30 JUNE 2020
HALF YEAR RESULTS

TUESDAY, 25 AUGUST 2020

SPARK INFRASTRUCTURE – AT A GLANCE

ASX-listed owner of leading essential services infrastructure

$3.8bn MARKET CAPITALISATION(1) **S&P/ASX 100**

$6.6bn REGULATED AND CONTRACTED ASSET BASE (PROPORTIONAL)

$18bn TOTAL ELECTRICITY NETWORK ASSETS(2)

SUPPLYING **5.0m+** HOMES AND BUSINESSES

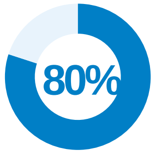
OVER **5,400** EMPLOYEES

Distribution

Victoria Power Networks and SA Power Networks

49%
SPARK INFRASTRUCTURE OWNERSHIP

$10.89bn
REGULATED ASSET BASE



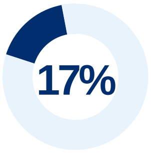
SKI PROPORTIONAL ASSET BASE(3)

Transmission

TransGrid (NSW)

15%
SPARK INFRASTRUCTURE OWNERSHIP

$7.32bn
REGULATED AND CONTRACTED ASSET BASE



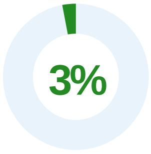
SKI PROPORTIONAL ASSET BASE(3)

Renewables

Bomen Solar Farm (NSW)

100%
SPARK INFRASTRUCTURE OWNERSHIP

$0.18bn
CONTRACTED ASSET BASE



SKI PROPORTIONAL ASSET BASE(3)

(1) As at 21 August 2020. Balance sheet and other information as at 30 June 2020 (2) Spark Infrastructure has proportional interests in $18bn of total electricity network and contracted generation assets (3) Pro forma

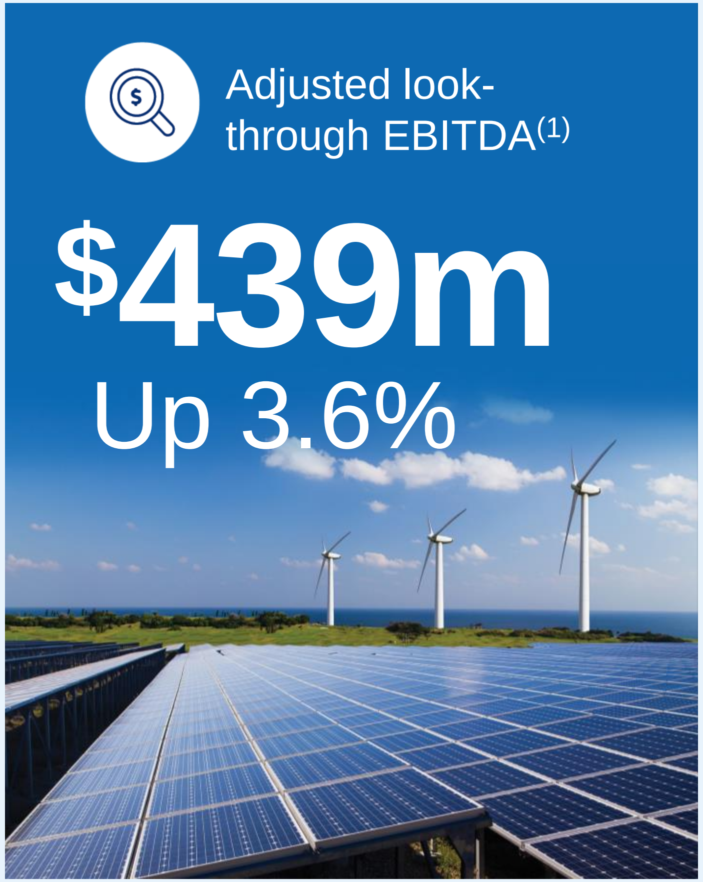
FY2020 DISTRIBUTION GUIDANCE RECONFIRMED

Robust cash flow from high quality network businesses

Adjusted look-through EBITDA[1]

$439m

Up 3.6%



HY2020 Distribution

7.0cps

Regulated asset base[1]

$6.3bn

Up 3.5%[6]

Contracted asset base[2]

$0.3bn

Up 123.5%[6]

FY2020 Distribution guidance reconfirmed[3]

13.5cps

at least

Growth capital expenditure[4]

$144m

Up 10.5%

FFO/ Net debt[5]

14.3%

Down 0.1%

(1) On an aggregated proportional basis to Spark Infrastructure
(2) Includes Bomen Solar Farm and TransGrid CAB on a proportional basis to Spark Infrastructure
(3) Subject to business conditions
(4) Represents increase in RCAB and Bomen Solar Farm acquisition and construction costs
(5) Funds From Operations (FFO)/ Net debt on a look-through basis
(6) From balance as at 30 June 19

SUSTAINABLE YIELD AND GROWTH FOR THE FUTURE

Highly defensive businesses investing in Australia's energy transition

- Businesses have adapted well to COVID-19 conditions with minimal impact, and are supporting consumers through network tariff relief
- Distribution and transmission revenues up 3.8%, in accordance with regulatory price-paths
- First renewables project delivered on time and under budget; fully operational
- Underlying Look-through Net Operating Cash Flow before tax up 13.0%; Robust and highly defensive through COVID-19
- Growth capex up 10.5% on prior period
- Growing substantial pipeline of regulated and contracted capex opportunities across all Businesses; supported by AEMO's 2020 ISP
- All remaining historical taxes paid to remove downside risk and minimise potential ATO interest costs
- 1H20 interim distribution of 7.0cps to be paid in September; with DRP to operate at 2.0% discount
- Achieved an average payout ratio of ~73% of look-through net operating cash flows over the last 4½ years; equivalent standalone payout ratio ~95% (after incorporating all tax payments)

Delivering Yield and Growth in difficult conditions, and investing in the transition to a lower-carbon environment for future generations

PERFORMANCE SUMMARY

Adjusted Proportional Results (Spark Infrastructure share) ($m)[1]	HY 2020	HY 2019	Change
Distribution and transmission revenue	510.4	491.7	3.8%
Other revenue	75.3	85.4	-11.8%
Total Revenue	**585.7**	**577.1**	**1.5%**
Operating costs	(158.8)	(160.7)	-1.2%
Beon margin	3.9	2.9	34.5%
Enerven margin	8.4	4.6	82.6%
EBITDA	**439.0**	**423.9**	**3.6%**
Net external finance costs	(90.1)	(90.9)	-0.9%
EBTDA	**348.9**	**333.0**	**4.8%**

Proportional HY2019 EBITDA	**$423.9m**
Change in VPN EBITDA[1]	$5.7m
Change in SAPN EBITDA[1]	$13.2m
Change in TransGrid EBITDA	($3.8m)
Proportional HY2020 EBITDA	**$439.0m**
VPN revaluation adjustment[1]	$1.0m
SAPN revaluation adjustment[1]	$0.2m
Statutory Proportional HY2020 EBITDA	**$440.2m**

(1) Normalising non-cash adjustments:

VPN: HY 2020: excludes $1.0m positive revaluation adjustment to employee entitlements provisions and $1.5m loss in a credit valuation hedge accounting adjustment

HY 2019: excludes $4.6m negative revaluation adjustment to employee entitlements provisions and $0.3m gain in a credit valuation hedge accounting adjustment

SAPN: HY 2020: excludes $0.2m positive revaluation adjustment to employee entitlements provisions and $2.0m loss in a credit valuation hedge accounting adjustment

HY 2019: excludes $1.7m positive revaluation adjustment to employee entitlements provisions and $1.0m loss in a credit valuation hedge accounting adjustment

Spark Infrastructure adjusted proportional EBITDA has increased by 3.6%

UNDERLYING LOOK-THROUGH CASH FLOW SUMMARY

Spark Infrastructure share ($m)	Victoria Power Networks	SA Power Networks	TransGrid	Spark Infrastructure	HY 2020	HY 2019	Change
EBITDA from operations	213.9	177.3	49.0	-	440.2	421.0	4.6%
less corporate costs	-	-	-	(7.5)	(7.5)	(8.0)	-6.3%
less net finance charges[(1)]	(40.4)	(32.5)	(15.9)	0.4	(88.4)	(88.2)	0.2%
less net reg depreciation/maint. capex[(2)]	(66.1)	(60.2)	(11.7)	-	(138.0)	(135.0)	2.2%
Working capital/non cash movements	(8.5)	(7.0)	(2.0)	-	(17.5)	(22.7)	-22.9%
Underlying net operating cash flows before tax	**98.9**	**77.6**	**19.4**	**(7.1)**	**188.8**	**167.1**	**13.0%**
less underlying tax paid[(3)(4)]	-	-	-	(19.0)	(19.0)	(8.5)	123.5%
Underlying net operating cash flows after tax	**98.9**	**77.6**	**19.4**	**(26.1)**	**169.8**	**158.7**	**7.0%**
Underlying Standalone OCF per Security					9.9 cps	9.4 cps	**5.3%**
Distributions paid [(5)]	*78.4*	*46.8*	*11.6*		*120.5*	*126.2*	
Growth capex[(6)]	(92.2)	(16.0)	(28.7)	(7.1)	(144.0)	(130.3)	10.5%
Other	(1.6)	(8.0)	(3.9)	9.1	(4.4)	(15.1)	-70.9%
Investing cash flows	**(93.8)**	**(24.0)**	**(32.6)**	**2.0**	**(148.4)**	**(145.5)**	**2.0%**

Underlying look-through net operating cash flows before tax increased 13.0%; growth capex up 10.5% to $144.0m

(1) Corporate finance charges excludes interest paid of $6.7m on historical tax payments made (under review)
(2) Net regulatory depreciation is a proxy for maintenance capex. It is calculated as regulatory depreciation net of actual CPI uplift on RAB
(3) Spark Infrastructure corporate tax paid of $19.0m in 2020 represents half of the 2019 tax liability for the SIH1 and SIH2 tax groups. 2019 tax paid of $8.5m represents half of the 2018 tax liability for SIH2 tax group. Excludes other tax paid of $55.3m comprised of $34.4m tax paid in relation to a number of historical years (2015-2018), net monthly tax instalments of $1.9m and $19.0m of tax paid in relation to H2 2019. 2019 excludes other tax paid of $5.4m of tax paid in relation to H2 2018. Refer to slide 45 for additional tax information.
(4) VPN and SAPN cash tax paid of $15.2m and $2.0m respectively for the 31 December 2019 year has been excluded as the benefit of franking credits will be distributed to Spark Infrastructure in future years
(5) Total HY2020 and HY2019 distributions are based on accrued distributions to Spark Infrastructure Securityholders
(6) Represents increase in RCAB and Bomen Solar Farm acquisition and construction costs

STANDALONE NET OPERATING CASH FLOW

Operating Cash Flow ($m)	HY 2020	HY 2019	Change
Investment Portfolio Distributions			
Victoria Power Networks[(1)]	78.4	75.9	3.3%
SA Power Networks	46.8	55.2	-15.2%
TransGrid	11.6	21.5	-46.0%
Total Investment Portfolio Distributions	**136.8**	**152.6**	**-10.4%**
Net interest received	0.4	0.9	-55.6%
Corporate expenses	(7.5)	(8.0)	-6.3%
Underlying Net Standalone OCF before tax	**129.7**	**145.6**	**-10.9%**
Underlying tax paid[(2)]	(19.0)	(8.5)	123.5%
Underlying Net Standalone OCF after tax	**110.7**	**137.1**	**-19.3%**
Underlying Standalone OCF per Security	6.5 cps	8.2 cps	-20.7%
Operating costs – Bomen related	(0.4)	(0.8)	-50.0%
Project and transaction bid costs	(3.3)	(2.9)	13.8%
Other interest paid[(4)]	(6.7)	-	n/m
Other tax paid[(3)]	(55.3)	(5.4)	n/m
Standalone Net OCF	**45.0**	**128.0**	**-64.8%**
Spark Infrastructure Distribution per Security	7.0 cps	7.5 cps	-6.7%

Cumulative underlying payout ratio for the last 4½ years (2016 – HY 2020) is 95% (after tax payments)

(1) Victoria Power Networks distributions for HY2019 include both interest on and repayment of shareholder loans. Repayments of loan principal are classified as investing activities for statutory reporting purposes (2) Tax paid of $19.0m in 2020 represents half of the 2019 tax liability for the SIH1 and SIH2 tax groups. 2019 tax paid of $8.5m represents half of the 2018 tax liability for SIH2 tax group. (3) Other tax paid of $55.3m comprised of $34.4m tax paid in relation to a number of historical years, net monthly tax instalments of $1.9m and $19.0m of tax paid in relation to H2 2019. 2019 other tax paid represents $5.4m of tax paid in relation to H2 2018. Refer to slide 45 for additional tax information (4) Other interest paid includes an interest charge of $6.7m on historical tax payments made (related to the Victoria Power Networks litigation and subject to the outcome of the Federal Court appeal)

STRONG BALANCE SHEET & LOW REFINANCING RISKS

	Rating (S&P / Moody's)	Undrawn Debt	Drawn Debt	Average Interest Rate	Total Debt Facilities		Next Maturity	
					Amount	Avg. Maturity	Amount	Date
VPN(1)	A- / n/a	$335m	$4,737m	3.6%(5)	$5,072m	4.9 years	$425m	August 2021
SAPN(1)	A- /n/a	$225m	$3,322m	4.1%(5)	$3,547m	6.4 years	$53m	June 2022
TransGrid(1)	n/a / Baa2(2)	$568m(3)	$5,955m(3)	3.5%(5)	$6,523m(3)	4.6 years	$1,550m(4)	June 2021
Corporate(1)	n/a / Baa1	$220m	$180m	2.3%	$400m	2.7 years	$400m	February 2023

- Substantial undrawn and committed facilities
- Investment grade credit ratings
- Access to multiple sources of debt
- Long-weighted average maturities
- Minimal short-term refinancing requirements

(1) All figures at 100%. As at 30 June 2020
(2) Relates to the TransGrid Obligor Group
(3) Relates to TransGrid Obligor Group and TransGrid Services
(4) This amount includes $365m undrawn debt at 30 June 2020
(5) Average interest rate is calculated based on finance charges (less non-cash credit valuation hedge adjustments) divided by average gross debt in the period

COVID-19 UPDATE

No Government financial assistance has been utilised; focusing on health and safety of employees while maintaining essential services to customers

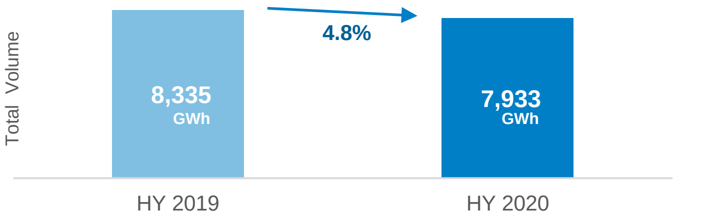
Network Relief Package

- Support to customers affected by COVID-19[(1)] through Energy Networks Australia (ENA) Network Relief Package[(2)] announced at the beginning of April
- For customers impacted by COVID-19, the Network Relief Package waives network charges for residential customers of small retailers and small business customers and defers payment of network charges for residential customers of large retailers for the period 1 April 2020 and to 30 June 2020
- Estimated aggregate cost to VPN, SAPN and TransGrid of ~$7m (at 100%)
- In August, the AEMC made a preferred rule to enable some retailers (that are not retailers of last resort or government owned) to defer the payment of network charges for customers subject to payment plans, hardship arrangement or deferred debt arrangement for the period August 2020 to February 2021 for up to 6 months. Retailers will pay interest on deferred charges
- Victorian businesses have voluntarily extended a modified Network Relief Package consistent with the AEMC rule (does not require the payment of interest) to 31 January 2021[(3)]

Business Impact

Victoria Power Networks

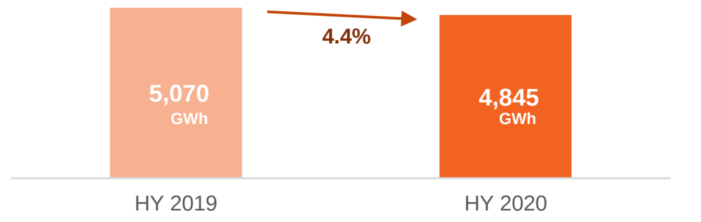
- Lower energy demand across VPN in the Half Year compared to 2019 driven by small and large commercial usage down around 10%, offset by higher residential consumption up around 4%



- HY20 regulated revenue includes a $2.4m estimated rebate under the ENA Network Relief Package

SA Power Networks

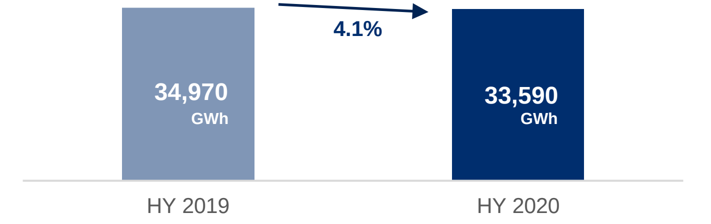
- Energy demand in South Australia was down in Q1 but has seen an increase in Q2 compared to 2019 mostly due to colder weather increasing electricity usage for residential heating[(4)]



- HY20 regulated revenue includes a $1.0m estimated rebate under the ENA Network Relief Package

TransGrid

- Energy demand declined by around 5% in April. However, improvement was seen during May and June which recorded only a 1% reduction compared to Q2 2019[(4)]



- HY20 regulated revenue includes a $3.4m estimated rebate under the ENA Network Relief Package

(1) Small business customers who consume less than 40MWh per annum (based on 2019) and use less than 25% of historical average consumption for the period. Residential customers not in arrears or receiving government benefits before 1 March 2020 but are after 1 April 2020
(2) https://www.energynetworks.com.au/miscellaneous/covid-19-electricity-and-gas-network-relief-package/.
(3) https://www.energynetworks.com.au/news/media-releases/2020-media-releases/energy-networks-extend-customer-support/
(4) AEMO, Quarterly Energy Dynamics Report Q2 2020 - Market Insights and WA Market Operations

OUR INVESTMENTS' FINANCIAL RESULTS

HALF YEAR 2020

VICTORIA POWER NETWORKS

Financial ($m)[1]	HY 2020	HY 2019	Change
Regulated revenue - DUOS	494.7	474.8	
Prescribed metering ("AMI")	40.4	42.5	
Semi-regulated revenue	30.1	29.1	
Unregulated revenue	19.7	27.3	
Total Revenue	**584.9**	**573.7**	**2.0%**
Operating costs[4]	(156.2)	(166.1)	
Beon margin	7.9	6.0	
EBITDA	**436.6**	**413.6**	**5.6%**
Other			
Net finance costs[5]	(85.7)	(84.4)	
Net capital expenditure	311.5	221.0	
Distributions received by Spark Infrastructure	78.4	75.9	**3.3%**

CPI-X	$18.4m
STPIS[2]	$11.1m
Customer Growth[3]	1.2%
Consumption[3]	-4.8%
FTE Change[3]	4.5%
Net Debt / RAB	71.6%
FFO / Net Debt	14.4%

On an adjusted EBITDA[4] basis the HY2020 result increased by $11.7m or 2.8%

(1) 100% basis (2) 2017 STPIS recovered in HY2020 (3) Compared with HY2019 (4) HY2020 includes $1.9m positive (non-cash) revaluation adjustments to employee entitlements provisions (HY2019: includes $9.4m loss) (5) HY2020 includes a $3.1 (loss) in non-cash credit valuation hedge adjustments (HY2019: $0.6m gain)

VICTORIA POWER NETWORKS

Key Financial Drivers

Regulated Revenue Up by 4.2%	• CPI of 1.59% from 1 January 2020 • X-factors for Powercor: -2.40% and CitiPower: -1.88% representing a real increase in revenue before CPI • $11.1m STPIS recovery • Network Relief Package ($2.4m)
Regulated Asset Base Up by 5.4%[4]	• RAB increased to $6,520m • Increase driven by net capex of $604m[1], less regulatory depreciation of $380m, and CPI uplift of $111m
Other Revenue (excl. Beon) Down by 8.8%	• Semi-regulated revenue: up 3.4% – increased new connections revenue driven by residential growth in the Powercor Network • AMI revenue: down 4.9% - depreciating RAB • Unregulated revenue: down 27.8% – sale of properties in the previous half year
Operating Costs (excl. Beon) Up by 0.9%[2]	• Larger than CPI salary increases driven by EBA's partially offset by tight cost control in the business
Beon Margin Up by 31.7%	• Continued growth in new solar projects such as Jemalong and Melbourne Airport Solar Projects
Net Capital Expenditure Up by 41.0%	• Growth capex of $206.2m up 39.5% (network connections and augmentation) – continuation of REFCL[3] program • Maintenance capex of $105.3m up 44.1% – zone substation replacement projects • Highest ever capex program

Victoria Power Networks RAB has increased 5.4% over the last 12 months

(1) Excludes corporate overheads (2) Excluding $1.9m positive (non-cash) revaluation adjustments to employee entitlements provisions (HY2019: includes $9.4m loss) (3) Rapid Earth Fault Current Limiter (4) From 30 June 2019

SA POWER NETWORKS

Financial ($m)[1]	HY 2020	HY 2019	Change
Regulated revenue – DUOS	430.0	412.6	
Semi-regulated revenue	40.6	46.7	
Unregulated revenue	4.8	5.5	
Total Revenue	**475.4**	**464.8**	**2.3%**
Operating costs[2]	(130.9)	(136.3)	
Enerven margin	17.1	9.3	
EBITDA	**361.6**	**337.8**	**7.0%**
Other			
Net finance costs[3]	(72.2)	(69.6)	
Net capital expenditure	177.1	222.9	
Distributions received by Spark Infrastructure	46.8	55.2	**-15.2%**

CPI-X	$10.7m
STPIS[4]	$17.7m
Customer Growth[5]	1.2%
Consumption[5]	-4.4%
FTE Change[5]	-2.3%
Net Debt / RAB	73.8%
FFO / Net Debt	17.8%

On an adjusted EBITDA[2] basis the HY2020 result increased by $26.9m or 8.1%

(1) 100% basis (2) HY2020: $0.4m positive revaluation adjustments to employee entitlements provisions (HY2019: $3.5m positive revaluation adjustment) (3) HY2020 includes a $4.1m (loss) credit valuation hedge adjustment (HY2019: includes a $2.1m loss) (4) 2017/18 STPIS result to be recovered from 1 July 2019 (5) Compared with HY2019

SA POWER NETWORKS

Key Financial Drivers

Regulated Revenue Up by 4.2%	• CPI of 1.78% from 1 July 2019 (1 July 2018: CPI 1.91%) • X-factor applicable from 1 July 2019 was -0.85% representing a real increase in revenue before CPI • $17.7m STPIS recovery • Network relief package ($1.0m)
Regulated Asset Base Up by 1.3%[2]	• RAB increased to $4,372m • Increase driven by net capex of $306m[1], less regulatory depreciation of $328m, and includes CPI uplift of $79m
Underlying Other Revenue Down by 6.8%[4]	• Semi-regulated revenue: down 6.0%[4] - declining activity across all areas of asset relocation, embedded generation and council funded replacement of public lighting
Underlying Operating Costs (Excl. Enerven) Down by 6.1%[3]	• Lower staff and consultancy costs • Reduced expenditure in connection with emergency response and timing of vegetation management costs • November and December bushfire event provisions write back
Enerven Margin Up by 83.9%	• Change in project mix, with projects for existing client base (including ElectraNet) complemented by new business activity including commercial solar and battery solutions • Enerven is engaged in deploying solar and battery capability to a significant number of SA Water sites under a framework contract of up to $300 million, predominately over 2019 and 2020
Net Capital Expenditure Down by 20.5%	• Growth capex of $62.4m, down 19.6% - network connections and augmentation • Maintenance capex of $114.7m, down 21.1%

SA Power Networks has seen RAB growth of 1.3% over the 12 months

(1) Excludes corporate overheads (2) Includes public lighting RAB (3) Excludes 2020 revaluation adjustments to employee entitlements of $0.4m positive (2019: $3.5m positive) (4) Excludes public lighting provision write back. In 2019 a long running public lighting dispute was resolved and required amounts were settled with customers in January 2020. As a result of finalisation of the quantum of this matter, provisions of $3.5m were unwound in 1H2019.

TRANSGRID

Financial ($m) [1]	HY 2020	HY 2019	Change
Regulated revenue	381.5	379.0	
Unregulated revenue	63.0	74.4	
Other Revenue[8]	(3.8)	1.2	
Total Revenue	**440.7**	**454.6**	**-3.1%**
Regulated operating costs	(81.3)	(78.4)	
Unregulated operating and other costs	(32.8)	(24.2)	
EBITDA	**326.6**	**352.0**	**-7.2%**
Other			
Net finance costs	(108.2)	(111.3)	
Regulated capital expenditure	204.6	124.3	
Contracted capital expenditure	105.7	106.1	
Distributions received by Spark Infrastructure	11.6	21.5	**-46.0%**

CPI-X[2]	$5.7m
STPIS[3]	$8.3m
RAB[4] Growth	2.3%
CAB[4][5] Growth	43.1%
FTE Change[4]	3.0%
Net Debt / RCAB[5][6]	79.8%
FFO / Net Debt[7]	7.7%

Capital Expenditure for HY2020 increased $79.9m or 34.7%

(1) 100% basis (2) Relates to period 1 January 2020 to 30 June 2020 and includes an adjustment relating to the revocation and substitution of TransGrid's revenue determination for the 2014-2018 regulatory period (3) 2018 STPIS result to be recovered from 1 July 2019 (4) Compared with June 2019 (5) CAB comprises of unregulated infrastructure and telecommunication assets and investment property (6) Net Debt is calculated using gross debt less cash and adjusted for prescribed revenue over/(under) collection and includes TransGrid Services (TGS) (7) Relates to TransGrid Obligor Group (8) HY2020 amount of ($3.8m) relates to revaluation of investment property

TRANSGRID

Key Financial Drivers – Regulated Business

Regulated Revenue Up by 0.7%	• $9.7m increase in the Maximum Allowed Revenue (MAR) for the period 1 July 2019 to 30 June 2020, based on a 1.80% CPI increase and X factor of -0.97%, partially offset by an adjustment relating to the revocation and substitution of TransGrid's revenue determination for the 2014-2018 regulatory period as advised by the AER. The impact for the first half of 2020 was a $5.7 million increase on the preceding period • $8.3m STPIS payment • Network Relief Package ($3.4m)
Regulated Asset Base Up by 2.3%	• RAB increased to $6,589m • Increase driven by capital expenditure of $294m, less regulatory depreciation of $275m, and includes CPI uplift of $129m
Operating Costs Down 8.2%(3)	• Lower labour costs, consulting and other operational costs as a result of operating efficiencies gained
Capital Expenditure Up by 64.6%	• Growth capex(1) of $85.6m (up 303.8%) • Maintenance capex of $94.9m (up 17.6%) • Non-network(2) capex of $24.1m (up 7.6%) • Increase was mainly due to investment in augmentation projects including Powering Sydney's Future, Stockdill Switching Station and ISP projects, and higher maintenance capex

TransGrid has seen RAB growth of 2.3% over the 12 months

(1) Includes Integrated System Plan (ISP) projects
(2) Includes Network Capability Incentive Project Action Plan (NCIPAP) capex
(3) Excluding $9.3m bushfire costs incurred during 2HFY20 for remediation of damage sustained during the bushfires in November and December 2019

TRANSGRID

Key Financial Drivers – Unregulated Business

Contracted Capital Expenditure Down by $0.4m	• Infrastructure capex includes renewable connections projects delivered in HY2020 (Darlington Point, Kiamal and Bomen Solar Farm) • Increase in telco capex primarily driven by NBN POI rollout
Unregulated Revenue Down by $11.4m	• Infrastructure connection revenue continued to increase in 2020 to $44.3m (HY2019: $24.3m) as construction of a number of connection assets was completed • Decrease in line modification revenue to $4.4m (HY2019: $34.8m) as a result of the completion of a number of one-off projects in 2019 • Connections revenue is expected to continue to grow with a number of new connections projects currently under construction and in the pipeline • Increased in telecommunications revenue as a result of growth in data services and co-location facilities
Unregulated Operating Costs Up by $8.6m	• Increase in new infrastructure connections partially offset by a decrease to the number of line modification projects • Additional project development costs supported the acceleration of TransGrid's rapidly expanding non prescribed connections pipeline, which is delivering increased contracted revenue growth
Contracted Asset Base Up by $219.4m(1)	• CAB increased to $728m • Increase driven by capex of $239m and gain on investment property of $0.7m, less depreciation of $20m

TransGrid has seen CAB growth of 43.1% over the 12 months

(1) From 30 June 2019

INNOVATION AND REGULATION

INDUSTRY AND BUSINESS CONSIDERATIONS

INVESTMENT IN INNOVATION

Building resilient networks for future generations

Victoria Power Networks

Solar Enablement Program

- Currently being considered by the Australian Energy Regulatory (AER) this program represents a $93m investment over five years that will enable most customers to connect their 5kVa solar PV system and ensure 95% of customers are able to export to the grid
- This program will remove solar constraints where it is economic to do so – that is where the benefits to customers outweigh the costs – and assist customers where it is not

LiDAR Lab

- VPN has established a new LiDAR processing lab to perform vegetation inspection, focused on identifying multi-circuit clearance breaches. Through automated modelling, the inspection needs to be accurate to within 5cm, as such the models have been rigorously audited to provide assurance to the business and maintenance teams.
- The LiDAR Lab project will see all LiDAR services moved in-house by 2021 to improve quality, minimise risks, reduce work hours and reduce costs

SA Power Networks

Upgrade Low Reliability Feeders

- SA Power Networks have pursued a program to upgrade low reliability feeders in their worst performing parts of the network. This program was not required under the National Electricity Rules (NER) and was originally rejected by the AER in their draft decision
- Following further consultation with the Consumer Consultative Panel the program gained unanimous consensus and the upgrade was accepted in the AER's Final Determination based on the significant stakeholder support

Solar-Sponge Tariff

- South Australia has the highest per capita level of rooftop solar. SAPN has created an innovative tariff structure for residential customers. This tariff offers a lower network charge during the middle of the day when solar output is highest, to encourage shifting of electricity use to those times
- Raising demand for grid supplied electricity in the middle of the day can help manage voltage issues and thermal overloads associated with low demand, while shifting demand away from the evening peak that can put heavy strain on the network

INVESTMENT IN INNOVATION

Facilitating the energy transition for future generations

TransGrid

Multi-spectrum Inspections

- TransGrid has recently implemented an advanced targeted asset inspections program using combined photographic, infrared (IR) and ultraviolet (UV) cameras to identify issues which are outside of the visual spectrum and in a single flight
- This aids in identifying issues which can't be detected from visual inspection alone and allows repairs to be planned in advance of a failure, driving pro-active and optimal asset management while reducing network risks

Communication Network Upgrades

- A multi-year strategy has been created to deploy advanced communications infrastructure (MPLS-TP). This new network is envisaged to better enable data intensive inter-substation communications, support increasing needs for advanced cyber and physical security systems, and enable faster more reliable wide-area enterprise traffic solutions
- Upon completion in 2023 TransGrid will become the leader among Australian Transmission Network Service Providers (TNSPs) as the first to integrate protection-signaling across a Carrier Ethernet system

Bomen Solar Farm

Bifacial Solar Panels

- Bomen Solar Farm became the first major project completed in Australia to install bifacial modular panels which produce up to 20% more output, delivering higher efficiencies and lower levelised costs of electricity (LCOE) when compared to monofacial panel technologies
- The technology is one of the most recent innovations in the industry which utilises the direct sunlight on the face of the panel whilst also picking up reflected sun from the ground received on the rear side of the panels

Community Partnership Programs

- In partnership with Westpac, Spark Infrastructure has established a community fund to invest $1 million over ten years to support youth education and local biodiversity and vegetation programs
- $350,000 of these funds will be used to undertake a revegetation program to enhance biodiversity in the proximity of the Bomen precinct. It is anticipated planting would occur during the winter months of 2021/22 and would include between 40,000 and 50,000 plants

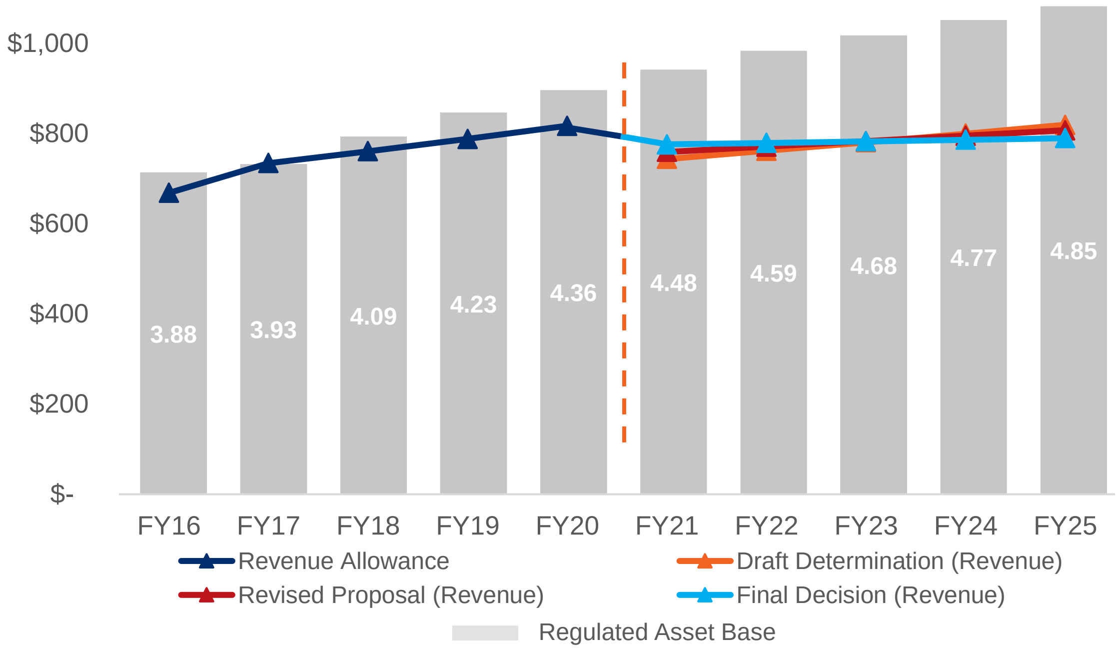
SAPN 2020-25 FINAL REGULATORY DETERMINATION

The AER Final Decision establishes revenue certainty until 2025

Regulatory proposal metric	2015-20 Allowance[1]	2020-25 Draft Decision[2]	2020-25 Revised Proposal[2]	2020-25 Final Decision[2]
Capex ($2019-20)	$2,011m	$1,247m	$1,693m	$1,596m
Opex ($2019-20)	$1,375m	$1,473m[3]	$1,470m	$1,470m
WACC	6.17%	4.95%	4.79%	4.75%
Risk-free Rate	2.96%	1.32%	0.96%	0.90%
Inflation	2.50%	2.45%	2.36%	2.27%
Gamma	0.4	0.585	0.585	0.585
Revenue (Nominal)	$3,769m	$3,905m	$3,933m	$3,914m

The final decision is in line with expectations with improved capex and inflation outcomes

Standard Control Services Revenue ($m) and RAB ($bn)[1][2]



The majority of SA Power Networks' Revised Proposal was accepted by the AER in the Final Decision released on 5 June 2020

(1) AER Final Decision 2015-2020, October 2015 updated to $2020 (2) AER Final Decision Overview, June 2020.(3) AER Draft Decision Overview, October 2019.

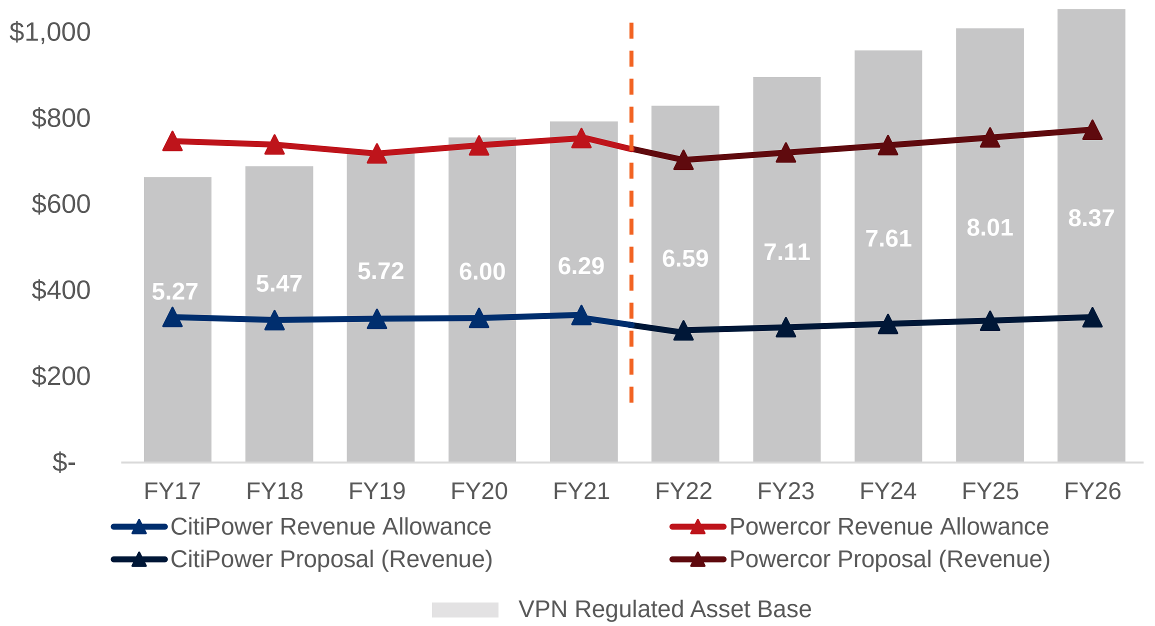
VPN 2021-26 REGULATORY PROPOSAL

Final Risk-free Rate to be updated prior to the final decision in April 2021

Regulatory proposal metric	2016-20 CitiPower (CP) Allowance(1)	2021-26 CP Regulatory Proposal(1)	2016-20 Powercor (PC) Allowance(2)	2021-26 PC Regulatory Proposal(2)
Capex ($2021)	$852m	$852m	$1, 624m	$2,140m
Opex ($2021)	$472m	$569m	$1,181m	$1,537m
WACC	6.11%	4.52%	6.11%	4.52%
Risk-free Rate	2.48%	1.32%	2.48%	1.32%
Gamma	0.4	0.585	0.4	0.585
Revenue(3) ($2021)	$1,681m	$1,599m	$3,694m	$3,695m

VPN's Regulatory Proposal maintains revenue and continued RAB growth

Standard Control and Metering Revenue ($m)(1)(2)(5) and RAB ($bn)(4)

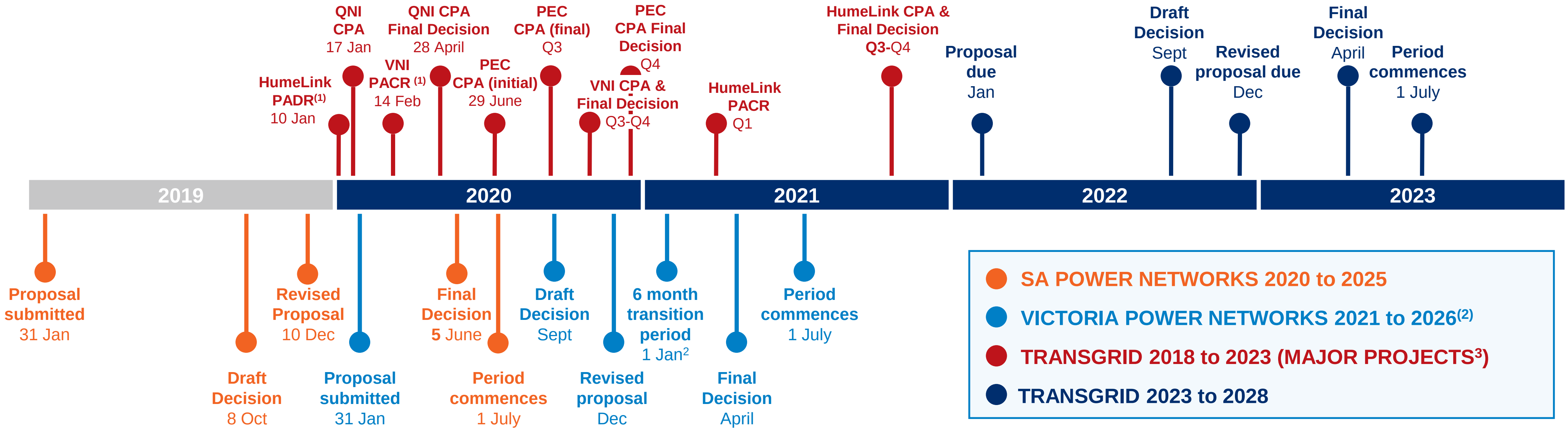


A transition period will apply between 1 January 2021 and 30 June 2021 to give effect to the Victorian Government's intent to delay the 5 year regulatory period

(1) CitiPower, Regulatory Proposal 2021-2026, 31 January 2020 (2) Powercor, Regulatory Proposal 2021-2026, 31 January 2020 (3) Includes metering revenue (4) RAB values from RAB roll-forward model (RFM) and post-tax revenue model (PTRM) submitted with CitiPower and Powercor regulatory proposals on 31 January 2020 (5) AER: CitiPower – Final Decision 2016-2020 updated to $2021 and AER: Powercor – Final Decision 2016-2020 updated to $2021

REGULATORY TIMELINES

Determinations for SA Power Networks and Victoria Power Networks will incorporate lower returns from the AER's 2018 decisions on the Rate of Return Instrument (RORI) and tax, but revenue will be certain for the five-year regulatory periods



Regulatory processes to support delivery of Major Projects are underway in 2020

(1) The Regulatory Investment Test Transmission (RIT-T) and contingent project application (CPA) processes are expected to occur throughout 2020 and 2021 (2) 6 month transition period will occur between 1 January 2021 and 30 June 2021 as a result of the Victorian Government decision to change the regulatory period cycle to a 1 July commencement date. A 5 year regulatory period will commence from 1 July 2021 (3) Revenue will be adjusted in the current regulatory period to incorporate the AER's decisions on CPA's – Dates subject to change.

REGULATORY REVIEWS

We will engage and advocate for outcomes that support returns required while delivering lower costs to customers

	Review	Objective	Implementation
ESB	Converting the ISP into action (proposed rule changes)	Streamline regulatory processes whilst retaining a rigorous cost / benefit assessment	1 July 2020
AEMO	2020 Integrated System Plan (ISP)	Roadmap for Australia's power system that maximises market benefits	July 2020
AEMC	Deferral of network charges	Support retailers in financial difficulty as a result of customers not paying bills due to COVID-19	August 2020
AER	Inflation Review	Assess performance of inflation forecasting methodology and impact on returns	End 2020
AEMC	Rules to integrate DER	Allow two-way energy flows and charging for export	End 2020
AEMC	Regulatory Framework for stand alone power systems	Allow customers to benefit from new technology that lowers costs of providing regulated services	End 2021
AER	Rate of Return Instrument (RORI)	Sets out approach to estimate rate of return: return on debt, return on equity and value of imputation credits	Dec 2022
AEMC	Rules to facilitate system stability	Create new markets for synchronous services, reserve markets and ahead markets	Prior to 2025
AEMC	Coordination of Generation and Transmission Investment (COGATI) Access and Charging[1]	Better co-ordinate generation and transmission investment to improve the efficiency of dispatch and location of generators; provide certainty to support new investment and improve planning information	2025
ESB	Post 2025 National Electricity Market (NEM) Design	Develop long-term, fit-for-purpose market framework to enable provision of full range of services to customers necessary to deliver a secure, reliable and lower emissions electricity system at least-cost	2025

(1) Now incorporated in to the ESB's post 2025 NEM Design program as Grid Access

STRATEGY AND GROWTH

DELIVERING GROWTH FOR THE FUTURE

STRATEGIC VISION AND PRIORITIES

OBJECTIVE

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

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

ELECTRICITY NETWORKS

RENEWABLE ENERGY

ELECTRICITY STORAGE

GAS NETWORKS / GAS STORAGE

WATER NETWORKS / WATER STORAGE

BUSINESS MODEL

Value Enhance

Managing our portfolio for performance and organic growth through efficient investment

Value Build

Developing adjacent business platforms

Value Acquire

Growing through disciplined acquisitions

AUSTRALIA'S ENERGY MARKET IS IN TRANSITION

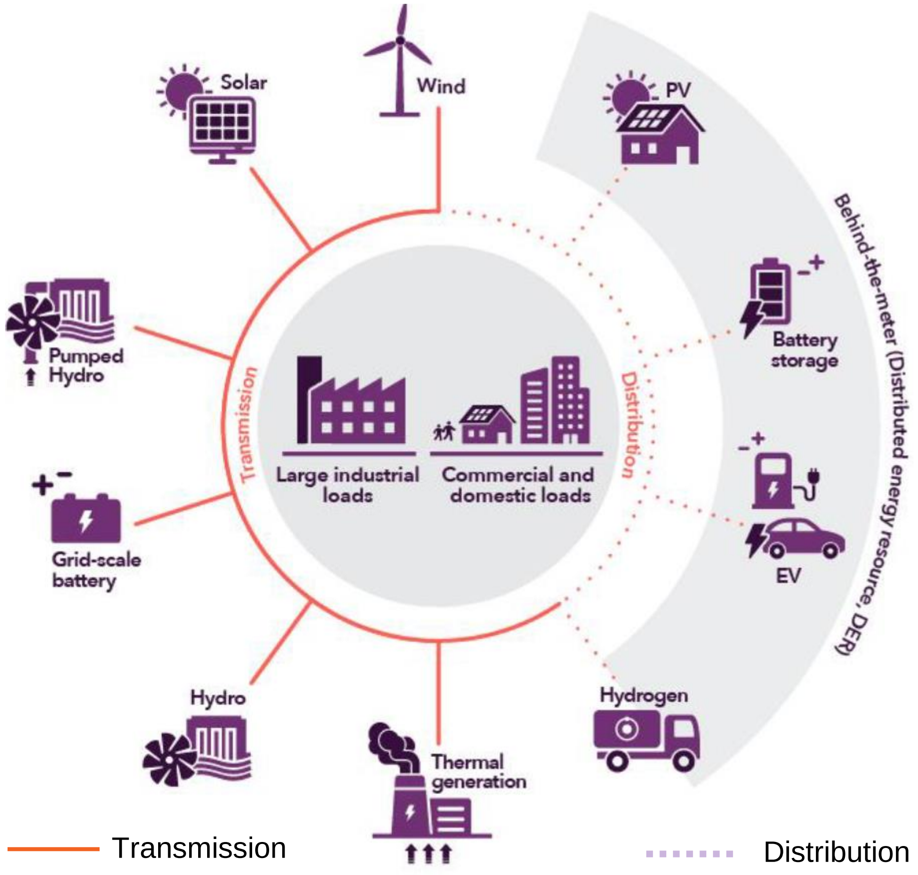
The Australian Energy Market Operator's (AEMO) 2020 Integrated System Plan (ISP) was released in July 2020 and identifies nationally significant and essential investments in the electricity system and outlines the forecast installed capacity requirements for generation

Key market requirements in the 2020 ISP[1]

- Around 18 transmission projects including 10 in NSW, representing direct opportunities for TransGrid with a combined estimated capital cost of approximately $13bn[2]
- Targeted grid investment needed to balance resources across States and unlock Renewable Energy Zones (REZs)
- Over 26 GW of new grid-scale renewables is needed to replace approximately 15 GW or 63% of Australia's coal-fired generation by 2040
- 6-19 GW of new dispatchable resources are needed in support to firm up the inherently variable nature of distributed and large-scale renewable generation
- Rooftop solar expected to more than double (to ~25 GW), supplying up to 22% of total energy by 2040

(1) Optimal development path
(2) AEMO's modelled cost estimates in the 2020 ISP

Networks are critical enablers of the market's transition



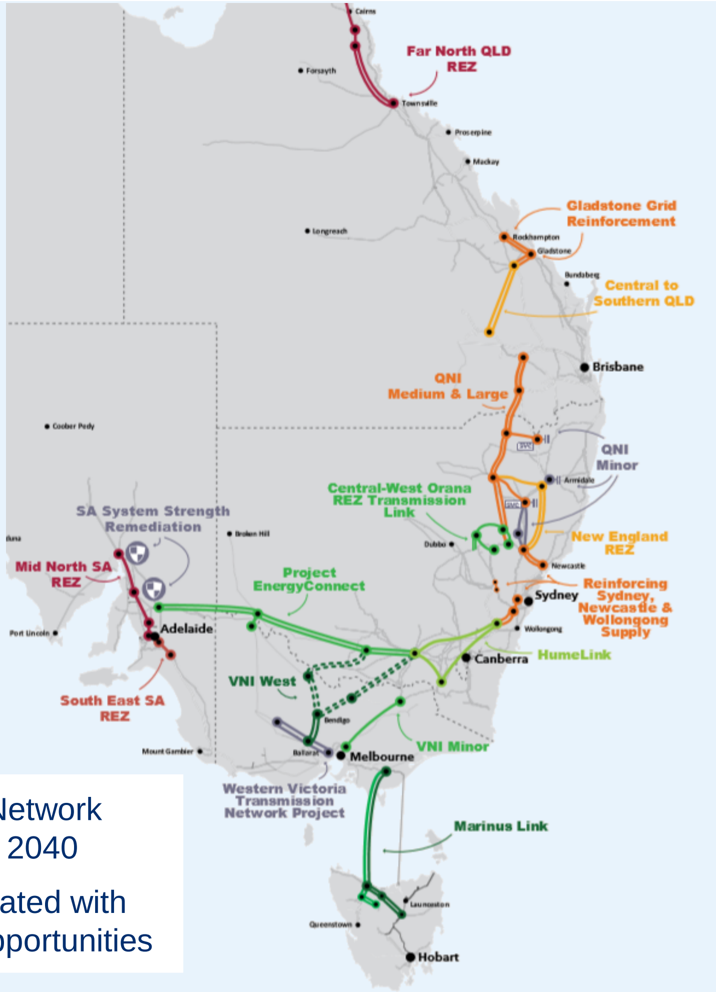
Source: AEMO, 2020 Integrated System Plan

TRANSMISSION INVESTMENT IS A PREREQUISITE

Substantial and sequential investment in the transmission network is required to deliver energy security and reliability, support proposed generation connections, unlock renewable energy resources and reduce total system costs to customers

Network investments expected to deliver $11 billion in net benefits to the National Electricity Market (NEM)

- More than $19bn(1) of Network Investment required by 2040
- Around $13bn(1) associated with NSW and TransGrid opportunities

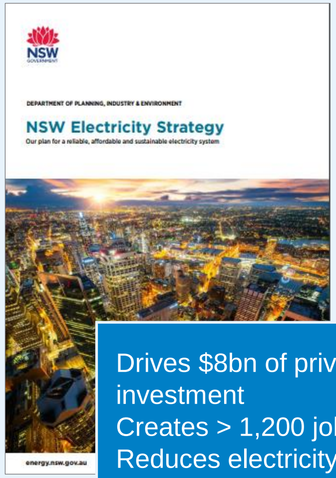


Classification	Project	Indicative timing
Committed	SA System Strength Remediation	2021-22
	QNI Minor	2021-22
	Western Victoria Transmission Network Project	2025-26
Actionable[1]	VNI Minor	2022-23
	Project EnergyConnect	2024-25
	HumeLink	2025-26
	Central-West Orana REZ Transmission Link	Mid-2020s
	VNI West[2]	2027-28
	Marinus Link[2] - Cable 1 - Cable 2	 2028-29 to 2031-32 2031-32 to 2035-36
Preparatory Activities Required	QNI Medium & Large	2030s
	Central to Southern QLD	Early-2030s
	Reinforcing Sydney, Newcastle and Wollongong Supply	2026-27 to 2032-33
	Gladstone Grid Reinforcement	2030s
	New England REZ Network Expansion[3]	2030s
	North West NSW Network Expansion[4]	2030s
Future ISP Projects	Far North QLD REZ	2030s
	South East SA REZ	2030s
	Mid North SA REZ	2030s

2020

2040

1 Estimate practical completion including any subsequent testing – projects may be delivered earlier
2 Decision rules may affect timing
3 May be accelerated by government initiatives
4 Not shown on map. AEMO requires that preliminary engineering designs be completed by 30 June 2021



Drives $8bn of private investment
Creates > 1,200 jobs
Reduces electricity bills by $40 per year

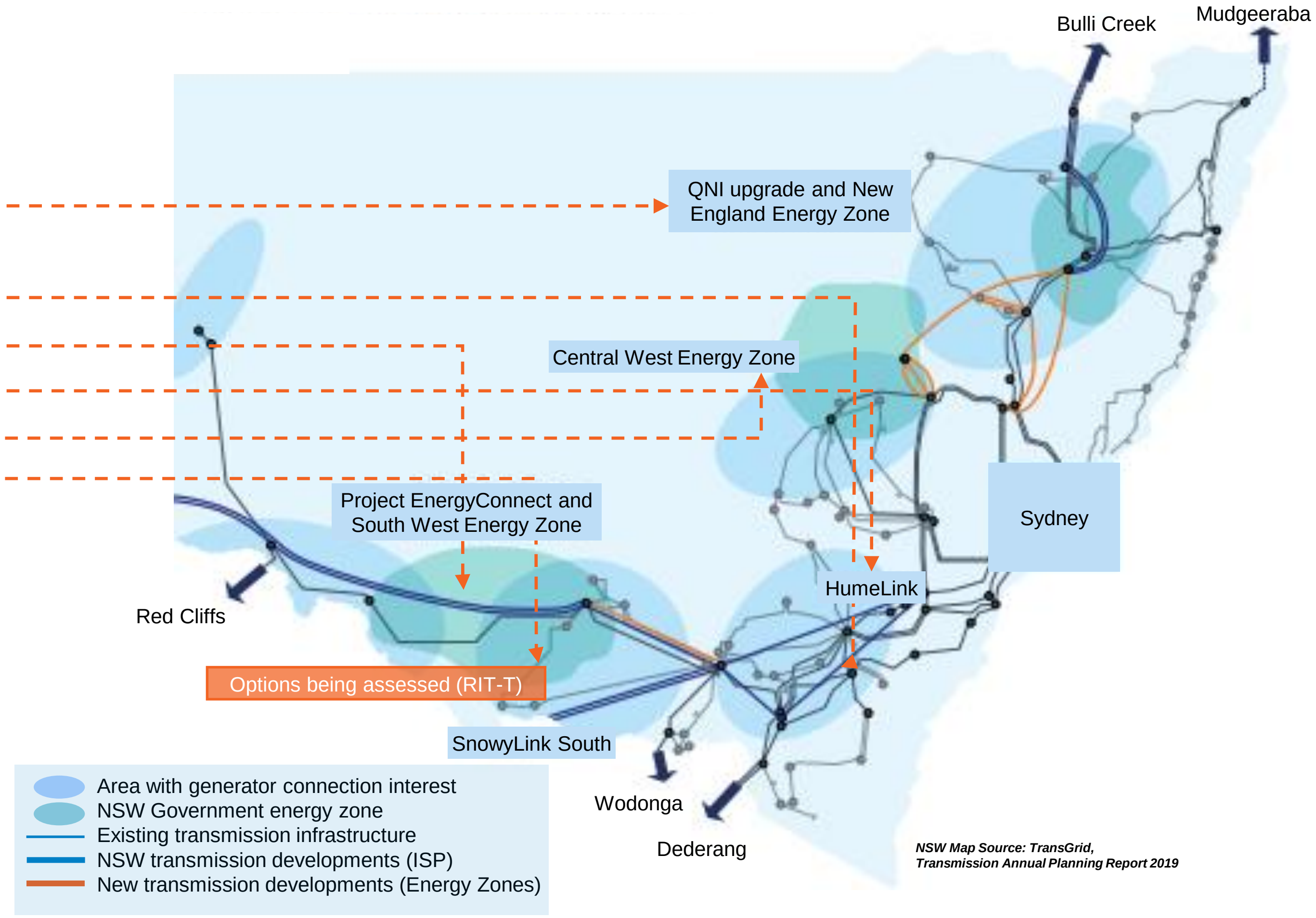
- NSW Government will seek to legislate the requirement for ISP priority projects to proceed
- Projects can proceed ahead of RIT-T
- NSW Electricity Strategy includes a pilot 3 GW REZ

(1) AEMO's Modelled Cost of Projects 2020 ISP

TRANSGRID OPPORTUNITIES

From mid-2020 under the National Electricity Rules there is a requirement to progress the regulatory process and preparatory work for actionable ISP projects

TransGrid Network Opportunities	AEMO ISP 2020 Modelled Cost	Delivery Target(1)
2018-2023 capex allowance	**$1.2bn**	**N/A**
Committed		
QNI Minor	(2)**$0.2bn**	2021-22
Actionable		
VNI Minor	(3)$0.1bn	2022-23
Project EnergyConnect	(3)$2.0bn	2024-25
HumeLink	(3)$2.1bn	2025-26
Central-West Orana REZ Transmission Link	$0.7bn	2024-25
VNI West (Kerang Route)(4)	(3)$2.4bn	2027-28
Total	**$7.3bn**	
Preparatory Activities Required		
QNI Medium & Large	$3.3bn	2032-33 to 2035-36
New England REZ Network Expansion	(5)$1.3bn	2030s
North West NSW Network Expansion	(6)$0.9bn	2030s
Total	**$5.4bn**	
Total ISP Modelled Projects	**$12.9bn**	



(1) AEMO 2020 ISP (2) Contingent Project Application (CPA) Approved 28 April 2020 (3) RIT-T process underway (4) Actionable with decision rules (5) Includes combined costs for Stage 1 & 2
(6) Includes combined costs for Stage 1,2 & 3

TRANSGRID – CHANGE OF SECURITYHOLDERS

Market valuations still do not reflect Spark Infrastructure's 15.01%

Wren House Infrastructure (WHI) stake sold to Ontario Municipal Employees Retirement System (OMERS)	• Spark Infrastructure notes the completion of the sale process for the 19.99% stake in TransGrid held by Wren House to OMERS of Canada • The process to sell WHI stake in TransGrid commenced in early 2020 and was offered to Spark Infrastructure and other securityholders in accordance with the pre-emptive process under the Securityholders Deed • Spark Infrastructure declined to participate and notes that its 15.01% equity investment in TransGrid was purchased for $734.3 million in December 2015 • The implied equity value on a proportional basis represents an approximate compound annual increase of 4.0% p.a. in addition to an approximate average distribution yield of 4.6% p.a. reflecting the improved business performance, growth in regulated and contracted assets (RCAB) as well as the anticipated significant and attractive growth pipeline • The valuation acknowledges TransGrid's high quality business and once in a generation RAB and contracted growth pipeline
Valuation reflects RAB and CAB growth emanating from ISP	• Regulated asset transactions have averaged an EV / RAB of 1.40x since 2007 • Pipeline of growth opportunities is expected to double TransGrid's RAB in the current decade, assuming all ISP projects receive regulatory approval and proceed • CAB is a material component of the EV; CAB is currently $728m (growth of 43.2% in last 12 months); continued growth in CAB expected to be driven by connections of new large-scale renewable projects • Including CAB and valuing growth in RAB and CAB substantially adds to the headline RAB premium

RENEWABLES – BOMEN SOLAR FARM

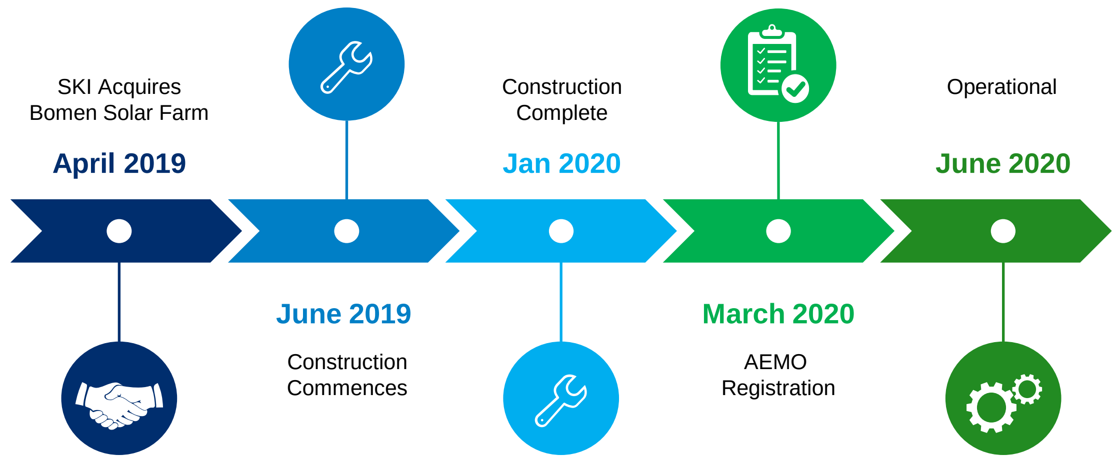
Our first investment is now operational – with construction completed under budget. Despite COVID-19 affecting commissioning, hold point testing has been completed and the farm has been operational and able to export 100% of generation since mid-June 2020

Project Snapshot

Capacity	~120.5 MW_{DC} (~100 MW_{AC})
Total cost at completion	~$180m[1] (~$8m under budget)
Expected Revenue (P50)	~$13.5m p.a. for first 5 years[2]
Gearing	~70%
O&M and Asset Management	Beon Energy Solutions (Beon) and RES

Key Success Factors

- ✓ Strong partnerships with Beon (EPC and O&M), TransGrid (Connection), Westpac (PPA 1) and Flow Power (PPA 2)
- ✓ Optimised design to add an additional 0.5MW_{DC}
- ✓ Construction delivered under budget by Beon and TransGrid
- ✓ Strong grid location with robust MLF and no system strength issues identified
- ✓ Provided around 200 jobs during construction with a focus on local jobs and supporting local businesses
- ✓ Community focus - in partnership with Westpac, established a fund to invest $1 million over ten years in community initiatives



PPAs

~95%
contracted for the first five years

~82%
contracted for the first 10 years

PPA Counterparties

10 YEARS
Westpac

5,7, & 10 YEARS
Flow Power

(1) Includes purchase of land, construction costs, construction of dedicated transmission line and capitalised interest during construction
(2) Average annual revenue considering PPA agreements, loss factors and plant output on P50 forecast

RENEWABLES – OPPORTUNITIES

Spark Infrastructure is uniquely positioned to provide solutions for a sustainable future by investing in adjacencies that are complementary to the existing portfolio businesses

Core Investment Areas

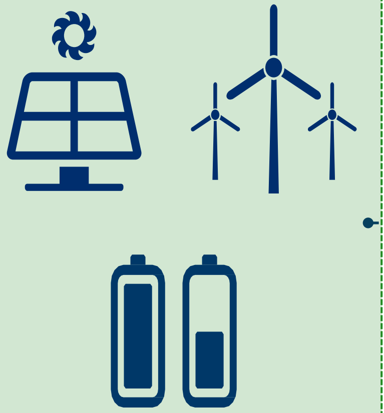
Solar	Wind	Storage
• >15GW forecast installed capacity between 2022-2042 in the NEM(1)	• >16GW forecast installed capacity between 2022-2042 in the NEM(1)	• ~13GW installed capacity forecast between 2022-2042 in the NEM(1)

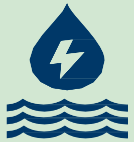
- Evaluating further opportunities for Bomen Solar Farm (including storage), particularly arising from the Wagga Wagga Special Activation Precinct
- Exploring greenfield development projects in the NEM (wind, solar and storage)
- Seek to work with our asset companies wherever possible
- Objective is to build a diversified renewables platform

Other Investment Areas under Consideration

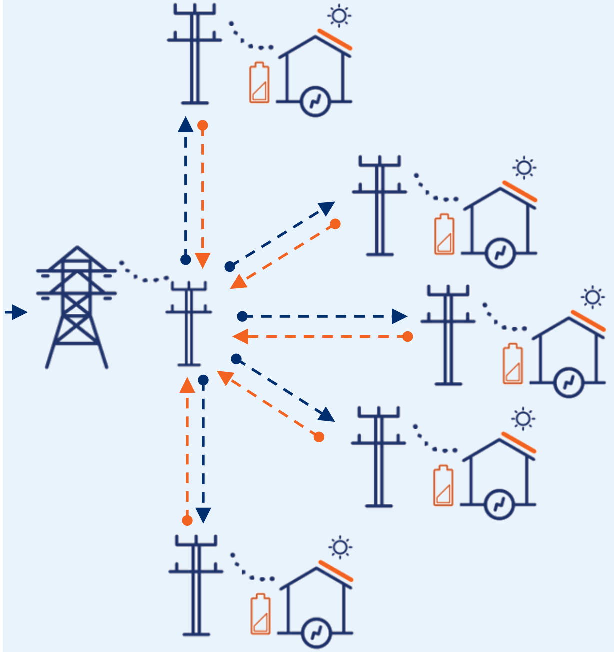
Renewable Energy Zones	Green Hydrogen	Virtual Power Plants

Build or Acquire Renewable Energy Generation and Storage





Enhance Network Businesses



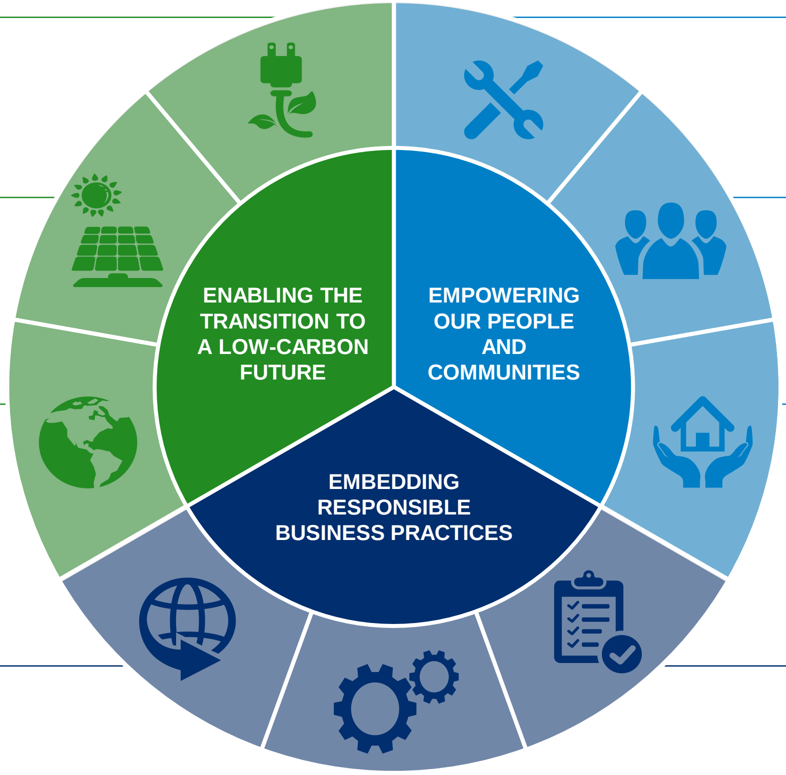
(1) AEMO's 2020 ISP Central Scenario (DP1)

SUSTAINABILITY

ENVIRONMENTAL, SOCIAL AND CORPORATE GOVERNANCE

SUSTAINABILITY

Our ownership of long-life, high performing essential services infrastructure businesses enables us to ensure sustainable policies and practices are adopted through robust governance, risk management and operational performance oversight



Climate Change
Embedding policies and strategies that drive tangible changes through asset management, network design and procurement

Resource Management
Growing and innovating business solutions to support and enable energy transition while reducing waste

Environmental Protection
Minimising negative impacts on the environment by ensuring the highest standard of management practices are embedded and compliance standards are maintained

Corporate Governance
Maintaining an effective governance and decision making structure through representation on the Board and Committees of the portfolio businesses

Health, Safety and Wellbeing
Fostering a safety culture across all investment companies and integrating systems that support both employees and contractors

People
Committed to delivering a strong inclusive values-based culture that promotes diversity and enables all employees to thrive and be successful

Customers and Community
Enabling safe, reliable and affordable electricity supply to our customers and contributing to the development of our communities by investing in initiatives that make a lasting positive impact

Risk Management
Ensuring effective identification of material risks and putting in place an adequate and effective risk management and internal control system

Financial Management
Maintaining a balanced portfolio where earnings will be supported by growth in the underlying assets of the businesses and through sustainable investment in high value unregulated opportunities

SAFETY AND SOCIAL

Fostering a safety culture and supporting the customers and community in which our networks operate

Victoria Power Networks

Initiatives / Achievements

- Implementing a Human Factors Improvement Program aimed at improving capabilities to identify and eliminate errors that can lead to incidents or injuries
- Updated field inspection checklists to address work stream-specific requirements aimed at improving the identification of risks
- Piloted a virtual reality (VR) training program providing a safe environment for staff to virtually engage with substations and realistic work site environments
- Created ten new jobs at a Bendigo contact centre to further enhance customer service during the coronavirus pandemic
- Supported multiple community events through sponsorship and volunteering with employees once again on track to achieve their annual target of 2,000 volunteer hours

SA Power Networks

Initiatives / Achievements

- Implementing a Contractor Management System with Kineo SitePass. Planned rollout is on track for full implementation by the end of 2020
- Increased focus on analysis of data within Enablon – SA Power Networks safety and event management system to drive opportunities for ongoing improvement
- Developing innovative and cost-effective approaches to deal with issues emerging from rapidly increasing levels of rooftop solar generation
- Embedded a Customer Consultative Panel that has been in place since 2009 which ensures the customer voice is considered in decision making and consists of a range of key stakeholder groups
- Employee Foundation has exceeded significant milestones in donating over $3 million to the South Australian community

TransGrid

Initiatives / Achievements

- Launched an end-to-end Contractor Safety Management System providing real-time data to site managers and line leadership teams
- Facilitated a Health and Safety Reset in May with all employees and contractors emphasising commitment to a safe workplace for all
- Leveraging innovative drone technology to complete transmission line stringing across more challenging sections of the electricity grid
- Reconciliation Action Plan ‘Innovate’ was launched in February 2020. 72 initiatives are outlined across the 3 commitment areas of Respect, Relationships and Opportunities. The second phase of Reconciliation builds on strong foundations.
- Donating over $170,000 through TransGrid’s Community Partnerships Program to 28 not-for-profit groups as part of TransGrid’s ongoing commitment to build positive relationships with local communities

ENVIRONMENTAL

Delivering essential services in a manner that protects the environment and builds a more sustainable network for the future

Victoria Power Networks

Initiatives / Achievements

- Continually improving their Environmental Management System by establishing, monitoring and reviewing objectives and targets
- Improved reporting of environmental incidents has enabled the HSE team to more rapidly resolve issues such as oil spills in substations
- Implementing phase two of three of the Rapid Earth Fault Current Limiter (REFCL) program providing extra bushfire protection for the community
- Upgrading public lighting to new energy-efficient and cost-effective LED technologies which require 80% less energy than older-style lighting
- Solar enablement program (being considered by the AER) aimed at empowering customers to connect and export solar into the grid

SA Power Networks

Initiatives / Achievements

- Developed a Climate Change Plan which documents the adaptation and mitigation risks, opportunities and initiatives within the business
- Enhancing the Environmental Management System and other business processes to continue to increase positive environmental outcomes
- Implementing Sustainable Procurement initiatives and working with traditional landowners to preserve cultural heritage during projects
- Developed a circular economy model which includes water and waste management initiatives which has seen a landfill diversion rate of ~76% across all sites
- Implemented an efficient property maintenance strategy which has seen ~40% of the 200,000+ streetlights managed by SAPN converted to LEDs

TransGrid

Initiatives / Achievements

- Developed a Network Climate Change Adaption Strategy which assists in designing and delivering a resilient network that can face future climate challenges
- Invited to sit on the Steering Committee of the NSW Government’s Climate Change Cross Dependency Initiative (XDI) Project
- Implemented improved ecology and aboriginal cultural heritage risk management processes and updated internal due diligence assessments
- Implemented a Waste Tracking System (further enhancing the current enterprise hazard and risk management system – CAMMS)
- Initiated the Infrastructure Sustainably Council of Australia (ISCA) Infrastructure Sustainably rating process for an upcoming Major Project

Committed to the principles of sustainable development with responsible business practices

CAPITAL MANAGEMENT

PRUDENT CAPITAL MANAGEMENT WILL DELIVER GROWTH IN ASSET BASE

CAPITAL ALLOCATION HIERARCHY

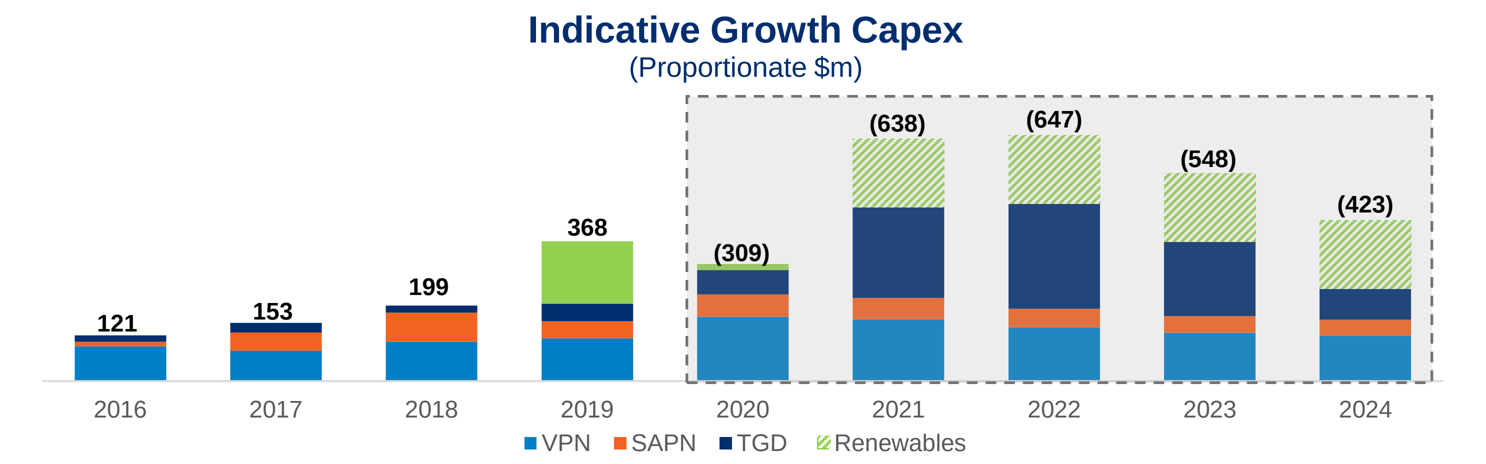
Funding is prioritised toward Value Enhance investment in existing businesses

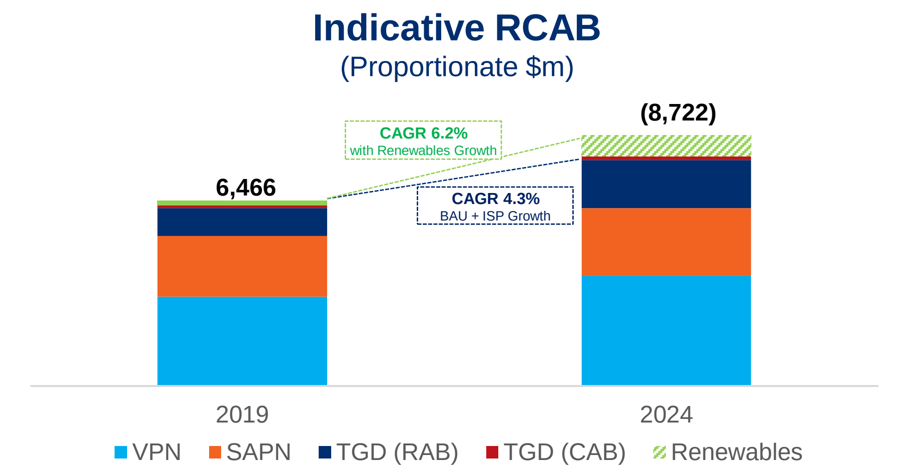
	Value Enhance Regulated Assets	**Value Enhance** Contracted Connection Assets	**Value Build** Contracted Renewables	**Value Acquire** Essential Services Infrastructure
OBJECTIVE	• RAB growth in regulatory determinations • Actionable ISP projects (e.g. Project EnergyConnect) • Renewable Energy Zones (e.g. Central West)	• New renewable connections • Transmission infrastructure (e.g. NETI) • Grid-scale storage, micro-grids and other grid-assets necessary to support energy transition	• Solar, Wind • Battery storage • Renewable Energy Zones, Green Hydrogen, Virtual Power Plants	• Complementary asset opportunities, and potential diversification • Assets with organic growth options • Assets supporting the energy transition • Pre-emptive rights on existing assets
BUSINESS	• VPN, SAPN, TransGrid	• TransGrid (transmission) • VPN, SAPN (distribution opportunities)	• Spark Infrastructure	• Spark Infrastructure

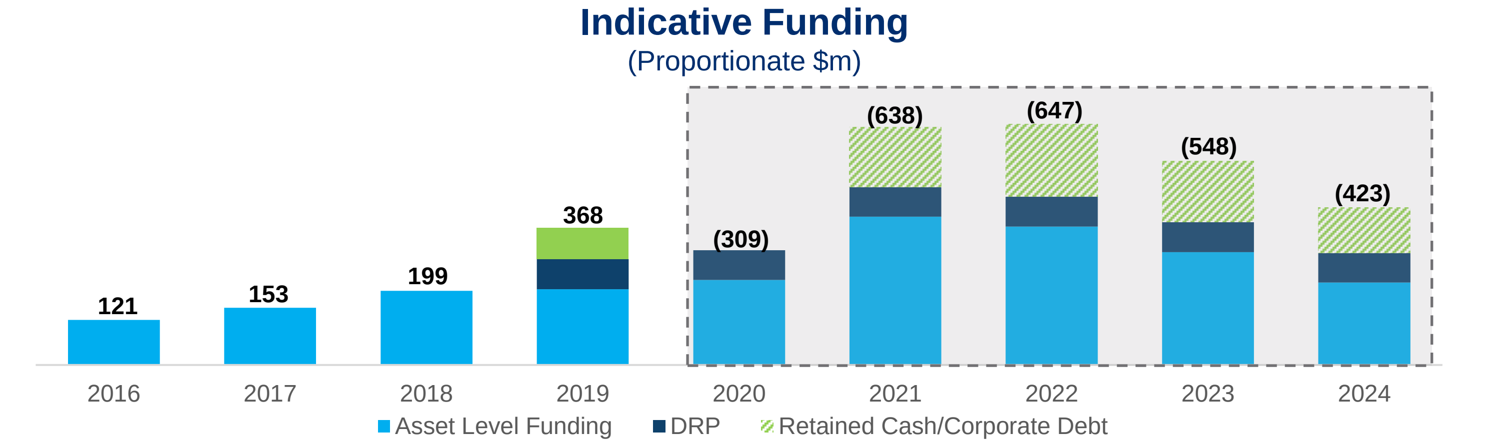
Pipeline of Growth can be fully funded through DRP and substantial Debt Capacity

- Assumes Distribution Reinvestment Plan (DRP) will remain active; scope of funds raised expanded to support a broader range of growth opportunities
- Spark Infrastructure is on a credit rating glide path from Baa1 as regulatory resets reduce FFO/Net Debt ratio but is committed to investment grade rating
- Additional debt products such as convertible bonds or an Australian medium-term note (AMTM) will be considered when appropriate
- Growth supported by AEMO’s 2020 ISP + VPN/SAPN regulatory submissions

CAPITAL PIPELINE - FULLY FUNDED







- RAB growth supported by AEMO's 2020 ISP + VPN/SAPN regulatory submissions
- Contracted growth supported by AEMO ISP
- Pursuing renewable development opportunities
- Growth fully funded through DRP and debt capacity
- Spark Infrastructure committed to investment grade ratings

(1) SAPN values derived from SA Power Networks Final Determination – differential of annual opening RAB value vs closing RAB value, adjusted for SKI Financial Year
(2) VPN values based on CitiPower and Powercor Regulatory Proposals submitted 31 January 2020 – differential of annual opening RAB value vs closing RAB value, adjusted for SKI Financial Year
(3) Renewables growth equivalent to capex investment of 1 x Bomen Solar Farm (~$180m) per year in 2021-2024
(4) TransGrid includes regulatory RAB growth with QNI Minor and VNI Minor, indicative connections of c5.5GW and allowances of c$4.0bn for Project EnergyConnect and HumeLink (based on AEMO 2020 Modelled Costs)

CLOSING REMARKS

DELIVERING GROWTH IN ASSET BASE WITH SUSTAINABLE YIELD

KEY ACTIVITIES FOR 2H20

Continue safe and reliable operations while developing strong pipeline for future growth

Key Activities	
	• Continue safe and reliable operations in COVID-19 environment; maintain robust balance sheet and strong support from debt markets • Project EnergyConnect initial CPA lodged 29 June 2020, a Final CPA is expected in Q3 with the approval process expected to take the remainder of the year • Other major ISP preliminary work to commence; VNI, HumeLink • VPN tax appeal was heard by the Full Federal Court on 21 August, timing of decision unknown but estimated to be late 2020 • VPN regulatory proposal process to continue through 2H20; draft expected in September • Bomen Solar Farm commenced full operations in 2H20 • Critical advocacy and leadership in important regulatory processes – 2022 RORI, Inflation, REZ framework and Post 2025 NEM design

Capital growth and distributions underpinned by strong operational cash flows

OUTLOOK AND DISTRIBUTIONS

Delivering strong growth and sustainable yield into the future

Outlook	• SAPN (May 2020) and VPN (April 2021) regulatory determinations deliver revenue certainty for next 5 years • Expecting good customer and regulatory support for opex and capex allowances for VPN determination; based on SAPN recent outcomes • Growth agenda for regulated and contracted assets at TransGrid is substantial, supported by AEMO's 2020 ISP • Organic RCAB CAGR growth expected over the next 5 years of over 4% p.a. • Well positioned and disciplined approach for further opportunities in contracted renewables and storage • Substantial balance sheet capacity and on-going DRP expected to be sufficient to fund growth pipeline, whilst maintaining investment grade rating • Will retain strongly defensive qualities, e.g. regulated assets to continue to exceed 85% of total assets • Other inorganic opportunities will be assessed on highly selective and disciplined basis
Distribution guidance	• Reconfirmed distribution guidance for FY20 of at-least 13.5cps (2H20 at least 6.5cps), subject to business conditions • Distributions expected to be covered by look-through net operating cash flows • DRP to remain in operation, to fund growth pipeline

Investment mandate of essential services infrastructure incorporates electricity, gas and water, with a strong focus on growth and supporting the energy transition to lower carbon emissions

APPENDIX

KEY METRICS

Distributions, RAB, credit metrics and gearing

SECURITY METRICS	
Market price at 21 August 2020	$2.18
Market capitalisation	$ 3.8 billion

DISTRIBUTIONS	
HY 2020 actual	7.00cps
Comprising:	
- Loan Note interest	3.50cps
- Tax deferred amount	3.50cps
2020 Guidance	13.50cps

CREDIT RATINGS	
Investment portfolio credit ratings	SA Power Networks: A- Victoria Power Networks: A- TransGrid: Baa2[4]
Spark Infrastructure level credit rating	Baa1

SPARK INFRASTRUCTURE	$m
Total RAB and CAB (Spark Infrastructure share)	6,601
Gross debt at Spark Infrastructure level	180

SA POWER NETWORKS	$m
RAB[1]	4,372
Net debt	3,225
Net debt/RAB	73.8%

VICTORIA POWER NETWORKS	$m
RAB[1] (including AMI)	6,520
Net debt	4,666
Net debt/RAB	71.6%

TRANSGRID	$m
RAB[1]	6,589
CAB[1][2]	728
RCAB[1][2]	7,317
Net debt[3]	5,836
Net debt/RAB[4]	87.4%
Net debt/RCAB[3]	79.8%

(1) June 2020 estimate (2) Includes WIP/partially completed assets and investment property
(3) Net Debt is calculated using gross debt less cash and adjusted for prescribed revenue over/(under) collection and includes TransGrid Services
(4) Relates to TransGrid Obligor Group

TAX LITIGATION AND EFFECTIVE TAX RATE

Federal court judgement was that gifted assets and cash contributions should be treated as assessable income

Context

- In February 2019, the Federal Court handed down its judgement with effect that assets transferred to VPN from customers (i.e. gifted assets) should be treated as assessable income to VPN; and for assets constructed by VPN whereby the customer contributes to the cost of construction of such assets, the cash contribution should be treated as assessable income
- VPN subsequently appealed both matters to the Full Federal Court, with the appeal heard on 21 August 2020. The timing of when a decision will be handed down is unknown but is estimated to be late 2020

Spark Infrastructure Impact

The impact to Spark Infrastructure was recognition of a $68.8m tax liability in respect of 2015-18, this amount was paid in full in two tranches in 2019 and 2020. The below table sets out the tax liabilities for the whole Spark Infrastructure group to date along with the timing of payment of liabilities:

	2015	2016	2017	2018	2019	HY2020	Total
Tax Liability - payable	14.8	17.4	19.7	16.9	37.9	6.1	**113.0**
Tax Paid - cash flow	-	-	-	-	38.7	74.3	**113.0**

- Should decision be upheld by Full Federal Court, Spark Infrastructure will continue to be a taxpayer on a go forward basis
  - Effective cash tax rate approximately 14% of distributions from 2020
  - Future distributions will contain franking credits to the maximum extent possible, expected from March 2021 Distribution onwards. Spark Infrastructure has paid tax to date of $113.0m

Normalised Tax	1HY	2HY	Total
2019 Tax Liability	19.0	19.0	**37.9**
2018 Tax Liability	8.5	8.5	**16.9**

Spark Infrastructure Underlying Tax Paid per Cash Flow Reconciliation	
Total Tax Paid per Statutory Cash Flow	**74.3**
Less Historical Tax Paid (2015-18)	(34.4)
Less Tax Instalments Paid in Relation to 2020	(6.1)
Add 2019 Tax Liability Paid in 2019	4.2
Less H2 2019 Tax Liability	(19.0)
Underlying 6 Months Tax Paid in relation to 2019	**19.0**

- Should VPN be successful on either or both matters:
  - Effective cash tax rate on a go forward basis expected to reduce by approximately 6% in the short term until reinstated tax losses are recouped
  - If successful on both matters, circa $87m of prior year tax payments re SAPN/SIH2 are expected to be recovered (subject to any appeal to the High Court)
  - Other impacts not expected to be material: if tax deferred at VPN level (expected but short-term timing only), Spark Infrastructure will pay tax on incremental unfranked dividends received

NETWORK BUSHFIRE UPDATE

Not expected to have a material impact upon the businesses

SA Power Networks

- South Australia experienced a number of fires between mid-November 2019 and late January 2020. Across those fires the damage to electricity infrastructure has been estimated between $5m-$10m
- SA Power Networks regulatory determinations includes cost pass throughs for "natural disaster events" which covers bushfires; however they will not be applying for the cost pass through for network damages as it is calculated as a return on capex, not on the value of the damage itself
- A class action claim has been filed against SA Power Networks in relation to the Yorke Peninsula fire
- The AER accepted a late submission in February 2020 seeking additional funding for inevitable increases in liability insurance premiums. This has resulted in an increase to 2020-25 revenue of approximately $16m

TransGrid

- Damage was recorded to assets in the northern and southern parts of NSW with interruptions also recorded on the Queensland to NSW interconnector (QNI) and the Victoria and NSW Interconnector (VNI)
- TransGrid's regulatory determination includes cost pass throughs for "natural disaster events" which covers bushfires
- The National Electricity Rules (NER) require that the event must meet a materiality threshold being 1% of the maximum allowed revenue (MAR) for the relevant year (the threshold is therefore $7.6m for TransGrid)
- TransGrid expects to meet the threshold and have requested and received approval from the AER for an extension of time from 90 to 180 business days from the end of the fires (2 March 2020) to submit the application. This means TransGrid have until 13 November 2020 to lodge the application

CONSISTENT SERVICE OUTPERFORMANCE

Victoria Power Networks[1]	STPIS $m	
2017 regulatory year	36	Being recovered in 2019 and 2020 regulatory years
2018 regulatory year	20	To be recovered in 2021 regulatory year
2019 regulatory year	26	To be recovered in 2022 regulatory year
H1 2020 regulatory year[2]	8	To be recovered in 2023 regulatory year
SA Power Networks[1]	**STPIS $m**	
2016/17 regulatory year	23	Recovered in 2018/19 regulatory year
2017/18 regulatory year	36	To be recovered in 2019/20 regulatory year
2018/19 regulatory year	30	To be recovered in 2020/21 regulatory year
2019/20 regulatory year[2]	39	To be recovered in 2021/22 regulatory year
TransGrid[1]	**STPIS $m**	
2016 calendar year	15	Recovered in 2017/18 regulatory year
2017 calendar year	16	Recovered in 2018/19 regulatory year
2018 calendar year	17	Being recovered in 2019/20 regulatory year
2019 calendar year[2]	14	To be recovered in 2020/21 regulatory year

Our investment businesses are delivering high reliability to customers

(1) Service Target Performance Incentive Scheme (STPIS) 100% basis

(2) Preliminary estimate

UNREGULATED REVENUES (100% BASIS)

Victoria Power Networks ($m)	HY 2020	HY 2019	Variance
Beon Energy Solutions	104.2	101.0	3.2
Service Level Agreement Revenue	11.5	11.2	0.3
Telecommunications	0.6	0.5	0.1
Joint Use of Poles	3.1	2.3	0.8
Other	4.5	13.2	(8.7)
TOTAL	**123.8**	**128.2**	**(4.4)**

SA Power Networks ($m)	HY 2020	HY 2019	Variance
Energy Infrastructure and Solutions	151.7	98.3	53.4
Facilities Access / Dark Fibre	1.0	0.8	0.2
Asset Rentals	2.1	2.0	0.1
Sale of Salvage	0.4	0.9	(0.5)
Other	1.3	1.8	(0.5)
TOTAL	**156.5**	**103.8**	**52.7**

TransGrid ($m)	HY 2020	HY 2019	Variance
Infrastructure Services	54.0	66.6	(12.6)
Property Services	2.5	2.4	0.1
Telecommunication Services	6.5	5.4	1.1
TOTAL	**63.0**	**74.4**	**(11.4)**

SEMI REGULATED REVENUES (100% BASIS)

Victoria Power Networks ($m)	HY 2020	HY 2019	Variance
Public Lighting	5.9	6.1	(0.1)
New Connections	7.7	7.1	0.6
Special Reader Activities	2.3	2.4	(0.1)
Service Truck Activities	3.1	2.9	0.2
Recoverable Works	0.6	0.7	(0.0)
Specification and Design	6.0	6.0	(0.0)
Other	4.5	4.0	0.5
TOTAL	**30.1**	**29.1**	**0.9**

SA Power Networks ($m)	HY 2020	HY 2019	Variance
Public Lighting	8.2	11.9	(3.7)
Metering Services	7.6	7.8	(0.2)
Pole/Duct Rental	2.5	2.2	0.3
Other Negotiated Services(1)	22.3	24.8	(2.5)
TOTAL(2)	**40.6**	**46.7**	**(6.1)**

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

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)	1.59 *(2.35)*	-1.88	***3.50***

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)	1.59 *(2.35)*	-2.40	***4.03***

- 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 currently commences from 1 January for Victoria Power Networks (CitiPower and Powercor) but will be adjusted to a 1 July from 2021, SA Power Networks and TransGrid are from 1 July each year
- 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	***-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)	1.78 *(2.50)*	-0.85	***2.65***

SA Power Networks	CPI (%) Actual *(Forecast)*	X-Factor	Expected movement in revenue[(2)] %
Year 1[(5)] (1 Jul 20)	*n/a*	-	***-7.30***
Year 2 (1 Jul 21)	*(2.27)*	1.79	***0.44***
Year 3 (1 Jul 22)	*(2.27)*	1.79	***0.44***
Year 4 (1 Jul 23)	*(2.27)*	1.79	***0.44***
Year 5 (1 Jul 24)	*(2.27)*	1.79	***0.44***

TransGrid[(3)(4)]	CPI (%) Actual *(Forecast)*	X-Factor	Expected movement in revenue[(2)] %
Year 1 (1 Jul 18)	n/a *n/a*	n/a	***n/a***
Year 2 (1 Jul 19)	1.80 *(2.45)*	-0.97	***2.79***
Year 3 (1 Jul 20)	1.80 *(2.45)*	-0.17	***1.97***
Year 4 (1 Jul 21)	*(2.45)*	-1.98	***0.47***
Year 5 (1 Jul 22)	*(2.45)*	-1.98	***0.47***

(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) The forecast X-Factor and forecast CPI for the periods from 1 July 2018 to 30 June 2023 are based on TransGrid's 2019-23 Transmission Revenue Determination issued by the AER on 18 May 2018. Actual X-factors are updated using actual cost of debt.
(4) On 16 May 2018, the AER advised by letter a revocation and substitution of TransGrid’s transmission determination for the 2014-18 regulatory period. The AER also advised by email on 23 April 2018 that adjustments ($10.8m) to the 2017-18 MAR are to be included in the price calculations for 2019-20.
(5) SA Power Networks is not required to apply an X factor for 2020/21 because the AER set the 2020/21 expected revenue in its Final Determination. The expected revenue for 2020/21 is around 9.4% lower than the approved total annual revenue for 2019/20 in real terms, or 7.3 % lower in nominal terms.

CAPITAL EXPENDITURE (100% BASIS)

$m	Victoria Power Networks		SA Power Networks		TransGrid		Totals	
	HY 2020	HY 2019	HY 2020	HY 2019	HY 2020	HY 2019	HY 2020	HY 2019
Growth capex	206.2	147.8	62.4	77.6	85.6	21.2	**354.2**	**246.6**
Growth capex - unregulated	-	-	-	-	105.7	106.1	**105.7**	**106.1**
Non-network capex[1]	-	-	-	-	24.1	22.4	**24.1**	**22.4**
Maintenance capex	105.3	73.1	114.7	145.3	94.9	80.7	**314.9**	**299.1**
Total	**311.5**	**221.0**	**177.1**	**222.9**	**310.3**	**230.4**	**798.9**	**674.3**
Spark share	152.6	108.3	86.8	109.2	46.6	34.6	286.0	252.1
Change vs pcp (%)	41.0%		-20.5%		34.7%		13.5%	

$m	Maintenance capex spend		Regulatory depreciation		Less inflation uplift on RAB		Net regulatory depreciation	
	HY 2020	HY 2019	HY 2020	HY 2019	HY 2020	HY 2019	HY 2020	HY 2019
Victoria Power Networks	105.3	73.1	185.1	194.6	(50.3)	(60.9)	134.9	133.7
SA Power Networks	114.7	145.3	164.2	156.8	(41.3)	(36.9)	122.9	120.0
TransGrid	94.9	80.7	137.3	128.0	(59.3)	(56.8)	78.0	71.2
Total	**314.9**	**299.1**	**486.6**	**479.4**	**(150.9)**	**(154.6)**	**335.8**	**324.8**
Spark share	122.1	119.1	191.8	191.4	(53.8)	(56.4)	138.0	135.0

(1) Non-network capex includes NCIPAP

INVESTMENT GRADE FUNDING

Issuer	Victoria Power Networks	SA Power Networks	TransGrid
Credit Rating (S&P / Moody's)	A- / n/a	A- / n/a	n/a / Baa2[(2)] (on USPP notes)
Weighted Average Maturity[(1)] *(31 December 2019)*	4.9 yrs (5.4 yrs)	6.4 yrs (6.9 yrs)	4.6 yrs[(2)] *(5.1 yrs)*
Net Debt at 30 June 2020 *(31 December 2019)*	$4.666bn *($4.494bn)*	$3.225bn *($3.232bn)*	$5.836bn[(3)] *($5.718bn)*
Net Debt / RAB at 30 June 2020 *(31 December 2019)*	71.6% (70.9%)	73.8% (74.5%)	87.4%[(2)] *(88.9%)*
Net Debt / RAB + CAB at 30 June 2020 *(31 December 2019)*	N/A	N/A	79.8%[(3)] *(80.2%)*
FFO / Net Debt at 30 June 2020 *(31 December 2019)*	14.4% *(15.2%)*	17.8% *(16.7%)*	7.7%[(2)] *(8.1%)*
Gross Debt at 30 June 2020 *(31 December 2019)*	$4.737bn *($4.555bn)*	$3.322bn *($3.262bn)*	$5.955bn[(4)] *($5.846bn)*

Spark Infrastructure has increased corporate facilities to $400m; rated Baa1 by Moody's

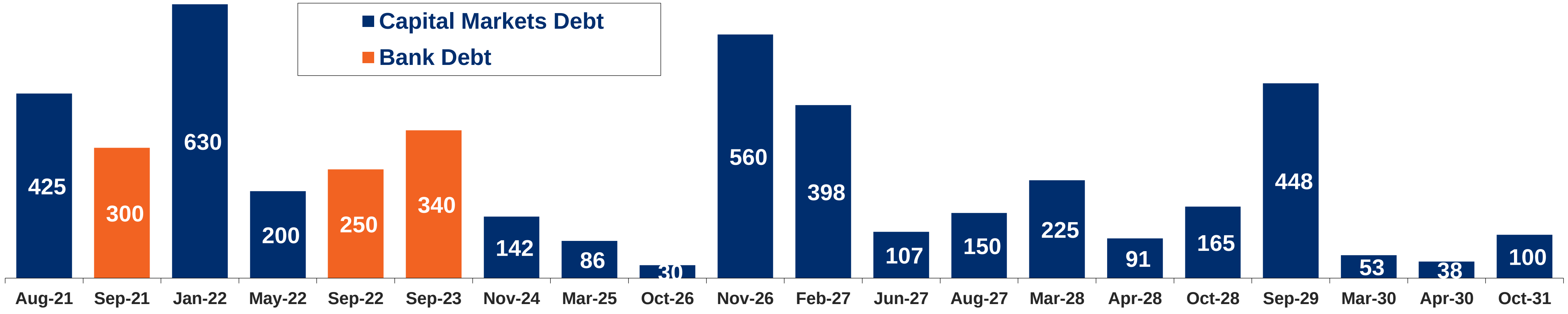
(1) Weighted average maturity calculation is based on drawn debt at 30 June 2020 (2) Relates to the Obligor Group (3) Net Debt is calculated using gross debt less cash and adjusted for prescribed revenue over/(under) collection and includes TransGrid Services (4) Includes TransGrid Services

VICTORIA POWER NETWORKS DEBT AND HEDGING

- In May 2020, Victoria Power Networks replaced $353m in USPP and debt facilities maturing in June/July 2020 with $425m of debt facilities maturing in May/June 2022, completing all 2020 refinancing requirements
- Next debt maturity is $425m in August 2021

Interest Rate Swaps	Notional Principal Amount	Average Contracted Fixed Interest Rate
< 1 year	$500m	1.9%
1-2 years	$400m	2.3%
2-5 years	$1,200m	2.2%
5+ years	$1,845m	2.3%
Total	**$3,945m**	**2.3%**

Drawn Debt Maturity Profile at 30 June 2020 ($m 100%)

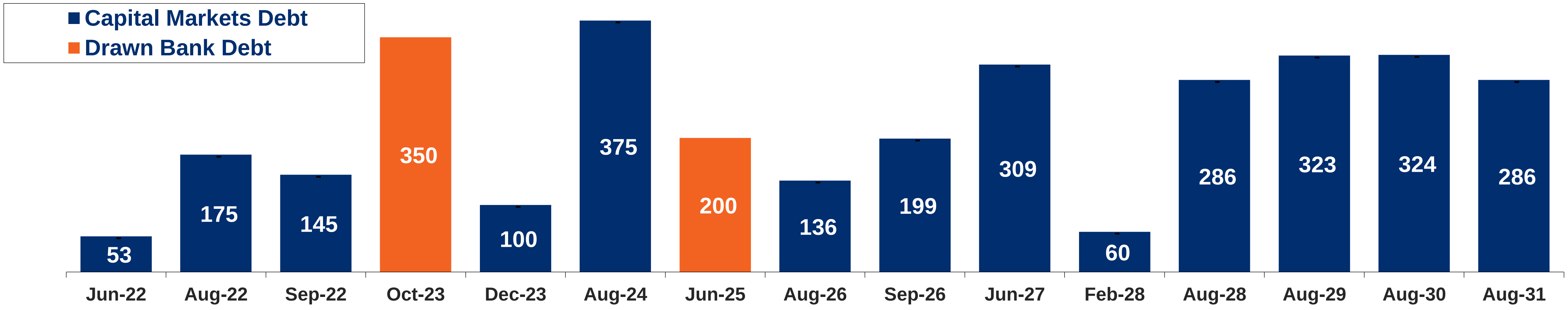


SA POWER NETWORKS DEBT AND HEDGING

- In February 2020, SAPN placed A$60 million of 8-year fixed rate Australian Medium-Term Notes (AMTNs) maturing in February 2028
- Next debt maturity is $53m in June 2022

Interest Rate Swaps	Notional Principal Amount	Average Contracted Fixed Interest Rate
< 1 year	$336m	2.7%
1-2 years	$311m	2.9%
2-5 years	$1,034m	2.0%
5+ years	$1,282m	3.6%
Total	**$2,963m**	**2.9%**

Drawn Debt Maturity Profile at 30 June 2020 ($m 100%)

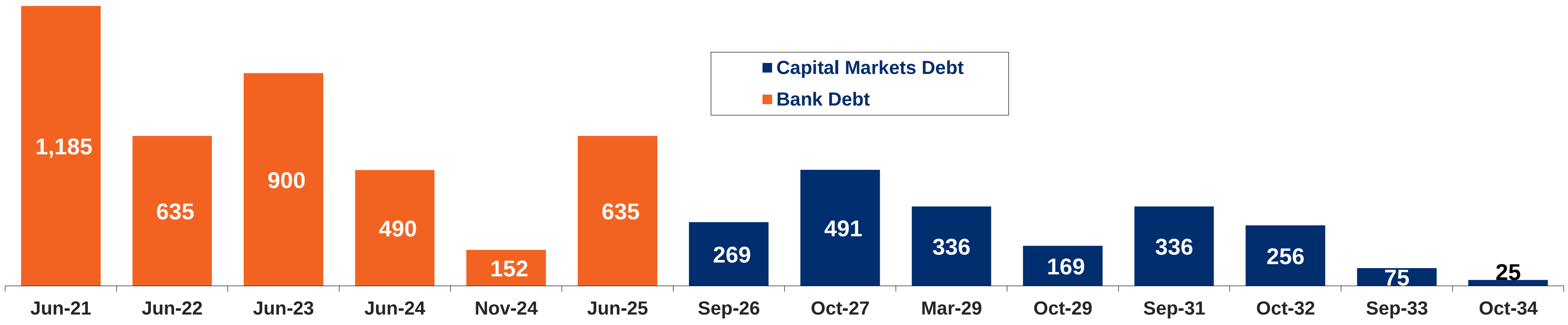


TRANSGRID DEBT AND HEDGING

- Next debt maturity is $1,550m in June 2021 ($1,185m drawn at 30 June 2020)

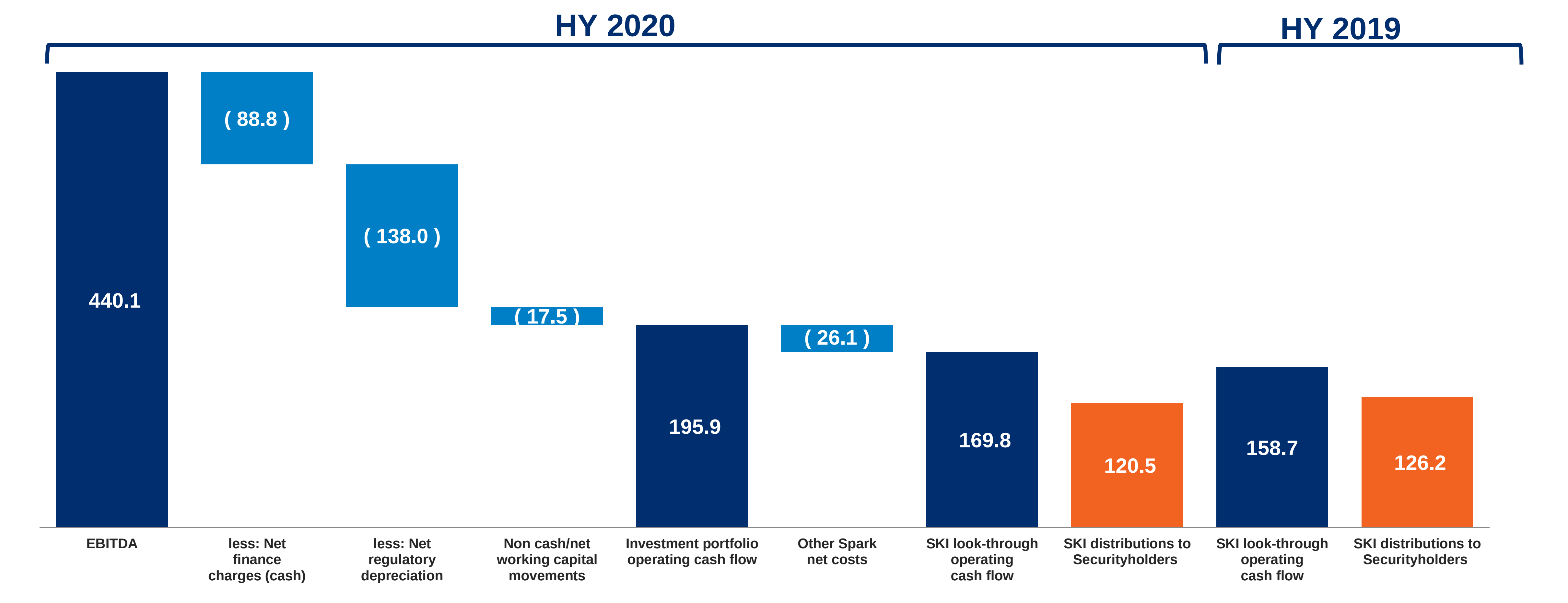
Interest Rate Swaps	Notional Principal Amount	Average Contracted Fixed Interest Rate
< 1 year	$303m	2.6%
1-2 years	$303m	2.8%
2-5 years	$2,729m	2.6%
5+ years	$1,663m	2.3%
Total	**$4,996m**	**2.6%**

Drawn Debt Maturity Profile at 30 June 2020 ($m 100%)



Note: Information above relates to TransGrid Obligor Group and TransGrid Services

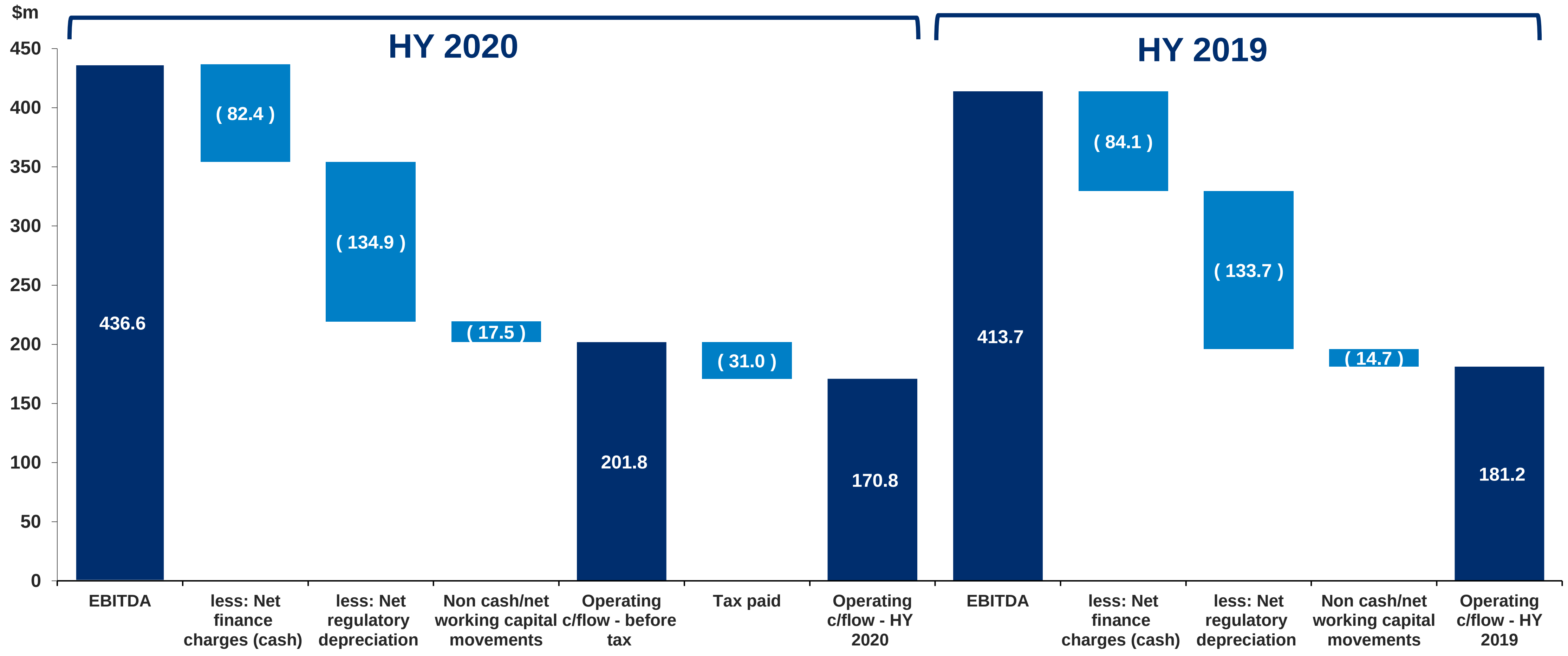
UNDERLYING LOOK-THROUGH NET OPERATING CASH FLOW (NOCF)



Distributions are fully covered by underlying look-through net operating cash flow by 1.4X

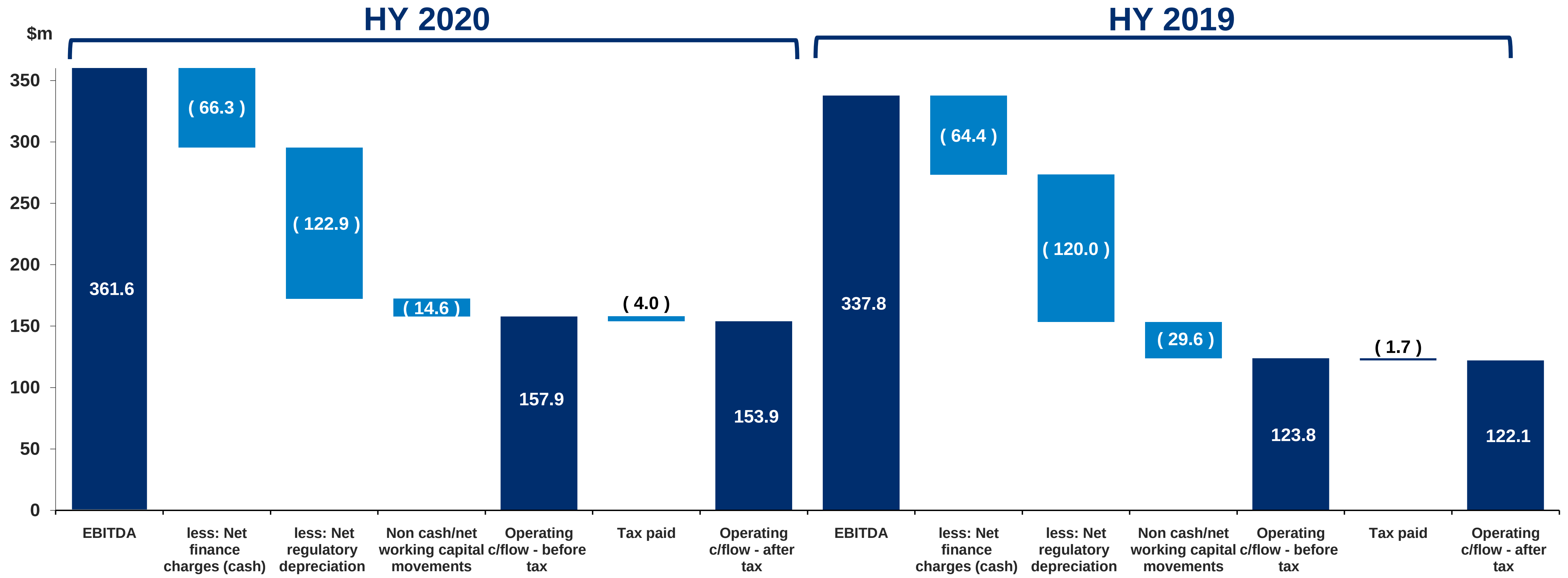
(1) EBITDA excludes customer contributions and gifted assets and includes ‘true-up’ of DUOS/TUOS to revenue cap
(2) Net regulatory and unregulatory depreciation is calculated based on actual inflation
(3) Underlying HY2020 pay-out ratio 71% (HY2019 pay-out: 80%) / 4.5 year underlying pay-out ratio (2016- HY2020): 73%

VPN LOOK-THROUGH NOCF (100%)



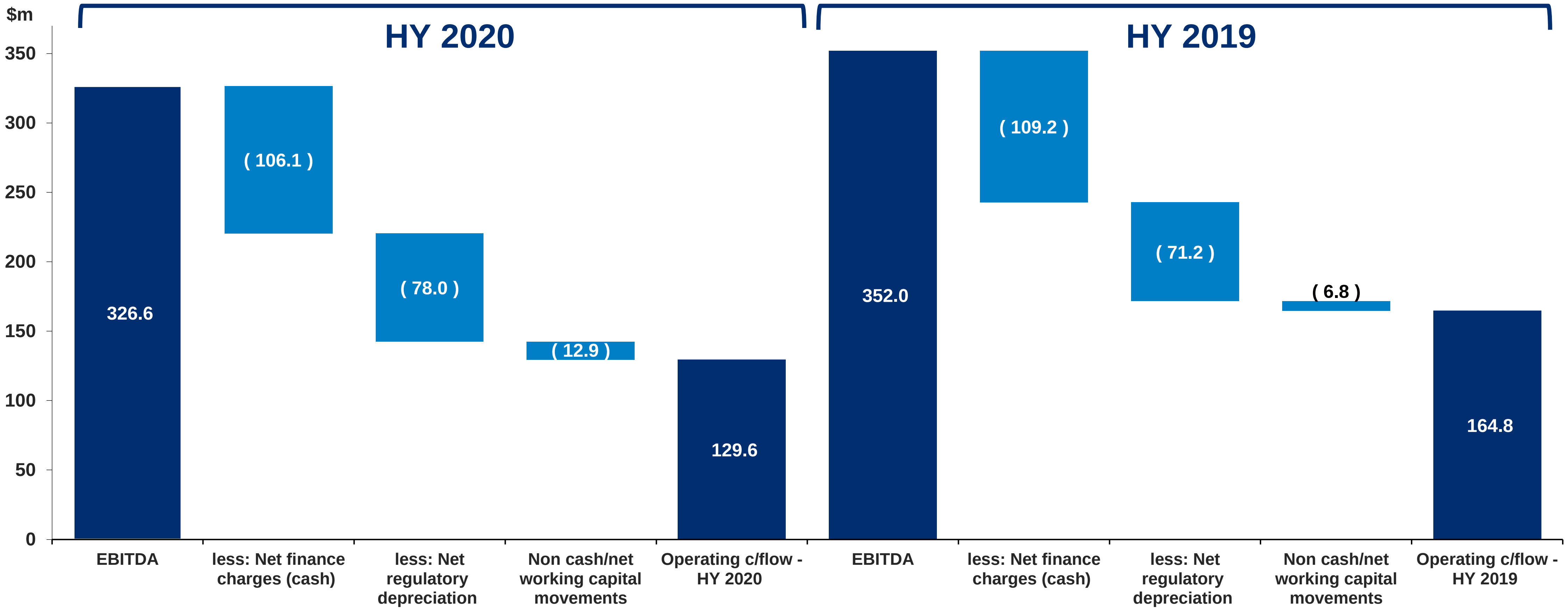
Note re maintenance capex:
Net regulatory depreciation is a proxy for maintenance capex. It is calculated as regulatory depreciation net of actual CPI uplift on RAB
CPI uplift on RAB was estimated by: CPI uplift on RAB for H1 2020 is 1.59%; CPI uplift on RAB for H1 2019 was 2.08%
CPI is based on ‘All groups CPI’ for weighted average of 8 capital cities, not seasonally adjusted (Source: ABS). June on June (released July)

SA POWER NETWORKS LOOK-THROUGH NOCF (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 2020: actual December 2018 CPI of 1.84% was applied, with 50% assumed to apply to H1 2020; In H1 2019: actual December 2018 CPI of 1.78% was applied, with 50% assumed to apply to H1 2019
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 NOCF (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 2020: Actual December 2019 CPI of 1.84% on opening RAB (1 July 2019), with 50% assumed to apply to H1 2020; In H1 2019: Actual December 2018 CPI of 1.78% on opening RAB (1 July 2018), with 50% assumed to apply to H1 2019
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

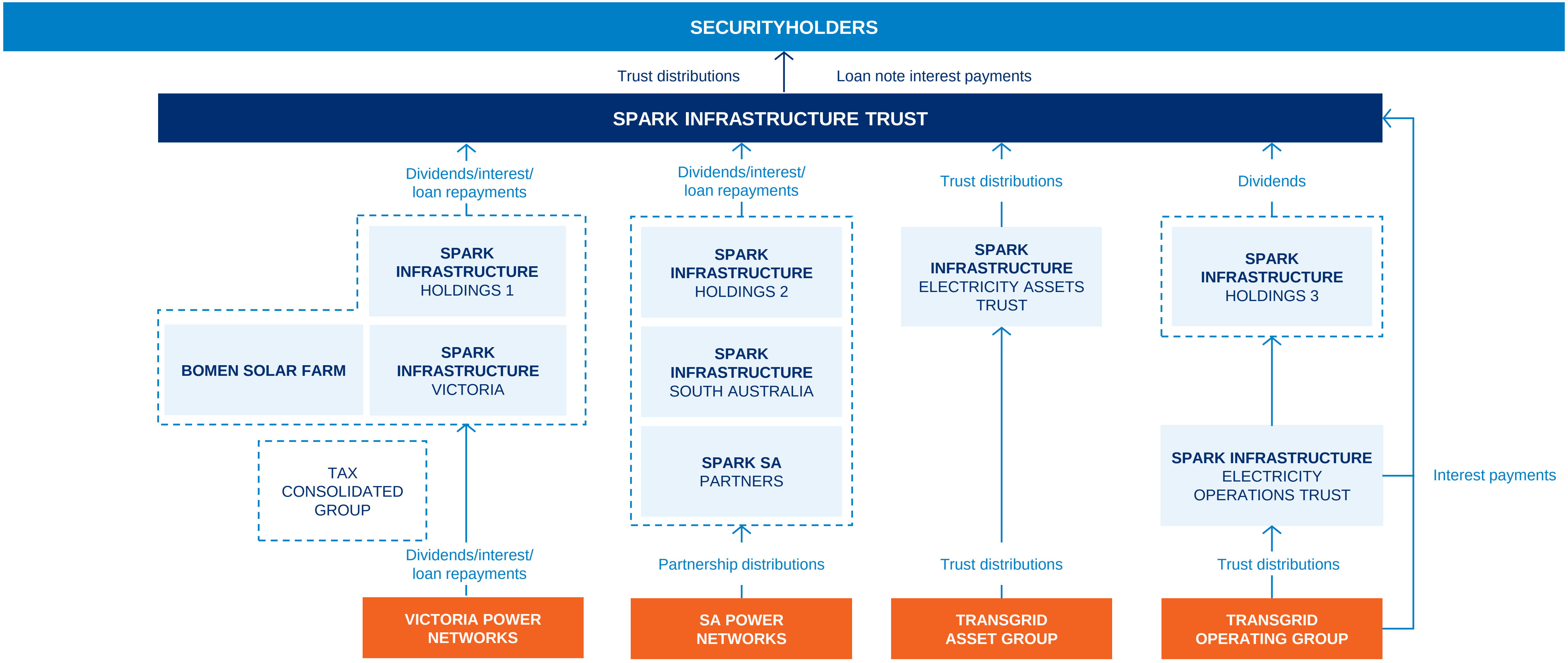
SHARE OF EQUITY PROFITS TO NPAT

100% Basis $m	Victoria Power Networks	SA Power Networks	TransGrid	Spark Infrastructure Share
Regulated revenue	490.4	430.0	367.8	506.2
Other revenue	191.3	197.1	59.2	199.2
Total Income	**681.7**	**627.0**	**427.1**	**705.4**
Operating costs	(252.5)	(265.4)	(114.1)	(270.9)
EBITDA	**429.2**	**361.6**	**313.0**	**434.5**
Depreciation and amortisation	(161.0)	(155.1)	(168.2)	(180.2)
Net interest expense (excl subordinated debt)	(82.7)	(72.2)	(108.1)	(92.1)
Subordinated debt interest expense	(50.9)	(36.1)	(33.0)	(47.6)
Net Profit/(Loss) before Tax	**134.7**	**98.2**	**3.7**	**114.6**
Tax expense	(42.0)	(2.2)	-	(21.7)
Net Profit/(Loss) after Tax	**92.7**	**95.9**	**3.7**	**93.0**
Less: additional share of profit from preferred partnership capital (PPC)[(1)]	-	(34.7)	-	(17.0)
Net Profit for Equity Accounting	**92.7**	**61.2**	**3.7**	**76.0**
Spark Infrastructure Share	**45.4**	**30.0**	**0.6**	**76.0**
Add: additional share of profit from PPC[(1)]	-	34.7	-	34.7
Less: additional adjustments made to share of equity accounted profits[(2)]	0.1	0.8	1.1	2.0
Share of Equity Accounted Profits	**45.5**	**65.5**	**1.7**	**112.7**
Add: interest income from associates	24.9	-	4.9	29.9
Total Income from Associates	**70.4**	**65.5**	**6.6**	**142.6**
Interest income - other				0.4
Interest expense (including borrowing costs)				(7.9)
Interest expense – Loan Notes				(58.8)
General and administrative expenses				(11.0)
Unrealised gain on derivatives - PPA				8.1
Profit before Income Tax				**73.4**
Income tax expense				(23.7)
Net Profit after Income Tax Attributable to Securityholders				**49.7**

(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



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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 2020 and half year ended 31 December 2019. Results have been adjusted by Spark Infrastructure to reflect the 6-month period to 30 June 2020.

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