

28 August 2007

Results for the period ended 30 June 2007

RiverCity Motorway Group today announced its financial results for the period ended 30 June 2007.

In releasing the results, the Chairman of RiverCity Motorway Group, Mr Bob Morris, noted the positive start to construction, the better than forecast annual traffic growth on the major roads that will link to the tunnel and the continuing progress of the Brisbane Lord Mayor's *TransApex* strategy.

"Our design and construction contractor, Leighton Contractors and Boulderstone Hornibrook Bilfinger Berger Joint Venture (LBB JV), has achieved a number of early milestones, including the commencement of tunnel excavation two months ahead of schedule and the successful manufacture of the project's two tunnel boring machines three months early," Mr Morris said.

"There are now 1,150 people working across the project. Tunnelling is under way at sites north and south of the Brisbane River, manufacture of 37,000 concrete tunnel lining segments has commenced, and construction has started on fourteen of eighteen bridges located at either end of the tunnel.

"Following the positive start to works, construction expenditure reached \$503 million for the period ended 30 June 2007. The cost to the Group of the fixed time, fixed price construction contract has not changed during the period," he said.

Mr Morris said substantial progress had also been made in relation to the development of the tolling system, including early planning, business process identification, design development and the selection of key suppliers.

"RiverCity Motorway Groups is on track to define our tolling system requirements by the end of 2007. Achieving this target will enable us to substantially complete the tolling system back office in the first quarter of 2009, which would be an excellent result," he said.

Mr Morris said Brisbane's strong population and economic growth remained key drivers of traffic demand.

"Traffic volumes on the five major roads that will link directly to our tunnel recorded an annual increase of approximately 6 percent in a survey completed in October 2006. This level of actual traffic growth is above the growth forecasts contained in our own traffic modelling.

"Such growth appears likely to continue as Local and State Government urban planning is concentrated on revitalising suburbs such as Woolloongabba and Bowen Hills, which are located at either end of our tunnel," he said.

"Brisbane Lord Mayor Campbell Newman's *TransApex* strategy is continuing to move forward with Hale Street bridge due to open in 2010 and the start of the Northern Link project announced. Importantly, the Queensland Government is well advanced with the Airport Link project, targeting financial close by June 2008. This additional freeway connection will improve the northern access to our project.

"The North-South Bypass Tunnel is an important investment in Brisbane's future. While it is early days, the very positive start to the project provides us with great optimism that completion ahead of time and on-budget is achievable," Mr Morris said.

For more information please contact Anthony Havers on 0434 567 841.

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