

## ASX Release

3 February 2009

# BrisConnections Investment Trust and BrisConnections Holding Trust Appendix 4D Half Year report

Information for the half-year ended 31 December 2008 given to ASX under listing rule 4.3A

Pursuant to listing rule 4.3A.3, the following information is given to the ASX by **BrisConnections Management Company Limited ACN 128 614 291 as responsible entity for BrisConnections Investment Trust ARSN 131 124 813 and BrisConnections Holding Trust ARSN 131 125 025** ("BrisConnections"). The following information should be read in conjunction with the attached semi-annual financial report together with any public announcements made by BrisConnections and its controlled entities during the half-year ended 31 December 2008 in accordance with the continuous disclosure obligations arising under the Corporations Act 2001.

### Details of the reporting period and the previous corresponding period

Current period: 29 May 2008 to 31 December 2008  
Prior corresponding period: not applicable

### Results for announcement to the market

The Board of BrisConnections is pleased to report on the first half year results for the period from 29 May 2008 to 31 December 2008 ("HY2008").

In May 2008, BrisConnections was awarded the concession to finance, design, build, maintain and operate the \$4.8 billion Airport Link, Northern Busway (Windsor to Kedron) and Airport Roundabout Upgrade projects, which comprises approximately 8.5 kilometres of tolled and untolled freeway standard road connecting Brisbane's airport and Trade Coast with the CBD. The project is expected to take four years to construct and is due for completion in mid 2012.

Financial close of the transaction occurred on 30 July 2008. At the same time, the IPO for BrisConnections closed with the allotment of 390,166,667 partly paid stapled securities. On 31 July 2008, BrisConnections successfully listed on ASX using the code BCSCA. The stapled securities were partly paid to \$1.00 with another \$2.00 remaining per stapled security, \$1.00 receivable in April 2009 and \$1.00 in January 2010.

HY2008 saw BrisConnections

- reach financial close;
- list on the ASX;
- commence construction of the largest infrastructure project in Australia;
- together with its design and construction contractor, Thiess John Holland, establish their respective head offices at Kedron; and
- successfully draw down of over \$270 million on its debt facilities.

Construction activities at all four major locations are well underway with the first roadheader being delivered this month and a second in early March.

**BrisConnections Management Company Limited** ABN 67 128 614 291 AFSL 322 275  
as responsible entity for BrisConnections Holding Trust ARSN 131 125 025 and  
BrisConnections Investment Trust ARSN 131 124 813

**Address** Level 2, Kedron Brook Building, 1 Gympie Road, Kedron Qld 4031 Australia  
PO Box 412 Lutwyche Qld 4030 Australia

**Investor Hotline** 1800 236 994 or +61 7 3170 1900

Link Market Services Limited, Locked Bag A14, South Sydney, NSW 1235 Australia

**Web** [www.brisconnections.com.au](http://www.brisconnections.com.au)

**BRISCONNECTIONS***smarter ways to move*

## ASX Release

The focus for the BrisConnections team in the next year will be to continue progressing the design and construction of this exciting project.

### Key BrisConnections Performance Statistics

Period ending	31 December 2008	31 December 2007	Change (%)
	<b>\$'000s</b>	<b>\$'000s</b>	
Net operating income	393,132	n/a	n/a
Net profit(loss) before tax attributable to members	8,797	n/a	n/a
Income tax benefit/(expense)	1,731	n/a	n/a
Net profit(loss) after tax attributable to members	10,528	n/a	n/a
<b>NTA and EPS</b>	<b>Cents</b>	<b>Cents</b>	
Earnings per stapled security (basic) (cents)	2.7	n/a	n/a
Net asset backing per stapled security (cents)	228	n/a	n/a
NTA per stapled security (cents)	114	n/a	n/a
<b>Distributions</b>	<b>Amount per stapled security</b>		
Interim distribution	n/a		
<b>Record date for determining entitlement to distributions</b>	<b>Date</b>		

### Change to capital

During HY2008, the IPO of BrisConnections was successfully completed following the award of the concession by the Queensland Government to design, build, own, operate and maintain the \$4.8 billion Airport Link, Northern Busway (Windsor to Kedron) and Airport Roundabout Upgrade projects, Australia's biggest infrastructure project ever.

A total of 390,166,667 partly paid BrisConnections stapled securities were issued on 29 July 2008 to a range of institutional, professional and sophisticated and retail investors both here and overseas.

### Controlled entities

On 29 May 2008, BrisConnections was registered as a managed investment scheme.

Name of entities where control was gained in the half year	Date control gained
n/a	-
Name of entities where control was lost in the half year	Date control lost
n/a	-

There are no other entities over which control has been gained or lost.

### Distribution details

BrisConnections has announced its intention to declare a semi-annual distribution for the period ending 31 December of 0.05 cents per stapled unit.

The intended dates for the December period distribution are  
Declaration date: 30 April 2009

**BrisConnections Management Company Limited** ABN 67 128 614 291 AFSL 322 275  
as responsible entity for BrisConnections Holding Trust ARSN 131 125 025 and  
BrisConnections Investment Trust ARSN 131 124 813

**Address** Level 2, Kedron Brook Building, 1 Gympie Road, Kedron Qld 4031 Australia  
PO Box 412 Lutwyche Qld 4030 Australia

**Investor Hotline** 1800 236 994 or +61 7 3170 1900

Link Market Services Limited, Locked Bag A14, South Sydney, NSW 1235 Australia

**Web** [www.brisconnections.com.au](http://www.brisconnections.com.au)

**BRISCONNECTIONS***smarter ways to move*

## ASX Release

Ex distribution trading date: 8 May 2009  
 Record date: 14 May 2009  
 Last day for electing out of DRP: 27 April 2009  
 Payment date: 12 June 2009

	Half-year ended 31 December 2008	Previous corresponding period
Interim distribution of 0.05 cents per partly paid stapled security	n/a	n/a

There is no foreign sourced distribution.

### Dividend or distribution reinvestment plan details

A distribution reinvestment plan (DRP) is in place and unless security holders elect not to participate, they will receive any distributions in stapled securities. Securities are allocated at the daily weighted average market price of the Schemes securities on the ASX over a period of 20 business days commencing on the day before the distribution record date.

Last day for electing out of the DRP for HY2008 distribution: 27 April 2009

### Investment associates and joint ventures

Name	Ownership Interest (%)
Material interests in associates and joint ventures are as follows: <ul style="list-style-type: none"> <li>n/a</li> </ul>	
Material interests held for sale associates are as follows: <ul style="list-style-type: none"> <li>n/a</li> </ul>	

### Subsequent events

There has not been any matter or circumstance, other than that referred to in the attached financial statements or notes thereto, that has arisen since the end of HY2008 which has significantly affected, or may significantly affect, the operations of BrisConnections, the results of those operations, or the state of affairs of BrisConnections of future financial years.

### Outlook

The Board expects that the promising start to the project will continue. BrisConnections is confident that the Airport Link, Northern Busway (Windsor to Kedron) and Airport Roundabout Upgrade projects will be finished and operational by the contractual completion date of June 2012.

*This report is based on the attached half year financial report which has been subject to an audit. The financial report contains:*

- A statement of financial performance together with the notes to the statement prepared in compliance with Accounting Standards*
- A statement of financial position together with notes to the statement*
- A statement of cash flows together with notes to the statement*
- A statement of changes in equity showing movements*

*The financial statements are not subject to any audit dispute or qualifications. The Schemes have a duly constituted audit committee.*

For and on behalf of the Board  
 Raymond H Wilson  
 Managing Director  
 3 February 2009

**BrisConnections Management Company Limited** ABN 67 128 614 291 AFSL 322 275  
 as responsible entity for BrisConnections Holding Trust ARSN 131 125 025 and  
 BrisConnections Investment Trust ARSN 131 124 813

**Address** Level 2, Kedron Brook Building, 1 Gympie Road, Kedron Qld 4031 Australia  
 PO Box 412 Lutwyche Qld 4030 Australia

**Investor Hotline** 1800 236 994 or +61 7 3170 1900

Link Market Services Limited, Locked Bag A14, South Sydney, NSW 1235 Australia

**Web** [www.brisconnections.com.au](http://www.brisconnections.com.au)



**BRISCONNECTIONS**

*smarter ways to move*

## ASX Release

---

.....

### **About BrisConnections**

An investment in BrisConnections Unit Trusts comprises a stapled security made up of one unit in BrisConnections Investment Trust and one unit in BrisConnections Holding Trust. Stapled securities in BrisConnections are partly paid securities and are listed on the Australian Stock Exchange under the code "BCSCA". There are 2 further instalments of \$1.00 each per stapled security payable on 29 April 2009 and 29 January 2010 respectively.

BrisConnections has been awarded a 45 year concession to design, construct, operate, maintain and finance the Airport Link tollroad in Brisbane. Airport Link will be a 6.7 kilometre multi-lane electronic free-flow tollroad with dual 5.7 kilometre tunnels. Upon completion, Airport Link will connect Brisbane's northern suburbs with Brisbane's CBD and Brisbane Airport, the North-South Bypass Tunnel and the Inner City Bypass. It will also serve as a key distribution road, connecting some of Brisbane's major destinations such as Brisbane Airport, the CBD, Royal Brisbane Hospital, Australia TradeCoast and Chermshire Shopping Centre.

Airport Link will be constructed using a world class, innovative design solution, with connections avoiding intersection delays and streamlining traffic flows. Lane configuration will provide for separate traffic movements, with early decision points, to minimise traffic weaving and merging.

BrisConnections will be built around an electronic free-flow tolling design. Electronic free-flow tolling is expected to be mandatory across all Queensland tollroads by July 2009 and Airport Link tags will be fully interoperable with other Queensland and Australian tollroads.

The Airport Link catchment contains 60% of Brisbane's population and Airport Link will address serious traffic issues in the Brisbane metropolitan area, where the growth in peak hour traffic and travel time is currently the highest of any Australian capital city. Brisbane's economic and population growth are projected to continue to exceed the national average. Brisbane Airport is one of Australia's fastest growing Airports, with passenger growth of 10% per annum for the last 5 years.

BrisConnections will also design and construct a portion of the Northern Busway between Windsor and Kedron and an upgrade of the East-West Arterial / Airport Drive / Gateway Motorway interchange at Brisbane Airport, both of which will be funded by the Queensland Government. BrisConnections will not receive any revenue from these projects and they will both be handed over to the Queensland Government upon commissioning.

For further information please contact

Nick Lattimore

CFO

T: 617 3170 1902;

M: 0419 243 092;

E: [nick.lattimore@brisconnections.com.au](mailto:nick.lattimore@brisconnections.com.au)



**BRISCONNECTIONS**

*smarter ways to move*

**BrisConnections Investment Trust**

**and**

**BrisConnections Holding Trust**

**Interim Financial Report**

**For the period ended 31 December 2008**

## Directors' Report

### Group Structure

BrisConnections Management Company Limited ("BCMCL") (ABN 67 128 614 291 / AFSL 322 275), being the Responsible Entity of the BrisConnections Holding Trust ("BCHT") and BrisConnections Investment Trust ("BCIT") stapled group and their controlled entities ("BrisConnections Group" / "Group") sought and received the consent of Australian Securities and Investments Commission ("ASIC") to prepare this interim report for the period 29 May to 31 December 2008. BCIT and BCHT were registered as managed investment schemes by ASIC on 29 May 2008. The period 29 May to 31 December 2008 is hereafter referred to as the period ended 31 December 2008.

The Directors of the Group submit the following Directors' Report on the financial report of the Group for the period ended 31 December 2008. The information disclosed in the interim Directors' Report and accompanying financial report is significantly less than is required for a full financial year report.

BCMCL is a wholly owned subsidiary of JF Infrastructure Pty Ltd. The units of BCHT and BCIT are stapled together and quoted as one on the Australian Stock Exchange ("ASX"). On 31 July 2008 the Group was listed and commenced trading on the ASX.

AASB 3 "Business Combinations" excludes stapling arrangements. However, AASB Interpretation 1002 requires entities combining under stapling arrangements to identify one entity acquirer or parent entity. The parent entity would be required to prepare consolidated financial statements in accordance with the principles of AASB 3 and AASB 127 "Consolidated and Separate Financial Statements".

On 19 May 2008 the Group was awarded the concession from the State of Queensland ("State") to design, construct, operate, maintain and finance the Airport Link Project, and to construct on behalf of the State the Northern Busway (Windsor to Kedron) and the Airport Roundabout Upgrade. A project deed was executed on 2 June 2008 to reflect the award of the Concession ("Project Deed").

Units in BCHT and BCIT were stapled and registered with ASIC prior to entering into the Project Deed. Accordingly, the combination of the BrisConnections Group occurred prior to being awarded the Project Deed when there were only nominal assets and liabilities in each Trust. As a result, no fair value adjustment is required on consolidation of the BrisConnections Group.

In accordance with these requirements BCIT has been identified as the parent entity of the BrisConnections Group on the basis that it comprises 99% of the value of the stapled units on issue.

The financial statements have been prepared by consolidating the financial statements of all the entities that comprise BrisConnections Group being BCIT and its controlled entities by ownership interest and its controlled entities by contract alone being BCHT. Consistent accounting policies have been employed in the preparation and presentation of the financial statements. In preparing the financial statements, all transactions within the BrisConnections Group have been eliminated in full.

The Group includes the following entities: BCIT and its controlled entities: BrisConnections Asset Trust, BrisConnections Investment Trust 2 and BrisConnections Finance Pty Limited, and BCHT and its controlled entities: BrisConnections Holding 2 Pty Limited, BrisConnections Nominee Company Pty Limited, BrisConnections Operations Pty Limited, BrisConnections Contracting Pty Limited and Northern Busway Contracting Pty Limited.

The ASX reserves the right (but without limiting its absolute discretion) to remove BCHT or BCIT or both from the official list if any of the units in BCHT and the units in BCIT cease to be stapled together, or any equity securities are issued by either of the Stapled Trusts which are not stapled to equivalent securities in the other entity.

## BrisConnections

### Directors

The following persons were Directors of the responsible entity during the period and up to the date of this report:

- Trevor C Rowe (Chairman) Appointed 23 May 2008
- John G Allpass Appointed 23 May 2008
- Richard JE Wharton Appointed 23 May 2008
- Raymond H Wilson Appointed 23 May 2008
- Nicholas Lattimore Appointed 23 November 2007 Resigned 24 October 2008
- Martin DE Kriewaldt Appointed 24 October 2008
- Mark A Snape Appointed 24 October 2008
- Mark H Lynch Appointed 21 November 2008  
(Alternate for Mark Snape)

Subsequent to his appointment to the Board, Mr Wilson accepted the role of Chief Executive Officer and commenced employment in that position on 3 November 2008.

Mr. Lattimore accepted an offer to join the Group as Chief Financial Officer and commenced in that role on 13 October 2008

### Review of Operations

The Group is currently in the design and construction phase of the Airport Link Project comprising Airport Link/Northern Busway (Windsor to Kedron)/Airport Roundabout Upgrade Projects (Airport Link). Accordingly the Group has capitalised all construction related costs to intangible assets and expensed all general and administration costs.

### Rounding of Amounts in the Directors' Report and the Financial Report

The Group is of a kind referred to in Class Order 98/100, issued by the Australian Securities and Investments Commission (ASIC), relating to the 'rounding off' of amounts in the Directors' Report and financial report. Amounts in the Directors' Report and financial report have been rounded off to the nearest thousand dollars in accordance with that Class Order, unless otherwise indicated.

### Lead Auditors' Independence Declaration

A copy of the auditors' independence declaration as required under Section 307C of the Corporations Act 2001 is set out on page 3.

This report is made in accordance with a resolution of the Directors of BrisConnections Management Company Limited.



Trevor C Rowe AM  
Chairman  
3 February 2009



***Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001***

To: The directors of BrisConnections Management Company Limited, the Responsible Entity of the BrisConnections Group

I declare that, to the best of my knowledge and belief, in relation to the audit for the interim period ended 31 December 2008 there have been:

- (i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

KPMG

A handwritten signature in black ink that reads 'Scott Guse'.

Scott Guse  
*Partner*

Brisbane  
3 February 2009

## Consolidated Interim Income Statement

### For the period ended 31 December 2008

---

	<u>Notes</u>	<u>\$'000</u>
<b>Revenue</b>	1(e)	381,443
<b>Financial Income</b>	1(f)	11,689
<b>Expenses</b>		
Administrative Expenses		2,892
Construction Expenses	1(e)	381,443
<b>Net Profit (Loss)</b>		<u>8,797</u>
<b>Before Income Tax Expense</b>		
Income Tax Expense /(Revenue)		(1,731)
<b>Net Profit/ (Loss)</b>		<u>10,528</u>
<b>After Income Tax attributable to unitholders</b>		
<b>Earnings per unit</b>		
Basic earnings per unit (cents )(profit per unit)	<b>2.70</b>	
Diluted earnings per unit (cents)(profit per unit)	<b>2.39</b>	

The above Consolidated Interim Income Statement should be read in conjunction with the accompanying notes.

## Consolidated Interim Balance sheet

### As at 31 December 2008

	Notes	\$'000
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash		63,812
Other		297
Receivables	2	412,864
<b>Total Current Assets</b>		<u>476,973</u>
<b>Non-Current Assets</b>		
Receivables	2	529,084
Intangible Assets	3	446,224
Capital Work In Progress	1(w)	28,079
Other		14,635
Deferred Tax Assets		144,713
<b>Total Non-Current Assets</b>		<u>1,162,735</u>
<b>Total Assets</b>		<u>1,639,708</u>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Trade & Other Payables		55,960
Other Financial Liabilities	4	20,136
Provision		13
<b>Total Current Liabilities</b>		<u>76,109</u>
<b>Non-Current Liabilities</b>		
Other Financial Liabilities	4	455,879
Borrowings		219,798
<b>Total Non-Current Liabilities</b>		<u>675,677</u>
<b>Total Liabilities</b>		<u>751,786</u>
<b>Net Assets</b>		<u><u>887,922</u></u>
<b>EQUITY</b>		
Issued capital/units		1,089,100
Deferred capital/unit Contribution		121,504
Hedging Reserve	4	(333,210)
Current Year Earnings/(Losses)		10,528
<b>Total Equity</b>		<u><u>887,922</u></u>

The above Consolidated Interim Balance Sheet should be read in conjunction with the accompanying notes.

**Consolidated Interim Statement of Changes in Equity**  
**For the period ended 31 December 2008**

	Issued Capital \$'000	Deferred Capital \$'000	Accumulated Profit/(Loss) \$'000	Hedging Reserve \$'000	Total Equity \$'000
Opening Balance					
Units issued on 30 July 2008 * (Net of Costs)	1,089,100				1,089,100
Deferred capital contribution** (net of costs)		121,504			121,504
Profit/(Loss) for the period			10,528		10,528
Reserves				(333,210)	(333,210)
Closing Balance at 31 December 2008	1,089,100	121,504	10,528	(333,210)	887,922

\* Total Capital issued of \$1,154,243,199 representing the first two instalments plus the discounted proceeds of the third instalment. From this, equity raising costs of \$65,162,694 have been deducted and tax adjustment of \$19,549 included to arrive at \$1,089,100,054.

\*\* Total capital contributed of \$146,920,747 representing the discounted proceeds of a deferred equity obligation of \$200,000,000. From this, equity raising costs of \$25,578,051 have been deducted and a tax adjustment of \$ 161,142 included to arrive at \$121,503,838.

The above Consolidated Interim Statement of Changes in Equity should be read in conjunction with the accompanying notes.

## Consolidated Interim Cash Flow Statement

### For the period ended 31 December 2008

	<u>Notes</u>	<u>\$'000</u>
<b>Cash Flows from Operating Activities</b>		
Cash paid to suppliers and employees		(26,144)
Interest Received		3,435
		<hr/>
<b>Net Cash Outflow from Operating Activities</b>		(22,709)
<b>Cash Flows from Investing Activities</b>		
Payments for intangible assets, capital work-in-progress and interest paid		(405,828)
		<hr/>
<b>Net Cash Outflows from Investing Activities</b>		(405,828)
<b>Cash Flows from Financing Activities</b>		
Proceeds from issue of units		390,167
Payment of transaction costs		(104,738)
Proceeds from borrowings		283,016
Payment for borrowings		(76,096)
		<hr/>
<b>Net Cash Inflow from Financing Activities</b>		492,349
		<hr/>
<b>Net Increase/(Decrease) in Cash Held</b>		63,812
Cash & cash equivalents at the beginning of the period		Nil
		<hr/>
Cash & cash equivalents at the end of the period		63,812
		<hr/>

The above Consolidated Interim Cash Flow Statement should be read in conjunction with the accompanying notes.

## Notes to the Financial Statements

### 1. Summary of Significant Accounting Policies

#### (a) Statement of compliance

This general purpose financial report for the interim reporting period ended 31 December 2008 has been prepared in accordance with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

On 29 May 2008 the Group was registered with ASIC as a managed investment scheme. The Group sought and received the consent of ASIC to prepare this interim report for the period 29 May to 31 December 2008. On 30 July 2008 the Group was listed on the ASX and commenced trading on 31 July 2008. The period 29 May to 31 December 2008 is hereafter referred to as the period ended 31 December 2008.

The financial report was authorised for issue by the Directors of the Responsible Entity on 3 February 2009.

This interim financial report does not include all the disclosures of the type normally included in an annual financial report. Accordingly this report is to be read in conjunction with the Product Disclosure Statement dated 24 June 2008 and any public announcements made by the Group during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The principal accounting policies adopted in the preparation of the financial report are set out below.

These financial statements have been prepared on the historical cost basis except for derivative financial instruments which are measured at fair value (refer 1(q)).

#### (b) Comparative Figures

There are no comparative figures for the prior reporting period as this is the Group's first interim report.

#### (c) Use of Estimates and Judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

#### (d) Principles of consolidation

##### (i) Stapling

The units of BCHT and BCIT are combined and issued as stapled units. The units of the Trusts cannot be traded separately and can only be traded as stapled units.

The Group financial statements reflect the aggregation of the consolidated financial statements of BCHT and BCIT. For statutory reporting purposes, in accordance with Australian Accounting Standards, specifically the requirements of AASB Interpretation 1002 and AASB 3, BCIT has been identified as the acquirer in the Stapled Group based on the size of its net assets and its operations and accordingly, it will present the consolidated financial report of the Stapled Group.

These aggregated financial statements incorporate an elimination of inter-entity balances and other adjustments necessary to present the financial statements on a combined basis.

## BrisConnections

### (d) Principles of consolidation (continued)

#### (ii) Subsidiaries

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of the Group as at 31 December 2008 and the results of all subsidiaries for the period then ended.

Subsidiaries are all those entities (including special purpose entities) over which the Group has the power to govern the financial and operating policies, generally accompanying a shareholding of more than one-half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

The purchase method of accounting is used to account for the acquisition of subsidiaries by the Group (refer to Note 1(i)).

Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated.

### (e) Revenue

Under AASB Interpretation 12 – Service Concession Arrangements, effective 1 January 2008, revenue relating to construction services under a service concession arrangement is recognised based on the stage of completion of the work performed. No profit is recognised on this revenue as the design and construction has been outsourced. As such the expense is an equal and opposite offset against construction revenues.

### (f) Financial Income

Income primarily relates to the earning of interest on cash and deferred capital injections (refer Note 1(m)). Interest income on cash held is recognised as it accrues in profit or loss, using the effective interest method.

### (g) Income Tax

#### *BrisConnections Investment Trust (BCIT)*

Pursuant to provisions of Division 6A of the Income Tax Assessment Act 1936 (“the Act”), it is intended that BCIT will not be liable for income tax under the Act, provided that the taxable income of the Trust is fully distributed to unitholders each year. Accordingly, income tax and tax-effect accounting will not be applied in relation to BCIT.

#### *BrisConnections Holding Trust (BCHT)*

Pursuant to the provisions of Division 6C of the Act, it is intended BCHT will be treated as a public trading trust and effectively treated as a company for income tax purposes.

The income tax expense or revenue for the period is the tax payable on the current period’s taxable income based on the income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements, and to unused tax losses.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates which are enacted. The relevant tax rates are applied to the cumulative amounts of deductible and taxable temporary differences to measure the deferred tax asset or liability.

### (g) Income Tax (continued)

#### *BrisConnections Holding Trust (BCHT) (continued)*

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

#### *Tax consolidation legislation*

As at 31 December 2008, no decision had been made as to whether or not to implement the tax consolidation legislation. The Australian Taxation Office has not been notified of any decision. Consequently the impact of the tax consolidation legislation has not been adopted in this financial report.

### (h) Plant and Equipment

Items of plant and equipment are brought to account at cost. Costs of non-current assets constructed include all direct costs incurred.

#### *Depreciation and Amortisation*

Plant and equipment are depreciated on a straight-line basis at various rates over their expected average useful life for that asset type.

The estimated useful lives of each class of asset are:

Plant and Equipment 2 – 15 years

### (i) Acquisition of Assets

The purchase method of accounting is used to account for all acquisitions of assets (including business combinations) regardless of whether equity instruments or other assets are acquired. Cost is measured as the fair value of the assets given, shares issued or liabilities incurred or assumed at the date of the exchange plus costs directly attributable to the acquisition. Where equity instruments are issued in an acquisition, the value of the instruments is their published market price as at the date of exchange unless, in rare circumstances, it can be demonstrated that the published price at the date of exchange is an unreliable indicator of fair value and that other evidence and valuation methods provide a more reliable measure of fair value. Transaction costs arising on the issue of equity instruments are recognised directly in equity.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any minority interest. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets of the subsidiary acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the income statement, but only after a reassessment of the identification and measurement of the net asset acquired.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

## BrisConnections

### (j) Impairment of assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the assets carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units).

### (k) Borrowings

Borrowings are recorded initially at fair value, net of transaction costs. Subsequent to initial recognition, borrowings are measured at amortised cost with any difference between the initial recognised amount and the redemption value being recognised in profit and loss over the period of the borrowing using the effective interest rate method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

### (l) Borrowing Costs

Borrowing costs comprise interest and amortisation costs incurred in establishing borrowing facilities.

Where borrowings are specifically incurred in relation to qualifying assets, the actual borrowing costs are capitalised into the carrying value of those assets.

The capitalisation rate used to determine the amount of borrowing costs to be capitalised is the weighted average interest rate applicable to the entity's outstanding borrowings during the period. Borrowing costs are capitalised up to the date when the asset is substantially complete and ready for use and are subsequently amortised over the useful life of the asset.

### (m) Equity / Unitholders' Funds

#### (i) Life of Trusts

BCHT and BCIT were established in Australia. Under the Trust Deed they have been set up as 'indefinite' life trusts. As these trusts will never terminate, contributions by unitholders have been classified as equity in the balance sheet.

#### (ii) Partly paid units

On 29 July 2008, 390,166,667 stapled units were issued. These units, worth \$3.00, were paid to \$1.00. The remaining \$2.00 per stapled unit is payable by unitholders by two equal payments of \$1.00 each on 29 April 2009 and 29 January 2010.

As unitholders have paid \$1.00 per stapled unit and are committed to paying the remaining \$2.00 per stapled unit, the full amount of Instalments 1 and 2 each of \$1.00 per stapled unit and the present value of Instalment 3 have been reflected in equity. The remaining equity contribution to be received of \$2.00 per stapled unit (equating to a present value of \$764,076,532) has been taken up as a receivable.

## BrisConnections

### (m) Equity/Unitholders' Funds (continued)

#### *(iii) Deferred equity contribution*

Pursuant to the Deferred Equity Commitment Deed, Thiess Infrastructure Trust and John Holland Infrastructure Trust have each subscribed for \$100,000,000 of stapled units at \$3.933 per stapled unit. The timing of this subscription is on the earlier of 24 months after completion, 71 months after financial close, or demand made by security trustee on an event of default. As it is currently the Group's expectation that this subscription will occur 24 months after construction completion (approximately 6 years time), the amount of this subscription has been discounted to present value, and reflected in equity. A corresponding receivable was also taken up.

Thiess Trustee and John Holland Trustee will contribute equity as follows:

- Thiess Trustee: \$100,000,000, representing approximately 5.5% of the Notional Equity in the BrisConnections Unit Trusts.
- John Holland Trustee: \$100,000,000, representing approximately 5.5% of the Notional Equity in the BrisConnections Unit Trusts.
- Stapled Units issued under the Deferred Equity Commitment Deed will rank equally with previously issued Stapled Units.

Notional Equity is the anticipated number of Stapled Units on issue including the Stapled Units issued to Thiess Trustee and John Holland Trustee on the assumption that no additional Stapled Units are issued after the Allotment Date (29 July 2008).

The amount recorded in equity (after issue costs) at 31 December 2008 is \$121,503,838 (calculated as \$146,920,747 less equity raising costs of \$25,578,051, plus tax adjustment of \$161,142).

The \$150,658,724 receivable is shown at present value at 31 December 2008. This is calculated as \$146,920,747 plus interest income of \$3,737,976 for the period ended 31 December 2008. The receivable will continually be re-valued to present value. The increase in its present value each period will be reflected as interest income in the income statement. The present value of the receivable will increase to \$200,000,000 at the time the deferred equity contribution is received.

Thiess Trustee and John Holland Trustee cannot novate, assign, transfer or otherwise dispose of all or any part of their rights, benefits or obligations under the Deferred Equity Commitment Deed prior to Construction Completion.

In the 24 month period after Construction Completion, Thiess Trustee and John Holland Trustee may nominate a replacement deferred subscriber to assume all its rights to subscribe for the Stapled Units provided that the mechanism set out in the Deferred Equity Commitment Deed is observed.

## BrisConnections

### (m) Equity / Unitholders' Funds (continued)

#### (iii) *Deferred equity contribution (continued)*

In the 24 month period after Construction Completion, Thiess Trustee and John Holland Trustee may nominate a replacement deferred subscriber to assume all its rights to subscribe for the Stapled Units provided that the mechanism set out in the Deferred Equity Commitment Deed is observed. This mechanism requires Thiess Trustee and John Holland Trustee (as applicable) to provide at least seven days' written notice to the deed's parties of its intention to nominate a replacement deferred subscriber and stipulates that a replacement deferred subscriber cannot be appointed until the State has consented in writing to the replacement, the replacement deferred subscriber has provided substitute equity support which is acceptable to the Security Trustee, the Security Trustee is satisfied that the replacement deferred subscriber is solvent and reputable and the replacement deferred subscriber and the remaining parties to the deed have entered into a deed of accession on certain specified terms. In the event of a capital reorganisation by consolidation, sub-division or bonus issue, the deferred issue price may be adjusted. The deferred subscribers may also contribute their equity before the Deferred Equity Contribution Date in the event of a pro rata offer to existing Unitholders or if there is an unconditional takeover offer for at least 50% of the Stapled Units, or a similar procedure structured as a scheme for the Stapled Units.

BCMCL, as trustee of the BrisConnections Unit Trusts, has agreed that it will exercise its powers as members of BrisConnections Investment Trust 2 and BrisConnections Holding 2 to ensure that a single representative of Thiess Trustee and John Holland Trustee is appointed as a director of each of the BrisConnections Group entities and BCMCL. The right to have a director appointed will apply only while Thiess Trustee and John Holland Trustee collectively hold or are obliged to subscribe for at least 10% of the Notional Equity or Stapled Units to the maximum value of \$200 million. A replacement deferred subscriber appointed by either of Thiess Trustee or John Holland Trustee in accordance with the terms of the Deferred Equity Contribution Deed will not have the right to appoint a director to the abovementioned companies.

### (n) Intangible Assets and Expenditure Carried Forward

#### *Project Deed for Airport Link Project*

Costs associated with the Project Deed (Concession Deed) for Airport Link Project will be capitalised up to the date when the asset is substantially complete and ready for use.

Completion is contractually scheduled for June 2012. These costs will then be amortised on a straight line basis over the period during which the benefits are expected to arise, which is 41 years, from June 2012.

In accordance with AASB Interpretation 12 *Service Concession Arrangements*, at Construction Completion an intangible asset, representing the cost of construction services provided in exchange for the Right to the Project Deed, will be recognised as the State does not have the primary obligation to pay BrisConnections Group for the concession services. No profit or loss has been recognised on the exchange of the construction services for the intangible asset.

The cost of intangibles, relating to future tolling rights includes:

- Costs incurred by the Group prior to entering into the Concession Deed with the State in relation to the design and construction of Airport Link;
- All directly related expenditure incurred in construction of the assets comprising Airport Link; and
- Borrowing costs on loans relating to the project up to the date of commencement of operations are capitalised as part of intangibles.

The Right to the Project Deed is amortised over the period of the Project Deed, being 41 years from Construction Completion which is expected 47 months after the date of Financial Close (30 July, 2008).

## BrisConnections

### (o) Trade and Other Creditors

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial period and which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

### (p) Financial Instruments

#### *Debt and equity instruments*

Debt and equity instruments are classified as either liabilities or as equity in accordance with the substance of the contractual arrangements.

#### *Transaction costs on the issue of equity instruments*

Transactions costs arising on the issue of the Stapled Units are recognised directly in equity as a reduction of the proceeds of the equity instruments to which the costs relate. Transactions costs are the costs that are incurred directly in connection with the issue of those equity instruments and which would not have been incurred had those instruments not been issued.

### (q) Derivative Financial Instruments

The Group enters into a variety of derivative financial instruments to manage its exposure to interest rate risk, including interest rate swaps. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date and changes therein are accounted for as described below.

#### *Cash flow hedges*

Changes in the fair value of the derivative hedging instrument designated as a cash flow hedge are recognised directly in equity to the extent that the hedge is effective. To the extent that the hedge is ineffective, changes in fair value are recognised in profit and loss.

If the hedging instrument no longer meets the criteria for hedge accounting, expires or is sold, terminated or exercised, then hedge accounting is discontinued prospectively. The cumulative gain or loss previously recognised in equity remains there until the forecast transaction occurs. When the hedged item is a non-financial asset, the amount recognised in equity is transferred to the carrying amount of the asset when it is recognised. In other cases the amount recognised in equity is transferred to profit or loss in the same period that the hedged item affects profit or loss.

In accordance with its treasury policy, the Group does not hold or issue financial instruments for trading purposes.

### (r) Non-Derivative Financial Instruments

Non-derivative financial instruments comprise trade and other receivables, cash and cash equivalents, loans and borrowings and trade and other payables. With the exception of cash and cash equivalents (refer Note 1(u)), these non-derivative financial instruments are measured at amortised cost using the effective interest method, less any impairment losses.

**(s) Fair value estimation**

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Group uses a variety of methods and makes assumptions that are based on market conditions existing at each balance date. Quoted market prices or dealer quotes for similar instruments are used for long-term debt instruments held. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments. The fair value of interest-rate swaps is calculated as the present value of the estimated future cash flows. The fair value of forward exchange contracts is determined using forward exchange market rates at the balance sheet date.

**(t) Employee Benefits***(i) Wages and Salaries, Annual Leave and Sick Leave*

Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be settled within 12 months of the reporting date are recognised in current provisions in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled. Liabilities for non-accumulating sick leave are recognised when the leave is taken and measured at the rates paid or payable.

*(ii) Long Services Leave*

The liability for long service leave is recognised in non-current provisions, and is measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date including on-costs. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using interest rates on national government guaranteed bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

*(iii) Defined Contribution Superannuation Fund*

Obligations for contributions to defined contribution superannuation funds are recognised as an expense in the Income Statement as incurred.

**(u) Cash and Cash Equivalents**

For purposes of the cash flow statement, cash includes deposits at call with financial institutions and other highly liquid investments with original maturities of three months or less which are readily convertible to cash on hand and are subject to an insignificant risk of change in value.

**(v) Distributions**

A provision for trust distributions is recognised on an accruals basis.

**(w) Capital work-in-progress**

The Group has undertaken to manage on behalf of the State the outsourced construction of the Northern Busway (Windsor to Kedron), the Airport Roundabout Upgrade Project and parts of Airport Link. The value recorded represents the value of capital expenditure to date on behalf of the State relating to Airport Link which will be reimbursed on completion of construction. Capital expenditure on the Northern Busway (Windsor to Kedron) and Airport Roundabout Upgrade Project is reimbursed monthly by the State.

## BrisConnections

### (x) Rounding of Amounts

The Group is of a kind referred to in Class Order 98/100, issued by ASIC, relating to the 'rounding off' of amounts in the Directors' Report and financial report. Amounts in the Directors' Report and financial report have been rounded off to the nearest thousand dollars in accordance with that Class Order, unless otherwise indicated.

### (y) Goods and Services Tax

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the taxation authority. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expenses.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from or payable to, the ATO is included as a current asset or liability in the balance sheet.

Cashflows are included in the statement of cash flows on a gross basis. The GST components of cashflows arising from investing and financing activities which are recoverable from or payable to, the ATO are classified as operating cashflows.

### (z) Earnings per unit

The Group presents basic and diluted earnings per unit (EPS) data for its ordinary stapled units. Basic EPS is calculated by dividing the profit or loss attributable to ordinary stapled unit holders by the weighted average number of ordinary stapled units outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary stapled unitholders and the weighted average number of unitholders outstanding for the effects of all dilutive potential ordinary stapled units.

## 2. Receivables

		<b>31-Dec-08</b>
	<b>Notes</b>	<b>\$'000</b>
<b>Current</b>		
Sundry Debtors		74
GST Refundable		22,623
Equity Instalment of \$1 per unit (due 29 April 2009)		390,167
<b>Total Current Receivables</b>		<u>412,864</u>
<b>Non Current</b>		
Equity Instalment of \$1 per unit (due 29 Jan 2010)	<b>(a)</b>	378,425
Deferred Equity Contribution	<b>(b)</b>	150,659
<b>Total Non Current Receivables</b>		<u>529,084</u>

- (a) Final Equity Instalment of \$373,910,000 represents the present value of the third instalment of \$390,166,667. The discount rate used is 2.87% which is the 2 year Govt Bond Rate at 31 December 2008. Interest Income of \$4,515,871 has been recognised for the period to 31 December 2008. The present value of this receivable will increase to \$390,166,667 at the time the instalment is due on 29 January 2010.
- (b) Thiess Infrastructure Trust & John Holland Infrastructure Trust have each subscribed for \$100,000,000 stapled units at \$3.93 per stapled unit on the Deferred Equity contribution date (currently expected to occur 24 months after construction completion). \$150,658,724 represents the present value of this contribution at a discount rate of 5.35% which represents the Group's cost of borrowings.

The \$150,658,724 receivable is shown at present value at 31 December 2008. This is calculated as \$146,920,747 plus interest income of \$3,737,976 for the period ending 31 December 2008. The present value of the receivable will increase to \$200,000,000 at the time the deferred equity contribution is received.

## 3. Non-Current Assets – Intangibles

		<b>31-Dec-08</b>
		<b>\$'000</b>
<b>Future Tolling Rights</b>		
Design & development costs		434,184
Capitalised Interest		12,040
		<u>446,224</u>

## 4. Cashflow Hedges

		<b>31-Dec-08</b>
	<b>Notes</b>	<b>\$'000</b>
Present Value of Derivative Liability - Current	<b>1(q)</b>	20,136
Present Value of Derivative Liability - Non Current	<b>1(q)</b>	455,879
		<u>476,015</u>
Deferred Tax Assets - Non Current	<b>1(q)</b>	142,804
Cash Flow Hedge Reserve	<b>1(q)</b>	333,210
		<u>476,015</u>

## 5. Equity

### Ordinary Partly Paid Stapled Units Issued during the period

Details	31-Dec-08 Units	31-Dec-08 \$'000
Units issued from initial public offering	390,166,667	390,167

### Ordinary Stapled Units

The units of BCHT and BCIT are stapled and the number units issued by each entity is the same, however, their values differ. Currently their respective values are apportioned 1% (BCHT) and 99% (BCIT).

The ASX reserves the right (but without limiting its absolute discretion) to remove either or both of the stapled trusts from the official list if any of the stapled units in the stapled trusts cease to be 'stapled' together, or any equity securities are issued by either of the stapled trusts which are not stapled to equivalent securities in the other entity.

## 6. Debt Funding Risk

The Product Disclosure Statement issued by the Group in June 2008 highlighted a number of risk exposures. However, one particular risk, 'Debt Funding Risk' has increased in light of the global credit crisis.

The term of the primary debt funding facility (used to construct and then operate the tollroad) is locked in place for a period of 10 years (maturing 2018). This funding, as outlined in the Product Disclosure Statement, is being provided by a syndicate of Australian and overseas banks.

The ability of the Group to make drawdowns against this facility is subject to the Group meeting its obligations under the funding arrangements.

The global credit crisis has significantly impacted the banking industry and a number of the banks, including several of those providing funding to the Group, have recently experienced rating downgrades.

At the date of this report all banks in the syndicate, apart from one, had a Standard and Poors rating of A or greater. One bank however has a Standards and Poors rating of BBB.

As at the date of this financial report all banks have met their drawdown obligations, however, in the event that a bank in the syndicate is unable to continue to provide funding, it is the Group's responsibility to replace that bank in the syndicate.

## BrisConnections

### 7. Commitments

Commitments for the cost of various goods and services to be supplied but not recognised as liabilities:

#### Capital expenditure

The Group has entered into a construction contract with an unincorporated joint venture comprising John Holland Pty Ltd and Thiess Pty Ltd ("TJHJV") to complete the required construction activities over the expected period of 47 months from July 2008.

Construction commitments contracted for, but not recognised in the balance sheet, are payable as follows:

	<b>Consolidated</b>
	<b>31-Dec-08</b>
	<b>\$'000</b>
Within one year	1,239,922
One year or later and no later than five years	2,498,801
	<u>3,738,723</u>

#### Maintenance Contract

BrisConnections Group has entered into a maintenance agreement with Thiess John Holland Motorway Services Pty Ltd, with a term that ends on the expiration of five years after the completion of construction unless terminated or extended in accordance with the contract.

##### *Construction period*

Amounts Payable during the forty-seven month construction period (adjusted for CPI increases) are as follows:

	<b>Consolidated</b>
	<b>31-Dec-08</b>
	<b>\$'000</b>
Within one year	954
One year or later and no later than 5 years	7,213
	<u>8,167</u>

##### *Commencement of Operations*

Amounts payable for the initial five year period following commencement of operations (adjusted for CPI increases) are as follows:

	<b>Consolidated</b>
	<b>31-Dec-08</b>
	<b>\$'000</b>
Within one year	23,594
One year or later and no later than five years	107,379
	<u>130,973</u>

After five years the Group may either elect to extend the O&M contract, re-tender the contract to other available service providers or bring road-side operations & maintenance in-house.

## 8. Contingent Liabilities

### Responsible Entity Call Option

It is a requirement of the Corporations Act 2001 for registered managed investment schemes to have a Responsible Entity. BrisConnections Management Company Limited (BCMCL) is not part of the BrisConnections Group but a wholly owned subsidiary of JF Infrastructure Pty Limited and has been engaged to act as Responsible Entity of BCIT and BCHT ("Trusts") as it has the appropriate Australian Financial Services Licence.

BCMCL and BrisConnections Operations Pty Limited have entered into six year management deeds (renewable by any party for a further one year) that document the administrative and asset management functions to be performed by BrisConnections Operations Pty Limited.

BCMCL has entered into a services agreement so that its AFSL management services are provided by BrisConnections Operations Pty Limited, a subsidiary of BCHT, in consideration of a rebate on the management fee. This agreement does not, however, relieve BCMCL from its obligations as Responsible Entity under the Corporations Act.

BCMCL is entitled to an annual management fee of \$1.35 million (subject to CPI adjustment) as responsible entity of the BrisConnections Unit Trusts. In addition, BCMCL is entitled to be reimbursed for costs and expenses incurred in the proper performance of its duties as responsible entity. Pursuant to the services agreement between BCMCL and BrisConnections Operations Pty Limited, a rebate of approximately 60% of the management fee is retained by the Group.

The management services agreement between BrisConnections Operations Pty Limited and BCMCL also contains an option arrangement whereby the Group can acquire all of the issued shares in BCMCL from JF Infrastructure Pty Limited at any time up to October 2010 for an amount equal to the sum of \$600,000 (less the lesser of fees already paid to BCMCL and \$600,000) and the net assets of BCMCL in its personal capacity.

## BrisConnections

### 9. Related Party Transactions

Aggregate amount of transactions with related parties incurred in relation to the BrisConnections Group being awarded the concession to finance, design, build, maintain and operate Airport Link.

	<b>31-Dec-08</b>
	<b>\$'000</b>
<b>Macquarie Capital Advisors Limited</b>	
Underwriting fee	44,685
Management fee	5,108
IPO Structuring fee	15,325
Financial advisory fee	56,261
Sponsor development fee	12,500
Out of pocket expenses reimbursed	4,733
<b>Thiess Pty Limited (i)</b>	
Sponsor development fee	9,939
Consultants bid costs and success fees reimbursed	3,828
Out of pocket expenses reimbursed	56
<b>John Holland Pty Limited* (i)</b>	
Sponsor development fee	9,939
Out of pocket expenses reimbursed	135
<b>BrisConnections Management Company Limited as Responsible Entity</b>	
Management fees	314
<b>Thiess Infrastructure Pty Ltd</b>	
Deferred equity contribution support fee	12,789
<b>John Holland Infrastructure Pty Ltd</b>	
Deferred equity contribution support fee	12,789

There were no outstanding balances with the above related parties at period end other than disclosed below.

(i) TJHJV has been engaged to complete the design and construction activities. The amount payable during the period was \$381,442,873 which includes an amount outstanding at 31 December 2008 of \$55,170,935.

\* Mark Andrew Snape is an employee of John Holland Group Pty Ltd, a related body corporate of John Holland Pty Limited.

#### Responsible Entity

The BrisConnections Group is a stapled entity and comprises the aggregation of BCHT and its wholly-owned controlled entities and BCIT and its wholly-owned controlled entities. The Responsible Entity of BCHT and BCIT is BrisConnections Management Company Limited.

## BrisConnections

### 10. Investments in Controlled Entities

The BrisConnections Group comprises the aggregation of the BCHT and BCIT.

Name of entity	Country of Incorporation	Class of shares/ units	Equity holding 2008
<b>The BrisConnections Investment Trust Group comprises:</b>			
BrisConnections Investment Trust	Australia	Ordinary	100%
BrisConnections Asset Trust	Australia	Ordinary	100%
BrisConnections Investment Trust 2	Australia	Ordinary	100%
BrisConnections Finance Pty Limited	Australia	Ordinary	100%
<b>The BrisConnections Holding Trust Group comprises:</b>			
BrisConnections Holding Trust	Australia	Ordinary	100%
BrisConnections Nominee Company Pty Limited	Australia	Ordinary	100%
BrisConnections Holding 2 Pty Limited	Australia	Ordinary	100%
BrisConnections Operations Pty Limited	Australia	Ordinary	100%
BrisConnections Contracting Pty Limited	Australia	Ordinary	100%
Northern Busway Contracting Pty Limited	Australia	Ordinary	100%

### 11. Available Facilities

Total facilities available to the BrisConnections Group at 31 December 2008 were as follows:

Facility	Drawn Down Amount	Facility Limit	Maturity Date
State Works *	Nil	\$267,164,299	6 July 2012
Equity Bridge**	\$170,267,194	\$200,000,000	29 June 2014
IPO Equity Bridge***	\$112,719,448	\$477,850,000	1 May 2010
Construction/Term ****	Nil	\$2,928,000,000	30 July 2018
Ramp Up Reserve*****	Nil	\$110,156,240	30 July 2018

\* The State Works facility has not been drawn down at 31 December 2008 and is not scheduled for draw down until September 2009. It is repaid 7 days after the date of completion of construction, which is assumed to be 29 June, 2012

\*\* No further drawings under the Equity Bridge Facility are available until after 29 June 2012.

\*\*\* Includes accrual for borrowing costs.

\*\*\*\* The Construction facility has not been drawn down at 31 December 2008 and it is not scheduled for drawdown until December 2009. It converts to the Term facility on completion of construction.

\*\*\*\*\* The Ramp Up Reserve facility is not available to be drawn down until completion of construction which is assumed to be 29 June 2012.

## **BrisConnections**

### **12. Events Occurring After Reporting Date**

No matter or circumstance arose since 31 December 2008 that has significantly affected, or may significantly affect the operations of the BrisConnections Group, the results of those operations or the state of affairs of the BrisConnections Group in subsequent periods.

### **13. Segment Information**

The consolidated entity operates as one business segment being the Airport Link, Northern Busway (Windsor to Kedron) and Airport Roundabout Upgrade Project, in one geographic segment being Queensland.

## BrisConnections

### Statement of the Directors of the Responsible Entity of the Trusts

In the opinion of the Directors of BrisConnections Management Company Limited as the Responsible Entity for BrisConnections Holding Trust and BrisConnections Investment Trust.

- (a) the consolidated financial statements for the BrisConnections Group as set out on pages 4 to 23 are in accordance with the *Corporations Act 2001*, including:
  - (i) complying with the Australian Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001;
  - (ii) giving a true and fair view of the Group's financial position as at 31 December 2008 and of its performance, as represented by the results of its operations and cash flows, for the period ended on that date; and
  - (iii) complying with the requirements of the AASB Interpretation 1002: Postdate-of-transition stapling arrangements; and
- (b) there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

This statement is made in accordance with a resolution of the Directors of BrisConnections Management Company Limited.



Trevor C Rowe AM  
Chairman  
3 February 2009



## **Independent auditor's report to the unit holders of the BrisConnections Investment Trust and BrisConnections Holding Trust**

We have audited the accompanying interim financial report of the BrisConnections Group, which comprises the consolidated interim balance sheet as at 31 December 2008, income statement, statement of changes in equity and cash flow statement for the interim period ended on that date, a description of significant accounting policies and other explanatory notes 1 to 13 and the directors' declaration of the BrisConnections Group comprising the BrisConnections Investment Trust and BrisConnections Holding Trust and the entities they controlled at the interim period's end or from time to time during the interim period.

### *Directors' responsibility for the financial report*

The directors of BrisConnections Management Company Limited (the Responsible Entity) are responsible for the preparation and fair presentation of the interim financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the interim financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

### *Auditor's responsibility*

Our responsibility is to express an opinion on the interim financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the interim financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the interim financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the interim financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the interim financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the interim financial report.

We performed the procedures to assess whether in all material respects the interim financial report presents fairly, in accordance with the *Corporations Act 2001* and Australian Accounting Standard AASB 134 *Interim Financial Reporting* a view which is consistent with our understanding of the Group's financial position, and of its performance.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



*Independence*

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*.

*Auditor's opinion*

In our opinion the interim financial report of the BrisConnections Group is in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the BrisConnections Group's financial position as at 31 December 2008 and of its performance for the interim period ended on that date; and
- (b) complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the Corporations Regulations 2001.

KPMG

A handwritten signature in black ink that reads 'Scott Guse'.

Scott Guse

*Partner*

Brisbane

3 February 2009