

Appendix 4B (rule 4.13(b))

~~Half yearly/preliminary final report~~

Introduced 1/7/2000.

Name of entity

The Australian Gas Light Company

ACN, ARBN or ARSN

052 167 405

Half yearly
(tick)

Preliminary
final (tick)

~~Half year~~/financial year ended (' current period')

30 June 2001

For announcement to the market

Extracts from this report for announcement to the market (see note 1).

\$A Million

Revenues from ordinary activities (item 1.1)	up	27.4 % to	3,498.9
Operating profit (loss) from ordinary activities after tax (before amortisation of goodwill) attributable to members (item 1.20)	down	69.2% to	142.1
Operating profit (loss) from ordinary activities after tax attributable to members (item 1.23)#	down	74.4% to	115.4
Profit (loss) from extraordinary items after tax attributable to members (item 2.5(d))	profit of		Nil
Operating profit (loss) after tax for the period attributable to members (item 1.11)	down	74.4% to	115.4

Dividends (distributions)	Amount per security	Franked amount per security
Final dividend (Preliminary final report only - item 15.4)	27¢	16¢
Interim dividend (Half yearly report only - item 15.6)	25¢	7¢
Previous corresponding period (Preliminary final report - item 15.5;		
Final Dividend	27¢	6¢
Special Dividend	23¢	0¢

+Record date for determining entitlements to the dividend,
(in the case of a trust, distribution) (see item 15.2)

3 October 2001

Brief explanation of omission of directional and percentage changes to profit in accordance with Note 1 and short details of any bonus or cash issue or other item(s) of importance not previously released to the market:

Significant Items

Operating profit from ordinary activities after tax includes significant revenues and expenses as detailed in Attachment A.

Consolidated profit and loss account

		Current period – \$A Million	Previous corresponding period - \$A Million
1.1	Revenues from ordinary activities	3,498.9	2,745.4
1.2	Expenses from ordinary activities (<i>see items 1.24 + 12.5 + 12.6</i>)	(3,245.0)	(2,170.6)
1.3	Borrowing costs	(181.9)	(152.0)
1.4	Share of net profit (loss) of associates and joint venture entities (<i>see item 16.7</i>)	41.4	63.7
1.5	Operating profit (loss) from ordinary activities before tax (refer Attachment A)	113.4	486.5
1.6	Income tax on ordinary activities*	(76.9)	(23.8)
1.7	Operating profit (loss) from ordinary activities after tax	36.5	462.7
1.8	Profit (loss) from extraordinary items after tax (<i>see item 2.5</i>)	0.0	0.0
1.9	Operating profit (loss)	36.5	462.7
1.10	Net profit (loss) attributable to outside +equity interests	78.9	(12.7)
1.11	Operating profit (loss) after tax attributable to members	115.4	450.0

Consolidated retained profits

1.12	Retained profits (accumulated losses) at the beginning of the financial period	635.7	437.9
1.13	Operating profit (loss) after tax attributable to members (<i>item 1.11</i>)	115.4	450.0
1.14	Net transfers to and from reserves	0.0	0.0
1.15	Net effect of changes in accounting policies	0.0	0.0
1.16	Dividends and other equity distributions paid or payable	(186.1)	(252.2)
1.17	Retained profits (accumulated losses) at end of financial period	565.0	635.7

**Profit restated to exclude
Amortisation of goodwill**

		Current period \$A Million	Previous corresponding period \$A Million
1.18	Operating profit (loss) from ordinary activities after tax before outside equity interests (<i>items 1.7</i>) and amortisation of goodwill	63.2	474.5
1.19	Plus (less) outside +equity interests	78.9	(12.7)
1.20	Operating profit (loss) from ordinary activities after tax (before amortisation of goodwill) attributable to members	142.1	461.8

*Refer Attachment C

Profit (loss) from ordinary activities attributable to members

		Current period \$A Million	Previous corresponding period \$A Million
1.21	Operating profit (loss) from ordinary activities after tax (<i>item 1.7</i>)	36.5	462.7
1.22	Less (plus) outside +equity interests	78.9	(12.7)
1.23	Operating profit (loss) after tax attributable to members	115.4	450.0

Revenue and expenses from ordinary activities

AASB 1004 requires disclosure of specific categories of revenue and AASB 1018 requires disclosure of expenses from ordinary activities according to either their nature of function. Entities must report details of revenue and expenses from ordinary activities using the layout employed in their accounts. See also items 12.1 to 12.6.

		Current period \$A Million	Previous corresponding period \$A Million
1.24	Details of revenue and expenses		
	Refer Attachment B		

Intangible and extraordinary items

		<i>Consolidated - current period</i>			
		Before tax \$A Million	Related tax \$A Million	Related outside +equity interests \$A Million	Amount (after tax) attributable to members \$A Million
2.1	Amortisation of goodwill	26.7	0.0	0.0	26.7
2.2	Amortisation of other intangibles	5.5	0.0	0.0	5.5
2.3	Total amortisation of intangibles	32.2	0.0	0.0	32.2
2.4	Extraordinary items (details)	0.0	0.0	0.0	0.0
2.5	Total extraordinary items	0.0	0.0	0.0	0.0

Comparison of half year profits

(Preliminary final report only)

	Current year - \$A Million	Previous year - \$A Million
3.1 Consolidated profit (loss) after tax attributable to members reported for the <i>1st</i> half year (item 1.23 in the half yearly report)	208.1	181.7
3.2 Consolidated profit (loss) after tax attributable to members for the <i>2nd</i> half year	(92.7)	268.3

Consolidated balance sheet

	At end of current period \$A Million	As shown in last annual report \$A Million	As in last half yearly report \$A Million
Current assets			
4.1 Cash	100.9	31.1	7.9
4.2 Receivables	690.6	608.8	579.4
4.3 Investments	0.0	0.0	0.0
4.4 Inventories	20.6	17.8	20.5
4.5 Other (provide details if material) (a)	241.4	41.8	49.0
4.6 Total current assets	1053.5	699.5	656.8
Non-current assets			
4.7 Receivables	75.6	73.2	73.2
4.8 Investments (equity accounted)	576.1	269.4	577.7
4.9 Other investments	66.8	10.5	43.1
4.10 Inventories	3.1	3.1	3.1
4.11 Exploration and evaluation expenditure capitalised	0.0	0.0	0.0
4.12 Development properties (+mining entities)	0.0	0.0	0.0
4.13 Other property, plant and equipment (net)	2,753.9	2,614.5	2,652.4
4.14 Intangibles (net)	910.9	1,159.7	1,265.4
4.15 Other (provide details if material) (b)	563.3	515.2	505.8
4.16 Total non-current assets	4,949.7	4,645.6	5,120.7
4.17 Total assets	6,003.2	5,345.1	5,777.5
Current liabilities			
4.18 Payables	539.2	474.1	407.9
4.19 Interest bearing liabilities	1,104.2	204.1	241.0
4.20 Provisions	179.3	248.4	167.1
4.21 Other (provide details if material)	48.7	34.3	63.8
4.22 Total current liabilities	1,871.4	960.9	879.8
Non-current liabilities			
4.23 Payables	0.0	0.0	0.5
4.24 Interest bearing liabilities	1,577.9	1,863.2	2,142.3
4.25 Provisions	93.8	112.5	97.0
4.26 Other (provide details if material)	351.8	322.6	296.7
4.27 Total non-current liabilities	2,023.5	2,298.3	2,536.5
4.28 Total liabilities	3,894.9	3,259.2	3,416.3
4.29 Net assets	2,108.3	2,085.9	2,361.2

(a) Consists of:

Intangibles	\$111.1 million
Gas entitlements	\$21.6 million
Prepayments	\$27.0 million
Surplus property held for sale	\$81.7 million

(b) Consists of:

Deferred expenditure	\$322.7 million
Tax assets	\$102.4 million
Gas entitlements	\$131.9 million
Other	\$6.3 million

Consolidated balance sheet continued

Equity				
4.30	Capital/contributed equity	1,354.6	1,175.9	1,313.5
4.31	Reserves	(13.7)	(26.0)	(12.0)
4.32	Retained profits (accumulated losses)	565.0	635.7	754.8
4.33	Equity attributable to members of the parent entity	1,905.9	1,785.6	2,056.3
4.34	Outside +equity interests in controlled entities	202.4	300.3	304.9
4.35	Total equity	2,108.3	2,085.9	2,361.2
4.36	Preference capital included as part of 4.33	0.0	0.0	0.0

Exploration and evaluation expenditure capitalised

To be completed only by entities with mining interests if amounts are material. Include all expenditure incurred regardless of whether written off directly against profit.

	Current period \$A Million	Previous corresponding period - \$A Million
5.1	Opening balance	
5.2	Expenditure incurred during current period	
5.3	Expenditure written off during current period	
5.4	Acquisitions, disposals, revaluation increments, etc.	
155.5	Expenditure transferred to Development Properties	
5.6	Closing balance as shown in the consolidated balance sheet (item 4.11)	0.0

Development properties

(To be completed only by entities with mining interests only if amounts are material))

	Current period \$A Million	Previous corresponding period - \$A Million
6.1	Opening balance	
6.2	Expenditure incurred during current period	
6.3	Expenditure transferred from exploration and evaluation	
6.4	Expenditure written off during current period	
6.5	Acquisitions, disposals, revaluation increments, etc.	
6.6	Expenditure transferred to mine properties	
6.7	Closing balance as shown in the consolidated balance sheet (item 4.12)	0.0

Consolidated statement of cash flows #

		Current period \$A Million	Previous corresponding period - \$A Million
Cash flows related to operating activities			
7.1	Receipts from customers	3,783.9	2,374.1
7.2	Payments to suppliers and employees	(3,305.2)	(1,893.6)
7.3	Dividends received from associates	28.6	77.2
7.4	Other dividends received	0.0	0.0
7.5	Interest and other items of similar nature received	13.7	11.4
7.6	Interest and other costs of finance paid	(178.5)	(151.9)
7.7	Income taxes paid	(45.1)	(44.1)
7.8	Other (provide details if material)	0.0	0.2
7.9	Net operating cash flows	297.4	373.3
Cash flows related to investing activities			
7.10	Payment for purchases of property, plant and equipment	(376.5)	(324.6)
7.11	Proceeds from sale of property, plant and equipment	18.3	17.3
7.12	Payment for purchases of equity investments	(398.5)	(1,136.8)
7.13	Proceeds from sale of equity investments	18.3	383.8
7.14	Loans to other entities	(9.5)	(55.1)
7.15	Loans repaid by other entities	4.7	17.5
7.16	Other (provide details if material)	0.0	0.0
7.17	Net investing cash flows	(743.2)	(1,097.9)
Cash flows related to financing activities			
7.18	Proceeds from issues of +securities (shares, options, etc.)	268.5	167.2
7.19	Proceeds from borrowings	1,245.2	934.5
7.20	Repayment of borrowings	(719.3)	(202.7)
7.21	Dividends paid	(272.5)	(173.6)
7.22	Other (provide details if material)	0.0	0.0
7.23	Net financing cash flows	521.9	725.4
7.24	Net increase (decrease) in cash held	76.1	0.8
7.25	Cash at beginning of period (see Reconciliation of cash)	22.6	19.4
7.26	Exchange rate adjustments to item 7.25.	2.0	2.4
7.27	Cash at end of period (see Reconciliation of cash)	100.7	22.6

Includes significant items.

Non-cash financing and investing activities

Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows are as follows. If an amount is quantified, show comparative amount.

During the period the consolidated entity disposed of various assets with an aggregate fair value of \$227.8m as part of the consideration to acquire a 50% interest in the ActewAGL joint venture. This disposal is not reflected in the Statement of Cash Flows.

Reconciliation of cash

Reconciliation of cash at the end of the period (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current period \$A Million	Previous corresponding period - \$A Million
8.1 Cash on hand and at bank	26.7	31.1
8.2 Deposits at call	74.2	0.0
8.3 Bank overdraft	(0.2)	(0.3)
8.4 Other (provide details)	0.0	(8.2)
8.5 Total cash at end of period (item 7.27)	100.7	22.6

Ratios

	Current period	Previous corresponding period
Profit before tax / revenue		
9.1 Consolidated operating profit (loss) from ordinary activities before in tax (item 1.5) as a percentage of revenue (item 1.1)	3.2%	17.7%
Profit after tax / +equity interests		
9.2 Consolidated operating profit (loss) after tax attributable to members (item 1.9) as a percentage of equity (similarly attributable) at the end of the period (item 4.33)	6.1%	25.2%

Earnings per security (EPS)

	Current period	Previous corresponding period
10.1 Calculation of the following in accordance with AASB 1027: <i>Earnings per Share</i>		
(a) Basic EPS	32.8 cents	133.1 cents
(b) Diluted EPS (if materially different from (a))	N/A	N/A
(c) Weighted average number of ordinary shares outstanding during the period used in the calculation of the Basic EPS	352,279,819	338,152,088

NTA backing

(see note 7)	Current period	Previous corresponding period
11.1 Net tangible asset backing per +ordinary security	\$2.46	\$1.83

Details of specific receipts/outlays, revenues/ expenses

	Current period \$A Million	Previous corresponding period - \$A Million
12.1 Interest revenue included in determining item 1.5	14.5	19.5
12.2 Interest revenue included in item 12.1 but not yet received (if material)	0.0	0.0
12.3 Interest costs excluded from borrowing costs, capitalised in asset values	0.0	0.6
12.4 Outlays (except those arising from the +acquisition of an existing business) capitalised in intangibles (if material)	0.0	0.0
12.5 Depreciation and amortisation (excluding amortisation of intangibles)	166.0	138.0
12.6 Other specific relevant items not shown in item 1.24 <i>Refer Attachment A</i>		

Control gained over entities having material effect

13.1 Name of entity (or group of entities)	Dingo Blue Pty Limited
13.2 Consolidated operating profit (loss) and extraordinary items after tax of the entity (or group of entities) since the date in the current period on which control was +acquired	\$(28.9) million*
13.3 Date from which such profit has been calculated	18 December 2000
13.4 Operating profit (loss) and extraordinary items after tax of the entity (or group of entities) for the whole of the previous corresponding period	N/A

* Includes \$19.6 million writedown of goodwill and deferred expenditure.

Loss of control of entities having material effect

14.1	Name of entity (or group of entities)	N/A
14.2	Consolidated operating profit (loss) and extraordinary items after tax of the entity (or group of entities) for the current period to the date of loss of control	\$
14.3	Date to which the profit (loss) in item 14.2 has been calculated	
14.4	Consolidated operating profit (loss) and extraordinary items after tax of the entity (or group of entities) while controlled during the whole of the previous corresponding period	\$
14.5	Contribution to consolidated operating profit (loss) and extraordinary items from sale of interest leading to loss of control	\$

Reports for industry and geographical segments

Information on the industry and geographical segments of the entity must be reported for the current period in accordance with AASB 1005: Financial Reporting by Segments. Because of the different structures employed by entities, a pro forma is not provided. Segment information should be completed separately and attached to this report. However, the following is the presentation adopted in the Appendices to AASB 1005 and indicates which amounts should agree with items included elsewhere in this report.

Segments

Refer Attachments D1,D2

- Operating Revenue
- Sales to customers outside the economic entity
- Inter-segment sales
- Unallocated revenue
- Total revenue
- Segment result
- Unallocated expenses
- Consolidated profit (loss) from ordinary activities before tax (equal to item 1.5)
- Segment assets) *Comparative data for segment assets should be as*
- Unallocated assets) *at*
- Total assets (equal to item 4.17)) *the end of the previous corresponding period.*

Dividends (in the case of a trust, distributions)

15.1	Date the dividend (distribution) is payable	16 October 2001
15.2	+Record date to determine entitlements to the dividend (distribution) (ie, on the basis of registrable transfers received by 5.00 pm if +securities are not +CHES approved, or security holding balances established by 5.00 pm or such later time permitted by SCH Business Rules if +securities are +CHES approved)	03 October 2001
15.3	If it is a final dividend, has it been declared? <i>(Preliminary final report only)</i>	No

Amount per security

		Amount per security	Franked amount per security at 34% tax	Amount per security of foreign source dividend
15.4	<i>(Preliminary final report only)</i> Final dividend: Current year	27¢	16¢	0¢
15.5	Final Dividend: Previous year	27¢	6¢	5¢
	Special Dividend	23¢	0¢	0¢
15.6	<i>(Half yearly and preliminary final reports)</i> Interim dividend: Current year	25¢	7¢	0¢
15.7	Previous year	24¢	4¢	10¢

Total dividend (distribution) per security (interim plus final)

(Preliminary final report only)

	Current year	Previous year
15.8 +Ordinary securities	52¢	74¢
15.9 Preference +securities	N/A	N/A

**Half yearly report - interim dividend (distribution) on all securities or
Preliminary final report - final dividend (distribution) on all securities**

	Current period \$A Million	Previous corresponding period - \$A Million
15.10 +Ordinary securities	97.1	171.0
15.11 Preference +securities	N/A	N/A
15.12 Other equity instruments	N/A	N/A
15.13 Total	97.1	171.0

The +dividend or distribution plans shown below are in operation.

The Australian Gas Light Company Dividend Reinvestment Plan

The last date(s) for receipt of election notices for the +dividend or distribution plans

3 October 2001

Any other disclosures in relation to dividends (distributions)

Details of aggregate share of profits (losses) of associates and joint venture entities

	Current period \$A Million	Previous corresponding period- \$A Million
16.1 Profit (loss) from ordinary activities before income tax	49.0	73.5
16.2 Income tax on ordinary activities	(7.6)	(9.8)
16.3 Profit (loss) from ordinary activities after income tax	41.4	63.7
16.4 Extraordinary items net of tax	0.0	0.0
16.5 Net profit (loss)	41.4	63.7
16.6 Outside +equity interests	0.0	0.0
16.7 Net profit (loss) attributable to members	41.4	63.7

Material interests in entities which are not controlled entities

The economic entity has an interest (that is material to it) in the following entities. If the interest was acquired or disposed of during either the current or previous corresponding period, indicate date of acquisition (“from xx/xx/xx”) or disposal (“to xx/xx/xx”).

<i>Name of entity</i>	Percentage of ownership interest held at end of period or date of disposal		Contribution to +operating profit (loss) and extraordinary items after tax (item 1.14)	
	Current period	Previous corresponding period	Current period - \$Amillion	Previous corresponding period- \$Amillion
1. Equity accounted associates and joint venture entities				
Auscom Holdings Pty Limited	50.0	50.0	2.2	6.9
Australian Pipeline Trust (a)	30.0	30.0	10.5	0.3
East Australian Pipeline Limited (b)	0.0	0.0	0.0	45.9
ActewAGL	50.0	(c)	26.3	(c)
SCP Investments (b)	0.0	0.0	0.0	7.0
TrustPower Limited	13.9*	13.9*	2.2	3.8
Other			0.2	(0.2)
17.2 Total			41.4	63.7
17.3 Other material interests				
17.4 Total			41.4	63.7

Notes (a) – (c) refer to Attachment E.

*Relevant interest is 20.5%

Issued and quoted securities at end of current period

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

Category of +securities	Total number	Number quoted	Issue price per security (see note 14) (cents)	Amount paid up per security (see note 14) (cents)
18.1 Preference +securities <i>(description)</i>	Nil			
18.2 Changes during current period (a) Increases through issues (b) Decreases through returns of capital, buybacks, redemptions	Nil			
18.3 +Ordinary securities	359,758,945	359,758,945		
18.4 Changes during current period (a) Increases through issues (b) Decreases through returns of capital, buybacks	17,768,068 Nil	17,768,068 Nil		
18.5 +Convertible debt securities <i>(description and conversion factor)</i>	Nil	Nil		
18.6 Changes during current period (a) Increases through issues (b) Decreases through securities matured, converted	Nil	Nil		
18.7 Options <i>(description and conversion factor)</i>	Nil	Nil	<i>Exercise price</i>	<i>Expiry date (if any)</i>
18.8 Issued during current period	Nil	Nil		
18.9 Exercised during current period	Nil	Nil		
18.10 Expired during current period	Nil	Nil		
18.11 Debentures <i>(totals only)</i>	Nil	Nil		
18.12 Unsecured notes <i>(totals only)</i>	Nil	Nil		

Comments by directors

Comments on the following matters are required by ASX or, in relation to the half yearly report, by AASB 1029: Half-Year Accounts and Consolidated Accounts. The comments do not take the place of the directors' report and statement (as required by the Corporations Law) and may be incorporated into the directors' report and statement. For both half yearly and preliminary final reports, if there are no comments in a section, state NIL. If there is insufficient space to comment, attach notes to this report.

Basis of accounts preparation

If this report is a half yearly report, it is a general purpose financial report prepared in accordance with the listing rules and AASB 1029: Half Year Accounts and Consolidated Accounts. It should be read in conjunction with the last + annual report and any announcements to the market made by the entity during the period. [Delete if preliminary final statement.]

Material factors affecting the revenues and expenses of the economic entity for the current period

Refer to separate accompanying commentary.

A description of each event since the end of the current period which has had a material effect and is not related to matters already reported, with financial effect quantified (if possible)

Refer Attachment F

Franking credits available and prospects for paying fully or partly franked dividends for at least the next year

The balance of the franking credits available to the consolidated entity at 30 June 2001 was \$32.6 million.

It is expected that dividends paid during the next twelve months will be partly franked principally out of franking credits that will arise in the period.

Changes in accounting policies since the last annual report are disclosed as follows.

(Disclose changes in the half yearly report in accordance with AASB 1029: Half-Year Accounts and Consolidated Accounts. Disclose changes in the preliminary final report in accordance with AASB 1001: Accounting Policies-Disclosure.)

Not Applicable

Additional disclosure for trusts

19.1	Number of units held by the management company or responsible entity or their related parties.	N/A
19.2	A statement of the fees and commissions payable to the management company or responsible entity. Identify: initial service charges management fees other fees	N/A

Annual meeting

(Preliminary final report only)

The annual meeting will be held as follows:

Place	Wesley Conference Centre, Pitt St. Sydney
Date	16 October 2001
Time	10:30 am
Approximate date the +annual report will be available	14 September 2001

Compliance statement

1 This report has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Law or other standards acceptable to ASX (see note 12).

Identify other standards used N/A

2 This report, and the +accounts upon which the report is based (if separate), use the same accounting policies.

3 This report does give a true and fair view of the matters disclosed (see note 2).

4. This report is based on +accounts to which one of the following applies.

(Tick one)



The + accounts have been audited.

The + accounts have been subject to review.

The + accounts are in the process of being audited or subject to review.

The +accounts have *not* yet been audited or reviewed.

5. If the audit report or review by the auditor is not attached, details of any qualifications are attached. (*Half yearly report only - the audit report or review by the auditor must be attached to this report if this report is to satisfy the requirements of the Corporations Law.*)

6. The entity has a formally constituted audit committee.

Sign here: Date: 23 August 2001
(Director/Company Secretary)

Print name: M.J. Phillips (Chairman)

Notes

1. **For announcement to the market** The percentage changes referred to in this section are the percentage changes calculated by comparing the current period's figures with those for the previous corresponding period. Do not show percentage changes if the change is from profit to loss or loss to profit, but still show whether the change was up or down. If changes in accounting policies or procedures have had a material effect on reported figures, do not show either directional or percentage changes in profits. Explain the reason for the omissions in the note at the end of the announcement section.
 2. **True and fair view** If this report does not give a true and fair view of a matter (for example, because compliance with an Accounting Standard is required) the entity must attach a note providing additional information and explanations to give a true and fair view.
 3. **Consolidated profit and loss account**
- Item 1.1 The definition of "revenue" and an explanation of "ordinary activities" are set out in *AASB 1004: Revenue*, and *AASB 1018: Statement of financial performance*.
- Item 1.6 This item refers to the total tax attributable to the amount shown in item 1.5. Tax includes income tax and capital gains tax (if any) but excludes taxes treated as expenses from ordinary activities (eg, fringe benefits tax).
4. **Income tax** If the amount provided for income tax in this report differs (or would differ but for compensatory items) by more than 15% from the amount of income tax *prima facie* payable on the profit before tax, the entity must explain in a note the major items responsible for the difference and their amounts.

5. **Consolidated balance sheet**

Format The format of the consolidated balance sheet should be followed as closely as possible. However, additional items may be added if greater clarity of exposition will be achieved, provided the disclosure still meets the requirements of *AASB 1029: Half-Year Accounts and Consolidated Accounts*, and *AASB 1040: Statement of Financial Position*. Banking institutions, trusts and financial institutions identified in an ASIC Class Order dated 2 September 1997 may substitute a clear liquidity ranking for the Current/Non-Current classification.

Basis of revaluation If there has been a material revaluation of non-current assets (including investments) since the last annual report, the entity must describe the basis of revaluation adopted. The description must meet the requirements of *AASB 1010: Accounting for the Revaluation of Non-Current Assets*. If the entity has adopted a procedure of regular revaluation, the basis for which has been disclosed and has not changed, no additional disclosure is required. Trusts should also note paragraph 10 of *AASB 1029* and paragraph 11 of *AASB 1030: Application of Accounting Standards etc*.

6. **Consolidated statement of cash flows** For definitions of “cash” and other terms used in this report see *AASB 1026: Statement of Cash Flows*. Entities should follow the form as closely as possible, but variations are permitted if the directors (in the case of a trust, the management company) believe that this presentation is inappropriate. However, the presentation adopted must meet the requirements of *AASB 1026*. Mining exploration entities may use the form of cash flow statement in Appendix 5B.

7. **Net tangible asset backing** Net tangible assets are determined by deducting from total tangible assets all claims on those assets ranking ahead of the ordinary securities (ie, all liabilities, preference shares, outside equity interests etc). Mining entities are *not* required to state a net tangible asset backing per ordinary security.

8. **Gain and loss of control over entities** The gain or loss must be disclosed if it has a material effect on the accounts. Details must include the contribution for each gain or loss that increased or decreased the entity’s consolidated profit (loss) from ordinary activities and extraordinary items after tax by more than 5% compared to the previous corresponding period.

9. **Rounding of figures** This report anticipates that the information required is given to the nearest \$1,000. However, an entity may report exact figures, if the \$A’ 000 headings are amended. If an entity qualifies under ASIC Class Order 98/0100 dated 10 July 1998, it may report to the nearest million dollars, or to the nearest \$100,000, if the \$A’ 000 headings are amended.

10. **Comparative figures** Comparative figures are the unadjusted figures from the previous corresponding period. However, if there is a lack of comparability, a note explaining the position should be attached.

11. **Additional information** An entity may disclose additional information about any matter, and must do so if the information is material to an understanding of the reports. The information may be an expansion of the material contained in this report, or contained in a note attached to the report. The requirement under the listing rules for an entity to complete this report does not prevent the entity issuing reports more frequently. Additional material lodged with the ASIC under the Corporations Law must also be given to ASX. For example, a directors' report and declaration, if lodged with the ASIC, must be given to ASX.
12. **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if one) must be complied with.
13. **Corporations Law financial statements** As at 1/7/96, this report may be able to be used by an entity required to comply with the Corporations Law as part of its half-year financial statements if prepared in accordance with Australian Accounting Standards.
14. **Issued and quoted securities** The issue price and amount paid up is not required in items 18.1 and 18.3 for fully paid securities.
15. **Relevant Items** AASB 1018 requires the separate disclosure of specific revenues and expenses which are not extraordinary but which are of a size, nature or incidence that disclosure is *relevant* in explaining the financial performance of the reporting entity. The term "relevance" is defined in AASB 1018. For foreign entities, there are similar requirements in other accounting standards normally accepted by ASX.
16. **\$ Dollars** If reporting is not in A\$, all references to \$A must be changed to the reporting currency. If reporting is not in thousands of dollars, all references to "000" must be changed to the reporting value.

Appendix 4B (rule 4.13(b))
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Attachment A

Details of significant items included in revenues and expenses (item 1.24) from ordinary activities

	Consolidated	2000
	2001	\$m
	\$m	\$m
Significant items		
Profit on sale of businesses (Income tax benefit applicable \$11.4 million (2000 \$24.8 million))	54.3	137.1
Profit on sale of surplus property held for sale (Income tax expense applicable \$7.2 million (2000 \$4.6 million))	20.8	14.1
Losses and writedowns relating to controlled entities (Income tax benefit applicable \$24.4 million)	(289.8)	0.0
Costs relating to review ownership structure of AGL's network assets (Income tax benefit applicable \$3.2 million)	(9.4)	0.0
Costs incurred to implement the Goods and Services Tax (Income tax benefit applicable \$3.4 million)	0.0	(9.5)
Costs incurred to restructure AGL's business structures and processes (Income tax benefit applicable \$11.6 million)	0.0	(32.2)
Adjustments to restate net deferred income tax balances due to the change in income tax rates	0.0	40.7
Recognition of tax losses in respect of which future income tax benefits were not previously brought to account	0.0	15.6

+ See chapter 19 for defined terms.
1/7/2000

Appendix 4B (rule 4.13(b))
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Attachment B

Details of revenues and expenses (item 1.24) from ordinary activities are as follows:

	Consolidated 2001 \$m	2000 \$m
(a) Revenue from ordinary activities		
Sales of goods		
Operating activities	2,808.9	1,975.4
Other activities	4.2	14.9
Provision of services		
Construction contracts	61.7	5.2
Other operating activities	296.5	296.7
Interest		
Associates and joint venture entities	5.2	5.6
Other entities		
Operating activities	9.3	13.9
Equity share of profits		
Joint venture entities	28.5	3.8
Associates	12.9	59.9
Share of partnership profits	0.4	0.9
Disposals of assets		
Operating activities	267.0	407.8
Other activities	35.4	18.8
Rents Other Activities	0.1	0.4
Write-back of provisions no longer required		
Business restructuring	6.4	0.0
Contract restructuring	0.0	1.3
Employee entitlements	0.8	0.0
Environmental rehabilitation	0.0	2.1
Reversal of diminution of value of property, plant and equipment	0.0	2.4
Settlement of contract agreement	2.0	0.0
Other	1.0	0.0
Net foreign currency exchange gain from non-speculative dealing	0.0	0.0
	<u>3,540.3</u>	<u>2,809.1</u>
All revenue relates to operating activities unless otherwise stated.		
(b) Expenses from ordinary activities		
Cost of goods sold	1,962.7	1,306.0
Administrative costs	141.3	106.3
Depreciation and amortisation	198.2	151.9
Employee entitlements	288.1	223.4
Losses and writedown relating to controlled entities	289.8	0.0
Costs relating to sale of businesses	173.5	97.4
Costs relating to restructure of AGL's business structures and processes	0.0	32.2
Other expenses	191.4	253.4
	<u>3,245.0</u>	<u>2,170.6</u>

+ See chapter 19 for defined terms.
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Appendix 4B (rule 4.13(b))
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Attachment C

Tax expense applicable to operating profit (item 1.6) is arrived at as follows:

	Consolidated	
	2001	2000
	\$m	\$m
Prima facie income tax expense on operating profit at 34% (2000 36%)	(38.6)	(175.1)
Tax effect of permanent differences		
Non-allowable expenditure	(87.0)	(19.2)
Non-assessable revenue	12.8	5.1
Non rebateable/assessable dividends	(4.6)	0.0
Equity accounted profits of associates and joint venture entities	5.6	22.9
Development allowance	1.8	2.5
Rehabilitation expenditure	0.0	4.9
Profits/losses on disposals of assets	31.7	77.4
Other	(2.9)	1.8
Recognition of tax losses not previously brought to account	2.8	15.6
Reversal of tax losses previously recognised now written off	(5.9)	0.0
Income tax rate change	6.6	40.7
Income tax over/(under)provided in prior years	0.8	(0.4)
Income tax expense on operating profit	(76.9)	(23.8)

Appendix 4B (rule 4.13(b))
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Attachment D1

Reports for industry and geographical segments

Industry segments	Revenue		Operating result		Total assets	
	Current period	Previous corresponding period	Current period	Previous corresponding period	Current period	Previous corresponding period
	\$A millions	\$A millions	\$A millions	\$A millions	\$A millions	\$A millions
Energy						
<i>Infrastructure</i>						
Gas networks	569.8	371.3	222.0	173.3	1,170.4	1,119.7
Electricity networks	168.5	172.2	70.7	62.9	1,098.1	1,123.0
Agility	123.2	0.0	28.4	0.0	58.4	0.0
Pipelines	0.0	542.9	0.0	216.7	0.0	67.5
	<u>861.5</u>	<u>1,086.4</u>	<u>321.1</u>	<u>452.9</u>	<u>2,326.9</u>	<u>2,310.2</u>
<i>Sales and marketing</i>	1,908.8	1,510.1	115.4	58.5	694.4	682.3
Less network charges	422.0	469.3	0.0	0.0	0.0	0.0
	<u>1,486.8</u>	<u>1,040.8</u>	<u>115.4</u>	<u>58.5</u>	<u>694.4</u>	<u>682.3</u>
	<u>2,348.3</u>	<u>2,127.2</u>	<u>436.5</u>	<u>511.4</u>	<u>3,021.3</u>	<u>2,992.5</u>
<i>Investments</i>	45.7	0.0	39.7	2.6	386.9	0.0
Power generation	8.2	32.0	(0.3)	2.9	72.3	47.6
LPG	28.2	30.8	13.6	17.7	102.9	100.2
<i>International business</i>	1,033.0	528.8	(166.1)	100.5	2,043.8	2,035.2
	<u>3,463.4</u>	<u>2,718.8</u>	<u>323.4</u>	<u>635.1</u>	<u>5,627.2</u>	<u>5,175.5</u>
Property	40.6	34.2	20.5	12.6	98.8	73.3
Telecommunications	29.1	0.0	(33.4)	0.0	101.4	0.0
Other	1.0	53.2	(3.2)	4.2	8.1	28.2
Segment totals	<u>3,534.1</u>	<u>2,806.2</u>	<u>307.3</u>	<u>651.9</u>	<u>5,835.5</u>	<u>5,277.0</u>
Unallocated items	6.4	5.6	(12.0)	(13.4)	167.7	68.1
	<u>3,540.5</u>	<u>2,811.8</u>	<u>295.3</u>	<u>638.5</u>	<u>6,003.2</u>	<u>5,345.1</u>
Less: inter-segment revenue	0.2	2.7	0.0	0.0	0.0	0.0
borrowing costs	0.0	0.0	181.9	152.0	0.0	0.0
	<u>3,540.3</u>	<u>2,809.1</u>	<u>113.4</u>	<u>486.5</u>	<u>6,003.2</u>	<u>5,345.1</u>
Inter-segment revenue was derived as follows:						
Energy	0.1	1.1				
Property	0.1	0.2				
Other	0.0	1.4				
	<u>0.2</u>	<u>2.7</u>				
Inter-segment pricing is on an "arms-length" basis. Revenue is principally derived from:						
(i) Energy						
<i>Infrastructure</i>						
Gas networks - distribution of natural gas.						
Electricity networks - distribution of electricity.						
Agility - provision of infrastructure management and maintenance services.						
<i>Sales and marketing</i> - sale of natural gas and electricity.						
<i>Investments</i> - investments in pipeline and energy entities.						
<i>Power generation</i> - generation and sale of electricity.						
<i>LPG</i> - extraction and sale of LPG and investment in a joint venture entity involved in the LPG industry.						
<i>International business</i> - distribution of natural gas and investments in foreign entities involved in the gas and electricity industries						
(ii) Property - sale and rental of properties.						
(iii) Telecommunications - investment in entities involved in the telecommunications industry.						
(iv) Other - business development activities and revenue from other activities.						
Operating result includes the following significant amounts:						
(i) Energy						
<i>Infrastructure</i>						
Gas networks	\$49.3 million (2000 \$(3.2) million)					
Electricity networks	\$nil (2000 \$(6.0) million)					
Pipelines	\$nil (2000 \$135.6 million)					
<i>Sales and marketing</i>	\$5.0 million (2000 \$(9.2) million)					
<i>International</i>	\$(267.6) million (2000 \$nil)					
(ii) Property	\$20.8 million (2000 \$14.1 million)					
(iii) Telecommunications	\$(22.2) million (2000 \$nil)					
(iv) Other	\$nil (2000 \$(1.1) million)					
(v) Unallocated	\$(9.4) million (2000 \$(20.7) million)					
Geographical segments						
Australia	2,506.7	2,275.1	461.9	534.1	3,956.8	3,291.3
New Zealand	1,003.1	532.2	(164.6)	104.0	1,868.3	1,995.7
Other	30.5	1.8	(2.0)	0.4	178.1	58.1
	<u>3,540.3</u>	<u>2,809.1</u>	<u>295.3</u>	<u>638.5</u>	<u>6,003.2</u>	<u>5,345.1</u>
There was no material inter-segment revenue.						

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Appendix 4B (rule 4.13(b))
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Attachment D2

	Infrastructure		Agility	Sales and marketing	Investments	Power generation	LPG	International business
	Gas networks	Electricity networks						
	2001 \$m	2001 \$m	2001 \$m	2001 \$m	2001 \$m	2001 \$m	2001 \$m	2001 \$m
Segment information								
(continued)								
Information relating to energy segment								
(a) Funds employed								
Current assets								
Cash	0.0	0.0	0.2	4.9	0.0	0.0	0.0	9.7
Receivables	12.3	11.5	34.3	388.6	0.4	2.6	2.1	186.3
Inventories	0.7	0.0	4.8	6.5	0.0	0.0	0.0	8.3
Property, plant and equipment	2.2	0.0	0.0	0.0	0.0	0.0	0.0	79.5
Intangibles								111.1
Other	3.1	0.0	0.6	17.0	0.0	0.0	0.0	23.4
Non-current assets								
Receivables	0.0	0.0	0.0	0.0	0.0	0.0	32.5	5.9
Investments accounted for using equity method	0.0	0.0	0.0	0.4	380.6	0.0	67.3	127.9
Other financial assets	0.0	0.0	0.0	0.0	0.0	12.0	0.0	0.0
Property, plant and equipment	924.6	480.0	6.1	22.6	0.0	52.9	1.0	1,201.6
Intangibles	0.0	580.9	0.0	201.9	0.0	0.0	0.0	103.0
Deferred expenditure	226.4	21.7	0.0	15.7	0.0	3.2	0.0	12.7
Tax assets	0.9	0.9	9.6	36.3	2.1	0.0	0.0	41.2
Other	0.2	3.1	2.8	0.5	3.8	1.6	0.0	133.2
Total assets	1,170.4	1,098.1	58.4	694.4	386.9	72.3	102.9	2,043.8
Current liabilities								
Payables	9.9	12.0	26.3	255.2	0.0	4.1	0.5	180.0
Provisions	6.5	2.1	12.1	23.8	0.0	0.2	0.0	23.7
Tax liabilities	6.0	4.7	9.9	12.8	13.0	0.0	3.7	5.6
Unearned revenue	12.9	0.0	0.4	0.7	0.0	0.0	0.0	2.4
Non-current liabilities								
Payables	0.0	0.0	0.0	12.2	0.0	0.0	0.0	0.0
Provisions	5.0	0.5	16.4	62.7	0.0	0.0	0.0	0.0
Tax liabilities	163.0	50.1	0.0	42.5	6.7	4.7	0.2	73.6
Unearned revenue	0.0	0.0	0.0	0.0	0.0	0.0	0.0	2.2
Funds employed	967.1	1,028.7	(6.7)	284.5	367.2	63.3	98.5	1,756.3
(b) Profit before borrowing costs and significant items								
Before income tax	172.7	70.7	28.4	110.4	39.7	(0.3)	13.6	101.6
After income tax	123.2	50.5	19.3	72.3	36.6	(0.2)	9.7	55.0
(c) Profit before borrowing costs and significant items/funds employed*(%)								
Before income tax	18.2	6.8	n/a	43.8	19.9	n/a	14.0	5.6
After income tax	13.0	4.8	n/a	28.7	18.3	n/a	10.0	3.1

* Weighted where appropriate.

Equity Accounted Associates and Joint Venture Entities

- (a) AGL acquired a 30% interest in the Australian Pipeline Trust on 13 June 2000, the date of listing of the Trust.
- (b) AGL's interests in East Australian Pipeline Limited and SCP Investments (No 1) Pty Limited were disposed of to the Australian Pipeline Trust on 12 June 2000.
- (c) AGL established a joint venture with ACTEW on 3 October 2000 with each party holding a 50% interest in the two joint venture partnerships comprising the joint venture.

Events subsequent to the end of the current period

- (a) On 13 July 2001 Natural Gas Corporation Holdings Limited, a partly -owned controlled entity, concluded the previously announced agreement to sell its South Island electricity customers to Meridian Energy Limited effective from 13 July 2001.
- (b) On 13 July 2001, Natural Gas Corporation Finance Limited, a wholly -owned entity of Natural Gas Corporation Holdings Limited, established a NZ\$850 million syndicated bank cash advance facility. This bridging facility, which replaced the previous NGC cash advance facility (NZ\$850 million) and the On energy standby cash facility (NZ\$100 million), matures on 13 November 2001. It is expected that this loan facility will be refinanced in the normal course of business prior to its maturity.
- (c) On 25 July 2001 Natural Gas Corporation Holdings Limited reached agreement to sell its North Island commercial and residential energy customers to Genesis Power Limited. As part of the sale NGC will acquire Genesis' electricity meter assets. The agreement is effective from 1 August 2001, after satisfaction of certain conditions.
- (d) In August 2001 Natural Gas Corporation Holdings Limited announced that as a result of the continuation of the high wholesale electricity prices during July, its earnings for the year ended 30 June 2002 would be affected. NGC's net exposure in the period would result in losses from the electricity retailing business in the region of NZ\$40 million after tax. However, it is expected that the losses would be more than offset by earnings from NGC's electricity generation business over the remainder of the year. Whilst NGC's ongoing exposure to high electricity spot prices has been eliminated through the sale of its electricity retailing businesses to Meridian Energy and Genesis Power, these transactions were only completed on 13 July 2001 and 1 August 2001 respectively.