

APPENDIX 4D

Half Year Report

Name of Entity:	RiverCity Motorway Group
------------------------	---------------------------------

1. Details of the Reporting period

Current period: 1 July 2008 – 31 December 2008 Previous period: 1 July 2007 – 31 December 2007

2. Results for Announcement to the Market

		\$A'000	
2.1	Revenues from ordinary activities during construction phase	296,391	
2.2	Profit (loss) from ordinary activities after tax attributable to members	(150,407)	
2.3	Net profit (loss) for period attributable to members	(150,407)	
	Net increase in revaluation reserve	- to	-
	Total changes in equity other than those resulting from transactions with owners as owners	- to	-
2.4	Dividends (distributions)	Amount per security	Tax deferred portion
	<i>Current period</i>	-	-
	Previous Corresponding Period:	3.0 cents	3.0 cents
2.5	Record date for next distribution	n/a	
	Ex-entitlement date for next distribution	n/a	
	RiverCity Motorway Group announced the suspension of distributions during the fixed distribution period ending December 2011 on 8 September 2008. A copy of this detailed announcement can be located on the Group's website: www.rivercitymotorway.com.au		
2.6	A brief explanation of any of the figures in 2.1 to 2.4 necessary to enable the figures to be understood.	Refer to the attached Interim Financial Report for the period ended 31 December 2008	

3. Net Tangible Asset Backing per Security

	Note	Current period	Previous corresponding period
Net tangible asset backing per ordinary security	(i)	(\$0.66)	\$0.08
Net tangible asset backing per ordinary security, excluding amounts owing to Unitholders	(ii)	(\$0.66)	\$0.09

(i) Under the listing rules Net Tangible Asset Backing must be 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).

(ii) Unitholders' Funds – Classified as Equity

RiverCity Motorway Holding Trust and RiverCity Motorway Investment Trust were established in Australia. Under the trust deed they have been set up as 'indefinite' life trusts. As these trusts will never terminate, contributions by unitholders have been classified as equity in the balance sheet.

Please note below and also refer to item 4

The "net tangible asset backing per security" is a negative number this period. It is anticipated that this negative number will continue to grow until construction completion. As disclosed in the 2008 Annual Report, Australian Accounting Standards require the capitalisation of all motorway related construction costs to be recorded as an intangible asset rather than as property, plant and equipment. Accordingly whilst the Group's "intangible assets" will significantly increase with construction, the Group's "tangible assets" will not. To represent a more appropriate calculation for the Group, we have included a "net asset backing per security" at item 4.

The calculation for the net asset backing per security excludes the effect of the derivative income / derivative expense for each period.

4. Net Asset Backing per Security

	Note	Current period	Previous corresponding period
Net asset backing per ordinary security	(i)	\$0.93	\$0.90
Net asset backing per ordinary security, excluding amounts owing to Unitholders	(ii)	\$0.93	\$0.91

5. Control Gained / Lost Over Entities During the Period

5.1	Name of entity (or group of entities) over which controls was gained / lost	On 26 September 2008, the Group pursuant to an option agreement acquired all the shares in RiverCity Motorway Management Limited for \$50,000 in cash. RiverCity Motorway Management Limited is the responsible entity of RiverCity Motorway Holding Trust and RiverCity Motorway Investment Trust. Rivercity Motorway Management Limited is a wholly owned subsidiary of RiverCity Motorway RE Holdings Pty Ltd. RiverCity Motorway RE Holdings Pty Ltd was established by the Group on 25 September 2008. If the acquisition had occurred on 1 July 2008, management estimates that there would have been no effect on consolidated revenue or consolidated profit for the six months ended 31 December 2008.
5.2	Date control was gained / lost	As above
5.3	Consolidated profit (loss) from ordinary activities and extraordinary items after tax of the consolidated entity (or group of entities) since the date in the current period on which control was acquired / lost	As above
5.4	Profit (loss) from ordinary activities and extraordinary items after tax of the controlled entity (or group of entities) for the whole of the previous corresponding period.	As above

6. Details of Dividends / Distributions

Refer attached financial statements Note 4: Distributions

7. Details of Dividend / Reinvestment Plan

Refer attached financial statements Note 4: Distributions

8. Details of Associates and Joint Venture Entities

N/A

9. Accounting Standards Used by Foreign Entities

N/A

10. Audit / Review of Accounts Upon Which this Report is Based

This report is based on accounts to which the following applies:

<input type="checkbox"/>	The accounts have been audited (refer attached financial statements)	<input checked="" type="checkbox"/>	The accounts have been subject to review (refer attached financial statements)
<input type="checkbox"/>	The accounts are in the process of being audited or subject to review	<input type="checkbox"/>	The accounts have <i>not</i> yet been audited or reviewed



RiverCity Motorway Holding Trust Group

Interim Financial Report

For the half year ended 31 December 2008

Directors' Report

The Directors present their report together with the consolidated financial report for the six months ended 31 December 2008 and the review report thereon.

1. Group Structure

In respect of the half year ended 31 December 2008, the Directors of RiverCity Motorway Management Limited (ABN 33 117 343 361 / AFSL 297 867), being the responsible entity of the RiverCity Motorway Holding Trust (RCMHT) and RiverCity Motorway Investment Trust (RCMIT) stapled group and their controlled entities (RiverCity Motorway Group / Group), submit the following Directors' Report together with the financial report of the Group for the half year ended 31 December 2008. The information disclosed in the half year Directors' Report and accompanying financial report is significantly less than is required for a financial year.

RiverCity Motorway Management Limited is a wholly owned subsidiary of RiverCity Motorway RE Holdings Pty Ltd (a wholly owned subsidiary of RiverCity Motorway Holding Trust).

The units of RCMHT and RCMIT are stapled together and quoted as one on the ASX Limited (ASX).

AASB 3 *Business Combinations* excludes stapling arrangements. However, AASB Interpretation 1002 *Post-date-of-transition Stapling Arrangements* requires entities combining under stapling arrangements to identify one entity as the acquirer or parent entity. The parent entity is required to prepare consolidated financial statements in accordance with the principles of AASB 3 and AASB 127 *Consolidated and Separate Financial Statements*.

Units in RCMHT and RCMIT were stapled and registered with Australian Securities and Investment Commission (ASIC) prior to entering into the project deed. Accordingly, the combination of the RiverCity Motorway Group occurred prior to being awarded the project deed when there were only nominal assets and liabilities in each Trust. As a result, no fair value adjustment is required on consolidation of the RiverCity Motorway Group.

In accordance with these requirements RCMHT has been identified as the parent entity of the RiverCity Motorway Group on the basis that it comprises 99% of the value of the stapled units on issue.

The financial statements have been prepared by consolidating the financial statements of all the entities that comprise RiverCity Motorway Group. Consistent accounting policies have been employed in the preparation and presentation of the financial statements. In preparing the financial statements, all transactions within the RiverCity Motorway Group have been eliminated in full.

The Group includes the following entities: RCMHT and its controlled entities: RiverCity Motorway RE Holdings Pty Ltd, RiverCity Motorway Management Limited, RiverCity Motorway Asset Nominee 2 Pty Limited, RiverCity Motorway Asset Nominee Pty Limited and RiverCity Motorway Finance Pty Limited, and RCMIT and its controlled entities: RiverCity Motorway Holdings Pty Limited, RiverCity Motorway Pty Limited, RiverCity Motorway Services Pty Limited and RiverCity Motorway Construction Pty Limited.

The Group was listed on the ASX on 3 August 2006. The ASX reserves the right (but without limiting its absolute discretion) to remove RCMHT or RCMIT or both from the official list if any of the units in RCMHT and the units in RCMIT cease to be stapled together, or any equity securities are issued by either of the Stapled Trusts which are not stapled to equivalent securities in the other entity.

2. Directors

The following persons were Directors of the responsible entity during the period and up to the date of this report:

- Robert Morris (Chairman) Appointed 3 June 2006 (Appointed Chairman 26 September 2008)
- John Barry (Chairman) Appointed 28 April 2006 (Chairman until 26 September 2008)
- Peter Emery Appointed 3 April 2007 Resigned 26 September 2008
- Paul Dortkamp Appointed 3 April 2007 Resigned 26 September 2008
- Philip Howe Appointed 5 September 2007 Resigned 26 September 2008
- Bernard Rowley Appointed 26 September 2008
- Ken MacDonald Appointed 26 September 2008
- Peter Hicks Appointed 26 September 2008
- Peter Hollingsworth Appointed 26 September 2008
- Fritz Syvertsen Appointed 26 September 2008

3. Review of Operations

The Group is currently in the design and construction phase of the North-South Bypass Tunnel Project (NSBT). Accordingly the Group has capitalised all construction related costs to intangible assets and expensed all general and administration costs. The principal activities of the Group during the course of the reporting period were to monitor the construction progress of the NSBT and continue the development of the back office tolling system and business systems.

In line with other infrastructure projects, RiverCity Motorway mitigates interest rate risk by entering into forward hedges that fix the interest payable on its debt facilities. The Group has fixed its interest at 100% for the construction debt facility and 70% of the term debt facility until 2016, 6 years after the planned opening to traffic. This level of hedging is required under Project and Finance documents.

Accounting standards require that for each reporting period, the accounts show the value of all hedges relative to the current floating interest rate environment. The value is shown in the accounts as income or expenditure under the heading of "Derivative Income / Derivative Expense".

Investors should note that this valuation will fluctuate with changes in prevailing interest rates. For example, up to the period ended 30 June 2008, the reported derivative income was a total of \$61,007,860. In the current reporting period ending 31 December 2008 a derivative expense of \$220,072,650 has been reported.

It is important to note that the Derivative Income / Derivative Expense value reported for any debt facility will reduce to zero when the hedge expires. The fundamental business case for the project remains unaffected.

RiverCity Motorway will continue to fix its interest payable for substantial parts of future debt obligations. Consequently there will be continued reported income or expenditure under the Derivative Income / Derivative Expense heading in each accounting period. This value will fluctuate depending on the prevailing rates and the magnitude of the Group's debt.

4. Rounding of Amounts in the Directors' Report and the Financial Report

The Group is of a kind referred to in Class Order 98/100, dated 10 July 1998 and in accordance with that Class Order amounts in the Directors' Report and financial report have been rounded off to the nearest thousand dollars, unless otherwise indicated.

5. Lead Auditors' Independence Declaration

A copy of the auditors' independence declaration as required under Section 307C of the *Corporations Act 2001* is set out on page 4 and forms part of the Directors report for the six months ended 31 December 2008.

This report is made in accordance with a resolution of the Directors of RiverCity Motorway Management Limited.

A handwritten signature in black ink, appearing to read "Robert Morris".

Robert Morris
Chairman

Brisbane
25 February 2009



Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To: the directors of RiverCity Motorway Management Limited, the Responsible Entity of RiverCity Motorway Holding Trust and RiverCity Motorway Investment Trust

I declare that, to the best of my knowledge and belief, in relation to the review for the half-year ended 31 December 2008 there have been:

- (i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the review; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the review.

KPMG

KPMG

Scott Guse
Partner

Brisbane

25 February 2009

Consolidated Interim Balance Sheet
as at 31 December 2008

	Notes	31 December 2008 \$'000	30 June 2008 \$'000
Current Assets			
Cash and cash equivalents		11,497	9,592
Other financial assets		64,084	77,827
Receivables		8,583	5,882
TOTAL CURRENT ASSETS		84,164	93,301
Non-Current Assets			
Receivables		139,129	134,595
Plant and equipment		28	35
Intangible assets	2	1,057,234	792,816
Capital work-in-progress		312,836	252,489
Hedge asset		-	61,008
Other Non-Current Assets		15,012	12,507
Deferred Tax Assets		55,900	-
TOTAL NON-CURRENT ASSETS		1,580,139	1,253,450
TOTAL ASSETS		1,664,303	1,346,751
Current Liabilities			
Trust distribution payable		16	15,225
Employee benefits		73	62
Other payables		59,081	50,313
Lease liabilities		4	8
TOTAL CURRENT LIABILITIES		59,174	65,608
Non-Current Liabilities			
Loans and borrowings		777,662	452,447
Other liabilities		4,998	3,564
Lease liabilities		32	32
Deferred tax liability		-	11,320
Hedge liability		159,065	-
TOTAL NON-CURRENT LIABILITIES		941,757	467,363
TOTAL LIABILITIES		1,000,931	532,971
NET ASSETS		663,372	813,780
EQUITY			
Issued capital / units	3	645,838	645,838
Deferred capital / unit contribution		111,027	111,027
Accumulated profits (losses)		(93,493)	56,915
TOTAL EQUITY ATTRIBUTABLE TO UNITHOLDERS		663,372	813,780

The above Consolidated Interim Balance Sheet should be read in conjunction with the accompanying notes.

Consolidated Interim Income Statement
For the half year ended 31 December 2008

	Notes	Half year ended 31 December 2008 \$'000	Half year ended 31 December 2007 \$'000
Revenue			
Construction revenue		290,350	219,231
Income			
Other income		6,041	5,963
		296,391	225,194
Expenses			
Administrative expenses		6,172	6,314
Construction expenses		290,350	219,231
		296,522	225,545
Results from operating activities			
		(131)	(351)
Financial income		2,959	3,061
Financial expenses		382	2
Derivative income		-	23,887
Derivative expenses	5	220,073	-
Net financing income			
		(217,496)	26,946
Profit (loss) before income tax expense			
		(217,627)	26,595
Income tax expense/(benefit)		(67,220)	5,759
Net profit (loss) for the period attributable to unitholders			
		(150,407)	20,836
Earnings / (loss) per stapled unit			
Basic earnings/(loss) per unit		(18.75) cents	2.82 cents
Diluted earnings/(loss) per unit		(16.19) cents	1.82 cents

The above Consolidated Interim Income Statement should be read in conjunction with the accompanying notes.

Consolidated Interim Statement of Changes in Equity
for the half year ended 31 December 2008

	Issued Capital \$'000	Deferred Capital \$'000	Accumulated Profits / (Losses) \$'000	Total Equity \$'000
Opening balance 1 July 2008	645,838	111,027	56,914	813,780
(Loss) for period	-	-	(150,407)	(150,407)
Closing balance at 31 December 2008	645,838	111,027	(93,493)	663,372

The above Consolidated Interim Statement of Changes in Equity should be read in conjunction with the accompanying notes.

**Consolidated Interim Statement of Changes in Equity
for the half year ended 31 December 2007**

	Issued Capital \$'000	Deferred Capital \$'000	Accumulated Profits \$'000	Total Equity \$'000
Opening balance 1 July 2007	661,246	111,027	19,264	791,537
Trust Distribution for the period to 31 December 2007 (paid 25 February 2008) ⁽¹⁾	(22,157)	-	-	(22,157)
Stapled units issued (under the Distribution Reinvestment Plan 1 July 2007 to 31 December 2007) issued 25 February 2008. ⁽¹⁾	12,411	-	-	12,411
Stapled units issued to the underwriter ABN AMRO Rothschild in accordance with the Distribution Reinvestment Plan Underwriting Agreement. Stapled units issued 25 February 2008 for the period 1 July 2007 to 31 December 2007. ⁽²⁾	9,748	-	-	9,748
Underwriting Commission for stapled units issued to the underwriter ABN AMRO Rothschild in accordance with the Distribution Reinvestment Plan Underwriting Agreement.	(194)	-	-	(194)
Profit for period	-	-	20,836	20,836
Closing balance at 31 December 2007	661,054	111,027	40,100	812,181

⁽¹⁾ Trust Distribution for the period 1 July 2007 to 31 December 2007, paid on 25 February 2008. Cash component \$9,747,622 and issue of units under the Distribution Reinvestment Plan for the balance of \$12,410,592 at a price of 63.97 cents per stapled unit.

⁽²⁾ The cash component of \$9,747,622 was underwritten by ABN AMRO Rothschild who was issued units at a price of 63.97 cents per stapled units.

The above Consolidated Interim Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Consolidated Interim Cash Flow Statement
For the half year ended 31 December 2008

	Notes	Half year ended 31 December 2008 \$'000	Half year ended 31 December 2007 \$'000
Cash Flows from Operating Activities			
Cash paid to suppliers and employees		(11,001)	(8,770)
Interest Received		1,802	2,621
Interest Paid		(23,824)	(9,647)
Net Cash Outflow from Operating Activities		(33,023)	(15,796)
Cash Flows from Investing Activities			
Payments for intangible asset and capital work-in-progress		(285,216)	(221,389)
Payments for plant and equipment		(3)	(3)
Net Cash Outflow from Investing Activities		(285,219)	(221,392)
Cash Flows from Financing Activities			
Proceeds from issue of units		-	361,619
Payment of transaction costs		-	-
Proceeds from borrowings		321,613	244,079
Payment for borrowings		-	(348,252)
Distribution to unitholders		(15,209)	(9,170)
Net Cash Inflow from Financing Activities		306,404	248,276
Net Increase / (Decrease) in Cash Held		(11,838)	11,088
Cash and cash equivalents at the beginning of the period		87,419	75,404
Cash and cash equivalents at the end of the period	(a)	75,581	86,492

(a) Comprises cash and cash equivalents at the period end \$11,497,008 (31 December 2007: \$11,085,110) and other financial instruments which comprise short-term bank bills and negotiable certificates of deposit \$64,083,924 (31 December 2007: \$75,406,804).

The above Consolidated Interim Cash Flow Statement should be read in conjunction with the accompanying notes.

Condensed Notes to the Consolidated Interim Financial Statements

1. Basis of preparation

(a) Reporting Entity

RiverCity Motorway Management Limited being the responsible entity of the RiverCity Motorway Holding Trust (RCMHT) and RiverCity Motorway Management Investment Trust (RCMIT) stapled group and their controlled entities (Group) submit the financial report as at and for the six months ended 31 December 2008. The units of RCMHT and RCMIT are stapled together and quoted as one on the ASX Limited (ASX).

(b) Statement of Compliance

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

The consolidated interim financial report does not include all of the information required for a full annual financial report and should be read in conjunction with the consolidated annual financial report of the Group as at and for the year ended 30 June 2008.

The financial report was authorised for issue by the Directors of the responsible entity on 25 February 2009.

(c) Significant Accounting Policies

The accounting policies applied by the Group in this consolidated interim financial report are the same as those applied by the Group in its consolidated financial report as at and for the year ended 30 June 2008.

The consolidated annual financial report for the Group for the year ended 30 June 2008 is available on the Group's website www.rivercitymotorway.com.au.

(d) Estimates

The preparation of the interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis.

In preparing this consolidated interim financial report the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those applied to the consolidated financial report as at and for the year ended 30 June 2008.

The key critical estimate made by the Group is that of "traffic usage of the motorway" once it opens. This traffic usage forecast is key in assessing whether there is any potential impairment to the Motorway's carrying value.

The traffic usage forecasts used in the impairment testing are those outlined in the product disclosure statement dated 13 June 2006. These figures were supplied by independent traffic experts, Maunsell Australia Pty Limited.

The Group continually monitors traffic usage forecasts to ensure they are still appropriate. To date there has been no evidence to suggest otherwise.

Condensed Notes to the Consolidated Interim Financial Statements (continued)

(e) Rounding of Amounts

The Group is of a kind referred to in Class Order 98/100, issued by ASIC, relating to the 'rounding off' of amounts in the Directors' Report and financial report. Amounts in the Directors' Report and financial report have been rounded off to the nearest thousand dollars in accordance with that Class Order, unless otherwise indicated.

(f) Financial Risk Management

The Group's financial risk management objectives and policies are consistent with that disclosed as at and for the year ended 30 June 2008.

(g) Adjustment to the Recognition and Disclosure of Revenue and Expenses

There has been a change in the recognition and presentation of revenue and expenses in this financial report.

Revenue and expenses disclosed in the Income Statement (current and comparative periods) have been grossed up to reflect the recognition of revenue and expenses arising from the Group project managing construction of the toll road. As the Group pays for the toll road construction, a revenue and corresponding expense item is recorded. There is no impact on the Group's reported profit and no impact on the balance sheet, cash flow statement or statement of changes in equity.

The effect of this change in this financial report is as follows:

	31 December 2008	31 December 2007
	\$'000	\$'000
Additional line – Construction revenue	290,350	219,231
Additional line – Construction expenses	290,350	219,231
Impact on net profit before tax	Nil	Nil

2. Non-Current Assets – Intangibles

	31 December 2008	30 June 2008
	\$'000	\$'000
Future Tolling Rights		
Design and development costs	99,854	93,412
Construction – work in progress	935,132	681,933
Capitalised interest	22,248	17,471
Less: accumulated amortisation	-	-
Total Intangible Assets	1,057,234	792,816

Condensed Notes to the Consolidated Interim Financial Statements (continued)

3. Equity

Ordinary Stapled Units issued during the period

Details	31 December 2008	
	Number of Units	\$'000
Opening balance 1 July 2008	773,245,704	645,838
27 August 2008 - Issue of units under the Distribution Reinvestment Plan	28,764,411	-
	802,010,115	645,838

Ordinary Stapled Units

The units of RCMHT and RCMIT are stapled and the number units issued by each entity is the same, however, their values differ. Currently their respective values are apportioned 99% (RCMHT) and 1% (RCMIT).

The ASX reserves the right (but without limiting its absolute discretion) to remove either or both of the stapled trusts from the official list if any of the stapled units in the stapled trusts cease to be 'stapled' together, or any equity securities are issued by either of the stapled trusts which are not stapled to equivalent securities in the other entity.

4. Distributions

Notes	31 December 2008 \$'000	31 December 2007 \$'000
Distributions for the period ended	-	22,157

No distributions have been declared or provided for since the 30 June 2008 distribution (\$23,197,000) paid in August 2008.

5. Derivative Expense

RiverCity Motorway mitigates interest rate risk by entering into forward hedges that fix the interest payable on its debt facilities. The Group has fixed its interest at 100% for the construction debt facility and 70% of the term debt facility until 2016, 6 years after the planned opening to traffic. This level of hedging is required under Project and Finance documents.

During the period ended 31 December 2008, the Group recorded a Derivative Expense of \$220,072,650 being a reversal of the Group's previously booked Derivative Income of \$61,007,860 and the expensing of the mark-to-market valuation of the interest rate swaps in place at 31 December 2008 of \$159,064,790. The recent reduction in interest rates has led to this expense.

Condensed Notes to the Consolidated Interim Financial Statements (continued)

6. Acquisition of Subsidiary

On 26 September 2008, the Group pursuant to an option agreement acquired all the shares in RiverCity Motorway Management Limited for \$50,000 in cash. RiverCity Motorway Management Limited is the responsible entity of RiverCity Motorway Holding Trust and RiverCity Motorway Investment Trust. RiverCity Motorway Management Limited is a wholly owned subsidiary of RiverCity Motorway RE Holdings Pty Ltd. RiverCity Motorway RE Holdings Pty Ltd was established by the Group on 25 September 2008. If the acquisition had occurred on 1 July 2008, management estimates that there would have been no effect on consolidated revenue or consolidated profit for the six months ended 31 December 2008.

The acquisition of RiverCity Motorway Management Limited had the following effect on the Group's assets and liabilities.

	Recognised values on acquisition \$'000
Cash and cash equivalents	50
Consideration paid, satisfied in cash	50
Cash acquired	(50)
Net cash outflow	-

7. Contingent Liabilities

At 30 June 2008, the Group disclosed a contingent liability relating to the purchase of RiverCity Motorway Management Limited. RiverCity Motorway Management Limited was purchased on 26 September 2008, refer Note 6. A transfer fee was paid to ABN AMRO Australia Pty Limited, refer Note 8.

There have been no significant changes in contingent liabilities since 30 June 2008.

Condensed Notes to the Consolidated Interim Financial Statements (continued)

8. Related Party Transactions

Transactions with related parties during the half year period ended 31 December 2008 included:

	31 December 2008 \$'000	31 December 2007 \$'000
ABN AMRO Rothschild		
Underwriting fee	-	194
ABN AMRO Australia Pty Limited		
Transfer Fee	500	-
RiverCity Motorway Management Limited as responsible entity		
Management fees	212	267
ABN AMRO Bank N.V. ⁽¹⁾		
Financing Interest	-	-

⁽¹⁾ ABN AMRO Bank N.V. is a party to our debt syndicate and was a Director related entity. The ABN AMRO Bank N.V. loan balance at 31 December 2008 was \$52,466,586 (2007: \$0)

Leighton Contractors Pty Limited, Boulderstone Hornibrook Pty Ltd, Bilfinger Civil Pty Ltd and Boulderstone Hornibrook Queensland Pty Ltd (LBBJV), a Director related entity, has been engaged to complete the construction activities. The amount payable to LBBJV during the period was \$290,359,302 (31 December 2007: \$219,230,502). The amount outstanding at 31 December 2008 was \$49,725,217 (31 December 2007: \$34,940,017).

Responsible Entity

The RiverCity Motorway Group is a stapled entity and comprises the aggregation of RCMHT and its wholly-owned controlled entities and RCMIT and its wholly-owned controlled entities. The Responsible Entity of RCMHT and RCMIT is RiverCity Motorway Management Limited.

9. Available Facilities

Total facilities available to the RiverCity Motorway Group at 31 December 2008 were as follows:

Facility	Used at Balance Date ⁽¹⁾	Facility Limit
Council Works	\$435,895,310	\$ 502,825,911
Equity Bridge	\$138,472,981	\$ 155,000,000
Construction	\$229,030,934	\$1,336,000,000

⁽¹⁾ Used at Balance Date is actual drawdown and accrued interest.

The equity bridge facility is due and payable at the end of construction (October 2010 or earlier) and will be repaid with the proceeds from the deferred equity tranche.

The council works facility is due and payable at the end of construction (October 2010 or earlier) and will be repaid by Brisbane City Council.

The construction facility will be converted into loans owing under the Term Facility at construction completion (October 2010 or earlier). The term facility will comprise two medium term, interest only tranches, repayable as follows:

Condensed Notes to the Consolidated Interim Financial Statements (continued)

9. Available Facilities (continued)

- Tranche A: 50% of principal outstanding, repayable on 4 August 2014; and
- Tranche B: 50% of principal outstanding, repayable on 4 August 2016.

10. Commitments

Commitments for the cost of various goods and services to be supplied but not recognised as liabilities:

Capital expenditure

RiverCity Motorway Group has entered into a construction contract with Leighton Contractors Pty Limited, Baulderstone Hornibrook Pty Ltd, Bilfinger Berger Civil Pty Ltd and Baulderstone Hornibrook Queensland Pty Ltd (LBBJV) to complete the required construction activities over the expected period of 50 months from August 2006.

	Notes	31 December 2008 \$'000	31 December 2007 \$'000
Within one year		617,881	478,021
One year or later and no later than five years		179,870	797,751
		797,751	1,275,772

All other commitments are consistent with 30 June 2008.

11. Debt Funding Risk

In light of the global economic crisis, 'Debt Funding Risk' has increased for the Group.

The term of the primary debt funding facility (used to construct and then operate the toll road) is locked in place until 2014. This funding is being provided by a syndicate of Australian and global banks.

The ability of the Group to make drawdown's against the funding is contingent upon two aspects, firstly the Group meeting its obligations under the funding arrangements and secondly that these banks are and remain financially viable.

The global credit crisis has significantly impacted the banking industry and a number of banks, including several of those providing funding to the Group, have recently experienced rating downgrades.

At the date of this report all banks in the syndicate, apart from one, had a Standard and Poors rating of A- or greater. One bank however has a Standard and Poors rating of BBB.

In the event that a bank in the syndicate is unable to continue to provide funding, alternative funding arrangements will be required. As at the date of this financial report all banks have met their drawdown obligations. The Group is however continually monitoring the situation.

Condensed Notes to the Consolidated Interim Financial Statements (continued)

12. Events Occurring After Reporting Date

No matter or circumstance arose since 31 December 2008 that has significantly affected, or may significantly affect the operations of the RiverCity Motorway Group, the results of those operations or the state of affairs of the RiverCity Motorway Group in subsequent periods.

13. Segment Information

The consolidated entity operates as one business segment being the RiverCity Motorway Project, in one geographic segment being Queensland.

Statement of the Directors of the Responsible Entity of the Trusts

In the opinion of the Directors of RiverCity Motorway Management Limited as the Responsible Entity for RiverCity Motorway Holding Trust and RiverCity Motorway Investment Trust.

- (a) the consolidated financial statements for the RiverCity Motorway Holding Trust Group as set out on pages 5 to 16 are in accordance with the *Corporations Act 2001*, including:
 - (i) Complying with the Australian Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001;
 - (ii) giving a true and fair view of the Group's financial position as at 31 December 2008 and of its performance, for the period ended on that date; and
- (b) there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

This statement is made in accordance with a resolution of the Directors of RiverCity Motorway Management Limited.

A handwritten signature in black ink, appearing to read "Robert Morris", with a long horizontal stroke extending to the right.

Robert Morris
Chairman

25 February 2009



Independent auditor's review report to the unit holders of RiverCity Motorway Holding Trust and RiverCity Motorway Investment Trust

We have reviewed the accompanying interim financial report of the RiverCity Motorway Holding Trust Group, which comprises the consolidated interim balance sheet as at 31 December 2008, income statement, statement of changes in equity and cash flow statement for the half-year ended on that date, a summary of accounting policies and other explanatory notes 1 to 13 and the directors' declaration of the Group comprising RiverCity Motorway Holding Trust and RiverCity Motorway Investment Trust and the entities they controlled at the half-year's end or from time to time during the half-year.

Directors' responsibility for the interim financial report

The directors of RiverCity Motorway Management Limited (the Responsible Entity) are responsible for the preparation and fair presentation of the interim financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the interim financial report that is 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 interim financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of Interim and Other Financial Reports 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 interim financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the Group's financial position as at 31 December 2008 and its performance for the half-year ended on that date; and complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As auditor of the RiverCity Motorway Holding Trust Group, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of an interim financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. 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.

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 interim financial report of the RiverCity Motorway Holding Trust Group is not in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the Group's financial position as at 31 December 2008 and of its performance for the half-year ended on that date; and
- (b) complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

KPMG

KPMG

A handwritten signature in black ink that reads 'Scott Guse' in a cursive script.

Scott Guse
Partner

Brisbane

25 February 2009