

## APPENDIX 4D

### Half year report

Name of entity: **DUET Group**

#### 1. Details of the reporting period

**Current Period:** 1 July 2013 – 31 December 2013

**Previous Corresponding Period:** 1 July 2012 – 31 December 2012

#### 2. Results for announcement to the market

2.1	Revenues from ordinary activities	\$620.8 million, down 3.4%.	
2.2	Profit / (loss) from ordinary activities after tax	Profit from ordinary activities after tax of \$142.2 million, up 409.8%.	
2.3	Net profit / (loss) for the period attributable to members	Net profit after tax attributable to DUET stapled securityholders of \$146.6 million, up 414.6%.	
2.4	Dividends / Distributions	Amount per security	Franked amount per security
	<i>Current Period:</i> Interim dividend / distribution	8.500 cents	-
	<i>Previous Corresponding Period:</i> Interim dividend / distribution	8.250 cents	-
2.5	Record date for determining entitlements to the interim dividend / distribution for current period	31 December 2013	

## Results for announcement to the market (continued)

2.6 DUET derives its revenue from operations in gas transmission and distribution and electricity distribution.

The DUET Group profit after tax for the half year to 31 December 2013 of \$142.2 million includes a number of significant items.

Excluding the impact of significant items, DUET Group's net profit after income tax was \$38.9 million, as follows:

Half year to 31 December	\$ million 2013	\$million 2012
Revenues from ordinary activities	620.8	642.9
<i>Less: items not included in Consolidated EBITDA</i>		
<i>Net gain on derivatives</i>	(7.3)	(10.5)
<i>Interest revenue</i>	(5.5)	(2.8)
<b>Revenues from ordinary activities, adjusted</b>	<b>608.0</b>	<b>629.6</b>
Operating expenses	(222.4)	(328.8)
<i>Add: items not included in Consolidated EBITDA</i>		
<i>FX losses</i>	0.9	-
<i>Net loss on derivatives</i>	8.6	6.4
<b>Operating expenses, adjusted</b>	<b>(212.9)</b>	<b>(322.4)</b>
<b>Consolidated EBITDA</b>	<b>395.1</b>	<b>307.2</b>
FX (losses)/gains	(0.9)	-
Mark to market on derivatives	(1.3)	4.1
Depreciation and Amortisation	(137.4)	(124.6)
<b>Consolidated EBIT</b>	<b>255.5</b>	<b>186.7</b>
Net interest expense	(220.3)	(223.7)
<b>Net profit before income tax</b>	<b>35.2</b>	<b>(37.0)</b>
Tax benefit/(expense)	107.0	(8.9)
<b>Net profit after income tax</b>	<b>142.2</b>	<b>(45.9)</b>
<i>Add/(subtract): significant items</i>		
<i>Tax benefit arising on implementation of group simplification</i>	(105.5)	-
<i>Internalisation and group simplification expenses</i>	-	98.1
<i>FX losses/(gains)</i>	0.9	-
<i>Mark to market on derivatives</i>	1.3	(4.1)
<b>Net profit after income tax excluding significant items</b>	<b>38.9</b>	<b>48.1</b>

For further explanation of the statutory results, please refer to the accompanying DUET Group Interim Financial Report for the half year ended 31 December 2013.

### 3. Net tangible assets per security

	Current period	Previous corresponding period
Net asset backing per ordinary security	\$1.39	\$1.30
Net tangible asset backing per ordinary security (Consolidated net assets less consolidated intangible assets)	\$nil	\$nil

#### 4. Control gained or lost over entities during the period

4.1 Name of entity (or group of entities) over which control was gained	DUET Company Limited
4.2 Date control was gained	1 August 2013

Please refer to the DUET Group Notices of Meeting and Meeting Booklet dated 31 May 2013 available on the DUET Group website for further information.

#### 5. Details of Dividends/distributions

The final distribution for the year ended 30 June 2013 was \$96.5 million (8.250 cents per stapled security) and was paid on 13 August 2013. The interim distribution for the period ended 31 December 2013 was \$105.2 million (8.500 cents per stapled security) and was paid on 20 February 2014.

#### 6. Distribution Reinvestment Plan (DRP)

Stapled security holders elected to participate in DUET's Dividend and Distribution Reinvestment Plan ('DRP') for the distribution paid on 20 February 2014. Of the interim distribution declared, \$21.0 million was reinvested in DUET Group stapled securities. As announced on 11 December 2013, DRP participation was capped to a maximum of 20% of the total distribution.

#### 7. Details of associates and joint venture entities

DUET Group has no investments in associates and joint ventures.

#### 8. Accounting standards used by foreign entities

N/A

#### 9. Details of Audit / Review

There is no review dispute or qualification. A copy of the unqualified review report can be found in the attached Interim Financial Report.