



NEWS RELEASE

VirginiaDOT.org

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AGREEMENT REACHED FOR PRIVATE FIRM TO ASSUME CONTROL OF POCAHONTAS PARKWAY TOLL FACILITY IN THE RICHMOND REGION

*VDOT will continue to own road and provide significant oversight;
construction of the Airport Connector is part of the agreement*

RICHMOND, May 2, 2006 – An agreement was reached today for Transurban LLC to assume the rights and obligations to manage, operate, maintain and collect tolls on the Pocahontas Parkway (Route 895, Richmond region), for a period of 99 years, bringing private sector resources to the table to maintain and improve the parkway. The in-principle agreement was reached by Transurban, the Virginia Department of Transportation (VDOT) and the Pocahontas Parkway Association. The Association is a non-profit group created to issue and repay the bonds that financed the construction of the 8.8-mile toll road, which opened in 2002.

VDOT and Transurban plan to finalize the agreement in the next several weeks, with financial close expected in early June. A summary of the key terms is available online at <http://www.virginiadot.org/infoservice/resources/PocaPkwyAssocPubPrivPart.pdf>

“This is a good business agreement for the Commonwealth because Transurban will pay off all existing loans on the Pocahontas Parkway, and it will bring the Airport Connector closer to reality,” said Acting VDOT Commissioner Gregory A. Whirley. “Through this arrangement, we are bringing additional private sector resources to Virginia’s transportation program.”

The in-principle agreement requires Transurban to do the following:

- Finance and build the Airport Connector subject to obtaining federal government loans
- Pay off all existing debt of the Pocahontas Parkway Association
- Reimburse VDOT’s costs incurred to operate, maintain and repair the Pocahontas Parkway
- Take responsibility for the cost and management of all operations and maintenance of the toll facility, including upgrading the existing electronic tolling equipment
- Establish limits on toll levels and increases
- Requires sharing of revenues with the Commonwealth if the facility exceeds expectations

The business points of the in-principle agreement will be presented to the Commonwealth Transportation Board and other interested parties over the next 30 days. It includes capped toll levels (not to exceed a 50-cent increase through the end of 2010), with incremental and indexed toll increases to be implemented over the life of the agreement.

VDOT will continue to own the road and retain significant oversight and approval rights over Transurban's ongoing management of the parkway. The agreement requires that Transurban return the facility to VDOT in satisfactory condition at the end of the 99-year contract term. It also allows VDOT to reassume control of the road at any point after 40 years, subject to the terms of the agreement.

"We are delighted to be partnering with the Commonwealth of Virginia on this project," said Ken Daley, Transurban Vice President of International Development. "As a leading international toll road owner and manager, Transurban is dedicated to the ongoing success of the Pocahontas Parkway."

Daley said Transurban is committed to maximizing the road's value for commuters and the community, and will work closely with local officials, businesses and community organizations to ensure the road's success.

"The Capital Region Airport Commission supports the agreement between the Commonwealth of Virginia, the Pocahontas Parkway Association, and Transurban for the long-term operation and maintenance of the Pocahontas Parkway, which borders Richmond International Airport (RIC)," said Commission Chairman James B. Donati, Jr. "Of particular interest is the requirement to build an Airport Connector from the existing Parkway to RIC's south entrance, subject to federal funding, offering even easier access to thousands of travelers using one of the nation's fastest-growing airports."

Transurban is expected to take over operations of the Pocahontas Parkway by November 2006, following a six-month transition period.

About Pocahontas Parkway

The Pocahontas Parkway is an 8.8-mile highway that connects the Chippenham Parkway at I-95 in Chesterfield County with I-295 in eastern Henrico County. The parkway features a high-rise bridge over the James River. The parkway opened in 2002, but traffic volumes have not generated sufficient toll revenues to service the facility's existing debt.

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About Transurban

Transurban is an Australian company that is a publicly listed on the Australian Stock Exchange with a market value in excess of US \$4.5 billion. The company is owned by approximately 5 million Australians who have invested in the company through their pension plans. About 15% of Transurban's shares are owned by North American investors.

Transurban focuses on the long-term ownership and management of advanced electronic toll roads. It has more than ten years of experience in the development, ownership, and management of complex toll road infrastructure. The company is an owner of three of Australia's most important toll road assets. Areas of expertise include: full electronic toll collection, customer service, concession management, financial management and project delivery.

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