



Management Information Report

For the year ended 30 June 2015

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At 30 June 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 year ended 30 June 2015.

DUET's boards have reviewed and approved the MIR and endorse its release as a supplement to the Financial Report for the year ended 30 June 2015 ("full year Financial Report").

Ernst & Young ("EY") was engaged to perform an audit of the non-IFRS financial information as presented in the MIR in accordance with the Basis of Preparation described below. EY conducted its audit in accordance with Australian Accounting Standards. As a result of the audit, it is EY's opinion that the non-IFRS financial information of DUET as presented in the MIR for the year ended 30 June 2015 is 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 full 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 year 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. Accounting depreciation has been replaced by Net Regulatory Depreciation ("NRD") and Stay-In Business ("SIB") Capex where described. Net regulatory depreciation ("NRD") is calculated as regulatory depreciation net of the CPI uplift on RAB. A long-term CPI of 2.7% has been used to calculate NRD, which is the 20-year average of the "All Groups CPI" for the weighted average of 8 capital cities, not seasonally adjusted (Source: ABS). Stay-In-Business ("SIB") capex is any capex which cannot be funded by external debt facilities. On completion of DUET's proposed acquisition of Energy Developments Limited, NRD will be replaced with SIB capex in the Group's calculation of proportionate earnings.
- **Proportionate Gearing:** Proportionate gearing is proportionate net external debt divided by proportionate regulatory asset base ("RAB"). RAB is used for United Energy, Multinet Gas and DBP, based on management calculations. As DDG assets are not regulated, total statutory non-current assets are used as a proxy for RAB. Net external debt has been adjusted to remove the impact of fair value and foreign currency adjustments, capitalised borrowing costs, finance lease liabilities, debt balances payable to non-controlling interests and cash on hand (defined as cash and cash equivalents and term deposits). The distribution declared and payable by DUET has been included in debt. Net external debt and RAB has been adjusted on a proportionate basis at the relevant DUET ownership percentage of each of its energy utility businesses at period end. On completion of DUET's proposed acquisition of Energy Developments Limited, Group gearing will be reported on a statutory consolidated net debt to net debt plus equity basis.
- **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 full year Financial Report. This MIR should be read in conjunction with the full year Financial Report, which can be found on DUET's website at www.duet.net.au.

Unconsolidated Cash Flows

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

	1 Jul 14 - 30 Jun 15 \$'000	1 Jul 13 - 30 Jun 14 \$'000
<i>Cash flows from energy utilities</i>		
DBP	92,474	91,886
United Energy	79,221	75,709
Multinet Gas	70,204	71,008
DBP Development Group (DDG)	16,928	7,062
Cash flows from energy utilities	258,827	245,665
<i>Cash flows from operating activities</i>		
Other income received	501	369
Head Office operating expenses paid (inclusive of GST)	(9,793)	(13,139)
Income tax paid by Head Office	(1,763)	-
Cash flows from operating activities	(11,055)	(12,770)
Net cash inflows from energy utilities and operations (A)	247,772	232,895
<i>Cash flows from investing activities</i>		
Head Office project costs	(3,249)	(5,535)
Investment in energy utilities	(249,000)	(109,789)
Cash flows from investing activities	(252,249)	(115,324)
<i>Cash flows from financing activities</i>		
Head Office bank interest income (B)	7,339	2,861
Equity raising proceeds (net of transaction costs)	409,562	300,431
DUET Funding Arm loans to energy utilities	(60,857)	(118,000)
Distributions paid to DUET Group stapled security holders	(242,711)	(201,630)
Cash flows from financing activities	113,333	(16,338)
Net increase/(decrease) in cash assets held	108,856	101,233
Cash assets at the beginning of the period	225,534	124,301
Less: Restricted Cash	(5,152)	(5,316)
Cash assets at the end of the period ⁽¹⁾	329,238	220,218
Cash available for distribution (A+B)	255,111	235,756
Weighted average DUET Group stapled securities on issue ('000's)	1,417,426	1,256,610
Cash available for distribution per stapled security - cents	18.0	18.8
Full year distribution declared and payable per stapled security - cents	17.5	17.0
Full year distribution coverage⁽²⁾	103%	111%

⁽¹⁾ Includes term deposits of \$235 million. Refer to Appendix 1 for the Consolidated Cash Flow Statement.

⁽²⁾ FY 2014 distribution coverage included a \$18.75 million dividend paid by Multinet Gas in August 2013 related to FY 2013.

Energy Utility Management Accounts

DBP

	12 months to 30-Jun-15	12 months to 30-Jun-14	Change on pcp
	\$m	(pcp) \$m	%
DBP Financial Summary			
Transport Revenue	381.1	415.3	(8.2)
Total Revenue ⁽¹⁾	396.7	428.8	(7.5)
Opex ⁽¹⁾	(82.2)	(80.3)	(2.4)
EBITDA ⁽¹⁾	314.5	348.5	(9.8)
EBITDA margin	79.3%	81.3%	(2.0)
Adjusted EBITDA less net external Interest expense	128.6	121.5	5.8
RAB	3,614.7	3,595.2	0.5
Gearing	65.7%	69.6%	3.9
Total Capex ⁽²⁾	34.6	20.4	(70.1)

	12 months to 30-Jun-15	12 months to 30-Jun-14	Change on pcp
	\$m	(pcp) \$m	%
DBP Income Statement			
Total Revenue	396.7	428.8	(7.5)
Transport Revenue	381.1	415.3	(8.2)
Other Revenue	15.6	13.6	15.0
Shipper-funded Projects	6.8	0.5	<i>nmf</i>
Other Income	8.7	13.1	(33.3)
Operating Expenses	(82.2)	(80.4)	(2.3)
External Operating Fees	-	(4.9)	100.0
Employee Expenses	(28.7)	(27.8)	(3.3)
Unrealised Foreign Exchange Loss	0.0	(0.1)	<i>nmf</i>
Fuel Gas	(20.9)	(11.2)	(86.3)
Other Operating Expenses	(32.7)	(36.5)	10.4
Depreciation, Amortisation & Abandonments	(75.6)	(76.4)	1.1
Depreciation	(74.0)	(75.2)	1.6
Amortisation	(1.7)	(2.0)	13.3
Abandonments	0.1	0.7	(89.8)
Net Borrowing Costs	(197.5)	(223.2)	11.5
Interest Income	0.3	0.4	(18.8)
Senior Interest Expense	(170.8)	(213.2)	19.9
Interest Rate Hedge Unrealised Fair Value Movements	7.2	10.1	(29.1)
Blend and Extend Hedge Non-Cash Interest Expense	(21.4)	(5.4)	<i>nmf</i>
Decommissioning Interest Charge	(1.3)	(1.3)	(3.9)
Amortisation of Borrowing Costs	(6.5)	(12.6)	48.3
Debt Retirement Costs	(2.4)	-	<i>nmf</i>
Other Financing Costs	(2.5)	(1.2)	(106.9)
Income Tax (Expense) / Benefit	(13.0)	(15.8)	17.7
Net Profit After Tax	28.4	33.1	(14.1)

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

⁽²⁾ Excludes the decommissioning provision.
nmf: not meaningful

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	12 months to 30-Jun-15	12 months to 30-Jun-14 (pcp)	Change on pcp
DBP Cash Flow Statement	\$m	\$m	%
Cash Flows from Operating Activities	295.7	361.9	<i>(18.3)</i>
Cash Receipts	405.3	481.4	<i>(15.8)</i>
Cash Payments	(109.6)	(119.5)	8.3
Cash Flows from Investing Activities	(33.5)	(23.2)	<i>(44.2)</i>
Purchase of PP&E and Intangibles	(32.5)	(23.9)	<i>(35.9)</i>
Proceeds from Sale of Non-Current Assets	0.1	0.7	<i>nmf</i>
Payments for Financial Assets	(1.0)	-	<i>nmf</i>
Cash Flows from Financing Activities	(273.2)	(327.0)	16.4
Movement in Borrowings	(139.0)	5.0	<i>nmf</i>
Movement in Equity	162.9	9.6	<i>nmf</i>
Other Interest & Borrowing Costs	(182.8)	(228.1)	19.9
Distributions	(114.4)	(113.5)	0.8
Net Cash Movement	(11.0)	11.7	<i>nmf</i>
Opening Cash	28.4	16.7	70.0
Closing Cash	17.4	28.4	<i>(38.8)</i>

	30-Jun-15	31-Dec-14 (pcp)	Change on pcp
DBP Balance Sheet	\$m	\$m	%
Current Assets	68.6	59.8	14.8
Cash	17.4	22.5	<i>(22.6)</i>
Accounts Receivable	18.0	3.8	<i>nmf</i>
Derivative Financial Instruments	2.0	2.0	-
Inventories and Other Assets	31.2	31.5	<i>(0.9)</i>
Non-Current Assets	3,588.6	3,634.2	<i>(1.3)</i>
Plant, Property and Equipment	2,896.2	2,940.4	<i>(1.5)</i>
Intangibles	669.7	670.5	<i>(0.1)</i>
Investment in Financial Assets	20.1	20.3	<i>(1.3)</i>
Derivative Financial Instruments	2.6	3.0	<i>(13.4)</i>
Current Liabilities	703.3	689.1	<i>(2.1)</i>
Payables	50.3	44.8	<i>(12.3)</i>
Deferred Revenue	23.3	21.9	<i>(6.4)</i>
External Debt	575.5	567.1	<i>(1.5)</i>
Capitalised Borrowing Costs	(0.4)	(1.6)	74.1
Finance Lease Liability	0.9	0.9	<i>(1.8)</i>
Derivative Financial Instruments	46.4	48.5	4.4
Provisions	7.4	7.5	1.7
Non-Current Liabilities	2,278.4	2,321.5	1.9
External Debt	1,816.2	1,827.2	0.6
Capitalised Borrowing Costs	(15.6)	(16.0)	<i>(2.7)</i>
Finance Lease Liability	18.2	18.6	2.5
Deferred Tax Liabilities	335.0	316.6	<i>(5.8)</i>
Derivative Financial Instruments	98.0	116.0	15.5
Provisions	26.5	59.1	55.1
Net Assets	675.4	683.4	<i>(1.2)</i>
Equity	675.4	683.4	<i>(1.2)</i>
Contributed Equity	1,336.2	1,324.4	0.9
Reserves	(75.5)	(95.9)	<i>(21.3)</i>
Retained Profits / (Loss)	(585.3)	(545.2)	<i>(7.4)</i>

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	12 months to 30-Jun-15	12 months to 30-Jun-14 (pcp)	Change on pcp
DBP Throughput	TJ	TJ	%
Full Haul	233,115	239,423	(2.6)
Part Haul	43,864	43,467	0.9
Back Haul	53,794	51,886	3.7
Total	330,773	334,776	(1.2)

	12 months to 30-Jun-15	12 months to 30-Jun-14 (pcp)	Change on pcp
DBP Contracted Capacity	TJ/day	TJ/day	%
Full Haul	756	820	(7.7)
Part Haul	257	278	(7.7)
Back Haul	197	152	30.3
Total	1,211	1,249	(3.1)

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United Energy

	12 months to 30-Jun-15	12 months to 30-Jun-14 (pcp)	Change on pcp
UED Financial Summary	\$m	\$m	%
Distribution Revenue ⁽¹⁾	381.2	357.9	6.5
Total Revenue ⁽¹⁾	509.7	479.9	6.2
Opex ⁽¹⁾	(149.6)	(146.1)	(2.4)
EBITDA ⁽²⁾	360.1	333.8	7.9
EBITDA margin	70.6%	69.6%	1.0
Adjusted EBITDA less net external Interest expense	205.7	186.2	10.4
RAB	2,255.4	2,170.5	3.9
Gearing	91.5%	90.4%	(1.1)
Total Capex	245.0	276.5	11.4

	12 months to 30-Jun-15	12 months to 30-Jun-14 (pcp)	Change on pcp
UED Income Statement	\$m	\$m	%
Gross Total Revenue	645.1	599.8	7.6
Gross Distribution Revenue	516.6	477.8	8.1
DUOS Revenue	381.2	357.9	6.5
Residential	183.2	168.5	8.7
Business	94.6	87.4	8.3
Industrial	103.4	102.0	1.4
TUOS, TFIT and PFIT Pass-through Revenue	135.4	119.9	12.9
Other Revenue	128.6	122.0	5.4
Metering revenue	90.0	85.0	5.9
Chargeable Works	17.8	16.1	10.9
Other Income	20.7	20.9	(1.0)
Operating Expenses	(284.9)	(266.9)	(6.8)
TUOS, TFIT and PFIT Pass-through Costs	(135.4)	(119.9)	(12.9)
External Operating Fees	(86.2)	(89.4)	3.6
Employee Expenses	(27.4)	(21.7)	(26.3)
Unrealised Foreign Exchange Loss	0.1	(0.9)	<i>nmf</i>
Other Operating Expenses	(36.0)	(35.0)	(3.0)
Depreciation, Amortisation & Abandonments	(152.8)	(145.0)	(5.3)
Depreciation	(98.3)	(93.6)	(5.0)
Amortisation	(51.7)	(47.6)	(8.6)
Abandonments	(2.8)	(3.9)	27.2
Net Borrowing Costs	(236.6)	(202.2)	(17.0)
Interest Income	1.4	6.0	(77.1)
Senior Interest Expense	(133.0)	(131.8)	(1.0)
RPS Interest	(71.8)	(67.9)	(5.7)
Interest Rate Hedge Unrealised Fair Value Movements	(28.2)	(2.8)	<i>nmf</i>
Amortisation of Borrowing Costs	(2.9)	(3.2)	9.9
Other Financing Costs	(2.1)	(2.5)	18.2
Income Tax (Expense) / Benefit	8.8	4.3	103.3
Net Profit / (Loss) After Tax	(20.5)	(10.1)	(103.3)

⁽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.

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	12 months to 30-Jun-15	12 months to 30-Jun-14 (pcp)	Change on pcp %
UED Cash Flow Statement	\$m	\$m	
Cash Flows from Operating Activities	321.8	364.5	<i>(11.7)</i>
Cash Receipts	707.5	724.2	<i>(2.3)</i>
Cash Payments	(385.7)	(359.7)	7.2
Cash Flows from Investing Activities	(237.7)	(317.7)	25.2
Purchase of PP&E and Intangibles	(239.4)	(249.4)	4.0
Proceeds from Sale of Non-Current Assets	1.7	1.6	5.3
Investment in Term Deposit	-	(70.0)	<i>nmf</i>
Cash Flows from Financing Activities	(140.7)	(241.8)	<i>(41.8)</i>
RPS issued	66.5	-	<i>nmf</i>
Movement in borrowings	(23.5)	8.0	<i>nmf</i>
Redemption of Term Deposits	70.0	-	<i>nmf</i>
Interest Paid - Senior	(133.6)	(135.1)	1.1
Interest Paid - RPS	(71.8)	(67.9)	<i>(5.7)</i>
Distributions	(48.2)	(46.8)	3.1
Net Cash Movement	(56.5)	(195.0)	71.0
Opening Cash	61.8	256.8	<i>(75.9)</i>
Closing Cash	5.2	61.8	<i>(91.5)</i>

	30-Jun-15	31-Dec-14 (pcp)	Change on pcp %
UED Balance Sheet	\$m	\$m	
Current Assets	106.6	131.0	<i>(18.7)</i>
Cash	5.2	22.2	<i>(76.4)</i>
Accounts Receivable	17.5	25.5	<i>(31.5)</i>
Derivative Financial Instruments	8.4	7.9	7.3
Other Assets	75.4	75.5	<i>(0.0)</i>
Non-Current Assets	3,108.2	3,023.2	2.8
Plant, Property and Equipment	2,055.3	2,003.5	2.6
Deferred Tax Assets	140.2	117.2	19.6
Intangibles	815.8	827.1	<i>(1.4)</i>
Derivative Financial Instruments	96.8	75.3	28.5
Current Liabilities	413.3	215.4	<i>(91.9)</i>
Payables	92.8	107.2	13.4
Deferred Revenue	14.9	21.2	29.6
Derivative Financial Instruments	38.7	32.5	<i>(19.0)</i>
External Debt	279.3	-	<i>nmf</i>
US \$ Debt/Fair Value Adjustment	(20.1)	-	<i>nmf</i>
Related Party Loan	-	48.3	<i>nmf</i>
Provisions	7.7	6.1	<i>(25.5)</i>
Non-Current Liabilities	2,676.7	2,809.2	4.7
External Debt	1,790.2	2,049.2	12.6
Capitalised Borrowing Costs	(8.7)	(9.5)	7.9
US Debt / Fair Value Adjustment	98.7	33.4	<i>nmf</i>
Redeemable Preference Shares	591.7	525.3	<i>(12.7)</i>
Deferred Tax Liabilities	198.2	167.8	<i>(18.1)</i>
Derivative Financial Instruments	3.6	40.2	90.9
Other Liabilities	2.9	2.9	-
Net Assets	124.8	129.6	<i>(3.8)</i>
Equity	124.8	129.6	<i>(3.8)</i>
Contributed Equity	306.1	306.1	<i>(0.0)</i>
Reserves	(15.8)	(18.6)	15.0
Retained Profits / (Loss)	(165.6)	(157.9)	<i>(4.8)</i>

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	12 months to 30-Jun-15		12 months to 30-Jun-14		Load change on pcp
UED Load (GWh)	GWh	Mix %	GWh	Mix %	%
Small Tariff	2,590	35%	2,829	36%	(8.4)
Medium Tariff	1,401	19%	1,378	18%	1.7
Large Tariff	3,470	47%	3,545	46%	(2.1)
Total	7,461	100%	7,752	100%	(3.8)

	As at 30-Jun-15	Mix %	As at 30-Jun-14	Mix %
UED Connections				
Small (residential and unmetered)	604,395	91%	600,243	91%
Medium Size Business	56,083	9%	56,150	9%
Commercial and Industrial	3,288	0%	3,303	0%
Total	663,766	100%	659,696	100%

	12 months to 30-Jun-15	12 months to 30-Jun-14	Change on pcp %
UED Demand			
Maximum Demand (MW)	1,736	2,066	(16.0)

	12 months to 30-Jun-15	12 months to 30-Jun-14	Change on pcp Minutes
Unplanned SAIDI (minutes)			
Actual	70.6	79.0	8.4
Regulatory Maximum Target	59.2	59.2	-

Multinet Gas

	12 months to 30-Jun-15	12 months to 30-Jun-14 (pcp)	Change on pcp
MGH Financial Summary	\$m	\$m	%
Distribution Revenue	175.1	170.1	2.9
Total Revenue ⁽¹⁾	184.1	182.0	1.1
Opex ⁽¹⁾	(61.9)	(58.8)	(5.4)
EBITDA ⁽²⁾	122.2	123.3	(0.9)
EBITDA margin	66.4%	67.7%	(1.3)
Adjusted EBITDA less net external Interest expense	70.4	64.9	8.6
RAB	1,141.2	1,122.8	1.6
Gearing	83.6%	85.8%	2.2
Total Capex	62.3	52.0	(19.8)

	12 months to 30-Jun-15	12 months to 30-Jun-14 (pcp)	Change on pcp
MGH Income Statement	\$m	\$m	%
Gross Total Revenue	183.5	189.2	(3.0)
Distribution Revenue	175.1	170.1	2.9
Tariff V (Variable)	133.5	129.9	2.8
Fixed charges	39.9	38.7	3.2
Other Distribution Revenue (Tariff D and Tariff L)	1.7	1.5	10.1
Other Revenue	8.5	19.1	(55.8)
Chargeable Works	3.3	6.6	(50.1)
Carbon Tax Pass-through Revenue	(0.6)	7.2	<i>nmf</i>
Metering Revenue	1.9	1.9	(1.9)
Other Revenue	3.9	3.4	13.4
Operating Expenses	(61.3)	(66.0)	7.0
External Operating Fees	(37.2)	(36.7)	(1.2)
Employee Expenses	(10.0)	(9.6)	(4.6)
Carbon Tax Pass-through Costs	0.6	(7.2)	<i>nmf</i>
Other Operating Expenses	(14.8)	(12.5)	(18.2)
Depreciation, Amortisation & Abandonments	(53.8)	(48.4)	(11.3)
Depreciation	(32.8)	(32.4)	(1.1)
Amortisation	(15.3)	(14.5)	(5.3)
Abandonments	(5.8)	(1.4)	<i>nmf</i>
Net Borrowing Costs	(61.1)	(61.5)	0.8
Interest Income	0.5	0.5	(2.7)
Senior Interest Expense	(46.4)	(47.7)	2.8
DUET Funding Arm Loan Interest Expense	(11.5)	(11.5)	(0.0)
Interest Rate Hedge Unrealised Fair Value Movements	(0.2)	1.7	<i>nmf</i>
Amortisation of Borrowing Costs	(1.4)	(3.5)	60.5
Debt Retirement Costs	(0.9)	-	<i>nmf</i>
Other Financing Costs	(1.1)	(1.0)	(12.3)
Income Tax (Expense) / Benefit	(3.1)	105.7	<i>nmf</i>
Net Profit / (Loss) After Tax	4.2	119.1	(96.5)

⁽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.

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	12 months to 30-Jun-15	12 months to 30-Jun-14 (pcp)	Change on pcp
MGH Cash Flow Statement	\$m	\$m	%
Cash Flows from Operating Activities	133.8	117.4	14.0
Cash Receipts	215.3	211.8	1.7
Cash Payments	(81.5)	(94.4)	13.6
Income Tax Refund / (Payment)	(0.0)	-	<i>nmf</i>
Cash Flows from Investing Activities	(68.7)	(47.3)	(45.1)
Purchase of PP&E and Intangibles	(68.7)	(48.7)	(40.9)
Proceeds from Non-Current Assets	-	1.4	<i>nmf</i>
Cash Flows from Financing Activities	(67.4)	(59.5)	(13.2)
Movement in Borrowings	(11.3)	2.5	<i>nmf</i>
Movement in Equity	65.0	60.0	(8.3)
Interest Paid - Senior	(50.9)	(51.0)	0.2
Interest Paid – DUET Funding Arm Loan	(11.5)	(11.5)	(0.0)
Distributions	(58.7)	(59.5)	(1.4)
Net Cash Movement	(2.2)	10.6	<i>nmf</i>
Opening Cash	14.1	3.6	<i>nmf</i>
Closing Cash	11.9	14.1	(15.9)

	30-Jun-15	31-Dec-14 (pcp)	Change on pcp
MGH Balance Sheet	\$m	\$m	%
Current Assets	67.4	33.3	102.7
Cash	11.9	6.0	97.1
Accounts Receivable	37.7	22.0	71.4
Derivative Financial Instruments	13.8	0.3	<i>nmf</i>
Other Assets	4.0	4.9	(18.4)
Non-Current Assets	1,543.5	1,523.4	1.3
Plant and Property	842.5	833.8	1.0
Intangibles	523.6	528.2	(0.9)
Derivative Financial Instruments	13.5	7.2	87.1
Deferred Tax Asset	131.0	124.6	5.1
Other Non-Current Assets	32.9	29.5	11.5
Current Liabilities	303.8	286.6	(6.0)
Payables	31.1	31.3	0.7
Deferred Revenue	3.3	1.9	(72.5)
Derivative Financial Instruments	11.3	14.5	22.2
External Debt	234.7	229.7	(2.2)
US\$ Debt / Fair Value Adjustment	11.9	0.1	<i>nmf</i>
Provisions	11.6	9.1	(27.1)
Non-Current liabilities	1,030.3	973.6	(5.8)
External Debt	731.1	682.4	(7.1)
Capitalised Borrowing Costs	(4.3)	(3.7)	(15.9)
US\$ Debt / Fair Value Adjustment	13.4	6.7	(99.8)
DUET Funding Arm Loan	112.2	112.2	-
Deferred Tax Liabilities	131.0	124.6	(5.1)
Derivative Financial Instruments	25.0	29.3	14.7
Other Liabilities	21.9	22.1	0.9
Net Assets	276.8	296.4	(6.6)
Equity	276.8	296.4	(6.6)
Contributed Equity	408.1	408.1	0.0
Reserves	(24.8)	(30.3)	18.2
Retained Profits / (Loss)	(106.4)	(81.3)	(30.9)

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	12 months to		12 months to		Volume
	30-Jun-15	Mix	30-Jun-14	Mix	change on
	TJ	%	(pcp)	%	pcp
			TJ		%
MGH Gas Volumes					
Tariff V	44,390	80%	40,768	79%	8.9
Tariff D	11,286	20%	11,087	21%	1.8
Total	55,676	100%	51,855	100%	7.4

	As at	Mix	As at	Mix
	30-Jun-15	%	30-Jun-14	%
			(pcp)	
MGH Connections				
Tariff V Residential	672,633	98%	668,281	98%
Tariff V Business	16,114	2%	16,207	2%
Tariff D	266	0%	264	0%
Total	689,013	100%	684,752	100%

DBP Development Group

	12 months to 30-Jun-15	12 months to 30-Jun-14	Change on pcp %
DDG Financial Summary	\$m	(pcp) \$m	
Transport Revenue	13.0	0.7	<i>nmf</i>
Total Revenue ⁽¹⁾	12.7	4.4	<i>nmf</i>
Opex ⁽¹⁾	(3.4)	(2.7)	(25.4)
EBITDA ⁽¹⁾	9.3	1.7	<i>nmf</i>
Adjusted EBITDA less net external Interest expense	10.0	4.1	<i>nmf</i>
Total Capex	144.4	75.3	(91.8)

	12 months to 30-Jun-15	12 months to 30-Jun-14	Change on pcp %
DDG Income Statement	\$m	(pcp) \$m	
Total Revenue	12.7	4.5	<i>nmf</i>
Transport Revenue	13.0	0.7	<i>nmf</i>
Other Revenue	(0.3)	3.8	(109.2)
Operating Expenses	(3.4)	(2.8)	(22.3)
Employee Expenses	(1.9)	(1.8)	(3.3)
Unrealised FX Loss	(0.0)	(0.1)	<i>nmf</i>
External Operating Fees	(1.5)	(0.9)	(68.6)
Depreciation	(2.8)	(0.3)	<i>nmf</i>
Depreciation	(2.8)	(0.3)	<i>nmf</i>
Net Borrowing Costs	(4.2)	(0.3)	<i>nmf</i>
Interest Income	0.1	0.0	<i>nmf</i>
DUET Funding Arm Loan Interest and Borrowing Costs	(4.4)	(0.2)	<i>nmf</i>
External Interest and Borrowing Costs	(0.1)	-	<i>nmf</i>
Decommissioning interest charge	0.2	(0.1)	<i>nmf</i>
Income Tax (Expense) / Benefit	(0.7)	(0.3)	(98.2)
Net Profit After Tax	1.6	0.8	110.1

	12 months to 30-Jun-15	12 months to 30-Jun-14	Change on pcp %
DDG Cash Flow Statement	\$m	(pcp) \$m	
Cash Flows from Operating Activities	0.2	(2.7)	(107.6)
Cash Receipts	13.0	8.2	59.0
Interest Income	0.6	2.7	(76.0)
Cash Payments	(2.8)	(7.4)	62.7
Interest paid to DUET Funding Arm	(10.6)	(6.0)	(75.7)
Interest paid to External Parties	(0.1)	-	<i>nmf</i>
Income tax payment/refund	-	(0.1)	100.0
Cash Flows from Investing Activities	(145.4)	(69.7)	(108.6)
Purchase of PP&E	(160.4)	(54.7)	<i>nmf</i>
Redemption/(Investment) into Term Deposit	15.0	(15.0)	<i>nmf</i>
Cash Flows from Financing Activities	59.3	164.8	(64.0)
Movement in Equity	40.0	48.0	(16.7)
Movement in DUET Funding Arm Loan	17.0	118.0	(85.6)
Movement in External loan	8.5	-	<i>nmf</i>
Distributions	(6.1)	-	<i>nmf</i>
Borrowing costs to DUET Funding Arm	(0.0)	(1.2)	(99.4)
Net Cash Movement	(85.9)	92.5	<i>nmf</i>
Opening Cash	92.6	0.1	<i>nmf</i>
Closing Cash	6.7	92.6	(92.8)

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

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	30-Jun-15	31-Dec-14	Change on pcp
	\$m	(pcp) \$m	%
DDG Balance Sheet			
Current Assets	14.7	27.2	<i>(45.9)</i>
Cash	6.7	16.2	<i>(58.6)</i>
Accounts Receivable	3.3	9.7	<i>(65.6)</i>
Inventories and Other Assets	4.7	1.3	<i>nmf</i>
Non-Current Assets	226.2	200.4	<i>12.9</i>
Plant, Property and Equipment	226.2	200.4	<i>12.9</i>
Current Liabilities	17.9	28.4	<i>37.1</i>
Payables & Other Liabilities	9.4	28.4	<i>67.0</i>
Interest Bearing Liabilities	8.5	-	<i>nmf</i>
Non-Current Liabilities	137.3	126.3	<i>(8.7)</i>
DUET Funding Arm Loan	135.0	123.0	<i>(9.8)</i>
Capitalised Borrowing Costs	(0.8)	(0.8)	<i>2.1</i>
Deferred Tax Liabilities	1.9	0.6	<i>nmf</i>
Provisions	1.3	3.5	<i>64.4</i>
Net Assets	85.7	73.0	<i>17.5</i>
Equity	85.7	73.0	<i>17.5</i>
Contributed Equity	83.1	72.2	<i>15.0</i>
Retained Profits / (Loss)	2.7	0.8	<i>nmf</i>

Proportionate Earnings

DBP \$m	DBP		
	FY15	FY14 (Pro forma)	Change
T&D Revenue	308.9	336.6	(8.2%)
Total Revenue	321.5	347.6	(7.5%)
Less: Operating Expenses	(66.6)	(65.1)	(2.4%)
EBITDA	254.9	282.5	(9.8%)
EBITDA margin	79.3%	81.3%	(2.0%)
Less: Customer Contributions (net of margin)	(5.2)	(0.4)	nmf
Adjusted EBITDA	249.7	282.1	(11.5%)
Less: Net External Interest Expense	(145.5)	(183.6)	20.8%
Adjusted EBITDA less Net External Interest Expense	104.2	98.5	5.8%
Less: NRD	(6.3)	(4.7)	(35.2%)
Proportionate Earnings	97.9	93.8	4.4%
United Energy	United Energy		
\$m	FY15	FY14 (Pro forma)	Change
T&D Revenue	251.6	236.2	6.5%
Total Revenue	336.4	316.7	6.2%
Less: Operating Expenses	(98.7)	(96.4)	(2.4%)
EBITDA	237.7	220.3	7.9%
EBITDA margin	70.6%	69.6%	1.0%
Less: Customer Contributions (net of margin)	(11.8)	(10.6)	(10.9%)
Adjusted EBITDA	225.9	209.7	7.7%
Less: Net External Interest Expense	(90.2)	(86.8)	(3.9%)
Adjusted EBITDA less Net External Interest	135.8	122.9	10.4%
Less: NRD	(68.2)	(64.9)	(5.1%)
Proportionate Earnings	67.5	58.0	16.5%
Multinet Gas	Multinet Gas		
\$m	FY15	FY14 (Pro forma)	Change
T&D Revenue	175.1	170.1	2.9%
Total Revenue	184.1	182.0	1.1%
Less: Operating Expenses	(61.9)	(58.8)	(5.4%)
EBITDA	122.2	123.3	(0.9%)
EBITDA margin	66.4%	67.7%	(1.3%)
Less: Customer Contributions (net of margin)	(3.3)	(6.6)	50.1%
Adjusted EBITDA	118.9	116.6	1.9%
Less: Net External Interest Expense	(48.4)	(51.7)	6.4%
Adjusted EBITDA less Net External Interest Expense	70.4	64.9	8.6%
Less: NRD	(26.7)	(21.1)	(26.3%)
Proportionate Earnings	43.8	43.8	(0.0%)
DDG	DDG		
\$m	FY15	FY14 (Pro Forma)	Change
T&D Revenue	13.0	0.7	nmf
Total Revenue	12.7	4.4	nmf
Less: Operating Expenses	(3.4)	(2.7)	(25.7%)
EBITDA	9.3	1.7	nmf
EBITDA margin	73.2%	40.0%	33.2%
Less: Net External Interest Income	0.7	2.4	(71.3%)
Adjusted EBITDA less Net External Interest Expense	10.0	4.1	nmf
Less: SIB Capex	-	-	nmf
Proportionate Earnings	10.0	4.1	140.3%
Head Office	Head Office		
\$m	FY15	FY14	Change
Total Revenue	-	-	nmf
Less: Operating Expenses	(13.5)	(10.5)	(28.7%)
EBITDA	(13.5)	(10.5)	(28.7%)
Less: Net External Interest Income	7.0	3.3	nmf
Adjusted EBITDA less Net External Interest Expense	(6.5)	(7.2)	9.2%
Income tax paid by Head Office	(1.8)	-	nmf
Proportionate Earnings	(8.3)	(7.2)	(15.4%)
DUET Group Total	DUET Group Total		
\$m	FY15	FY14 (Pro forma)	Change
T&D Revenue	748.6	743.6	0.7%
Total Revenue	854.7	850.8	0.5%
Less: Operating Expenses	(244.1)	(233.5)	(4.6%)
EBITDA	610.6	617.3	(1.1%)
EBITDA margin	71.4%	72.6%	(1.1%)
Less: Customer Contributions (net of margin)	(20.3)	(17.6)	(15.1%)
Adjusted EBITDA	590.3	599.7	(1.6%)
Less: Net External Interest Expense	(276.4)	(316.4)	12.6%
Adjusted EBITDA less Net External Interest Expense	313.9	283.3	10.8%
Less: NRD/SIB Capex	(101.2)	(90.7)	(11.6%)
Income tax paid by Head Office	(1.8)	-	nmf
Proportionate Earnings (\$m)⁽¹⁾	210.9	192.6	9.5 %

⁽¹⁾ Each of DDG's WAWP and FRGP pipeline projects are expected to make their first full-year earnings contribution to DUET Group in FY16.

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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 as opposed to consolidating 100% of those results; (ii) adjusted accounting treatment of certain revenue and expenses detailed in the table below; and (iii) the exclusion of intercompany dividend and interest income and expenses. Accordingly, proportionate earnings may be considered as a proxy for the Group's operating earnings after each of DUET's regulated energy utilities have maintained the value of their regulated asset bases (RAB) in nominal terms. 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.

Time weighted-average beneficial ownership interest %	DBP ⁽¹⁾	United Energy	Multinet Gas	DDG
12 months ended 30 June 2014	80.7	66.0	100.0	100.0
Movement	0.4	-	-	-
12 months ended 30 June 2015	81.1	66.0	100.0	100.0

⁽¹⁾ DUET's equity interest and related rights to distributions are expected to reduce to 80% as the minority shareholder meets future equity calls.

Net regulatory depreciation ("NRD")⁽²⁾ is calculated as regulatory depreciation net of the CPI uplift on RAB. A long-term CPI of 2.7% has been used to calculate NRD, which is the 20-year average of the "All Groups CPI" for the weighted average of 8 capital cities, not seasonally adjusted (Source: ABS).

Stay-In-Business ("SIB") capex⁽²⁾ is any capex which cannot be funded by external debt facilities.

EBITDA is defined as earnings before interest, tax, depreciation and amortisation.

Key differences between the Full year Financial Report and proportionate earnings

Category	Description	Full 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
	Head Office project costs	Included (unless Capitalised)	Excluded
	Cost of sales	Included	Excluded
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 non-cash hedge costs	Included	Excluded
Depreciation and amortisation ⁽²⁾	Accounting or Regulatory depreciation and Accounting Amortisation	Accounting Depreciation and Amortisation	Net Regulatory Depreciation
Income Tax Expense	Income Tax expense and benefit	Included	Cash Basis

⁽²⁾ DUET will replace NRD with SIB capex in FY16 after completion of the proposed acquisition of Energy Developments Limited (which was announced by DUET on 20 July 2015).

Group Debt and Proportionate Gearing

External Debt Maturities (facility limits at 30 June 2015, \$m, 100% share)

Calendar Year	2015	2016	2017	2018	2019	2020	2021	2022
DBP	566	20	540	550	621	125	-	-
United Energy	-	329	817	525	382	120	-	-
Multinet Gas	230	95	300	280	-	230	-	171
DDG	-	10	-	-	-	-	-	-
Total	795	454	1,657	1,355	1,003	475	-	171

Proportionate Gearing

	As at 30 June 2015 \$m	As at 30 June 2014 \$m
Proportionate Net External Debt	4,251.0	4,163.1
Less: Head Office cash ⁽¹⁾	(334.4)	(225.5)
Add: DUET Group distribution payable	130.7	112.0
Adjusted Proportionate Net External Debt	4,047.3	4,049.6
Proportionate RAB	5,799.4	5,530.3
Proportionate Gearing (%) ⁽²⁾	69.8%	73.2%

⁽¹⁾ Includes Restricted Cash which is primarily cash held by DUET's Head Office under DUET's AFSL licence requirement.

⁽²⁾ On completion of DUET's proposed acquisition of Energy Developments Limited, Group gearing will be reported on a statutory consolidated net debt to net debt plus equity basis.

Proportionate Net External Debt

This is the aggregation of DUET's period-end beneficial ownership interest in the net external debt of each utility.

As at 30 June 2015	DBP	United Energy	Multinet Gas	DDG	Total
\$m					
External debt	1,947.4	1,365.9	965.8	8.5	4,287.6
Less: Cash ⁽¹⁾	(14.2)	(4.0)	(11.9)	(6.7)	(36.7)
Proportionate Net External Debt	1,933.2	1,361.9	954.0	1.8	4,251.0

⁽¹⁾ UED's 30 June 2015 cash balance includes UE & Multinet Pty Limited's (UEM) proportionate cash balance of \$0.6m (2014: \$0.7m).

Period-end beneficial ownership interest %

	DBP ⁽¹⁾	United Energy	Multinet Gas	DDG
As at 30 Jun 14	80.5	66.0	100.0	100.0
Movement	0.9	-	-	-
As at 30 Jun 15	81.4	66.0	100.0	100.0

⁽¹⁾ DUET's equity interest and related rights to distributions are expected to reduce to 80% as the minority shareholder meets future equity calls.

Proportionate RAB

This is the aggregation of DUET's beneficial ownership interest in the Regulated Asset Base (RAB) of each energy utility. Non-current assets are used as a proxy for RAB for DDG. The RAB is based on management's calculations for intra-regulatory period.

As at 30 Jun 15	DBP	United Energy	Multinet Gas	DDG	Total
\$m					
Proportionate RAB	2,943.4	1,488.5	1,141.2	226.2	5,799.4

Appendix 1: Consolidated Cash Flow Statement

This consolidated cash flow statement has been extracted from DUET's full 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 ("the 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, United Energy, Multinet Gas and DDG.

	DUET Group 1 Jul 14 - 30 Jun 15 \$'000	DUET Group 1 Jul 13 - 30 Jun 14 \$'000
Receipts from customers (including GST)	1,337,834	1,483,442
Payments to suppliers and employees (including GST)	(574,528)	(639,234)
Payments relating to Head Office projects	(3,249)	(7,089)
Income tax (paid)/received	(1,777)	(501)
Other interest received	11,055	13,041
Indirect tax net (paid) /received	(14,628)	(18,401)
Net cash flows from operating activities	754,707	831,258
Payments for purchase of property, plant and equipment	(465,864)	(333,879)
Payments for purchase of intangibles	(35,171)	(44,809)
Proceeds from/(payments for) term deposits (> 90 days)	28,480	(85,000)
Proceeds from sale of non-current assets	1,811	3,824
Net cash flows (used in)/from investing activities	(470,744)	(459,864)
Proceeds from issue of stapled securities, net of costs	409,562	238,733
Proceeds from securities issued to non-controlling interests	18,929	9,563
Proceeds from borrowings from external parties	1,355,718	1,433,561
Repayment of borrowings from external parties	(1,498,465)	(1,417,500)
Finance costs paid	(391,556)	(437,276)
Dividends paid to non-controlling interest	(38,276)	(37,505)
Distributions paid to DUET securityholders	(242,710)	(139,667)
Net cash flow from/(used in) financing activities	(386,798)	(350,091)
Net (decrease)/ increase in cash and cash equivalents held	(102,835)	21,303
Cash and cash equivalents at the beginning of the period	423,434	402,181
Effects of exchange rate changes on cash and cash equivalents	58	(50)
Cash and cash equivalents at the end of the period	320,657	423,434

Appendix 2: Reconciliation of Cash Flows

A reconciliation of the Statement of Cash Flows per the DUET Group full year Financial Report to Unconsolidated Cash Flows on page 4 of this MIR is as follows:

	DUET Group 1 Jul 14 - 30 Jun 15 \$'000	DUET Group 1 Jul 13 - 30 Jun 14 \$'000
Net cash flows from operating activities per full year Financial Report	754,707	831,258
<i>Less:</i>		
United Energy	(321,835)	(364,462)
Multinet Gas	(133,806)	(117,387)
DBP	(295,698)	(361,906)
DDG	(10,849)	839
UEM	129	62
Other	387	(50)
Head Office – other interest and director fees received	(7,339)	(8,714)
<i>Add:</i>		
Head Office project expenses paid	3,249	7,089
Income tax paid on internalisation project expenses	-	501
Net cash flows from operating activities per MIR	(11,055)	(12,770)
Net cash flows from investing activities per full year Financial Report (excluding term deposits)	(470,744)	(459,864)
<i>Add:</i>		
United Energy	167,701	317,742
Multinet Gas	68,657	47,305
DBP	33,452	23,191
DDG	145,414	71,626
<i>Less:</i>		
Payments for short term deposits	55,520	-
Head Office project expenses paid	(3,249)	(7,089)
Investments in energy utilities by DUET (inter-company elimination)	(249,000)	(108,235)
Net cash flows from investing activities per MIR	(252,249)	(115,324)
Net cash flows from financing activities per full year Financial Report	(386,798)	(350,091)
<i>Add:</i>		
United Energy	210,676	241,766
Multinet Gas	67,396	59,513
DBP	273,251	327,041
DDG	(48,701)	(164,933)
Bank interest received by Head Office	7,339	2,861
Related party transactions (inter-company elimination)	(9,830)	(132,495)
Net cash flows from financing activities per MIR	113,333	(16,338)

Appendix 3: Consolidated Income Statement

This consolidated income statement has been extracted from DUET's full 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.

As required by the Standards, this consolidated income statement includes:

- the consolidation of 100% of the statutory result of DBP, United Energy, Multinet Gas and DDG; and
- the change in the fair value (mark-to-market) of derivatives that reflects the movement in the termination value of those instruments during the period.

	DUET Group 1 Jul 14 - 30 Jun 15 \$'000	DUET Group 1 Jul 13 - 30 Jun 14 \$'000
Revenue	1,261,946	1,241,220
Other Income	7,369	10,196
Total Revenue and other income	1,269,315	1,251,416
Expenses relating to internalisation and group structure simplification	-	(1,622)
Operating expenses	(456,940)	(418,280)
Other expenses	(49,378)	(19,298)
Depreciation and amortisation expense	(276,509)	(265,546)
Finance costs	(421,556)	(445,017)
Total expenses	(1,204,383)	(1,149,763)
Profit/(loss) before income tax expense	64,932	101,653
Income tax benefit/(expense)	(19,004)	91,408
Profit/(loss) for the year	45,928	193,061
Profit/(loss) is attributable to:		
DUECo shareholders	(55,956)	61,039
DFT unitholders and DIHL/DFL shareholders as non-controlling interests	104,057	129,446
Stapled Securityholders	48,101	190,485
Other non-controlling interests	(2,173)	2,576
Profit/(loss) for the full year	45,928	193,061
Earnings attributable to security holders:		
Basic earnings per stapled security	3.39c	15.16c
Diluted earnings per stapled security	3.39c	15.16c

Appendix 4: Reconciliation of Proportionate EBITDA to Consolidated NPBT

A reconciliation of Proportionate EBITDA per page 16 of the MIR to profit before income tax expense per DUET's full year Financial Report is provided below:

	DBP	UE	MG	DDG	Head Office	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
DUET Group for the 12 months to 30 Jun 15						
Proportionate EBITDA	254,890	237,687	122,191	9,268	(13,451)	610,585
Additional EBITDA from controlled assets ⁽¹⁾	59,548	118,694				178,242
Net gain/(loss) on disposal of assets	76	(2,842)	(5,786)	-	-	(8,552)
Changes in fair value of derivatives and FX gains/(losses)	7,224	(28,143)	(194)	-	-	(21,113)
Head Office project expenses	-	-	-	-	(5,440)	(5,440)
Consolidated EBITDA						753,722
Controlled Assets						
Interest income	291	1,441	480	106		2,318
Depreciation and amortisation	(75,653)	(149,068)	(48,055)	(2,759)		(276,419)
Finance costs	(204,980)	(162,406)	(49,832)	(4,325)	(13)	(421,556)
Head Office						
Interest income					6,957	6,957
Depreciation & amortisation					(90)	(90)
Profit before income tax expense						64,932

⁽¹⁾To consolidate 100% of controlled EBITDA.

Appendix 5: Reconciliation of Debt

A reconciliation of the Interest Bearing Liabilities per the full year Financial Report to the Adjusted Proportionate Net External Debt in the calculation of proportionate gearing shown on page 18 of this MIR is provided as follows:

	DUET Group 30 Jun 15 \$'000
Interest Bearing Liabilities per full year Financial Report	5,730,787
<i>Add:</i>	
DBP – capitalised borrowing costs	15,985
United Energy – capitalised borrowing costs	8,735
Multinet Gas – capitalised borrowing costs	4,285
Head Office – distribution declared and payable	130,696
<i>Less:</i>	
United Energy – US\$ Debt / Fair Value Adjustment	(78,639)
Multinet Gas – US\$ Debt / Fair Value Adjustment	(25,212)
Cash on hand (including term deposits)	(376,176)
DBP – finance lease liability	(19,095)
United Energy – minority share of RPS not eliminated on consolidation	(201,180)
DUET Group Net External Debt	5,190,186
<i>Less:</i>	
DBP – minority share of Net External Debt	(441,090)
United Energy – minority share of Net External Debt	(701,823)
Adjusted Proportionate Net External Debt per MIR	4,047,273