

Qube Subordinated Notes

Investor Presentation

QUBE



August 2016

Important Notice

QUBE

ABN 141 497 230 53

The information included in this document or discussed at the presentation (together, the **Presentation**) has been prepared by Qube Holdings Limited (**Qube**) in connection with the offer of Qube Subordinated Notes (**Notes**) (**Offer**). The Offer is made pursuant to a Prospectus which was lodged with the Australian Securities and Investments Commission (**ASIC**) on 30 August 2016. Qube intends to lodge a Replacement Prospectus with ASIC on 7 September 2016 containing the Margin (and application forms), after the Bookbuild has been held to determine the Margin.

The information contained in this Presentation or subsequently provided to the recipient whether orally or in writing by, or on behalf of Qube or any of its directors, officers, employees, agents, representatives and advisers (the **Parties**) is provided to the recipient on the terms and conditions set out in this notice.

The information contained in this Presentation has been furnished by the Parties and other sources deemed reliable but no assurance can be given by the Parties as to the accuracy or completeness of this information. It should be read in conjunction with Qube's other periodic and continuous disclosure announcements lodged with the Australian Securities Exchange (**ASX**), which are available at www.asx.com.au.

To the full extent permitted by law no representation or warranty (express or implied) is given, and no responsibility or liability (including in negligence) is accepted by the Parties as to the truth, accuracy or completeness of any statement, opinion, forecast, information or other matter (whether express or implied) contained in this Presentation or as to any other matter concerning them.

This Presentation has not been lodged with ASIC. The information for which Qube will assume responsibility for is set out in the Prospectus. This Presentation is not a recommendation to acquire Notes. Nothing contained in this Presentation constitutes investment, legal, tax, financial product or other advice. The information in this Presentation does not take into account the investment objectives, taxation position, financial situation or needs of any particular investor.

Any decision by a person to apply for Notes should be made on the basis of the information contained in the Prospectus and the Replacement Prospectus, not in this Presentation. Applicants should read the Prospectus in its entirety before making a decision whether to apply for Notes. All persons considering investing in Notes should consider the Prospectus in deciding whether to acquire the Notes. Applications for Notes may be made using the Application Form attached to or accompanying the Replacement Prospectus, or online through the offer website at www.qubenotes.com.au, after the Replacement Prospectus has been lodged with ASIC (expected to occur on 7 September 2016). An investment in Notes is subject to risks, including the possible loss of income and principal invested. Risks associated with an investment in Notes and Qube are set out in Section 5 in the Prospectus.

This Presentation may contain forward looking statements. Such forward-looking statements speak only as of the date of this Presentation and there can be no assurance that actual outcomes will not differ materially from these statements. Forward-looking statements can generally be identified by words such as "may", "could", "believes", "estimates", "expects", "intends", and other similar words that involve risks and uncertainties. Nothing in this Presentation is a promise or representation as to the future. Any forward looking statements in this Presentation may prove to be incorrect and are subject to various known and unknown risks, significant uncertainties, assumptions, contingencies, and other factors, many of which are outside the control of Qube, that could cause Qube's actual results or performance to differ materially from any future results or performance expressed, implied or anticipated in these statements. To the maximum extent permitted by law, the Parties make no representation or warranty (express or implied) as to the accuracy of such forward looking statements. Except as required by law, and only then to the extent so required, the Parties do not warrant or guarantee the future performance of Notes or any return on any investment made in Notes.

To the full extent permitted by law, no responsibility or liability (including in negligence) is accepted by the Parties for or in connection with any act or omission, directly or indirectly in reliance upon, or for any cost, expense, loss or other liability, directly or indirectly, arising from, or in connection with, any omission from or defects in, or any failure to correct any information in this Presentation or any other communication (oral or written) about or concerning them.

The delivery of this Presentation does not under any circumstances imply that the affairs or prospects of Qube or any information have been fully or correctly stated in this Presentation or have not changed since the date at which the information is expressed to be applicable. The information in this Presentation is a general background and does not purport to be complete or to provide all information that an investor should consider when making an investment decision, nor does it contain all the information required in a disclosure document or prospectus prepared in accordance with the requirements of the *Corporations Act 2001* (Cth). Except as required by law, no responsibility or liability (including in negligence) is assumed by the Parties for updating any such information or to inform the recipient of any new information of which the Parties may become aware.

Notwithstanding the above, no condition, warranty or right is excluded if its exclusion would contravene the *Competition and Consumer Act 2010* (Cth) or any other applicable law or cause an exclusion to be void.

Capitalised terms used in this Presentation have the same meaning as in the Prospectus.

The provision of this Presentation is not and should not be considered as a recommendation in relation to an investment in Qube or that an investment in Qube is a suitable investment for the recipient.

References to 'underlying' information is to non-IFRS financial information prepared in accordance with ASIC Regulatory Guide 230 (Disclosing non-IFRS financial information) issued in December 2011. Non-IFRS financial information has not been subject to audit or review.

This Presentation does not constitute an offer to sell, or a solicitation to buy, securities in the United States (as defined in Regulation S of the U.S. Securities Act of 1933, as amended (**U.S. Securities Act**)). The Notes have not been and will not be registered under the U.S. Securities Act and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act.

Under no circumstances should you, any of your affiliates or any person acting on your behalf send this document or any other documents that you have received in connection with the Offer, directly or indirectly, into the United States.

Statements made in this Presentation are made only as at the date of this Presentation. The information in this Presentation remains subject to change without notice and includes information derived from third party sources that has not been independently verified. Qube reserves the right to withdraw the Offer or vary the timetable for the Offer without notice. In this notice, each reference to the Prospectus is taken to include the Replacement Prospectus and any supplementary prospectus, unless the context requires otherwise.

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Key Offer Highlights



Opportunity to invest in one of Australia's largest providers of integrated import and export logistics services, targeting freight moving to and from ports.

- Recently completed the acquisition of a 50% interest in Patrick from Asciano.
- Developing Moorebank, expected to become Australia's largest intermodal logistics precinct.



Diversified earnings and strong cash flow profile.



7 year legal maturity (5 October 2023).



Floating rate, unfranked, cash payments.



Non-payment of interest and principal is an Event of Default, unless one of the limited exceptions applies.¹



Holder put option upon a Change of Control Event.

1. Unless its failure to pay is caused by administrative or technical error or a Disruption Event.

Overview of the Offer



Issuer	<ul style="list-style-type: none">• Qube Holdings Limited<ul style="list-style-type: none">– S&P/ASX 100 company with a market capitalisation of A\$3.8 billion¹– One of Australia’s largest providers of integrated import and export logistics services
Notes	<ul style="list-style-type: none">• Qube Subordinated Notes (“Notes”)
Offer Size	<ul style="list-style-type: none">• \$200 million, with the ability to raise more or less
Use of Proceeds	<ul style="list-style-type: none">• Qube is issuing Notes as part of its ongoing funding strategy• The proceeds will be used for general corporate purposes including the development of Moorebank and for funding other growth opportunities for Qube
Offer Structure	<ul style="list-style-type: none">• Institutional Offer, Broker Firm Offer, Shareholder Offer and General Offer
Bookbuild	<ul style="list-style-type: none">• Expected to be completed on or before 6 September 2016
Joint Structuring Advisers	<ul style="list-style-type: none">• National Australia Bank and UBS
Joint Lead Managers	<ul style="list-style-type: none">• ANZ Securities, National Australia Bank, UBS
Listing	<ul style="list-style-type: none">• Qube will apply for Notes to be quoted on ASX and the Notes are expected to trade under ASX code “QUBHA”

1. As at 26 August 2016.

Notes Summary



Issue Price	<ul style="list-style-type: none"> \$100 per Note
Maturity Date	<ul style="list-style-type: none"> 5 October 2023 7 years after the Issue Date
Ranking	<ul style="list-style-type: none"> Unsecured and subordinated In the event of winding-up of Qube, Notes will rank: <ul style="list-style-type: none"> behind all unsubordinated (or senior) creditors; equal with any other subordinated creditors; and ahead of Ordinary Shares
Interest Payments	<ul style="list-style-type: none"> Floating rate, unfranked, cash payments Floating interest rate equal to Bank Bill Rate plus Margin Interest Payment Dates of 5 January, 5 April, 5 July and 5 October in each year
Margin	<ul style="list-style-type: none"> Expected to be in the range of 3.90% to 4.10% per annum To be determined under the Bookbuild
Early Redemption	<ul style="list-style-type: none"> Qube may redeem Notes upon a Change of Control Event, Clean-up Event or Tax Event Holders have no redemption rights prior to the Maturity Date, except where there is a Change of Control Event

The table below illustrates how the Notes would rank upon a liquidation of Qube and Qube's obligations in respect of existing debt facilities and equity.

Ranking	Existing debt instruments & equity	Amount drawn / on issue ^{1,2,3}
Higher Ranking	Bank Debt and Finance Leases	\$690 million
	Qube Subordinated Notes	\$200 million
	Preference Shares	Nil ⁴
Lower Ranking	Ordinary Shares	\$2,270 million

- Pro Forma as at 30 June 2016, post adjustments for the completion of the placement to CPPIB as part of Qube's funding for the acquisition of Patrick, the acquisition of the 50% stake in Patrick, the agreed acquisition of Aurizon's 33.3% interest in the Moorebank project and the issuance of Subordinated Notes of \$200m.
- Qube has entered into an agreement with Aurizon to acquire its 33.3% interest in Moorebank. The pro forma financial information is presented on the basis that the transaction completes. Settlement is conditional upon financial close with the Moorebank Intermodal Company, which has not yet occurred.
- The bank debt figure presented above does not include Qube's share of the \$1,000m of debt in Patrick. Qube's investment in Patrick by way of a combination of shareholder loans and contributed equity will be accounted for as a financial asset and an investment in an associate. Accordingly, debt as presented on Qube's pro-forma balance sheet does not include Qube's share of the \$1,000m of debt in Patrick. The debt in Patrick is non-recourse to Qube.
- Currently Qube does not have any preference shares on issue.

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Qube Business Overview



Qube is one of Australia's largest providers of integrated import and export logistics services targeting freight moving to and from ports.

Logistics Division

Provides a broad range of services relating to the import and export of containerised cargo.

Offers an integrated solution suite covering multiple aspects of the supply chain.

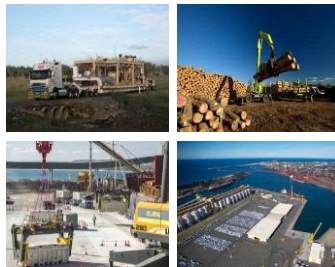
Operates nationally, providing services across 36 sites in Australia including in all capital city ports, and has an expanding footprint in inland metropolitan and country regional areas with connections to Australian ports.



Ports & Bulk Division

Provides a broad range of logistics services relating to the import and export of mainly non-containerised freight, with a focus on automotive, bulk and break bulk products including vehicles, forestry products, oil and gas projects and general cargo.

National operator, with 30 port facility locations in Australia, and provides port and stevedoring services in 14 locations in New Zealand.



Strategic Assets Division

Holds interests in strategically located properties suitable for development into logistics infrastructure and operations.

Developing Moorebank, expected to become the largest intermodal logistics precinct in Australia, another property at Minto, and holds investments in Quattro and TQ Holdings for development and operation of grain and fuel storage and handling terminals.



Patrick

Owns a 50% interest in Patrick, one of two major established national operators providing container stevedoring services in the Australian market with operations in the four largest container ports in Australia.

The business holds lease concessions for and operates shipping container terminals in the four largest container ports in Australia.

Market share of c.48% (based on contracted lifts) in FY15 across the terminals in which it operates.



Logistics Division



Qube Logistics offers an integrated solution suite covering multiple aspects of the import / export supply chain. The business operates nationally with strategic locations near the ports in key capital cities.

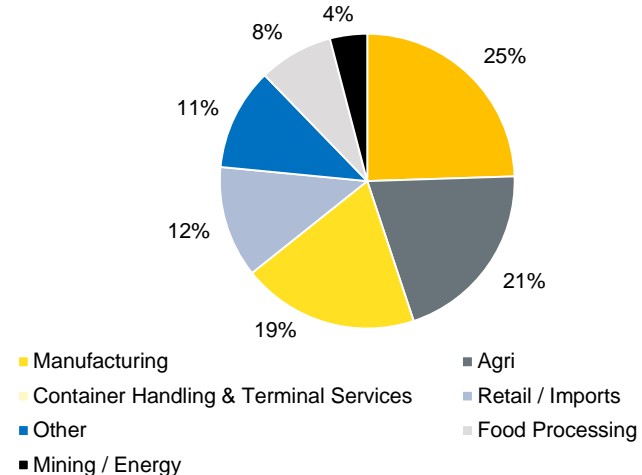
Footprint and Key Services Provided

Qube Logistics provides services across 36 sites nationally. It has facilities located in all Australian capital city ports and an expanding footprint in inland metropolitan and country regional areas with connections to Australian ports.

Key Services Provided

- | | |
|------------------------------|--|
| • Road transport | • Global freight forwarding |
| • Container parks | • Warehousing and distribution |
| • Container hire and sales | • Bonded customs and quarantine services |
| • Container freight stations | • Special projects |
| • Rail transport | • Supply chain logistics |
| • Rail terminal operator | |

Qube Logistics - Indicative FY16 Revenue Segmentation



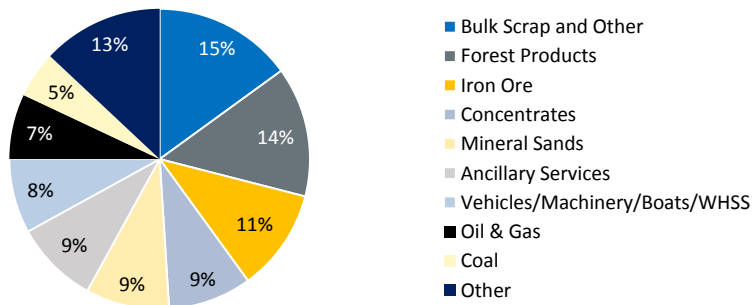
Ports and Bulk Division

Qube's Ports & Bulk division provides a broad range of logistics services relating to the import and export of mainly non-containerised freight, with a major focus on automotive, bulk and break bulk products in Australia and New Zealand.

Qube Ports & Bulk - Annual Stevedoring Volumes (Indicative)

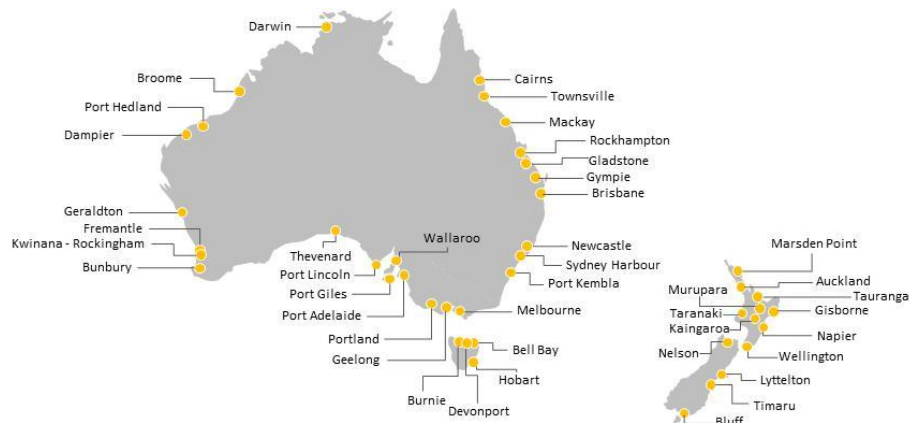
Commodity	Units	Volume
Vehicles	#	760,000
Bulk products (iron ore, nickel, manganese, coal, copper)	Mt	25.0
Fertiliser	Mt	1.4
Forest products (timber, woodchips)	Mt	13.0
Grain	Mt	0.3
Steel products (bar, plate, rod, coal)	Mt	0.5

Qube Ports & Bulk - Indicative FY16 Revenue Segmentation



Key Locations

Qube's Ports & Bulk division is a national operator with 30 port facility locations in Australia including on-wharf and port precinct facilities in all Australian capital city ports, as well as both dry bulk materials and general cargo facilities in regional port locations. The division also provides port and stevedoring services in 14 locations in New Zealand, with a particular focus on forestry-related products and services.



Strategic Assets Division

Qube's Strategic Assets division holds interests in a number of strategically located properties suitable for development into logistics infrastructure and operations.

Moorebank

- The Moorebank precinct comprises an area of over 243 hectares located in South Western Sydney.
- The precinct comprises two parcels of land that following financial close of the contractual arrangements for the Moorebank Intermodal Project are expected to be sub-leased to Qube for up to 99 years.
- Following financial close of the contractual arrangements for the Moorebank Intermodal Project, Qube will have 100% of the development, operating, property and asset management rights for the project.



Qube has a number of other strategic assets within its portfolio:

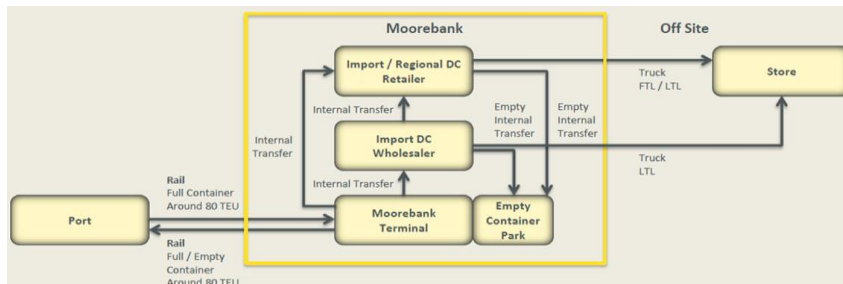
- **Minto property (Qube interest: 100%):** the Minto property is located on the dedicated freight rail line, and the site is currently being leased to Prixcar (in which Qube owns a 25% interest) for the processing and storage of motor vehicles. The opportunity exists to develop Minto into an intermodal terminal with on-site warehousing, albeit on a smaller scale than Moorebank.
- **Quattro Ports grain joint venture (Qube interest: 37.5%):** a multi-user grain storage, handling and export facility that has been developed at Port Kembla, NSW. Qube holds a 37.5% interest in the joint venture, with the other interests held by COFCO Agri, Emerald Grain and Cargill. The grain storage facility is located on a property subleased from AAT. Qube Logistics has rail contracts for the cartage of bulk grain to the terminal for the three joint venture partners.
- **TQ Holdings joint venture (Qube interest: 50%):** established for the purpose of developing a major fuel storage facility in Port Kembla and potentially other sites in response to opportunities created by a shortage of fuel storage capacity in Australia. Qube and Japanese petroleum group TonenGeneral each hold a 50% interest in the joint venture.

Overview of Moorebank

Overview

- In August 2016, Qube announced that it had entered into an agreement to acquire:
 - Aurizon's 33% interest in the Moorebank Industrial Property Trust (MIPT), which owns the 83ha freehold land at Moorebank; and
 - Aurizon's interests in development of the rail terminals and associated warehousing under the 99 year lease agreements across the entire 243ha Moorebank precinct.
- If completed, the transaction will bring Qube's ownership of MIPT and the Moorebank project to 100%.
- The Moorebank intermodal terminal development is expected to become the largest intermodal logistics precinct in Australia.
- When completed, the precinct will comprise both import / export ("IMEX") and interstate rail terminals with complementary warehousing and distribution facilities.
- Financial close of the contractual arrangements for the Moorebank Intermodal Project has not yet occurred and is dependent upon a number of conditions precedent to be satisfied or waived.

Future – Import Distribution Supply Chain



Moorebank Development

- The Moorebank intermodal terminal development is located at the junction of the M5 and M7 motorways and future rail access to the Southern Sydney Freight Line (SSFL).
- The project is expected to bring significant benefits to Qube, its customers and the broader logistics chain through more efficient movement of freight on rail relative to current trucking operations.
- This strategic location is expected to alleviate logistics inefficiencies resulting from Sydney's road congestion through removing road freight demand from the existing road network between Port Botany and Western Sydney by increasing the rail modal share of freight movements.
- The IMEX and interstate rail terminal operations are expected to handle up to 1.5 million TEUs per annum.
- The increased ownership will increase Qube's minimum required funding over the first 5 years of the Moorebank project by around \$125 million. Following completion of the acquisition of Aurizon's 33% interest, the total minimum required funding by Qube for the first 5 years is expected to be approximately \$375 million.

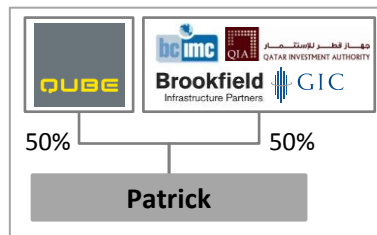


Overview of Patrick Acquisition



Overview

- In August 2016 Qube completed the acquisition of a 50% interest in Patrick from Asciano.
- Patrick is one of two major established national operators providing container stevedoring services in the Australian market with operations in the four largest container ports in Australia.
- Patrick is owned in a 50/50 joint venture between Qube and Brookfield Infrastructure ("Brookfield"), together with Brookfield's co-investors including GIC Private Limited, British Columbia Investment Management Corporation and Qatar Investment Authority.



Key Highlights

Transformational acquisition

- Expected to create significant opportunities for productivity improvement and innovation across the Australian logistics and transportation sectors.
- Expected to create substantial value both for Qube shareholders as well as within the broader logistics chain.

Considered by Qube to have superior facilities and locations, and further diversifies Qube's operations

- Operational benefits and efficiencies from focussing on both the container terminal activities and Qube's third party logistics operations.
- Highly complementary operations.
- Improves the diversification and quality of Qube's earnings base.

Attractive financial returns for Qube

- Near term synergies and business improvement initiatives (some of which will require capital expenditure) are expected to generate \$25m-\$40m p.a. earnings benefit within the JV and \$5m-\$10m per annum within Qube's existing operations over 2-3 years.
- Major opportunities for longer term value creation, including through enhancing the Moorebank project.
- Additional benefits expected from the involvement of Brookfield Infrastructure as a new joint venture partner as one of the world's largest and most experienced infrastructure funds, with a significant existing footprint of international port and container terminals operations.

Location	Lease Term	Footprint	Equipment	Capacity p.a.
Port Botany (Sydney)	2043	1,400m quay line 4 berths	8 cranes / 45 straddle carriers and other cargo handling equipment	1.6m TEU
East Swanson Dock (Melbourne)	2034	885m quay line 3 berths	7 cranes / 54 straddle carriers and other cargo handling equipment	1.4m TEU
Fisherman Islands (Brisbane)	2045	922m quay line 3 berths	5 cranes / 31 straddle carriers and other cargo handling equipment	0.8m TEU
Port of Fremantle (Fremantle)	2017	766m quay line 2 berths	4 cranes / 41 cargo handling pieces of equipment	0.6m TEU

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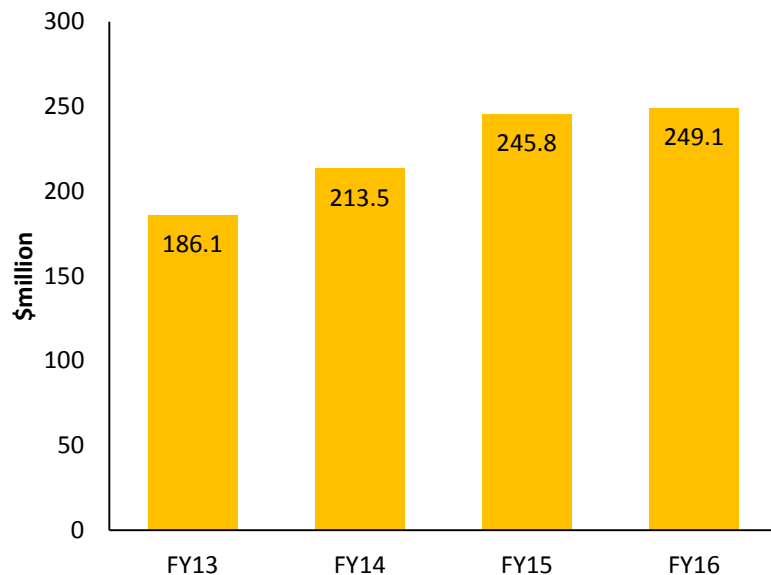
6 Key Risks



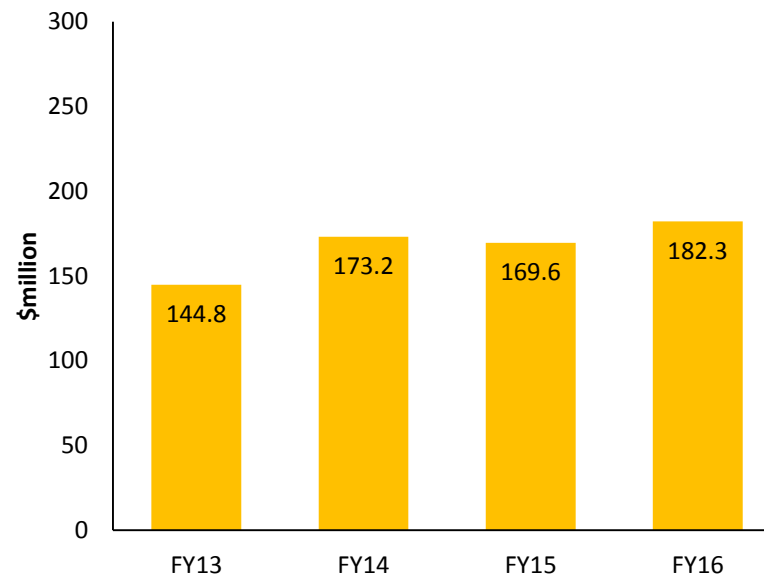
Diversified Earnings and Strong Cash Flow



EBITDA¹



Operating Cash Flow



1. Reported Qube EBITDA.

Summary of Qube's Financial Profile



Key capitalisation metrics	FY16 reported	FY16 pro forma (underlying) ^{1,2,3}
Cash	76.6	76.6
Total assets	2,891.6	3,330.5
Borrowings ⁴	673.0	880.5
Total liabilities	854.3	1,060.3
Equity attributable to owners of Qube	1,939.1	2,270.2

Key earnings and cash flow metrics		
Revenue	1,332.5	1,319.7
EBITDA (with associates)	261.7	300.7
Adjusted EBITDA ⁵		326.9
EBIT (with associates and Patrick interest income)	160.2	225.4
Operating cash flow	182.3	
Net interest paid	32.0	

Key credit metrics		
Gearing ⁶	23.7%	26.4%
Total net debt / adjusted EBITDA ⁵	2.3x	2.5x
Senior net debt ⁷ / adjusted EBITDA ⁵	2.3x	1.9x
Interest cover ⁸	8.1x	7.4x

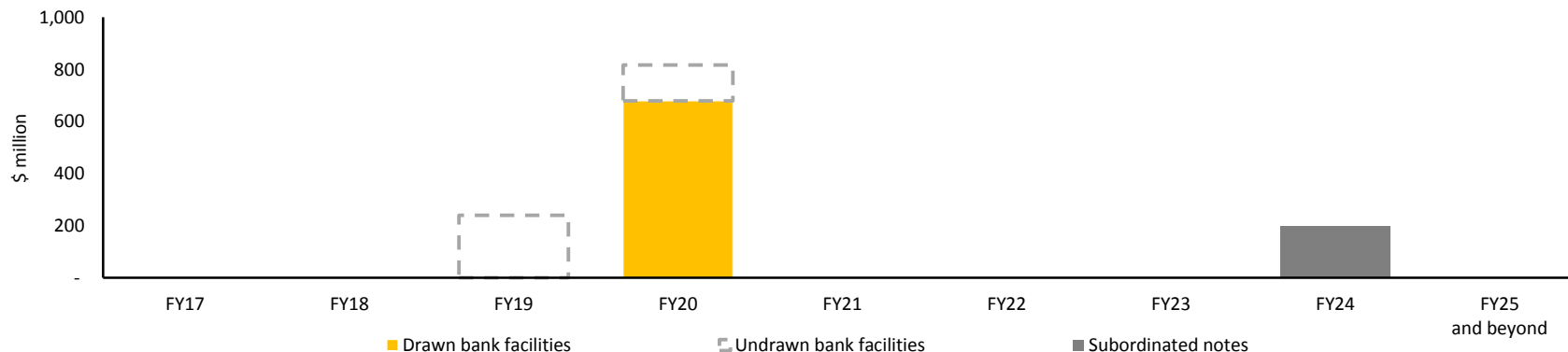
1. Pro Forma as at 30 June 2016, post adjustments for the completion of the placement to CPPIB as part of Qube's funding for the acquisition of Patrick, the acquisition of the 50% stake in Patrick, the agreed acquisition of Aurizon's 33.3% interest in the Moorebank project and the issuance of Subordinated Notes of \$200m.
2. Qube has entered into an agreement with Aurizon to acquire its 33.3% interest in Moorebank. The pro forma financial information is presented on the basis that the transaction completes. Settlement is conditional upon financial close with the Moorebank Intermodal Company, which has not yet occurred.
3. The gearing and net debt ratios presented above do not include Qube's share of the \$1,000m of debt in Patrick. Qube's investment in Patrick by way of a combination of shareholder loans and contributed equity will be accounted for as a financial asset and an investment in an associate. Accordingly, debt as presented on Qube's pro forma balance sheet does not include Qube's share of the \$1,000m of debt in Patrick. The debt in Patrick is non-recourse to Qube.
4. Pro forma debt numbers shown above are presented after the deduction of unamortised transaction costs.
5. Adjusted EBITDA of \$326.9m comprises underlying Qube EBITDA including share of profits from associates for FY16 and Qube's share of underlying Patrick NPAT for the twelve month period ended December 2015, adjusted for synergies, depreciation and financing costs, plus interest income received from the shareholder loan to Patrick.
6. Gearing ratio is calculated by dividing net debt by the sum of net debt and shareholders' equity as at 30 June 2016 on a reported and pro forma basis respectively.
7. Senior debt represents the difference between total debt and debt raised from the issuance of the Subordinated Notes of \$200m.
8. Interest cover is calculated by dividing Adjusted EBITDA by net interest expense. The net interest expense does not include the interest income on shareholders loan which Qube is expected to receive from Patrick.

Conservative Approach to Capital Management



- The proceeds will be used for general corporate purposes including the development of the Moorebank project and for funding other growth opportunities for Qube.
- Qube manages its funding position and, as required from time to time, will seek to raise additional equity, debt or hybrid capital to ensure it has sufficient liquidity to fund capital expenditure for its business, consistent with its long term target gearing range of 30 – 40%.
- The chart below sets out the pro forma maturity profile of Qube's drawn and undrawn committed facilities as at 30 June 2016, adjusted for the impact of the Offer.

Qube's Pro Forma Debt Maturity Profile, Post-Offer (as at 30 June 2016)^{1,2,3}



1. Drawn and undrawn bank facilities excludes finance lease liabilities of \$10.6m and bank guarantees totalling \$28.9m drawn under Qube's working capital facilities.
2. Drawn and undrawn bank facilities do not include Qube's share of the \$1,000m of debt in Patrick. Qube's investment in Patrick by way of a combination of shareholder loans and contributed equity will be accounted for as a financial asset and an investment in an associate. Accordingly, debt as presented on Qube's pro forma balance sheet does not include Qube's share of the \$1,000m of debt in Patrick. The debt in Patrick is non-recourse to Qube.
3. Qube has entered into an agreement with Aurizon to acquire its 33.3% interest in Moorebank. The pro forma financial information is presented on the basis that the transaction completes. Settlement is conditional upon financial close with the Moorebank Intermodal Company, which has not yet occurred.

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Key Features of Notes



Interest Payments	<ul style="list-style-type: none">• Floating rate, unfranked, cash payments• Payable quarterly in arrears• Floating interest rate equal to Bank Bill Rate plus Margin• Interest Payment Dates of 5 January, 5 April, 5 July and 5 October in each year
Maturity Date	<ul style="list-style-type: none">• 5 October 2023• 7 years after the Issue Date
Margin	<ul style="list-style-type: none">• Expected to be in the range of 3.90% to 4.10% per annum• To be determined under the Bookbuild
Issue Price	<ul style="list-style-type: none">• \$100 per Note
Ranking	<ul style="list-style-type: none">• Unsecured and subordinated• In the event of winding-up of Qube, Notes will rank:<ul style="list-style-type: none">• behind all unsubordinated (or senior) creditors;• equal with any other subordinated creditors; and• ahead of Ordinary Shares
Use of Proceeds	<ul style="list-style-type: none">• Qube is issuing Notes as part of its ongoing funding strategy• The proceeds will be used for general corporate purposes including the development of Moorebank and for funding other growth opportunities for Qube
Listing	<ul style="list-style-type: none">• Qube will apply for Notes to be quoted on ASX and are expected to trade under ASX code “QUBHA”
Early Redemption	<ul style="list-style-type: none">• Qube may redeem all Notes at any time if a Change of Control Event, Clean-up Event or Tax Event occurs• Holders have no redemption rights prior to the Maturity Date, except where there is a Change of Control Event

Comparison of Notes with Recent ASX-Listed Issues



	Tatts Bonds	Qube Subordinated Notes	APA Subordinated Notes	ANZ Capital Notes 4
Ranking	Senior	Subordinated	Subordinated Senior only to ordinary securities	Subordinated Senior only to ordinary shares
Maturity date	Year 7 (2019)	Year 7 (2023)	Year 60 (2072)	Perpetual
Scheduled call date	None	None	Year 5.5 (2018)	Year 7.5 (2024)
Interest payments	Unfranked, floating rate Non-payment is an event of default	Unfranked, floating rate Non-payment is an event of default	Unfranked, floating rate, subject to deferral	Unfranked, floating rate, payable only at the discretion of ANZ
Interest deferral	Not applicable	Not applicable	Yes (at the discretion of APA)	Yes (payable only at the discretion of ANZ)
Change of control	Holder put	Issuer call, holder put	Issuer call, 300bps step-up	Conversion into ordinary shares
Loss absorption	Not applicable	Not applicable	Not applicable	Yes (on a capital or non-viability trigger event)
Listing	ASX	ASX	ASX	ASX

Note: Information regarding APA Subordinated Notes, Tatts Bonds and ANZ Capital Notes 4 is sourced from documents published by APA, Tatts and ANZ. Qube takes no responsibility for that information and investors should read those documents for information regarding those securities.

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About the Offer

Institutional Offer	<ul style="list-style-type: none">• For Institutional investors who have been invited by Qube or the Arrangers to bid for Notes in the Bookbuild.
Broker Firm Offer	<ul style="list-style-type: none">• For eligible clients of a Syndicate Broker who have been invited to participate through the Broker Firm Offer.
Shareholder Offer	<ul style="list-style-type: none">• For Eligible Shareholders, being a registered holder of Ordinary Shares with a registered address in Australia at 7:00pm (Sydney time) on 25 August 2016 and who is a resident in Australia.
General Offer	<ul style="list-style-type: none">• For members of the general public who are residents in Australia.

Key Dates



Key dates for the Offer ¹		Date
Record Date for Eligible Shareholders		25 August 2016
Lodgement of the Original Prospectus with ASIC		30 August 2016
Bookbuild to determine the Margin		On or before 6 September 2016
Lodgement of the Replacement Prospectus with ASIC		7 September 2016
Opening Date for the Offer		7 September 2016
Closing Date for the Shareholder Offer and General Offer		5:00pm (Sydney), 28 September 2016
Closing Date for the Broker Firm Offer		10:00am (Sydney), 4 October 2016
Issue Date		5 October 2016
Notes begin trading on ASX (on a deferred settlement basis)		6 October 2016
Notes begin trading on ASX (on a normal settlement basis)		10 October 2016
Key dates for Qube Subordinated Notes		Date
First Interest Payment Date ²		5 January 2017
Maturity Date		5 October 2023

1. The key dates for the Offer are indicative only and may change without notice.

2. Interest Payments are scheduled to be paid quarterly in arrears on the Interest Payment Dates being each 5 April, 5 July, 5 October and 5 January each year unless deferred in accordance with the Terms. If any Interest Payment Date is not a Business Day, then the Interest Payment Date will occur on the next Business Day.

Key Contacts



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Further Information

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Website

www.qubenotes.com.au

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Key Risks



Below is a summary of some of the risks described in the Prospectus.

These and other risks associated with the Notes and Qube Holdings Limited are discussed in more detail in Section 5 of the Prospectus.

All potential investors in the Notes should review the risks outlined in the Prospectus and not rely on this Presentation.

Notes are subordinated obligations

- There may be a shortfall of funds to pay all amounts ranking senior to and equally with Notes in an event of a winding-up of Qube. This would result in Holders not receiving any payment if claims ranking senior to Notes were not satisfied in full, or otherwise not receiving payment in full.

Changes in Interest Rate

- The Interest Rate is a floating rate, equal to the sum of the Bank Bill Rate plus the Margin. The Bank Bill Rate will fluctuate and therefore the Interest Rate will fluctuate. Over the term of Notes, the Interest Rate may be lower or higher than the initial Interest Rate on the Issue Date.
- If the Interest Rate decreases, there is a risk that the return on Notes may become less attractive compared to returns on other investments, including investments which carry fixed interest rates. The Issuer does not guarantee any particular rate of return on Notes.

Qube may redeem Notes under certain circumstances

- The Redemption Amount may be less than the current market value of Notes at the time of redemption.
- The timing of redemption of Notes may not accord with a Holder's individual financial circumstances or tax position.

No rights for Holders to request or require redemption

- Holders have no right to request or require redemption of Notes before 5 October 2023 (the Maturity Date), unless an Event of Default occurs and is subsisting, and other conditions are met, or on a Change of Control Event and other conditions are met.
- Unless redeemed by Qube, Holders can only realise their investment in Notes by a sale on ASX or a private sale or on the Maturity Date. There is a risk that the sale price on ASX or under private sale will be less than the Issue Price or market value of Notes. Brokerage fees may also be payable if Notes are sold through a broker.

No limitation on issuing senior or equal ranking securities

- The Directors are at all times authorised to issue further notes (whether redeemable or not) or other securities which rank ahead of, equally with or behind Notes, whether in respect of distributions or dividends, ranking on a winding-up or otherwise. However, under the Offer Management Agreement, Qube has undertaken not to issue ASX listed hybrid securities or ASX listed debt securities for 120 days after completion of the Offer.
- Nothing in the Terms prevents Qube from granting security in respect of its existing debts, or debts which it may incur in the future, and if it did so those debts would rank ahead of the Notes in a winding-up.

The market price for Notes may fluctuate

- The market price of Notes may fluctuate and they may trade below the Face Value due to various factors, including investor perceptions, global economic conditions, interest rates, credit spreads, movements in the market price of Ordinary Shares or senior or other subordinated debt.

Key Risks



Below is a summary of some of the risks described in the Prospectus.

These and other risks associated with the Notes and Qube Holdings Limited are discussed in more detail in Section 5 of the Prospectus.

All potential investors in the Notes should review the risks outlined in the Prospectus and not rely on this Presentation.

Liquidity of trading in the Notes is not certain

- Qube will apply for Notes to be listed on ASX. However, Notes will have no established trading market when issued and a trading market may never develop. Insufficient liquidity may have an adverse effect on a Holders' ability to sell their Notes and Notes may trade at a market price below their Face Value. The market for Notes is likely to be less liquid than the market for Ordinary Shares and you may be unable to sell your Notes at an acceptable price, if at all.

Qube may issue further securities

- Qube may raise further debt or issue securities that rank equally with or ahead of Notes. This may affect a Holder's ability to be repaid on a winding-up of Qube.

Holders' enforcement rights may be restricted

- Enforcement of Holders' rights requires the taking of action by the Trustee. The Trustee is not bound to take any action under the Trust Deed unless it is directed to do so in writing by Holders of at least 25% of the total Face Value of all Notes outstanding or by a Special Resolution of the Holders, the Trustee's liability is limited as noted in Section 9.1.3 of the Prospectus and the Trustee has been indemnified against any expense or liability which it may thereby incur.

Qube may fail to pay Face Value, Interest or other amounts

- There is a risk that Qube may not pay when scheduled or default on payment of some or all of the Face Value, Interest or other amounts payable on Notes. If Qube does not pay the amount owing, Holders may lose some or all of the money invested in Notes.

Qube may alter the Terms under certain circumstances

- Subject to the Terms and complying with the Corporations Act and all other applicable laws, Qube may, without the consent of the Holders or the Trustee, alter the Terms in certain circumstances.

There may be tax consequences from investing in Notes

- A general description of the Australian taxation consequences of investing in Notes is set out in Section 7 of the Prospectus. Holders should be aware that there is a risk that the Commissioner of Taxation may take a different view to the conclusions described in Section 7 of the Prospectus.

Key personnel

- The operational and financial performance of Qube's businesses is influenced by its ability to attract and retain experienced management.

Constraints on development

- The ability of Qube to benefit from development of its strategic assets will depend on, among other things, receipt of necessary planning and other third party approvals including approvals from relevant planning authorities.

Risks from acquisitions

- Qube's business strategy involves it continuing to seek growth opportunities, including through acquisitions. Similar to the acquisition of Patrick, risks exist in respect of integrating an acquisition, including the risk that potential synergies may not be realised which may negatively impact Qube's financial performance.
- In addition, the contractual arrangements for the Moorebank Intermodal Project have not reached financial close. Financial close of the contractual arrangements for the Moorebank Intermodal Project is dependent upon a number of conditions precedent being satisfied or waived by an agreed end date. The original end date was 30 September 2015 but this has been extended several times to the current end date of 5 September 2016. The parties continue to work cooperatively to achieve financial close. If financial close is not achieved by 5 September 2016, Qube has no reason to believe that the parties will not agree to extend the end date to allow further time to satisfy or waive the conditions precedent and achieve financial close. However, there is a risk that financial close may not occur.

Key Risks

Below is a summary of some of the risks described in the Prospectus.

These and other risks associated with the Notes and Qube Holdings Limited are discussed in more detail in Section 5 of the Prospectus.

All potential investors in the Notes should review the risks outlined in the Prospectus and not rely on this Presentation.

Access to property and rent expense

- Some of Qube's businesses, including those of its associates, lease and license significant infrastructure and other properties and assets such as rail terminals, container parks and stevedoring facilities.
- These leases and licences carry renewal risk upon expiry.
- These businesses are heavily reliant upon long term access to critical sites/properties.
 - For example, the Patrick business requires access, at sustainable costs, to port infrastructure to be able to provide its container stevedoring services to its customers. The Fremantle lease, which currently expires in 2017, is subject to an Expression of Interest process being conducted by the Fremantle Port Authority which has been deferred. It will be important for Patrick's financial performance that it is able to secure long term access to the Fremantle terminal on acceptable terms.

Capital expenditure

- The operations carried on by some of Qube's businesses are capital intensive and require significant investment to be made in capital equipment.
- The operating and financial performance of these businesses will be partly reliant on their ability to effectively manage major capital projects within required budgets and timeframes and on sufficient funding being available.
- The Moorebank project will require significant capital expenditure to become operational and achieve the scale required to achieve maximum returns. The expected capital expenditure includes certain projects that Qube is contractually committed to delivering including the construction of an import-export rail terminal and an interstate rail terminal within specified timeframes. The financial returns from the project will depend on Qube's ability to finance the required capital expenditure on acceptable terms and within the target time frames.

Early stage projects

- Investments in new projects (including the Moorebank project) during a development or construction phase are likely to be subject to additional risks. These include the project not being completed within budget or the agreed timeframe and that the income derived from project is lower than expected.

Exposure to commodity prices, volumes and cycles

- Qube's businesses are exposed, through their customers, to global demand for commodities. Revenues and margins from the provision of bulk logistics services may be materially adversely impacted by reduced global demand for bulk commodities or changes in global commodity prices.
- Also, the impact of commodity cycles can reduce the growth in containerised exports, which can have a negative impact on the financial performance of Patrick.

Economic conditions

- The operating and financial performance of Qube's businesses are influenced by a variety of general economic and business conditions.
- Australian economic growth and population growth are key variables in relation to demand for consumer goods, many of which are imported through Australia's container terminals.

Risk of industrial action

- A number of operational employees of Qube's businesses (including its associates) are members of trade unions and/or are covered by collective agreements. There is a risk of strikes and other forms of industrial action in connection with the negotiation or renegotiation of such collective agreements. Australia's industrial relations laws afford various rights to employees to engage in industrial action, which can cause significant disruption to the group's customer service performance (including in particular Patrick).

Restrictions on Distribution



No action has been taken to register or qualify the Prospectus, Notes or the Offer or otherwise to permit a public offering of Notes in any jurisdiction outside Australia.

The Prospectus does not constitute an offer or invitation to subscribe for Notes in any jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or invitation or issue under the Prospectus.

The Prospectus may not be released or distributed in the United States, and may only be distributed to persons to whom the Offer may lawfully be made in accordance with the laws of any applicable jurisdiction.

Hong Kong

WARNING: The Prospectus has not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong, nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the “SFO”). No action has been taken in Hong Kong to authorise or register the Prospectus or to permit the distribution of the Prospectus or any documents issued in connection with it. Accordingly, the Notes have not been and will not be offered or sold in Hong Kong other than to “professional investors” (as defined in the SFO).

No advertisement, invitation or document relating to the Notes has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Notes that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors (as defined in the SFO and any rules made under that ordinance). No person allotted Notes may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such securities.

The contents of the Prospectus have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of the Prospectus, you should obtain independent professional advice.

New Zealand

The Prospectus has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (the “FMC Act”). The Notes are not being offered or sold in New

Zealand (or allotted with a view to being offered for sale in New Zealand) other than to a person who:

- is an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act;
- meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act;
- is large within the meaning of clause 39 of Schedule 1 of the FMC Act;
- is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act; or
- is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act.

Singapore

The Prospectus and any other materials relating to the Notes have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, the Prospectus and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of Notes, may not be issued, circulated or distributed, nor may the Notes be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part XIII of the Securities and Futures Act, Chapter 289 of Singapore (the “SFA”), or as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the SFA.

The Prospectus has been given to you on the basis that you are (i) an “institutional investor” (as defined in the SFA) or (ii) a “relevant person” (as defined in section 275(2) of the SFA). In the event that you are not an investor falling within any of the categories set out above, please return the Prospectus immediately. You may not forward or circulate the Prospectus to any other person in Singapore.

Any offer is not made to you with a view to the Notes being subsequently offered for sale to any other party. There are on-sale restrictions in Singapore that may be applicable to investors who acquire Notes. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

Restrictions on Distribution

Switzerland

Notes may not be publicly offered in Switzerland and will not be listed on the SIX Swiss Exchange (“SIX”) or on any other exchange or regulated trading facility in Switzerland. The Prospectus has been prepared without regard to the disclosure standards for issuance prospectuses under art. 652a or art. 1156 of the Swiss Code of Obligations or the disclosure standards for listing prospectuses under the SIX Listing Rules or the listing rules of any other stock exchange or regulated trading facility in Switzerland. Neither the Prospectus nor any other offering or marketing material relating to the Notes may be publicly distributed or otherwise made publicly available in Switzerland. The Notes will only be offered to regulated financial intermediaries such as banks, securities dealers, insurance institutions and fund management companies as well as institutional investors with professional treasury operations.

Neither the Prospectus nor any other offering or marketing material relating to the offering, nor Qube nor Notes have been or will be filed with or approved by any Swiss regulatory authority. In particular, the Prospectus will not be filed with, and the offer of Notes will not be supervised by, the Swiss Financial Market Supervisory Authority (FINMA).

The Prospectus is personal to the recipient only and not for general circulation in Switzerland.

United Kingdom

Neither the information in the Prospectus nor any other document relating to the Offer has been delivered for approval to the Financial Conduct Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended (“FSMA”) has been published or is intended to be published in respect of Notes. The Prospectus is issued on a confidential basis to “qualified investors” (within the meaning of section 86(7) of the FSMA) in the United Kingdom, and Notes may not be offered or sold in the United Kingdom by means of the Prospectus, any accompanying letter or any other document, except in circumstances which do not require the publication of a prospectus pursuant to section 86(1) of the FSMA. The Prospectus should not be distributed, published or reproduced, in whole or in part, nor may its contents be disclosed by the recipients to any other person in the United Kingdom.

Any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received in connection with the issue or sale of Notes has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) of the FSMA does not apply to Qube.

In the United Kingdom, the Prospectus is being distributed only to, and is directed at, persons: (i) who have professional experience in matters relating to investments falling within Article 19(5) (investment professionals) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 (“FPO”); (ii) who fall within the categories of persons referred to in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc) of the FPO; or (iii) to whom it may otherwise be lawfully communicated (together “relevant persons”). The investments to which the Prospectus relates are available only to, and any invitation, offer or agreement to purchase will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on the Prospectus or any of its contents.