



ASX ANNOUNCEMENT

Friday, 3 June 2016

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

2016 Scheme Meeting – Chairman address

In accordance with ASX Listing Rule 3.13.3, please find attached the address to be given by Asciano's Chairman at the Scheme Meeting to be held today at 10.00am.

Yours faithfully

A handwritten signature in blue ink, reading "Lyndall Stoyles".

Lyndall Stoyles
Group General Counsel and Company Secretary



Asciano Scheme Meeting Chairman's Speech

MALCOLM BROOMHEAD

Good morning Ladies and Gentlemen.

My name is Malcolm Broomhead, Chairman of Asciano Limited. On behalf of my fellow Directors I would like to thank you for attending today's Scheme Meeting.

I also welcome shareholders listening to our meeting today through our webcast facilities.

Before we start, can you please ensure your mobile phones are switched off or set to silent mode.

I also want to make sure you are familiar with the evacuation procedures we will follow in the unlikely event of an emergency.

In the event of an emergency, you will hear an evacuation alarm. Please follow the instructions of the wardens and make your way towards either of the two emergency exits on this floor, which are displayed in green on the screens.

This is a properly constituted meeting and a quorum is present. I therefore declare the Meeting open.

Let me start by introducing my fellow Directors, our Chief Financial Officer and our Company Secretary who are all seated in the front rows of the auditorium:

John Mullen, our CEO and Managing Director. Our Non-Executive Directors, Geoff Kleemann, Ralph Waters, Shirley In't Veld and Peter George followed by our Chief Financial Officer Roger Burrows. Lyndall Stoyles our Company Secretary and Group General Counsel. Non Executive Directors Chris Barlow and Bob Edgar send their apologies as they were unable to attend due to long dated prior commitments.

Our financial and legal advisors are also present today together with a number of Asciano's senior leadership team.

Notice of today's Scheme Meeting, dated 21 April 2016, and attached as Annexure E to the Scheme Booklet, has been given in accordance with Asciano's constitution and the orders made by the Supreme Court of New South Wales on 20 April 2016.

The Scheme Booklet including the Notice of Meeting was distributed to shareholders on or around 2 May 2016, and I propose to take the Notice of Meeting as being read.

The agenda for this meeting is set out on the screens.

First, I will provide some brief background and an update on the status of the proposed Scheme, before we move into the formal business of the Meeting. You will have an opportunity to ask questions prior to voting on the proposed resolution to approve the Scheme.

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Light refreshments will be served outside following the close of this Meeting.

This meeting has been convened in accordance with orders made by the Supreme Court of New South Wales on 20 April 2016 and, as you are all aware, is for you to consider, and if you think fit, to approve the scheme of arrangement which involves Australian Logistics Acquisition Investments Pty Ltd, an entity controlled by a consortium comprising affiliates of Global Infrastructure Management LLC, Canada Pension Plan Investment Board, CIC Capital Corporation, GIC Private Limited and British Columbia Investment Management Corporation, acquiring all shares held by Asciano Shareholders (other than the Excluded Shareholders) for \$9.15 cash.

Asciano is permitted, as part of the \$9.15 consideration, to pay a fully franked special dividend of up to \$0.90 per share providing an additional benefit to those shareholders able to capture the full value of the franking credits, expected to be up to approximately \$0.39 per Asciano share. The exact amount of the special dividend will be announced to shareholders around the time of the second court date to approve the Scheme but we continue to expect it to be between \$0.80 and \$0.90 per share. The scheme consideration of \$9.15 will be reduced by the amount of any special dividend paid. We believe the consideration under the Scheme represents an excellent return for all shareholders and we are very pleased to be able to put this proposal to you today. I would encourage all shareholders to vote in favour of the resolution.

Your Board is conscious that the takeover of Asciano has taken a number of different paths since the original proposal from Brookfield Infrastructure was announced in August 2015. The number of interested parties involved and change in transaction structures reflects the high level of interest in our Company, in particular from international parties, which we believe is a testament to the unique and highly strategic nature of Asciano's assets and businesses.

We apologise for any confusion the process may have caused shareholders and thank you for your patience.

Given there has been a number of announcements recently regarding various regulatory approvals required to complete the transaction and court proceedings in connection with the transaction, I thought it would be worthwhile updating shareholders on the status of those approvals and those proceedings and the impact they are likely to have on the Scheme timetable before moving to the formal item of business today.

First, as I am sure you are aware, the ACCC released a statement of issues in relation to the transaction on Thursday 26 May. This is not an unusual step by the ACCC in large transactions. Our industry is a complex one and the ACCC wants to ensure it fully understands all implications of the transaction. Asciano understands that the members of the Consortia are working closely with the ACCC to address the matters raised in the Statement of Issues, and we are working with them to ensure they are resolved as quickly as possible without materially affecting the scheme. The ACCC has indicated that it expects to announce its final decision on Thursday 21 July 2016.

In addition, on 18 May 2016, Asciano announced that the Foreign Investment Review Board has requested, and Asciano has agreed, to an extension of decision timing in respect of Asciano's application for certain FIRB approvals required to implement the

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Scheme as a result of the Federal Government entering care-taker mode ahead of the upcoming Federal Election. Asciano now expects FIRB approval to be received shortly after ACCC approval is received.

As a result of these regulatory delays, the Second Court Hearing has been adjourned by the New South Wales Supreme Court, to now be held on 28 July 2016. Asciano also expects to receive New Zealand Overseas Investment Office approval before the revised Second Court Hearing Date.

Second, as announced on 16 May 2016, Asciano has been involved in court proceedings regarding its interest in ACFS Port Logistics Pty Ltd, a joint venture in which it holds a 50% interest. The other parties to the joint venture have sought orders clarifying the parties' rights under the joint venture agreement and the effect of the Scheme on those rights. The final hearing in respect of the matter is expected to conclude today and judgement is expected on the matter in the coming weeks. At this stage, Asciano does not anticipate that these proceedings will have an impact on the revised transaction timetable.

We understand that the delays caused by this process are frustrating, however regulatory approvals including the ACCC and FIRB are conditions precedent to completion of this transaction. Be assured that we are working with the Consortium partners to address all the outstanding issues and to move to completion of the transaction as soon as practically possible.

Under the current indicative Scheme timetable as shown on the screens, if all regulatory approvals are obtained prior to the Second Court Date of 28 July 2016, the Scheme is expected to be implemented on 19 August 2016.

These dates are, however, indicative only and may change.

We now turn to the formal business of this meeting and the proposed resolution to approve the Scheme.

- End -

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