Monday, 19 November 2018

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

Dear Sir / Madam

UPDATED INVESTOR MORNING PRESENTATION

I enclose an updated Investor Morning Presentation with replacement slide 15.

Yours faithfully,

Alexandra Finley
Company Secretary

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spark infrastructure

FUTURE. ENERGY.

Spark Infrastructure Investor Morning

13 November 2018

SPARK INFRASTRUCTURE – AT A GLANCE

Australia's leading ASX listed electricity network owner

A$3.8b market capitalisation[1]

S&P/ ASX 100

A$6.0b regulatory asset base (proportional)

A$17b of total electricity network assets

Across **three** states

Supplying **>5.5m** homes and businesses

>5,100 employees

Victoria Power Networks (CitiPower and Powercor)

49%
Spark Infrastructure ownership

$6.00bn
Regulated Asset Base

SKI Proportional Asset Base

SA Power Networks

49%
Spark Infrastructure ownership

$4.12bn
Regulated Asset Base

SKI Proportional Asset Base

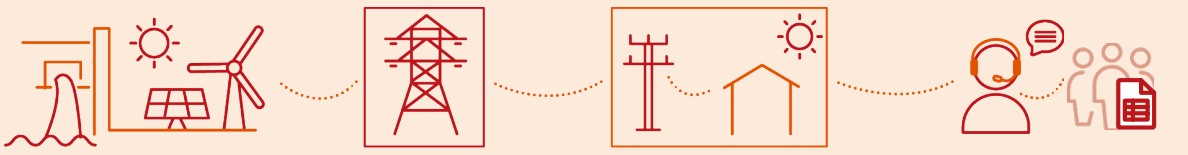
TransGrid

15%
Spark Infrastructure ownership

$6.77bn
Regulated and Contracted Asset Base

SKI Proportional Asset Base

Traditional supply chain (but evolving)



(1) As at 6 November 2018. Balance sheet data as at 30 June 2018, all other information as at 31 December 2017

ROLE OF NETWORKS EXPANDING IN NEW FUTURE

Networks are increasingly delivering more value-add services to the grid as technology and customer preferences evolve

From a stable, high emissions, centralised energy system…	…To a dynamic, low emissions, decentralised energy system	… Leading to an increased role for networks
▪ Dozens of dispatchable thermal generators in total system	▪ Nearly two million solar PV rooftops in system today	▪ Networks managing more complex two way energy flows
▪ New large-scale plant built every few years	▪ Dozens of large-scale renewable plants built each year	▪ Networks connecting large-scale generation, storage and firming services more frequently
▪ Small gains from regional interconnection due to: - Similar marginal cost of generation - Similar output profiles of power plants	▪ Large gains from regional interconnection due to: - Differing marginal cost of generation - Intermittent and less correlated output profiles	▪ Greater opportunity for interconnection investment to reduce total system costs and ensure network security ▪ Optimised renewable energy zoning to assist market balancing
▪ Customers as passive recipients of one way flow of energy, with limited technologies available to manage their energy	▪ Customers as active participants in multi-directional flow of energy, with proliferation of new energy technologies available	▪ Networks critical to managing millions of distributed energy resources to strengthen system and enable customer choice

NETWORKS SHIFTING FROM CONVENTIONAL MIDDLEMEN IN THE VALUE CHAIN TO BEING AT THE CENTRE OF A COMPLEX SYSTEM, FACILITATING FLOWS OF ENERGY THROUGHOUT THE VALUE CHAIN

TODAY'S AGENDA

Electricity networks and unregulated businesses in the new energy future

Agenda
The new energy future and introduction to speakers - *Rick Francis, MD & CEO, Spark Infrastructure*
Transmission in the new energy future – TransGrid - *Overview - Paul Italiano, CEO, TransGrid* - *Network planning for the new energy future - Gerard Reiter, Executive Manager - Network Planning & Operations, TransGrid*
Distribution networks of the future – SA Power Networks - *Introductory remarks - Rob Stobbe, CEO, SA Power Networks* - *The role of the Distribution Service Operator - Mark Vincent, General Manager - Network Management, SA Power Networks*
Short break
Overview of unregulated business opportunities – Victoria Power Networks - *Introductory remarks - Tim Rourke, CEO, Victoria Power Networks* - *An overview of Beon - Glen Thomson, General Manager Beon Energy Solutions*
Concluding remarks - *Rick Francis, MD & CEO, Spark Infrastructure*
Q&A

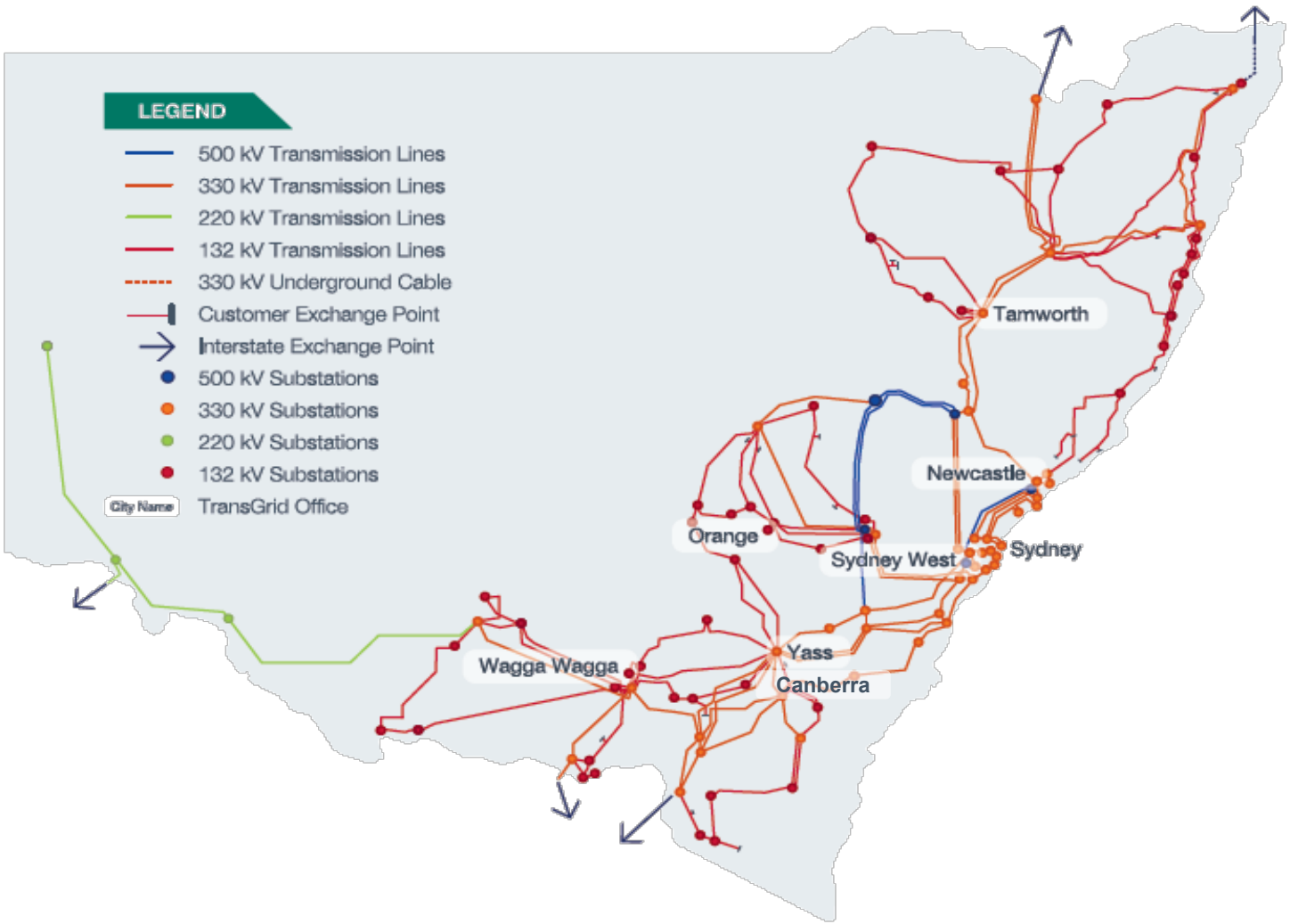
TransGrid

TransGrid
Spark Infrastructure Investor Morning

Paul Italiano, Chief Executive Officer

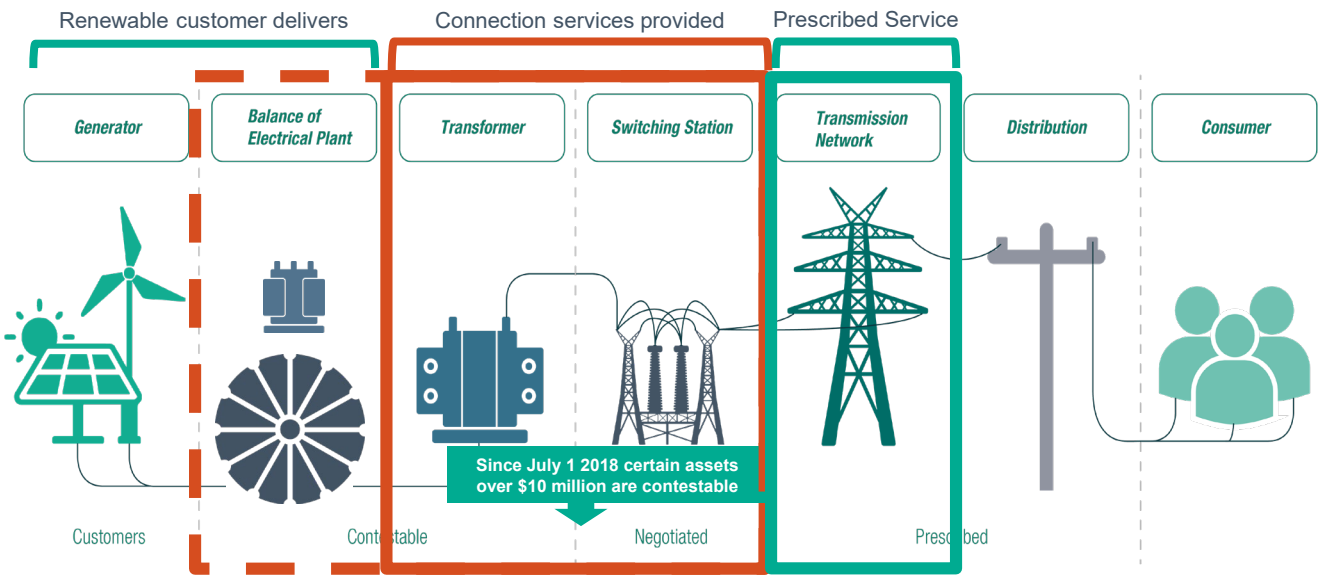
13 November 2018

TransGrid: Servicing NSW and the ACT



TransGrid

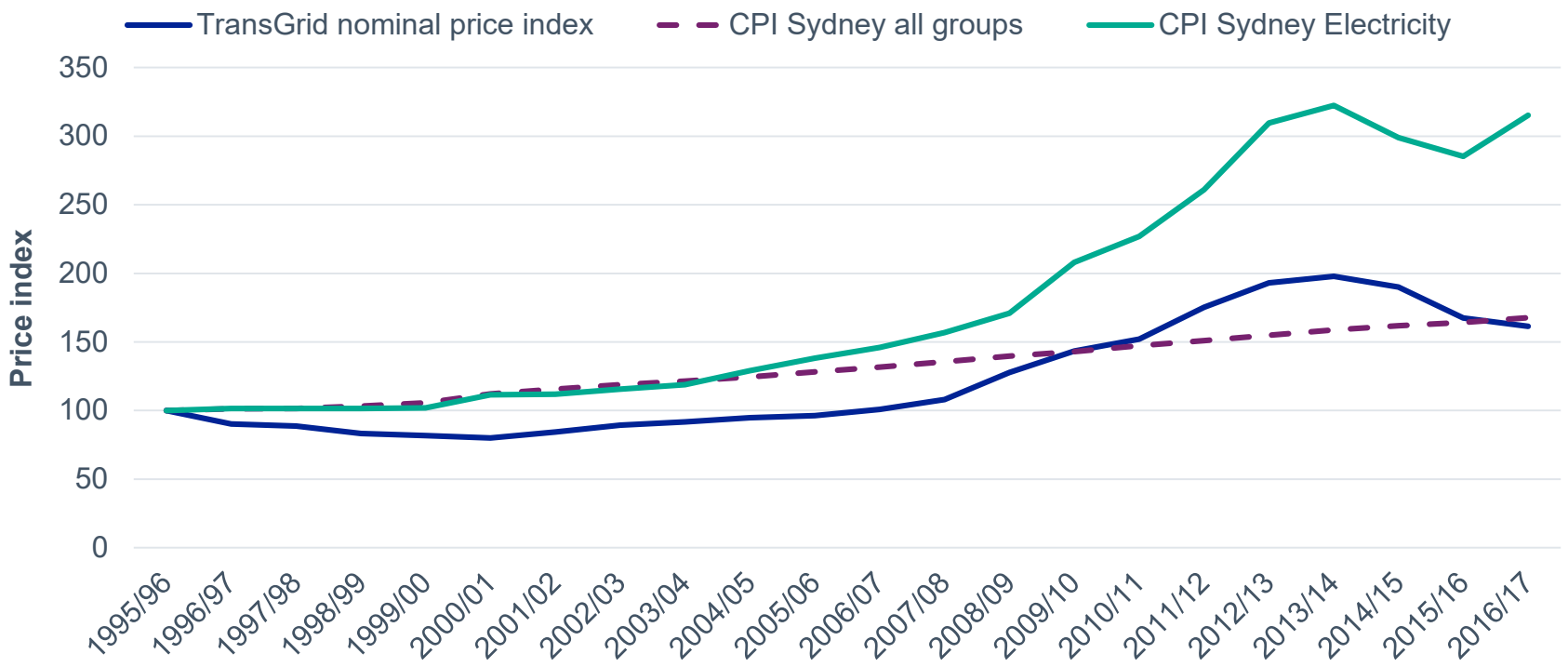
TransGrid's services broadening in scope



TransGrid services provided		• CPAs • Consulting • Design, build, own, operate and maintain	• Transmission • Design, build, own, operate and maintain
Typical capital cost	$100M - $300M	$10M - $40M	$1M - $250M

TransGrid

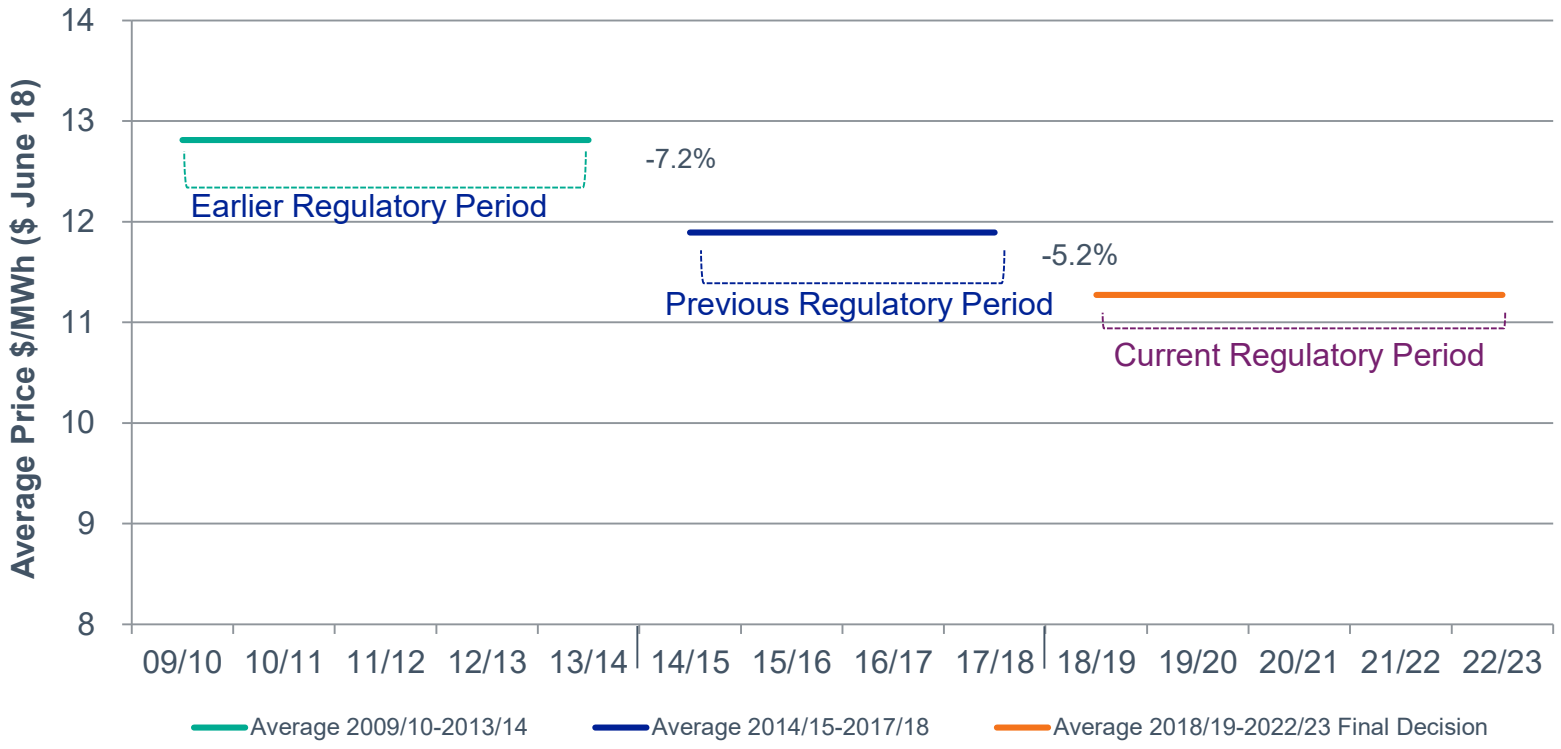
TransGrid's real price is lower today than in 1995



Source: TransGrid data, ABS 6401.0. Price calculated as $/MWh.

TransGrid

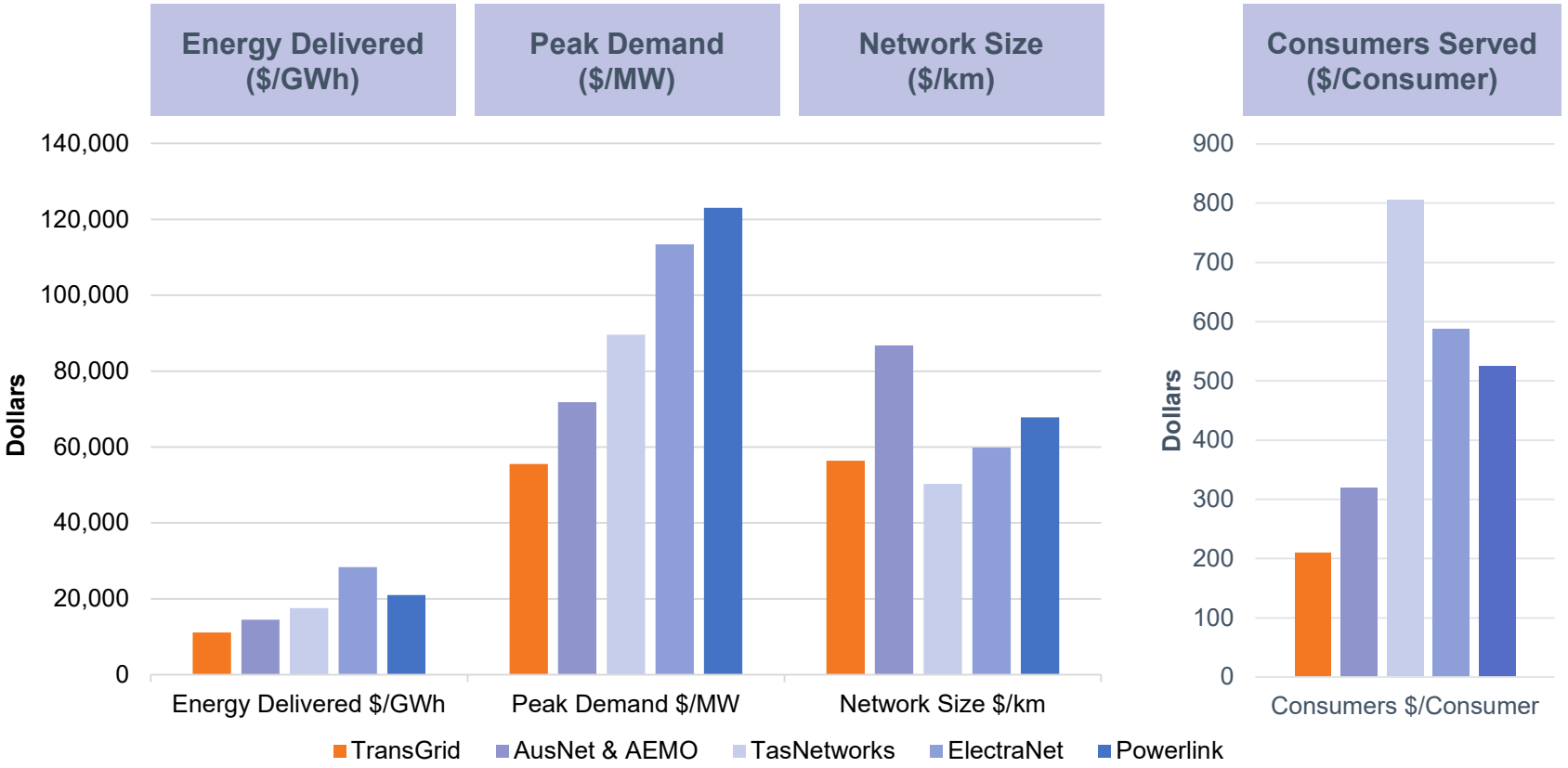
TransGrid's prices are falling



Source: TransGrid data

TransGrid

TransGrid delivers value for money



Source: TransGrid analysis.
Customer Numbers: AER 2017 distribution partial performance indicators 2012-2016 (2016 data).
Revenue, Energy Delivered & Peak Demand: AER Performance Data for Electricity Transmission Networks 2017
Network Size: From respective businesses websites

TransGrid

Transformation in the 2.5 years post privatisation

1 People & Culture

- Enterprise Agreement – 2020
- Growing our technical, commercial and policy capabilities

2 Operational Performance

- Outperforming cost-out
- Outperforming non-regulated growth

3 Public Policy & Regulation

- Revenue determination – $3.79B decision
- Integrated System Plan (ISP) and nine contingent projects
- Raising our profile in the public debate

4 Finance & Capital Structure

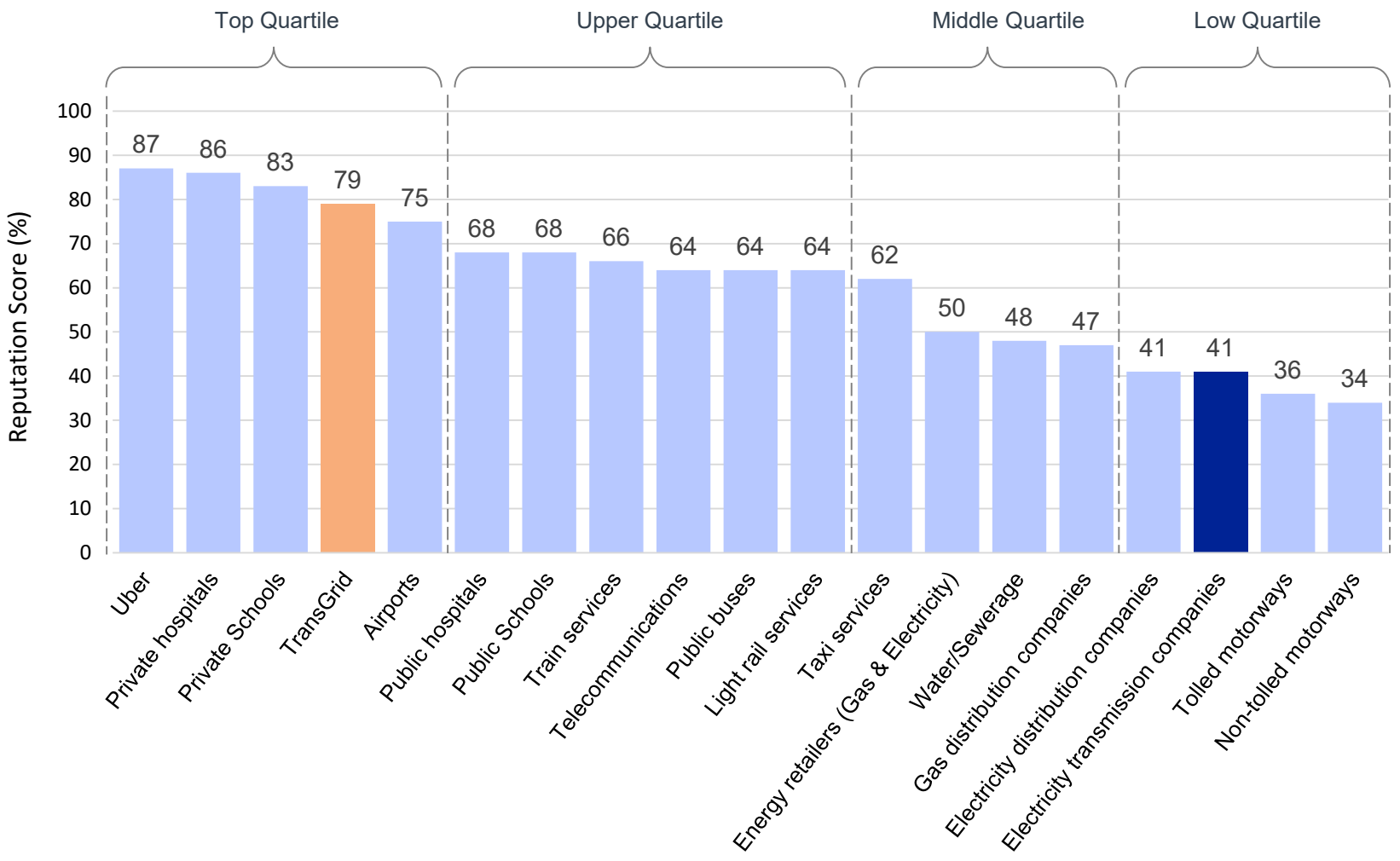
- Corporate restructure
- Lease renegotiation
- Renegotiation of licence including critical infrastructure conditions

5 Customers & Stakeholders

- Customer and stakeholder perception – significant uplift
- Strengthening customer relationships

TransGrid

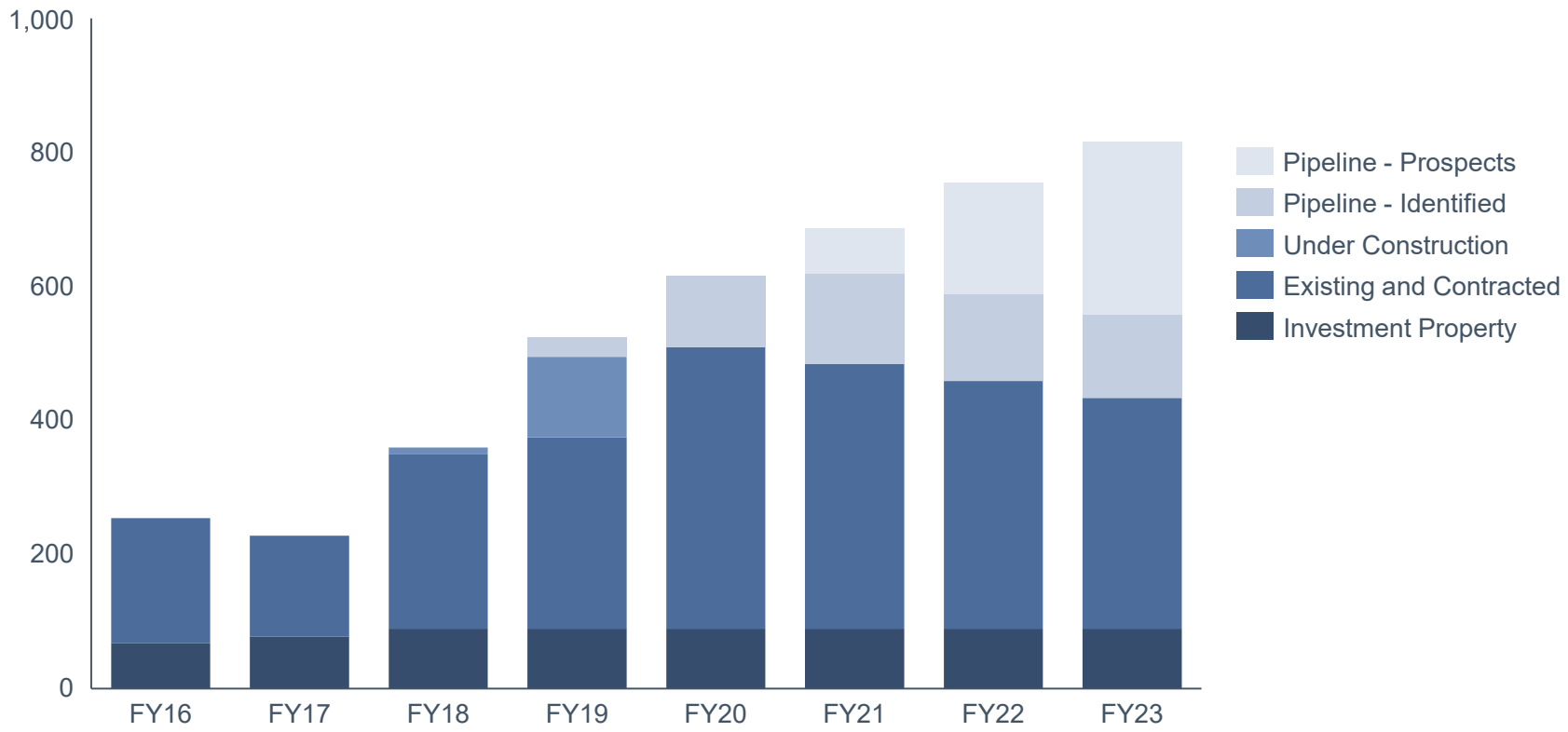
TransGrid achieved a top quartile reputation score in FY18



Source: Australian Infrastructure Dialogue, Newgate Australia 2016

TransGrid

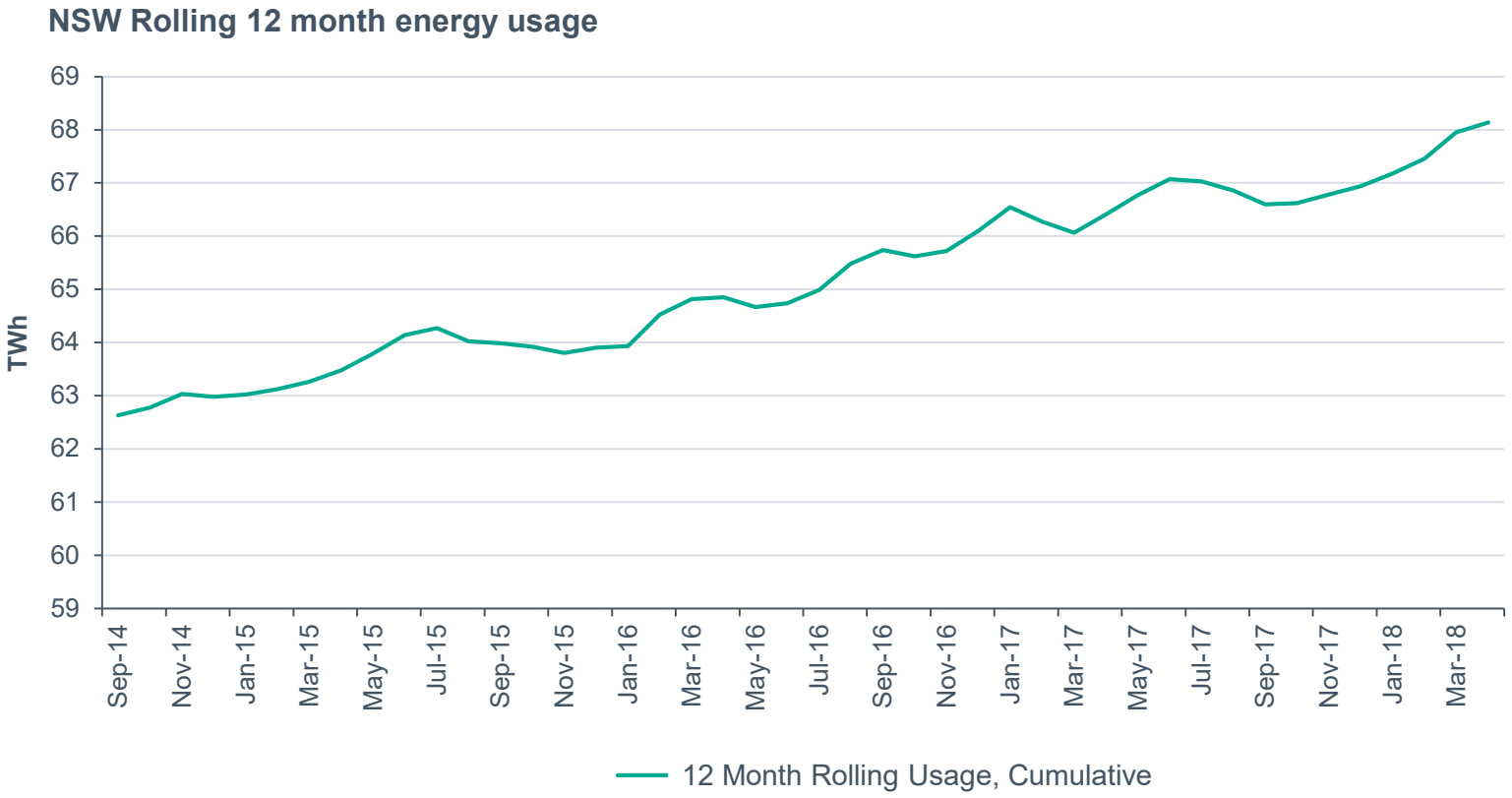
Non-Prescribed Asset Base



Source: TransGrid data

TransGrid

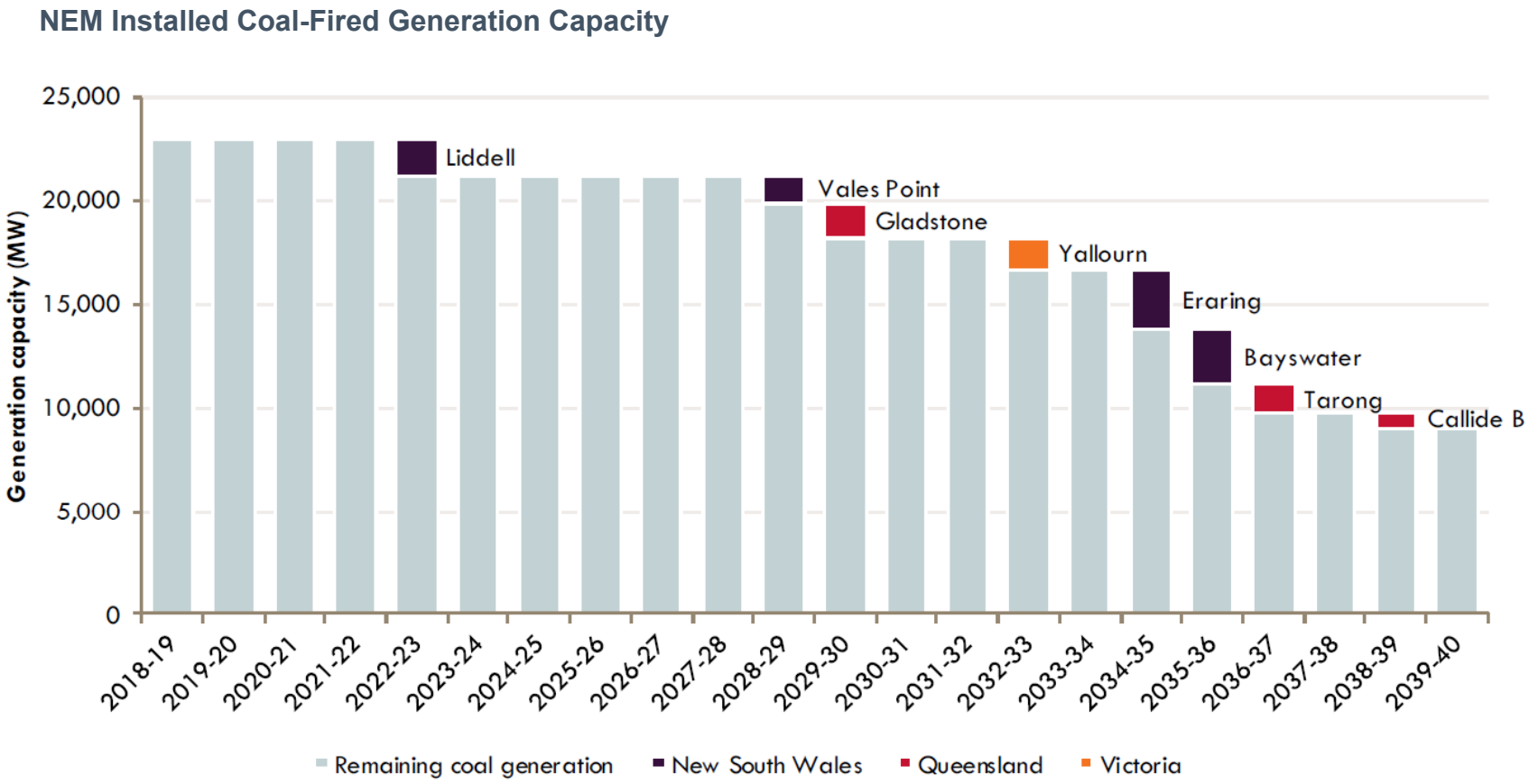
Demand is rising



Source: TransGrid data

TransGrid

Supply is falling

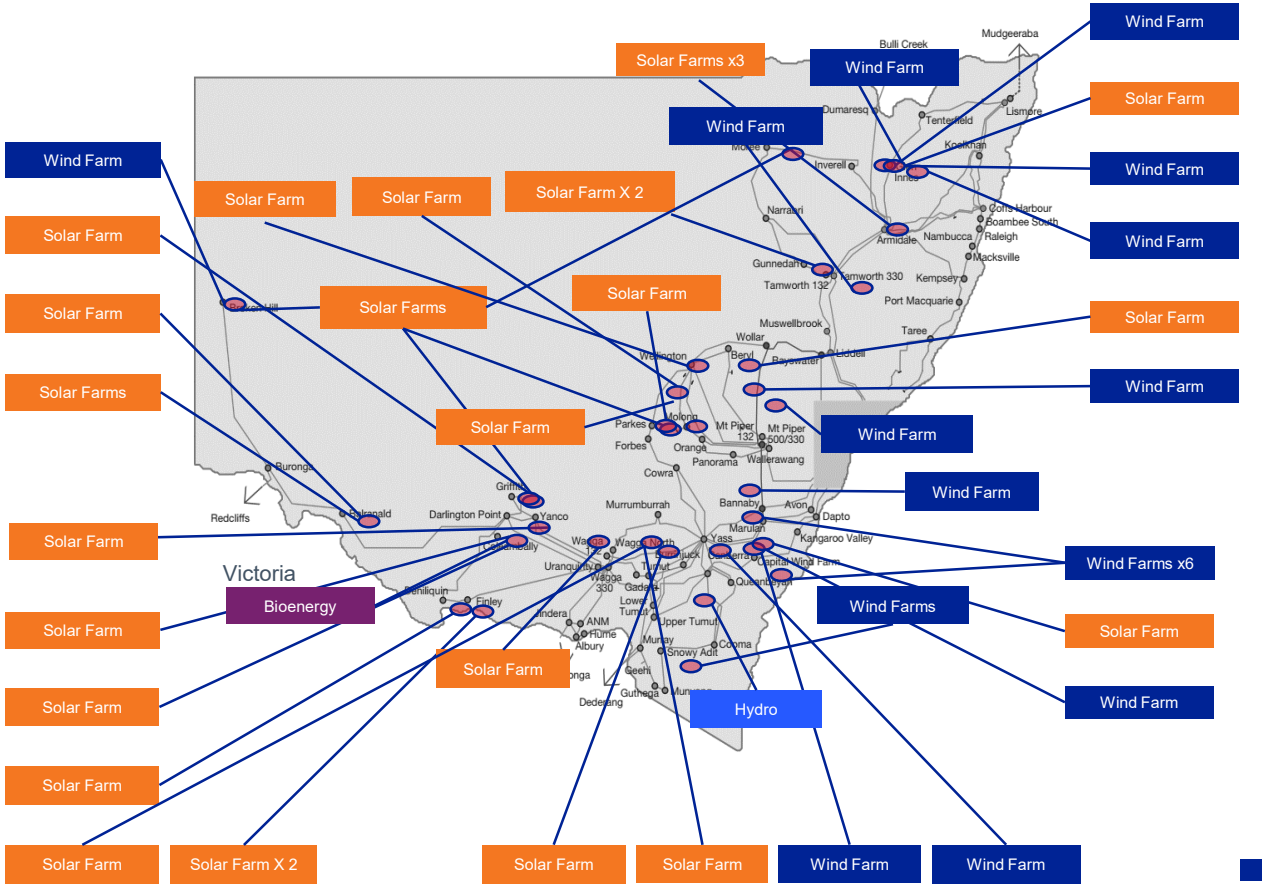


Source: Australian Energy Market Operator Integrated System Plan 20218

TransGrid

Investment in renewables is booming

Generating
+ development
+ planning



Source: TransGrid data

TransGrid

Resulting in transformation of the sector

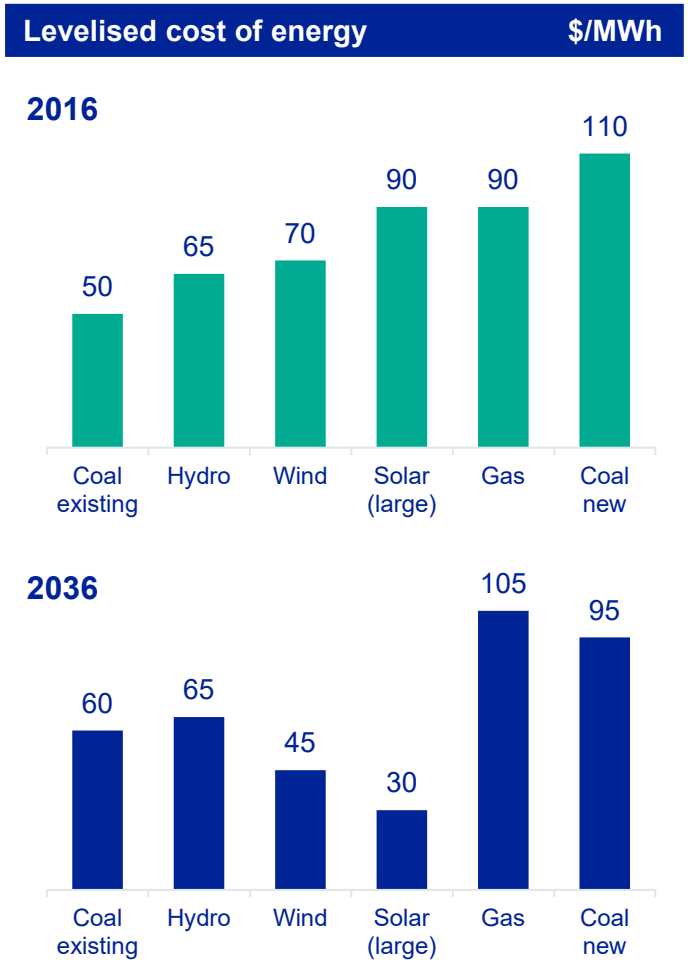
As aging coal plants retire, the lowest cost new generation is renewable.

Geographically diverse plantings of grid scale renewables deliver:

- lowest cost energy
- reliability levels our economy expects.

Transmission enables competition within the generator sector lowering energy costs for consumers.

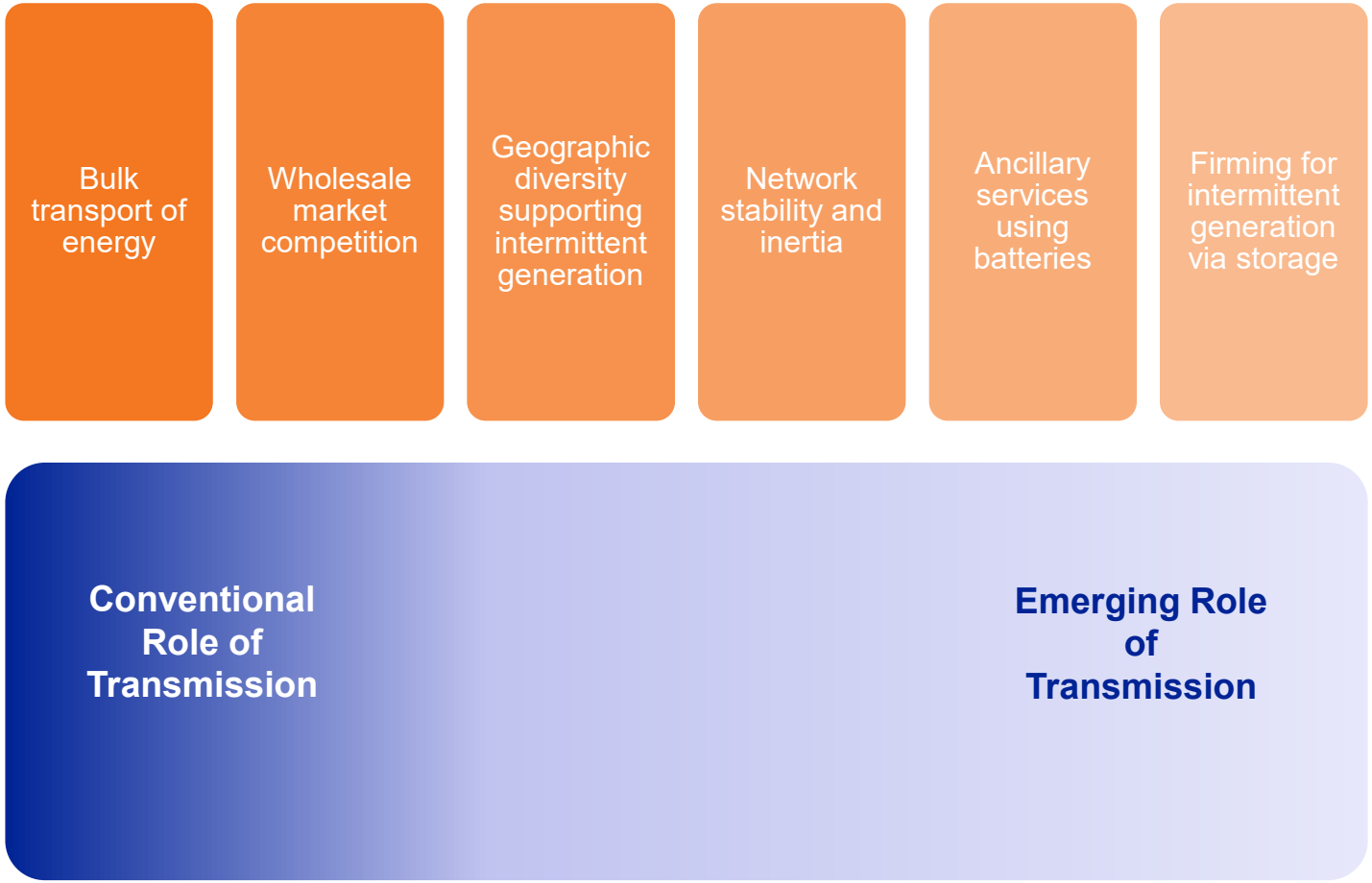
TransGrid is part of the debate and redesigning the agenda.



Source: Bloomberg New Energy Finance

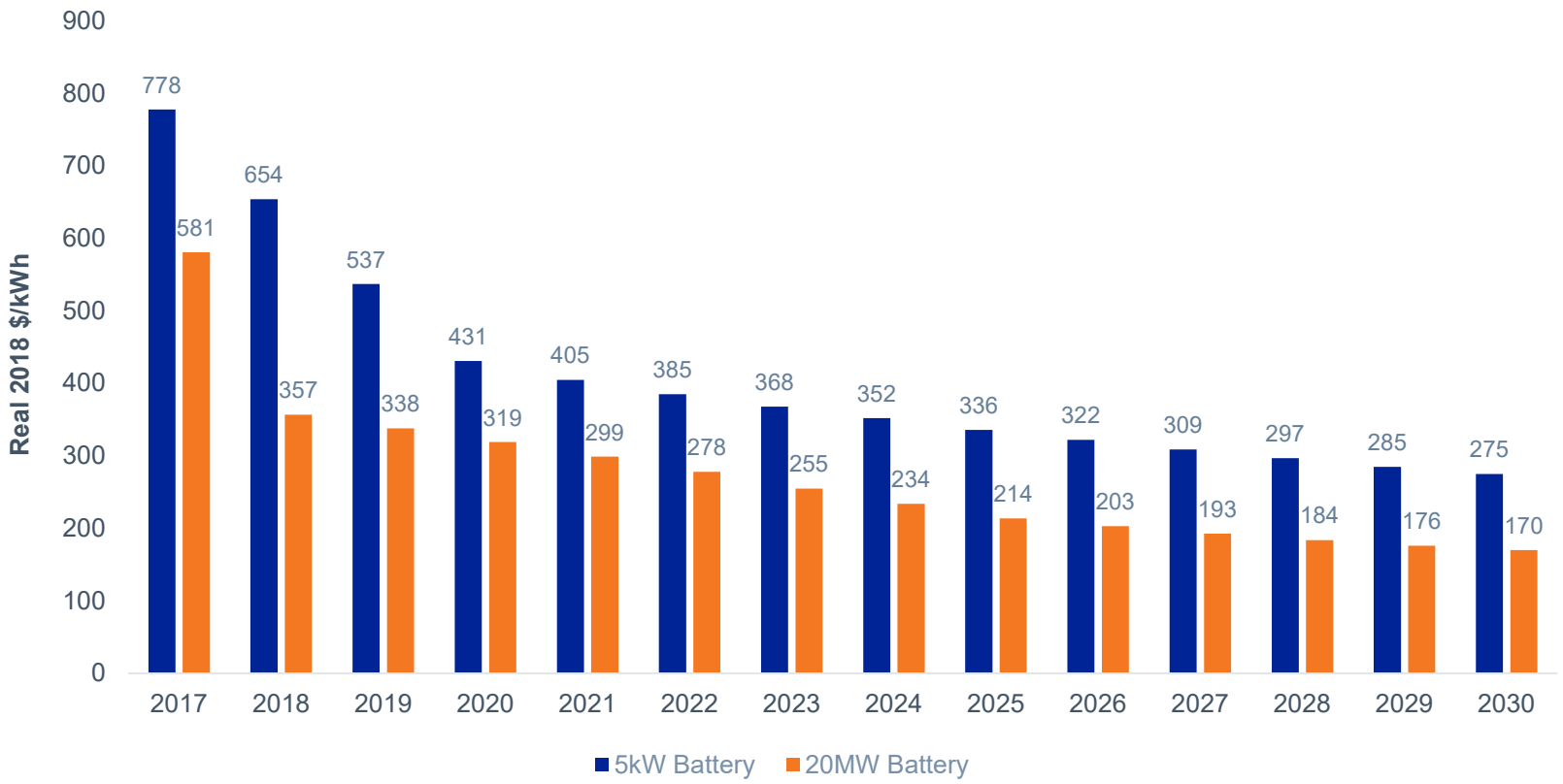
TransGrid

The role of transmission is changing



TransGrid

Supporting lowest cost, utility scale investments, in batteries

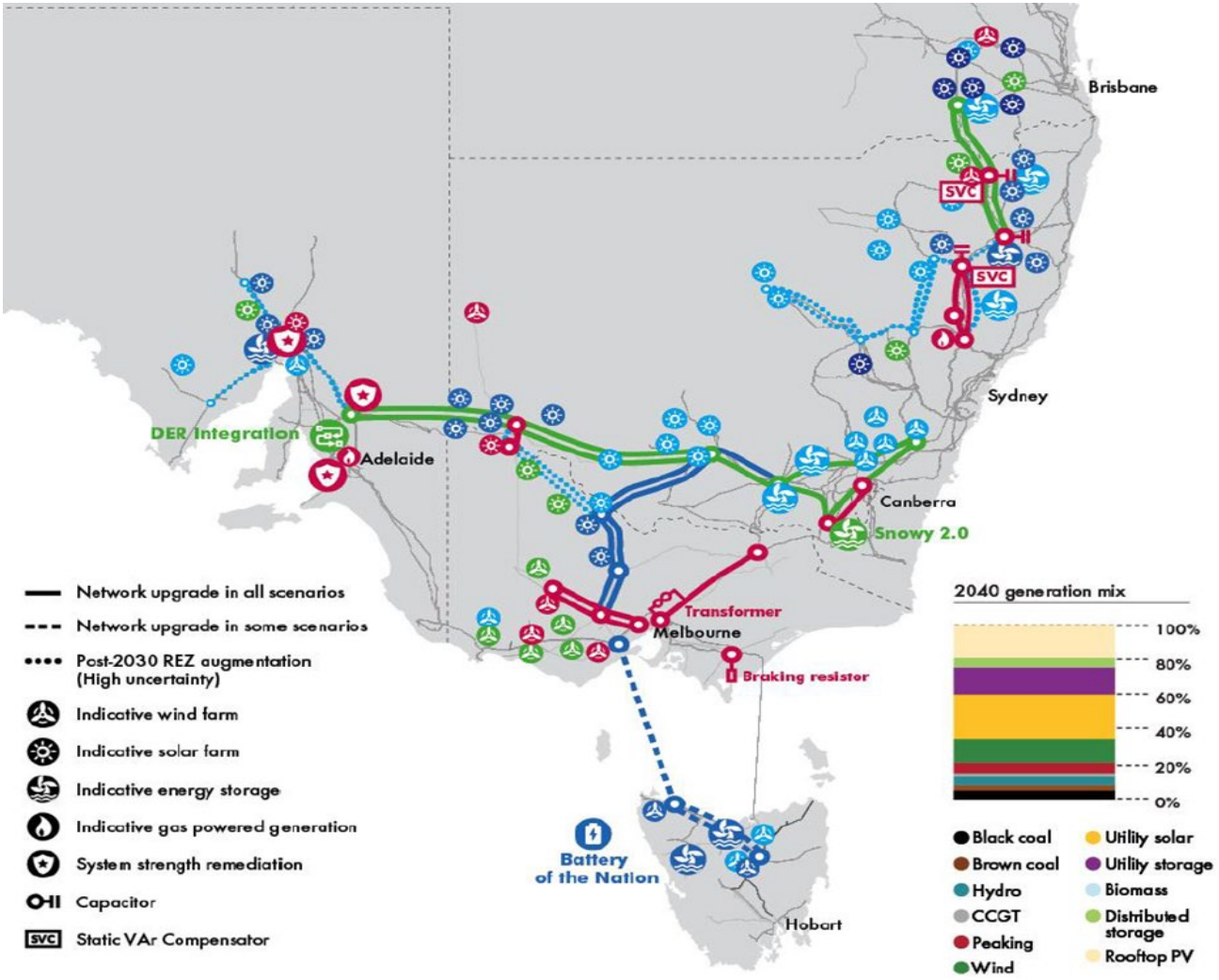


Comparison in $/kWh of capital costs for a 5kW/14kWh residential energy storage system with a 20MW/80MWh AC energy storage system

Source: Bloomberg New Energy Finance

TransGrid

Significant growth opportunities: Integrated System Plan



Source: AEMO ISP 2018

TransGrid

Thank you

TransGrid
Spark Infrastructure Investor Morning

Gerard Reiter, Executive Manager Network Planning and Operations

13 November 2018

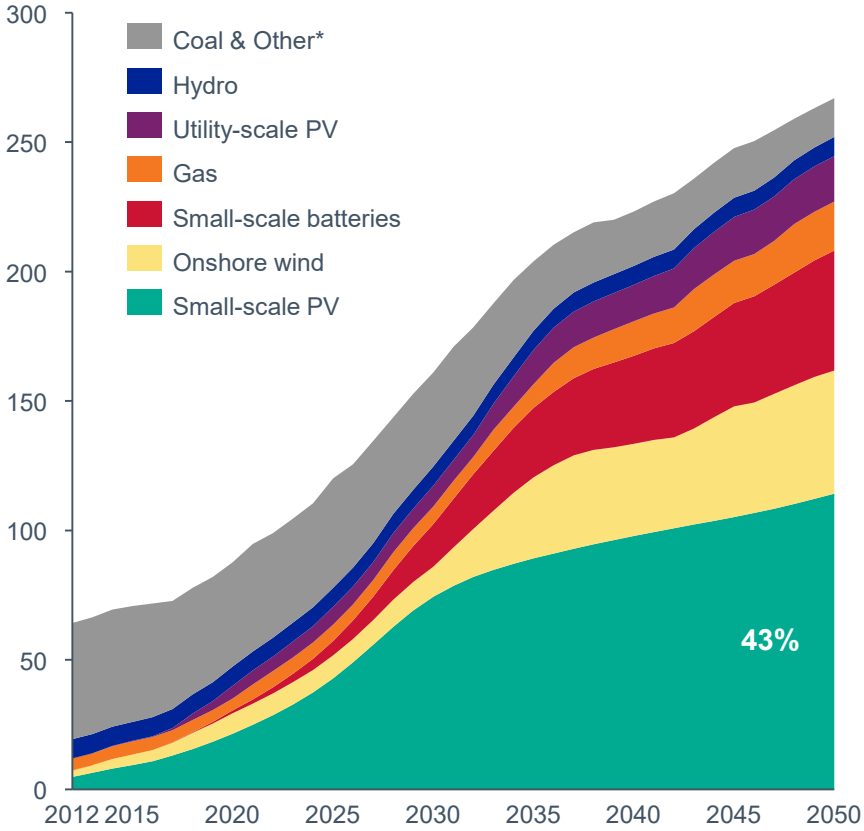
Key themes for transmission operation within the NEM

1. **Distributed Energy Resources (DER) and their effect on the power system and transmission**
2. **Large-scale renewable generation and its effect on the wholesale electricity market**
3. **Managing the retirement of coal fired generation within the NEM**

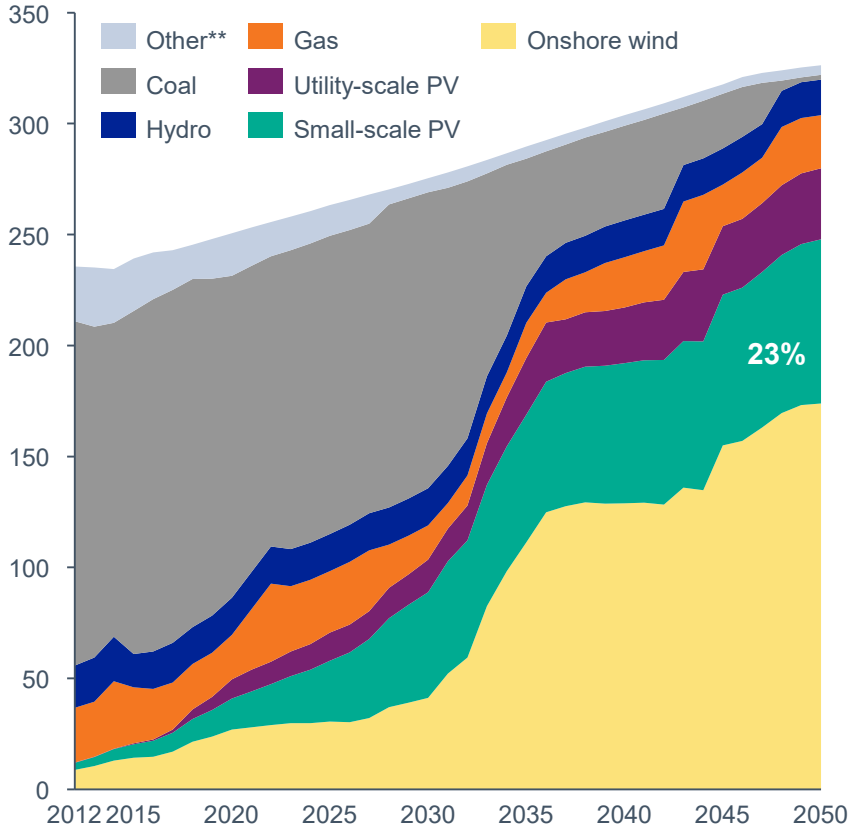
TransGrid

DER are growing rapidly, and are forecast to contribute ~43% of installed capacity but only ~23% of total energy generation by 2050

Australia Capacity Mix (2012 - 50F)
(GW)



Australia Generation Mix (2012 - 50F)
(TWh)

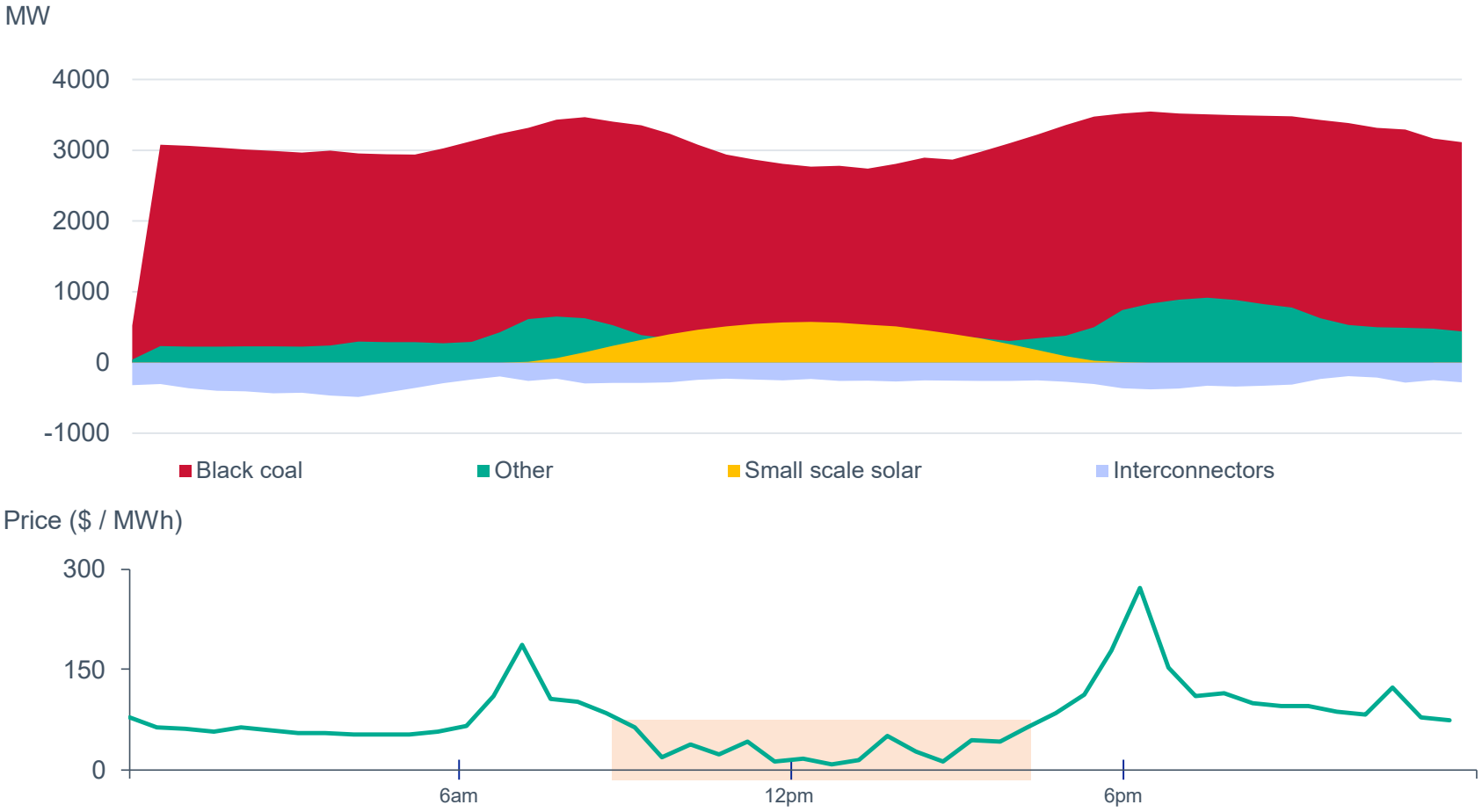


Note: * Other includes peaker gas, utility-scale batteries, other flexible capacity, demand response, offshore wind, solar thermal and oil;
** Other includes biomass, offshore wind, peaker gas, solar thermal and oil
Source: Bloomberg New Energy Finance

TransGrid

Changes to the wholesale market

QLD Generation Mix & Spot Price: Tuesday 19th June 2018



Note. Other: gas, hydro, liquid fuel, large solar, wind

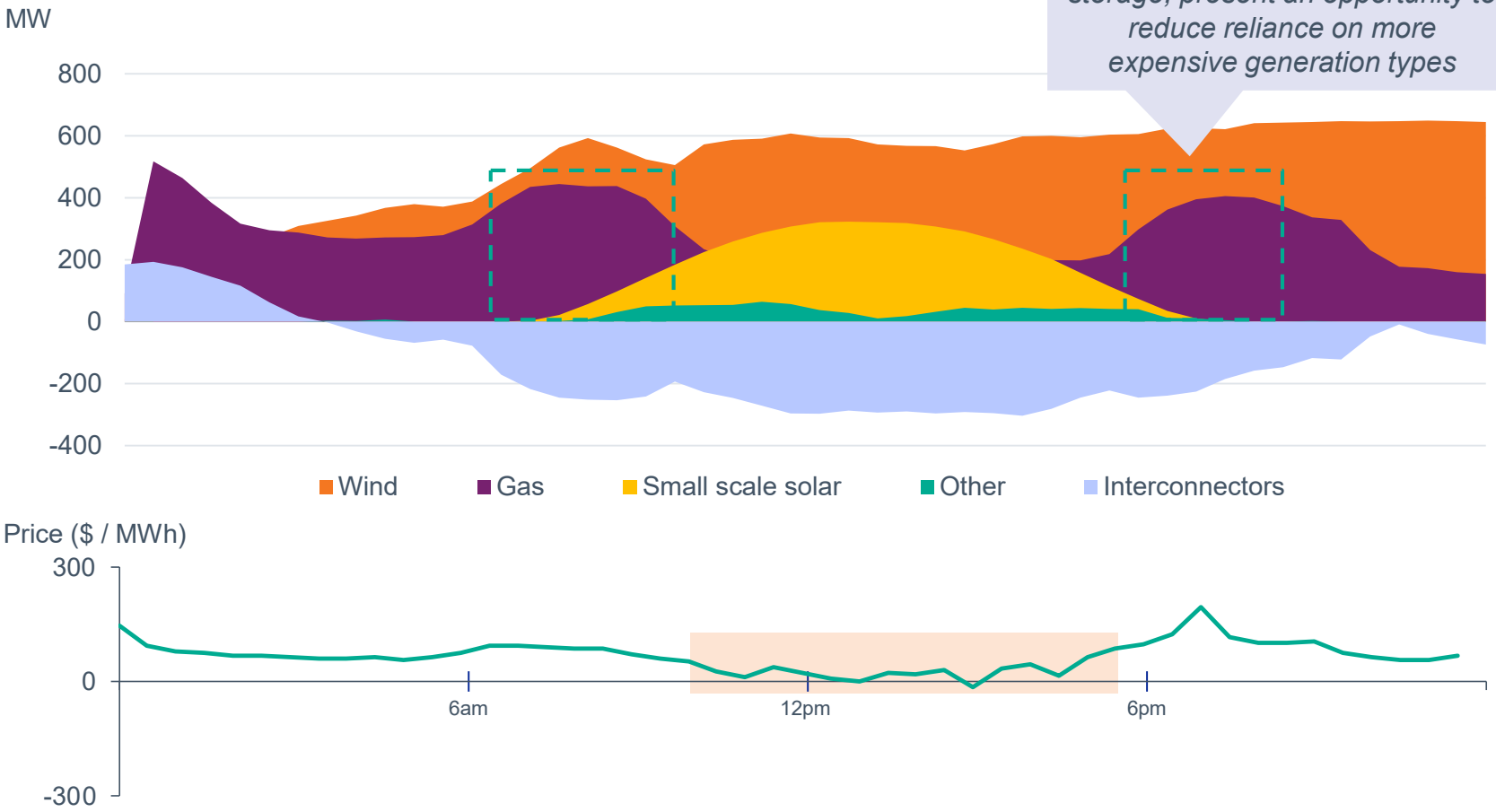
Source: OpenNEM; TransGrid analysis

TransGrid

Changes to the wholesale market

Emergence of the role of storage, for example Snowy 2.0 and its 2,000 MW of pumped hydro storage, present an opportunity to reduce reliance on more expensive generation types

SA Generation Mix & Spot Price: Monday 17th September 2018



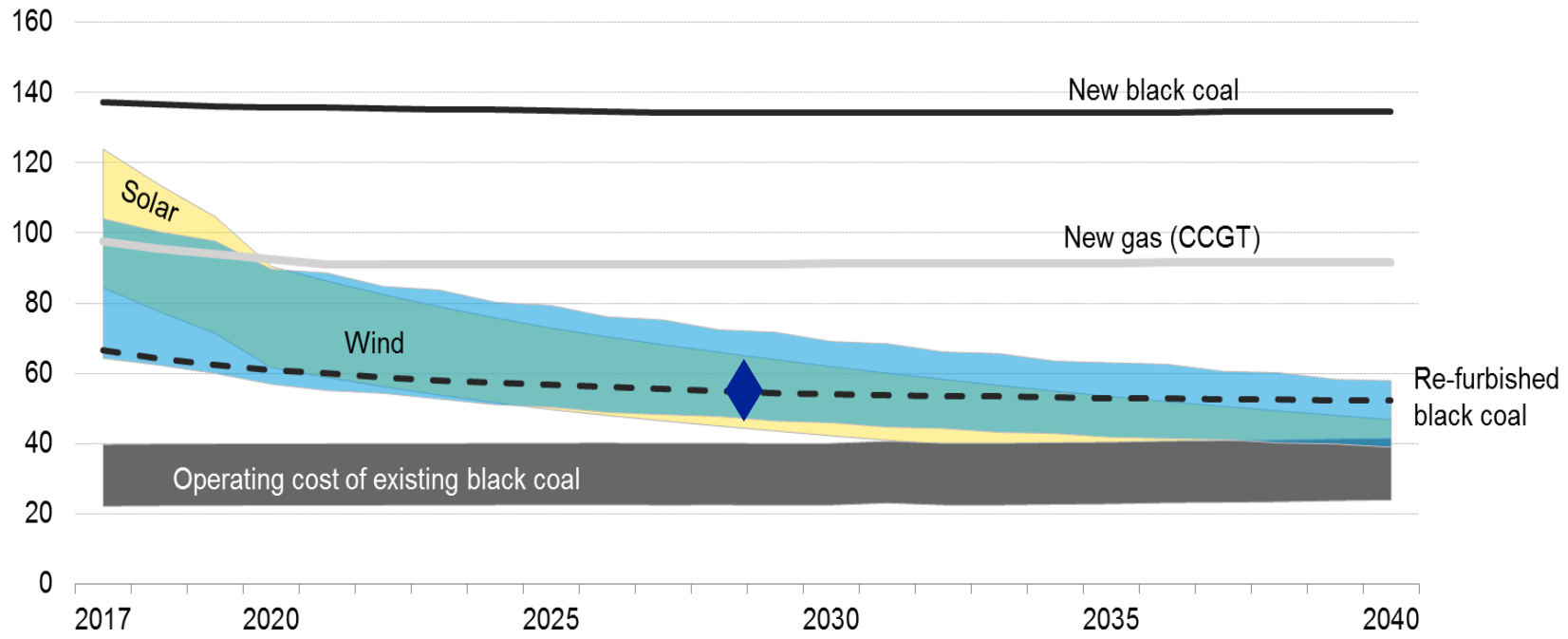
Note. Other: batteries, electricity generated on site, large solar

Source: OpenNEM; Ezy2View

TransGrid

For large scale generation both the cost of energy and contract PPA prices continue to fall

BNEF Levelised Cost of Electricity (LCOE) Forecasts
Real 2016 A$ / MWh



Source: Bloomberg New Energy Finance

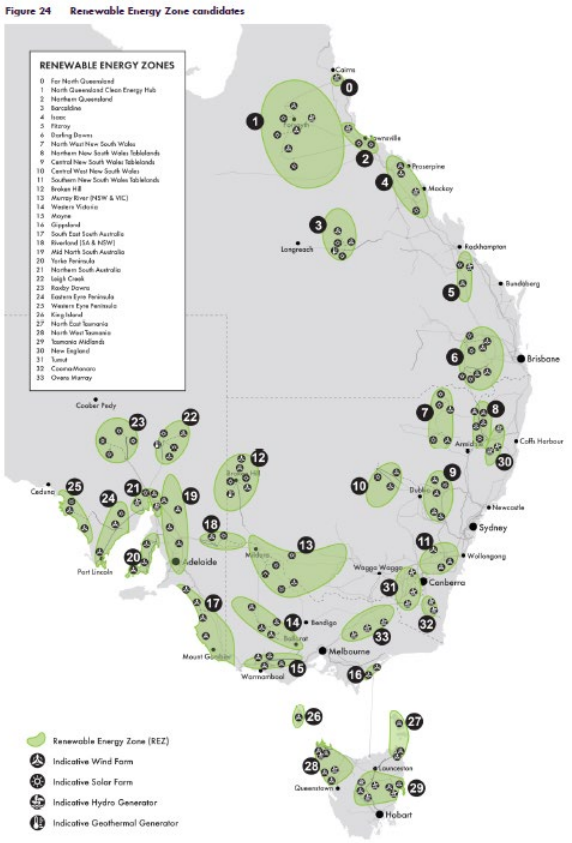
By 2030, both solar and wind are more cost efficient than refurbished coal

TransGrid

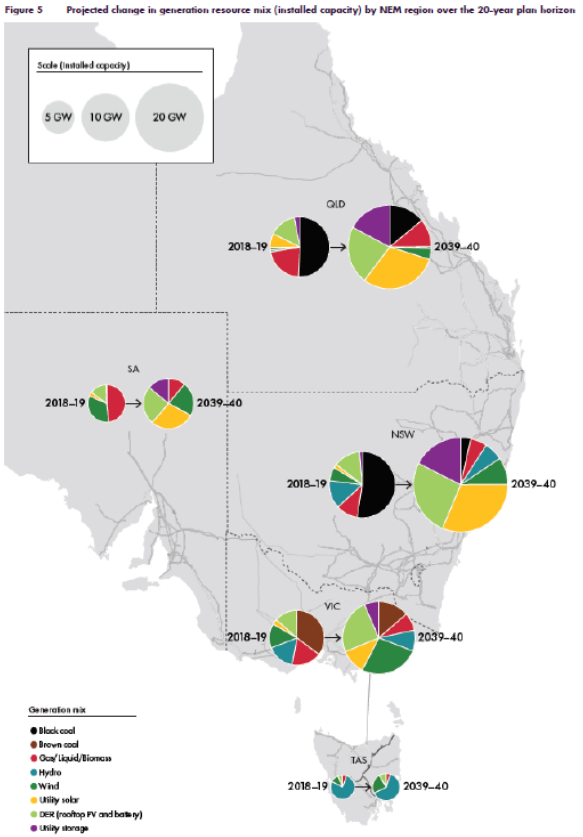
Renewable energy zones represent an opportunity

AEMO's consultation with the industry has identified potential renewable energy zones that will allow greater access for renewable generation in the NEM

Identified REZ locations



Changes in generation profile within NEM regions

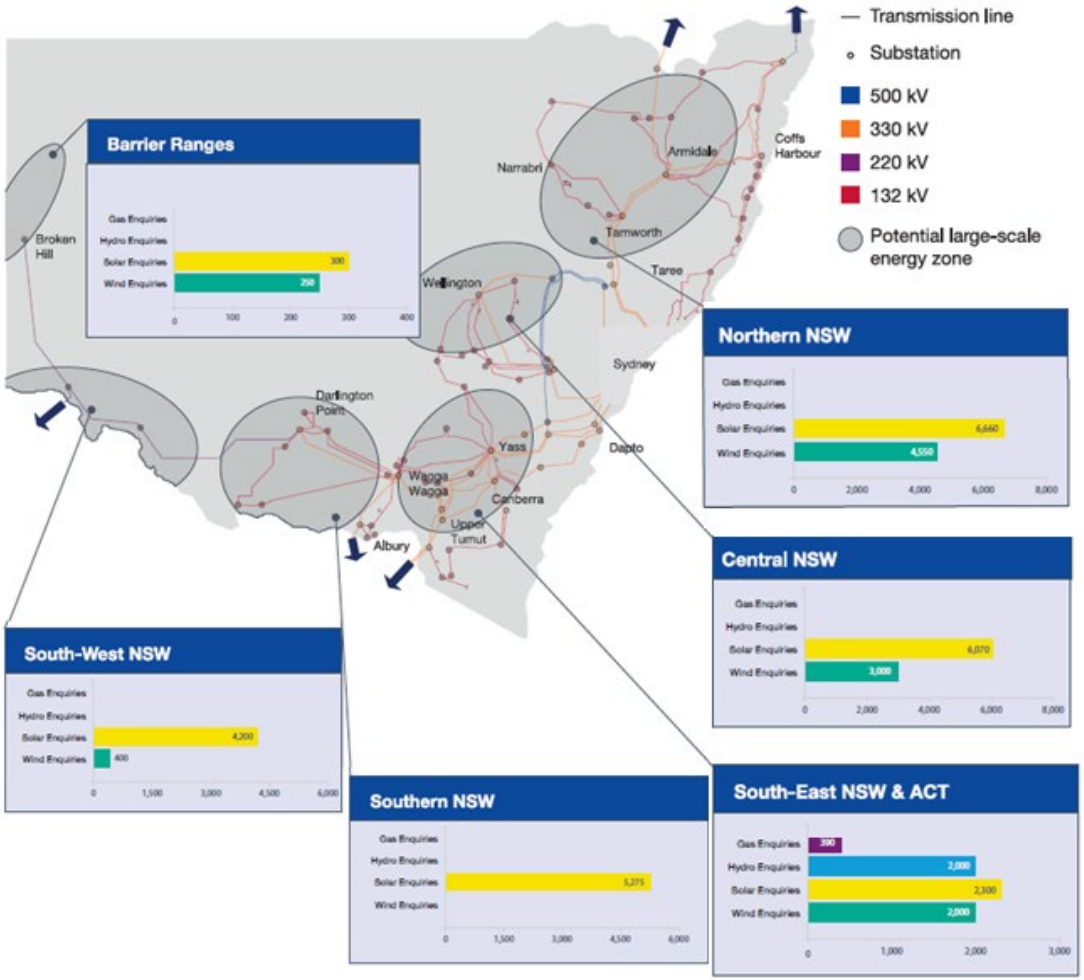


Source: AEMO Integrated System Plan, 2018

TransGrid

Transition of the energy system

The current transformation of the NEM will provide growth opportunities for TransGrid



- Network growth will be required to facilitate more connections
- TransGrid is currently processing in excess of 45GW of project enquiries

TransGrid

The Integrated System Plan

- One of the Finkel Review recommendations
- Provides a co-ordinated approach to incorporating new power generation, supported by storage, into the grid as existing generators age and retire
- Three groups of investment are recommended:
  - Group 1 - Immediate
  - Group 2 - Mid-2020's
  - Group 3 - Mid 2030's and beyond
- ISP Projects align with TransGrid's Contingent Projects submitted to the AER

Source: AEMO Integrated System Plan

TransGrid

ISP Group 1 Projects

Minor NSW to QLD upgrade

Reinforcement of Northern Network (QNI upgrade) – 2020

Minor VIC to NSW upgrade

Pending commencement of AEMO's VIC to NSW upgrade project RIT-T – 2020

VIC Western upgrade

Upgrade in Western VIC to accommodate renewable zones - 2023

Source: AEMO Integrated System Plan

TransGrid

ISP Group 2 Projects

Medium NSW to QLD upgrade

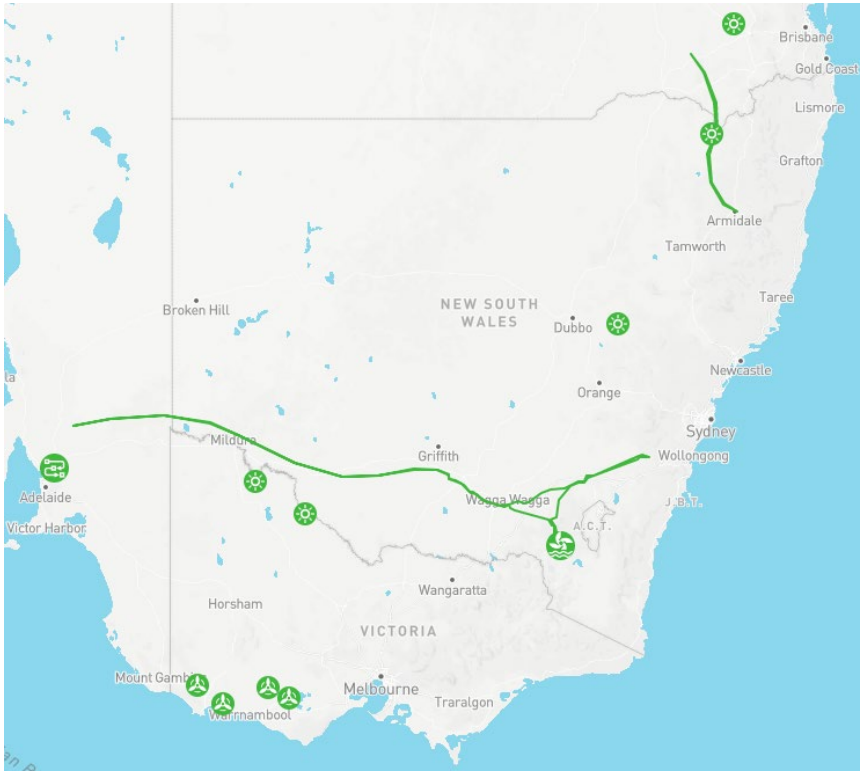
Further reinforcement of Northern Network (QNI upgrade) - 2023

SnowyLink North

Reinforcement of Southern Network in response to Snowy 2.0 – 2025

SA to NSW interconnector

New South Wales to South Australia Interconnector - 2022 to 2025



Source: AEMO Integrated System Plan

TransGrid

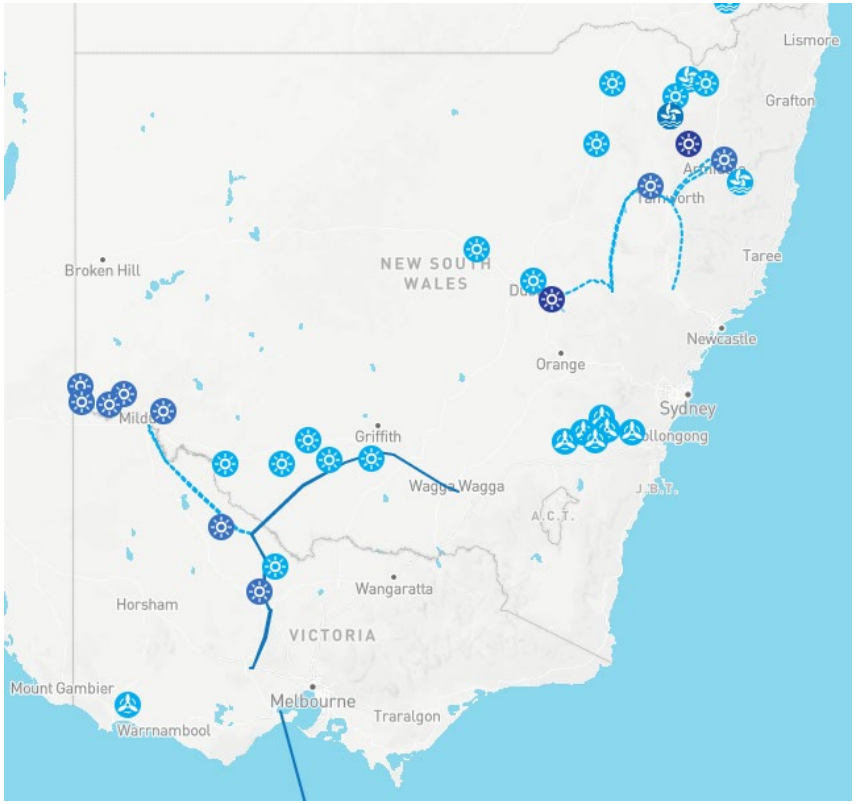
ISP Group 3 Projects

SnowyLink South

Connect north-west Victoria renewable zone to NSW network - 2034

Renewable Energy Zones

Augmentation to support Renewable Energy Zones – post 2030



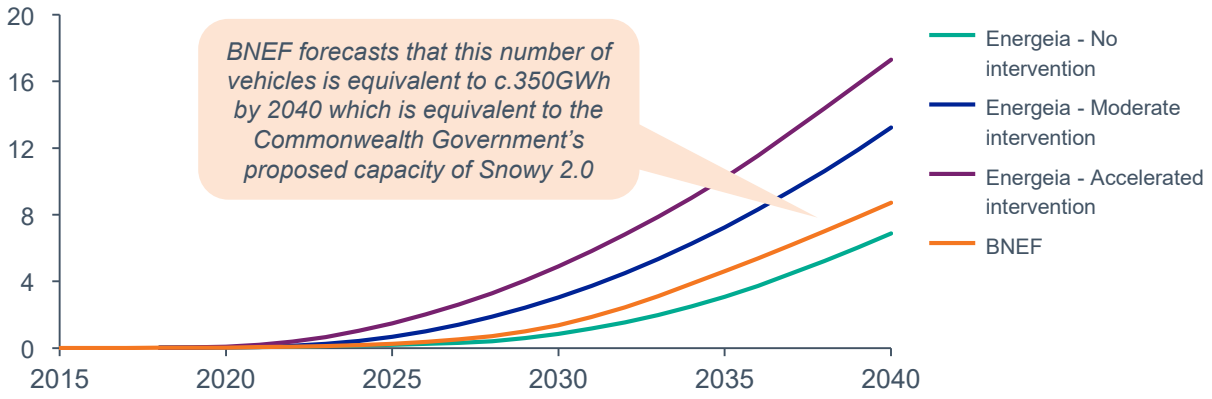
Source: AEMO Integrated System Plan

TransGrid

Electric Vehicle uptake may underpin long term demand growth, but impacts remain uncertain

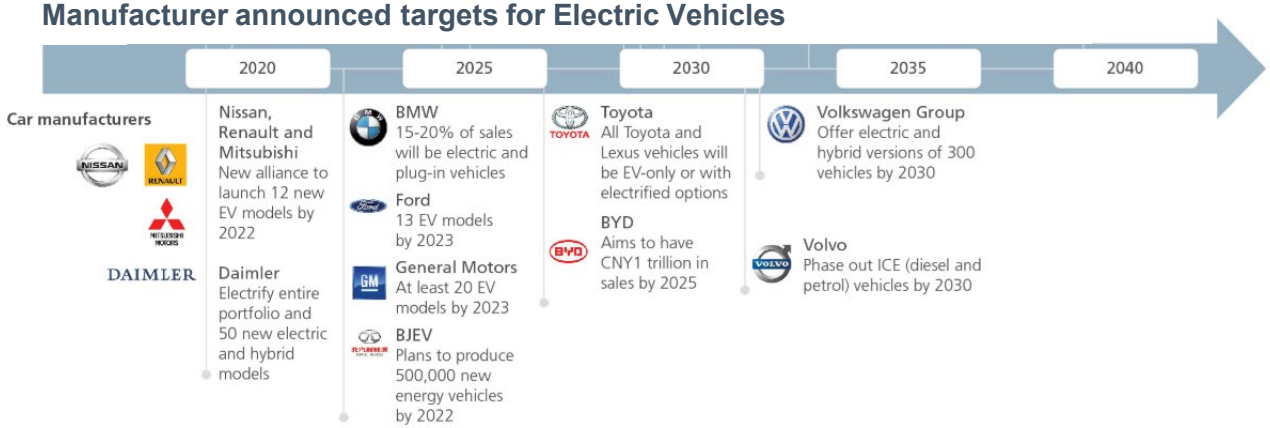
Cumulative - Australian EV forecast uptake

Millions of vehicles



Source: Bloomberg New Energy Finance; Energeia

Manufacturer announced targets for Electric Vehicles



Source: L.E.K. Consulting

Uptake

- Uptake of electric vehicles is coming but the pace of change is uncertain. The speed at which adoption will occur is largely driven by the cost trajectory, the degree of government / policy intervention and OEM mandates

Demand Impact

- More uncertain than the rate of change of EV adoption is the impact on peak demand. Depending on assumptions around the degree of coordination of charging behaviours and the speed at which charging occurs, the impact on the grid can vary significantly

TransGrid

Thank you

SA Power Networks

Rob Stobbe, Chief Executive Officer

Key Financial and Operational Highlights 31 December 2017 income year

Overview

- SA Power Networks is South Australia's primary electricity distribution business, servicing all major population centres
- Cash flows from regulated revenue streams and demand from its customer continue to be stable and predictable
- Strong credit metrics support Standard & Poor's A- credit rating held by the Issuer since inception

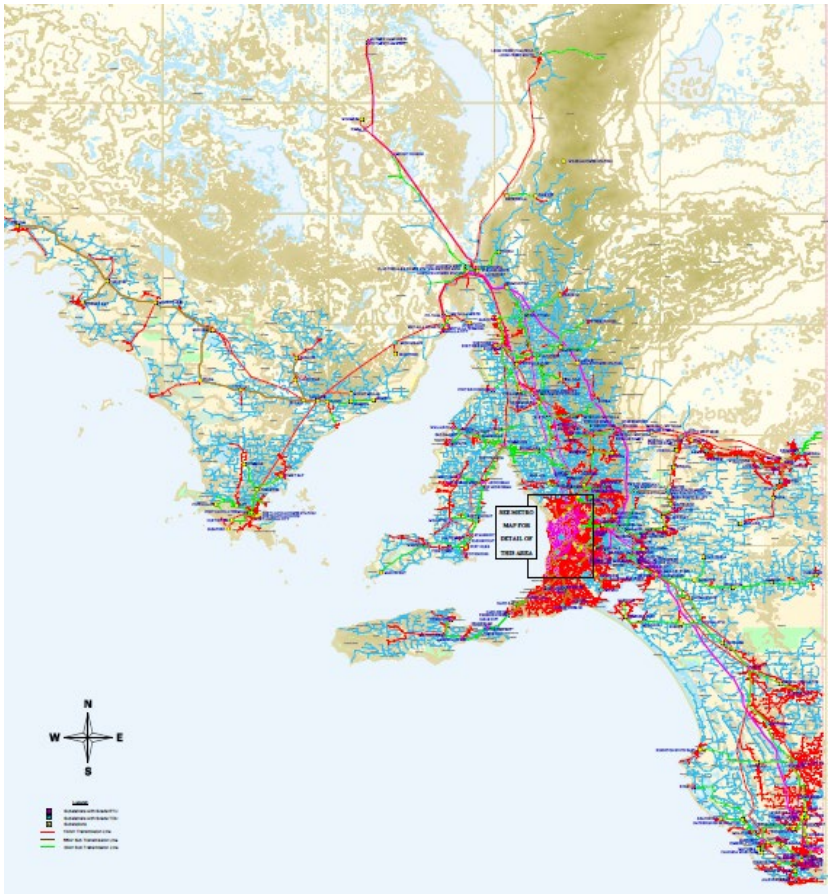
Key Indicators - Financial	
Revenue ($m)[1]	1,291
EBITDA ($m)	644
Profit Before Income Tax ($m)	222
FFO / Net Senior Debt	17.1%
Net Senior Debt / RAB	73.1%
Net Senior Debt / Total Capitalisation	49.0%

Key Indicators - operational	
Regulated Asset Base	A$4.1bn
Customers	865,008
Electricity Distributed	10,205 GWh
Peak Demand (2009)	3,086 MW
Network Supply Area	178,200 km^2
Network Circuit Length	89,161 km
Number of substations	422
Network Availability	99.97%
Employees (inc. apprentices)	2,199

1) Includes TUoS and excludes interest income

About the South Australian network

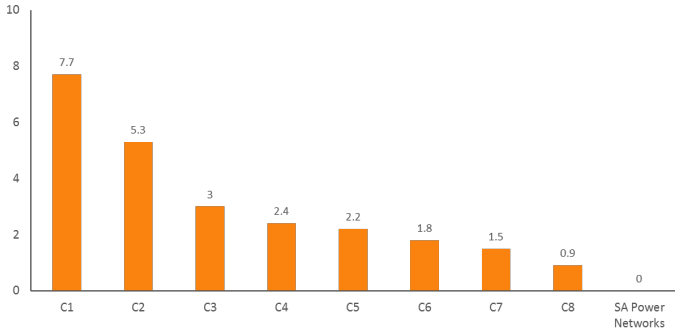
- Large service territory
- Low customer density relative to other states
- More assets per customer
- Long and radial network structure in regional areas
- Oldest distribution asset base
- Restoration challenges
- Hot and dry climate:
  - 90% homes air conditioned
  - ‘Peaky’ network demand profile
- Extreme bushfire threats and risk management



Performance

Safety

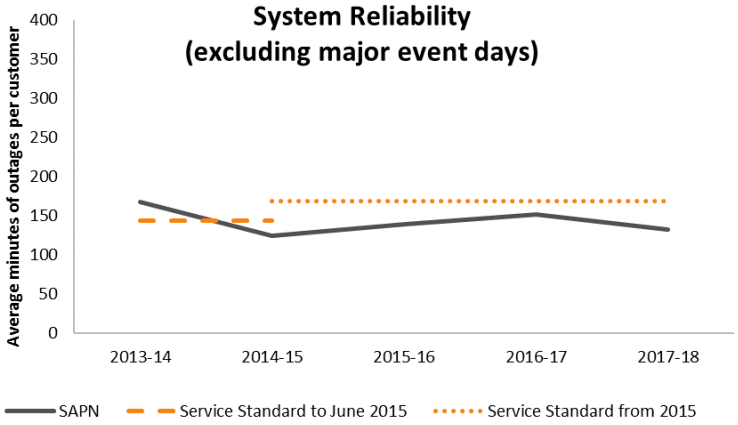
LTIFR Rate – Distribution businesses



Source: ENA/AEC Occupation Health and Safety Report 2015/16 (Direct Operational Employees)

Reliability

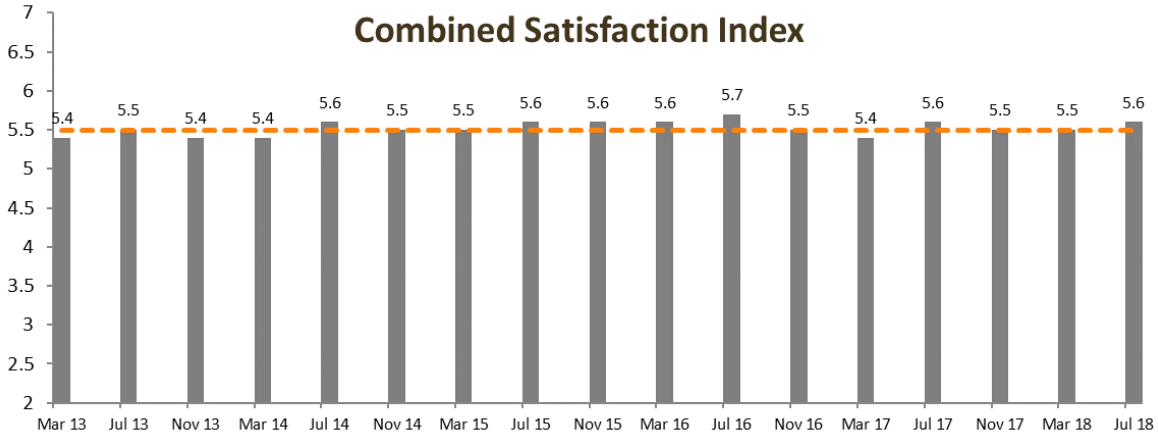
Achieving Regulatory targets



Source: SAPN data

Service

Consistently rated 80% of our customers satisfied



Source: SAPN data

AER Benchmarking

Productivity by State 2016

South Australia	1
Victoria	2
Australian Capital Territory	3
Queensland	4
Tasmania	5
New South Wales	6

Individual Businesses – 2016 Ranking

CitiPower	1
SA Power Networks	2
United Energy	3
Powercor	4
Jemena	5
Energex	6
ActewAGL	7
Endeavour Energy	8
TasNetworks	9
AusNet Services	10
Essential Energy	11
Ergon Energy	12
Ausgrid	13

Source: AER benchmarking report 2017

Excess RAB Growth in Networks – Grattan's View

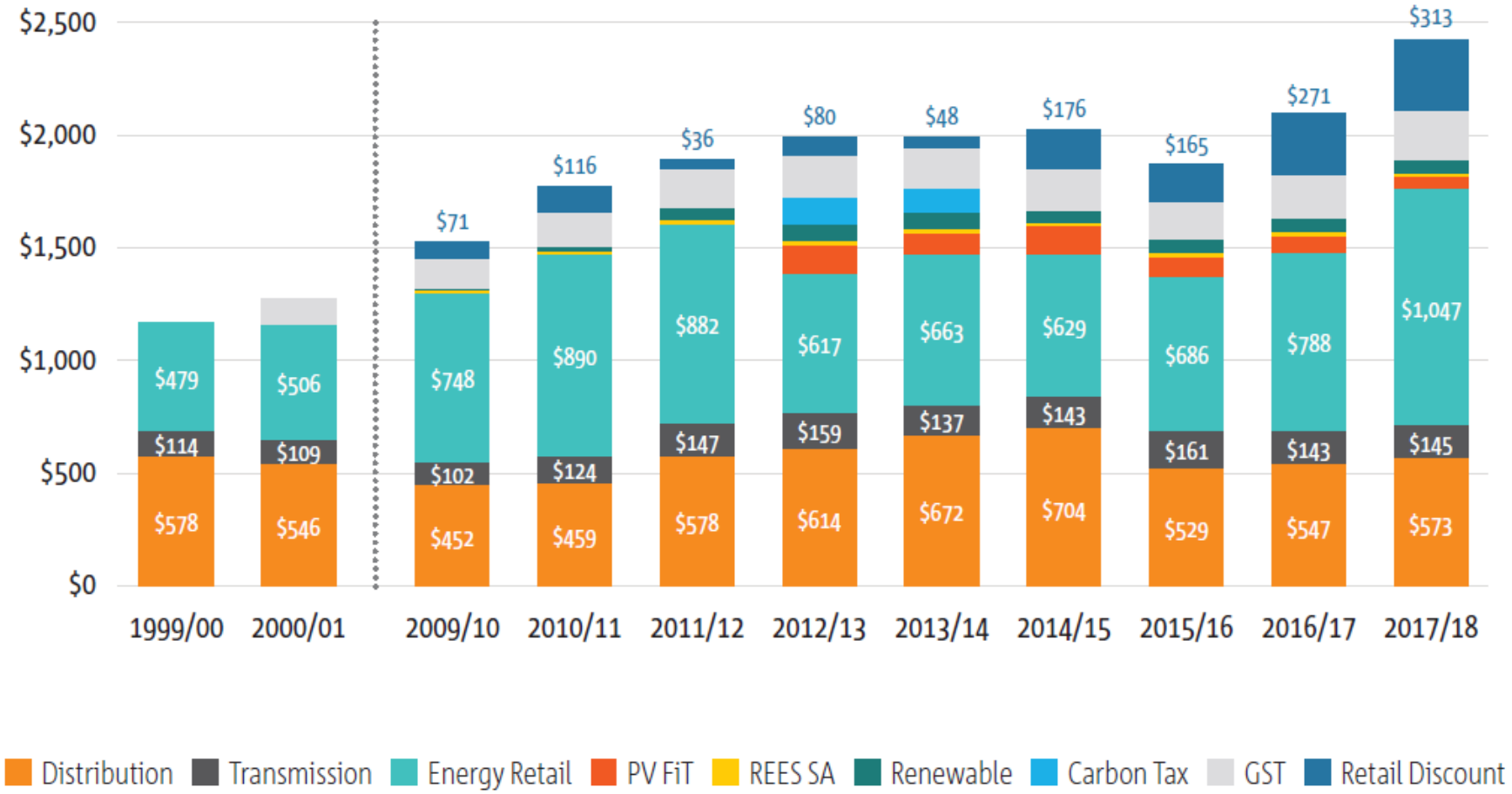
Table 7.1 Grattan estimates of excess growth in electricity networks[304]

DISTRIBUTION			
Network	State	Excess growth estimate $m	Excess growth estimate as percentage of RAB growth
ActewAGL/Evoenergy	ACT	–	
Jemena	Victoria	38	8%
TasNetworks	Tasmania	235	55%
CitiPower	Victoria	52	6%
Essential Energy	NSW	3 304	72%
Energex	Queensland	1 673–3 935	26% to 61%
Ausgrid	NSW	5 442	63%
Ergon Energy	Queensland	2 442	48%
SA Power Networks	South Australia	–	0%
Endeavour Energy	NSW	849	27%
Powercor	Victoria	–	0%
AusNet Services	Victoria	–	0%
United Energy	Victoria	–	0%

- $16B of excess distribution Regulated Asset Base (RAB) growth identified by Grattan
- $0 for SA Power Networks

Source: ACCC, Restoring electricity affordability and Australia's competitive advantage, Final report June 2018, P. 164

Customer bill historical (in real terms – excluding the effect of inflation)



Source: SA Power Networks Data

Achievable Residential Savings by 2020-21

Table A: Achievable average annual residential bill savings by 2020–21

		Achievable savings ($ per annum)						
Region	2017–18 Bill	Networks	Wholesale	Enviro	Retail	Reduction	2020–21 Bill	% Reduction
Victoria	1457	39	192	34	26	291	1166	20
NSW	1697	174	155	43	37	409	1288	24
South east Queensland	1703	147	192	18	62	419	1284	25
South Australia	1727	13	227	89	42	371	1356	21
Tasmania	1979	113	226	75	–	414	1490	21

Source: ACCC, Restoring electricity affordability and Australia's competitive advantage, Final report June 2018, P. XV

- SA Residential bill could reduce from average of $1727 in 2018-18 to $1336 in 2020-21 – **a reduction of $371** or 21% (plus GST).
  - Distribution and Transmission networks provide **($13)** of that $371 savings. This is the least network potential saving of any of the NEM states.
  - Most of the SA savings come from wholesale energy market **($227)** and Environmental programs **($89)**. Both of these are the highest of any NEM states.
  - Retail costs/margins provide **($42)** of the saving.

SA Power Networks

Overview of 2020-2025 Draft Plan

Customer engagement outcomes

- Key messages throughout engagement program:

  1. *Keep a lid on prices*
  2. *Maintain a safe and reliable network*
  3. *Continue a staged and prudent transition to the new energy future*

- Other rich and diverse feedback received

- 2020-2025 Draft Plan aims to balance these outcomes

Draft Plan - Capex

Customer Connections
$196m 11%

New customer connections, excluding customer contributions

Asset Replacement
$726m 39%

Replacement of assets

Information Technology
$261m 14%

Ensuring that IT systems keep up with the changing needs of customers and the distribution network

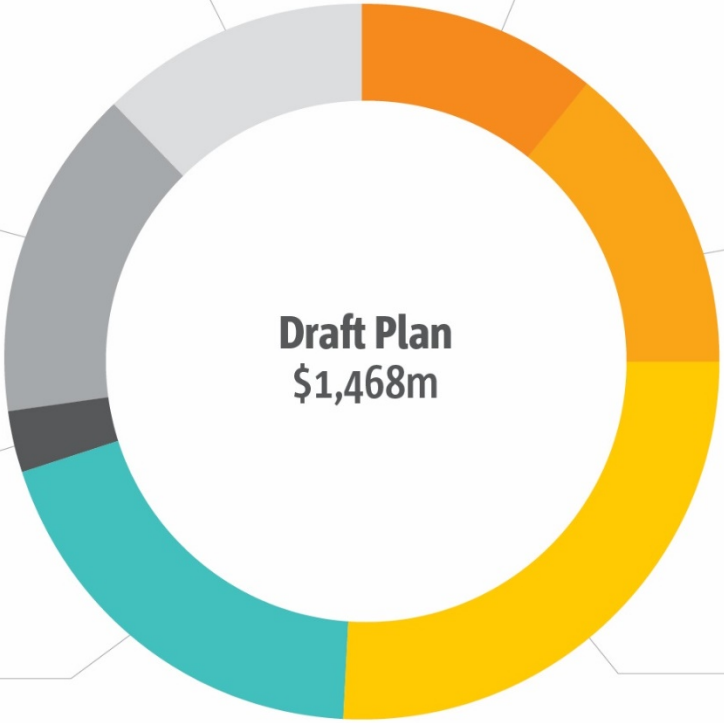
Augmentation
$457m 25%

Distribution capacity, reliability, environmental, safety, strategic and PLEC (undergrounding) projects

Other Non-Network
$210m 11%

New commercial and light vehicles, property improvements, new plant and tools

Draft Plan - Opex



Customer Services
$173m 12%
Customer management, call centre, maintaining customer systems

Emergency Response
$214m 15%
Restoration of supply to customers and restoration of assets in response to unplanned outages

GSL Payments
$40m 3%
Payments to customers for inconvenience during extended outages

Network Operation
$276m 19%
Distribution licence fee, asset management planning, asset system maintenance, network monitoring, communications and bushfire insurance

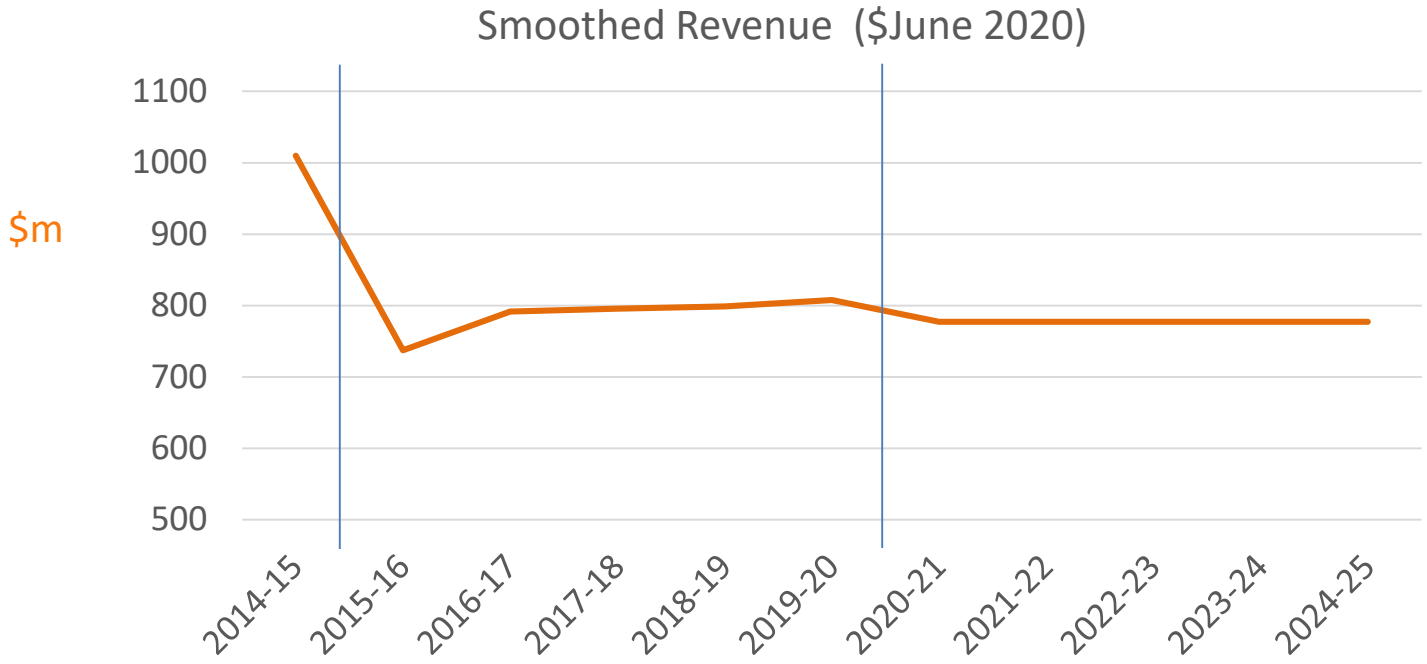
Network Maintenance
$163m 11%
Asset inspection, line and substation maintenance

Vegetation Management
$213m 14%
Management of compliance and cyclic cutting of vegetation

Corporate Costs
$389m 26%
Corporate groups such as Finance, IT, Property, Insurance etc, allocated in accordance with AER approved Cost Allocation Method (CAM)

Expenditure and revenue outcome

- Proposed revenue will reduce by CPI - 3.9% in 2020/21
- CPI only increase in the remaining four years of the period (represents CPI - 1.33% if smoothed over all 5 years)
- $37 reduction in 2020/21 for average residential customer and $148 reduction for typical small to medium business



Proven leadership in Future Networks

Energy Networks Australia 2017 awards for:

- Salisbury Battery trial – Industry Innovation Award
- Mark Vincent – Industry Contribution Award

SA Power Networks

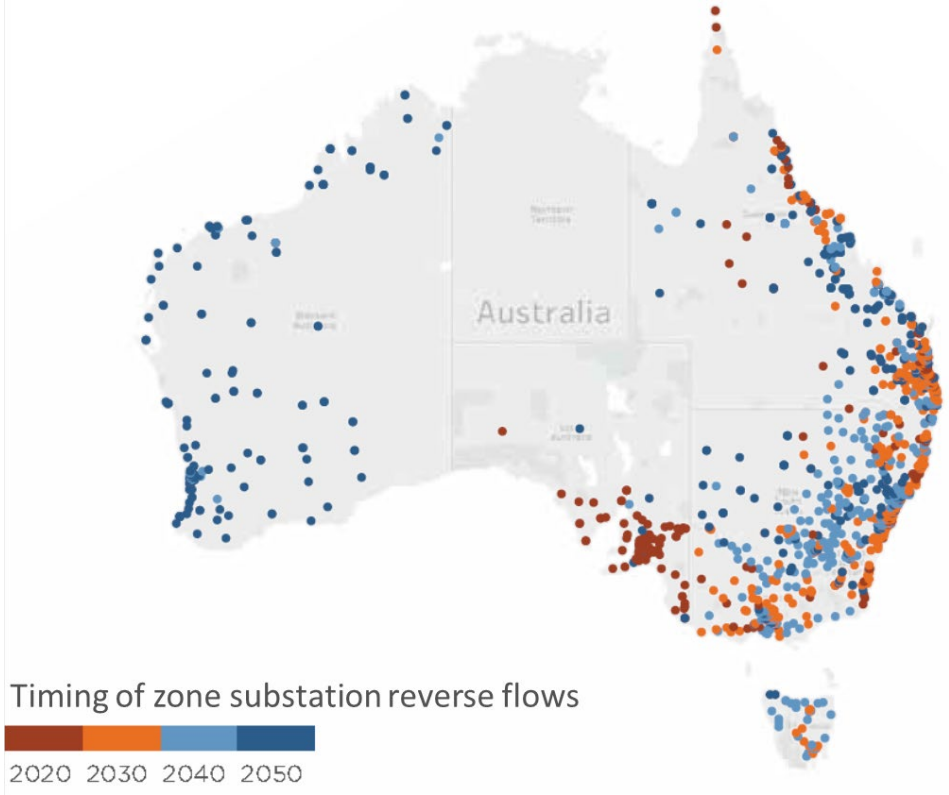
Distribution System Operator

Managing a high penetration Distributed Energy Resource (DER) network

Mark Vincent, General Manager – Network Management

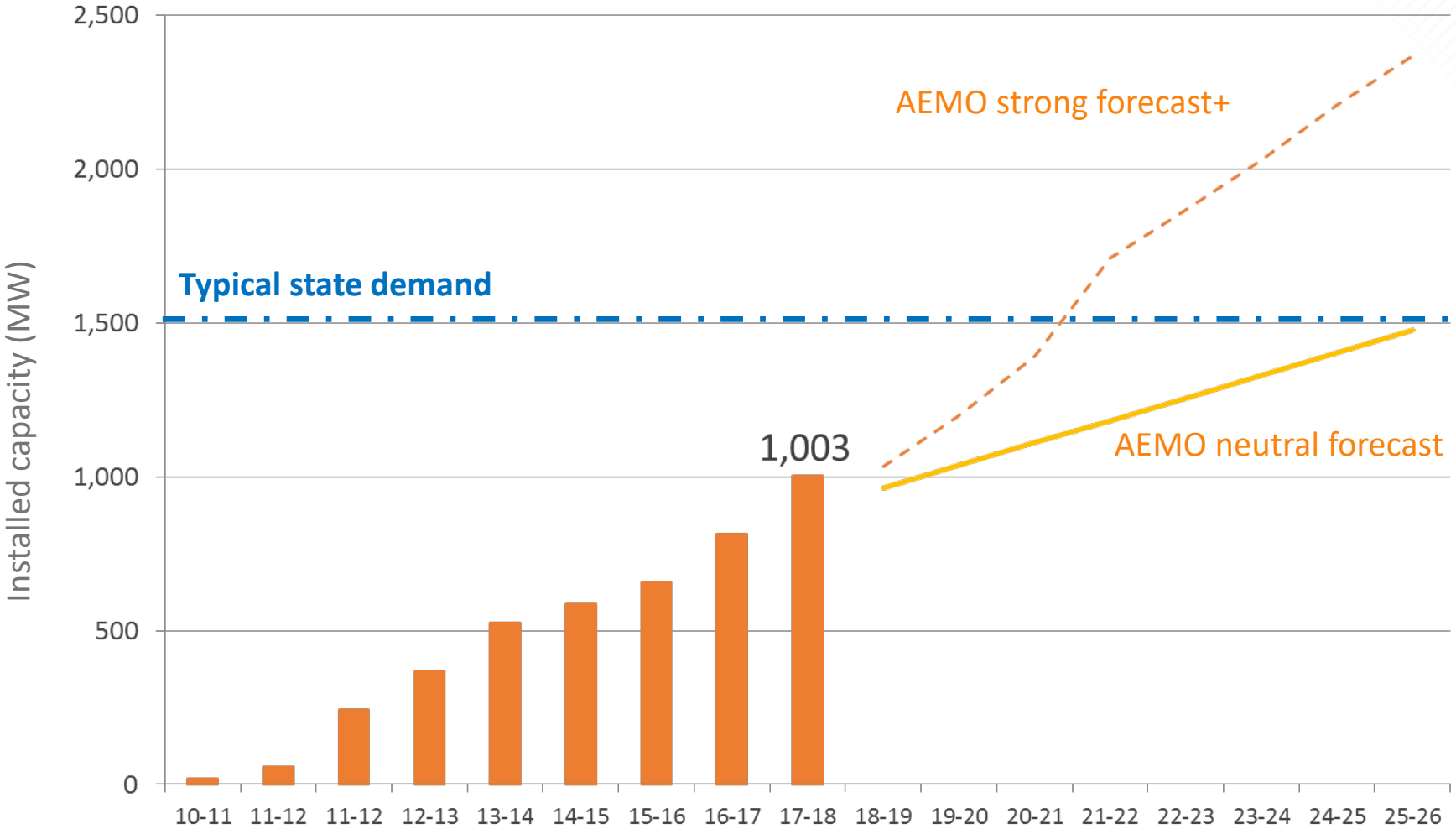
We face a distributed energy future

- Over the coming decades, 50 – 100% of energy will be generated by customers' resources within the distribution network
- And SA is leading the charge …



ENA/CSIRO Electricity Network Transformation Roadmap: Final Report, April 2017

Rooftop solar PV take-up in SA



SA Power Networks analysis, using AEMO Electricity Forecasting Insights, March 2018 update

Customer value

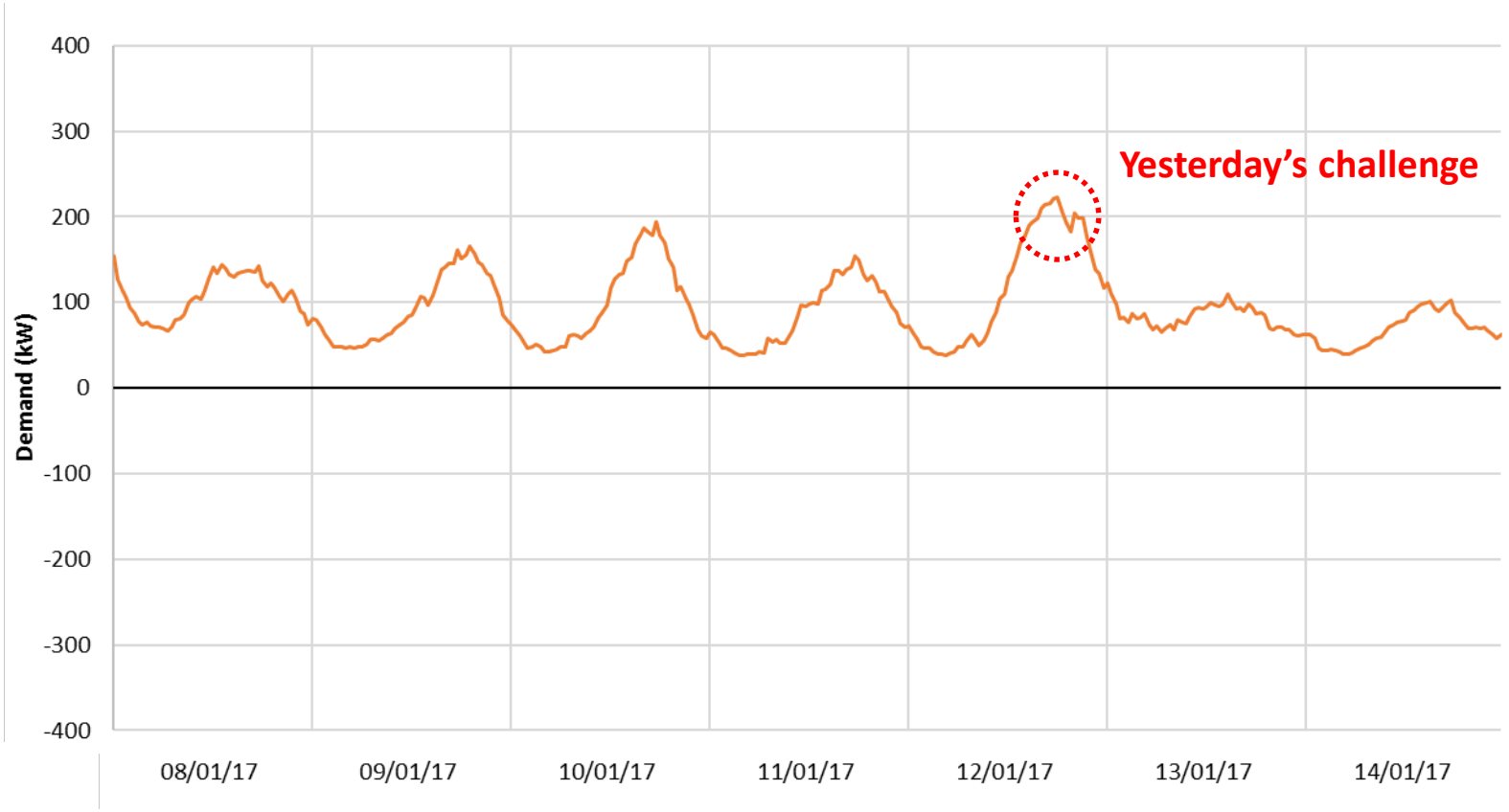
Source of value*	Examples
Self-consumption *$500 Solar* *$500 Battery*	• Solar PV • Batteries
Passive exports *$500 Solar*	• Solar PV
Wholesale market participation *$250 – $500 VPP*	• AGL SA Virtual Power Plant (VPP) • Simply Energy VPPX • Tesla/SA Government
Bilateral agreements *$0 - $500 VPP*	• Salisbury VPP • Peer-to-peer trading

* Values shown are indicative annual gross savings for a typical residential customer

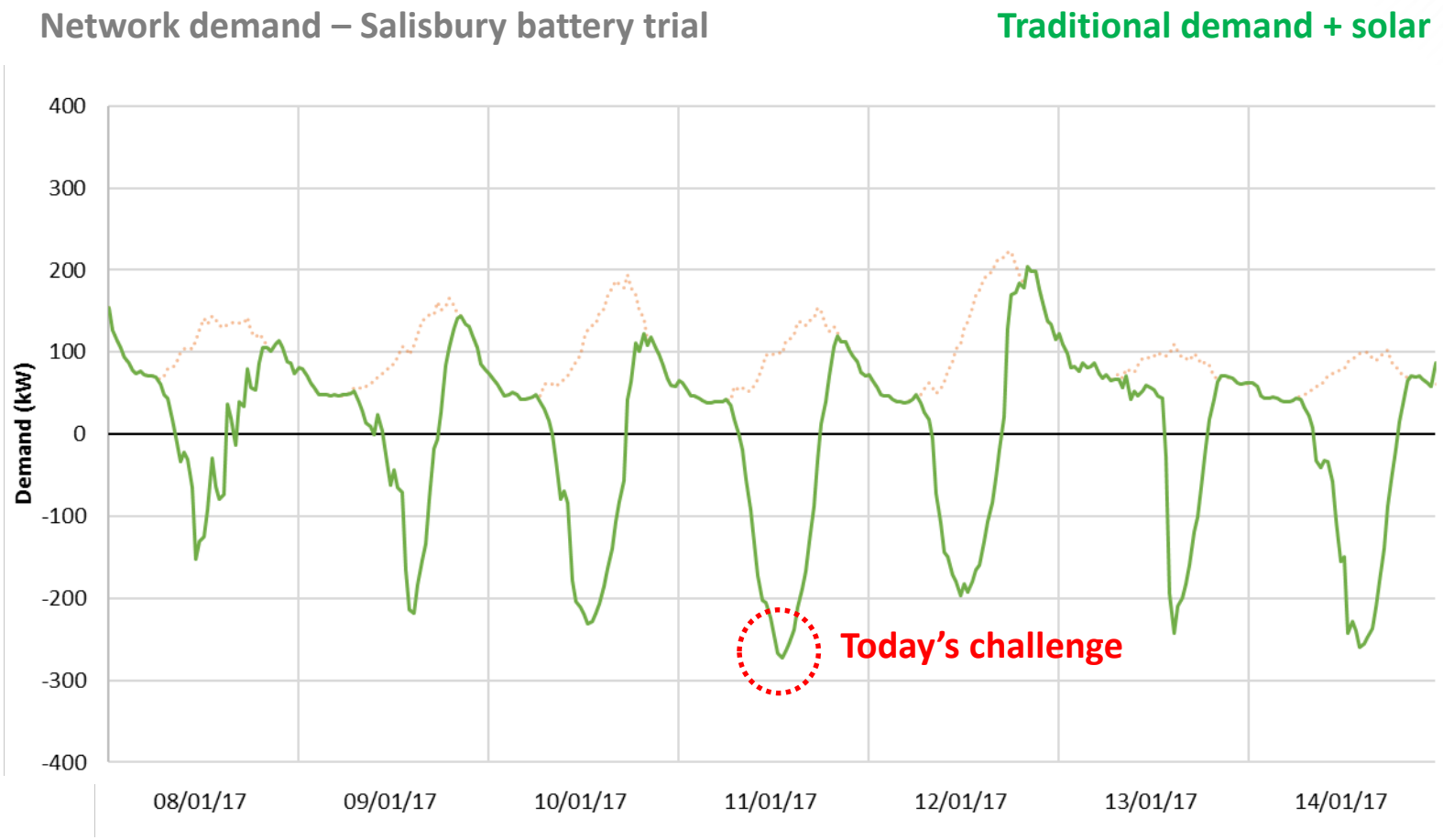
Distribution level impacts

Network demand – Salisbury battery trial

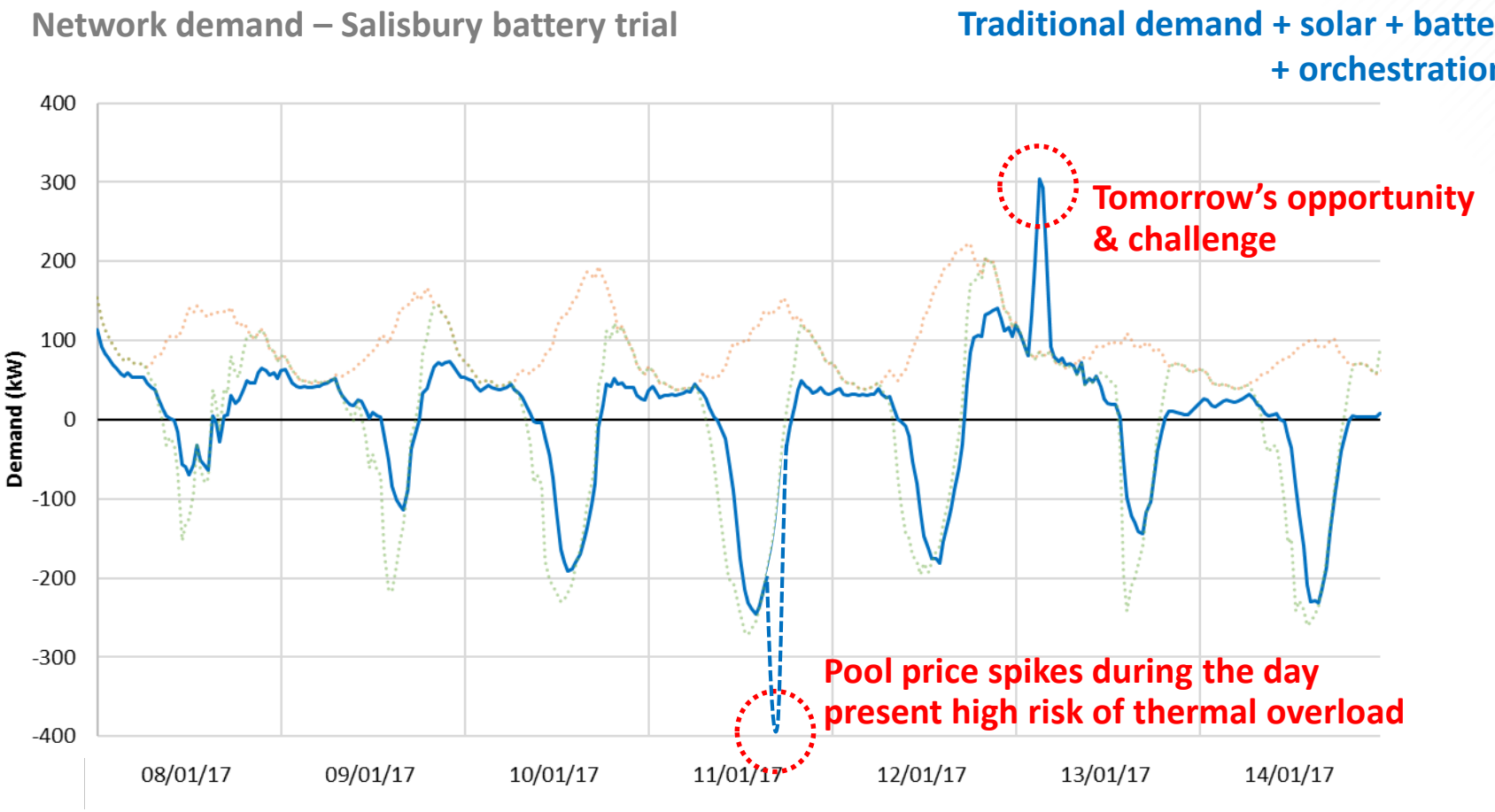
Traditional demand



Distribution level impacts

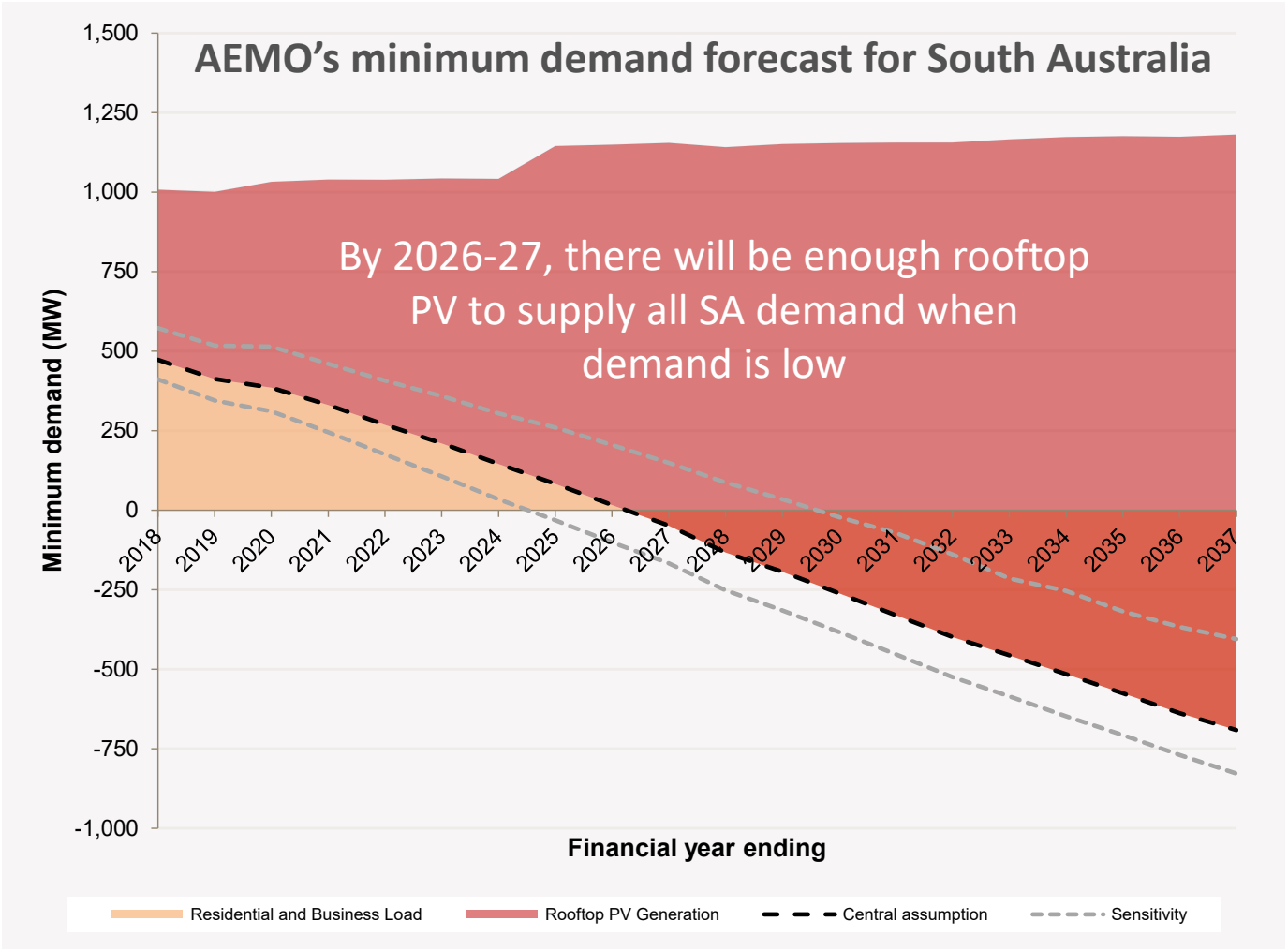


Distribution level impacts



* With batteries orchestrated as a Virtual Power Plant (VPP)

DER: an integral part of the energy mix



Rooftop PV:

The **largest generator** in the state

The distribution network is now a key source of **supply as well as demand**

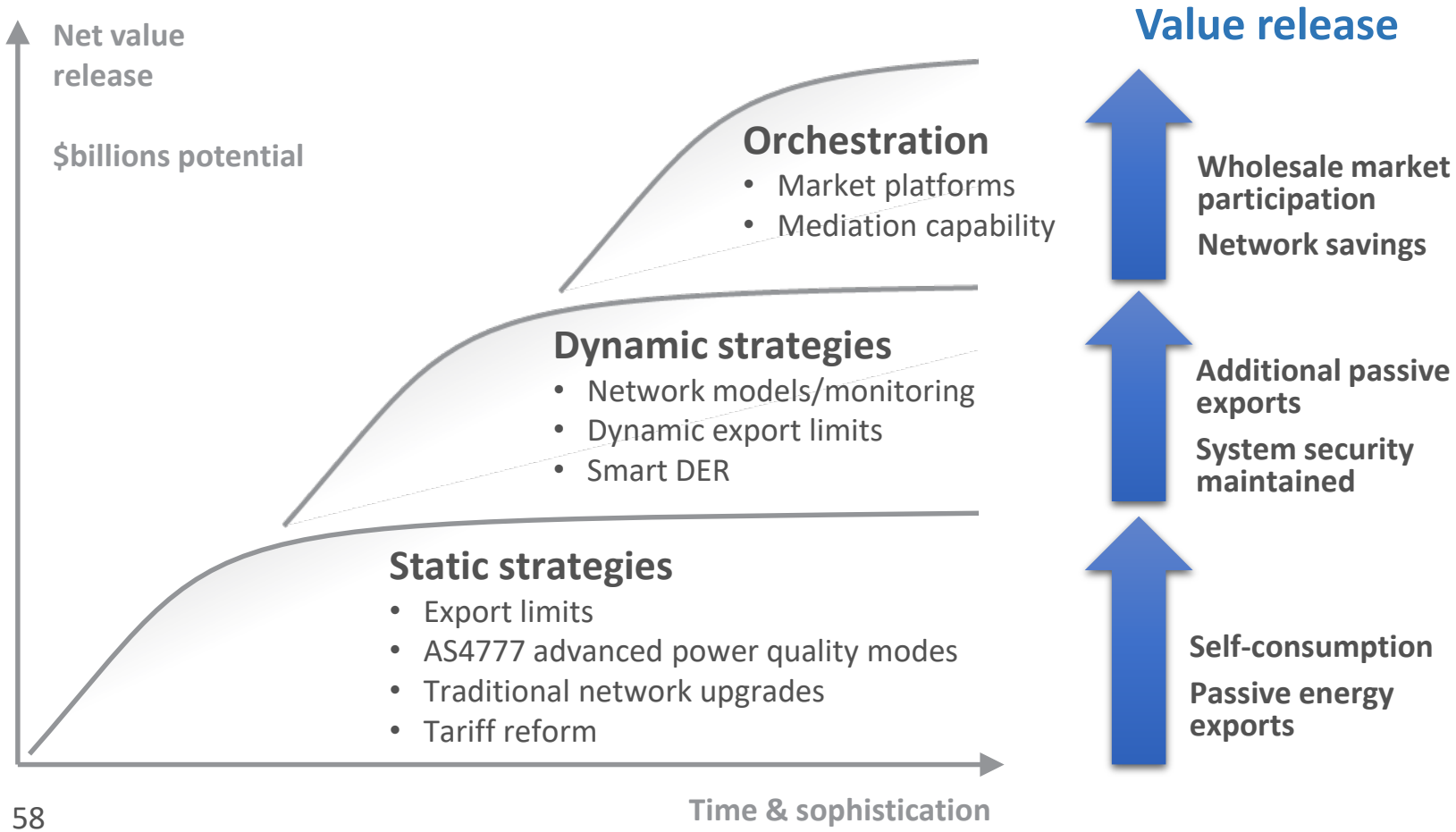
Additional DER:

Virtual power plants and **electric vehicles** expand network use further:

- **Demand**
- **Supply**
- **Firming**
- **Transport**

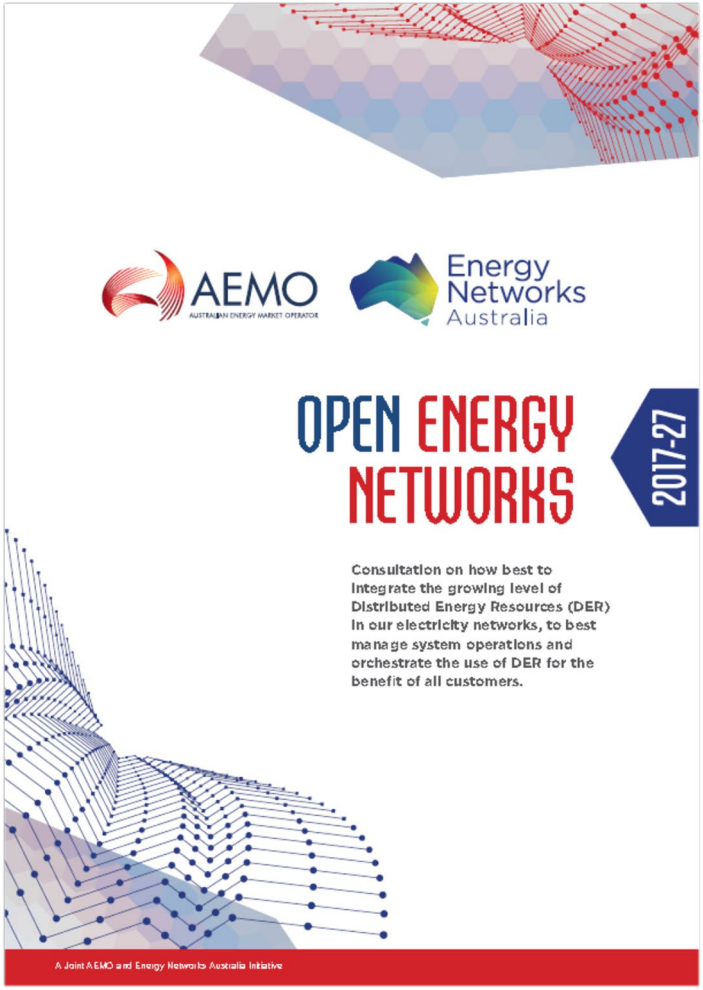
DER value release progression

Distribution System Operator: Releasing value, without breaking the network



Preparing for transition

- The DER transition means that networks can provide **new value**, supporting not just load, but generation, storage, ancillary services & transport
- However, the transition must be carefully managed
- SA Power Networks is undertaking and scoping DSO trials with Simply Energy, Greensync, AGL and Tesla
- AEMO/ENA are seeking to gain consensus on long-term frameworks



sapowernetworks.com.au

Beon Energy Solutions

Spark Infrastructure Investor Morning

Glen Thomson, General Manager, Beon Energy Solutions

13 November 2018

An introduction to Beon

- Beon is a national business, not constrained by the licence boundaries of the VPN distribution businesses, CitiPower and Powercor
  - *Licences in Victoria, South Australia, Tasmania, NSW and Queensland.*
- Unregulated projects have been part of Powercor since the late 1990s
- The market drives Beon's opportunities:
  - *Renewable projects driven by wholesale energy pricing and policy settings*
  - *Infrastructure & Transport projects are driven primarily by Government spending and population growth*
- Being customer focused, technology agnostic and cost competitive is paramount
- Our underlying asset is our people, systems and HSEQ focus
- Since 2015, the business has grown threefold in revenue and profitability
- There is a significant amount of innovation that occurs within Beon that can be utilised within CitiPower and Powercor

beon Energy Solutions

Types of activities

Turnkey Solar Projects (rooftop, ground mount and utility scale)

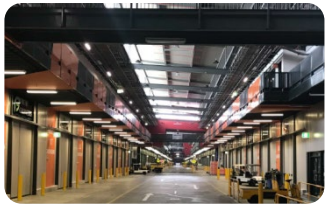



Terminal stations


Industry / Grid scale Batteries / Microgrids


Network / Transport / Infrastructure T&D projects


Power Quality and Energy Efficiency

next generation electrical

enea energy committed

beon Energy Solutions

Overview of key projects (2018)

Karadoc Solar Farm (for BayWa r.e.)

- 112 MW solar PV farm in North Western Victoria
- Single axis tracking system with over 350,000 panels
- Forecast completion late 2018
- Victoria's largest solar farm upon completion

Transport infrastructure

- Three concurrent transport projects in Victoria
- Support growth in transport network capacity driven by transport investment and population growth
- Provided two substations for Metro Tunnel boring machines
- Two other MTM substations under construction, and two Yarra Trams substations completed

Terminal Station works at Elaine

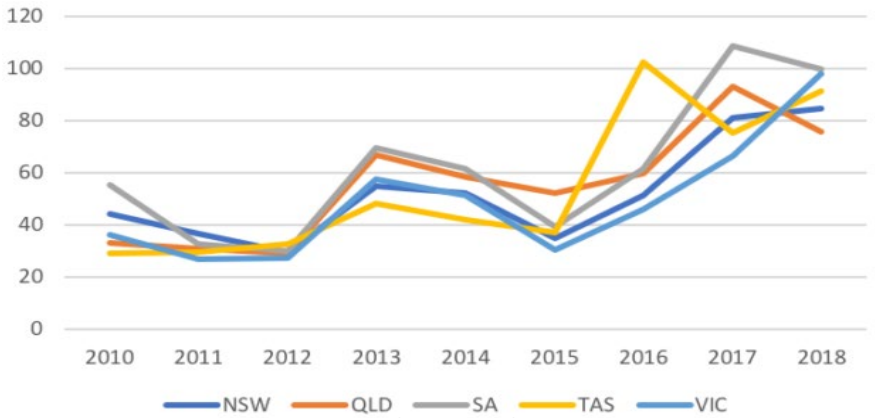
- Elaine Terminal Station augmentation for two wind farm connections including 100MVA and 400MVA transformers, plus 30km of 132 kV lines
- ELTS will be largest renewable energy hub in the Southern hemisphere

beon Energy Solutions

Major Market Drivers - Renewables

High wholesale electricity prices

Fig 1: Weighted Average Annual Wholesale Spot Price ($/MWh)



Source: AEMO, Online Data Dashboard (12 Nov 2018)

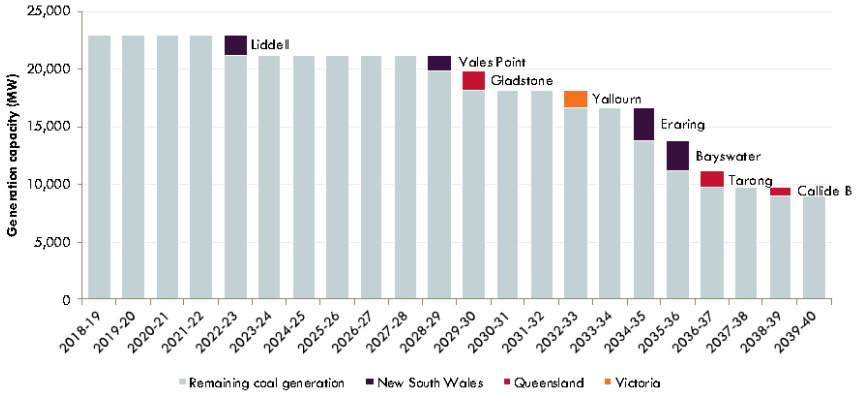
State based renewable schemes driving activity

Fig 2: Successful VRET Auction Projects

Source: Energy Victoria, Victorian Renewable Energy Auction Scheme

Aging fleet of baseload coal generation (~12GW to retire by 2040)

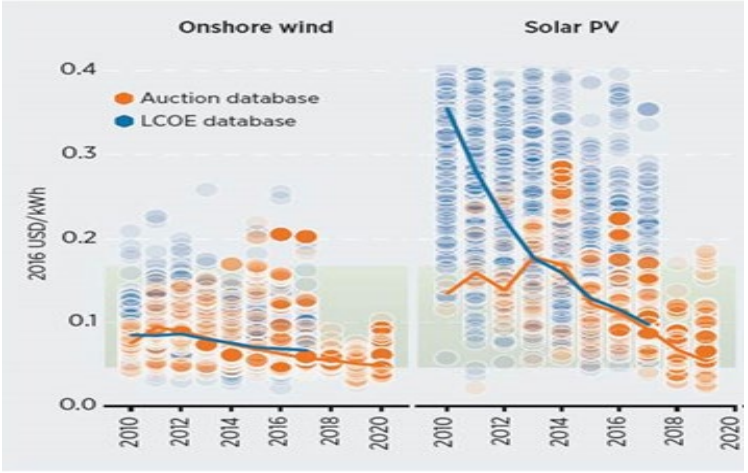
Fig 3: NEM coal-fired generation fleet operating life to 2040
(by 50th year from full operation and announced retirement)



Source: AEMO, 2018 Integrated System Plan

Rapidly diminishing cost of solar and onshore wind

Fig 4: LCOE for projects and global weighted average values

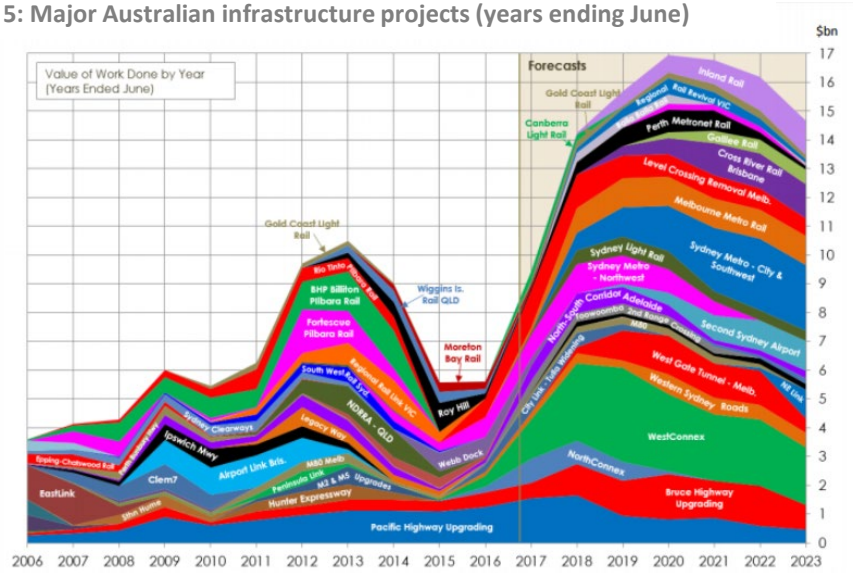


Source: IRENA, Renewable Power Generation Costs in 2017

Major Market Drivers - Infrastructure

Large pipeline of major infrastructure projects

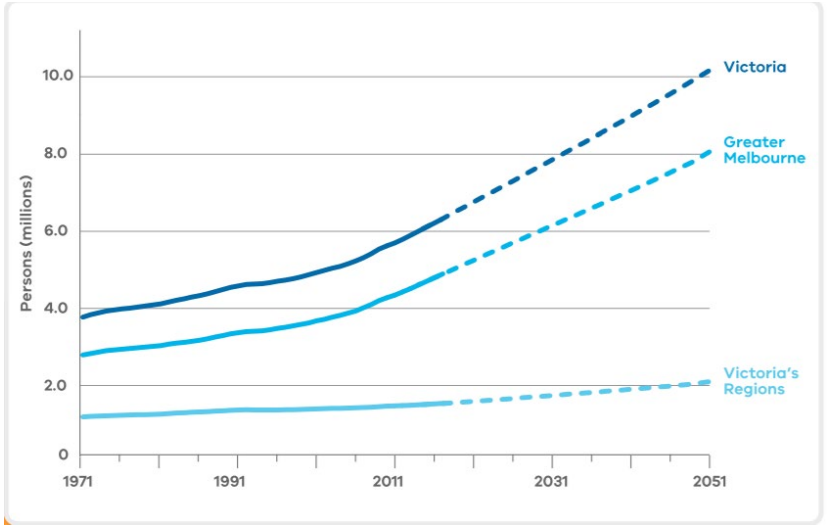
Fig 5: Major Australian infrastructure projects (years ending June)



Source: MacroMonitor – Australian Construction Outlook, March 2017

Strong population growth in Victoria, particularly in Melbourne (fastest growing city in Australia)

Fig 6: Estimated resident population, Victoria and major regions 1971 - 2051

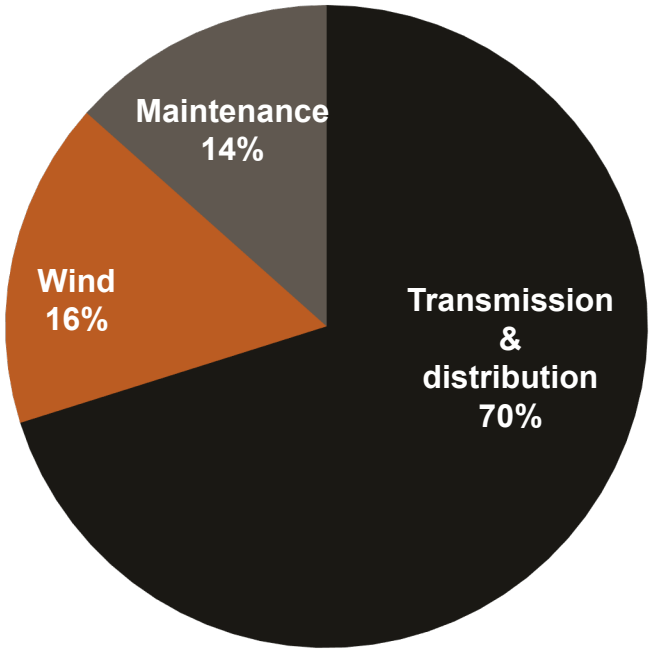


Source: DELWP – Victoria in Future planning report, 2016

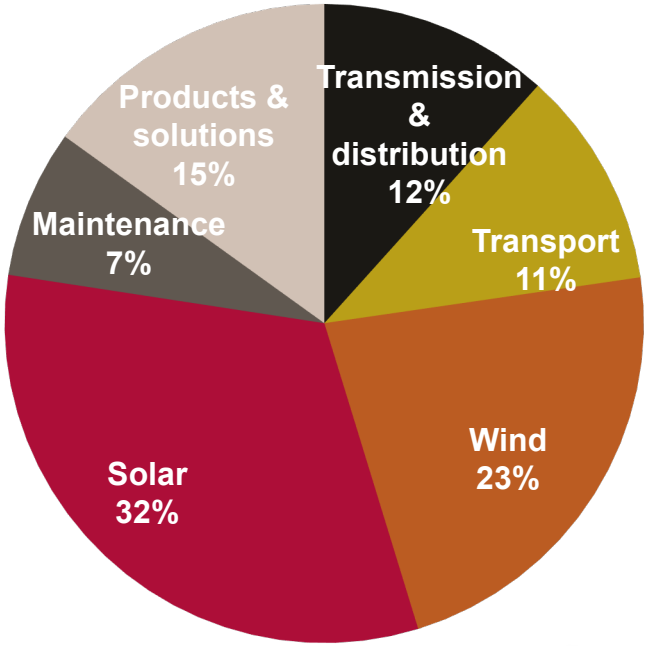
Exposure to more diversified sectors

- Diversity in industry segments is important to allow for changing market conditions
- Expanded business focus since 2014, with Solar, Transport and Products & Solutions key segments
- Organisation structured to allow for resources to move between sectors with ease
- VPN decision in mid-2015 to create a standalone Energy Solutions business has been rewarded

Revenue by sector – 2014 (%)



Revenue by sector – 2018 (%)



P&S: Products & Solutions (behind the meter)
T&D: Transmission & Distribution

beon Energy Solutions

Critical Success Factors

Continuing to **embed the Beon Energy Solutions brand and reputation**, with our target customer base

Remain **focused on pursuing projects in industry segments where we can be competitive and profitable** on a sustained basis.

Renewables, Electrification of the Transport system, T&D investment and tailored behind the meter solutions are expected to be **the primary focus areas** over the 2019-2025 period.

Leveraging our core strengths in **safety, reliability, and technical expertise** to provide agile, end-to-end energy solutions for utility, commercial and industrial customers.

Our people - their expertise and dedication - are our key to success. Making Beon Energy Solutions a great place to work is an area of focus. Maintaining a flexible organisation structure is also important in a fast changing energy market.

Successful project delivery (safe, on time, on budget, customer satisfied) are critical in ensuring our customers, shareholders and project partners **value our presence and contribution**.

Our goal is to deliver innovative energy solutions in a safe and cost competitive manner, in doing so, creating value to our customers and shareholders

CONCLUDING REMARKS

Rick Francis, MD & CEO, Spark Infrastructure

ENERGY AND REGULATORY POLICY ISSUES

Spark Infrastructure seeks to constructively engage and influence policy outcomes

Actively protect and grow financial returns through out-performance

Revenue decisions

Cash flow certainty to 2020

- TransGrid Final Decision current regulatory period to 30 June 2023
- SA Power Networks current regulatory period to 30 June 2020
- Victoria Power Networks current regulatory period to 31 December 2020

Energy regulation

Continuing change, a destabilising effect

- Binding Rate of Return Guideline legislation
- Rate of Return Guideline Review
- Regulatory approach to tax
- Incentive framework reviews
- Regulatory Investment Test

Energy policy

Future opportunities for growth

- AEMC Review of network regulation
- AEMC Open Energy Networks
- AEMO Integrated System Plan
- ACCC Electricity Retail Market Review
- National Energy Guarantee – uncertain future

SPARK INFRASTRUCTURE HAS INCREASED LEADERSHIP ROLE IN POLICY AND REGULATORY REVIEW PROCESSES

OUR STRATEGIC VISION AND PRIORITIES

We continue to evaluate opportunities to grow and diversify the portfolio through disciplined acquisition and to grow and develop into adjacent businesses

OBJECTIVE

Delivering long term value to Securityholders by building a portfolio of high-quality, long-life essential service infrastructure businesses

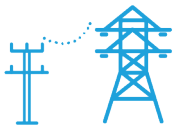
BUSINESS MODEL

Managing for Performance

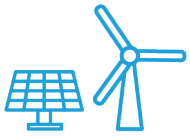
Organic Growth

Acquisition and Development led Growth

ELECTRICITY NETWORKS



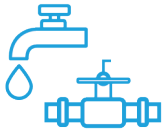
RENEWABLE ENERGY



ELECTRICITY STORAGE

GAS NETWORKS / GAS STORAGE

WATER NETWORKS / WATER TREATMENT



DATA NETWORKS

BY BUILDING SUSTAINABLE BUSINESSES AND HARNESSING THEIR EVOLVING GROWTH POTENTIAL WE WILL CONTINUE TO CREATE LONG-TERM VALUE FOR SECURITYHOLDERS

OUR INVESTMENT OPERATING PRIORITIES

Managing for Performance and Organic Growth remain key focus areas across our investments in 2018-19

Sustainable RAB and utilisation levels

- Sustainable RAB growth
- Prudent and efficient capital spend

Cost outs and out-performance

- Continued efficiency focus
- Further reliability and cost outperformance

Optimising financial efficiency

- Ongoing work to optimise TransGrid's debt financing for unregulated CAB

Funding unregulated business growth

- Strong growth in TransGrid CAB
- Further renewable opportunities at Beon and Enerven

Engaging with regulators

- Continued advocacy for integrity of regulatory framework
- VPN and SAPN 2020-25 revenue determinations

SPARK INFRASTRUCTURE REMAINS FOCUSED ON DRIVING GROWTH AND EFFICIENCY ACROSS OUR PORTFOLIO

DISTRIBUTIONS AND TAX

No change to previously disclosed FY 2018 guidance and commentary

2018 DPS Guidance	▪ The Directors reaffirm distribution guidance for FY 2018, subject to business conditions, of 16.0 cps
Distributions	▪ Spark Infrastructure anticipates that growth in distributions per security, through to the end of the regulatory determinations in 2020, will be at least CPI, subject to business conditions ▪ The current low inflation environment affects CPI-X adjusted revenue allowances that Spark Infrastructure's portfolio businesses are permitted to recover
Tax	▪ 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: - underlying financial performance of Spark Infrastructure's investment portfolio businesses; - tax timing differences; and, in the longer term - outcome of existing disputes with the Australian Taxation Office ▪ When we do pay tax, we would expect to be able to pass those tax credits up through the structure and on to Securityholders as franking credits, where applicable

NO CHANGE IN DISTRIBUTION GUIDANCE FOR FY 2018 OR TAX OUTLOOK

QUESTIONS?

Thank you for your attendance.

DISCLAIMER & SECURITIES WARNING

Investment company financial reporting - Adjustments are made to distribution and transmission revenues to defer/accrue for amounts in excess of/under the regulated revenue cap to reflect that these amounts will be returned to/recovered from electricity consumers in future periods via adjustments to tariffs.

The financial reporting is based on TransGrid's special purpose financial statements for the year ended 30 June 2018. Results have been adjusted by Spark Infrastructure to reflect the 6 month period to 30 June 2018.

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Rounding. Amounts have been rounded to one decimal place. As a result, totals as correctly stated in tables may differ from individual calculations.