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ASX RELEASE

Sydney Roads Group

Sydney Roads Group announces Industry Funds Management may wish to argue pre-emptive rights, should Transurban Group acquire more than 50% of the issued SRG stapled securities under Transurban's current takeover offer

Sydney Roads Group (SRG) has been advised by Industry Funds Management (IFM), an investor in the Airport Motorway, that it may wish to argue that pre-emption rights over the shares and units held by SRG in the entities which constitute the Airport Motorway will arise, if the Transurban Group (Transurban) acquires more than 50% of the issued SRG stapled securities under Transurban Group's take over offer announced on 14 December 2006.

The SRG Directors have previously received Senior Counsel's advice on the question of the existence of pre-emption rights under the investor documents for the Airport Motorway. The SRG Directors are of the view that it is more likely than not that, under those investor documents, there are no pre-emption rights binding on SRG.

If, contrary to the SRG Directors' view expressed above, rights of pre-emption exist under the investors' agreements for the Airport Motorway, a waiver or release of those pre-emption rights will need to be obtained, to satisfy Defeating Condition 10.9(c)(2) of the Bidder's Statement lodged with ASIC on 21 December 2006. SRG is continuing discussions to resolve this matter.

The SRG Directors continue to recommend that the Transurban offer be accepted by SRG security holders, in the absence of a superior offer. The SRG Directors intend themselves to accept the offer in respect of their personal holdings in SRG securities, in the absence of a superior offer. A copy of Transurban's Bidder's Statement and SRG's Target Statement – which provide full explanations of the Transurban offer – will be sent to SRG security holders on 18 January 2007.

For further information, please contact:

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