



Management Information Report

For the half year ended 31 December 2015

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At 31 December 2015 the DUET Group comprised DUET Company Limited (DUETCo) (ABN 93 163 100 061), DUET Finance Limited (DFL) (ABN 15 108 014 062) (AFSL 269287) in its personal capacity and as Responsible Entity for DUET Finance Trust (DFT) (ARSN 109 363 135) (ABN 85 482 841 876), DUET Investment Holdings Limited (DIHL) (ABN 22 120 456 573) and the entities they controlled. In combination DUETCo, DFT, DFL and DIHL referred to as "DUET" or "DUET Group". DUET may refer to any entity of the DUET Group or all of them or any combination thereof. This report is not an offer or invitation for subscription or purchase of or a recommendation of securities. It does not take into account the investment objectives, financial situation and particular needs of the investor. Before making an investment in DUET, the investor or prospective investor should consider whether such an investment is appropriate to their particular investment needs, objectives and financial circumstances and consult an investment adviser if necessary.

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Introduction

This Management Information Report ("MIR") contains financial information of the DUET Group ("DUET") for the half year ended 31 December 2015.

DUET's boards have reviewed and approved the MIR and endorse its release as a supplement to the Financial Report for the half year ended 31 December 2015 ("half year Financial Report").

Ernst & Young ("EY") was engaged to perform a review of the non-IFRS financial information as presented in the MIR in accordance with the Basis of Preparation described below. EY conducted its review in accordance with standards on *Review Engagements 2405 Review of Historical Financial Information Other than a Financial Report*, as promulgated by the Auditing and Assurance standards Board. Based on the review, EY has not become aware of any matter that makes them believe the non-IFRS financial information of DUET as presented in the MIR for the half year ended 31 December 2015 is not prepared, in all material respects, in accordance with the Basis of Preparation.

Basis of Preparation

This MIR has been prepared in accordance with the basis of preparation as described here. Figures within the MIR are initially derived from the DUET half year Financial Report, which has been prepared in accordance with International Financial Reporting Standards ("IFRS"). Departures from that basis are described as follows:

- **Unconsolidated Cash Flows:** Unconsolidated cash flows have been adjusted from the consolidated statutory cash flow statement. The purpose of unconsolidated cash flows is to provide a view of the net cash flows received by DUET's stapled entities from which investments and distributions are made. In addition, term deposits are shown as cash and cash equivalents and head office project costs are shown as an investing cash flow, rather than an operating cash flow.
- **Energy Utility Management Accounts:** Non-financial information is based on the management reports of each energy utility and is not derived from IFRS information.
- **Proportionate Earnings:** Proportionate earnings have been adjusted from the consolidated statutory income statement to provide a view of DUET's results based on the relevant interests that DUET held during the period using the time weighted average beneficial ownership percentage basis of each of its energy utility businesses. It excludes items which are not reflective of recurring cash (or cash-like) inflows and outflows in the ordinary course of business. In determining proportionate earnings, accounting depreciation and amortisation is substituted by Stay-In-Business capital expenditure ("SIB capex"). SIB capex is any capex which cannot be funded by external debt facilities, as set out in the terms of these facilities.
- **Energy Developments Limited ("EDL") acquisition:** DUET Group completed the acquisition of 100% of EDL on 22 October 2015. 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, DUET has presented EDL's interim results in this MIR for the full six month period to 31 December 2015 adjusted for (i) the removal of acquisition related costs incurred by EDL, and (ii) the uplift of asset values and consequent depreciation and amortisation in line with the acquisition fair values calculated by DUET Group (excluding goodwill which was not generated by EDL). For completeness, EDL's pcpr results (when it was not owned by DUET Group) have been included in the Energy Utility Management Accounts but have been excluded from Proportionate Earnings.
- **Rounding and currency:** Due to rounding, certain totals or percentages presented in this MIR may not be the exact sum of the individual line items they comprise. All figures are in Australian dollars, unless otherwise stated.

The information contained within this MIR does not, and cannot be expected, to provide as full an understanding of the financial performance, financial position and cash flows of DUET as in the half year Financial Report. This MIR should be read in conjunction with the half year Financial Report, which can be found on DUET's website at www.duet.net.au.

Abbreviations used in the MIR are:

- "pcpr" which means "previous corresponding period";
- "nmf" which means "not meaningful" (mainly in respect of variances to pcpr);
- "na" which means "not applicable"; and
- "cpss" which means "cents per stapled security".

Performance Summary

Proportionate Results⁽¹⁾

\$m	1H16	1H15	% Change
Core Revenue	611.9	365.2	67.6%
Adjusted EBITDA	437.7	280.2	56.2%
Proportionate Earnings	239.0	103.3	131.4%

Distributions to Stapled Securityholders

cpss, % coverage	1H16	1H15	% Change
Interim distribution declared and payable (cpss)	9.00¢	8.75¢	2.9%
Coverage by Proportionate Earnings (%)	123%	88%	35%
Coverage by Unconsolidated Cash Flows (%)	108%	101%	7%

DBP

\$m, 100%	1H16	1H15	% Change
Transmission Revenue	191.6	188.2	1.8%
Adjusted EBITDA	156.3	150.4	3.9%
Earnings ⁽²⁾	59.8	48.4	23.5%

EDL

\$m, 100%	1H16	1H15 ⁽³⁾	% Change
Generation Revenue	208.3	204.4	1.9%
Adjusted EBITDA	108.1	96.1	12.5%
Earnings ⁽²⁾	67.5	33.1	104.3 %

UE

\$m, 100%	1H16	1H15	% Change
Distribution Revenue	198.8	178.8	11.2%
Adjusted EBITDA	185.0	150.6	22.9%
Earnings ⁽²⁾	89.9	48.5	85.6%

MG

\$m, 100%	1H16	1H15	% Change
Distribution Revenue	99.8	94.1	6.0%
Adjusted EBITDA	69.4	64.6	7.4%
Earnings ⁽²⁾	41.3	36.0	14.6%

DDG

\$m, 100%	1H16	1H15	% Change
Transmission Revenue	17.2	0.3	nmf
Adjusted EBITDA	15.8	(0.3)	nmf
Earnings ⁽²⁾	15.7	0.3	nmf

Please see DUET's interim results release and investor presentation for Management's comments on the above results.

⁽¹⁾ EDL's 1H15 results are excluded from pcp.

⁽²⁾ For proportionate consolidation

⁽³⁾ EDL's 1H15 results are presented here for illustrative purposes.

Proportionate Earnings

\$m	DBP			EDL			UE			MG			DDG			Head Office			DUET Group Total		
	1H16	1H15	% Δ	1H16	1H15	% Δ	1H16	1H15	% Δ	1H16	1H15	% Δ	1H16	1H15	% Δ	1H16	1H15	% Δ	1H16	1H15	% Δ
Core Revenue	155.5	152.8	1.8%	208.3	na	na	131.2	118.0	11.2%	99.8	94.1	6.0%	17.2	0.3	nmf	-	-	na	611.9	365.2	67.6%
Total Revenue	161.9	157.6	2.8%	216.6	na	na	181.9	159.1	14.3%	108.1	98.7	9.4%	18.2	0.8	nmf	-	-	na	686.7	416.2	65.0%
Operating Expenses	(31.7)	(33.4)	4.9%	(108.5)	na	na	(49.4)	(54.1)	8.7%	(35.0)	(32.1)	(8.9%)	(2.4)	(1.0)	nmf	(4.7)	(5.6)	16.5%	(231.6)	(126.2)	(83.5%)
EBITDA	130.2	124.2	4.8%	108.1	na	na	132.5	105.0	26.2%	73.1	66.6	9.7%	15.8	(0.3)	nmf	(4.7)	(5.6)	16.5%	455.0	290.0	56.9%
EBITDA margin	80.4%	78.8%	1.6%	49.9%	na	na	72.8%	66.0%	6.8%	67.6%	67.5%	0.1%	87.0%	nmf	nmf	-	-	na	66.3%	69.7%	(3.4%)
Customer Contributions	(3.3)	(2.1)	(58.0%)	-	na	na	(10.4)	(5.6)	(84.6%)	(3.7)	(2.0)	(82.4%)	-	-	na	-	-	na	(17.4)	(9.7)	(78.5%)
Adjusted EBITDA	126.9	122.1	3.9%	108.1	na	na	122.1	99.4	22.9%	69.4	64.6	7.4%	15.8	(0.3)	nmf	(4.7)	(5.6)	16.5%	437.7	280.2	56.2%
Net External Interest Expense	(68.0)	(76.5)	11.0%	(15.9)	na	na	(45.6)	(45.3)	(0.7%)	(25.0)	(25.0)	0.3%	(0.1)	0.6	nmf	11.6	2.9	nmf	(143.1)	(143.2)	0.1%
Adjusted EBITDA less Interest	58.9	45.6	29.0%	92.2	na	na	76.5	54.1	41.4%	44.3	39.6	11.9%	15.7	0.3	nmf	6.9	(2.6)	nmf	294.6	137.0	114.9%
SIB Capex	(10.3)	(6.3)	(63.1%)	(20.4)	na	na	(17.1)	(22.1)	22.6%	(3.0)	(3.6)	15.5%	-	-	na	-	-	na	(50.9)	(32.0)	(58.8%)
Tax paid	-	-	na	(4.3)	na	na	-	-	na	-	-	na	-	-	na	(0.4)	(1.8)	75.1%	(4.7)	(1.8)	(168.9%)
Proportionate Earnings	48.6	39.3	23.5%	67.5	na	na	59.4	32.0	85.6%	41.3	36.0	14.6%	15.7	0.3	nmf	6.5	(4.4)	nmf	239.0	103.3	131.4%
WANOS (millions)																			2,162	1,342	61.1%
Earnings (cpss)																			11.05¢	7.69¢	43.7%
Interim distribution (cpss)																			9.00¢	8.75¢	2.9%
Distribution coverage (%)																			123%	88%	35%

Important Notes to Proportionate Earnings

Core Revenue represents transmission and distribution revenue for the regulated and DDG businesses and generation revenue for EDL.

EBITDA is defined as earnings before interest, tax, depreciation and amortisation, unrealised foreign exchange gains or losses and fair value movements in derivatives.

Stay-In-Business ("SIB") capex is any capex which cannot be funded by external debt facilities, as set out in the terms of these facilities.

Proportionate earnings provides a view of DUET's results based on (i) the time weighted-average beneficial ownership interest during the period in its energy utilities' results; (ii) adjusted accounting treatment of certain revenue and expenses detailed in the table immediately below; and (iii) the exclusion of intercompany dividend and interest income and expenses. Proportionate earnings include pro forma results for the prior period which adjusts for the impact of changes in ownership interests, period of ownership and foreign currencies.

WANOS refers to weighted average number of DUET Group stapled securities on issue.

Key differences between the half year Financial Report and proportionate earnings

Category	Description	Half Year Financial Report	Proportionate Earnings
Revenue	Fair-value gain on derivatives	Included	Excluded
	Unrealised FX gains	Included	Excluded
	Net gains on disposal	Included	Excluded
	Pass-through revenue	Included (offset below)	Excluded
	Customer contributions	Included	Excluded (net of margin)
	Cost of sales	Excluded	Included
Operating Expenses	Fair-value loss on derivatives	Included	Excluded
	Unrealised FX losses	Included	Excluded
	Net losses on disposal	Included	Excluded
	Pass-through costs	Included (offset above)	Excluded
	One-off project costs	Included (unless Capitalised)	Excluded
	Cost of sales	Included	Excluded (see above)
Interest Expense	Hedge break costs	Included	Excluded
	Interest on decommissioning charge	Included	Excluded
	Capitalised interest income	Excluded (capitalised)	Included
	Amortised borrowing costs	Included	Included
	Debt retirement costs	Included	Excluded
	Blend and extend hedge and debt costs	Included	Excluded
Depreciation and amortisation	Asset replacement/Accounting Depreciation and Amortisation	Accounting Depreciation and Amortisation	SIB Capex
Income Tax Expense	Income Tax expense and benefit	Included	Cash Basis

Time weighted-average beneficial ownership interest %	DBP*	EDL	UE	MG	DDG
6 months ended 31 December 2014	80.5	-	66	100	100
Movement	0.7	100	-	-	-
6 months ended 31 December 2015	81.2	100	66	100	100

*DUET's equity interest and related rights to distributions are expected to reduce to 80% as the minority shareholder meets future equity calls.

FX rates used in the preparation of the financial statements for EDL

Currency	Spot Rate	Average Rate
USD	0.7306	0.7241
GBP	0.4929	0.4715
EUR	0.6682	0.6579

Unconsolidated Cash Flows

Unconsolidated Cash Flows represent the aggregation of the cash flows attributable to DUET's stapled entities.

	6 months to 31-Dec-15 \$'000	6 months to 31-Dec-14 \$'000
DBP	45,046	44,543
EDL	62,569	-
UE	49,586	39,748
MG	32,799	35,049
DDG	15,081	5,140
Cash flows from energy utilities	205,081	124,480
Other income received	215	242
Head Office operating expenses paid (inclusive of GST)	(6,477)	(6,820)
Income tax paid by Head Office	(439)	(1,761)
Cash flows from operating activities	(6,701)	(8,339)
Net cash inflows from energy utilities and operations (A)	198,380	116,141
Head Office project costs	(33,075)	(1,061)
Investment in energy utilities (excluding EDL)	(194,736)	(232,000)
Investment in EDL	(1,561,828)	-
Cash flows from investing activities	(1,789,639)	(233,061)
Head Office bank interest income (B)	11,397	2,986
Equity raising proceeds (net of transaction costs)	1,639,028	410,373
DUET Funding Arm loan repayments from/(payments to) energy utilities	112,236	(36,894)
Distributions paid to DUET Group stapled security holders	(130,700)	(112,014)
Cash flows from financing activities	1,631,961	264,451
Net increase/(decrease) in cash assets held	40,702	147,531
Cash assets at the beginning of the period	334,390	225,630
Less: Restricted Cash	(5,155)	(5,152)
Cash assets at the end of the period ⁽¹⁾	369,937	368,009
Cash available for distribution (A+B)	209,777	119,127
WANOS ('000's)	2,162,009	1,342,416
Cash available for distribution per stapled security - cents	9.70¢	8.87¢
Interim distribution declared and payable per stapled security - cents	9.00¢	8.75¢
Interim distribution coverage: Cash (%)	108%	101%

⁽¹⁾ Includes term deposits of \$344.3 million (2014: \$206.9 million). Refer to Appendix 1 for the Consolidated Cash Flow Statement.

Energy Utility Management Accounts

DBP

DBP	6 months to 31-Dec-15	6 months to 31-Dec-14	Change on pcp
		(pcp)	
Financial Summary	\$m	\$m	%
Transmission Revenue	191.6	188.2	1.8%
Total Revenue ⁽¹⁾	199.5	194.1	2.8%
Opex ⁽¹⁾	(39.1)	(41.1)	4.9%
EBITDA ⁽¹⁾	160.4	152.9	4.8%
EBITDA margin	80.4%	78.8%	1.6%
Adjusted EBITDA	156.3	150.4	3.9%
Earnings (for proportionate consolidation)	59.8	48.4	23.5%
Net Debt	2,358.6	2,370.0	(0.5%)
Regulatory Asset Base ("RAB")	3,606.5	3,612.6	(0.2%)
Gearing (Net debt/RAB)	65.4%	65.6%	(0.2%)
SIB Capex (included in proportionate consolidation)	12.7	7.8	(63.1%)
Other Capex ⁽²⁾	1.8	3.0	40.2%

DBP	6 months to 31-Dec-15	6 months to 31-Dec-14	Change on pcp
		(pcp)	
Income Statement	\$m	\$m	%
Total Revenue	199.5	194.1	2.8%
Transmission Revenue	191.6	188.2	1.8%
Other Revenue	8.0	5.9	34.2%
Shipper-funded Projects	4.9	3.0	65.3%
Other Income	3.0	3.0	2.5%
Unrealised Foreign Exchange Gain	0.1	0.0	nmf
Operating Expenses	(39.1)	(41.1)	4.9%
Employee Expenses	(14.1)	(13.7)	(3.2%)
Fuel Gas	(9.2)	(10.6)	13.4%
External Operating Fees	-	(1.5)	nmf
Other Operating Expenses	(15.8)	(15.4)	(2.8%)
Depreciation, Amortisation & Abandonments	(36.9)	(37.8)	2.3%
Depreciation	(36.2)	(36.9)	2.0%
Amortisation	(0.8)	(0.9)	11.9%
Abandonments	0.1	0.1	34.2%
Net Borrowing Costs	(91.3)	(102.4)	10.8%
<i>Included in proportionate consolidation</i>			
Interest Income	0.1	0.2	(32.7%)
Amortisation of Borrowing Costs	(2.8)	(3.3)	13.5%
Other Finance Charges	(1.2)	(1.7)	30.1%
Senior Interest	(80.0)	(89.4)	10.6%
<i>Excluded from proportionate consolidation</i>			
Interest Rate Hedge Unrealised Fair Value Movements	2.2	5.4	(59.0%)
Blend and Extend Hedge Non-Cash Interest Expense	(9.1)	(10.1)	10.1%
Decommissioning Interest Charge	(0.5)	(0.8)	34.7%
Debt Retirement Costs	(0.0)	(2.7)	98.2%
Income Tax (Expense) / Benefit	(10.0)	(3.3)	nmf
Net Profit After Tax	22.3	9.5	nmf

⁽¹⁾ Total Revenue, Opex and EBITDA exclude any unrealised foreign exchange gains and losses.

⁽²⁾ Excludes the decommissioning provision.

DBP	6 months to 31-Dec-15	6 months to 31-Dec-14	Change on pcp
Cash Flow Statement	\$m	(pcp) \$m	%
Cash Flows from Operating Activities	153.7	155.6	(1.2%)
Cash Receipts	227.0	210.2	8.0%
Cash Payments	(73.3)	(54.6)	(34.3%)
Cash Flows from Investing Activities	(9.2)	(12.2)	24.7%
Purchase of PP&E and Intangibles	(10.3)	(12.3)	16.2%
Proceeds from Sale of Non-Current Assets	0.1	0.1	34.2%
Redemption/(Investment) into Term Deposit	1.0	-	nmf
Cash Flows from Financing Activities	(134.5)	(149.3)	9.9%
Movement in Borrowings	(5.5)	(138.0)	96.0%
Movement in Equity	10.2	151.2	(93.2%)
Other Interest & Borrowing Costs	(83.9)	(107.2)	21.7%
Distributions	(55.3)	(55.4)	0.1%
Net Cash Movement	10.0	(5.9)	nmf
Opening Cash	17.4	28.4	(38.8%)
Closing Cash	27.4	22.5	22.1%

DBP	31-Dec-15	30-Jun-15	Change on pcp
Balance Sheet	\$m	(pcp) \$m	%
Current Assets	73.5	68.6	7.1%
Cash	27.4	17.4	57.8%
Accounts Receivable	12.1	18.0	(32.5%)
Derivative Financial Instruments	0.8	2.0	(62.7%)
Inventories and Other Assets	33.2	31.2	6.3%
Non-Current Assets	3,570.2	3,588.6	(0.5%)
Plant, Property and Equipment	2,877.9	2,896.2	(0.6%)
Intangibles	668.9	669.7	(0.1%)
Investment in Financial Assets	19.8	20.1	(1.3%)
Derivative Financial Instruments	3.5	2.6	35.5%
Current Liabilities	119.1	703.3	83.1%
External Debt	10.0	575.5	98.3%
Capitalised Borrowing Costs	-	(0.4)	nmf
Payables	48.9	50.3	2.6%
Deferred Revenue	18.9	23.3	19.1%
Finance Lease Liability	0.9	0.9	(2.0%)
Derivative Financial Instruments	32.5	46.4	29.8%
Provisions	7.8	7.4	(6.1%)
Non-Current Liabilities	2,864.3	2,278.4	(25.7%)
External Debt	2,376.3	1,816.2	(30.8%)
Capitalised Borrowing Costs	(15.3)	(15.6)	(1.5%)
Finance Lease Liability	17.7	18.2	2.6%
Deferred Tax Liabilities	348.2	335.0	(3.9%)
Derivative Financial Instruments	107.6	98.0	(9.7%)
Provisions	29.8	26.5	(12.4%)
Net Assets	660.2	675.4	(2.3%)
Equity	660.2	675.4	(2.3%)
Contributed Equity	1,346.4	1,336.2	0.8%
Reserves	(67.9)	(75.5)	10.0%
Retained Profits / (Loss)	(618.3)	(585.3)	(5.6%)

DBP	6 months to 31-Dec-15	6 months to 31-Dec-14	Change on pcp
Throughput	TJ	(pcp) TJ	%
Full Haul	117,771	118,061	(0.2%)
Part Haul	17,796	22,485	(20.9%)
Back Haul	28,055	26,079	7.6%
Total	163,623	166,625	(1.8%)

DBP	6 months to 31-Dec-15	6 months to 31-Dec-14	Change on pcp
Contracted Capacity	TJ/day	(pcp) TJ/day	%
Full Haul	763	763	-
Part Haul	252	264	(4.3%)
Back Haul	205	191	7.3%
Total	1,220	1,218	0.2%

Energy Developments

DUET Group completed the acquisition of 100% of EDL on 22 October 2015. 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, DUET has presented EDL's interim results in this MIR for the full six month period to 31 December 2015 adjusted for (i) the removal of acquisition related costs incurred by EDL, and (ii) the uplift of asset values and consequent depreciation and amortisation in line with the acquisition fair values calculated by DUET Group (excluding goodwill which was not generated by EDL). For completeness, EDL's pcg results (when it was not owned by DUET Group) have been included in the Energy Utility Management Accounts but have been excluded from Proportionate Earnings.

EDL	6 months to 31-Dec-15	6 months to 31-Dec-14	Change on pcp
		(pcp)	
Financial Summary	\$m	\$m	%
Generation Revenue	208.3	204.4	1.9%
Total Revenue ⁽¹⁾	216.6	213.2	1.6%
Opex ^{(1) (2)}	(108.5)	(117.1)	7.4%
EBITDA	108.1	96.1	12.5%
EBITDA margin	49.9%	45.1%	4.8%
Adjusted EBITDA	108.1	96.1	12.5%
Earnings (for proportionate consolidation)	67.5	33.1	104.3%
Net Debt	416.3	525.6	(20.8%)
Gearing (Net debt/(Net debt + Equity))	29.6%	59.3%	(29.7%)
SIB Capex (included in proportionate consolidation)	20.4	20.4	(0.1%)
Other Capex	26.0	17.3	(50.6%)

EDL	6 months to 31-Dec-15	6 months to 31-Dec-14	Change on pcp
		(pcp)	
Income Statement	\$m	\$m	%
Gross Total Revenue	216.8	213.2	1.7%
Generation Revenue	208.3	204.4	1.9%
Electricity Sales	157.8	167.2	(5.6%)
Green Credit Revenue	50.5	37.2	35.6%
Other Revenue	8.5	8.8	(3.6%)
Operating Lease Revenue	4.3	4.7	(7.9%)
Share of Profits From Associates (Greece JV)	1.0	1.4	(28.6%)
Other Revenue	3.0	2.8	9.1%
Unrealised Foreign Exchange Gain	0.2	-	nmf
Operating Expenses	(153.0)	(117.1)	(30.6%)
Cost of Sales	(71.7)	(80.1)	10.5%
Employee Expenses	(34.4)	(33.7)	(2.0%)
Management and Administration Expenses	(1.2)	(1.7)	28.2%
Other Expenses	(1.2)	(1.6)	26.0%
Business Strategy & Acquisition Costs	(44.5)	-	nmf
Depreciation, Amortisation & Abandonments	(55.3)	(45.3)	(22.0%)
Depreciation	(48.1)	(42.1)	(14.2%)
Amortisation	(7.3)	(3.2)	nmf
Net Borrowing Costs	(29.4)	(23.7)	(24.2%)
<i>Included in Proportionate Consolidation</i>			
Interest Income	0.5	0.4	9.6%
Senior Interest Expense	(13.4)	(17.4)	22.7%
Amortisation of Borrowing Costs	(1.6)	(2.8)	42.9%
Other Finance Charges	(1.3)	(2.5)	47.4%
<i>Excluded from proportionate consolidation</i>			
Unrealised Foreign Exchange Loss	-	(0.1)	nmf
Blend and Extend Hedge Non-Cash Interest Expense	-	(0.8)	nmf
Debt Retirement Costs	(13.6)	(0.6)	nmf
Income Tax (Expense) / Benefit	1.4	(7.5)	nmf
Net Profit / (Loss) After Tax	(19.6)	19.5	nmf

⁽¹⁾ Total Revenue, Opex and EBITDA exclude any unrealised foreign exchange gains and losses.

⁽²⁾ Opex excludes one-off projects costs

EDL	6 months to 31-Dec-15	6 months to 31-Dec-14 (pcp)	Change on pcp
Cash Flow Statement	\$m	\$m	%
Cash Flows from Operating Activities	74.3	69.1	7.5%
Cash Receipts	224.1	222.4	0.7%
Cash Payments	(145.4)	(132.8)	(9.5%)
Income Tax Payment (included in proportionate consolidation)	(4.3)	(20.4)	79.0%
Cash Flows from Investing Activities	(47.9)	(36.6)	(31.1%)
Purchase of PP&E and Intangibles	(44.9)	(37.3)	(20.5%)
Loans (Advanced to)/Received from External Parties	(3.0)	0.7	nmf
Cash Flows from Financing Activities	(23.3)	(42.2)	44.8%
Movement in Borrowings	(77.6)	28.2	nmf
Payment of Capitalised Facility Fees	(4.6)	(5.6)	17.7%
Interest Paid - Senior	(15.3)	(19.0)	19.2%
Interest Received	0.5	0.4	26.9%
DUET Group investment	193.0	-	nmf
Employee Loans	4.7	1.6	nmf
Project Costs	(61.4)	-	nmf
Dividends	(62.6)	(47.8)	(30.9%)
Net Cash Movement	3.1	(9.7)	nmf
Opening Cash	39.3	45.7	(14.1%)
Effects of Exchange Rate on Cash Movement	0.7	1.0	(23.9%)
Closing Cash	43.1	37.1	16.4%

EDL	31-Dec-15	30-Jun-15 (pcp)	Change on pcp
Balance Sheet	\$m	\$m	%
Current Assets	155.4	144.0	7.9%
Cash	43.1	39.3	9.8%
Accounts Receivable	55.1	54.7	0.8%
Green Credits	30.1	23.8	26.8%
Inventory	19.6	18.8	4.1%
Derivative Financial Instruments	-	1.6	nmf
Other Assets	4.8	5.9	(18.3%)
Income Tax Receivable	2.6	-	nmf
Non-Current Assets	1,533.4	901.2	70.1%
Plant and Property	996.5	802.9	24.1%
Intangibles	508.0	38.2	nmf
Deferred Tax Asset	-	37.7	nmf
Equity Accounted investments	20.7	19.3	7.2%
Receivables	2.4	3.0	(22.0%)
Other Non-Current Assets	5.8	0.1	nmf
Current Liabilities	64.5	99.3	35.0%
External Debt	4.5	20.2	77.7%
Capitalised Borrowing Costs	(1.2)	(3.6)	(66.4%)
Payables	35.4	50.3	29.5%
Deferred Revenue	1.9	3.1	39.6%
Derivative Financial Instruments	14.0	10.6	(32.2%)
Current Tax Payable	1.2	10.0	87.5%
Provisions	8.7	8.8	1.3%
Non-Current liabilities	638.7	574.9	(11.1%)
External Debt	457.2	513.9	11.0%
Capitalised Borrowing Costs	(3.1)	(11.3)	(72.4%)
Provisions	2.4	1.9	(26.2%)
Payables	15.8	16.4	3.5%
Deferred Tax Liabilities	110.1	7.5	nmf
Derivative Financial Instruments	31.0	22.3	(39.0%)
Deferred Revenue	25.4	24.3	(4.4%)
Net Assets	985.5	371.0	nmf
Equity	985.5	371.0	nmf
Contributed Equity	688.4	495.4	38.9%
Reserves	477.3	(26.4)	nmf
Retained Profits / (Loss)	(180.1)	(98.0)	(83.8%)

EDL Installed Capacity (MW)	6 months to 31-Dec-15	6 months to 31-Dec-14 (pcp)	Change on pcp %
Australia – Remote	381	389	(2.1%)
Australia – Clean	342	338	1.2%
US - Clean	94	94	-
UK - Clean	71	71	-
Greece - Clean	12	12	-
Total	900	904	(0.4%)

EDL Generation (GWh)	6 months to 31-Dec-15	6 months to 31-Dec-14 (pcp)	Change on pcp %
Australia – Clean	869	876	(0.8%)
Australia – Remote	619	626	(1.2%)
US - Clean	277	275	1.0%
UK - Clean	209	229	(7.4%)
Greece - Clean	40	40	-
Total	2,014	2,046	(1.5%)

EDL Segment EBITDA (A\$m)	6 months to 31-Dec-15	6 months to 31-Dec-14 (pcp)	Change on pcp %
Australia – Clean	46.9	39.4	19.0%
Australia – Remote	37.4	42.1	(11.2%)
UK - Clean	17.0	14.9	14.1%
US - Clean	11.9	7.7	54.5%
Greece - Clean	1.0	1.4	(28.5%)
Corporate	(6.1)	(9.4)	37.2%
Total ⁽¹⁾	108.1	96.1	12.5%

⁽¹⁾ EBITDA excludes any unrealised foreign exchange gains and losses.

EDL Segment EBITDA (Home Currencies)	6 months to 31-Dec-15	6 months to 31-Dec-14 (pcp)	Change on pcp %
UK – Clean (GBP \$m)	8.0	8.1	(1.2%)
US – Clean (USD \$m)	8.6	6.8	26.5%
Greece – Clean (EUR \$m)	0.7	1.0	(30.0%)

United Energy

UE	6 months to 31-Dec-15	6 months to 31-Dec-14 (pcp)	Change on pcp
Financial Summary	\$m	\$m	%
Distribution Revenue ⁽¹⁾	198.8	178.8	11.2%
Total Revenue ⁽¹⁾	275.6	241.1	14.3%
Opex ⁽¹⁾	(74.9)	(81.9)	8.6%
EBITDA ⁽²⁾	200.7	159.2	26.1%
EBITDA margin	72.8%	66.0%	6.8%
Adjusted EBITDA	185.0	150.6	22.9%
Earnings (for proportionate consolidation)	89.9	48.5	85.6%
Net Debt ⁽³⁾	2,010.8	2,027.3	(0.8%)
RAB	2,310.2	2,223.0	3.9%
Gearing (Net debt/RAB)	87.0%	91.2%	(4.2%)
SIB Capex (included in proportionate consolidation)	25.9	33.5	22.6%
Other Capex	100.0	92.0	(8.7%)

UE	6 months to 31-Dec-15	6 months to 31-Dec-14 (pcp)	Change on pcp
Income Statement	\$m	\$m	%
Gross Total Revenue	340.2	306.8	10.9%
Gross Distribution Revenue	263.3	244.5	7.7%
DUOS Revenue	198.8	178.8	11.2%
Residential	93.5	88.3	5.9%
Business	50.5	42.1	20.0%
Industrial	54.8	48.4	13.3%
TUOS, TFIT and PFIT Pass-through Revenue	64.5	65.7	(1.8%)
Other Revenue	76.8	62.4	23.2%
Metering Revenue	48.2	43.3	11.4%
Chargeable Works	15.7	8.5	84.6%
Other Income	12.9	10.5	22.2%
Operating Expenses	(139.3)	(147.7)	5.7%
TUOS, TFIT and PFIT Pass-through Costs	(64.5)	(65.7)	1.8%
External Operating Fees	(41.1)	(47.7)	13.3%
Employee Expenses	(16.0)	(13.6)	(18.0%)
Other Operating Expenses	(17.5)	(20.6)	15.3%
Unrealised Foreign Exchange Gain	0.1	-	nmf
Depreciation, Amortisation & Abandonments	(73.8)	(74.7)	1.2%
Depreciation	(49.7)	(48.4)	(2.7%)
Amortisation	(21.5)	(25.1)	14.3%
Abandonments	(2.5)	(1.2)	(114.0%)
Net Borrowing Costs	(65.3)	(134.5)	51.4%
<i>Included in proportionate consolidation</i>			
Interest Income	0.5	1.1	(56.5%)
Senior Interest Expense	(66.9)	(66.6)	(0.4%)
Amortisation of Borrowing Costs	(1.5)	(1.6)	6.9%
Other Financing Costs	(1.2)	(1.5)	18.3%
<i>Excluded from proportionate consolidation</i>			
Interest Rate Hedge Unrealised Fair Value Movements	42.0	(31.1)	nmf
RPS Interest	(38.2)	(34.7)	(10.0%)
Income Tax (Expense) / Benefit	(18.5)	15.0	nmf
Net Profit / (Loss) After Tax	43.2	(35.0)	nmf

⁽¹⁾ Distribution Revenue, Total Revenue and Opex exclude TUOS, TFIT and PFIT Pass-throughs and any unrealised foreign exchange gains and losses.

⁽²⁾ EBITDA excludes any unrealised foreign exchange gains and losses.

⁽³⁾ Excludes UEM cash.

UE	6 months to 31-Dec-15	6 months to 31-Dec-14 (pcp)	Change on pcp
Cash Flow Statement	\$m	\$m	%
Cash Flows from Operating Activities	188.2	120.3	56.5%
Cash Receipts	363.1	322.9	12.4%
Cash Payments	(174.9)	(202.6)	13.7%
Cash Flows from Investing Activities	(115.0)	(37.1)	nmf
Purchase of PP&E and Intangibles	(115.2)	(107.2)	(7.5%)
Proceeds from Sale of Non-Current Assets	0.2	0.1	nmf
Investment in Term Deposit	-	70.0	nmf
Cash Flows from Financing Activities	(49.9)	(122.8)	59.3%
RPS Issued	-	48.3	nmf
Equity Issued	125.0	-	nmf
Movement in Borrowings	(30.2)	(43.5)	30.6%
Interest Paid - Senior	(69.6)	(67.3)	(3.4%)
Interest Paid - RPS	(38.1)	(34.2)	(11.5%)
Dividends	(37.0)	(26.0)	(42.2%)
Net Cash Movement	23.3	(39.6)	nmf
Opening Cash	5.2	61.8	(91.5%)
Closing Cash	28.5	22.2	28.4%

UE	31-Dec-15	30-Jun-15 (pcp)	Change on pcp
Balance Sheet	\$m	\$m	%
Current Assets	148.6	106.6	39.4%
Cash	28.5	5.2	nmf
Accounts Receivable	7.0	17.5	(59.9%)
Derivative Financial Instruments	18.4	8.4	118.4%
Other Assets	94.6	75.4	25.5%
Non-Current Assets	3,173.0	3,108.2	2.1%
Plant, Property and Equipment	2,113.6	2,055.3	2.8%
Deferred Tax Assets	133.8	140.2	(4.6%)
Intangibles	809.5	815.8	(0.8%)
Derivative Financial Instruments	116.2	96.8	20.0%
Current Liabilities	404.3	413.3	2.2%
Payables	97.2	92.8	(4.8%)
Deferred Revenue	19.4	14.9	(30.2%)
Derivative Financial Instruments	7.3	38.7	81.2%
Provisions	6.1	7.7	21.1%
External Debt	279.3	279.3	-
US\$ Debt/Fair Value Adjustment	(4.9)	(20.1)	75.5%
Capitalised Borrowing Costs	(0.1)	-	nmf
Non-Current Liabilities	2,680.9	2,676.7	(0.2%)
External Debt	1,760.0	1,790.2	1.7%
US\$ Debt/Fair Value Adjustment	122.4	98.7	(24.0%)
Capitalised Borrowing Costs	(9.5)	(8.7)	8.5%
Redeemable Preference Shares	591.7	591.7	-
Deferred Tax Liabilities	201.9	198.2	(1.9%)
Derivative Financial Instruments	11.5	3.6	nmf
Other Liabilities	2.7	2.9	4.5%
Net Assets	236.4	124.8	89.5%
Equity	236.4	124.8	89.5%
Contributed Equity	431.1	306.1	40.8%
Reserves	(35.3)	(15.8)	nmf
Retained Profits / (Loss)	(159.4)	(165.6)	3.7%

UE	6 months to 31-Dec-15	6 months to 31-Dec-14 (pcp)	<i>Change on pcp</i>
Load (GWh)	GWh	GWh	%
Small Tariff	1,471	1,386	6.1%
Medium Tariff	743	701	5.9%
Large Tariff	1,816	1,799	0.9%
Total	4,030	3,887	3.7%

UE	As at 31-Dec-15	As at 31-Dec-14 (pcp)	<i>Change on pcp</i>
Connections			%
Small (residential and unmetered)	605,108	600,918	0.7%
Medium Size Business	56,131	56,202	(0.1%)
Commercial and Industrial	3,310	3,301	0.3%
Total	664,549	660,421	0.6%

UE	12 months to 31-Dec-15	12 months to 31-Dec-14 (pcp)	<i>Change on pcp</i>
Demand			%
Maximum Demand (MW)	1,789	2,066	(13.4%)

UE	12 months to 31-Dec-15	12 months to 31-Dec-14 (pcp)	<i>Change on pcp</i>
Unplanned SAIDI⁽¹⁾ (minutes)			Minutes
Actual	68	78	10
Regulatory Maximum Target	59	59	-

⁽¹⁾ SAIDI is System Average Interruption Duration Index.

Multinet Gas

MG	6 months to 31-Dec-15	6 months to 31-Dec-14	Change on pcp
Financial Summary	\$m	\$m	%
Distribution Revenue	99.8	94.1	6.0%
Total Revenue ⁽¹⁾	108.1	98.7	9.4%
Opex ⁽¹⁾	(35.0)	(32.1)	(8.9%)
EBITDA ⁽²⁾	73.1	66.6	9.7%
EBITDA margin	67.6%	67.5%	0.1%
Adjusted EBITDA	69.4	64.6	7.4%
Earnings (for proportionate consolidation)	41.3	36.0	14.6%
Net Debt	968.1	906.1	6.8%
RAB	1,155.6	1,135.4	1.8%
Gearing (Net debt/RAB)	83.8%	79.8%	4.0%
SIB Capex (included in proportionate consolidation)	3.0	3.6	15.5%
Other Capex	31.3	27.2	(14.8%)

MG	6 months to 31-Dec-15	6 months to 31-Dec-14	Change on pcp
Income Statement	\$m	\$m	%
Gross Total Revenue	107.4	98.7	8.8%
Distribution Revenue	99.8	94.1	6.0%
Tariff V (Variable)	78.2	73.7	6.1%
Fixed Charges	20.7	19.5	6.0%
Other Distribution Revenue (Tariff D and Tariff L)	0.8	0.8	1.8%
Other Revenue	7.7	4.6	65.1%
Chargeable Works	3.7	2.0	82.4%
Metering Revenue	1.2	0.9	37.7%
Other Revenue	3.4	1.7	97.4%
Carbon Tax Pass-through	(0.7)	-	nmf
Operating Expenses	(34.3)	(32.1)	(6.9%)
External Operating Fees	(21.5)	(20.0)	(7.3%)
Employee Expenses	(6.0)	(4.9)	(21.8%)
Other Operating Expenses	(7.5)	(7.2)	(4.4%)
Carbon Tax Pass-through	0.7	-	nmf
Depreciation, Amortisation & Abandonments	(25.3)	(26.4)	4.2%
Depreciation	(15.9)	(16.4)	3.0%
Amortisation	(7.8)	(7.6)	(3.5%)
Abandonments	(1.6)	(2.5)	35.8%
Net Borrowing Costs	(28.8)	(31.5)	8.5%
<i>Included in proportionate consolidation</i>			
Interest Income	0.1	0.3	(42.8%)
Senior Interest Expense	(23.3)	(24.3)	4.1%
DUET Funding Arm Loan Interest Expense	(4.8)	(5.8)	16.8%
Amortisation of Borrowing Costs	(0.7)	(0.7)	6.0%
Other Financing Costs	(1.2)	(0.2)	nmf
<i>Excluded from proportionate consolidation</i>			
Interest Rate Hedge Unrealised Fair Value Movements	1.1	(0.4)	nmf
Debt Retirement Costs	(0.1)	(0.3)	74.5%
Income Tax (Expense) / Benefit	0.3	(8.8)	nmf
Net Profit / (Loss) After Tax	19.2	(0.1)	nmf

⁽¹⁾ Total Revenue and Opex exclude Carbon Tax Pass-throughs and any unrealised foreign exchange gains and losses.

⁽²⁾ EBITDA excludes any unrealised foreign exchange gains and losses.

MG	6 months to 31-Dec-15	6 months to 31-Dec-14	Change on pcp
Cash Flow Statement	\$m	\$m	%
Cash Flows from Operating Activities	75.6	89.1	(15.1%)
Cash Receipts	129.9	133.9	(3.0%)
Cash Payments	(54.2)	(44.8)	(21.0%)
Cash Flows from Investing Activities	(33.4)	(37.3)	10.5%
Purchase of PP&E and Intangibles	(33.4)	(37.3)	10.5%
Cash Flows from Financing Activities	(49.1)	(59.9)	18.0%
Movement in Borrowings	7.3	(65.0)	nmf
Movement in Equity	-	65.0	nmf
Interest Paid - Senior	(23.6)	(24.8)	5.0%
Interest Paid – DUET Funding Arm Loan	(4.8)	(5.8)	16.8%
Dividends	(28.0)	(29.2)	4.4%
Net Cash Movement	(6.8)	(8.1)	15.5%
Opening Cash	11.9	14.1	(15.9%)
Closing Cash	5.0	6.0	(16.4%)

MG	31-Dec-15	30-Jun-15	Change on pcp
Balance Sheet	\$m	\$m	%
Current Assets	37.0	67.4	(45.1%)
Cash	5.0	11.9	(57.6%)
Accounts Receivable	25.1	37.7	(33.4%)
Derivative Financial Instruments	2.1	13.8	(84.5%)
Other Assets	4.7	4.0	17.7%
Non-Current Assets	1,562.5	1,543.5	1.2%
Plant and Property	856.5	842.5	1.7%
Intangibles	518.6	523.6	(0.9%)
Derivative Financial Instruments	23.2	13.5	72.5%
Deferred Tax Asset	131.4	131.0	0.3%
Other Non-Current Assets	32.8	32.9	(0.4%)
Current Liabilities	91.4	303.8	69.9%
External Debt	42.5	234.7	81.9%
US\$ Debt / Fair Value Adjustment	-	11.9	nmf
Capitalised Borrowing Costs	(0.1)	-	nmf
Derivative Financial Instruments	10.6	11.3	5.7%
Payables	28.4	31.1	8.6%
Deferred Revenue	4.2	3.3	(27.0%)
Provisions	5.8	11.6	50.2%
Non-Current liabilities	1,126.8	1,030.3	(9.4%)
External Debt	930.6	731.1	(27.3%)
US\$ Debt / Fair Value Adjustment	21.6	13.4	(61.8%)
Capitalised Borrowing Costs	(3.6)	(4.3)	(15.7%)
DUET Funding Arm Loan	-	112.2	nmf
Deferred Tax Liabilities	131.4	131.0	(0.3%)
Derivative Financial Instruments	24.8	25.0	0.7%
Other Liabilities	21.9	21.9	(0.2%)
Net Assets	381.3	276.8	37.8%
Equity	381.3	276.8	37.8%
Contributed Equity	520.3	408.1	27.5%
Reserves	(23.8)	(24.8)	4.1%
Retained Profits / (Loss)	(115.2)	(106.4)	(8.2%)

MG	6 months to 31-Dec-15	6 months to 31-Dec-14	Change on pcp
Gas Volumes	TJ	(pcp) TJ	%
Tariff V	26,009	24,273	7.2%
Tariff D	6,065	5,936	2.2%
Total	32,073	30,209	6.2%

MG	As at 31-Dec-15	As at 31-Dec-14	Change on pcp
Connections		(pcp)	%
Tariff V Residential	674,930	670,964	0.6%
Tariff V Business	15,930	16,202	(1.7%)
Tariff D	265	265	-
Total	691,125	687,431	0.5%

DBP Development Group

DDG	6 months to 31-Dec-15	6 months to 31-Dec-14	Change on pcp %
Financial Summary	\$m	\$m	
Transmission Revenue	17.2	0.3	nmf
Total Revenue ⁽¹⁾	18.2	0.8	nmf
Opex ⁽¹⁾	(2.4)	(1.0)	nmf
EBITDA ⁽¹⁾	15.8	(0.3)	nmf
Adjusted EBITDA ⁽¹⁾	15.8	(0.3)	nmf
Earnings (for proportionate consolidation)	15.7	0.3	nmf
Net Debt	8.3	(16.2)	nmf

DDG	6 months to 31-Dec-15	6 months to 31-Dec-14	Change on pcp %
Income Statement	\$m	\$m	
Total Revenue	18.2	0.8	nmf
Transmission Revenue	17.2	0.3	nmf
Unrealised Foreign Exchange	0.0	0.0	nmf
Other Revenue	1.0	0.4	nmf
Operating Expenses	(5.2)	(1.0)	nmf
Employee Expenses	(1.3)	(0.7)	(71.0%)
External Operating Fees	(1.1)	(0.3)	nmf
Project Expenses ⁽¹⁾	(2.8)	-	nmf
Depreciation	(4.9)	(0.2)	nmf
Depreciation	(4.9)	(0.2)	nmf
Net Borrowing Costs	(6.1)	(0.0)	nmf
<i>Included in proportionate consolidation</i>			
Interest Income	0.1	0.0	nmf
Interest Expense - External	(0.2)	-	nmf
<i>Excluded from proportionate consolidation</i>			
Decommissioning Interest Charge	(0.0)	(0.1)	66.6%
Interest Expense – DUET	(6.0)	-	nmf
Income Tax (Expense) / Benefit	(0.6)	0.1	nmf
Net Profit After Tax	1.4	(0.3)	nmf

DDG	6 months to 31-Dec-15	6 months to 31-Dec-14	Change on pcp %
Cash Flow Statement	\$m	\$m	
Cash Flows from Operating Activities	8.0	(5.5)	nmf
Cash Receipts	26.2	15.0	75.2%
Interest Income	0.1	0.8	(85.8%)
Cash Payments	(12.3)	(16.2)	24.1%
Interest Paid to DUET Funding Arm	(5.9)	(5.1)	(15.6%)
Interest Paid to External Parties	(0.1)	-	nmf
Cash Flows from Investing Activities	(4.6)	(98.8)	95.3%
Purchase of PP&E	(4.6)	(113.8)	95.9%
Redemption/(Investment) into Term Deposit	-	15.0	nmf
Cash Flows from Financing Activities	(3.5)	28.0	nmf
Movement in Equity	-	23.0	nmf
DUET Funding Arm Loan	-	5.0	nmf
Movement in External Borrowings	6.5	-	nmf
Borrowing costs to External Parties	(0.7)	-	nmf
Dividends	(9.2)	-	nmf
Net Cash Movement	(0.0)	(76.3)	nmf
Opening Cash	6.7	92.6	nmf
Closing Cash	6.7	16.2	nmf

⁽¹⁾ Total Revenue, Opex and EBITDA exclude any unrealised foreign exchange gains and losses. Opex excludes development and bid costs associated with the NEGI tender process and other projects totalling \$2.8 million in the 6 months to 31 December 2015.

DDG	31-Dec-15	30-Jun-15	Change on pcp
		(pcp)	
Balance Sheet	\$m	\$m	%
Current Assets	16.5	14.7	11.7%
Cash	6.7	6.7	(0.4%)
Accounts Receivable	2.2	3.3	(33.7%)
Inventories and Other Assets	7.6	4.7	61.1%
Non-Current Assets	225.0	226.2	(0.5%)
Plant, Property and Equipment	225.0	226.2	(0.5%)
Current Liabilities	12.9	17.9	28.1%
Payables & Other Liabilities	12.9	9.4	(37.0%)
Interest Bearing Liabilities	-	8.5	nmf
Non-Current Liabilities	150.6	137.3	(9.7%)
External Debt	15.0	-	nmf
Capitalised Borrowing Costs - External	(0.2)	-	nmf
DUET Funding Arm Loan	135.0	135.0	-
Capitalised Borrowing Costs – DUET Funding Arm	(0.6)	(0.8)	(21.6%)
Deferred Tax Liabilities	0.1	1.9	92.7%
Provisions	1.3	1.3	(6.0%)
Net Assets	77.9	85.7	(9.1%)
Equity	77.9	85.7	(9.1%)
Contributed Equity	73.9	83.1	(11.1%)
Retained Profits / (Loss)	4.1	2.7	52.2%

Group Debt and Gearing

External Debt Maturities

Total facility limits at 31 December 2015, \$m, 100% share, pro forma

Calendar Year	2015	2016	2017	2018	2019	2020	2021	2022
DBP	-	20	640	600	611	125	-	295
EDL	-	2	-	349	-	296	-	-
UE	-	50	817	525	382	120	-	136
MG	-	95	300	265	-	230	-	171
DDG	-	-	-	30	-	-	-	-
Total	-	167	1,757	1,769	993	771	-	602

Consolidated Gearing

Net Debt / (Net Debt plus Equity)

	As at 31 December 2015 \$m	As at 30 June 2015 \$m
Net External Debt	5,760.9	5,393.6
Less: Head Office cash	(375.1)	(334.4)
Add: DUET Group interim distribution declared and payable	208.9	130.7
Adjusted Net External Debt	5,594.7	5,189.9
Equity	3,557.9	1,995.6
Consolidated Gearing (%)	61.1%	72.2%

A reconciliation of the Interest Bearing Liabilities per the half year Financial Report to the Adjusted Net External Debt above is provided as follows:

	As at 31 December 2015 \$m
Interest Bearing Liabilities per half year Financial Report	6,201.4
Add:	
DBP – capitalised borrowing costs	15.3
EDL – capitalised borrowing costs	4.3
UE – capitalised borrowing costs	9.5
MG – capitalised borrowing costs	3.7
Head Office – distribution declared and payable	208.9
Less:	
UE – US\$ Debt / Fair Value Adjustment	(117.5)
MG – US\$ Debt / Fair Value Adjustment	(21.6)
Cash on hand (including term deposits)	(487.1)
DBP – finance lease liability and government loan	(19.0)
UE – minority share of RPS not eliminated on consolidation	(201.2)
EDL – Associate Debt	(2.2)
Adjusted Net External Debt	5,594.7

Appendix 1: Consolidated Cash Flow Statement

This consolidated cash flow statement has been extracted from DUET's half year Financial Report, which is available on DUET's website at www.duet.net.au. Cash and cash equivalents at the end of the period has been amended to include term deposits. As required by Australian Accounting Standards and International Financial Reporting Standards as issued by the International Accounting Standards Board ("the Standards"), this consolidated cash flow statement includes the consolidated cash flows not only of DUET's Head Office but also 100% of the cash flows of its majority controlled businesses being DBP, EDL, United Energy, Multinet Gas and DDG.

	DUET Group 1 Jul 15 - 31 Dec 15 \$'000	DUET Group 1 Jul 14 - 31 Dec 14 \$'000
Receipts from customers (including GST)	829,619	679,808
Payments to suppliers and employees (including GST)	(375,107)	(325,177)
Payments relating to projects and transactions	(51,182)	(1,061)
Income tax paid	(439)	(1,761)
Other interest received	7,877	5,886
Indirect tax net paid	(7,344)	(304)
Net cash flows from operating activities	403,424	357,391
Payments for purchase of short term deposits	(4,050)	(206,864)
Proceeds from short term deposits	59,248	85,000
Acquisition of subsidiary, net of cash acquired	(1,311,763)	-
Payments for purchase of property, plant and equipment	(164,991)	(253,825)
Payments for purchase of software and other intangibles	(18,122)	(16,695)
Proceeds from sale of non-current assets	331	89
Net cash flows used in investing activities	(1,439,347)	(392,295)
Proceeds from issue of stapled securities, net of costs	1,639,028	410,373
Proceeds from securities issued to non-controlling interests	52,740	7,180
Proceeds from borrowings from external parties	1,638,239	738,500
Repayment of borrowings from external parties	(1,779,722)	(985,042)
Proceeds from loan from non-controlling interests	-	16,430
Finance costs paid to external parties	(182,446)	(210,860)
Finance costs paid to related parties	(12,953)	-
Dividends paid to non-controlling interest	(22,838)	(19,663)
Distributions paid to DUET securityholders	(130,700)	(112,014)
Net cash flow from/(used in) financing activities	1,201,348	(155,096)
Net increase/(decrease) in cash and cash equivalents held	165,425	(190,000)
Cash and cash equivalents at the beginning of the half year	320,657	423,434
Effects of exchange rate changes on cash and cash equivalents	(259)	(2)
Cash and cash equivalents at the end of the half year	485,823	233,432

Appendix 2: Reconciliation of Cash Flows

A reconciliation of the Statement of Cash Flows per the DUET Group half year Financial Report to Unconsolidated Cash Flows in this MIR is as follows:

	DUET Group 1 Jul 15 - 31 Dec 15 \$'000	DUET Group 1 Jul 14 - 31 Dec 14 \$'000
Net cash flows from operating activities per half year Financial Report	403,424	357,391
<i>Less:</i>		
DBP	(153,729)	(155,630)
EDL	1,870	na
UE	(188,199)	(120,273)
MG	(75,637)	(89,069)
DDG	(13,390)	440
UEM	(690)	439
Head Office – other interest and director fees received	(11,397)	(2,698)
<i>Add:</i>		
Head Office project expenses paid	31,047	1,061
Net cash flows from operating activities per MIR	(6,701)	(8,339)
Net cash flows from investing activities per half year Financial Report (excluding term deposits)	(1,439,347)	(392,295)
<i>Add:</i>		
DBP	9,201	12,218
EDL	(37,555)	na
UE	115,010	37,101
MG	33,397	37,309
DDG	4,620	98,803
<i>Less:</i>		
Payments for short term deposits	4,050	206,864
Proceeds from term deposits (> 90 days)	(58,248)	-
Head Office project expenses paid	(33,076)	(1,061)
Investments in energy utilities by DUET (inter-company elimination)	(387,691)	(232,000)
Net cash flows from investing activities per MIR	(1,789,639)	(233,061)
Net cash flows from financing activities per half year Financial Report	1,201,348	(155,096)
<i>Add:</i>		
DBP	134,484	149,339
EDL	(7,709)	na
UE	49,924	122,755
MG	49,083	59,864
DDG	3,455	(22,915)
Bank interest received by Head Office	11,397	2,986
Related party transactions (inter-company elimination)	189,979	107,518
Net cash flows from financing activities per MIR	1,631,961	264,451

Appendix 3: Consolidated Income Statement

This consolidated income statement has been extracted from DUET's half year Financial Report, which is available on the DUET website at www.duet.net.au. The consolidated income statement has been prepared in accordance with the Standards.

	DUET Group 1 Jul 15 - 31 Dec 15 \$'000
Revenue	761,607
Other Income	48,132
Total Revenue and other income	809,739
Share of net profit/ (loss) of associates accounted for using the equity method	590
Expenses relating to acquisition of EDL	(30,772)
Operating expenses	(266,615)
Other expenses	(6,652)
Depreciation and amortisation expense	(165,335)
Finance costs	(220,281)
Total expenses	(689,655)
Profit/(loss) before income tax expense	120,674
Income tax benefit/(expense)	(12,152)
Profit/(loss) for the year	108,522
Profit/(loss) is attributable to:	
DUETCo shareholders	(42,152)
DFT unitholders and DIHL/DFL shareholders as non-controlling interests	131,539
Stapled Securityholders	89,387
Other non-controlling interests	19,135
Profit/(loss) for the half year	108,522
Earnings attributable to security holders:	
Basic earnings per stapled security	4.13¢
Diluted earnings per stapled security	4.13¢

Appendix 4: Reconciliation of Proportionate EBITDA to Consolidated NPBT

A reconciliation of Proportionate EBITDA in this MIR to profit before income tax expense per DUET's half year Financial Report is provided below:

6 months to 31 Dec 2015 (\$'000)	DBP	EDL	UE	MG	DDG	Head Office	Total
Proportionate EBITDA	130,186	108,112	132,493	73,083	15,826	-	459,700
Additional EBITDA from controlled assets ⁽¹⁾	30,174	-	68,395	-	-	-	98,569
EDL pre-acquisition EBITDA	-	(71,079)	-	-	-	-	(71,079)
Expenses relating to EDL acquisition	-	-	-	-	-	(30,772)	(30,772)
Head office expenses	-	-	-	-	-	(4,653)	(4,653)
DDG Project expenses	-	-	-	-	(2,794)	-	(2,794)
Equity accounted profits	-	590	-	-	-	-	590
Consolidated EBITDA							449,561
Controlled Assets							
Interest Income	129	207	471	149	103	-	1,059
Net gain/loss on disposal of assets	101	-	(2,535)	(1,613)	-	-	(4,047)
Net fair value gain on debt and derivative contracts	2,213	1,726	41,993	1,137	-	-	47,069
Foreign exchange	52	872	135	(1)	1	-	1,059
Depreciation and amortisation	(36,995)	(28,407)	(71,246)	(23,712)	(4,926)	-	(165,286)
Finance costs	(93,628)	(18,355)	(82,597)	(25,265)	(322)	-	(220,167)
Head Office							
Interest income	-	-	-	-	-	11,589	11,589
Finance costs	-	-	-	-	-	(114)	(114)
Depreciation & amortisation	-	-	-	-	-	(49)	(49)
Profit before income tax expense							120,674

⁽¹⁾To consolidate 100% of controlled EBITDA.