

TARGET'S STATEMENT BY SYDNEY ROADS GROUP IN RESPONSE TO THE OFF-MARKET TAKEOVER OFFER MADE BY TRANSURBAN GROUP

The Directors of Sydney Roads Group unanimously recommend that you

ACCEPT

Transurban Group's Offer for all of your stapled securities in Sydney Roads Group, in the absence of a superior offer.

This is an important document and requires your immediate attention. If you are in doubt as to how to act, you should consult your financial or legal adviser immediately.

Transurban Offer Information Line:
1300 554 392 (inside Australia)
+61 3 9415 4309 (outside Australia)

EASTERN DISTRIBUTOR

M4 MOTORWAY

M5 SOUTH-WEST

MOTORWAY

M5

KEY DATES

**18
JANUARY 2007**

Date of Transurban's
Offer

**18
JANUARY 2007**

Date of this Target's
Statement

**2
MARCH 2007**

Transurban's Offer closes at
7:00 p.m. (Melbourne time)
on 2 March 2007 (unless the
Offer Period is extended
or withdrawn)

IMPORTANT NOTICES

TARGET'S STATEMENT

This is a Target's Statement made by Sydney Roads Group (**SRG**) under Part 6.5 of Chapter 6 of the Corporations Act in response to the Bidder's Statement given by Transurban Group (**Transurban**) dated 21 December 2006 and which was served on SRG on that date.

Sydney Roads Group is a stapled group comprising Sydney Roads Limited ABN 53 119 323 901 and Sydney Roads Trust ARSN 119 766 540, a registered managed investment scheme of which Sydney Roads Management Limited ABN 74 078 327 983 is the Responsible Entity.

Transurban Group is also a stapled group comprising, as at the date of this Target's Statement, Transurban Holdings Limited ABN 86 098 143 429, Transurban International Limited ARBN 121 746 825 and Transurban Holding Trust ARSN 098 807 419, a registered managed investment scheme of which Transurban Infrastructure Management Limited ABN 27 098 147 678 is the Responsible Entity.

DEFINED TERMS

Capitalised terms used in this Target's Statement are defined in the Glossary in Section 13 of this Target's Statement, along with certain rules of interpretation that apply to this Target's Statement.

NO ACCOUNT OF PERSONAL CIRCUMSTANCES

This Target's Statement does not take into account your individual investment objectives, financial situation or particular needs. It does not contain personal financial or taxation advice. You may wish to seek your own independent legal, financial, taxation or other professional advice before making a decision as to whether or not to accept Transurban's Offer for your SRG Securities.

FORWARD-LOOKING STATEMENTS

This Target's Statement contains forward-looking statements. All statements other than statements of historical fact are forward-looking statements. You should be aware that such statements are only predictions and are subject to inherent risks and uncertainties, many of which are beyond the control of SRG.

Actual events or results may differ materially from the events or results expected or implied in any forward-looking statement. None of SRG, any of its officers, any person consenting to be named in this Target's Statement, or any person involved in the preparation of this Target's Statement makes any representation or warranty (either express or implied) as to the accuracy or likelihood of fulfilment of any forward-looking statement, except to the extent required by law. You are cautioned not to place undue reliance on any forward-looking statements.

ASIC AND ASX DISCLAIMER

A copy of this Target's Statement has been lodged with ASIC and sent to the ASX. Neither ASIC, the ASX nor any of its officers take any responsibility for the contents of this Target's Statement.

TRANSURBAN OFFER INFORMATION LINE

If you have any queries in relation to Transurban's Offer please call the Transurban Offer Information Line on 1300 554 392 (inside Australia) or +61 3 9415 4309 (outside Australia). The Transurban Offer Information Line will be available on business days between 9:00 a.m. and 5:00 p.m. (Melbourne time). As required by the Corporations Act, all calls to this line will be recorded.

WHAT TO DO

YOUR DIRECTORS UNANIMOUSLY RECOMMEND THAT YOU:

- **ACCEPT** Transurban's Offer in the absence of a superior offer.
- There are several ways to **ACCEPT** Transurban's Offer depending on whether your SRG Securities are in a CHESS Holding or an Issuer Sponsored Holding.
- See Section 10.6 of the Bidder's Statement for further details.

Once you have accepted Transurban's Offer you cannot later withdraw your acceptance (except in limited circumstances) even if the Offer is still conditional. This means that you can't sell your SRG Securities on the ASX or accept a superior offer if one emerges during the Offer Period once you have accepted Transurban's Offer.

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1. CHAIRMAN'S LETTER

18 JANUARY 2007

DEAR SYDNEY ROADS GROUP SECURITY HOLDER,

Offer from Transurban Group

On 14 December 2006, Sydney Roads Group (**SRG**) and Transurban Group (**Transurban**) announced that they had agreed to a recommended merger of the two groups by way of an off-market takeover offer.

Transurban is offering SRG Security Holders two consideration alternatives:

- (i) 1 Transurban Security for every 5.7 SRG Securities held by you; or
- (ii) up to \$1.32 cash for every SRG Security held by you. The total maximum amount of cash consideration available is \$500 million (as described in the Bidder's Statement). To the extent that the Cash Component is less than \$1.32 for each SRG Security, the balance will be issued in the form of Transurban Securities.

Each consideration alternative has risks associated with it – see Section 3 of this Target's Statement for more details.

Your Board has unanimously decided to recommend that you ACCEPT Transurban's Offer, in the absence of a superior offer. Each of your Directors intends to accept Transurban's Offer for their personal holdings of SRG Securities, in the absence of a superior offer.

The key reasons for the SRG Directors' recommendation to accept the Offer include:

- the Offer brings forward the creation of value for SRG Security Holders, which has been a key focus of the SRG Directors since listing;
- the Offer values SRG Securities higher than they have traded since listing;
- the Offer Price is at a significant premium to SRG Securities' trading price prior to the announcement of the Offer;

- it is likely that the SRG Security price will fall below Transurban's Offer Price if the Offer fails and in the absence of a higher offer;
- there is currently no higher offer;
- SRG Security Holders may qualify for scrip-for-scrip capital gains tax (**CGT**) rollover relief on Transurban Securities they receive depending on their individual circumstances if Transurban acquires at least 80% of SRG Securities. Transurban has applied to the Commissioner of Taxation for a class ruling to confirm the availability of CGT rollover relief for SRG Security Holders; and
- there are risks in remaining a minority holder in SRG.

The terms and conditions of the Offer are described in more detail in this Target's Statement and Transurban's Bidder's Statement.

The Offer is scheduled to close at 7:00 p.m. (Melbourne time) on 2 March 2007 (unless extended). Your Board will keep you informed of any further developments in relation to Transurban's Offer. If you have any questions, please call the Transurban Offer Information Line on 1300 554 392 (inside Australia) or +61 3 9415 4309 (outside Australia).

Yours faithfully,



Bob Morris
Chairman

>> EASTERN DISTRIBUTOR

2. WHY YOUR DIRECTORS RECOMMEND THAT YOU ACCEPT TRANSURBAN'S OFFER

2.1 THE OFFER BRINGS FORWARD THE CREATION OF VALUE FOR SRG SECURITY HOLDERS, WHICH HAS BEEN A KEY FOCUS OF THE SRG DIRECTORS SINCE LISTING

Transurban's Offer delivers on a key strategic and operational focus of the SRG Directors since the listing of SRG: the creation of value for SRG Security Holders. Transurban's Offer brings forward for SRG Security Holders the benefits that would have accrued to them more gradually had SRG continued to develop the business as an independent entity.

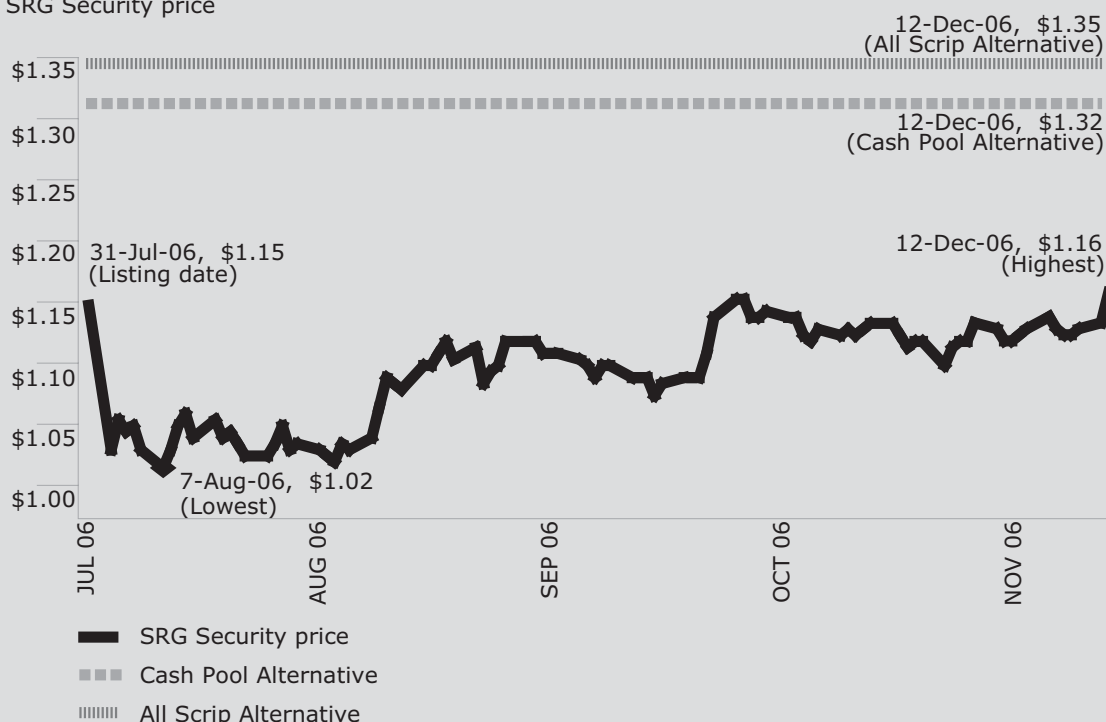
2.2 THE OFFER VALUES SRG SECURITIES HIGHER THAN SRG SECURITIES HAVE TRADED SINCE LISTING

Transurban is offering SRG Security Holders two consideration alternatives. The All Scrip Alternative implies an Offer Price of \$1.35 for each SRG Security.¹ The Cash Pool Alternative provides for up to \$1.32 cash for each SRG Security.²

Both the All Scrip Alternative and Cash Pool Alternative are greater than the highest price that SRG Securities have traded at since listing on ASX in the period preceding the announcement of Transurban's Offer.

Transurban Security Holders who elect the All Scrip Alternative or receive scrip under the Cash Pool Alternative should be aware that their Offer Price may not be fixed. The price of Transurban Securities may fluctuate over time, and the value of the Offer will vary with movements in the Transurban Security price as a result.

SRG Security price



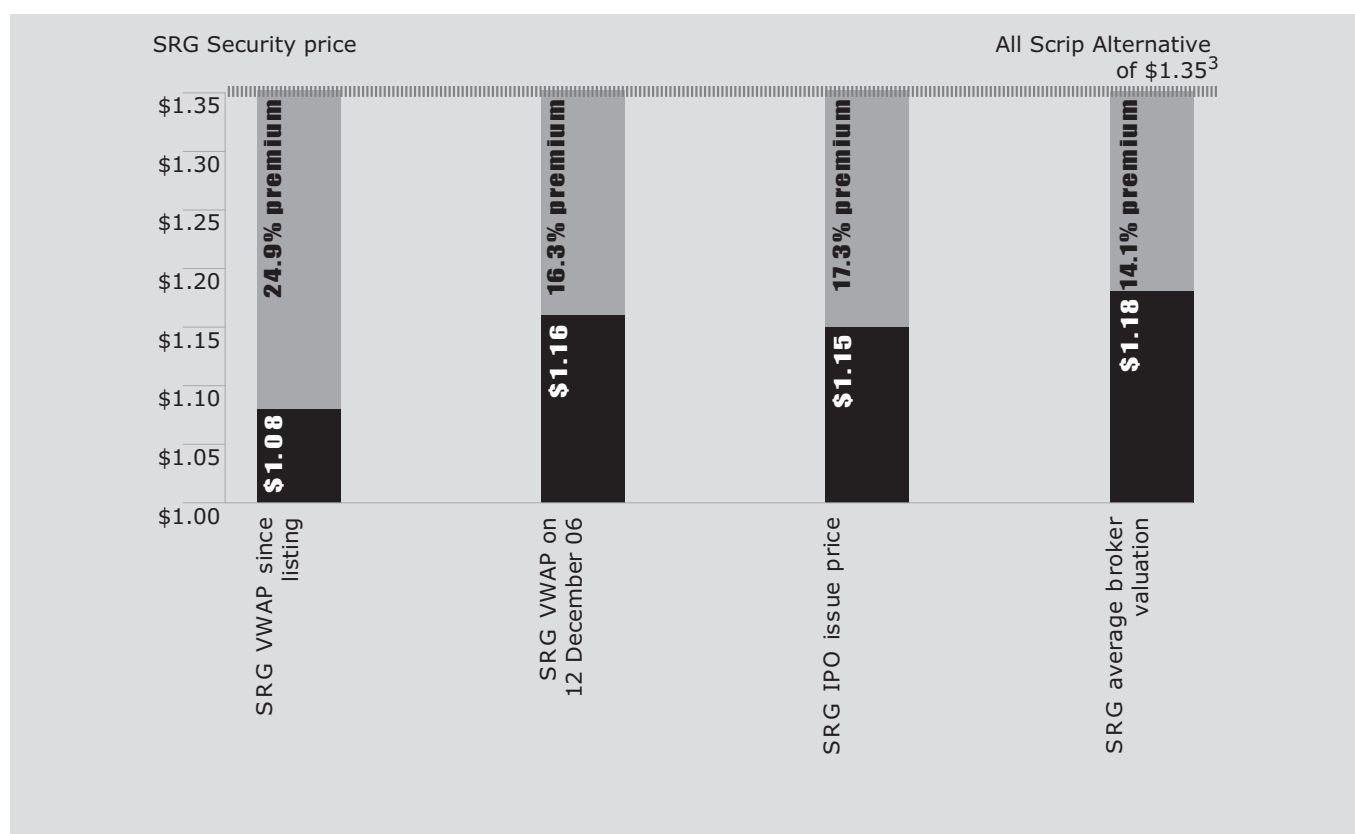
- 1 Based on the closing price of Transurban Securities on 12 December 2006 of \$7.69, being the last day SRG Securities were traded prior to the Announcement Date, and rounded to two decimal places.
- 2 If the cash pool limit of \$500 million available under the Offer is reached or the Cash Component is otherwise calculated at less than \$1.32 for each SRG Security, 1 Transurban Security will be issued as consideration for every \$7.69 otherwise payable in cash. See Section 10.1 of the Bidder's Statement for additional details.

2.3 THE OFFER PRICE IS AT A SIGNIFICANT PREMIUM TO SRG SECURITIES' TRADING PRICE PRIOR TO THE ANNOUNCEMENT OF THE OFFER

(a) All Scrip Alternative

Transurban's Offer under the All Scrip Alternative, which implies an Offer Price of \$1.35 for each SRG Security³, represents the following premiums to certain historic prices:

SRG SECURITY PRICE	PREMIUM
SRG volume weighted average price since listing ⁴	24.9%
SRG volume weighted average price on 12 December 2006 ⁵	16.3%
SRG IPO issue price ⁶	17.3%
SRG average broker valuation ⁷	14.1%



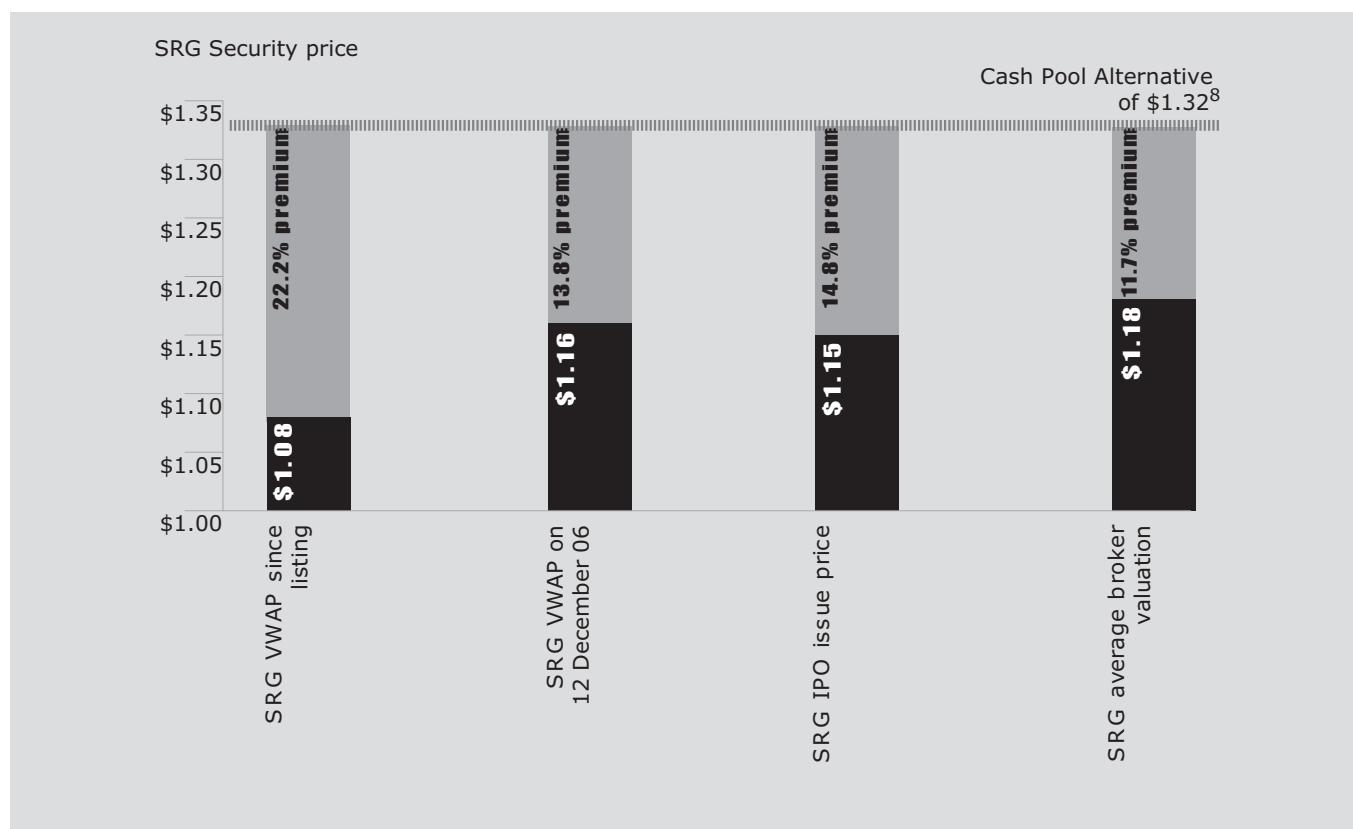
- 3 Based on the closing price of Transurban Securities on 12 December 2006 of \$7.69, being the last day SRG Securities were traded prior to the Announcement Date, and rounded to two decimal places.
- 4 The volume weighted average price of SRG Securities of \$1.08 from listing on 31 July 2006 to 12 December 2006 (being the last day SRG Securities were traded prior to the Announcement Date).
- 5 The volume weighted average price of SRG Securities of \$1.16 on 12 December 2006 (being the last day that SRG Securities were traded prior to the Announcement Date).
- 6 The SRG Securities IPO issue price of \$1.15.
- 7 Average broker valuations of SRG of \$1.18 based on broker valuations (Range: \$1.01 – \$1.31) for SRG prepared by nine independent brokers (being the nine leading brokers by total trading volume in SRG Securities since listing on 31 July 2006) as detailed in reports dated 9 August 2006 to 12 December 2006 (being the last day SRG Securities were traded prior to the Announcement Date). Directors have not necessarily adopted the average broker valuation in forming their recommendation.

2. WHY YOUR DIRECTORS RECOMMEND THAT YOU ACCEPT TRANSURBAN'S OFFER

(b) Cash Pool Alternative

Transurban's Offer under the Cash Pool Alternative (assuming a Cash Component of \$1.32⁸) represents the following premiums to certain historic prices:

SRG SECURITY PRICE	PREMIUM
SRG volume weighted average price since listing ⁹	22.2%
SRG volume weighted average price on 12 December 2006 ¹⁰	13.8%
SRG IPO issue price ¹¹	14.8%
SRG average broker valuation ¹²	11.7%



SRG Security Holders who elect the All Scrip Alternative or receive scrip under the Cash Pool Alternative should be aware that their Offer Price may not be fixed. The price of Transurban Securities may fluctuate over time, and as a result the value of the Offer will vary with movements in the Transurban Security price.

- 8 If the cash pool limit of \$500 million available under the Offer is reached or the Cash Component is otherwise calculated at less than \$1.32 for each SRG Security, 1 Transurban Security would be given as consideration for every \$7.69 otherwise payable in cash. See Section 10.1 of the Bidder's Statement for additional details.
- 9 The volume weighted average price of SRG Securities of \$1.08 from listing on 31 July 2006 to 12 December 2006 (being the last day SRG Securities were traded prior to the Announcement Date).
- 10 The volume weighted average price of SRG Securities of \$1.16 on 12 December 2006 (being the last day that SRG Securities were traded prior to the Announcement Date).
- 11 The SRG Securities IPO issue price of \$1.15.
- 12 Average broker valuations of SRG of \$1.18 based on broker valuations (Range: \$1.01 – \$1.31) for SRG prepared by nine independent brokers (being the nine leading brokers by total trading volume in SRG Securities since listing on 31 July 2006) as detailed in reports dated 9 August 2006 to 12 December 2006 (being the last day SRG Securities were traded prior to the Announcement Date). Directors have not necessarily adopted the average broker valuation in forming their recommendation.

2.4 IT IS LIKELY THAT THE SRG SECURITY PRICE WILL FALL BELOW TRANSURBAN'S OFFER PRICE IF THE OFFER FAILS AND IN THE ABSENCE OF A HIGHER OFFER

The SRG Security price has increased in the period following the Announcement Date. It is likely that the SRG Security price will fall below Transurban's Offer Price if the Offer fails and no alternative offer emerges.

The SRG Security closing price as at 12 December 2006, the last trading day prior to the announcement of Transurban's offer, was \$1.16. The SRG Security closing price as at 21 December 2006, the date that the Bidder's Statement was lodged with ASIC, was \$1.30. On 5 January 2007, the SRG Security price closed at a 1.1% discount to Transurban's Offer Price of \$1.35 for each SRG Security.¹³

2.5 THERE IS CURRENTLY NO HIGHER OFFER

Transurban's Offer represents the best offer currently available for all SRG Securities.

As at the date this Target's Statement was finalised, the Board is not aware of any higher offers to Transurban's Offer and is not in a position to provide security holders with information in relation to the probability of an alternative transaction arising.

2.6 SCRIP-FOR-SCRIP CGT ROLLOVER RELIEF

As Transurban is offering Transurban Securities as a consideration alternative for your SRG Securities, you may be able to benefit from scrip-for-scrip CGT rollover relief in respect of any capital gains derived on your SRG Securities.

Acquiring Transurban Securities under the Offer (either by electing the All Scrip Alternative, or by electing the Cash Pool Alternative and having part of the Offer consideration provided in the form of Transurban Securities) could allow you to defer all or part of the capital gains tax payable on disposal of your SRG Securities until you dispose of any Transurban Securities acquired as Offer consideration.

It is important to note that the availability of scrip-for-scrip CGT rollover relief will depend on individual circumstances and is subject to Transurban acquiring at least 80% of SRG Securities. Transurban has applied to the Commissioner of Taxation for a class ruling to confirm the availability of CGT rollover relief for SRG Security Holders

The taxation implications of accepting this Offer are noted in Section 11 of this Target's Statement and explained in more detail in Section 8 of the Bidder's Statement. The SRG Directors encourage all security holders to consult their financial or taxation adviser in regard to their individual circumstances as the SRG Directors can offer no view on the probability that the conditions outlined above will be satisfied.

2.7 RISKS OF REMAINING A MINORITY SRG SECURITY HOLDER IF YOU DO NOT ACCEPT THE OFFER

If Transurban acquires at least 50.1% but is unable to acquire 100% of the SRG Securities, those SRG Security Holders who do not accept the Offer will become minority holders in SRG. This has a number of possible implications including:

- Transurban will be in a position to cast the majority of votes at a general meeting of SRL or SRT. This will also enable Transurban to control the composition of the board of directors and senior management of SRL and SRML (the Responsible Entity of SRT), or replace the responsible entity of SRT entirely, and determine SRG's distribution policy and control the strategic direction of SRG; and
- it is likely that the market liquidity of SRG Securities would be lower than the current daily average volume.

¹³ Under the All Scrip and Alternative and based on the closing price of Transurban Securities on 12 December 2006 of \$7.69, being the last day Transurban Securities were traded prior to the Announcement Date, and rounded to two decimal places.



3. RISKS IN ACCEPTING TRANSURBAN'S OFFER

3.1 GENERAL

You should carefully consider the risk factors set out in Section 7 of the Bidder's Statement, the additional risks set out below and the other information contained in the Bidder's Statement and this Target's Statement.

3.2 THE ALL SCRIP ALTERNATIVE

Accepting the All Scrip Alternative involves certain risks, including those set out below. These risks are also applicable if you do not make an election when you accept the Offer, because you will be deemed to have elected the All Scrip Alternative in that case.

Risk of holding Transurban Securities

SRG Security Holders who receive scrip as all or part of their consideration will become security holders of Transurban Securities and will be exposed to the following risks:

- Transurban Securities have a different risk profile compared with SRG Securities, and will expose SRG Security Holders to other domestic and international toll roads. According to its public statements, Transurban intends to develop its investment portfolio, investing in a broader range of assets, some of which may be located overseas. Transurban's existing investments and development growth profile are different from SRG's investments in three mature Sydney motorway businesses;
- Exposure to Transurban Securities will come with different risks compared with SRG Securities including acquisition and development risk as well as sovereign and currency risks in relation to the non-Australian jurisdictions in which it invests;
- Transurban's ability to grow and maintain its distribution profile will be influenced by a number of factors, including its ability to integrate its acquisition of SRG, the performance of its investment portfolio, and its pursuit of domestic and international opportunities; and
- SRG Security Holders will be exposed to future movements in the value of Transurban Securities and this value may fluctuate over time.

Uncertainty over capital gains tax in the Offer

The ability for SRG Security Holders who elect the All Scrip Alternative or who receive Transurban Securities under the Cash Pool Alternative not to have their capital gains taxed will be dependent on the individual circumstances of the SRG Security Holder and Transurban getting acceptances of at least 80% for its Offer.

Transurban has applied to the Commissioner of Taxation for a class ruling to confirm the availability of CGT rollover relief for SRG Security Holders for the reasons set out in Section 8 (Tax Considerations) of the Bidder's Statement.

Accepting the Offer early in the Offer Period may increase this risk, as you will not have any assurance that these pre-conditions for CGT rollover relief will be met.

Transurban may not gain 100% ownership of SRG

Transurban has a minimum acceptance condition of 50.1% as part of its Offer. At the end of its Offer Transurban may therefore have acquired more than 50.1% but less than 100% of SRG, and its Offer could become unconditional as a result.

Owning less than 100% of SRG may affect Transurban's ability to integrate SRG fully within its business operations, affecting the level of synergies from the acquisition.

3.3 THE CASH POOL ALTERNATIVE

Accepting the Cash Pool Alternative involves certain risks and uncertainties, including those set out below. In addition to these specific risks, if the Cash Component is ultimately calculated to be less than \$1.32 for each SRG Security then the difference will be satisfied by the issue of Transurban Securities to you and the risks set out in Section 3.2 above will apply to those securities.

3. RISKS IN ACCEPTING TRANSURBAN'S OFFER

Cash Component calculation

The calculation of the Cash Component is structured so that there is a risk that if you select the Cash Pool Alternative then you may still receive Transurban Securities as part of your Offer Consideration. Furthermore, you will not be able to determine the relative proportions of cash and Transurban Securities at the time that you accept the Offer.

The \$1.32 Cash Pool Alternative is only guaranteed to a minimum of \$0.5354 cash for each SRG Security because the available cash pool is capped at \$500 million in total. Any payment above this minimum level will therefore depend on other SRG Security Holders electing to receive the All Scrip Alternative instead of participating in the available cash pool.

To obtain the maximum cash payment of \$1.32 for each SRG Security, SRG Security Holders holding at least 59.4% of SRG Securities would have to select the All Scrip Alternative. If elections for the All Scrip Alternative are below this level then the Cash Component will be less than \$1.32 for each SRG Security.

To the extent that the Cash Component is less than \$1.32 for each SRG Security, the difference will be satisfied by the issue of Transurban Securities based on a ratio of 1 Transurban Security for every 5.7 SRG Securities. This ratio has been calculated using an effective issue price based on the closing Transurban Security price on 12 December 2006 of \$7.69.

The exact proportions of cash and Transurban Securities that you will receive under the Cash Pool Alternative are determined by a formula which is set out in Section 10.1 of the Bidder's Statement.

Timing of payment

An SRG Security Holder accepting the Cash Pool Alternative will receive their Offer consideration at the time(s) described on page 20 of the Bidder's Statement. It is possible that the Offer consideration will be paid in two stages. The final determination of the Cash Component will be made on the Second Calculation Date, and at that time Transurban will effectively make the assumption that all SRG Securities that have not yet been accepted into the Offer will elect the Cash Pool Alternative.

This means that if relatively few SRG Securities have been accepted into the Offer at the time of the Second Calculation Date, the \$500 million cash pool will be notionally divided among all Cash Pool Alternative elections received, as well as all remaining SRG Securities that have not yet been accepted into the Offer (including SRG Securities that may be acquired under compulsory acquisition procedures). Unless the level of All Scrip Alternative elections received by that time is relatively high (being at least 59.4% of all SRG Securities), then the Cash Component will be less than the maximum \$1.32 for each SRG Security.

Accordingly, there is a risk that if you accept the Offer and select the Cash Pool Alternative, then the Cash Component that you will receive will be reduced not only by the Cash Pool Alternative elections made by other accepting SRG Security Holders, but also (in effect) by the number of SRG Securities that have not yet been accepted into the Offer at the time the Cash Component calculation is made. If you accept the Offer before the Second Calculation Date you may not be able to determine what the Cash Component will be.

You should also note that once the calculation of the Cash Component is made on the Second Calculation Date, it is fixed for all Cash Pool Alternative elections. It will not be updated or increased after the Second Calculation Date even if there are ultimately fewer Cash Pool Alternative elections than had been assumed at the time of making the calculation. This could result in less than the entire \$500 million cash pool being paid out. The timing of the calculation and the fact that it becomes fixed also means that there is no benefit to you in terms of the amount of your Cash Component by delaying your acceptance and Cash Pool Alternative election until after the Second Calculation Date.

4. YOUR CHOICES AS AN SRG SECURITY HOLDER

As an SRG Security Holder, you have the following choices in respect of the Offer:

ACCEPT TRANSURBAN'S OFFER

- You may choose to accept Transurban's Offer, which has been recommended by the SRG Directors, in the absence of a superior offer. Details of the consideration that you will receive if you accept Transurban's Offer are set out in Section 3 of this Target's Statement as well as in Section 10 of the Bidder's Statement. It should be noted that Transurban's Offer is subject to certain conditions (some of which are discussed in Section 8 of this Target's Statement) being satisfied or waived by Transurban. Accordingly, there is a risk that the Offer will not become unconditional. The consequences of the Offer failing to become unconditional are addressed in Section 5 of this Target's Statement.
- Some of the consequences of accepting Transurban's Offer are discussed in Section 5 of this Target's Statement. If you accept Transurban's Offer, you will not be able to sell your SRG Securities to any other person, subject to the exercise of the withdrawal rights also discussed in Section 5.
- If you accept Transurban's Offer, you may be able to benefit from scrip-for-scrip rollover relief in respect of any gains derived on your SRG Securities as a result of your acceptance. An overview of the taxation consequences for Australian resident SRG Security Holders of selling SRG Securities is provided in Section 11 of this Target's Statement and Section 8 of the Bidder's Statement.
- If you decide to accept Transurban's Offer, you must consider whether to elect to receive the All Scrip Alternative, or the Cash Pool Alternative. If you do not make an election you will receive the All Scrip Alternative. Each alternative has risks associated with it – see Section 3 of this Target's Statement for more details. The SRG Directors do not make any recommendation as to which of the two alternatives you should select.
- Section 10 of the Bidder's Statement provides instructions on how to accept Transurban's Offer.

SELL YOUR SRG SECURITIES ON-MARKET

- During the Offer Period, you may sell your SRG Securities through the ASX for cash, provided you have not accepted Transurban's Offer for those Securities (or, if you have accepted Transurban's Offer, you have validly withdrawn that acceptance).
- The latest price for SRG Securities can be obtained from the ASX website (www.asx.com.au) using the ASX code "SRG".
- If you sell your SRG Securities on-market, you:
 - will lose the ability to accept Transurban's Offer and receive the Offer Consideration in relation to those Securities. You will also lose the ability to accept any other takeover offer that may emerge for SRG Securities;
 - may be liable for capital gains tax or income tax on the sale of those securities without the possibility of scrip-for-scrip rollover relief being available; and
 - may incur a brokerage charge.
- If you are considering selling your SRG Securities on-market, you should contact your broker for information on how to do so and your tax adviser to determine your tax implications from such a sale.

TAKE NO ACTION

- If you do not wish to accept Transurban's Offer or sell your SRG Securities, you should take no action.
- You should note that:
 - if you choose not to accept Transurban's Offer, you will not receive any payment from Transurban unless Transurban has a relevant interest in at least 90% of the SRG Securities at the end of the Offer Period. In that event, Transurban will become entitled to compulsorily acquire those SRG Securities in which it does not already have a relevant interest (see Section 8.1 of this Target's Statement for further information regarding compulsory acquisition). If that happens you will receive your consideration significantly later than SRG Security Holders who accept the Offer, because compulsory acquisition procedures take at least one month to complete; and

4. YOUR CHOICES AS AN SRG SECURITY HOLDER

- if Transurban acquires more than 50% but less than 90% of the SRG Securities and all of the Defeating Conditions of Transurban's Offer are satisfied or waived by Transurban, and you continue to hold SRG Securities, you will become a minority security holder in SRG. See Section 2.7 of this Target's Statement regarding the implications of being a minority security holder in SRG.

SRG encourages you to consider your personal risk profile, investment strategy, tax position and financial circumstances before making any decision in relation to your SRG Securities. If you are in doubt as to how to act, you should consult your financial adviser immediately.

5. QUESTIONS AND ANSWERS

QUESTION	ANSWER
Who is Transurban Group?	<p>Transurban Group is an ASX listed owner, operator and developer of toll roads. The company was originally formed to develop CityLink in Melbourne, one of the world's first fully electronic toll roads. Transurban owns 100 per cent of CityLink in Melbourne, 100 per cent of Hills M2 in Sydney, 47.5 per cent of Westlink M7 in Sydney and 100 per cent of Pocahontas Parkway in Virginia, USA.</p> <p>Further information on Transurban can be obtained from the Transurban website (www.transurban.com.au).</p>
What is the Bidder's Statement?	<p>The Bidder's Statement is the document containing the terms of Transurban's Offer in detail and information important to your decision whether to accept Transurban's Offer.</p> <p>You should have received Transurban's Bidder's Statement together with this Target's Statement.</p>
What is this Target's Statement?	<p>This Target's Statement has been prepared by the SRG Directors and provides SRG's response to the Offer, including the recommendations of the SRG Directors.</p>
What is Transurban's Offer?	<p>Transurban is offering to acquire all of your SRG Securities in exchange for the Offer Consideration. You may choose to elect as your Offer Consideration either:</p> <ul style="list-style-type: none">— 1 Transurban Security for every 5.7 SRG Securities (the All Scrip Alternative); OR— up to \$1.32 cash for each SRG Security up to a maximum total amount of cash consideration of \$500 million (the Cash Pool Alternative) with Transurban Securities issued to the extent that the Cash Component is less than \$1.32. <p>The relative mix of cash and Transurban Securities under the Cash Pool Alternative will vary according to the number of SRG Security Holders who elect to receive the All Scrip Alternative by the Second Calculation Date. Depending on the level and composition of acceptances at that time, it may eventuate that less than \$500 million (of the maximum total amount of cash consideration) is paid under the Cash Pool Alternative. However, the minimum Cash Component will be \$0.5354 for each SRG Security regardless of how many security holders elect the Cash Pool Alternative.</p> <p>Further details on the Offer Consideration are set out in Section 10.1 of the Bidder's Statement.</p> <p>See also Section 3 of this Target's Statement for some of the risks applicable to each alternative.</p>

5. QUESTIONS AND ANSWERS

QUESTION	ANSWER
What are the conditions to the Offer?	<p>The Offer is subject to the following conditions:</p> <ul style="list-style-type: none">— 50.1% minimum acceptance;— disclosure by SRG of any certain rights which could result in any agreements or arrangements made by SRG being terminated or varied or any action being taken as a result of Transurban acquiring SRG Securities;— disclosure by SRG of any rights of first refusal or pre-emption rights arising as a result of Transurban acquiring all or a specified number of SRG Securities and details of any super-majority rights that may exist in the investor documentation for each of the M4, M5 or ED;— no rights under agreements or arrangements of the types referred to in the bullet point above or if such rights exist waivers or releases obtained prior to the end of the Offer Period;— Roads and Traffic Authority of New South Wales' approvals and consents required under the project documentation for each of the M4, M5 and ED and this is obtained before the end of the Offer Period;— no termination payment in relation to the Transition Resources Agreement between SRG and Macquarie Bank Limited;— confirmation that the analyst model dated April 2005 prepared in respect of the M4, M5 and ED provides for any upside profits, revenue and refinancing gain sharing arrangements with the RTA;— the S&P/ASX200 Index does not fall below 4,925 points;— no material adverse change in SRG's business;— no regulatory issues in connection with the Offer; and— no prescribed occurrences eventuate. <p>Further details of these bid conditions are set out in Section 10.9 of the Bidder's Statement.</p>
Have the conditions regarding SRG's disclosure of information been satisfied?	<p>The SRG Directors believe that the disclosure requirements in Section 9 below have been satisfied.</p>
How can I tell if the Offer has become unconditional?	<p>Transurban will send an announcement to the ASX when the Offer becomes unconditional, at which point it will commence processing acceptances and the payment of consideration under the Offer, but it is not required to send SRG Security Holders individual notifications relating to when acceptances are processed.</p> <p>You may check Transurban company announcements on the ASX website (www.asx.com.au) using the ASX code "TCL".</p>

QUESTION	ANSWER
Can Transurban withdraw the Offer?	<p>Transurban can only withdraw its Offer with the consent of the Australian Securities and Investments Commission.</p> <p>However, if the Offer closes and some or all of the Defeating Conditions referred to above are not satisfied (and have not been waived by Transurban), then the Offer will fail and no acceptances will be processed.</p>
When will I be paid if I accept the Offer?	<p>If you accept the Offer in accordance with the instructions contained in the Offer and you provide any additional documents required to be given with your Acceptance and Transfer Form, you will be paid as set out below.</p> <p>If you elect the All Scrip Alternative, you will receive your Offer Consideration at or before your "Standard Payment Date", which is the earlier of:</p> <ul style="list-style-type: none"> — the later of one month after you accept the Offer or, if the Offer is subject to conditions when accepted, within one month after the Offer becomes unconditional; and — 21 days after the end of the Offer Period. <p>If you elect the Cash Pool Alternative, you will generally have your Offer Consideration provided in two tranches, in accordance with the timetable set out in Section 10 of the Bidder's Statement.</p> <p>The First Tranche Payment will be made on your Standard Payment Date, and will consist of the minimum amount of cash that is available for distribution under the Cash Pool Alternative, after excluding all SRG Securities for which acceptances have been received under the All Scrip Alternative (calculated as at one week before the Standard Payment Date for the first SRG Security Holder entitled to be provided with the Offer Consideration in accordance with Section 10.2 of the Bidder's Statement).</p> <p>The Second Tranche Payment will be made two weeks after the first accepting SRG Security Holder who chooses the Cash Pool Alternative has been paid their First Tranche Payment or your Standard Payment Date, whichever is the later.</p> <p>The only circumstance in which you will not receive payment in two tranches under the Cash Pool Alternative is if you accept the Cash Pool Alternative more than two weeks after the Offer becomes free of Defeating Conditions, and the Offer has become free of Defeating Conditions three weeks or more before the end of the Offer. In this case, you will receive your full Offer Consideration on your Standard Payment Date.</p> <p>Further details are contained in Section 10.1 of the Bidder's Statement.</p>

5. QUESTIONS AND ANSWERS

QUESTION	ANSWER
What choices do I have as an SRG Security Holder?	<p>As an SRG Security Holder, you have the following choices:</p> <ul style="list-style-type: none">— accept the Offer;— not accept the Offer by doing nothing; or— sell your SRG Securities on the ASX. <p>Further details on your choices as an SRG Security Holder are set out in Section 4 of this Target's Statement.</p> <p>When deciding what to do, you should carefully consider the recommendations of the SRG Directors and other important considerations set out in this Target's Statement.</p>
What are the SRG Directors recommending?	<p>The SRG Directors recommend that you ACCEPT Transurban's Offer, in the absence of a superior offer.</p> <p>The SRG Directors do not make a recommendation as to which Offer Consideration alternative should be selected. You need to consider your own personal circumstances in making this decision, and you should consider the risks applicable to each alternative which are set out in Section 3 of this Target's Statement.</p> <p>Further details regarding the reasons for the recommendation of the SRG Directors are set out in Section 2 of this Target's Statement.</p>
What do SRG Directors intend to do with their SRG Securities?	All SRG Directors will accept Transurban's Offer in respect of their personal SRG Security holdings, in the absence of a superior offer.
How do I accept the Offer?	<p>To accept the Offer you should follow the instructions set out in Section 10.6 of the Bidder's Statement. To be effective, your acceptance must be received by Transurban before 7:00 p.m. (Melbourne time) on 2 March 2007 (unless the Offer is extended).</p> <p>If your Acceptance and Transfer Form is returned by post, it will be taken as received before the end of the Offer period if the envelope in which it was sent is post-marked before the end of the Offer Period (even if it is received by Transurban after that time).</p>
How do I reject the Offer?	To reject the Offer, you do not need to do anything. Simply continue to hold your SRG Securities. There is a risk, however, that Transurban may become entitled to compulsorily acquire your SRG Securities even if you do not accept the Offer (see Section 6.2 of the Bidder's Statement for further details).
Can I accept for part of my holding in SRG?	No. You may only accept the Offer for ALL of your SRG Securities.

QUESTION	ANSWER
If I accept the Offer, can I later withdraw my acceptance?	No. Under the terms of Transurban's Offer, you cannot withdraw your acceptance unless a withdrawal right arises under the Corporations Act. Such a withdrawal right will arise if, after you have accepted the Offer, Transurban varies the Offer in a way that postpones for more than one month the time when Transurban has to meet its obligations under the Offer (for example, if the Offer Period is extended by more than one month at a time when it is still subject to Defeating Conditions).
What happens if the Offer Price is increased or a superior offer is made by a third party?	<p>If you accept Transurban's Offer and the consideration under that Offer is subsequently increased, you will be entitled to receive the increased consideration if the Offer proceeds (that is, if all of the conditions to the Offer are satisfied or waived by Transurban).</p> <p>If a superior offer is made by a third party, SRG Directors will provide further advice to SRG Security Holders.</p>
Can I be forced to sell my SRG Securities?	<p>You cannot be forced to sell your SRG Securities unless Transurban and its associates acquire relevant interests in at least 90% of all SRG Securities by the end of the Offer Period, and Transurban proceeds to compulsory acquisition of your SRG Securities.</p> <p>If that happens, you will receive your consideration significantly later than SRG Security Holders who accept the Offer, because compulsory acquisition procedures take at least one month to complete.</p>
When do I have to decide?	<p>If you wish to accept the Offer, you need to do so before its scheduled closing date at 7:00 p.m. (Melbourne time) on 2 March 2007, although Transurban is entitled to extend this date in accordance with the Corporations Act.</p> <p>If you do not wish to accept the Offer, you do not need to do anything.</p>
Do I get to keep the distribution for the period ended 31 December 2006?	If you were an SRG Security Holder as at 29 December 2006, you will retain your entitlement to the SRG distribution of 3.935 cents for each SRG Security estimated to be paid on 28 February 2007. This distribution will not be deducted from Transurban's Offer Price.
Is there a phone number I can ring if I have any queries?	If you have any queries in relation to Transurban's Offer, please call the Transurban Offer Information Line on 1300 554 392 (inside Australia) or +61 3 9415 4309 (outside Australia). The Transurban Offer Information Line will be available on business days between 9:00 a.m. and 5:00 p.m. (Melbourne time). As required by the Corporations Act, all calls to this line will be recorded.



6. SRG DIRECTORS' RECOMMENDATION AND REASONS

6.1 SRG DIRECTORS' RECOMMENDATION

After taking into account each of the matters in this Target's Statement and in the Bidder's Statement, each of your SRG Directors recommend that you ACCEPT the Offer, in the absence of a superior offer.

6.2 SRG DIRECTORS' INTENTIONS IN RELATION TO THE OFFER

Each SRG Director intends to ACCEPT Transurban's Offer in relation to those SRG Securities held by them or in which they have a relevant interest, in the absence of a superior offer.

6.3 REASONS FOR THE SRG DIRECTORS' RECOMMENDATION

The key reasons for the SRG Directors' recommendation to accept the Offer include:

- the Offer brings forward the creation of value for SRG Security Holders, which has been a key focus of the SRG Directors since listing;
- the Offer values SRG Securities higher than they have traded since listing;
- the Offer Price is at a significant premium to SRG Securities' trading price prior to announcement of the Offer;
- it is likely that the SRG Security price will fall below Transurban's Offer Price if the Offer fails and in the absence of a higher offer;
- there is currently no higher offer;
- SRG Security Holders may qualify for scrip-for-scrip CGT rollover relief on Transurban Securities they receive depending on their individual circumstances if Transurban acquires at least 80% of SRG Securities. Transurban has applied to the Commissioner of Taxation for a class ruling to confirm the availability of CGT rollover relief for SRG Security Holders; and
- there are risks in remaining a minority holder in SRG.

Further description of these reasons can be found in Section 2 of this Target's Statement.

6.4 RISKS IN ACCEPTING TRANSURBAN'S OFFER

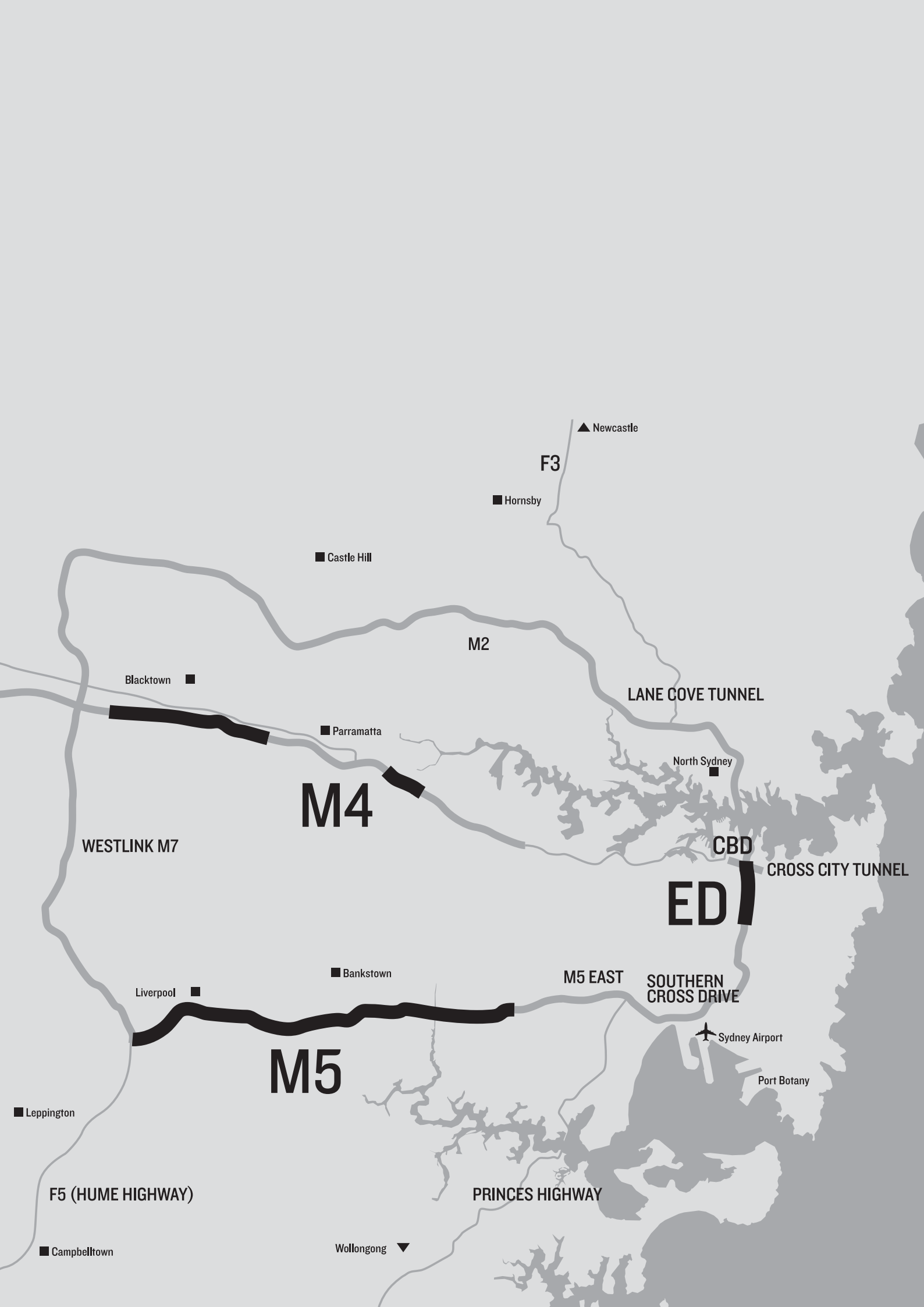
The key risks in accepting Transurban's Offer can be found in Section 7 of the Bidder's Statement. Other risks include:

- SRG Security Holders who receive scrip as consideration will have exposure to the future performance of Transurban Securities, which have a different risk and development growth profile than SRG Securities;
- uncertainty over capital gains tax in the Offer; and
- Transurban may not obtain 100% ownership of SRG, which may mean that Transurban cannot obtain the full synergy benefits of the acquisition.

These risks principally apply to the All Scrip Alternative, but could also apply to the Cash Pool Alternative to the extent that if the Cash Component is less than \$1.32 for each SRG Security the balance is satisfied by the issue of Transurban Securities.

If you accept the Cash Pool Alternative, you may ultimately receive a lower Cash Component than you may expect.

Further description of these risks can be found in Section 3 of this Target's Statement.



▲ Newcastle

F3

■ Hornsby

■ Castle Hill

M2

Blacktown ■

■ Parramatta

M4

LANE COVE TUNNEL

North Sydney ■

CBD

CROSS CITY TUNNEL

ED

WESTLINK M7

■ Bankstown

M5 EAST

SOUTHERN CROSS DRIVE

Liverpool ■

✈ Sydney Airport

Port Botany

M5

PRINCES HIGHWAY

F5 (HUME HIGHWAY)

■ Leppington

■ Campbelltown

Wollongong ▼

7. INFORMATION ON SRG AND ITS ASSETS

7.1 CORPORATE HISTORY

Sydney Roads Group consists of Sydney Roads Limited, Sydney Roads Trust and Sydney Roads Management Limited as the Responsible Entity for SRT. SRG holds investments in three established toll road businesses located in Sydney. SRG was established in the demerger of Macquarie Infrastructure Group and was listed on the ASX in July 2006. SRG's objective is to effectively manage its portfolio of investments in order to provide stable distributions to security holders.

7.2 ASSET PORTFOLIO

SRG's portfolio of investments consists of:

INVESTMENT	INTEREST	DESCRIPTION
Eastern Distributor (ED)	71.35%	6 kilometre motorway that links Sydney's central business district (CBD), Sydney Harbour Tunnel and Sydney Harbour Bridge with the city's southern suburbs and Sydney Airport.
M5 South-West Motorway (M5)	50.00%	22 kilometre motorway that links Sydney's CBD (via the ED, the untolled M5 East and Southern Cross Drive) with Sydney's rapidly growing south-western suburbs. The M5 provides an alternative to heavily congested routes such as Newbridge/Canterbury Road and the Hume Highway. Key sources of traffic growth in the near future are expected to include increasing corridor growth and feeder traffic from connecting roads, population growth in the catchment area and the positive impact of the recent Westlink M7 opening. Potential future developments of the M5 include a widening from two to three lanes over its entire length, subject to the RTA's approval.
M4 Motorway (M4)	50.61%*	40 kilometre motorway that links Sydney's western suburbs with the city's inner west. The M4 provides an alternative to the heavily congested Parramatta Road and Great Western Highway. Under the terms of the M4 Project Deed, Statewide Roads is responsible for maintaining only 12 kilometres of the motorway – a 1 kilometre section on either side of the toll plaza and a 10 kilometre section between the M4 service centres in Prospect and the Coleman Street overpass in Mays Hill, with the remainder maintained by the RTA. The M4 Concession period ends on 15 February 2010 at which time the management of, and financial returns, from the M4 will revert to the NSW State Government.

*Interest in ordinary equity and in Free Cash after distributions to preference shareholders.

>> SYDNEY ORBITAL NETWORK

7. INFORMATION ON SRG AND ITS ASSETS

The three motorways are integral to the transport and service infrastructure for Sydney's expanding population. The ED and M5 are the critical road transport links through Sydney's strategic south-west corridor, and form part of the Sydney Orbital Network, the principal motorway network that encircles Sydney. The ED and M5 provide direct access between Sydney's central business district and two of its growing industrial areas (Port Botany and Sydney Airport) and the fast growing south-western suburbs.

The M4 forms a separate part of the overall Sydney road network, linking Sydney's western suburbs with the inner west, providing an alternative to the heavily congested Parramatta Road and Great Western Highway. The M4 intersects the Sydney Orbital Network at the Westlink M7 at Eastern Creek in western Sydney, and connects the large western Sydney growth centres of Penrith, Blacktown and Parramatta with inner western Sydney.

7.3 CURRENT FINANCIAL POSITION AND OPERATING UPDATE

There have been no material changes to the financial and operating position of SRG since the lodgement of the SRG Prospectus and PDS on 26 June 2006 and SRG's ASX announcements, which are listed in Section 12.1 of this Target's Statement.

8. KEY FEATURES OF TRANSURBAN'S OFFER

8.1 SUMMARY OF THE OFFER

On 14 December 2006 Transurban announced an off-market takeover offer for all the issued capital of SRG. The key terms of the Offer are summarised in the table below:

The Offer	<p>Transurban Investments offers to acquire all of your SRG Securities. Under the Offer, you may choose to elect as your Offer Consideration either:</p> <ul style="list-style-type: none">— the All Scrip Alternative; or— the Cash Pool Alternative. <p>If you elect the All Scrip Alternative, you will receive 1 Transurban Security for every 5.7 SRG Securities held by you.</p> <p>If you elect the Cash Pool Alternative then, depending on the level of acceptance of the All Scrip Alternative, you will receive either all cash consideration or a combination of cash and Transurban Securities for every SRG Security held by you.</p> <p>The relative proportion of cash and Transurban Securities that you will receive under the Cash Pool Alternative is determined by a formula. The total amount of cash consideration available under the Cash Pool Alternative is capped at \$500 million. Assuming SRG Security Holders holding more than 59.4% of SRG Securities on issue elect the All Scrip Alternative as at the relevant calculation date, then those SRG Security Holders will receive 100% of their Offer Consideration in cash. If SRG Security Holders holding less than 59.4% of SRG Securities elect the All Scrip Alternative at the relevant calculation date, then the proportion of cash that SRG Security Holders would receive under the Cash Pool Alternative will decrease to a minimum of \$0.5354 for each SRG Security (or \$3.0518 for every 5.7 SRG Securities), with a corresponding increase in the number of Transurban Securities issued to them based on the closing Transurban Security price on 12 December 2006 of \$7.69, to a maximum of 0.1020 Transurban Securities for each SRG Security.</p> <p>In the event that you accept the Offer and do not make any election, you will receive the All Scrip Alternative.</p> <p>Further details regarding the terms of the Offer are set out in Section 10 of the Bidder's Statement.</p>
Value of the Offer	<p>The All Scrip Alternative implies an Offer Price of \$1.35 for each SRG Security (based on the closing price of Transurban Securities on 12 December 2006 of \$7.69) and rounded to two decimal places. The Cash Pool Alternative provides for an Offer Price of \$1.32 for each SRG Security (assuming SRG Security Holders holding more than 59.4% of SRG Securities on issue elect the All Scrip Alternative).</p> <p>Under either alternative, to the extent that your Offer Consideration includes Transurban Securities, you will receive Transurban Holdings Limited shares and Transurban International Limited shares for your SRL shares, and Transurban Holding Trust units for your SRT units.</p>

8. KEY FEATURES OF TRANSURBAN'S OFFER

Offer Period	The Offer commences on 18 January 2007, and ends on 2 March 2007, subject to any extension in accordance with the Corporations Act.
Conditions of the Offer	<p>The Offer is subject to the following conditions:</p> <ul style="list-style-type: none"> — 50.1% minimum acceptance; — disclosure of any certain rights which could result in any agreements or arrangements made by SRG being terminated or varied or any action being taken as a result of Transurban acquiring SRG Securities; — disclosure by SRG of any rights of first refusal or pre-emption rights arising as a result of Transurban acquiring all or a specified number of SRG Securities and details of any super-majority rights that may exist in the investor documentation for each of the M4, M5 or ED; — no rights under agreements or arrangements of the types referred to in the bullet point above or if such rights exist waivers or releases obtained prior to the end of the Offer Period; — Roads and Traffic Authority of New South Wales' approvals and consents required under the project documentation for each of the M4, M5 and ED and this is obtained before the end of the Offer Period; — no termination payment in relation to the Transition Resources Agreement between SRG and Macquarie Bank Limited; — confirmation that the analyst model dated April 2005 prepared in respect of the M4, M5 and ED provides for any upside profits, revenue and refinancing gain sharing arrangements with the RTA; — the S&P/ASX200 Index does not fall below 4,925 points; — no material adverse change in SRG's business; — no regulatory issues in connection with the Offer; and — no prescribed occurrences eventuate. <p>Further details on the conditions of the Offer are set out in Section 10.9 of the Bidder's Statement.</p>
Status of Conditions	<p>At the date the Target's Statement was finalised, the SRG Directors were not aware of any non-fulfilment of these conditions or any matter which would result in non-fulfilment.</p> <p>The SRG Directors believe that the disclosures made in Sections 9.1 and 9.2 of this Target's Statement satisfy the requirement of Defeating Condition 10.9(b) of the Bidder's Statement. If, contrary to the SRG Directors' view expressed in Section 9.2, rights of pre-emption exist under the Investors' Agreements for the Airport Motorway, a release or waiver of those rights will be required under Defeating Condition 10.9(c)(2) of the Bidder's Statement.</p> <p>With Transurban's consent, SRG has supplied the information under Defeating Condition 10.9(b)(2)(B) of the Bidder's Statement directly to Transurban.</p>

Withdrawal of the Offer	<p>This Offer may only be withdrawn with the consent in writing of the ASIC if it has not been accepted. Subject to that consent, withdrawal may be effected by giving written notice to SRG and to ASX.</p> <p>If Transurban withdraws this Offer, or some or all of the conditions are not satisfied (and have not been waived by Transurban) by the end of the Offer Period, the Offer will fail and all contracts resulting from its acceptance will automatically be void.</p>
Effect of acceptance	<p>The effect of acceptance of the Offer is set out in Section 10.7 of the Bidder's Statement. You should read those provisions in full to understand the effect that acceptance will have on your ability to exercise the Rights attaching to your SRG Securities and the representations and warranties you give by accepting the Offer.</p> <p>In particular, you should note that Transurban will gain control of the voting rights attaching to your SRG Securities in some cases even before the Offer is unconditional.</p>
Withdrawal of your Acceptance of the Offer	<p>You only have limited rights to withdraw your acceptance of the Offer.</p> <p>You may only withdraw your acceptance of the Offer if the Offer is varied by Transurban Group in a way that postpones, for more than one month, the time when Transurban needs to meet its obligations under the Offer (for example, if the Offer Period is extended by more than one month at a time when it is still subject to Defeating Conditions).</p>
Payment of the Offer Consideration	<p>If you choose the All Scrip Alternative, Transurban will provide you with the Offer Consideration to which you are entitled under the Offer on or before the earlier of the date which is:</p> <ul style="list-style-type: none"> — the later of one month after the Offer is accepted or, if the Offer is still subject to conditions when accepted, one month after the Offer becomes unconditional; and — 21 days after the end of the Offer Period. <p>If you elect the Cash Pool Alternative you will generally have your Offer Consideration paid in two tranches. Payment under the first tranche will be made on the date on which the first SRG Security Holder is entitled to be provided with the Offer Consideration, and will consist of the minimum amount of cash that is available for distribution under the Cash Pool Alternative, after excluding all SRG Securities for which acceptances have been received under the All Scrip Alternative.</p> <p>The payment under the second tranche will consist of the remainder of the Offer Consideration, and will be payable no later than two weeks after you receive your first tranche payment. If you accept the Cash Pool Alternative more than two weeks after the Offer becomes free of Defeating Conditions you will receive your full Offer Consideration on the Standard Payment Date.</p> <p>Further details are contained in Section 10 of the Bidder's Statement.</p>

8. KEY FEATURES OF TRANSURBAN'S OFFER

Improvement in the Offer Consideration	If Transurban improves the consideration offered under its Offer, all SRG Security Holders (whether or not they have accepted the Offer before that occurs) will be entitled to the benefit of that improved consideration.
Extension of the Offer Period	<p>Transurban may extend the Offer Period at any time before giving the Notice of Status of Conditions (referred to in Section 10.15 of the Bidder's Statement) while the Offer is subject to conditions. If the Offer is unconditional (that is, all of the conditions have been satisfied or waived), however, Transurban may extend the Offer period at any time up until the end of the Offer Period.</p> <p>In addition, there will be an automatic extension of the Offer Period, if within the last seven days of the Offer Period:</p> <ul style="list-style-type: none"> — Transurban improves the consideration offered under the Offer; or — Transurban's voting power in SRG increases to more than 50%. <p>If either of these two events occurs, the Offer Period is automatically extended so that it ends 14 days after the relevant event occurs.</p> <p>Transurban may elect to extend the Offer Period up to a maximum of 12 months from the opening of the Offer.</p>
Lapse of the Offer	The Offer will lapse if the Offer conditions are not satisfied or waived by the end of the Offer Period; in which case, all contracts resulting from acceptance of the Offer and all acceptances that have not resulted in binding contracts are void. In that situation, you will be free to deal with your SRG Securities as you see fit.
Compulsory acquisition	<p>Transurban has indicated in Section 6.2 of the Bidder's Statement that if it satisfies the required thresholds it intends to compulsorily acquire any outstanding SRG Securities.</p> <p>Under the compulsory acquisition process, remaining SRG Security Holders will receive the same consideration as those who validly accepted the Offer, and will be entitled to choose the form of Offer Consideration. However, receipt of consideration for their SRG Securities may be significantly delayed.</p> <p>Further details regarding compulsory acquisition are set out in Section 6.2 of the Bidder's Statement.</p>

The above terms are a summary only. You should refer to Transurban's Bidder's Statement (which is enclosed with this Target's Statement) for full details.

8.2 EXCLUSIVITY AND BREAK FEE

As announced to the ASX by Transurban on 14 December 2006, SRG and Transurban have entered into a Merger Implementation Agreement in relation to the Offer. Under the Merger Implementation Agreement (as amended):

- until 2 March 2007, SRG must not and must ensure that each of its related bodies corporate, officers, employees, agents, consultants, investment bankers, lawyers or other advisers does not directly or indirectly solicit, initiate or actively assist (including by providing non-public information) any expression of interest, offer or proposal by any person which may result in a transaction in which a person may acquire voting power in excess of 50% of SRG. In addition, SRG must immediately inform Transurban of any approaches it receives from any person regarding any such transaction (including the name of the person and details of their proposal), unless to do so would breach the fiduciary duties of SRG Directors.
- SRG has agreed to pay Transurban a break fee of \$12 million, which is payable if at any time after the Announcement Date and before the end of the Offer Period:
 - the recommendation of the SRG Directors is not made, is withdrawn or is qualified (unless there is a notification or public announcement that a person whose consent, waiver or release is required for the purposes of the Defeating Conditions in Sections 10.9 (c) and (d) of the Bidder's Statement will not provide that consent, waiver or release) or will not consider further proposals or submissions in relation to such consent, waiver or release;
 - SRG breaches the Merger Implementation Agreement, or allows a material breach of a Defeating Condition to occur which is incapable of remedy, or remains unremedied for a period in excess of seven days;
 - a person other than Transurban acquires greater than 50% voting power in SRG; or
 - any SRG Director makes a recommendation to SRG Security Holders in favour of another proposal or transaction that would, if completed, result in a person acquiring greater than 50% voting power in SRG.

The break fee will not be paid if Transurban acquires greater than 50% voting power in SRG and the Offer becomes free of Defeating Conditions. Any break fee already paid in these circumstances must be reimbursed by Transurban.



9. EFFECT OF THE TAKEOVER OF SRG ON CERTAIN CONTRACTS

A Defeating Condition of the Offer as set out in the Bidder's Statement is that SRG discloses certain information on agreements or arrangements to which SRG (or certain entities in which it holds more than 10% of the issued share capital) is subject (see Sections 10.9(b) and (e) of the Bidder's Statement). Unless disclosed in this Section, no such arrangements exist.

9.1 RTA CONSENT

The RTA consents required as a result of Transurban acquiring SRG Securities or a specified number or proportion of SRG Securities are detailed below.

M4: Under the M4 Project Deed between Statewide Roads (M4) Pty Limited, Statewide Roads Limited (**SWR**), the RTA and the relevant government minister, a change in the identity of the person holding a relevant interest in not less than 30% or more voting shares in the capital of Statewide Roads Limited is regarded as an assignment of the Project Deed. As a consequence, RTA consent will be required. Failure to obtain RTA consent will be a breach of the M4 Project Deed and may give the RTA the right to terminate the M4 Project Deed.

The RTA may not unreasonably withhold its consent if certain requirements are met. Those requirements are:

- (i) it has been established to the satisfaction of the RTA that the proposed assignee or transferee is a reputable corporation of financial and commercial standing;
- (ii) at the time of application for consent there is no subsisting breach of any provisions of the M4 Project Deed; and
- (iii) full particulars of the proposed transaction and a draft of any proposed agreements have been provided to the RTA.

Similar provisions are found in:

- the M4 Motorway Service Centre Project Deed between SWR Properties Pty Limited, SWR, the RTA and the relevant minister;
- the Lease of the M4 Motorway between Statewide Roads (M4) Pty Limited and the RTA;
- the service centre lease between SWR Properties Pty Limited and the RTA.

M5: Under the M5 Project Deed between Interlink Roads Pty Limited (**Interlink**), the RTA and the relevant government minister, a change in the identity of the person holding a relevant interest in not less than 50% or more voting shares in the capital of Interlink is regarded as an assignment of the Project Deed. As a consequence, RTA consent will be required. Failure to obtain RTA consent will be a breach of the M5 Project Deed and may give the RTA the right to terminate the M5 Project Deed if that breach is not capable of remedy.

In other respects, the provisions are materially similar to those set out above in relation to the M4 Project Deed.

9.2 RIGHTS OF FIRST REFUSAL OR PRE-EMPTION RIGHTS

There are no agreements or arrangements under which a person has a right of first refusal or other rights of pre-emption as a result of Transurban acquiring SRG Securities or a specified number or proportion of SRG Securities except as detailed below.

The SRG Directors are of the view that it is more likely than not that under the Investors' Agreements for the Airport Motorway there are no pre-emption provisions binding on SRG. Although it is considered to be unlikely, if this view is incorrect and a change of control of SRG occurs as a consequence of acceptances under the Offer, SRG will be deemed to have given a transfer notice to the other investors at a price equal to the fair market value of the securities held by SRG.

>>M5 SOUTH-WEST MOTORWAY

9. EFFECT OF THE TAKEOVER OF SRG ON CERTAIN CONTRACTS

9.3 TRANSITION RESOURCES AGREEMENT

At the time SRG was established, SRG entered into the Transition Resources Agreement with Macquarie Bank Limited (**Macquarie**) to provide professional support staff and certain other resources for up to 18 months after the listing of SRG on the ASX or until SRG was able to carry out these services by itself. Macquarie is entitled to a resources fee of \$1 million per annum under the agreement.

The Transition Resources Agreement may be terminated by SRG by giving 60 days written notice to Macquarie. No termination fee is payable on termination, but Macquarie is entitled to be paid its resources fee accrued up to the date of termination as well as any reasonable costs incurred by Macquarie in connection with responding to an enquiry into SRG's affairs or Macquarie's role under the Transition Resources Agreement by any regulatory authority, to the extent that such costs are not included in the resources fee.

9.4 UPSIDE SHARING WITH THE ROADS AND TRAFFIC AUTHORITY OF NEW SOUTH WALES

The project documentation for the M4, M5 and ED contains provisions for sharing with the RTA of certain amounts, which may include profits, revenue, refinancing gains or similar amounts for the term of each concession. An analyst model dated April 2005 (**Analyst Model**) was prepared in respect of the M4, M5 and ED.

M5/M4: Sharing is not included in the Analyst Model as it is not triggered under any meaningful forecast scenario. To reach the internal rate of return threshold required to trigger revenue sharing requires traffic levels in excess of 25% year on year growth per annum (for the M5) and traffic well above toll road capacity (for the M4) for the remainder of the respective concession terms. These traffic levels are not within the range of realistic potential outcomes.

ED: Any sharing prescribed in the project documentation is reflected in the Analyst Model.

10. INFORMATION ON SRG DIRECTORS

10.1 SRG DIRECTORS

The SRG Directors in office as at the date of this Target's Statement are:

Directors of SRL:

NAME	POSITION
Bob Morris	Independent Chairman
Ed Sandrejko	Executive Director
Julian Beaumont	Independent Director
Michael Easson	Independent Director
Arlene Tansey	Independent Director

Directors of SRML:

NAME	POSITION
Bob Morris	Independent Chairman
Ed Sandrejko	Executive Director
Julian Beaumont	Independent Director
Michael Easson	Independent Director
Arlene Tansey	Independent Director

10.2 SRG DIRECTORS' INTERESTS

The SRG Directors' interests in SRG Securities as at the date of this Target's Statement are:

DIRECTOR	SRG SECURITIES
Bob Morris	5,404
Ed Sandrejko	131,567
Julian Beaumont	123,587
Michael Easson	123
Arlene Tansey	42,022

10. INFORMATION ON SRG DIRECTORS

10.3 TRADING BY DIRECTORS IN SRG SECURITIES IN THE LAST FOUR MONTHS

No SRG Director has acquired or disposed of SRG Securities, options over SRG Securities, or any other interest in SRG Securities in the last four months, other than as set out below.

DATE	DIRECTOR	NUMBER HELD BEFORE LISTING	NUMBER ACQUIRED	PRICE PAID PER SECURITY	NUMBER DISPOSED	CURRENT NUMBER HELD
9 August 2006	Ed Sandrejko	31,567	100,000	\$1.03	NA	131,567
29 August 2006	Arlene Tansey	2,022	40,000	\$1.03	NA	42,022

10.4 SRG DIRECTORS' INTERESTS IN TRANSURBAN

(a) Securities in Transurban

No Director holds any securities in Transurban or a Related Body Corporate of Transurban except as set out below. No Director has acquired or disposed of Transurban Securities, options over Transurban Securities, or any other interest in Transurban Securities in the last four months.

DIRECTOR	NUMBER OF TRANSURBAN SECURITIES HELD	NUMBER OF TRANSURBAN CARS HELD
Bob Morris	13,820	100
Ed Sandrejko	367,500	–

(b) Agreements with Transurban

No SRG Directors are party to any agreements with Transurban or a Related Body Corporate of Transurban, or has an interest in any contract entered into by Transurban or a Related Body Corporate of Transurban.

10.5 SRG DIRECTORS' BENEFITS ON LOSS OF OFFICE

As set out in the Prospectus and PDS, the termination of Ed Sandrejko's contract in his role as chief executive officer would result in a termination payment equivalent to six months remuneration. In the case of a change of control of SRG the termination payment would be equivalent of 12 months remuneration.

No other SRG Director is or will be entitled to a benefit in connection with the loss of their office as a Director of SRG.

10.6 SRG DIRECTORS' BENEFITS UNDER AGREEMENTS

No SRG Director is or will be entitled to a benefit under an agreement which is conditional on the outcome of the Offer, except as set out below.

SRG Directors who hold SRG Securities intend to accept the Offer (in the absence of a superior proposal) and will therefore be entitled to receive the Offer Price for those Securities if the Offer becomes unconditional.

11. TAXATION CONSIDERATIONS

Section 8 of the Bidder's Statement sets out a letter of advice from Transurban's tax adviser with an overview of the Australian income tax and capital gains tax implications for Australian residents (for taxation purposes).

Capital gains tax

The capital gains tax (**CGT**) implications of a disposal of SRG Securities pursuant to acceptance of the Offer will depend on a number of factors, including whether the SRG Securities were acquired under the SRG Demerger. If you accept the Offer, you may be eligible to receive CGT rollover relief on that part of the Offer Consideration that consists of Transurban Securities, if Transurban becomes entitled to at least 80% of all SRG Securities by the close of the Offer. Transurban has applied to the Commissioner of Taxation for a class ruling to confirm the availability of CGT rollover relief for SRG Security Holders (see Section 3.2 of this Target's Statement and Section 8 of the Bidder's Statement).

Treatment of SRG interim distribution

The distribution to be paid on 28 February 2007 to SRG Security Holders for the period ended 31 December 2006 should be separately taxed as distribution income, and not as part of the Offer Consideration.

Foreign security holders

Any SRG Security Holder whose address (as shown in SRG's register of SRG Security Holders) is a place outside Australia, its External Territories and New Zealand or outside any other place where Transurban is satisfied that it is not unlawful for Transurban to issue Transurban Securities to the relevant holder will not be issued with Transurban's Securities under the Offer.

Instead, the relevant Transurban Securities (that would otherwise be transferred to such foreign holders) will be allotted to a nominee approved by ASIC who will sell the Transurban Securities and will distribute to each of these foreign holders their proportion of the proceeds of sale net of expenses.

See Section 10.8 of the Bidder's Statement for further details.

Disclaimer

You should not rely on the comments or statements regarding tax contained in the Bidder's Statement or this Target's Statement as advice in relation to your own affairs. The taxation laws are complex and there could be implications in addition to those generally described in the Bidder's Statement.

Accordingly you should consult your own tax advisers for advice applicable to your individual needs and circumstances. To the maximum extent permitted by law, SRG does not accept any responsibility for tax implications for individual SRG Security Holders.



12. ADDITIONAL INFORMATION

12.1 ASX ANNOUNCEMENTS

SRG is a disclosing entity under the Corporations Act and as such has continuous disclosure obligations under that Act and also under the ASX Listing Rules.

SRG's announcements are available free of charge from the SRG website (www.sydneYROADSGROUP.COM), or the ASX website (www.asx.com.au). SRG's ASX code is "SRG" and Transurban's ASX code is "TCL".

The most recent financial information regarding SRG is as set out in the SRG Prospectus and PDS dated 26 July 2006 and released to ASX on 31 July 2006. A copy of this document is available free of charge from SRG on request or via the SRG website (www.sydneYROADSGROUP.COM). Between 4 July 2006 and 8 January 2007, the following announcements regarding SRG were given to the ASX:

27 DECEMBER 06 Ceasing to be a substantial holder (Capital Group Companies, Inc.)	22 DECEMBER 06 Becoming a substantial holder (Transurban Group)	21 DECEMBER 06 Transurban Bidder's Statement	21 DECEMBER 06 Extension of Non-Solicitation Period
14 DECEMBER 06 Notes Statewide Roads M4 Upgrade	14 DECEMBER 06 Distribution for period ended 31 Dec 2006	14 DECEMBER 06 Transurban announcement of: Merger of Transurban Group and Sydney Roads Group	14 DECEMBER 06 Merger of Sydney Roads and Transurban Presentation
14 DECEMBER 06 Transurban Group and Sydney Roads Group announce merger	13 DECEMBER 06 Trading Halt	7 DECEMBER 06 Change in substantial holding (Schroder Investment Management Australia Limited)	17 NOVEMBER 06 Concession Fee

>> EASTERN DISTRIBUTOR

3
NOVEMBER 06

Essential M5 \$12 million
resurfacing to occur at
night

18
OCTOBER 06

Change in substantial
holding
(Schroder Investment
Management
Australia Limited)

11
OCTOBER 06

ATO Class Ruling

11
OCTOBER 06

MIG: ATO confirms
Class Ruling on SRG

6
OCTOBER 06

Traffic Results –
October 2006

7
SEPTEMBER 06

Change in substantial
holding
(Schroder Investment
Management
Australia Limited)

1
SEPTEMBER 06

ZSP: September
Quarterly Rebalance of
S&P/ASX Indices

31
AUGUST 06

Change of Director's
Interest Notice

23
AUGUST 06

Becoming a substantial
holder (Schroder
Investment
Management
Australia Limited)

11
AUGUST 06

Change of Director's
Interest Notice

4
AUGUST 06

Initial Director's
Interest Notice
(for each of the
SRG Directors)

4
AUGUST 06

Confirmation of
dispatch

3
AUGUST 06

Becoming a substantial
holder
(Capital Group
Companies, Inc.)

1
AUGUST 06

ASX Circular:
Satisfaction of
Conditions for
Conditional Market

1
AUGUST 06

Satisfaction of
Conditions for
Conditional Market

31
JULY 06

Notes M5 Car Toll
Increase

31
JULY 06

Supplementary
Prospectus and PDS

31
JULY 06

Consolidated
Constitution of Sydney
Roads Trust

31
JULY 06

Appendix 1A: ASX
Listing application and
agreement

31
JULY 06

Constitution –
Sydney Roads Limited

31
JULY 06

Application for Listing/
Top 20 Security
Holders/Distribution
Schedule

31
JULY 06

Admission to Official
List/Pre-Quotation
Disclosure

27
JULY 06

ASX Circular:
Commencement of
Official Quotation

4
JULY 06

SRG Prospectus
and PDS

12. ADDITIONAL INFORMATION

12.2 ISSUED CAPITAL

At the date of this Target's Statement, SRG had on issue 933,862,116 fully paid ordinary stapled securities.

12.3 MATERIAL LITIGATION

The SRG Directors are not aware of any material litigation that is currently on foot.

12.4 SUBSTANTIAL HOLDERS

As at 5 January 2007, SRG's register of substantial holders is as follows:

SUBSTANTIAL HOLDER	NUMBER OF SRG SECURITIES HELD	% OF TOTAL
Schroder Investment Management Australia Limited	66,666,275	7.14%

12.5 CONSENTS TO INCLUSION OF STATEMENTS

Baker & McKenzie has given and has not withdrawn its consent to be named in this Target's Statement as legal adviser to SRG for preparing this Target's Statement. Baker & McKenzie does not make, nor purport to make, any statement included in this Target's Statement. No statement in this Target's Statement is based on any statement by Baker & McKenzie. To the maximum extent permitted by law, Baker & McKenzie expressly disclaims and takes no responsibility for any part of this Target's Statement other than the references to its name.

In addition, as permitted by ASIC Class Order 01/1543 this Target's Statement contains statements which are made, or based on statements made, in documents by Transurban with ASIC or given to the ASX or announced on the Company Announcements Platform of the ASX, by Transurban. Pursuant to ASIC Class Order 01/1543, the consent of Transurban is not required for the inclusion of such statements in this Target's Statement. Any SRG Security Holder who would like to receive a copy of these documents may obtain a copy (free of charge) during the Offer Period by contacting the Transurban Offer Information Line on 1300 554 392 (inside Australia) or +61 3 9415 4309 (outside Australia), Monday to Friday between 9:00 a.m. and 5:00 p.m. (Melbourne time). As required by the Corporations Act, all calls to this line will be recorded.

Further, as permitted by ASIC Class Order 03/635, this Target's Statement may include or be accompanied by certain statements:

- fairly representing a statement by an official person; or
- from a public official document or a published book, journal or comparable publication.

12.6 NO OTHER MATERIAL INFORMATION

This Target's Statement is required to include all information that SRG Security Holders and their professional advisers would reasonably require to make an informed assessment whether to accept the Offer, but:

- only to the extent that to which it is reasonable for investors and their professional advisers to expect to find this information in the Target's Statement; and
- only if the information is known to any SRG Director.

The SRG Directors are of the opinion that the information that SRG Security Holders and their professional advisers would reasonably require to make an informed assessment whether to accept Transurban's Offer is:

- the information contained in the Bidder's Statement (to the extent that the information is not inconsistent or superseded by information in this Target's Statement);
- the information contained in the SRG's releases to the ASX, and in the documents lodged by SRG with ASIC on or before 8 January 2007, the last practicable date before the date of this Target's Statement; and
- the information contained in this Target's Statement.

The SRG Directors have assumed, for the purposes of the preparing this Target's Statement, that the information in the Bidder's Statement is accurate (unless they have expressly indicated otherwise in this Target's Statement). However, the SRG Directors do not take any responsibility for the contents of the Bidder's Statement and are not to be taken as endorsing, in any way, any or all statements contained in it.

12. ADDITIONAL INFORMATION

In deciding what information should be included in this Target's Statement, the SRG Directors have had regard to:

- the nature of the securities;
- the matters that SRG Security Holders may reasonably be expected to know;
- the fact that certain matters may reasonably be expected to be known to SRG Security Holder's professional advisers; and
- the time available to SRG to prepare this Target's Statement.

12.7 DATE AND APPROVAL OF THIS TARGET'S STATEMENT

This Target's Statement is dated 18 January 2007, which is the date it was lodged with ASIC. This Target's Statement was approved by a resolution of the SRG Directors. No SRG Director voted against the resolution authorising this Target's Statement.

13. GLOSSARY AND INTERPRETATION

13.1 GLOSSARY

A\$ OR \$	means Australian dollars
ACCEPTANCE AND TRANSFER FORM	means the Acceptance and Transfer Form enclosed with this Bidder's Statement
ALL SCRIP ALTERNATIVE	means the alternative form of the Offer Consideration set out in Section 10.1(b)(1) of the Bidder's Statement
ANNOUNCEMENT DATE	means the date on which Transurban announced publicly that Transurban Investments proposed to make its Offer, being 14 December 2006
ASIC	means the Australian Securities and Investments Commission
ASSOCIATE	has the same meaning as in the Corporations Act
ASTC	ASX Settlement and Transfer Corporation Pty Limited ABN 49 008 504 532
ASX	means the ASX Limited ABN 98 008 624 691 or the securities market that it operates as the context requires
ASX LISTING RULES	means the listing rules of the Australian Securities Exchange, as amended or replaced from time to time
ATO	means the Australian Taxation Office
BIDDER'S STATEMENT	means the Bidder's Statement dated 21 December 2006 lodged by Transurban with ASIC on that date
BOARD	means the boards of directors of SRL and SRML
BUSINESS DAY	means a day which is not a Saturday, Sunday or public holiday in Sydney or Melbourne
CASH COMPONENT	means the cash component of the Offer Consideration due to those persons who accept the Cash Pool Alternative, calculated in accordance with Section 10.1(c)(1) of the Bidder's Statement
CASH POOL ACCEPTANCES	has the meaning given in Section 10.2(b) of the Bidder's Statement
CASH POOL ALTERNATIVE	means the alternative form of the Offer Consideration set out in Section 10.1(b)(2) of the Bidder's Statement
CGT	means capital gains tax as defined in Income Tax Assessment Act 1997 (Cth)
CHESS	means Clearing House Electronic Sub-register System
CHESS HOLDING	means a number of securities which are registered on the SRG Securities register being a securities register administered by the Securities Clearing House and which records uncertificated holdings of SRG Securities
CITYLINK OR MELBOURNE CITYLINK	means the toll road linking the north-western and south-eastern suburbs of Melbourne, Victoria
COMMISSIONER	means the Australian Commissioner of Taxation
CORPORATE DIRECTORY	means the corporate directory set out on the inside back cover of this Target's Statement
CORPORATIONS ACT	means the Corporations Act 2001 (Cth)

13. GLOSSARY AND INTERPRETATION

DEFEATING CONDITION	means the conditions specified in Section 10.9 of the Bidder's Statement
ED	means the Eastern Distributor toll road located in Sydney, New South Wales
FIRST TRANCHE PAYMENT	has the meaning given in Section 10.2(b)(2)(A) of the Bidder's Statement
FOREIGN SECURITY HOLDER	means an SRG Security Holder whose address as shown in SRG's register of SRG Security Holders is a place outside Australia, its External Territories and New Zealand or outside any other place where Transurban is satisfied that it is not unlawful for Transurban to issue Transurban Securities to the relevant holder
FREE CASH	means cash available for distribution to ordinary security holders
HILLS	means Hills Motorway Group
HILLS M2	means the Hills M2 Motorway, located in Sydney, New South Wales
HILLS MOTORWAY GROUP OR HILLS	means the Hills Motorway Limited ABN 28 062 329 828 and the Hills Motorway Trust ARSN 091 882 101, the Responsible Entity of which is Hills Motorway Management Limited ABN 89 064 687 645
IPO	means initial public offering
ISSUER SPONSORED HOLDING	means a holding in the issuer sponsored sub-register, being that part of the register for a class of CHESS approved securities that is administered by the issuer (and not ASTC) and records uncertificated holdings of securities
M4	means the M4 Motorway, located in Sydney, New South Wales
M4 PROJECT DEED	means the project deed between Statewide Roads (M4) Pty Limited ABN 55 003 886 824, Statewide Roads Limited ABN 22 003 573 573, the ultimate holding vehicle for the M4, as the case may be, the RTA, and the Responsible Minister, dated 15 December 1989
M5	means the M5 Motorway, located in Sydney, New South Wales
MACQUARIE BANK LIMITED	means Macquarie Bank Limited ACN 008 583 542
MACQUARIE INFRASTRUCTURE GROUP OR MIG	means Macquarie Infrastructure Group, comprised of Macquarie Infrastructure Trust (I) ARSN 092 863 780, Macquarie Infrastructure Trust (II) ARSN 092 863 548, and Macquarie Infrastructure Group International Limited ARBN 112 684 885
MERGER IMPLEMENTATION AGREEMENT	means the agreement between SRG and Transurban summarised in Section 9.3 of the Bidder's Statement
OFFER	means the offer contained in Section 10 of the Bidder's Statement
OFFER CONSIDERATION	means the consideration described in Section 10 of the Bidder's Statement
OFFER PERIOD	has the same meaning as in the Offer
OFFER PRICE	has the same meaning as in the Offer
POCAHONTAS OR THE PARKWAY	means the Pocahontas Parkway, located near Richmond, Virginia, United States of America
RELEVANT INTEREST	has the same meaning as given by Sections 608 and 609 of the Corporations Act

RESPONSIBLE ENTITY	means a person who acts as a responsible entity under Chapter 5C of the Corporations Act
RIGHTS	means all accretions, rights or benefits of whatever kind attaching to or arising from the SRG Securities directly or indirectly at or after the date of the Bidder's Statement including, without limitation, all distributions and all rights to receive them or rights to receive or subscribe for units, notes, bonds, options or other securities declared, paid or issued by SRG, but does not include the distribution to be paid on 28 February 2007
RTA	means Roads and Traffic Authority of New South Wales
SECOND CALCULATION DATE	has the meaning given in Section 10.2(f) of the Bidder's Statement
SECOND PAYMENT DATE	has the meaning given in Section 10.2(b)(2)(B) of the Bidder's Statement
SECOND TRANCHE PAYMENT	has the meaning given by Section 10.2(e) of the Bidder's Statement
SECURITIES	means stapled securities in SRG, each comprising one security in SRL and one unit in SRT
SRG	means Sydney Roads Group, a stapled group comprising SRL and SRT
SRG DEMERGER	means the in specie distribution of Sydney Roads Group Securities to MIG Security Holders on 1 August 2006
SRG DIRECTORS AND YOUR DIRECTORS	means the directors of SRL and SRML
SRG PROSPECTUS AND PDS	means the replacement prospectus and product disclosure statement issued by SRG dated 26 June 2006
SRG SECURITY	means a stapled security in SRG, comprising one SRL Share and one SRT Unit
SRG SECURITY HOLDER	means a holder of SRG Securities
SRL	means Sydney Roads Limited ABN 53 119 323 901
SRML	means Sydney Roads Management Limited ABN 74 078 327 983, as the Responsible Entity of SRT
SRT	means Sydney Roads Trust ARSN 119 766 540
SRT UNIT	means a unit in SRT
STANDARD PAYMENT DATE	has the meaning given in Section 10.2(a) of the Bidder's Statement
TARGET'S STATEMENT	means this Target's Statement dated 18 January 2007
TRANSITION RESOURCES AGREEMENT	means the Transition Resources Agreement entered into between Macquarie Bank Limited, SRL and SRML dated 20 June 2006
TRANSURBAN	means Transurban Group, a stapled group comprising Transurban Holdings Limited ABN 86 098 143 429, Transurban International Limited and Transurban Holding Trust ARSN 098 807 419, a registered managed investment scheme of which Transurban Infrastructure Management Limited ABN 27 098 147 678 is the Responsible Entity
TRANSURBAN HOLDINGS LIMITED	means Transurban Holdings Limited ABN 86 098 143 429

13. GLOSSARY AND INTERPRETATION

TRANSURBAN INFRASTRUCTURE MANAGEMENT LIMITED	means Transurban Infrastructure Management Limited ABN 27 098 147 678 in its capacity as the Responsible Entity of Transurban Holding Trust
TRANSURBAN INTERNATIONAL LIMITED	means Transurban International Limited ARBN 121 746 825
TRANSURBAN INVESTMENTS	means Transurban Investments Pty Limited ABN 31 112 649 466 as nominee for Transurban Holdings Limited and Transurban Infrastructure Management Limited (as the Responsible Entity of Transurban Holding Trust)
TRANSURBAN SECURITY	means one share in Transurban International Limited, one share in Transurban Holdings Limited and one unit in Transurban Holding Trust which are stapled together
TRANSURBAN SECURITY HOLDER	means a holder of Transurban Securities
VWAP	means volume weighted average price
WESTLINK M7	means the Westlink M7 Motorway in Sydney, New South Wales described in Section 1.1 of the Bidder's Statement

13.2 INTERPRETATION

Unless specified otherwise, or otherwise required by the context, all words and phrases in this Target's Statement shall have the meanings given to them in the Corporations Act.

Headings are for convenience only and do not affect interpretation. The following rules apply unless the context requires otherwise:

- the singular includes the plural and conversely;
- a gender includes all genders;
- if a word or phrase is defined, its other grammatical forms have a corresponding meaning;
- a reference to a person includes a body corporate, an unincorporated body or other entity and conversely; and
- a reference to legislation or to a provision of legislation includes a modification or re-engagement of it, a legislative provision substituted for it and a regulation or statutory instrument issued under it.

CORPORATE DIRECTORY

Sydney Roads Group

Sydney Roads Limited
Level 22
135 King Street
Sydney NSW 2000
Australia

Sydney Roads Trust
Level 22
135 King Street
Sydney NSW 2000
Australia

Responsible Entity of Sydney Roads Trust

Sydney Roads Management Limited
Level 22
135 King Street
Sydney NSW 2000
Australia

Sydney Roads Group Website

www.sydneyroadsgroup.com

Transurban Offer Information Line

1300 554 392 (inside Australia)
+61 3 9415 4309 (outside Australia)

Legal Adviser

Baker & McKenzie
Level 27
AMP Centre
50 Bridge Street
Sydney NSW 2000
Australia

