

18 June 2012

**Transurban Distribution for the Six Months Ending 30 June 2012
and Pocahontas Impairment Charge**

Final Distribution and Distribution Reinvestment Plan

A distribution totalling 15.0 cents per stapled security will be paid in respect of the six months ending 30 June 2012. This will be made up of an 11.5 cent distribution from Transurban Holding Trust and controlled entities (THT) and a 3.5 cent fully franked dividend from Transurban Holdings Limited and controlled entities (THL). This takes the full FY2012 distribution to 29.5 cents per stapled security of which 7.0 cents will have been fully franked.

It is anticipated that the tax deferred component of the final distribution will be minimal. The extent to which distributions paid in FY2012 are tax deferred will be confirmed in Tax Statements to be issued with the final distribution in August 2012.

Transurban's CEO, Chris Lynch, said of the distribution, "The 15.0 cent final distribution brings the full year distribution to 29.5 cents – once again in line with full year guidance of at least 29 cents."

"This 9.3% increase on FY2011 marks the third year of robust distribution growth reflecting the outstanding work of our staff and the solid investment characteristics of Transurban in challenging economic times."

The Distribution Reinvestment Plan (DRP) will operate again for this distribution payment. No discount will be applied when determining the price at which stapled securities will be issued under the DRP for this distribution.

The Directors have determined that the DRP pricing period in relation to this distribution will be the period of 10 trading days, commencing on 4 July 2012.

The key dates for the distribution and the DRP are:

Securities trade "ex distribution"	25 June 2012
Record Date	29 June 2012
Payment Date and DRP Allotment Date	14 August 2012

Pocahontas Impairment Charge

Transurban announces that following completion of a detailed review of traffic and operating forecasts for Pocahontas Parkway 895 (Richmond, Virginia), Transurban will reduce the carrying value of the asset based on revised lower revenue forecasts. As a result, an equity accounting charge will be made in Transurban's statutory accounts for the year ended 30 June 2012 of \$138.1 million.

This write down creates an accounting charge only - there are no cash impacts at the DRIVE, Transurban or security holder level as a result of this action.

Transurban's investment in Pocahontas is held via Transurban DRIVE, which is 75% owned by Transurban. As a result of this equity accounting charge, Transurban's carrying value of its investment in DRIVE will be reduced to zero.

Transurban's CEO, Chris Lynch, said of the decision, "The Pocahontas investment was made in 2006 on the expectation of significant housing and other development along the corridor resulting in growing traffic volumes and revenues. That development, due to specific issues in the local area and the continuing difficult macro-economic environment, has not yet manifested and is now expected to take longer to eventuate, resulting in a significantly reduced population of potential toll paying customers."

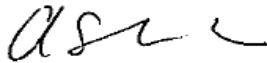
"Based on revised traffic forecasts, Transurban now believes Pocahontas' future cash flows will be significantly impaired relative to the original forecasts."

"I want to be clear that the issues facing Pocahontas are asset specific and do not reflect any broader concerns across the rest of the Transurban portfolio. All of Transurban's existing operating assets remain robust with strong expectations for continued growth and free cash generation."

"Transurban remains excited about the opening of the Capital Beltway Express Lanes in the greater Washington DC area later this year. The Express Lanes are being built on one of the United States' busiest highways and represent a materially different investment proposition to Pocahontas. Unlike the Pocahontas investment case, the Express Lanes do not rely on any significant development in the catchment area but are designed to relieve endemic existing traffic congestion. Washington DC and Northern Virginia have remained resilient during the United States' economic downturn."

"Today's announcement has no cash impact on Transurban or security holders in the FY12 year or beyond as highlighted by today's full year distribution announcement of 29.5 cents."

Today's announcement has no impact on the immediate operations of Pocahontas. Transurban, through a subsidiary, remains its manager.



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Classification

Public

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