

APPENDIX 4E

Preliminary final report for the year ended 30 June 2010

RESULTS FOR ANNOUNCEMENT TO THE MARKET

1. Details of the reporting period

The information contained in this report is for the full year ended 30 June 2010 and the previous corresponding period 30 June 2009.

2. Results for announcement to the market

	2010	2009		
	\$'000	\$'000	Up/down	% movement
Revenue from ordinary activities	2,071,420	2,199,031	Down	(6%)
Operating EBITDA	422,964	447,337	Down	(5%)
Irregular items ¹	-	9,022		
Reported EBITDA	422,964	456,359	Down	(7%)
Depreciation and amortisation	(168,571)	(143,827)		
EBIT	254,393	312,532		
Net financing costs	(166,780)	(188,058)		
Profit before tax, associates and significant items	87,613	124,474	Down	(30%)
Share of associates	1,373	2,516		
Borrowing and other costs ²	-	(27,200)		
Non-cash items ³	(5,874)	(9,448)		
Significant items ⁴	8,924	(328,117)		
Profit/(loss) before tax	92,036	(237,775)	Up	N/A
Tax (expense)/benefit	(19,300)	21,668		
NPAT/(NLAT) from ordinary operations	72,736	(216,107)		
Non-controlling interest	(1,575)	(2,249)		
NPAT/(NLAT) attributable to equity holders of Transpacific	71,161	(218,356)	Up	N/A
Distribution to Step-up preference security holders	(12,125)	(19,050)	Down	(36%)
NPAT/(NLAT) attributable to TPI shareholders	59,036	(237,406)	Up	N/A

1. Irregular items are recurring but may not occur each year and may also be large in size.

2. Borrowing and other costs relate to:

- write off of \$23.2m of capitalised costs associated with Transpacific's existing Syndicated Facility due to facility renegotiation; and
- \$4m of costs associated with the amendment and waiver of prior breaches of the Syndicated Facility and USPP.

3. Non-cash items include employee options expense, amortisation of convertible note premium and gain on acquisition of businesses.

4. Significant items include impairment of listed investments, hedges and assets, provision re-estimates, termination and litigation expenses.

TRANSPACIFIC INDUSTRIES GROUP LTD

Dividend information

No interim dividend was paid.

The Transpacific Board has decided not to declare a final dividend in FY2010.

Transpacific has previously agreed to certain restrictions on the payment of future dividends with the Cornerstone Investor (Warburg Pincus) and Transpacific's syndicate banks and USPP note holders. As a result of the restrictions in the Process Deed, the Amended Facility Agreement and the amendments to the USPP, Transpacific does not expect to declare a FY2011 interim dividend.

These restrictions are consistent with the Company's intention to adopt a dividend policy which is focused on cashflow management having regard to various factors including the prevailing economic conditions, capital expenditure requirements and opportunities, acquisition opportunities and debt management.

Brief explanation of any of the figures outlined above necessary to enable figures to be understood:

Significant items include:	2010	2009
	\$000	\$000
Impairment of available for sale assets	-	(52,505)
Change in fair value of derivative financial instruments	21,724	(76,378)
Change in fair value of warrants	(10,029)	-
Impairments of intangible assets	-	(153,682)
Provision re-estimates	-	(43,274)
Other items	<u>(2,771)</u>	<u>(2,278)</u>
	<u>8,924</u>	<u>(328,117)</u>

Refer to Results Presentation release for further details.

TRANSPACIFIC INDUSTRIES GROUP LTD
Statement of Comprehensive Income
For the year ended 30 June 2010

3. Statement of Comprehensive Income

	Notes	Consolidated 2010 \$'000	Consolidated 2009 \$'000
Revenue and other income	A	2,076,470	2,215,220
Other expenses	B	(1,652,974)	(1,803,820)
Depreciation and amortisation expenses		(168,571)	(143,827)
Finance costs		(175,957)	(225,299)
Profit from operating activities		78,968	42,274
Shares of net profits of associates and joint venture partnership accounted for using the equity method		1,373	2,516
Change in the fair value of derivative financial instruments		11,695	(282,565)
Profit/(loss) before income tax		92,036	(237,775)
Income tax (expense)/benefit		(19,300)	21,668
Profit/(loss) from continuing operations after tax		72,736	(216,107)
Attributable to:			
Ordinary equity holders of the parent		59,036	(237,406)
Non-controlling interest		1,575	2,249
Distribution to step up preference security holders		12,125	19,050
Profit/(loss) from continuing operations after tax		72,736	(216,107)

TRANSPACIFIC INDUSTRIES GROUP LTD
Statement of Comprehensive Income
For the year ended 30 June 2010

3. Statement of Comprehensive Income (continued)

	Notes	Consolidated	
		2010 \$'000	2009 \$'000
Profit/(loss) for the period		72,736	(216,107)
Other comprehensive income			
Cash flow hedges			
Net gain/(loss) taken to equity		1,126	(207)
Translation of foreign operations			
Exchange differences taken to equity		1,692	11,314
Revaluation of assets			
Revaluation of available for sale assets		2,747	3,704
Net (loss)/income recognised directly in equity		5,565	14,811
Total comprehensive income for the period		78,301	(201,296)
Attributable to:			
Equity holders of the parent		64,601	(222,595)
Non-controlling interest		1,575	2,249
Step up preference security holders		12,125	19,050
Total comprehensive income for the period		78,301	(201,296)

TRANSPACIFIC INDUSTRIES GROUP LTD
Notes to Statement of Comprehensive Income
For the year ended 30 June 2010

3. Statement of Comprehensive Income (continued)

Note A: Revenues and Other Income	2010	2009
	\$'000	\$'000
Revenue		
Sales of goods and services	2,049,270	2,172,247
Product Stewardship Oil benefits	16,233	15,615
Other revenue	5,917	11,169
	2,071,420	2,199,031
Other income		
Gain on acquisition of businesses	1,021	-
Gain on sale of business	1,000	873
Profit on sale of convertible bond	-	8,767
Foreign-currency exchange gains - realised	143	277
Gain on disposal of property, plant and equipment	310	3,060
Interest revenue	2,576	3,212
	5,050	16,189
Total Revenue and Other Income	2,076,470	2,215,220
 Note B: Expenses from ordinary activities		
Cost of sales	726,684	851,070
Employee expenses	567,221	570,270
Repairs and maintenance	98,796	90,740
Fuel purchases	63,881	68,746
Leasing charges	53,685	51,356
Freight	25,602	24,000
Other expenses from ordinary activities	117,105	147,638
	1,652,974	1,803,820

TRANSPACIFIC INDUSTRIES GROUP LTD
Statement of Financial Position
As at 30 June 2010

4.a. Statement of Financial Position

	Notes	Consolidated	
		2010 \$'000	2009 \$'000
Current assets			
Cash assets		140,954	70,115
Trade and Other Receivables		280,709	352,103
Current tax assets		14,520	10,058
Inventories		157,019	151,757
Derivative financial instruments		18,635	41,346
Other		12,298	10,822
Total current assets		<u>624,135</u>	<u>636,201</u>
Non-current assets			
Investments accounted for using the equity method		18,987	18,096
Other financial assets		23,942	21,195
Property, plant and equipment		1,128,009	1,092,233
Deferred tax assets		71,365	67,695
Intangible assets		2,412,865	2,415,357
Total non-current assets		<u>3,655,168</u>	<u>3,614,576</u>
Total assets		<u>4,279,303</u>	<u>4,250,777</u>
Current liabilities			
Trade and Other Payables		218,003	251,648
Borrowings		47,269	2,421,678
Employee benefits		42,791	34,198
Provisions		20,667	17,075
Derivative financial instruments		31,440	87,028
Other		19,659	20,314
Total current liabilities		<u>379,829</u>	<u>2,831,941</u>
Non-current liabilities			
Borrowings		1,654,924	32,801
Deferred tax liabilities		31,046	20,205
Employee Benefits		9,774	8,178
Other – deferred income		1,136	1,318
Total non-current liabilities		<u>1,696,880</u>	<u>62,502</u>
Total liabilities		<u>2,076,709</u>	<u>2,894,443</u>
Net assets		<u>2,202,594</u>	<u>1,356,334</u>
Equity			
Parent entity interest			
Issued Capital	A	1,821,646	1,092,971
Reserves	B	56,823	(9,928)
Retained profits		64,815	5,779
Total parent entity interest		<u>1,943,284</u>	<u>1,088,822</u>
Non-controlling interest		9,464	17,666
Step up preference security holders		249,846	249,846
Total equity		<u>2,202,594</u>	<u>1,356,334</u>

TRANSPACIFIC INDUSTRIES GROUP LTD
Statement of Financial Position
As at 30 June 2010

4.a. Statement of Financial Position (continued)

	Consolidated	
	2010	2009
Note A: Issued Capital		
	\$'000	\$'000
Ordinary shares		
Opening balance	1,041,383	919,450
Issued during the year:		
- dividend reinvestment plan and underwrite agreement	-	49,440
- shares issued for equity raising	750,218	-
- shares issued on repurchase of convertible bonds	-	6,601
- shares issued under business acquisition contracts	-	30,802
- exercise of share options	-	22,203
- exercise of employee share options	-	13,529
- transaction costs	(21,543)	(642)
Closing balance	1,770,058	1,041,383
Convertible notes equity component		
	\$'000	\$'000
Opening balance	51,588	51,951
Repurchase of convertible notes	-	(363)
Closing balance	51,588	51,588
TOTAL ISSUED CAPITAL	1,821,646	1,092,971
Ordinary shares		
	No.	No.
Opening balance	310,981,126	287,219,707
Shares issued during the year:		
- dividend reinvestment plan and underwrite agreement	-	8,297,105
- shares issued for equity raising	649,657,609	-
- shares issued on repurchase of convertible bonds	-	1,725,838
- shares issued under business acquisition contracts	-	4,651,690
- exercise of share options	-	6,950,000
- exercise of employee share options	-	2,136,786
Closing balance	960,638,735	310,981,126
Note B: Reserves		
	\$'000	\$'000
Asset revaluation reserve	39,499	36,753
Warrants reserve	60,892	-
Foreign currency translation reserve	(43,458)	(45,151)
Employee benefits reserve	884	590
Hedging reserve	(994)	(2,120)
	56,823	(9,928)

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Cash Flow Statement

For the year ended 30 June 2010

5. Cash flow Statement

	Notes	Consolidated 2010 \$'000	Consolidated 2009 \$'000
Cash flows from operating activities			
Receipts from customers and PSO subsidy		2,317,993	2,421,979
Payments to suppliers and employees		(1,859,138)	(2,015,011)
		458,855	406,968
Interest received		2,576	3,212
Other revenue		8,391	15,378
Interest paid		(158,227)	(189,016)
Income taxes paid		(21,757)	(34,911)
Net cash inflow from operating activities	(a)	289,838	201,631
Cash flows from investing activities			
Payment for purchase of business		(6,901)	(55,868)
Payments for property, plant and equipment		(134,416)	(162,480)
Payments for investments, net of cash acquired		-	(97)
Proceeds from sale of business		2,000	2,014
Proceeds from sale of property, plant and equipment		11,883	4,198
Net cash (outflow) from investing activities		(127,434)	(212,233)
Cash flows from financing activities			
Proceeds from issue of equity		801,080	69,901
Payment of dividends to minority shareholders		(1,156)	(1,691)
Payment of Step-up securities distribution		(12,125)	(19,050)
Payment of ordinary shareholder dividends		-	(29,621)
Dividend reinvestment plan and underwrite		-	6,871
Payment of debt and equity raising costs		(48,712)	(7,999)
Buy back of convertible notes		-	(18,325)
Repayment of hedges		(29,169)	-
Proceeds from borrowings		2,371	78,458
Repayment of borrowings		(711,562)	(76,950)
Net movement in trade finance		(65,830)	43,016
Repayment of loans (to)/ by related parties		(1,874)	(780)
Distributions from associates		2,345	1,420
Repayment of lease liabilities		(27,439)	(23,017)
Net cash inflow (outflow) from financing activities		(92,071)	22,233
Net increase (decrease) in cash held		70,333	11,631
Cash at the beginning of the financial year		70,115	58,126
Effects of exchange rate changes on cash		506	358
Cash at the end of the financial year		140,954	70,115
(a) Reconciliation of cash flow from operating activities			
Profit/(loss) for the period		72,736	(216,107)
Non-cashflows in profit from ordinary activities			
Options expense		294	2,619
Gain on acquisition of businesses		(1,021)	-
Gain on sale of business		(1,000)	(947)
Amortisation		5,742	3,614
Depreciation		162,829	140,213
Other non cash items		1,472	336,027
Distribution received		-	710
Net gain on disposal of property, plant and equipment		(310)	(3,408)
Share of associated company's net profit		(1,373)	(2,516)
Changes in assets and liabilities:			
(Increase)/decrease in receivables		43,227	8,460
(Increase)/decrease in other assets		23,154	(382)
(Increase)/decrease in inventories		23,924	15,408
Increase/(decrease) in payables		(46,706)	(47,484)
Increase/(decrease) in income tax payable		(9,249)	(11,842)
(Increase)/decrease in deferred taxes		11,756	(14,994)
Increase/(decrease) in other liabilities		(837)	(4,333)
Increase/(decrease) in provisions		5,200	(3,407)
Net cash (outflow) from operating activities		289,838	201,631

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6. Dividend disclosures

	Date dividend payable	Amount per security	Franking %	Amount per security of foreign source dividend
Final dividend				
2010	N/A	N/A	N/A	N/A
2009	N/A	N/A	N/A	N/A
2008	24 October 2008	10.1 cents	100%	N/A
2007	26 October 2007	6.7 cents	100%	N/A
2006	27 October 2006	5.1 cents	100%	N/A
Interim dividend				
2010	N/A	N/A	N/A	N/A
2009	N/A	N/A	N/A	N/A
2008	17 April 2008	8.0 cents	100%	N/A
2007	4 May 2007	5.0 cents	100%	N/A
2006	4 May 2006	4.2 cents	100%	N/A
Total				
2010		N/A		
2009		N/A		
2008		18.1 cents		
2007		11.7 cents		
2006		9.3 cents		

7. Details of dividend reinvestment plans

The Transpacific Industries Group Ltd Dividend Reinvestment Plan is in operation, however no FY2010 dividend has been declared.

8. Reconciliation of retained profits

	30 June 10 \$'000	30 June 09 \$'000
Retained profits at beginning of year	5,779	272,806
Net profit attributable to members of the parent entity	71,161	(218,356)
Distribution paid to Step up preference security holders	(12,125)	(19,050)
Dividends paid	-	(29,621)
Retained profits at end of year	<u>64,815</u>	<u>5,779</u>

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9. NTA backing

	30 June 10 Cents	30 June 09 Cents
Net tangible asset backing per ordinary security	(21.89)	(340.54)

During the period Transpacific improved its net tangible asset position with an equity raising and debt repayment in August 2009.

A deficiency in net tangible assets is attributable to Transpacific's large holdings of intangible assets.

Net tangible asset backing for 2009 based on the proforma balance sheet and share issue following equity raising is (28.64) cents.

10. Details of entities over which control has been gained and businesses acquired during the period

During the year Transpacific acquired the remaining share of the following entities and thereby gained control:

- Western Star Truck Centre Trust remaining 50% share holding was acquired on 1 July 2010.
- Superior Pak Ltd remaining 50% share holding was acquired on 26 February 2010.

During the year Transpacific acquired several businesses. The results of these businesses on an individual basis are immaterial to the results of the Group. Details of the aggregate cash outflow relating to the acquisitions combined are set out on the following page.

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Details of entities over which control has been gained and businesses acquired during the period (continued)

Details of the aggregate cash outflow relating the acquisition of businesses and the aggregate assets and liabilities of those businesses at the date of acquisition were as follows:

	2010	2009
Fair value of Net Assets Acquired:	\$'000	\$'000
Cash and cash equivalents	1,276	676
Receivables	-	3,320
Inventory	30,239	2,211
Other current assets	5,273	2,618
Investments in associates	(165)	1,700
Property, plant and equipment	4,770	13,930
Deferred tax assets	-	-
Intangibles	-	-
	41,393	24,455
Trade creditors and other payables	(30,287)	(2,027)
Employee entitlements	(1,972)	(1,858)
Borrowings	-	-
Other liabilities	(7,251)	(792)
Provisions	-	-
	(39,510)	(4,677)
Fair value of net assets	1,883	19,778
Profit on acquisition	(1,021)	-
Non-controlling interest	8,621	-
Goodwill arising on acquisition	2,038	36,740
	11,521	56,518
Consideration paid:		
Shares issued	-	2,456
Cash consideration and costs associated with the acquisition	11,521	54,062
Total consideration paid	11,521	56,518
The cash outflow on acquisition is as:		
Net cash acquired	1,276	676
Costs associated with the acquisition	(11,521)	(54,062)
Deferred settlements	4,600	570
	(5,645)	(52,816)

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11. Details of associates and joint venture entities

Name of entity	% of ownership interest held	% of ownership interest held	Contribution to net profit	Contribution to net profit
	30 June 10	30 June 09	30 June 10 \$'000	30 June 09 \$'000
Western Resource Recovery Pty Ltd	50%	50%	1,037	913
Total Waste Management Pty Ltd	50%	50%	(54)	(4)
ERS Co Pty Ltd	49%	49%	-	-
Western Star Truck Centre Trust ⁽¹⁾	100%	50%	n/a	-
Otago Southland Waste Services Ltd	50%	50%	201	228
Living Earth Ltd	50%	50%	173	967
Midwest Disposals Ltd	50%	50%	533	543
Pikes Point Transfer Station Ltd	50%	50%	135	149
Wellington Waste Disposal Pty Ltd	50%	50%	-	127
Wonthaggi Recyclers Pty Ltd	50%	50%	389	336
Enviroway Ltd	-	-	-	484
Earthpower Technologies Sydney Pty Ltd	50%	50%	(1,018)	(1,172)
Oilstream Partners Pty Ltd	-	50%	-	-
Superior Pak Ltd ⁽²⁾	100%	50%	(23)	(55)

(1) 100% ownership acquired 1 July 2010

(2) 100% ownership acquired 26 February 2010

12. Any other significant information needed by an investor to make an informed assessment of the entity's financial performance and financial position.

Refer to Results Presentation release

13. N/A

TRANSPACIFIC INDUSTRIES GROUP LTD

14. Commentary on the results for the period.

Significant features of operating performance

Contributions from the business divisions are as follows (refer results presentation release for further detail):

	\$'000	\$'000
	30 June 2010	30 June 2009
Liquid Waste management		
Sales Revenue	167,710	183,328
EBIT	30,350	40,000
Organics/Remediation		
Sales Revenue	16,889	16,395
EBIT	1,396	917
Energy		
Sales Revenue	105,962	113,015
EBIT	31,103	30,808
Industrial Solutions		
Sales Revenue	287,374	295,225
EBIT	20,597	31,067
Manufacturing		
Sales Revenue	73,012	71,162
EBIT	4,550	8,963
Solid Waste		
Sales Revenue	1,023,628	1,038,062
EBIT	150,018	168,174
Commercial Vehicles Group		
Sales Revenue	374,695	455,060
EBIT	25,878	28,085
Total business segments		
Sales Revenue	2,049,270	2,172,247
EBIT	263,892	308,014

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Unallocated	30 June 10	30 June 09
Sales Revenue	-	-
EBIT	(9,499)	4,518
TOTAL	30 June 10	30 June 09
Sales Revenue	2,049,270	2,172,247
EBIT	254,393	312,532

Earnings per share and the nature of any dilution aspects

	30 June 10	30 June 09
	Cents	Cents
Basic earnings per share	6.7	(77.9)
Diluted earnings per share	6.6	(77.9)
	No.	No.
Number of ordinary shares used in the calculation of basic earnings per share	883,487,199	304,615,091
Effect of executive and other share options on issue	9,876,121	-
Number of ordinary shares used in the calculation of diluted earnings per share	893,363,320	304,615,091

15. Compliance statement regarding Audit

This report is based on accounts which are in the process of being audited.

Sign here: 
 (Company Secretary)
 Print name: Kellie Smith

Date: 25 August 2010