



**Transpacific Industries Group Ltd**  
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2 May 2012

Companies Announcement Office  
Australian Securities Exchange

Dear Sirs

**For Release to Market**

Transpacific Industries Group Ltd (TPI) enclose a copy of the presentation to be given by the Chief Executive Officer, Kevin Campbell, at the Macquarie Australia conference on 2 May 2013.

Yours sincerely

A handwritten signature in black ink that reads "Kellie Smith". The signature is written in a cursive, flowing style.

Kellie Smith  
Company Secretary

# Macquarie Australia Conference Presentation

## 2 May 2013

**Kevin Campbell**  
**Chief Executive**  
**Officer**



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# Agenda

1. Safety Moment
2. Company Overview
3. Rejuvenating Transpacific
4. Closing



# 1. Safety Moment



## 2. Company Overview



# Transpacific is Australia and New Zealand's leading waste management business, operating a national network of unique collection, processing and landfill assets

## Transpacific profile

<b>Revenue</b>	▶ \$2.3 billion pa across 380 locations
<b>Facilities</b>	<ul style="list-style-type: none"><li>▶ 12 owned and operating landfills</li><li>▶ 48 resource recovery centres</li><li>▶ 56 industrial treatment and disposal facilities</li></ul>
<b>Staff</b>	▶ Greater than 6,500
<b>Fleet</b>	▶ Greater than 5,500 vehicles



# Operating Divisions

Cleanaway



Industrials



New Zealand



Commercial Vehicles



Collections

Post Collections

Technical Services

Industrial Solutions

Hydrocarbons

Collections

Post Collections

Technical Services

Industrial Solutions

Hydrocarbons

Importation & Distribution

Dealerships

Dealer Network



# Competitive Advantages

## Market position

- ▶ Transpacific's businesses hold leading market positions in their respective segments

## Comprehensive range of services

- ▶ Fully integrated waste management and industrial cleaning solution
- ▶ Leverage cross-selling across divisions

## Unique assets and intellectual property

- ▶ Leading provider of a broad range of critical services
- ▶ Significant internally generated IP utilised in operations

## Benefits of scale

- ▶ Network efficiency and reduced operating costs
- ▶ Broad network to deliver nationwide service across Australia and New Zealand
- ▶ Existing licences, landfills, transfer stations and processing infrastructure in place

### 3. Rejuvenating Transpacific



# We are rejuvenating Transpacific

- ▶ Turning 60+ acquisitions made over the past decade and transforming the Company into a cohesive, efficient business and the leading waste management company across Australia and New Zealand

We have a path to achieving this goal



Management  
bench strength

Fixing the  
balance sheet

Efficiency  
programs and  
cost reductions

Divestment  
program

Targeting new  
revenue streams

# Management bench strength

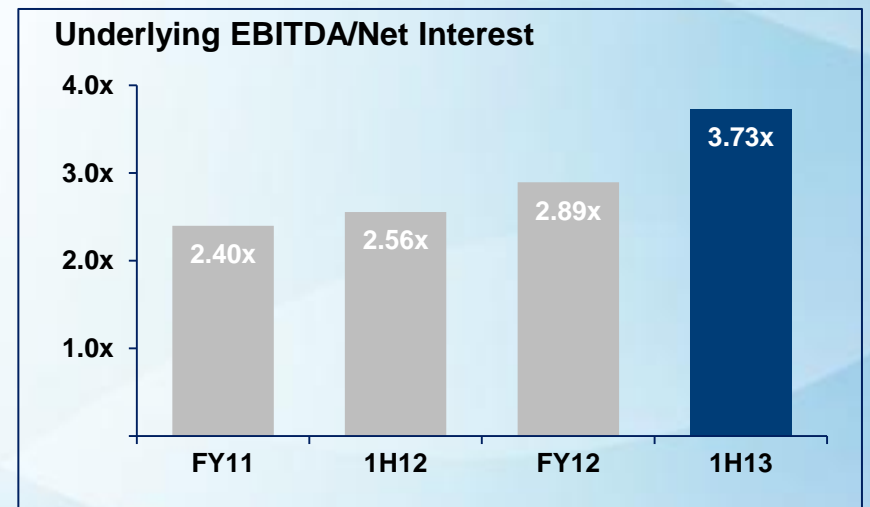
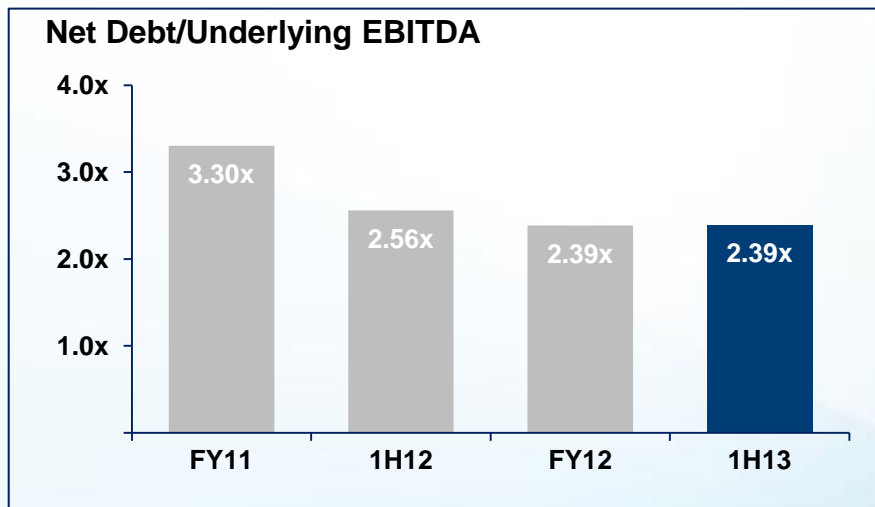
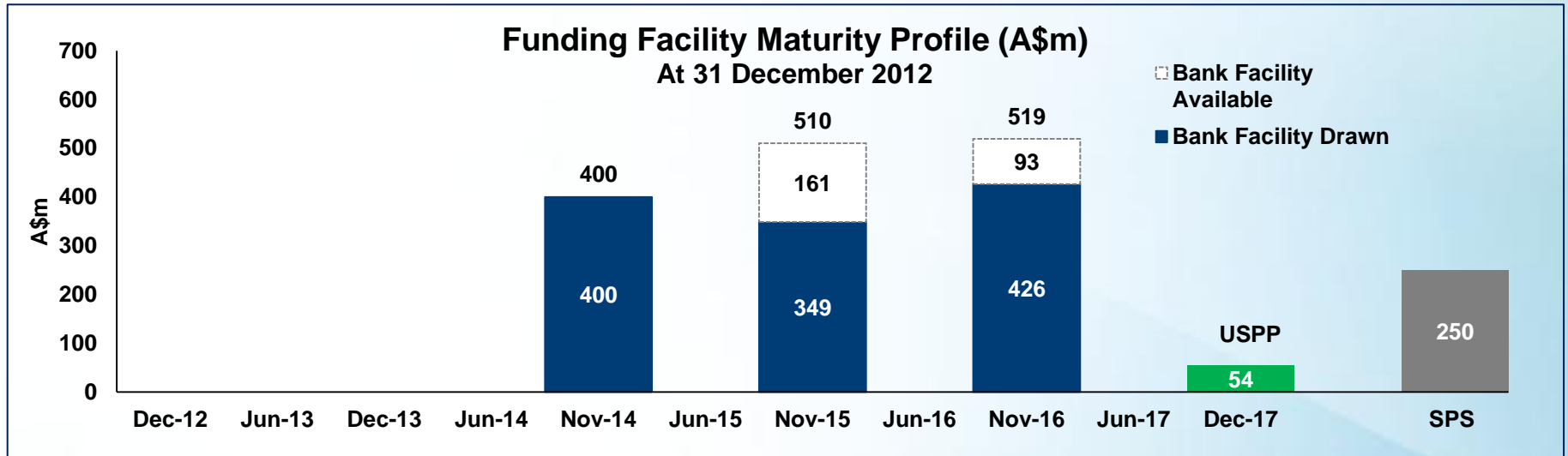
- ▶ Strengthened operational management
  - > Appointment of Nick Clark as Managing Director of Cleanaway
  - > Appointment of Divisional Chief Financial Officers in Cleanaway, Industrials and New Zealand
- ▶ Considerable changes at Corporate management level
- ▶ Management is continuing to assess opportunities for further streamlining and simplification

## Fixing the balance sheet




- ▶ Following the 2011 refinancing and further debt reduction the balance sheet is much stronger
- ▶ Debt levels continue to reduce
- ▶ On track for >\$25 million reduction in net interest expense in FY13 and further savings in FY14



# Fixing the balance sheet (cont'd)



# Efficiency programs and cost reductions

Areas	Major Initiatives	Sustainable EBIT Impact FY13 – FY15
Organisational structure	<ul style="list-style-type: none"> <li>▶ Progressively implementing organisational restructure</li> <li>▶ Reduction of circa 200 managerial staff – fewer management levels, approximately \$7 million in restructuring costs for 2H13</li> </ul>	 1H13 – \$5 million 2H13 – \$10 million
Procurement savings	<ul style="list-style-type: none"> <li>▶ Improved pricing and terms from major suppliers:               <ul style="list-style-type: none"> <li>&gt; Fuel contracts in Australia and New Zealand</li> <li>&gt; Temporary labour hire suppliers being rationalised from &gt;500 to &lt;50</li> <li>&gt; Electricity and gas contracts in Australia</li> </ul> </li> </ul>	 FY14 – \$20 million  FY15 – \$15 million
Productivity	<ul style="list-style-type: none"> <li>▶ Amalgamated sites in western Sydney</li> <li>▶ Biometric time and attendance system for &gt;250 locations during 2013</li> <li>▶ Fleet management system to be implemented during FY14 for better fleet management and utilisation</li> </ul>	<div>Total savings \$50 million</div>

# Divestment program

- ▶ Successfully divested a number of non-core assets and properties
  - > Majority of the Manufacturing assets
  - > Smaller non-core businesses
  - > Surplus properties
- ▶ Proceeds from the divestment program will total ~\$25 million in FY13
- ▶ Further non-core assets will be divested in FY14

## Targeting new revenue streams

- ▶ Revenue from resource related areas continues to increase
  - > Karratha/Pilbara region of North Western Australia
  - > Surat and Gladstone/Bowen Basin in Queensland
- ▶ Other revenue opportunities continually being assessed

# In closing

- ▶ The rejuvenation is continuing
- ▶ Financial position is stronger
- ▶ Great assets and a management team committed to delivering improved returns from those assets
  - > Focused on cost, efficiencies and market opportunities
- ▶ Debt reduction continues
- ▶ As in the first half, market conditions remain tough