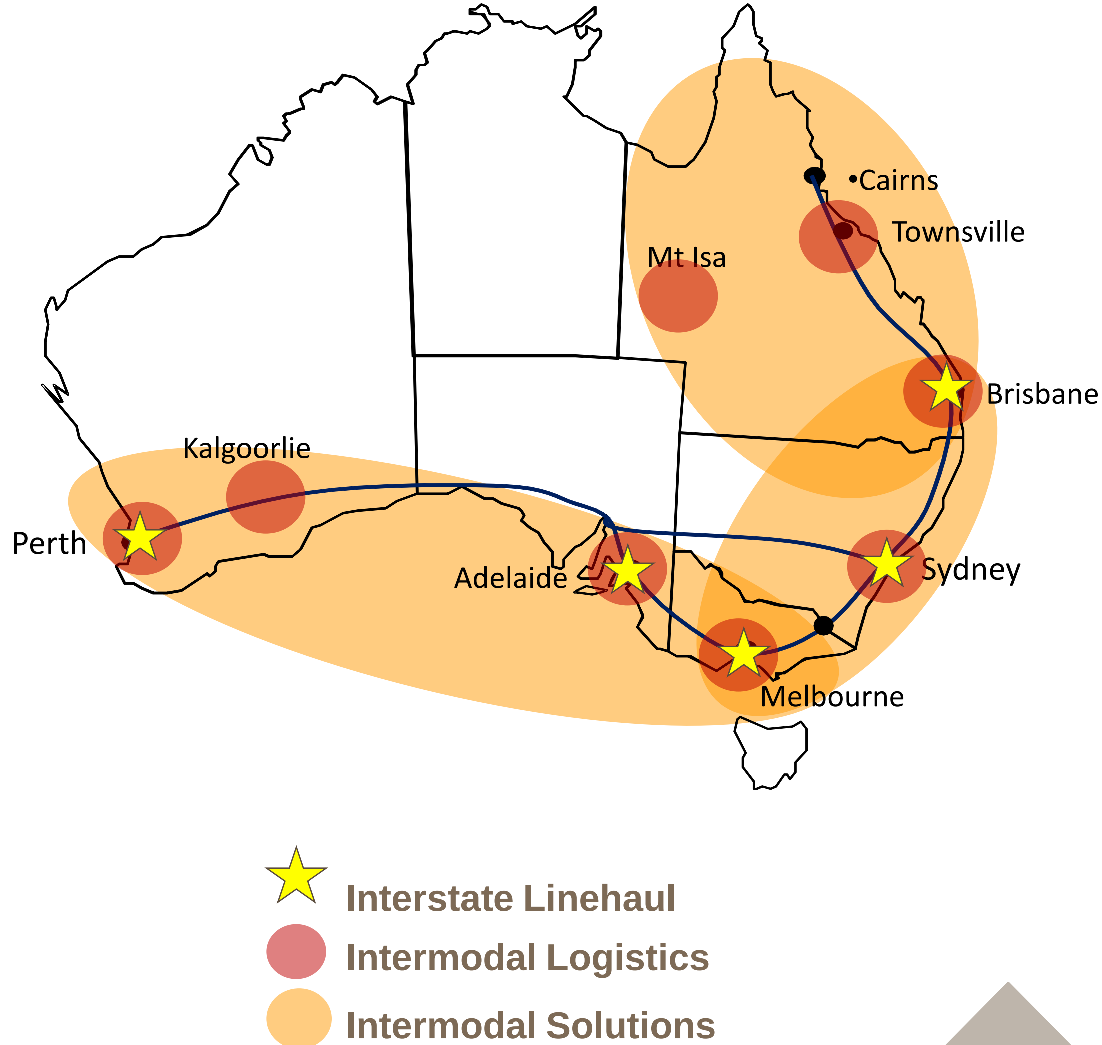
- Australia’s leading bulk freight specialist, servicing customers in the resources, manufacturing and primary industries sectors
- Bulk haulage capabilities include fleet planning and optimisation, supply chain solutions and the transportation of dangerous goods.
- East coast
  - North West Queensland minerals province (Mount Isa to the Port of Townsville)
  - Central and South West regions of Queensland
- WA
  - In Western Australia, Aurizon delivers products to the ports of Geraldton, Fremantle, Kwinana, Bunbury, Albany and Esperance

Aurizon's Intermodal Operations

Intermodal freight refers to freight which is transported in containers and can be transferred between rail, road and sea modes

Intermodal is an integrated logistics provider, consisting of three distinct but interrelated business units:

- **Interstate Linehaul** is one of the three major intermodal rail providers concentrating on long haul corridors
- **Intermodal Logistics** is a market leading provider of integrated road and rail bulk logistics servicing the polymers, food, industrial and resources sectors
- **Intermodal Solutions** is a fully integrated door-to-door logistics provider leveraging Aurizon's national rail infrastructure



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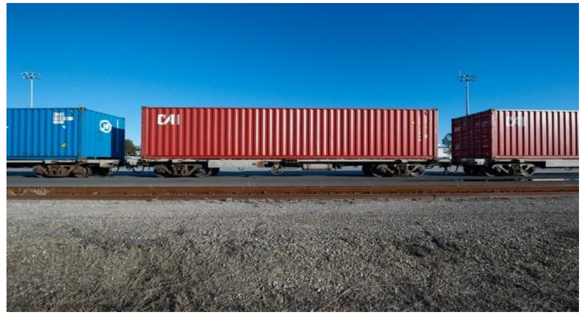
Aurizon’s Intermodal Service Offering

- Intermodal is a niche operator, offering end-to-end supply chain solutions leveraging existing multimodal group infrastructure
- As owner and operator of all supply chain elements, Intermodal is readily able to provide innovative, optimised and customer-focused multimodal logistics solutions
- This flexible service offering allows Intermodal to foster direct relationships with both freight forwarders and freight owners.
- Intermodal’s customer base includes blue chip manufacturers and retailers as well as mid tier freight forwarders
- Aurizon is committed to providing the Intermodal rail market with a viable alternative to Pacific National. There is a strong appetite within the market for a second operator with the scale and organisational credibility to compete on service and price



Aurizon's Bulk Freight Operations

- Bulk freight in Australia consists primarily of bulk mineral commodities that are mainly hauled intrastate from mines to export terminals. Common bulk freight hauled includes coal, copper, bauxite, lead, zinc and nickel, as well as agricultural commodities, such as sugar and grain, and liquid commodities, such as petroleum
- Bulk freight is characterised by large tonnages that require specialised loading, unloading and storage facilities as well as rollingstock which is tailored to each type of freight
- In recent years, rail has benefited more than other modes of transport from the resources-led increase in freight volumes, due to rail's relative cost advantages in transporting large volumes, and the often remote and distant locations of mines from ports
- The largest states of origin for contestable bulk rail freight are Queensland, New South Wales and Western Australia
- Our bulk freight operations service customers along the east coast from the North West Queensland minerals province, along the line from Mount Isa to the Port of Townsville, as well as the booming central and south west regions of Queensland
- In Western Australia, Aurizon delivers products to the ports of Geraldton, Fremantle, Kwinana, Bunbury, Albany and Esperance

AURIZON™

FY2013 Results Support Pack

19 August 2013

AURIZON