



Aurizon Holdings Limited
ABN 14 146 335 622

ASX Market Announcements
ASX Limited
20 Bridge Street
Sydney NSW 2000

BY ELECTRONIC LODGEMENT

12 November 2024

AZJ business update and extension of the on-market share buy-back

Please find attached announcement for release to the market.

Kind regards

A handwritten signature in blue ink, appearing to read "Nicole Alder".

Nicole Alder
Company Secretary

Authorised for lodgement by the Aurizon Holdings Limited Board of Directors

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ASX Announcement

Date: 12 November 2024

Aurizon business update and extension of the on-market share buy-back

Aurizon announces an extension of the on-market share buyback of \$100 million, bringing the total potential combined buy-back size to \$250 million.

On 12 August 2024, Aurizon announced an on-market share buy-back of up to \$150 million. As at 11 November 2024, the program has bought back 38,760,930 shares (at a total consideration of \$132,998,818).

The extension to the buy-back can be undertaken within the existing credit rating¹ thresholds and is supported by solid year to date free cash flows, including net proceeds from settlement of some matters that were the subject of litigation.

Aurizon also provides the following business update ahead of Managing Director & Chief Executive Officer Andrew Harding speaking at the UBS Australasia Conference in Sydney today.

Coal volumes (Above Rail) in the four months to 31 October 2024 were 65.5 million tonnes (mt), 3.7mt higher compared to the prior corresponding period. Central Queensland volumes were higher driven by the Goonyella corridor with broadly flat volumes in the Moura, Newlands and Blackwater corridors. New South Wales and South-East Queensland volumes were higher compared to the prior corresponding period.

Network volumes (Central Queensland Coal Network) in the four months to 31 October 2024 were 73.6mt, 2.6mt higher compared to the prior corresponding period. Goonyella, Newlands and GAPE (Goonyella to Abbot Point Expansion) volumes were higher with broadly flat volumes in Blackwater and Moura.

Bulk volumes in the four months to 31 October 2024 were 18.2mt, 4.5mt lower compared to the prior corresponding period. The decrease is mainly due to Bulk West volumes which were 4.0mt lower, driven by lower bauxite/alumina (down 2.5mt) and grain (down 1.6mt) railings.

As previously announced, lower bauxite/alumina volumes are due to the curtailment of production at the Kwinana refinery (ahead of an expected cessation of production in 1HFY2025). Lower grain volumes are the result of a reduced harvest with the 2023-24 season 15% lower than the ten-year average. Looking forward, the Grain Industry Association of Western Australia October Crop Report estimates an increase of 20% (compared to prior season) for the 2024-25 season. New season railings commenced in November.

First railings for Bulk Central customer Northern Iron began in late October.

Stronger Bulk volumes (and earnings) are expected in 2HFY2025 compared with 1HFY2025.

¹ Both Aurizon Operations and Aurizon Network entities are rated BBB+ (Standard & Poor's) and Baa1 (Moody's)

Containerised Freight² Twenty-foot Equivalent Units (TEUs) in the four months to 31 October 2024 were 71.3 thousand TEUs, 23.4 thousand TEUs higher compared to the prior corresponding period, noting that the National Interstate schedule was ramping up during the prior corresponding period.

Although 1HFY2025 Group Underlying Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA) is expected to be below the prior corresponding period, FY2025 EBITDA guidance of \$1,660m - \$1,740 million is reaffirmed. Capital expenditure guidance is also reaffirmed³.

Commentary from Aurizon Managing Director & CEO, Andrew Harding:

"The combined \$250m on-market buy-back reflects the strength of the cash flows generated by Aurizon. In line with our capital management framework, we are able to maintain our strong investment grade credit ratings and deliver shareholder returns, while at the same time, continuing to deliver earnings growth".

"Our fleet of over 700 locomotives and over five-thousand kilometres of rail infrastructure is leveraged to global demand for Australian bulk commodities driven by infrastructure development, energy generation (and storage) and food consumption".

Rail Volumes: Financial Year to Date (to 31 October 2024)

	Unit	FY2024 (YTD October)	FY2025 (YTD October)	Variance ⁴
Coal ⁵	million tonnes	61.7	65.5	+3.7
Bulk ⁶	million tonnes	22.7	18.2	-4.5
Network ⁷	million tonnes	70.9	73.6	+2.6
Containerised Freight ² : Central Corridor & National Interstate	thousand TEUs	47.9	71.3	+23.4

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² Includes containerised freight hauled in the Central Corridor and across the National Interstate Network, reported in the Bulk and Other business units respectively. Intra-state Queensland services (hook-and-pull) are excluded

³ Sustaining capex expected to be \$640m-\$720m (including ~\$80m of transformational project capital). Growth capex expected to be \$125m-\$175m

⁴ Due to rounding, the sum of components may not equal the corresponding total

⁵ Coal volumes (four months to 31 October 2024) and prior corresponding period variance: Central Queensland – Newlands 4.3mt (+0.1mt), Goonyella 19.9mt (+2.2mt), Blackwater 16.4mt (-0.2mt) and Moura 5.4mt (+0.2mt). New South Wales 18.0mt (+0.9mt). South-East Queensland 1.6mt (+0.6mt)

⁶ Bulk volumes (four months to 31 October 2024) and prior corresponding period variance: Bulk East 2.4mt (-0.1mt), Bulk Central 4.2mt (-0.5mt) and Bulk West 11.5mt (-4.0mt)

⁷ Network volumes (four months to 31 October 2024) and prior corresponding period variance: Goonyella 35.9mt (+1.5mt), Blackwater 19.5mt (flat), Moura 5.4mt (-0.1mt), Newlands 7.0mt (+0.9mt) and GAPE 5.8mt (+0.4mt)