



**Toll Group**  
Level 7, 380 St Kilda Road  
Melbourne VIC 3004 Australia

T +61 3 9694 2888  
F +61 3 9694 2880  
www.tollgroup.com

Toll Holdings Limited  
ABN 25 006 592 089

18 June 2012

The Manager  
Australian Stock Exchange  
Company Announcement Office  
Level 4  
20 Bridge Street  
Sydney NSW 2000

**Lodged Through ASX On Line**  
Total No. of Pages: 71

Dear Sir

**Toll Investor Presentations Singapore – Day 1 Toll Global Resources**

Please find attached Presentation Slides for Day 1 of Toll Investor Visit in Singapore relating to Toll Global Resources, for release to the market.

Yours faithfully  
**TOLL HOLDINGS LIMITED**

  
**Bernard McInerney**  
**Company Secretary**

The Toll logo is displayed in a bold, italicized, white sans-serif font against a teal background. The letters are closely spaced, and the 'T' has a distinctive horizontal bar that extends to the left.

**TOLL**

## **TOLL GLOBAL RESOURCES**

Toll Investor Day – Monday 18 June 2012

David Jackson

Chief Executive Officer, Toll Global Resources

# The Toll Global Resources Team

## **Mr David Jackson** **Chief Executive Officer, Toll Global Resources**

Mr David Jackson was appointed to the role of Chief Executive Officer of Toll Global Resources in 2009.

Prior to this he held the position of General Manager of Toll SPD Long Distance Division where he was largely responsible for integrating the Brambles and TNT full load businesses. He was appointed Chief Executive Officer of Toll New Zealand in October 2003. He led Toll NZ through a significant change process including delisting, before being sold back to the New Zealand Government in 2008.



## **Mr Troy Reddell** **Chief Financial Officer, Toll Global Resources**

Mr Troy Reddell was appointed to the role of Chief Financial Officer of Toll Global Resources in 2011.

Prior to this he held various senior commercial positions in Toll Mining, Toll Remote Logistics and across the broader Toll Resource Australia businesses since 2004. He has been integral in a number of significant Global Resources contract negotiations. He also has 10 years' experience prior to Toll in Chartered Accounting and Investment Banking.



# The Toll Global Resources Team

## **Mr Scott Woodward** **Maritime Fleet Manager, Toll Global Resources**

Mr Scott Woodward was appointed to the role of Maritime Fleet Manager of Toll Global Resources in 2011.

Scott is an experienced Master Mariner and Commercial Manager and will provide us with the expertise to manage our growing marine presence in Australia and Asia. Scott came to us from ASP Ship Management where he was Commercial Manager and prior to that was with BP Shipping for 16 years in various roles.



## **Mr Joe Garbellini** **Director, Toll Marine Logistics**

Mr Joe Garbellini was appointed to the role of Director Toll Marine Logistics in 2010.

Joe has been with the Toll Group in various management positions in Australia, New Zealand and Singapore since 1997, covering the areas of operations, commercial and strategy. Prior to taking up his current role, Joe was the Group General Manager of Toll Rail in New Zealand where he was a member of the Toll New Zealand executive team.





# The Toll Global Resources Team

## **Mr Jacob Tan** **Director, Toll Offshore Petroleum Services**

Mr Jacob Tan was appointed to the role of Director of Toll Offshore Petroleum Services in 2010.

Jacob joined Toll Offshore Petroleum Services in 1997 as Operations Manager. He was seconded to a Toll joint venture, PT Semblog Citranusa, from 2001 to 2006 to develop a supply base in Batam (Indonesia) before returning to TOPS to take on the role of General Manager (Logistics & Operations).

Jacob has over 25 years' experience in the development and management of port facilities and supply bases and has extensive experience in freight and project logistics



## **Mr Mark Thomson** **General Manager Property (Asia), Toll Group**

Mr Mark Thomson was appointed to the role of General Manager Property (Asia) for Toll Group in July 2008.

He has been with Toll since 2004, and has been based in Singapore since 2008.

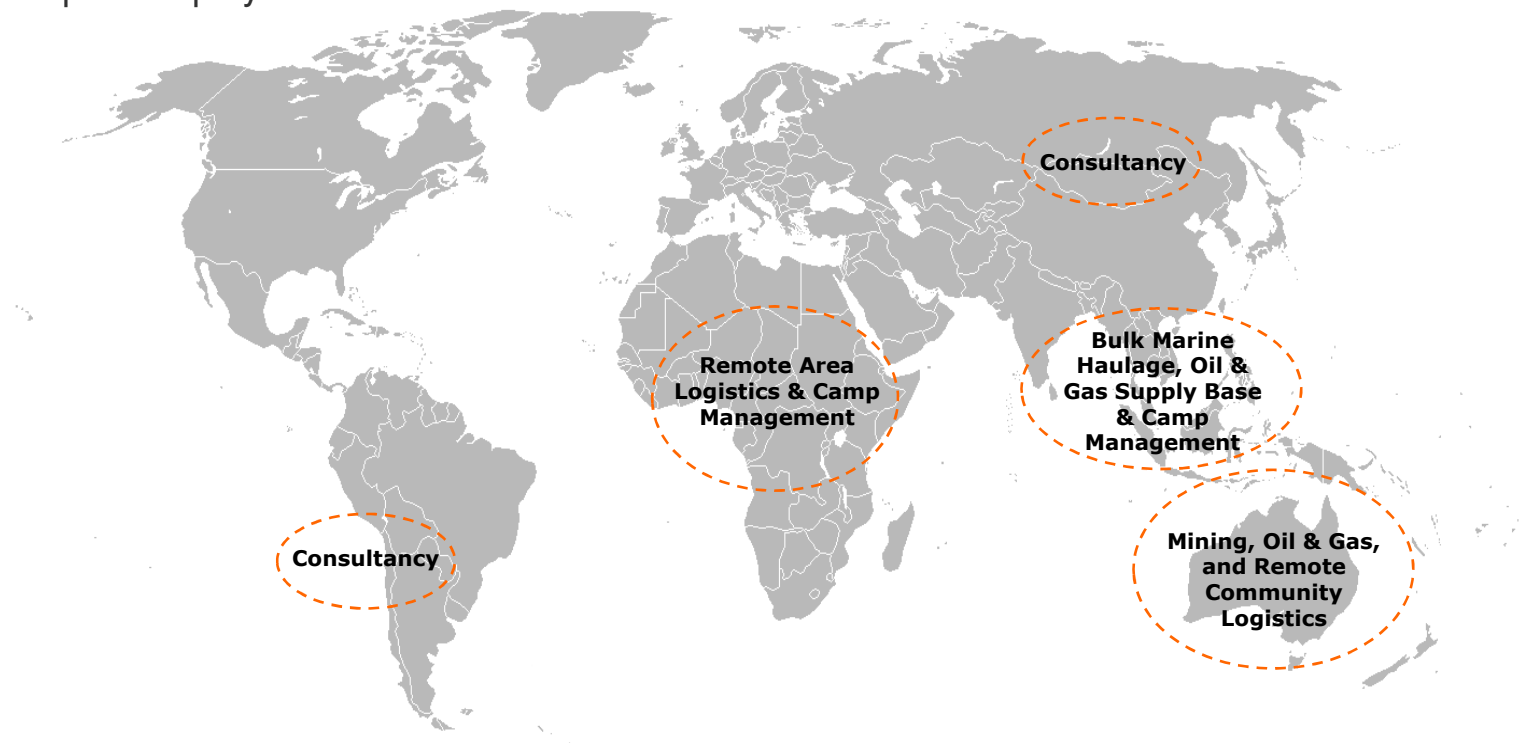
Mark has 20 years' commercial and industrial real estate experience throughout the Asia Pacific region and in the UK. Prior to his current position Mark was National Property and Development Manager for Toll New Zealand.



# Toll Global Resources - Overview

Toll Global Resources provides logistics services to the oil and gas, mining, government and defence sectors in Australia, Asia and Africa

- 10+ countries
- 3,150 employees
- 1H12 annualised revenue of \$1.1bn
- \$1bn capital employed



# Toll Global Resources

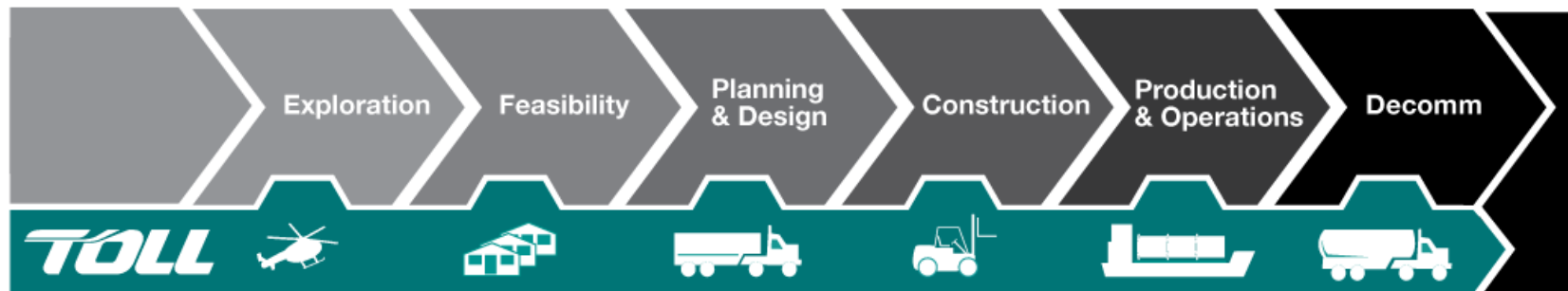


Domestic Resources		International Projects	Marine		Offshore Supply Base
<b>Toll Energy</b>	<b>Toll Mining Services</b>	<b>Toll Remote Logistics</b>	<b>Toll Marine Logistics in Australia</b>	<b>Toll Marine Logistics in Asia</b>	<b>Toll Offshore Petroleum Services</b>
Provision of fully integrated land based supply chain solutions to the offshore and inland oil and gas industry	Onsite, inbound, and outbound road and rail logistics, stockpile management and niche consultancy to the mining industry	Turn-key remote logistics solutions to miners, government, and defence organisations	Marine based logistics solutions to customers operating in remote northern Australia and into/out of Asia	Bulk material movements with integrated land transport focussed on coal handling in South East Asia	Oil and gas supply base management and associated operations in South East Asia

# Toll Global Resources Service Offering

Unique in that it is End to End

TGR creates tailored supply chain solutions that add value to every phase of our customers' project life-cycles; from concept to completion.



Unique broad service offering in the market

# Toll Global Resources Service Offering

## Breadth a Competitive Advantage

- Bulk haulage, stockpile management, road maintenance 'off road' and 'on road'
- Oil & gas supply base management, supply chain management, warehousing & distribution
- Procurement
- Equipment & people hire





# Toll Global Resources Service Offering

## Breadth a Competitive Advantage

- Marine services to resources customers & ships husbandry
- Aviation services – Rotary wing and air charters
- Airport management
- Base operating support services



# Toll Global Resources Service Offering

## Breadth a Competitive Advantage

- Remote camp management and construction
- Fuel bunkering, storage and distribution
- Specialist dangerous goods, chemicals / explosives distribution
- Consultancy services



**Service diversity provides a number of entry points to customers. The opportunity is cross selling the product suite to existing customers.**



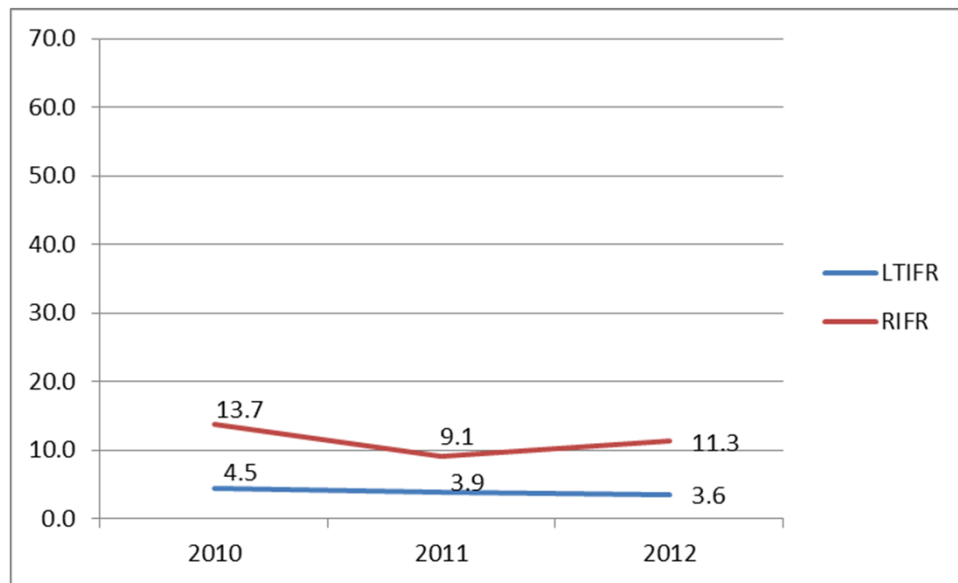
# Toll Global Resources - Key Pillars of Success

- 1. Best practice in HSSEQ** – Strategies for safety, security, environment and quality assurance / ISO accreditation
- 2. Rejuvenate the Marine business** – Implement turnaround strategies and restructure initiatives
- 3. Organic & inorganic growth** – Replace substantial project revenues through organic and inorganic means, increase recurring earnings base vs lumpy projects and reduce customer concentration risk through these initiatives to achieve diversification
- 4. Improve return on capital** – Focus on EBIT enhancement initiatives, asset utilisation, subcontractor vs company owned models where sustainability can be achieved
- 5. Working capital and cash flow focus**
- 6. Employer of choice** – Retain and attract the best people and further develop the current employee, contractor base. Indigenous Engagement Program to support recruitment of indigenous Australians
- 7. Innovation** – Generate unique offerings / solutions to generate competitive advantage and higher returns
- 8. Marketing and promotion** – Increase One Toll and TGR brand awareness with target customer base

# Safe and Incident Free

## Top Tier Performance

### TGR - Lost Time Injury Frequency Rate & Recordable Injury Frequency Rate



RIFR is benchmark measure in Resources industry as opposed to LTIFR. TGR safety performance is top tier and a market leader in areas such as Oil & Gas services.



Safety, accountability and responsibility are central to everything we do. This internal culture enables us to provide low-risk solutions to our customers regardless of where they operate.

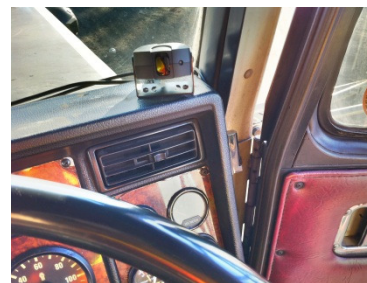
# Safety Innovation

## Toll Mining has implemented in-cab real time driver fatigue monitoring technology

- Fully automatic driver awareness & fatigue warning device
- A dashboard mounted sensor measures the amount of eyelid closure to indicate fatigue and orientation of the driver's head to indicate distraction
- Instant audio or seat vibration feedback is implemented once fatigue or distraction is detected
- Fatigue and distraction data is sent directly to dispatcher for assessment and further action

## Further initiatives

- Anti-roll / stabilisation systems for multi-trailer combination units
- Replacement of end tipper equipment to safer side tipping units



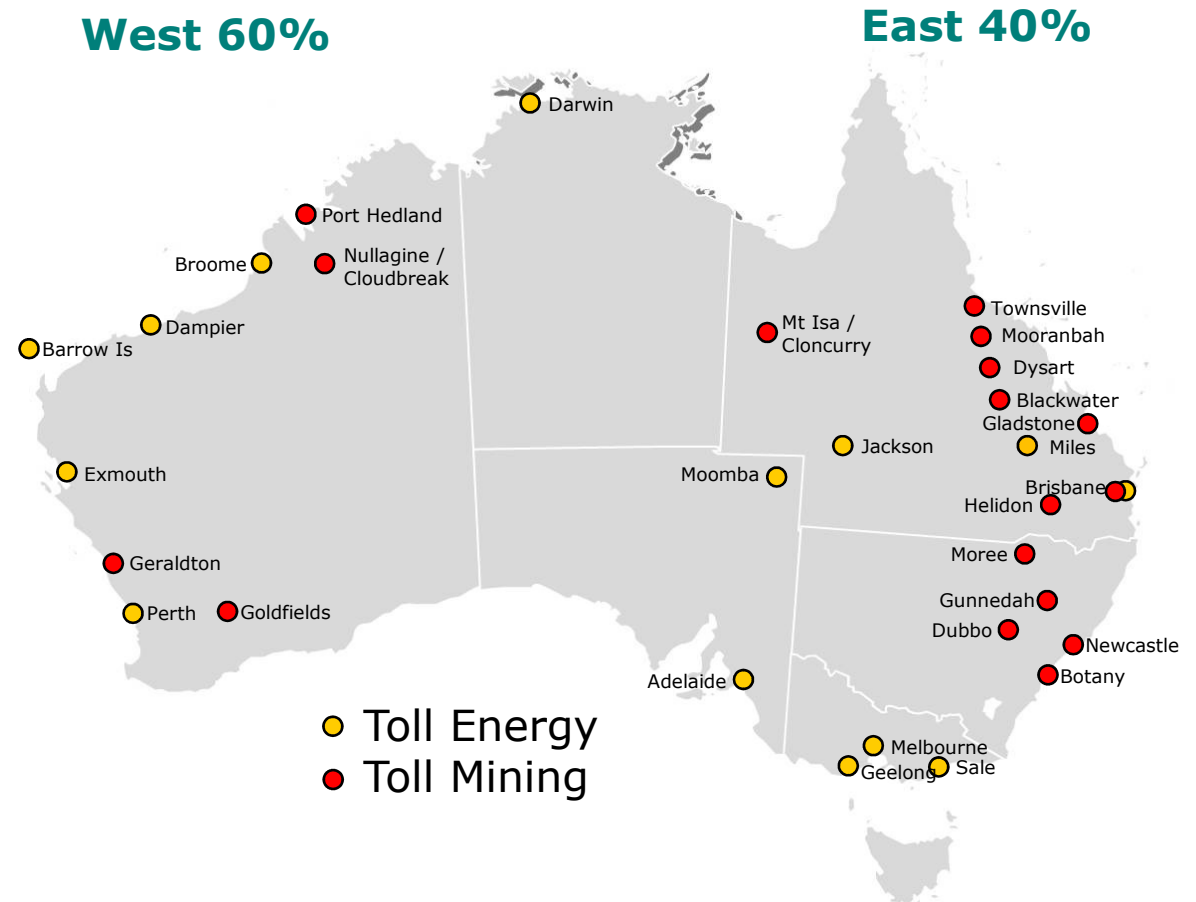


# Domestic Resources Toll Mining & Toll Energy



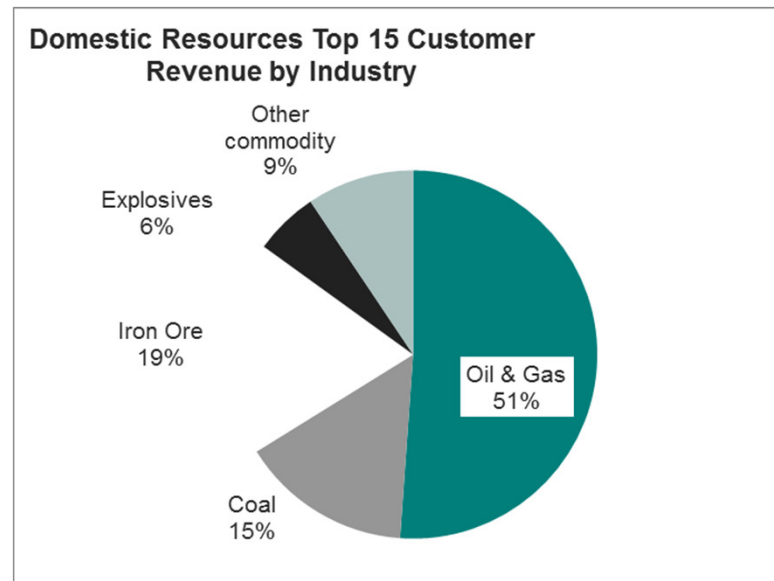
# Toll Energy & Toll Mining Locations

- Bulk haulage, stockpile management, road maintenance 'off road' and 'on road'
- Oil & gas supply base management, supply chain management, warehousing & distribution
- Procurement
- Equipment & people hire
- Supply chain consultancy



# Domestic Resources - Market / Industry Dynamic

- Global commodities demand driven by urbanisation of China, India and Japan's increasing energy demands to replace nuclear power capacity.
  - Energy security major global theme. Countries looking to restrict energy exports.
  - Commodity prices have been high and are currently moderating to more sustainable levels.
  - Mining and oil & gas companies have committed to significant long term expenditure plans in Australian resources and need to continue with these projects to generate paybacks. Moderating prices more an issue for smaller greenfield developments.
  - Also increasing trend of customers to outsource supply chain functions.
  - Long term opportunities in Africa & South America where TGR has experience already via consultancy services, remote camp management and fuel operations.
- Anticipate sustainable long term demand of our service offering domestically with particular growth regions in North West WA, Gladstone and Bowen/Surat Basin.



# Domestic Resources – Business Overview

## Business Characteristics

- Strong market positions where the businesses operate
- Supportive market fundamentals, committed investment pipeline, significant oil & gas (LNG) opportunities
- Blue chip customer base with well positioned cost curves
- Strong organic growth
- Returns above Toll hurdle rate
- Most mature businesses in division, best developed HSSEQ systems
- Experienced, well regarded management teams with depth
- Quality contracts

## Challenges

- Attracting quality people to facilitate growth opportunities
- Lead times of key equipment (eg loaders) vs customer short term needs
- Walking away from opportunities / maintaining commercial disciplines in the face of temporary competitor irrational pricing behaviour
- Wage pressure in West
- Replacing construction leverage with further exploration / production exposure



# Domestic Resources – Contract Characteristics

## Business Cycle Leverage

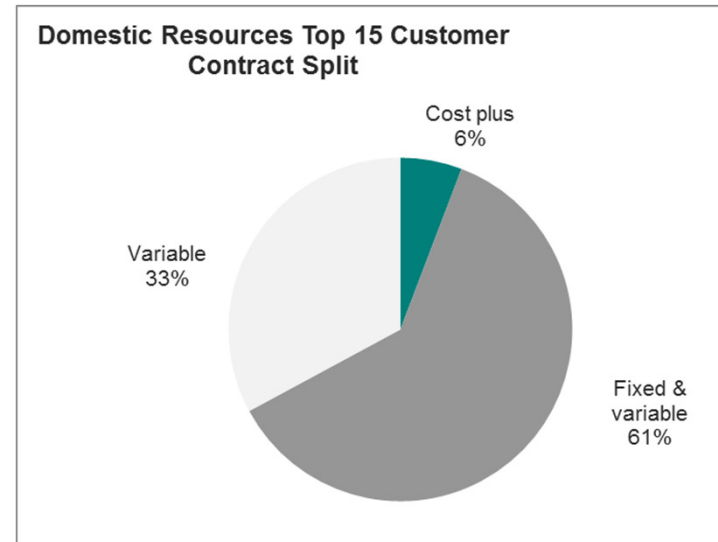
- Toll Mining – 100% production
- Toll Energy – 65% construction, 10% exploration, 25% production.  
Note construction project exposure likely to result in production opportunity.

## Returns

- ROCE >Toll hurdle

## Contracts incorporate commercial protections

- Capital protection clauses where termination for convenience requirement exists
- Rise / fall escalations (tied into local regional cost bases)
- Work to be done on former Mitchell's business to move to fixed and variable pricing



Acquired Mitchell's business largely variable pricing structure. Area to be worked on.

# Contract Cycle & Lead Times (an example)

## Example contract lifecycle – capital intensive task

- Up to two years positioning for tender qualification
- Win new tender, business case approved and order equipment
- 3-9 month lead time to acquire equipment (deposits paid upfront)
- Capex balance paid on of delivery
- 1 month to mobilise (staff inductions)
- Start project and cash generation
- Refurbishment capex at Yr3-5 depending upon equipment
- Year 5 contract expiry – either rollover contract or redeploy equipment
- Residual equipment creates opportunity for further growth

# Domestic Resources - Acquisition Early Learning

Fixed & variable pricing & Investment important

## Case Study – Onsite Coal Haulage Cycle of Investment & Returns

- Yr1 acquisition made (largely supported by asset base) (<15% ROCE)
- Yr2 transition / integration & severe weather impacts + contract turnover (<0% ROCE)
- Yr3 weather impacts - move customer base from variable to fixed and variable pricing model (<WACC return)
- Yr4 continue fixed and variable contract pricing on rollovers (<WACC return)
- Yr5 asset replacement / investment program (>WACC return)
- Yr6 investment phase, winning work from competitors (>WACC return)
- Yr7 (current) market leading position, above Toll benchmark returns, customers first choice supplier
- Created reputation in the market for opportunities with new customers

**TGR has experience of turning strategic acquisitions into market leaders in their own right**

**It doesn't happen overnight and requires investment and customer / service focus whilst maintaining commercial disciplines**

# Domestic Resources – Mitchell Corporation Acquisition

## Implementing Early Learning

### **Mitchell Corporation – acquisition completed May 2011**

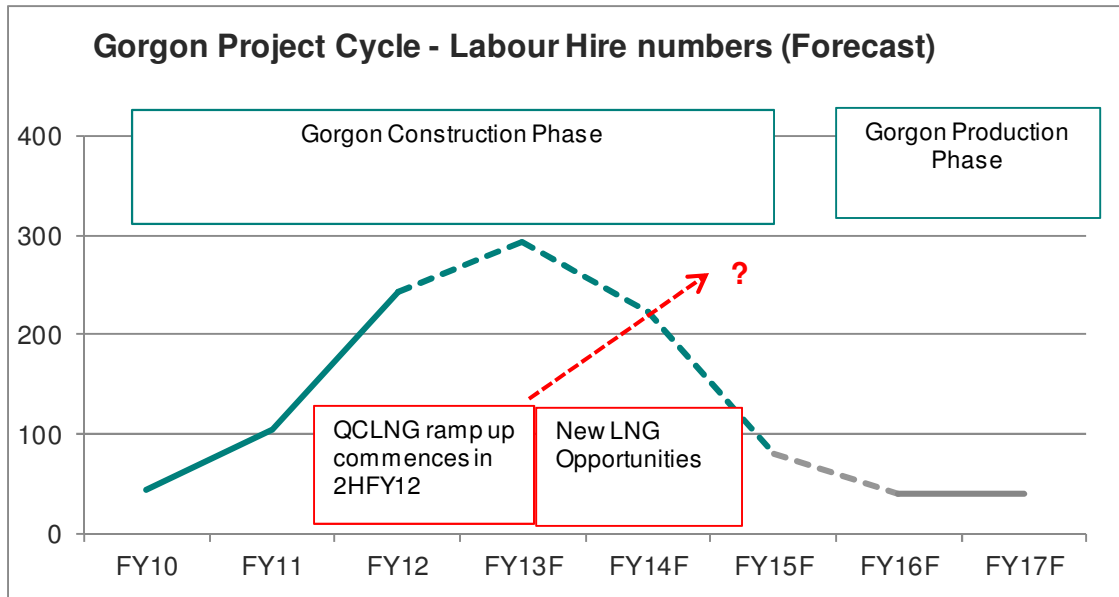
- Integration on schedule
- Results performing to plan
- Next stages involve moving variable contracts to fixed and variable and investment in replacement capex, innovation

### **Beginning to leverage Mitchells acquisition**

- In process of signing a new deal to provide significant onsite stockpile management services as an extension on an existing Mitchell's contract, based on the service offering provided by Toll's East Coast mining business
- Complements TGR's service offering in high growth West region and supports TGR infrastructure investment in the region

# Gorgon Construction to Production Project Cycle

Additional LNG construction opportunities the focus



- Key TGR project with Construction leverage. Likely to move to production phase in FY16/17 which will create further opportunities
- New construction opportunities the focus including Inpex, Wheatstone, Shell Prelude, Woodside Browse



# International Projects Toll Remote Logistics



# International Projects – Toll Remote Logistics



- Aviation services – Rotary wing and air charters
- Airport management
- Base operating support services
- Remote camp management, construction & accommodation services
- Fuel bunkering, storage and distribution
- Consultancy



# International Projects – Business Overview

## Business Characteristics

- Lumpy project work
- Blue chip customer base
- Returns above Toll hurdle
- Quality contracts
- Opportunity to leverage international service offerings into domestic opportunities eg Defence base support services, mining camp support services

## Challenges

- Project nature of work creates volatility of earnings
- Lead times long (>12 months) for large projects
- Complexity dealing in international jurisdictions including forex, tax, treasury, security etc.

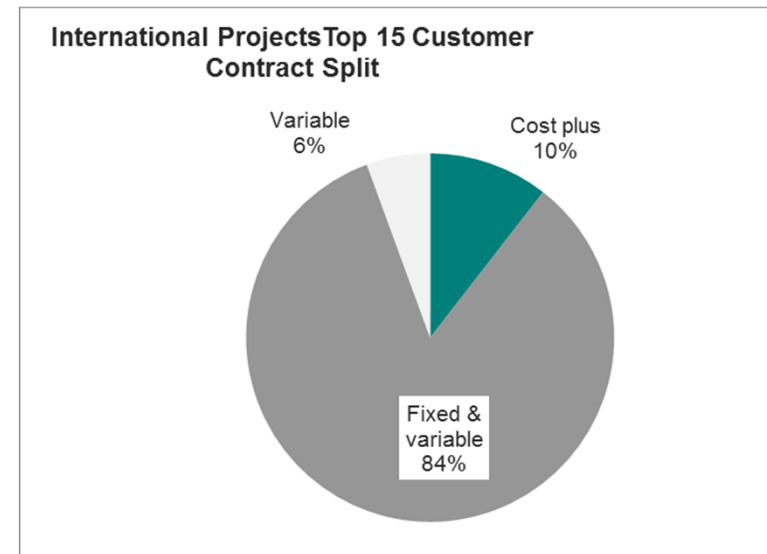
# International Projects – Contract Characteristics

## Business Cycle Leverage

- TRL – 70% project and 30% recurring

## Returns

- ROCE >Toll hurdle

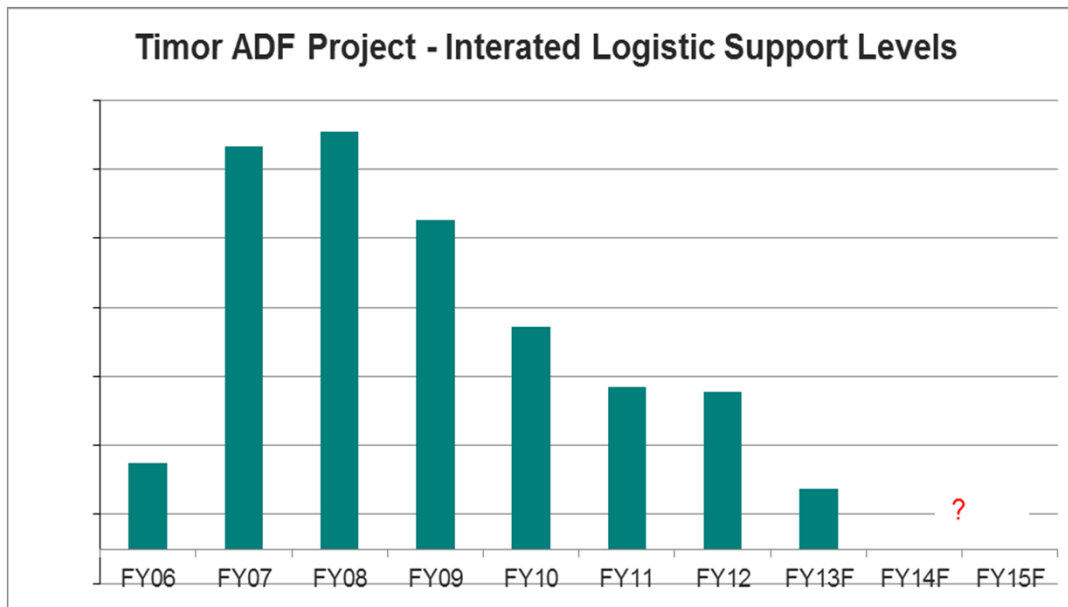


## Contract structures

- Pricing structure for all international projects incorporates mobilisation charges.
- Rigorous due diligence and assessment including security, regulatory, forex, tax, safety etc
- International projects typically above average risk, but generate above average returns

# International Projects

## Potential Timor Scale Down, But Other Opportunities



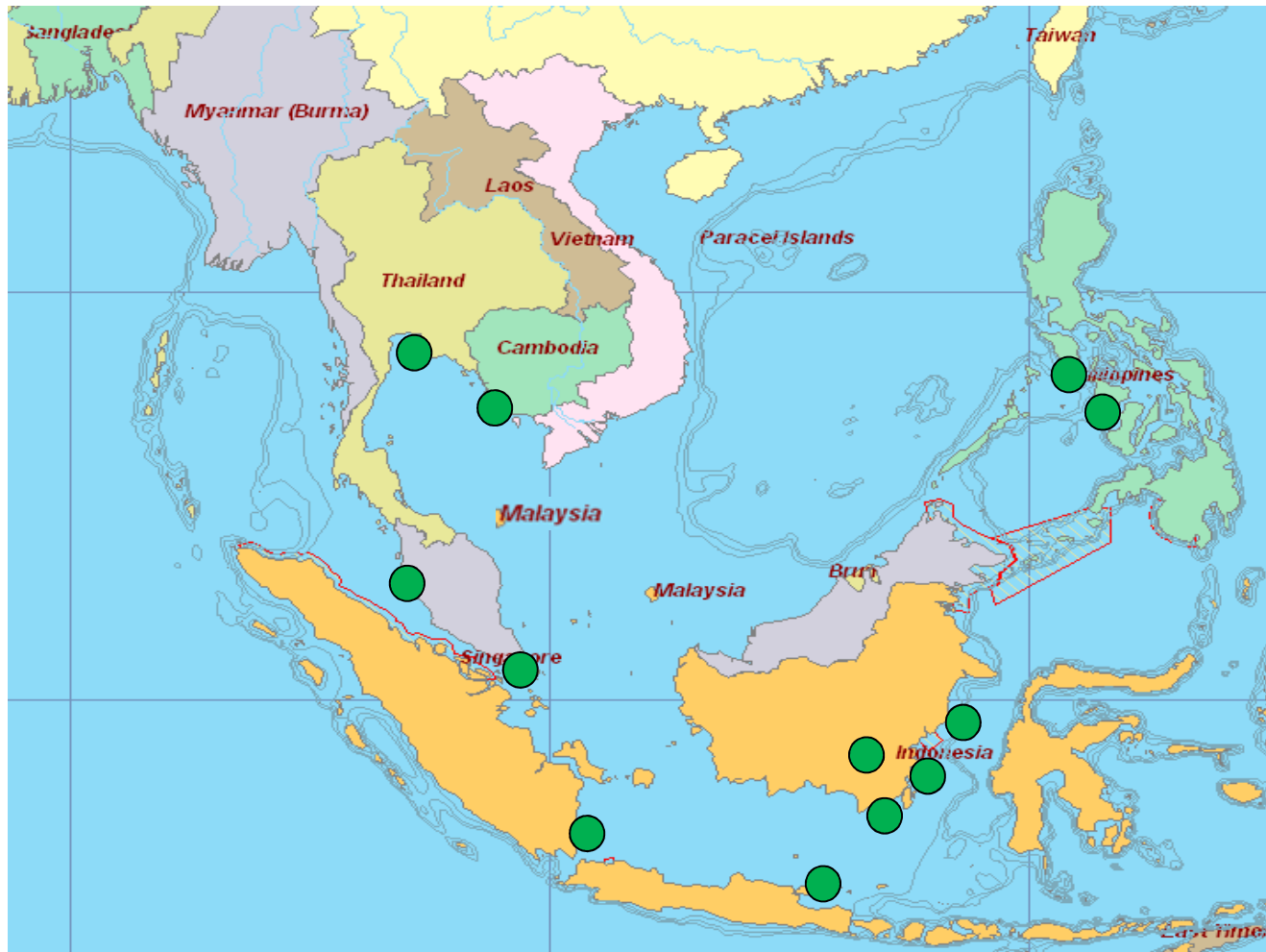
- Key International Projects contract may conclude in FY13 if Government decides to scale down troop contingent.
- Positioned to provide support for potential post FY13 contingent force (DFAT, AFP) and Timor based Oil & Gas opportunities.
- Also additional Defence opportunities (Australia & US) given focus in Northern Australia TGR well positioned to capitalise on opportunities.

# Toll Marine Logistics



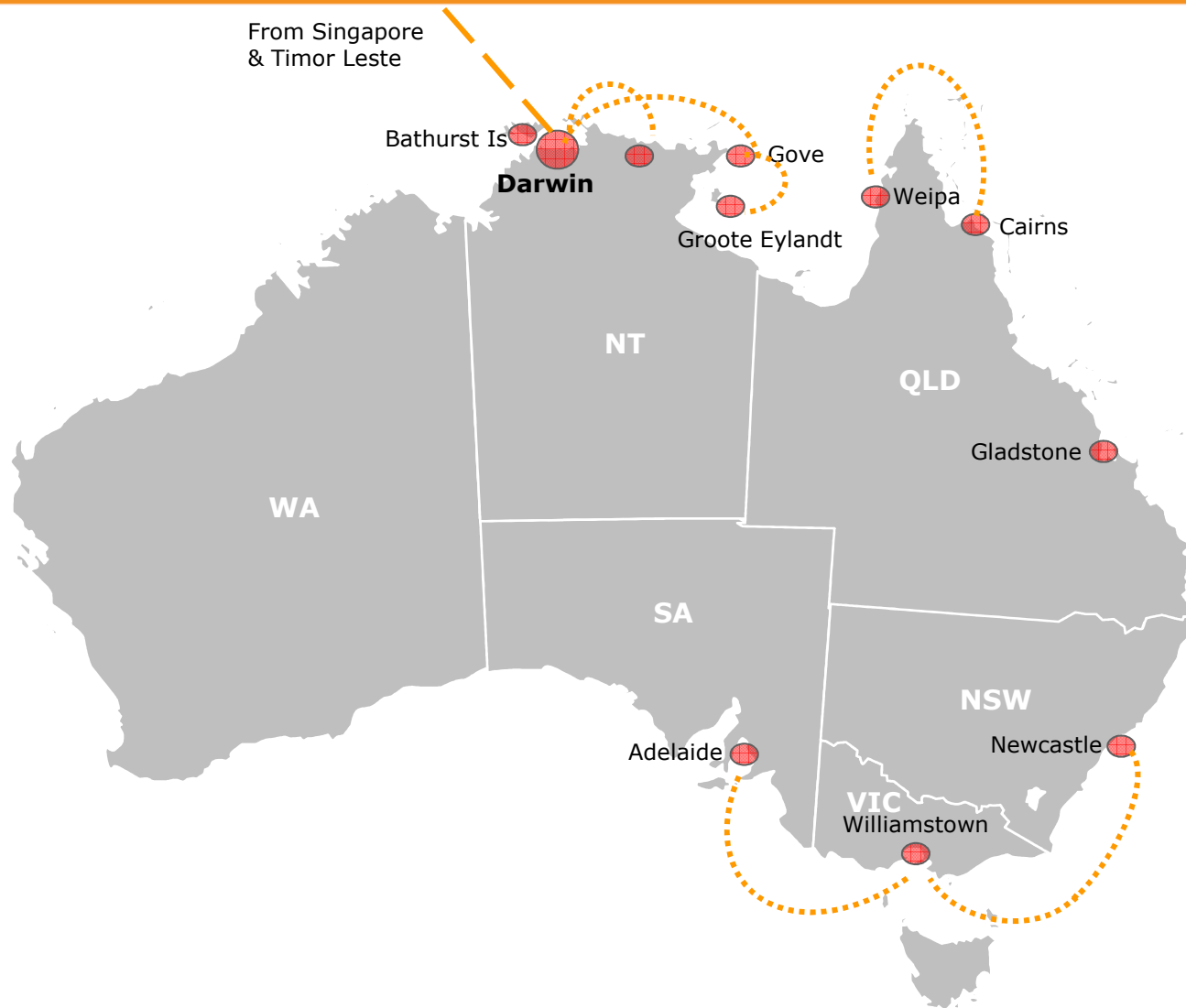


# Marine Logistics Asia – Overview



- Vessel chartering
- Ship, crew management and agency services
- Provision of conventional tugs and barges specially designed with shallow drafts
- Provision of self-discharging barges with built-in sophisticated conveyor system
- Provision of self-propelled barge with 360 degree retractable propulsion system and bow thruster
- Landing craft
- Provision of floating terminal and floating crane for transshipment handling at port and anchorage
- Provision of floating workshop and maintenance facility

# Marine Logistics Australia – Overview



- Vessel chartering
- Crew management and agency services
- Landing craft
- Geared container vessels
- Workshop, maintenance and slipway facility
- International cargo clearance
- Terminal management, owned and 3<sup>rd</sup> party (Rio Tinto)
- Turn key marine solutions for oil and gas projects

# Regulatory Issues in Asia, Supportive Condition in Australia

## Asia

**Regulatory headwinds in Indonesia** - The Indonesian Government has announced a number of regulatory changes which will adversely impact mining and associated marine businesses that leverage off this sector as it focuses on its internal energy security. These include:

- Contemplating increasing taxes on export coal companies to 25% increasing to 50% next year
- Banning orders relating to no export of bulk commodities such as iron ore, zinc, copper unless refined in Indonesia, impacting on shipping demand / capacity
- Foreign owned mining companies have to transition to 51% local ownership
- Government contemplating banning low value thermal coal exports

## Australia

Effective 1 July 2012 significant changes in the Australian Navigation Act will effectively close the Australian coastal markets to foreign vessels, the changes will create issues along with opportunities:

- Attractive tax incentives for Australian ship owners that invest in new tonnage
- Limited competition domestically, high set up costs for new comers – Toll Marine Logistics well placed to take full advantage of this as an established Australian ship owner
- Stringent regulation from governing marine authority (AMSA)
- Geographical size makes coastal shipping more cost effective than road or rail
- Increased cost pressures on sea staff wages



# Marine – Business Overview

## Business Characteristics

### Asia

- Highly competitive market environment
- Global downturn in shipping
- Customers becoming competitors - vertically integrating
- Lower market demand leads to lower utilisation on a fixed cost business with a high asset base

### Australia

- Rare, highly valued Darwin terminal well positioned to participate in NT, WA growth
- Blue chip customers and LNG project experience
- Operating at highest levels of regulatory compliance

## Challenges

### Asia

- Asset base not generating appropriate returns
- Regulatory uncertainty and market environment currently not supportive of further investment
- Compliance and safety not valued as in Aust.
- Risks of oversupply in transshipment market with large tonnage order book

### Australia

- Attract and retain quality, skilled people
- Manage cost pressures inflated by projects such as Inpex

# Marine – Contract Characteristics

## Business Cycle Leverage

- Asia – 100% production
- Australia – 60% production, 35% construction, 5% exploration

## Returns

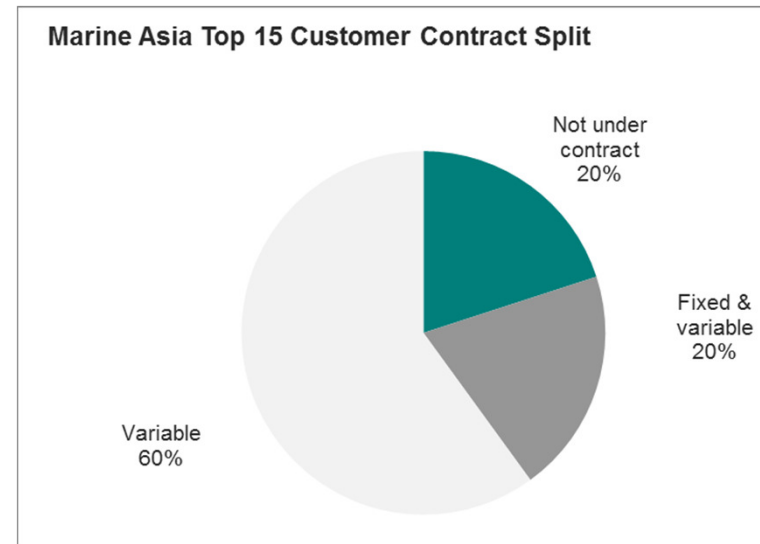
- Loss making, but cash flow positive

## Contract structures

- Difficult to implement fixed / take or pay arrangements in Asian market at required rates

## Assets

- Asia - 80+ vessel assets including tugs, dumb barges, self propelled & discharging barges, landing craft, floating cranes and container vessels operating across SE Asia
- Australia – 10 vessel assets including landing craft and container vessels



# Marine Asia Strategic Review Underway

- Currently business not making an acceptable return on capital
- In process of reviewing business to determine the strategy that will yield the best value accretive outcome
- Includes assessing the strategic fit of this business (former Sembawang Kimtrans business) acquired in 2007 in the TGR division.



# Offshore Supply Bases Toll Offshore Petroleum Services





# Business Divisions



## Operations

- Jetty facilities
- Water depth 8.5m
- 970m berth length
- Provision of cargo handling equipment
- Provision of labour
- Sea fastening & heavy lifts



## Logistics

- O&G freight forwarding & logistics services
- Warehousing
- Custom agency
- Storage of explosives & pyrotechnics



## Estate

- Rental of facilities (office space warehouse / covered open storage facilities)
- administrative functions



## Facilities

- Housekeeping & waste disposal
- Fumigation & pest control
- Infrastructure (repairs & maintenance)
- Utilities
- Equipment maintenance



# Background

- Loyang Base has been in operation since 1970
- Base acquired as part of SembCorp Logistics acquisition in 2006
- Redevelopment rights were granted in July 2008. This was linked to a new 30+15 year ground lease
- Works commenced in August 2008, and was programed to occur over a five(5) year duration

# Offshore Supply Bases – Business Overview

## Business Characteristics

- Reliable, recurring income stream
- High quality Oil & Gas customer base
- Long term leases and security of cash flow
- Unique high value asset tailored specific for the industry
- Quality contracts
- Long term experienced management team

## Challenges

- Disruption created by redevelopment program
- Return on capital diluted through development program
- Redevelopment program absorbs significant local management time to execute well
- Cyclical nature of Asia offshore activity

## Business Cycle Leverage

- TOPS operations (not property) 100% exploration

## Returns

- Current ROCE < Toll benchmark

# Broad Suite of Services

- Office, warehousing & yard rental
- Waterfront & berthing facilities
- Heavy lift & equipment rental
- Labour supply & stevedoring
- Supply of bulk materials e.g. fresh water
- International freight forwarding
- Project logistics management
- Supply chain management
- Inventory management
- Procurement services
- Transportation services
- On-Site customs clearance
- Dangerous goods storage
- Ship agency & chartering services
- Ship handling services

# Quality Oil & Gas Client Base



**Weatherford**

**Schlumberger**



**BRIDON**



**TIDEWATER**



**PENTAGON**

**subsea 7**



**EXPRO**

**Seadrill**



**Swire Pacific Offshore**



**Saipem**



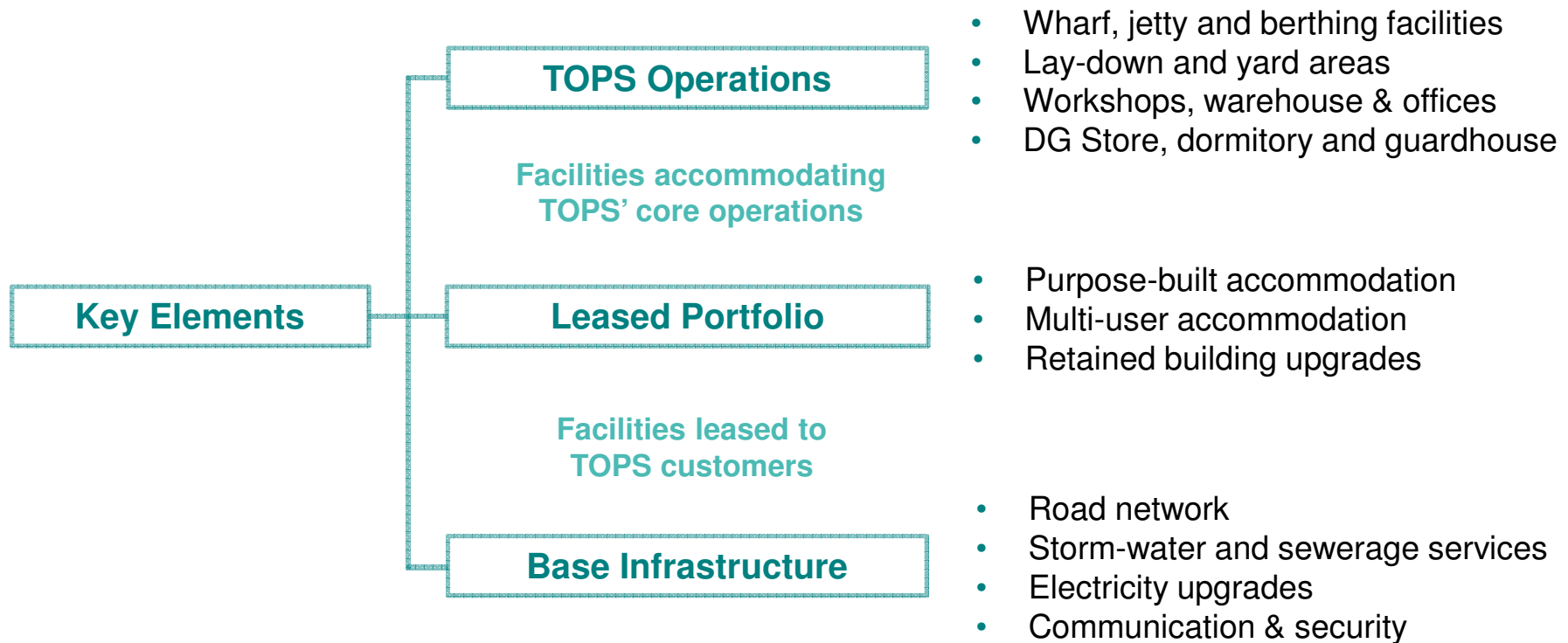
**Technip**



**DCF subsea**  
delivering solutions at any depth



# Integrated Development Focus





# Land Utilisation Split Between Operations & Customer Use



# Prime Investment Asset

- Over 50% of the land accommodates income generating, leased real estate assets
- From outset, strong emphasis on developing a high quality, investment grade real estate asset, that is complimentary to TOPS' operations business
- Institutional type net lease format
- Excellent lease covenants, high quality assets

# Project Overview - Infrastructure





# Infrastructure - Overview

## Jetty and Wharf Infrastructure

- Increased berthing capacity to 980m. Dredging completed to low tide depth of 8.5m
- New reinforced wharf areas



## New Roads, Services and Communication

- New heavy-duty road network
- New sewer, storm-water and drainage system
- Electricity capacity upgrades
- Fibre-optic communication cabling throughout



## Security Infrastructure

- New systems throughout. ISPS compliant

# Infrastructure - Status

## Jetty and Wharf Infrastructure **100% complete**

- Increased berthing capacity to 980m. Dredging completed to low tide depth of 8.5m
- New reinforced wharf areas



## New Roads, Services & Communication **80% Complete**

- New heavy-duty road network
- New sewer, storm-water and drainage system
- Electricity capacity upgrades
- Fibre-optic communication cabling throughout



## Security Infrastructure **90% complete**

- New systems throughout. ISPS compliant



# Overview - Leased Portfolio



# Leased Portfolio Facts

<b>Overview</b>	
Number of buildings	19
New buildings	11
New customer- dedicated buildings	8
New multi-customer buildings	3
Retained buildings	8
Total GFA	160,000 sqm
Number of tenants	> 125

# Leased Portfolio - High Quality Low Risk

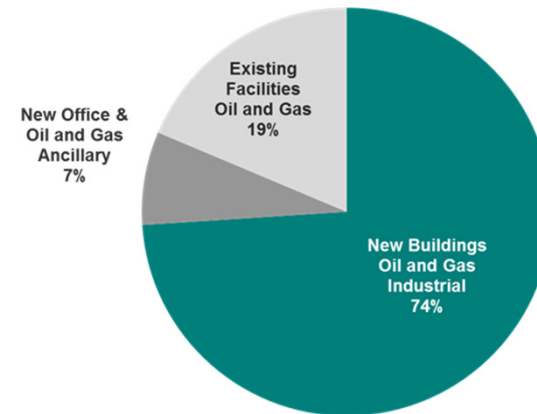
## Lease Income

- > 65% of real estate revenue is subject to fixed annual increases
- Rental growth as retained buildings are refurbished, and new leases negotiated

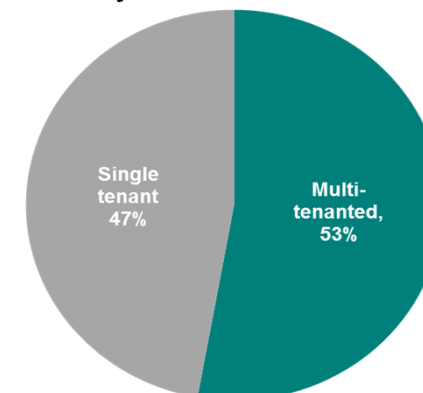
## Occupancy

- Leased Portfolio occupancy currently stands at 90%
- Occupancy is projected to improve as refurbishment projects complete and new leases are negotiated

Asset Type (by rental income)



Single v multi-tenanted facilities by rental income



Effective July 2012 includes Weatherford

# Lease Duration – Market Benchmarks

## Lease Duration (Income weighted)

- Weighted Average Lease Expiry (WALE) for new customer-dedicated buildings is 8.5 years
- Weighted Average Lease Expiry for new Ramp-up and Office buildings is 2.3 years

<b>SINGAPORE REIT COMPARISON</b>	<b>WALE (Sept 2011)</b>
AIMS AMP Capital Industrial	2.8 years
Ascendas Real Estate Inv Tst	4.4 years
Cambridge Industrial Trust	3.5 years
Mapletree Industrial Trust	2.5 years
Mapletree Logistics Trust	6.0 years
Source: OCBC Investment Research Feb 2012	

TOPS WALE is effective from Weatherford completion in July 2012

# Leased Portfolio - Key Assets

## Hallin Marine



Completion  
Gross Floor Area

February 2009  
7,138 sqm

## Panalpina



Completion  
Gross Floor Area

February 2009  
7,900 sqm



# Leased Portfolio - Key Assets

## Office Building



Completion  
Gross Floor Area

January 2011  
11,830 sqm

## Multi Storey Car Park



Completion  
Gross Floor Area

January 2011  
2,071 sqm  
474 car parks

# Leased Portfolio - Key Assets

## Ramp-Up Warehouse



Completion  
Gross Floor Area

October 2011  
61,381 sqm

## Harris Cap Rock



Completion  
Gross Floor Area

July 2010  
2653 sqm



# New Developments - Leased





# Development Update





# Development Recap

Project is subject to development conditions imposed by Head Landlord (Jurong Town Corporation)

<b>Key Conditions</b>	
Minimum Investment	Must exceed S\$300M
Plot Ratio	Not less than 0.5, not exceeding 1.0
Permitted Use	Marine base for offshore oil exploration and offshore related activities
Consolidation from 50ha	Remediation and return of 20ha
Timing	All conditions must be satisfied by October 2013

# Development Update

- TOPS remains on-track to satisfy all development criteria in June 2013 - three months ahead of plan
- The Weatherford facility remains on plan to complete in July 2012. This will add 21,200sqm of floor area to the Base
- Completion of TOPS project yards, workshop and ancillary buildings are on-program to complete by January 2013

# Recent Development Completions

Subsea 7



Completion  
Gross Floor Area

February 2012  
3,739sqm

Bridon



Completion  
Gross Floor Area

February 2012  
3,200sqm

# Current Development Activity

## Weatherford Asia-Pacific



Forecast Completion July 2012  
Gross Floor Area 21,200 sqm



# Current Development Activity

## TOPS Workshop



Forecast Completion  
Gross Floor Area

July 2012  
1,244sqm

## Building 601 Refurbishment

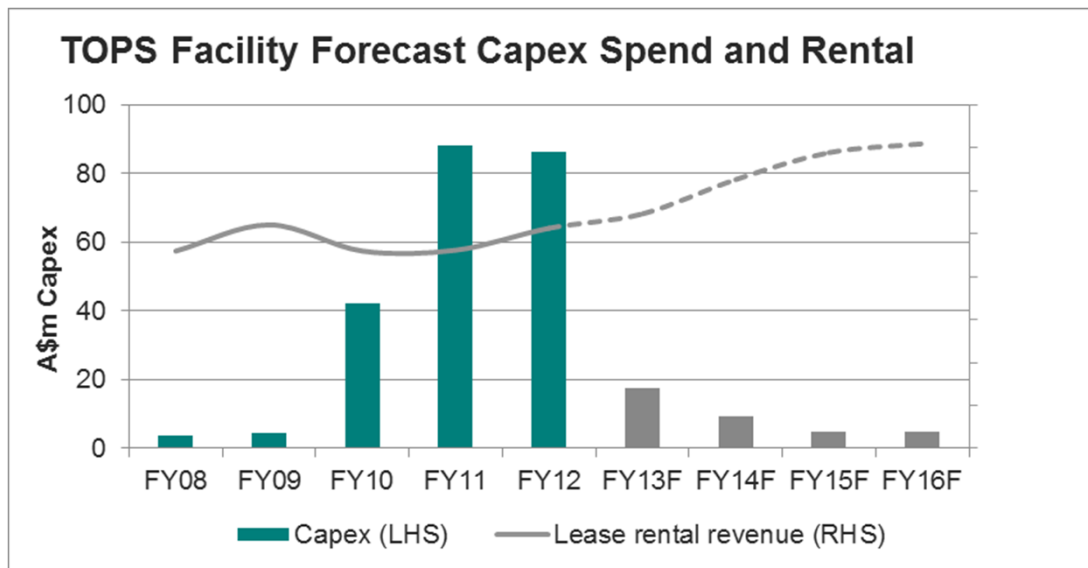


Completion  
Gross Floor Area

January 2013  
843sqm



# TOPS Development Spend Largely Complete Return Improvement Forecast to Continue



## TOPS Development Performance

- Ahead of time
- On budget – occupancy marginally behind internal targets, but capex spend savings has project internal IRR ahead of target

# Development Potential

- Significant value yet to be unlocked

	GFA	Plot Ratio
Forecast GFA (June 2013)	166,500 sqm	0.52
Permitted GFA	318,415 sqm	1.0
Available Development Capacity	<b>151,915 sqm</b>	

- Master-planning and infrastructure already contemplates further development phases
- Steady customer enquiry for stand-alone projects

# Development Locations



# TOPS Summary

- One of three major oil and gas hubs in the world. Strategically positioned deep water facility in Singapore, servicing offshore oil and gas sector
- Prime investment grade real estate asset
- Significant development upside
- Development conditions satisfied by June 2013 - three months ahead of allocated time.
- Continue to focus on maximising investment returns from a customer base that is complimentary to the operational business





# TGR Summary

# TGR Summary

Business Segment	Domestic Resources	International Projects	Marine	Offshore Supply Bases
ROCE (ranges)	>Toll benchmark	>Toll benchmark	Loss making, but cash flow positive	< Toll benchmark
Contract Leverage	Toll Mining – 100% production Toll Energy – 65% construction, 10% exploration, 25% production.	TRL – 70% project and 30% recurring	Asia – 100% production Australia – 60% production, 35% construction, 5% exploration	TOPS operations (not property) – 100% exploration

## Strengths

- Domestic Resources (*growth, strong roce*)
- TOPS unique highly valued asset (*value*)
- International Projects returns (*strong roce*)

## Opportunities

- Marine turnaround (*<0% roce provides opportunity in turnaround. Currently no value attributed, despite asset base value*)
- Opportunity in domestic resources and increase proportion of investment (*grow strong roce area*)
- TOPS development (*Continue to maximise value. Currently minimal value presently attributed*)

# Summary

## Focus on ROCE Improvement

- Investment required to take advantage of the significant mining and oil & gas organic opportunities available.
- Gorgon project peak activity levels expected in FY13, but future LNG opportunities.
- International Projects key Timor contract may conclude in FY13, but again future opportunities remain with Defence in Northern Australia and Asia Pacific.
- Buoyant oil price should see increased drilling activities
- Marine strategic review finalised and findings implemented
- Finalise TOPS development and focus on maximising returns from base
- Opportunities to complement existing service offering – focus on high growth, stronger returning ‘Domestic Resources’ business





**For further information please contact:**

**David Shirer – Group General Manager Investor Relations - Toll Group**

**Phone: +61 3 8689 3226**

**Mobile: +61 407 512 521**

**email: [david.shirer@tollgroup.com](mailto:david.shirer@tollgroup.com)**



# Disclaimer

This presentation includes “forward-looking statements.” These can be identified by words such as “may”, “should”, “anticipate”, “believe”, “intend”, “estimate” and “expect”. Statements which are not based on historic or current facts may be forward-looking statements.

Forward-looking statements are based on assumptions regarding Toll’s financial position, business strategies, plans and objectives of management for future operations and development and the environment in which Toll will operate.

Forward-looking statements are based on current views, expectations and beliefs as at the date they are expressed and which are subject to various risks and uncertainties. Actual results, performance or achievements of Toll could be materially different from those expressed in, or implied by, these forward-looking statements. The forward-looking statements contained in this presentation are not guarantees or assurances of future performance and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of Toll, which may cause the actual results, performance or achievements of Toll to differ materially from those expressed or implied by the forward-looking statements. For example, the factors that are likely to affect the results of Toll include general economic conditions in Australia and Globally; exchange rates; competition in the markets in which Toll does and will operate; weather and climate conditions; and the inherent regulatory risks in the businesses of Toll. The forward-looking statements contained in this presentation should not be taken as implying that the assumptions on which the projections have been prepared are correct or exhaustive.

Toll disclaims any responsibility for the accuracy or completeness of any forward-looking statement. Toll disclaims any responsibility to update or revise any forward-looking statement to reflect any change in Toll’s financial condition, status or affairs or any change in the events, conditions or circumstances on which a statement is based, except as required by law.

The projections or forecasts included in this presentation have not been audited, examined or otherwise reviewed by the independent auditors of Toll. Unless otherwise stated, all amounts are based on A-IFRS and are in Australian Dollars. Certain figures may be subject to rounding differences. Any market share information in this presentation is based on management estimates based on internally available information unless otherwise indicated.

You must not place undue reliance on these forward-looking statements.

This presentation is not an offer or invitation for subscription or purchase of, or a recommendation of securities. The securities referred to in these materials have not been and will not be registered under the United States Securities Act of 1933 (as amended) and may not be offered or sold in the United States absent registration or an exemption from registration.