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13 December 2006

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

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Dear Sir

PRESENTATION SLIDES - RESTRUCTURE

Please find attached the slides for the webcast presentation (at www.toll.com.au) to be made at 10am AEST today regarding the abovementioned subject.

Yours faithfully
TOLL HOLDINGS LIMITED

Bernard McInerney
Company Secretary

Encl.

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Toll Group

Strategic Restructure Presentation
December 2006

Paul Little – Managing Director
Mark Rowsthorn – Executive Director
Neil Chatfield – Chief Financial Officer

13 December 2006

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Important Notice

- The purpose of this Presentation is to provide general information about the proposed restructure of Toll Holdings Limited (Toll) and the creation of the new listed entity Infrastructure Co. It is not a recommendation that any person makes any investment decision in relation to Toll or Infrastructure Co. This Presentation does not contain all information which would be material to the making of a decision in relation to the restructure of Toll. Any investor or prospective investor should make its own assessment and determination as to the information contained in the Scheme Booklet to be issued prior to making any investment decision, and should not rely on the information in this Presentation for that purpose.
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Restructure Proposal

Paul Little

Managing Director

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The proposal

- Toll Group → separation of infrastructure assets into new listed entity, Infrastructure Co.
- Both expected to be S&P/ASX50 companies
- Dynamic growth opportunities in both businesses identified
- Built on Toll’s current strong results and performance
- Schemes of Arrangement with shareholder vote expected in April
- Stability with executive teams entering into long term contracts

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Transaction rationale

- Unlocks significant shareholder value
- Accelerates organic and strategic acquisitions growth
- Provides a more appropriate capital structure
- Enhances growth through eased regulatory constraints
- Overall planned synergy benefits from Patrick and SembCorp Logistics acquisitions still realised

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Proposed New Structure

Toll Holdings

Stapled structure (ASX listed)

- Infrastructure Trust
- Infrastructure Company

Ports

- Container ports
- Portlink
- Bulk ports
- Stevedoring
- Ports Services
- Owens NZ (50%)

Rail

- Pacific National (100%)

Other

- Patrick Autocare JV
- AAT JV

Toll Holdings (ASX listed)

Australia

- Domestic Freight Forwarding
- Logistics
- Shipping
- Distribution and Warehousing
- International Forwarding
- Defence Logistics
- Express / Couriers

Asia

- Toll Asia

NZ

- Toll NZ (83%)

VBA

- Virgin Blue (62.3%)

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Toll Holdings

- Integrated model - leveraging scale, relationships, experience
- Significant growth opportunities identified
- Scope for growth improved by freeing up capital
- Significantly enhanced Return on Invested Capital
- Market leader, retains focused, highly experienced management team

Infrastructure Co

- Controls two world class transport infrastructure assets:
  - Pacific National
  - Patrick Ports
- Positioned to pursue investment opportunities in ports, rail, airports, toll roads etc, in Australia and selected offshore locations
- Internalised, highly experienced management team
- No external fee leakage
- Regulatory restraints eased
- Optimises cost of capital with an appropriate level of gearing

Variation of ACCC undertakings

- Close consultation with ACCC
- Toll seeking waiver of divestment obligations for PN, vehicle transport business and Prixcar
- If market inquiries raise no issues of concern re PN divestment waiver, ACCC would look favourably on waiver
- Toll also seeking relief from "starters kit" and rail/port non-discrimination regimes
- Divestments to be completed:
  - Tasmanian freight forwarding
  - Bass Strait Shipping

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Indicative dates

Transaction announcement	13 Dec 2006
Despatch of Scheme Booklet to Shareholders	Early Mar 2007
Meeting to vote on Schemes	Late Apr 2007
Court hearing for approval of Schemes	Late Apr 2007
Expected date of listing of Infrastructure Co	End Apr 2007


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Toll Holdings

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Business overview

- Market leader in Asia, Australia and New Zealand
- Maintains integrated model
- Significant gearing capacity for growth
- Comprises four businesses:
  - Toll Australia
  - Toll Asia
  - Toll NZ
  - Toll’s holding in Virgin Blue
- Highly experienced management team
- Expected to be an S&P/ASX50 company

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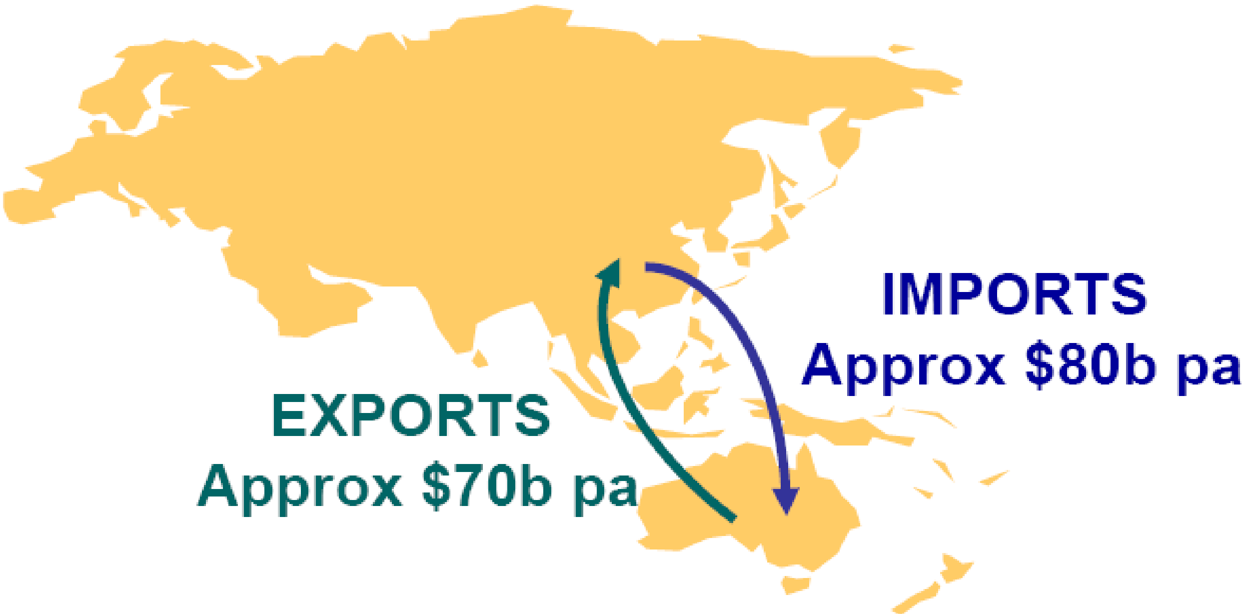
Strategy

- Pursue growth in Australia, Asia and New Zealand:
  - Successful history of strategic and bolt-on acquisitions
  - Significant growth opportunities available in all markets
  - High organic growth markets
  - Under-geared balance sheet provides capital for growth
- World class, integrated logistics provider:
  - Access to infrastructure enabled by scale and volume
  - Integration through alliances, JVs and other relationships

Positioning

- Toll Holdings is aligned with Australia’s growing trade with Asia



Market growth

- Consistent high performing organic growth rates utilising selective capex
- Integration of Australian based customers with our Asian based capability
- Significant acquisition opportunities identified:
  - Australia
  - Asia
  - New Zealand
- Improved financial flexibility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Infrastructure Co

Mark Rowsthorn

Executive Director

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Business overview

- Comprises two businesses:
  - Ports and related services
  - 100% of Pacific National
- Highly experienced management team
- No external fee leakage
- Infrastructure assets with strong organic growth
- Expected to be an S&P/ASX50 company
- Gearing consistent with comparable Infrastructure Funds
- Capital expenditure to be largely funded by an in-place debt facility

Business overview

Ports and related services

- Four container port terminals – Sydney, Brisbane, Melbourne, Fremantle
- Port Management –Geelong, Western Port and Albany Bulk Handling
- Stevedoring
- Ports services
- Autocare

Pacific National

- Bulk services
- Intermodal

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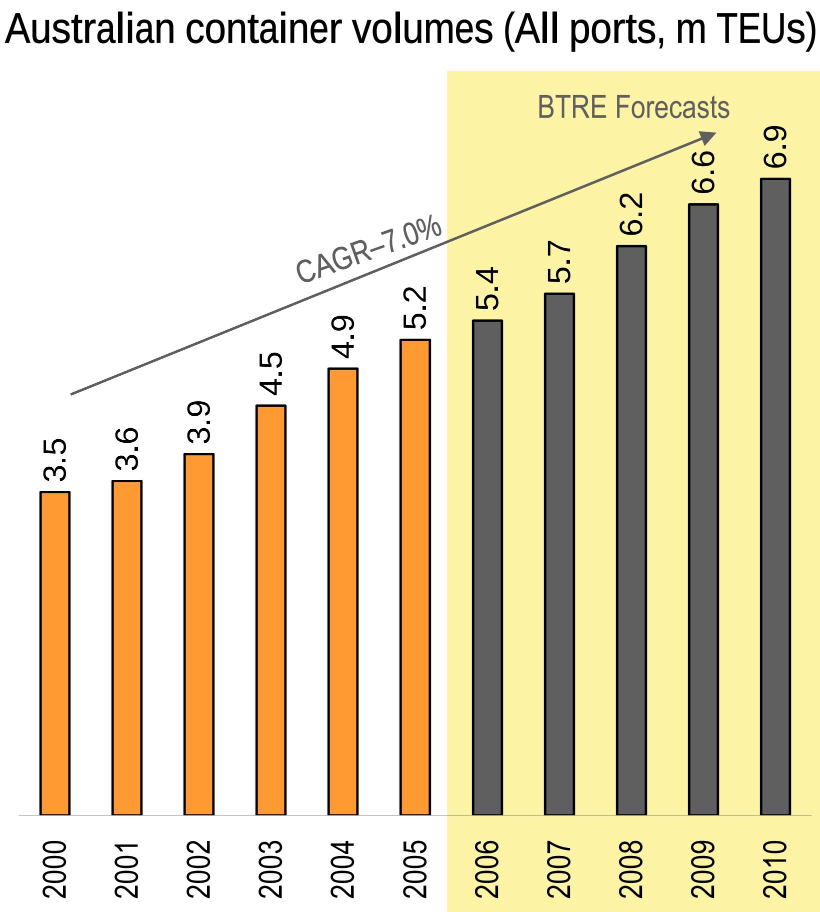
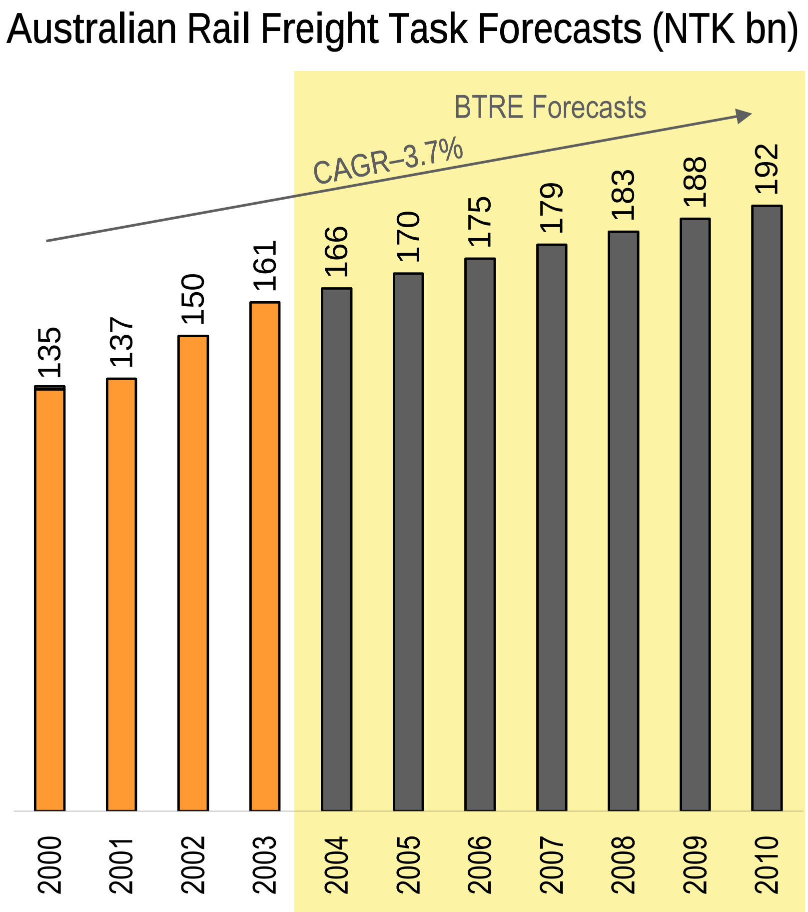
Strategy

- Optimisation of existing assets
  - Pursuit of expansion opportunities at port facilities
  - Port automation and technology rollout
  - Improve PN intermodal service levels
  - PN growth opportunities in new bulk markets and North-South Corridor
- Growth through acquisition of transport infrastructure assets in Australia and offshore

Organic growth



Source: Bureau of Transport and Regional Economics (BTRE)



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Positioning — sector leader

- Unique collection of infrastructure assets
- Assets capable of higher leverage than logistics operations
- Attractive long term revenue growth at >2 x GDP
- Company of scale
- Internally managed
- Excellent management track record
  - Acquisitions, integration and operations

  

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Financial impact

Neil Chatfield

Chief Financial Officer

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Pro forma financials

	Toll Holdings	Infrastructure Co
Revenue	$7 bn	$2.8 bn
EBITDA	$850 m	$650 m
Total Assets	$5.5 bn	$8bn
FTE employees	>20 thousand	>8 thousand

- Based on normalised estimates of 2007 results

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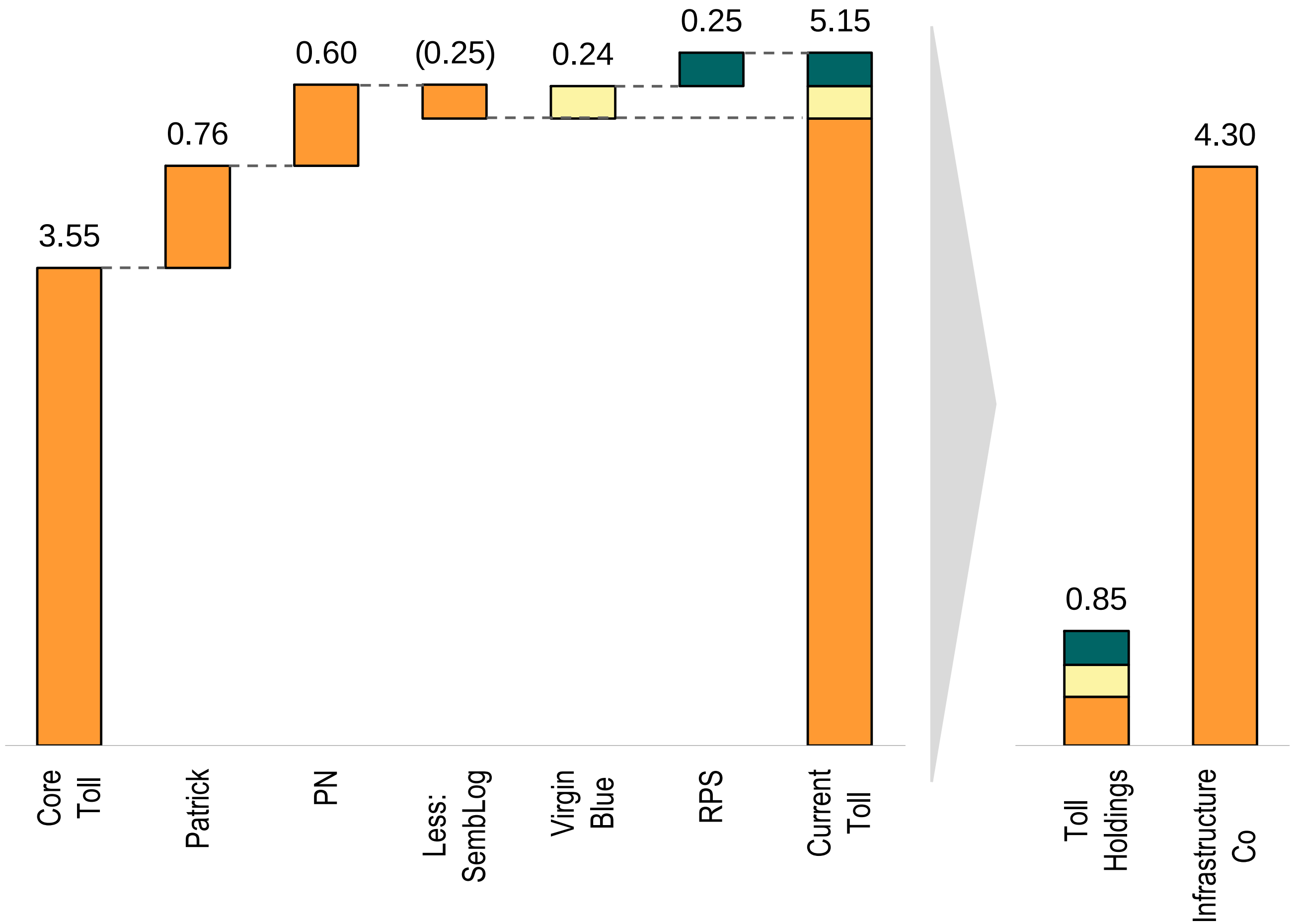
Pro forma debt

Pro forma debt as at 30 June 2006 ($bn)



- Net debt of $4,300m to be apportioned to Infrastructure Co
- Toll Holdings to have debt capacity for acquisitions
- Consolidated net debt of $5,150m at 30 June 2006
- Retained in Toll Holdings:
  - $250m RPS
  - Virgin Blue net debt
- * Based on current estimates and bank soundings

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Financial profile

Toll Holdings

- Substantial leverage capacity
- Focus on operation of assets not ownership
- Payout ratio maintained
- ROIC restored toward 20%+ target level
- Financial and operational capacity
- Aggressive organic and acquisition growth

Infrastructure Co

- Gearing levels appropriate to assets and cash generation
- Capex debt facility
- Structured to facilitate high and growing levels of cash distributions
- EBITDA well diversified between ports and PN
- High growth through capex and acquisitions

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Outlook

- Currently on track to exceed overall 2007 targets

Toll Holdings

- VBA, very strong results (expect >40% higher than previous period)
- Australian operations performing strongly, ahead of plan
- NZ, revenues lower but signs more positive
- Toll Asia, earnings ahead, integration on track

Infrastructure Co

- Pacific National improved performance
- Ports and related activities performing strongly on solid volumes

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Summary

✓Unlocks significant shareholder value and growth opportunities

✓Allows both businesses to grow through strategic acquisitions in global markets

✓Improves overall business quality by allowing shareholders to continue to own 100% of Pacific National in the Infrastructure Co

✓Better alignment of assets and investor profiles

- Toll Holdings, asset light/debt capacity to grow rapidly
- Infrastructure Co, key high performing assets

✓Returns improved in both businesses

✓Committed management with resources to grow