



**Alinta Limited**  
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23 July 2003

To: Company Announcements Office  
ASX

By: Electronic Lodgement

**Financial Close of Aquila Transaction**

Attached is a News Release on the above matter.

A handwritten signature in black ink, appearing to read "M King", on a textured background.

**Murray King**  
**Company Secretary**

Enclosure

# News Release



23 July 2003

## **Financial Close of Aquila Transaction**

Alinta Limited is pleased to announce that the series of transactions involving Aquila Inc's Australian assets have been completed today and result in Alinta emerging as an operator, manager and part owner of regulated energy assets worth approximately \$4 billion.

The series of transactions involved Alinta:

- Paying \$121.6 million for a 34% equity interest in United Energy Limited's Victorian electricity network. This network has a gross enterprise value of approximately \$1.89 billion.
- Paying \$44.3 million for a 19.9% equity interest in Multinet Gas, the largest gas distributor in Victoria. Multinet has a gross enterprise value of approximately \$1.19 billion.
- Paying \$199 million for the non-distribution assets of United Energy, being:
  - 36 million Alinta shares held through WA Gas Holdings Pty Ltd (which will be cancelled);
  - 66.3% shareholding and \$43.7 million loan receivable in the telecommunications carrier Uecomm Limited; and
  - 100% of the maintenance and construction business National Power Services Pty Ltd.
- Receiving \$44 million for selling down a 25.9% interest in the Western Australian gas network, AlintaGas Networks Pty Ltd. AlintaGas Networks has a gross enterprise value of approximately \$780 million.
- Securing long term service agreements to operate, maintain and manage each of the network assets under long term contracts. In consideration for securing the service agreements, Alinta will make a \$16.1 million payment to Multinet parties (being associated with AMP other than Aquila) and \$2.9 million to existing investors in Power Partnership Pty Ltd (other than Aquila).
- Agreeing, in certain circumstances, to support the yield payable to Multinet investors by subscribing for additional 'super' equity in Multinet up to a maximum of \$11 million over three years.

# News Release



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Funding for the transactions has been provided by an increase in debt levels within AlintaGas Networks, the placement on 1 May 2003 of 8 million new ordinary shares which raised \$36 million before costs, proceeds from the sell-down of a 25.9% shareholding in AlintaGas Networks (\$44 million) and proceeds from the \$130 million reset preference share issue.

Alinta Chief Executive Officer Bob Browning said "Alinta is pleased to have reached financial close on what has been a highly complex transaction. The new structure will provide a platform from which Alinta can continue to grow".

## **United Energy Scheme of Arrangement**

United Energy shareholders can expect cheques for their United Energy shares to be despatched by 30 July 2003.

## **Alinta Reset Preference Share Issue**

All conditions precedent to the issue of the reset preference shares (RePS) have now been fulfilled and the offer will proceed as planned. Details of RePS allocations will be available prior to deferred settlement trading, which commences at 10 am (EST) on Thursday 24 July 2003.

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For more information please contact:

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