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ASX RELEASE

DBP CREDIT RATING UPDATE BY S&P

DUET Group (DUET) notes the attached announcement by S&P affirming DBP's BBB-investment grade credit rating and revising the outlook from stable to negative.

DUET is pleased that DBP's credit rating has been affirmed in response to the successful shipper recontracting announced yesterday.

In terms of the outlook revision, it should be noted that DUET has a strong track record of working with each of its businesses to restore their stable credit rating outlooks. Accordingly, DBP is expected to continue to tightly manage its costs and actively develop new revenue streams to improve the operating cash flow that underpins its credit rating.

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Research

DBNGP Outlook Revised To Negative On Announcement of Shipper Recontracting; 'BBB-' Ratings Affirmed

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SYDNEY (Standard & Poor's) Aug. 8, 2014--Standard & Poor's Ratings Services said today that it has revised its outlook on the 'BBB-' issuer credit ratings on DBNGP Trust (DBP), the owner of the Dampier-to-Bunbury natural gas pipeline, and the ratings on DNP's finance arm, DBNGP Finance Co. Pty Ltd. (DBNGP FinCo), to negative, from stable. At the same time we affirmed our 'BBB-' issuer credit rating and all debt issue credit ratings on both entities.

"The negative outlook reflects the downward pressure on DBP's leverage metrics that will stem from the new shipping contracts, details of which were announced by DUET Group on Aug. 7, 2014," said credit analyst Minh Hoang.

"Although we expect the financial profile to be supported by lower interest costs, such benefit is likely to be offset by the lower tariffs agreed to in the new shipping contracts; we forecast that over time, lower tariffs will pressure financial metrics. Accordingly, we believe DBP's financial profile may not remain commensurate with the 'BBB-' rating without shareholder support."

The affirmation of the 'BBB-' ratings reflects our view of DBP's "strategically important" status to the DUET Group, which has a demonstrated track-record of supporting the assets in its portfolio, including DBP. This track record of support means we believe that DUET will take appropriate steps to ensure DBP maintains the financial metrics we expect for the rating. That said, there remains a heightened risk of a downward transition in

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creditworthiness in the absence of clarity as to how the shareholders will provide the expected financial support, and when this would take effect.

The negative outlook reflects the near-term pressure on DBP's credit metrics caused primarily by recontracting at lower tariffs with a reduction in contracted capacity. It also reflects our view that while the shareholders will take steps to support DBP's financial profile, the timing and mechanism of such support remains unclear.

"The rating could be lowered by one notch within the next 6-12 months if we lose confidence that DBP's shareholders will take action to restore the company's financial metrics to a level consistent with the current rating," said Mr. Hoang. "The outlook could be revised to stable upon firm action or a credible near-term plan to restore DBP's credit metrics to a level commensurate with the BBB-rating, which we consider to be FFO to debt greater than 5%."

RELATED CRITERIA AND RESEARCH

Related Criteria

- Methodology And Assumptions: Liquidity Descriptors For Global Corporate Issuers, Jan. 2, 2014
- Corporate Methodology, Nov. 19, 2013
- Corporate Methodology: Ratios and Adjustments, Nov. 19, 2013
- 2008 Corporate Criteria: Rating Each Issue, April 15, 2008
- Methodology: Industry Risk, Nov. 19, 2013
- Country Risk Assessment Methodology And Assumptions, Nov. 19, 2013
- Methodology: Management And Governance Credit Factors For Corporate Entities And Insurers, Nov. 13, 2012
- Key Credit Factors For The Regulated Utilities Industry, Nov. 19, 2013
- General Criteria: Group Rating Methodology, Nov. 19, 2013
- Stand-Alone Credit Profiles: One Component Of A Rating, Oct. 1, 2010

Complete ratings information is available to subscribers of RatingsDirect at www.globalcreditportal.com and at www.spcapitaliq.com. All ratings affected by this rating action can be found on Standard & Poor's public Web site at www.standardandpoors.com. Use the Ratings search box located in the left column.

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