
APPLICABLE PRICING SUPPLEMENT



TRANSNET SOC LTD

*(Incorporated in the Republic of South Africa with limited liability
under registration number: 1990/000900/30)*

Issue of ZAR 250,000,000 Senior Unsecured Zero Coupon Notes due 11 June 2015 Under its ZAR55,000,000,000 Domestic Medium Term Note and Commercial Paper Programme

This Applicable Pricing Supplement must be read in conjunction with the Programme Memorandum, dated 25 October 2011, prepared by Transnet SOC Ltd in connection with the Transnet SOC Ltd ZAR55,000,000,000 Domestic Medium Term Note and Commercial Paper Programme, as amended and/or supplemented from time to time (the "**Programme Memorandum**").

Any capitalised terms not defined in this Applicable Pricing Supplement shall have the meanings ascribed to them in the section of the Programme Memorandum headed "*Terms and Conditions of the Notes*".

This document constitutes the Applicable Pricing Supplement relating to the issue of Notes described herein. The Notes described herein are issued on and subject to the Terms and Conditions as amended and/or supplemented by the Terms and Conditions contained in this Applicable Pricing Supplement. To the extent that there is any conflict or inconsistency between the contents of this Applicable Pricing Supplement and the Programme Memorandum, the provisions of this Applicable Pricing Supplement shall prevail.

PARTIES

- | | |
|----------------------|--|
| 1. Issuer | Transnet SOC Ltd |
| 2. Dealers | Transnet SOC Ltd |
| 3. Managers | N/A |
| 4. Paying Agent | The Standard Bank of South Africa Limited, acting through its Corporate and Investment Banking division |
| Specified Address | 3 Simmonds Street
Johannesburg
2001
South Africa |
| 5. Calculation Agent | Transnet SOC Ltd |
| Specified Address | Room 4305, 43 rd Floor
Carlton Centre
150 Commissioner Street
Johannesburg
2001
South Africa |

6.	Transfer Agent	Transnet SOC Ltd
	Specified Address	Room 4305, 43 rd Floor Carlton Centre 150 Commissioner Street Johannesburg 2001 South Africa

PROVISIONS RELATING TO THE NOTES

7.	Status of Notes	Senior Unsecured
8.	Form of Notes	Listed Registered Notes
9.	Series Number	127
10.	Tranche Number	1
11.	Aggregate Nominal Amount:	ZAR250,000,000
12.	Interest	Interest-bearing
13.	Interest Payment Basis	Zero Coupon
14.	Automatic/Optional Conversion from one Interest/Redemption/Payment Basis to another	N/A
15.	Form of Notes	Registered Notes: The Notes in this Tranche are issued in uncertificated form and held by the CSD.
16.	Issue Date	12 June 2014
17.	Nominal Amount per Note	ZAR1,000,000
18.	Specified Denomination	ZAR1,000,000
19.	Specified Currency	ZAR
20.	Issue Price	93.44248 Percent
21.	Interest Commencement Date	12 June 2014
22.	Maturity Date	11 June 2015
23.	Applicable Business Day Convention	Following Business Day
24.	Final Redemption Amount	100% of Nominal Issue Amount
25.	Last Day to Register	By 17h00 on 05 June 2015 which shall mean that the Register will be closed from last Day to Register to the Maturity Date
26.	Books Closed Period(s)	The Register will be closed from 06 June 2015 (Date inclusive) to Maturity Date
27.	Default Rate	N/A
	FIXED RATE NOTES	N/A
	FLOATING RATE NOTES	N/A

ZERO COUPON NOTES

- | | | |
|---------|--|------------------------------|
| 28. (a) | Implied Yield | 7.037 Percent |
| (b) | Reference Price | 6.933 Percent 12 Month Jibar |
| (c) | Any other formula or basis for determining amount(s) payable | N/A |

PARTLY PAID NOTES

N/A

INSTALMENT NOTES

N/A

MIXED RATE NOTES

N/A

INDEX-LINKED NOTES

N/A

DUAL CURRENCY NOTES

N/A

EXCHANGEABLE NOTES

N/A

OTHER NOTES

N/A

PROVISIONS REGARDING REDEMPTION/MATURITY

- | | | |
|-----|---|-----|
| 29. | Redemption at the Option of the Issuer: | No |
| 30. | Redemption at the Option of the Senior Noteholders | No |
| 31. | Early Redemption Amount(s) payable on redemption for taxation reasons or on Event of Default (if required). | Yes |
| 32. | Redemption in the event of a Change of Control | Yes |
| 33. | Redemption in the event of a Change of Principal Business | Yes |

GENERAL

- | | | |
|-----|---|---|
| 34. | Financial Exchange | JSE (Interest Rate Market) |
| 35. | Additional selling restrictions | N/A |
| 36. | ISIN No. | ZAG000116773 |
| 37. | Stock Code | TSP168 |
| 38. | Method of distribution | Auction |
| 39. | Credit Rating assigned to the Programme | For purposes of this issue of Notes, the Programme has been rated by Moody's Investors Service (Pty) Limited. The national scale rating assigned to the Programme as at 16 August 2011, and due for review from time to time, is Aa3.za senior unsecured long term rating; P-1.za short term rating; and A1.za subordinated long term rating. |
| 40. | Applicable Rating Agency | Moody's Investors Service South Africa (Pty) Ltd. |



DISCLOSURE REQUIREMENTS IN TERMS OF PARAGRAPH 3(5) OF THE COMMERCIAL PAPER REGULATIONS

41. Paragraph 3(5)(a)

The “*ultimate borrower*” (as defined in the Commercial Paper Regulations) is the Issuer.

42. Paragraph 3(5)(b)

The Issuer is a going concern and can in all circumstances be reasonably expected to meet its commitments under the Notes.

43. Paragraph 3(5)(c)

The auditor of the Issuer is SizweNtsalubaGobodo.

44. Paragraph 3(5)(d)

As at the date of this issue:

- (i) the Issuer has issued ZAR 68,399,300,000.00 Commercial Paper (including this issue) (as defined in the Commercial Paper Regulations) ,which amount is made up of the aggregate issuances under the respective Issuer Programmes listed below:

- (a) ZAR 41,175,000,000.00 issued under this Programme (including Notes issued under the Previous Programme Memorandum);

- (b) ZAR 3,500,000,000.00 issued under the EMTN Programme;

- (c) USD 1,750,000,000.00 (ZAR18,724,300,000.00 (equivalent) issued under the GMTN Programme;

- (d) ZAR 5,000,000,000.00 issued under the GMTN Programme and

- (ii) to the best of the Issuer's knowledge and belief, the Issuer estimates to issue (excluding this issue) ZAR4,750,000,000.00 Commercial Paper during the 2014/2015 financial year, ending on 31 March 2015.

45. Paragraph 3(5)(e)

All information that may reasonably be necessary to enable the investor to ascertain the nature of the financial and commercial risk of its investment in the Notes is contained in the Programme Memorandum and the Applicable Pricing Supplement.

46. Paragraph 3(5)(f)

There has been no material adverse change in the Issuer's financial position since the date of its last audited financial statements.

47. Paragraph 3(5)(g)

The Notes issued will be listed.

48. Paragraph 3(5)(h)

The funds to be raised through the issue of the Notes are to be used by the Issuer for its general corporate purposes.

49. Paragraph 3(5)(i)

The obligations of the Issuer in respect of the Notes are unsecured.

50. Paragraph 3(5)(j)

SizweNtsalubaGobodo, the statutory auditors of the Issuer, have confirmed that nothing came to their attention to indicate that the Issue of Notes under the Programme, during the financial year ending 31 March 2013, does not comply in all respects with the relevant provisions of the Commercial Paper Regulations.

Responsibility:

The Issuer accepts full responsibility for the accuracy of the information contained in this Applicable Pricing Supplement. To the best of the knowledge and belief of the Issuer (who has taken all reasonable care to ensure that such is the case) the information contained in this Applicable Pricing Supplement is in accordance with the facts and does not omit anything which would make any statement false or misleading and all reasonable enquiries to ascertain such facts have been made. This Applicable Pricing Supplement contains all information required by law and the debt listings requirements of the JSE.

Application is hereby made to list this issue of Notes on 12 June 2014.

SIGNED at JOHANNESBURG on this 09th day of June 2014.

For and on behalf of **TRANSNET SOC LTD**



Name : A SINGH
Capacity : DIRECTOR
who warrants his/her authority hereto



Name : B MOLEFE
Capacity : DIRECTOR
who warrants his/her authority hereto

