



Tuesday, 22 March 2011

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

Dear Sir / Madam

ETSA UTILITIES FINANCE PRICES \$250 MILLION OF MEDIUM TERM NOTES

I enclose a statement issued by ETSA Utilities Finance and ANZ Bank regarding the successful pricing of \$250 million of 5.5 year unsecured Medium Term Notes.

Yours faithfully,

A handwritten signature in blue ink, appearing to read "Alex Finley", with a large, stylized flourish at the end.

Alexandra Finley
Company Secretary

MEDIA RELEASE

22 March 2011

ETSA Utilities Finance Upsizes 5.5yr MTN Issue to A\$250m

ETSA Utilities Finance Pty Limited ("ETSA Finance"*) today priced A\$250m of 5.5yr senior unsecured Medium Term Notes (MTN) inside guidance, in a highly successful and upsized transaction.

The new MTN issue marks ETSA Finance's first domestic unwrapped A\$ corporate bond transaction since 2000 and is a further step in its ongoing strategy to diversify its capital funding platform.

The transaction reflects very positive feedback ETSA Finance received post its investor updates provided to Australian institutional fixed income investors in the week of 7 March, 2011.

The MTN issue, expected to be rated A- by Standard & Poor's, was met with an overwhelming response from fixed income investors with the order book oversubscribed by a factor of >2.5X.

Priced at a competitive spread of swap+135bp, the new MTN was upsized to A\$250m from \$200m at launch. Final pricing was 5bp inside guidance, while the order book was closed after only 3hrs.

ETSA Utilities' Chief Financial Officer, Mr Rob Stevens commented:

"ETSA Finance is delighted by the very strong investor support it has received for this transaction which has enabled it to finally return to the A\$ MTN market."

"Maintaining diverse funding sources is a key element of ETSA Finance's approach to funding and we expect the A\$ MTN market to have a key role to play in this regard in the future"

Australia and New Zealand Banking Group (ANZ) acted as Sole Arranger and Lead Manager to the transaction.

ANZ Director of Debt Capital Markets, Brad Scott noted:

"ETSA's return marks a resounding vote of strong confidence in the local market and cements yet another very competitive pricing benchmark that will drive other major issuers to follow suit."

"With utility issues already accounting for 45% of A\$ MTN corporate issuance in the last twelve months, ETSA's groundbreaking result reaffirms the strong investor demand for this sector".

* ETSA Utilities Finance Pty Limited is a special purpose company which acts as the principal finance vehicle for the business activities of ETSA Utilities, South Australia's primary electricity distribution business.

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ETSA Utilities