Macquarie Communications Infrastructure Group

Comprising Macquarie Communications Infrastructure Trust and its controlled entities, Macquarie Communications Infrastructure Limited and its controlled entities and Macquarie MCG International Limited and its controlled entities

Interim Financial Report for the half year ended 31 December 2008

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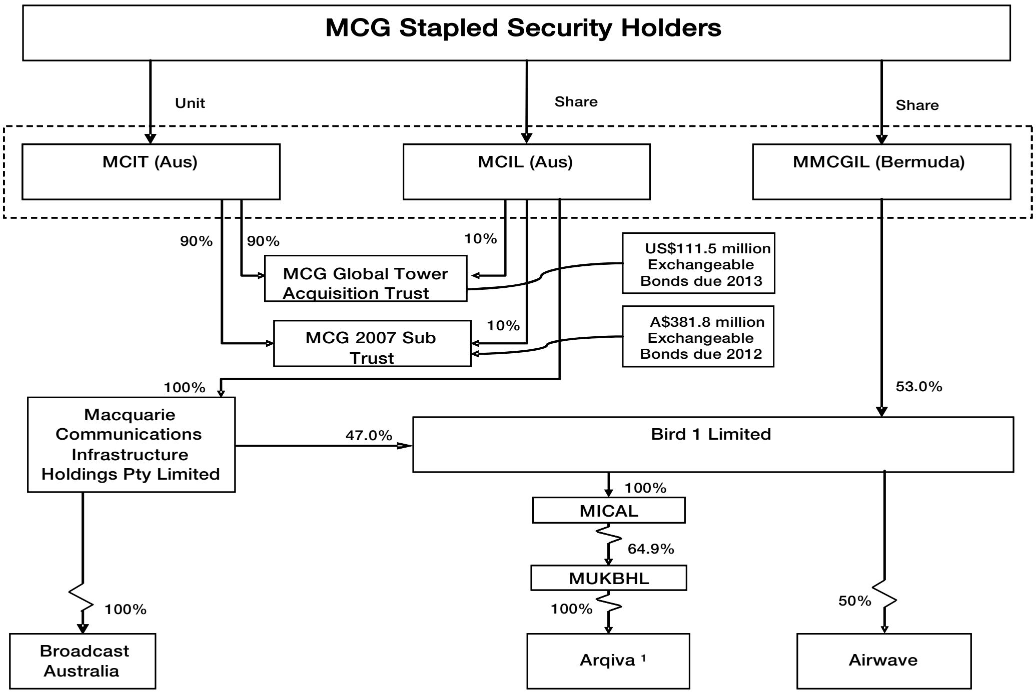
At 31 December 2008 Macquarie Communications Infrastructure Group comprises Macquarie Communications Infrastructure Trust ("MCIT" or "the Trust") and its controlled entities, Macquarie Communications Infrastructure Limited (MCIL) and its controlled entities and Macquarie MCG International Limited (MMCGIL) and its controlled entities. These three stapled entities trade as one listed security, Macquarie Communications Infrastructure Group, on the Australian Securities Exchange. A summary of the corporate structure illustrating legal ownership is shown below in Figure 1.

Figure 1 – MCG at 31 December 2008



1- Represents Arqiva and its subsidiaries including National Grid Wireless

Under Australian Accounting Standards, MCIT has been deemed the parent entity of MCIL and MMCGIL for accounting purposes. The consolidated financial statements of the Macquarie Communications Infrastructure Trust Group ("MCG" or "the Group") include all the entities forming Macquarie Communications Infrastructure Group.

Financial statements for the MCIL consolidated group and the MMCGIL consolidated group for the half year ended 31 December 2008 have been presented in this report, jointly as permitted by ASIC class order 05/642.

As the securities held by investors are stapled securities in Macquarie Communications Infrastructure Group, the interim financial report for the Group provides the most concise information regarding the performance of investors' funds, with further information on the components of the investment presented in the remaining columns.

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Directors' Reports – MCIML, MCIL and MMCGIL

Macquarie Communications Infrastructure Management Limited ("MCIML" or "the Responsible Entity") acts as the responsible entity for Macquarie Communications Infrastructure Trust (MCIT), the manager of Macquarie Communications Infrastructure Limited (MCIL) and the advisor to Macquarie MCG International Limited (MMCGIL). The directors of MCIML submit the following report on the consolidated interim financial report of the Macquarie Communications Infrastructure Trust group ("MCG" or "the Group") for the half year ended 31 December 2008. Both UIG 1013 *Consolidated Financial Reports in relation to Pre-Date-of-Transition Stapling Arrangements* and AASB Interpretation 1002: *Post-Date-of-Transition Stapling Arrangements* require one of the stapled entities of a stapled structure to be identified as the parent entity for the purpose of preparing a consolidated financial report. In accordance with this requirement, MCIT has been identified as the parent of the consolidated group comprising MCIT and its controlled entities, MCIL and its controlled entities and MMCGIL and its controlled entities together acting as Macquarie Communications Infrastructure Group.

The directors of MCIL submit the following report for the Macquarie Communications Infrastructure Limited Group (the MCIL Group), being MCIL and its controlled entities, for the half year ended 31 December 2008.

The directors of MMCGIL submit the following report for the Macquarie MCG International Limited Group (the MMCGIL Group), being MMCGIL and its controlled entities, for the half year ended 31 December 2008.

Directors names (and period of service)

The following persons held office as directors of MCIML during the half year and up to the date of this report:

— Gerald Edward Moriarty AM (Chairman)
— Malcolm William Long
— Rodney Harold Keller
— Melvyn Keith Ward AO
— Michael Carapiet (resigned 23 December 2008)
— John Stuart Roberts (alternate to Gerald Moriarty and Michael Carapiet) (resigned 23 December 2008)

The following persons held office as directors of MCIL during the half year and up to the date of this report:

— Gerald Edward Moriarty AM (Chairman)
— Malcolm William Long
— Rodney Harold Keller
— Melvyn Keith Ward AO

The following persons held office as directors of MMCGIL during the half year and up to the date of this report:

— Rodney Peter Donald Birrell (Chairman)
— Gerald Edward Moriarty AM
— Kim Thomas Robert Carter
— Thomas Haskins Davis

Review and Results of Operations

The performances of the Groups, as represented by the results of their operations, were as follows:

	MCG	**MCIL Group**	**MMCGIL Group**	MCG	MCIL Group	MMCGIL Group
	6 months to 31 Dec 08	**6 months to 31 Dec 08**	**6 months to 31 Dec 08**	6 months to 31 Dec 07	6 months to 31 Dec 07	6 months to 31 Dec 07
	$'000	**$'000**	**$'000**	$'000	$'000	$'000
Revenue and other income from continuing activities	**1,124,993**	**150,647**	**951,661**	1,156,759	151,535	949,580
Loss attributable to equity holders of MCIT and MCIL (as parent entities)	**(576,007)**	**(586,519)**	**-**	(63,728)	(225,360)	-
Loss attributable to equity holders of MMCGIL (as parent entity)	**-**	**-**	**(521,148)**	-	-	(249,935)
Basic loss per unit /share attributable to:						
- MCIT and MCIL	**(107.33)c**	**(109.29)c**	**-**	(12.44)c	(44.01)c	-
- MMCGIL (as parent entity)	**-**	**-**	**(97.11)c**	-	-	(48.81)c
Diluted loss per unit /share attributable to:						
- MCIT and MCIL	**(107.33)c**	**(109.29)c**	**-**	(27.63)c	(44.01)c	-
- MMCGIL (as parent entity)	**-**	**-**	**(97.11)c**	-	-	(48.81)c

■ *MCG*

On 22 August 2008, MCG simultaneously announced the sale of its 28.7% interest in Global Tower Partners (GTP), comprising Global Tower Investments LLC and its subsidiaries, to Macquarie Infrastructure Partners II (MIP II) for net sale proceeds of US$362.7 million (A$433.8 million) and a partial cash tender offer for the A$725 million exchangeable bonds and the US$200 million (A$227.7 million) exchangeable bonds. The GTP sale proceeds include MCG's US$89 million (A$101.3 million) tranche of outstanding subordinated debt. The profit on sale of GTP is $33.7 million for the MCIL Group and $66.0 million for MCG. The transaction closed on 12 September 2008.

On 2 September 2008, MCG successfully completed a partial tender offer for exchangeable bonds. MCG accepted tenders for the A$ bonds with a face value of A$309.3 million at a cost (including interest accrued) of A$283.8 million and for the US$ bonds with a face value of US$88.5 million (A$110.6 million) at a cost (including interest accrued) of US$78.9 million (A$98.6 million). The bonds were acquired on 16 September 2008 and subsequently cancelled.

At the time of MCG's announcement on 2 September 2008 of the successful completion of its tender offer for exchangeable bonds, MCG reserved the right to undertake further on market purchases of bonds. Following the tender offer, MCG made further purchases of A$ bonds with a face value of A$34 million at a cost (including interest accrued) of A$27.2 million.

■ *Broadcast Australia*

During the period, Broadcast Australia (BA), comprising Broadcast Australia Holdings Pty Limited, its subsidiaries and Broadcast Australia Finance Pty Limited (BAF) successfully continued the rollout of analogue and digital television transmission services for the ABC and SBS across Australia, in addition to the continued provision of analogue television and radio services to the national broadcasters, regional and community broadcasters, telecom operators and emergency service communications providers.

The National Greenhouse and Energy Reporting Act 2007 requires BA to report its annual greenhouse gas emissions and energy use. The first measurement period for this Act runs from 1 July 2008 to 30 June 2009. The Group has implemented systems and processes for the collection and calculation of the data required and will be able to prepare and submit its initial report to the Greenhouse and Energy data Officer by 31 October 2009.

Review and Results of Operations (cont'd)

- ***Arqiva/National Grid Wireless***

During the period Arqiva and National Grid Wireless (NGW) continued to deliver digital TV, analogue TV and radio broadcast transmission services, network management, tower site rental, satellite and media services and provide radio communications to public safety organisations in the United Kingdom (UK). Both businesses form part of Macquarie UK Broadcast Holdings Limited group (MUKBH group) which is a UK subsidiary of MCG and MMCGIL group.

The NGW acquisition made on 3 April 2007 was subject to a review by the UK Competition Commission. During the review period a formal 'hold separate' agreement was in place. Under the terms of the agreement, Arqiva and NGW continued to trade as separate businesses. On 11 March 2008, the UK Competition Commission allowed the completed acquisition of NGW, subject to the agreement of a package of measures to protect the interests of customers including price reductions for certain customers on new and existing contracts and the appointment of an adjudicator to resolve disputes. Arqiva signed the undertakings required by the UK Competition Commission during August 2008 and the hold separate was lifted on 1 September 2008. Full integration of the two companies commenced immediately with the rebranding of the NGW group of companies to Arqiva and transfer of all NGW employees under the Transfer of Undertakings (Protection of Employment) regulations (TUPE) to the employment of Arqiva Limited. The majority of integration synergies expected upon the lifting of the hold separate arrangements were due to planned headcount reductions of approximately 450 during FY09. As at 31 December 2008, 249 employees had separated from the company, in line with expectations.

Under the terms of the MUKBH group debt facilities there was a requirement to pay down debt to the extent that the decision by the Commission had an impact on the financial covenants implicit in the MUKBH group business plan. As a result of the completion of the undertakings and the lifting of the hold separate arrangements, a repayment of £68.1 million ($142.2 million) was made on 30 September 2008.

- ***Airwave Solutions Limited***

During the period, Airwave completed the roll-out of its public safety system for the London Underground. The rollout of the system to all 125 belowground London Underground stations means that British Transport Police, Metropolitan Police Service and the City of London Police, are able to use the Airwave radios underground. The roll-out of the system was delivered ahead of schedule and on budget.

Subsequent to the date of this report, Airwave announced it had been selected as a Tier 3 supplier to London's 2012 Olympic games. Airwave will be the first ever Olympic Official Private Mobile Radio Services Provider and will provide private mobile radio service to all Games venues. Airwave is building a completely new and independent communications infrastructure for London 2012 that will be used from 2011 up to and during the period of the Games. The new service will provide coverage allowing London 2012 and its workforce to operate effectively and safely.

Distributions and Dividends

An interim distribution for the year ending 30 June 2009 of 5.0 cents per stapled security was announced on 19 November 2008 and was paid on 13 February 2009 (2008: 23.0 cents per stapled security). This distribution was wholly paid by MCIT (2008: 21.0 cents per unit paid by MCIT and an unfranked dividend of 2.0 cents per ordinary share paid by MCIL).

Significant Changes in State of Affairs

Other than referred to above, in the opinion of the directors, there were no other significant changes in the state of affairs of MCG, the MCIL Group or the MMCGIL Group that occurred during the half year under review.

Events Occurring After Balance Sheet Date

Other than as noted below, no matters or circumstances have arisen since the end of the half year that have significantly affected or may significantly affect the operations of the MCG, the MCIL Group or the MMCGIL Group, the results of these operations in future financial years or the state of affairs of the MCG, the MCIL Group or the MMCGIL Group in years subsequent to the half year ended 31 December 2008.

Events Occurring After Balance Sheet Date (cont'd)

On 9 February 2009, Broadcast Australia Finance Pty Limited (BAF), BA's financing vehicle, signed a senior subscription agreement for a 3 year bank facility of $250 million with various banks. Funds raised will be used to repay $250 million of series 2 Medium Term Notes (MTN) maturing on 9 July 2009. As part of the refinancing, the term of $109 million of the existing $190 million capital expenditure and working capital facilities has been extended by 1 year to January 2012.

On 9 February 2009, amendments to the MCIT debt facility were agreed with the lender. The facility has been restated from a A$200 million multi-currency facility to a £61.5 million ($135.0 million) Pound Sterling facility. Under the terms of the restated facility, the maturity date is 30 September 2009 with a repayment of £46.5 million ($102.1 million) on 28 February 2009.

Subsequent to the balance sheet date, the Groups' valuation of interest rate swap contracts held by Arqiva, Airwave and BA have materially increased in value. Based on a valuation of these contracts at 16 February 2009, the change in valuation would increase profit (or decrease loss) from continuing operations before income tax by $342.9 million for MCG, $123.5 million for the MCIL Group and $322.0 million for the MMCGIL Group.

Directors' Holdings of Stapled Securities

The aggregate number of MCG stapled securities held directly, indirectly or beneficially by directors of MCIML at the date of this interim financial report is 142,430 (31 December 2007: 495,890).

The aggregate number of MCG stapled securities held directly, indirectly or beneficially by directors of MCIL at the date of this interim financial report is 142,430 (31 December 2007: 136,699).

The aggregate number of MCG stapled securities held directly, indirectly or beneficially by directors of MMCGIL at the date of this interim financial report is 64,852 (31 December 2007: 64,852).

MCIML's Holdings of Stapled Securities

MCIML holds 95,570,022 stapled securities in MCG at the date of this interim financial report (31 December 2007: 86,993,706).

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 7.

Rounding of Amounts in the Directors' Report and the Interim Financial Report

The Groups are of a kind referred to in Class Order 98/0100, (as amended), issued by the Australian Securities & Investments Commission relating to the "rounding off" of amounts in the directors' report and interim financial report. Amounts in the directors' report and the interim financial report have been rounded to the nearest thousand dollars in accordance with that Class Order, unless otherwise indicated.

Presentation of Stapled Entities' Financial Statements in the Same Interim Financial Report

As permitted by ASIC Class order 05/642, the interim financial report consists of the consolidated financial statements of the Group, the consolidated financial statements of the MCIL Group and the consolidated financial statements of the MMCGIL Group jointly.

Signed in accordance with resolutions of the directors of Macquarie Communications Infrastructure Management Limited

Gerald Moriarty AM
Chairman
Macquarie Communications Infrastructure Management Limited
Sydney
17 February 2009

Malcolm Long
Director
Macquarie Communications Infrastructure Management Limited
Sydney
17 February 2009

Signed in accordance with resolutions of the directors of Macquarie Communications Infrastructure Limited

Gerald Moriarty AM
Chairman
Macquarie Communications Infrastructure Limited
Sydney
17 February 2009

Malcolm Long
Director
Macquarie Communications Infrastructure Limited
Sydney
17 February 2009

Signed in accordance with resolutions of the directors of Macquarie MCG International Limited

Rodney Birrell
Chairman
Macquarie MCG International Limited
Bermuda
17 February 2009

Gerald Moriarty AM
Director
Macquarie MCG International Limited
Sydney
17 February 2009

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Auditor's Independence Declaration

As lead auditor for the review of Macquarie Communications Infrastructure Trust, Macquarie Communications Infrastructure Limited and Macquarie MCG International Limited for the half year ended 31 December 2008, I declare that to the best of my knowledge and belief, there have been:

(a) no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the review; and

(b) no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Macquarie Communications Infrastructure Trust, Macquarie Communications Infrastructure Limited and Macquarie MCG International Limited and the entities they controlled during the period.

Wayne Andrews

Wayne Andrews
Partner
PricewaterhouseCoopers

Sydney
17 February 2009

Consolidated Income Statements

	Notes	MCG 6 months to 31 Dec 08 $'000	MCIL Group 6 months to 31 Dec 08 $'000	MMCGIL Group 6 months to 31 Dec 08 $'000	MCG 6 months to 31 Dec 07 $'000	MCIL Group 6 months to 31 Dec 07 $'000	MMCGIL Group 6 months to 31 Dec 07 $'000
Revenue from continuing activities	2	**1,052,997**	**150,647**	**900,920**	1,034,598	128,237	905,548
Other income	2	**71,996**	**-**	**50,741**	122,161	23,298	44,032
Total revenue and other income from continuing activities	2	**1,124,993**	**150,647**	**951,661**	1,156,759	151,535	949,580
Net share of loss of associates and jointly controlled entity accounted for using the equity method		**(308,488)**	**(443,378)**	**(308,488)**	(144,377)	(200,971)	(144,377)
Employee benefits		**(149,364)**	**(19,410)**	**(129,954)**	(145,178)	(7,517)	(137,661)
Satellite capacity		**(144,628)**	**-**	**(144,628)**	(127,225)	-	(127,225)
Operations and maintenance		**(118,783)**	**(14,897)**	**(103,886)**	(111,778)	(18,353)	(93,425)
Property		**(83,873)**	**(9,113)**	**(74,760)**	(72,793)	(7,418)	(65,375)
Power		**(46,770)**	**(7,909)**	**(38,861)**	(42,343)	(6,984)	(35,359)
Circuits		**(30,440)**	**-**	**(30,440)**	(40,781)	-	(40,781)
Management fees	2	**(9,465)**	**(4,567)**	**(2,720)**	(21,342)	(10,075)	(5,109)
Other expenses	2	**(62,782)**	**(21,507)**	**(70,434)**	(56,656)	(8,912)	(46,305)
Depreciation and amortisation	2	**(175,365)**	**(25,997)**	**(149,368)**	(160,353)	(21,303)	(139,050)
Finance costs	2	**(1,720,179)**	**(290,184)**	**(1,356,847)**	(926,349)	(80,318)	(962,667)
Total operating expenses from continuing activities	2	**(2,541,649)**	**(393,584)**	**(2,101,898)**	(1,704,798)	(160,880)	(1,652,957)
Loss from continuing activities before income tax expense		**(1,725,144)**	**(686,315)**	**(1,458,725)**	(692,416)	(210,316)	(847,754)
Income tax benefit / (expense)		**207,519**	**68,703**	**138,816**	187,073	(7,540)	195,004
Loss from continuing activities after income tax expense		**(1,517,625)**	**(617,612)**	**(1,319,909)**	(505,343)	(217,856)	(652,750)
Profit / (loss) from discontinued operations	3	**65,015**	**31,021**	-	(9,610)	(6,950)	-
Loss for the period		**(1,452,610)**	**(586,591)**	**(1,319,909)**	(514,953)	(224,806)	(652,750)
Loss attributable to:							
- Equity holders of MCIT and MCIL (as parent entities)		**(576,007)**	**(586,519)**	**-**	(63,728)	(225,360)	-
- Equity holders of MMCGIL (as parent entity)		**-**	**-**	**(521,148)**	-	-	(249,935)
- Equity holders of MCIT and MCIL (as minority interests)		**-**	**-**	**(443,378)**	-	-	(200,971)
- Equity holders of MMCGIL (as minority interest)		**(521,148)**	**-**	**-**	(249,935)	-	-
Stapled security holders		**(1,097,155)**	**(586,519)**	**(964,526)**	(313,663)	(225,360)	(450,906)
- Other minority interest		**(355,455)**	**(72)**	**(355,383)**	(201,290)	554	(201,844)
		(1,452,610)	**(586,591)**	**(1,319,909)**	(514,953)	(224,806)	(652,750)

Consolidated Income Statements (cont'd)

	Notes	**MCG** 6 months to 31 Dec 08 $'000	**MCIL Group** 6 months to 31 Dec 08 $'000	**MMCGIL Group** 6 months to 31 Dec 08 $'000	MCG 6 months to 31 Dec 07 $'000	MCIL Group 6 months to 31 Dec 07 $'000	MMCGIL Group 6 months to 31 Dec 07 $'000
Basic loss per unit/share attributable to:							
- MCIT and MCIL (as parent entities)		**(107.33)c**	**(109.29)c**	**-**	(12.44)c	(44.01)c	-
- MMCGIL (as parent entity)		**-**	**-**	**(97.11)c**	-	-	(48.81)c
Diluted loss per unit /share attributable to:							
- MCIT and MCIL (as parent entities)		**(107.33)c**	**(109.29)c**	**-**	(27.63)c	(44.01)c	-
- MMCGIL (as parent entity)		**-**	**-**	**(97.11)c**	-	-	(48.81)c

The above Consolidated Income Statements should be read in conjunction with the accompanying notes

Consolidated Balance Sheets

	Notes	MCG As at 31 Dec 08 $'000	MCIL Group As at 31 Dec 08 $'000	MMCGIL Group As at 31 Dec 08 $'000	MCG As at 30 Jun 08 $'000	MCIL Group As at 30 Jun 08 $'000	MMCGIL Group As at 30 Jun 08 $'000
Current assets							
Cash and cash equivalents		**262,417**	**117,670**	**143,808**	516,347	23,711	488,207
Receivables		**325,840**	**36,731**	**288,929**	240,143	34,018	202,361
Derivative financial instruments		**12,522**	**-**	**12,522**	36,716	168	30,648
Loans and receivables		**-**	**-**	**-**	10,608	-	-
Other assets		**190,526**	**8,864**	**177,286**	140,203	8,841	135,192
Total current assets		**791,305**	**163,265**	**622,545**	944,017	66,738	856,408
Non-current assets							
Investments accounted for using the equity method		**93,692**	**856,076**	**93,692**	733,489	862,584	394,515
Property, plant and equipment		**3,375,702**	**730,254**	**2,645,448**	3,302,697	727,946	2,574,751
Intangible assets		**7,149,020**	**302,816**	**6,846,204**	7,280,848	309,973	6,970,875
Derivative financial instruments		**90,095**	**-**	**41,146**	79,884	55,719	23,243
Deferred tax asset		**-**	**5,937**	**-**	-	-	-
Other financial assets		**-**	**10,170**	**-**	-	-	-
Loans and receivables		**-**	**449**	**-**	82,190	-	-
Other assets		**1,521**	**416**	**1,104**	2,290	319	1,969
Total non-current assets		**10,710,030**	**1,906,118**	**9,627,594**	11,481,398	1,956,541	9,965,353
Total assets		**11,501,335**	**2,069,383**	**10,250,139**	12,425,415	2,023,279	10,821,761
Current liabilities							
Distribution and dividend payable		**27,117**	**-**	**-**	120,701	20,990	-
Payables		**201,159**	**59,907**	**188,484**	201,054	13,714	184,723
Accrued expenses		**331,366**	**20,570**	**310,681**	307,473	21,662	285,721
Provisions		**16,727**	**4,042**	**12,685**	16,224	6,230	9,994
Derivative financial instruments		**31,444**	**1,339**	**28,390**	-	-	-
Interest bearing liabilities	5	**379,988**	**252,232**	**1,425**	131,258	2,073	129,185
Unearned revenue		**289,640**	**10,099**	**279,541**	321,992	6,441	315,343
Other liabilities		**88,550**	**16,683**	**69,165**	89,503	21,952	62,319
Total current liabilities		**1,365,991**	**364,872**	**890,371**	1,188,205	93,062	987,285
Non-current liabilities							
Provisions		**94,863**	**4,286**	**90,577**	97,749	3,668	94,081
Retirement benefit obligations		**3,973**	**-**	**3,973**	13,494	-	13,494
Deferred tax liabilities		**494,624**	**-**	**503,611**	703,719	58,497	645,222
Derivative financial instruments		**1,672,915**	**136,125**	**1,536,790**	552,242	-	552,242
Interest bearing liabilities	5	**7,844,852**	**2,163,962**	**6,654,174**	8,308,566	1,949,011	7,147,889
Unearned revenue		**165,679**	**16,776**	**148,903**	181,638	16,934	162,804
Other liabilities		**5,097**	**5,097**	**-**	5,599	5,599	-
Total non-current liabilities		**10,282,003**	**2,326,246**	**8,938,028**	9,863,007	2,033,709	8,615,732
Total liabilities		**11,647,994**	**2,691,118**	**9,828,399**	11,051,212	2,126,771	9,603,017
Net (liabilities) / assets		**(146,659)**	**(621,735)**	**421,740**	1,374,203	(103,492)	1,218,744

Consolidated Balance Sheets (cont'd)

	Notes	MCG As at 31 Dec 08 $'000	MCIL Group As at 31 Dec 08 $'000	MMCGIL Group As at 31 Dec 08 $'000	MCG As at 30 Jun 08 $'000	MCIL Group As at 30 Jun 08 $'000	MMCGIL Group As at 30 Jun 08 $'000
Equity							
Equity attributable to equity holders of MCIT and MCIL (as parent entities / minority interest)							
Contributed equity	6	**1,727,193**	**620,367**	**1,829,583**	1,688,553	597,990	1,186,638
Reserves		**(510,419)**	**(196,165)**	**(184,416)**	(585,605)	(241,870)	(208,444)
Accumulated losses	7	**(906,871)**	**(1,047,337)**	**(765,465)**	(303,760)	(460,818)	(241,955)
MCIT and MCIL holders' interest		**309,903**	**(623,135)**	**879,702**	799,188	(104,698)	736,239
Equity attributable to equity holders of MMCGIL (as minority interest / parent entity)							
Contributed equity	6	**496,334**	**-**	**496,334**	484,176	-	484,176
Reserves		**(252,872)**	**-**	**(252,872)**	(242,010)	-	(242,010)
Accumulated losses	7	**(701,424)**	**-**	**(701,424)**	(180,276)	-	(180,276)
MMCGIL holders' interest		**(457,962)**	**-**	**(457,962)**	61,890	-	61,890
Other minority interest		**1,400**	**1,400**	**-**	513,125	1,206	420,615
Total equity		**(146,659)**	**(621,735)**	**421,740**	1,374,203	(103,492)	1,218,744

The above Consolidated Balance Sheets should be read in conjunction with the accompanying notes

Consolidated Statements of Recognised Income and Expense

	MCG	MCIL Group	MMCGIL Group	MCG	MCIL Group	MMCGIL Group
	6 months to 31 Dec 08	6 months to 31 Dec 08	6 months to 31 Dec 08	6 months to 31 Dec 07	6 months to 31 Dec 07	6 months to 31 Dec 07
	$'000	$'000	$'000	$'000	$'000	$'000
Exchange differences on translation of foreign operations	25,222	727	24,490	(98,381)	(195)	(113,354)
Share of movement of foreign currency translation reserve of associates and jointly controlled entities	61,697	36,156	25,413	(19,447)	(59,445)	(17,951)
Actuarial gains / (losses) in relation to defined benefit plans	7,315	2,317	7,315	(2,266)	(704)	(2,266)
Changes in the fair value of available-for-sale financial assets, net of tax	-	7,119	-	-	-	-
Share of movement of associates reserves	-	(345)	-	-	39,975	-
Total income / (expense) recognised directly in equity	94,234	45,974	57,218	(120,094)	(20,369)	(133,571)
Loss for the half year	(1,452,610)	(586,591)	(1,319,909)	(514,953)	(224,806)	(652,750)
Total recognised income and expense for the half year	(1,358,376)	(540,617)	(1,262,691)	(635,047)	(245,175)	(786,321)
Total recognised income and expenses for the half year is attributable to:						
- Equity holders of MCIT and MCIL (as parent entities)	(524,103)	(540,812)	-	(108,751)	(245,729)	-
- Equity holders of MCIT and MCIL (as minority interest)	-	-	(418,404)	-	-	(255,064)
- Equity holders of MMCGIL (as minority interest / parent entity)	(505,184)	-	(505,184)	(300,549)	-	(300,549)
Stapled security holders	(1,029,287)	(540,812)	(923,588)	(409,300)	(245,729)	(555,613)
Other minority interest	(329,089)	195	(339,103)	(225,747)	554	(230,708)
	(1,358,376)	(540,617)	(1,262,691)	(635,047)	(245,175)	(786,321)

The above Consolidated Statements of Recognised Income and Expense should be read in conjunction with the accompanying notes

Consolidated Statements of Cash Flows

	MCG	MCIL Group	MMCGIL Group	MCG	MCIL Group	MMCGIL Group
	6 months to 31 Dec 08	6 months to 31 Dec 08	6 months to 31 Dec 08	6 months to 31 Dec 07	6 months to 31 Dec 07	6 months to 31 Dec 07
	$'000	$'000	$'000	$'000	$'000	$'000
Cash flows from operating activities						
Receipts from customers (inclusive of GST and VAT)	**1,082,446**	**162,774**	**919,672**	1,138,526	133,033	1,005,493
Payments to suppliers and employees (inclusive of GST and VAT)	**(788,414)**	**(66,931)**	**(720,842)**	(749,957)	(51,363)	(697,723)
Responsible Entity/ Manager/Advisor base fees paid (inclusive of GST)	**(9,082)**	**(4,475)**	**(1,980)**	(22,220)	(10,257)	(5,015)
GST/VAT (paid)	**(68,328)**	**(8,826)**	**(59,768)**	(77,993)	(6,323)	(72,250)
Realised gains/(losses) on forward foreign exchange contracts	**19,417**	**144**	**16,899**	(3,933)	(3,990)	934
Interest received	**7,858**	**397**	**7,405**	15,269	944	13,507
Interest received from related parties	**34,035**	**706**	**25,395**	6,677	-	-
Income taxes paid	**-**	**-**	**-**	(1,322)	-	(932)
Dividends received	**15,776**	**104,362**	**15,776**	-	30,895	-
Net cash flows from operating activities	**293,708**	**188,151**	**202,557**	305,047	92,939	244,014
Cash flows from investing activities						
Payments for purchase of property, plant and equipment	**(205,267)**	**(23,295)**	**(181,972)**	(115,912)	(25,131)	(90,781)
Proceeds from sale of property, plant and equipment	**41**	**25**	**16**	3,325	3,262	63
Return of capital from jointly controlled entities	**-**	**-**	**-**	51,914	-	51,914
Payment for purchase of intangible assets	**-**	**-**	**-**	(649)	-	(649)
Payments for purchase of interests in associates	**(11,522)**	**(642,945)**	**(11,522)**	(410,855)	(198,437)	-
Proceeds from sale of share in associate	**-**	**173,277**	**-**	-	-	-
Proceeds from sale of share in subsidiary net of cash deconsolidated	**322,855**	**-**	**-**	-	-	-
Realised gains/(losses) on forward foreign exchange contracts	**(18,421)**	**(10,427)**	**-**	-	-	-
Borrowings to related parties	**-**	**-**	**-**	(110,737)	-	-
Proceeds from repayment of borrowings by related parties	**110,980**	**-**	**-**	-	-	-
Payments for purchase of controlled entities, net of cash acquired	**(202)**	**-**	**(202)**	(216,098)	(8,198)	(207,900)
Net cash flows from investing activities	**198,464**	**(503,365)**	**(193,680)**	(799,012)	(228,504)	(247,353)
Cash flows from financing activities						
Distributions paid to security holders	**(75,881)**	**(13,197)**	**-**	(61,560)	(16,123)	-
Distributions paid to minority interests	**(79,923)**	**-**	**(184,285)**	(17,755)	-	(48,649)
Proceeds from capital raising from minority interest	**-**	**-**	**642,945**	110,737	-	45,376
Borrowings from external parties	**417,191**	**73,000**	**344,191**	1,186,666	553,000	-
Borrowings from related parties	**-**	**14,862**	**523**	-	158,308	61,851
Repayment of borrowings to related parties	**-**	**(734,709)**	**(742,879)**	-	(70,330)	(63,014)
Repayment of borrowings to external parties	**(277,402)**	**(51,000)**	**(152,261)**	(761,335)	(486,000)	(1,996)
Buyback of exchangeable bonds	**(406,528)**	**-**	**-**	-	-	-
Borrowing costs – other external	**(268,968)**	**(34,388)**	**(214,940)**	(237,548)	(34,534)	(183,241)
Borrowing costs – profit participating loans	**(55,698)**	**-**	**(55,698)**	(23,865)	-	(23,865)
Capital raising costs	**-**	**-**	**-**	(926)	(288)	(257)
Capital raising costs of subsidiaries	**-**	**-**	**-**	(24,532)	-	(24,532)
Payment of preference share dividends	**-**	**-**	**-**	(4)	-	-

Consolidated Statements of Cash Flows (cont'd)

	MCG	MCIL Group	MMCGIL Group	MCG	MCIL Group	MMCGIL Group
	6 months to 31 Dec 08 $'000	6 months to 31 Dec 08 $'000	6 months to 31 Dec 08 $'000	6 months to 31 Dec 07 $'000	6 months to 31 Dec 07 $'000	6 months to 31 Dec 07 $'000
Proceeds from issue of preference shares	-	1,158,857	-	135	-	-
Net cash flows from financing activities	(747,209)	413,425	(362,404)	170,013	104,033	(238,327)
Net (decrease)/increase in cash held	(255,037)	98,211	(353,527)	(323,952)	(31,532)	(241,666)
Cash at the beginning of the half year	516,347	23,711	488,207	835,897	62,834	717,620
Foreign exchange differences	1,107	(4,252)	9,128	(22,250)	-	(22,255)
Cash at the end of the half year	262,417	117,670	143,808	489,695	31,302	453,699

The above Consolidated Statements of Cash Flows should be read in conjunction with the accompanying notes

Notes to the Financial Statements

1 Summary of Significant Accounting Policies

This general purpose interim financial report for the half year reporting period ended 31 December 2008 has been prepared in accordance with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001* (where applicable).

This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report of Macquarie Communications Infrastructure Group incorporating the consolidated financial statements of Macquarie Communications Infrastructure Trust (MCIT), Macquarie Communications Infrastructure Limited (MCIL) and Macquarie MCG International Limited (MMCGIL) for the year ended 30 June 2008 and any public announcements made by Macquarie Communications Infrastructure Group during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

(a) Basis of preparation of interim financial report

The accounting policies adopted in the preparation of the interim financial report are consistent with those of the previous financial year and corresponding interim period unless otherwise stated. The principal accounting policies adopted in the preparation of the interim financial report are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

— **Compliance with International Financial Reporting Standards (IFRSs)**
Compliance with Australian Accounting Standard AASB 134 ensures that the interim financial report complies with IAS 34 Interim Financial Reporting as issued by the International Accounting Standards Board (IASB). Consequently, this interim financial report has also been prepared in accordance with and complies with IAS 34 Interim Financial Reporting as issued by the IASB.

— **Historical cost convention**
These financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain financial assets and liabilities (including derivative instruments) at fair value through profit or loss.

— **Stapled security**
The units of MCIT and the shares of MCIL and MMCGIL are combined and issued as stapled securities in Macquarie Communications Infrastructure Group. The units of MCIT and the shares of MCIL and MMCGIL cannot be traded separately and can only be traded as stapled securities.

— **Asset deficiencies**
The Groups have net current liabilities at 31 December 2008 of $574.7 million for MCG, $201.6 million for the MCIL Group and $267.8 million for the MMCGIL Group. The net current liability position of MCG and the MCIL Group include $250 million of Broadcast Australia Series 2 Medium Term Notes (MTN) recorded as current interest bearing liabilities at 31 December 2008 as they mature on 9 July 2009. Subsequent to the half year end, BA signed a senior subscription agreement for a $250 million 3 year senior debt facility which will be used to repay the MTN. Net current liabilities are further impacted by significant deferred revenue balances of $289.6 million for MCG, $10.1 million for the MCIL Group and $279.5 million for the MMCGIL Group. Liabilities in respect of deferred revenues do not require cash settlement. Additionally, the Groups have the ability to draw on capital expenditure facilities to fund historic capital expenditure initially funded from operating cash.

At 31 December 2008 MCG and MCIL Group have net liabilities of $146.7 million and $621.7 million respectively. The net liabilities are largely driven by revaluation of derivative financial instruments which in the MCIL Group are substantially reflected through its investments accounted for using the equity method. Under the equity method of accounting, the Group's share of its associates profits or losses are recognised in the income statement and adjusted against the Group's carrying amount for the investment. The decrease in the fair value of derivatives in the MCG and the MCIL Group and the equity accounted losses of the MCIL Group do not affect the Groups' ability to continue as a going concern.

As a result of the above the directors consider it is appropriate for the financial statements to be prepared on a going concern basis.

1 Summary of Significant Accounting Policies (cont'd)

(a) Basis of preparation of interim financial report (cont'd)

As permitted by ASIC Class order 05/642, this interim financial report consists of the consolidated financial statements of MCIT and its controlled entities (collectively referred to as "MCG" or "the Group"), the consolidated financial statements of MCIL and its controlled entities (collectively referred to as "the MCIL Group") and the consolidated financial statements of MMCGIL and its controlled entities (collectively referred to as "the MMCGIL Group").

(b) Consolidated accounts

UIG Interpretation 1013 *Consolidated Financial Reports in relation to Pre-Date-of-Transition Stapling Arrangements* requires one of the stapled entities of an existing stapled structure to be identified as the parent entity for the purpose of preparing consolidated financial reports. In accordance with this requirement MCIT has been identified as the parent of the consolidated Group comprising MCIL and its controlled entities. All equity under this arrangement is attributable to the parent entity.

On 27 January 2005, MMCGIL became the third stapled entity stapled to MCIT and MCIL. AASB Interpretation 1002 *Post-Date-of-Transition Stapling Arrangements* requires that MMCGIL was deemed to be acquired by MCIT. Accordingly, the stapled entities of Macquarie Communications Infrastructure Group are represented as the consolidated financial statements of MCIT, however in accordance with AASB Interpretation 1002, the interest in MMCGIL is shown as minority interest in both the income statement and balance sheet. MCIL and MMCGIL are therefore treated differently on consolidation with the equity of MCIL being attributable to the parent whereas the equity of MMCGIL is attributable to minority interests.

(c) Principles of consolidation

The consolidated financial statements of MCG incorporate the assets and liabilities of the entities controlled by MCIT at 31 December 2008, including those deemed to be controlled by MCIT by identifying it as the parent of MCG, and the results of those controlled entities for the period then ended. The effects of all transactions between entities in the consolidated entity are eliminated in full. Minority interests in the results and equity are shown separately in the income statement and the balance sheet respectively. Other minority interests are those interests in partly owned subsidiaries which are not held directly or indirectly by the Group.

(i) Subsidiaries

Subsidiaries, other than those that MCIT has been deemed to have directly acquired through stapling arrangements, are those entities over which the Groups have the power to govern the financial and operating policies. Subsidiaries are fully consolidated from the date on which control is transferred to the Groups. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Groups control another entity.

The purchase method of accounting is used to account for the acquisition of subsidiaries by the Groups. Where control of an entity is obtained during a financial period, its results are included in the income statement from the date on which control commences. Where control of an entity ceases during a financial period, its results are included for that part of the period during which control existed.

Intercompany transactions, balances and unrealised gains on transactions between the companies within a Group are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Groups.

Minority interests in the results and equity of subsidiaries are shown separately in the consolidated income statement and balance sheet respectively.

1 Summary of Significant Accounting Policies (cont'd)

(c) Principles of consolidation (cont'd)

(ii) Associates

Associates are entities over which the Groups have significant influence, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for in the consolidated financial statements using the equity method of accounting, after initially being recognised at cost. A Group's investment in associates includes goodwill identified on acquisition.

A Groups' share of its associates' post-acquisition profits or losses is recognised in the income statement, and its share of post-acquisition movements in reserves is recognised in reserves in the balance sheet.

The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. Dividends receivable from associates reduce the carrying amount of the investment.

When a Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless they have incurred obligations or made payments on behalf of the associate.

Unrealised gains on transactions between a Group and its associate are eliminated to the extent of the Group's interest in the associate. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Groups.

(iii) Jointly controlled entities

Interests in jointly controlled entities are accounted for in the consolidated financial statements using the equity method. The share of the profits or losses of the jointly controlled entity are recognised in the income statement and the share of movements in reserves is recognised in reserves in the balance sheet.

(iv) Transactions with minorities

Transactions with minorities are recognised in the Groups' financial statements using the economic entity method, whereby transactions with minorities are treated as transactions with equity participants. For share acquisitions from minority interests, the difference between any consideration paid and the relevant share of the carrying value of net assets is recognised in other reserves.

(d) Foreign currency

Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The financial statements are presented in Australian dollars, which is MCIT, MCIL and MMCGIL's functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

Group Companies

The results and financial position of all of the Groups' entities (none of which has the currency of a hyperinflationary economy) that have functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- income and expenses for each income statement are translated at average exchange rates; and
- all resulting exchange differences are recognised as a separate component of equity.

When a foreign operation is deconsolidated, such exchange differences are recognised in the Income Statement as part of the gain or loss on sale. Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

1 Summary of Significant Accounting Policies (cont'd)

(e) Cash and cash equivalents

For the purpose of the Statement of Cash Flows, cash assets include cash on hand and at bank, promissory notes, liquid money market investments readily convertible to cash within ninety working days and restricted cash. The investment policy of the Groups are to only invest in A1 and A1+ rated investments.

(f) Discontinued operations

A discontinued operation is a component of an entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area. The results of discontinued operations are presented separately on the face of the income statement.

(g) Superannuation

Change in accounting policy

The policy of accounting for actuarial gains and losses in the Statement of Recognised Income and Expense has been adopted for the first time in the year ended 30 June 2008. In previous reporting periods, the actuarial gains and losses were recognised in the Income Statement. The change in policy was made as a result of the finalisation of the purchase accounting in relation to the Groups' acquisition of NGW. NGW operates a defined benefit plan and it's acquisition increased substantially the Groups defined benefit obligations. The purpose of the change was to increase the relevance of the results by more accurately matching the recognition of the actuarial gains and losses with the long term nature of the liability. The new policy has been applied retrospectively and comparative information in relation to the 2007 financial year has been restated accordingly. As the impact of actuarial gains and losses for years prior to 2007 was nil, no adjustment has been made to the opening balances of the year to 30 June 2007. The following adjustments were made to the comparative period ended 31 December 2007:

	MCG Group			MCIL Group			MMCGIL Group		
	1 Jul 07 - 31 Dec 07	(Increase)/ Decrease	1 Jul 07 - 31 Dec 07 (Restated)	1 Jul 07 - 31 Dec 07	(Increase)/ Decrease	1 Jul 07 - 31 Dec 07 (Restated)	1 Jul 07 - 31 Dec 07	(Increase)/ Decrease	1 Jul 07 - 31 Dec 07 (Restated)
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Income statement (extract)									
Net share of (loss)/profit of associates and jointly controlled entity using the equity method	(144,377)	-	(144,377)	(201,675)	704	(200,971)	(144,377)	-	(144,377)
Employee benefits expense	(148,325)	3,147	(145,178)	(7,517)	-	(7,517)	(140,808)	3,147	(137,661)
Income tax benefit/(expense)	187,954	(881)	187,073	(7,540)	-	(7,540)	195,885	(881)	195,004
Equity holders of MCIT and MCIL (as minority interest)	-	-	-	-	-	-	(201,675)	704	(200,971)
Other minority interest	(202,104)	814	(201,290)	554	-	554	(202,658)	814	(201,844)

Consolidated	MCG			MCIL Group			MMCGIL Group		
	1 Jul 07 - 31 Dec 07	(Increase)/ Decrease	1 Jul 07 - 31 Dec 07 (Restated)	1 Jul 07 - 31 Dec 07	(Increase)/ Decrease	1 Jul 07 - 31 Dec 07 (Restated)	1 Jul 07 - 31 Dec 07	(Increase)/ Decrease	1 Jul 07 - 31 Dec 07 (Restated)
Basic earnings per unit / share									
- attributable to MCIT and MCIL (as parent entities)	(12.58)c	0.14c	(12.44)c	(44.14)c	0.13c	(44.01)c	-	-	-
- attributable to MMCGIL (as parent entity)	-	-	-	-	-	-	(48.95)c	0.14c	(48.81)c
Diluted earnings per unit / share									
- attributable to MCIT and MCIL (as parent entities)	(27.74)c	0.11c	(27.63)c	(44.14)c	0.13c	(44.01)c	-	-	-
- attributable to MMCGIL (as parent entity)	-	-	-	-	-	-	(48.95)c	0.14c	(48.81)c

1 Summary of Significant Accounting Policies (cont'd)

(h) Comparative information

Comparative figures have been restated following the completion of the purchase price allocation in relation to the acquisition of GTP and NGW in accordance with AASB 3: *Business Combinations*.

Comparative figures have been restated for a change in accounting policy for defined benefit obligations and to take into account discontinued operations, in accordance with the accounting policy stated in note 1(f).

The comparative period equity accounting of MCG's and the MCIL Group's interest in GTP has been amended to take into account the finalisation of purchase price accounting which was finalised by period ended 30 June 2008.

Where necessary, comparative figures have been adjusted to conform with changes in the presentation in the current period.

(i) Rounding of amounts

MCG, the MCIL Group and the MMCGIL Group are of a kind referred to in Class Order 98/0100(amended) issued by the Australian Securities & Investments Commission, relating to the "rounding off" of amounts in the interim financial report. Amounts in the interim financial report have been rounded to the nearest thousand dollars in accordance with that Class Order, unless otherwise indicated.

(j) Critical accounting estimates

The estimates and assumptions that have a risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

(i) Retirement benefit obligations

The liability in respect of defined benefit pension scheme obligations is calculated as the deficit of the fair value of the defined benefit plan assets compared to the present value of the defined benefit obligation.

(ii) Impairment of goodwill and other non-current assets

The directors consider the current economic environment to be an indicator of impairment. As a result, all non-current assets have been considered for impairment at balance sheet date. Recoverable amounts of cash-generating units were determined based on fair value less costs to sell with no resulting impairment.

(iii) Depreciation and amortisation relating to property plant and equipment and intangible assets

Assets are depreciated on a straight-line basis over their estimated useful lives. Identifiable intangible assets are amortised on a straight line basis over the period that the benefits are expected to be received. The useful lives of assets are determined by directors on initial recognition and reviewed annually.

(iv) Taxable income and associated tax losses

Taxable income and associated tax losses are estimated in the year end accounts prior to filing of tax returns. Upon lodgement of tax returns, adjustments resulting from the finalisation of taxable income and associated tax losses are reflected in the income statement of the following financial period.

(v) Valuation of derivative financial instruments

Derivative financial instruments are valued using estimated financial data available at the prevailing reporting date. The financial data includes market based interest rate yield curves and foreign exchange spot prices.

2 Result for the Half Year

The operating loss from continuing activities before income tax includes the following specific items of revenue, income and expense:

	MCG	MCIL Group	MMCGIL Group	MCG	MCIL Group	MMCGIL Group
	6 months to 31 Dec 08	6 months to 31 Dec 08	6 months to 31 Dec 08	6 months to 31 Dec 07	6 months to 31 Dec 07	6 months to 31 Dec 07
	$'000	$'000	$'000	$'000	$'000	$'000
(i) Revenue from continuing operations						
Operating revenue						
Terrestrial media	**348,724**	**109,147**	**239,577**	350,982	103,596	247,386
Satellite media	**269,722**	**-**	**269,722**	248,418	-	248,418
Wireless access	**278,859**	**39,288**	**239,571**	280,152	23,691	256,461
Public safety	**62,436**	**-**	**62,436**	55,682	-	55,682
Multiplexing	**66,585**	**-**	**66,585**	67,089	-	67,089
	1,026,326	**148,435**	**877,891**	1,002,323	127,287	875,036
Other revenue						
Interest income						
Related parties	**14,539**	**706**	**11,352**	12,455	505	11,263
Other persons and corporations	**12,132**	**397**	**11,677**	19,820	440	19,249
Distribution Income	**-**	**1,109**	**-**	-	5	-
	26,671	**2,212**	**23,029**	32,275	950	30,512
Total revenue from continuing operations	**1,052,997**	**150,647**	**900,920**	1,034,598	128,237	905,548
(ii) Other income						
Net unrealised revaluation gains on instruments designated at fair value through profit and loss	**-**	**-**	**32,654**	82,310	-	-
Net realised revaluation gains on instruments designated at fair value through profit and loss	**31,867**	**-**	**-**	-	-	-
Net revaluation gains on interest rate swaps	**-**	**-**	**-**	-	22,378	-
Net realised revaluation gains on forward foreign exchange contracts	**996**	**-**	**16,899**	-	-	934
Net unrealised revaluation gains on forward foreign exchange contracts	**25,341**	**-**	**-**	14,419	62	10,844
Net foreign exchange gains	**13,792**	**-**	**1,188**	17,948	-	32,215
Gains on re-measurement of redemption amount of other financial liabilities	**-**	**-**	**-**	6,587	-	-
Net profit from sale of non-current assets	**-**	**-**	**-**	897	858	39
	71,996	**-**	**50,741**	122,161	23,298	44,032
Total revenue and other income from continuing activities	**1,124,993**	**150,647**	**951,661**	1,156,759	151,535	949,580
(iii) Operating expenses from continuing activities						
Employee benefits	**149,364**	**19,410**	**129,954**	145,178	7,517	137,661
Satellite capacity	**144,628**	**-**	**144,628**	127,225	-	127,225
Operations and maintenance	**118,783**	**14,897**	**103,886**	111,778	18,353	93,425
Property	**83,873**	**9,113**	**74,760**	72,793	7,418	65,375
Power	**46,770**	**7,909**	**38,861**	42,343	6,984	35,359
Circuits	**30,440**	**-**	**30,440**	40,781	-	40,781
	573,858	**51,329**	**522,529**	540,098	40,272	499,826
Management fees						
Base management fees	**9,465**	**4,567**	**2,720**	21,342	10,075	5,109
	9,465	**4,567**	**2,720**	21,342	10,075	5,109

2 Result for the Half Year (cont'd)

	MCG	**MCIL Group**	**MMCGIL Group**	MCG	MCIL Group	MMCGIL Group
	6 months to 31 Dec 08 $'000	**6 months to 31 Dec 08 $'000**	**6 months to 31 Dec 08 $'000**	6 months to 31 Dec 07 $'000	6 months to 31 Dec 07 $'000	6 months to 31 Dec 07 $'000
Other expenses						
Auditor's remuneration	**1,265**	**453**	**575**	2,081	315	1,570
Due diligence and related transaction costs	**357**	**347**	**10**	128	125	-
Other professional fees	**17,476**	**751**	**16,603**	19,639	34	18,734
Integration costs (Arqiva and NGW)	**26,279**	**-**	**26,279**	-	-	-
Net loss on sale of non-current assets	**123**	**80**	**43**	-	-	-
Bad and doubtful trade receivables	**6,095**	**105**	**5,990**	4,797	-	4,797
Net realised revaluation losses on forward foreign exchange contracts	**-**	**10,283**	**-**	3,933	3,990	-
Net unrealised revaluation losses on forward foreign exchange contracts	**-**	**137**	**14,933**	-	-	-
Insurance	**1,899**	**464**	**1,435**	3,734	506	3,228
Promotional expenses	**4,273**	**203**	**4,070**	5,142	-	5,142
Net foreign exchange losses	**-**	**4,592**	**-**	-	12	-
Other	**5,015**	**4,092**	**496**	17,202	3,930	12,834
	62,782	**21,507**	**70,434**	56,656	8,912	46,305
Depreciation and amortisation						
Amortisation of identifiable intangibles	**67,306**	**7,306**	**60,000**	69,712	5,490	64,222
Depreciation of property, plant and equipment	**108,059**	**18,691**	**89,368**	90,641	15,813	74,828
	175,365	**25,997**	**149,368**	160,353	21,303	139,050
Finance costs						
Interest expense						
Related parties, redeemable preference shares	**-**	**48,082**	**-**	-	19,031	-
Related parties, other	**-**	**17,287**	**18,012**	-	26,900	27,001
Other persons and corporations	**312,770**	**33,138**	**265,483**	297,621	32,762	248,538
Amortisation of capitalised finance costs	**15,636**	**1,456**	**14,180**	15,639	1,376	14,263
Other financing costs	**10,472**	**133**	**9,365**	7,135	249	6,880
Transaction costs incurred on issuance of instruments designated at fair value through profit and loss	**8**	**-**	**-**	6,108	-	-
Net unrealised revaluation losses on instruments designated at fair value through profit and loss	**141,398**	**-**	**-**	-	-	43,761
Net revaluation losses on interest rate swaps (including RPI-linked swaps)	**1,239,895**	**190,088**	**1,049,807**	599,846	-	622,224
	1,720,179	**290,184**	**1,356,847**	926,349	80,318	962,667
Total expenses	**2,541,649**	**393,584**	**2,101,898**	1,704,798	160,880	1,652,957

3 Discontinued Operations

(a) Description

On 12 September 2008, MCG announced the completion of the sale of its 28.7% ownership interest in Global Tower Partners (GTP) to Macquarie Infrastructure Partners II (MIP II) for gross sale proceeds of US$362.9 million (A$440.8 million). The GTP sale proceeds include MCG's US$89 million (A$101.3 million) tranche of outstanding subordinated debt. The profit on sale of GTP is $33.7 million for the MCIL Group and $66.0 million for MCG. The operations relating to this business are disclosed in this interim financial report as a discontinued operation.

Financial information relating to the discontinued operation for the period to the date of the sale is set out below.

(b) Financial performance and cash flow information

The financial performance and cash flow information presented are for the half year ended 31 December 2008 and 31 December 2007 respectively:

Financial performance

Consolidated	**MCG**	**MCIL Group**	**MMCGIL Group**	MCG	MCIL Group	MMCGIL Group
	6 months to 31 Dec 08	**6 months to 31 Dec 08**	**6 months to 31 Dec 08**	6 months to 31 Dec 07	6 months to 31 Dec 07	6 months to 31 Dec 07
	$'000	**$'000**	**$'000**	$'000	$'000	$'000
Revenue	**4,246**	**-**	**-**	4,018	-	-
Net share of loss of associates and jointly controlled entity accounted for using the equity method	**(5,270)**	**(2,685)**	**-**	(13,619)	(6,950)	-
Expenses	**(6)**	**-**	**-**	(9)	-	-
Loss before income tax	**(1,030)**	**(2,685)**	**-**	(9,610)	(6,950)	-
Income tax expense	**-**	**-**	**-**	-	-	-
Loss after income tax of discontinued operation	**(1,030)**	**(2,685)**	**-**	(9,610)	(6,950)	-
Profit from disposal	**66,045**	**33,706**	**-**	-	-	-
Total profit / (loss) from discontinued operations	**65,015**	**31,021**	**-**	(9,610)	(6,950)	-
Basic loss from continuing operations per unit/share attributable to:						
- MCIT and MCIL (as parent entities)	**(119.45)c**	**(115.07)c**	**-**	(10.56)c	(42.65)c	-
- MMCGIL (as parent entity)	**-**	**-**	**(97.11)c**	-	-	(48.81)c
Diluted loss from continuing operations per unit /share attributable to:						
- MCIT and MCIL (as parent entities)	**(119.45)c**	**(115.07)c**	**-**	(26.09)c	(42.65)c	-
- MMCGIL (as parent entity)	**-**	**-**	**(97.11)c**	-	-	(48.81)c
Basic (loss) / earnings from discontinued operations per unit/share attributable to:						
- MCIT and MCIL (as parent entities)	**12.12c**	**5.78c**	**-**	(1.88)c	(1.36)c	-
- MMCGIL (as parent entity)	**-**	**-**	**-**	-	-	-
Diluted (loss) / earnings from discontinued operations per unit/share attributable to:						
- MCIT and MCIL (as parent entities)	**12.12c**	**5.78c**	**-**	(1.88)c	(1.36)c	-
- MMCGIL (as parent entity)	**-**	**-**	**-**	-	-	-

3 Discontinued Operations (cont'd)

Cash flow information

Consolidated	MCG	MCIL Group	MMCGIL Group	MCG	MCIL Group	MMCGIL Group
	6 months to 31 Dec 08	**6 months to 31 Dec 08**	**6 months to 31 Dec 08**	6 months to 31 Dec 07	6 months to 31 Dec 07	6 months to 31 Dec 07
	$'000	**$'000**	**$'000**	$'000	$'000	$'000
Net cash inflow from operating activities	**5,452**	**-**	**-**	6,282	-	-
Net cash inflow/(outflow) from investing activities	**433,835**	**173,277**	**-**	(521,592)	(153,061)	-
Net cash inflow from financing activities	**-**	**-**	**-**	110,737	-	-
Net increase/(decrease) in cash generated from discontinued operations	**439,287**	**173,277**	**-**	(404,573)	(153,061)	-

4 Distributions and Dividends Paid and Proposed

	MCG	MCIL Group	MMCGIL Group	MCG	MCIL Group	MMCGIL Group
	6 months to 31 Dec 08	**6 months to 31 Dec 08**	**6 months to 31 Dec 08**	6 months to 31 Dec 07	6 months to 31 Dec 07	6 months to 31 Dec 07
	$'000	**$'000**	**$'000**	$'000	$'000	$'000
Final distribution paid for the year ended 30 June (2008: MCIT – 19.0 cents per unit; MCIL – 4.0 cents per share) (2007: MCIT – 15.5 cents per unit; MCIL – 5.5 cents per share)	**120,687**	**20,989**	**-**	84,299	22,078	-
Interim distribution proposed for the half year ended 31 December (2008: MCIT – 5 cents per unit) (2007: MCIT – 21.0 cents per unit; MCIL – 2.0 cents per share)	**27,104**	**-**	**-**	118,005	10,261	-
	147,791	**20,989**	**-**	202,304	32,339	-

5 Interest Bearing Liabilities

Consolidated	MCG	MCIL Group	MMCGIL Group	MCG	MCIL Group	MMCGIL Group
	As at 31 Dec 08 $'000	As at 31 Dec 08 $'000	As at 31 Dec 08 $'000	As at 30 Jun 08 $'000	As at 30 Jun 08 $'000	As at 30 Jun 08 $'000
Current						
Recorded at amortised cost						
Bank facilities	**126,331**	**-**	**-**	-	-	-
Arqiva – external debt						
Term loans	**-**	**-**	**-**	128,284	-	128,284
Lease liabilities	**1,425**	**-**	**1,425**	901	-	901
Broadcast Australia						
Medium term notes[1]	**250,000**	**250,000**	**-**	-	-	-
Lease liabilities	**2,232**	**2,232**	**-**	2,073	2,073	-
	379,988	**252,232**	**1,425**	131,258	2,073	129,185
Non-Current						
Recorded at fair value						
Exchangeable bonds[2]	**475,973**	**-**	**-**	742,201	-	-
Profit participating loans	**688,770**	**-**	**688,770**	712,522	-	712,522
Recorded at amortised cost						
Bank facilities	**-**	**-**	**-**	201,507	-	-
Preferred units	**-**	**-**	**-**	92	-	-
Related party loans	**-**	**-**	**-**	-	716,974	724,760
Related party redeemable preference shares	**-**	**1,449,257**	**-**	-	290,400	-
Arqiva – external debt						
Term loans	**5,115,085**	**-**	**5,115,085**	5,168,025	-	5,168,025
Bank facilities	**353,927**	**-**	**353,927**	37,425	-	37,425
Lease liabilities	**33,262**	**-**	**33,262**	34,801	-	34,801
Arqiva – shareholder debt						
Listed loan notes	**463,130**	**-**	**463,130**	470,356	-	470,356
Broadcast Australia						
Medium term notes	**592,848**	**592,848**	**-**	843,529	843,529	-
Bank facilities	**120,000**	**120,000**	**-**	96,251	96,251	-
Lease liabilities	**1,857**	**1,857**	**-**	1,857	1,857	-
	7,844,852	**2,163,962**	**6,654,174**	8,308,566	1,949,011	7,147,889

1. On 9 February 2009, Broadcast Australia Finance Pty Limited (BAF), BA's financing vehicle, signed a senior subscription agreement for a 3 year bank facility of $250 million with various banks. Funds raised will be used to repay $250 million of series 2 Medium Term Notes (MTN) maturing on 9 July 2009. As part of the refinancing, the term of $109 million of the existing $190 million capital expenditure and working capital facilities has been extended by 1 year to January 2012.

2. On 2 September 2008, MCG successfully completed a partial tender offer for exchangeable bonds. MCG accepted tenders for the A$ bonds with a face value of A$309.3 million at a cost (including interest accrued) of A$283.8 million and for the US$ bonds with a face value of US$88.5 million (A$110.6 million) at a cost (including interest accrued) of US$78.9 million (A$98.6 million). The bonds were acquired on 16 September 2008 and subsequently cancelled.

   At the time of MCG's announcement on 2 September 2008 of the successful completion of its tender offer for exchangeable bonds, MCG reserved the right to undertake further on market purchases of bonds. Following the tender offer, MCG made further purchases of A$ bonds with a face value of A$34 million at a cost (including interest accrued) of A$27.2 million.

6 Contributed Equity

	MCG	**MCIL Group**	**MMCGIL Group**	MCG	MCIL Group	MMCGIL Group
	6 months to 31 Dec 08 (Half Year) $'000	**6 months to 31 Dec 08 (Half Year) $'000**	**6 months to 31 Dec 08 (Half Year) $'000**	Year to 30 Jun 08 (Full Year) $'000	Year to 30 Jun 08 (Full Year) $'000	Year to 30 Jun 08 (Full Year) $'000
On issue at the beginning of the period	**2,172,729**	**597,990**	**484,176**	2,093,882	562,337	464,614
Issued pursuant to:						
Distribution and dividend reinvestment plan on 14 August 2007 (note 8)	**-**	**-**	**-**	22,738	9,873	5,712
Distribution and dividend reinvestment plan on 14 February 2008 (note 8)	**-**	**-**	**-**	56,119	25,770	13,878
Distribution and dividend reinvestment plan on 14 August 2008 (note 8)	**44,808**	**19,693**	**10,517**	-	-	-
Reinvestment of management fees in securities on 20 November 2008 (note 8)	**5,990**	**2,684**	**1,641**	-	-	-
Costs incurred in the raising of capital	**-**	**-**	**-**	(10)	10	(28)
On issue at the end of the period	**2,223,527**	**620,367**	**496,334**	2,172,729	597,990	484,176

		Number of Securities			Number of Securities	
	'000	**'000**	**'000**	'000	'000	'000
On issue at the beginning of the period	**524,725**	**524,725**	**524,725**	509,149	509,149	509,149
Issued pursuant to:						
Distribution and dividend reinvestment plan on 14 August 2007 (note 8)	**-**	**-**	**-**	3,919	3,919	3,919
Distribution and dividend reinvestment plan on 14 February 2008 (note 8)	**-**	**-**	**-**	11,657	11,657	11,657
Distribution and dividend reinvestment plan on 14 August 2008 (note 8)	**15,148**	**15,148**	**15,148**	-	-	-
Reinvestment of management fees in securities on 20 November 2008 (note 8)	**2,212**	**2,212**	**2,212**	-	-	-
On issue at the end of the period	**542,085**	**542,085**	**542,085**	524,725	524,725	524,725

The above table reflects total Equity attributable to Security holders for each of the relevant groups.

7 Accumulated Losses

	MCG	**MCIL Group**	**MMCGIL Group**	MCG	MCIL Group	MMCGIL Group
	6 months to 31 Dec 08 (Half Year) $'000	**6 months to 31 Dec 08 (Half Year) $'000**	**6 months to 31 Dec 08 (Half Year) $'000**	Year to 30 Jun 08 (Full Year) $'000	Year to 30 Jun 08 (Full Year) $'000	Year to 30 Jun 08 (Full Year) $'000
Balance at the beginning of the period	**(484,036)**	**(460,818)**	**(180,276)**	(215,300)	(241,051)	57,610
Loss attributable to security holders	**(1,097,155)**	**(586,519)**	**(521,148)**	(103,385)	(188,517)	(237,886)
Transferred from capital reserve	**-**	**-**	**-**	73,341	-	-
Distributions/dividends provided for or paid	**(27,104)**	**-**	**-**	(238,692)	(31,250)	-
Balance at the end of the period	**(1,608,295)**	**(1,047,337)**	**(701,424)**	(484,036)	(460,818)	(180,276)

The table above shows accumulated losses attributable to stapled security holders for MCG and security holders of MCIL & MMCGIL for their respective Groups.

The capital reserve represents the amounts transferred to accumulated losses to allow distributions from MCIT to be made in accordance with the constitution.

8 Non-Cash Operating and Financing Activities

- ***Distribution reinvestment plan***

During the period, a portion of stapled security holders participated in MCG's distribution and dividend reinvestment plan (DRP). In August 2008 MCG issued 15,148,445 new securities to DRP participants at a price of $2.9579 per security. Therefore in the period to 31 December 2008, $44.8 million is not reflected in the Statement of Cash Flows on the basis that it has been reinvested in MCG. MCIT's share of the distribution payable was $37.1 million. MCIL's share was $7.7 million.

- ***Payment of management fees***

Management fees owed to MCIML by the Group for the quarter ended 30 September 2008 of $6.0 million were reinvested in 2,211,870 new MCG stapled securities at an issue price of $2.7080 each in November 2008. MCIT's share was $1.7 million, MCIL's share was $2.7 million and MMCGIL's share was $1.6 million.

- ***Purchase of additional stake in Arqiva***

During the period, a subsidiary of the MCG Group and the MMCGIL Group, Macquarie International Communications Assets Limited (MICAL) acquired additional stake in Arqiva from Challenger Tower Limited (Challenger). As part of the acquisition, MICAL acquired 30,177,245 Arqiva Stapled Securities from Challenger, of which 28,949,688 Stapled Securities were reassigned to Macquarie European Infrastructure Fund II (MEIF II) through a back-to-back agreement dated 30 September 2008. The economic interest in the remaining 1,227,557 securities was transferred to Macquarie-FSS Infrastructure Trust (MFIT) for a total consideration of £3,559,319. The consideration for these securities was settled through profit participating loans. MEIF II and MFIT settled the transaction directly with Challenger so there is no impact of the transaction in the Consolidated Statement of Cash Flows.

9 Segment Reporting

The principal activity of MCG, the MCIL Group and the MMCGIL Group during the period was investment in communications infrastructure. The primary basis of segment reporting is geographical.

	Australia	United Kingdom	United States of America	Inter-segment eliminations / unallocated	Total
	1 Jul 08 - 31 Dec 08	1 Jul 08 - 31 Dec 08	1 Jul 08 - 31 Dec 08	1 Jul 08 - 31 Dec 08	1 Jul 08 - 31 Dec 08
	$'000	$'000	$'000	$'000	$'000
MCG 2008					
Total segment revenue from continuing operations	152,901	962,687	-	(62,591)	1,052,997
Segment result	(243,224)	(1,481,920)	-	-	(1,725,144)
Loss from continuing activities before income tax					(1,725,144)
MCIL 2008					
Total segment revenue from continuing operations	150,647	-	-	-	150,647
Segment result	(242,937)	(443,378)	-	-	(686,315)
Loss from continuing activities before income tax					(686,315)
MMCGIL 2008					
Total segment revenue from continuing operations	824	962,687	-	(62,591)	900,920
Segment result	23,195	(1,481,920)	-	-	(1,458,725)
Loss from continuing activities before income tax					(1,458,725)

Profit / (loss) from discontinued operations relates wholly to the United States of America segment.

9 Segment Reporting (cont'd)

	Australia	United Kingdom	United States of America	Inter-segment eliminations / unallocated	Total
	1 Jul 07 - 31 Dec 07	1 Jul 07 - 31 Dec 07	1 Jul 07 - 31 Dec 07	1 Jul 07 - 31 Dec 07	1 Jul 07 - 31 Dec 07
	$'000	$'000	$'000	$'000	$'000
MCG 2007					
Total segment revenue from continuing operations	129,493	966,994	-	(61,889)	1,034,598
Segment result	360,967	(1,053,383)	-	-	(692,416)
Loss from continuing activities before income tax					(692,416)
MCIL 2007					
Total segment revenue from continuing operations	128,237	-	-	-	128,237
Segment result	(9,345)	(200,971)	-	-	(210,316)
Loss from continuing activities before income tax					(210,316)
MMCGIL 2007					
Total segment revenue from continuing operations	443	966,994	-	(61,889)	905,548
Segment result	4,658	(852,412)	-	-	(847,754)
Loss from continuing activities before income tax					(847,754)

Profit / (loss) from discontinued operations relates wholly to the United States of America segment.

10 Contingent Liabilities and Assets

There are no new significant contingent liabilities or assets since 30 June 2008.

11 Events Occurring after Balance Sheet Date

Other than as noted below, no matters or circumstances have arisen since the end of the half year that have significantly affected or may significantly affect the operations of the MCG, the MCIL Group or the MMCGIL Group, the results of these operations in future financial years or the state of affairs of the MCG, the MCIL Group or the MMCGIL Group in years subsequent to the half year ended 31 December 2008.

On 9 February 2009, Broadcast Australia Finance Pty Limited (BAF), BA's financing vehicle, signed a senior subscription agreement for a 3 year bank facility of $250 million with various banks. Funds raised will be used to repay $250 million of series 2 Medium Term Notes (MTN) maturing on 9 July 2009. As part of the refinancing, the term of $109 million of the existing $190 million capital expenditure and working capital facilities has been extended by 1 year to January 2012.

On 9 February 2009, amendments to the MCIT debt facility were agreed with the lender. The facility has been restated from a A$200 million multi-currency facility to a £61.5 million ($135.0 million) Pound Sterling facility. Under the terms of the restated facility, the maturity date is 30 September 2009 with a repayment of £46.5 million ($102.1 million) on 28 February 2009.

Subsequent to the balance sheet date, the Groups' valuation of interest rate swap contracts held by Arqiva, Airwave and BA have materially increased in value. Based on a valuation of these contracts at 16 February 2009, the change in valuation would increase profit (or decrease loss) from continuing operations before income tax by $342.9 million for MCG, $123.5 million for the MCIL Group and $322.0 million for the MMCGIL Group.

Statement by the Directors of the Responsible Entity of the Trust

In the opinion of the directors of Macquarie Communications Infrastructure Management Limited, the responsible entity of Macquarie Communications Infrastructure Trust (MCIT):

a) the consolidated financial statements for Macquarie Communications Infrastructure Trust and its controlled entities (the Group) set out on pages 8 to 27 are in accordance with the Corporations Act 2001, including:

1) complying with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and

2) giving a true and fair view of the financial position of the Group's financial position as at 31 December 2008 and of its financial performance, as represented by the results of its operations and its cash flows, for the half year ended on that date;

b) there are reasonable grounds to believe that MCIT and MCG will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the directors of Macquarie Communications Infrastructure Management Limited.

Gerald Moriarty AM
Chairman

Sydney
17 February 2009

Malcolm Long
Director

Sydney
17 February 2009

Directors' Declaration – MCIL

In the opinion of the directors of Macquarie Communications Infrastructure Limited:

a) the consolidated financial statements for Macquarie Communications Infrastructure Limited (MCIL) and its controlled entities (the MCIL Group) set out on pages 8 to 27 are in accordance with the Corporations Act 2001, including:

   1) complying with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and

   2) giving a true and fair view of the financial position of the MCIL Group's financial position as at 31 December 2008 and of its financial performance, as represented by the results of its operations and its cash flows, for the half year ended on that date;

b) there are reasonable grounds to believe that MCIL and the MCIL Group will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the directors of Macquarie Communications Infrastructure Limited.

Gerald Moriarty AM
Chairman

Sydney
17 February 2009

Malcolm Long
Director

Sydney
17 February 2009

Directors' Declaration – MMCGIL

In the opinion of the directors of Macquarie MCG International Limited:

a) the consolidated financial statements for Macquarie MCG International Limited (MMCGIL) and its controlled entities (the MMCGIL Group) set out on pages 8 to 27:

1) comply with Accounting Standards and other mandatory professional reporting requirements; and

2) give a true and fair view of the financial position of the MMCGIL Group's financial position as at 31 December 2008 and of its financial performance, as represented by the results of its operations and its cash flows, for the half year ended on that date;

b) there are reasonable grounds to believe that MMCGIL and the MMCGIL Group will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the directors of Macquarie MCG International Limited.

Rodney Birrell
Chairman

Bermuda
17 February 2009

Gerry Moriarty AM
Director

Sydney
17 February 2009

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Independent Auditor's Review Report

To the unit holders of Macquarie Communications Infrastructure Trust, members of Macquarie Communications Infrastructure Limited and members of Macquarie MCG International Limited

Report on the Half-Year Financial Reports

We have reviewed the accompanying half-year financial reports of Macquarie Communications Infrastructure Group (MCG), Macquarie Communications Infrastructure Limited (MCIL) and Macquarie MCG International Limited (MMCGIL) (together 'the financial reports'), which comprise the balance sheets as at 31 December 2008, and the income statements, statements of recognised income and expense and statements of cash flows for the half-year ended on that date, other selected explanatory notes and the directors' declaration or statement by directors of the responsible entity of Macquarie Communications Infrastructure Trust ('MCIT') (as applicable) for MCG (defined below), the MCIL Group (defined below) and the MMCGIL Group (defined below).

MCG comprises both MCIT and the entities it controlled at the half year's end or from time to time during the half year, including the MCIL Group and the MMCGIL Group. The MCIL Group comprises both MCIL and the entities it controlled at the half year's end or from time to time during the half year. The MMCGIL Group comprises both MMCGIL and the entities it controlled at the half year's end or from time to time during the half year.

Directors' Responsibility for the half-year financial report

The directors of Macquarie Communications Infrastructure Management Limited ('the Responsible Entity), the Responsible Entity of MCIT, the directors of MCIL and the directors of MMCGIL (together 'the directors') are responsible for the preparation and fair presentation of the half-year financial reports in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*, as they apply to the entities. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the half-year financial reports that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial reports based on our review. We conducted our reviews in accordance with the Auditing Standard on Review Engagements ASRE 2410 *Review of an Interim Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial reports are not in accordance with the *Corporations Act 2001*, as it applies to the entities, including: giving a true and fair view of MCG's, the MCIL Group's and the MMCGIL Group's financial position as at 31 December 2008 and their performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting and the Corporations Regulations 2001*. As the auditor of MCG, MCIL Group and MMCGIL Group, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial reports.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. It also includes reading the other information included with the financial report to determine whether it contains any material inconsistencies with the financial report. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

For further explanation of a review, visit our website http:/www.pwc.com/au/financialstatementaudit.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our review was not designed to provide assurance on internal controls.

Our review did not involve an analysis of the prudence of business decisions made by directors or management.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial reports of MCG, the MCIL Group and the MMCGIL Group are not in accordance with the *Corporations Act 2001* including:

(a) giving a true and fair view of MCG's, the MCIL Group's and the MMCGIL Group's financial position as at 31 December 2008 and of their performance for the half-year ended on that date; and

(b) complying with Accounting Standard AASB 134 *Interim Financial Reporting and Corporations Regulations 2001*, as it applies to the entities.

PricewaterhouseCoopers

PricewaterhouseCoopers

Wayne Andrews

Wayne Andrews
Partner

Sydney
17 February 2009