

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

2 December 2015

ENTITLEMENT OFFER NOTIFICATION OF INELIGIBLE SECURITY HOLDERS

Transurban attaches a copy of the notification being sent to Ineligible Security Holders today in relation to the Entitlement Offer.



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Important information

This announcement may not be released or distributed in the United States. This announcement does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States. Neither the entitlements nor the new securities have been, or will be, registered under the U.S Securities Act of 1933 ("**Securities Act**") or the securities laws of any state or other jurisdiction of the United States. The entitlements may not be issued to, or taken up or exercised by, and the new securities may not be offered or sold to, persons in the United States or persons who are acting for the account or benefit of a person in the United States. Neither the entitlements nor the new securities may be offered, sold or resold in the United States except in transactions exempt from, or not subject to, the registration requirements of the Securities Act and the applicable securities laws of any state or other jurisdiction of the United States. The entitlements and the new securities to be offered and sold in the Retail Entitlement Offer may only be offered and sold outside the United States in 'offshore transactions' (as defined in Rule 902(h) under the Securities Act) in reliance on Regulation S.

Classification

Public

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Transurban Holdings Limited
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Transurban Holding Trust
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2 December 2015

Dear Security Holder

**TRANSURBAN ENTITLEMENT OFFER –
NOTIFICATION TO INELIGIBLE SECURITY HOLDERS**

On 24 November 2015, Transurban¹ announced an accelerated renounceable pro-rata entitlement offer (with retail entitlements trading) to eligible security holders to subscribe for 1 new Transurban stapled security (**New Securities**) for every 18 existing Transurban stapled securities (**Securities**) held (**Entitlement**), at an offer price of A\$9.60 per New Security (**Offer Price**) to raise approximately A\$1.025 billion (the **Entitlement Offer**).

The Entitlement Offer comprises an offer to Eligible Institutional Security Holders (as defined below) (**Institutional Entitlement Offer**) and an offer to Eligible Retail Security Holders (as defined below) to participate on the same terms (**Retail Entitlement Offer**).

The Entitlement Offer is being made by Transurban without a disclosure document in accordance with section 708AA and 1012DAA of the *Corporations Act 2001* (Cth) (the **Act**) as notionally modified by the Australian Securities & Investments Commission Class Order [08/35] and other relief.

The net proceeds of the Entitlement Offer will be used to fund Transurban's contribution to the acquisition of AirportlinkM7, to reduce Transurban's debt, and to provide Transurban with the financial flexibility to pursue its pipeline of investment opportunities.

INSTITUTIONAL ENTITLEMENT OFFER

On 27 November 2015, Transurban announced that it had successfully completed the Institutional Entitlement Offer. Through the Institutional Entitlement Offer, Transurban has now raised gross proceeds of approximately \$738 million.

Security holders who were eligible to participate in the Institutional Entitlement Offer (**Eligible Institutional Security Holders**) were those:

- a) to whom ASX Listing Rule 7.7.1(a) did not apply; and
- b) who successfully received an offer under the Institutional Entitlement Offer (as the Joint Lead Managers determined in their discretion); and
- c) who, if they were a nominee, were only an Eligible Institutional Security Holder to the extent that they held securities for beneficiaries who would have been Eligible Institutional Security Holders, had they held the securities themselves.

RETAIL ENTITLEMENT OFFER

The Retail Entitlement Offer, which will raise approximately \$287 million, is being made to Eligible Retail Security Holders (as defined below) on the basis of 1 New Security for every 18 Securities held at 7.00pm (AEDT) on 27 November 2015 (**Record Date**).

¹ Transurban International Limited, Transurban Holdings Limited and Transurban Infrastructure Management Limited in its capacity as responsible entity of Transurban Holding Trust

A booklet in relation to the Retail Entitlement Offer was lodged with the Australian Securities Exchange on 27 November 2015 (**Offer Booklet**) and will be mailed to Eligible Retail Security Holders (as defined below).

Security holders who are eligible to participate in the Retail Entitlement Offer (**Eligible Retail Security Holders**) are those who:

- a) are registered as a holder of Securities as at 7.00pm (AEDT) on the Record Date; and
- b) have a registered address on the Transurban security register in Australia or New Zealand; and
- c) are not in the United States and are not acting for the account or benefit of persons in the United States (to the extent such person holds Securities for the account or benefit of such person in the United States); and
- d) have not already received an offer to participate (other than as nominee) or were otherwise ineligible to participate in the Institutional Entitlement Offer; and
- e) are eligible under all applicable securities laws to receive an offer under the Retail Entitlement Offer.

ELIGIBILITY CRITERIA

The restrictions upon eligibility to participate in the Entitlement Offer arise because of the legal and regulatory requirements in certain countries, the relatively small number of security holders in certain countries, the small number of Securities that are held by security holders in certain countries, the relatively low value of New Securities to which security holders would otherwise be entitled in certain countries and the potential cost of complying with regulatory requirements in certain countries.

Transurban has determined, pursuant to ASX Listing Rule 7.7.1(a) and section 9A(3)(a) of the Act, that it would be unreasonable to make offers under the Retail Entitlement Offer to security holders of Transurban in countries other than Australia and New Zealand and, in respect of the Institutional Entitlement Offer, certain additional countries, due to the legal limitations and potential cost of complying with regulatory requirements in those countries.

Security holders who were not Eligible Institutional Security holders and are not Eligible Retail Security holders are ineligible to participate in the Entitlement Offer.

Unfortunately, according to our records, you did not satisfy the eligibility criteria for an Eligible Institutional Security Holder and do not satisfy the eligibility criteria for an Eligible Retail Security Holder stated above. Accordingly, in compliance with ASX Listing Rule 7.7.1(b) and section 9A(3) of the Act, Transurban wishes to advise you that it will not be extending the Entitlement Offer to you, and you will not be able to subscribe for New Securities under the Entitlement Offer.

INSTITUTIONAL ENTITLEMENT BOOKBUILD

A number of New Securities equal to the number of Entitlements not taken up by Eligible Institutional Security Holders (along with those New Securities which would have been offered to ineligible institutional security holders had they been eligible to participate) were offered for sale by the joint lead managers on behalf of Transurban to institutional investors (which may include Eligible Institutional Security Holders) in a bookbuild process following the Institutional Entitlement Offer (the **Institutional Entitlement Bookbuild**). The Institutional Entitlement Bookbuild was completed on 26 November 2015.

The premium over the Offer Price per New Security that was achieved under the Institutional Entitlement Bookbuild (net of any applicable withholdings tax) will be paid to ineligible institutional security holders and Eligible Institutional Security Holders who did not take up their full Entitlement in proportion to the number of New Securities represented by their Entitlement.

Any proceeds received may have Australian and overseas tax consequences, depending on individual circumstances. You should seek professional tax advice regarding the taxation of any proceeds received.

RETAIL ENTITLEMENT BOOKBUILD

Transurban has arranged for the Entitlements of ineligible retail security holders to be sold on their behalf in a bookbuild process (the **Retail Shortfall Bookbuild**). If you are an ineligible retail security holder, you will receive the premium over the Offer Price per New Security that is achieved (if any) under the Retail Shortfall Bookbuild (net of any applicable withholdings tax) in proportion to the number of New Securities represented by your Entitlement (**Retail Sale Proceeds**). The Retail Sale Proceeds (if any) will be paid to you by cheque in Australian dollars.

The ability to obtain Retail Sale Proceeds in connection with the Retail Shortfall Bookbuild, and the amount of any Retail Sale Proceeds, is dependent on various factors, including market conditions. There is no guarantee that there will be Retail Sale Proceeds or that any particular amount of Retail Sale Proceeds will be achieved. To the maximum extent permitted by law, Transurban, the Joint Lead Managers and each of their respective related bodies corporate and affiliates, and each of their respective directors, officers, partners, employees, representatives and agents, disclaim all liability, including for negligence, for any failure to procure Retail Sale Proceeds.

RETAIL RIGHTS TRADING

While the retail Entitlements will be tradeable on ASX, the assignment, transfer and exercise of retail Entitlements trading on ASX will be restricted to persons meeting certain eligibility criteria. In particular, persons in the United States and persons acting for the account or benefit of persons in the United States will not be eligible to purchase or trade retail Entitlements or to take up retail Entitlements they acquire. If you purchase retail Entitlements during the Entitlements trading period, but you do not meet the eligibility criteria, you will not be able to take up those Entitlements and, as a result, you may receive no value for them.

NO ACTION REQUIRED

This notice is to inform you about the Entitlement Offer. This letter is not an offer to issue New Securities to you, nor an invitation for you to apply for New Securities. You are not required to do anything in response to this letter.

If you have any questions in relation to any of the above matters, please contact the Transurban Entitlement Offer Information Line on 1300 360 146 (within Australia) or +61 3 9415 4315 (outside Australia) at any time from 8.30am to 5.30pm (AEDT) Monday to Friday.

On behalf of the Board and management of Transurban, thank you for your continued interest.

Yours sincerely



Julie Galligan
Company Secretary
Transurban Group

This notice does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States or to any person acting for the account or benefit of a person in the United States. Securities must not be offered or sold in the United States or to any person acting for the account or benefit of a person in the United States absent registration or an exemption from registration. The Entitlements and the New Securities to be offered and sold in the Retail Entitlement Offer have not been and will not be registered under the U.S. Securities Act of 1933 ("**Securities Act**"), or under the securities laws of any state or other jurisdiction of the United States. Accordingly, the Entitlements offered in the Retail Entitlement Offer may only be exercised or taken up by, and the New Securities to be offered and sold in the Retail Entitlement Offer may only be offered or sold to persons that are not in the United States and are not acting for the account or benefit of a person in the United States, in each case in "offshore transactions" (as defined in Rule 902(h) under the Securities Act) in reliance on Regulation S under the Securities Act.

The provision of this document is not, and should not be considered as, a securities recommendation or financial product advice. The information in this document is general information only, and does not take into account your individual objectives, taxation position, financial situation or needs. Before acting on the information, you should consider the appropriateness of the information, having regard to your objectives, taxation position, financial situation or needs. If you are unsure of your position, please contact your stockbroker, accountant, taxation adviser, financial adviser or other professional adviser.