

01 July 2014

### **TRANSPACIFIC FINALISES DEBT REFINANCING**

Transpacific Industries Group Ltd. (ASX:TPI) today announced that, following the successful sale of its New Zealand business, the Company has finalised its refinancing with a new \$400 million syndicated debt facility. The new debt facility has been provided by 8 banks (previously 15).

The refinancing was significantly over-subscribed by both domestic and offshore lenders.

As part of this refinancing, the Company has:

1. Improved the pricing of the facility reflecting TPI's enhanced credit profile;
2. Increased the forecast weighted average debt maturity at 30 June 2014 from 1.9 years to 4.3 years; and
3. Reduced the overall size of TPI's syndicated debt facility from \$1.199 billion<sup>1</sup> to \$400 million.

Sale of the New Zealand business and completion of the refinancing will allow TPI the opportunity to redeem the Step-up Preference Securities (ASX:TPAPA) as at 30 September 2014 with payment due in October 2014. The Company will also consider the resumption of dividends in the near term.

Commenting on the refinancing, Stewart Cummins, Chief Financial Officer of TPI said: "We are pleased with the strong support shown by members of our bank syndicate and the confidence they have in the future direction and strategy of the Company. With the reduction in debt level and improved pricing, we anticipate that our FY15 cash interest costs will be \$15-18 million."

A one-off pre-tax charge of approximately \$18 million will be recognised in the FY14 accounts relating to the unamortised syndicate establishment costs incurred in October 2011.

**END**

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<sup>1</sup> As at 31 December 2013