Transpacific Industries Group Ltd
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APPENDIX 4D

2013 HALF-YEAR REPORT

RESULTS FOR ANNOUNCEMENT TO THE MARKET

1. Reporting Period

Reporting Period: 31 December 2013

Previous Corresponding Period: 31 December 2012

The 2013 Half-Year Consolidated Financial Report should be read in conjunction with the 2013 Annual Report.

2. Results For Announcement To The Market

	HALF-YEAR ENDED 31 DECEMBER 2013 $'M	HALF-YEAR ENDED 31 DECEMBER 2012 $'M	UP / DOWN	% MOVEMENT
Revenue from ordinary activities	**726.9**	**766.1**	Down	5.1%
Profit From Continuing and Discontinued Operations After Income Tax	**167.1**	**42.0**	Up	297.9%
Attributable To:				
Ordinary Equity holders of the Parent	**158.6**	**32.3**	Up	391.0%
Non-controlling interest	**0.5**	**0.7**		
Distribution to Step-up Preference Security holders	**8.0**	**9.0**	Down	11.1%
Profit From Continuing And Discontinued Operations After Income Tax	**167.1**	**42.0**	Up	297.9%

3. Dividends (Distributions)

No interim dividend has been paid during the period.

The Transpacific Board has decided not to declare an interim dividend for the half-year ended 31 December 2013.

Transpacific has previously agreed to certain restrictions on the payment of future dividends with Transpacific's syndicate banks and USPP note holders.

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

4. Net Tangible Assets ('NTA') Per Security

	31 DECEMBER 2013 CENTS	30 JUNE 2013 CENTS
NTA per security	60.6[1]	9.2

5. Entities Over Which Control Has Been Gained Or Lost During The Period

On 30 August 2013, the Consolidated Group lost control of Western Star Trucks Australia Pty Ltd, MAN Automotive Imports (NZ) Ltd, Man Automotive Imports Pty Ltd, Man Imports Pty Ltd and Western Star Truck Centre Trust (collectively known as the Commercial Vehicles Group) due to the sale of the Commercial Vehicles Group. Refer to Note 5 in the 2013 Half-Year Consolidated Financial Report.

6. Associates And Joint Venture Entities

Name of Entity	NOTES	% OF OWNERSHIP INTEREST HELD 31 DECEMBER 2013	% OF OWNERSHIP INTEREST HELD 31 DECEMBER 2012
Western Resource Recovery Pty Ltd		**50%**	**50%**
Total Waste Management Pty Ltd		**50%**	**50%**
ERS Co Pty Ltd		**49%**	**49%**
Daniels Sharpsmart New Zealand Ltd		**50%**	**50%**
Pikes Point Transfer Station Ltd		**50%**	**50%**
Midwest Disposals Limited		**50%**	**50%**
Living Earth Limited		**50%**	**50%**
Wonthaggi Recyclers Pty Ltd		**50%**	**50%**
Earthpower Technologies Sydney Pty Ltd		**50%**	**50%**
Waste Disposal Services (unincorporated joint venture)		**50%**	**50%**
Transwaste Canterbury Ltd		**50%**	**50%**

[1]In the current period, the calculation excludes any intangibles classified as held for sale.

TRANSPACIFIC INDUSTRIES GROUP LTD

7. Other Significant Information

On 30 August 2013, the Consolidated Group sold the Commercial Vehicles Group business to Penske Automotive Group, Inc. Refer to Note 5 in the 2013 Half-Year Consolidated Financial Report.

8. Accounting Standards Used For Foreign Entities

Not applicable.

9. Commentary On The Results For The Period

Refer to 2013 Half-Year Consolidated Financial Report and Investor Presentation.

10. Status Of Audit

The Half-Year Report is based on the attached 2013 Half-Year Consolidated Financial Report which has been subject to review.

Kellie Smith

K L Smith
Company Secretary
14 February 2014

Transpacific Industries Group Ltd

ABN 74 101 155 220

CONSOLIDATED FINANCIAL REPORT

For the Half-Year Ended 31 December 2013

Contents

This interim Consolidated Financial Report does not include all Notes of the type normally included in an Annual Financial Report. Accordingly, this Report is to be read in conjunction with the Annual Report for the year ended 30 June 2013 and any public announcements made by Transpacific Industries Group Ltd during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

Directors' Report

The Directors present their Report together with the Consolidated Financial Statements of the Consolidated Group, consisting of Transpacific Industries Group Ltd ("the Company") and its controlled entities, for the half-year ended 31 December 2013.

Directors

The names of Directors of the Company at any time during the half-year and until the date of this Report are set out below. Directors were in office for this entire period unless otherwise stated.

M M Hudson	Non-Executive Director, Chairman
R C Boucher Jr	Executive Director (appointed 18 December 2013) and Chief Executive Officer (appointed 13 November 2013)
R M Smith	Non-Executive Director
E R Stein	Non-Executive Director
T A Sinclair	Non-Executive Director
R M Harding	Non-Executive Director
M P Chellew	Non-Executive Director
J G Goldfaden	Non-Executive Director (resigned 4 November 2013)
K G Campbell	Executive Director and Chief Executive Officer (resigned 29 November 2013)

The office of Company Secretary is held by C M Carroll, LL.B (Hons) and K L Smith, B.Com (Hons), CA.

Review Of Operations

Consolidated Group Results

The Consolidated Group Statutory Profit from Continuing and Discontinued Operations After Income Tax for the half-year ended 31 December 2013 was $167.1 million (2012: $42.0 million).

The Consolidated Group comprises 4 continuing segments. A summary of the segment and Consolidated Group's results for the half-year is set out below:

	STATUTORY (1)		UNDERLYING ADJUSTMENTS (2)		UNDERLYING (1)	
	HALF-YEAR ENDED 2013 $M	HALF-YEAR ENDED 2012 $M	HALF-YEAR ENDED 2013 $M	HALF-YEAR ENDED 2012 $M	HALF-YEAR ENDED 2013 $M	HALF-YEAR ENDED 2012 $M
Cleanaway	98.6	96.7	-	-	98.6	96.7
Industrials	44.8	52.1	-	7.1	44.8	59.2
New Zealand	48.0	38.8	(1.7)	(1.4)	46.3	37.4
Share of profits in Associates	4.5	1.3	-	-	4.5	1.3
Corporate	(8.8)	(4.3)	3.9	-	(4.9)	(4.3)
Total Waste Management	187.1	184.6	2.2	5.7	189.3	190.3
Commercial Vehicles	5.3	19.8	-	-	5.3	19.8
Manufacturing	0.5	0.9	-	-	0.5	0.9
EBITDA(i)	**192.9**	**205.3**	**2.2**	**5.7**	**195.1**	**211.0**
Depreciation and amortisation expense	(80.8)	(90.9)	(5.5)	-	(86.3)	(90.9)
EBIT(ii)	**112.1**	**114.4**	**(3.3)**	**5.7**	**108.8**	**120.1**
Net finance costs	(48.8)	(62.2)	6.4	0.3	(42.4)	(61.9)
Changes in fair value of derivative financial instruments	0.4	4.2	(0.4)	(4.2)	-	-
Adjust for profit for the period from Discontinued Operations	(42.6)	(42.0)	42.6	42.0	-	-
Profit Before Income Tax	**21.1**	**14.4**	**45.3**	**43.8**	**66.4**	**58.2**
Income tax benefit/(expense) from Continuing Operations	(3.6)	(5.3)	3.1	1.7	(0.5)	(3.6)
Income tax benefit/(expense) from Discontinued Operations	-	-	(15.7)	(9.1)	(15.7)	(9.1)
Profit From Continuing Operations After Income Tax	**17.5**	**9.1**	**32.7**	**36.4**	**50.2**	**45.5**
Profits for the period from Discontinued Operations after income tax	27.4	32.9	(27.4)	(32.9)	-	-
Gain on sale from disposal of Commercial Vehicles Group after items transferred from reserves and income tax	122.2	-	(122.2)	-	-	-
Profit From Continuing And Discontinued Operations After Income Tax	**167.1**	**42.0**	**(116.9)**	**3.5**	**50.2**	**45.5**
Attributable To:						
Ordinary Equity holders	158.6	32.3	(116.9)	3.5	41.7	35.8
Non-controlling interest	0.5	0.7	-	-	0.5	0.7
Step-up Preference Security holders	8.0	9.0	-	-	8.0	9.0
	167.1	**42.0**	**(116.9)**	**3.5**	**50.2**	**45.5**

(1) The use of the term 'Statutory' refers to IFRS financial information and 'Underlying' to non-IFRS financial information. Underlying earnings are categorised as non-IFRS financial information and therefore have been presented in compliance with ASIC Regulatory Guide 230 – Disclosing non-IFRS information, issued in December 2011. Underlying Adjustments have been considered in relation to their size and nature, and have been adjusted from the Statutory information for disclosure purposes to assist readers to better understand the financial performance of the underlying business in each reporting period. These adjustments include transactions or costs that on their own or in combination with a number of similar transactions contribute to more than five percent of after tax profit. These include the financial effect of fair value changes, being the unrealised gains/(losses) arising from the mark-to-market and the impact of asset revaluations (such as derivatives, financial instruments or property). These adjustments and the comparatives are assessed on a consistent basis year-on-year and include both favourable and unfavourable items. The exclusion of these items provides a result which, in the Directors' view, is more closely aligned with the ongoing operations of the Consolidated Group. The non-IFRS information has been subject to review by the auditor.

(2) Details of adjustments from Statutory to Underlying financial information are set out in the following table.

(i) EBITDA represents earnings before interest, income tax, and depreciation and amortisation expense.

(ii) EBIT represents earnings before interest and income tax expense.

The following table reconciles the adjustments to Profit From Continuing and Discontinued Operations After Income Tax (Attributable to Ordinary Equity Holders) to Underlying Profit After Income Tax (Attributable to Ordinary Equity Holders):

	NOTES BELOW	HALF-YEAR ENDED 2013 $M	HALF-YEAR ENDED 2012 $M
Profit From Continuing And Discontinued Operations After Income Tax (Attributable To Ordinary Equity Holders)		**158.6**	**32.3**
Underlying Adjustments to EBITDA:			
Costs associated with implementation of the transformation program	1	3.9	-
Net (gain)/loss from disposal of investments	2	(1.7)	5.7
Total Underlying Adjustments to EBITDA		2.2	5.7
Underlying Adjustments to EBIT:			
Reversal of depreciation and amortisation expense for New Zealand	3	(5.5)	-
Total Underlying Adjustments to EBIT		(5.5)	-
Underlying Adjustments to Finance Costs:			
Write off of establishment costs associated with former debt facilities	4	6.4	-
Accelerated amortisation of Convertible Notes, and redemption costs	5	-	0.3
Changes in fair value of derivative financial instruments	6	(0.4)	(4.2)
Total Underlying Adjustments to Finance Costs		6.0	(3.9)
Underlying Adjustments to Income Tax:			
Tax impacts of Underlying Adjustments to EBITDA and finance costs	7	3.1	1.7
Tax impact of Underlying Adjustment to EBITDA relating to Discontinued Operations	7	(0.5)	-
Total Underlying Adjustments to Income Tax		2.6	1.7
Gain on sale from disposal of Commercial Vehicles Group after items transferred from reserves and income tax	8	(122.2)	-
Underlying Profit After Income Tax (Attributable To Ordinary Equity Holders)		**41.7**	**35.8**

1 Relates to costs associated with implementation of the transformation program of the Consolidated Group.

2 Relates to net realised gain on disposal of a business unit in New Zealand (2012: a net realised loss on sale of two investments, being Transpacific Bituminous Products Pty Ltd and Otago Waste Services Pty Ltd).

3 Relates to the reversal of the depreciation and amortisation expense from the date the New Zealand assets were classified as Assets Held for Sale. Refer to Note 5(ii) in the Notes to the Half-Year Consolidated Financial Report.

4 Relates to $6.4 million in write off of establishment costs associated with the partial re-financing of debt facilities in November 2013.

5 Relates to $0.3 million in 2012 of accelerated amortisation of Convertible Notes and the associated redemption and repurchase costs.

6 Relates to favourable $0.4 million (2012: favourable $4.2 million) of changes in the mark-to-market valuation of derivative financial instruments.

7 Relates to the tax impact on the Underlying Adjustments.

8 Relates to the gain on sale from disposal of Commercial Vehicles Group after items transferred from reserves and income tax. Refer to Note 5(i) in the Notes to the Half-Year Consolidated Financial Report.

The Consolidated Group's Underlying Profit After Income Tax (Attributable to Ordinary Equity Holders) for the half-year ended 31 December 2013 of $41.7 million, was up by 16.5% on prior corresponding period (2012: $35.8 million).

Segment Review

The Consolidated Group's segment reporting aligns with the Consolidated Group's major divisional structure.

CLEANAWAY	
Financial Metrics	Total revenues increased 0.6% to $467.7 million. Underlying EBITDA increased 2.0% to $98.6 million.
Performance	**Collections** Collections revenue growth of 3.1% was achieved by increased rates and higher commodity prices while total Collection volumes were in line with the levels achieved in the previous corresponding period. Major new contract wins and re-wins occurred in Collections and 14 Municipal contracts were renewed at improved margins. **Post Collections** Post Collections results showed an increase in total volumes of 4.9% mainly generated from QLD and WA, as NSW and VIC volumes were down 32% and 16% respectively, reflecting trading conditions in those states.

INDUSTRIALS	
Financial Metrics	Total revenues decreased 8.9% to $246.9 million (including Product Stewardship Oil). Underlying EBITDA decreased 24.3% to $44.8 million.
Performance	**Technical Services** Total volumes of liquid processed decreased by 5.8% on the prior year, reflecting continued weakness in industrial and manufacturing markets. **Energy, Mineral and Remediation (formerly Industrial Solutions) ('EMR')** EMR revenues and EBITDA decreased by 11.1% and 17.6% respectively as revenue and margins were impacted by major project deferrals and cancellations compared to the prior corresponding period, combined with lower levels of emergency response work. Shutdown work has started to recover from the lows experienced in 2H13. **Hydrocarbons** Hydrocarbons revenue declined by 19.3% to $71.2 million due to collections volumes being down 4.3% on prior corresponding period and EBITDA declined by 29.6% to $19.0 million. Revenue and margins were impacted by an extended shut down required at Wetherill Park refinery, combined with increased competition for waste oil collection and a lack of export sales during this half-year.

Segment Review (continued)

NEW ZEALAND	
Financial Metrics	Total New Zealand revenues increased 4.9% to NZ$226.0 million. Underlying EBITDA increased 10.5% to NZ$52.5 million.
Performance	**Transpacific Waste Management NZ ('TWM NZ')** TWM NZ revenues increased on prior year 8.1% to NZ$182.4 million. Underlying EBITDA increased by 10.6% to NZ$46.1 million. TWM NZ revenues increased due to the commencement of the Auckland municipal contracts in July 2013 and that the Christchurch rebuild has gained momentum, with demand for services and waste volumes increasing during the half-year. **Industrials NZ** Industrials NZ revenues decreased by 6.5% to NZ$43.6 million. Underlying EBITDA increased by 10.1% to NZ$6.4 million due to the implementation of strategies resulting from a major review undertaken in the 2013 financial year. All 17 of the Industrial Services businesses have been sold or closed in the last 8 months.

CORPORATE	
Financial Metrics	Corporate costs not recharged to the operating segments totalled $4.9 million (2012: $4.3 million).

Financial Position Review

Operating Cash Flows

Operating cash flow decreased 25.3% (2012: increased 20.8%) to $89.7 million (2012: $120.0 million).

Balance Sheet

The Consolidated Group's balance sheet shows an increase in net assets from $2,007.3 million to $2,231.1 million, reflects trading profit, gain on the sale of the Commercial Vehicles Group and the New Zealand foreign exchange revaluation.

The Consolidated Group's net debt reduced to $753.9 million from $977.5 million in the prior period, with gross debt repayments and paid out interest rate hedges totalling $266 million, excluding the impacts resulting from non-cash items. Debt reduction remains a key priority.

Debt Management

The average debt maturity has decreased from 2.5 years at 30 June 2013 to 2.4 years at 31 December 2013.

The Consolidated Group made $266 million of gross debt repayments and paid out interest rate hedges during the half-year.

During the reporting period, the Consolidated Group refinanced $290 million of syndicated facilities which were due to mature in November 2014. The partial refinancing has reduced the Consolidated Group's total facility from $1.425 billion at 30 June 2013 to $1.2 billion at 31 December 2013 and reduced funding costs going forward.

At 31 December 2013 there was $282.4 million undrawn or available for use within the Syndicated Facility limit of $1.2 billion.

Directors' Report (continued)

Significant Changes In The State Of Affairs

Other than matters mentioned in this Report, no other significant changes in the state of affairs of the Consolidated Group occurred since the commencement of the half-year under review.

Environmental Regulation

The Consolidated Group's operations are subject to significant environmental regulation and the Consolidated Group holds environmental licences for its sites throughout Australia and New Zealand.

The Consolidated Group's Australian operation is registered under the *National Greenhouse and Energy Reporting Act*, under which it is required to report energy consumption and greenhouse gas emissions for its Australian facilities.

In addition, the Consolidated Group's Australian operation has been required to comply with the Australian Federal Government's *Clean Energy Act* from 1 July 2013.

Subsequent Events

There has been no matter or circumstance that has arisen since the half-year that has significantly affected, or may significantly affect:

(i) the Consolidated Group's operations in future financial years; or

(ii) the results of those operations in future financial years; or

(iii) the Consolidated Group's state of affairs in future years.

Auditor's Independence Declaration

A copy of the Auditor's Independence Declaration as required under section 307C of the *Corporations Act 2001* is set out on page 8.

Rounding Of Amounts

The Consolidated Group is an entity to which ASIC Class Order 98/100 applies. Accordingly, amounts in the Consolidated Financial Statements have been rounded to the nearest hundred thousand dollars unless specifically stated otherwise.

Signed this 14th day of February 2014 in accordance with a resolution of the Board of Directors.

M M Hudson	R C Boucher Jr
Chairman	Director

Brisbane, 14 February 2014

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Auditor's Independence Declaration to the Directors of Transpacific Industries Group Ltd

In relation to our review of the financial report of Transpacific Industries Group Ltd for the half-year ended 31 December 2013, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the *Corporations Act 2001* or any applicable code of professional conduct.

Ernst & Young

Mike Reid
Partner
14 February 2014

Consolidated Statement of Financial Position

As at 31 December 2013

	NOTES	31 DECEMBER 2013 $M	30 JUNE 2013 $M
ASSETS			
Current Assets			
Cash and cash equivalents		71.7	76.2
Trade and other receivables		240.1	282.6
Inventories		20.4	165.2
Derivative financial instruments		-	9.0
Other assets		20.0	19.0
		352.2	552.0
Assets classified as held for sale	5	954.6	-
Total Current Assets		**1,306.8**	**552.0**
Non-current Assets			
Investments accounted for using the equity method		13.1	29.6
Property, plant and equipment		843.1	1,084.4
Land held for sale		6.9	7.7
Intangible assets		1,273.9	1,862.8
Other assets		0.1	0.4
Deferred tax assets		85.9	99.5
Total Non-current Assets		**2,223.0**	**3,084.4**
Total Assets		**3,529.8**	**3,636.4**
LIABILITIES			
Current Liabilities			
Trade and other payables		151.9	264.9
Income tax payable		7.5	6.6
Borrowings		22.3	21.5
Derivative financial instruments		13.8	45.6
Employee benefits		37.7	44.7
Provisions		56.4	59.3
Other		1.3	18.8
		290.9	461.4
Liabilities directly associated with the assets classified as held for sale	5	100.5	-
Total Current Liabilities		**391.4**	**461.4**
Non-current Liabilities			
Borrowings		803.3	1,032.2
Employee benefits		9.2	9.4
Provisions		83.7	117.4
Other		11.1	8.7
Total Non-current Liabilities		**907.3**	**1,167.7**
Total Liabilities		**1,298.7**	**1,629.1**
Net Assets		**2,231.1**	**2,007.3**
EQUITY			
Issued capital	10	2,071.7	2,071.7
Reserves		79.9	64.6
Retained earnings		(226.8)	(385.4)
Reserves of a disposal group classified as held for sale	5	49.4	-
Parent entity interest		1,974.2	1,750.9
Non-controlling interest		7.1	6.6
Step-up Preference Security holders		249.8	249.8
Total Equity		**2,231.1**	**2,007.3**

The Consolidated Statement of Financial Position is to be read in conjunction with the accompanying Notes to the Half-Year Consolidated Financial Report set out on pages 14 to 27.

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the Half-Year Ended 31 December 2013

	NOTES	HALF-YEAR ENDED 31 DECEMBER 2013 $M	HALF-YEAR ENDED 31 DECEMBER 2012 $M
CONTINUING OPERATIONS			
Revenue from continuing operations	2(i)	726.9	766.1
Other gains or losses	2(ii)	1.1	0.6
Raw materials and inventory		(40.5)	(55.8)
Waste disposal and collection		(135.7)	(139.4)
Employee expenses		(277.7)	(272.4)
Depreciation and amortisation expenses		(70.0)	(74.3)
Repairs and maintenance		(42.8)	(40.8)
Fuel purchases		(29.0)	(27.9)
Leasing charges		(17.2)	(23.9)
Freight costs		(9.1)	(9.6)
Other expenses		(41.0)	(44.4)
Loss on disposal of investment		-	(7.1)
Share of net profits of Associates		4.5	1.3
Net finance costs	3	(48.8)	(62.2)
Change in fair value of derivative financial instruments		0.4	4.2
Profit Before Income Tax		**21.1**	**14.4**
Income tax benefit/(expense)	4	(3.6)	(5.3)
Profit From Continuing Operations After Income Tax		**17.5**	**9.1**
DISCONTINUED OPERATIONS			
Profit for the period from Discontinued Operations	5	149.6	32.9
Profit For The Period From Continuing And Discontinued Operations		**167.1**	**42.0**
Attributable To:			
Ordinary Equity holders		158.6	32.3
Non-controlling interest		0.5	0.7
Step-up Preference Security holders		8.0	9.0
Profit For The Period From Continuing And Discontinued Operations		**167.1**	**42.0**

The Consolidated Statement of Profit or Loss and Other Comprehensive Income is to be read in conjunction with the accompanying Notes to the Half-Year Consolidated Financial Report set out on pages 14 to 27.

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the Half-Year Ended 31 December 2013

	NOTES	HALF-YEAR ENDED 31 DECEMBER 2013 $M	HALF-YEAR ENDED 31 DECEMBER 2012 $M
Profit From Continuing And Discontinued Operations After Income Tax		**167.1**	**42.0**
Other Comprehensive Income, Net Of Income Tax			
Items that may be reclassified subsequently to profit and loss:			
Cash flow hedges:			
Net (loss)/gain taken to equity (net of tax of $0.9 million (2012: $0.2 million))		(11.5)	0.4
Net loss/(gain) transferred to profit and loss		6.5	0.2
Translation of foreign operation:			
Exchange differences taken to equity (nil tax effect)		69.9	10.9
Net Comprehensive Income Recognised Directly In Equity		**64.9**	**11.5**
Total Comprehensive Income For The Period		**232.0**	**53.5**
Attributable To:			
Ordinary Equity holders		223.5	43.8
Non-controlling interest		0.5	0.7
Step-up Preference Security holders		8.0	9.0
Total Comprehensive Income For The Period		**232.0**	**53.5**

Earnings Per Share For Profit Attributable To The Ordinary Equity Holders Of The Company From Continuing And Discontinued Operations:			
Basic earnings per share (cents per share)	11	10.0	2.0
Diluted earnings per share (cents per share)	11	10.0	2.0

Earnings Per Share For Profit Attributable To The Ordinary Equity Holders Of The Company From Continuing Operations:			
Basic earnings per share (cents per share)	11	0.6	0.0
Diluted earnings per share (cents per share)	11	0.6	0.0

The Consolidated Statement of Profit or Loss and Other Comprehensive Income is to be read in conjunction with the accompanying Notes to the Half-Year Consolidated Financial Report set out on pages 14 to 27.

Consolidated Statement of Changes in Equity

For the Half-Year Ended 31 December 2013

	ORDINARY SHARES $M	CONVERTIBLE NOTES $M	ASSET REVALUATION RESERVE $M	WARRANT RESERVE $M	EMPLOYEE EQUITY BENEFITS RESERVE $M	CASH FLOW HEDGE RESERVE $M	FOREIGN CURRENCY TRANSLATION RESERVE $M	RETAINED EARNINGS $M	OWNERS OF THE PARENT $M	NON – CONTROLLING INTEREST $M	STEP UP PREFERENCE SECURITIES $M	TOTAL $M
At 30 June 2013	**2,071.7**	**-**	**32.9**	**60.9**	**5.9**	**(6.7)**	**(28.4)**	**(385.4)**	**1,750.9**	**6.6**	**249.8**	**2,007.3**
Profit for period	-	-	-	-	-	-	-	158.6	158.6	0.5	8.0	167.1
Other comprehensive income	-	-	-	-	-	(5.0)	69.9	-	64.9	-	-	64.9
Total comprehensive income for the half-year	-	-	-	-	-	(5.0)	69.9	158.6	223.5	0.5	8.0	232.0
Share based payment	-	-	-	-	(0.2)	-	-	-	(0.2)	-	-	(0.2)
Distribution to Step-up Preference Security holders	-	-	-	-	-	-	-	-	-	-	(8.0)	(8.0)
Transfer to retained earnings	-	-	-	-	-	-	-	-	-	-	-	-
Balance At 31 December 2013	**2,071.7**	**-**	**32.9**	**60.9**	**5.7**	**(11.7)**	**41.5**	**(226.8)**	**1,974.2**	**7.1**	**249.8**	**2,231.1**
At 30 June 2012	**2,070.5**	**51.6**	**33.5**	**60.9**	**4.4**	**(15.9)**	**(90.6)**	**(218.3)**	**1,896.1**	**5.4**	**249.8**	**2,151.3**
Profit for period	-	-	-	-	-	-	-	32.3	32.3	0.7	9.0	42.0
Other comprehensive income	-	-	-	-	-	0.6	10.9	-	11.5	-	-	11.5
Total comprehensive income for the half-year	-	-	-	-	-	0.6	10.9	32.3	43.8	0.7	9.0	53.5
Share based payment	-	-	-	-	0.7	-	-	-	0.7	-	-	0.7
Distribution to Step-up Preference Security holders	-	-	-	-	-	-	-	-	-	-	(9.0)	(9.0)
Transfer to retained earnings	-	(51.6)	-	-	-	-	-	51.6	-	-	-	-
Balance At 31 December 2012	**2,070.5**	**-**	**33.5**	**60.9**	**5.1**	**(15.3)**	**(79.7)**	**(134.4)**	**1,940.6**	**6.1**	**249.8**	**2,196.5**

The Consolidated Statement of Changes in Equity is to be read in conjunction with the accompanying Notes to the Half-Year Consolidated Financial Report set out on pages 14 to 27.

Consolidated Statement of Cash Flows

For the Half-Year Ended 31 December 2013

	HALF-YEAR ENDED 31 DECEMBER 2013 $M	HALF-YEAR ENDED 31 DECEMBER 2012 $M
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	1,090.7	1,310.3
Payments to suppliers and employees	(948.7)	(1,133.7)
Other revenue	-	6.3
Interest received	1.3	0.8
Interest paid	(39.2)	(56.3)
Income taxes paid	(14.4)	(7.4)
Net Cash From/(Used In) Operating Activities	**89.7**	**120.0**
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for purchase of businesses, including deferred settlement	-	(0.5)
Payments for property, plant and equipment	(71.5)	(88.6)
Proceeds from disposal of investments	235.3	6.5
Proceeds from disposal of property, plant and equipment	9.1	4.0
Dividends received from Associates	5.1	2.1
Net Cash/(Used In) Investing Activities	**178.0**	**(76.5)**
CASH FLOWS FROM FINANCING ACTIVITIES		
Distribution to Step-up Preference Securities	(8.0)	(9.0)
Net movement in trade finance	-	4.0
Proceeds from banking syndicated facility agreement	-	155.6
Repayment of borrowings	(219.0)	(55.0)
Repayment of hedges	(25.9)	-
Repurchase of Convertible Notes	-	(51.3)
Repayment of lease liabilities	(20.8)	(18.9)
Repayment of loans to/from related parties	(0.2)	(0.9)
Repayment of US Private Placement Notes	-	(115.3)
Net Cash/(Used In) Financing Activities	**(273.9)**	**(90.8)**
Net Increase/(Decrease) In Cash And Cash Equivalents	(6.2)	(47.3)
Cash and cash equivalents at the beginning of the half-year	76.2	77.9
Effects of exchange rate changes on cash	1.7	0.3
Cash And Cash Equivalents At The End Of The Half-Year	**71.7**	**30.9**

The Consolidated Statement of Cash Flows is to be read in conjunction with the accompanying Notes to the Half-Year Consolidated Financial Report set out on pages 14 to 27.

1. Summary Of Significant Accounting Policies

Statement Of Compliance

This Half-Year Consolidated Financial Report has been prepared in accordance with the *Corporations Act 2001* and Australian Accounting Standard AASB 134 *Interim Financial Reporting*. The Half-Year Consolidated Financial Report does not include notes of the type normally included in an Annual Financial Report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the Consolidated Group as the full Consolidated Financial Report. It is recommended that the Half-Year Consolidated Financial Report be read in conjunction with the most recent Annual Financial Report. It is also recommended that the Half-Year Financial Report be considered together with any public announcements made by the Consolidated Group during the half-year ended 31 December 2013 in accordance with continuous disclosure obligations arising under the *Corporations Act 2001*.

Basis Of Preparation

The accounting policies applied in these interim Consolidated Financial Statements are consistent with those set out and applied in the Consolidated Group's Annual Financial Report for the year to 30 June 2013, except for the adoption of new standards and amendments to existing standards noted below, which had no impact on the measurement of the results or financial position of the Consolidated Group. Prior year comparatives have been adjusted to comply with current year presentation where appropriate.

The Consolidated Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board that are relevant to their operations and effective for the current reporting period.

New and revised Standards, amendments thereof and Interpretations effective for the current half-year and relevant to the Consolidated Group include:

- AASB 10 *Consolidated Financial Statements* and AASB 2011-7 *Amendments to Australian Accounting Standards arising from the consolidation and Joint Arrangements standards*[1]
- AASB 11 *Joint Arrangements* and AASB 2011-7 *Amendments to Australian Accounting Standards arising from the consolidation*[1] and
- AASB 13 *Fair Value Measurement* and related AASB 2011-8 *Amendments to Australian Accounting Standards arising from* AASB 13[2]

The adoption of new and revised Standards and Interpretations has not resulted in any changes to the Consolidated Group's accounting policies and had no material effect on the amounts reported for the current or prior half-year.

[1] AASB 11 introduces a principles based approach to accounting for joint arrangements. The focus is no longer on the legal structure of joint arrangements, but rather on how rights and obligations are shared by the parties to the joint arrangement. Based on the assessment of rights and obligations, a joint arrangement will be classified as either a joint operation or a joint venture. Joint ventures are accounted for using the equity method, and the choice to proportionately consolidate will no longer be permitted.

Parties to a joint operation will account their share of revenues, expenses, assets and liabilities in much the same way as under the previous standard. AASB 11 also provides guidance for parties that participate in joint arrangements but do not share joint control.

The Consolidated Group's investment in the joint venture partnership will be classified as a joint venture entity under the new rules. As the Consolidated Group already applies the equity method in accounting for the majority of its investments, AASB 11 will not have any material impact on the amounts recognised in its Consolidated Financial Statements. AASB 10 introduces different criteria for assessing joint venture arrangements which will have no impact on the Consolidated Financial Statements based on the assessment made under AASB 11.

[2] AASB 13 replaces the guidance on fair value measurement in existing AASB accounting literature with a single standard. AASB 13 applies when another AASB requires or permits fair value measurements or disclosures about fair value measurements (and measurements, such as fair value less costs to sell, based on fair value or disclosures about those measurements). With some exceptions, the standard requires entities to classify these measurements into a 'fair value hierarchy' based on the nature of the inputs.

2. Revenue

	HALF-YEAR ENDED 31 DECEMBER 2013 $M	HALF-YEAR ENDED 31 DECEMBER 2012 $M
(i) Revenue		
Sale of goods and rendering of services	713.6	754.0
Product Stewardship Oil benefits	8.1	7.9
Other revenue	5.2	4.2
Total Revenue	**726.9**	**766.1**
(ii) Other Gains Or Losses		
Gain/(loss) on disposal of property, plant and equipment	1.1	0.2
Foreign currency exchange gains (net)	-	0.4
Total Other Gains Or Losses	**1.1**	**0.6**

3. Net Finance Costs

	HALF-YEAR ENDED 31 DECEMBER 2013 $M	HALF-YEAR ENDED 31 DECEMBER 2012 $M
Finance Costs		
Interest on bank overdrafts and loans, obligations under finance leases, and Convertible Notes	(37.0)	(55.7)
Amortisation of deferred borrowing costs	(4.2)	(5.1)
Unwinding of discounts on landfill remediation provisions	(2.5)	(1.9)
Write off of establishment costs associated with former debt facilities	(6.4)	-
Accelerated amortisation of Convertible Notes and redemption costs	-	(0.3)
	(50.1)	**(63.0)**
Finance Income		
Interest revenue	1.3	0.8
	1.3	**0.8**
Net Finance Costs	**(48.8)**	**(62.2)**

4. Income Tax

NUMERICAL RECONCILIATION BETWEEN TAX EXPENSE AND PRE-TAX NET PROFIT

Profit before tax:		
From Continuing Operations	21.1	14.4
From Discontinued Operations and gross gain on disposal	176.2	42.0
	197.3	56.4
Income tax using the domestic corporation tax rate of 30% (2012: 30%)	59.2	16.9
Increase/(decrease) in income tax expense due to:		
Share of Associates' net profits	(0.1)	(0.4)
Non-deductible expenses/non-assessable income	0.2	0.1
Effect of tax losses recognised	-	0.4
Repurchase of convertible notes	-	0.1
Effect of different tax rates of subsidiaries operating in other jurisdictions	(0.6)	(0.2)
Utilisation of previously not recognised capital losses against the gain on disposal of the Commercial Vehicles Group	(28.6)	-
Other	0.1	(2.5)
Income Tax Expense/(Benefit)	30.2	14.4
Comprises:		
Income tax expense from Continuing Operations	3.6	5.3
Income tax expense from Discontinued Operations and gain on disposal	26.6	9.1
Income Tax Expense/(Benefit)	**30.2**	**14.4**

5. Discontinued Operations And Disposal Group

During the half-year ended 31 December 2013, the Consolidated Group classified two segments, being Commercial Vehicles Group and New Zealand, as Discontinued Operations.

The results of the Discontinued Operations included in the Consolidated Statement of Profit or Loss and Other Comprehensive Income are set out below:

	HALF-YEAR ENDED 31 DECEMBER 2013 $M	HALF-YEAR ENDED 31 DECEMBER 2012 $M
Results Of Discontinued Operations		
Operating profit of Commercial Vehicles Group after income tax	3.2	13.3
Items subsequently reclassified to profit and loss:		
Cash flow hedge reserve (net of tax)	-	0.3
	3.2	13.6
Gain on disposal of Commercial Vehicles Group after items transferred from reserves and income tax	122.2	-
	125.4	13.6
Operating profit of New Zealand after income tax	24.2	19.3
Net Profit From Discontinued Operations Attributable To Ordinary Equity Holders	**149.6**	**32.9**

i) Sale Of Commercial Vehicles Group

On 30 August 2013, the Consolidated Group sold the Commercial Vehicles Group (“CVG”) business to Penske Automotive Group, Inc..

For the purposes of these Consolidated Financial Statements, the CVG business is classified as a Discontinued Operation. The results of the Discontinued Operations included in the Consolidated Statement of Profit or Loss and Other Comprehensive Income are set out in the following table. The comparative results from CVG have been re-presented as Discontinued Operations in the current year, with the profit on sale recognised in the Income Statement.

5. Discontinued Operations And Disposal Group (continued)

i) Sale Of Commercial Vehicles Group (continued)

	HALF-YEAR ENDED 31 DECEMBER 2013 $M	HALF-YEAR ENDED 31 DECEMBER 2012 $M
Results Of Discontinued Operations From Sale Of Commercial Vehicles Group		
Revenue	75.9	228.4
Expenses	(70.8)	(209.2)
Profit before income tax	5.1	19.2
Income tax (expense)/benefit	(1.9)	(5.9)
Net Profit From Discontinued Operations After Income Tax Before Gain On Disposal	**3.2**	**13.3**
Gain on sale from disposal of Commercial Vehicles Group after items transferred from reserves and income tax	122.2	-
Other Comprehensive Income		
Items that may be reclassified subsequently to profit or loss (recycled)		
Cash flow hedge net gain/(loss) taken to profit and loss	-	0.3
Net Profit From Discontinued Operation After Income Tax Attributable To Ordinary Equity Holders	**125.4**	**13.6**

	31 DECEMBER 2013 $M
Net Assets Over Which Control Was Lost	
Net Assets disposed of (excluding goodwill)	99.6
Attributable goodwill	5.5
Total Net Assets Disposed	**105.1**
Consideration received:	
Purchase price consideration	219.0
Working capital adjustment	19.7
Total consideration received	238.7
Less: cash and cash equivalent disposed	(8.0)
Net consideration received	230.7
Gross gain on disposal	133.6
Income tax (expense)/credit	(11.4)
Gain On Disposal Of Commercial Vehicles Group After Items Transferred From Reserves and Income Tax	**122.2**

A gain of $122.2 million was recognised on the disposal of Commercial Vehicles Group. A provisional tax charge of $11.4 million has been allowed for at this time on the transaction.

5. Discontinued Operations And Disposal Group (continued)

ii) New Zealand Assets

On 30 October 2013, the Consolidated Group announced it is looking to divest its New Zealand waste management business in order to allow for greater focus on growth opportunities in Australia.

For the purpose of this Consolidated Financial Report, the New Zealand waste management business is classified as a Discontinued Operation and Disposal Group Held for Sale. The results of the Discontinued Operations included in the Consolidated Statement of Profit or Loss and Other Comprehensive Income are set out below. The comparative profit from Discontinued Operations have been re-presented to include those operations classified as discontinued in the current period, and the assets, liabilities and reserves for the Disposal Group have been separately disclosed in the Statement of Financial Position. The New Zealand waste management business is disclosed as a Discontinued Operation for accounting purposes, given the current status of the divestment process in regard to these assets.

	HALF-YEAR ENDED 31 DECEMBER 2013 $M	HALF-YEAR ENDED 31 DECEMBER 2012 $M
Results Of Discontinued Operations		
Revenue	200.2	169.9
Expenses	(162.7)	(147.1)
Profit/(loss) before income tax	37.5	22.8
Income tax (expense)/benefit	(13.3)	(3.5)
Net Profit From Discontinued Operations Attributable To Ordinary Equity Holders	**24.2**	**19.3**

	31 DECEMBER 2013 $M
Assets Of Disposal Group Held For Sale	
Assets held for sale	954.6
Liabilities directly associated with the assets classified as held for sale	(100.5)
Net Assets Held For Sale	**854.1**
Reserves Of Disposal Group Held For Sale	
Asset revaluation reserve	7.9
Foreign currency translation reserve	41.5
Reserves Of A Disposal Group Classified As Held For Sale	**49.4**

6. Segment Information

The Consolidated Group has identified its operating segments on the basis of how the chief operating decision maker reviews the internal reports about the components of the Consolidated Group in order to assess the performance of and allocation of resources to the segment. Information reported to the Consolidated Group's Chief Executive Officer (chief operating decision maker) for the purpose of performance assessment and resource allocation is specifically focused on the following reportable segments:

Cleanaway

- Collections – commercial and industrial, municipal and residential collection services for all types of solid waste streams, including general waste, recyclables, construction and demolition waste and medical and washroom services.
- Post Collections – ownership and management of waste transfer stations, resource recovery and recycling facilities, secure product destruction, quarantine treatment operations and landfills.
- Commodities Trading – sale of recovered paper, cardboard, metals and plastics within the domestic and international market.

Industrials

- Technical Services – collection, treatment, processing and recycling of liquid and hazardous waste, including industrial waste, grease trap waste, oily waters and used mineral and cooking oils in packaged and bulk forms.
- Energy, Mineral and Remediation (formerly Industrials Solutions) – industrial cleaning, vacuum tanker loading, site remediation, sludge management, parts washing, concrete remediation, corrosion protection, emergency response, hydro excavation, catalyst handling, and specialised technical services to the energy, oil and gas, mining and minerals.
- Hydrocarbons – refining and recycling of used mineral oils to produce fuel oils and base oils. Up until the sale of Transpacific Bituminous Products Pty Ltd in the prior period, the manufacture of bituminous based applications and coatings was produced.

New Zealand

- Waste Management NZ – solid waste services including collection, recycling, landfill construction and operation.
- Industrials NZ – operation of specialist facilities, liquid and hazardous waste collections and treatment, and emergency response services.

On 30 October 2013, the Consolidated Group announced it is looking to divest its New Zealand waste management business. For the purpose of this Consolidated Financial Statement, the New Zealand waste management business is classified as a Discontinued Operation and Disposal Group Held for Sale.

Commercial Vehicles

- Importation and distribution – independent importer and distributor of Western Star, MAN and Dennis Eagle truck chassis and associated parts and MAN bus chassis and associated parts. This segment was dissolved due to the sale of the Commercial Vehicles Group on 30 August 2013.

Manufacturing

- Manufacturing – manufacturing and servicing of vehicle bodies, parts washers, plastic and steel bins, and waste compaction units to support operations of the Consolidated Group as well as third parties. This part of the business will be sold in 2013/14.

6. Segment Information (continued)

Associates

- Represents the share of profits from associates in the Consolidated Group.

Corporate

- Shared Services – support services not directly attributable to other identifiable segments including Management, Finance, Legal, Information Technology, Marketing, and Human Resources.

No operating segments have been aggregated to form the above reportable operating segments.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Segment capital expenditure is the total cost incurred during the period to acquire segment assets that are expected to be used for more than one period.

The Consolidated Group has the following allocation policies:

- Sales between segments are on normal commercial terms.
- Corporate charges are allocated where possible based on estimated usage of Corporate resources.
- Income tax is not allocated to segments.

Segment assets and liabilities have not been disclosed as these are not provided to the chief operating decision maker. This information is provided at a Consolidated Group level only.

6. Segment Information (continued)

HALF-YEAR ENDED 31 DECEMBER 2013	CLEANAWAY $M	INDUSTRIALS $M	NEW ZEALAND $M	COMMERCIAL VEHICLES[1] $M	MANUFACTURING $M	ASSOCIATES $M	CORPORATE $M	CONSOLIDATED GROUP $M
Revenue								
Sales of goods and services – external	467.7	238.8	199.2	75.7	7.1		-	988.5
Inter-segment sales	39.5	45.9	4.0	0.7	5.1		2.5	97.7
Total Sales Revenue	507.2	284.7	203.2	76.4	12.2		2.5	1,086.2
Other revenue	2.3	10.6	1.0	0.2	0.1		0.3	14.5
Total Segment Revenue	509.5	295.3	204.2	76.6	12.3		2.8	1,100.7
Inter-segment elimination								(97.7)
Total Revenue								**1,003.0**
Underlying EBITDA:	**98.6**	**44.8**	**46.3**	**5.3**	**0.5**	**4.5**	**(4.9)**	**195.1**
Underlying Adjustments to EBITDA as disclosed on page 4 of this Report	-	-	1.7	-	-	-	(3.9)	(2.2)
Underlying Adjustments to EBIT as disclosed on page 4 of this Report	-	-	5.5	-	-	-	-	5.5
Depreciation and amortisation expense	(47.8)	(14.5)	(16.0)	(0.2)	-	-	(7.8)	(86.3)
EBIT	**50.8**	**30.3**	**37.5**	**5.1**	**0.5**	**4.5**	**(16.6)**	**112.1**
Changes in fair value of derivative financial instruments	-	-	-	-	-	-	0.4	0.4
Net finance costs (Note 3)								(48.8)
Adjust for profit for the period from Discontinued Operations (Note 5)								(42.6)
Profit From Continuing Operations Before Income Tax								**21.1**
Income tax (expense)/benefit								(3.6)
Profit From Continuing Operations After Income Tax								**17.5**
Net profit from Discontinued Operations after income tax (Note 5)								149.6
Profit From Continuing And Discontinued Operations After Income Tax								**167.1**
Acquisition of property, plant and equipment	37.3	14.0	15.6	0.3	-	-	4.3	71.5

[1] Effective 31 August 2013, the Commercial Vehicles reportable segment was dissolved due to the sale of the Commercial Vehicles business. Refer to Note 5.

6. Segment Information (continued)

HALF-YEAR ENDED 31 DECEMBER 2012	CLEANAWAY $M	INDUSTRIALS $M	NEW ZEALAND $M	COMMERCIAL VEHICLES[1] $M	MANUFACTURING $M	ASSOCIATES $M	CORPORATE $M	CONSOLIDATED GROUP $M
Revenue								
Sales of goods and services – external	465.0	263.1	169.3	228.1	25.9		-	1,151.4
Inter-segment sales	39.8	53.7	3.1	2.8	25.0		2.7	127.1
Total Sales Revenue	504.8	316.8	172.4	230.9	50.9		2.7	1,278.5
Other revenue	1.9	10.2	0.6	0.3	-		-	13.0
Total Segment Revenue	506.7	327.0	173.0	231.2	50.9		2.7	1,291.5
Inter-segment elimination								(127.1)
Total Revenue								**1,164.4**
Underlying EBITDA:	**96.7**	**59.2**	**37.4**	**19.8**	**0.9**	**1.3**	**(4.3)**	**211.0**
Net gain/(loss) from disposal of investments and property	-	(7.1)	1.4	-	-	-	-	(5.7)
Depreciation and amortisation expense	(50.6)	(16.6)	(16.0)	(0.6)	-	-	(7.1)	(90.9)
EBIT	**46.1**	**35.5**	**22.8**	**19.2**	**0.9**	**1.3**	**(11.4)**	**114.4**
Changes in fair value of derivative financial instruments	-	-	-	-	-	-	4.2	4.2
Net finance costs (Note 3)								(62.2)
Adjust for profit for the period from Discontinued Operations (Note 5)								(42.0)
Profit From Continuing Operations Before Income Tax								**14.4**
Income tax (expense)/benefit								(5.3)
Profit From Continuing Operations After Income Tax								**9.1**
Net profit from Discontinued Operations after income tax (Note 5)								32.9
Profit From Continuing And Discontinued Operations After Income Tax								**42.0**
Acquisition of property, plant and equipment	42.3	26.5	10.6	0.2	-	-	9.0	88.6

[1] Effective 31 August 2013, the Commercial Vehicles reportable segment was dissolved due to the sale of the Commercial Vehicles business. Refer to Note 5

7. Dividends And Distributions

	HALF-YEAR ENDED 31 DECEMBER 2013		HALF-YEAR ENDED 31 DECEMBER 2012	
	AMOUNT PER SHARE	TOTAL $M	AMOUNT PER SHARE	TOTAL $M
Recognised (paid amounts)				
Step-up Preference Securities				
Period ended 30 September	$3.18	8.0	$3.60	9.0
Unrecognised (proposed amounts)				
Step-up Preference Securities				
Period ending 31 March	$2.99	7.5	$3.23	8.1

The Directors have resolved not to pay an interim dividend to Ordinary Shareholders. The Step-up Preference Securities distribution for the period ending 31 March 2014 of $7.5 million is expected to be fully franked.

8. Business Combinations (Other Than As Disclosed As Discontinued Operations)

During the half-year, the Consolidated Group disposed of its interest in a New Zealand business unit that resulted in a net gain of $1.7 million (2012: disposed of its interest in two investments that resulted in a net loss of $5.7 million). The quantum of the transaction is deemed not material to the Consolidated Group to warrant additional disclosure.

9. Commitments And Contingencies

Taxation Authority Reviews

The Taxation authority in New Zealand is reviewing particular aspects of the Consolidated Group's tax position in New Zealand. The review is ongoing and at this time it is too early to identify the outcomes and related adjustments that may arise, if any.

Other Claims

Certain companies within the Consolidated Group are party to various legal actions or commercial disputes or negotiations that have arisen in the normal course of business. It is expected that any liabilities or assets arising from these legal actions would not have a material effect on the Consolidated Group.

There have been no other material changes to the commitments, contingent liabilities or contingent assets of the Consolidated Group subsequent to the half-year ended 31 December 2013.

10. Issued Capital

ISSUED CAPITAL	31 DECEMBER 2013 $M	30 JUNE 2013 $M
Ordinary Shares – issued and fully paid	2,071.7	2,071.7
	2,071.7	**2,071.7**

MOVEMENTS IN ORDINARY SHARES ON ISSUE	NO. OF SHARES	$M
At 1 July 2013	1,578,563,490	2,071.7
Balance at 31 December 2013	**1,578,563,490**	**2,071.7**

Capital Management

When managing capital, management's objective is to ensure that the Consolidated Group uses a mix of funding options, with the objectives of optimising returns to security holders and prudent risk management.

During the reporting period, the Consolidated Group undertook a review of its capital structure which involved refinancing $290 million of syndicated facilities due to mature in November 2014. The partial refinancing has reduced the Consolidated Group's syndicated facilities from $1.425 billion at 30 June 2013 to $1.2 billion at 31 December 2013.

The Consolidated Group made $266 million of gross debt repayments and paid out interest rate hedges during the half-year.

Financing Facility

The facility limits and maturity profile of the Consolidated Group's debt facilities as at 31 December 2013 are as follows:

	$ AMOUNT	MATURITY DATE
Syndicated facility	$510 million	November 2015
	$290 million	May 2016
	$399 million	November 2016
US Private Placement	$54 million	December 2017

11. Earnings Per Share

	31 DECEMBER 2013	31 DECEMBER 2012
Calculated in accordance with AASB 133:		
From Continuing Operations:		
Basic earnings per share (cents per share)	0.6	0.0
Diluted earnings per share (cents per share)	0.6	0.0
From Discontinued Operations:		
Basic earnings per share (cents per share)	9.4	2.0
Diluted earnings per share (cents per share)	9.4	2.0
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share	1,578,563,490	1,578,209,025
Effect of share options, performance rights and warrants on issue	-	144,570
Weighted Average Number Of Ordinary Shares Used As The Denominator In Calculating Diluted Earnings Per Share	**1,578,563,490**	**1,578,353,595**

12. Assets And Liabilities Measured At Fair Value

The table below analyses recurring fair value measurement for asset and liabilities measured at fair value. These fair value measurements are categorised into different levels in the fair value hierarchy based on the inputs to valuation techniques used. The Consolidated Group uses various methods in estimating the value of the assets and liabilities. The methods comprise of:

Level 1 – the fair value is calculated using prices in active markets.

Level 2 – the fair value is estimated using inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).

Level 3 – the fair value is estimated using inputs for the asset or liability that are not based on observable market data.

Quoted market price represents the fair value determined based on quoted prices on active markets as at reporting date without any deductions for transactions cots. The fair value of the listed equity instruments are based on quoted prices.

For assets or liabilities which are not quoted on active markets, the Consolidated Group uses valuation techniques such as present value techniques, comparison to similar assets or liabilities for which market observable prices exist and other relevant models used by market participants. These valuation techniques use both observable and unobservable market inputs.

The fair value of assets or liabilities that do not have an active market, are based on valuation techniques using market data that is not observable.

12. Assets And Liabilities Measured At Fair Value (continued)

The carrying value of financial assets and financial liabilities approximate their fair value. The value of financial assets and financial liabilities measured at fair value are summarised in the table below:

31 DECEMBER 2013	QUOTED MARKET PRICE (LEVEL 1)	VALUATION TECHNIQUE – MARKET OBSERVABLE INPUTS (LEVEL 2)	VALUATION TECHNIQUE – NON MARKET OBSERVABLE INPUTS (LEVEL 3)	TOTAL
Liabilities				
Derivative financial instruments:				
Interest rate swaps	-	13.8	-	13.8

30 JUNE 2013	QUOTED MARKET PRICE (LEVEL 1)	VALUATION TECHNIQUE – MARKET OBSERVABLE INPUTS (LEVEL 2)	VALUATION TECHNIQUE – NON MARKET OBSERVABLE INPUTS (LEVEL 3)	TOTAL
Assets				
Derivative financial instruments:				
Currency rate swaps	-	9.0	-	9.0
Liabilities				
Derivative financial instruments:				
Interest rate swaps	-	45.6	-	45.6

There were no transfers between Level 1 and Level 2 during the period.

13. Subsequent Events

There has been no matter or circumstance that has arisen since the half-year that has significantly affected, or may significantly affect:

(i) the Consolidated Group's operations in future financial years; or

(ii) the results of those operations in future financial years; or

(iii) the Consolidated Group's state of affairs in future years.

Directors' Declaration

In the Directors' opinion:

(a) the Consolidated Financial Statements and Notes of the Consolidated Group are in accordance with the *Corporations Act 2001*, including:

(i) giving a true and fair view of the Consolidated Group's financial position as at 31 December 2013 and of its performance for the half-year ended on that date; and

(ii) complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*; and

(b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Directors.

M M Hudson
Chairman

R C Boucher Jr
Director

Brisbane, 14 February 2014

Building a better working world

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Independent review report to members of Transpacific Industries Group Ltd

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Transpacific Industries Group Ltd, which comprises the consolidated statement of financial position as at 31 December 2013, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the half-year end or from time to time during the half-year.

Directors' Responsibility for the Half-Year Financial Report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal controls as the directors determine are necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2013 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001* . As the auditor of Transpacific Industries Group Ltd and the entities it controlled during the half-year, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We have given to the directors of the company a written Auditor's Independence Declaration, a copy of which is included in the Directors' Report.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Transpacific Industries Group Ltd is not in accordance with the *Corporations Act 2001*, including:

a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2013 and of its performance for the half-year ended on that date; and

b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Ernst & Young

Ernst & Young

Mike Reid
Partner
Brisbane
14 February 2014