



ASX ANNOUNCEMENT

Wednesday 3 March 2010

The Manager
Company Announcements Office
Australian Securities Exchange
Level 45, South Tower Rialto
525 Collins Street
MELBOURNE VIC 3000

ELECTRONIC LODGEMENT

Dear Sir or Madam

International Investor Roadshow

I attach for release to the market a copy of Asciano's presentation to be used in an international investor roadshow commencing today.

Yours faithfully

A handwritten signature in black ink that reads "F. Mead". The signature is written in a cursive, flowing style.

Fiona Mead
Company Secretary

MELBOURNE

Level 6/380 St Kilda Road,
Melbourne VIC 3004 Australia
Telephone: +61 3 9284 4000
Facsimile: +61 3 9699 2869

SYDNEY

Level 6/15 Blue Street,
North Sydney NSW 2060 Australia
Telephone: +61 2 8484 8000
Facsimile: +61 2 8484 8154

Email: info@asciano.com.au
www.asciano.com

ABN: 26 123 652 862



International Roadshow

March 2010



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1. 2009/10 Interim Results



ROBUST EARNINGS GROWTH

- EBITDA increased by 7.9%
 - EBITDA Margin improved strongly to 25.7% (HY09: 22.8%)
 - EBIT increased by 5.8%
 - NPAT of \$79.1m compared to HY09 \$93.4m loss
 - Strong contribution from bulk operations with improving environment for non-bulk operations
 - Ongoing commitment to cost management and tracking of Efficiency Review
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	6 months to Dec. 09	6 months to Dec. 08	Change
Coal NTKs (m)	8,434	6,885	+22.5%

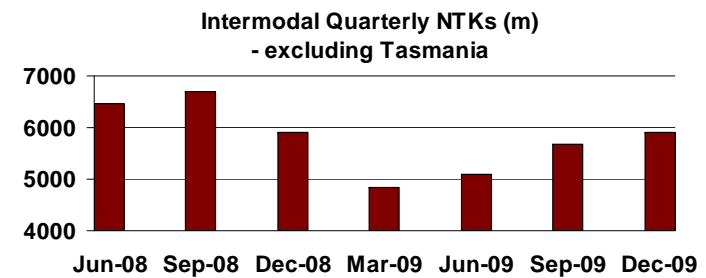


- Three key components to volume growth:
 - 6% increase in Hunter Valley NTKs
 - 6% increase in Port Kembla export NTKs and substantial increase in southern NSW domestic coking coal tonnages
 - New operations in Queensland - 4.8m tonnes hauled during operational ramp up
- New contractual arrangements with Xstrata Coal, Whitehaven Coal and Idemitsu in Hunter Valley executed
- New Queensland contracts with Macarthur Coal and Isaac plains (Aquila/Vale) signed
- Initial 10 train sets in Queensland fully contracted
- Roll-out of Queensland operations continues successfully
- Substantial interest, and multiple ongoing discussions with new and existing customers in NSW and QLD

	6 months to Dec. 09	6 months to Dec. 08	Change
Intermodal NTKs (m) (excl. Tasmania)	11,571	12,620	-8.3%



- September quarter volumes remained soft (total NTKs down 15.6% over pcq), but stabilised during December quarter (flat compared to pcq)



- Steel tonnes declined 8% for the half-year, but showed signs of recovery when compared to the 6 months ended June 2009 (up 41.5%)
- Revised long term contractual arrangements with Linfox and Sadleirs finalised
- PN Tasmania business divested to Tasmanian Government on 30 November 2009

Container Ports

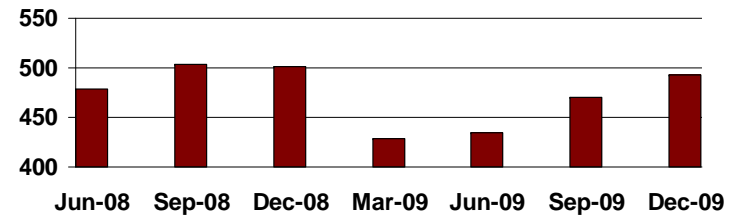


	6 months to Dec. 09	6 months to Dec. 08	Change
Container Lifts ('000)	963	1,005	-4.2%



- Volumes stabilised during December quarter, encouraging signs emerging

Patrick Quarterly Container Lifts ('000)



- Sydney remained strongest market (lifts up 5% for the half), Brisbane (up 1%), Melbourne (down 13%) and Fremantle (down 14%)
- Patrick volume growth impacted by loss of OVSA consortium volumes from November
- Current Asciano market share across 4 ports is approximately 51%
- Market share volatility to continue due to increased realignment of shipping consortia

Auto, Bulk and General



	6 months to Dec. 09	6 months to Dec. 08	Change
Autocare:			
Vehicle Movements ('000)	498	549	-9.3%
Vehicle Storage Days ('000)	3,758	8,910	-57.8%
Bulk/General Tonnes ('000)	9,345	11,992	-22.1%
Bulk Rail NTKs (m)	1,696	1,560	+8.7%



- Improved motor vehicle transport and processing volumes experienced during the December quarter (up 4%, following 20% decline in September quarter) - reflecting improvement in new car sales
- Storage volumes improving since October as inventories rebuild
- Bulk and General tonnes impacted by external factors (i.e steel blast furnace shutdown in Q1)
- Bulk rail volumes (NTKs) were up 8.7%, stronger grain volumes offset slight decline in other bulk rail freight volumes

Summary Profit and Loss



	6 Months to Dec. 2009	6 Months to Dec. 2008	Change
Divisional EBITDA*	\$381.4m	\$359.0m	+6.2%
Corporate/Other Costs	(\$13.2m)	(\$17.9m)	-26.3%
EBITDA before Significant Items	\$368.2m	\$341.1m	+7.9%
Depreciation	(\$105.5m)	(\$90.0m)	+17.2%
Amortisation	(\$35.2m)	(\$36.0m)	-2.2%
EBIT before Significant Items	\$227.5m	\$215.1m	+5.8%
Net Interest & Associated Costs	(\$132.2m)	(\$201.0m)	-34.2%
Profit before Significant Items and Tax	\$95.3m	\$14.1m	
Significant Items before Tax	(\$1.4m)	(\$97.5m)	
Net Profit/(Loss) Before Tax	\$93.9m	(\$83.4m)	
Tax Expense	(\$14.8m)	(\$10.0m)	
Net Profit/(Loss) After Tax	\$79.1m	(\$93.4m)	

* Excludes recharge of corporate expenses to divisions

Restructured Balance Sheet



- Gearing (Net Debt/EBITDA) at 31 December 2009 of 3.6 times
- Nearest debt maturity over two years away in May 2012

Facility	Maturity Date	Amount Drawn (31/12/09)	Undrawn Balance
Term Loan	May 2012	\$2,250m	-
Revolving Credit	Dec. 2013	-	\$500m
Term Loan	Dec. 2014	\$500m	-
Drawn debt		\$2,750m	
Working Capital	Dec. 2013	\$128m ¹	\$12m
Cash on Hand			\$273m
Available Liquidity			\$785m

¹ Working capital facility amounts drawn are all in the form of guarantees and performance bonds, no cash has been drawn under this facility



2. The New Asciano



THE ELEMENTS

- New Directors appointed (Broomhead, Edgar, Kleemann)
- Management team restructured with enhanced capability
- Recalibrated balance sheet with Credit Ratings in place
 - No refinancing requirement until May 2012
 - Gearing (Net Debt/EBITDA) at 31/12/2009 of 3.6 times
- Revised financial policies adopted
- Absolute focus on ROCE (improved capital processes)
- Enhanced Enterprise Risk Management framework
- Next Efficiency Review programme being developed
- Procurement - rolling stock to be ordered direct from Chinese supplier
- Stapled security structure – project team in place to review current structure in 2010

Strong Balance Sheet



First Half FY10 cash on hand waterfall

Key Finance Policies:

Net Debt/EBITDA:

- Target Range¹ 3.25x – 3.5x

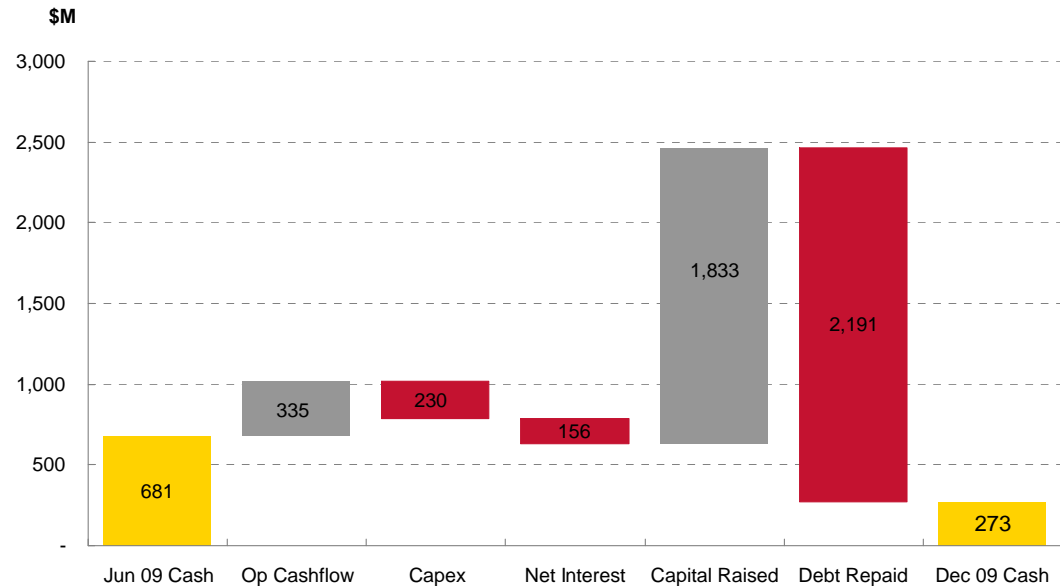
EBITDA Interest Cover:

- Target Range¹ 2.5x – 3.0x

Liquidity

(Cash plus undrawn facilities):

- Minimum \$300m



Asciano's strong balance sheet, prudent financial policies and growing cashflows provide significant financial flexibility

¹ These ratios represent internal policy maximum/minimum levels, and do not reflect covenant levels under existing banking facilities. The policy levels provide significant 'headroom' in respect of covenant compliance.

- Credit Ratings achieved :
 - Moody's: Baa3 (Positive Outlook)
 - Standard & Poor's: BBB- (Positive Outlook)
- Attainment of Ratings reflects final stage of initial Balance Sheet restructuring
 - 2010 refinancing requirement removed – next maturity now May 2012
 - Significant undrawn facilities (\$500m+) in place to fund growth
- Provides platform to optimise Balance Sheet structure
- Key objectives:
 - Break-up 2012 maturity
 - Diversify funding base - reduce reliance on banking market
 - Lengthen funding profile to better match asset base
- Full range of debt-funding options to be considered
 - Domestic and international debt capital markets
 - Retail and wholesale markets
 - Asset-linked financing (existing and new assets)

Asciano's credit ratings provide a catalyst for the roll out of the medium term debt strategy

FOCUS ON RETURN ON CAPITAL

- Minimum hurdle returns adopted for all capital expenditure
- All existing businesses to meet minimum return requirements over medium term
- Quality contracts : Queensland coal haulage (all contracts), Xstrata, Idemitsu, Whitehaven, Xstrata Copper magnetite all achieved in line with, or above, benchmark returns
- Sourcing of rolling stock directly from China to commence during 2010

EFFICIENCY FOCUSED ORGANISATION

- Stage 1 efficiency review targets (\$95m in aggregate) now largely secured
- Stage 2 planning now underway
- Continuous improvement in asset utilisation and operational efficiency
- Leverage scale benefits in procurement, transactional business functions and information technology
- Clear targets and accountabilities

Asciano will continue to have a strong focus on improving management of existing and new equipment combined with a roll out of efficiency reforms

Growth Opportunities



Significant growth expected across all Asciano businesses:

Coal

- Within the Coal division there are a number of opportunities:
 - Queensland
 - Northern Missing link, Abbot Point port expansion, Southern Missing Link, Wiggins Island port development, Surat and Galilee Basins, mine developments
 - NSW
 - Newcastle Coal Infrastructure Group commencement, Port Waratah Coal Services ongoing expansion

Auto, Bulk and General

- Significant opportunities in bulk port and bulk rail markets particularly from resource sector

Container Ports/Intermodal

- Continued organic growth in both containerised businesses – significant leverage in a recovery
- Focus is to maintain customer base by providing excellence in service
- Rail reform could potentially deliver additional growth opportunities via modal shift from road to rail

Asciano has demonstrated strong growth in the past and will continue this trend particularly in burgeoning coal haulage business

Outlook - Longer Term



- Longer-term, Asciano remains very confident on the outlook and the prospects of continuing to generate value for securityholders through a combination of:
 - A cyclical recovery in Asciano's non-bulk operations
 - Continued significant investment of capital with a focus on ROCE, high quality coal/bulk rail opportunities (assuming a "level playing field" for competition)
 - A continued focus on cost management, efficiency gains and margin improvement
 - The competitive advantages Asciano enjoys as a result of the quality and strategic positioning of our operations



Asciano will maintain its position of strength and stability while achieving long term sustainable growth



Questions

