

ASX Release

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CONNECTEAST SCHEME IMPLEMENTED

ConnectEast Group (ASX: CEU) is pleased to announce that the Scheme for Horizon Roads to acquire 100% of the issued ConnectEast securities was implemented today. The Scheme values ConnectEast Group at \$2.17 billion.

Following implementation of the Scheme, ConnectEast is now wholly owned by Horizon Roads, a global consortium of investors managed by CP2, an Australian-owned and headquartered fund manager.

In accordance with the Scheme:

- Horizon Roads today deposited the Aggregate Cash Consideration with ConnectEast. All ConnectEast securityholders (other than Horizon Roads and its associates) will receive the Cash Consideration of \$0.55 for each ConnectEast security held on the Scheme Record Date¹. The Cash Consideration will be paid to these ConnectEast securityholders on 28 October 2011. Transaction Confirmation Statements will be sent by the registry to confirm payment details.
- All ConnectEast securities have been transferred to Horizon Roads.
- Each of Tony Shepherd, Bruce Beeren, John Collier, Paul Douglas, Jim Hall and Yvonne von Hartel has resigned as a director of ConnectEast Group.
- Each of Michael Powell, Gavin Merchant, David Rae, Hans-Martin Aerts, Yoon Pyo Lee, Yaping Shi and Nancy Zhu has been appointed a director of ConnectEast Group. ConnectEast Group's Managing Director, Dennis Cliche, and Company Secretary, Tony Hudson, continue in those roles.

An application to remove ConnectEast Group from the official list of ASX will now be made and de-listing is expected to occur in the week beginning 1 November 2011.

Further details in relation to the Scheme and its implementation are set out in the Explanatory Memorandum dated 22 August 2011.

¹ The Scheme Record Date was 7.00pm (Melbourne time) on 12 October 2011.

ConnectEast's retiring Chairman, Tony Shepherd, said that he and his Board colleagues had mixed emotions about the change of ownership.

"Today marks a significant chapter in the ConnectEast story following the approval last month by securityholders of the Horizon Roads Scheme.

"It is sad for us to move on but we are immensely proud about what has been achieved since ConnectEast listed on the ASX in November 2004 and construction of EastLink began in early 2005," Mr Shepherd said.

"The motorway was successfully delivered to the people of Victoria in mid-2008 – five months early and on-budget – and since then has transformed countless lives and businesses in the east of Melbourne.

"In the same period, ConnectEast has established itself as a sound and sustainable business – despite the challenges that accompanied the Global Financial Crisis – with an expanding customer base and a strong reputation for safety and customer service."

Mr Shepherd said he expected the Group's transition to new ownership under Horizon Roads would be seamless.

"For the staff at ConnectEast and the customers of EastLink, it will be very much business as usual as the company continues to deliver the high standards of service and reliability for which it is known," Mr Shepherd said.

Mr Shepherd thanked ConnectEast's investors and customers as well as the many thousands of people who worked on the EastLink project itself, from planning and approvals, through the construction phase, and to opening and safely operating the motorway.

"We owe a debt of gratitude to the many tradespeople and professionals who helped make EastLink a reality and also sincere thanks to the Victorian Government and its road agencies, the Linking Melbourne Authority and VicRoads for their vision as well as ongoing support and assistance," he said.

"On behalf of the outgoing Board I also want to thank the people who have worked at ConnectEast during this journey and who committed themselves to delivering and operating a world class infrastructure asset and tolling business.

“Finally, we congratulate Horizon Roads on achieving this acquisition during difficult and volatile market circumstances. We wish them well for their future operation of EastLink and the ConnectEast Group,” Mr Shepherd said.

“EastLink is an enduring legacy which will continue to make a positive contribution to this State’s economic health and quality of life for generations to come.”



Tony Hudson
Company Secretary
ConnectEast Group