

REFINITIV STREETEVENTS

EDITED TRANSCRIPT

TCL.AX - Transurban Group to Sell 50% Interest of TransUrban
Chesapeake Assets to AustralianSuper Pty. Ltd, Canada Pension Plan
Investment Board and UniSuper Ltd

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PRESENTATION

Scott Charlton - *Transurban Group - CEO & Executive Director*

Great, and good morning, everyone, and/or good evening, wherever you're calling in for, and thank you for joining Transurban in such short notice. And I hope wherever you are, that you're well, given the times we find ourselves in.

Today, I'm actually speaking from our Sydney office. And I'm joined here in person by our interim CFO, Tom McKay; and on the phone, we also have Jen Aument, our President of North America; and the Investor Relations team. So together as a group, we'll take you through a quick presentation we've lodged with the ASX this morning. It shouldn't take longer than sort of, hopefully, 15, 20 minutes, and then we'll open up for questions after that. And then, of course, you can always speak to the Investor Relations team if you need to follow up with anything.

So there's a presentation, again, that we released, and I'll just walk through that. So quickly turning then to Slide 3 on the transaction highlights. What we're talking about today is that we have sold 50% of our stake of our Greater Washington assets to some long-term and very valued partners in AustralianSuper, CPP Investments and UniSuper. And obviously, clearly aligned to our strategy, and I'll talk a little bit more about that as we go forward.

And again, the forming of the productive and collaborative partnerships where that money can continue to flow into things that we can do in the future to create value for our investors, which has happened both in Sydney and Brisbane, is something very much, again, aligned with our strategy, and we're looking forward to employing that same with our partners in North America.

We believe we've achieved fair value for our assets through this transaction, which values this part of the business at an equity value at the current exchange rate of about AUD 5.5 billion. This compares to the 30 June valuation of these assets on the balance sheet of around AUD 800 million. And in addition, Transurban will be entitled to an earn-out of approximately \$100 million if these assets perform in line with our forecast.

Now as we talked about in October -- but one thing I would just mention, this is a strategy that we've been looking at the last 18 months, looking at the opportunities that could present in front of us, both in North America in particular, but also in Australia. So this has nothing to do with COVID. It all has to do with the opportunities we see going forward. And obviously, we brought this to the market back in October when we first flagged the transaction and that we were progressing. And I believe, given what we've shown today is we've been able to secure fair value alongside some fantastic partners that share the same long-term investment horizon as ourselves.

So again, this has nothing to do, as I think some of the media had said, about balance sheet repair. It's all about focusing on the future, recycling this capital, which will actually allow us to accelerate growth by going after what we're seeing is a larger pipeline of opportunities that are materializing

in both North America and in Australia, and they'll continue to support our credit metrics and facilitating our long-term distribution growth, which we know is very important to our investors.

So if I turn now to Slide 4 and a few more details about the transaction. Again, the partnership is with AustralianSuper, CPP Investments and UniSuper. It is called now Transurban Chesapeake. And for those of you who are familiar with the geography of the Greater Washington area and the Americans on the line, the historical name, Chesapeake, describes that Greater Washington area and is centered around the historical Chesapeake Bay, which touches on Maryland, Virginia and Washington, D.C. So Transurban Chesapeake includes those assets, which we currently have under operation, including the 495, 95 and 395 Express Lanes as well as those currently under delivery development, including the Fredericksburg Extension, the 495 Express Lanes Northern Extension and the Capital Beltway Accord.

In addition, the Chesapeake entity gives our partners exclusive access to develop projects alongside Transurban in the Commonwealth of Virginia, the state of Maryland and Washington, D.C. And we'll operate those assets under master service agreements and the governance structure, which looks very similar to our approach in both Transurban Queensland and here in New South Wales on WestConnex.

And we're targeting to reach financial close, and we signed a sale purchase agreement this morning. We're targeting to reach financial close of the sale by the end of the full year '21, given the approvals and consents that are involved as we go through the rest of the process for consents. And we will reflect the new ownership stake in our FY '21 accounts.

Turning now to Slide 5 and back to sort of our rationale around the transaction in a bit more detail, and I've already covered some of this. So I'll just again want to point out, this is all about growth opportunities and to help us to accelerate those opportunities. We've spoken some time about our appetite to grow our footprint and diversify our portfolio in North America, and this is a very important step in that strategy. And the introduction of these long-term partners to help realize our growth potential North America, again, has been our plan for some time.

Now also, though, in parallel, the opportunity pipeline in Australia is growing, partly due to the fact that governments are signaling their plans to use the private sector investment to drive growth through the COVID-19 recovery. So again, today's announcement is all about setting us up with maximum optionality to take advantage of attractive opportunities in both markets with valued partners.

A little bit more about some of the characteristics of our market on Slide 6 in relation to Chesapeake. Again, the strong regional characteristics, which takes in, again, the Commonwealth of Virginia, Maryland and Washington D.C., you see across the map, mostly centered more on the East Coast of those markets. But these markets, again, reflect the fundamentals that support long-term traffic growth that we always look for at Transurban, some of the stronger economic indicators in the U.S., high levels of population and existing congestion, a strong political environment that supports PPP investment and opportunities for creating and growing networks.

We were amongst the first operators to deliver a dynamic high occupancy toll lanes in the U.S., and we've since invested deeply in our assets, relationships and our government clients and the supply chain as well as customers. Of course, this year has been more challenging than most, and we saw traffic on our Express Lanes assets decline in April in the height of the COVID-19 response. And the recovery profile in this market is flatter than the rest of our assets given the fact the majority of people are still working from home as they can and skills are still suffice. However, we continue to see improvements in both volume and pricing and traffic levels built on the 95 and the 495 corridor, again, reminding you again that these assets have a 67-year concession lives. And we're confident that we work to grow given the strong regional characteristics. And now with the approval of -- I think we're up to 2 vaccines and hopefully, moving forward in the road to recovery, although it's been difficult for that market, the road to recovery.

Moving on to Slide 7 and some about the potential opportunities and some of them are staring us right in the face. And the most significant being in the region is Maryland Express Lanes project, which Transurban has already been shortlisted alongside Macquarie Capital as its partner in the accelerated Maryland Partners consortium. And we're due to submit our proposal to the Maryland Department of Transport very shortly, and expect that they will select a preferred proponent to deliver Phase 1 in the first quarter of 2021.

And this project is a critical step in realizing a seamless interconnecting express lane networks that can deliver faster, safer and more reliable travel choices across the state lines and throughout the Greater Washington area. It's a massive program and project, and we developed over a decade

with multiple stages. Again, if for some reason, we're not involved in Phase 1, there's still plenty of opportunities for us to be involved in the long term.

And beyond the Maryland Express Lanes project, we see substantial opportunities for additional greenfield projects and government asset recycling. It's too early for us to talk about some of the specific opportunities that we see in projects. But we highlight there are 27 toll roads in this region, and we've given you some sort of indication of the scale of the opportunity just in the Chesapeake region and are committed to working with our governments there to help deliver the next-generation transport infrastructure.

Now moving to Slide 7, just a little bit more and most everyone is familiar with our partners in AustralianSuper, CPP Investments and UniSuper, again, who are very aligned with our strategy for performance and growth and creating long-term value. All 3 are already co-invested alongside Transurban on assets in Australia, and both AustralianSuper and UniSuper are important holders of Transurban's listed securities. Combined, these 3 entities managed over \$750 billion of funds under management and, again, have been a huge supporter of Transurban and our growth agenda. They are all 3 extremely mature and established players, bringing global experience and relationships across that market.

And I believe we've demonstrated in Brisbane and Sydney how this model works to create value for all of us. And our strategic partnerships in those markets have introduced significant capital over progressive investments, allowing us to build out the networks in our cities.

We do actually believe in relationships, and we do believe in our partners. And together, we think we can create a lot more value going forward, and we'll be employing the same strategy in Transurban Chesapeake regions. And one of the many reasons for picking these partners is they will follow their money and continue to invest heavily in the region alongside Transurban.

Now going on to the impacts to Transurban itself on Slide 9 as a result of the transaction. As I mentioned, following financial close, we will reflect this transaction in our full year results for FY '21. For now, you can see the impact of the transaction on a pro forma basis on our FY '20 numbers.

So the sale of the 50% interest results in the reduction of debt on our balance sheet and a subsequent improvement in Transurban's credit metrics. Our FFO-to-debt metrics improves from 7% to over 10% under the S&P methodology, which takes us back over the threshold required for strong investment-grade credit ratings. At the same time, we will see an impact to free cash flow as a result of the equity accounting these assets as opposed to consolidating.

Importantly, though, this transaction releases a significant amount of equity, amounting to a gross sale proceeds of approximately AUD 2.8 billion at the current exchange rate. That will be immediately available to fund our substantial project pipeline we see building in North America and Australia, and that's just Transurban, and clearly, alongside our partners, bringing significant capital to help us fund that pipeline as well.

On slide -- some of the pipeline that we can talk about that I think you're familiar with, and we're already working on a number of opportunities, and there are more substantial opportunities behind the scenes. We expect that this pipeline will continue to grow in the future as governments can continue to look to support their balance sheets and drive economic recovery through COVID-19 responses, which has recently been reflected in various state budgets in Australia. The first project besides the Maryland Express Lanes project in North America. The next project is likely to be in New South Wales, the sale with the 49% interest or through their process, I guess, is the 24.5% and then potentially the other 24.5% sale of WestConnex. And we've consistently said that we will participate in that process and support our client to the fullest extent possible.

So in summary, we're extremely pleased with the announcement today, which is aligned with our strategy and positions the business for growth. Extremely pleased with our partners have supported us through this process, and we are able to come to an arrangement, which aligns us all to future opportunities. So very pleased with that.

But before we jump to questions, I'd also like to direct you to Slide 20 in the appendix, which gives you an update on what's happening around the group in relation to traffic. We thought we'd use this opportunity to update the market on traffic performance.

So firstly, just the most -- outside of North America, the most impacted market has been Melbourne, where we've seen the progressive lifting of restrictions through October with the significant change commencing on Wednesday, the 28th October, and we saw the city moved from stage 4

to stage 3 restrictions. And this has flowed into an immediate benefit to traffic with an average daily transactions down 33% during November and by only 22% in the second week of December. We believe to announce that for this last few days, it's been in the order of about 18%. And I think it was 16% down yesterday. So the traffic continue to improves year-on-year as the restrictions are lifted, and we're looking forward to the potential to return to the offices in the new year, I think, January 11 -- back into the offices in Victoria in a meaningful way. And that compares to the assets being depressed by about 61% for the month of September.

In addition, we've had strong response for the M8/M5 East Corridor where we've had almost approximately 100,000 vehicles a day for the December quarter. And in addition, on the Saturday, the 31st of October, as everyone's aware, we opened NorthConnex, with traffic averaging about 37,000 during November, which is including 18% of large vehicles. And it's very early days, but we're very pleased with the performance, which exceeds the projections included in [CIS], which were obviously forecast in a pre-COVID world.

We're also getting lots of positive comments from the customers, and we're particularly pleased with the community feedback and already hearing about a significant reduction in trucks on Pennant Hills Road and improving the quality of the life for those living and working in that area.

So before we go to questions, I really want to thank Jen and particularly the TCL team for what they've accomplished over the last few months and working with our partners. At the same time, they delivered this transaction working on the Maryland Express Lanes project, put in a bid for ERC, still delivering Fredericksburg, still delivering the other expansion projects. So it's been a massive effort in a very difficult COVID environment. So thank you to Jen, the whole TCL team based in North America. But then for those on the Australian side who have been supporting them and our advisers as well, I really like to thank our partners for their trust in us and support through this time and coming through the transaction. And as, of course, I want to thank our security holders for continuing to support Transurban, our strategy and our agenda.

So with that being said now, we'll open up to questions for Jen, Tom or myself. Thank you.

QUESTIONS AND ANSWERS

Operator

(Operator Instructions) Your first question comes from Cameron McDonald from E&P.

Cameron McDonald - Evans & Partners Pty. Ltd., Research Division - MD & Head of Research

A couple of questions from me, if I can. Just firstly, Scott, you talked about the sort of value of the transaction versus the investment and the book value at 30 June. Can you give us a steer on what the tax implications could be, particularly if there's any capital gains tax?

Scott Charlton - Transurban Group - CEO & Executive Director

Yes. Cam, thanks for that. I'll turn to my interim CFO, who hopefully answer that question.

Tom McKay - Transurban Group - Interim CFO and GM of Treasury & Capital Markets

Yes. Thanks, Cam. That is right. There is -- there will be taxes payable on the sale. But bear in mind, we do have tax losses that are currently -- that we have within the U.S. So -- but the average tax rate -- well, the rate that would be placed is 24%, so -- but we do have losses that we can utilize to offset some of that gain.

Scott Charlton - Transurban Group - CEO & Executive Director

But we're still expecting those gross proceeds of \$2.8 billion.

Tom McKay - Transurban Group - Interim CFO and GM of Treasury & Capital Markets

We are expecting gross proceeds.

Scott Charlton - Transurban Group - CEO & Executive Director

In cash.

Cameron McDonald - Evans & Partners Pty. Ltd., Research Division - MD & Head of Research

Sorry, what was that? You -- I just missed that bit about the gross proceeds.

Scott Charlton - Transurban Group - CEO & Executive Director

So we do expect to get the \$2.8 billion in cash.

Tom McKay - Transurban Group - Interim CFO and GM of Treasury & Capital Markets

Correct.

Scott Charlton - Transurban Group - CEO & Executive Director

Yes, that's net of tax, yes.

Cameron McDonald - Evans & Partners Pty. Ltd., Research Division - MD & Head of Research

That's net of tax?

Tom McKay - Transurban Group - Interim CFO and GM of Treasury & Capital Markets

Correct, yes.

Cameron McDonald - Evans & Partners Pty. Ltd., Research Division - MD & Head of Research

Okay. And just to confirm the cash flow impacts from the distributions. My understanding was you weren't really relying on the cash flows coming out of North America or anyway because you were reinvesting it back into North America. So it wasn't really supporting the distribution back here in Australia. Is that the case? And so therefore, this really won't have much impact on the distribution profile.

Scott Charlton - Transurban Group - CEO & Executive Director

Well, I think if you go back to Slide 9 and look at the pro forma, I mean, it is \$30 million, roughly \$30 million, if you look at FY '20. We were really relying on the cash flow, Cam, like you said, coming back because we were putting that back into the business. But it was part of the free cash flow calculation because the business that was 100% consolidated, that counted as our free cash flow.

So yes, on a pro forma basis, it will have \$30 million. But because these are younger assets and you got 67 years to grow, a lot of the cash flow is in the future basis. So yes, it will have an impact. It's not a massive impact, but it will have an impact. And again, we'll set that out more at the half year results when we're looking at pro forma and as well as when we get to the full year. But it will have an impact on the free cash flow. And again, it's about \$30 million this past year.

Cameron McDonald - Evans & Partners Pty. Ltd., Research Division - MD & Head of Research

Yes. Yes. And sorry, and just last question. Obviously, with a new partner coming in, I'm assuming they will be funding the future CapEx on those 3 other -- or their share of the future CapEx of their share -- of the future assets that are in development. What happens between now and financial close by the 30 -- assuming 30 June next year, with the CapEx or the development pipeline? I'm assuming you're funding 100% of that through that interim period.

Scott Charlton - Transurban Group - CEO & Executive Director

Yes, that's correct. Yes, that's right. So we'll be funding those developed projects.

Cameron McDonald - Evans & Partners Pty. Ltd., Research Division - MD & Head of Research

And so what sort of quantum will that be over the next 6 months?

Scott Charlton - Transurban Group - CEO & Executive Director

It's sort of less than USD 100 million, sort of that range.

Jennifer Aument - Transurban Group - President of North America & GM of North America

It certainly varies on how these opportunities develop here in the market as well.

Operator

Our next question comes from Rob Koh from MS.

Robert Koh - Morgan Stanley, Research Division - VP

Congratulations on the deal. Can I please ask if you could give us some color on what kind of a price discovery process you went on to reveal this price?

Scott Charlton - Transurban Group - CEO & Executive Director

What kind of price discovery we went on to be comfortable with the price. Rob, is that what you're saying?

Robert Koh - Morgan Stanley, Research Division - VP

Yes. Yes. Did you run an auction?

Scott Charlton - Transurban Group - CEO & Executive Director

Yes. Yes. Well, we had a view on price. We had a very strong view on price. We asked the partners all bid separately into the process in effect. We have a pretty good view of what prices are paid in the market and what things are done, given that we see other transactions and just the ERC process. And so we are very comfortable we've received fair value for the price.

Again, they bid on a different basis, and then we were able to come to an arrangement and called us around a price that's obviously acceptable to authorities, and then we think fair value. And value is very important to us. And obviously, value is important to security holders.

And just as important as value is, the long-term partnerships, the ability to follow their money, the ability to allow Transurban to manage and create value is important to us as well. So we believe we may be able to accomplish both roles. But yes, we did go on a price discovery. We had external advisers in the U.S., who are obviously very familiar with most current transactions, advising us on value as well as Australian advisers. So we feel like we had a lot of transparency. And we made it very clear to our partners, and we think that they supported us. So we would not have proceeded with the transaction because we didn't have to do the transaction. We would not proceed unless we receive fair value, which would, again, we believe we did. And -- but just as important as who our partners are as well.

Robert Koh - Morgan Stanley, Research Division - VP

Yes, yes. Okay. Sounds good. And then if Transurban is retaining 50% interest, I presume that also Transurban will remain the operator of the roads. Can you talk to what preemptives there would be and whether there's like an operator agreement as part of the deal or if that's not settled yet, that's no worries?

Scott Charlton - Transurban Group - CEO & Executive Director

Yes. Yes. No, if you go back to -- I'm just trying to pull up my slides here because I'm kind of lost. Let's look on Slide 17. And effectively, again, it's same as, Rob, it operates in Queensland in WestConnex. So there's a master services agreement where we provide overall services and then put an O&M and different agreements. So yes, there are arrangements under the different investor agreement that we need to maintain at least a certain equity ownership to continue to provide all those services, but we don't expect to change that. But they're just almost identical agreements to what we've done in Queensland and WestConnex. So we provide all the services to the entity and all the staff, our Transurban staff.

Robert Koh - Morgan Stanley, Research Division - VP

Yes. Okay. Cool. Yes. And then are there, I guess, equity preemptives as part of this deal if one of the new partners at a future date decides to sell out or something like that?

Scott Charlton - Transurban Group - CEO & Executive Director

Well, this is just normal arrangements amongst shareholders that exist in a normal investor agreement. So the answer is yes, but I'm not going to go into specifics. But just the normal arrangements.

But I think it's very important as we've always done in most of our assets is we retain the largest shareholder percentage because we want to show our partners that we have the most to gain by running these assets most efficiently as possible and creating value. So I think that's important, too.

Robert Koh - Morgan Stanley, Research Division - VP

Yes. Yes. Okay. Cool. Yes, I clearly haven't had time to look at all the slides, apologies for that.

Just a final question, if I can. Have you -- and I may have missed it, is there any update on interim dividend in here?

Scott Charlton - Transurban Group - CEO & Executive Director

No, that will be next week. So we're leaving it as we did, Rob, back in June or whatever. Because of the COVID environment, we've seen the recovery and other things that the Board has made the decision try to leave it to the last day possible so we get the best view on where we are. I think, again, the Board has said that they expect dividends to be 100% cash covered based on operating performance. And so that will come out next week.

Operator

(Operator Instructions) Your next question comes from Ian Myles from Macquarie.

Ian Myles - Macquarie Research - Analyst

Well, congratulations, guys. A couple of quick questions as a few of them have been answered. On the tax losses, how much is the Pocahontas write-off available for you to mitigate the loss? And what was the focus -- can you remind what the size of the Pocahontas write-off was?

Scott Charlton - Transurban Group - CEO & Executive Director

Can we take that on -- can we take on that because going back a little. It's going back a little.

Ian Myles - Macquarie Research - Analyst

Well, it was probably before your time, but...

Scott Charlton - Transurban Group - CEO & Executive Director

No, I had to do it. I think I had to do it. Welcome to Transurban. I remember something like \$100 million, it's between \$100 million to \$200 million. Anyway, it'll be a guess. So we'll come back, yes.

Ian Myles - Macquarie Research - Analyst

That would be great. And just on the approach on the dividend...

Scott Charlton - Transurban Group - CEO & Executive Director

But Jen found out. Jen would be familiar. No Jen, do you...

Jennifer Aument - Transurban Group - President of North America & GM of North America

No. No, I was laughing. We'll confirm that was during Scott's tenure, but I actually haven't thought about that number for a while, so we'll get it to you.

Ian Myles - Macquarie Research - Analyst

Well, it was.

Jennifer Aument - Transurban Group - President of North America & GM of North America

Well, thanks for the reminder, Ian.

Scott Charlton - Transurban Group - CEO & Executive Director

Yes, exactly. And we appreciate, Ian, that we're so happy that you remind us of Pocahontas.

Ian Myles - Macquarie Research - Analyst

Well, I'm good. I'm highlighting you're going to get more money not less.

Jennifer Aument - Transurban Group - President of North America & GM of North America

You made our day. Yes, you made our day.

Ian Myles - Macquarie Research - Analyst

Just on the approach on dividend. In a lot of your other roads, which you've got 50% interest, you've got share of the loan notes and other structures to provide a regular distribution, are we going to be seeing a restructuring something similar to that with the U.S. roads? Or is it going to be simply pure companies?

Scott Charlton - Transurban Group - CEO & Executive Director

Look, how we actually get the money out, it's -- we use the most -- obviously, the most efficient process that we can.

Tom McKay - Transurban Group - Interim CFO and GM of Treasury & Capital Markets

So yes, those structures are already in place. So it will look similar to what the rest of the group looks like.

Ian Myles - Macquarie Research - Analyst

So there's going to be some level of shareholder line up between the 2 corporates?

Tom McKay - Transurban Group - Interim CFO and GM of Treasury & Capital Markets

Yes. We'll be getting the cash out in as efficient a manner as we can, correct.

Ian Myles - Macquarie Research - Analyst

Okay. And just...

Scott Charlton - Transurban Group - CEO & Executive Director

Sorry, just a clarification. I just got the tax. So honestly, tax was saying is about USD 200 million for the...

Tom McKay - Transurban Group - Interim CFO and GM of Treasury & Capital Markets

(inaudible)

Scott Charlton - Transurban Group - CEO & Executive Director

No, no, for the transaction.

Tom McKay - Transurban Group - Interim CFO and GM of Treasury & Capital Markets

Oh, for the transaction.

Scott Charlton - Transurban Group - CEO & Executive Director

For the transaction. So I just want to step that one out.

Tom McKay - Transurban Group - Interim CFO and GM of Treasury & Capital Markets

No, I'm sorry probably...

Scott Charlton - Transurban Group - CEO & Executive Director

Yes, yes. So about USD 200 million for the tax. Sorry, go ahead.

Ian Myles - Macquarie Research - Analyst

Okay. That's fine. And I guess just from a -- look, actually, that's probably going to cover off the questions really, that's fine. Great result, though.

Scott Charlton - Transurban Group - CEO & Executive Director

Yes, look, it's great partners, and we're very pleased. And I think coming to the end of this year, which you all want to see the back of, it does set us up thing really well for all the opportunities in the new year.

Operator

Your next question comes from James Nevin from RBC.

James Nevin - RBC Capital Markets, Research Division - Analyst

Congrats on the deal. It looks like a good transaction. I was just open to get maybe an idea of some of the other assets that you currently retain 100% in on and your views on if or when you'd ever look to relook any value in any of those. Like would it be at a time when potentially that there is going to be growth in other regions that you potentially look to recycle assets then or whichever look to just realize value if you thought maybe the market is undervaluing other assets?

Scott Charlton - Transurban Group - CEO & Executive Director

Yes. Look, we never say never. I mean, particular reason both Queensland and WestConnex, given the size, the opportunity and the ability to have a much bigger, maybe a smaller but much bigger piece of the pie, which means more value diversity and we take opportunities for our security holders and working with our partners. At this point, we don't see anything else. I mean the assets that are wholly owned in New South Wales now generating substantial cash as well as Victoria. So at this point, that's not under consideration. I think as we've done, where we flagged this potential strategy a while back, if that was trying to do, we would flag that, but nothing at this point in time.

Again, though, there's no -- everything is for sale, but we value the assets and particularly we value how we can -- or with our partners and stuff. But if someone is going to significantly value the assets differently than us, then we always have a conversation. But again, this transaction was really about positioning that entity for the future because the opportunities we think are so substantial that it's just something that we couldn't handle to (inaudible) ourselves.

James Nevin - RBC Capital Markets, Research Division - Analyst

Yes. Could you talk to about just the rational around -- obviously, it's harder to move the needle as its Transurban gets bigger with individual projects. Yes, and is it just about kind of just reducing the risk of those individual projects that you kind of want a smaller interest in more projects? And like is it, if you have like more greenfield-type projects, that you potentially to take a smaller equity interest versus like acquiring any -- an existing asset? Would you be more comfortable in like owning a higher kind of equity percentage in an existing asset?

Scott Charlton - Transurban Group - CEO & Executive Director

I guess when you say talk about the needle, I mean, we see tens of billions of dollars of opportunities sitting in front of us. The whole Maryland Express Lane program, depending on how you look at it over a decade, is probably over \$10 billion. Have you talked to -- the WestConnex is 49% for sale, the M7 in 12 months was a proposal, the potential eventual monetization of Western Harbour city Tunnel. In New South Wales, there's -- as we pointed out, 27 other toll road assets sitting in the Chesapeake region that, at some point, hopefully, others will look at the capital recycling and so having lots of discussions. So I guess we say move the needle -- we see the opportunity to move the needle substantially, but we want to do it in a, obviously, responsible disciplined way. And it's something we think to take advantage of all those opportunities, we're going to need support. But we look at all these assets on a case-by-case basis, but we're not a passive investor. And we want to bring our skill set and our values to these transactions.

James Nevin - RBC Capital Markets, Research Division - Analyst

Great. Just last quick one. Presumably this bring forward, just the timing of tax payments for the Transurban U.S.A. entity, but I don't know have any estimates of how much sooner you might be paying tax there.

Tom McKay - Transurban Group - Interim CFO and GM of Treasury & Capital Markets

It really does bring it forward, but not materially. So we're talking a number -- a short number of years, but not material to bring forward.

Scott Charlton - Transurban Group - CEO & Executive Director

On the operating side, yes.

Operator

Your next question is a follow-up question from Rob Koh from MS.

Robert Koh - Morgan Stanley, Research Division - VP

Can I direct the question to Ms. Aument? And I presume she's taken the leadership role on the transaction. Can I ask also about the future cooperation that's envisaged here because you've got some excellent partners here, but you also have an excellent partner in the Accelerate Maryland consortium? So just wondering how they all get along or what the linkage is, if any.

Scott Charlton - Transurban Group - CEO & Executive Director

So Rob, Jen can answer that question.

Jennifer Aument - Transurban Group - President of North America & GM of North America

Yes. Well, it's certainly...

Scott Charlton - Transurban Group - CEO & Executive Director

Sorry, Jen, maybe before you answer that question. Rob, yes, Jen is leading the company. She is the CEO of North America, and has been the driving force behind in creating a lot of this value. And her and her team over the last years has been a very hard slog. So a big day for the team and for Jen to realize the value that's been created, all the hard work that has come through this and bringing the partners in. So again, I want to congratulate her and the team and all the work they've done. So -- and yes, of course, she is going to be leading that business going forward. And now she gets the joys of, as I do, having lots of different shareholders to manage. So Jen, over to you.

Jennifer Aument - Transurban Group - President of North America & GM of North America

Yes. No, I'll start off. Thanks for that, Scott. And echo that for the team's hard work over the last number of years to build it. It was a really -- it is a really great business with a bright future.

So I'll tell you, I'll agree with your sentiment, Rob, that we've got some really sophisticated and experienced partners, certainly, valued partners that share our view of the world that we welcomed into Transurban Chesapeake, and our partners in the Maryland pursuit as well are strengthening our pursuit there. And so I'm confident as we move forward that there's plenty of work to be done and putting of ideas to be shared across those partners that are partners in different ways in different respects. And so we're very excited to have that brain share. And then certainly, in Transurban Chesapeake, that capacity and appetite for future opportunities in this business. And so I suspect it will go very well. And certainly, for the Maryland

pursuit, assuming our Maryland, that we are -- have the opportunity to do business in Maryland. And if they're -- approval, we look forward to bring in our Transurban Chesapeake partners into that transaction over the long term.

Operator

Thank you. There are no further questions at this time. I will now hand back -- pardon me, we do have a further question. Your next question comes from Nathan Lead from Morgans.

Nathan Lead - Morgans Financial Limited, Research Division - Senior Analyst

Congratulations on the transaction. Just one for me. Just wondering whether you've had a conversation with the rating agencies on the transaction. Obviously, the headline, credit metric improvement, is pretty impressive. So just wondering whether they're sort of changing or updating their views on your credit.

Scott Charlton - Transurban Group - CEO & Executive Director

Thanks, Nathan. I'll let Tom handle that one.

Tom McKay - Transurban Group - Interim CFO and GM of Treasury & Capital Markets

Look, they're very aware of what we are doing. But with terms of ongoing ratings, they were just -- they stick to their usual cycle. So we wouldn't expect any updates really until we get to the end of FY '21 financial year. So -- but yes, they're definitely aware and comfortable with what we're doing.

Operator

Thank you. There are no further questions at this time. I will now hand back to Mr. Charlton for closing remarks.

Scott Charlton - Transurban Group - CEO & Executive Director

Great. Thank you, and thanks, everyone, for joining us. And again, I really appreciate everyone's support. It's been a very long year, a great way to come to the year, and we hope everyone a festive season and a much better 2021. And hopefully, I look forward to seeing many of you in person next year. If you have any follow-up questions, please speak to Investor Relations. And we will talk soon. Thank you.

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