



DUET GROUP

DETAILED REPORTING PACK

30 JUNE 2007

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1. INTRODUCTION

This is not intended to replace the financial statements of DUET, rather it is to provide a simplified summary to help aid analysts assess the performance of the DUET related assets.

2. UNITED ENERGY DISTRIBUTION HOLDINGS (“UEDH”)

As at 30 June 2007, DUET owned 66.0% of UEDH and 100% of the subordinated debt.

2.1. Financial Summary

The current period is the 6 months to 30 June 2007. The prior comparable period (“pcp”) for the Income Statement is the 6 months to 30 June 2006.

	AIFRS	AIFRS	AIFRS	AIFRS	AIFRS	AIFRS
Financial Summary (\$ millions)	6 mths 31/12/05	6 mths 30/06/06	12 mths 30/06/06	6 mths 31/12/06	6 mths 30/06/07	12 mths 30/06/07
Distribution Revenue	187	180	367	179	192	370
Total Revenue	209	204	412	201	219	420
EBITDA	130	122	251	117	136	253
EBIT	94	85	180	84	100	184
Net Profit After Tax	14	10	24	7	19	26
Total Assets	2,053	2,066	2,066	2,112	2,152	2,152
Net Assets	59	75	75	74	91	91
Total Capex	51	50	101	63	57	120
Performance Indicators						
Undistributed “Distributable Cash” (per bank documents)	44	36	36	42	37	37
Gearing (per bank documents)	68.7%	68.4%	68.4%	69.7%	69.7%	69.7%
RAB	1,218	1,230	1,230	1,236	1,285	1,285

2.2. Income Statement

The current period is the 6 months to 30 June 2007. The prior comparable period ("pcp") for the Income Statement is the 6 months to 30 June 2006.

		AIFRS	AIFRS	AIFRS	AIFRS	AIFRS
Income Statement (\$ millions)	6 mths 31/12/05	6 mths 30/06/06	12 mths 30/06/06	6 mths 31/12/06	6 mths 30/06/07	12 mths 30/06/07
Net Profit After Tax	14.3	10.2	24.5	7.4	18.9	26.3
The Net Result After Tax for the six months to 30 June 2007 was \$18.9m, an increase of \$8.7m relative to the pcp. Further analysis of the movements in revenues and expenses are detailed in the sections below:						
Revenue	208.8	203.6	412.4	201.1	219.1	420.2
Revenue consists of Network Revenue, Other Operating Revenue and Other Income (see discussion below).						
Distribution Revenue	187.0	180.3	367.3	178.9	191.5	370.4
Distribution Revenue for the current period was \$191.5m. This increased by \$11.2m relative to the pcp.						
TUoS Revenue	36.0	35.6	71.6	40.2	40.4	80.7
TUoS (Transmission Use of System) Revenue for the current period was \$40.4m. This is an increase of \$4.8m relative to the pcp. TUoS Revenue is collected by UED and paid to third parties in the form of Grid Fees.						
DUoS Revenue	151.0	144.7	295.6	138.7	151.1	289.8
<i>Residential</i>	66.0	64.2	130.2	62.1	69.6	131.7
<i>Business</i>	48.6	45.1	93.7	43.8	44.5	88.4
<i>Industrial</i>	36.4	35.3	71.7	32.7	37.1	69.8
DUoS Revenue for the current period was \$151.1m. This is a \$6.4m increase relative to the pcp. The increase is attributable to growth in residential customer volumes which has been offset by decreases in Business and Industrial Revenues						
Other Revenue	21.8	23.3	45.2	22.2	27.5	49.8
<i>Reserve Capacity Supply</i>	0.3	0.2	0.5	0.2	0.2	0.5
<i>Scheduled Meter Reading</i>	5.1	5.2	10.3	5.0	5.8	10.8
<i>Technical Services Revenue</i>	0.0	0.0	0.0	0.0	0.0	0.0
<i>New Connections Revenue</i>	0.8	0.8	1.6	1.0	0.9	1.9
<i>Customer contributions</i>	1.7	1.5	3.2	4.2	4.3	8.5
<i>Interest Revenue</i>	1.0	2.8	3.8	1.1	1.3	2.4
<i>Miscellaneous Revenue</i>	13.0	12.8	25.8	10.6	15.1	25.7
Other Revenue for the current period is \$27.5m. This is an increase of \$4.2m relative to the pcp. Note that the Scheduled Meter Reading, Customer Contributions and Miscellaneous Revenue items have been restated for 31 December 2006. Interest Revenue, which was previously included as part of Miscellaneous Revenue has also been split out as an individual item.						
Expenses from Ordinary Activities	194.5	193.4	387.9	193.7	200.2	393.9
Expenses from Ordinary Activities consist of Operating Expenses, Depreciation, Amortisation, Abandonments, Financing Costs and Income Tax Expense						
Operating Expenses	78.2	79.3	157.5	82.6	82.0	164.5
<i>Grid fees</i>	36.0	35.6	71.6	40.2	40.4	80.7
<i>Operating Fees</i>	38.5	39.6	78.1	39.6	36.8	76.4
<i>Insurance</i>	1.5	1.5	3.0	1.4	1.2	2.6
<i>FSA</i>	0.2	0.1	0.3	0.1	0.1	0.3
<i>Licences</i>	0.3	0.3	0.7	0.3	0.3	0.6
<i>Other Operating Expenses</i>	1.6	2.1	3.8	0.9	3.1	4.0
Operating Expenses for the current period are \$82.0m. This is an increase of \$2.7m relative to the pcp. The increase is attributable to increases in Grid Fees, which have been partially offset by a decrease in Operating Fees.						

		AIFRS	AIFRS	AIFRS	AIFRS	AIFRS
Income Statement (\$ millions)	6 mths 31/12/05	6 mths 30/06/06	12 mths 30/06/06	6 mths 31/12/06	6 mths 30/06/07	12 mths 30/06/07
Depreciation, Amortisation & Abandonments	35.4	36.1	71.5	33.7	36.1	69.7
<i>Depreciation</i>	26.2	27.0	53.2	27.7	28.1	55.8
<i>Amortisation</i>	7.3	7.4	14.7	8.7	6.1	14.8
<i>Abandonments</i>	1.9	1.7	3.6	-2.7	1.8	-0.9
Depreciation, Amortisation and Abandonments expense for the current period were \$36.1m. This is comparable to the pcp.						
Total Borrowing Costs	79.3	72.6	151.9	73.5	75.6	149.2
<i>Senior interest</i>	44.6	38.5	83.1	39.1	41.3	80.4
<i>SOLA interest</i>	8.5	8.3	16.7	8.8	9.0	17.8
<i>RPS interest</i>	24.1	23.7	47.8	24.1	23.7	47.8
<i>Shareholder Loan Interest</i>	0.0	0.0	0.0	0.2	0.6	0.8
<i>Amortisation of Borrowing Costs</i>	2.1	2.1	4.2	1.3	1.1	2.4
Total Borrowing Costs for the current period are \$75.6m. This is a \$3.0m increase on the pcp, which is predominantly attributable to an increase in Senior Interest Expense.						
Income Tax Expense	1.7	5.4	7.1	3.9	6.6	10.5
Income Tax Expense for the current period is \$6.6m, increasing by \$1.2m compared to the pcp.						

2.3. Balance Sheet

The prior comparable period ("pcp") used for the UEDH Balance Sheet is the period ending 31 December 2006.

	AIFRS	AIFRS	AIFRS	AIFRS
Balance Sheet (\$ millions)	31/12/05	30/06/06	31/12/06	30/06/07
Current Assets	111.0	85.1	98.8	101.6
<i>Cash</i>	40.0	25.2	29.8	52.5
<i>Accounts Receivable</i>	27.8	33.8	40.7	21.2
<i>Other Assets (Includes Inventory and Tax Assets)</i>	43.1	26.2	28.4	27.9
Current Assets for the current period are \$101.6m. This figure is comparable to the pcp. The June 2007 Accounts Receivable balance benefited from a timing variation which also correspondingly improved the cash balance.				
Non-Current Assets	1,942.3	1,980.6	2,013.6	2,050.7
<i>Plant and Property</i>	1,154.9	1,173.8	1,205.0	1,229.8
<i>Deferred Tax Asset</i>	8.8	10.2	12.0	11.5
<i>Intangibles</i>	773.7	770.6	765.3	762.4
<i>Other (includes receivables)</i>	4.9	26.1	31.3	47.0
Non-Current Assets for the current period were \$2,050.7m. This is an increase of \$37.1m relative to the pcp, primarily due to increased customer initiated capital expenditure and higher hedge valuations included in the Other Non-Current Assets.				
Current Liabilities	98.1	78.1	87.1	71.3
<i>Payables</i>	96.1	73.0	63.6	66.1
<i>Interest Bearing Liabilities</i>	0.0	0.0	20.0	3.6
<i>Current Tax Liabilities</i>	0.0	2.5	0.8	-1.1
<i>Provisions</i>	2.0	2.5	2.7	2.6
Current Liabilities for the current period are \$71.3m, a decrease of \$15.8m relative to the pcp. This decrease results from a reduction of current interest bearing liabilities of \$16.4m, offset by an increase in payables of \$2.5m.				
Non-Current Liabilities	1,895.9	1,912.7	1,951.6	1,989.9
<i>Interest Bearing Liabilities</i>	1,264.7	1,210.8	1,217.4	1,195.0
<i>SOLA Debt</i>	183.7	183.7	183.7	183.7
<i>Shareholder Loans</i>	0.0	0.0	10.0	10.0
<i>Redeemable Preference Shares</i>	354.1	354.1	354.1	354.1
<i>Deferred Taxation Liabilities</i>	83.0	93.9	98.9	111.2
<i>Other Liabilities</i>	10.5	70.2	87.5	135.9
Non-Current Liabilities for the current period are \$1,989.9m. Interest Bearing Liabilities decreased \$22.4m from the pcp as a result of its US\$ denominated debt. However, this was offset by the \$64.9m increase in the derivative liability associated with hedging of the US\$ loans in the current period. The total derivative liability was \$129.7m for the current period and is included in Other Liabilities. The Interest Bearing Liabilities are shown net of Deferred Borrowing Costs.				
Net Assets	59.3	75.0	73.7	91.1
Equity	59.3	75.0	73.7	91.1
<i>Contributed Equity</i>	3.6	3.6	3.6	3.6
<i>Reserves</i>	0.8	16.3	17.5	32.2
<i>Retained Profits / (Loss)</i>	54.9	55.1	52.5	55.4
Equity for the current period is \$91.1m. This is a \$17.4m increase relative to the pcp, predominantly attributable to an increase in reserves of \$14.7m from the pcp resulting from an increase in the value of interest rate swaps.				

2.4. Cash Flow Statement

The current period is the 6 months to 30 June 2007. The prior comparable period ("pcp") for the Cash Flow Statement is the 6 months to 30 June 2006.

	AIFRS	AIFRS	AIFRS	AIFRS	AIFRS	AIFRS
Cash Flow Statement	6 mths	6 mths	12 mths	6 mths	6 mths	12 mths
(\$ millions)	31/12/05	30/06/06	30/06/06	31/12/06	30/06/07	30/6/07
Cash Flows from Operating Activities						
Net Cash from Operating Activities	124.7	137.5	262.3	95.5	163.6	259.1
<i>Cash Receipts</i>	240.9	227.5	468.4	205.0	273.5	478.5
<i>Cash Payments to Suppliers and employees (including GST)</i>	-116.2	-89.9	-206.1	-106.6	-108.0	-214.6
<i>Income Tax Payment / Refund</i>	0.0	0.0	0.0	-2.9	-2.0	-4.8
Cash Flows from Operations for the current period were \$163.6m. This is an increase of \$26.1m relative to the pcp.						
Cash Flows from Investing Activities						
Net Cash from Investing Activities	-50.7	-49.4	-100.1	-57.1	-58.2	-115.3
<i>Purchase of Property, Plant and Equipment</i>	-51.1	-49.5	-100.6	-63.0	-57.1	-120.1
<i>Proceeds from Sale of Property, Plant and Equipment</i>	0.4	0.1	0.5	5.9	-1.1	4.8
Cash Flows applied to Investing Activities for the current period were \$58.2m. The increase of \$8.8m relative to the pcp is predominantly attributable to capital expenditures.						
Cash Flows from Financing Activities						
Net Cash from Financing Activities	-65.9	-103.0	-168.9	-33.8	-82.7	-116.5
<i>Movement in Borrowings</i>	20.0	-20.0	0.0	53.0	7.6	60.6
<i>Movement in Equity</i>	0.0	0.0	0.0	0.0	0.0	0.0
<i>Interest Paid - Senior</i>	-48.3	-41.1	-89.4	-43.7	-41.0	-84.7
<i>Interest Paid - SOLA</i>	-8.5	-8.2	-16.7	-8.7	-9.2	-17.9
<i>Interest Paid - RPS</i>	-24.1	-23.7	-47.8	-24.1	-23.7	-47.8
<i>Interest Paid - Shareholder Loans</i>	0.0	0.0	0.0	-0.2	-0.4	-0.7
<i>Distributions</i>	-5.0	-10.0	-15.0	-10.0	-16.0	-26.0
Cash Flows applied to Financing Activities for the current period were \$82.7m. This is a decrease of \$20.3m relative to the pcp. Borrowings increased by \$27.6m compared to the pcp and Distributions also increased by \$6.0m relative to the pcp.						
Net Cash Movement	8.1	-14.8	-6.8	4.6	22.7	27.3
Opening Cash	32.0	40.0	32.0	25.2	29.8	25.2
Closing Cash	40.0	25.2	25.2	29.8	52.5	52.5
The capital expenditure allocated to the main programmes for UEDH are summarised below. Note that this relates to capital expenditure incurred rather than the cash expense noted in the Cash Flow Statement above.						
Major Capex Projects:	55.5	52.6	108.1	67.3	56.4	123.7
<i>Asset Replacement</i>	13.8	18.1	31.9	15.3	15.7	31.0
<i>Customer Initiated</i>	17.0	17.2	34.2	27.5	19.0	46.5
<i>Demand Capital</i>	9.8	7.5	17.3	11.1	9.7	20.8
<i>Other</i>	14.9	9.8	24.7	13.4	11.9	25.3

2.5. Key Operational Statistics

	As at 31/12/05		As at 30/06/06		As at 31/12/06		As at 30/06/07	
		%		%		%		%
Connections								
Small (residential and unmetered)	554,694	91	554,661	91	556,134	91	557,724	91
Medium size business	52,284	9	52,858	9	53,907	9	54,261	9
Commercial and industrial	1,998	0	2,055	0	2,309	0	2,397	0
Total	608,976	100	609,574	100	612,350	100%	614,382	100
Electricity load (GWh)								
	12 mths 31/12/05		12 mths 30/06/06		12 mths 31/12/06		12 mths 30/06/07	
		%		%		%		%
Small tariff	2,845	38	2,982	38	3,040	38	3,008	38
Medium tariff	1,478	20	1,504	19	1,539	19	1,542	20
Large tariff	3,211	43	3,337	43	3,337	42	3,330	42
Total electricity load (GWh)	7,534	100	7,823	100	7,915	100	7,881	100
Distribution Network Statistics								
	As at 31/12/05		As at 30/06/06		As at 31/12/06		As at 30/06/07	
Overhead (km)	10,181		10,165		10,211		10,112	
Underground (km)	2,259		2,365		2,914		2,289	
% Underground	18.16%		18.87%		22.20%		18.46%	
Distribution Network Statistics								
	12 mths 31/12/05		12 mths 30/06/06		12 months 31/12/06		12 mths 30/06/07	
Maximum Demand (MW)	1,518		1,632		1,649		1,735	
SAIFI	1.0		1.1		1.0		1.0	
MAIFI	1.2		1.5		1.2		1.0	
SAIDI	67		76		76		74	
CAIDI	55		54		61		62	

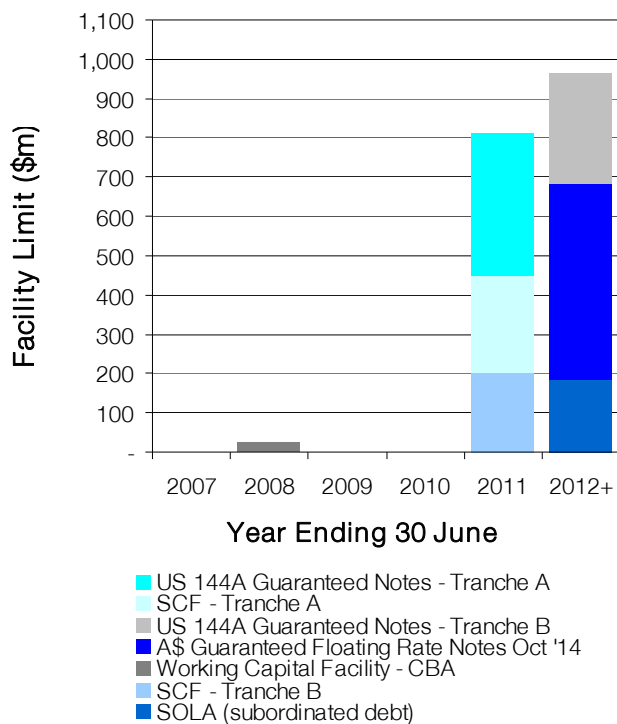
2.6. Treasury Summary

The Debt Advisory group within AMP Capital Investors Limited (“AMP Capital”) manages cash flow and interest rate exposures on behalf of UEDH. AMP Capital operates within the framework of the Financial Services Agreement (“FSA”) and a Treasury Policy (“the Policy”).

UEDH’s maturity profile and gearing at 30 June 2007 were as follows:

Debt Maturity Profile

Gearing Structure



UEDH’s gearing as at 30 June 2007 was 69.7%. There is a new gearing measure under the revised Common Terms Deed Poll (“CTDP”) in connection to the new Syndicated Facility, whereby the ratio of Net Senior Debt to Regulated Asset Base must not exceed 1.10 times. As at 30 June 2007, the ratio was 1.00 times.

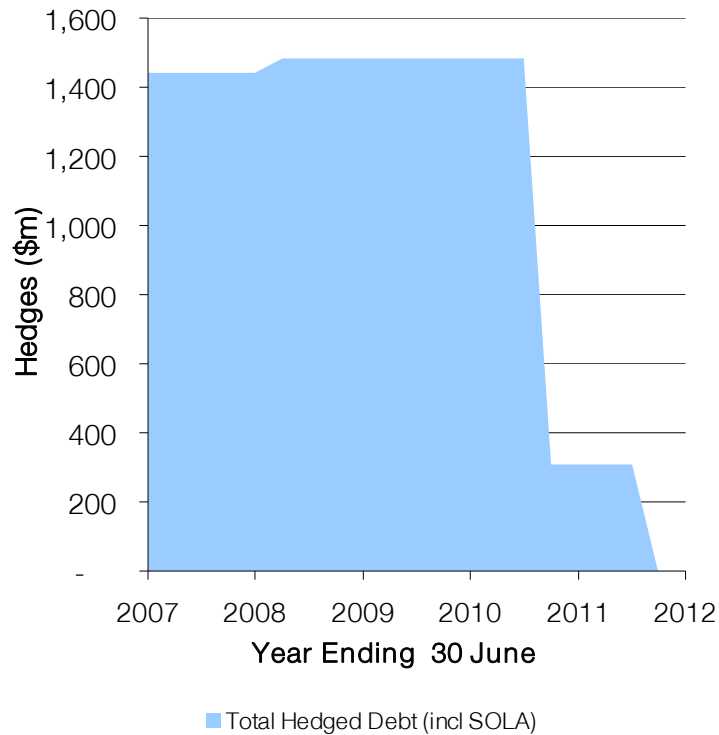
As at 30 June 2007, UEDH had \$274.4m in funding capacity (including the new Growth Capex Facility) for contingent circumstances. Such circumstances would include unforeseen cash requirements and delays in cash receivables.

The Company maintains credit ratings with internationally recognised rating agencies, Standard & Poor’s (S&P) and Moody’s. Rating levels as at Period End were:

S&P: BBB
 Moody’s: Baa1

2.7. Hedging Summary

As at 30 June 2007, UEDH's senior debt interest rate exposure was 93.8% hedged against total senior debt outstanding (including short term facilities). At 30 June 2007, UEDH's subordinated debt interest rate exposure was 100% hedged against total subordinated debt outstanding (the SOLA facility). The treasury policy is to hedge a minimum of 80% of senior debt and fully hedge subordinated debt, matched to the timing of the relevant regulatory reset. The next reset for UEDH is 1 January 2011. UEDH's hedging profile is shown below.



3. MULTINET GROUP HOLDINGS (“MGH”)

As at 30 June 2007, DUET owned 79.9% of MGH and 100% of the subordinated debt.

3.1. Financial Summary

	AIFRS	AIFRS	AIFRS	AIFRS	AIFRS	AIFRS
Financial Summary (\$ millions)	6 mths 31/12/05	6 mths 30/06/06	12 mths 30/06/06	6 mths 31/12/06	6 mths 30/06/07	12 mths 30/6/07
Distribution Revenue	77	70	147	82	66	148
Total Revenue	89	83	172	93	73	167
EBITDA	68	61	130	71	51	123
EBIT	47	38	85	47	34	81
Net Profit After Tax	15	7	23	14	-1	13
Total Assets	1,266	1,282	1,282	1,262	1,302	1,302
Net Assets	198	201	201	194	190	190
Net Capex	29	22	52	27	32	59
Performance Indicators						
Undistributed “Distributable Cash” (per banking documents)	15	22	22	20	24	24
Gearing (per banking documents)	68.7%	67.6%	67.6%	67.4%	68.1%	68.1%
RAB	863	884	884	870	891	891

3.2. Income Statement

The current period is the 6 months to 30 June 2007. The prior comparable period ("pcp") for the Income Statement is the 6 months to 30 June 2006.

	AIFRS	AIFRS	AIFRS	AIFRS	AIFRS	AIFRS
Income Statement (\$ millions)	6 mths 31/12/05	6 mths 30/06/06	12 mths 30/06/06	6 mths 31/12/06	6 mths 30/06/07	12 mths 30/06/07
Net Profit After Tax	15.4	7.3	22.7	14.3	-1.1	13.2
The Net Loss After Tax of \$1.1m for the current period is a decrease of \$8.4m relative to the pcp. Further analysis of the movements in revenues and expenses are detailed in the sections below.						
Revenue	88.7	82.9	171.6	93.3	73.4	166.7
Revenue consists of Distribution Revenue and Other Revenue, which are discussed below.						
Distribution Revenue	77.0	70.1	147.1	82.3	65.7	148.0
<i>Tariff V</i>	62.6	55.2	117.8	67.1	50.9	118.0
<i>Fixed charges</i>	13.7	14.1	27.7	14.3	14.0	28.3
<i>Tariff D</i>	0.8	0.8	1.6	0.9	0.7	1.6
Distribution Revenue for the current period was \$65.7m. This is a decrease of \$4.4m relative to the pcp, which is predominantly attributable to a decrease of \$4.3m in Tariff V Revenues.						
Other Revenue	11.7	12.8	24.5	11.0	7.7	18.8
<i>FRC</i>	5.1	5.2	10.3	5.4	4.3	9.7
<i>Recoverable Works Revenue</i>	3.9	2.1	6.0	0.4	-0.2	0.2
<i>Interest Revenue</i>	0.2	0.2	0.4	0.3	0.3	0.6
<i>Miscellaneous</i>	2.5	5.3	7.8	4.9	3.3	8.2
Other Revenue for the current period was \$7.7m, a decrease of \$5.1m relative to the pcp. Interest Revenue, which was previously included as part of Miscellaneous Revenue has also been split out as an individual item.						
Expenses from Ordinary Activities	73.3	75.6	148.9	79.1	74.5	153.6
Expenses from Ordinary Activities consist of Operating Expenses, Depreciation, Amortisation, Abandonments, Financing Costs and Income Tax Expense.						
Operating Expenses	20.2	21.2	41.4	21.6	21.9	43.5
<i>Operating Fees</i>	17.8	18.6	36.4	18.8	19.6	38.4
<i>Insurance</i>	0.9	0.8	1.7	0.8	0.6	1.4
<i>FSA</i>	0.2	0.1	0.3	0.1	0.1	0.3
<i>License costs</i>	0.4	0.0	0.4	0.3	0.5	0.8
<i>Other Operating Expenses</i>	1.0	1.7	2.6	1.6	1.1	2.7
Operating Expenses for the current period were \$21.9m, an increase of \$0.7m relative to the pcp. Increases in Operating Fees and License costs were offset by decreases in Insurance and Other Operating Expenses.						
Abandonments, Amortisation & Depreciation	21.8	23.4	45.2	24.7	17.2	41.9
<i>Depreciation</i>	12.3	12.5	24.8	12.6	12.6	25.2
<i>Amortisation</i>	4.0	5.9	9.9	6.9	1.5	8.3
<i>Abandonments</i>	5.5	4.9	10.4	5.3	3.1	8.4
Abandonments, Amortisation and Depreciation Expenses for the current period were \$17.2m, decreased by \$6.2m relative to the pcp. This is predominantly attributable to the decrease in Amortisation Expense of \$4.4m.						
Total Borrowing Costs	31.3	31.0	62.3	32.7	35.4	68.1
<i>Senior interest</i>	23.5	24.1	47.5	25.1	26.7	51.8
<i>SOLA interest</i>	6.5	6.4	12.9	6.8	6.9	13.7
<i>Amortisation & Other Financing Costs</i>	1.4	0.6	1.9	0.8	1.8	2.7
Total Borrowing Costs for the current period were \$35.4m, an increase of \$4.4m relative to the pcp. The increase in the Senior Interest Expense primarily attributable to ineffective hedging. The increase in Amortisation and Other Financing Costs is due to a write off of borrowing costs relating to MGH debt which was refinanced.						
Income Tax Expense	0.0	0.0	0.0	0.0	0.0	0.0
MGH has not incurred Income Tax Expenses for this period.						

3.3. Balance Sheet

The prior comparable period (“pcp”) used for analysis of the MGH Balance Sheet is 31 December 2006.

	AIFRS 31/12/05	AIFRS 30/06/06	AIFRS 31/12/2006	AIFRS 30/06/07
Balance Sheet (\$ millions)				
Current Assets	31.6	49.7	31.3	55.0
<i>Cash</i>	4.4	15.5	4.6	14.2
<i>Accounts Receivable</i>	25.5	31.9	25.2	40.2
<i>Other Assets</i>	1.7	2.3	1.5	0.7
The Current Assets for the current period are \$55.0m. This figure is comparable to the Current Assets at 30 June 2006, reflecting the seasonal nature of the MGH business.				
Non-Current Assets	1,234.4	1,232.6	1,230.2	1,247.3
<i>Receivables</i>	9.4	5.4	3.4	0.0
<i>Plant and Property</i>	722.1	730.9	737.1	758.8
<i>Intangibles</i>	501.2	496.3	489.7	488.5
<i>Other</i>	1.6	0.0	0.0	0.0
Non-Current Assets for the current period are \$1,247.3m, an increased of \$17.1m relative to the pcp. A \$21.7m increase in Plant and Property has been partially offset by the \$1.2m decrease in Intangibles and a \$3.4m decrease in Receivables.				
Current Liabilities	61.6	45.3	25.3	31.5
<i>Payables</i>	29.7	35.3	25.3	31.5
<i>Interest Bearing Liabilities</i>	32.0	10.0	0.0	0.0
<i>Provisions</i>	0.0	0.0	0.0	0.0
Current Liabilities for the current period are \$31.5m, an increase of \$6.2m relative to the pcp. The increase is predominantly attributable to an increase in Payables.				
Non-Current liabilities	1,006.8	1,036.1	1,042.6	1,081.2
<i>Interest Bearing Liabilities</i>	779.0	809.6	814.9	851.8
<i>SOLA Debt</i>	141.2	141.2	141.2	141.2
<i>Deferred Tax Liabilities</i>	83.6	84.0	84.0	82.8
<i>Other Liabilities</i>	2.9	1.3	2.4	5.4
Non-Current Liabilities for the current period are \$1,081.2m, an increase of \$38.6m relative to the pcp. The increase is primarily attributable to the \$36.9m increase in Interest Bearing Liabilities. The Interest Bearing Liabilities are shown net of Deferred Borrowing Costs.				
Net Assets	197.6	200.9	193.7	189.6
Equity	197.6	200.9	193.7	189.6
<i>Contributed Equity</i>	225.8	225.8	225.8	225.8
<i>Reserves</i>	3.4	4.3	4.3	1.4
<i>Retained Profits / (Loss)</i>	-31.6	-29.3	-36.5	-37.6
Equity for the current period is \$189.6m. This is a \$4.1m decrease relative to the pcp, predominantly attributable to the decrease in reserves of \$3.5m.				

3.4. Cash Flow Statement

The current period is the 6 months to 30 June 2007. The prior comparable period ("pcp") for the Cash Flow Statement is the 6 months to 30 June 2006.

	AIFRS	AIFRS	AIFRS	AIFRS	AIFRS	AIFRS
Cash Flow Statement (\$ millions)	6 mths 31/12/05	6 mths 30/06/06	12 mths 30/06/06	6 mths 31/12/06	6 mths 30/06/07	12 mths 30/06/07
Cash Flows from Operating Activities	71.7	57.2	128.8	72.0	41.3	113.3
<i>Cash Receipts</i>	102.7	79.9	182.7	112.2	55.1	167.2
<i>Cash Payments</i>	-31.1	-22.8	-53.9	-40.2	-13.8	-53.9
Cash Flows from Operating Activities for the current period were \$41.3m, a decrease of \$15.9m from the pcp.						
Cash Flows from Investing Activities	-29.1	-22.4	-51.5	-26.9	-31.6	-58.5
<i>Purchase of Property, Plant and Equipment</i>	-29.1	-22.4	-51.5	-26.9	-31.6	-58.5
<i>Proceeds from Sale of Property, Plant and Equipment</i>	0.0	0.0	0.0	0.0	0.0	0.0
Cash Flows applied to Investing Activities for the current period were \$31.6m. This is a increase of \$9.2m relative to the pcp.						
Cash Flows from Financing Activities	-45.7	-23.7	-69.4	-56.0	-0.1	-56.1
<i>Movement in Borrowings</i>	9.2	12.8	22.0	-3.4	43.0	39.6
<i>Movement in Equity</i>	0.0	0.0	0.0	0.0	0.0	0.0
<i>Senior Borrowing Costs</i>	-27.3	-25.1	-52.5	-24.4	-36.4	-60.8
<i>SOLA Borrowing Costs</i>	-6.6	-6.3	-12.9	-6.8	-6.7	-13.5
<i>Distributions</i>	-21.0	-5.0	-26.0	-21.4	0.0	-21.4
Cash Flows Applied to Financing Activities for the current period were \$0.1m, a decrease of \$23.6m compared to the pcp. This was attributable to the increase in borrowings of \$30.2m, offset by a \$11.3m increase in Senior Borrowing Costs and \$0.4m increase in SOLA Interest Paid. No distributions were paid by MGH in the current period.						
Net Cash Movement	-3.2	11.1	8.0	-10.9	9.6	-1.3
Opening Cash	7.5	4.4	7.5	15.5	4.6	15.5
Closing Cash	4.4	15.5	15.5	4.6	14.2	14.2
The capital expenditure allocated to the main programmes for MGH are summarised below. Note that this relates to capital expenditure incurred rather than the cash expense noted in the Cash Flow Statement above.						
Major Capex Projects:	29.1	27.2	56.3	27.9	36.1	62.0
<i>Pipeworks Replacement</i>	10.3	10.7	21.0	11.2	4.2	15.4
<i>Customer Initiated</i>	5.3	5.2	10.5	5.2	5.0	10.2
<i>Demand Capital</i>	0.4	0.9	1.3	0.6	3.1	3.7
<i>Yarra Valley</i>	6.8	2.6	9.4	2.7	2.2	4.9
<i>South Gippsland</i>	0.0	0.0	0.0	3.5	19.9	23.4
<i>Eastlink</i>	3.9	2.4	6.3	0.1	-0.3	-0.3
<i>Other</i>	2.4	5.4	7.8	4.6	2.0	4.7

3.5. Key Operational Statistics

	As at 31/12/05		As at 30/06/06		As at 31/12/06		As at 30/06/07	
		%		%		%		%
Distribution Network Profile – User Connections								
Tariff V Residential	623,468	97	626,317	97	629,538	98	632,261	97
Tariff V Business	16,913	3	16,840	3	16,784	3	16,714	3
Tariff D	267	0	274	0	275	0	272	0
Total	640,648	100	643,431	100	646,597	100	649,247	100
Usage - Gas Volumes - TJ								
	12 mths 31/12/05		12 mths 30/06/06		12 mths 30/06/06		12 mths 30/06/07	
		%		%		%		%
Tariff V	42,505	75	46,111	77	47,318	77	42,627	74
Tariff D	13,895	25	13,776	23	14,242	23	14,685	26
Total	56,400	100	59,887	100	61,560	100	57,312	100
Distribution Network Statistics								
Priority emergency response	97.3%		99.0%		98.0%		98.0%	
Number of unplanned outages (> 5 consumers)	26		20		33		22	
Publicly reported gas leaks (per 1000 consumers)	16		10		18		18.0	

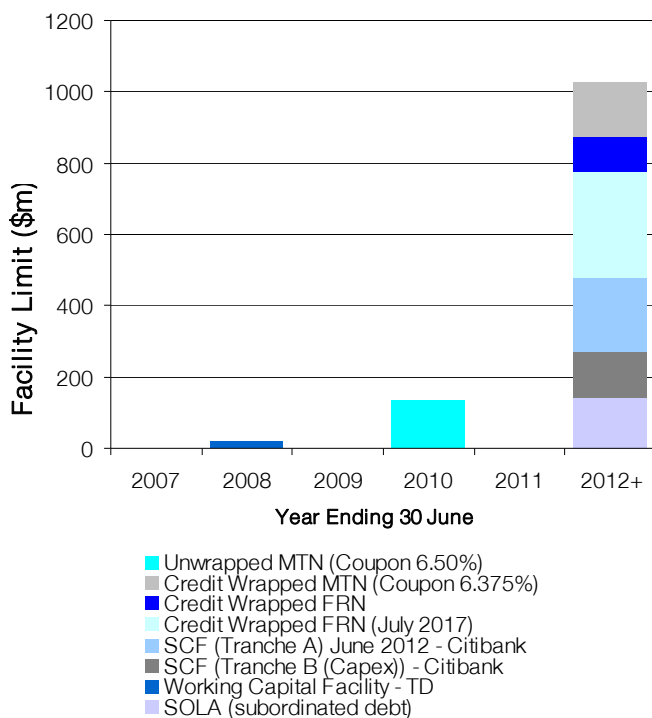
3.6. Treasury Summary

The Debt Advisory group within AMP Capital Investors Limited (“AMP Capital”) manages cash flow and interest rate exposures on behalf of MGH. AMP Capital operates within the framework of the Financial Services Agreement (“FSA”) and a Treasury Policy (“the Policy”).

MGH’s maturity profile and gearing at 30 June 2007 were as follows:

Debt Maturity Profile

Gearing Structure



MGH’s senior debt gearing as at 30 June 2007 was 68.1%, the gearing requirements under the Senior Corporate Facility (“SCF”) dictate a maximum of 72.5%

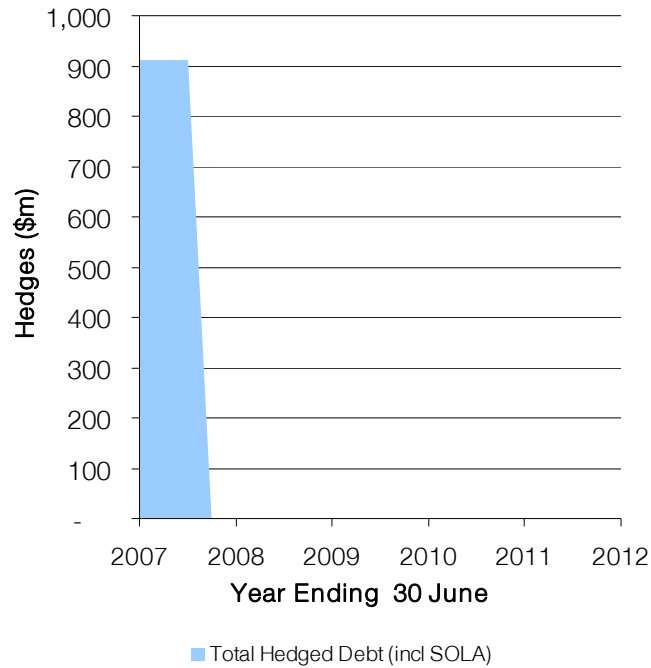
At 30 June 2007, MGH had \$170.0m in funding capacity for contingent circumstances. Such circumstances would include unforeseen cash requirements and delays in cash receivables.

The Company maintains credit ratings with internationally recognised rating agencies, Standard & Poor’s (S&P) and Moody’s. Rating levels as at 30 June 2007 were:

S&P: BBB
 Moody’s: Baa2

3.7. Hedging Summary

As at 30 June 2007, MGH's senior debt interest exposure was 88.5% hedged against total senior debt outstanding (including short term facilities). The treasury policy is to hedge a minimum of 80% of senior debt and fully hedge subordinated debt, matched to the timing of the relevant regulatory reset. At 30 June 2007, MGH's subordinated debt interest rate exposure was 100% hedged against total subordinated debt outstanding (the SOLA facility). The next reset for MGH is 1 January 2008 and the minimum hedging for the 2008-2012 period is due to be replenished by the end of 2007. MGH's hedging profile is shown below:



4. DAMPIER BUNBURY PIPELINE (“DBP”)

As at 30 June 2007, DUET owned 62.1% of DBP and 100% of the subordinated debt.

4.1. Financial Summary

	AIFRS	AIFRS	AIFRS	AIFRS	AIFRS	AIFRS
Financial Summary (\$ millions)	6 mths 31/12/05	6 mths 30/06/06	12 mths 30/06/06	6 mths 31/12/06	6 mths 30/06/07	12 mths 30/06/07
Transport Income	107	100	207	105	133	238
Total Revenue	110	113	223	112	139	251
EBITDA	78	81	159	81	100	182
EBIT	62	60	122	62	80	142
Net Result After Tax ¹	-3	-1	-4	5	-14	-9
Total Assets	2,468	2,697	2,697	2,814	2,986	2,986
Net Assets ²	409	451	451	459	493	493
Net Capex	79	207	286	117	217	335
Performance Indicators						
RAB	1,808	2,001	2,001	2,226	2,428	2,428

¹ Net result after tax is shown before finance charges attributable to unitholders.

² Excluding security holder interests classified as debt.

4.2. Income Statement

The current period is the 6 months to 30 June 2007. The prior comparable period ("pcp") for the Income Statement is the 6 months to 30 June 2006.

	AIFRS	AIFRS	AIFRS	AIFRS	AIFRS	AIFRS
Income Statement (\$ millions)	6 mths 31/12/05	6 mths 30/06/06	12 mths 30/06/06	6 mths 31/12/06	6 mths 30/06/07	12 mths 30/06/07
Net Result After Tax¹	-3.1	-1.2	-4.2	5.2	-14.4	-9.2
The Net Result After Tax for the six months to 30 June 2007 was a loss of \$14.4m, relative to the pcp loss of \$1.2m. Further analysis of the movements in revenues and expenses is detailed below.						
Revenue	110.4	112.5	223.0	111.9	138.5	250.3
Group Revenue consists of Transport Revenue and Other Revenue.						
Transport (transmission) Revenue	109.7	111.7	221.4	110.8	137.6	248.4
<i>Transport Income</i>	107.0	99.6	206.6	104.7	133.0	237.8
<i>Chargeable Works & Other Income</i>	2.8	12.0	14.8	6.0	4.6	10.6
Transport Revenue for the current period was \$137.6m. This is a \$25.9m increase on the pcp, which is attributable to increased Transportation Income due to the commissioning of Stage 4 in December 2006.						
Other Revenue	0.7	0.9	1.6	1.1	0.9	2.0
<i>Interest Received</i>	0.7	0.9	1.6	1.1	0.9	2.0
Other Revenue for the current period was \$0.9m. This is comparable to the pcp.						
Expenses from Ordinary Activities	113.5	113.7	227.2	106.7	152.9	259.6
Expenses from Ordinary Activities consist of Operating Expenses, Depreciation, Amortisation, Abandonments, Financing Costs and Income Tax Expense.						
Operating Expenses	31.7	31.1	62.8	29.4	37.4	66.8
<i>Management Fees</i>	13.9	15.1	29.0	14.6	15.7	30.2
<i>Insurance</i>	1.7	1.9	3.6	1.5	3.2	4.7
<i>Fuel Gas</i>	11.2	12.0	23.1	9.5	15.7	25.2
<i>Other Operating Expenses</i>	4.9	2.1	7.1	3.9	2.8	6.7
Operating Expenses were \$37.4m for the current period. The increase of \$6.3m relative to the pcp can be primarily attributed to increases in Fuel Gas and Insurance Costs.						
Depreciation, Amortisation & Abandonments	16.3	20.1	36.5	19.5	20.3	39.8
<i>Depreciation</i>	16.1	19.7	35.9	19.4	20.1	39.5
<i>Amortisation</i>	0.2	0.6	0.8	0.3	0.3	0.7
<i>Abandonments</i>	0.0	-0.2	-0.2	-0.2	-0.1	-0.3
Depreciation, Amortisation and Abandonments expenses for the current period were \$20.3m. This is a comparable result to the pcp. Increases in Depreciation (associated with the commissioning of Stage 4) have been offset by a decrease in Amortisation. Negative Abandonments reflect a gain on sale.						
Borrowing Costs	54.5	64.2	118.6	56.1	61.5	117.6
<i>Senior interest</i>	44.1	41.7	85.8	47.0	51.8	98.8
<i>SOLA interest</i>	6.6	6.4	13.0	7.0	7.2	14.2
<i>Amortisation & Other Financing Costs</i>	3.8	16.1	19.9	2.1	2.6	4.7
Borrowing Costs for the current period were \$61.5m. This is a decrease of \$2.7m relative to the pcp. A \$10.1m increase in Senior Interest Expense has been more than offset by a \$13.5m decrease in Other Financing Costs, which were high in the pcp due to the costs associated with the April/May 2006 refinancing. The increase in Senior Interest Expense is due to debt drawn upon from the pcp for the Stage 4 Expansion. Interest on the debt drawn for the Stage 5A expansion is capitalised until the expansion is commissioned. Of the \$4.7m amount in the Amortisation & Other Financing Costs for the 12 months to 30 June 2007, \$2.9m is due to the Amortisation of Capitalised Finance Costs.						
Income Tax Expense	11.0	-1.7	9.3	1.6	33.7	35.3
Income Tax Expense for the current period was \$33.7m. This result has been affected by the derecognition of certain tax losses which had previously been booked as a Deferred Tax Asset. The derecognition resulted from an assessment of ownership tests at the unitholder level.						

¹ Net result after tax is shown before finance charges attributable to unitholders.

4.3. Balance Sheet

The prior comparable period ("pcp") used for analysis of the DBP Balance Sheet is 31 December 2006.

	AIFRS 31/12/05	AIFRS 30/06/06	AIFRS 31/12/06	AIFRS 30/06/07
Balance Sheet (\$ millions)				
Current Assets	114.2	165.1	148.5	111.9
<i>Cash</i>	78.2	132.4	118.4	81.0
<i>Accounts Receivable</i>	22.3	12.3	13.1	12.5
<i>Inventories and Other Assets</i>	13.7	20.5	17.0	18.4
Current Assets for the current period are \$111.9m. This figure is \$ 36.6m lower than the equivalent December 2006 figures primarily due to a reduction in cash balance in the current period. The Inventories and Other Assets in the current period includes \$9.7m of Accrued Revenue.				
Non-Current Assets	2,353.7	2,531.9	2,665.5	2,874.4
<i>Plant, Property and Equipment</i>	1,642.8	1,804.7	1,921.9	2,097.1
<i>Intangibles</i>	706.2	706.7	706.4	706.0
<i>Deferred Tax Asset</i>	4.7	0.0	0.0	0.0
<i>Other</i>	0.0	20.5	37.2	71.3
Non-Current Assets for the current period were \$2,874.4m, an increase of \$208.9m compared to the pcp. The increase in Plant, Property and Equipment is attributable to the Stage 5A capital expenditure program, which occurred over the current period.				
Current Liabilities	171.8	130.7	150.1	108.3
<i>Payables</i>	129.1	100.7	112.7	86.5
<i>Interest Bearing Liabilities</i>	17.5	17.5	17.5	0.0
<i>Provisions & Other Liabilities</i>	25.2	12.6	19.9	21.8
Current Liabilities for the current period are \$108.3m. This is a \$41.8m decrease relative to the pcp. The \$17.5m reduction in Interest Bearing Liabilities is attributable to the repayment of a working capital facility during the current period. The decrease in payables is primarily attributable to a reduction in capital expenditure payables.				
Non-Current Liabilities	1,887.4	2,114.8	2,204.5	2,385.2
<i>Interest Bearing Liabilities</i>	1,349.6	1,584.8	1,668.8	1,805.4
<i>Deferred Tax Liabilities</i>	367.6	370.9	376.1	419.9
<i>Other Liabilities</i>	20.3	9.1	9.6	9.9
<i>SOLA Debt</i>	150.0	150.0	150.0	150.0
Non-Current Liabilities for the current period are \$2,385.2m, an increase of \$180.7m from the pcp figures. The increase in Interest Bearing Liabilities is attributable to debt draw downs used to fund expansions. Deferred Tax Liabilities increased as a result of some taxation losses previously recognised being written down in the current period. The Interest Bearing Liabilities are shown net of Deferred Borrowing Costs.				
Net Assets	408.7	451.5	459.3	492.8
Equity	408.7	451.5	459.3	492.8
<i>Contributed Equity & Retained Earnings</i>	417.1	437.1	436.7	446.5
<i>Reserves</i>	-8.5	14.3	22.6	46.3
Equity for the current period is \$492.8m. This is an increase of \$33.5m relative to the December 2006 figures. The \$23.7m increase in Reserves is primarily attributable to increases in the fair value of interest rate swaps.				

4.4. Cash Flow Statement

The current period is the 6 months to 30 June 2007. The prior comparable period ("pcp") for the Cash Flow Statement is the 6 months to 30 June 2006.

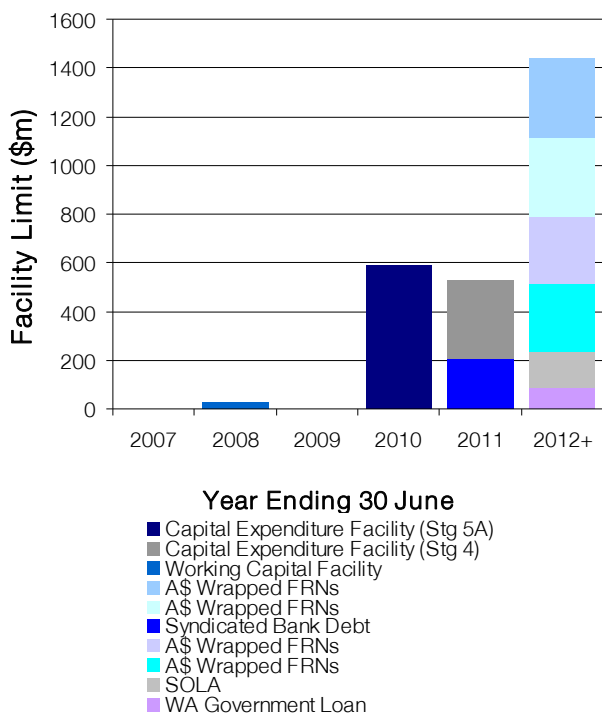
	AIFRS	AIFRS	AIFRS	AIFRS	AIFRS	AIFRS
Cash Flow Statement (\$ millions)	6 mths 31/12/05	6 mths 30/06/06	12 mths 30/06/06	6 mths 31/12/06	6 mths 30/06/07	12 mths 30/06/07
Cash Flows from Operating Activities	82.8	74.8	157.6	76.9	103.0	179.8
<i>Cash Receipts</i>	125.7	93.1	218.8	115.0	163.1	278.1
<i>Cash Payments</i>	-42.9	-18.3	-61.2	-38.2	-60.1	-98.3
<i>Income Tax Payment / Refund</i>	0.0	0.0	0.0	0.0	0.0	0.0
Cash Flows from Operating Activities were \$103.0m in the current period. This is an increase of \$28.2m relative to the pcp, with the revenues associated with the commissioning of Stage 4 in December 2006 being the primary reason for the increase in Cash Flows from Operating Activities.						
Cash Flows from Investing Activities	-78.2	-206.5	-284.7	-116.0	-215.9	-331.8
<i>Purchase of Property, Plant and Equipment</i>	-78.7	-207.0	-285.7	-117.4	-217.1	-334.5
<i>Proceeds from Sale of Property, Plant and Equipment</i>	0.5	0.5	1.0	1.5	1.2	2.7
<i>Purchase of Controlled Entity</i>	0.0	0.0	0.0	0.0	0.0	0.0
Cash Flows from Investing Activities were \$215.9m for the current period. During the six months to December 2006 capital expenditure on the Stage 4 decreased as the project neared completion. The increase in spending in the current period is attributable to the capital expenditure associated with the Stage 4 Expansion which was incurred during prior periods and capital expenditure associated with the Stage 5A Expansion.						
Cash Flows from Financing Activities	17.2	184.8	202.0	25.5	74.8	100.3
<i>Movement in Borrowings</i>	47.5	233.0	280.5	80.0	114.7	194.7
<i>Movement in Equity</i>	45.4	45.7	91.2	23.5	55.3	78.8
<i>Other Interest & Borrowing Costs</i>	-44.9	-61.3	-106.2	-41.9	-57.2	-99.1
<i>Interest Paid - SOLA</i>	-6.6	-6.4	-13.0	-7.0	-6.9	-13.9
<i>Distributions</i>	-24.3	-26.2	-50.4	-29.1	-31.1	-60.2
Cash Flows from Financing Activities were \$74.8m for the current period. Debt drawdowns and equity calls have increased over the current period as capital for the Stage 5A expenditure has been required.						
Net Cash Movement	21.9	53.1	75.0	-13.6	-38.1	-51.7
Opening Cash	55.6	78.2	55.6	132.4	118.4	132.4
Effect of Exchange Rate Changes on cash	0.7	1.1	1.8	-0.4	0.7	0.3
Closing Cash	78.2	132.4	132.4	118.4	81.0	81.0

4.5. Treasury Summary

DUET seconds a CFO into the DBP management team. His responsibilities include managing treasury exposures with the assistance of Alinta Treasury.

DBP's maturity profile and gearing at 30 June 2007 were as follows:

Debt Maturity Profile	Gearing Structure
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DBP's Senior Debt gearing as at 30 June 2007 was 68.0%. The gearing requirements under the Common Terms Deed Poll ("CTDP") dictate a maximum of 72.5%.

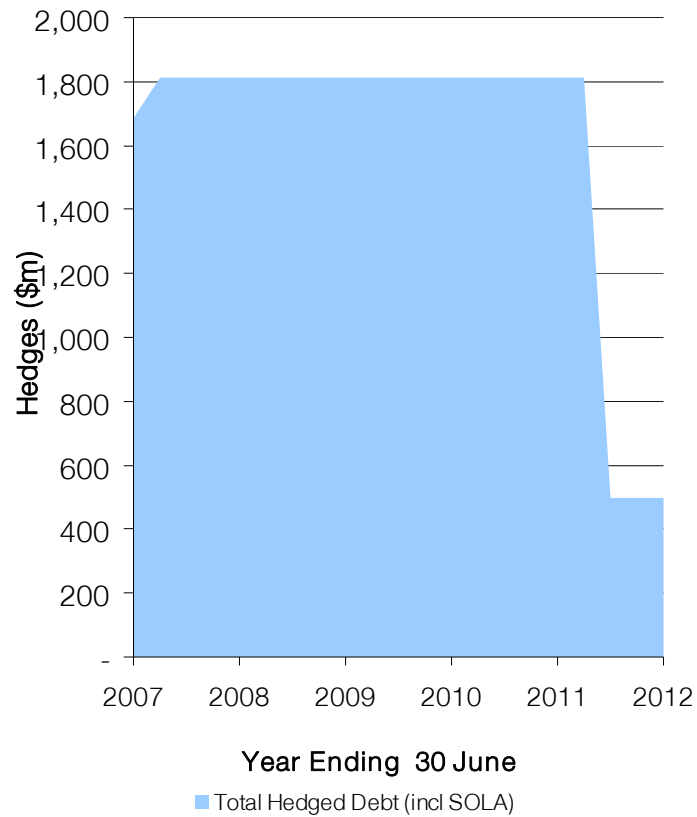
As at 30 June 2007, DBP had \$70.0m in undrawn facilities (excluding the Stage 5A Capital Expenditure Facilities) for contingent circumstances. Such circumstances would include unforeseen cash requirements and delays in cash receivables.

The Company maintains credit ratings with internationally recognised rating agencies, Standard & Poor's (S&P) and Moody's. Rating levels as at Period End were:

S&P: BBB Stable
 Moody's: Baa2 Stable

4.6. Hedging Summary

As at 30 June 2007, DBP was 92.0% hedged against total senior debt interest based on the outstanding balance (including short term facilities but excluding the government loan). The treasury policy is to hedge a minimum of 80% of senior debt, matched to the timing of the relevant regulatory reset. The next reset for DBP is 1 January 2011. DBP's hedging profile is shown below.



5. ALINTA NETWORK HOLDINGS PTY LTD (“ANH”)

As at 30 June 2007, DUET owned 25.9% of ANH and 100% of the subordinated debt.

5.1. Financial Summary

The current period is the 6 months to 30 June 2007. The prior comparable period (“pcp”) for the Financial Summary is the 6 months to 30 June 2006.

	AIFRS	AIFRS	AIFRS	AIFRS	AIFRS	AIFRS
Key Financial Items (\$ millions)	6 mths 31/12/05	6 mths 30/06/06	12 mths 30/06/06	6 mths 31/12/06	6 mths 30/06/07	12 mths 30/06/07
Net Profit After Tax	16.2	5.7	21.9	9.7	6.0	15.7
Net Profit After Tax for the current period was \$6.0m. This is an increase of \$0.3m relative to the pcp						
Dividend Distribution	13.0	1.5	14.5	14.0	1.5	15.5
Subordinate Debt Interest	3.7	3.6	7.3	3.8	3.9	7.7

6. DUQUESNE LIGHT HOLDINGS (“DLH”)

On 31 May 2007, DUET, as part of a Macquarie-led Consortium reached financial close on the acquisition of Duquesne Light Holdings (DLH). DUET has an equity interest of 29% in DQE Holdings, the parent entity for DLH.

6.1. Financial Summary

The results for the six months to 30 June 2007 have not been shown as the purchase price allocation exercise, which is required by accounting standards, and which involves determining the fair values at the date of financial close of DLH assets and liabilities acquired, is yet to be completed. DLH's Net Income for periods after 31 March 2007 cannot be finalised until the fair values of assets and liabilities at the date of the acquisition are determined. Accordingly, the current period is the three months to 31 March 2007. For the purposes of comparisons the prior comparable period is the three months to 31 March 2006.

	USGAAP	USGAAP	USGAAP	USGAAP	USGAAP	USGAAP
Key Financial Items (US\$ millions)	6 mths 31/12/05	6 mths 30/6/06	12 mths 30/6/06	6 mths 31/12/06	3 mths 31/3/07	9 mths 31/3/07
Net Income	58.0	25.6	83.6	29.1	25.0	54.1

The Electricity Delivery Segment is engaged in electricity transmission and distribution. In the three months to 31 March 2007 Income from this segment increased US\$6.1m relative to the pcp. This is primarily attributable to a US\$18.2m after tax increase in earnings resulting from rate case increases. This has been offset by US\$8.7m after tax increase in costs associated with the workforce optimisation and early retirement programs.

The Electricity Supply Segment is engaged in electricity retailing, procurement and generation. For the three months to 31 March 2007, Income from the Electricity Supply Segment increased by US\$24.8m relative to the pcp. However, US\$23.8m of this was attributable to an increase in the fair value of certain derivative energy contracts.

The Financial Business Segment focuses on structured finance and alternative energy investments and previously owned and operated landfill gas collection and processing systems. Income from this segment decreased by US\$19.9m relative to the pcp. This is predominantly attributable to a US\$22.2m after tax loss on the termination of investments in structured lease transactions.

The loss from other operations decreased by US\$3.6m relative to the pcp. This is primarily due to the inclusion of a net \$2.9m charge to income taxes resulting from the IRS settlement and the recognition of certain state tax benefits in the pcp.

7. DUET PARENT ENTITY

7.1. Financial Summary

The current period is the 6 months to 30 June 2007. The prior comparable period ("pcp") for the Financial Summary for the DUET Parent is the 6 months to 30 June 2006.

Key Financial Items (\$ millions)	AIFRS	AIFRS	AIFRS	AIFRS	AIFRS	AIFRS
	6 mths 31/12/05	6 mths 30/06/06	12 mths 30/6/06	6 mths 31/12/06	6 mths 30/06/07	12 mths 30/06/07
Revenue	67.4	64.8	132.2	76.5	113.4	189.8
<i>Interest Income</i>	64.5	63.8	128.3	66.5	68.3	134.9
<i>Dividends</i>	2.8	0.4	3.2	7.5	5.4	12.9
<i>Fair Value Increments</i>	0.0	0.0	0.0	2.2	39.5	41.7
<i>Other</i>	0.1	0.6	0.8	0.2	0.1	0.3
Interest Income consists of: a) SOLAS interest income being the back to back on advance of the POWERS loan b) the Redeemable Preference Share dividends from UEDH c) the interest income earned on the UEDH Shareholder Loan and d) the interest income on the loan advanced to DDB Co.						
Dividend Income represents the dividends from ANH and Duquesne (prior to 31 May 2007, when the initial 7.7% was held) as the other entities have their dividends paid incorporated in the Investment Carrying Value.						
The cash flow statement analysis contained later in this package has more details on the distributions paid from the companies to DUET.						
The revenue of \$41.7m in the current period from Fair Value Increments consist of: a) Gain associated with DUET's initial 7.7% equity interest in Duquesne Light Holdings; and b) Gain in Foreign Exchange Contracts held by DUET.						
Interest Income has been restated to eliminate Inter DUET Group interest revenues and interest expenses.						
Share of Net Profit from Associates Equity Accounted	26.8	3.0	29.9	17.5	6.6	24.1
DUET Parent equity accounts for its investments in UED, MGH and DBP. DUET has also equity accounted for Duquesne since the transaction closed on 31 May 2007. Share of Net Profit from Associates is the corresponding share of the net profit of the underlying equity accounted investments.						
Management Fee	5.3	5.5	10.8	8.7	9.6	18.3
Performance Fee	0.0	9.0	9.0	0.0	43.6	43.6
The Responsible Entities are entitled to a Management Fee of 1% of the Net Investment Value of DUET. In addition, if the performance of DUET exceeds the S&P 200 Industrials Accumulation Index, the Responsible Entities are entitled to a performance fee. There was a \$43.6m performance fee payable for the current period (net of GST).						
Fund Expenses	0.6	0.7	1.4	2.0	21.1	23.0
Fund Expenses relate to general administration costs of the fund and other miscellaneous costs. In the current period DUET incurred \$19.6m of foreign exchange associated movements. The largest movement is attributable to the structure of the Duquesne transaction. \$14.9m of foreign exchange losses were realised, up on the initial 7.7% interest being transferred in the consortium structure.						
Interest and Borrowing Costs	23.5	22.9	46.4	26.3	26.6	52.9
Borrowing Costs of \$26.6m in the current period have increased by \$3.7m relative to the pcp. This is mainly attributed to the Borrowing Costs of \$4.0m in the current period associated with the Short Term Debt Facility used to fund the Duquesne acquisition. Interest Paid and Borrowing costs have been restated to eliminate Inter DUET Group interest expenses and interest revenues						
Income Tax Expense	0.0	0.0	0.0	0.7	1.9	2.5

	AIFRS	AIFRS	AIFRS	AIFRS	AIFRS	AIFRS
Key Financial Items (\$ millions)	6 mths 31/12/05	6 mths 30/06/06	12 mths 30/6/06	6 mths 31/12/06	6 mths 30/06/07	12 mths 30/06/07
Income Tax Expense for the twelve months to 30 June 2007 was \$2.5m. This is the Withholding Tax incurred by DIHL on dividends received from Duquesne.						
NET RESULT	64.9	29.6	94.5	56.4	17.2	73.6
DUET Distribution	49.8	50.1	99.9	60.5	62.1	122.6
Distributions made by the DUET Parent increased to \$62.1m in the six months to 30 June 2007, compared to \$60.5m in the six months ending 31 December 2006. In the current period, a distribution of 12.5 cents per stapled security was declared.						

7.2. Balance Sheet

The prior comparable period ("pcp") used for analysis of the DUET Parent Balance Sheet is 31 December 2006.

	AIFRS	AIFRS	AIFRS	AIFRS
Balance Sheet (\$ millions)	31/12/05	30/06/06	31/12/06	30/06/07
Current Assets	126.7	131.3	119.0	161.9
<i>Cash</i>	119.2	121.6	104.4	149.6
<i>Accounts Receivable</i>	7.5	9.7	13.9	9.6
<i>Other</i>	0.0	0.0	0.7	2.6
The Accounts Receivable of \$9.6m for the current period has decreased by \$4.3m relative to the pcp. This is attributed to the repayment of the \$3.6m of interest owed from the DUET Dampier to Bunbury (DDB) entity. Both the Accounts Receivable and the Accounts Payable have been restated to remove the inter-Duet Group interest receivable of \$4.2m for December 2006 and \$1.8m for June 2007.				
Non-Current Assets	1,400.4	1413.9	1,613.4	1,807.5
<i>Investments</i>				
<i>United Energy - Ordinary Shares</i>	39.2	49.6	48.7	60.2
<i>United Energy - Redeemable Preference Shares</i>	233.7	233.7	233.7	233.7
<i>UED Shareholder Loans</i>	0.0	0.0	6.6	6.6
<i>Multinet</i>	157.9	160.5	154.8	151.5
<i>Alinta Networks</i>	44.7	44.7	44.7	44.7
<i>DUET Investment Holdings Limited</i>	0.0	0.0	197.2	139.9
<i>POWERS Trust</i>	5.3	5.7	7.0	8.2
<i>Australian Energy Fund No. 2</i>	1.7	1.7	1.7	1.7
<i>Loans</i>				
<i>SOLA</i>	554.7	554.7	554.7	554.7
<i>DDB Loan</i>	363.2	363.2	362.7	362.7
<i>DQE Promissory Note</i>	0.0	0.0	0.0	237.3
<i>Other</i>	0.0	0.0	1.5	6.1
The Non-Current Assets of \$1,807.5m in the current period includes \$237.3m of the DQE Promissory Note which has been advanced to Duquesne. Inter DUET Group loan balances have been restated to remove of \$141.3m of inter DUET Group balances.				
Current Liabilities	68.2	78.5	82.0	129.0
<i>Payables</i>	68.2	78.5	82.0	129.0
Non-Current Liabilities	543.2	543.6	548.9	544.3
<i>POWERS</i>	543.2	543.6	544.0	544.3
<i>Deferred Tax Liability</i>	0.0	0.0	5.0	0.0
As noted above, Payables in the pcp has been restated. Payables in the current period of \$129.0m has increased by \$47m relative to the pcp, which is attributed to the increase in Base and Performance Fees payable to the Responsible Entities. The POWERS balance relates to the loan balance owing to the POWERS Trust under the FOLA agreement. The POWERS trust has an associated liability to the POWERS security holders. Balances have been restated to exclude \$141.3m of inter DUET Group loans.				
Net Assets	915.7	923.1	1,101.4	1,296.0
Equity	915.7	923.1	1,101.4	1,296.0
<i>Contributed Equity & Retained Profits / (Loss)</i>	912.5	908.9	1,076.2	1,356.7
<i>Reserves</i>	3.2	14.2	25.1	-60.7
Equity of \$1,296.0m was recognised for the current period, representing an increase of \$194.6m relative to the pcp. Contributed equity increased due to DUET's June equity raising that was used to finance its acquisition of the balance of DUET's 29% interest in Duquesne Light Holdings and its equity commitment to the DBP Stage 5A expansion.				

7.3. Cash Flow Statement

The current period is the 6 months to 30 June 2007. The prior comparable period ("pcp") for the Cash Flow Statement for the DUET Parent is the 6 months to 30 June 2006.

Extracts from Cash Flow Statement (\$ millions)	AIFRS	AIFRS	AIFRS	AIFRS	AIFRS	AIFRS
	6 mths 31/12/05	6 mths 30/06/06	12 mths 30/06/06	6 mths 31/12/06	6 mths 30/06/07	12 mths 30/06/07
Dividends Received	23.5	11.0	34.4	29.3	17.9	47.2
<i>United Energy</i>	3.3	6.6	9.9	6.6	10.6	17.2
<i>Multinet</i>	16.8	4.0	20.8	17.1	0.0	17.1
<i>Alinta Networks</i>	3.4	0.4	3.8	3.6	0.4	4.0
<i>Duquesne Light</i>	0.0	0.0	0.0	1.9	7.0	8.9
Interest Received	64.7	63.6	128.4	62.4	70.7	133.1
<i>United Energy SOLA</i>	8.5	8.2	16.7	8.7	8.9	17.5
<i>United Energy RPS</i>	15.9	15.6	31.6	15.9	15.6	31.6
<i>UED Shareholder Loans</i>	0.0	0.0	0.0	0.1	0.4	0.4
<i>Multinet SOLA</i>	6.6	6.3	12.9	6.7	6.8	13.5
<i>Dampier Bunbury Pipeline SOLA</i>	6.6	6.4	13.0	6.8	7.0	13.9
<i>DDB Loan</i>	21.5	21.1	42.6	17.9	24.8	42.6
<i>Alinta Networks SOLA</i>	3.7	3.6	7.3	3.8	3.9	7.6
<i>Other Interest</i>	1.9	2.4	4.3	2.6	3.4	6.0
Other Revenue	1.3	-0.5	0.8	1.4	0.1	1.5
Operating Expenses	-8.7	-5.4	-14.2	-17.9	-9.9	-27.8
Income Tax Received / (Paid)	0.0	0.0	0.0	0.0	-2.5	-2.5
Net Cash Flows from Operating Activities	80.7	68.7	149.4	75.2	76.3	151.6
Net Cash Flows from Operating Activities of \$76.3m increased by \$7.6m from the pcp. Cash Flows from Operations have been restated to remove inter DUET Group interest of \$7.8m.						
Net Cash Flows from Investing Activities	0.0	0.0	0.0	-182.8	-198.9	-381.7
Net Cash Flows applied to Investing Activities relates to the acquisition of the balance of DUET's 29% interest in Duquesne and the DBP Stage 5A expansion. The Net Cash Flows from Investing Activities has been restated to exclude \$196.9m of inter DUET Group investments made during the 12 months to 30 June 2007.						
Net Cash Flow from Financing Activities	-54.5	-66.4	-121.0	90.4	167.8	258.2
Net Cash Flow from Financing Activities for the current period was \$167.8m. During this period \$200.3m was drawn on a bridge facility to fund the acquisition of Duquesne Light. This facility was subsequently repaid using the proceeds of the June 2007 equity raising. Of the \$350.1m raising DUET had received \$249.4m of cash by 30 June 2007. This was offset by the payments of the distributions and interest on POWERS. Net Cash Flows from Financing Activities has been restated to exclude \$196.9m of inter DUET Group loan balances advanced during the 12 months to 30 June 2007.						
Net Cash Movement	26.2	2.3	28.5	-17.1	45.2	28.0