

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

6 May 2014

**ENTITLEMENT OFFER
NOTIFICATION OF INELIGIBLE SECURITY HOLDERS**

Transurban attaches a copy of the notifications that are being sent to Ineligible Institutional Security Holders and to Ineligible Retail Security Holders today in relation to the Entitlement Offer.



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Company Secretary

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Important information

This announcement may not be released or distributed in the United States. This announcement does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States. Neither the entitlements nor the new securities have been, or will be, registered under the U.S Securities Act of 1933 ("Securities Act") or the securities laws of any state or other jurisdiction of the United States. The entitlements may not be issued to, or taken up or exercised by, and the new securities may not be offered or sold to, persons in the United States or persons who are acting for the account or benefit of a person in the United States. Neither the entitlements nor the new securities may be offered, sold or resold in the United States except in transactions exempt from, or not subject to, the registration requirements of the Securities Act and the applicable securities laws of any state or other jurisdiction of the United States. The entitlements and the new securities to be offered and sold in the Retail Entitlement Offer may only be offered and sold outside the United States in 'offshore transactions' (as defined in Rule 902(h) under the Securities Act) in reliance on Regulation S.

Classification

Public

Transurban Group

Transurban International Limited
ABN 90 121 746 825

Transurban Holdings Limited
ABN 86 098 143 429

Transurban Holding Trust
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Dear Security Holder

**TRANSURBAN ENTITLEMENT OFFER
NOTIFICATION TO INELIGIBLE INSTITUTIONAL SECURITY HOLDERS**

On Thursday 24 April 2014, Transurban¹ announced an accelerated renounceable pro-rata entitlement offer to eligible security holders to subscribe for 10 new fully paid Transurban stapled securities ("**New Securities**") for every 43 existing fully paid Transurban stapled securities ("**Securities**") held ("**Entitlement**"), at an offer price of A\$6.75 per New Security ("**Offer Price**") to raise approximately A\$2.34 billion (the "**Entitlement Offer**").

The Entitlement Offer comprises an offer to Eligible Institutional Security Holders (as defined below) ("**Institutional Entitlement Offer**") and an offer to Eligible Retail Security Holders to participate on the same terms ("**Retail Entitlement Offer**"). The Entitlement Offer is underwritten.

The Entitlement Offer is being made by Transurban without a disclosure document in accordance with sections 708AA and 1012DAA of the *Corporations Act 2001* (Cth) (the "**Act**") as notionally modified by Australian Securities and Investments Commission Class Order [08/35] and relief obtained from ASIC.

The proceeds from the Entitlement Offer will be used to fund Transurban's equity contribution to the consortium that has reached agreement to acquire Queensland Motorways. Transurban has a 62.5% interest in the consortium.

The Investor Presentation, ASX Launch Announcement and Entitlement Offer Cleansing Statement were lodged with the ASX on Thursday 24 April 2014.

INSTITUTIONAL ENTITLEMENT OFFER

The Institutional Entitlement Offer, which will raise approximately A\$1.79 billion, is being made to Eligible Institutional Security Holders (as defined below) on the basis of 10 New Securities for every 43 Securities held at 7.00pm (AEST) on Thursday, 1 May 2014 ("**Record Date**").

ELIGIBILITY CRITERIA

The restrictions upon eligibility under the Institutional Entitlement Offer are because of legal limitations in the jurisdiction in which you are located, the relatively small number of security holders in your jurisdiction, the relatively small number and value of Securities that security holders in your jurisdiction hold and the potential cost of complying with regulatory requirements in your jurisdiction.

Transurban has determined, pursuant to ASX Listing Rule 7.7.1(a) and section 9A(3)(a) of the Act, that it would be unreasonable to make offers to security holders in all countries outside Australia, New Zealand and certain other jurisdictions in connection with the Institutional Entitlement Offer.

Unfortunately, according to our records, you do not satisfy the eligibility criteria for an Eligible Institutional Security Holder stated below. Accordingly, in compliance with ASX Listing Rule 7.7.1(b), Transurban wishes to advise you that it will not be extending the Entitlement Offer to you and you will not be eligible to subscribe for New Securities under the Entitlement Offer.

Security holders who are eligible to participate in the Institutional Entitlement Offer ("**Eligible Institutional Security Holders**") are security holders who:

¹ Transurban International Limited, Transurban Holdings Limited and Transurban Infrastructure Management Limited in its capacity as responsible entity of Transurban Holding Trust.

- a) were identified by Transurban as an institutional security holder;
- b) are registered as a holder of Securities as at 7.00pm (AEST) on the Record Date;
- c) have a registered address on the Transurban security register in Australia or New Zealand (or certain other jurisdictions disclosed in the Investor Presentation); and
- d) are not in the United States.

INSTITUTIONAL ENTITLEMENT BOOKBUILD

A number of New Securities equal to the number of Entitlements not taken up by Eligible Institutional Security Holders (along with those New Securities which would have been offered to ineligible institutional security holders had they been eligible to participate) were offered for sale by the joint lead managers on behalf of Transurban to institutional investors (which may include Eligible Institutional Security Holders) in a bookbuild process following the Institutional Entitlement Offer (the “**Institutional Entitlement Bookbuild**”). The Institutional Entitlement Bookbuild was completed on 30 April 2014.

The premium over the Offer Price per New Security that was achieved under the Institutional Entitlement Bookbuild (net of any applicable withholdings tax) will be paid to ineligible institutional security holders and Eligible Institutional Security Holders who did not take up their full Entitlement in proportion to the number of New Securities represented by their Entitlement.

Any proceeds received may have Australian and overseas tax consequences, depending on individual circumstances. You should seek professional tax advice regarding the taxation of any proceeds received.

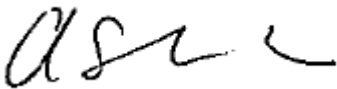
NO ACTION REQUIRED

This notice is to inform you about the Institutional Entitlement Offer. This letter is not an offer to issue New Securities to you, nor an invitation for you to apply for New Securities. You are not required to do anything in response to this letter.

If you have any questions in relation to any of the above matters, please contact the Transurban Security Holder Information Line on 1300 360 146 (within Australia) or +61 3 9415 4315 (outside Australia) between 8:30am and 5:30pm (AEST) Monday to Friday.

On behalf of the Board and management of Transurban, thank you for your continued interest.

Yours sincerely



Amanda Street
Company Secretary
Transurban Group

This notice does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States or to any person acting for the account or benefit of any person in the United States. Securities may not be offered or sold in the United States or to any person acting for the account or benefit of a person in the United States absent registration or an exemption from registration. The Entitlements and the New Securities to be offered and sold in the Entitlement Offer and the U.S. Private Placement have not been and will not be registered under the U.S. Securities Act of 1933 (the “**Securities Act**”), or under the securities laws of any state or other jurisdiction of the United States. The Entitlements and the New Securities to be offered and sold in the Institutional Entitlement Offer and Institutional Entitlement Bookbuild may only be offered and sold to certain persons that are not in the United States and are not acting for the account or benefit of a person in the United States in transactions that are not subject to the registration requirements of the Securities Act in reliance on Regulation S thereunder. The entitlements and Securities to be offered and sold in the U.S. Private Placement may only be offered and sold in the United States to certain eligible investors pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable U.S. state securities laws. Goldman Sachs Australia Pty Ltd and Morgan Stanley Australia Securities Limited are acting solely in the capacity of administration agents in connection with the U.S. Private Placement.

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Dear Security Holder

**TRANSURBAN ENTITLEMENT OFFER
NOTIFICATION TO INELIGIBLE RETAIL SECURITY HOLDERS**

On Thursday, 24 April 2014, Transurban¹ announced an accelerated renounceable pro-rata entitlement offer to eligible security holders to subscribe for 10 new fully paid Transurban stapled securities ("**New Securities**") for every 43 existing fully paid Transurban stapled securities ("**Securities**") held ("**Entitlement**"), at an offer price of A\$6.75 per New Security ("**Offer Price**") to raise approximately A\$2.34 billion (the "**Entitlement Offer**").

The Entitlement Offer comprises an offer to eligible institutional security holders ("**Institutional Entitlement Offer**") and an offer to Eligible Retail Security Holders (as defined below) to participate on the same terms ("**Retail Entitlement Offer**"). The Entitlement Offer is underwritten.

The Entitlement Offer is being made by Transurban without a disclosure document in accordance with section 708AA and 1012DAA of the *Corporations Act 2001* (Cth) (the "**Act**") as notionally modified by the Australian Securities & Investments Commission Class Order [08/35] and relief obtained from ASIC.

The Institutional Entitlement Offer was completed on 30 April 2014.

RETAIL ENTITLEMENT OFFER

The Retail Entitlement Offer, which will raise approximately A\$557 million, is being made to Eligible Retail Security Holders (as defined below) on the basis of 10 New Securities for every 43 Securities held at 7.00pm (AEST) on 1 May 2014 ("**Record Date**").

A booklet in relation to the Retail Entitlement Offer was lodged with the Australian Securities Exchange today ("**Offer Booklet**") and will be mailed to Eligible Retail Security Holders (as defined below).

ELIGIBILITY CRITERIA

The restrictions upon eligibility under the Retail Entitlement Offer arise because of legal limitations in the jurisdiction in which you are located, the number of security holders in your jurisdiction, the number and value of securities that security holders in your jurisdiction hold and the potential cost of complying with regulatory requirements in your jurisdiction.

¹ Transurban International Limited, Transurban Holdings Limited and Transurban Infrastructure Management Limited in its capacity as responsible entity of Transurban Holding Trust.

Transurban has determined, pursuant to ASX Listing Rule 7.7.1(a) and section 9A(3)(a) of the Act, that it would be unreasonable to make offers to security holders in all countries outside Australia and New Zealand in connection with the Retail Entitlement Offer.

Unfortunately, according to our records, you do not satisfy the eligibility criteria for an Eligible Retail Security Holder stated below. Accordingly, in compliance with ASX Listing Rule 7.7.1(b), Transurban wishes to advise you that it will not be extending the Retail Entitlement Offer to you and you will not be able to subscribe for New Securities under the Retail Entitlement Offer.

Security Holders who are eligible to participate in the Retail Entitlement Offer ("**Eligible Retail Security Holders**") are security holders who:

- a) are registered as a holder of Securities as at 7.00pm (AEST) on the Record Date;
- b) have a registered address on the Transurban security register in Australia or New Zealand;
- c) are not in the United States and are not acting for the account or benefit of persons in the United States;
- d) have not already received an offer to participate (other than as nominee) or was otherwise ineligible to participate in the Institutional Entitlement Offer; and
- e) are eligible under all applicable securities laws to receive an offer under the Retail Entitlement Offer.

Notwithstanding the above, Transurban may (at its absolute discretion) extend the Retail Entitlement Offer to any institutional security holders who were not able to participate in the Institutional Entitlement Offer (subject to compliance with applicable laws).

RETAIL ENTITLEMENT BOOKBUILD

A number of New Securities equal to the number of Entitlements not taken up by Eligible Retail Security Holders (along with those New Securities which would have been offered to Ineligible Retail Security Holders had they been eligible to participate) will be offered by the joint lead managers on behalf of Transurban to institutional investors in a bookbuild process following the Retail Entitlement Offer (the "**Retail Entitlement Bookbuild**"). The Retail Entitlement Bookbuild is expected to be completed on 28 May 2014.

Any premium over the Offer Price per New Security that may be achieved under the Retail Entitlement Bookbuild (if any, and net of any applicable withholding tax) will be paid to Ineligible Retail Security Holders and Eligible Retail Security Holders who do not take up their full Entitlement in proportion to the number of New Securities represented by their Entitlement. However if the price achieved under the Retail Entitlement Bookbuild ("**Bookbuild Price**") does not exceed the Offer Price then no proceeds will be received and paid to you.

There is no guarantee that any proceeds will be received for the Entitlements through the Retail Entitlement Bookbuild. The ability to sell New Securities under the Retail Entitlement Bookbuild and the ability to obtain any premium will be dependent upon various factors, including but not limited to market conditions. Further, the Bookbuild Price may not be the highest price available, but will be determined having regard to a number of factors, including having binding and bona fide offers which, in the reasonable opinion of the joint lead managers will, if accepted, result in otherwise acceptable allocations to clear the entire book. To the maximum extent permitted by law, none of Transurban, the joint lead managers, their respective related bodies corporate, and affiliates, and the directors, officers, employees, agents and advisers of any of them, will be liable, including for negligence, for any failure to procure applications under the Retail Entitlement Bookbuild at a price in excess of the Offer Price.

Any proceeds received may have Australian and overseas tax consequences, depending on individual circumstances. You should seek professional tax advice regarding the taxation of any proceeds received.

NO ACTION REQUIRED

This notice is to inform you about the Retail Entitlement Offer. This letter is not an offer to issue New Securities to you, nor an invitation for you to apply for New Securities. You are not required to do anything in response to this letter.

If you have any questions in relation to any of the above matters, please contact the Transurban Security Holder Information Line on 1300 360 146 (within Australia) or +61 3 9415 4315 (outside Australia) between 8:30am and 5:30pm (AEST) Monday to Friday.

On behalf of the Board and management of Transurban, thank you for your continued interest.

Yours sincerely

A handwritten signature in black ink, appearing to read 'A Street', with a stylized flourish at the end.

Amanda Street
Company Secretary
Transurban Group

This notice does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States or to any person acting for the account or benefit of a person in the United States. Securities may not be offered or sold in the United States or to any person acting for the account or benefit of a person in the United States absent registration or an exemption from registration. The Entitlements and the New Securities to be offered and sold in the Retail Entitlement Offer have not been and will not be registered under the U.S. Securities Act of 1933 ("**Securities Act**"), or under the securities laws of any state or other jurisdiction of the United States. Accordingly, the Entitlements offered in the Retail Entitlement Offer may only be exercised or taken up by, and the New Securities to be offered and sold in the Retail Entitlement Offer may only be offered or sold to Persons that are not in the United States and are not acting for the account or benefit of a person in the United States, in each case in "offshore transactions" (as defined in Rule 902(k) under the Securities Act) in reliance on Regulation S under the Securities Act.

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