

**Generator Investments Australia Limited**

ABN 37 103 116 954

A Member of the Macquarie Group

Level 11  
20 Bond Street  
Sydney NSW 2000  
PO Box 192  
Australia Square NSW 1215

Telephone 1800 181 883  
Facsimile 1800 550 160  
Internet <http://www.macquarie.com.au>

8 April 2009

Company Announcements  
Australian Stock Exchange Limited  
20 Bridge Street  
SYDNEY NSW 2000

**Generator Income Notes – Portfolio Event - Estimated Impact**

On 3 April 2009, Generator Investments Australia Limited announced that one of the portfolio companies, Idearc Inc. ("Idearc") has filed for Chapter 11 bankruptcy. The impact to the Generator Income Notes ("GIN") portfolio is as follows:

**Principal Portfolio - Portfolio which determines the level of principal payment at maturity**

Idearc comprised 0.475% of the Principal Portfolio as at 28 February 2009. For the purposes of illustrating the potential effect of this default, we will assume a recovery rate of 30%. Therefore, the net effect to the current protection level will be as follows:

$$0.475\% * (1-0.30) = 0.3325\%$$

Prior to the event, the protection level in the Principal Portfolio was 8.14%. The estimated total protection after the assumed 30% recovery is therefore: 8.14% - 0.3325% = **7.8075%**.

**Income Portfolio - Portfolio which determines your level of income payments**

Idearc comprised 0.575% of the Income Portfolio as at 28 February 2009. The impact of this default on the coupon payments of GIN will be determined as follows:

1. There will be **no coupon payable** for the quarter ending 7 April 2009. However, depending on the recovery rate of Idearc, there may be a top-up payment after the recovery rate is set.
2. If the recovery rate is less than 40%, it is likely there will be no top-up payment.
3. If the recovery rate is less than 40%, it is likely there will be no future coupons paid

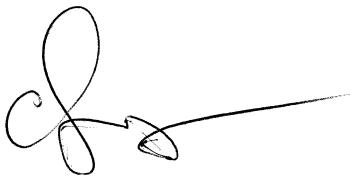
**Outlook**

While it is possible there will be no further coupons paid for the term of the notes, GIN maintains an estimated level of protection on the Principal Portfolio of 7.8075%. As long as the level of protection remains above zero, investors will receive a full repayment of principal at maturity, which is 8 October 2011.

Further information on the expected recovery rate will be announced when available.

Please contact Computershare Investor Services on **1300 134 619** if you have any further queries.

Yours sincerely,



**Craig Swanger**  
Director  
Generator Investments Australia Limited

Generator Investments Australia Limited ("GIAL") is not an authorised deposit-taking institution for the purposes of the Banking Act (Commonwealth of Australia) 1959, and GIAL's obligations do not represent deposits or other liabilities of Macquarie Bank Limited ABN 46 008 583 542 ("MBL"). MBL does not guarantee or otherwise provide assurance in respect of the obligations of GIAL.

Generator Income Notes are offered by GIAL as Trustee of the Generator Income Trust.