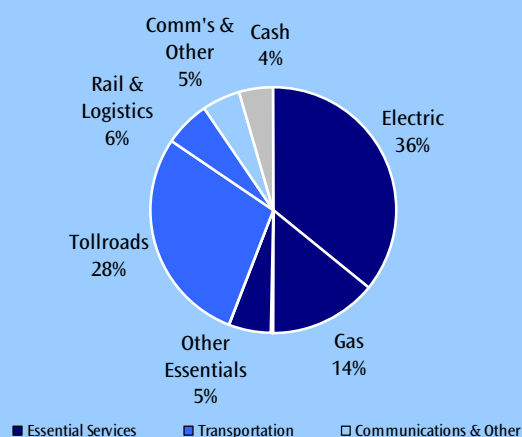
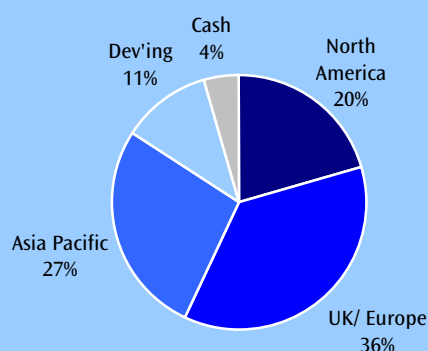
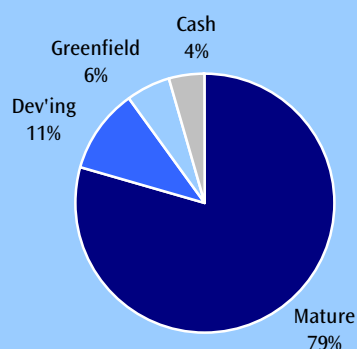


**Performance Summary (total returns in AUD after fees)**

	This Month	Three Months	Twelve Months	Inception <sup>1</sup>
RARE Infrastructure Value Fund	-1.2%	5.3%	19.7%	20.0%
Benchmark <sup>2</sup>	0.5%	1.4%	6.7%	6.8%
Out/ (Under) Performance	-1.7%	3.8%	13.0%	13.2%

**Overview of Fund Exposures and Portfolio Statistics**
**Sector Exposures<sup>3</sup>**

**Regional Exposures - by Listing**

**Maturity Exposures<sup>3</sup>**

**Portfolio Statistics**

Current statistics of the RARE Infrastructure Value Fund are as follows<sup>4</sup>:

Dividend Yield	4.6%
EV <sup>5</sup> / EBITDA <sup>6</sup>	9.9x
Interest Cover	4.3x
Gearing (Net Debt/ EV)	32.5%
Asset Beta	0.49

**Fund Details**

Fund Size	\$116m
Number of Holdings	40
Minimum Investment	\$500,000 <sup>7</sup>
Application Price	1.1875
Redemption Price	1.1815
Distribution Frequency	Quarterly
Last Distribution, Sep 07	0.4983 cpu
APIR Code	TGP0008AU
Morningstar Ticker	14651
Management Fee	1.025% per annum
Transaction Costs	0.25%
Performance Fee	10.25% of investment returns made in excess of the Benchmark

**Benchmark** An accumulation index comprising the OECD G7 Inflation Index plus 5.5% per annum

<sup>1</sup> Inception date 13 November 2006. Results Annualised

<sup>2</sup> OECD G7 Inflation Index plus 5.5% pa

<sup>3</sup> Based on the exposures of the underlying assets of the stocks in the Fund, as assessed by RARE Infrastructure

<sup>4</sup> Based on weighted averages

<sup>5</sup> EV means Enterprise Value (market capitalisation + preferred equity, if any + net debt)

<sup>6</sup> EBITDA means earnings before interest, tax, depreciation & amortisation

<sup>7</sup> If you invest through an IDPS operator such as a Master Trust or Wrap Account platform, this minimum may not apply to you

## Market Commentary for the Month

Global equity markets declined in November, although not as precipitously as the falls in August. Continuing adverse news for financial stocks stemming from the US sub-prime crisis impacted negatively on the US market (DJ -4.0%; S&P500 -4.4%; NASDAQ -6.9%). US investment banks (Morgan Stanley, Merrill Lynch, Citigroup) fell sharply on the back of further write-off announcements, the prospect of dividend cuts and the suspicion that there could be further losses reported in the coming months. The impact of poor economic data on homebuilders and building supplies companies was dramatic. The concern is that this will have a pronounced impact on employment levels, consumer expenditure and economic growth over the next year.

Europe mirrored the US financial institutional turmoil, with HSBC, Credit Suisse and Dexia announcing sub-prime losses. Markets fell (UK -4.3%; France -3.0%; Germany -1.9%; Italy -3.8%; Spain -0.8%) with the prospect that a fast slowing US economy may force the ECB to abandon its inflation focused interest rate policy earlier than expected.

Asian markets fell sharply, (Japan -6.3%; Hong Kong -8.6%; Singapore -7.5%; Taiwan -11.6%) reflecting concerns that a slowing US and Eurozone would have negative repercussions for growth and corporate earnings in the region.

The month saw strong infrastructure activity, with the successful IPO of 23% of DP World, which at US\$1.30 was priced at the top of the indicative range (Mkt Cap: US\$21.6bn). London & Continental Railway (formerly the Channel Tunnel Rail Link) could be privatised next year following a refinancing of its estimated £1.0bn debt in order to reduce risk to potential investors. Australia's MAP is evaluating a potential bid for Mexico's Grupo Aeroportuario del Pacifico (market capitalisation US\$2.8bn), which operates 12 airports on the Pacific coast and northern regions of Mexico.

Eight bidders are competing for a US\$880m tender for a new Slovak highway road toll, while 14 bidders have expressed interest in the Americo Vespucio (US\$935m) highway concession in Chile. The Turkish government has decided to sell 20 year concession rights for main highways and bridges to a single entity (incl.300km of connection roads).

**Richard Elmslie, Investment Director**  
**Nick Langley, Investment Director &**  
**George Raftopoulos, Senior Portfolio Manager**

## Portfolio Commentary

Although the portfolio was down 1.2% for the month, this compares reasonably well to global markets which fell by 4.4% as measured by the MSCI World Index.

Regionally, RARE's performance was negatively impacted by its exposure to Developing AsiaPac (-8.2%) (HK, Singapore) and Central & Latin America (-4.7%) (Brazil).

On a sector basis, RARE benefited from its exposure to Communications (+2.8%) and electric utilities, which was down a relatively modest 0.5%. All other sectors in the portfolio declined during the month.

The proposal by SP AusNet's parent company to vend significant utility assets into SPN has been treated with scepticism by market and value investors, the stock falling by 8%. Abertis has increased its stake in Brisa from 10% to 14.6%, resulting in a 6% increase in the Brisa share price. Other shareholders are the Mello Family (31%) and Babcock & Brown (10%).

RARE continues to believe that global markets will be volatile, and continues to weight the portfolio towards stocks that exhibit more defensive investment characteristics.

## Overview of Fund Holdings

### Top 5 Holdings

CINTRA CONCESIONES DE INFRAE  
SPARK INFRASTRUCTURE GROUP STAPLED SECURITIES FULLY  
BABCOCK AND BROWN WIND PARTNERS GROUP DEFERRED S  
RED ELECTRICA DE ESPANA  
VINCI SA

## Currency Exposure

Currency	Exposure (AUD million)	Hedge (%)
US Dollar (incl. HKI)	28.2	93.9%
Canadian Dollar	9.3	98.5%
Euro (incl. CZK)	40.3	99.1%
British Pound	2.2	100.5%
Brazilian Real	13.2	90.3%
Singapore Dollar	1.9	107.0%

### Important Information:

While the information contained in this report has been prepared with all reasonable care, RARE Infrastructure Limited ("RARE") accepts no responsibility or liability for any errors, omissions or misstatements however caused. This information is not personal advice. This advice has been prepared without taking account of your objectives, financial situation or needs.

Treasury Group Investment Services Limited ("TIS") is the responsible entity for the RARE Infrastructure Value Fund (the "Fund"). Applications can only be made on the form in the current product disclosure statement dated 17 January 2007 for this Fund. The product disclosure statement can be obtained by contacting the RARE Infrastructure investment team on (02) 9397 7300, by fax (02) 9397 7399, by emailing invest@RAREinfrastructure.com or at www.RAREinfrastructure.com. Potential investors should consider the product disclosure statement before deciding whether to invest, or continue to invest in the Fund. The fact that shares in a particular company may have been mentioned should not be interpreted as a recommendation to buy, sell or hold that stock.

Investors should be aware that past performance is not indicative of future performance. Returns can be volatile, reflecting rises and falls in the value of underlying investments. Potential investors should seek independent advice as to the suitability of the Fund to their investment needs.

TIS may be contacted by writing to Level 5, 50 Margaret Street, Sydney, NSW, 2000, by telephone (02) 8243 0400 or by fax (02) 8243 0410.

TIS receives an investment management fee of 1.025% per annum of the amount invested in the fund (including GST less the maximum applicable reduced input tax credits), which is the entire management fee, out of which responsible entity fees, investment management costs, ongoing administrative expenses and other fees will be paid.