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FOR RELEASE TO MARKET

TRANSPACIFIC INDUSTRIES GROUP FY13 FINAL RESULTS

Transpacific Industries Group Ltd (ASX:TPI) today announced a statutory loss after tax attributable to ordinary equity holders of $218.7 million for the year ended 30 June 2013, compared to a profit of $12.5 million for the previous corresponding period. Included in the statutory loss were significant items totalling $286.6 million after tax.

The significant items include non-cash impairments of $276.8 million flowing from the initial implementation of the Business and Operational Review and weaker market conditions and increased remediation costs in the Company's Post Collections business.

Underlying profit after income tax attributable to ordinary equity holders was $67.9 million, an increase of 17.1% over the previous corresponding period.

Financial Overview

- $412.2 million of underlying EBITDA, in line with 3 June 2013 guidance of $405-415 million
- $105 million of debt repaid and net debt reduced to <$1 billion at 30 June 2013
- $35.9 million or 23.6% reduction in underlying net interest expense
- Underlying earnings per share steady at 4.3 cents
- $282.4 million of operating cash flow, an increase of 4.6%

Operational Overview

- 47% reduction in total recordable injury frequency rate
- Business and Operational Review implementation underway with a number of non-core or under-performing branches identified for proposed sale or closure
- Achievement of the first $15 million of the $50 million of sustainable cost reductions to be realised over three years as described in February 2013 half year results presentation
- Revenue growth in Cleanaway's Commercial & Industrial and Municipal businesses, although volumes and revenue weaker in the Post Collections business
- Industrials division continues to be impacted by the poor market conditions across Australian mining, industrial and manufacturing sectors
- New Zealand trading conditions subdued but improved during the second half
- Announced sale of Commercial Vehicles Group (CVG) for $219 million (subject to completion adjustments) – profit after tax on sale of approximately $85 million to be recorded in FY14

Kevin Campbell, CEO of Transpacific said, "While we continue to transform and reshape the group, our businesses have faced tough trading conditions this year and the results are disappointing. During FY14 we will continue to maintain our focus on sustainable cost reductions and seeking through the Business and Operational Review to take steps to improve the long term performance of our waste management businesses. The proposed sale or closure of non-core or under-performing branches is a step in this journey."

Commenting on the outlook for FY14, Mr Campbell said, "Market conditions are expected to remain similar to those experienced in the second half of FY13."

Business and Operational Review

In early June 2013, the Company announced it was undertaking a detailed Business and Operational Review across its waste management businesses with the assistance of L.E.K. Consulting. This review will lead to operational performance improvement, shape the Company's future portfolio strategy and influence capital allocation decisions. Management and the Board are currently considering these opportunities in more detail.

Initially, the Review has identified 42 branches across Australia and New Zealand that are either non-core or under-performing and are proposed to be sold or closed. These operations represent 13% of the Company's branch network but only contributed 7% of waste management revenue and 0% of EBIT in FY13. The proposed sale or closure of these operations will enhance the focus on core waste management operations and streamline and reduce the complexity of the Company.

Divisional Overview

In Cleanaway, collection volumes were in line with the previous year. Revenue growth was achieved by the Commercial & Industrial and Municipal businesses but much of the benefit was offset by weak commodity prices. Softer economic conditions resulted in lower landfill volumes, particularly in NSW, Victoria and South Australia, which had a significant impact on Cleanaway's revenue and overall margins.

In Industrials Australia, poor trading conditions across the Australian mining, industrial and manufacturing sector continued to affect the results. Weakness across these sectors, particularly in the second half of the year, resulted in a decline in maintenance and shutdown projects as well as reductions in higher margin liquid wastes being processed.

In New Zealand, trading conditions improved during the second half in both the Auckland and Christchurch markets. Commodity volumes and prices, a substantial driver of earnings, were down on the previous year. Industrial markets remain weak.

The Commercial Vehicles business recorded good revenue and profit growth as demand for heavy duty vehicles increased and market shares were maintained.

Significant Items

Significant items totalled $286.6 million on an after tax basis.

The largest proportion of this amount resulted from the Company's annual impairment testing process, after which the Board decided to write down the carrying value of certain non-current assets by $276.8 million after tax.

Specifically, $136.9 million after tax was attributable to the write-down of the branches that have been identified through the Business and Operational Review for proposed sale or closure.

In addition, the Company has written down the carrying value of its Post Collections business by 50%, equivalent to $139.9 million after tax, reflecting the difficult market conditions encountered this year and higher future remediation costs. However, Post Collections remains an integral part of the Company's waste management business model.

CEO Search

The search for a CEO to replace Kevin Campbell is progressing well and the Board expects to finalise an appointment in the near term.

Appendix 1. Reconciliation From Statutory Profit After Income Tax to Underlying Profit After Income Tax

A$ million	FY13	FY12
Statutory (Loss)/Profit From Continuing Operations After Income Tax (Attributable to Ordinary Equity Holders)	**(218.7)**	12.5
Impairment of assets	**325.0**	-
Settlement of, and legal costs associated with, shareholder actions	**0.1**	37.9
Restructuring costs, including redundancy	**9.0**	11.5
Costs associated with Business and Operational Review	**7.3**	-
Refund of prior periods' tax credits	**(7.9)**	-
Net (gain)/loss from disposal of investments and properties	**15.9**	(7.4)
Total Underlying Adjustments to EBITDA	**349.4**	42.0
Write off of establishment costs associated with former debt facilities	-	17.2
Accelerated amortisation of Convertible Notes and redemption costs	**0.3**	16.5
Changes in fair value of derivative financial instruments	**(12.5)**	15.6
Total Underlying Adjustments to Finance Costs	**(12.2)**	49.3
Amendments to prior year tax claims	-	(8.8)
Over-provision of income tax related to prior periods	-	(13.0)
Tax impacts of Underlying Adjustments to EBITDA and finance costs	**(50.6)**	(24.0)
Total Underlying Adjustments to Income Tax	**(50.6)**	(45.8)
Total Underlying Adjustments	**286.6**	45.5
Underlying Profit After Income Tax (Attributable to Ordinary Equity Holders)	**67.9**	58.0

Note: Refer to pages 6 and 7 of the 30 June 2013 Director's Report for detailed explanations of the above Underlying Adjustments

Appendix 2. Divisional Underlying Results

A$ million	Revenue			EBITDA			EBIT		
	FY13	FY12	% change	FY13	FY12	% change	FY13	FY12	% change
Cleanaway Australia	**924.7**	904.9	2.2%	**194.2**	203.8	-4.7%	**92.4**	110.1	-16.1%
Industrials Australia	**523.6**	543.2	-3.6%	**107.4**	125.1	-14.1%	**75.0**	82.1	-8.6%
New Zealand (NZ$)	***437.9***	*433.8*	*0.9%*	***98.0***	*108.0*	*-9.2%*	***57.9***	*68.8*	*-15.8%*
New Zealand (A$)	**351.0**	338.0	3.8%	**78.6**	84.1	-6.6%	**46.5**	53.6	-13.3%
Associates	**-**	-	-	**5.5**	2.9	91.2%	**5.5**	2.9	91.2%
Waste Management	**1,799.3**	1,786.1	**0.7%**	**385.7**	415.9	**-7.3%**	**219.4**	248.7	**-11.8%**
Commercial Vehicles	**445.8**	427.3	4.3%	**35.8**	29.2	22.6%	**34.6**	27.8	24.3%
Manufacturing	**37.6**	53.8	-30.1%	**(2.2)**	(0.9)	>100%	**(2.2)**	(1.0)	>100%
Corporate & other	**11.3**	16.6	-32.2%	**(7.1)**	(4.0)	-77.6%	**(25.3)**	(23.3)	-8.6%
Total Group	**2,294.0**	2,283.8	**0.4%**	**412.2**	440.2	**-6.4%**	**226.5**	252.2	**-10.2%**
Constant Currency adjustment	***(9.8)***	*(5.0)*	*95.9%*	***(2.3)***	*(1.2)*	*89.5%*	***(1.3)***	*(0.8)*	*74.3%*
Total Group *	**2,284.2**	2,278.8	**0.2%**	**409.9**	439.0	**-6.6%**	**225.2**	251.4	**-10.4%**

Investor Briefing

The Company will be holding a teleconference briefing for **shareholders and analysts** on the results at **9.30am Sydney time** (AEST) today.

Presenters: CEO Mr Kevin Campbell
CFO Mr Stewart Cummins

Teleconference: Australia: 1800 123 296
International: +61 2 8314 8370

Quote Conference Code: **2634 2632**

Investor and Media Enquiries

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