

13 June 2008

SP AusNet Successfully Prices £250M Sterling Offer

SP AusNet is pleased to announce the successful completion of a £250 million 10 year Sterling bond issue to raise approximately A\$535 million. The proceeds will be used to refinance A\$320 million of existing Medium Term Notes which were due to expire in November 2008. The remaining amount is to be used to fund growth capital expenditure and working capital requirements. As a result SP AusNet will have no refinancing obligations until September 2010.

The transaction followed strong expressions of interest from a non deal roadshow in Singapore, Hong Kong, England and Scotland conducted over the last week of May and first week of June 08. The order book was almost two times oversubscribed reflecting SP AusNet's strong fundamentals and credit metrics.

Geoff Nicholson, Chief Financial Officer and Company Secretary, stated that "the deal saw very strong demand despite the difficult credit market environment. This issue, together with our A\$1.55B bank debt facility in Feb 08, again clearly demonstrates our ability to access competitively priced debt. It also enhances SP AusNet's diversified debt portfolio both in terms of maturity and sources of debt".

SP AusNet has an A1 credit rating from Moody's Investor Services and an A- credit rating from Standard & Poor's.

Terms of the Facility

The issue of £250 million has been priced at a margin of 195 basis points over the UK "Gilts" Bond Rate. This has been swapped to approximately A\$535m at an equivalent rate of BBSW + approximately 181 basis points. The pricing of this issue was in line with expectations and will not have a material impact on SP AusNet's interest costs.

	Amount	Maturity
£250m Issue	A\$535m	Jun 2018

This offering will be made from the existing US\$1.5B Eurobond programme of which US\$300 million and US\$275 million was issued in October 2004 and September 2006 respectively.

Debt 98% Hedged

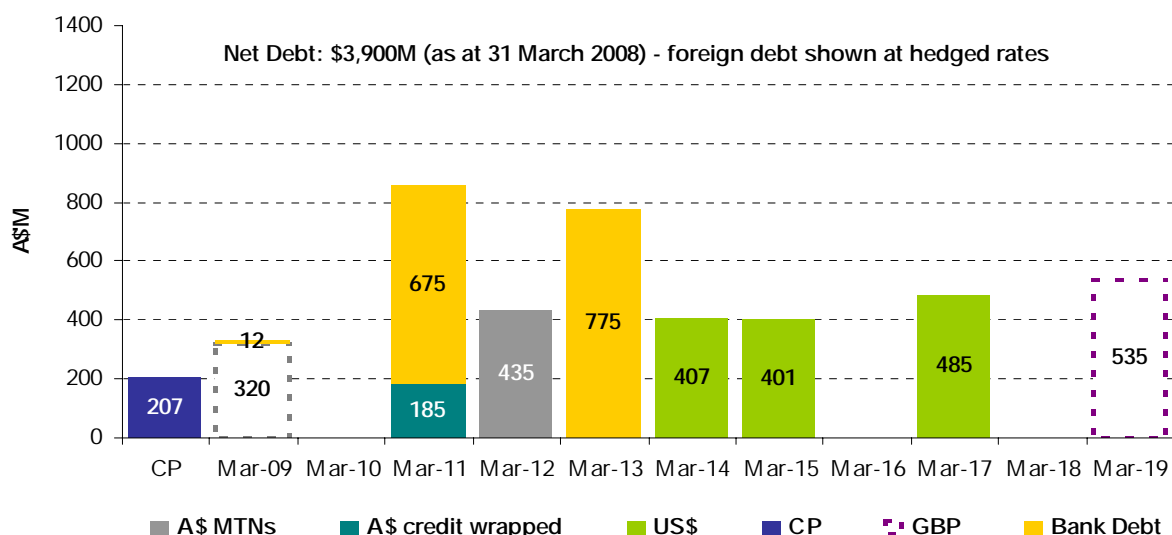
Currently 98% of SP AusNet's debt is hedged against interest rates, in line with the regulatory periods for each of the regulated businesses. The objective of the hedging activities is to minimise the exposure to changes in interest rates by matching the cost of debt for each business with that assumed by the regulator when setting the rate of return for the respective businesses. As such, SP AusNet has minimal exposure to interest rate risk.

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Diversified Debt Portfolio

SP AusNet maintains a well diversified debt maturity profile together with well diversified sources of debt. This, together with a strong investment grade credit rating, allows SP AusNet ready access to debt markets both in Australia and offshore. SP AusNet is therefore, not reliant on any one capital market or any one source of debt.

Debt Portfolio (following issue of bond)



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SP AusNet

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SP Australia Networks (Transmission) Ltd
ABN 48 116 124 362

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