

NOTICE OF LODGMENT
AUSTRALIAN COMPETITION TRIBUNAL

This document was lodged electronically in the AUSTRALIAN COMPETITION TRIBUNAL on 04/04/2016 4:13 pm AEST and has been accepted for lodgment under the Interim Practice Direction dated 21 August 2015. Filing details follow and important additional information about these are set out below.

Lodgment and Details

Document Lodged: INT (Toll) – Statement of DARREN JOHN ROWLAND – PUBLIC (REDACTED)

File Number: ACT 2 of 2016

File Title: Application by Sea Swift Pty Ltd under s 95AU of the *Competition and Consumer Act 2010* (Cth) for an authorisation under s 95AT(1) to acquire shares in the capital of a body corporate or to acquire assets of another person

Registry: NEW SOUTH WALES – AUSTRALIAN COMPETITION TRIBUNAL

Dated: 04/04/2016 4:13 pm AEST



A handwritten signature in blue ink, consisting of a stylized 'r' followed by a '4'.

Deputy Registrar

Important Information

As required by the Interim Practice Direction dated 21 August 2015, this Notice has been inserted as the first page of the document which has been accepted for electronic filing. It is now taken to be part of that document for the purposes of the proceeding in the Tribunal and contains important information for all parties to that proceeding. It must be included in the document served on each of those parties.

The date and time of lodgment also shown above are the date and time that the document was received by the Tribunal. Under the Tribunal's Interim Practice Direction the date of filing of the document is the day it was lodged (if that is a business day for the Registry which accepts it and the document was received by 4:30 pm local time at that Registry) or otherwise the next working day for that Registry.



IN THE AUSTRALIAN COMPETITION TRIBUNAL

ACT of 2016

RE PROPOSED ACQUISITION OF CERTAIN ASSETS OF TOLL MARINE FREIGHT
OPERATIONS IN THE NORTHERN TERRITORY AND FAR NORTH QUEENSLAND

STATEMENT OF DARREN JOHN ROWLAND

INDEX

1. Introduction	2
2. Job Title	2
3. Provision of information to RBB Economics.....	3



Filed on behalf of (name & role of party)

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STATEMENT OF DARREN JOHN ROWLAND

I, Darren John Rowland, of Level 7, 380 St. Kilda Road, Melbourne in the State of Victoria, Commercial Manager, say as follows:

1. Introduction

1.1 I am a Commercial Manager in the Toll Resources & Government Logistics (TRGL) Division of the Toll Group of Companies, of which Toll Holdings Ltd (Toll) is the ultimate Australian parent company. Toll Marine Logistics (TML) is a business within the TRGL division. I am authorised to make this statement on behalf of Toll.

1.2 In this statement:

- (a) the **proposed transaction** means the proposed acquisition by Sea Swift of certain assets of the TML marine freight business in the Northern Territory (NT) and Far North Queensland (FNQ);
- (b) the **First Application** means the application for merger authorisation made by Sea Swift in respect of the proposed acquisition which was filed on 21 September 2015 and withdrawn on 16 November 2015;
- (c) the **New Application** means the application for merger authorisation being filed by Sea Swift in respect of the proposed acquisition.

1.3 I make this statement from my own knowledge as Commercial Manager in the TRGL division and from having consulted and made enquiries of relevant staff and the records of TML and Toll.

1.4 Unless otherwise defined in this statement, terms used in this statement have the same meaning as defined in the First Application and / or the New Application.

2. Job Title

2.1 I have held the role as Commercial Manager in the TRGL division since 1 August 2015.

2.2 As Commercial Manager, I am responsible for the overall financial and commercial management of the TML business including commercial negotiations, customer engagement, strategic planning, risk management, project management, financial and management reporting, process improvement, and stakeholder management.

- 2.3 Prior to working in my current role, I held various other roles at Toll including as Financial Controller (TML business), Finance Manager (Toll Global Resources (now TRGL)), Finance & Administration Manager (Toll Energy, Dampier), and Business Analyst (Toll Chemical Logistics).
- 2.4 Prior to joining Toll, I worked as a Commercial Analyst for Hutchison 3G (3 Mobile), Management Accountant for Omgeo Ltd, Land Securities Trillium, and Satellite Information Services, and a Chartered Accountant for McCluskey Taylor Chartered Accountants.

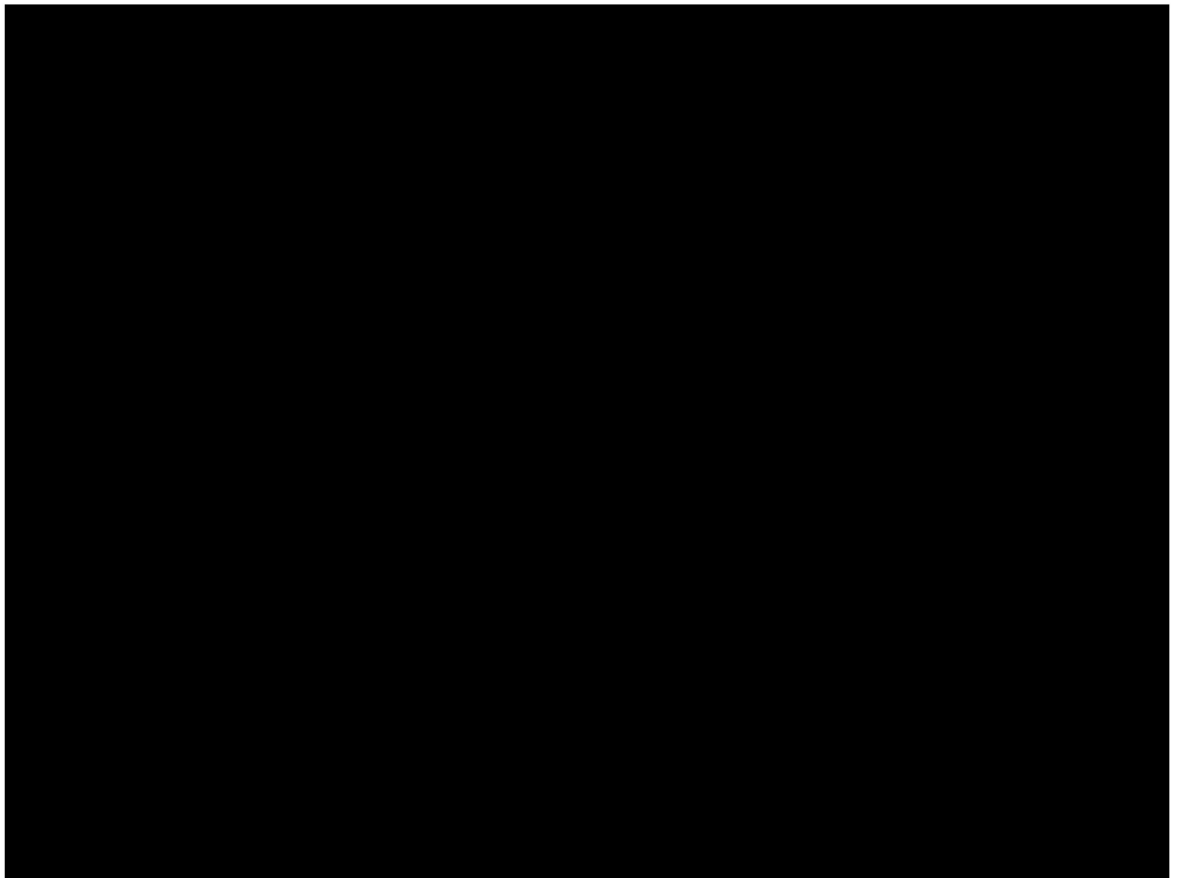
3. Provision of information to RBB Economics

- 3.1 RBB Economics (**RBB**) required information and assumptions relating to TML's operation in the NT and FNQ for the purposes of RBB preparing:
- (a) the report attached to the statement of George Siolis filed on 23 September 2015 for the purposes of the First Application;
 - (b) the updated and restated report to be filed in relation to the New Application.
- 3.2 I confirm that I provided, on behalf of Toll, information and assumptions to RBB, which information and assumptions I believe to be accurate based on Toll's records relating to the financial performance of the TML business, information provided to me by relevant staff of TML and Toll in relation to the TML business (which information I believe to be true and correct) and from my knowledge of the TML business in the NT and FNQ.
- 3.3 Specifically, I provided RBB with:
- (a) revenue and cost information and assumptions for the base scenarios and scenarios examining the impact of a full service operator winning or losing a major customer;
 - (b) information as to the [REDACTED]
[REDACTED]
 - (c) information relating to the calculation of realisable asset value - specifically, I provided RBB with the spreadsheet that is on page 1 of the confidential annexure SW-40 to the statement of Scott Woodward dated 16 September 2015, and provided information to RBB to allocate the assets in this spreadsheet as between the NT and FNQ; and

(d) information relating to overheads to enable RBB to calculate the proportion of overheads to apply to the NT and to FNQ.

3.4 I understand that, for the purposes of their analysis, RBB made adjustments to the information and assumptions I provided on behalf of Toll (**original TML information**). Through discussions with RBB, I verified the following adjustments:

(a) adjustments to overheads to allocate a proportion of overheads to the NT and FNQ (as discussed above);

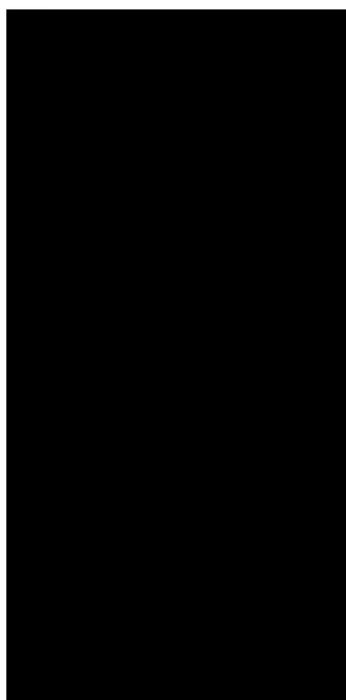


3.5 I confirm that I provided confidential profit and loss spreadsheets to RBB relating to TML in the NT and FNQ from FY 2011 to FY 2015, based on Toll and TML records relating to the financial performance of the TML business available to me at the relevant time. These profit and loss statements comprise confidential annexures SW-29 and SW-30 to the statement of Scott Woodward dated 16 September 2015.

3.6 RBB requested information about the customer knock on effect in the NT and I instructed RBB that one large contract in the NT is likely to lead to up to [REDACTED] per cent loss of the total revenue from smaller customers on the particular rotation on which the large customer operated. I confirm that I provided this knock on information to RBB, based on my

knowledge of the TML business in the NT and FNQ. I understand that RBB applied a different knock on effect for the NT of [REDACTED] for the purposes of their analysis.

- 3.7 I confirm that I provided the following EBIT information to RBB based on Toll and TML records relating to the financial performance of the TML business available to me at the relevant time and my knowledge of the TML business in the NT and FNQ. I note that Toll does not report EBIT margins for TML separately for the NT and FNQ and I therefore calculated these margins for the purpose of providing the information to RBB:



I verify that I have read the contents of this statement and the documents referred to in it and that I am satisfied that to the best of my knowledge, information and belief, it is true and correct in every particular.

DATED *29 February* 2016



Darren John Rowland