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FOR RELEASE TO MARKET
TRANSPACIFIC TO SELL ITS NEW ZEALAND BUSINESS
TO BEIJING CAPITAL GROUP FOR NZ\$950 MILLION

Transpacific Industries Group Ltd (ASX:TPI) today announces that it has entered into an agreement to sell its New Zealand business to a wholly owned subsidiary of the Beijing Capital Group for NZ\$950 million (approximately A\$880 million).

Beijing Capital Group, a long standing member of China's Top 500 Enterprises, is one of China's leading State owned infrastructure enterprises with specialist expertise in water treatment, waste management, mass transit railway and toll roads. In addition, Beijing Capital Group is one of China's most prominent real estate developers. Beijing Capital Group had in December 2013 total assets and revenues exceeding US\$21 billion and US\$3.7 billion respectively and employs around 20,000 people across its regional and international businesses.

Completion of the sale is expected to occur by the end of June 2014 subject to the satisfaction of a small number of customary conditions precedent, including obtaining consent from the New Zealand Overseas Investment Office and Chinese regulatory approvals. These processes have commenced.

Proceeds from the sale will allow TPI to redeem the Step-up Preference Securities (ASX:TPAPA), refinance its syndicated debt facility and fund future investments with a strong capital base. The Company will also consider the resumption of dividends in the near term.

Robert Boucher, the CEO of Transpacific said, "The sale of our New Zealand business gives Transpacific increased financial flexibility. We will look to enhance our Australian waste management businesses, capture long term growth opportunities and generate improved shareholder value.

"Transpacific New Zealand is a solid business. Managing Director Tom Nickels and his team have done an excellent job in managing the operations.

"Beijing Capital Group is focused on investing in and developing the New Zealand business. We wish them and the Transpacific New Zealand staff well," said Mr Boucher.

Deutsche Bank acted as financial advisor and Chapman Tripp, Ashurst and Guantao Law Firm acted as legal advisors on the sale.

END**Investor and Media Relations:**

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