



**Toll Holdings Limited**  
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The Manager  
Australian Stock Exchange  
Company Announcement Office  
Level 4  
20 Bridge Street  
Sydney NSW 2000

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Dear Sir

**Off-market takeover bid ("Takeover Bid") by Toll Holdings Limited ("Toll") for shares in Patrick Corporation Limited ("Patrick")**

**Replacement Eighth Supplementary Bidder's Statement**

Please find attached replacement Eighth Supplementary Bidder's Statement, replacing the copy lodged earlier with ASX.

The attached is for immediate release.

The only substantive difference is the correction of a typographical error relating to the Lonergan Edwards' Valuation Table on page 3, replacing "\$3,440m" with "\$3,340m".

Yours faithfully  
**TOLL HOLDINGS LIMITED**

  
**Bernard McInerney**  
**Company Secretary**

Encl.

This document is a supplementary bidder's statement under section 643 of the Corporations Act 2001 (Cth) (**Corporations Act**). It is the eighth supplementary bidder's statement (**Eighth Supplementary Bidder's Statement**) issued by Toll Holdings Limited ACN 006 592 089 (**Toll**) in connection with Toll's off-market takeover bid to acquire all issued shares in Patrick Corporation Limited ACN 008 660 124 (**Patrick**) contained in Toll's bidder's statement dated 15 September 2005 (**Bidder's Statement**). This Eighth Supplementary Bidder's Statement supplements, and must be read together with, the Bidder's Statement, the first Supplementary Bidder's Statement dated 2 November 2005, the second Supplementary Bidder's Statement dated 11 November 2005, the third Supplementary Bidder's Statement dated 24 November 2005, the fourth Supplementary Bidder's Statement dated 3 February 2006, the fifth Supplementary Bidder's Statement dated 17 February 2006, the sixth Supplementary Bidder's Statement dated 6 March 2006 (**Sixth Supplementary Bidder's Statement**), and the seventh Supplementary Bidder's Statement dated 22 March 2006 (**Seventh Supplementary Bidder's Statement**) (together, the **Earlier Statements**). Unless the context otherwise requires, terms defined in the Bidder's Statement have the same meaning in this Eighth Supplementary Bidder's Statement. This Eighth Supplementary Bidder's Statement will prevail to the extent of any inconsistency with the Earlier Statements.

# Eighth Supplementary Bidder's Statement

## 1. Introduction

Toll has extended the closing date of its Offer to **7:00pm on 28 April 2006** by its section 650D notice dated 3 April 2006. See Section 5 for further information about the extension of the Offer.

Following an application made to the Takeovers Panel by Patrick, Sections 2 and 3 of this Eighth Supplementary Bidder's Statement set out supplementary disclosures with respect to Sections 3 and 9.9.1 of the Seventh Supplementary Bidder's Statement. The disclosures in Sections 2 and 3 of this Eighth Supplementary Bidder's Statement will prevail to the extent of any inconsistency with the disclosures in Section 3 and 9.9.1 of the Seventh Supplementary Bidder's Statement respectively. In particular:

- (a) the chart in Section 2.1 of this Eighth Supplementary Bidder's Statement replaces the chart in Section 3.1 of the Seventh Supplementary Bidder's Statement under the heading "Significant Premium";
- (b) the table in Section 2.2 of this Eighth Supplementary Bidder's Statement replaces that row of the table in Section 3.1 of the Seventh Supplementary Bidder's Statement under the heading "The Independent Expert's Valuation is By No Means Conservative" which deals with Patrick's Ports Division;
- (c) the chart in Section 2.3 of this Eighth Supplementary Bidder's Statement replaces the chart in Section 3.4 of the Seventh Supplementary Bidder's Statement; and
- (d) Section 3.1 of this Eighth Supplementary Bidder's Statement replaces Section 9.9.1 of the Seventh Supplementary Bidder's Statement.

## 2. Why You Should Accept Toll's Offer – Supplementary Disclosures

### 2.1. Value of Toll's Offer

The value of Toll's Offer, together with the Patrick Dividends, represents a substantial premium to:

- Patrick's Share price before speculation of Toll's Offer;<sup>1</sup> and
- Patrick's Share price during the period between the ACCC announcing, and subsequently withdrawing, its opposition to Toll's Offer.<sup>2</sup> Toll believes that Patrick's Share price was still significantly influenced by Toll's Offer during this entire period as Toll's Offer remained in place and Toll clearly stated it would oppose the ACCC's initial decision through the courts.



For conformity with the Seventh Supplementary Bidder's Statement and the chart in Section 3.1 of the Seventh Supplementary Bidder's Statement which the above chart replaces, the value of the Revised Offer and the Enhanced Offer have been calculated using a Toll Share price of \$14.05. However Patrick Shareholders should be aware that the prices of Toll Shares and Patrick Shares will vary from time to time<sup>5</sup> and should read the table in Section 2 of the Seventh Supplementary Bidder's Statement which sets out the value of the Revised Offer and the Enhanced Offer at various Toll Share prices.

### 2.2. Earnings Multiple for Patrick's Australian Ports

In the Seventh Supplementary Bidder's Statement, Toll compared an implied Lonergan Edwards' mid-point valuation EBITA multiple of 24.5x (2005 earnings) to an implied EBITA multiple of 22.3x for P&O's highly strategic global ports businesses.

Patrick has advised Toll that it did not believe this was a valid comparison as Lonergan Edwards' Ports Division valuation was pre-corporate costs whereas the Ports Division's EBITA in the Target's Statement included an allocation of corporate costs. Patrick has advised Toll that the corporate cost allocation was \$12 million in 2005. Adjusting for the corporate cost allocation, the implied 2005 EBITA multiple for Lonergan Edwards' valuation of Patrick's Ports Division is a range of 21.9x to 23.2x (mid-point 22.5x).

- 1 Based on the one month VWAP of Patrick Shares ending on 26 July 2005 (the day before media and market speculation arose about a possible takeover bid for Patrick by Toll) of \$5.57, a Toll Share price of \$14.05 on 17 March 2006 and including the value of the Patrick Dividend of \$0.32 per Patrick Share. The Enhanced Offer value assumes that both the 90% Condition and the FCL Condition are satisfied (see Section 1.2 of the Seventh Supplementary Bidder's Statement).
- 2 Based on the VWAP of Patrick Shares commencing 18 January 2006 (the day on which the ACCC announced its opposition to the Offer) and ending on 10 March 2006 (the trading day before the ACCC discontinued its proceedings) of \$6.77, a Toll Share price of \$14.05 on 17 March 2006, and including the value of the Patrick Dividend of \$0.32 per Patrick Share. The Enhanced Offer value assumes that both the 90% Condition and the FCL Condition are satisfied (see Section 1.2 of the Seventh Supplementary Bidder's Statement).
- 3 The Enhanced Offer value is based on a Toll Share price of \$14.05 on 17 March 2006, assumes that both the 90% Condition and the FCL Condition are satisfied (see Section 1.2 of the Seventh Supplementary Bidder's Statement) and includes the value of the Patrick Dividend of \$0.32 per Patrick Share.
- 4 The Revised Offer value assumes a Toll Share price of \$14.05 on 17 March 2006 and includes the value of the Patrick Dividend of \$0.32 per Patrick Share.
- 5 The value of the Revised Offer is based on a Toll Share price of \$13.32 (ie the five day VWAP of Toll Shares ending on 31 March 2006) is 5.9% less than the Patrick Share price of \$8.02 (ie the five day VWAP of Patrick Shares ending on 31 March 2006). The value of the Enhanced Offer (assuming that both the 90% Condition and the FCL Condition are satisfied – see Section 1.2 of the Seventh Supplementary Bidder's Statement) assuming a Toll Share price of \$13.32 is 2.2% less than a Patrick Share price of \$8.02. Toll does not consider these to be the most appropriate measure of the value of the Offers as the prices of Toll Shares and Patrick Shares have continued to be affected by the existence of and speculation concerning the Offer. The value of the Revised Offer and the Enhanced Offer will vary with changes in the Toll Share price.

Patrick shareholders should also note that Lonergan Edwards' overall valuation of Patrick effectively assumed Patrick's aggregate corporate costs were 44% lower than those allocated to the Ports and other divisions.

In Toll's view, the implied 2005 EBITA presented in the Seventh Supplementary Bidder's Statement of 22.3x for P&O overstates the true multiple paid for P&O's ports business. P&O's Ferries division contributed a loss of £1.6m in 2005, yet is valued at an average of £332m by research analysts.<sup>6</sup> If P&O's Ferries division is excluded, the implied EBITA multiple for P&O's ports is 20.5x EBITA.

| Lonergan Edwards' Valuation |                   | Implied 2005 EBITDA Multiple |
|-----------------------------|-------------------|------------------------------|
|                             | Range             |                              |
| Patrick Ports               | \$3,340m-\$3,546m | 21.9x-23.2x                  |

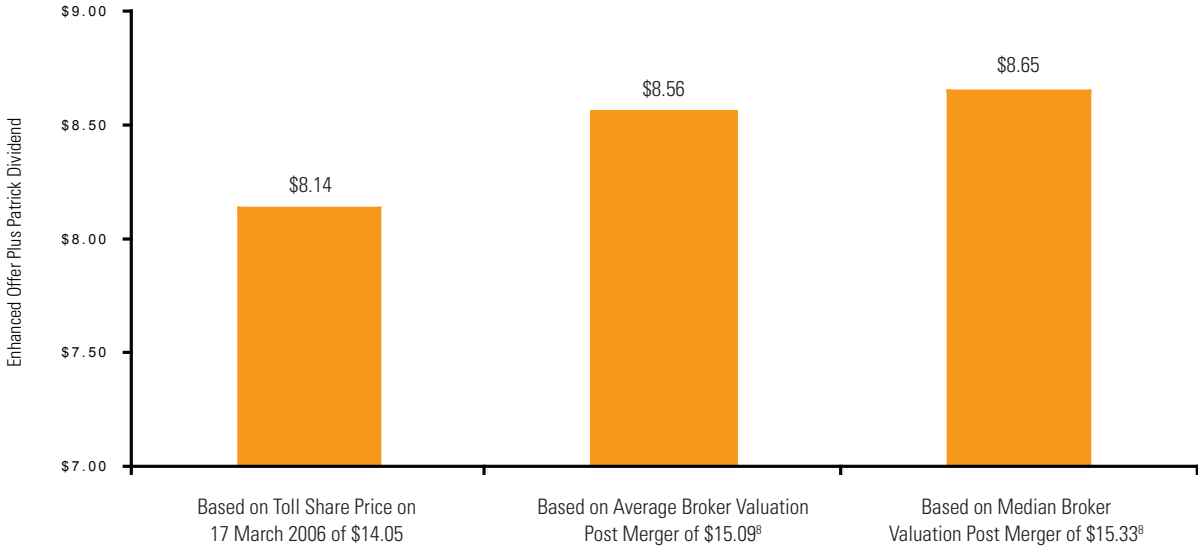
← Compared to implied 18.7x-20.5x for P&O, excluding its loss making Ferries division

Patrick shareholders should also note that the acquirer of P&O, Dubai Ports World (DPW), now owns similar ports to Patrick in Australia. Therefore, Toll is of the view that DPW would not be permitted to acquire Patrick's ports and the more relevant benchmark is the price that PSA International Pte Ltd unsuccessfully bid for P&O. On this basis, the 2005 EBITA multiple for P&O would be 18.7x (excluding its loss-making Ferries division).

In Section 3.2 of the Seventh Supplementary Bidder's Statement, Toll presented a chart highlighting the attractive earnings multiples for Patrick's Ports Business implied by Toll's offer. Toll would like to clarify that this chart was based on the EBITA multiples for the last 12 months of reported earnings for each of the relevant ports, and that the implied Patrick Ports Division EBITA multiple was calculated using the market value of Patrick's Virgin Blue shareholding on 17 March 2006 and the Lonergan Edwards' mid-point valuation for Patrick's other non-ports businesses.

### 2.3. You Will Participate in Any Re-Rating of Toll Shares

A number of research analysts have issued research reports containing valuations of a merged Toll/Patrick which highlight upside potential from Toll's current share price. As the majority of Toll's Offer Consideration is Toll Shares, Patrick Shareholders will own up to 47%<sup>7</sup> of the combined group and will accordingly participate in any share price upside. The value of the Enhanced Offer<sup>8</sup> plus Patrick Dividend at the average and median broker post merger valuations<sup>8</sup> is illustrated below:



6 Average of four brokers who Toll has identified as having prepared valuations for P&O's Ferries division in reports dated 25 October 2005 to 21 December 2005 (range: £230 million to £418 million).

7 Assuming all Patrick Senior Executive Options are exercised and all CRANES are converted to Patrick Shares.

8 Average and median of 7 research analyst valuations who Toll has identified as having prepared reports on or after 22 March 2006 being the date on which the Revised Offer and the Enhanced Offer were announced (range \$13.39 to \$16.50). The reports were published over the period 22 March 2006 to 27 March 2006.

## 3. Financial Profiles – Supplementary Disclosures

### 3.1. Sensitivity Analysis on the Pro Forma Merged Group Forecasts for the Year Ending 30 June 2007

The pro forma forecast financial information of the Merged Group assumes that Toll acquires 100% ownership of SembLog. In the event that Toll does not achieve 100% ownership of SembLog, the table below illustrates the expected impact on NPAT, EPS and gearing of an ownership interest in SembLog of between 60% and 100%.

Sensitivity 1: Ownership of SembLog is between 60% and 100%

| Percentage ownership                  | Revised pro forma NPAT for the year ending 30 June 2007 (\$ million) |                | Revised pro forma gearing <sup>(1)</sup> as at 1 July 2006 |                | Revised pro forma diluted EPS for the year ending 30 June 2007 (cents) |                |
|---------------------------------------|--|----------------|--|----------------|--|----------------|
|                                       | 100% scenario  | 50.1% scenario | 100% scenario  | 50.1% scenario | 100% scenario  | 50.1% scenario |
| 100% (per pro forma income statement) | 520  | 387            | 35.5%  | 37.8%          | 81.4   | 82.7           |
| 75%                                   | 512  | 380            | 33.0%  | 34.8%          | 80.1   | 81.1           |
| 60%                                   | 511  | 379            | 31.8%  | 33.2%          | 80.0   | 80.9           |

Notes:

<sup>(1)</sup> Net debt to net debt plus equity

### 3.2. Source of Financial Information, Presentation of Abbreviated Financial Information and Forward Looking Statements

Sections 9.1 and 17.3 of the Seventh Supplementary Bidder's Statement apply in relation to financial disclosures in this Eighth Supplementary Bidder's Statement. You should read these Sections of the Seventh Supplementary Bidder's Statement in full.

## 4. Patrick Proceedings

On 27 March 2006, Patrick and Patrick Rail Investments Pty Ltd commenced proceedings against Toll, Toll Rail Holdings Pty Ltd (**Toll Rail**), Mr Paul Little, Mr Mark Rowsthorn and Mr Neil Chatfield in the Supreme Court of Victoria (**Patrick's Confidential Information Proceeding**).

The central allegations made in the proceedings are as follows:

- by implementing or complying with the undertakings given by Toll to the ACCC on 11 March 2006 under section 87B of the Trade Practices Act (**ACCC Undertakings**) Toll and/or Toll Rail have disclosed, are disclosing or will disclose:
  - Confidential Information provided under the Pacific National Shareholders Agreement; and/or alternatively
  - confidential technology and know-how relating to the business of Pacific National,
 to prospective:
  - purchasers of the Divestment Businesses (being the businesses referred to in clauses 2(a) and 2(b) of the ACCC Undertakings);<sup>9</sup>
  - Operators (meaning the operator or operators of the East-West Rail Assets); and/or alternatively
  - Leasing Agents (meaning agents responsible for facilitating the arrangements set out in clause 8 of the ACCC Undertakings in relation to the divestment by Pacific National of the East-West Rail Assets);<sup>10</sup> and
- by giving or implementing the ACCC Undertakings Toll Rail has acted or will act:
  - in its own or Toll's interests;
  - not in the interests of Pacific National; and
  - contrary to the interests of Pacific National,
 in breach of the Shareholders Agreement.

9 See paragraph (b) of Section 8.3.1 of the Seventh Supplementary Bidder's Statement.

10 See paragraph (e) of Section 8.3.1 of the Seventh Supplementary Bidder's Statement.

The claims against Messrs Little, Rowsthorn and Chatfield are brought in their capacity as directors (Mr Chatfield, as alternate director) of Pacific National. The allegation is that by procuring or attempting to procure Pacific National to give effect to the ACCC Undertakings, each of them have engaged, are engaging or are proposing to engage in conduct in the interests of Toll or Toll Rail and not in the interests of Pacific National. This is said to give rise to a breach of sections 181 and 182 of the Corporations Act or alternatively fiduciary duties at law.

In the proceedings, the plaintiffs claim, amongst other things:

- a declaration that each of Toll and Toll Rail are in breach of the Shareholders Agreement;
- an order restraining each of Toll and Toll Rail from implementing or giving effect to the ACCC Undertakings; and
- a declaration that Messrs Little, Rowsthorn and Chatfield are acting in breach of their directors' duties.

The Toll parties deny, and will vigorously defend, the allegations.

A directions hearing occurred in Patrick's PNQ Proceeding, Toll's Oppression Proceeding, Patrick's Winding Up Proceeding (as described in Section 15 of the Seventh Supplementary Bidder's Statement) and Patrick's Confidential Information Proceeding before Justice Dodds-Streeton on 31 March 2006. At the hearing, Justice Dodds-Streeton granted Toll's application to vacate the trial date of 10 May 2006 (and all previous orders made in relation to trial preparation) in Patrick's PNQ Proceeding, Toll's Oppression Proceeding and Patrick's Winding Up Proceeding.

Justice Dodds-Streeton ordered a further directions hearing in each of these matters to take place on 5 May 2006 (ie after the current Closing Date).

In respect of Patrick's Confidential Information Proceeding, the ACCC sought leave to appear in the proceeding and submitted that the proceeding might need to be transferred to the Federal Court of Australia on the grounds that it raises a "special federal matter" within the meaning of the Jurisdiction of Courts (Cross-Vesting) Act 1987 (Cth). On 5 April 2006 the Patrick's Confidential Information Proceeding was transferred by consent to the Federal Court of Australia. Patrick has indicated its intention to apply to have the matter listed for a directions hearing before Justice Goldberg at 9:30am on 11 April 2006.

On 3 April 2006, Patrick and Patrick Rail Investments Pty Ltd commenced proceedings against the ACCC in the Federal Court of Australia. In these proceedings, the applicants claim, amongst other things, orders setting aside the decisions made by the ACCC on 11 March 2006 to accept the ACCC Undertakings and to not object to the acquisition of Patrick by Toll under the Offer. A directions hearing in these proceedings is listed before Justice Goldberg at 9:30am on 11 April 2006.

## 5. Takeovers Panel

On Sunday, 26 March 2006 the Takeovers Panel declined to commence proceedings in response to Patrick's application dated 22 March 2006 to restrain the dispatch of the Seventh Supplementary Bidder's Statement to Patrick Shareholders, as a consequence of Toll offering to:

- extend the closing date of its Offer to 28 April 2006; and
- subject to consent from ASIC, offering withdrawal rights to all Patrick Shareholders who accepted the Offer on or before 22 March 2006, such withdrawal rights to remain open until 5 April 2006.

On 25 March 2006, Patrick commenced another Panel application in respect of Toll's disclosures in the Seventh Supplementary Bidder's Statement and Toll's Institutional Acceptance Facility (IAF).<sup>11</sup> Patrick has withdrawn its application in respect of Toll's disclosures in the Seventh Supplementary Bidder's Statement on the basis that Toll agreed to make certain further disclosures which are set out in this Eighth Supplementary Bidder's Statement. On 5 April 2006, the Panel rejected Patrick's application with respect to the IAF and declined to make a declaration of unacceptable circumstances. Accordingly, the IAF remains in place.

## 6. General

### 6.1. Approval of Eighth Supplementary Bidder's Statement

This Eighth Supplementary Bidder's Statement has been approved by a resolution passed by all of the Directors of Toll (other than Mr Lucas – see Section 15.2 of the Bidder's Statement).

11 See Section 13 of the Seventh Supplementary Bidder's Statement.

## 6.2. Dated

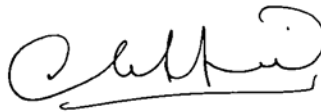
This Eighth Supplementary Bidder's Statement is dated 6 April 2006.

## 6.3. Signed

For and on behalf of Toll Holdings Limited.



**Paul Little**  
Managing Director  
Toll Holdings Limited



**Mr. Neil Chatfield**  
Director  
Toll Holdings Limited

A copy of this Eighth Supplementary Bidder's Statement was lodged with ASIC and sent to Patrick on 6 April 2006.  
Neither ASIC nor any of its officers takes any responsibility as to the contents of this Eighth Supplementary Bidder's Statement.

### Information for US Holders

Foreign Patrick Shareholders should note that part of the consideration under the Offer is securities of Toll, an Australian public company listed on ASX. The Offer is subject to the disclosure requirements applicable in Australia which are different from those applicable in the US and other countries. The financial statements included in this Eighth Supplementary Bidder's Statement and any such statements in the Earlier Statements have been prepared in accordance with Australian Accounting Standards and, to the extent that information is available, AIFRS, which were effective from 1 July 2005 for Toll and the Merged Group. These may not be directly comparable to the financial statements of US or other foreign countries. Foreign Patrick Shareholders should be aware that Toll may purchase Patrick Shares otherwise than pursuant to this Offer, such as in the open market or privately negotiated purchases, subject to the requirements of the Corporations Act.

It may be difficult for foreign Patrick Shareholders to enforce their rights and any claim they may have arising under US federal securities laws, since Toll is located in a foreign country, and some or all of its officers and directors may be residents of a foreign country. Foreign Patrick Shareholders may not be able to sue a foreign company or its officers or directors in a foreign court for violations of the US securities laws. It may be difficult to compel a foreign company and its affiliates to subject themselves to a US court's judgment.

The securities referred to in this Eighth Supplementary Bidder's Statement and the Earlier Statements have not been and will not be registered under the U.S. Securities Act of 1933, as amended (**Securities Act**), or under the securities laws of any jurisdiction of the US, and therefore may not be offered or sold in the US without registration or an applicable exemption from the registration requirements of the Securities Act. The Bidder's Statement, including the supplements thereto, does not constitute an offer to issue or sell or the solicitation of any offer to buy any such securities or any securities issuable in exchange for such securities in any jurisdiction in which the issue of shares under the Offer would be unlawful.

Toll has filed this Eighth Supplementary Bidder's Statement and the Earlier Statements with the U.S. Securities and Exchange Commission (**SEC**), under cover of Form CB. Investors and holders of Patrick securities are strongly advised to read the Bidder's Statement and any other relevant documents filed with the SEC, as well as any amendments and supplements to those documents, because they will contain important information. Copies of the documents filed with the SEC are available at the SEC's public reference room at 100 F Street, N.E., Washington, DC 20549. Patrick has issued a target's statement and a supplementary target's statement in connection with the Offer which investors and holders of Patrick securities are strongly advised to read.