




**Qube Holdings Limited  
Investor Presentation, June 2015  
Moorebank Integrated Precinct**

A solid yellow horizontal bar located at the bottom right of the slide.

# Disclaimer – Important Notice

The information contained in this Presentation or subsequently provided to the recipient whether orally or in writing by, or on behalf of Qube Holdings Limited (Qube) or any of its directors, officers, employees, agents, representatives and advisers (the Parties) is provided to the recipient on the terms and conditions set out in this notice.

The information contained in this Presentation has been furnished by the Parties and other sources deemed reliable but no assurance can be given by the Parties as to the accuracy or completeness of this information.

To the full extent permitted by law:

- (a) no representation or warranty (express or implied) is given; and
- (b) no responsibility or liability (including in negligence) is accepted,

by the Parties as to the truth, accuracy or completeness of any statement, opinion, forecast, information or other matter (whether express or implied) contained in this Presentation or as to any other matter concerning them.

To the full extent permitted by law, no responsibility or liability (including in negligence) is accepted by the Parties:

- (a) for or in connection with any act or omission, directly or indirectly in reliance upon; and
- (b) for any cost, expense, loss or other liability, directly or indirectly, arising from, or in connection with, any omission from or defects in, or any failure to correct any information, in this Presentation or any other communication (oral or written) about or concerning them.

The delivery of this Presentation does not under any circumstances imply that the affairs or prospects of Qube or any information have been fully or correctly stated in this Presentation or have not changed since the date at which the information is expressed to be applicable. Except as required by law and the ASX listing rules, no responsibility or liability (including in negligence) is assumed by the Parties for updating any such information or to inform the recipient of any new information of which the Parties may become aware.


Notwithstanding the above, no condition, warranty or right is excluded if its exclusion would contravene the Competition and Consumer Act 2010 or any other applicable law or cause an exclusion to be void.

The provision of this Presentation is not and should not be considered as a recommendation in relation to an investment in Qube or that an investment in Qube is a suitable investment for the recipient.


# The Moorebank Project




Australia's largest intermodal freight precinct




Whole of precinct solution;  
99 year lease over 243 hectares of land in South Western Sydney



Qube will operate IMEX port shuttle and interstate terminals  
handling up to 1.5 million TEU per annum



Up to 850,000 square metres of integrated warehousing  
when fully developed



Qube has development, operating, property and asset  
management rights for term of lease

# Why Moorebank?

- Largest intermodal logistics precinct in Australia
- IMEX and Interstate rail terminals with complementary warehousing and distribution facilities

- Substantial benefits to customers and enhanced logistics outcomes through efficient movement of freight on rail
- Reduced handling / movement of goods lowers logistics costs

- Superior location at the junction of the M5 and M7 motorways and dedicated Southern Sydney Freight Line
- Prime industrial land at the heart of the South Western Sydney growth corridor

- Alleviate Sydney's congestion through reducing freight demand on the existing road network between Port Botany and the airport precincts and Western Sydney

- Open access infrastructure that addresses increasing demand for freight logistics within the Sydney Metropolitan area
- Facilitate increased rail modal share of freight movements

**Creating an enhanced freight industry cluster in Western Sydney**

# Wider Community Benefits

- Reduce road congestion along key Sydney motorways, particularly the M5
- Reduction of approx. 2,700-3,000 container truck movements daily between Port Botany and Moorebank

- Net reduction in greenhouse gas emissions from use of rail rather than trucks of approximately 40,000 tonnes per year
- Equivalent to taking 10,000 cars off Sydney roads

- Direct employment creation of approximately 7,700 jobs in South Western Sydney where they are needed
- South West Growth Centre identified by NSW Government for significant expansion

- Rail activities located maximum distance away from residential areas
- Superior noise attenuation (centralised rail terminals surrounded by warehousing)
- Significant buffer zones surrounding the precinct

- Efficiencies will result in a substantial reduction of costs within the logistics supply chain
- Lower cost base ultimately benefits consumers

**Realising significant local and regional socio-economic benefits**

# Ideally Located



## Key Highlights

- Whole of precinct solution
- Heart of South Western Sydney growth corridor
- Close to entry points for the M5 and M7 motorways
- Adjacent to Southern Sydney Freight Line (“SSFL”)
- Prime industrial development land



# Concept Plan



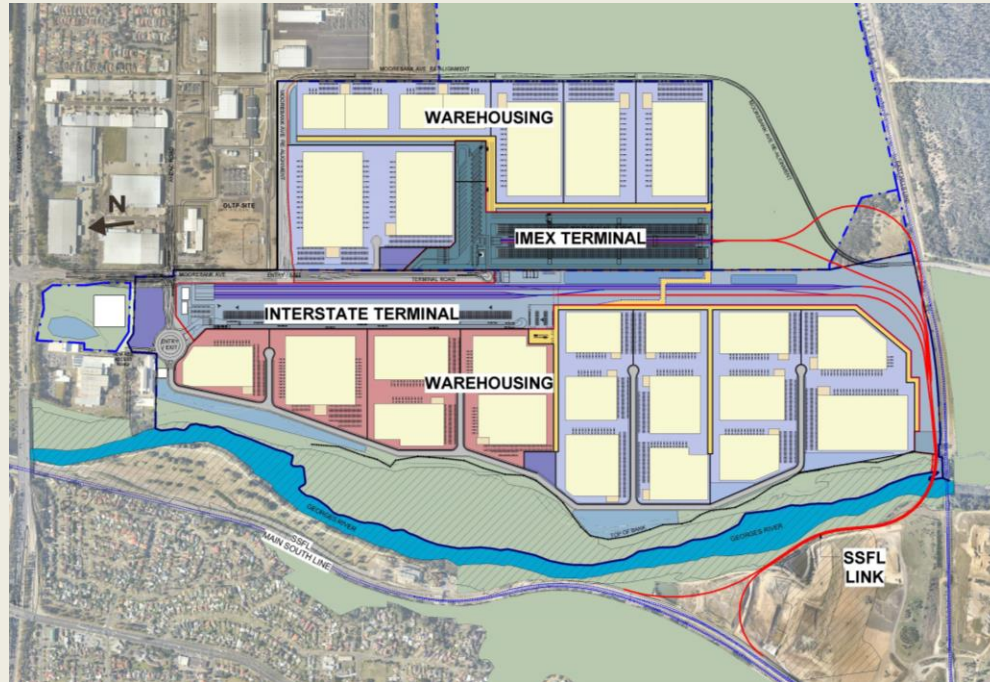
## Key Benefits of an Integrated Precinct Design

- Co-ordinated planning across the whole site
- 100% increase in warehousing capacity compared to standalone SIMTA and MIC sites
- Superior and more efficient rail connection from the south and less invasive (compared to northern option)
- Centralised location of both rail terminals and internal transfer roads to warehousing
- Avoids unnecessary duplication of infrastructure

## Other Design Benefits

- Extensive buffer zones
- Superior efficiencies through co-location of complementary activities and tenants
- Modal shift from road due to rail focussed business model
- Relocation of Moorebank Avenue, separating through traffic from precinct

# Operational Design Features



## SSFL Link

- Exit speed of trains from SSFL at maximum speed

## IMEX Terminal

- 4 x 650m rail sidings
- Locomotive side shifter
- Automated Rail Mounted Gantries
- Auto-Horizontal Transport servicing on-site warehousing and truck interchange areas
- Resulting in high productivity, maximised throughput, energy efficiency, noise mitigation and safety in operations

## Interstate Terminal

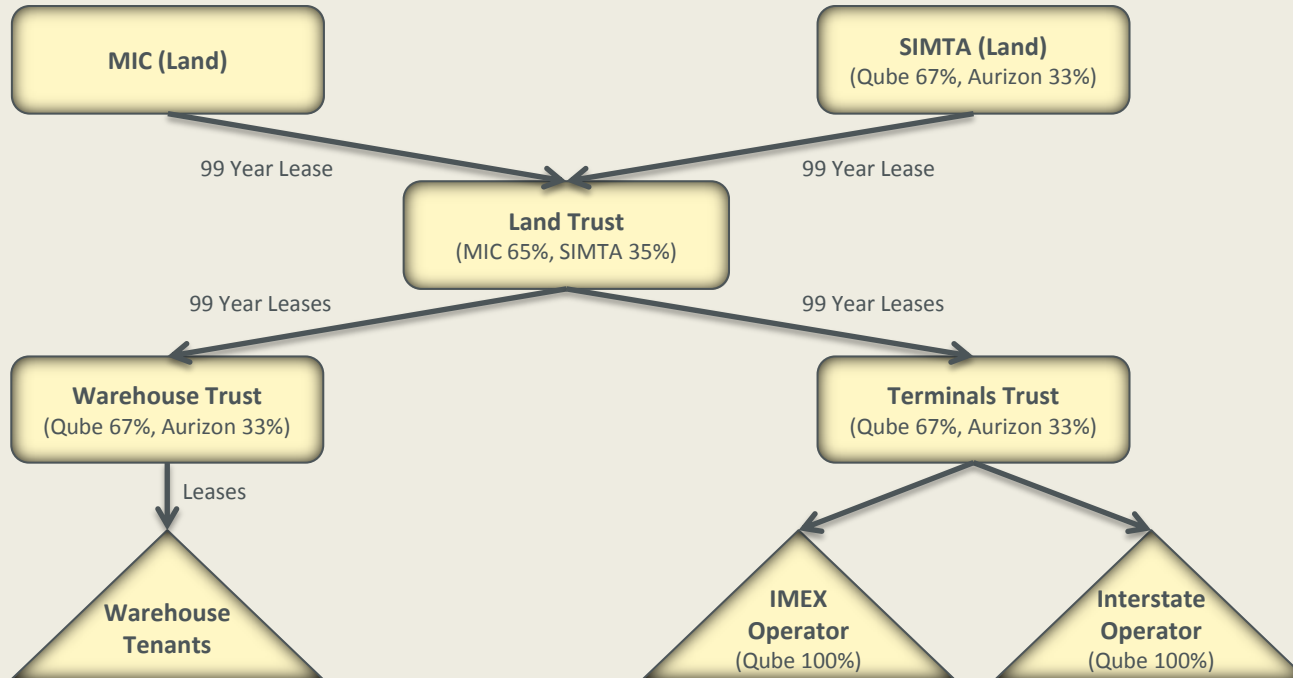
- 5 x 900m rail sidings
- 4 x 1,800m marshalling yards
- Manual operation

## On-Site Transfer Roads (highlighted in bright yellow)

- Dedicated internal transfer roads to / from Rail Terminals
- Enhanced safety through separation of warehouse container transfers and external traffic



# Transaction Structure

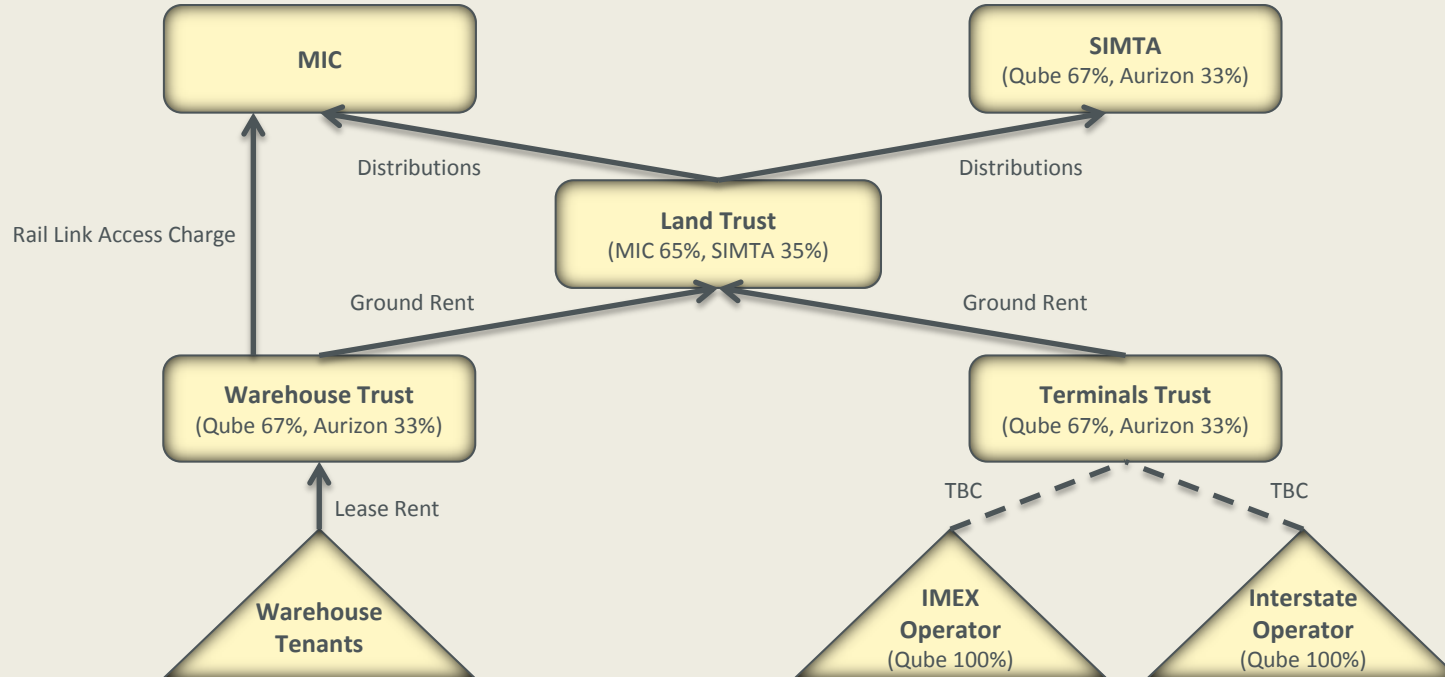


# Key Commercial Terms

Area	Key Commercial Terms
Facility Development	<ul style="list-style-type: none"> <li>• Stage 1 – Terminals Trust to deliver IMEX Terminal with 250,000 TEU capacity (2 years after financial close)</li> <li>• Stage 2 – Terminals Trust to deliver Interstate Terminal with 250,000 TEU capacity (4 years after financial close)</li> <li>• Warehouse Trust to deliver precinct enabling infrastructure across the whole site</li> </ul>
Ground Rent	<ul style="list-style-type: none"> <li>• Warehouse Trust to pay ground rent to Land Trust from each individual warehouse lease commencement</li> <li>• Terminals Trust to pay ground rent to Land Trust from Year 6 on IMEX Terminal land and Year 8 on Interstate Terminal land</li> <li>• Ground rent to grow at rolling CPI with periodic fixed increases (no market reviews)</li> <li>• Ground rent for rail terminals land includes volume-based variable component above minimum thresholds</li> </ul>
Dates on which Minimum Ground Rents are Payable	<ul style="list-style-type: none"> <li>• Ground rent for at least 50% of warehousing land payable by 10 years after financial close</li> <li>• Ground rent for 100% of warehousing land payable by 15 years after financial close</li> </ul>
SSFL Link	<ul style="list-style-type: none"> <li>• MIC to fund construction of SSFL Link</li> <li>• Qube appointed by Warehouse Trust to manage construction</li> <li>• Warehouse Trust to pay MIC a quarterly Rail Link Access Charge (not linked to volume) for use of SSFL Link from Year 6</li> </ul>
MIC's Site	<ul style="list-style-type: none"> <li>• MIC to fund remediation of their site and contribute it with planning approval and rezoned for industrial use</li> <li>• Qube appointed by Warehouse Trust to manage remediation</li> <li>• MIC to fund Moorebank Avenue works except for first \$20 million which is funded by SIMTA. Qube to manage these works</li> </ul>

# Financial Flows

- All parties have flexibility to sell their equity at various levels or to introduce additional partners, investors or lenders

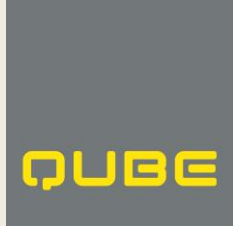


# Qube Revenue Streams

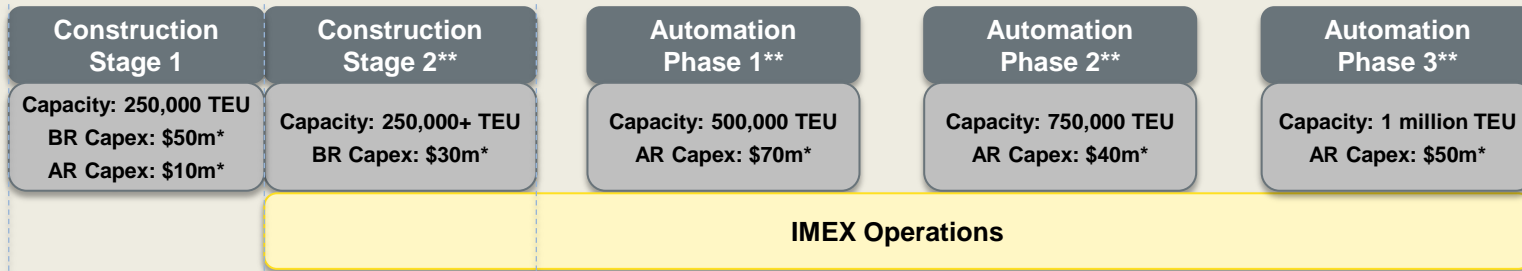
Area	Revenue 100% Qube unless shown
Terminal	<ul style="list-style-type: none"><li>• IMEX and Interstate Terminal Operations</li><li>• IMEX and Interstate Terminal Ownership (67%)</li></ul>
Property Management	<ul style="list-style-type: none"><li>• Development manager</li><li>• Property manager</li><li>• Asset manager</li></ul>
MIC Funded Works	<ul style="list-style-type: none"><li>• Construction manager</li></ul>
Property	<ul style="list-style-type: none"><li>• Ground rent (23%)</li><li>• New warehousing* – options include:<ul style="list-style-type: none"><li>– Develop and lease</li><li>– Develop and sell (development profit)</li><li>– Partner / JV with third parties to develop and lease / sell</li><li>– Sell development rights (development profit)</li></ul></li></ul>
Logistics	<ul style="list-style-type: none"><li>• Port shuttle rail services</li><li>• Regional rail services</li><li>• 3PL warehousing</li><li>• Other container services</li></ul>

\* Note: Qube has rights and obligations to acquire Aurizon's property development rights for each individual warehouse lot for the balance of the 99 years (upon signing an agreement for lease with a tenant)

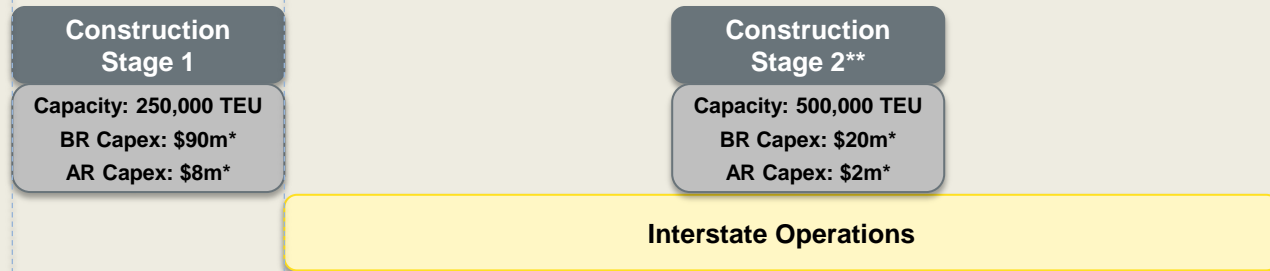
# Development Timeline



## IMEX Rail Terminal Development



## Interstate Rail Terminal Development



Financial Close

Sep 2015

Sep 2017

Sep 2019 →

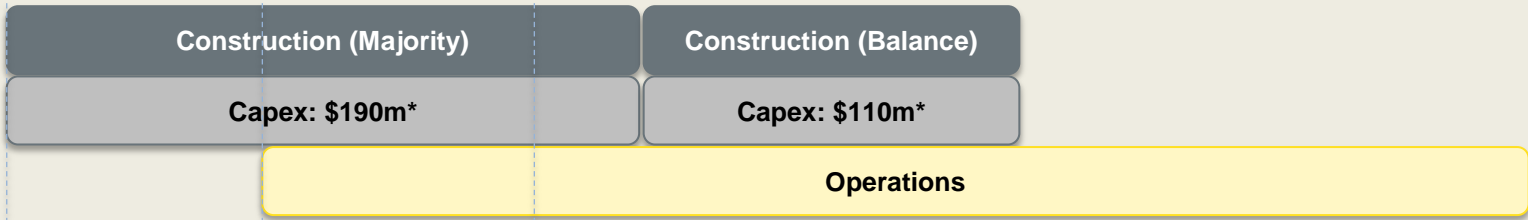
Notes:

\* Growth capex amounts are indicative and based on 100% of project; BR = Below Rail; AR = Above Rail (operating equipment)

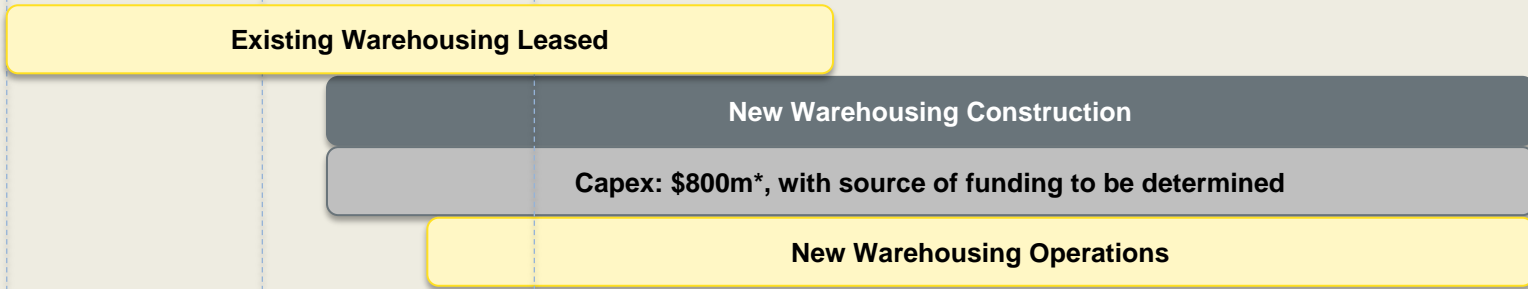
\*\* Further terminal construction and equipment automation subject to demand

# Development Timeline (continued)

## Precinct Enabling Infrastructure Development



## Warehousing Development



*Financial Close*

Sep 2015

Sep 2017

Sep 2019



\* Note: Growth capex amounts are indicative and based on 100% of project

# Total Funding Overview



Item	Indicative Total Capex*	Indicative Timing (CY) (For Majority of Capex)	Funded By
Precinct Enabling Infrastructure	\$300 million	2015 – 2020	Warehouse Trust (Qube 67%)
IMEX Terminal Below Rail Infrastructure	\$80 million	2016 – 2017	Terminals Trust (Qube 67%)
Interstate Terminal Below Rail Infrastructure	\$110 million	2018 – 2019	Terminals Trust (Qube 67%)
IMEX Terminal Operating Equipment	\$170 million	2016 – 2022	Terminals Trust (Qube 67%)
Interstate Terminal Operating Equipment	\$10 million	2018 – 2019	Terminals Trust (Qube 67%)
Warehousing	\$800 million	2017 – 2027 (dependent on demand)	Qube / Others

- Up to 240,000 sqm (GLA) of existing warehousing on SIMTA's site currently leased to Department of Defence and have potential to be re-leased after financial close
- Warehousing will be built on demand and with pre-commitments from tenants
- Strong demand already received from third parties for development and funding of warehousing

\* Note: Figures represent nominal values

# Qube Funding Overview



Item	Indicative Qube Capex* First 5 Years	Indicative Qube Capex* Balance**	Indicative Qube Capex* Total
Precinct Enabling Infrastructure	\$125 million	\$75 million	\$200 million
IMEX Terminal Below Rail Infrastructure	\$55 million	-	\$55 million
Interstate Terminal Below Rail Infrastructure	\$60 million	\$15 million	\$75 million
IMEX Terminal Operating Equipment	\$7 million	\$106 million	\$113 million
Interstate Terminal Operating Equipment	\$5 million	\$2 million	\$7 million
<b>TOTAL</b>	<b>\$252 million</b>	<b>\$198 million</b>	<b>\$450 million</b>

- Does not include Qube capital for rail shuttle operations and its own warehousing requirements

Notes:

\* Figures represent nominal values

\*\* Subject to demand



# Other Key Parties

Party	Key Roles
ARTC	<ul style="list-style-type: none"><li>• SIMTA will enter into a rail access agreement with ARTC</li><li>• ARTC to manage access for SSFL Link</li><li>• Repairs and maintenance for SSFL Link to be co-ordinated with ARTC</li><li>• Qube / SIMTA to work together with ARTC on areas including capacity and future investment</li></ul>
NSW Ports	<ul style="list-style-type: none"><li>• Work with container terminal operators at Port Botany to promote the efficient use of rail through ensuring that they:<ul style="list-style-type: none"><li>– Have the capacity to handle required volumes on rail</li><li>– Meet minimum service levels</li></ul></li></ul>
Transport for NSW	<ul style="list-style-type: none"><li>• Jointly working with Transport for NSW for road network upgrades around Moorebank</li><li>• Policy directive to promote modal shift from road to rail</li><li>• In process of developing mandatory standards for rail performance at container terminal operations in Port Botany</li></ul>

# Planning and Approvals

Approval	Status	Scope	Cumulative Scope
<b>Phase 1 – SIMTA Site</b> <ul style="list-style-type: none"> <li>NSW State – Concept Plan</li> <li>Commonwealth</li> </ul>	Approved	Concept Plan 300,000 sqm warehousing: <ul style="list-style-type: none"> <li>IMEX</li> </ul>	300,000 sqm warehousing: <ul style="list-style-type: none"> <li>IMEX</li> </ul>
<b>Phase 2 – SIMTA Site</b> <ul style="list-style-type: none"> <li>NSW State Significant Development (“SSD”)</li> </ul>	Under Assessment	Construction and operation: <ul style="list-style-type: none"> <li>IMEX</li> </ul>	300,000 sqm warehousing: <ul style="list-style-type: none"> <li>IMEX</li> </ul>
<b>Phase 2 – MIC Site</b> <ul style="list-style-type: none"> <li>NSW State – Concept Plan</li> <li>Commonwealth</li> </ul>	Under Assessment	Concept Plan 300,000 sqm warehousing: <ul style="list-style-type: none"> <li>IMEX</li> <li>Interstate</li> </ul>	600,000 sqm warehousing: <ul style="list-style-type: none"> <li>IMEX</li> <li>Interstate</li> </ul>
<b>Phase 3 – Whole of Precinct</b> <ul style="list-style-type: none"> <li>NSW State – SSD Interstate Terminal</li> </ul>		Construction and operation: <ul style="list-style-type: none"> <li>Interstate</li> </ul>	600,000 sqm warehousing: <ul style="list-style-type: none"> <li>IMEX</li> <li>Interstate</li> </ul>
<b>Phase 3 – Whole of Precinct</b> <ul style="list-style-type: none"> <li>NSW State – SSD Warehouse Stages</li> </ul>		250,000 sqm warehousing	850,000 sqm warehousing: <ul style="list-style-type: none"> <li>IMEX</li> <li>Interstate</li> </ul>

## Key Highlights

- SIMTA has secured Phase 1 approval for the IMEX rail terminal
- SIMTA has secured Phase 1 approval for 300,000 sqm of warehousing on its site
- MIC to secure Phase 2 approval for the Interstate rail terminal
- MIC to secure Phase 2 approval for a further 300,000 sqm of warehousing on MIC’s site
- Qube to manage process for Phase 3 approvals

# Target Tenants

Importers with national and / or regional distribution centre operations

Freight forwarders / 3PL's

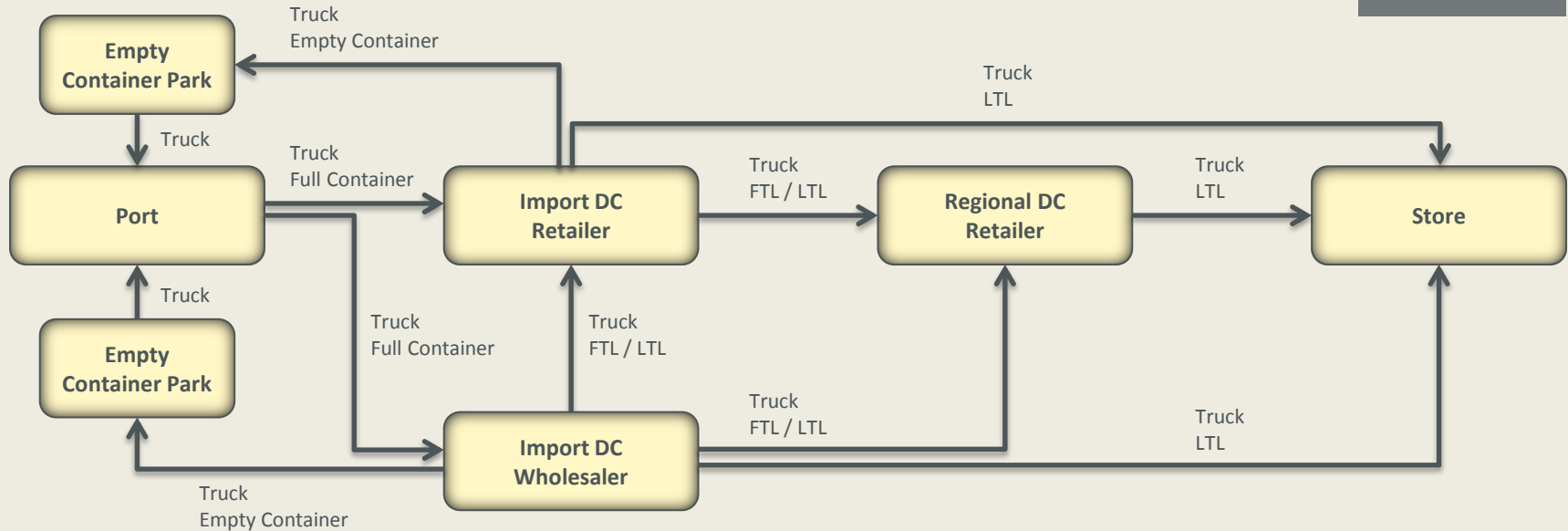
Express freight

High value exporters

Up to 240,000 sqm (GLA) of existing warehousing available for lease

**Importers and national distributors will be drawn to Moorebank due to logistics efficiencies**

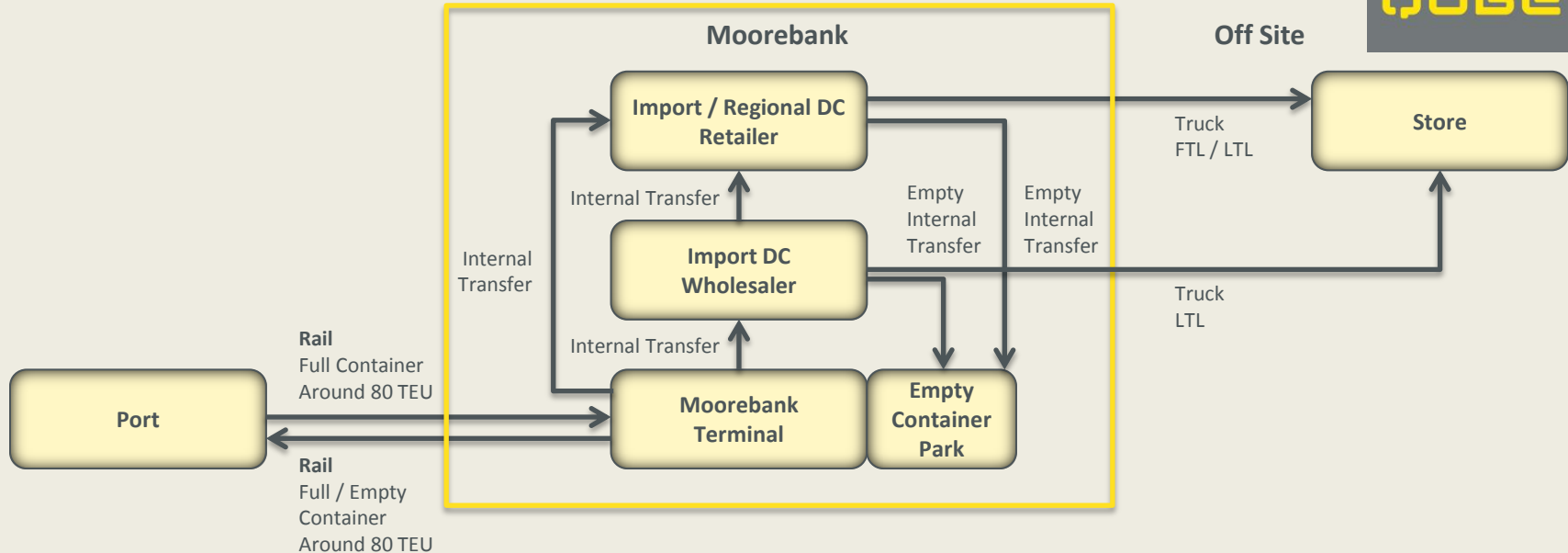
# Current – Import Distribution Supply Chain



## Key Issues

- Multiple handling
- Lack economies of scale
- Costly

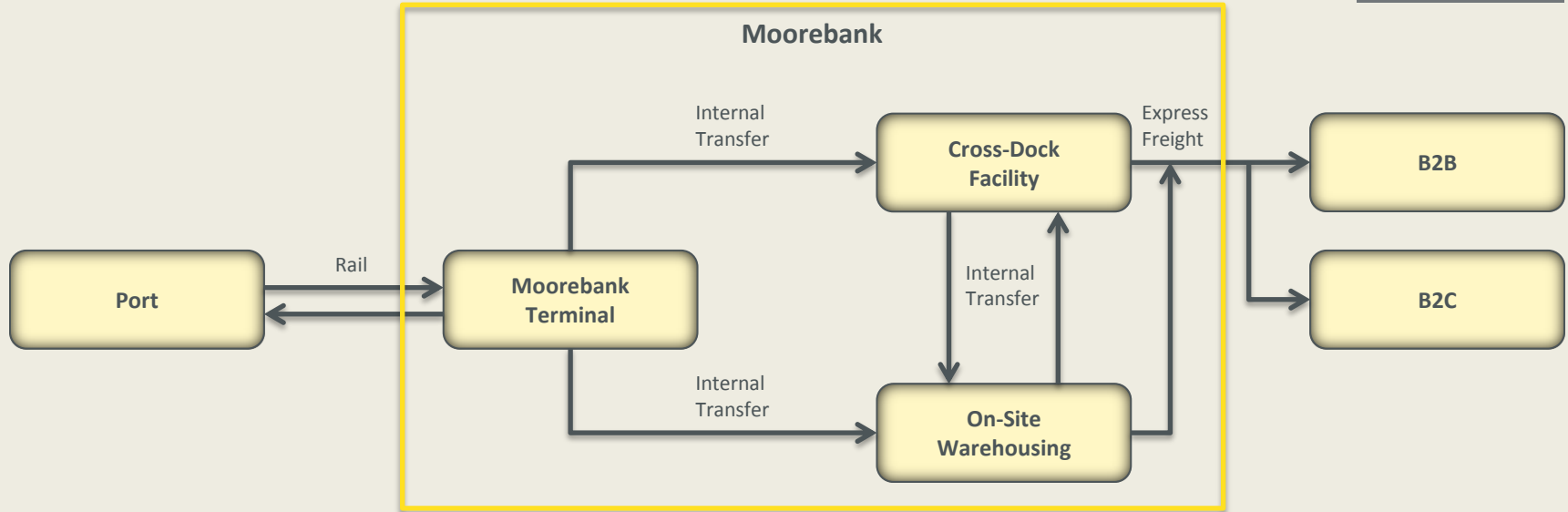
# Future – Import Distribution Supply Chain



## Key Benefits

- Highly efficient Port Botany to Moorebank rail operations will reduce logistics costs by replacing primary trucking
- On-site warehousing will benefit from being co-located with IMEX and Interstate Terminals, resulting in lower primary transport costs
- Empty de-hire at Moorebank (and rail back to port) drives further efficiencies
- Co-location with Interstate Terminal will drive further opportunities for operational synergies
- Co-location with complementary businesses will drive further (secondary transportation) savings

# Future – Sample Supply Chain



## Example

- Standard 20 foot container = around 22 pallets / 350 cartons
- Cross-Docking of product reduces current multiple handling
- Savings include lower transportation / handling, lower warehousing requirements and lower working capital / inventory costs

# Moorebank Highlights for Qube

Strategic piece of critical infrastructure that addresses Sydney's critical future logistics needs

Transformational project with material positive impact for Qube over the medium to long term

Whole of precinct outcome significantly better than original vision for SIMTA site only

Consistent with Qube's strategy of investment in growth and diversification

Attractive financial returns as project exceeds Qube's target IRR of > 12%

**Moorebank represents a transformational project for Qube**

# Next Steps

**Achieve planning approvals**

**Complete design and appoint contractors for initial project capex**

**Marketing to potential tenants and customers**

**Develop implementation and transition strategy for Qube Logistics Division**

**Discussions with external parties to finalise warehousing funding structure**



# Animation – The Ultimate Vision

The logo for QUBE, featuring the word "QUBE" in a bold, yellow, sans-serif font. The letter "Q" is stylized with a small square cutout at its top-left corner. The logo is positioned on a dark grey rectangular background in the top right corner of the slide.

# Questions



# Appendix 1

## Other Intermodal Terminals in Sydney

Terminal	Status	Owner / Operator	Capacity (p.a.)	Moorebank Advantages
Chullora	Existing (Interstate and Regional)	Asciano / Pacific National	600,000 TEU	<ul style="list-style-type: none"> <li>Moorebank site has less constraints as it is a larger site with purpose-built intermodal terminals</li> <li>Moorebank is better positioned to service South Western Sydney growth corridor</li> <li>Chullora has no on-site warehousing</li> </ul>
Enfield	Existing (IMEX)	Hutchison Port Holdings	300,000 TEU	<ul style="list-style-type: none"> <li>Moorebank is located in South Western Sydney growth corridor and closer to industry and customer base</li> <li>Minimal on-site warehousing</li> </ul>
Yennora	Existing (IMEX and Interstate)	Stockland (Owner) Qube / Aurizon (Operator)	150,000 TEU	<ul style="list-style-type: none"> <li>Yennora has some potential for capacity expansion but connectivity to Port Botany is less favourable than Moorebank</li> </ul>
Minto	Existing (IMEX and Regional)	Qube	150,000 TEU	<ul style="list-style-type: none"> <li>Minto has some potential for capacity expansion</li> </ul>
Cooks River	Empty container storage (Regional)	MCS Transport	150,000 TEU	<ul style="list-style-type: none"> <li>Cooks River has limited capacity</li> <li>Moorebank is better positioned to service South Western Sydney growth corridor</li> <li>Minimal on-site warehousing</li> </ul>
Eastern Creek	Possible project / future potential location	Identified by NSW Freight Infrastructure Advisory Board as a potential site	TBC	<ul style="list-style-type: none"> <li>Moorebank has dedicated freight rail infrastructure in place and well positioned to service Eastern Creek catchment area</li> </ul>

# Appendix 2

## Existing Moorebank Site



# Appendix 3

## Moorebank Integrated Precinct

