

Australian Pipeline Trust  
Unitholder Information  
Meeting

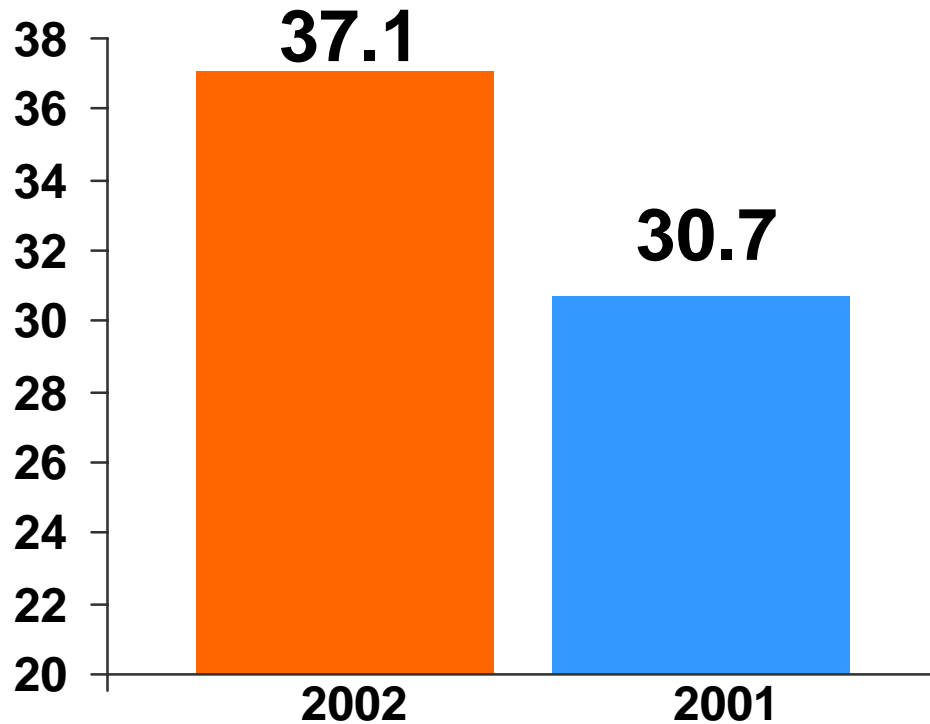
George Bennett  
Chairman

Sydney, 24 October 2002

# Results in Summary

## Strong Earnings Growth

\$M

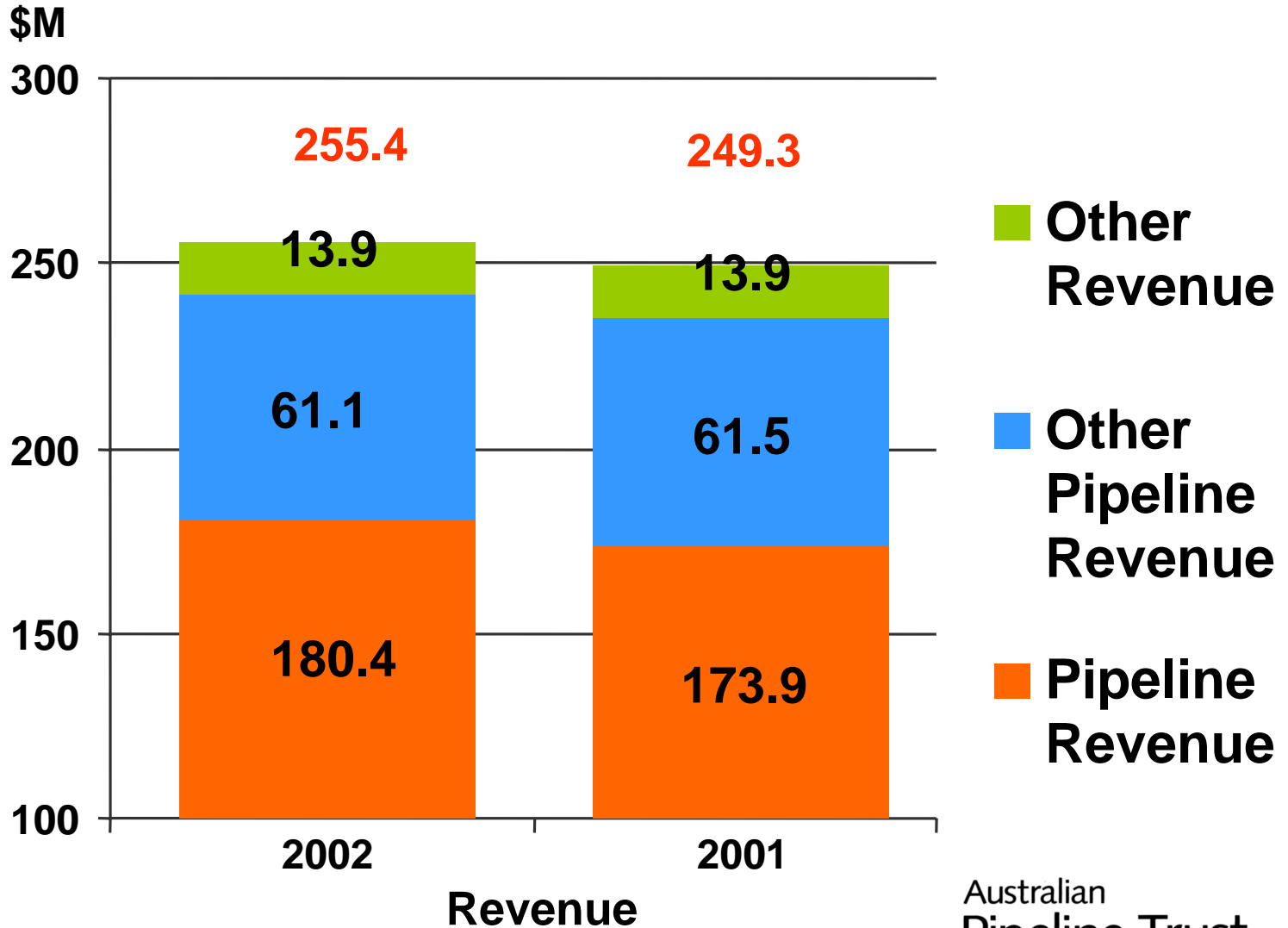


NPAT (after minorities)

- Total revenue +2.4%
- Pipeline transportation revenue +3.7%
- Net profit after tax +20.8%

# Results in Summary (Cont'd)

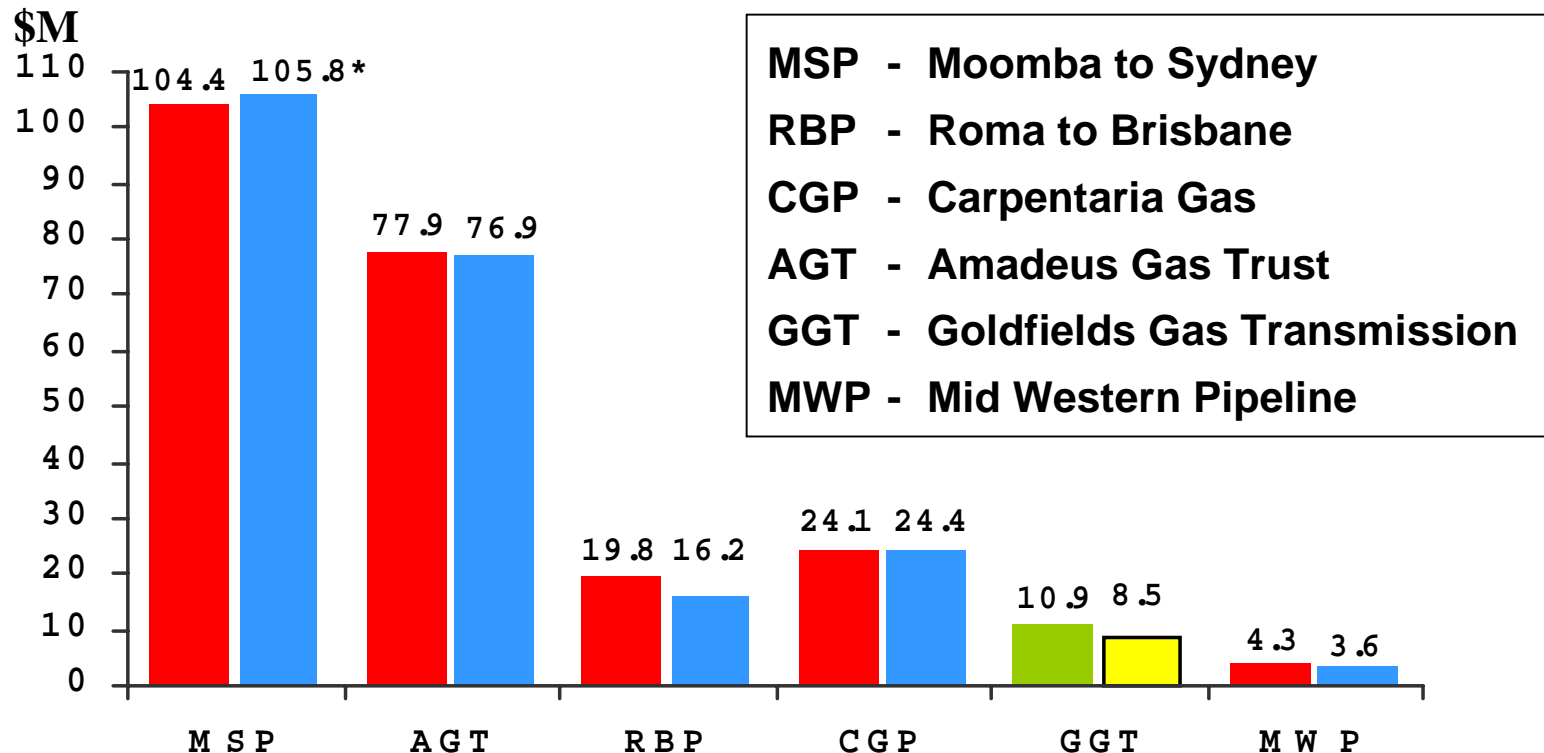
## Continued Strong Earnings Growth



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# Financial Summary (cont'd)

## Revenue by Pipeline



**MSP - Moomba to Sydney**  
**RBP - Roma to Brisbane**  
**CGP - Carpentaria Gas**  
**AGT - Amadeus Gas Trust**  
**GGT - Goldfields Gas Transmission**  
**MWP - Mid Western Pipeline**

\* Includes \$1.3m non-recurring revenue in 2001

■ 2002   ■ 2001

a) GGT - is equity accounted contribution (not share of revenue)  
 - actual GGT revenue +7.1% to \$79.7m in 2002

b) MSP, AGT & GGT include passthrough revenue

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# Financial Summary

## Delivering What We Promised

Year ended 30 June	Actual		% Change
	2002 \$M	2001 \$M	
<b>EBITDA</b>	<b>132.2</b>	<b>127.5</b>	<b>3.7</b>
<b>Pre Tax Profit</b>	<b>59.1</b>	<b>53.3</b>	<b>11.0</b>
<b>Profit after tax &amp; minoritie</b>	<b>37.1</b>	<b>30.7</b>	<b>20.8</b>
<b>Earnings per unit (cents)</b>	<b>15.2</b>	<b>12.6</b>	<b>20.6</b>

# Financial Summary (cont'd)

## 2002 Performance strengthened by:-

- Growth in pipeline revenue
- Continued management of costs
- Reduction in tax rate
- Fall in interest expense



# Cash Flow Statement

- Underlying cash generated from operating activities increased 9.8% from \$78.7 million to \$86.4 million.
- Net operating cash flow reduced by \$16.5 million due to minor increases in working capital and one-off cross period timing matters:
  - Commencement of Gas Transmission Deed (Moomba- Sydney Pipeline);
  - Pipeline tariff margin payments for the Amadeus Gas Trust;
  - Post-acquisition AGL loan settlement.



# Distribution Increased

Cents per unit	Total Paid to 30.06.02	Final Q 4 02	Actual	
			FY 02	FY 01
Total Distribution	15.0	6.5	21.5	21.0
Income Distribution	9.0	6.5	15.5	12.5
- <i>Franked Component</i>			-	1.9
- <i>Unfranked Component</i>	9.0	6.5	15.5	10.6
Capital Distribution	6.0	-	6.0	8.5
Date of Distribution	30-Sep-02			

Note: No franking credits expected until YEJ 2004.





# Operating Highlights

## Queensland

- **Roma to Brisbane Pipeline**

Completion of Looping Stage Five to Ipswich completed.

Looping Stage Six commenced.

Coal Seam Methane contracts signed and gas delivered for power generation.

- **Carpentaria Gas Pipeline**

Construction of a compressor station at Morney Tank, 250 kms north of Ballera. Completion due in November 2002.

# Operating Highlights (cont'd)

## Northern Territory

- **Amadeus Gas Trust Pipeline**

Constructed two spur lines supplying gas to new railway sleeper factories in Tennant Creek and Katherine for the Darwin to Adelaide railway line.



# Operating Highlights (cont'd)

## Western Australia

- **Mid West Pipeline (WA)**  
Additional customer (Hill 60 gold mine) has commenced taking gas for its generator.
- **Goldfields Gas Transmission**  
Planning additional compression as load demand increases.



# Key Industry Issues


- Need for a clearly articulated energy policy.
- Need for additional gas supplies for southern and eastern Australia.
- Need for revision of existing regulatory framework.



# **Australian Pipeline Trust**

## **Australia's Leading Transporter of Natural Gas**





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Jim McDonald  
Managing Director  
Sydney, 24 October 2002

# Regulatory Environment

- Industry Discontented with Gas Access Code
  - Regulation is strongly resisted
  - North American investment withdraws
  - Supreme Court of W.A supports Epic
  - Greenfields draft guidelines rejected
  - Access Code review is imminent
  - Productivity Commission report is positive



# Regulatory Environment (cont'd)

- Moomba to Sydney Code Coverage Case
  - NCC has recommended coverage
  - Minister to consider the recommendation
  - It is unacceptable for our pipeline to remain covered whilst a competing pipeline is not.
  - Appeal provisions exist





# Regulatory Environment (cont'd)

- Goldfields Gas Transmission
  - Access Arrangement before W.A Supreme Court
  - GGT must protect its rights.



# Regulatory Environment (cont'd)

- Optimistic Outlook
  - Review of the Access Code for Natural Gas
  - Better climate for investment in the Industry.
- EPIC Decision
  - Significant victory for transmission pipeline owners.
- Foundation Contracts should be the basis for Third Party Access.



# Gas in the National Fuel Mix

- Gas the environmentally friendly & cleanest fossil fuel.
- Fully integrated pipeline grid in southeast Australia with more flexible gas contract management will produce more responsive gas marketplace.
- To maintain adequate gas supplies to Moomba
  - Timor Sea gas to Darwin
  - PNG gas to Queensland
- Encouraged by work on coal seam methane, but industry still faces challenges.



# Growth Strategy

- Incremental Growth
  - Continuing to expand capacity and increase volumes in our existing pipelines.
- Prudent Acquisitions
- “Greenfields”
  - Gas to south east Australia
  - Timor Sea/ PNG/ Northwest Shelf
- Expand the reach of Natural Gas.
- Complementary business opportunities.



# Summary

- Our business is performing well.
- Gas to Moomba remains a central issue.
- We are defending our business well against a imperfect regulatory regime.
- We continue to explore opportunities to grow our core business.
- We are investigating investment opportunities in related businesses.
- We are committed to maintaining our position as the leading transporter of natural gas in Australia.



**We Deliver.**



# QUESTIONS ?





**Thank you for your attendance.**

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