



Transpacific Industries Group Ltd

ABN: 74 101 155 220

Level 1, 159 Coronation Drive
MILTON QLD 4064
PO Box 1824
MILTON QLD 4064

Phone: + 61 7 3367 7800
Fax: + 61 7 3367 7878

8 October 2014

Company Announcements Office
ASX Limited

Dear Sirs,

Please find attached a presentation to be made by Bob Boucher, Chief Executive Officer of Transpacific Industries Group Ltd, to the Morgans 2014 Queensland Conference today.

Yours sincerely
Transpacific Industries Group Ltd

A handwritten signature in black ink that reads "Kellie Smith".

Kellie Smith
Company Secretary

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Morgans 2014 Queensland Conference

Presentation by
Robert Boucher
Chief Executive Officer

8 October 2014




Agenda

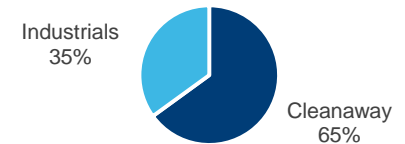
1. Introduction to Transpacific
2. Overview of the Australian Waste Market
3. Balance Sheet
4. Transpacific's strategy

1. Introduction to Transpacific

Transpacific is Australia's leading provider of total waste management services, with operations in both solid and liquid waste ...

		A\$m
(Pro-forma for recent divestments)		
Market cap^(a):		1,343
EV^(a):		1,458
FY14 revenue:		1,410
FY14 EBITDA:		273
Margin (%):		19.3%

Revenue by division FY14A



- ▶ Collection, transportation, recycling and disposal of waste for commercial and industrial, construction and demolition, and municipal clients across Australia
- ▶ Operates waste processing facilities, transfer stations, landfills, resource recovery and recycling facilities



- ▶ Leading operator in collection, treatment, recycling and disposal of liquid and hazardous waste
- ▶ Industrial services include cleaning, facilities maintenance services, emergency response and site remediation
- ▶ Service the manufacturing, mining, construction, retail and government sectors

(a) As of 24 September 2014
Source: Company filings, ASX as of 24 September 2014

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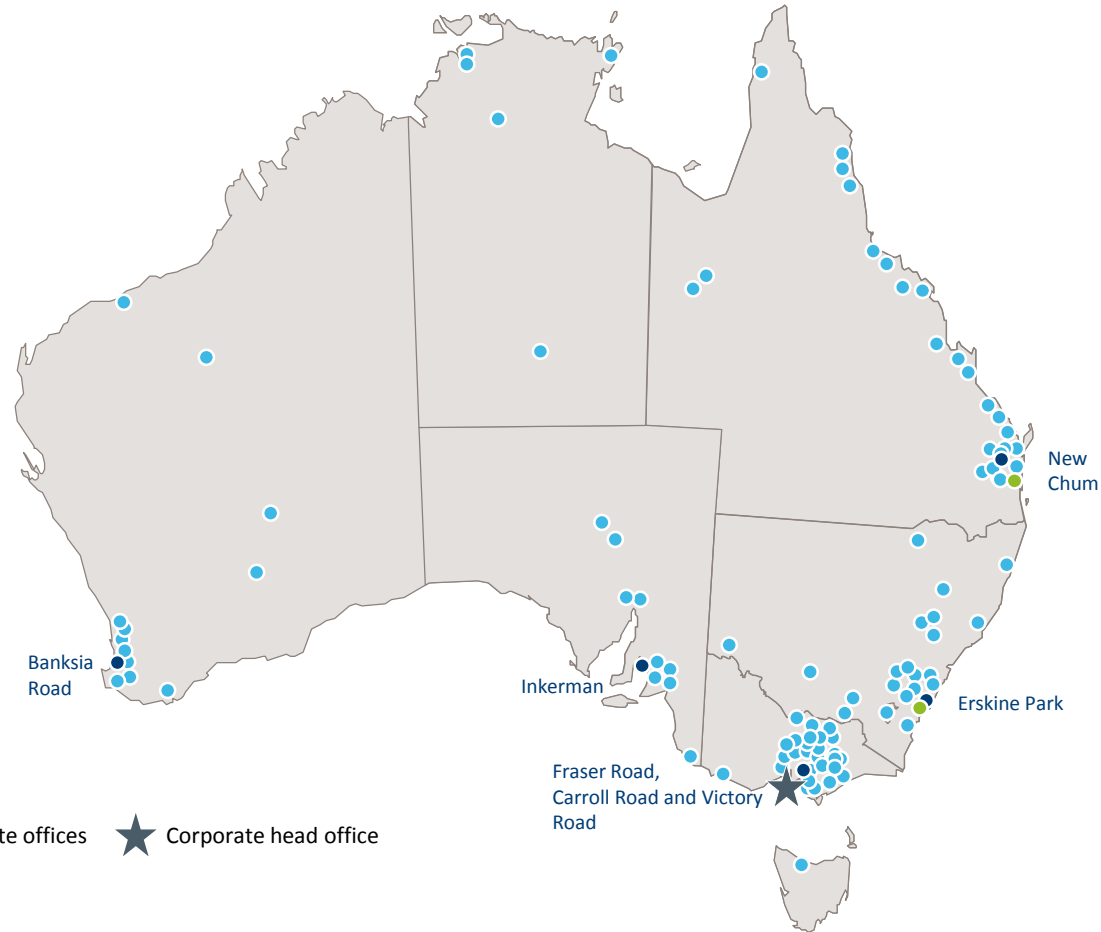
1. Introduction to Transpacific (cont'd)

Transpacific is an integrated national player

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Key operational statistics

Employees	~4,500
Total vehicles	~2,800
Major landfill sites	5
Transfer stations	15
Industrial sites	~40
Recycling sites	~25
Depots	~150

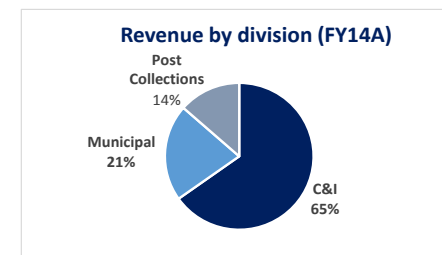


Source: Transpacific

1. Introduction to Transpacific (cont'd)

Cleanaway – divisional overview

 A Transpacific Company	<i>June y/e, A\$m</i>	FY13	FY14
	Revenue ^(a)	925	912
	EBITDA	194	190
	Margin (%) ^(b)	23.0%	22.4%



Commercial and Industrial ("C&I")	Municipal	Post Collections
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- | | | |
|--|---|---|
| <ul style="list-style-type: none"> ▶ Collection services for solid waste streams including general waste, recyclables, construction and demolition waste and medical and washroom services ▶ Customers range from local small business to large national corporates across all industries ▶ Contract duration typically 1 – 5 years | <ul style="list-style-type: none"> ▶ Municipal and residential collection services for solid waste streams ▶ Councils typically award 5 – 10 year contracts to collect curbside waste | <ul style="list-style-type: none"> ▶ Ownership and operation of transfer stations, material recycling facilities, advanced resource recovery and landfill for solid waste ▶ Gate fees are highly variable reflecting state government levies and local disposal choices |
|--|---|---|

	FY14		FY14		FY14
Revenue (\$m)	604	Revenue (\$m)	197	Revenue (\$m)	125
Growth (%)	2.4%	Growth (%)	(1.0%)	Growth (%)	(7.6%)

(a) Includes A\$63m of levies and carbon tax and \$(77)m of intercompany revenue in FY14 and A\$80m of levies and carbon tax and A\$(80)m of intercompany revenue in FY13

(b) Margin calculated excluding levies and carbon tax

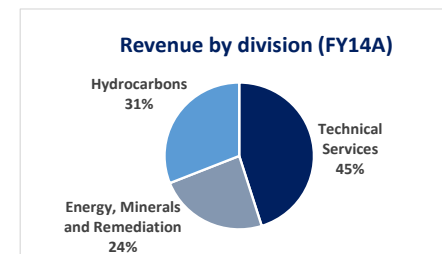
Note: Financials may not add due to rounding

Source: Company filings

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Industrials – divisional overview

	<i>June y/e, A\$m</i>	FY13	FY14
	Revenue	524	485
	EBITDA	107	90
	Margin (%)	20.5%	18.6%



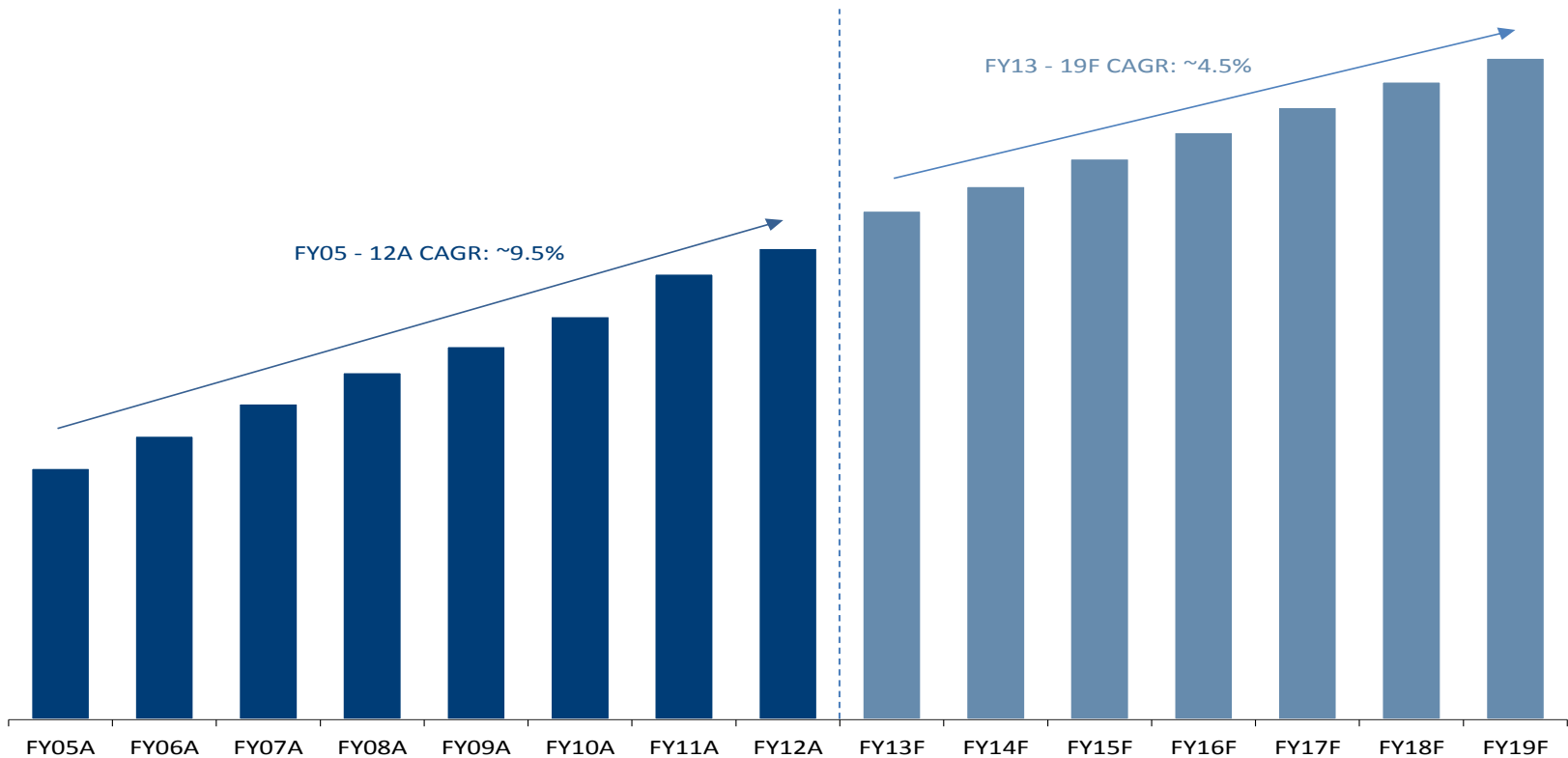
Technical Services	Energy, Minerals and Remediation	Hydrocarbons
<ul style="list-style-type: none"> ▶ Collection, treatment, processing and recycling of liquid and hazardous waste and safe disposal of liquid and prescribed waste ▶ Waste collected includes industrial waste, grease trap waste, oily waters, hazardous waste, contaminated soil and liquid organics, in packaged and bulk forms 	<ul style="list-style-type: none"> ▶ 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 ▶ Major supplier of emergency response services 	<ul style="list-style-type: none"> ▶ Collection, treatment and re-sale of used lubricants, refining and recycling of used mineral oils to produce fuel oils and base oils ▶ Provides workshop solutions for the collection of rags and filters and the rental of parts washing equipment

	FY14		FY14		FY14
Revenue (\$m)	219	Revenue (\$m)	116	Revenue (\$m)	151
Growth (%)	(1.2%)	Growth (%)	(11.3%)	Growth (%)	(12.3%)

Note: Financials may not add due to rounding
Source: Company filings

2. Overview of the Australian Waste Market

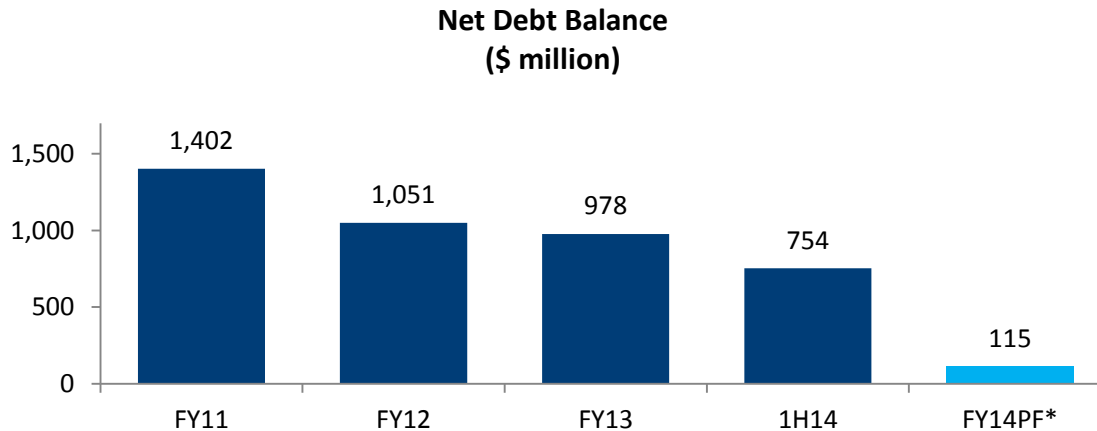
- The Australian waste management industry is worth ~A\$10.5 – A\$11.5bn⁽¹⁾
 - Solid waste industry ~A\$9.2bn
 - Industrials industry ~A\$2.1bn
- The solid waste industry revenue has historically grown at ~9.5% CAGR and is forecast to grow at ~4.5% CAGR over the next 7 years ...⁽²⁾



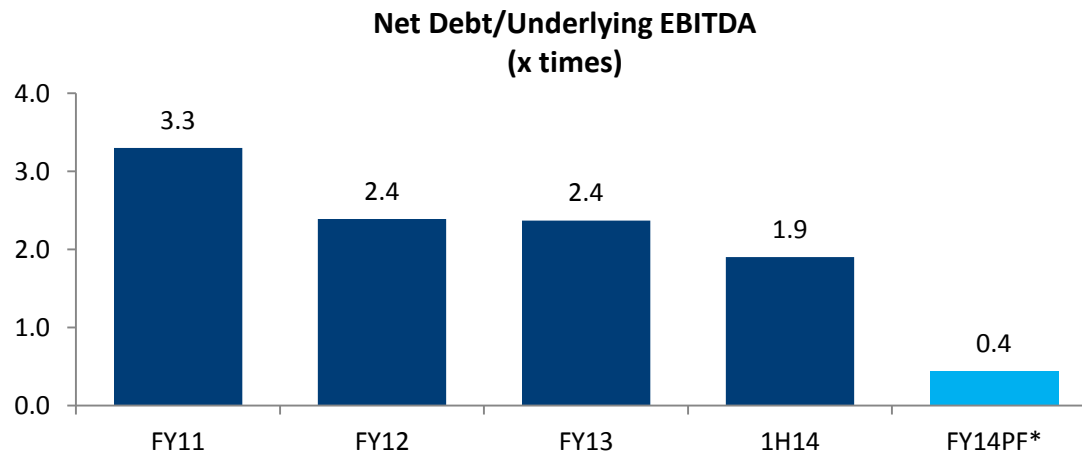
Source: (1) Transpacific

(2) IBIS World Solid Waste Collection Services in Australia, December 2013

The Balance Sheet has been significantly strengthened



- ▶ Dividend declared of 1.5 cents per share (the first since 2008)
- ▶ Redeemed the \$250 million of SPS on 30 September 2014
- ▶ Refinanced debt facilities at improved terms
- ▶ Target Net Debt/Underlying EBITDA ratio of between 1.5x and 2.0x



*FY14PF incorporates redemption of Step-up Preference Securities (SPS) which occurred on 30 September 2014

Transpacific's strategy revolves around four key components

	Growth	Landfill	Productivity	Tuck-in Acquisitions
How	<ul style="list-style-type: none"> Drive unit growth through transformed sales function Optimise pricing Increase market intelligence 	<ul style="list-style-type: none"> Best practice landfill operations Acquire or joint venture landfills Increase focus on internalisation 	<ul style="list-style-type: none"> Implement initiatives identified in Business and Operational Review 	<ul style="list-style-type: none"> Create pipeline of opportunities
Current	<ul style="list-style-type: none"> Phase 1 of pilot sales project successfully completed 	<ul style="list-style-type: none"> Current internalisation rate 10% -12% Opportunities identified Redesigning collection routes to increase internalisation 	<ul style="list-style-type: none"> Expanding use of route optimisation and fleet management software Extending procurement program Reduce back office costs 	<ul style="list-style-type: none"> Opportunities identified and being assessed

A number of the initiatives in progress will take 18-24 months to fully implement

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Questions

