Brookfield Infrastructure Partners L.P.

Proposed Acquisition of Asciano Limited

Conference Call Transcript

Date: **Tuesday, August 18, 2015**

Time: **8:00 AM ET**

Speakers:

Sam Pollock
Chief Executive Officer

Stewart Upson
Managing Partner

OPERATOR:

Thank you for standing by. Welcome to the Brookfield Infrastructure Partners conference call and webcast being held on Tuesday, August 18, 2015 at 8:00 AM Eastern Time to discuss the proposed acquisition of Asciano Limited. As a reminder, all participants are in listen-only mode and the conference is being recorded. After the presentation there will be an opportunity to ask questions. To join the question queue, simply press star and one on your touch-tone phone. Should anyone need assistance during the conference call, they may signal an operator by pressing star and zero on their telephone.

At this time, I would like to turn the conference over to Sam Pollock, Chief Executive Officer. Please go ahead.

SAM POLLOCK:

Thank you, Operator, and good morning to everyone in Canada and the United States, and good evening to people in Australia. Thank you for joining us on our call today. Following our press release yesterday morning, we wanted to take a few minutes to walk you through our proposed acquisition of Asciano.

On the call with me today is Stewart Upson, one of our Managing Partners here in Australia who led the transaction. Also, we have Bahir Manios, our CFO, on the line.

Following our prepared remarks, we look forward to taking your questions and comments.

Before we begin, I just would like to remind you that in responding to questions and in talking about our growth initiatives and our financial and operating performance, we may make forward-looking statements. These statements are subject to known and unknown risks and future results may differ materially. For further information on known risk factors, I would encourage you to review our Annual Report on Form 20-F which is available on our website.

Let us begin with slide 3 for an overview of the proposed transaction. On this slide, we lay out the various components of the deal. First, there’s the cash and scrip offer for Asciano, led by Brookfield Infrastructure and a group of our institutional investment partners. The offer price is AUD$9.15 per share. The transaction, we’re happy to say, received the unanimous support of the Asciano Board and it will be completed by a Scheme of Arrangement which we expect to close in December 2015, following Asciano’s shareholder vote to be held in November. This offer values Asciano’s equity at approximately AUD$9 billion or USD$6.6 billion, and it equates to an enterprise value of approximately AUD$12 billion. Based on Asciano’s fiscal year 2015 results which were filed today in Australia, this implies a roughly 10.5 times EV to EBITDA multiple. Our consideration to Asciano’s shareholders consists of 76% cash and 24% units of Brookfield Infrastructure Partners, and once complete, Brookfield Infrastructure Partners will be acquiring an approximately 55% interest in Asciano for approximately USD$2.8 billion. Our ability to tap various liquidity sources, including BIP’s access to capital markets in the first half of 2015, capital available through Brookfield’s Private Funds structure, and our relationships with large institutional investors enabled us to pull this transaction together very quickly.

Now turning to slide 4, I will now review the consideration to Asciano shareholders. Under the terms of the proposed transaction, subject to the ‘mix and match’ mechanism, Asciano shareholders will receive for each Asciano share held AUD$6.94 in cash and 0.0387 Brookfield Infrastructure units valued by Asciano at AUD$2.21 per share. These elements combine to represent a total consideration of AUD$9.15 per Asciano share. This transaction represents a premium of approximately 39% to the 30-day trading volume weighted average price of Asciano shares leading up to July 1, 2015. In addition, Asciano expects to pay out a special dividend of up to AUD$0.90 per Asciano share, which will allow Asciano shareholders to benefit from associated franking credits. For those shareholders who are able to utilize these credits, they will receive an additional benefit valued at AUD$0.39 per share.

Turning to slide 5, let me briefly summarize some of the investment highlights of the transaction, which we will then cover in more detail later on in the presentation.

We believe this transaction is a unique strategic and financial opportunity for Brookfield Infrastructure. First, as a result of this transaction, Brookfield Infrastructure will be able to invest USD$2.8 billion into high-quality assets. This amount is significantly greater than our annual target of USD $500 million to USD $1 billion. Second, this is an opportunity to create a world-class rail and port logistics business. Third, this deal will be immediately accretive to FFO and AFFO per unit while preserving balance sheet strength. And finally, the transaction allows for ongoing participation of Asciano shareholders in the business at a fair valuation and also potentially opens up a new capital market for Brookfield Infrastructure to access in the future.

On slides 6 and 7, we provide a summary of the funding for the deal. The principal takeaway from these slides is that the transaction is fully funded and that we don’t need to raise any additional equity to complete the deal. I’ll just quickly review slide 6, as it’s fairly self-explanatory.

The total enterprise value of Asciano is approximately AUD$12 billion, comprised of approximately AUD$9 billion of shareholders equity, and AUD$3.2 billion of debt. The acquisition of the company is financed in the following manner: first, the assumption of existing Asciano debt of AUD$3.2 billion; second, we are raising AUD$1.9 billion from a syndicated bank facility which will be refinanced over time with long-term debt in Asciano. Today, as an example, the S&P reaffirmed Asciano’s BBB credit rating, taking into consideration our acquisition and this additional leverage. Lastly, we have raised AUD$6.9 billion, which equates to roughly USD$5.1 billion of equity, 55% of which, or USD$2.8 billion, will be funded by BIP through a combination of BIP Units issued to Asciano’s shareholders under the Scheme, cash raised from our USD$250 million private placement of BIP Units to Brookfield Asset Management, cash on hand, and drawings on Brookfield Infrastructure’s revolving credit facilities. The remaining 45% equity interest in Asciano will be funded through Brookfield sponsored and managed funds, in addition to our institutional co-investment partners.

On slide 7, we have set out all the near-term initiatives that we have prioritized alongside the various capital initiatives we have undertaken recently to fund them. As I said earlier, we did not need to raise additional equity to execute these investment initiatives.

I’d now like to turn the call over to Stewart Upson to take you through the strategic rationale for the investment.

STEWART UPSON:

Thanks, Sam. So turning to slide 8, let me talk a bit about Asciano and why we think that the combination of our two companies creates a world-class rail and port logistics platform. Asciano's business is comprised of a unique network of port and rail assets in Australia. The Pacific National business has nationwide above rail haulage operations with assets consisting of 664 locomotives and over 14,000 wagons which have the capacity to haul 180 million tonnes of freight and are diversified across mineral and bulk haulage, steel and intermodal. In the Patrick business, there are four high-quality container terminals in major Australian cities, including Sydney, Melbourne, Brisbane and Perth, that have a capacity of approximately 4.9 million TEUs. Also in Patrick, they provide port, terminal and supply chain services that support shipping lines, importers, exporters, freight forwarders and custom brokers.

With this transaction, we will run a best-in-class automatic group of container port terminals in several key markets around the world and establish an international rail logistics platform with outstanding long-term prospects. Working together, we will be able to leverage our global relationships, positioning ourselves well for future growth.

On the rail side, on slide 9, you will see a map of our combined operations. Asciano's leading above rail operations, together with Brookfield's Australian and Brazilian logistics businesses, creates a unique and powerful international rail logistics platform.

Turning to slide 10, as we have described here, the combination of the largest rail operator in Australia with a significant existing transportation portfolio will establish a leading rail logistics platform with solid long-term prospects. This would benefit our business in two ways. First is through supply chain optimization opportunities that would surface because we currently own an Australian rail business and Australian-regulated terminal operations. This involves the potential to work with customers across more parts of the supply chain to apply additional capital to de-bottleneck operations and provide benefits to all stakeholders. Second, we believe that there will be opportunities to share best practices by bringing together this Australian rail logistics business with our South American infrastructure logistics business.

Turning to ports, on slide 11, you can see that the Australian container terminals combined with existing assets in North America and Europe provide the foundation for a global container platform with operations on five continents.

Turning to slide 12, Asciano's Australian container terminals will complement BIP's existing terminal footprint in California and the UK to create a global ports platform with a best-in-class automatic group of container port terminals. This acquisition more than doubles our existing port capacity and provides a container ports presence in the Asia Pacific region. In addition, we would expect to drive value in the combined global portfolio of assets while leveraging Asciano's leading edge skills in container terminal automation and BIP's extensive business development expertise. This would allow us to attract new international clients with our global network of ports, offering them a single supplier for access into key global regions.

Slide 13 illustrates that by adding Asciano to our existing business, it more than doubles BIP's rail and port EBITDA, as it significantly increases capacity. From an operations standpoint, the acquisition further diversifies our rail cash flows across various industries and more than doubles our port capacity through the addition of four terminals to our portfolio.

Turning to slide 14, let me take a minute to talk about the opportunities that the combined company has for future growth. Asciano is well positioned to drive increased revenue and margins as a result of long-term GDP growth. The markets that it operates in are driven in large part by Australian economic activity. These businesses have large depreciated asset bases, long-term customer relationships and contracts that support defensible market positions with a high scarcity value and a large national footprint.

We also expect to see a number of strategic benefits, such as the ability to leverage cost synergies in the management of a larger number of Australian businesses, the potential to identify and pursue Pacific National supply chain optimization initiatives, as I mentioned earlier, and the opportunity to participate in and understand multiple additional components of the Australian logistics industry and build relationships with multiple agricultural, industrial and mining customers, which we expect will serve as further capital deployment opportunities for us in the future.

Finally, we expect that with enhanced rail and port platforms we will uncover further value opportunities. We plan to leverage the automation technology expertise, global relationships and industry experience across the combined business, which should serve as a competitive advantage as we look to grow this space going forward.

Thanks, Sam.

SAM POLLOCK:

Thank you, Stewart. On slide 15, we have set out an analysis which illustrates the near-term accretion to AFFO from the deal. Along the right-hand side, you will see Asciano's fiscal year 2015 financial results summarized and converted into U.S. dollars at an exchange rate of $0.74. For BIP's base case results, we have simply taken our FFO reported for the six months ended June 30th, 2015 and annualized them, adjusting for the impact of TDF which closed in March. Potential cost savings net of interest includes the net impact of tax and G&A synergies expected in the business, offset by incremental base management fees on our increased equity base and interest on USD$300 million of debt financing. Under this scenario, the transaction generates AFFO accretion of approximately 7%.

On slide 16, we have summarized the potential impacts on our distributions in 2016, should the transaction proceed and the business continues to track as expected. We have previously stated that we expect to generate same store growth in our FFO of approximately 6% to 9% next year. In addition, we have shared our belief that based on prior experience we expect to generate approximately 2% accretion for every plus or minus USD$500 million in equity deployed. Given the scale of this transaction and the expected accretion, we therefore believe that we should be in the strong position to consider distribution growth in the range of 11% to 13% next year, subject to Board approval in the coming periods.

Turning now to slide 17, one of the last things that I wanted to highlight is that following the transaction, Asciano shareholders will own 14% of Brookfield Infrastructure. In order to improve liquidity, enhance the overall appeal of our units to local Australian investors, we are seeking a listing of our units on the Australian Stock Exchange and we also expect our units to be considered for inclusion in the S&P ASX 100.

We also recognize that Brookfield Infrastructure is not well known among analysts and investors in Australia and, as a result, we'll be making a concerted effort over the coming months to educate the Australian market about the quality of our assets and our belief that Brookfield Infrastructure is a compelling investment for those Australian investors seeking exposure to the infrastructure sector.

As outlined in the funding plan, Brookfield Asset Management is supporting the transaction through a USD$250 million private placement. We believe that Brookfield's support for the transaction further demonstrates its commitment to helping Brookfield Infrastructure grow its business at attractive returns.

In our last slide, we have included a high level timeline outlining the milestones we feel are critical in completing this transaction. Of note, we expect to complete the ASIC review by September 2015, and conduct the Asciano shareholder vote in the beginning of November 2015. Assuming all things proceed as anticipated, we expect to close this transaction in December.

That concludes our formal remarks. We do have some appendices to the presentation which we aren't going to go through on this call, but if you'd like additional colour on our performance or more background on Brookfield Infrastructure, we encourage you to take a look.

Operator, we'd now be pleased to take any questions.

OPERATOR:

Thank you. We will now begin the question and answer session. If you would like to ask a question, please press star and one on your touch-tone telephone. You will hear a tone to indicate you're in queue. For those using a speaker phone, it may be necessary to pick up your handset before pressing any keys. If you wish to remove yourself from the question queue, you may press star and two. There will be a brief moment while we poll for questions.

The first question is from Bert Powell of BMO Capital Markets. Please go ahead.

BERT POWELL:

Thanks, just a couple of questions on clarification. Asciano's debt, it looks like it's USD$2.9 billion, you're using USD$2.4 billion. I'm assuming some of this is related to the $400 million U.S. bonds. Can you just sort of bridge us from their number to yours? And also, just on the USD$300 million debt, is that at the BIP level or will that be at the asset level?

SAM POLLOCK:

So just answering your last question first, the USD$300 million is at the BIP level, not the Asciano level, and in reconciling their account—I don't have it straight in front of me. The AUD$3.2 billion is a gross number and so you may be looking at a net debt number.

STEWART UPSON:

Yes, and the USD$400 million of bonds that are due, so they'll obviously raise capital to pay down debt against their bank facility, which is then available to be redrawn to pay down those bonds. I think that's what you're referring to.

BERT POWELL:

Yes, okay. I just want to make sure that I understood that. Then, Sam, just looking at the synergies, I mean, right out of the gate, it looks pretty conservative. Maybe, can you talk a little bit about some of the other opportunities that you see, and I think last night Asciano talked about integrating the two Patrick divisions for the restructuring delivering benefits, maybe you can talk about some of the upside beyond the net 15 that you've got in the package.

SAM POLLOCK:

Maybe I'll start and then I'll have Stewart add some more colour. Bert, I think you're right, that the Company has provided guidance that it believes it can achieve further cost savings. It's done a great job over the last couple of years in delivering—I believe they call it BIP savings, which is kind of ironic.

STEWART UPSON:

Yes.

SAM POLLOCK:

So, we think that they can generate further savings and that would be our expectation. But for the analysis that we've provided, we really wanted to stick to audited numbers that people could go back and check, and so we've not built in any future expectations around that in the analysis, but our hope is that they will deliver on that. The only thing I'd say is that offsetting that a little bit is the fact that they're not expecting a lot of top line growth in the coming year, which I think you probably heard them say on the call today. So, they're achieving a lot of the growth in the business by achieving those margin efficiencies.

STEWART UPSON:

I think that on the Asciano results call today, they actually voiced their views on achievability of the AUD$300 million target and their expectation that they will be able to exceed that. Getting to AUD$300 million largely has been driven by the integration of their coal business with their other rail business to be one Pacific National rail business, and you will have seen that recently they've also integrated their ports business BAPS and Patrick under one Patrick banner. It's not expected to have as much impact as the combination of the rail business, but there will be further benefits. As Sam said, we've been pretty conservative in our approach to underwriting that, but obviously we hope we conserve some more value through those activities.

BERT POWELL:

Okay, thanks. I think that's two or more questions. I'll stop there, Sam. Thanks.

SAM POLLOCK:

Okay. Thanks, Bert.

OPERATOR:

The next question is from Cherilyn Radbourne of TD Securities. Please go ahead.

CHERILYN RADBOURNE:

Thanks very much and good morning or good evening. So the plan is to increase leverage at Asciano, so I wondered if you could just speak to the visibility and predictability of Asciano's cash flows relative to that of your base business.

SAM POLLOCK:

Hi, Cherilyn, and thanks for the question. Yes, I think that is one of the opportunities that we identified in the business right up front was the fact that the business was going to quickly de-gear as a result of the reduction in CapEx in the business. Over the last number of years, I think one of the things that has constrained its ability to leverage the company was the fact that they had a significant capital program. Based off our diligence, we agree with the guidance that Management has given, that CapEx will drop off considerably, and in fact they've probably been a bit conservative in the estimates that they've given going forward, and it's because of that that we have the confidence, and I think as was confirmed by S&P, that the amount of leverage that we would put in the business would be investment grade and very sustainable. So, I think on a go-forward basis, to the extent that there is more capital required for the business, more than likely that would be in relation to identifiable projects that would also drive additional cash flow.

CHERILYN RADBOURNE:

Okay. There seemed to be some confusion yesterday about the acquisition facility, so maybe you could just address the term of that facility and elaborate a little bit more on your plans to refinance it.

SAM POLLOCK:

Okay. Well, it's a traditional bank facility in two tranches, half of it three-year and half of it five-year. The intention is to refinance that with future debt issuances, likely in the U.S. capital markets over the next couple of years. We feel quite confident that that's achievable and I think that's really the game plan.

CHERILYN RADBOURNE:

Great. That's my two. Thank you.

SAM POLLOCK:

Okay. Thank you.

OPERATOR:

The next question is from Young Ku of Wells Fargo. Please go ahead.

YOUNG KU:

Great, thank you for taking my question. Sam, just going back to your comments on cash flow generation abilities of Asciano, when I look at your slide, I see the USD$122 million of estimated maintenance CapEx that would be BIP's 55% share. Is that something that's achievable in the near term or is that kind of a multi-year process?

SAM POLLOCK:

That number is effectively the Company's long-term guidance for sustainable CapEx, and so it would be reflective of an average total over a period of time. So, obviously, some years there could be some variability, just depending on certain replacements, so there can be a little bit lumpiness, but that number on average is what we would expect for the next couple of years.

YOUNG KU:

Okay, but you said here that it's pro forma 2016 number, so you're saying that that doesn't necessarily translate to what we should be expecting for 2016 then.

SAM POLLOCK:

It'll be close. So, you're right. Obviously, these are estimates to a certain extent, but we feel it's a reasonable proxy.

YOUNG KU:

Okay, got it, that's helpful. Are there any other growth CapEx potential from any of the Asciano assets that you're taking on, and if there are any, what kind of return expectations would you be expecting?

SAM POLLOCK:

So, yes, in the near term, there's relatively modest amounts of growth capital expected in the business. I think the Company has identified a few when we did our diligence. I think, once we go into the company we'll have to probably reassess them as part of a budgeting process. Typically, the types of returns they look for on capital project is plus or minus 15% return on assets.

YOUNG KU:

Got it, great. Thank you.

SAM POLLOCK:

Okay. Thank you.

OPERATOR:

The next question is from Andrew Kuske of Credit Suisse. Please go ahead.

ANDREW KUSKE:

Thank you. I guess the first question is for Sam and it's just around your comments on the distribution growth. I believe you said you're anticipating 11 to 13% distribution growth next year. Now, that's up from your 5 to 9% longer term range. Are you seeing this as some structural shift upwards, as we've seen with some of the past acquisitions? If we go back to the Babcock and Prime deals and then the buildout of WestNet Rail, is this—or do you anticipate this being a multi-year phenomenon of structurally higher distribution growth?

SAM POLLOCK:

That's a good question, Andrew. I think at this stage we're comfortable looking out into the near term with that sort of expectation. I'm a little less comfortable in saying that it's a multi-year or longer term prediction or guidance. I think we have to relook at our budgets once the deal has closed before we can give that sort of assessment.

ANDREW KUSKE:

Okay. Thank you. Then the second question is just on Asciano's maturity profile. In the schedule they have over the next few years, it says "the number of maturities coming up," I believe their duration is only—less than five years, so what are the plans to really term that out to a longer duration? Is it going to be more of the same of how Brookfield's approached things in the past, private placements in the U.S. swapping into Aussie, or a mixture of strategies?

SAM POLLOCK:

I think there's probably two opportunities. Both, I think are probably limited to financing in the range of 10 to 12 years maximum. As they have done and as we have done with our Australian businesses, we expect we will tap into the U.S. private placement market. With the availability of cross-currency swaps generally limited to that 10 to 12 year timeframe, that sort of limits how long we can go out, but they also recently issued a 10-year bond in the Australian market which, Stewart can correct me if I'm wrong, but I think it was pretty novel and one of the first times that's been achieved.

STEWART UPSON:

Yes.

SAM POLLOCK:

So to the extent that that is available and minimizes using up credit capacity with the swaps, then I think we would look to do that again as well. But again, given the state of the Aussie market, I think 10 years is probably as far out as we're going to be able to get for that kind of debt. So, short answer, Andrew, I think we can term things out a bit, but we're not going to be able to achieve 20-year financing in this business.

ANDREW KUSKE:

Okay, and then just maybe one brief follow-up. So the market seems comfortable, given the 10-year placement they just did recently, with effectively rolling stock assets and the port assets, so it seems like the rolling stock assets, which arguably are a different characteristic, there's market appetite to have a 10-year tenure.

STEWART UPSON:

Yes, these assets are effectively perpetual assets, they're constantly swapping out individual components of the rolling stock assets at their various maintenance facilities, for instance they just did a major series of engine overhauls in their locomotives. They maintain the life of their rolling stock assets as they go, we think that supports long-term financing. With the big buildout profile there's been over AUD$2 billion of CapEx in their rail business in their last three to five years, you don't have any sort of major capital cliff coming up any time in the 10 year or even much longer horizon. So, I think that's why the markets are very comfortable providing that financing and they'll—under our plans, we'll continue to maintain the assets in that manner.

ANDREW KUSKE:

Okay, that's great. Thank you.

OPERATOR:

The next question is from Robert Kwan of RBC Capital Markets. Please go ahead.

ROBERT KWAN:

Great, thank you. Asciano mentioned on its call that global shipping customers are looking for global solutions. I'm just wondering with your assets whether that's similar to what you've been hearing, and then specifically to this transaction, they said they've had high level but no detailed discussions with their customers. I'm just wondering if you have had more detailed discussions, post-announcement under of the deal or whether that was also something you had prior during due diligence.

SAM POLLOCK:

I'll crack that first and then maybe Stewart you can jump in as well.

So, as you're aware, we have one of the shipping customers as a partner of ours in our L.A. terminal, so we did have the benefit of getting their view of the business and their view of various dynamics in the sector, so that is helpful and something that we do regularly. As far as the customer relationships, I'd say there are a number where we have common customer relationships, and MOL is one of them, NYK would be another, OOCL would be another sort of common relationship, but there are a number where they have relationships that we didn't have in our business, particularly with MSC and Maersk, and then we had relationships with companies like Hapag-Lloyd, which I don't think they had as a customer. So there are I think good opportunities to leverage these relationships to drive volumes into the various terminals, but I think probably the bigger opportunity, which Stewart identified, is as we build out a broader and bigger platform, having more of these relationships and being able then to drive them into our various terminals, particularly if we can identify and acquire further gateway terminals around the world, we think it just gives us a strong competitive advantage and puts us in the league of the Hutchisons and others who are able to achieve those synergies today.

So that is the goal. Obviously, we won't get there just with this portfolio and our portfolio, we need to continue to add to it, but it's a great stepping stone, and just between these two portfolios we will already enhance our customer relationships.

ROBERT KWAN:

I guess, have you had the detailed discussions outside of, you know, your joint venture in California, just with some of these other customers to get their initial take as to what you're doing in terms of combining the business moving forward?

SAM POLLOCK:

Well, as you can appreciate, we couldn't have talked to anyone about the transaction until now because it was confidential. So other than internal people, we really were quite limited in how we could solicit viewpoints. But we've got a number of people in our business, like Peter Stone, who's been in the sector for decades, particularly on the commercial side, and so we have internally a good assessment of what we think these relationships could do for us.

ROBERT KWAN:

Fair enough. Just the last question, as it relates to free cash flow generation and coming back to maintenance CapEx, what you've put together is the lower end of Asciano's guidance range. I'm just wondering if you can give some colour as to how you see that playing out and why you think that ongoing maintenance would trend to the lower end there.

STEWART UPSON:

Yes, sure. Look, Asciano has given guidance as a public company and is obviously wanting to put goal posts out there that it believes will be achievable. We've taken a different approach. We've gone through a thorough due diligence underwriting process and we've had consultants look at each of the businesses from the bottom up, worked out the age and condition of all the various assets, and the capacity utilization requirements that are required in our underwriting forecast, and then build up the bottom-up maintenance CapEx on that basis. So where we've gotten to is a high degree of comfort that the amount of maintenance CapEx that we are forecasting is what's going to be required to sustain the business, and it is in the range of what Asciano had been forecasting independently, and, again, I think they were just building in a little bit of comfort buffer there just to ensure that they always hit their goal.

ROBERT KWAN:

For sure, and you see that being as more sustainable rather than just being at the lower end of the range as you've dug into the assets and maybe they don't quite need as much maintenance over the next call it five years and then you would trend to the high end.

STEWART UPSON:

Yes, , we didn't really do it with reference to their range. We did it completely from a bottom-up asset by asset approach on a very detailed basis. So, as you would expect, our forecast has maintenance CapEx that, as Sam said before, has some ups and down, but they're all very manageable, and as replacements are required there will be certain lumps that will come through, but in the scale of this business, it's— again, it's all very manageable.

ROBERT KWAN:

That's great. Thank you very much.

OPERATOR:

The next question is from Samir Ghafir of Raymond James. Please go ahead.

SAMIR GHAFIR:

Good morning. There's nothing from keeping another group from making a bid for Asciano and there's no mention of any break-up fees associated with the deal. I'm just wondering if that's something that was discussed in the negotiations.

SAM POLLOCK:

Hi, Samir. So, we didn't mention it in the presentation, but there is a break fee and a right to match, so we have the typical protections that you get here in Australia. The break fee is effectively 1%, which is sort of mandated in the market here, which is roughly AUD$88 million.

SAMIR GHAFIR:

Okay. Thanks. Also, is it possible to get any information on the two institutional partners for 22%?

SAM POLLOCK:

Yes, it had been reported, because their names were filed in the SID which was lodged here today. The two investors are investors who invest alongside us quite regularly. One is bcIMC, which is the Canadian Pension Plan, obviously, and the other is the Government of Singapore.

SAMIR GHAFIR:

Great. Thanks.

OPERATOR:

This concludes the time allocated for questions on today's call. I will hand the call back over now to Mr. Pollock for closing comments.

SAM POLLOCK:

Thank you, Operator. I'd just like to thank everyone for joining our call today. We look forward to updating you on the transaction in November at our regularly quarterly results call and hopefully the transaction will be successful. Thank you again and have a great day.

OPERATOR:

This concludes today's conference call. You may disconnect your lines. Thank you for participating and have a pleasant day.