



Aurizon Holdings Limited  
ABN 14 146 335 622

ASX Market Announcements  
ASX Limited  
20 Bridge Street  
Sydney NSW 2000

**BY ELECTRONIC LODGEMENT**

15 March 2018

**ACCC Statement of Issues: Proposed sale of Queensland Intermodal and Acacia Ridge Intermodal Terminal**

Please find attached announcement for release to the market.

Kind regards

A handwritten signature in black ink, appearing to read "D. Smith", with a horizontal line underneath.

**Dominic D Smith**  
Company Secretary

# ASX Announcement

**Date:** 15 March 2018

## ACCC Statement of Issues: Proposed sale of Queensland Intermodal and Acacia Ridge Intermodal Terminal

Aurizon notes the Statement of Issues released today by the Australian Competition and Consumer Commission (ACCC) regarding the sale of Aurizon's Queensland Intermodal business to a consortium of Linfox and Pacific National, and the separate sale of its Acacia Ridge Terminal to Pacific National.

Aurizon is disappointed with the findings and takes issue with a number of the assertions made by the ACCC. Aurizon remains committed to the clearance of both transactions with the target for completion by July 2018 and will be making detailed submissions to the ACCC in respect of each transaction to the matters raised by it in the Statement of Issues.

Aurizon notes the ACCC Statement of Issues is based on the assumption that Aurizon's Queensland Intermodal business could be sold to a third party and continue to operate in the absence of the proposed acquisitions.

This is not the case and as previously advised (ASX Statement 12 February 2018), if the ACCC does not clear the Queensland Intermodal transaction Aurizon will close that business. The Queensland Intermodal business has sustained significant year on year losses including a \$14 million Loss Before Interest and Tax in FY2017. Any closure of the business would likely occur by the end of 2018 and would result in the loss of up to 350 jobs throughout Brisbane and regional Queensland. Closure would also be likely to affect rail services and rail line haul capacity in Queensland, potentially causing disruption to freight import and export supply chains. If closure becomes necessary, Aurizon will work with customers to minimise impacts upon them.

### Background:

In August 2017 Aurizon announced its intention to exit its loss-making Intermodal business (\$48 million Loss Before Interest and Tax in FY2017) through a combination of closure and sale (refer ASX announcement 14 August 2017). This comprised:

- Closure of the Interstate Intermodal business (outside of Queensland). The business included rail linehaul services, freight assets, rollingstock and road vehicles. There were 250 employees of which 40 were redeployed to other roles in Aurizon. That closure was completed by December 2017.
- Sale of the Queensland Intermodal business to a consortium of Linfox and Pacific National, subject to approval by the ACCC and the Foreign Investment Review Board (FIRB). Approximately 350 roles will be transferred to the new owners. The business delivers rail linehaul and road services from Brisbane to regional Queensland, and includes freight depots, locomotives, wagons and road vehicles.
- Sale of Acacia Ridge Terminal to Pacific National, subject to approval by the ACCC and FIRB. All 30 operational roles will be transferred to the new owners. The terminal is a freight hub for freight train services to and from Queensland. The 66-hectare site includes narrow-gauge and standard-gauge freight terminals, marshalling yards and warehousing.

### For more information:

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