

IPENZ Conference

March 2014



Welcome to KiwiRail



Outline

- Our Plan
- Outline of KiwiRail
- Progress we've made
- Challenges we've faced



Our Plan

“Backbone of integrated transport networks”

Goal –

“To deliver New Zealand a self-sustaining, appropriately invested rail and ferry infrastructure in ten years”

What

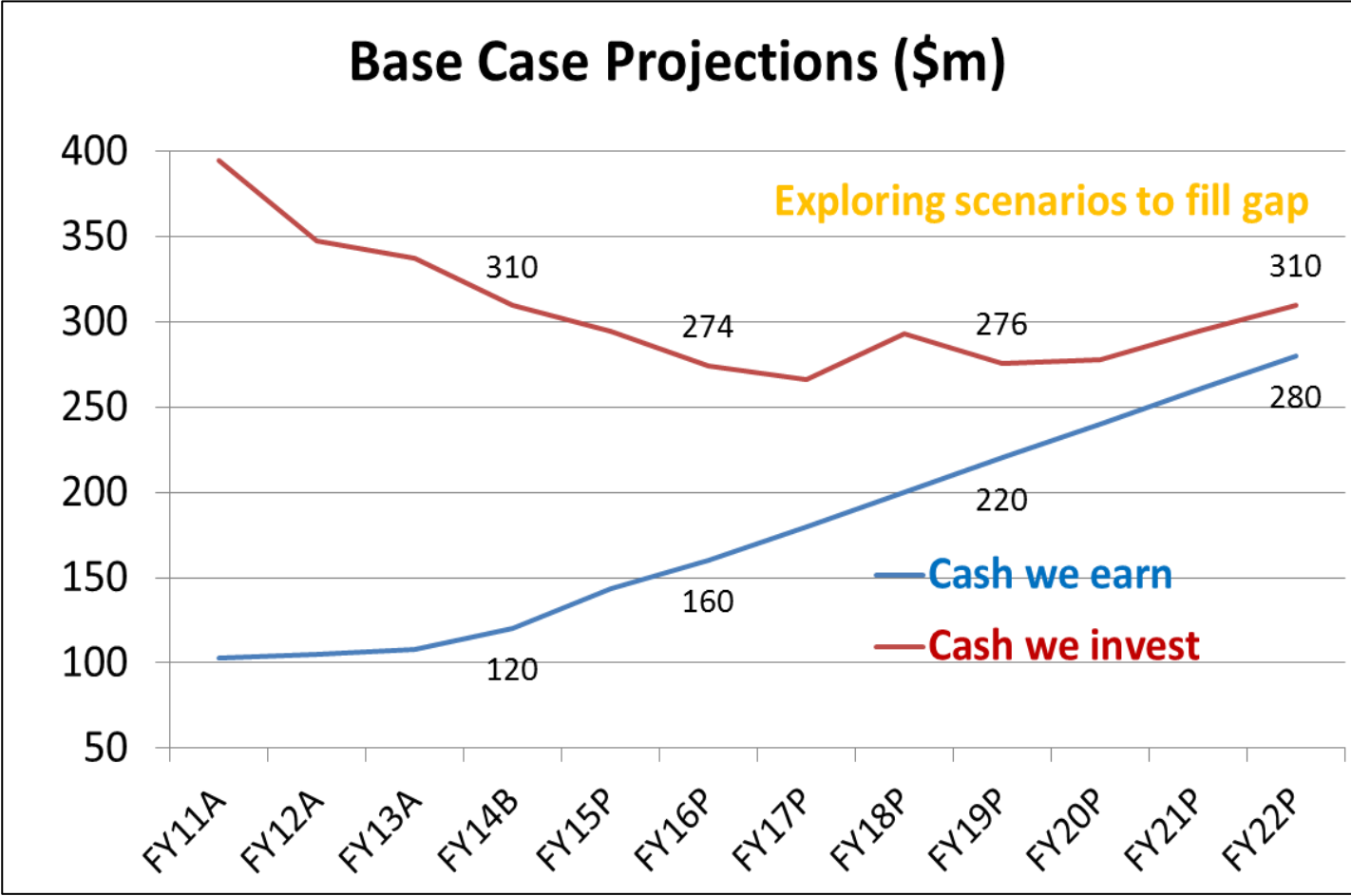
- ✓ **Invest** in network, rolling stock and ferries to improve reliability, capacity and transit times
- ✓ With reliable assets and a **customer** lead focus, drive **volume, yield** and operational **productivity**
- ✓ The first three years of this plan lays **the platform** for a sustainable KiwiRail

Through

- ✓ **Integrated**, cross functional business plans
- ✓ The establishment of **dedicated** project teams for critical projects (eg Auckland-Wellington, freight pricing, system implementation)
- ✓ **Targeted KPI** metrics with regular reporting and monitoring
- ✓ Engagement with our **people** to own and deliver the plan



Pathway to Cash Sustainability



KiwiRail Group

Logistics

- KiwiRail Freight
- Interislander



Shipping

- Interislander



Tourism Experiences

- Scenic - Alpine, Coastal & Northern Explorer
- Interislander



Public Transport

- TranzMetro Wellington



Infrastructure

- Construction
- Maintenance



Rollingstock

- Manufacture
- Maintenance
- Refurbishment



KiwiRail At A Glance

Each week, train control manages the movement of:

- 900 freight trains
- 44 inter-city passenger trains
- 2,200 suburban passenger services in Wellington
- 2,000 suburban passenger services in Auckland

Annually Interislander manages 4,600 sailings carrying:

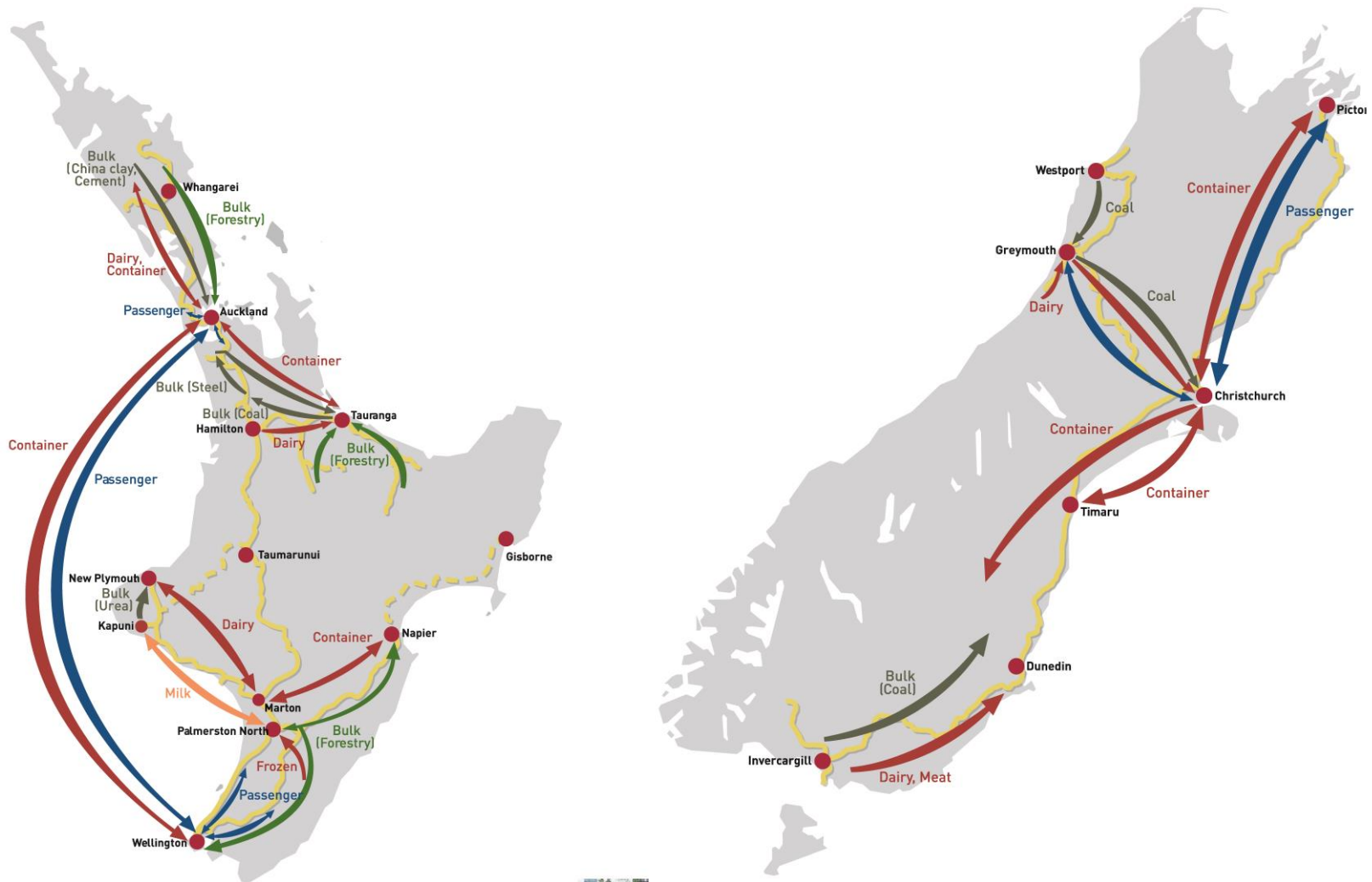
- 755,000 passengers
- 53,000 rail wagons
- 73,000 trucks
- 212,000 cars

Assets:

- 4,100 staff
- 4,000 kms track and 1,656 bridges
- 18,000 hectares of land managed
- 198 mainline locomotives and 4,585 freight wagons
- Two owned and one leased ferry



3 Main Customer Needs



Key Customers



Traffic Volume

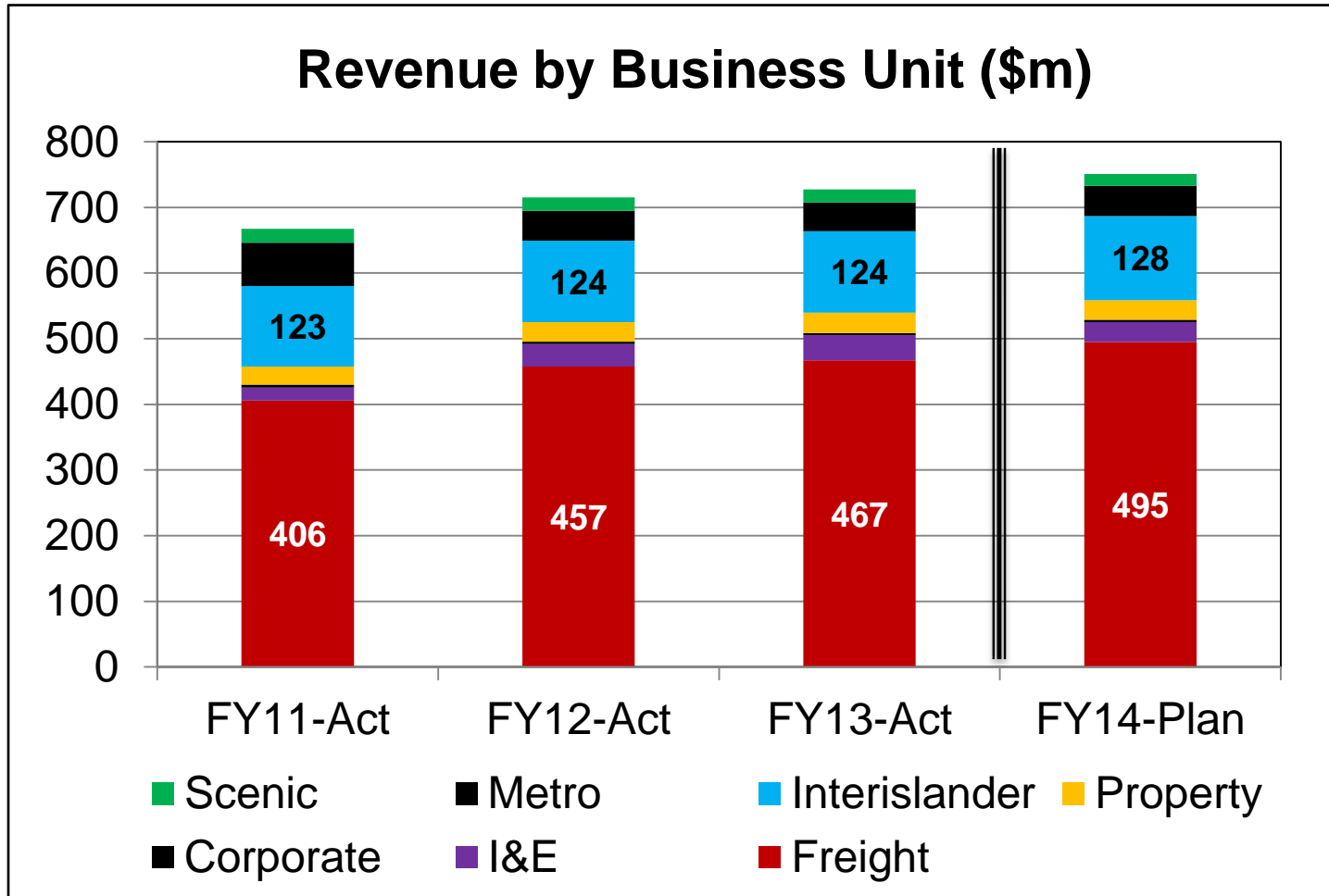
Freight	Nett Tonnes	Nett Tonnes %
Bulk	8,618,440	50%
Export	6,289,633	37%
Domestic	2,167,659	13%
Total	17,075,732	100%

Ferry	Carried
Passengers	755,398
Vehicle	212,139
Rail LM	934,203
CV LM	1,184,647

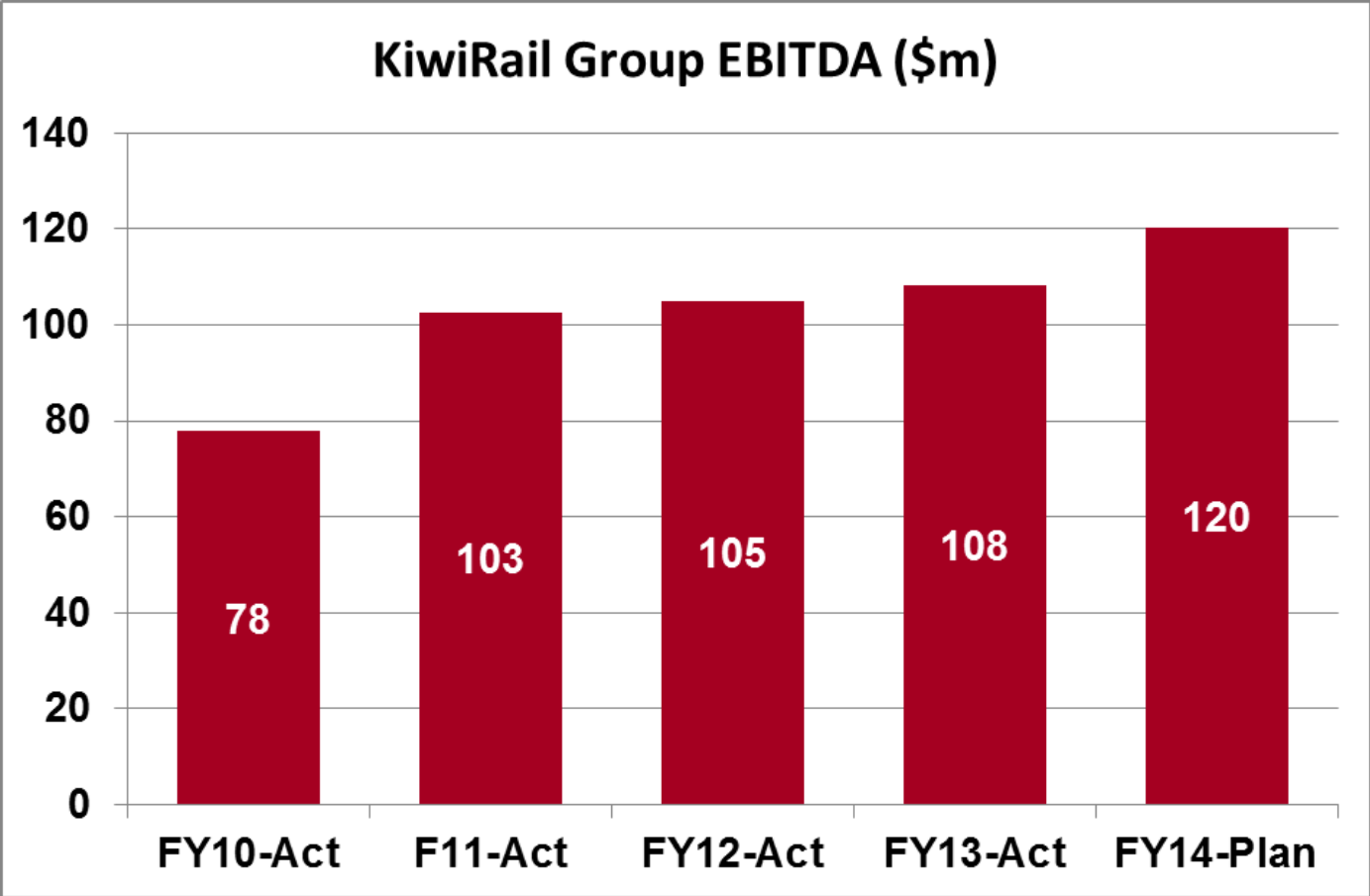
Passenger	No of services	Passengers carried
Tranz Metro	108,551	11,274,139
Overlander	575	55,059
Coastal Pacific	598	42,166
TranzAlpine	728	105,938
Capital Connection	500	158,972
Total	110,952	11,636,274



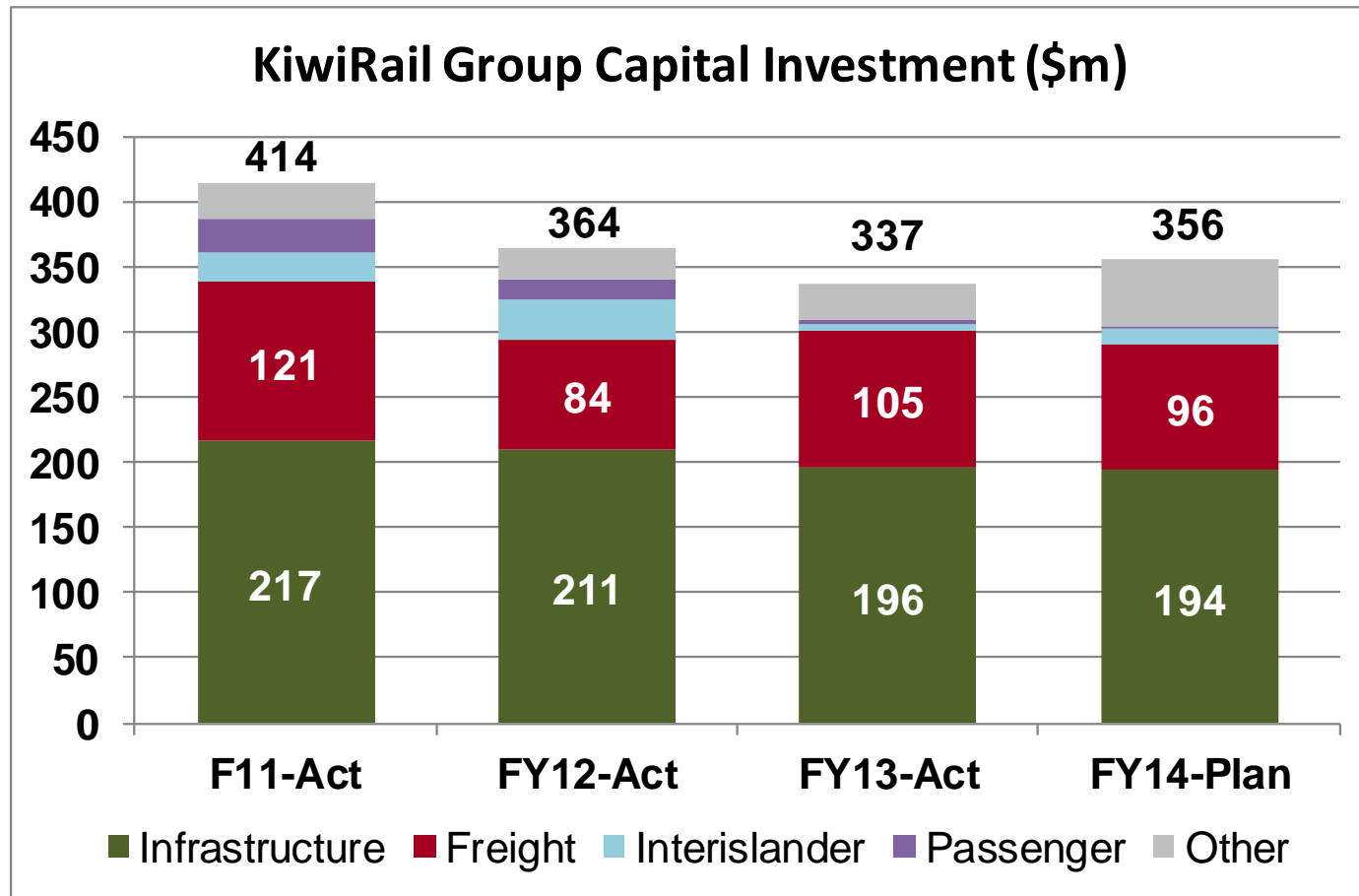
Progress



Modest EBITDA Growth



Progress



Note, this excludes major metro projects





New Rail Laid



Bridges



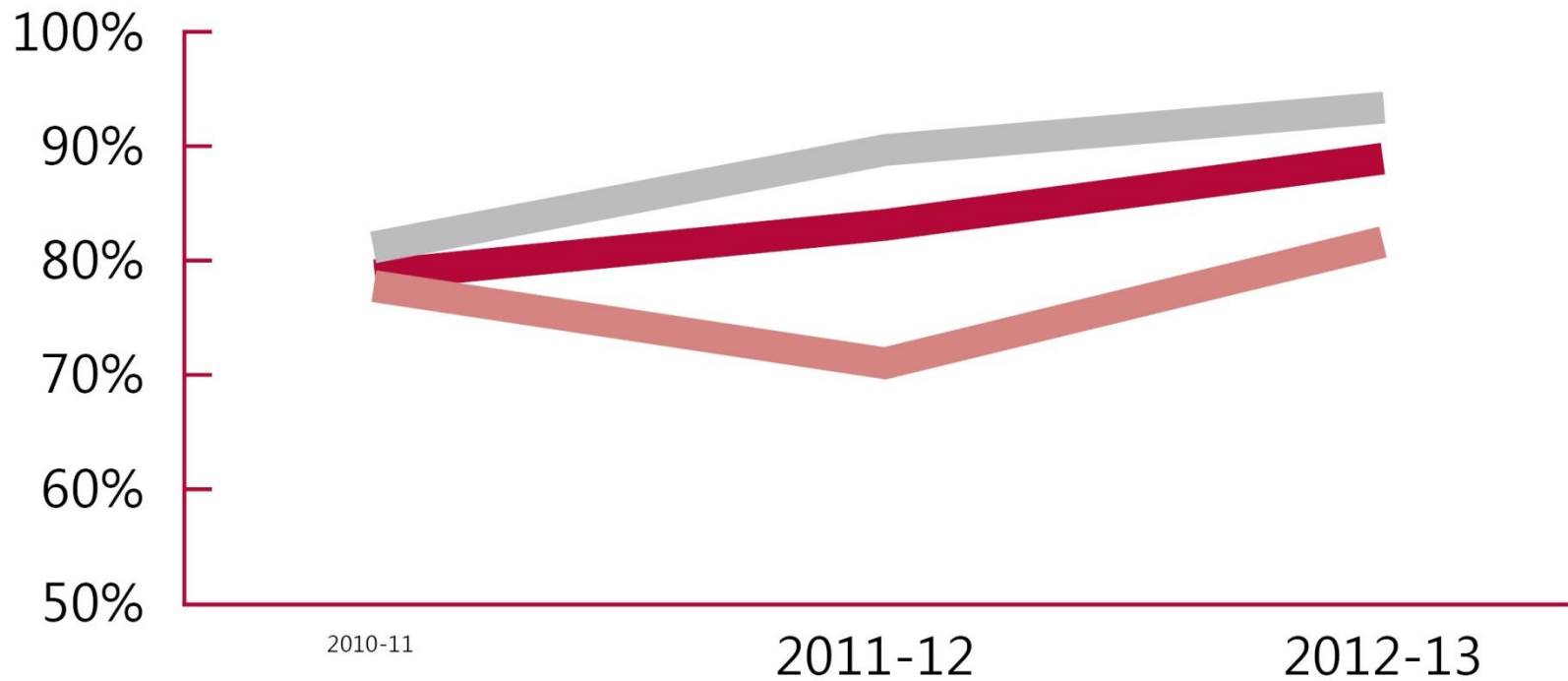
Auckland Electrification Project



Rail Grinder

Progress

On-time Performance



■ Freight - Premium Train

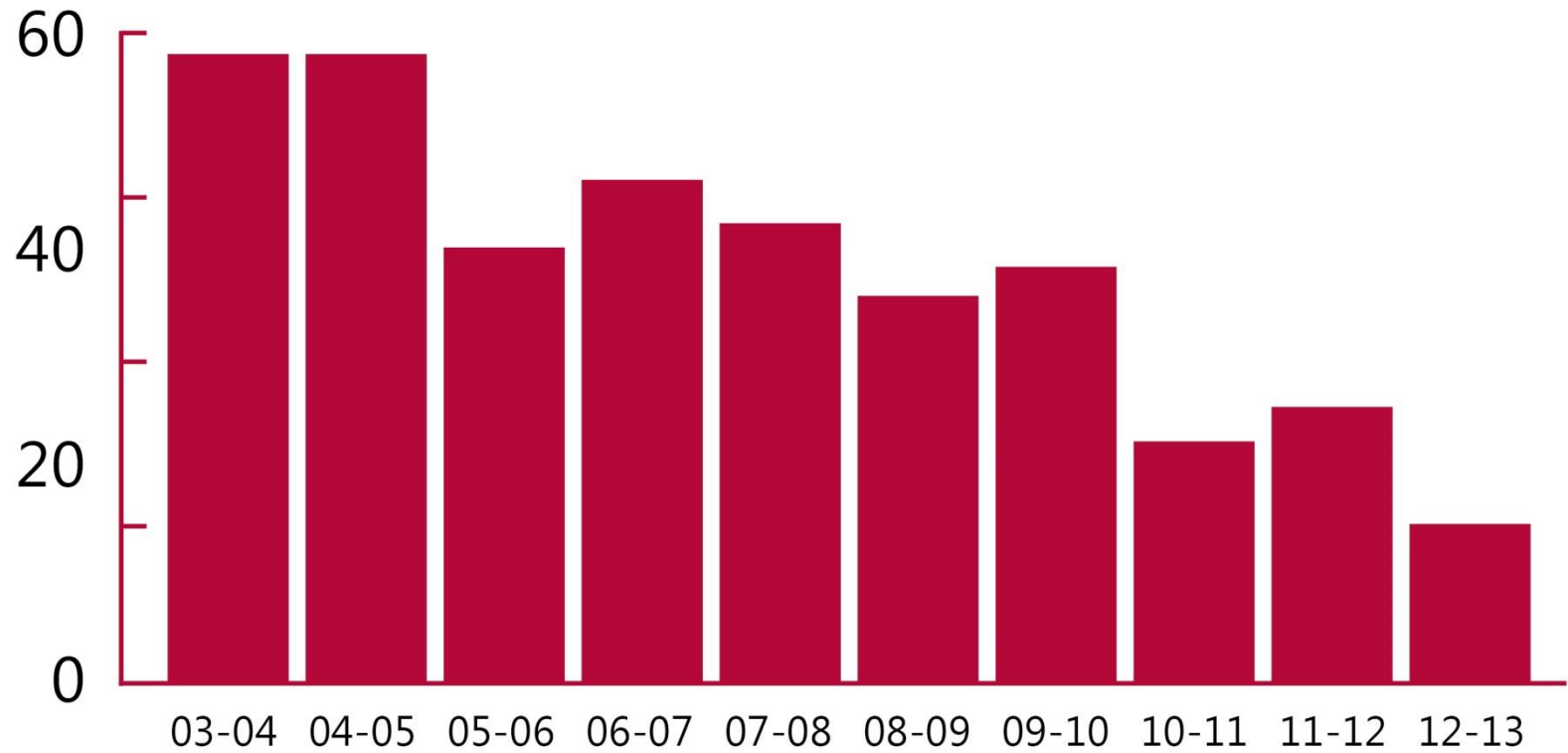
■ Interislander

■ Tranz Metro



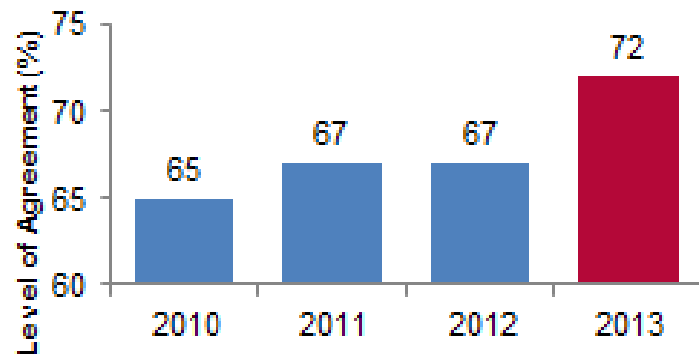
Progress

Mainline Derailments

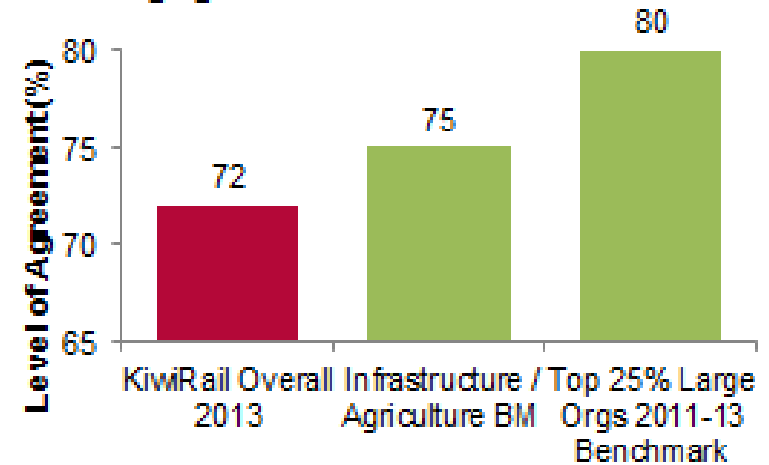


Progress

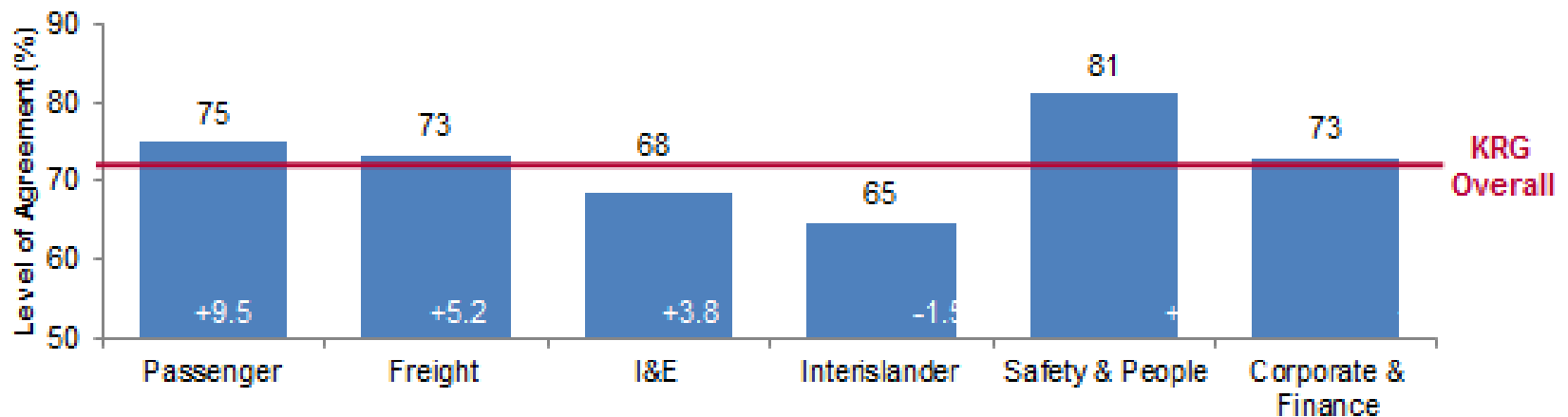
KiwiRail Overall Engagement Index



Engagement Index vs Benchmarks



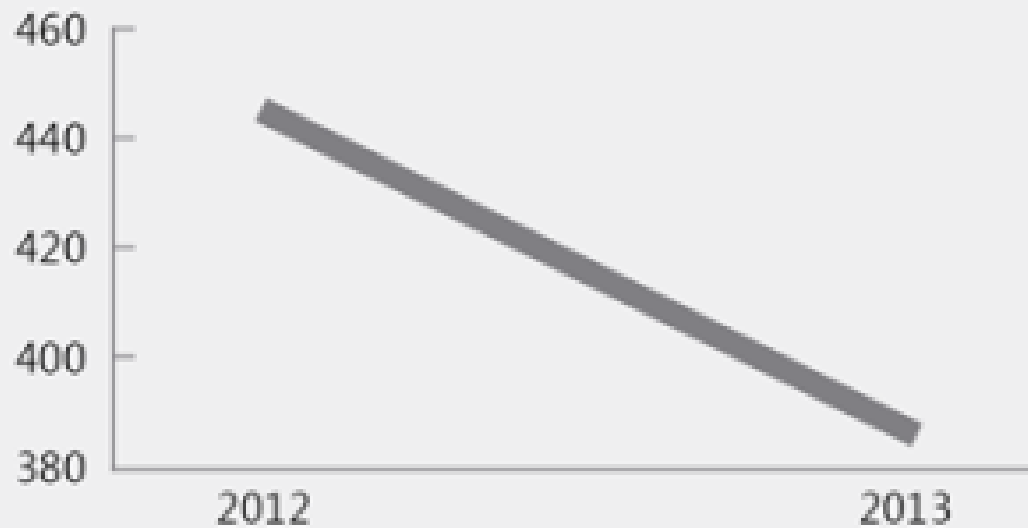
Engagement Index - Business Units



Progress

People & Safety

Total Harm to People



Challenges

Canterbury Earthquakes



Challenges

Canterbury Earthquakes



Challenges

Flooding and Landslides



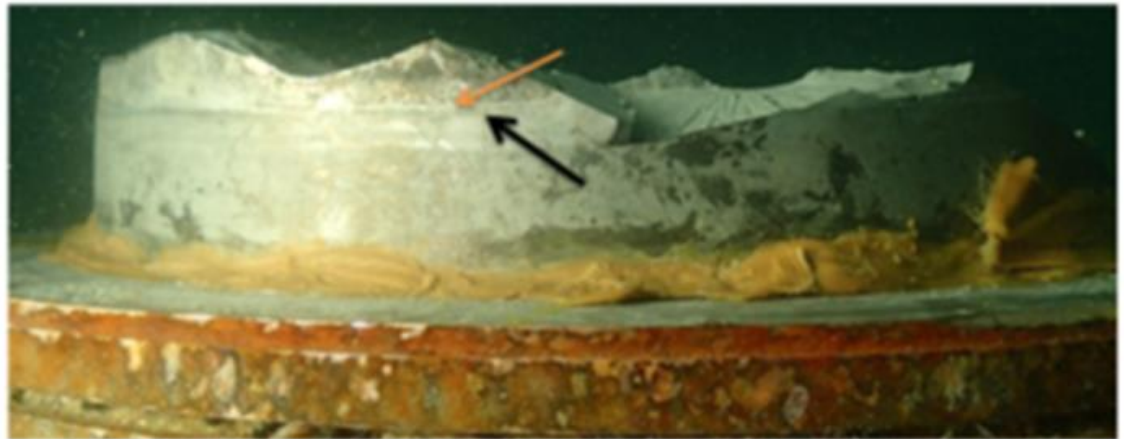
Challenges

Flooding and Landslides



Challenges

The Aratere



Takeaway Sound Bites

- There's a lot to do!
- We are making steady progress
- There are significant challenges
- We are doing some amazing things
- We are retesting the plan

Transforming KiwiRail



*Backbone of integrated
transport networks*

