



# QCA WACC Forum Cost of Equity

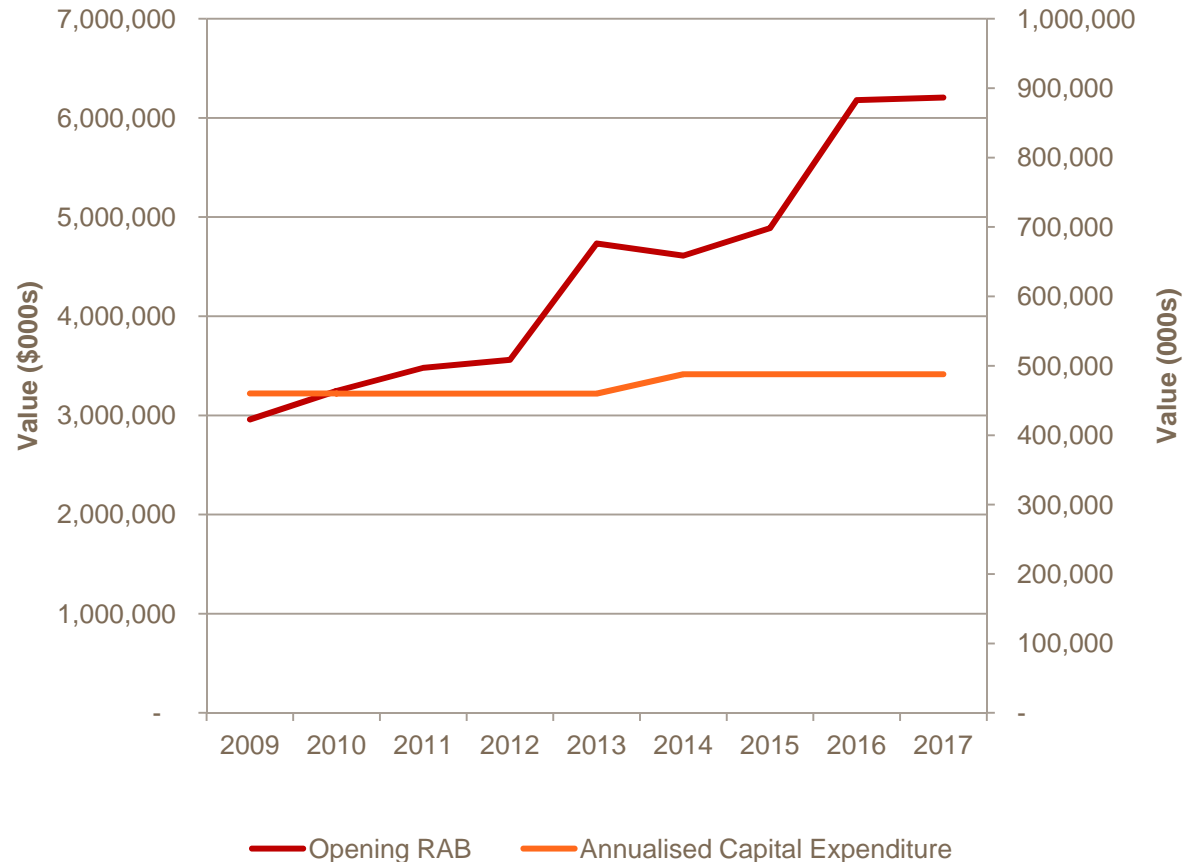
Alex Kummant, Executive Vice President Network  
13 December 2013



# Aurizon Network's Investment Commitments

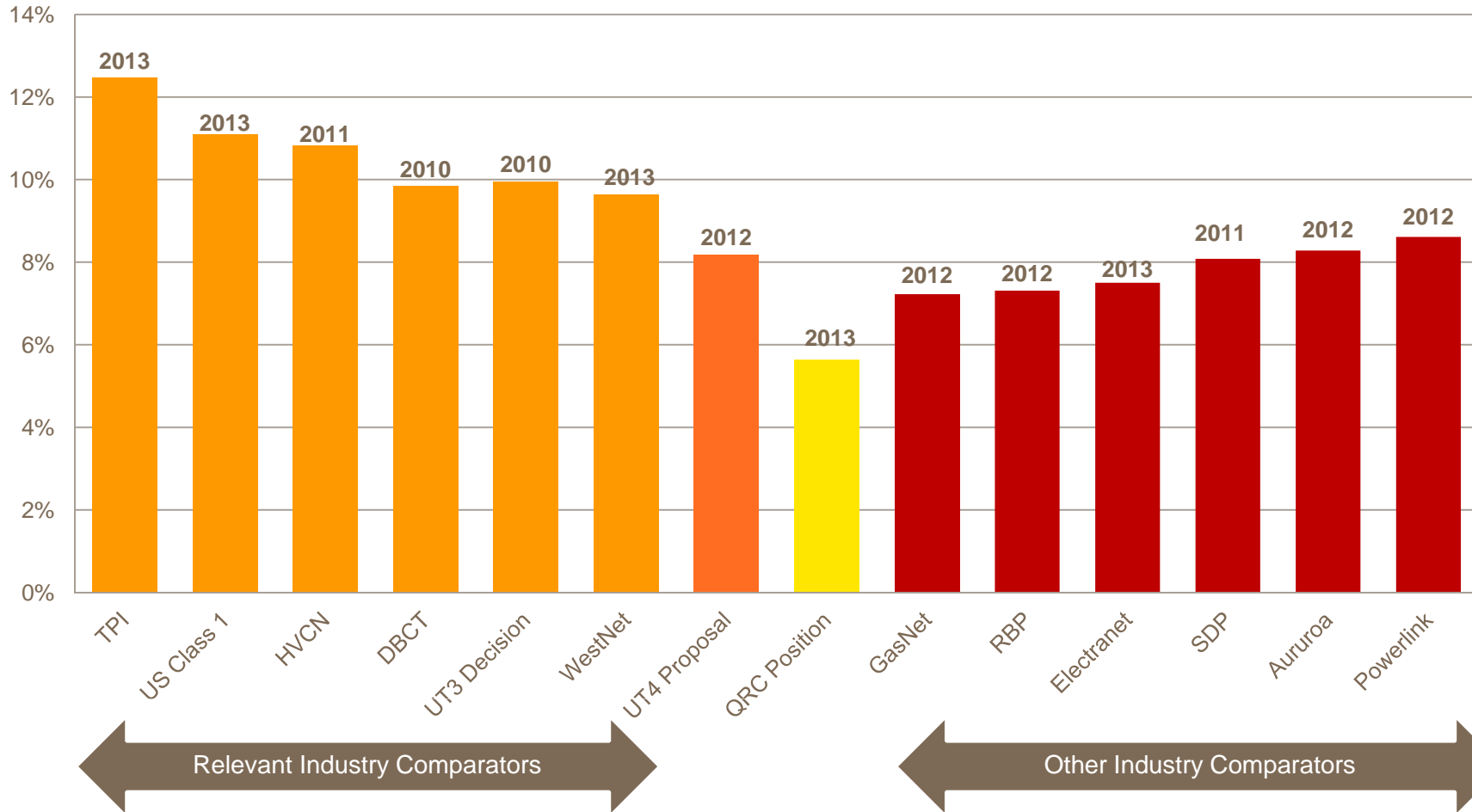
- Aurizon Network has made significant investment in the network with **\$2.3** billion invested since 2009
- Aurizon Network has indicated it is prepared to invest a further **\$1.9** billion over the next four years.
- Aurizon Network must obtain capital from competitive markets where return expectations are benchmarked to comparable infrastructure assets.
- The QCA's WACC determination has real consequences in terms of Aurizon's ability to access capital to fund ongoing investment in the Network.

**RAB Value and Capital Expenditure**  
(UT3 Actual/UT4 Proposed )



# Recent Regulatory Decisions

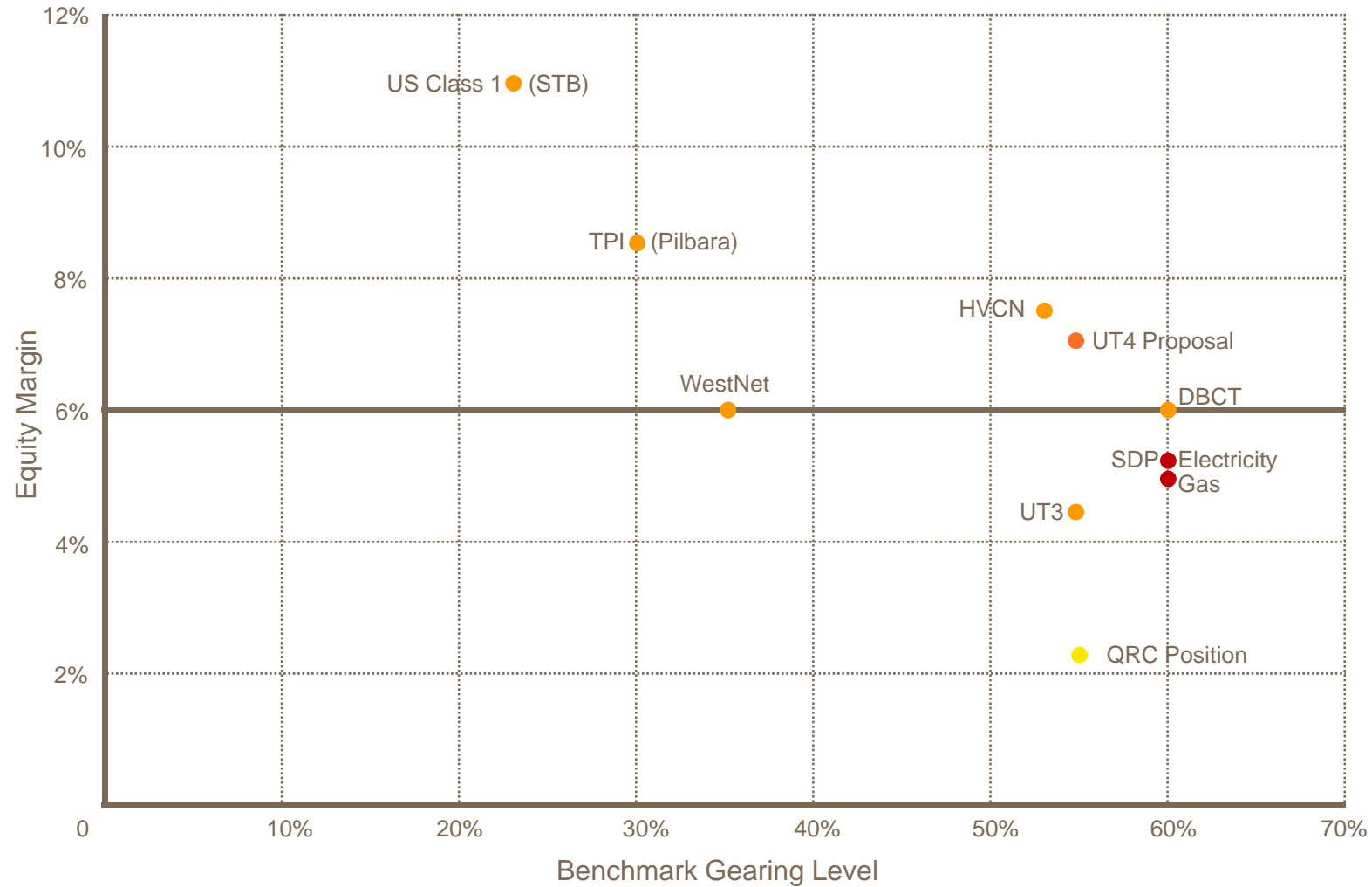
## Weighted Average Cost of Capital



Note: The year in which the WACC was determined is shown. All figures shown reflect regulatory determinations in the post-GFC financial environment.

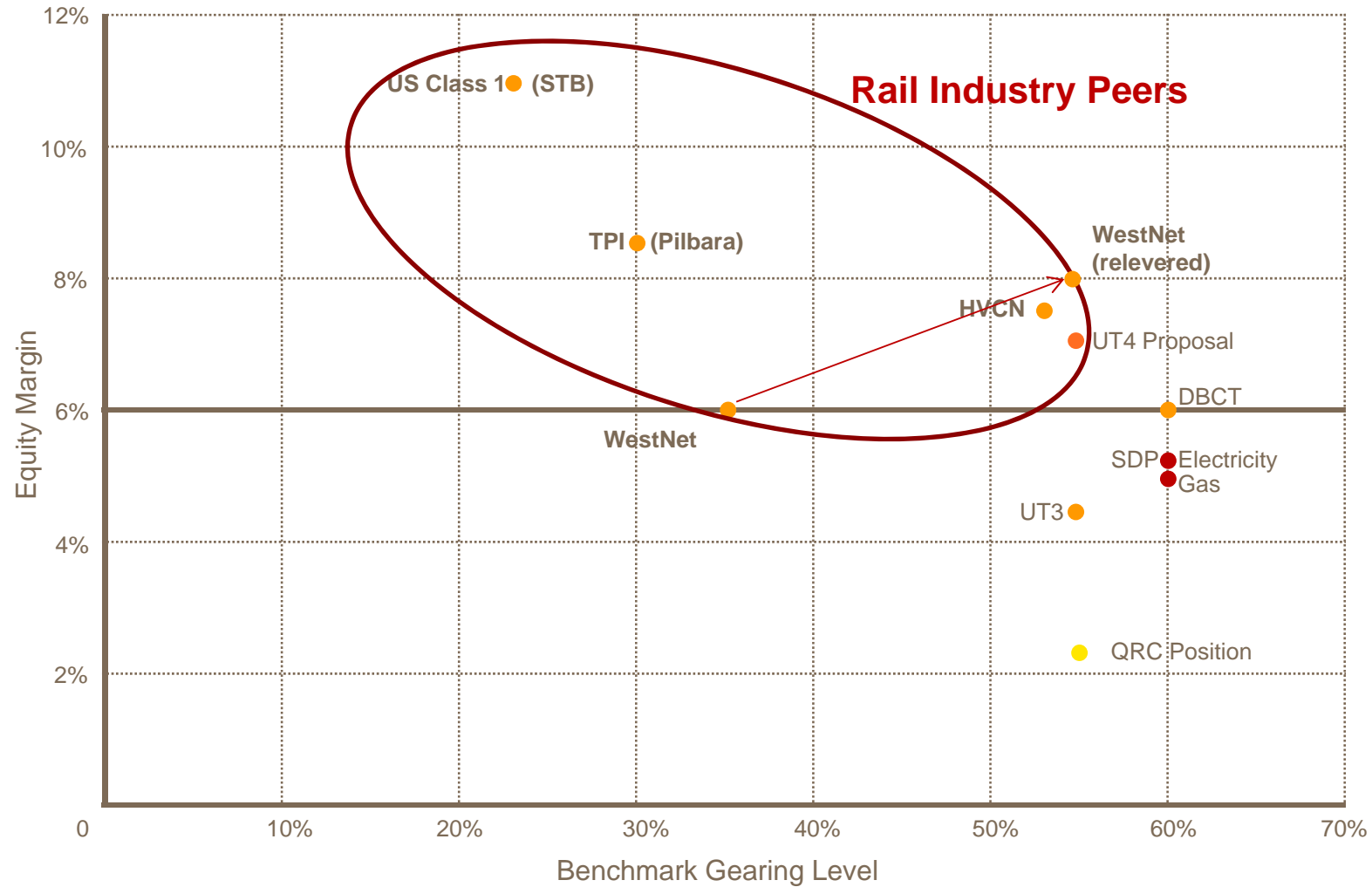
# Recent Regulatory Decisions

## Equity Margin and Capital Structure



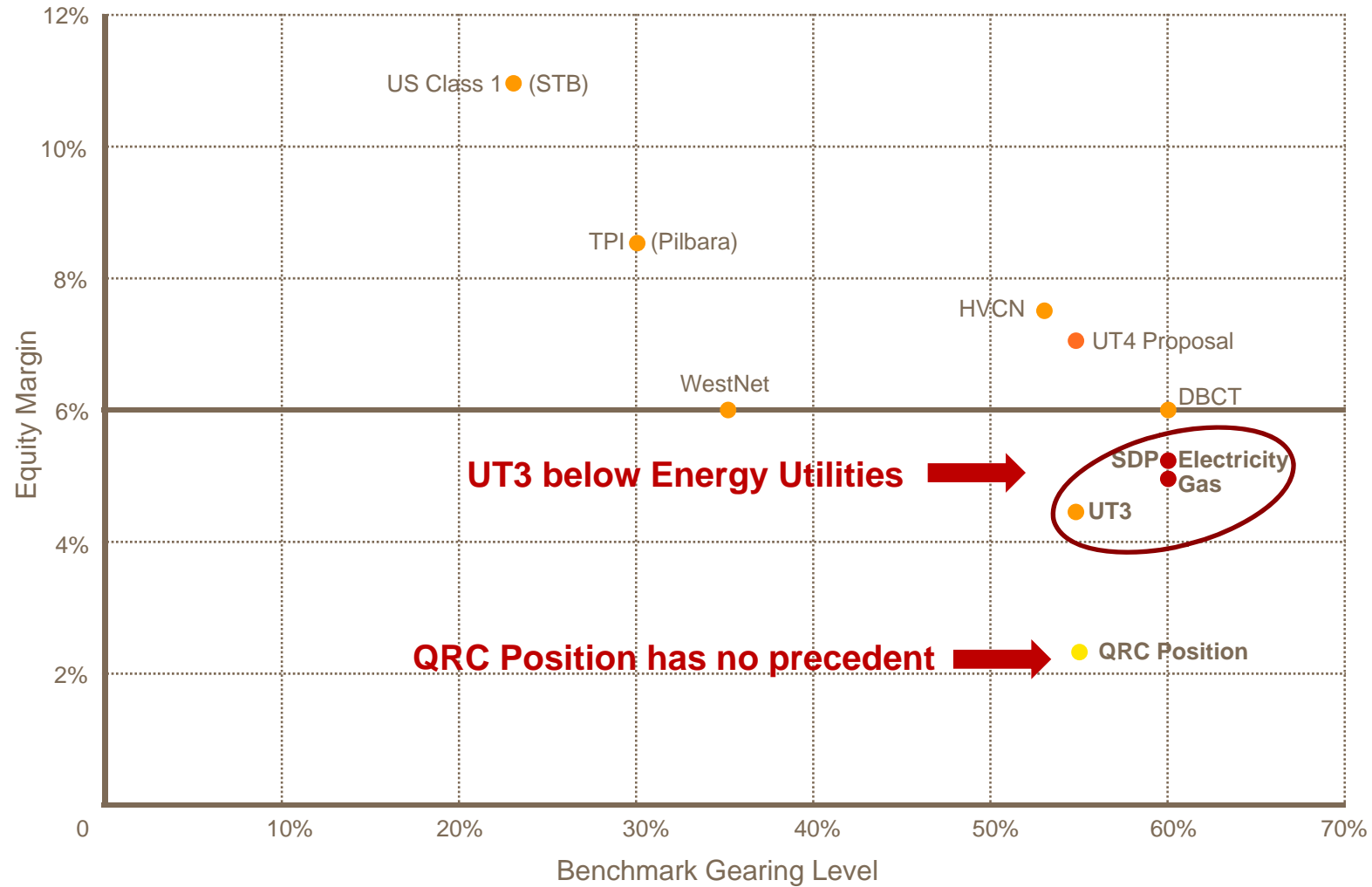
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