

5 April 2006

Dear Securityholder

I would like to welcome you as a securityholder in SP AusNet.

I am very pleased with the strong interest in the Initial Public Offering from institutional investors globally and retail investors in Australia and Asia. An important milestone was achieved on 17 March 2006 with SP AusNet's inclusion in the S&P/ASX 200 Index.

The business continues to deliver in line with the prospectus forecasts, particularly in relation to the attractive yield, which offers a high tax deferred component. Since listing, SP AusNet has announced a number of important achievements, including:

- a new A\$500 million revolving bank facility which reduces SP AusNet's average costs of funds and enhances available liquidity; and
- the award of two major transmission network augmentation contracts in Victoria by the state energy planning organisation, VENCorp, which will provide organic growth for the transmission business.

The Board and management team at SP AusNet are committed to creating long term value for securityholders.

This value will be based on:

- the efficient operation of high quality energy network businesses, which currently involve electricity transmission and gas and electricity distribution in Victoria;
- regulated revenues and predictable cashflows, which are largely protected from movements in interest rates and inflation;
- organic growth opportunities arising from growing demand for electricity and gas, as well as future potential acquisition opportunities;
- attractive tax deferred distributions with a forecast first distribution of 3.25 cents per security (comprising 68% tax deferred return of capital). The distribution is equivalent to an annualised yield of 8.45% at the current security price of A\$1.30; and
- alignment of interests with the major securityholder, Singapore Power.

Saving the environment and reducing costs by viewing the Annual Report on-line

SP AusNet's commitment to the environment extends past our daily operations. We are therefore earnestly encouraging securityholders to view the Annual Report on-line via a link that will be on our website after the report is published in June 2006. **If you DO NOT wish to receive a hard copy of the Annual Report please notify our security registrar, Computershare on 1300 368 103 (within Australia) or +613 9415 4229 (outside Australia) or email web.queries@computershare.com.au (state your name and postal address please).**

SP AusNet

SP Australia Networks (Distribution) Ltd
ABN 37 108 788 245
SP Australia Networks (Transmission) Ltd
ABN 48 116 124 362
SP Australia Networks (Finance) Trust
ARSN 116 783 914
SP Australia Networks (RE) Ltd
ABN 46 109 977 371 AFS Licence No. 294117
as responsible entity for
SP Australia Networks (Finance) Trust

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Proposed key dates for securityholders (may be subject to change)

- Friday 21 April 2006 - final date for requests not to receive hard copy Annual Report to be given to Computershare
- Thursday 25 May 2006 - 2005/06 full year results announced
- Tuesday 30 May 2006 - Ex-Distribution Date
- Monday 5 June 2006 - Distribution Record Date
- Monday 19 June 2006 - Payment Date for Distribution
- Tuesday 18 July 2006 at 10.30am - Annual General Meeting at the Melbourne Exhibition Centre (2 Clarendon Street, Southbank, Melbourne, Australia). Further details to be provided.

Further information about SP AusNet is located in the Investor Centre on our website: www.sp-ausnet.com.au.

Thank you for your support. If you have any queries please do not hesitate to contact us by email to investor.enquiries@sp-ausnet.com.au. For general enquiries about your security holdings please contact Computershare on 1300 368 103 (within Australia) or +613 9415 4229 (outside Australia).

Yours sincerely



Nino Ficca
Managing Director
SP AusNet