



AUSTRALIAN RAIL TRACK CORPORATION LTD

ARTC Announces Rocla Pty Ltd as Preferred Supplier for Major Concrete Sleeper Contract

ARTC announced today it has awarded preferred supplier status for its 1.35 million concrete sleeper contract to Rocla Pty Ltd as part of its \$1.4 billion North South Major Works Programme.

The \$100 million plus supply contract is for 1,350,000 concrete sleepers and fasteners over a 2.5 year period with an option to supply a further 75,000 for 2 plus 2 years.

Rocla is part of the Fletcher Building group and a leading supplier of concrete products to the civil engineering, infrastructure and construction markets.

The concrete sleeper contract supplements the three ARTC Alliance Contracts signed late last year at a combined estimated value of over \$860 million; being the \$134 million Alliance Agreement with Union Signal and Switch Pty Ltd, the South Improvement Alliance Contract with the John Holland/ MVM Rail Pty Ltd Consortium and the North Coast Improvement Alliance with the Transport Express Alliance Joint venture

“ARTC with its significant presence in regional NSW welcomes the economic and employment benefits that will flow from Rocla’s two concrete sleeper manufacturing facilities being located at Mittagong and Grafton” said ARTC CEO David Marchant.

“ARTC will also benefit from these regional locations of supply with freight deliveries of sleepers not having to pass through the major traffic points of Sydney and the Hunter Valley, with Rocla’s two manufacturing plants both located on sidings of the Main North and South lines.” he said.

Production of sleepers is expected to commence in late April 2006 with supply being available to meet the anticipated Alliance resleepering programme expected in July 2006.

Both the \$ 560 million South Improvement Alliance contract and the \$200 million North Coast Improvement Alliance will involve significant concrete resleepering.

In July 2005 ARTC went to the market with a tender for the supply of concrete sleepers based on the fundamental requirement that concrete sleepers be an equal or better price than timber at a minimum of 600,000 and maximum of 2,000,000.

Concrete sleepers which can carry heavier loads and have a decreased cost of maintenance will be in keeping with international good practice for good track design. Concrete sleepers provide a more consistent, stable and reliable track and have a longer life with less degradation than timber..

David Marchant said however that timber sleepers will remain a requirement of ARTC across its network.

“During the period of upgrades on the North and South Lines new timber sleepers will be used to meet immediate interim sleeper needs. On other parts of the ARTC network and the NSW branch lines there will continue to be significant use of timber sleepers” he said

ARTC is committed to increase the market share of rail freight by reducing transit times while increasing capacity, reliability and above rail yield .

Transit times are estimated on the completion of the works in 3 years time to reduce Sydney to Melbourne from 13 hours 10 minutes to 10 hours 40 minutes for 1500 super freighters and 11 hours 30 minutes for 1800 metre super freighters. Transit time Sydney- Brisbane for 1500 super freighters will also be cut by 4 hours.

Market share for rail North South is expected to rise to 30% over the next ten years, a 118% increase.

This massive investment program by ARTC is the largest in many decades on the Eastern seaboard and is directed at renewal, rehabilitation and enhancement of the rail network.

18 April 2006

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