

25 February 2009

## RESULTS FOR HALF-YEAR ENDED 31 DECEMBER 2008

---

RiverCity Motorway Group today released its results for the Half-Year Ended 31 December 2008, highlighting a further reduction in construction risks, commencement of the mechanical and electrical fit-out of the tunnel and substantial progress on its tolling system and business operations.

RiverCity Motorway Chairman Robert Morris said the Group was well positioned to open the Clem Jones Tunnel (CLEM7) well ahead of the October 2010 Contract Completion date.

“Excellent construction progress is continuing across the project and our tolling system and business operations are well advanced,” Mr Morris said.

“The financial success of the company will be measured by its ability to attract traffic and control costs sufficient to be able to service debt and provide a return to investors.

“RiverCity Motorway’s traffic forecasts were produced by the highly respected Maunsell Aecom. Our six monthly traffic counts released in October 2008 demonstrate continuing strong demand from motorists seeking to cross the Brisbane River.

“Brisbane is one of the most decentralised capital cities in Australia and its residents remain highly dependent on cars. Our toll road will provide genuine and compelling travel benefits for motorists who are seeking relief from continuing traffic congestion problems.

“The company remains focused on tailoring tolling products to meet the needs of Brisbane motorists, making sure our business systems are simple, reliable and flexible, and keeping operational costs low,” Mr Morris said.

### Construction risks reducing

Major construction milestones during the period included the completion of tunnel excavation 60 metres below the Brisbane River, the breakthrough of both tunnel boring machines at Kangaroo Point and the completion of all 18 bridges at either end of the tunnel.

Tunnel excavation is now 80% complete, including the completion of all tunnel excavation with roadheader machines.

Activity	Progress to Date	Total at Completion
Tunnel Boring Machine #1	3.1 kilometres	4.3 kilometres
Tunnel Boring Machine #2	3.3 kilometres	4.3 kilometres
Roadheader Excavation	360,000m <sup>3</sup>	360,000m <sup>3</sup>
Cross Passages and Substation Passages Excavated	42 (70%)	60
Tunnel Lining Segment Manufacture	36,000 (95%)	38,000
Bridges Complete	18	18
Surface Roads	98,000m <sup>2</sup> (63%)	155,000m <sup>2</sup>

Table 1: Construction progress as at 25 February 2009

### **Ramp-up of mechanical and electrical work**

In August 2008, work commenced on the mechanical and electrical fit-out of the tunnel.

Mechanical and electrical design is now 80% complete, all major equipment has been ordered and the first ceiling mounted jet fans have been installed.

The Tollroad Control Centre and ventilation stations are now structurally complete and internal fit-out is well under way.

In 2009, a team of more than 350 people will work on mechanical and electrical fit-out of the tunnel.

### **Tolling system and business operations well advanced**

In line with our strategy of being able to commence distributing electronic tags well ahead of road opening the company remains on target to substantially complete the tolling system back office and select an electronic tag provider by the end of March 2009.

Roadside equipment has now passed factory acceptance testing and the construction team is planning to commence installation of roadside gantries in mid 2009.

The company's Customer Service Centre and tolling back office operations will be located at Cannon Hill on Brisbane's south side. Fit-out of this building is 80% complete.

The Group has also recently recruited a number of key personnel in the areas of marketing, customer operations, customer service, finance, IT and human resources.

### **Long-term debt arrangements**

RiverCity Motorway has 100% hedged debt to cover the forecast costs to completion of construction. The risk of any construction cost over-run was mitigated by the fixed-price contract and there are no current reasons to anticipate any over-run.

On opening, the construction debt is replaced by fully underwritten term debt. This debt is hedged to 70%.

The term debt remains in force until the need to refinance 50% in August 2014 (8 years after financial close) and the remaining 50% in 2016.

The bank ratings of our syndicate banks continue to meet our project deed requirements. Therefore, we have the funding in place to complete construction and open to traffic.

For more information please contact:

Anthony Havers

T: +61 7 3837 4868

E: [investor@rivercitymotorway.com.au](mailto:investor@rivercitymotorway.com.au)

F: +61 7 3837 4999

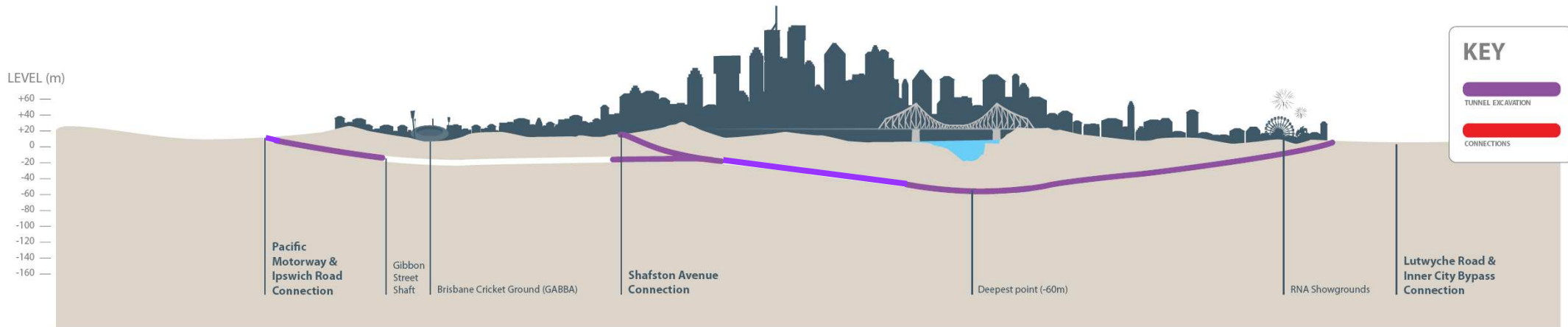
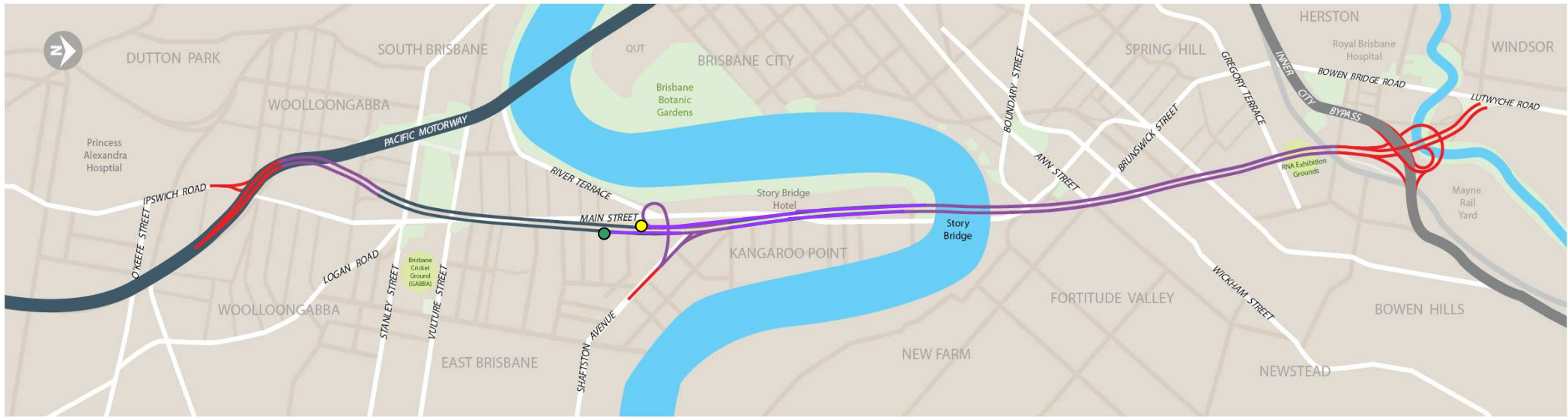


Figure 1: Tunnelling progress as at 25 February 2009