

## FORECAST REPORT - 2012/13

### Introduction

Queensland Rail Limited was established as an integrated rail passenger transport and rail infrastructure business, servicing the passenger, tourism, resources and freight customer markets. In 2012/13, Queensland Rail will be focused on restoring confidence in rail travel and improving rail patronage growth through improved reliability, affordability and frequency.

### Forecasts for 2012/13

Performance Outcome	Forecast for 2012/13	Explanation
Earnings Before Interest and Tax (EBIT)	\$453M	Queensland Rail's financial performance, as measured by EBIT, is projected to significantly improve in 2012/13. This can be attributed to efficiencies gained in cost base and business activities and better negotiated commercial outcomes in revenue contracts with external parties.
City network On-time running (OTR)	94.53%	Queensland Rail is implementing an OTR performance improvement program, targeting the root cause of delayed services within the City network. This will ensure that any issues impacting customers will be both communicated and resolved as soon as possible.

### Strategic Priorities for 2012/13

Queensland Rail will assess performance over the year through the achievement of significant deliverables aimed at meeting our four key business objectives of:

- Efficiency improvement and revenue creation.
- OTR, reliability, frequency of service and patronage growth.
- Capital performance and project delivery.
- Safety improvement, employee engagement and environmental management.

### Major Projects for 2012/13

The capital program will ensure Queensland Rail is able to meet the growing need for public transport in South East and regional Queensland and the demands of a growing freight network. The forecast for Queensland Rail's total capital investment in 2012/13 is approximately \$670M, including these key capital projects:

- City network new generation rollingstock operational readiness
- Sunlander 14 – a project to significantly enhance Travel network services
- Lawnton to Petrie duplication
- Signalling and other critical infrastructure enhancement
- Darra to Springfield line (Stage 2)
- Keperra to Ferny Grove duplication
- Mount Isa line enhancement
- existing City network rollingstock refurbishment.

### Market environment for 2012/13

The major drivers impacting Queensland Rail in 2012/13 include:

- population growth leading to increased demand for public transport and freight with constrained access capacity
- workforce attraction, retention and succession planning, with the challenge of accessibility to skilled labour
- increasing consumer expectations for technology solutions providing real-time information
- market shifts and transport policies influenced by global and national economic uncertainties that are impacting investment models and access to funding
- Queensland becoming an increasing destination of choice for the Chinese tourism market.