



Media release

26 November 2012

Future Fund agrees to acquire portfolio assets of Australian Infrastructure Fund

Further to the announcement on 24th August 2012, the Future Fund Board of Guardians confirms that it has entered into a binding Implementation Agreement with the Australian Infrastructure Fund (AIX) to acquire all of AIX's portfolio assets.

The proposed consideration of \$2 billion provides a premium to the value of the assets, representing a:

- 10% premium to the AIX Directors' published valuation of its assets as at 30 June 2012;
- 22% premium to the closing price of AIX's securities on 23 August 2012, being the last day of trading prior to the initial announcement of the transaction; and
- 31% premium to the three month volume weighted average trading price of AIX securities to 23 August 2012.

The transaction remains subject to the approval of AIX security holders at an Extraordinary General Meeting, which is expected to be held in January 2013. The AIX independent directors unanimously consider that the proposed transaction is in the best interests of AIX securityholders and recommend that AIX securityholders vote in favour of the transaction.

Following securityholder approval, the assets will go through any applicable pre-emptive rights process after which the Future Fund's ownership of each asset will be known. The Future Fund's proposal reflects its careful consideration of the various outcomes that may unfold as a result of the operation of the pre-emptive rights process.

David Neal, Chief Investment Officer at the Future Fund said:

"The Future Fund continues to focus on building a diversified portfolio targeted on the achievement of its long term return objective of at least CPI+4.5-5.5%pa. Australian infrastructure assets are an important part of the Fund's strategy, given their strong correlation with domestic economic growth, as well as inflation protection and relatively high levels of earnings certainty.

"Over the last five years, the Fund has been building its Tangible Assets program, comprising property, infrastructure and timberlands. The infrastructure program is now valued at over \$4.7 billion or 5.9% of the portfolio. We continue to seek opportunities to invest in a disciplined manner, either directly or through skilled managers, to increase our exposure to quality Australian and international infrastructure assets."

Background to AIX

Australian Infrastructure Fund (AIX) is one of Australia's leading diversified transport infrastructure funds. It combines Australian Infrastructure Fund Trust (AIFT) and Australian Infrastructure Fund Limited (AIFL).

AIX's portfolio assets comprise the following minority investments:

- 12.4% of Australia Pacific Airports Corporation (Melbourne and Launceston Airports)
- 29.7% of the Perth Airport group (Perth Airport)

- 49.1% of Queensland Airports Limited (Gold Coast, Townsville and Mount Isa Airports)
- 28.2% of Airport Development Group (Darwin, Alice Springs and Tennant Creek Airports)
- 40.0% of the equity in HOCHTIEF Airport Capital (interests in Sydney (6.5%), Hamburg (14.2%), Dusseldorf (10.0%) and Athens (13.3%) Airports)
- 6.25% of the equity and 100% of the Class B preference shares in Statewide Roads Limited.

ENDS

For more information contact:

Will Hetheron

Head of Public Affairs

Future Fund

03 8656 6400

0439 016 678