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ASX RELEASE

INTERIM FY2016 FINANCIAL RESULTS

DUET Group (DUET or the Group) is pleased to announce its results for the six months ended 31 December 2015.

Consolidated Results

$m Extract from Appendix 4D	**1H16**	**1H15**	***Change***
Revenues from ordinary activities	**809.7**	616.1	*31.4%*
EBITDA	**449.6**	371.7	*21.0%*
Net profit after income tax	**108.5**	(11.1)	*up $119.6m*
NPAT excluding significant items	**98.9**	19.0	*420.5%*

Proportionate Results[1]

$m Refer to Management Information Report (MIR)	**1H16**	**1H15**	***Change***
Core Revenue[2]	**611.9**	365.2	*67.6%*
Total Revenue	**686.7**	416.2	*65.0%*
Opex	**(231.6)**	(126.2)	*(83.5%)*
EBITDA	**455.0**	290.0	*56.9%*
Adjusted EBITDA[3]	**437.7**	280.2	*56.2%*
Net External Interest Expense	**(143.1)**	(143.2)	*0.1%*
Adjusted EBITDA less Interest	**294.6**	137.0	*114.9%*
SIB Capex	**(50.9)**	(32.0)	*(58.8%)*
Tax Paid	**(4.7)**	(1.8)	*(168.9%)*
Proportionate Earnings	**239.0**	103.3	*131.4%*
Interim Distribution Paid (cents per stapled security)	**9.00c**	8.75c	*2.9%*
Earnings Coverage of the Interim Distribution	**123%**	88%	*35%*

Commenting on DUET's performance for the six months, DUET's Chief Executive Officer, David Bartholomew, said "We are very pleased with DUET's strong FY16 interim result. Adjusted EBITDA, which includes the full six month contribution from Energy Developments Limited (EDL), was up 56.2%. Without EDL, Adjusted EBITDA increased 17.6%, demonstrating the strong performance of DUET's existing regulated businesses and the increased contribution from DDG."

1. As EDL did not declare and pay any dividends to its shareholders from its FY2016 earnings in the period 1 July 2015 to 22 October 2015 (date of financial close of the EDL acquisition), DUET has included EDL's interim results for the full six month period to 31 December 2015 with certain adjustments (refer MIR). EDL's pcp results (when it was not owned by DUET Group) have been excluded. The policies adopted in preparing the proportionately consolidated results, along with reconciliations to the statutory results, are contained in DUET's Management Information Report (MIR) for the six months ended 31 December 2015.
2. Core Revenue represents transmission and distribution revenue for the regulated and DDG businesses and generation revenue for EDL
3. Adjusted EBITDA is EBITDA less customer contributions (net of margin)

Note: As DUECo is the parent entity of the DUET Group, it and DIHL (as the Corporate Arm) are responsible for all information contained in this announcement. DFL and DFT (as the Funding Arm) are only responsible for the general stapled securityholder information and financial information of DFL and DFT incorporated into the consolidated financial information referred to in this announcement.

"This result demonstrates the robust financial position of DUET. With the integration of the EDL acquisition complete, DUET now has more diversified operating cash flows and is well placed to capture future growth opportunities."

Distributions

Yesterday DUET paid an interim distribution of 9.0 cents per stapled security and today we have reaffirmed our full year distribution guidance for FY16 of 18.0 cents per stapled security.

Operating Company Performance

Dampier Bunbury Pipeline (DBP)

$m Extract from MIR, 100%	**1H16**	**1H15**	***Change***
Transmission Revenue	**191.6**	188.2	*1.8%*
Opex	**39.1**	41.1	*4.9%*
Adjusted EBITDA	**156.3**	150.4	*3.9%*

Transmission revenue was up 1.8% as annual tariff increases were partly offset by lower part-haul throughput. Adjusted EBITDA was 3.9% higher as the business benefitted from lower fuel gas charges as a result of the lower volumes.

DBP is currently finalising its revised proposal for the 2016-2020 regulatory period, which will be lodged on 22 February 2016.

DBP Development Group (DDG)

$m Extract from MIR, 100%	**1H16**	**1H15**
Transmission Revenue	**17.2**	0.3
Opex	**2.4**	1.0
Adjusted EBITDA	**15.8**	(0.3)

With its two initial pipeline development projects complete, this was the first full half-year contribution by DDG.

DDG continues to explore additional gas infrastructure opportunities and is also working on a number of opportunities in collaboration with EDL.

Energy Developments Limited (EDL)

$m Extract from MIR, 100%	**1H16**	**1H15**	***Change***
Generation Revenue	**208.3**	204.4	*1.9%*
Opex	**108.5**	117.1	*7.4%*
Adjusted EBITDA	**108.1**	96.1	*12.5%*

Generation revenue was up 1.9% as a result of tariff increases and higher green credit revenues offset by lower generation due to short term gas availability. Adjusted EBITDA was up 12.5%.

During the period EDL successfully contracted a number of existing and new sites that has resulted in an increase in its overall average contract tenor.

Since financial close of the EDL acquisition, DUET has successfully implemented a number of initiatives to increase the predictability and certainty of EDL's cash flows. These included hedging base interest rates, implementing medium term foreign exchange cash flow hedges, degearing EDL, securing a stable investment grade credit rating for EDL and refinancing EDL's corporate debt on investment grade terms.

United Energy (UE)

$m Extract from MIR, 100%	1H16	1H15	*Change*
Distribution Revenue	**198.8**	178.8	*11.2%*
Opex	**74.9**	81.9	*8.6%*
Adjusted EBITDA	**185.0**	150.6	*22.9%*

Distribution revenue was up 11.2%, reflecting annual regulated tariff increases and higher throughput on the network as a result of the warm start to the Melbourne summer.

Operating expenses were down 8.6% largely as a result of a deferral of expenditure to the second half. Adjusted EBITDA was up 22.9%.

UE filed its revised 2016-2020 Electricity Distribution Pricing Review submission in early January and is currently awaiting the AER's final determination, expected at the end of April.

Multinet Gas (MG)

$m Extract from MIR, 100%	1H16	1H15	*Change*
Distribution Revenue	**99.8**	94.1	*6.0%*
Opex	**35.0**	32.1	*(8.9%)*
Adjusted EBITDA	**69.4**	64.6	*7.4%*

Distribution revenue was up 6.0% as a result of annual regulated tariff increases and a 6.2% uplift in throughput due to the colder Melbourne winter.

Operating expenses were 8.9% higher as a result of higher meter replacement costs, higher employee costs and a non-cash provision for UAFG charges. Adjusted EBITDA was up 7.4%.

During the period the AER approved MG's application for increased tariffs in relation to its accelerated pipeworks replacement program. As a result, MG will benefit from additional real tariff increases of around 1.4% in each of calendar years 16 and 17.

Management Presentation

A presentation of DUET's results will be made by the management team today at **10.30am** (Sydney time). Investors and analysts can access the presentation via DUET's website (www.duet.net.au) or by calling 1800 801 825 or +61 2 8524 5042 (outside Australia) and quoting the passcode "**5701985**".

Interim Results Documents

Further information regarding DUET's interim results is contained in the following documents released today and which are available on each of the ASX and DUET websites:

- Appendix 4D;
- Interim Financial Report;
- Management Information Report; and
- Interim Results Presentation.

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