

Thursday, 22 October 2020

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

Dear Sir / Madam

**Full Federal Court decision on tax treatment of capital contributions for
Victoria Power Networks**

Enclosed is an ASX Release by Spark Infrastructure that provides an update on the Full Federal Court decision on the tax treatment of capital contributions for Victoria Power Networks.

Yours faithfully,



Alexandra Finley
Company Secretary

ASX RELEASE

Thursday, 22 October 2020

Full Federal Court appeal decision on the tax treatment of capital contributions for Victoria Power Networks

Spark Infrastructure announces that the Full Federal Court yesterday afternoon handed down its decision in the appeal by Victoria Power Networks ("VPN") against the Commissioner of Taxation in relation to the tax treatment of capital contributions (being Gifted Assets and Cash Contributions) for the tax years 2008 to 2011.

VPN was successful in respect of its appeal on the Gifted Assets matter and unsuccessful on the appeal in relation to Cash Contributions. The judgements were unanimous in relation to both matters.

In summary, the effect of the decision is as follows.

1. For Gifted Assets (being assets transferred to VPN from customers) - after the offset of any rebate paid by VPN to the customer, the receipt of the gifted assets will not give rise to an amount of assessable income to VPN for income tax purposes.
2. For Cash Contributions (where assets are constructed by VPN and the customer contributes to the cost of construction of those assets) - the cash contribution should be treated as assessable income for income tax purposes on receipt.

Spark Infrastructure and VPN will now review the judgement.

Spark Infrastructure will provide further details as to the impact of the decision in due course.

Further Information:

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