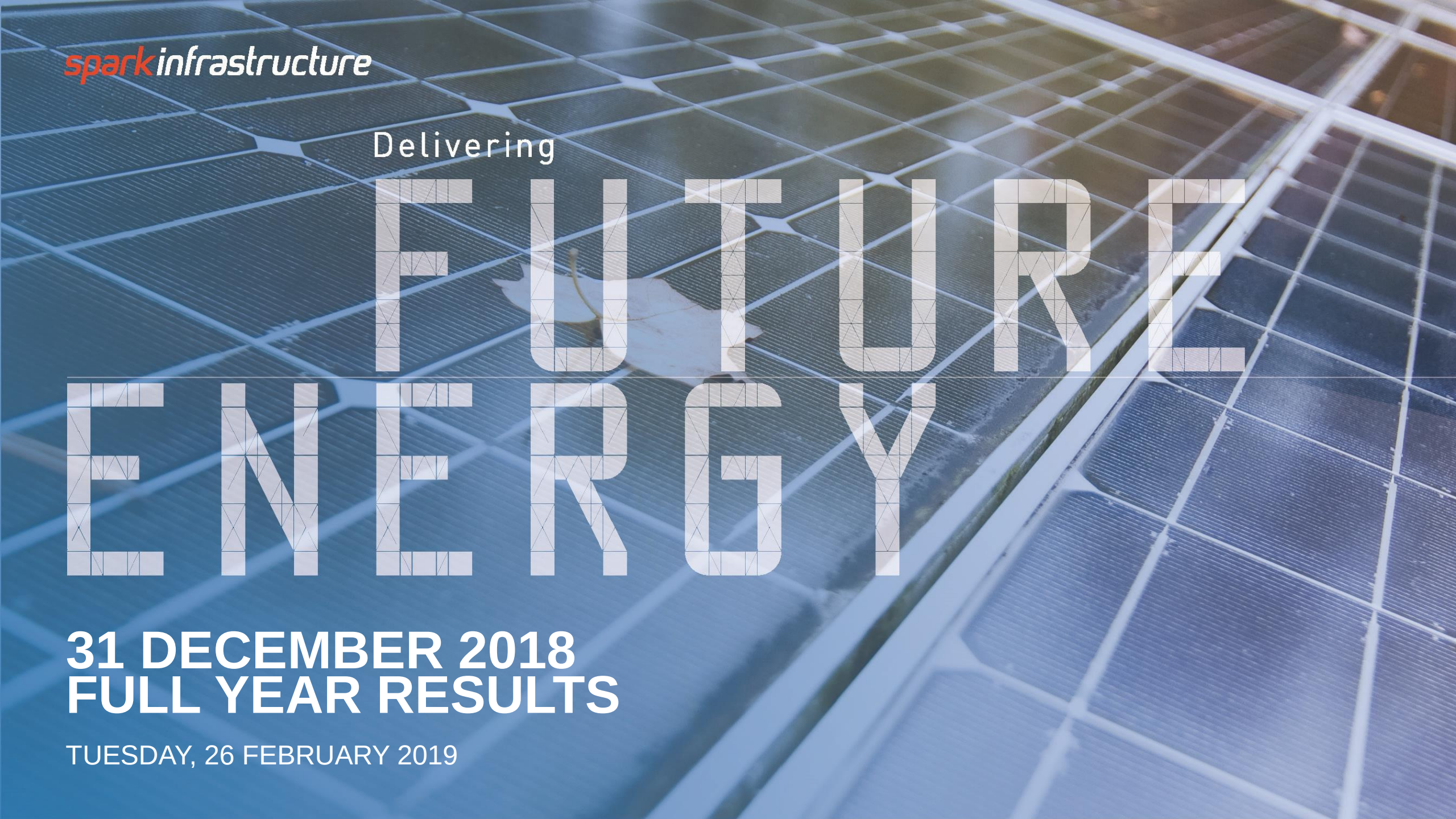


31 DECEMBER 2018 FULL YEAR RESULTS

TUESDAY, 26 FEBRUARY 2019

SPARK INFRASTRUCTURE – AT A GLANCE

ASX-listed owner of leading essential service infrastructure businesses

$4.0bn MARKET CAPITALISATION(1) **S&P/ASX 100**

$6.0bn REGULATED ASSET BASE (Proportional)

$17bn TOTAL ELECTRICITY NETWORK ASSETS(2)

SUPPLYING **5.6m** HOMES AND BUSINESSES

OVER **5,300** EMPLOYEES

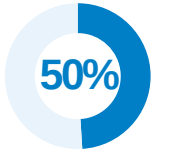
ACROSS **3** STATES

Victoria Power Networks

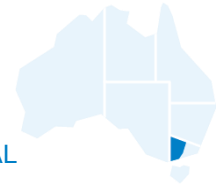
CitiPower & Powercor

49% SPARK INFRASTRUCTURE OWNERSHIP

$6.11bn REGULATED ASSET BASE



SKI PROPORTIONAL ASSET BASE



SA Power Networks

49% SPARK INFRASTRUCTURE OWNERSHIP

$4.21bn REGULATED ASSET BASE

SKI PROPORTIONAL ASSET BASE

TransGrid

15% SPARK INFRASTRUCTURE OWNERSHIP

$6.39bn REGULATED ASSET BASE

SKI PROPORTIONAL ASSET BASE

Traditional supply chain (now evolving)

(1) As at 22 February 2019. Balance sheet and other information as at 31 December 2018 (2) Spark Infrastructure has interests in $17bn of total electricity network assets

DELIVERING FUTURE ENERGY

The energy network sector has greater certainty following the completion of several regulatory and industry reviews during 2018; we remain focused on maintaining our sector leading efficiency and benefiting from the transition to renewable and distributed energy

1	**Our networks are leaders in efficiency, reliability and safety**	• Most efficient network assets with high levels of utilisation • Strong track record of outperformance post privatisation • Well placed to benefit from industry structural change to new energy future
2	**Strong performance metrics and balance sheet**	• Delivered 8.5% standalone operating cash flow growth in FY2018 • Adjusted earnings (EBTDA) growth of 5.0% to balance standalone operating cash flow growth • Investment grade credit ratings
3	**Cash yield of 6.4%(1)**	• 8.0cps final distribution declared for FY2018 • Forecast DPS of at least 15.0cps in FY2019 • Franking credits are expected to be distributed to Securityholders in the future, to the extent possible
4	**Supportive characteristics**	• High cash flow visibility to 2020 • Regulatory stability to 2020 (SA Power Networks, Victoria Power Networks) and 2023 (TransGrid) • Inflation-linked regulatory regime; increases in interest rates reflected in higher regulated revenues
5	**Growth opportunities in the new energy future**	• Technology, customer preferences and generation mix are transforming the role of networks • Distributed renewable generation, reliability requirements and efficient wholesale energy market operation reinforce role of the grid • Large-scale transmission interconnection options rapidly progressing; substantial government support

Our continued focus on efficiency delivers reliable and affordable electricity to consumers

(1) Based on 22 February 2019 closing price of $2.35 and FY2019 distribution guidance of at least 15.0cps

FINANCIAL HIGHLIGHTS

Ongoing focus on continued operating cost efficiencies drives earnings growth in FY2018

Standalone operating cash flow(1)

$290m

Up 8.5%

FY2018 Distribution(2)

16.0cps

Up 4.9%

Regulated asset base(4)

$6.0bn

Up 3.2%

Contracted asset base(5)

$431m

Up 21.4%

FY2019 Distribution guidance

at least **15.0cps**

Efficiency benchmarking(3)

No. 1

Net debt/ Regulated & Contracted asset base(4)

74.2%

Up from 73.5%

(1) Includes repayment of shareholder loans
(2) Record date 6 March 2019; payable 15 March 2019 for FY2018 final distribution of 8.0cps
(3) AER Annual Benchmarking Report 2018; CitiPower No.1 on total productivity; Powercor No.1 on opex productivity; and SA Power Networks No.1 on a state-by-state comparison
(4) On an aggregated proportional basis to Spark Infrastructure
(5) On 100% TransGrid basis

ADJUSTED PROPORTIONAL PERFORMANCE

Revenue growth and strong cost control has again delivered solid EBITDA growth

Adjusted Proportional Results (Spark Infrastructure share) ($m)	2018	2017	Change
Distribution and transmission revenue[1]	963.5	940.3	2.5%
Other revenue	165.4	161.4	2.5%
Total Revenue	**1,128.9**	**1,101.7**	**2.5%**
Operating costs[2]	(316.0)	(329.3)	-4.0%
Beon margin	4.9	3.5	40.0%
Enerven margin	7.5	11.6	-35.3%
EBITDA	**825.4**	**787.5**	**4.8%**
Net external finance costs	(178.4)	(171.1)	4.3%
EBTDA	**647.0**	**616.4**	**5.0%**

Proportional FY2017 EBITDA	**$787.5m**
Change in VPN EBITDA	$24.2m
Change in SAPN EBITDA[1]	$2.4m
Change in TransGrid EBITDA	$11.3m
Proportional FY2018 EBITDA	**$825.4m**

Spark Infrastructure aggregated proportional EBITDA has increased by 4.8%

(1) Adjustments: FY2018: Excludes SA Power Networks release of excess December 2016 storm provision in FY2018, ultimately not required $3.0m. FY2017: Excludes SA Power Networks release of excess December 2016 storm provisions in FY2017, ultimately not required $4.0m

STANDALONE OPERATING CASH FLOW

Improved distributions from Spark Infrastructure's investment businesses

Operating Cash Flow ($m)	2018	2017	Change
Investment Portfolio Distributions			
Victoria Power Networks[(1)]	156.9	154.4	1.6%
SA Power Networks	115.2	119.1	-3.3%
TransGrid	33.0	10.9	202.8%
Total Investment Portfolio Distributions	**305.1**	**284.4**	**7.3%**
Net interest received	0.9	0.5	
Corporate expenses	(13.5)	(13.8)	
Project expenses	(2.3)	(3.6)	
Standalone OCF	**290.2**	**267.5**	**8.5%**
Standalone OCF per Security	17.3 cps	15.9 cps	
Spark Infrastructure Distribution per Security	16.0 cps	15.25 cps	4.9%
Pay-out ratio	92%	96%	

Cumulative pay-out ratio for 2016-18 of 89%

(1) Victoria Power Networks distributions include both interest on and repayment of shareholder loans. Repayments of loan principal are classified as investing activities for statutory reporting purposes

OUR INVESTMENTS' FINANCIAL RESULTS

FY2018

VICTORIA POWER NETWORKS

Reduction in operating costs drives EBITDA increase of 6.3%

Financial ($m)[1]	2018	2017	Change
Regulated revenue - DUOS	920.6	903.3	
Prescribed metering ("AMI")	93.0	102.5	
Semi-regulated revenue	56.8	51.1	
Unregulated revenue	48.9	54.9	
Total Revenue	**1,119.3**	**1,111.8**	**0.7%**
Operating costs	(299.7)	(338.6)	
Beon margin	10.1	7.2	
EBITDA	**829.7**	**780.4**	**6.3%**
Other			
Net finance costs	(163.6)	(155.5)	
Net capital expenditure	495.7	463.9	
Distributions received by SKI	156.9	154.4	**1.6%**

CPI-X	$22.1m	
STPIS[2]	$17.9m	DOWN $2.7M ON FY2017
Customer Growth[3]	1.4%	
Consumption[3]	-0.5%	
FTE Change[3]	2.0%	
Net Debt / RAB	71.5%	
FFO / Net Debt	15.3%	

Supported by long term customer growth, Victoria Power networks has continued to invest in the network

(1) 100% basis (2) 2017 STPIS result recovered in FY 2018 (3) Compared with FY2017

VICTORIA POWER NETWORKS

KEY FINANCIAL DRIVERS

Regulated Revenue Up by 2.1%	• From 1 January 2018 CPI of 1.93% • X-factors for Powercor: -0.81% and CitiPower: -0.05% representing a real increase in revenue before CPI • $17.9m STPIS recovery included within distribution revenue, down $2.7m
Regulated Asset Base Up by 3.6%	• RAB increased to $6,109m • Increase driven by net capex of $475m(1), less regulatory depreciation of $366m, and CPI uplift of $113m
Other Revenue Down by 4.7%	• Semi-regulated revenue: up 11.2% – increased connection design services • Unregulated revenue: down 10.9% – non cash credit valuation adjustments offset by RERT(2) scheme and additional service level agreement projects • AMI revenue: down 9.3% – depreciating RAB
Operating Costs (ex Beon) Down by 11.5%	• Continued productivity and efficiency improvements and release of various provisions raised in 2017 • Higher capitalisation of labour costs due to increased number of capital projects
Net Capital Expenditure Up by 6.9%	• Growth capex of $357.2m up 6.1% (network connections and augmentation) – continuation of REFCL(3) program • Maintenance capex of $138.5m up 8.9% – zone substation replacement projects

Victoria Power networks RAB has increased 3.6% over the last 12 months

(1) Excludes corporate overheads (2) Reliability and Emergency Reserve Trader (3) Rapid Earth Fault Current Limiter

SA POWER NETWORKS

Regulated revenue growth offset by lower unregulated revenue and Enerven project margins

Financial ($m)[1]	2018	2017	Change
Regulated revenue – DUOS	821.0	797.6	
Semi-regulated revenue	79.4	86.1	
Unregulated revenue	9.7	11.6	
Total Revenue	**910.1**	**895.3**	**1.7%**
Operating costs	(269.3)	(265.9)	
Enerven margin	15.3	23.7	
EBITDA	**656.1**	**653.1**	**0.5%**
Other			
Net finance costs[2]	(123.4)	(124.7)	
Net capital expenditure	424.9	391.6	
Distributions received by SKI	115.2	119.1	**-3.3%**

CPI-X	$19.7m	
STPIS[3]	$24.0m	UP $2.0M ON FY2017
Customer Growth[4]	1.4%	
Consumption[4]	-1.0%	
FTE Change[4]	3.1%	
Net Debt / RAB	75.0%	
FFO / Net Debt	16.6%	

SA Power Networks has significantly increased capital expenditure in 2018

(1) 100% basis (2) Includes non-cash credit valuation hedge gain of $7.0m (FY2017: $2.7m) (3) 2015/16 STPIS result recovered from 1 July 2017, 2016/17 STPIS result recovered from 1 July 2018
(4) Compared with FY2017

SA POWER NETWORKS

KEY FINANCIAL DRIVERS

Regulated Revenue Up by 2.9%	• CPI of 1.91% from 1 July 2018 (1 July 2017: CPI 1.48%) • X-factor applicable from 1 July 2017 was -0.94% and from 1 July 2018 was -0.74% representing a real increase in revenue before CPI • $24.0m STPIS recovery, up $2.0m
Regulated Asset Base Up by 3.8%	• RAB increased to $4,207m • Increase driven by net capex of $367m(1), less regulatory depreciation of $308m, and includes CPI uplift of $79m
Other Revenue Down by 8.8%	• Semi-regulated revenue: down 7.8% - reduced road infrastructure activity offset by higher metering services (despite certain services becoming contestable) and pole/duct rental
Underlying Operating Costs (Ex Enerven) Up by 0.5%(2)	• Increased emergency response and network maintenance costs • Offset by reduced asset relocation activity, vegetation costs and continued workforce productivity and efficiency
Net Capital Expenditure Up by 8.5%	• Growth capex of $151.9m down 2.3% - network connections and augmentation • Maintenance capex of $273.0 up 15.6% • Significant component of capital expenditure relates to undersea cable connecting Kangaroo Island to the South Australia mainland

SA Power Networks has seen RAB growth of 3.8% over the 12 months

(1) Excludes corporate overheads (2) Excluding $6.2m release of GSL provisions in HY2018 relating to storms in December 2016 (FY2017 excluding $8.2m release), ultimately not required.

TRANSGRID

Increased unregulated revenue and ongoing operating cost efficiencies delivers 12.7% higher EBITDA

Financial ($m) [1]	2018	2017	Change
Regulated revenue - TUOS	733.7	711.6	
Unregulated revenue	149.5	66.8	
Other Revenue	13.2	9.3	
Total Revenue	**896.4**	**787.7**	**13.8%**
Regulated operating costs	(150.2)	(165.0)	
Unregulated operating and other costs	(77.3)	(29.4)	
EBITDA	**668.9**	**593.3**	**12.7%**
Other			
Net finance costs[2]	(251.6)	(225.5)	
Regulated capital expenditure	(192.9)	(230.8)	
Unregulated capital expenditure	(78.4)	(100.7)	
Distributions received by SKI	33.0	10.9	**202.8%**

MAR	$20.0m	
STPIS[3]	$15.6m	UP $1.8M ON FY2017
RAB[4] Growth	0.8%	
CAB[4][5] Growth	21.4%	
FTE Change[4]	(2.9%)	
Net Debt / RCAB[5]	80.7%	
FFO / Net Debt	8.2%	

Capital investment in new unregulated connections continues to build TransGrid contracted asset base

(1) 100% basis (2) FY2018 includes accelerated amortisation of $27m capitalised debt transaction costs resulting from the debt refinancing transaction in June 2018 (3) 2016 STPIS result recovered from 1 July 2017 and 2017 STPIS result recovered from 1 July 2018 (4) Compared with December 2017 (5) CAB comprises of unregulated infrastructure and telecommunication assets and investment property

TRANSGRID

KEY FINANCIAL DRIVERS – REGULATED BUSINESS

Regulated Revenue Up by 3.1%	• CPI of 1.48% from 1 July 2017 • X-factor from 1 July 2017 was 3.94%(1) representing a real decrease in revenue before CPI • The AER's determination set the MAR for 2018/19 so no CPI-X calculation is applied. The MAR for 2018/19 is $734.3m or 5% higher in nominal terms than the actual MAR for 2017/18 • $15.6m STPIS recovery, up $1.8m
Regulated Asset Base Up by 0.8%	• RAB increased to $6,392m • Increase driven by capital expenditure of $192m, less regulatory depreciation of $261m, and includes CPI uplift of $117m
Operating Costs Down by 9.0%	• Assessed by the AER to be an efficient operator • Savings in maintenance and procurement initiatives as well as labour productivity improvements achieved
Net Capital Expenditure Down by 16.4%	• Growth capex of $9.4m (up 30.7%) • Maintenance capex of $148.0m (down 22.2%) – consistent with regulatory allowance • Non-network(2) capex of $35.5m (up 5.2%)

Cost control remains one of the areas of focus as TransGrid continues its transformation into a leading private sector operator

(1) Based on the AER's advice on the X-factor applicable to the MAR calculation for 2017/18 transmission pricing (2) Includes NCIPAP capex

TRANSGRID

KEY FINANCIAL DRIVERS – UNREGULATED BUSINESS

Unregulated Capital Expenditure Down by $22.4m	• Infrastructure capex (mainly renewable connections) down $23.1m to $71.3m, partially offset by Telecommunications capex up $0.9m to $7.1m • Capex decrease driven by with majority of projects in FY2017 in delivery phase vs majority of projects in FY2018 in earlier works phase
Unregulated Revenue Up by $82.7m	• Major line relocation work under service-style contract for the Western Sydney Airport, Peabody and Mandalong coal mines • All completed connections projects now operational are generating revenue. • Connections revenue is expected to increase in 2019 as construction of connection assets is completed
Operating Costs Up by $48.2m	• Increased project costs due to greater line modifications activity • Growth in the completed connection portfolio resulting in increased maintenance costs
Contracted Asset Base Up by $76.2m	• Increased to $431m • Increase driven by net capex of $78m and gain on investment property $14m, less depreciation of $14m and disposals $1.0m
TransGrid Services – new structure	• TransGrid Services established in June 2018 to facilitate the efficient funding of unregulated new connections investment • $65m (Spark share: $9.8m) of equity invested in TransGrid Services in 2018 to fund unregulated growth

New connections investment and line modification projects driving unregulated business performance in 2018

INVESTMENT GRADE FUNDING

Our businesses retain strong investment grade debt structures

Issuer	Victoria Power Networks	SA Power Networks	TransGrid
Credit Rating (S&P / Moody's)	A- / n/a	A- / n/a	n/a / Baa2 (on USPP notes)
Weighted Average Maturity[1] *(31 December 2017)*	5.5 yrs (5.2 yrs)	5.6 yrs (6.0 yrs)	6.1 yrs (5.9 yrs)
Net Debt at 31 December 2018 *(31 December 2017)*	$4.369bn *($4.189bn)*	$3.155bn *($2.962bn)*	$5.509bn *($5.456bn)*
Net Debt / RAB at 31 December 2018 *(31 December 2017)*	71.5% (71.0%)	75.0% (73.1%)	86.2% (86.0%)
Net Debt / RAB + CAB at 31 December 2018 *(31 December 2017)*	N/A	N/A	80.7% *(81.5%)*
FFO / Net Debt at 31 December 2018 *(31 December 2017)*	15.3% *(14.9%)*	16.6% *(17.1%)*	8.2% *(9.0%)*

We are committed to maintaining investment grade credit ratings

(1) Weighted average maturity calculation is based on drawn debt at 31 December 2018

EFFICIENCY, GROWTH AND REGULATION

INDUSTRY AND BUSINESS CONSIDERATIONS

MAINTAINING LEADERSHIP IN SECTOR EFFICIENCY

Our investment businesses score highly across the AER's productivity dimensions and continue to focus on improving efficiency. This leads to better outcomes for both consumers and our Securityholders

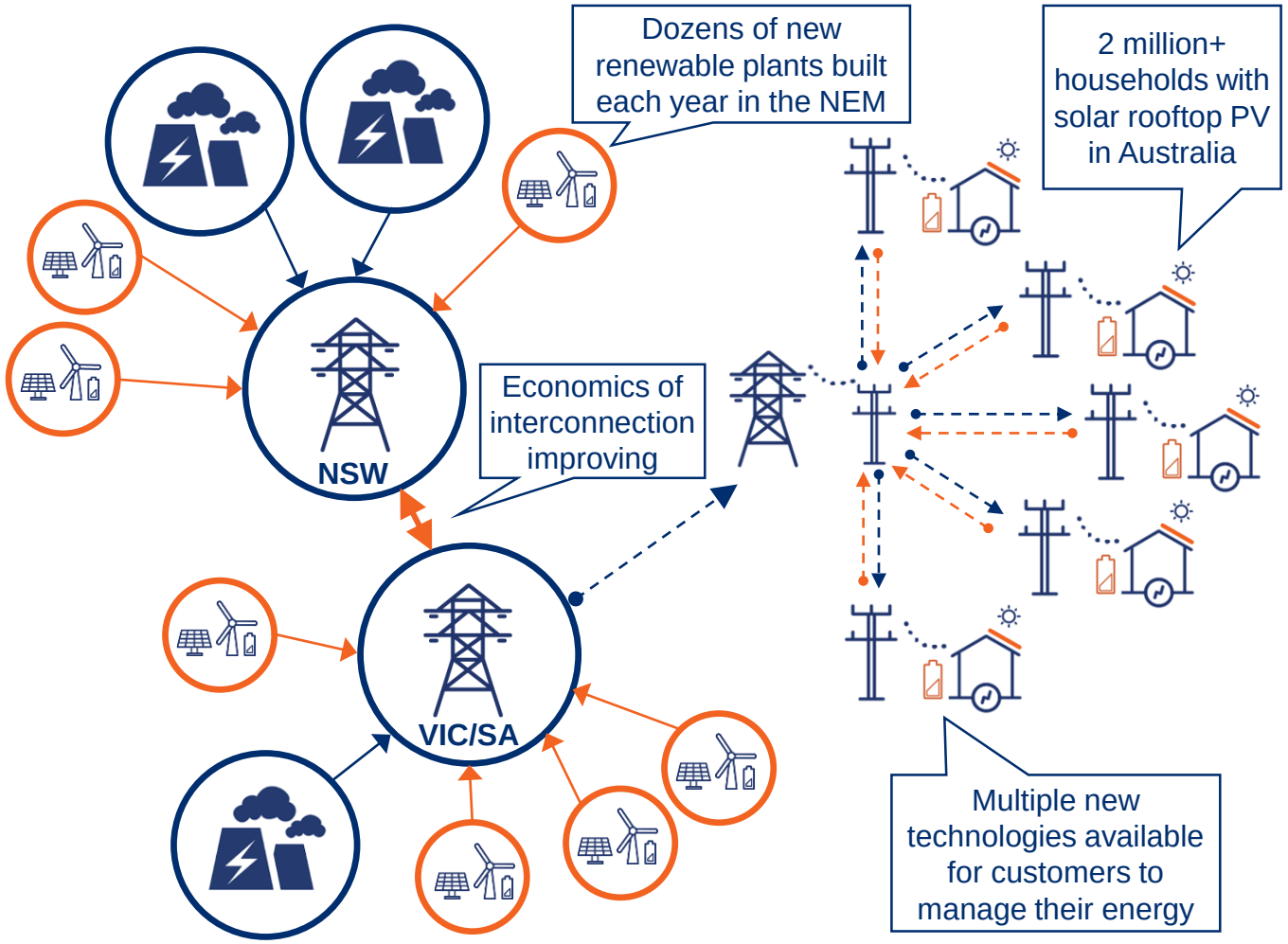
Asset Company	CitiPower (Distribution)	Powercor (Distribution)	SA Power Networks (Distribution)	TransGrid (Transmission)
AER Total Productivity[1]		No. 4		No. 3
AER OPEX Productivity[1]			No. 3	
AER State-Based Productivity[1]	N/A	N/A		N/A
AER 2017 Productivity Change[1]	+3%	+3%	-6%[2]	+12%

TransGrid achieved the highest productivity improvement of the five transmission companies, increasing performance by 12% relative to the prior year

(1) Source: AER Annual Benchmarking Report 2018
(2) SA Power Networks experienced rare and extreme weather conditions in 2016/2017 which led to increased cost required to respond to faults and to rectify supply. This had a significant downward impact on its productivity score, which is expected to rebound in the next productivity benchmarking report

ROLE OF NETWORKS IS EXPANDING IN THE FUTURE

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



A critical role for transmission…

- TransGrid connecting large-scale generation, storage and firming services more frequently
- TransGrid investigating increased investment in interconnections to reduce system costs and ensure network security
- TransGrid investing in grid strengthening projects to integrate more load and renewables

… And an increased role for distribution

- SA Power Networks and VPN investing to manage hundreds of thousands of distributed energy resources
- SA Power Networks and VPN investing in smart grid technology to manage reverse energy flows
- Beon and Enerven providing more contestable services for renewables

GROWTH DRIVERS FOR REGULATED ASSETS

Positive fundamentals for traditional RAB growth drivers of population and peak demand, and new energy drivers provide additional opportunities

RAB growth drivers

POPULATION GROWTH(1)

1.3% Per annum CAGR to 2030

VPN	1.6% p.a.
SAPN	0.8% p.a.
TransGrid	1.3% p.a.

PEAK DEMAND GROWTH(1)

0.8% Per annum CAGR to 2030

VPN	1.0% p.a.
SAPN	0.6% p.a.
TransGrid	0.7% p.a.

INFLATION (1)

2.5% RBA inflation target

NEW ENERGY DRIVERS

DISTRIBUTION

Distributed Energy Management, Smart Grid and Virtual Power Plants

TRANSMISSION

ISP interconnections and grid strengthening projects

(1) Source: Victoria State Government land use and population research; South Australia State Planning Commission population projects and demographics; AEMO National Electricity and Gas Forecasting portal maximum demand data; mid-point of Reserve Bank of Australia inflation target on average over time

REINFORCED BY THE ISP AND NSW STATE STRATEGY

The outlook for the ISP and the NSW Transmission Strategy is positive and is additional to TransGrid's 2018-2023 capex allowance in its revenue determination

Capex source	Estimated cost	AEMO ISP Neutral[1] Delivery target	NSW Transmission Strategy[1] Delivery target
TransGrid 2018-2023 capex allowance	**$1,249m**	**N/A**	**N/A**
VIC-NSW interconnector upgrade	$80m[2]	2020	2022
Minor QLD-NSW interconnector upgrade	$142m[2]	2020	2022
New SA-NSW interconnector (Project EnergyConnect)	$1,500m[2]	2022 to 2025	2023
Snowylink North	$1,150m[2]	2022 to 2025	2024
Medium QLD-NSW interconnector upgrade	$560m[2]	2023	N/A
Total possible ISP spend by mid-2020s	**$3,432m**	**N/A**	**N/A**
TransGrid 2018-2023 other contingent projects[3]	**$857m to $2,484m**	**N/A**	**N/A**

The ISP and the NSW transmission strategy represent significant investment opportunities to deliver cost savings for consumers

(1) Source: AEMO 2018 Integrated System Plan (AEMO 2018 ISP); NSW Transmission Infrastructure Strategy, November 2018 (2) Estimated cost of ISP projects sourced from AEMO 2018 ISP and represents total cost for each project, some of which may be funded by other TNSPs (3) Source: AER's final decision for TransGrid 2018-2023 Determination, Attachment 6 – Capital Expenditure; Projects include Reinforcement of Southern Network, Support South Western NSW for Renewables, Supply to Broken Hill, Support Central Western NSW for Renewables, Support North Western NSW for Renewables, and Renewables development in Mt Piper to Wellington area

NEW ENERGY FUTURE DRIVING UNREGULATED GROWTH

Unregulated growth opportunities continue to expand in areas of renewable connections, renewable construction and transport

Beon (Victoria)

- **Margin**: $10.0m in 2018
- **Large-scale solar**: Completed D&C(1) for Karadoc Solar Farm (112 MW) in 2018 and commencing D&C for Yatpool Solar Farm (106 MW) in 2019
- **Wind**: Continuing Elaine Terminal Station augmentation in 2019 to connect the 321 MW Moorabool and 90 MW Elaine Wind Farms
- **Distributed energy**: Completed more than 16 MW of rooftop solar PV across the NEM, with activity to continue in 2019
- **Transport**: Two Yarra Trams substations completed in 2018 and three MTM(2) substations under construction and continuing into 2019
- **Utilities and Infrastructure:** Numerous contracts for regulated utilities and private networks completed in 2018 and continuing in 2019

Enerven (South Australia)

- **Margin**: $15.3m in 2018
- **Construction and maintenance**:
  - $70m revenue delivered via major projects in 2018, including infrastructure to connect the 220 MW Bungala Solar Farm. Halfway into a 5 year ElectraNet maintenance contract
  - Recently secured 5 year contract extension for maintenance of BHP electrical infrastructure supporting Olympic Dam operations
- **Telco**: Further roll-out of National Broadband Network in 2018, winding down in 2019
- **Distributed energy**: Solar PV installations completed in 2018 at three SA Water sites. Recently secured $304m framework agreement contract(3) with SA Water for 154 MW of roof and ground mount solar panels and 34 MWh of storage at many of their sites across the state

TransGrid (New South Wales)

- **EBITDA**: $75.2m in 2018, up 100% from $37.5m in 2017(4)
- **New Connections and line modifications**: $80.9m(5) EBITDA excluding overheads in 2018, up 95% from $41.6m(5) in 2017
- **New connections** activity has increased:
  - Completed in 2018: 554 MW, including 404 MW of wind and 150 MW of solar
  - Under construction: 1,802 MW, including 315 MW of wind and 1,487 MW of solar
- **Line modifications** activity grew significantly in 2018, with works at Centennial and Peabody mine connections, and Western Sydney Airport
- **Telco**: $5.1m EBITDA excluding overheads in 2018, up 4% from $4.9m in 2017

(1) Design and construct services
(2) Metro Trains Melbourne
(3) Framework agreement contract staged with work that will be completed in separable portions (4) Includes $10.8m in overhead costs, up 21% from $8.9m in 2017 (5) Includes property services EBITDA

TRANSGRID IS INVESTING IN THE RENEWABLES FUTURE

TransGrid's under construction pipeline has more than quadrupled from 415 MW at half year 2018 to 1,802 MW at full year 2018

Project	Status	Stage 1 capacity(1)	Revenue start date
White Rock Wind Farm	Complete	175 MW	Q3 2017
Parkes and Griffiths Solar Farms	Complete	96 MW	Q3 2017
Deer Park Terminal Station	Complete	N/A (Load growth project)	Q4 2017
Sapphire Wind Farm	Complete	270 MW	Q4 2017
Silverton Wind Farm	Complete	200 MW	Q1 2018
Bodangora Wind Farm	Complete	113 MW	Q3 2018
Crookwell II Wind Farm	Complete	91 MW	Q3 2018
Coleambally Solar Farm	Complete	150 MW	Q3 2018
Beryl Solar Farm	Under construction	95 MW	Q2 2019
Metz Solar Farm	Under construction	115 MW	Q3 2019
Goonumbla Solar Farm	Under construction	70 MW	Q3 2019
Kiamal Solar Farm	Under construction	300 MW	Q4 2019
Sunraysia Solar Farm	Under construction	200 MW	Q4 2019
Clarence Correctional Facility	Under construction	N/A Load	Q1 2020
Finley Solar Farm	Under construction	133 MW	Q1 2020
Limondale Solar Farm	Under construction	249 MW	Q1 2020
Darlington Point Solar Farm	Under construction	275 MW	Q1 2020
Wagga North Solar Farm	Under construction	50 MW	Q1 2020
Crudine Ridge Wind Farm	Under construction	135 MW	Q2 2020
Berrybank Wind Farm(2)	Contract Executed	180 MW	Q1 2020
Total: 20 Projects	**Complete / Under construction**	**2,897 MW**	

(1) Excludes Stage 2 additional capacity
(2) Notice to proceed to construction is subject to financial close

ENERGY AND REGULATION POLICY ISSUES

Spark Infrastructure has high cash flow visibility to 2020. Several regulatory reviews were completed during 2018 which provide greater certainty for future regulatory periods

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

Heightened regulatory engagement

- Key elements finalised in December 2018
  - Rate of Return Guideline (RORG)
  - Approach to regulatory tax
- SA Power Networks lodged proposal for the next regulatory period on 31 January 2019
- Victoria Power Networks to lodge proposal on 31 July 2019

Energy policy

Future opportunities for growth

- Incentives for investment and innovation
  - AEMC review of network regulation
  - AEMC review of standalone power systems
  - ENA/AEMO Open Energy Networks
- Interconnectors and renewable energy zones
  - ESB ISP action plan
  - AEMO 2020 ISP

Spark Infrastructure seeks to engage and advocate for policy and regulatory outcomes that support returns required for efficient investment and innovation. This investment will lower costs to consumers over time

RORG AND TAX WILL IMPACT REVENUE POST 2020

The changes made by the AER to the RORG and the tax allowance calculation methodology are likely to have a downward impact on VPN's and SA Power Network's revenues post 2020[1]

Review	Parameter	Moving from	Moving to	Indicative 2021-2023 p.a. revenue impact (Spark proportional)[1],[2]
Final RORG	• Equity risk premium • Debt risk premium	• 4.55% • Broad BBB curve	• 3.66% • 2/3 Broad BBB, 1/3 Broad A	**$22-27m**
	Gamma	0.4	0.585	**$15-20m**
Approach to regulatory tax	Refurbishment capex and capitalised direct overheads	Depreciation of refurbishment capex and capitalised direct overheads aligned to accounting treatment	Immediate deduction of refurbishment capex and capitalised direct overheads to align to tax treatment	**$20-25m**
	Tax depreciation treatment of new capex	Common use of straight line depreciation	Diminishing value depreciation for all new capex	**$2-4m**
Total				**~$60-75m**

Spark Infrastructure and our businesses continue to investigate the extent to which these factors can be mitigated

(1) 2021-23 impacts only include VPN and SA Power Networks as TransGrid's rate of return and tax allowance have been determined to 30 June 2023 and have not been estimated for 1 July 2023 to 31 December 2023
(2) Source: Spark Infrastructure investment businesses; Revenue impacts are indicative only and are not intended to represent likely regulatory outcomes still to be determined by the AER
(3) Note: Other key items that could impact revenue include macroeconomic factors like inflation and interest rates

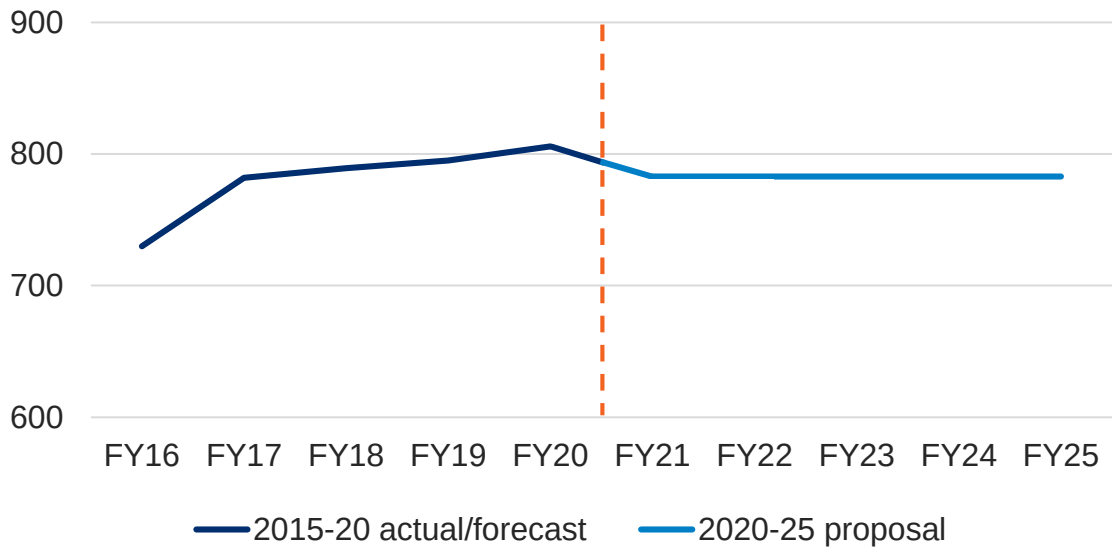
SA POWER NETWORKS 2020-25 REGULATORY PROPOSAL

The 2020-25 regulatory proposal includes revenue comparable to the 2015-20 actual/forecast in real terms. Proposed capex leads to RAB growth of 1% in real terms from 2020-25. The preliminary decision is due from the AER in September 2019

Regulatory proposal metric	2015-20 Actual/Forecast	2020-25 Regulatory proposal
Capex[1] (Real $June 2020)	$1,728m	$1,741m
Opex[1] (Real $June 2020)	$1,324m	$1,530m
WACC	6.15%[2]	5.43%[1]
Gamma[1]	0.4	0.585
Revenue[1] (Real $June 2020)	$3,909m	$3,915m

Proposal has revenue stable in Real $June 2020 terms

Standard Control Services Revenue ($m, Real June 2020)[1]



Proposal to decrease average household bill by $40 in nominal terms ($53 in real terms) in 2020/2021

(1) Source: SA Power Networks 2020-25 Regulatory Proposal – An overview for South Australian electricity customers, sourced from SA Power Network's Talking Power website
(2) Average 2015-20 WACC based on SA Power Networks 2015-20 determination PTRM and asset company information

STRATEGY AND OUTLOOK

THE PLAN AHEAD

OUR STRATEGIC VISION AND PRIORITIES

Delivering essential service infrastructure

OBJECTIVE

Delivering long-term value through capital growth and distributions to Securityholders from our portfolio of high-quality, long-life essential service infrastructure businesses

By building sustainable businesses and harnessing their evolving growth potential we will continue to create long-term value for Securityholders

BUSINESS MODEL

Value Enhance

Managing our portfolio for performance and organic growth through efficient investment

Value Acquire

Growing through disciplined acquisitions

Value Build

Developing adjacent business platforms

OUR INVESTMENT OPERATING PRIORITIES

Value Enhance remains a key operating focus across our investments in 2019

Sustainable RAB and utilisation levels

- Sustainable RAB growth
- Prudent and efficient capital spend
- TransGrid ISP opportunities, where regulated

Cost outs and outperformance

- Continued efficiency focus
- Further reliability and cost outperformance

Optimising financial efficiency

- Ongoing work to optimise TransGrid's debt financing for unregulated CAB
- Maintain existing credit ratings

Funding unregulated business growth

- Strong growth in TransGrid CAB
- TransGrid ISP opportunities, where unregulated
- Further renewable opportunities at Beon and Enerven

Engaging with policy and regulators

- Continued advocacy for integrity of regulatory framework
- VPN and SAPN 2020-2025 revenue determinations
- Resolve tax matters

Spark Infrastructure's Value Enhance centres on driving growth and efficiency across our existing portfolio, while Value Acquire and Value Build offer additional potential for growth

DISTRIBUTIONS, OUTLOOK AND TAX

Distribution guidance and outlook commentary on distributions and tax

2019 DPS Guidance	• The Directors confirm distribution guidance for FY2019 of at least 15.0cps, subject to business conditions
Outlook	• Spark Infrastructure expects future cash flows to align more closely with the five-year regulatory periods of our businesses • Our intention is to continue paying out a high proportion of standalone operating cash flows, over five-year regulatory periods • AER decisions in December 2018 are likely to put pressure on regulated revenues and operating cash flows of our investment businesses post 2020 • Continued focus on maintaining investment grade credit ratings for our businesses
Tax	• With Spark Infrastructure becoming a taxpayer, distributions to Securityholders will be funded from standalone operating cash flows after tax payments • We expect an increasing tax profile with an effective tax rate (cash tax paid in the year divided by pre-tax standalone operating cash flow) estimated to be 6% for FY2019 and 12-20% in the following one to two years • The timing and amount of tax payable will depend on the underlying financial performance of the investment businesses, tax timing differences and the outcome of tax disputes with the ATO (if appealed) • We expect to be able to distribute franking credits to Securityholders, to the extent possible

If no successful appeal of the Federal Court decision on tax treatment of cash contributions and gifted assets, Spark Infrastructure will pay tax from 2019 onwards and future distributions to Securityholders are expected to be franked

APPENDIX

BUSINESS PERSPECTIVES

OUR BUSINESSES CONTINUE TO PURSUE EFFICIENCY

Our investment businesses continue to find ways to reduce costs

Victoria Power Networks

- Driving operational excellence delivered **$6m p.a.** of run-rate savings in 2018, via initiatives including:
  - Streamlining overheads functions that directly support the field force
  - Improved procurement of underground construction services
  - Digital innovation focusing on automation and robotics opportunities
- Focus in 2019 will be further extending these initiatives to deliver additional **$15m** of annual run-rate savings

SA Power Networks

- Powering Ahead enabled **$52m p.a.** of benefits(1) in 2018, $12m above the original target, via initiatives including:
  - Enhanced capital works management, planning and delivery processes
  - Field force productivity increase due to improved job scheduling
  - Line automation to improve network reliability(2)
- Focus in 2019 is to ensure enablement of remaining program benefits and to embed improvements into BAU processes

TransGrid

- Regulated opex reduced by **$14m**(3) in FY2018(4) compared to FY2017(4) due primarily to:
  - Maintenance efficiencies and increased labour productivity
  - Procurement savings initiatives in the areas of IT, telecommunications and other outsourced services
- Focus in FY2019(4) is to drive capital delivery efficiencies along the value chain, while embedding inflight initiatives

Efficiency improvements continue to place our investment businesses at the efficient frontier

(1) Enabled benefits relate to capital productivity which allowed SA Power Networks to deliver more capital work with a similar cost base
(2) Line automation project included installation of 200 remote control switches to autonomously restore supply on the network after an outage has occurred
(3) Represents underlying prescribed opex and excludes the impact of opex for major projects (4) Based on TransGrid's financial year of 1 July to 30 June

WHILE MODERNISING THEIR GRIDS

Grid modernisation provides important new growth capex sources and allows the grid to adapt to new demands

Victoria Power Networks

Rapid Earth Fault Current Limiters (REFCLs)

- World-first application of technology that is capable of limiting earth faults to levels where bushfires cannot start. $230m provided by AER, with ~$100m spent to date

Using smart meters to mitigate blackouts

- At times of peak demand VPN reduces demand using smart meters(1). This earned VPN $5.5m in 2017/18 as part of AEMO's Reliability and Emergency Reserve Trader (RERT) scheme

Light radars for vegetation management

- In 2017 and 2018, VPN used small planes and helicopters that emit light radars (Light Detection and Ranging (LiDAR) technology) to digitally map the entire network to prioritise vegetation work. LiDAR will now occur annually

SA Power Networks

Advanced Distribution Management System

- Continued rollout of an Advanced Distribution Management System (ADMS) to provide the platform to integrate smart grid technologies, and better identify and restore faults

Self healing network using line automation

- Recently completed a project that added 200 remote control switches to autonomously restore supply on the network after an outage has occurred, using the ADMS platform

Virtual Power Plant (VPP) optimisation

- Collaboration with Tesla to maximise output of its 1,000 battery VPP while ensuring network limits are not breached. Tesla plans to extend the VPP to 50,000 batteries, which will be the largest VPP in the world

TransGrid

Dynamic voltage support for renewables

- $19m of investment in technology that dynamically manages frequency and voltage issues on powerlines to integrate more renewables

Wide area management schemes

- $16m investment to develop dynamic control schemes that maintain reliability by balancing the network in real-time during grid disturbances

Tesla battery trial for the City of Sydney

- Delivered a 500kWh Tesla battery trial at the Sydney CBD Council depot in partnership with the City of Sydney. The system is being used to reduce grid stress during peak demand

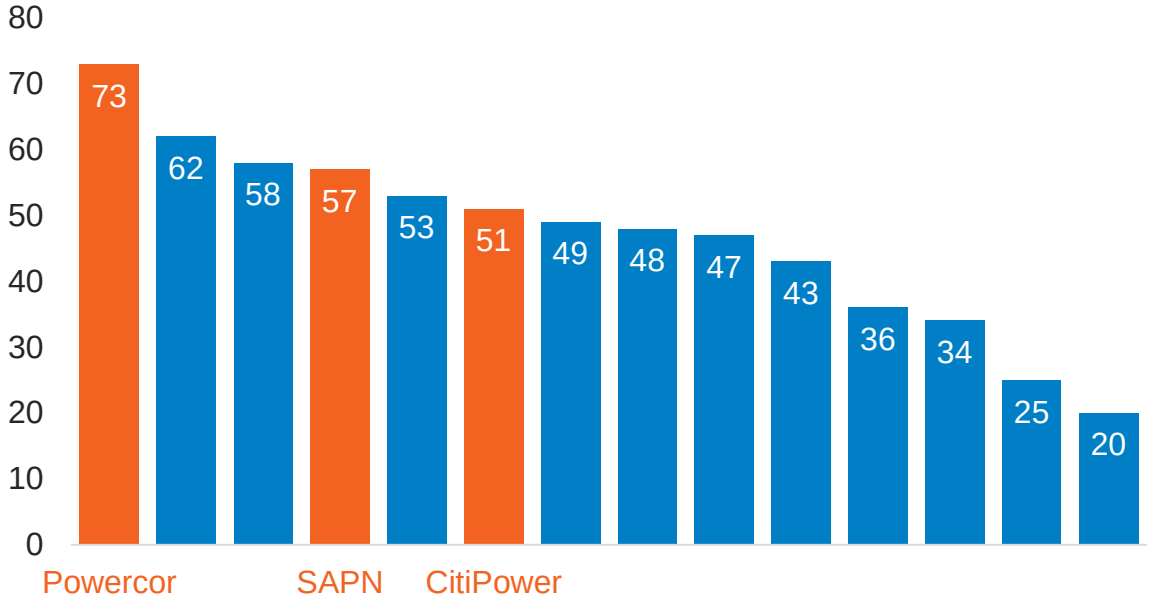
(1) VPN is able to lower network voltage at particular points on the network which lowers network demand. VPN can assess where lowering voltage will have least impact on grid stability by using smart meters

AND ACHIEVING LEADING UTILISATION AND RELIABILITY

Prudent and targeted capital and maintenance spend drives our businesses' high utilisation and reliability

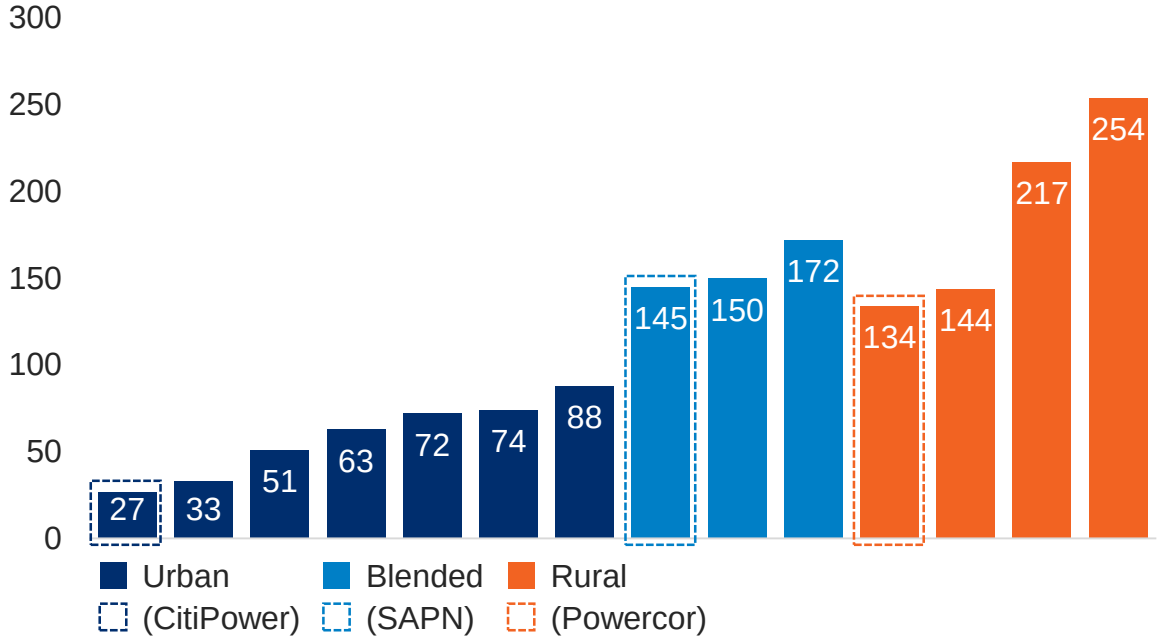
Our distribution assets have high utilisation…

2017 DNSP network utilisation (%) (1)



…and best in class reliability by network type

2013-17 DNSP annual minutes of interrupted supply(1)



Efficient investment from our networks leads to high utilisation and reliability, resulting in cost and service outperformance under the regulatory regime

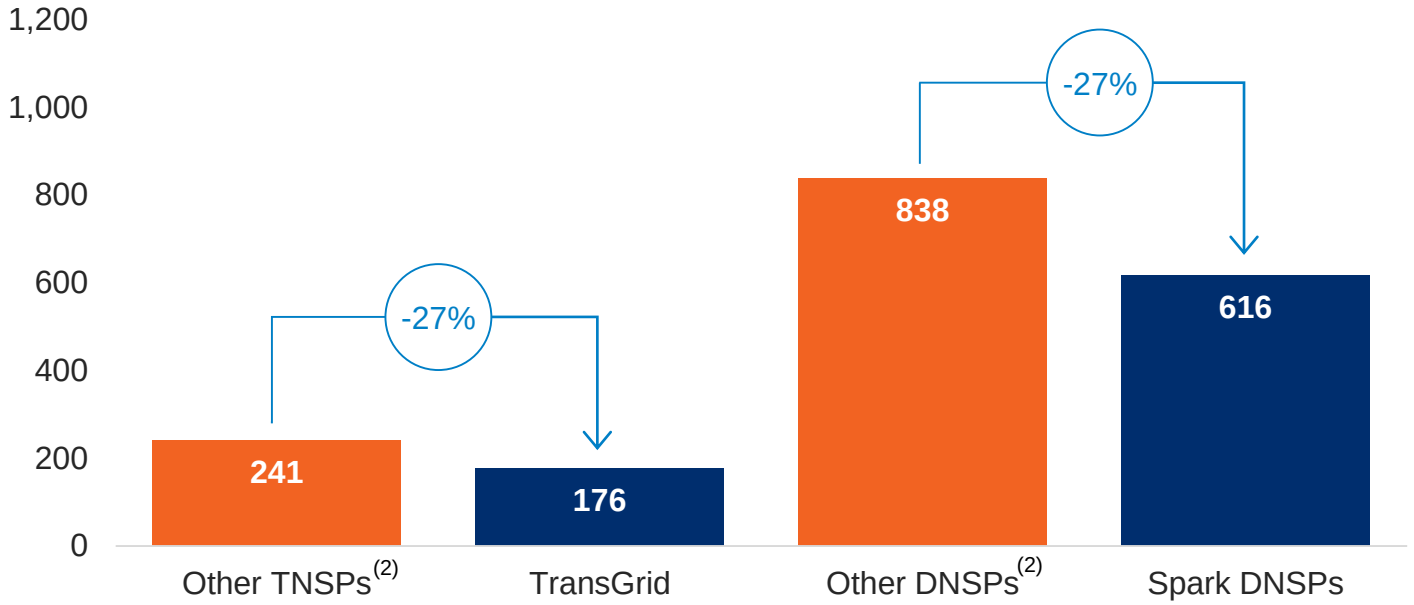
(1) Source: AER Distribution performance data 2006-2017

TRANSLATING INTO SAVINGS FOR CUSTOMERS

Our businesses' market leading efficiency and utilisation have been passed through to consumers in the form of electricity price reductions

High performance has led to low user costs…

2013-2017 average total annual user cost per customer ($)(1)



…translating into consumer bill reductions(3)

-1% **CitiPower** real price reduction 2007/8 – 2017/18

-6% **Powercor** real price reduction 2007/8 – 2017/18

-9% **SA Power Networks** real price reduction 2000 – 2018

-4% **TransGrid** real price reduction 2018 – 2023 determination

Our businesses continue to focus on delivering the most affordable and reliable energy to consumers through efficient operations

(1) Total user cost calculated by the AER using the formula: Average WACC * RAB – depreciation + opex, which is a proxy for controllable parts of distribution and transmission components in an electricity bill. Source: AER 2018 distribution benchmarking partial performance indicators – November 2018 and AER 2018 transmission benchmarking partial performance indicators – November 2018 (2) Weighted average of other TNSP and other DNSP total user costs per customer (3) Source: Asset company information; SA Power Networks 2020-25 draft plan; TransGrid 2018-23 determination overview

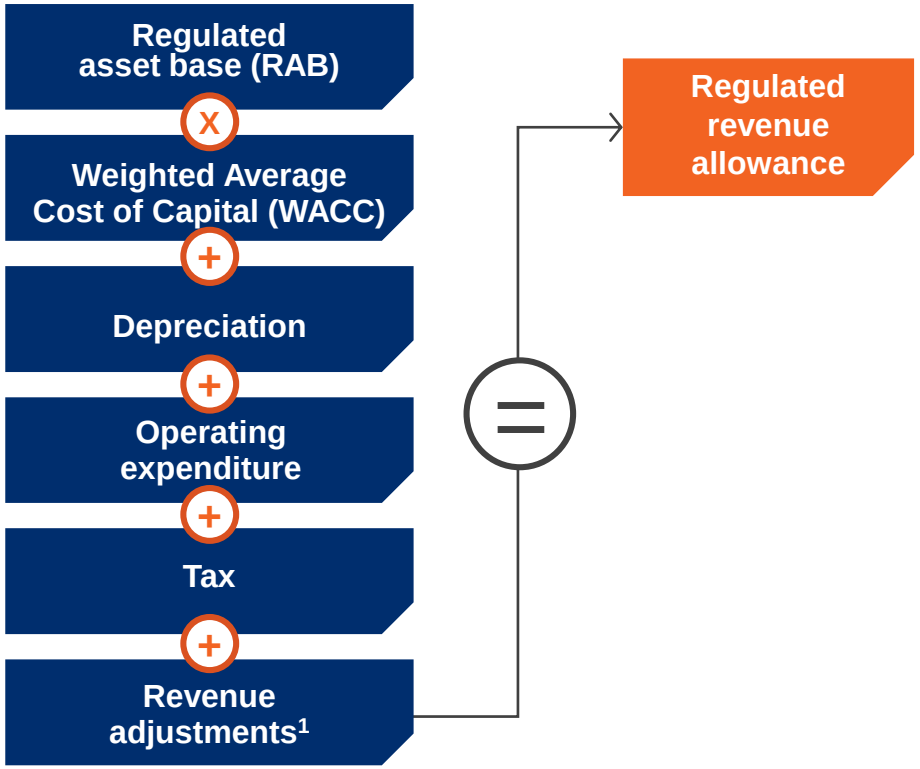
APPENDIX

INDUSTRY PERSPECTIVES

INCENTIVE BASED REGULATORY FRAMEWORK

Well established regulatory process with resets every 5 years, based on a building block approach

Revenue building blocks



Regulator	• Australian Energy Regulator (AER)
Regulated revenue	• Determined using building block approach to recover efficient costs • WACC based on 60:40 debt equity • Parameters based on 'benchmark entity' • Rate of Return Guideline
Regulated asset base (RAB)	• Opening RABs locked in under the National Electricity Rules • Increased by CPI and efficient capital invested less regulatory depreciation

Regulatory resets – cash flow certainty to 2020

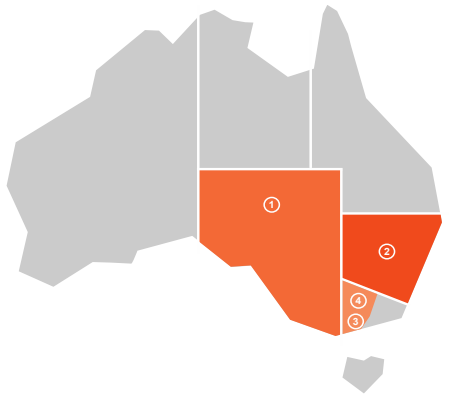
SA Power Networks	**July 2020**
CitiPower	**January 2021**
Powercor	**January 2021**
TransGrid	**July 2023**

Regulatory framework provides revenue certainty and inflation-linked revenue, and gives businesses incentives to outperform

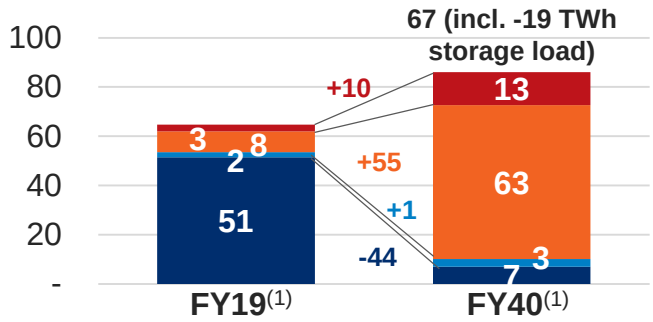
(1) Revenue adjustments include, but are not limited to, EBSS, CESS, STPIS and DMIA

GENERATION MIX TO CHANGE SIGNIFICANTLY

The AEMO ISP neutral scenario predicts significant changes in the generation mix in New South Wales, Victoria and South Australia between FY2019 and FY2040

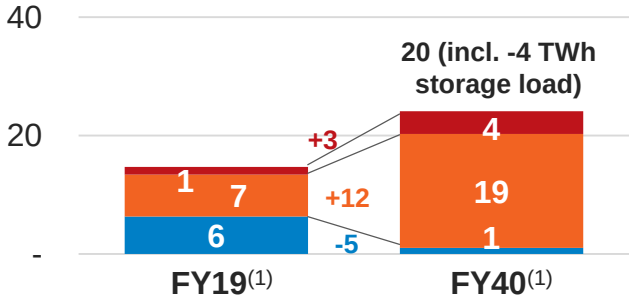


New South Wales (TWh)

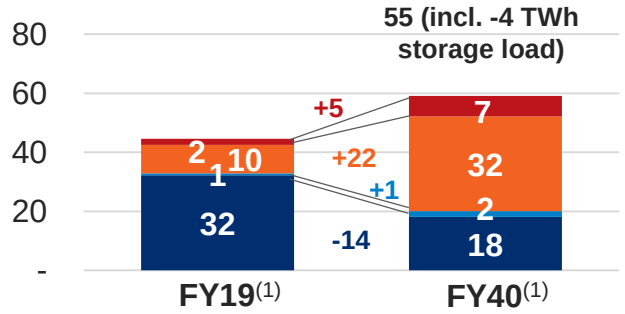


- **Coal generation in NSW, VIC and SA reducing by 70%** from 83 TWh in FY2019 to 25 TWh in FY2040
- **Solar, wind and storage in NSW, VIC and SA increasing by 425%** from 25 TWh in FY2019 to 131 TWh in FY2040
- **Significant new investment in network connections, network augmentation and interconnection** required to facilitate transition from coal to renewables

South Australia (TWh)



Victoria (TWh)



Total consumption net of storage load(2)

- Rooftop solar and distributed storage
- Utility solar, wind, hydro and storage
- Gas, liquids and biomass
- Coal

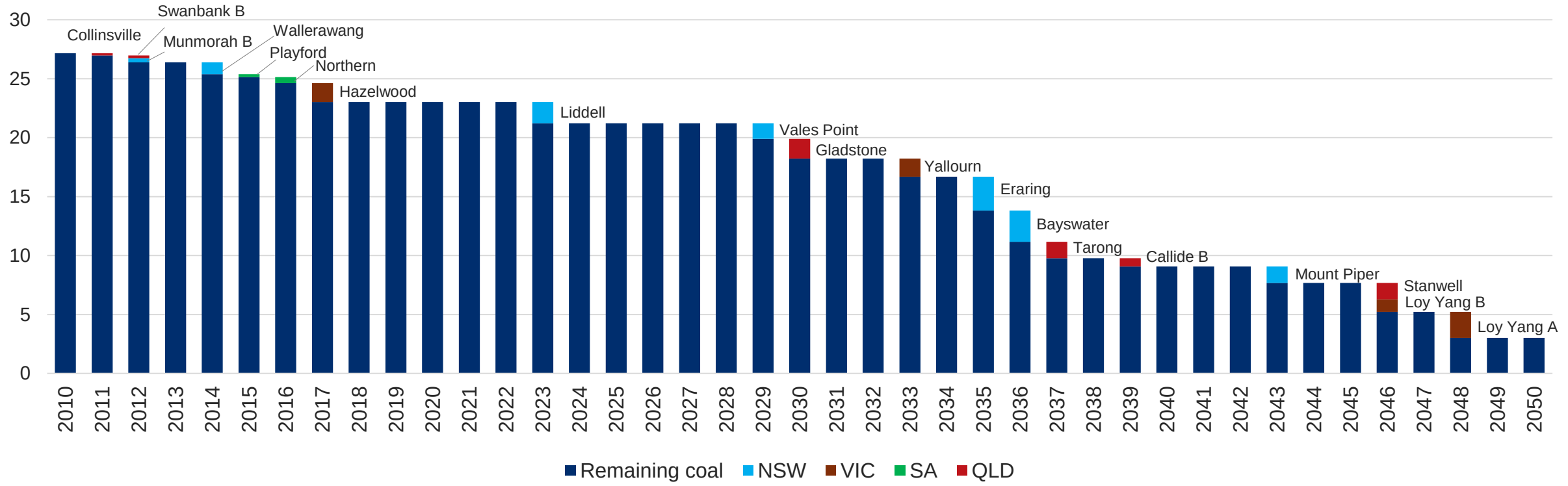
Our networks are well placed to benefit from the increased requirement for network connection, augmentation and interconnection

(1) Source: AEMO 2018 Integrated System Plan Neutral Scenario, July 2018
(2) Storage load represents consumption of electricity by distributed and utility storage

COAL CLOSURES REQUIRE NEW INVESTMENT

NEM coal capacity forecast to decrease by 20% from 2019 to 2030 and by 60% from 2019 to 2040 as Australia's coal-fired generating fleet ages and capacity is removed

Generation capacity (GW)(1)



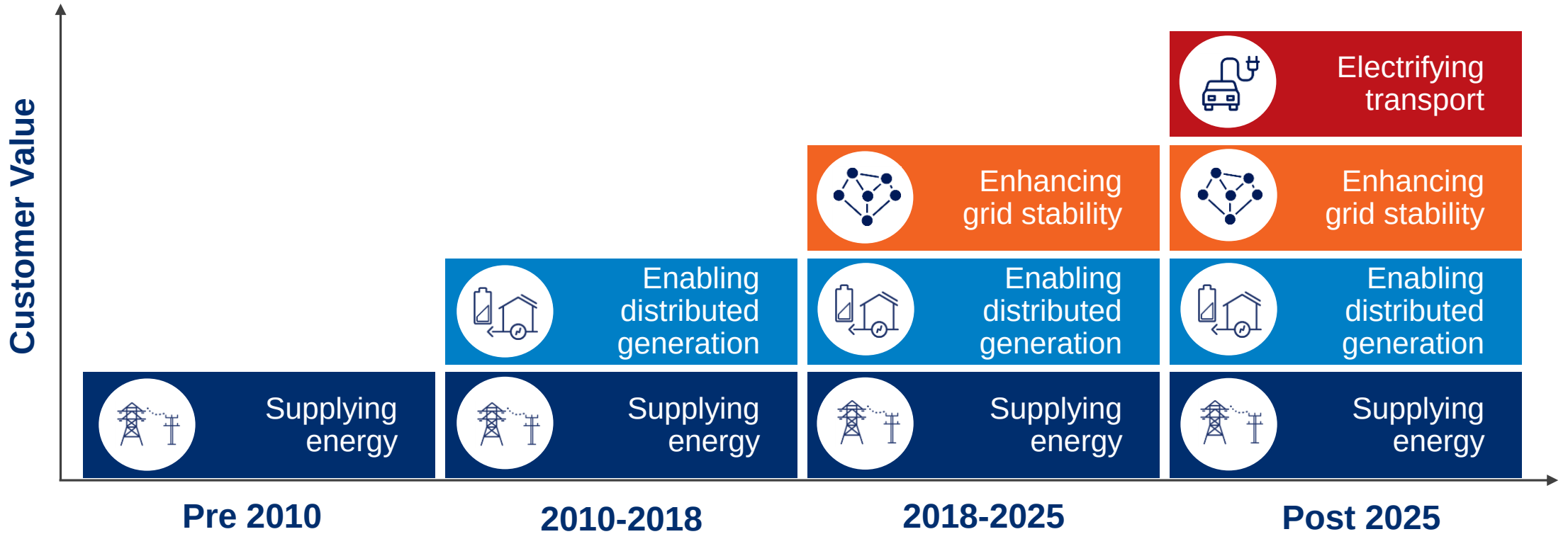
New generation requires network connection, augmentation and interconnection

(1) Source: Australian Energy Council, 2017; AEMO 2018 Integrated System Plan, July 2018; TransGrid 2017 Transmission Annual Planning Report, June 2017

ROLE OF DISTRIBUTION NETWORK IS CHANGING

Our electricity distribution businesses are providing greater customer value, a trend that will continue with market developments

The changing role of the distribution network(1)



We will continue to advocate for strong incentives for efficiency and innovation to support new ways of providing valued services to customers at the lowest cost

(1) Source: Adapted from SA Power Networks 2020-25 Regulatory Proposal – An overview for South Australian electricity customers, sourced from SA Power Networks' Talking Power website

KEY DATES IN THE POLICY LANDSCAPE

Regulatory and policy processes settled in 2018 provide increased certainty, while those underway in 2019 offer opportunity to shape the future

AER reviews	Rate of Return Guideline	Final Binding Guideline December 2018			
	Regulatory treatment of tax	Final Position December 2018	Model changes April 2019		
	Regulatory investment test	Final Guideline November 2018			
	Opex productivity factor	Final Report March 2019			
	Value of customer reliability	Draft approach March 2019	Final approach May 2019	Draft values August 2019	Final values December 2019
Regulatory determinations	SAPN 2020-2025 Price Review	Proposal submitted to AER 31 January 2019	Draft Decision September 2019	Final Decision April 2020	Period commences 1 July 2020
	VPN 2021-2025 Price Review	Commence public consultation February 2019	Proposal due to AER 31 July 2019	Draft Decision – March 2020 Final Decision – October 2020	Period commences 1 January 2021
Policy processes	AEMC review of incentive framework	Review commenced January 2019	Final Report July 2019		
	AEMC review of SAPS	Final report on priority 1 May 2019	Final report on priority 2 October 2019		
	Energy Security Board	NEG rejected September 2018	Actionable ISP December 2018	Rules to action 2018 ISP March 2019	Rules for future ISP December 2019
	AEMO Integrated System Plan	2018 ISP July 2018	2020 ISP process commence August 2019		

WACC CHANGES HAVE IMPACT ON REVENUE

The changes made by the AER to the RORG have a downward impact on Spark Infrastructure's proportional revenue relative to a scenario in which RORG had not changed

Rate of return and revenue parameter	2018 VPN + SAPN WACC[1]	Pro forma 2021-2023 VPN + SAPN WACC[2]
Beta	0.70	0.60
Market Risk Premium	6.50%	6.10%
Equity Risk Premium	4.55%	3.66%
Risk Free Rate[2]	2.65%	2.65%
Cost of Equity	7.20%	6.31%
Debt Risk Premium[2]	2.63%	2.59%
Cost of Debt[2]	5.29%	5.25%[3]
Gearing (Debt : Equity)	60:40	60:40
WACC	6.05%	5.67%

RORG changes expected to decrease Spark proportional revenue by approximately $22-27m per year in 2021-2023 (excluding the impact of gamma changes) in relative terms

(1) Source: CitiPower 2016-20 determination, Powercor 2016-20 determination, SA Power Networks 2015-20 determination; 2018 VPN + SAPN WACC weighted by proportional RAB (2) Holding risk-free rate constant at current determination levels. 2018 cost of debt from current determinations. Indicative 2021-2023 VPN + SAPN WACC weighted by proportional RAB. Analysis is an indicative comparison relative to current determinations and keeps some parameters constant. It is not intended to represent WACC in 2021-2023 or future regulatory outcomes (3) Impact of curve update from Broad BBB to 2/3 Broad BBB, 1/3 Broad A using trailing average approach

APPENDIX

DETAILS OF FY2018 FINANCIAL RESULTS

KEY METRICS

Distributions, RAB, credit metrics and gearing

SECURITY METRICS	
Market price at 22 February 2019	$2.35
Market capitalisation	$3.95 billion

DISTRIBUTIONS	
2018 actual	16.00cps
Comprising:	
- Loan Note interest	7.05cps
- Tax deferred amount	8.95cps
2019 Guidance	15.00cps

CREDIT RATINGS	
Investment portfolio credit ratings	SA Power Networks: A- Victoria Power Networks: A- TransGrid: Baa2
Spark Infrastructure level credit rating	Baa1

SPARK INFRASTRUCTURE	$m
Total RAB and CAB (Spark Infrastructure share)	6,079
Gross debt at Spark Infrastructure level	Nil

SA POWER NETWORKS	$m
RAB[(1)]	4,207
Net debt	3,155
Net debt/RAB	75.0%

VICTORIA POWER NETWORKS	$m
RAB[(1)] (including AMI)	6,109
Net debt	4,369
Net debt/RAB	71.5%

TRANSGRID	$m
RAB[(1)]	6,392
CAB[(1)(2)]	431
RCAB[(1)(2)]	6,823
Net debt	5,509
Net debt/RAB	86.2%
Net debt/RCAB	80.7%

(1) December 2018 estimate
(2) Includes WIP/partially completed assets and investment property

REGULATED PRICE PATH

CPI minus X[1]

CitiPower	CPI (%) Actual (Forecast)	X-Factor	Expected movement in revenue[3] %
Year 1[2] (1 Jan 16)	2.50 *(2.50)*	-	**-**
Year 2 (1 Jan 17)	1.02 *(2.35)*	0.40	***0.62***
Year 3 (1 Jan 18)	1.93 *(2.35)*	-0.05	***1.99***
Year 4 (1 Jan 19)	2.08 *(2.35)*	-0.12	***2.20***
Year 5 (1 Jan 20)	*(2.35)*	-2.40	***4.78***

Powercor	CPI (%) Actual (Forecast)	X-Factor	Expected movement in revenue[3] %
Year 1[2] (1 Jan 16)	2.50 *(2.50)*	-	**-**
Year 2 (1 Jan 17)	1.02 *(2.35)*	4.68	***-3.71***
Year 3 (1 Jan 18)	1.93 *(2.35)*	-0.81	***3.08***
Year 4 (1 Jan 19)	2.08 *(2.35)*	-3.02	***5.16***
Year 5 (1 Jan 20)	*(2.35)*	-2.60	***4.98***

- Regulated electricity network revenues are determined by a price path set according to the CPI-X[1] formula. A negative X-factor means a real increase in distribution tariffs
- The regulatory pricing period commences on 1 January each year for Victoria Power Networks (CitiPower and Powercor) and 1 July each year for SA Power Networks and TransGrid
- Whilst CPI-X is the key underlying driver for year on year revenue movements, the revenue movements in reported results include adjustments for other factors

(1) Whilst referred to as "CPI-X", the actual tariff increase formula used by the regulator is: (1+CPI)*(1-x)-1. Source: AER
(2) No CPI-X was applied in 2016. The AER calculated the revenue cap as a dollar amount
(3) Excludes over or under recovery and S factor revenue

REGULATED PRICE PATH

CPI minus X[1]

SA Power Networks	CPI (%) Actual (Forecast)	X-Factor	Expected movement in revenue[2] %
Year 1 (1 Jul 15)	1.72 *(2.50)*	28.00	***-26.80***
Year 2 (1 Jul 16)	1.69 *(2.50)*	-7.13	***8.90***
Year 3 (1 Jul 17)	1.48 *(2.50)*	-0.94	***2.40***
Year 4 (1 Jul 18)	1.91 *(2.50)*	-0.74	***2.66***
Year 5 (1 Jul 19)	1.75 *(2.25)*	-1.10	***2.87***

TransGrid	CPI (%) Actual (Forecast)	X-Factor	Expected movement in revenue[2] %
Year 1 (1 Jul 14)	1.72 *(2.38)*	11.61	***-9.51***
Year 2 (1 Jul 15)	1.70 *(2.38)*	15.03	***-13.59***
Year 3 (1 Jul 16)	1.70 *(2.38)*	3.70	***-2.06***
Year 4[3] (1 Jul 17)	1.48 *(2.38)*	3.94	***-2.50***

TransGrid	CPI (%) Actual (Forecast)	X-Factor	Expected movement in revenue[2] %
Year 1[4] (1 Jul 18)	*n/a* *(2.45)*	-0.51 (-1.98)	***5.26***
Year 2 (1 Jul 19)	*(2.45)*	-0.97 (-1.98)	***2.89***
Year 3 (1 Jul 20)	*(2.45)*	-1.98	***4.48***
Year 4 (1 Jul 21)	*(2.45)*	-1.98	***4.48***
Year 4 (1 Jul 22)	*(2.45)*	-1.98	***4.48***

(1) Whilst referred to as CPI-X, the actual tariff increase formula used by the regulator is: (1+CPI)*(1-x)-1. Source: AER
(2) Excludes over or under recovery and S factor revenue
(3) Based on the AER's advice on the X-factor applicable to the MAR calculation for 2017/18 transmission pricing.
(4) The AER's determination set the MAR for 2018/19 so no CPI-X calculation is applied. The MAR for 2018/19 is $734.3m or 5% higher in nominal terms than the actual MAR for 2017/18

STPIS RESULTS (100% BASIS)

Victoria Power Networks	$m	
2015 regulatory year	21	Recovered in 2017 regulatory year
2016 regulatory year	18	Being recovered in 2018 regulatory year
2017 regulatory year	36	To be recovered in 2019 and 2020 regulatory years
2018 regulatory year(1)	20	To be recovered in 2020 and 2021 regulatory years

SA Power Networks	$m	
2014/15 regulatory year	29	Recovered in 2016/17 regulatory year
2015/16 regulatory year	28	Recovered in 2017/18 regulatory year
2016/17 regulatory year	20	To be recovered in 2018/19 regulatory year
2017/18 regulatory year(1)	32	To be recovered in 2019/20 regulatory year

TransGrid	$m	
2015 calendar year	12	Recovered in 2016/17 regulatory year
2016 calendar year	15	Recovered in 2017/18 regulatory year
2017 calendar year	16	To be recovered in 2018/19 regulatory year
2018 calendar year(1)	17	To be recovered in 2019/20 regulatory year

(1) Preliminary estimate

SEMI REGULATED REVENUES (100% BASIS)

Victoria Power Networks ($m)	2018	2017	Variance
Public Lighting	12.2	12.1	0.1
New Connections	14.2	12.6	1.6
Special Reader Activities	4.5	4.5	0.0
Service Truck Activities	5.6	4.5	1.2
Recoverable Works	3.1	2.4	0.7
Specification and Design	10.8	8.0	2.7
Other	6.4	7.0	(0.6)
TOTAL	**56.8**	**51.1**	**5.7**

SA Power Networks ($m)	2018	2017	Variance
Public Lighting	6.8	3.8	3.0
Metering Services	16.1	13.9	2.2
Feeder Standby / Excess kVAR	3.0	3.9	(0.9)
Pole/Duct Rental	6.0	2.1	3.9
Other Negotiated Services[1]	47.5	62.4	(14.9)
TOTAL[2]	**79.4**	**86.1**	**(6.7)**

(1) Includes Asset Relocation and Embedded Generation
(2) Does not include Alternative Control Services (ACS) revenue, which is reported as part of DUOS revenue

UNREGULATED REVENUES (100% BASIS)

SA Power Networks ($m)	2018	2017	Variance
Energy Infrastructure	163.2	147.8	15.4
Energy Solutions	24.5	13.2	11.3
Facilities Access / Dark Fibre	2.2	2.4	(0.2)
Asset Rentals	4.0	3.6	0.4
Sale of Salvage	1.6	1.8	(0.2)
Other	1.9	3.8	(1.9)
TOTAL	**197.4**	**172.6**	**24.8**

Victoria Power Networks ($m)	2018	2017	Variance
Beon Energy Solutions	166.5	100.9	65.6
Service Level Agreement Revenue	24.7	20.8	3.9
Telecommunications	1.3	1.2	0.1
Joint Use of Poles	3.7	3.3	0.4
Other	19.2	29.7	(10.5)
TOTAL	**215.4**	**155.8**	**59.6**

TransGrid ($m)	2018	2017	Variance
Infrastructure Services	136.4	53.4	83.0
Property Services	5.0	5.0	0.0
Telecommunication Services	8.1	8.5	(0.4)
TOTAL	**149.5**	**66.8**	**82.7**

CAPITAL EXPENDITURE (100% BASIS)

$m	Victoria Power Networks		SA Power Networks		TransGrid		Totals	
	2018	**2017**	**2018**	**2017**	**2018**	**2017**	**2018**	**2017**
Growth capex	357.2	336.7	151.9	155.4	9.4	7.2	**518.5**	**499.3**
Growth capex - non prescribed	-	-	-	-	78.4	100.7	**78.4**	**100.7**
Non-network capex[(1)]	-	-	-	-	35.5	33.7	**35.5**	**33.7**
Maintenance capex	138.5	127.2	273.0	236.2	148.0	189.9	**559.5**	**553.3**
Total	**495.7**	**463.9**	**424.9**	**391.6**	**271.3**	**331.6**	**1,191.8**	**1,187.1**
Spark share	242.9	227.3	208.2	191.9	40.7	49.8	491.8	469.0
Change vs pcp (%)	6.9%		8.5%		-18.2%		4.9%	

$m	Maintenance capex spend		Regulatory depreciation		Less inflation uplift on RAB		Net regulatory depreciation	
	2018	**2017**	**2018**	**2017**	**2018**	**2017**	**2018**	**2017**
Victoria Power Networks	138.5	127.2	365.8	342.8	(113.1)	(58.1)	252.6	284.7
SA Power Networks	273.0	236.2	308.3	299.0	(79.2)	(63.3)	229.1	235.6
TransGrid	148.0	189.9	260.5	272.4	(116.8)	(104.9)	143.7	167.4
Total	**559.5**	**553.3**	**934.6**	**914.1**	**(309.2)**	**(226.4)**	**625.4**	**687.8**
Spark share	223.8	206.6	369.4	355.3	(111.8)	(75.3)	257.6	280.1

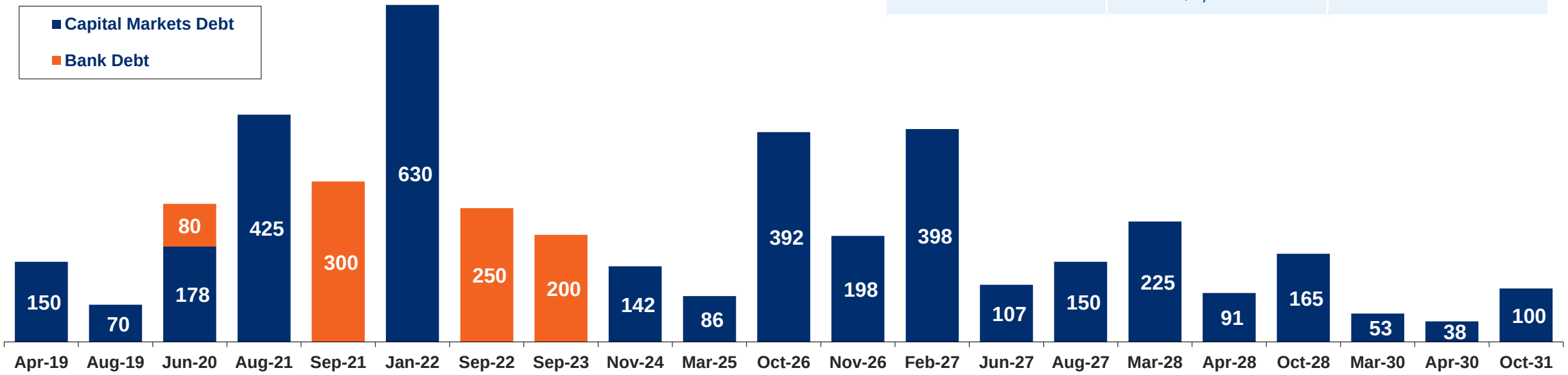
(1) Non-network capex includes NCIPAP

VICTORIA POWER NETWORKS DEBT AND HEDGING

- March 2018 - placed HK$517m of 7-year notes and HK$320m of 12-year notes (~A$139m)
- March 2018 – placed A$225m of 10-year AMTN notes
- April 2018 - placed Nkr550m (~A$91m) of 10-year notes
- April 2018 – placed €24m (~A$38m) of 12-year notes
- Sept 2018 – executed A$1bn syndicated bank debt (3, 4, 5 & 7-year)
- Next debt maturity is $150m in April 2019

Interest Rate Swaps	Notional Principal Amount	Average Contracted Fixed Interest Rate
< 1 year	$400m	2.2%
1-2 years	$400m	2.2%
2-5 years	$1,200m	2.5%
5+ years	$1,775m	2.6%
Total	**$3,775m**	**2.5%**

Drawn Debt Maturity Profile at 31 December 2018 ($m 100%)

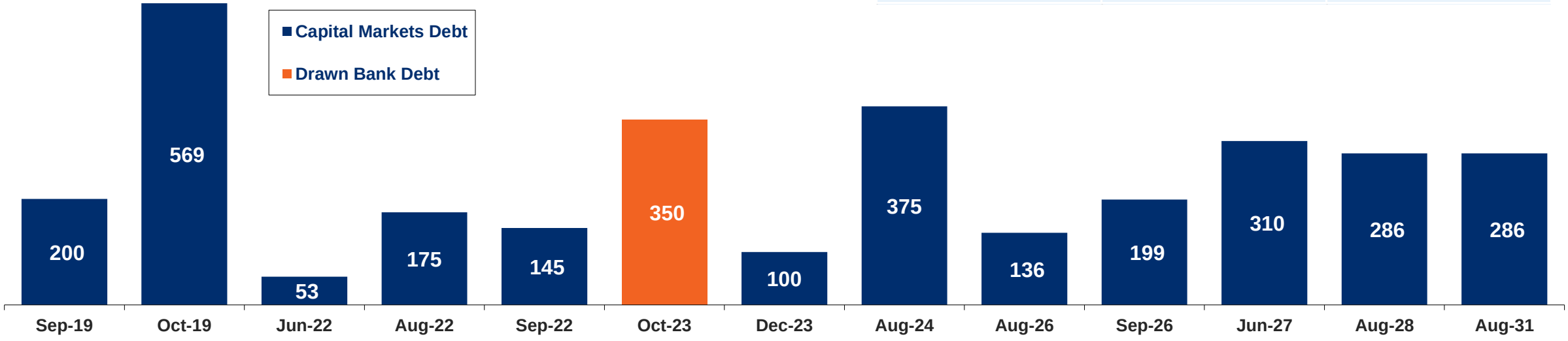


SA POWER NETWORKS DEBT AND HEDGING

- Next debt maturity is $200m in September 2019

Interest Rate Swaps	Notional Principal Amount	Average Contracted Fixed Interest Rate
< 1 year	$311m	2.4%
1-2 years	$307m	2.7%
2-5 years	$921m	2.9%
5+ years	$1,546m	3.1%
Total	**$3,085m**	**2.9%**

Drawn Debt Maturity Profile at 31 December 2018 ($m 100%)

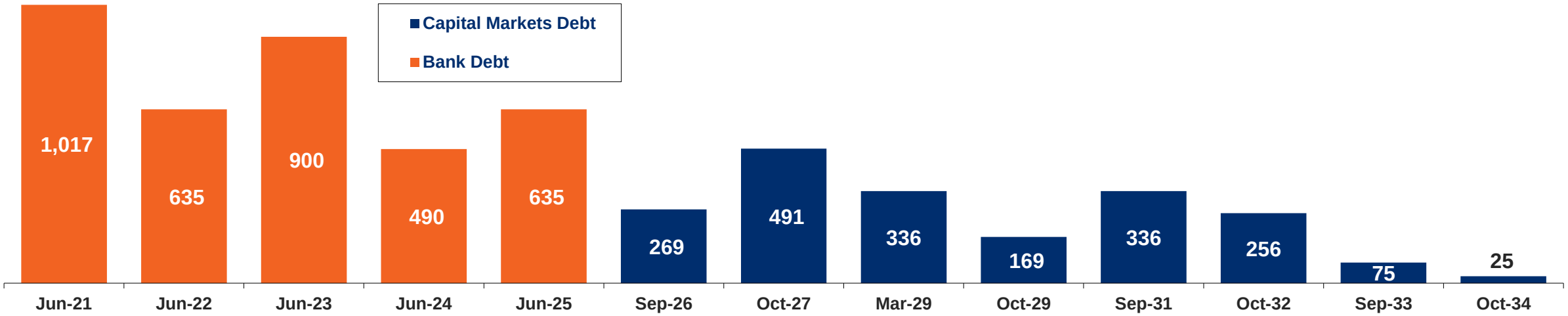


TRANSGRID DEBT AND HEDGING

- A$4,210 million bank debt refinance in June 2018 achieved:
  - increased weighted average tenor by 0.9 years to 6.1 years at 31 December 2018
  - upsized capex facility of A$600 million to fund projected capex program
  - reduced concentration risk and liquidity risk in maturity profile to facilitate future refinancing task
  - lower margins than comparable utility transactions
- Next debt maturity is $1,550m in June 2021 ($1,017m drawn at 31 December 2018)

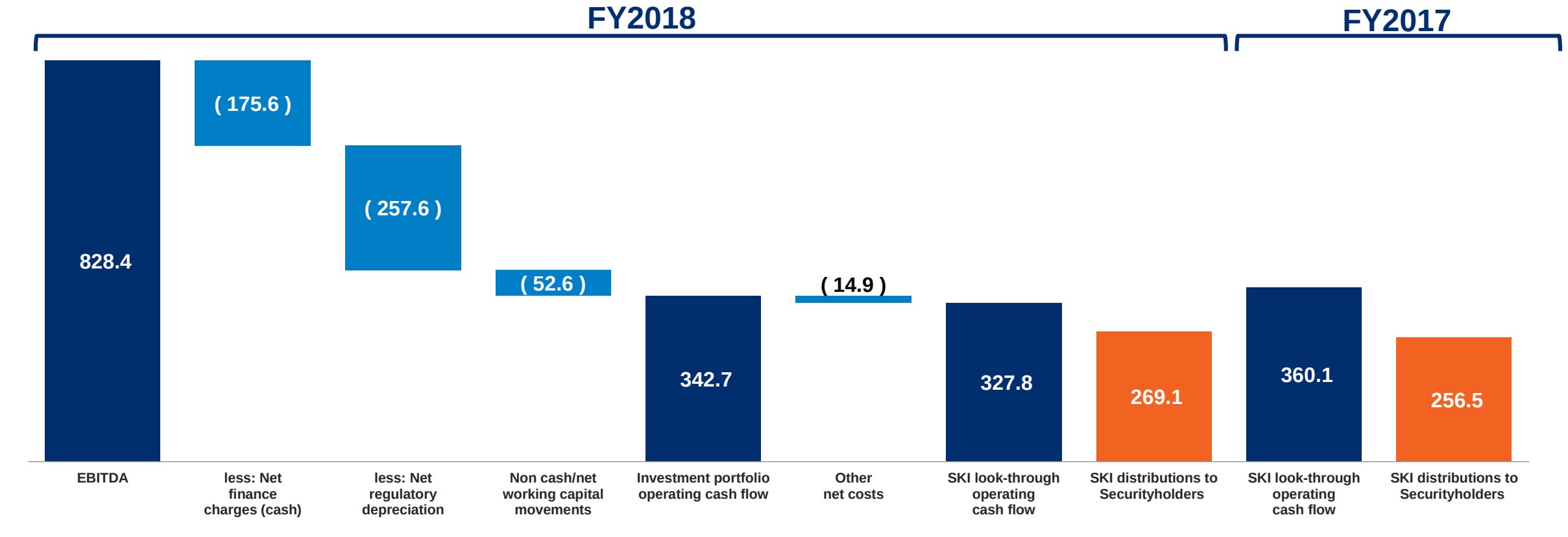
Interest Rate Swaps	Notional Principal Amount	Average Contracted Fixed Interest Rate
< 1 year	$303m	2.5%
1-2 years	$303m	2.6%
2-5 years	$2,558m	2.7%
5+ years	$1,513m	2.8%
Total	**$4,675m**	**2.7%**

Drawn Debt Maturity Profile at 31 December 2018 ($m 100%)



LOOK-THROUGH OPERATING CASH FLOW

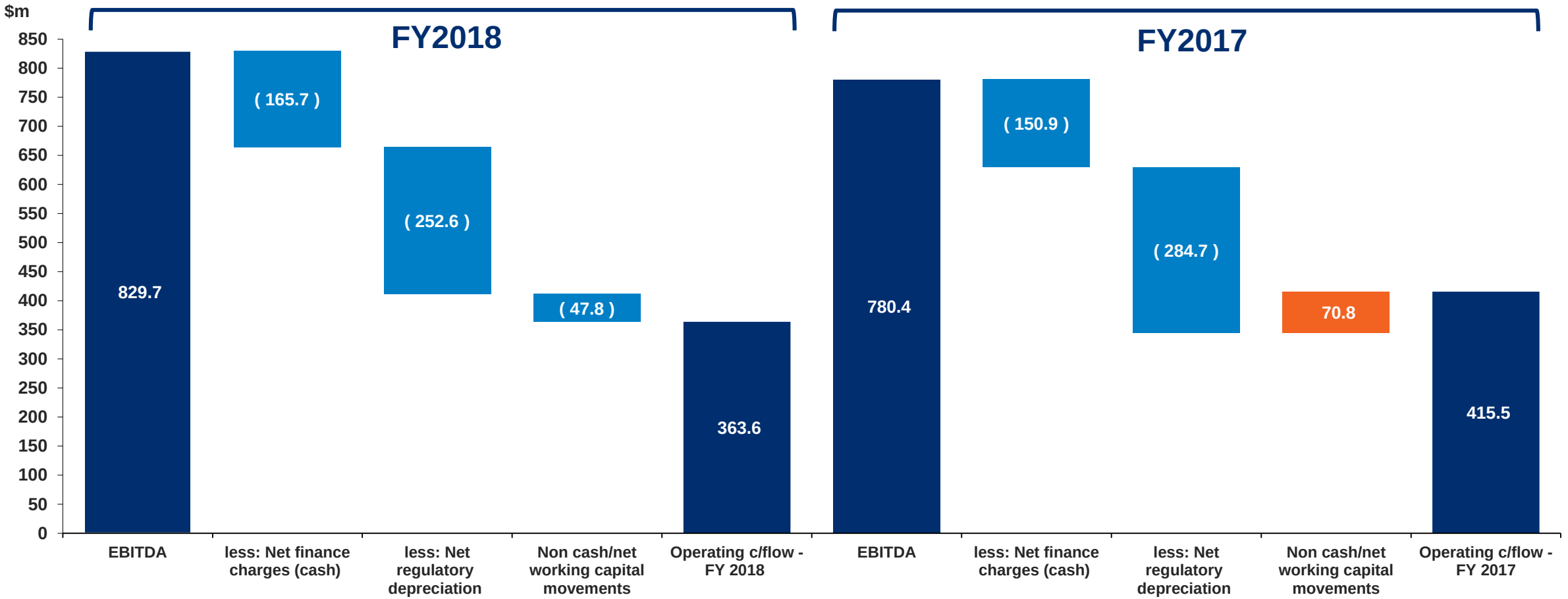
Look-through operating cash flow on a proportional ownership basis



Distributions are fully covered by look-through operating cash flow by 1.2X

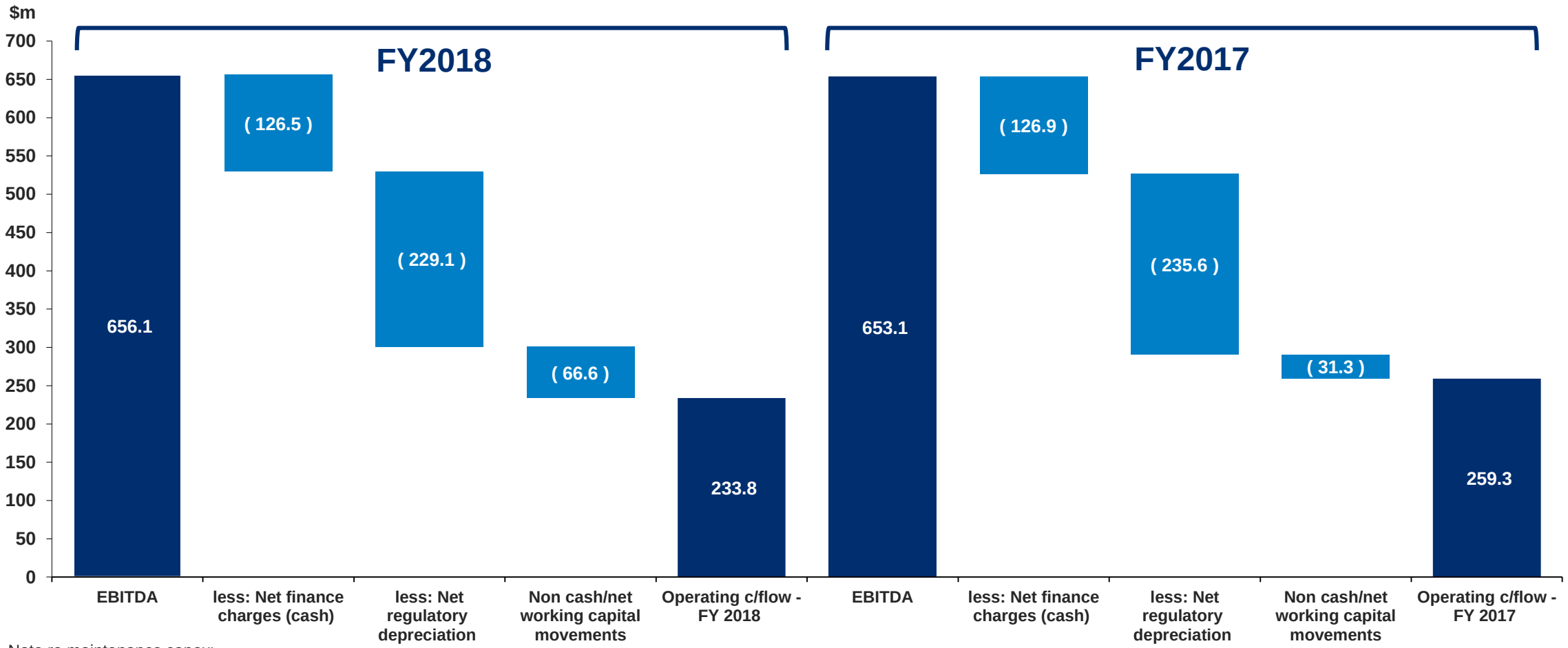
(1) EBITDA excludes customer contributions and gifted assets and includes 'true-up' of DUOS/TUOS to revenue cap
(2) Net regulatory depreciation is calculated based on actual inflation. Applying the regulatory assumed inflation rates reduces net regulatory depreciation to $230.3m
(3) FY2018 pay-out ratio: 82% (FY2017 pay-out: 71%); 3 year pay-out ratio (2016-2018): 73%

VPN LOOK THROUGH OCF (100%)



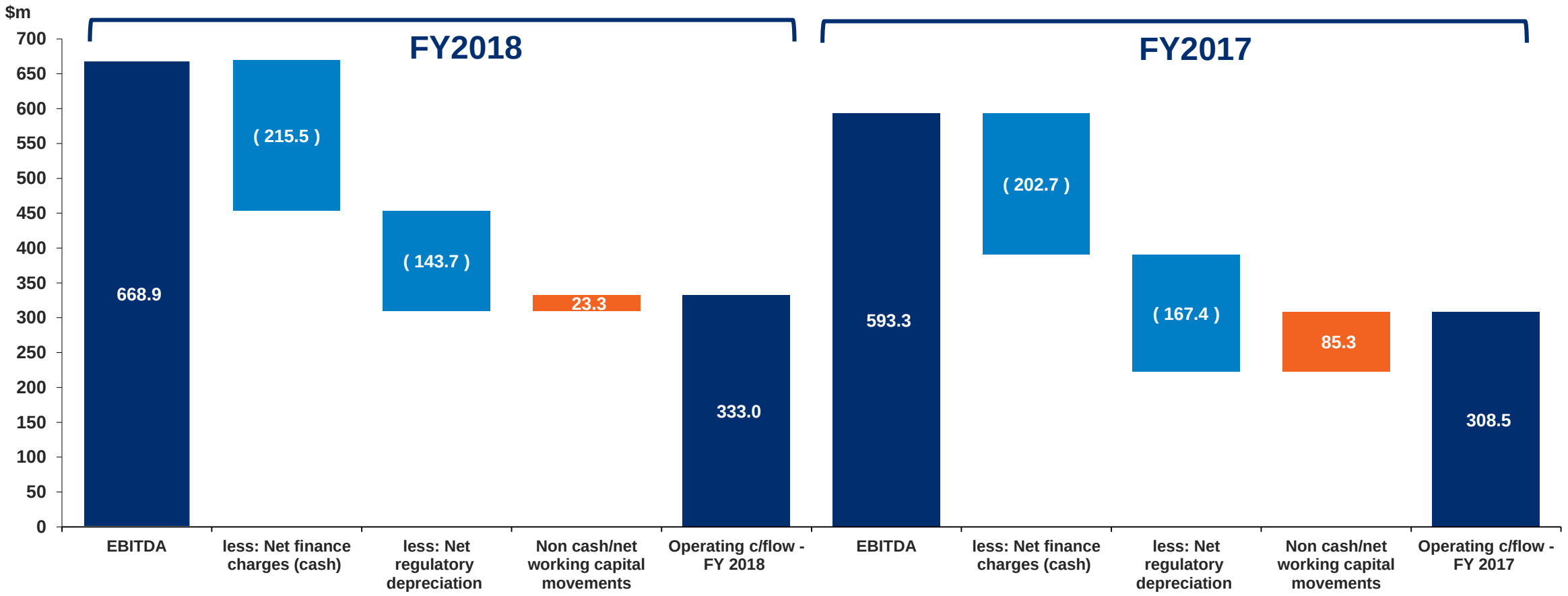
Note re maintenance capex:
Net regulatory depreciation is a proxy for maintenance capex. It is calculated as regulatory depreciation net of actual CPI uplift on RAB
CPI uplift on RAB was estimated by:
CPI uplift on RAB for 2018 is 1.93%
CPI uplift on RAB for 2017 was 1.02% as per updates to the Final Determination on opening RAB
CPI is based on 'All groups CPI' for weighted average of 8 capital cities, not seasonally adjusted (Source: ABS). June on June (released July)

SA POWER NETWORKS LOOK THROUGH OCF (100%)



Note re maintenance capex:
Net regulatory depreciation is a proxy for maintenance capex. It is calculated as regulatory depreciation net of actual CPI uplift on RAB
CPI uplift on RAB was estimated by:
In H1 2018: actual December 2017 CPI of 1.91% was applied, with 50% assumed to apply to H1 2018
In H2 2018: estimated December 2018 CPI of 2.00% was applied, with 50% assumed to apply to H2 2018
CPI is based on 'All groups CPI' for weighted average of 8 capital cities, not seasonally adjusted (Source: ABS). December on December (released January) for the regulatory period commencing 1 July

TRANSGRID LOOK THROUGH OCF (100%)



Notes:
Maintenance capex – Net regulatory depreciation is a proxy for maintenance capex. It is calculated as regulatory depreciation net of actual CPI uplift on RAB
CPI uplift on RAB was estimated by:
In H1 2018: actual December 2017 CPI of 1.91% on opening RAB (1 July 2017), with 50% assumed to apply to H1 2018
In H2 2018: estimated December 2018 CPI 1.78% op opening RAB (1 July 2018), with 50% assumed to apply to H2 2018
CPI is based on 'All groups CPI' for weighted average of 8 capital cities, not seasonally adjusted (Source: ABS). December on December (released January) for the regulatory period commencing 1 July

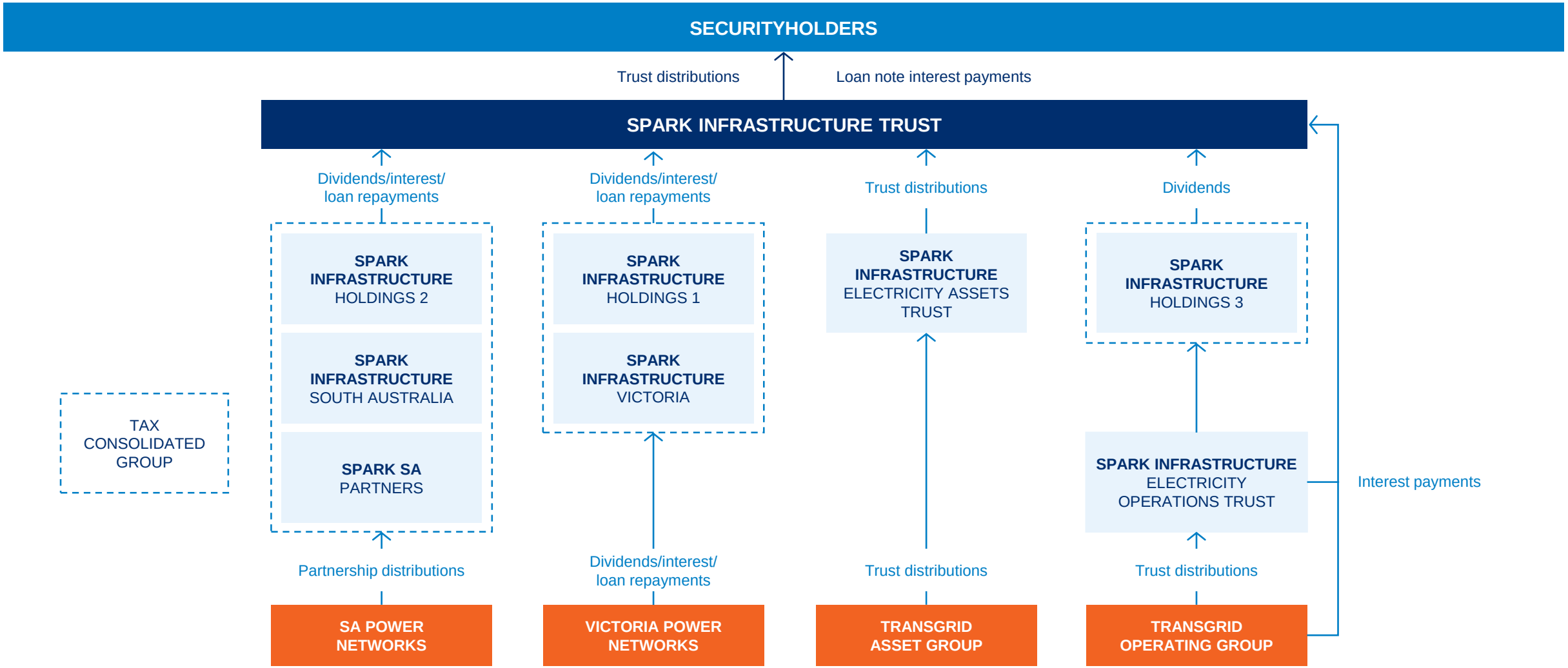
SHARE OF EQUITY PROFITS TO NPAT

100% Basis $m	Victoria Power Networks	SA Power Networks	TransGrid	Spark Infrastructure Share
Regulated revenue	922.5	829.9	729.8	968.2
Other revenue	364.8	276.6	162.7	338.7
Total Income	**1,287.3**	**1,106.5**	**892.5**	**1,306.9**
Operating costs	(455.7)	(441.5)	(227.5)	(473.8)
EBITDA	**831.6**	**665.0**	**665.0**	**833.1**
Depreciation and amortisation	(325.1)	(246.1)	(326.3)	(328.9)
Net interest expense (excl subordinated debt)	(163.6)	(123.4)	(251.6)	(178.4)
Subordinated debt interest expense	(123.2)	(72.5)	(87.3)	(109.0)
Net Profit/(Loss) before Tax	**219.6**	**223.1**	**(0.2)**	**216.9**
Tax expense	(69.0)	(1.7)	-	(34.6)
Net Profit/(Loss) after Tax	**150.7**	**221.3**	**(0.2)**	**182.2**
Less: additional share of profit from preferred partnership capital (PPC)[1]	-	(69.6)	-	(34.1)
Net Profit/(Loss) for Equity Accounting	**150.7**	**151.7**	**(0.2)**	**148.1**
Spark Infrastructure Share	**73.8**	**74.3**	**(0.0)**	**148.1**
Add: additional share of profit from PPC[1]	-	69.6	-	69.6
Less: additional adjustments made to share of equity accounted profits[2]	(3.4)	(2.8)	0.6	(5.7)
Share of Equity Accounted Profits	**70.4**	**141.1**	**0.6**	**212.0**
Add: interest income from associates	60.5	-	13.1	73.6
Total Income from Associates	**130.9**	**141.1**	**13.6**	**285.6**
Interest income - other				2.3
Interest expense (including borrowing costs)				(1.7)
Interest expense – Loan Notes				(118.6)
General and administrative expenses				(15.8)
Impairment expense - SAPN investment				(270.0)
Loss before Income Tax				**(118.1)**
Income tax benefit				21.4
Net Loss after Income Tax Attributable to Securityholders				**(96.7)**

(1) Under the partnership agreement, Spark Infrastructure is entitled to an additional share of profit in SA Power Networks
(2) Includes adjustments made to distribution/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

SPARK INFRASTRUCTURE GROUP DIAGRAM

Simplified corporate structure



DISCLAIMER AND SECURITIES WARNING

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