



Friday, 21 September 2018

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

Dear Sir / Madam

**ATO DEED OF SETTLEMENT - CAPITALISED LABOUR AND OTHER COSTS FOR VICTORIA
POWER NETWORKS AND SA POWER NETWORKS**

I enclose an ASX Release by Spark Infrastructure in relation to a Deed of Settlement entered into with the ATO.

Yours faithfully,

A handwritten signature in blue ink, appearing to read "Alex Finley".

**Alexandra Finley
Company Secretary**



ASX RELEASE

Friday, 21 September 2018

ATO Settlement Deed on labour and other costs for Victoria Power Networks and SA Power Networks

A Deed of Settlement has been entered into with the Australian Taxation Office (ATO) to finalise all matters in relation to:

- Deductibility of certain labour costs and motor vehicle running costs for Victoria Power Networks for the 31 December 2007 to 31 December 2010 income years;
- Deductions in respect of certain asset replacement projects for Victoria Power Networks for the 31 December 2008 to 31 December 2010 income years; and
- Deductibility of internal labour and motor vehicle costs in respect of certain capital projects for SA Power Networks for the 30 June 2000 to 31 December 2015 income years.

As a result, Spark Infrastructure expects to have a one-off non-cash reduction in tax losses of approximately \$130m (tax effected at 30% of approximately \$39m) relating to its partnership interest in SA Power Networks.

These adjustments are timing in nature and have no Profit or Loss impact for Spark Infrastructure or Victoria Power Networks.

The Deed of Settlement does not affect the ongoing matters with the ATO in respect of gifted assets and cash contributions. These matters are anticipated to be heard in the Federal Court in December 2018.

As previously disclosed, Spark Infrastructure expects to become a taxpayer in the short term. The timing and amount of tax payable will be dependent on a number of factors including the financial performance of Spark Infrastructure's investment businesses, tax-timing differences and the outcome of ongoing disputes with the ATO.

Further information:

Linda Assatoury
Head of Investor Relations

Phone: 02 9086 3607
Mobile: 0402 283 769