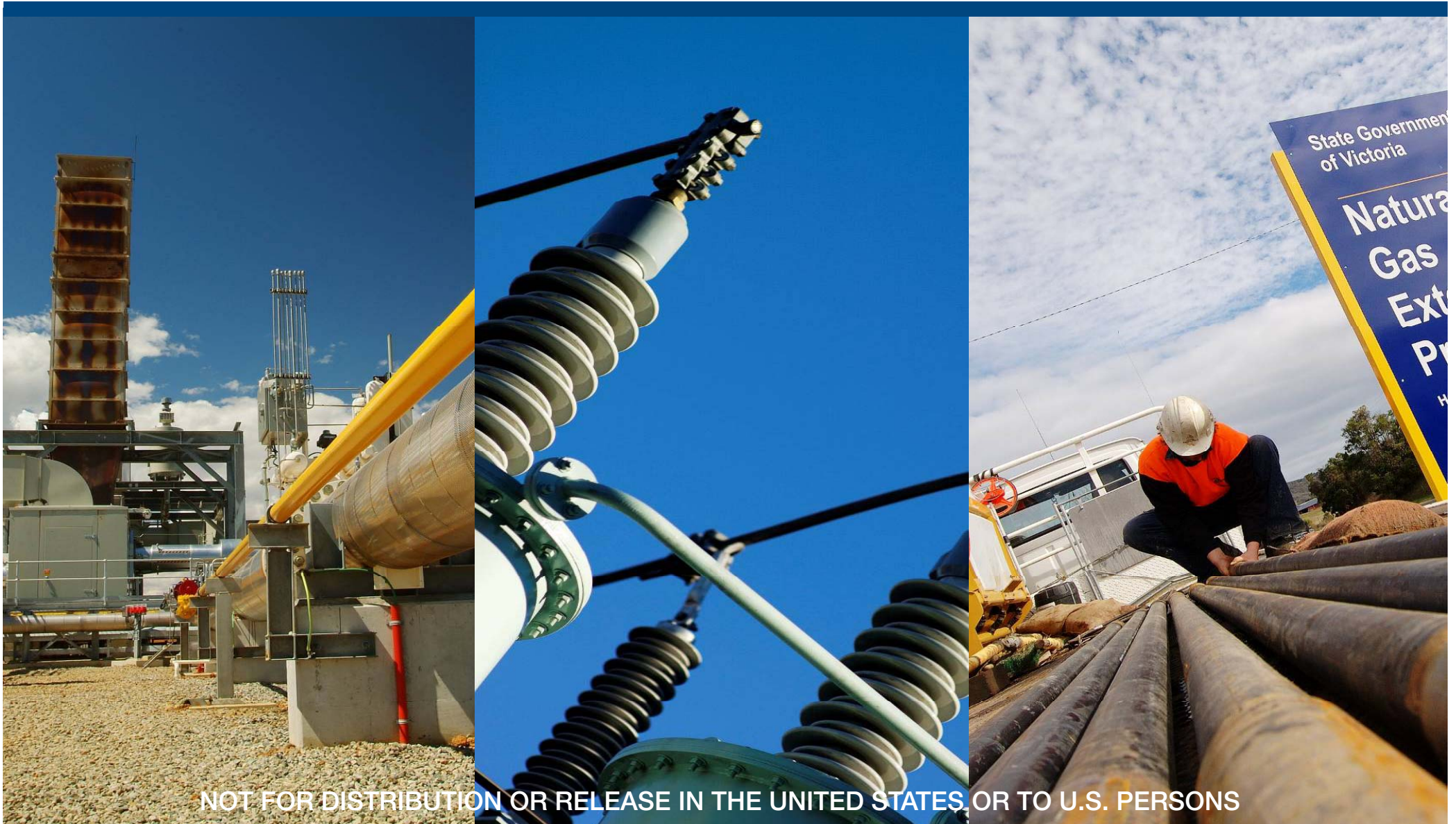


# DUET Group

## A Stronger and Simpler Investment Proposition



NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES, OR TO U.S. PERSONS

# Important Notice and Disclaimer

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## General securities warning

### Important information

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### Presentation of general background

This document contains general background information about DUET's activities current at 4 August 2011. It is information in a summary form and does not purport to be complete. It should be read in conjunction with DUET's other periodic and continuous disclosure reports and announcements, including the DUET Annual Report lodged with the Australian Securities Exchange (ASX) on 13 September 2010, the DUET Interim Financial Report lodged with ASX on 18 February 2011 and announcements to the ASX available at [www.asx.com.au](http://www.asx.com.au).

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This presentation contains certain "forward-looking statements". The words "anticipate", "believe", "expect", "project", "forecast", "estimate", "likely", "intend", "should", "could", "may", "target", "plan" and other similar expressions, including statements regarding the effects of the AET&D/ATCO Transaction, are intended to identify forward-looking statements. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements. Key assumptions in respect of forward-looking financial information are included as footnotes on the pages where that information is included. Due care and attention have been used in the preparation of the forecast information. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of DUET, that may cause the assumptions to be incorrect and actual results to differ materially from those expressed or implied in such statements. There can be no assurance that actual outcomes will not differ materially from these statements. Past performance is not a reliable indication of future performance. Recipients should also have regard to the risks set out in this presentation. In particular, these risks may impact the financial information assumptions.

## Financial data

All dollar values are in Australian dollars (A\$) unless otherwise stated. Investors should note that this presentation contains pro forma financial information. In preparing the pro forma financial information, certain adjustments were made to the historical financial information of DUET that it considered appropriate to reflect the AET&D/ATCO Transaction. The pro forma financial information does not purport to be in compliance with Article 11 of Regulation S-X of the rules and regulations of the U.S. Securities and Exchange Commission. Investors should also be aware that certain financial data included in this presentation are "non-GAAP financial measures" under Regulation G of the U.S. Securities Exchange Act of 1934. These non-GAAP financial measures may not have a standardized meaning prescribed by Australian Accounting Standards and therefore may not be comparable to similarly titled measures presented by other entities, and should not be construed as an alternative to other financial measures determined in accordance with Australian Accounting Standards. Although DUET believes these non-GAAP financial measures provide useful information to users in measuring the financial performance and condition of the business, investors are cautioned not to place undue reliance on any non-GAAP financial measures and ratios included in this presentation.



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## DUET strengthened and simplified

### AET&D/ATCO Transaction (“Transaction”)

Completed on 29 July 2011

- Acquired a further 20% of DBP for \$168m
- Acquired a further 20.1% of Multinet for \$30m
- Sold DUET’s 25.9% interest in WAGN for \$75.5m
- Sold WAGN SOLA for \$80m

### Equity Raising (“Offer”)

Announced on 4 August 2011

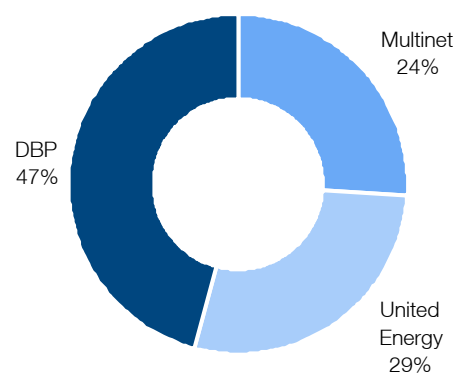
- Fully underwritten 1 for 5 entitlement offer at \$1.52 per New Security to raise \$277m to:
  - Acquire additional stakes in DBP and Multinet
  - Repay corporate debt balance<sup>1</sup>
  - Reduce the gearing of DBP and the Group

### DUET: A stronger and simpler investment proposition

- Consolidated asset portfolio
- Strengthened and simplified capital structure
- Distribution guidance expected to be fully covered by operating cash flows

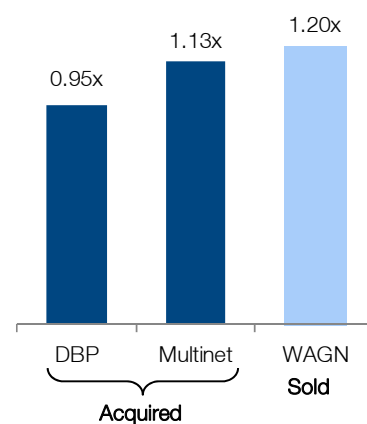
## DUET strengthened and simplified

**Portfolio Consolidated**  
(% FY2011 Prop. EBITDA<sup>1</sup>)



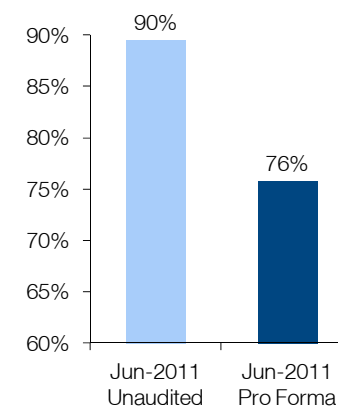
- No minority interests
- Higher Group EBITDA margin

**Disciplined Transaction**  
(EV / RAB multiples)



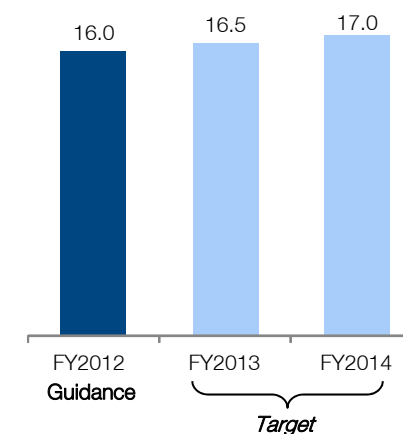
- DBP acquired at a discount to RAB
- WAGN sold at a premium to RAB

**Lower Gearing**  
(Prop. Net Debt / RAB<sup>3</sup>)



- Corporate debt to be repaid
- SOLA to be eliminated
- DBP gearing to be reduced
- Group Gearing to be reduced

**Growing Distributions<sup>2</sup>**  
(cpss)



- FY2012 guidance expected to be fully covered by forecast operating cash flows
- 3% p.a. medium term growth target

Notes: (1) Based on FY2011 Proportionate EBITDA, unaudited and pro forma for the Transaction and the settlement of the Duquesne sale  
 (2) Refer to Appendix A (Distribution Guidance and Growth Target Key Assumptions) and the 'Risks' section  
 (3) Jun-2011 Pro Forma refers to Jun-2011 unaudited Group Gearing pro forma for the Transaction, the Offer, Capital Initiatives and the settlement of the Duquesne sale

## DBP acquired at a discount to RAB; WAGN sold at a premium

Assets Acquired	Price	EV / EBITDA <sup>1,2</sup>	EV / RAB <sup>1,3</sup>
DBP <sup>4</sup> (20.0%)	\$168m	9.6x	0.95x
Multinet <sup>4</sup> (20.1%)	\$30m	7.7x	1.13x

Asset Sold	Price	EV / EBITDA <sup>1,2</sup>	EV / RAB <sup>1,3</sup>
WAGN <sup>5</sup> (25.9%)	\$75.5m	12.3x	1.20x

Notes: (1) EV based on implied 100% equity value plus 100% of net debt (including SOLA) as at 30 June 2011, unaudited

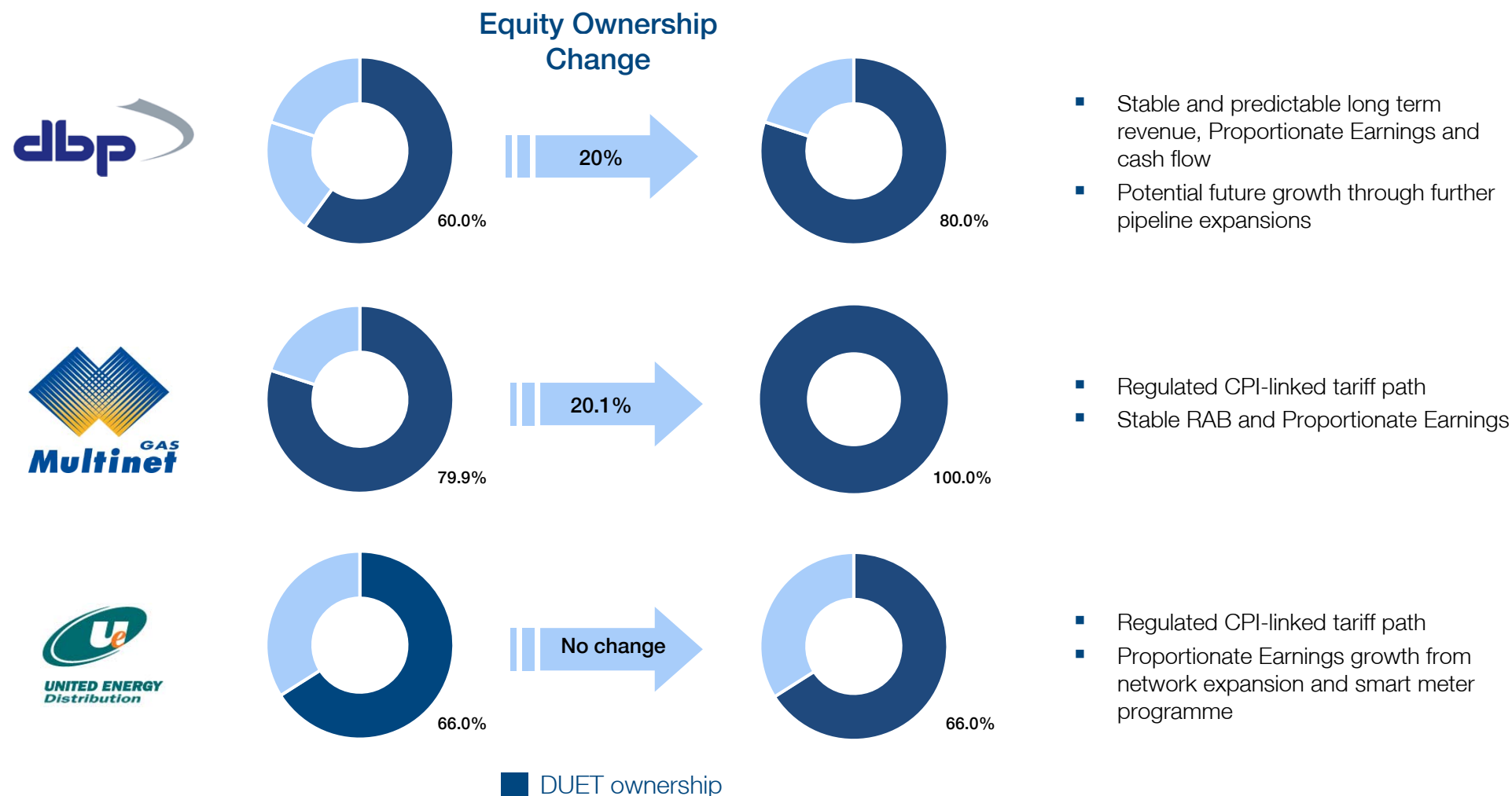
(2) Based on unaudited Asset Company EBITDA for the 12 months to 30 June 2011

(3) Based on Asset Company management estimates of the RAB values as at 30 June 2011

(4) Acquired by DIHL

(5) DUET 1 and DUET 2 have each sold their equity stakes in WAGN

## Portfolio of three majority-owned<sup>1</sup> Australian energy utility assets

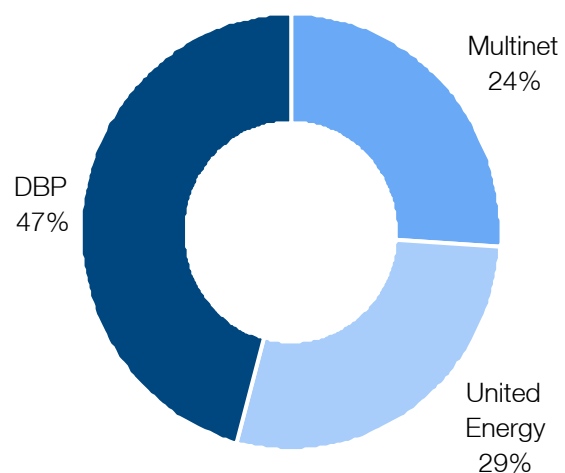


Notes: (1) DUET entities in aggregate hold the majority interests in DBP, Multinet and United Energy

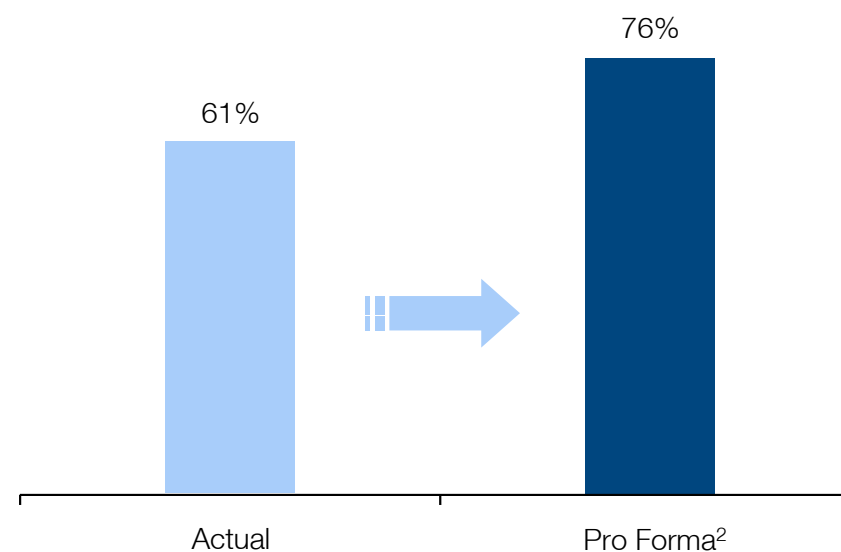


## Higher Group EBITDA margin from the new portfolio mix

FY2011 Proportionate EBITDA<sup>1,2</sup>



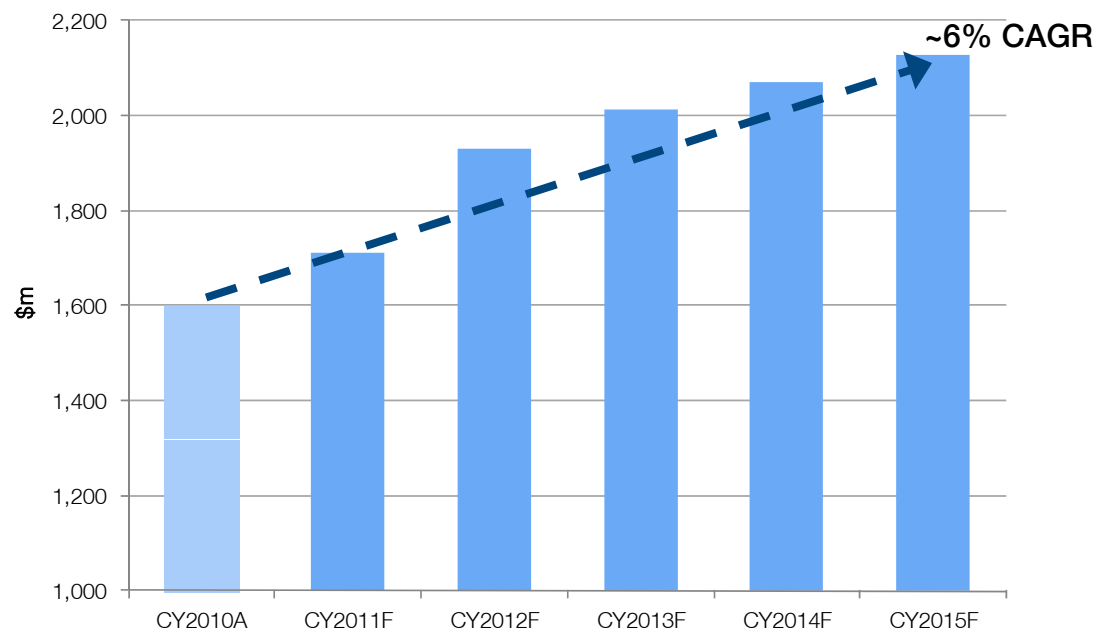
Proportionate Group FY2011 EBITDA<sup>1</sup> Margin



Note: (1) Based on FY2011 Proportionate EBITDA, unaudited  
 (2) Pro forma post Transaction and settlement of the Duquesne sale

## RAB expansion driven by United Energy's regulatory growth mandate

United Energy Total RAB<sup>1</sup> \*  
(Calendar Year End 2010 – 2015, Nominal \$m)

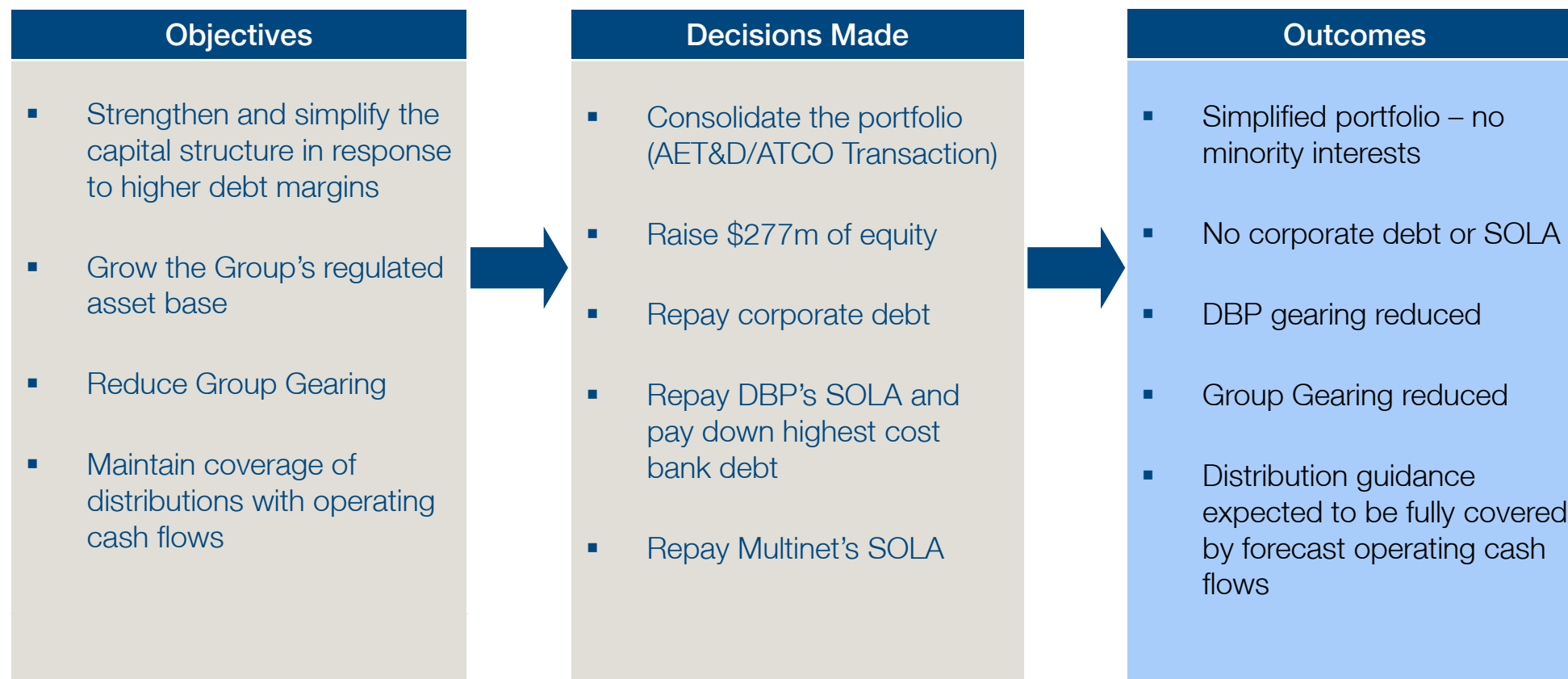


- DUET's annual DRP receipts and United Energy's retained earnings are currently expected to be applied to fund this growth
- Funding of this growth and the actual capital expenditure may differ from the regulatory assumptions

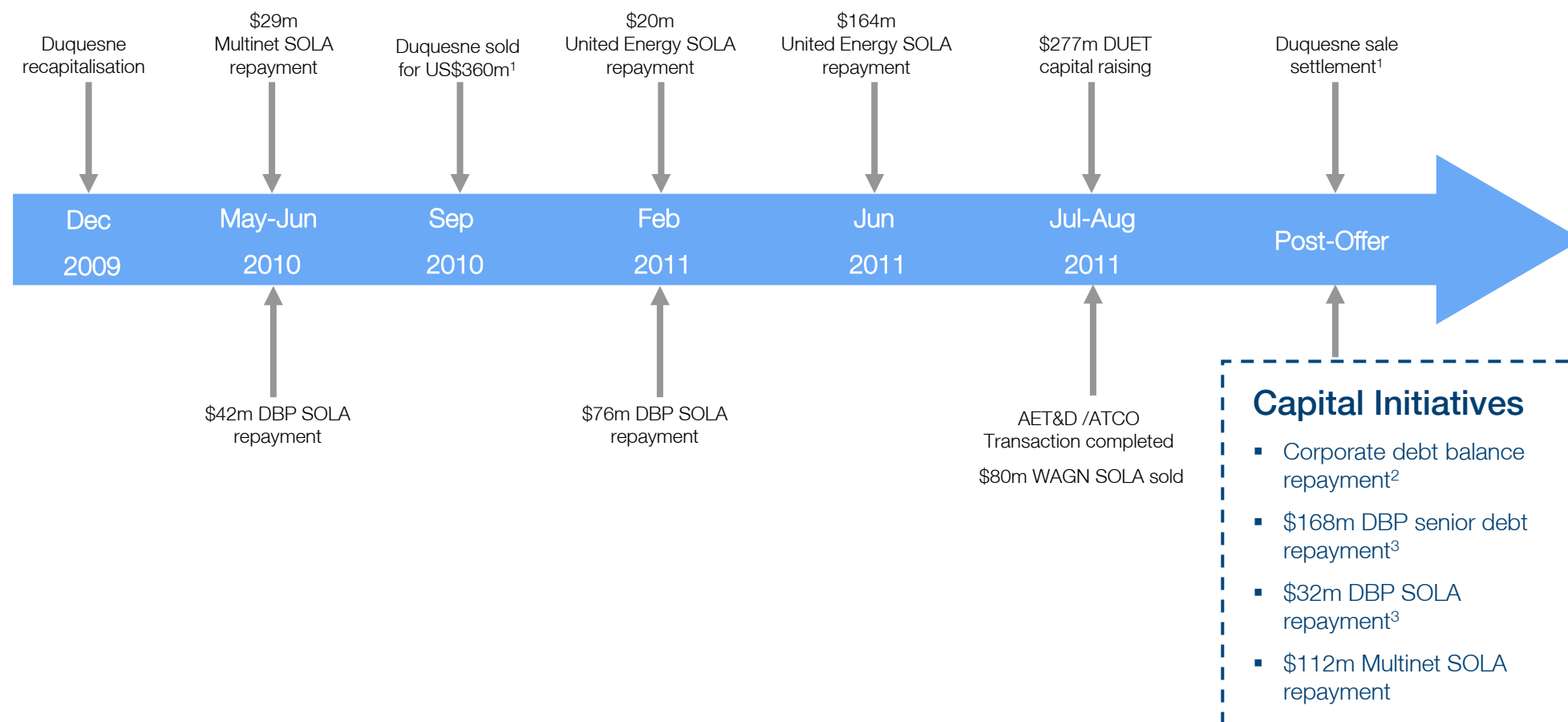
Notes: (1) Total RAB comprises the closing balance of network RAB and smart meter RAB for each period. Forecast network RAB balances are per the United Energy 2011-2015 EDPR Final Decision (October 2010) which assumes 2.57% annual CPI. Forecast smart meter RAB balances are per the United Energy Advanced Metering Infrastructure (AMI) Pricing Application 2012-15 which assumes 2.56% annual CPI

**\* Important Note:** Forward-looking statements by their very nature are subject to uncertainties and contingencies, many of which are outside the control of DUET

## Capital review completed

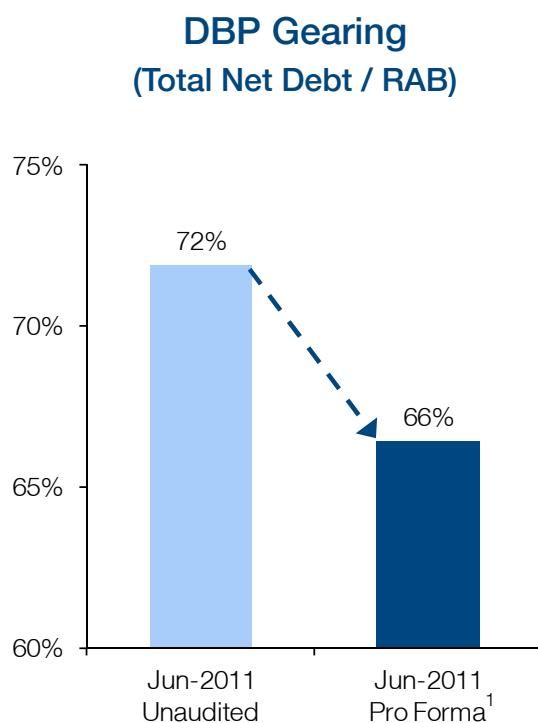


## Capital Initiatives to further strengthen and simplify DUET

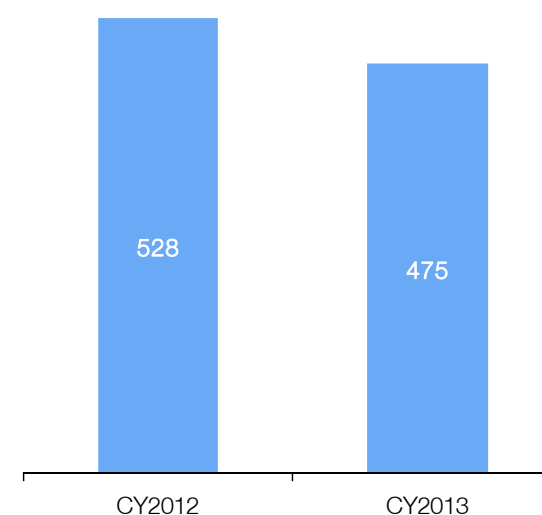


Notes (1) US\$355m net hedged sale proceeds using deal-contingent forward FX contract rate of AUD/USD 1.02945. Sale settlement expected in September 2011  
 (2) DUET's corporate revolver to be repaid to zero with the proceeds of the Offer. Duquesne sale proceeds to be applied to repay DUET's \$345m corporate bridge debt facility  
 (3) Funded from an investment of \$160m from DUET upfront and \$40m from Alcoa over three years. The total \$200m investment is subject to receiving all necessary Alcoa approvals

## DBP strengthened ahead of the next round of refinancings



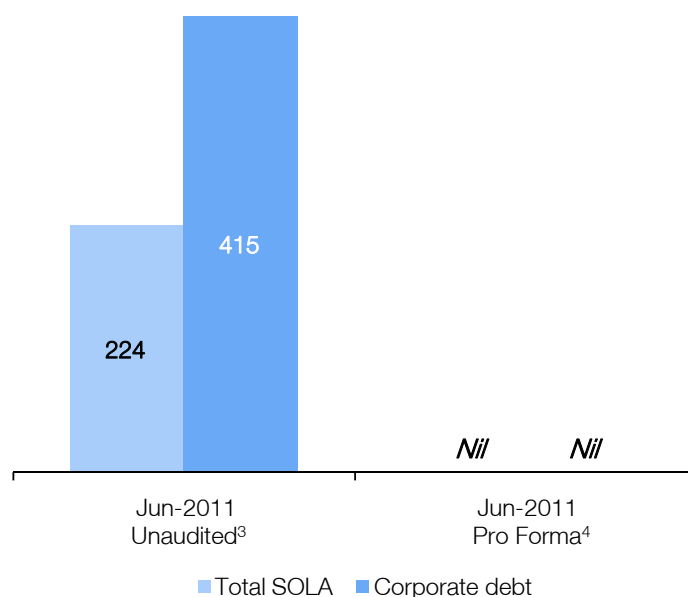
**DBP Term Debt Maturities to CY2013**  
(Total Facility Limits, \$m)



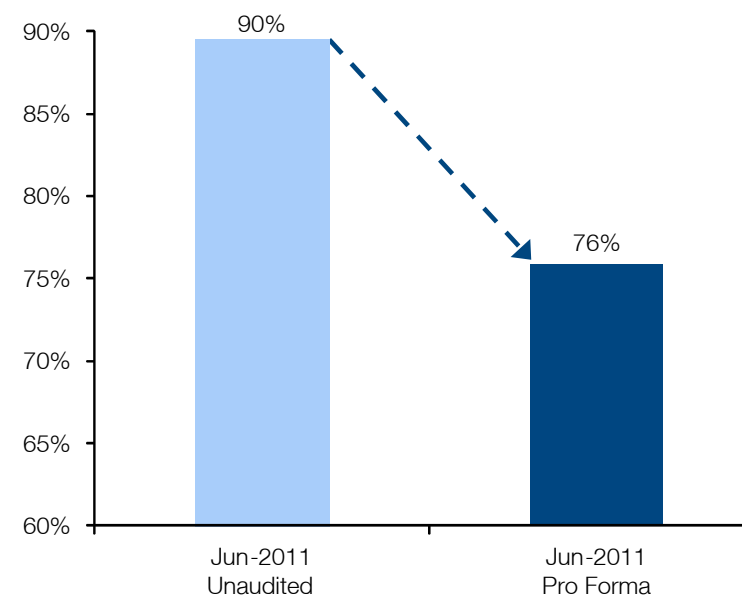
Notes: (1) Jun-2011 pro forma gearing based on 30 June 2011 unaudited gearing adjusted for the full \$200m investment, which is expected to be applied by DBP to repay \$32m of SOLA and \$168m of bank debt with the highest interest rate margin (maturing in CY2014). Note that the total \$200m investment (from DUET's upfront contribution of \$160m and Alcoa's \$40m contribution over 3 years) is subject to receiving all necessary Alcoa approvals

## SOLA eliminated, corporate debt repaid and Group Gearing reduced

**SOLA and Corporate Debt<sup>1</sup>**  
(\$m)



**Group Gearing<sup>1,2</sup>**  
(Proportionate Total Net Debt / RAB)



- Notes (1) Based on unaudited balances as at 30 June 2011. Jun-2011 Pro Forma refers to Jun-2011 unaudited Group Gearing pro forma for the Transaction, Offer, Capital Initiatives and settlement of the sale of Duquesne
- (2) Refer to page 28 for detailed calculations
- (3) As at 30 June 2011, SOLA comprised DBP (\$32m), Multinet (\$112m) and WAGN (\$80m)
- (4) Repayment of Multinet SOLA expected to be made from the proceeds of a hybrid instrument (to be issued to one or more of the DUET entities) subject to confirmation of the hybrid terms by Multinet's credit rating agencies



## Distribution Guidance and Growth Target

Objectives	<ul style="list-style-type: none"> <li>▪ Provide predictable and growing distributions to security holders</li> <li>▪ Grow United Energy's RAB</li> <li>▪ Reduce Group Gearing</li> </ul>
Distribution Guidance	<ul style="list-style-type: none"> <li>▪ 16 cents per Stapled Security for FY2012<sup>1</sup></li> <li>▪ Expected to be fully covered by forecast operating cash flows<sup>1</sup></li> </ul>
Distribution Growth Target	<ul style="list-style-type: none"> <li>▪ 3% p.a. medium term distribution growth target<sup>1</sup></li> </ul>
Distribution Reinvestment Plan (DRP)	<ul style="list-style-type: none"> <li>▪ DRP for FY2011 final distribution payment suspended</li> <li>▪ DRP expected to be reactivated for FY2012 distributions</li> </ul>

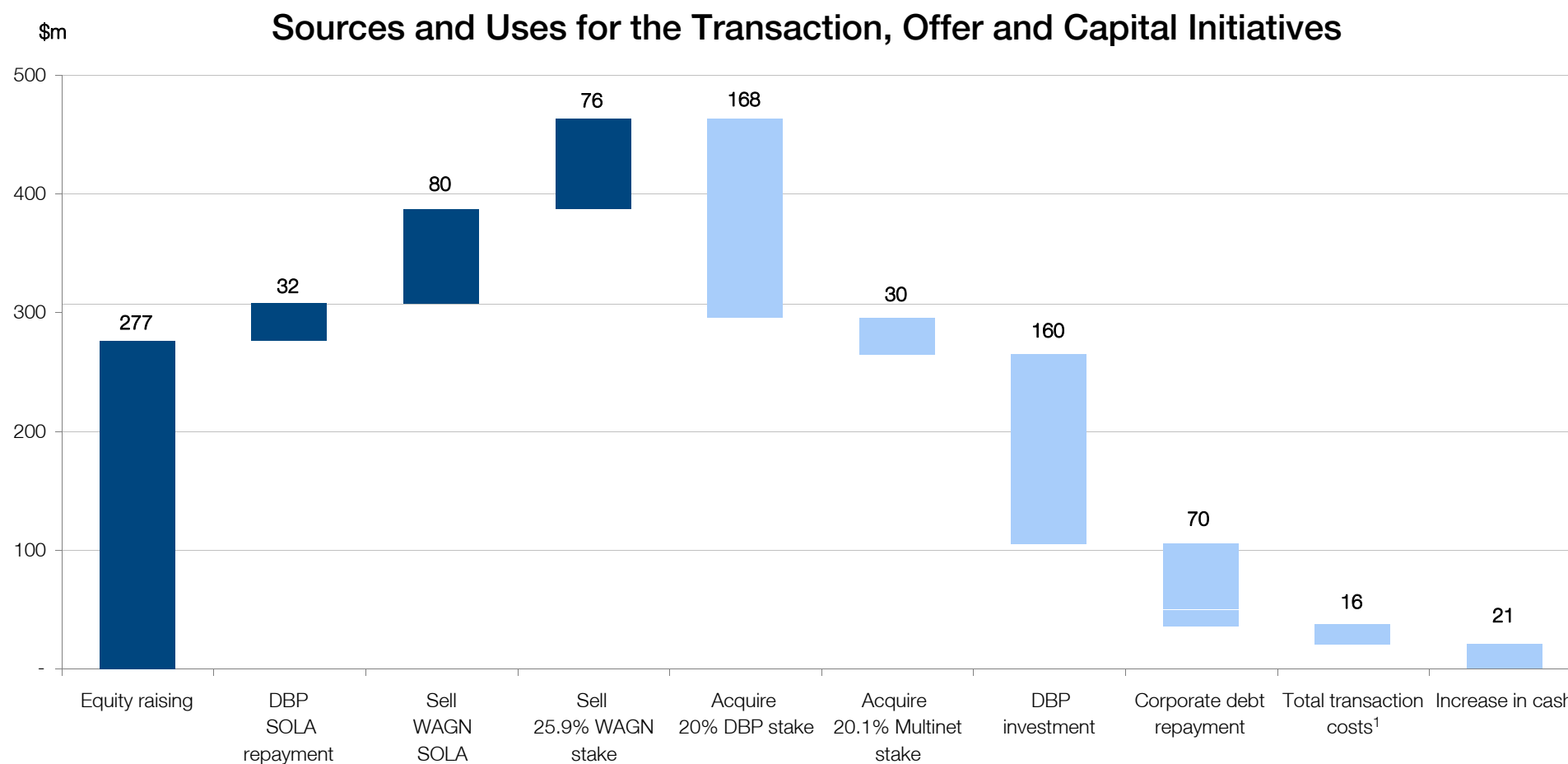
Notes: (1) Refer to Appendix A (Distribution Guidance and Growth Target Key Assumptions) and the 'Risks' section

**Important Note:** Forward-looking statements by their very nature are subject to uncertainties and contingencies, many of which are outside the control of DUET

## The Offer

Offer Structure and Size	<ul style="list-style-type: none"> <li>Fully underwritten 1 for 5 non-renounceable pro rata entitlement offer to raise \$277m</li> <li>Institutional Entitlement Offer is accelerated</li> <li>DRP for FY2011 final distribution suspended, providing DRP participants with additional funds to take up their entitlement</li> </ul>
Offer Price	<ul style="list-style-type: none"> <li>\$1.52 per New Security</li> <li>5.0% discount to DUET's closing price on 3 August</li> <li>4.2% discount to the theoretical ex-rights price (TERP)</li> </ul>
Institutional Entitlement Offer	<ul style="list-style-type: none"> <li>Institutional Entitlement Offer 4 August to 5 August</li> </ul>
Retail Entitlement Offer	<ul style="list-style-type: none"> <li>Retail Entitlement Offer 9 August to 25 August</li> </ul>
Ranking of New Securities	<ul style="list-style-type: none"> <li>All New Securities issued will rank equally with existing Stapled Securities on issue</li> <li>New Securities will not be entitled to DUET's FY2011 final distribution payment</li> </ul>

## Sources and Uses



Note: (1) Total transaction costs are estimated to comprise \$9.6m for the Offer and \$6.1m for the Transaction and Capital Initiatives

## Offer Timetable

Event	Date
Announcement of the Offer	Thursday, 4 August
Lodge Investor Presentation	Thursday, 4 August
Trading halt	Thursday, 4 August to Friday, 5 August
Institutional Entitlement Offer	Thursday, 4 August to Friday, 5 August
Stapled Securities recommence trading on ASX	Monday, 8 August
Retail Entitlement Offer	Tuesday, 9 August to Thursday, 25 August
<b>Record Date for Entitlement Offer</b>	<b>7.00pm, Tuesday, 9 August</b>
Offer Booklet despatched	Thursday, 11 August
Early Retail Acceptance Date	Tuesday, 16 August
Settlement of Institutional Entitlement Offer and Retail Entitlement Offer for applications received by Early Retail Acceptance Date	Monday, 22 August
Initial allotment and normal trading of New Securities (Institutional Entitlement Offer and Retail Entitlement Offer for applications received by Early Retail Acceptance Date)	Tuesday, 23 August
<b>Retail Entitlement Offer closes</b>	<b>5.00pm, Thursday, 25 August</b>
Settlement of remaining New Securities, including Additional New Securities	Wednesday, 31 August
Final allotment of remaining New Securities, including Additional New Securities	Thursday, 1 September
Despatch of holding statements and normal trading of remaining New Securities, including Additional New Securities	Friday, 2 September

The above timetable is indicative only and subject to change. All times are references to AEST. DUET reserves the right to vary these dates or to withdraw the Offer at any time

# Risks

This section discusses some of the key risks associated with an investment in DUET. Before investing in New Securities, you should consider whether the investment is suitable for you. Potential Investors should consider publicly available information on DUET (such as that available on the websites of DUET and the ASX), carefully consider their personal circumstances and decide if they should consult with their stockbroker, solicitor, accountant or other professional adviser before making an investment decision.

## Introduction

DUET's financial performance, distributions and the market price of Stapled Securities may be adversely affected, sometimes materially, by a number of risk factors. These risks include, but are not limited to, the risks set out in this section. The main risks facing DUET have been divided into key risks and other risks although some are interdependent and may occur concurrently. The division of risks was based on the knowledge of the DUET directors as at the date of this Investor Presentation and there is no guarantee or assurance that the relative importance of the stated risks will not change.

## 1 KEY RISKS

### 1.1 Regulatory risk

DUET's Asset Companies are subject to substantial economic regulation. If it receives unfavourable regulatory treatment, its business could be adversely affected.

The regulated revenue allowance for each Asset Company is determined by Regulators. These revenue allowances are set to reflect the efficient costs of service delivery and a return of and return on the capital invested in each company. If the revenue allowances do not reflect actual operating costs, capital expenditure or the cost of capital, this may affect an Asset Company's ability to pay interest and distributions to DUET, which in turn could affect DUET's ability to pay distributions to its Stapled Security Holders. DBP's prices are negotiated separately with shippers (see Counterparty Risk in section 2.3).

Regulatory determinations affecting Asset Companies over the next 36 months include the following:

- The outcome of United Energy's appeal of its Electricity Distribution Price Review by the Australian Energy Regulator ("AER"), which sets the electricity distribution revenue allowance for 2011-2015;
- United Energy's Advanced Metering Infrastructure (AMI) final decision by the AER – expected in October 2011 – which will set tariffs for United Energy to recover the actual costs of rolling out smart meters for 2012-2015;
- Annual AMI tariff approval setting AMI tariffs to equal actual prudent costs; and
- Multinet's next Gas Access Arrangement Review by the AER – expected in 2012 – which will set Multinet's revenue allowance for 2013-2017.

The Australian Energy Regulator has recently indicated that it may seek a number of regulatory rule changes, including changes to the process for appeal and review of its decisions by distributors. This could lead to lower returns and lower operating and capital expenditure allowances for Multinet and United Energy.

### 1.2 Health and safety claims

Occupational health and safety is a key risk area in the operation and maintenance of an energy transmission and distribution network. There are risks associated with such activities, such as operational hazards caused by circumstances beyond the control of DUET's Asset Companies, as well as the inherently dangerous nature of maintenance and construction work involving electrical and gas transmission and distribution facilities.

The Asset Companies' networks also give rise to the risk of claims by customers or the community as a result of the dangers associated with downed powerlines, broken gas mains, oil spills, and other events caused by the construction, operation and maintenance of the transmission and distribution network.

### 1.3 Smart meter project risk

The capital expenditure required to complete the roll-out of smart meters in United Energy's service territory could exceed the original budget of \$345 million. If United Energy fails to meet the roll-out timetable set by the Victorian Government, the regulatory revenue allowance for the project could be reviewed. The Victorian Government might seek to amend the regulatory parameters, change the roll-out timetable or terminate the project based on its current review of the project. In this event, United Energy would explore its rights to compensation for any adverse financial impact.

# Risks

## 1.4 Alcoa approval for DBP investment

Equity contributions to DBP require a supermajority approval of the DBP board and the unanimous approval of DBP unit holders, including Alcoa. Although DUET expects to receive Alcoa's approval of the \$200m investment into DBP (of which DUET would contribute \$160 million upfront and Alcoa \$40m over three years) in late September 2011, Alcoa could delay or withhold its approval. In this event, DUET would negotiate with Alcoa to contribute \$160 million to DBP on preferred terms. Failing this, DUET would consider applying the funds to reduce debt or fund other investments in either or both of United Energy or Multinet.

## 1.5 Increase in operating and capital expenditure

Unforeseen operating or capital expenditures could reduce the cash flow available to DUET from the Asset Companies.

Multinet has entered into a multi-year fixed-price operating and maintenance service (expiring in July 2013). United Energy is bringing some previously-outsourced functions inhouse from 1 July 2011, and recently entered into new multi year contracts for the provision of field services (expiring in 2016) and IT and network control (expiring at the end of 2013). The field services contract involves a pass-through of audited costs with incentives and penalties for meeting or exceeding the agreed budgets. DBP has entered into a multi-year fixed-price IT service agreement expiring in 2014. On expiry of these agreements, operating costs could increase following the re-tender, renewal or in-sourcing of the relevant services, and there may be increased cost and risk during any transition to a new service provider, contract structure or operating structure.

DUET is represented on the boards of each Asset Company, and will oversee the re-tender or renewal of the service agreements and the management and control of inhouse costs.

## 2 OTHER RISKS

### 2.1 Senior debt distribution lock-up

The Asset Companies' senior debt facilities provide for certain circumstances in which Asset Companies could be prevented from paying distributions and interest to DUET, such as when cash flows are not sufficient to comply with the respective interest coverage ratio ("ICR") covenant. This could in turn prevent DUET from receiving cash flows sufficient to comply with the ICR covenant under the DUET senior debt facility, resulting in a distribution lock-up and preventing DUET from paying distributions to Stapled Security Holders.

### 2.2 Risk of co-ownership

DUET's investments in DBP and United Energy have co-owners. This imposes restrictions which would not apply if DUET owned these Asset Companies outright. For example, DUET's co-owners may have pre-emptive and default rights to acquire DUET's securities in the Asset Companies in certain circumstances, including an unauthorised change in ownership of RE1 or RE2.

### 2.3 Counterparty credit risk

DUET and its Asset Companies are exposed to credit-related losses if counterparties to contracts (including counterparties to derivative instruments which DUET and its Asset Companies use to manage financial and commodity price risks) fail to perform. This could occur if a gas shipper, retailer, co-investor or operating partner were to become insolvent or not meet its financial obligations to DUET and/or the Asset Companies.

DBP relies on gas to power its compressor stations ("system use gas", or "SUG"). DBP sources the majority of its SUG from Alinta Sales. If Alinta Sales (or its parent entity) becomes insolvent, DBP's SUG supply could be restricted or terminated. In this event, DBP would seek alternative sources of SUG or agree with its customers to take SUG out of their own gas supplies. If the only alternative sources of SUG available were at higher prices, DBP could not pass such costs on to its shippers.

### 2.4 Variations in volume

The Asset Companies are the exclusive suppliers of gas or electricity distribution or transmission services in their service areas. Volumes carried on the networks may vary due to weather conditions, changes in industrial use, seasonality, general economic conditions, use of competing sources of energy and other factors. Reductions in volume generally reduce revenue.

A high proportion of DBP's revenue is not affected by volume, and United Energy and Multinet are compensated for the effect of any projected volume reduction at each regulatory reset date.



# Risks

## 2.5 Climate change and carbon pricing mechanism

Changes in weather patterns as a result of global warming (such as an increase in the frequency and severity of storms) could have an adverse effect on DUET's Asset Companies, increasing both capital and operating costs. Carbon pricing could impose additional costs on the Asset Companies. On the basis of the information currently available regarding the Government's proposed carbon pricing mechanism:

- United Energy (as an electricity distributor) would expect to be exempt;
- United Energy and Multinet would expect to recover increased costs through their regulated revenue allowance and variations to access arrangements; and
- DBP intends to recover the increased costs under its shipper contracts and, when DBP's tariff reverts to a regulated tariff, through the regulated revenue allowance. If the final form of the legislation differs from management's current expectations, there is a risk that DBP may not fully recover the increased costs until it reverts to a regulated tariff regime.

## 2.6 Risk of a credit ratings downgrade

An adverse change in the actual or projected financial performance of an Asset Company, DUET or any other shareholders in an Asset Company may result in a credit ratings downgrade at the affected Asset Company or DUET. Any downgrade may result in increased interest expenses and affect access to capital markets and could require the affected entity to reduce distributions and interest payments to DUET and/or to Stapled Security Holders.

## 2.7 Debt refinancing risk

Borrowings by DUET are secured by DUET's equity interests in the Asset Companies. Senior debt facilities in the Asset Companies (including working capital and capital expenditure facilities) and borrowings by DUET will need to be refinanced on various maturity dates. If these debt facilities can only be refinanced on unfavourable terms on or before their maturity date, then equity distributions and interest payments from the Asset Companies to DUET could be reduced, cease or be delayed. In turn, the value of DUET's investment could be adversely affected along with DUET's ability to satisfy the covenants governing the DUET senior debt facility.

As a result of the Transaction, the DUET Group entities in aggregate hold a 100% interest in Multinet. Under Multinet's common terms deed poll, the document governing Multinet's four bank debt facilities with total facility limits of \$475m (drawn to a total of \$330m as at 30 June 2011), the minority shareholder having reduced its ownership interest in Multinet to below 15% is a 'review event'. Multinet's individual bank facility limits are \$335m due in June 2012, \$70m due in July 2014, \$50m due in July 2014 and \$20m due in April 2014. The 'review event' may create the opportunity for one or more of Multinet's banks to require an early full prepayment (or re-pricing) of their drawn commitments under any or all of these facilities. Such prepayment would need to be made by Multinet no earlier than on the expiration of 100 days from the date of the 'review event' occurring, being 7 November 2011. All of Multinet's bank facilities (excluding the \$335m facility due in June 2012, currently drawn to a total of \$260m as at 30 June 2011) have been recently refinanced on market-based terms with key relationship banks. Notwithstanding the 'review event', Multinet aims to refinance its \$335m facility prior to 7 November 2011 or seek lender consent to amend the common terms deed poll.

## 2.8 Risks of derivatives

DUET and its Asset Companies enter into various transactions, including derivative transactions, such as swaps, options, futures and forwards to manage financial risk exposures. DUET or an Asset Company could recognise losses on these contracts as a result of volatility in the market values of the underlying commodities or to the extent that a counterparty fails to perform.

## 2.9 Risk of supply interruptions

Unplanned interruptions to supply resulting from equipment or network failure or storm damage can result in financial penalties under the regulated network availability penalty and incentive scheme or loss of revenue. The impact of major unplanned interruptions and outages outside the control of the Asset Companies, such as cyclones, earthquakes, fires, explosions, terrorist events or major plant breakdowns is generally covered by insurance policies held by each Asset Company or by government support. Not all losses from such events may be recoverable from the proceeds of insurance claims.

## 2.10 Cancellation of licence

DUET's Asset Companies require, and hold, the licences necessary to operate their electricity and gas distribution and gas transmission businesses. If an Asset Company breaches its licence, including its network performance obligations, it may be subject to a financial penalty or, in the extreme, its licence may be subject to cancellation.

# Risks

## 2.11 Variations in interest rates and inflation

The risk of adverse interest rate movements is reduced in the short to medium term through interest rate hedging arrangements or fixed interest debt which the Asset Companies have entered into or borrowed. At each regulatory reset, regulated revenue allowances are adjusted for movements in borrowing costs.

The regulatory return which DUET's Australian Asset Companies receive is dependent on the rate of inflation (reflected in the Australian consumer price index, or "CPI"). An unexpectedly low CPI is likely to result in lower than expected revenues and a lower than expected increase in the RAB of the Australian Asset Companies.

## 2.12 Changes in law and government policy

A presiding state or federal government or government agency may change a law or regulation or create a new law or regulation, which may adversely impact the operations or activities of DUET or the Asset Companies.

## 2.13 Litigation and legal risk

DUET is exposed to a variety of legal risks, both at the DUET level and the Asset Company level. These legal risks include, but are not limited to, claims by gas or electricity users, claims by contractors under operating and maintenance services agreements or construction contracts, environmental claims, land and other property-related claims including native title, industrial action, occupational health and safety claims, legal action from special interest groups, claims arising from third party losses resulting from distribution network or pipeline disruption and adverse tax rulings and tax disputes. The Asset Companies may also commence litigation if a customer fails to meet any contractual obligations.

## 2.14 Key employees

DUET and its Asset Companies' continued success are dependent on their ability to recruit, train, retain and motivate senior executives and employees. In recent years, Australia, and Western Australia in particular, has experienced low unemployment and a shortage of skilled labour.

United Energy is moving to a new business model which involves in-sourcing a number of services to reduce dependence on external service providers and to achieve operating efficiencies and higher service standards. There is a risk that United Energy may be unable to attract or retain key personnel necessary to in-source the relevant services.

## 2.15 Gas quality risk

From 1 July 2012, the Gas Supply (Gas Quality Specifications) Act 2009 (WA) (the "GQS Act") will enable gas producers to supply gas that does not comply with the prescribed specifications for transmission pipelines in Western Australia. It is expected that the compensation scheme will fully reimburse DBP for the additional capital expenditure or increased operational and maintenance costs that it is likely to incur as a result of the GQS Act.

## 2.16 Environmental laws

The costs of compliance by DUET's Asset Companies with new environmental laws and the incurrence of environmental liabilities could adversely affect DUET's cash flow and profitability.

## 2.17 Taxation

DUET and the Asset Companies are subject to tax. Both local and foreign tax rules, or their interpretation, may change during the life of DUET, and DUET's interpretation of tax laws as they apply to the activities of DUET and the Asset Companies may differ from the interpretation of the tax authorities and the courts. This may result in tax being levied contrary to DUET's expectation, reducing your returns from DUET or DUET's returns from its Asset Companies.

Recently, there has been increased scrutiny by the Australian Taxation Office ("ATO") of stapled entities and in some cases, the ATO may be challenging the tax treatment of transactions involving funding between the entities within a stapled group. If the ATO's challenge is successful, this could increase the cost of such funding which may in turn indirectly affect returns to investors in such groups. However, based on DUET's understanding, there are important factual differences between its circumstances and those that may be under challenge by the ATO. It is also noted that there are significant and ongoing reforms in the area of taxation of trusts and stapled entities. Future changes in this area may impact the DUET structure and may have an impact on the returns of each individual DUET entity or investors.

# Risks

## 2.18 Duquesne sale risk

DIHL and DUET3 have signed a purchase and sale agreement for the sale of DIHL's 29% ownership interest in, and DUET3's promissory note from, Duquesne to the Government of Singapore Investment Corporation Pte Ltd. (or GIC). The sale is subject only to approval by the Pennsylvania Public Utilities Commission (or "PaPUC"). DUET expects the sale to be completed in September 2011. There is a risk that the PaPUC may withhold its approval for the sale, or that a third party may object to the sale during the 30-day notification period following publication of the PaPUC's determination. The sale has already received the approval of the Federal Energy Regulatory Commission and the Committee on Foreign Investment in the United States, and Duquesne's application to the PaPUC is the subject of a joint Settlement Agreement between Duquesne, GIC, PaPUC staff, the Office of the Consumer Advocate and the Office of the Small Business Advocate.

GIC may terminate the agreement if the sale is not completed by 28 September 2011. This date is subject to an automatic extension of 3 months if the only outstanding condition is PaPUC approval. If Duquesne is not sold before June 2012, DUET will need to refinance a \$345m bridge facility which matures in June 2012. There is no assurance that this facility would be successfully refinanced. If the sale is not completed, DUET may recommence the sale process or retain its interest Duquesne. If DUET retains its interest in Duquesne, a number of risks remain:

**Regulatory risk.** The PaPUC may request a review of Duquesne's distribution rates if it considers that Duquesne is earning excess profits from its distribution business. While the approved distribution rates are intended to permit the recovery of the costs of service and earn a reasonable rate of return, there is no guarantee that the authorised rates will match actual costs or provide a particular return on capital.

Duquesne is permitted to annually recalculate its transmission revenue requirement pursuant to the formula rate accepted by the Federal Energy Regulatory Commission.

Duquesne is a provider of last resort (or "PoLR"), and is required to provide electricity to PoLR customers at a fixed price determined by the PaPUC. While Duquesne has received several approvals of default service plans featuring multi-year fixed price protection for small customers, there is no guarantee that the PaPUC will approve such plans in the future. If the PaPUC does not approve subsequent POLR plans on these terms, this could have an adverse effect on Duquesne's business, results of operations, cash flows and financial condition. The current PoLR arrangements end on 31 May 2013.

**Credit ratings downgrade risk.** If Duquesne suffers a ratings downgrade, it might need to lodge additional cash collateral to support its power purchase agreements and other agreements. These payments would, if necessary, be funded from available or new debt facilities or cash at hand.

**Volume risk.** Duquesne's business is subject to variations in volume, which could reduce its revenue. Duquesne could seek to offset a reduction in projected volumes by filing for distribution and transmission rate increases.

**Retail electricity supply business and price volatility risk.** Duquesne supplies electricity to PoLR customers at a fixed price. Duquesne sells electricity to non-PoLR customers at competitive rates. Duquesne purchases electricity at prevailing market prices but hedges to reduce its exposure to fluctuations in wholesale electricity prices. There is a risk that Duquesne may sell any unhedged electricity volumes at a loss. Depending on the prevailing level of energy prices, Duquesne may be required to lodge additional collateral under its electricity supply agreements. Lodging collateral may impact Duquesne's liquidity and the amount of cash available to be drawn from its various debt facilities.

**Duquesne's AquaSource tax appeal.** The Internal Revenue Service ("IRS") completed its examination of Duquesne's federal tax returns from 2003 to 2005. The IRS subsequently issued a proposed adjustment that would disallow approximately US\$150m in capital loss deductions taken on the AquaSource sale for the 2003 tax year (the 2003 capital losses were carried back to the 2000 tax year). The total cash tax effect to Duquesne, if the IRS were to prevail, would be approximately US\$27m, with interest accruing from the 2000 tax year. In January 2010, IRS Appeals provided Duquesne with a statutory notice asserting several alternative claims. The first alternative claim is for up to US\$37m, with interest accruing from the 2000 tax year, relating to carrybacks of capital losses from 2001 and 2002 in addition to 2003. The second alternative claim relates to AquaSource's Excess Loss Account in 2005 if any of Duquesne's 2001-2003 capital loss deductions are allowed. The potential tax liability under this alternate claim is up to US\$46m, with interest accruing from the 2005 tax year.

**Pension liability.** Poor investment performance of Duquesne Light's pension plan holdings and other factors impacting pension plan costs could unfavourably impact Duquesne's pension liability and pension funding requirements, requiring contributions by Duquesne of US\$18.5m by October 2011, US\$52.2m in 2012 and US\$44.6m in 2013 to meet minimum funding requirements.

# Risks

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## 3 GENERAL RISKS

### 3.1 General market risk

The value of Stapled Securities, including New Securities, will be influenced by a number of factors that are common to most investments. At any point in time, these may include:

- the Australian, U.S. and international economic outlook;
- movements in the general level of prices on international and local stock markets, and in the prices of the energy and utilities sectors (being those sectors of the market to which DUET belongs);
- changes in economic conditions, including commodity prices, inflation and interest rates;
- changes in government fiscal, monetary and regulatory policies; and
- the demand for listed securities, including the demand for securities which comprise investments in particular sectors or business activities.

### 3.2 Liquidity risk

While Stapled Securities are currently listed on ASX, there is no guarantee that there will at all times be sufficient buyers of Stapled Securities to enable their timely disposal or their disposal at a price which the seller may have expected to achieve.

### 3.3 Volatility risk

The price of Stapled Securities, including New Securities, may go up and down by a material amount, even over a short period of time. Recently markets have generally been more volatile than historically; indeed volatility in some markets is at very high levels. Investing in such highly volatile conditions implies a greater level of risk for investors than an investment in a more stable market. You should carefully consider this additional volatility risk before making any investment in the New Securities.



# Appendices



# Appendix A

## Distribution Guidance and Growth Target Key Assumptions

The FY2012 distribution guidance and medium term growth target of 3% per annum are based on a number of key assumptions for the period through to 30 June 2014, including:

- Forecast inflation rates based on the expectations of DUET's Asset Companies assuming no significant change in current Australian economic conditions
- Multinet's assumptions and expectations of the outcome of Multinet's Gas Access Arrangement Review in January 2013 based on past experience and recent regulatory decisions and precedents
- No material change in the annual budgets and 3-year forecasts prepared by DUET's Asset Companies
- No significant change to the regulatory mandate, regulatory parameters or roll-out timetable of the smart meter project
- No significant change to the expectations of DUET's Asset Companies as to the form of the proposed carbon pricing mechanism and the recoverability of costs imposed by the mechanism
- Forecast debt refinancing interest margins and associated costs based on current and expected market conditions assuming no material deterioration in the current state of global capital markets
- No additional DUET Stapled Securities being issued in the period to 30 June 2014 other than those issued under DUET's DRP which is expected to be reactivated in FY2012 at issue prices assumed by DUET management at a 25% annual DUET DRP participation rate
- Settlement of DUET's sale of Duquesne in September 2011
- Alcoa's approval of the proposed DBP de-gearing Capital Initiative
- No credit rating downgrades of DUET or any of its Asset Companies
- Management fees paid to DUET's responsible entities are based on a number of factors including DUET management's estimate of the forecast market capitalisation of DUET at each relevant fee calculation date
- No performance fees are paid to DUET's responsible entities
- No senior debt lock-up of DUET or any of its Asset Companies
- DUET's \$200m corporate revolving debt facility remaining available and undrawn on completion of the Offer
- Operating cash flow coverage of FY2012 guidance calculated based on the expected weighted average number of Stapled Securities for FY2012

There is a risk that one or more of these assumptions may prove to be incorrect. That may affect whether the guidance or the target are achieved. Please also refer to the 'Risks' section. To the extent that those risks are realised, that may adversely affect whether the guidance or the target are achieved.



# Appendix B

## Pro Forma Statement of Financial Position

	31-Dec-10 DUET Group	DUET Group Pro forma			DUET Group Pro forma			DUET Group Pro forma			DUET Group Pro forma
		Pre-Transaction and Offer			Post-Transaction and Offer			Post DQE Sale Settlement			
\$m	Actual	1	2	3	4	5	6	7			
<b>Current assets</b>											
Cash and cash equivalents	461	(5)	(52)	(48)	356	197	(47)	(162)	344	-	344
Other current assets	804	-	-	-	804	-	-	-	804	-	804
Derivative financial instruments	10	-	-	-	10	-	-	-	10	-	10
<b>Total current assets</b>	<b>1,275</b>	<b>(5)</b>	<b>(52)</b>	<b>(48)</b>	<b>1,170</b>	<b>197</b>	<b>(47)</b>	<b>(162)</b>	<b>1,159</b>	<b>-</b>	<b>1,159</b>
<b>Non-current assets</b>											
Property, plant and equipment	5,283	-	-	-	5,283	-	-	-	5,283	-	5,283
Other non-current assets	2,472	-	-	-	2,472	-	(108)	-	2,364	(317)	2,047
Derivative financial instruments	31	-	-	-	31	-	-	-	31	-	31
<b>Total non-current assets</b>	<b>7,786</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7,786</b>	<b>-</b>	<b>(108)</b>	<b>-</b>	<b>7,678</b>	<b>(317)</b>	<b>7,361</b>
<b>Total assets</b>	<b>9,061</b>	<b>(5)</b>	<b>(52)</b>	<b>(48)</b>	<b>8,956</b>	<b>197</b>	<b>(155)</b>	<b>(162)</b>	<b>8,837</b>	<b>(317)</b>	<b>8,520</b>
<b>Current liabilities</b>											
Interest bearing liabilities	1,168	-	-	(88)	1,080	-	-	-	1,080	(345)	735
Other current liabilities	339	(5)	(89)	-	245	-	-	-	245	-	245
Derivative financial instruments	133	-	-	-	133	-	-	-	133	-	133
<b>Total current liabilities</b>	<b>1,640</b>	<b>(5)</b>	<b>(89)</b>	<b>(88)</b>	<b>1,458</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,458</b>	<b>(345)</b>	<b>1,112</b>
<b>Non-current liabilities</b>											
Interest bearing liabilities	4,985	-	-	(53)	4,932	(70)	-	(160)	4,703	-	4,703
Other non-current liabilities	629	-	-	-	629	-	-	-	629	-	629
Derivative financial instruments	256	-	-	-	256	-	-	-	256	-	256
<b>Total non-current liabilities</b>	<b>5,869</b>	<b>-</b>	<b>-</b>	<b>(53)</b>	<b>5,817</b>	<b>(70)</b>	<b>-</b>	<b>(160)</b>	<b>5,587</b>	<b>-</b>	<b>5,587</b>
<b>Total liabilities</b>	<b>7,509</b>	<b>(5)</b>	<b>(89)</b>	<b>(141)</b>	<b>7,274</b>	<b>(70)</b>	<b>-</b>	<b>(160)</b>	<b>7,045</b>	<b>(345)</b>	<b>6,700</b>
<b>Net Assets</b>	<b>1,552</b>	<b>-</b>	<b>37</b>	<b>93</b>	<b>1,682</b>	<b>267</b>	<b>(155)</b>	<b>(2)</b>	<b>1,792</b>	<b>28</b>	<b>1,820</b>
<b>Equity</b>											
Contributed equity	1,896	-	36	-	1,932	267	-	-	2,199	-	2,199
Reserves / Accumulated (losses)	(639)	-	1	-	(639)	-	43	(2)	(598)	28	(569)
Other non-controlling interest	295	-	-	93	388	-	(198)	-	190	-	190
<b>Total equity</b>	<b>1,552</b>	<b>-</b>	<b>37</b>	<b>93</b>	<b>1,682</b>	<b>267</b>	<b>(155)</b>	<b>(2)</b>	<b>1,792</b>	<b>28</b>	<b>1,820</b>

### Adjustments:

- (1) Management fees paid up to 30 June 2011
- (2) FY2011 interim distribution payment
- (3) Repayment of corporate debt with DRP cash and net SOLA proceeds from United Energy (\$62.6m) and DBP (\$30.4m)
- (4) Net raising proceeds (after Offer costs) and partial repayment of corporate debt
- (5) The Transaction (after transaction costs)
- (6) Reflects \$160m upfront equity investment by DUET into DBP for its 80% share. The investment (including DUET's contribution and Alcoa's \$40m share over 3 years) is subject to receiving all necessary Alcoa approvals
- (7) Settlement of the Duquesne sale (expected in September 2011), subject to regulatory approvals

# Appendix C

## Group Gearing<sup>1</sup>



\$m (unless otherwise stated)	Jun-2011 Unaudited	Transaction and Offer <sup>2</sup>	Post-Transaction and Offer	Capital Initiatives <sup>3</sup>	Post-Capital Initiatives	DQE Settlement <sup>4</sup>	Post-DQE Settlement
<b>Ownership interests</b>							
DBP	60.0%	20.0%	80.0%	-%	80.0%	-%	80.0%
United Energy	66.0%	-%	66.0%	-%	66.0%	-%	66.0%
Multinet	79.9%	20.1%	100.0%	-%	100.0%	-%	100.0%
WAGN	25.9%	(25.9%)	-%	-%	-%	-%	-%
<b>Australian Asset Company Senior Net Debt</b>							
DBP	1,553	518	2,070	(134)	1,936	-	1,936
United Energy <sup>5</sup>	1,032	-	1,032	-	1,032	-	1,032
Multinet <sup>5</sup>	676	170	847	-	847	-	847
WAGN	168	(168)	-	-	-	-	-
<b>Australian Asset Company Senior Net Debt</b>	<b>3,429</b>	<b>520</b>	<b>3,949</b>	<b>(134)</b>	<b>3,815</b>	<b>-</b>	<b>3,815</b>
<b>Total RAB</b>							
DBP	2,186	729	2,915	-	2,915	-	2,915
United Energy	1,081	-	1,081	-	1,081	-	1,081
Multinet	781	196	978	-	978	-	978
WAGN	220	(220)	-	-	-	-	-
<b>Total RAB</b>	<b>4,268</b>	<b>705</b>	<b>4,973</b>	<b>-</b>	<b>4,973</b>	<b>-</b>	<b>4,973</b>
Corporate Debt	415	(70)	345	-	345	(345)	-
Less: Corporate Cash	(113)	(149)	(262)	128	(134)	-	(134)
Add: DUET Distribution Payable	91	-	91	-	91	-	91
<b>Corporate Net Debt</b>	<b>392</b>	<b>(218)</b>	<b>174</b>	<b>128</b>	<b>302</b>	<b>(345)</b>	<b>(43)</b>
Group Proportionate Net Debt	3,821	302	4,123	(6)	4,117	(345)	3,772
Proportionate RAB	4,268	705	4,973	-	4,973	-	4,973
<b>Group Proportionate Net Debt / RAB</b>	<b>89.5%</b>	<b>(6.6%)</b>	<b>82.9%</b>	<b>(0.1%)</b>	<b>82.8%</b>	<b>(6.9%)</b>	<b>75.8%</b>

Notes:

(1) Unaudited as at 30 June 2011, excludes Duquesne

(2) Reflects adjustments for ownership interests in DBP, Multinet and WAGN; repayment of corporate revolving facility to zero (\$69.5m); and increase in corporate cash before the \$160m commitment by DUET for DBP's de-gearing and the repayment of DBP and Multinet's SOLA. DUET will maintain the availability of its \$200m corporate revolving facility which matures in June 2014

(3) Reflects \$160m investment in DBP by DUET and \$40m investment in DBP by Alcoa; repayment of remaining \$32m DBP SOLA; repayment of \$168m in DBP senior debt; and repayment of Multinet SOLA to zero expected to be made from the proceeds of a hybrid instrument (to be issued to one or more of the DUET entities) subject to confirmation of the hybrid terms by Multinet's credit rating agencies

(4) Following settlement of Duquesne sale, the proceeds of which will be used to retire DUET's \$345m corporate bridge facility

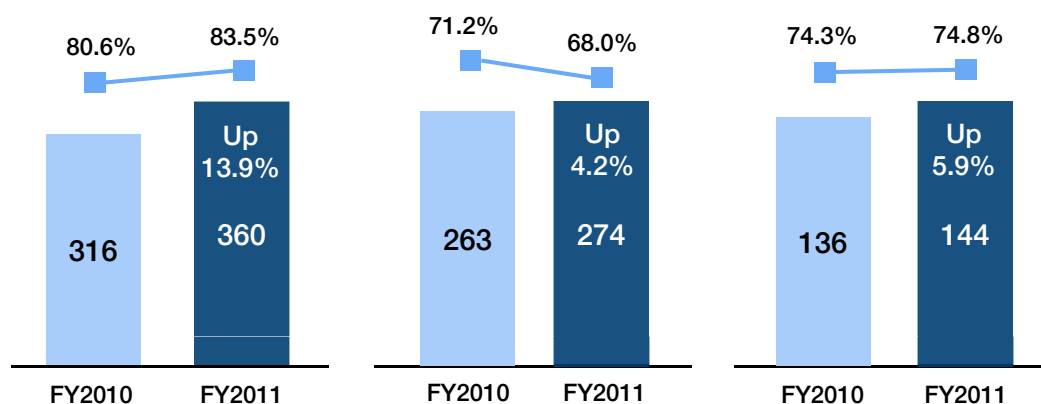
(5) United Energy and Multinet US\$ denominated debt has been shown for all periods at the hedged AUD/USD exchange rate for the debt

# Appendix D

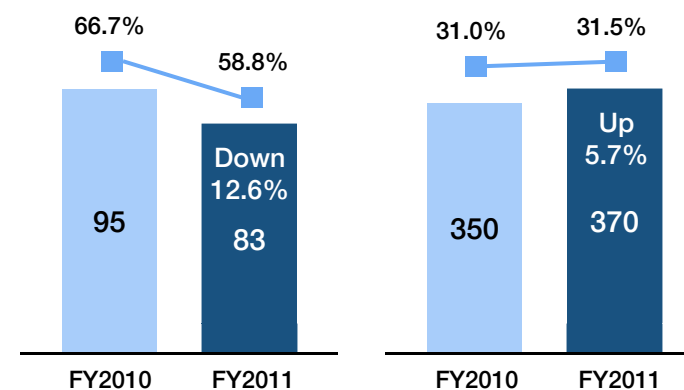
## FY2011 Portfolio EBITDA Preview

### Portfolio EBITDA & EBITDA Margins<sup>1</sup> (Stated in \$m / %, Unaudited, 100% interests)

#### Australian Asset Portfolio



#### Assets Sold



*DQE figures stated in USD*



Sale settlement pending  
regulatory approval

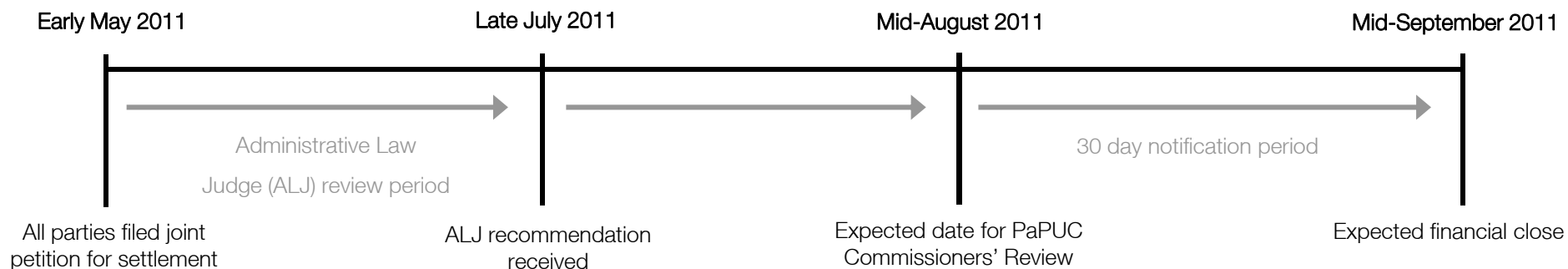
DUET will release its audited FY2011 results on 19 August 2011

## Appendix E

### Duquesne Sale Settlement Update

- DUET has agreed to sell its 29% ownership interest in Duquesne to the Government of Singapore Investment Corporation (GIC)
- Federal regulatory and US foreign investment approvals have already been received
- Final approval from the state regulator (PaPUC) is now in the final stages

#### Timeline to expected financial close



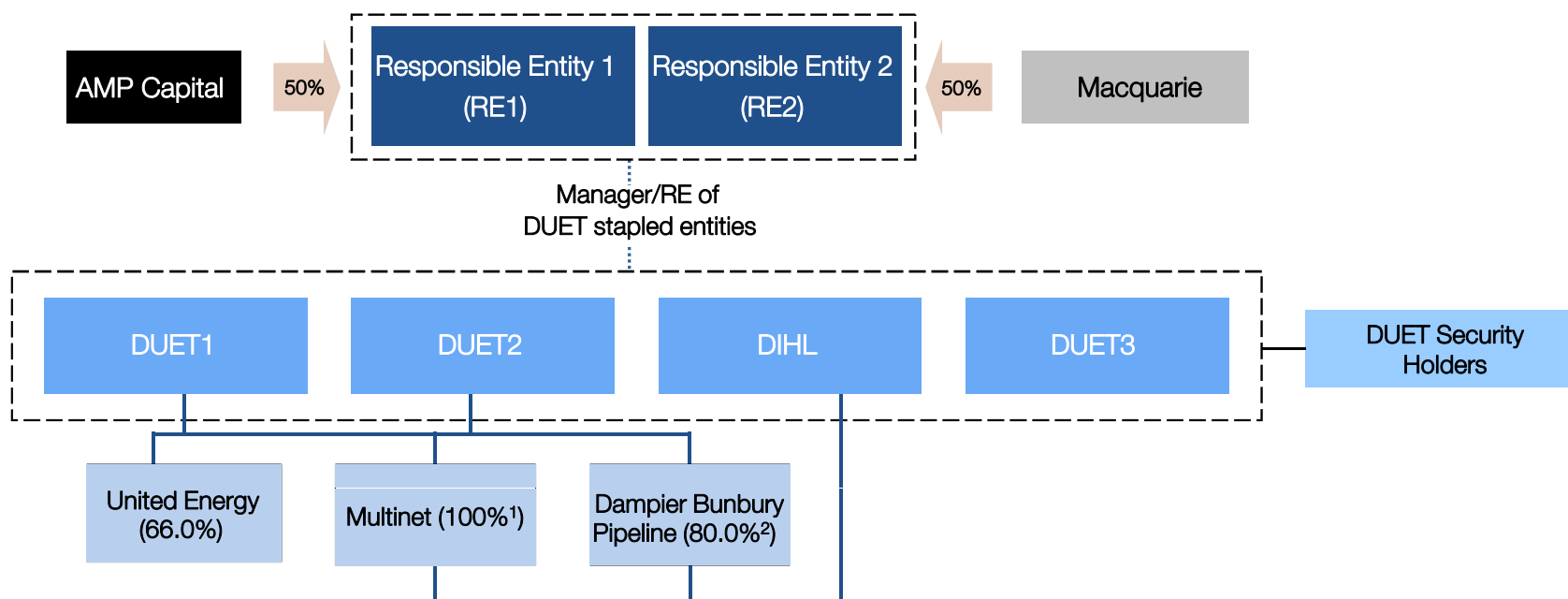
## Appendix F

### DUET Overview



- DUET is managed jointly by Macquarie and AMP Capital Investors
- Each Stapled Security comprises 1 unit in each of DUET1, DUET2 and DUET3, and 1 share in DIHL

#### Simplified Structure – Post Transaction



Notes: (1) Multinet is owned 38.95% by each of DUET1 and DUET2 and 20.1% by DIHL  
(2) DBP is indirectly owned 30% by each of DUET1 and DUET2 and 20% by DIHL

# Appendix F

## Portfolio Locations

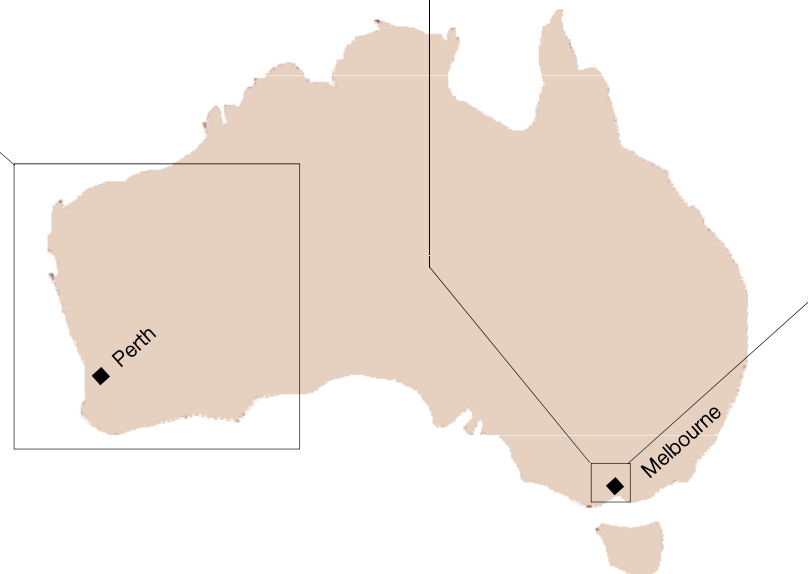
DBP (80%)



United Energy (66%)



Multinet (100%)



# Appendix F

## Portfolio Statistics

Asset	DBP	United Energy	Multinet
DUET's Ownership Interest	80%	66%	100%
Business Description	Western Australia's principal gas transmission pipeline	Victorian electricity distribution company	Victoria's largest gas distributor (by number of customers)
Location	Western Australia	Victoria	Victoria
Length / Area of Network <sup>1</sup>	1,530 km (mainline) 1,252 km (looping) 299 km (laterals)	1,472 sq km	1,940 sq km
Load <sup>1</sup>	845 TJ/day <sup>2</sup>	8,071 GWh <sup>4</sup>	60.6 PJ <sup>4</sup>
Connections <sup>1</sup>	n/a	637,991	670,573
Next Regulatory Reset Date	January 2011 <sup>3</sup>	January 2014 (smart meter) January 2016 (non-smart meter)	January 2013

Notes: (1) As at 30 June 2011

(2) Average contracted full-haul capacity per day

(3) Represents the date DBP's regulatory tariff (reference tariffs) adjustment was scheduled to be effective. Due to delays in the Economic Regulation Authority's final decision for DBP, the final decision is expected to be published in the September 2011 quarter. Note that the reference tariffs do not presently apply to the existing gas transportation contracts. On 1 January 2016 the tariffs will revert to the regulated tariff for the shippers other than Alcoa

(4) For the 12 months to 30 June 2011

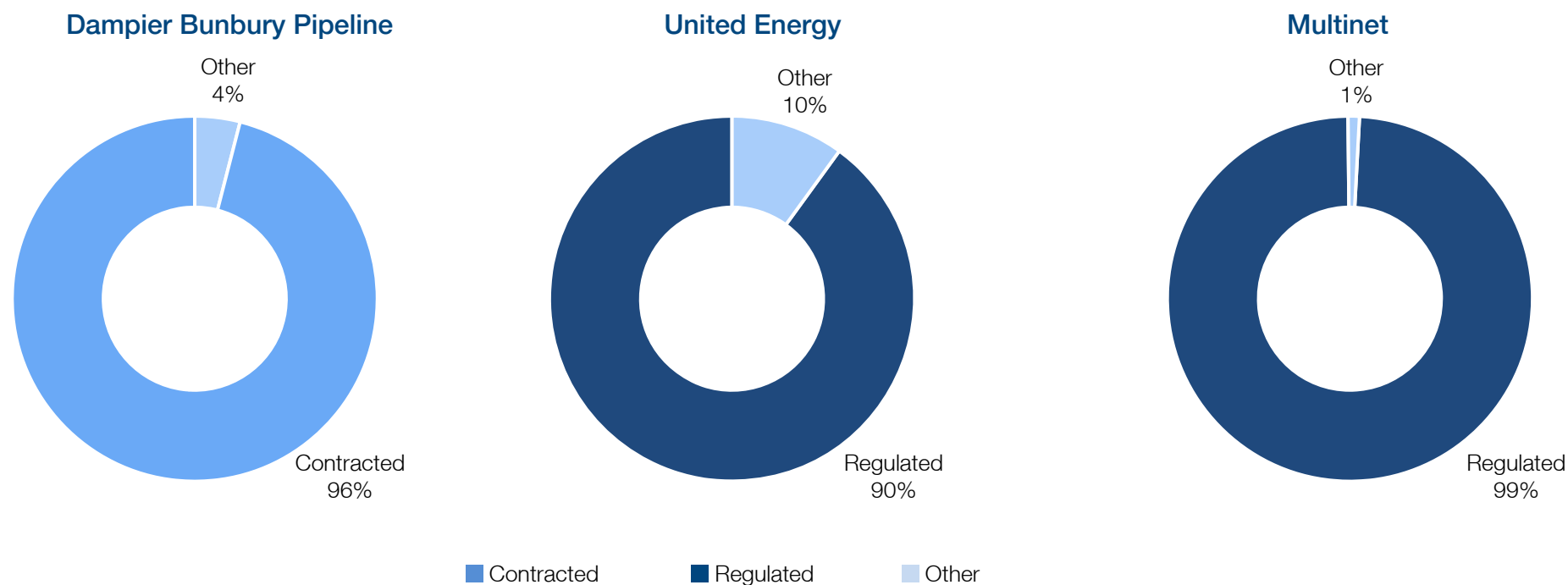


## Appendix F

### Predictable Revenues

**DUET derives its revenue from regulated and highly contracted businesses which produce predictable revenue streams**

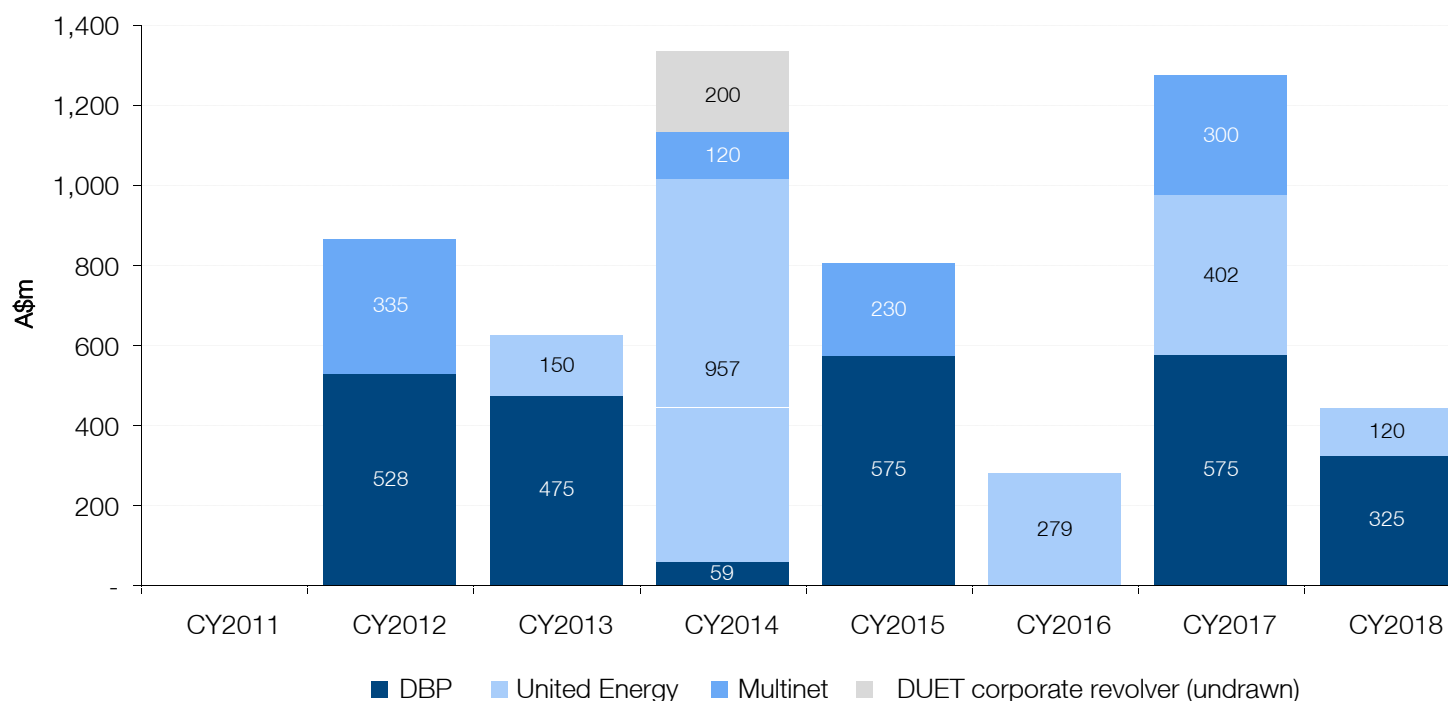
#### FY2011 Unaudited Revenue



# Appendix F

## Group Term Debt Maturity Profile

### Pro Forma Term Debt Maturity – Total Facility Limits<sup>1,2,3</sup>



Notes: (1) Pro forma adjusted for the Transaction, the Offer, Capital Initiatives and settlement of the Duquesne sale

(2) Excludes working capital facilities

(3) DBP's bank debt maturing in CY2014 assumed to be reduced by \$168m using the proceeds from the proposed equity investment by Alcoa and DUET

# Appendix G

## Foreign Jurisdictions

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### Canada

This document is not, and under no circumstances is to be construed as, an advertisement or a public offering of the securities described herein in any province or territory of Canada. Any offer or sale of the New Securities in any province or territory of Canada will only be made on a private placement basis, under an exemption from the requirement that DUET prepare and file a prospectus with the relevant Canadian securities regulatory authorities. The offers and sales will only be made by a dealer registered under applicable securities laws, or pursuant to an exemption from the requirement that such a dealer be registered in the jurisdiction in which the offer or sale is made. Without limiting the foregoing, offers and sales of securities may only be made to residents of Canada which are 'accredited investors' as defined in National Instrument 45-106 "Prospectus and Registration Exemptions" or, if they are transacting with an 'international dealer', "permitted clients" as defined in National Instrument 31-103 "Registration Requirements and Exemptions". Without limiting the foregoing, offers and sales of securities may only be made to residents of Canada which are 'accredited investors' as defined in National Instrument 45-106 "Prospectus and Registration Exemptions" or, if they are transacting with an "international dealer", "permitted clients" as defined in National Instrument 31-103 "Registration Requirement, Exemptions and Ongoing Registrant Obligations".

### France

This Investor Presentation is not being distributed in the context of a public offering of financial securities (*offre au public de titres financiers*) in France within the meaning of Article L. 411-1 of the French Monetary and Financial Code (*Code monétaire et financier*) and Articles 211-1 et seq. of the General Regulation of the French *Autorité des marchés financiers* ("AMF"). The New Securities have not been, and may not be, offered, sold or distributed, directly or indirectly, to the public in France.

This Investor Presentation and any other offering material relating to the New Securities have not been, and will not be, submitted to the AMF for approval and, accordingly, may not be distributed or be caused to be distributed, directly or indirectly, to the public in France.

The New Securities have only been, and may only be, offered, sold or distributed to (i) qualified investors (*investisseurs qualifiés*) acting for their own account, (ii) persons providing the investment service of portfolio management on behalf of third parties (*personnes fournissant le service d'investissement de gestion de portefeuille pour compte de tiers*), as defined in and in accordance with Articles L.411-2-II, D.411-1 to D.411-4, D.734-1, D.744-1, D.754-1 and D.764-1 of the French Monetary and Financial Code and any implementing regulation.

The subsequent direct or indirect retransfer of the New Securities to the public in France may only be made in compliance with Articles L.411-1, L. 411-2, L.412-1 and L.621-8 through L.621-8-3 of the French Monetary and Financial Code.

### Germany

No offer is made under this Investor Presentation in Germany, other than to qualified investors as defined in Sec. 2 No. 6 of the German Securities Prospectus Act (Wertpapierprospektgesetz) or in circumstances where the offer of New Securities is exempt from the publication of a prospectus according to the German Securities Prospectus Act.

Therefore, this Investor Presentation has not been and will not be submitted for approval to the Federal Financial Services Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht). This Investor Presentation and any other document relating to the New Securities, as well as information contained therein, may not be communicated to the public in Germany in any form and by any means, and any offer or solicitation within Germany made in connection with the New Securities must be in full compliance with the German Securities Prospectus Act and the German Investment Funds Act (Investmentgesetz). This Investor Presentation and other offering materials relating to the offer of the New Securities are strictly confidential and may not be distributed to any person or entity other than the designated recipients hereof.

If you or any person for whom you are acquiring New Securities are resident in Germany you (and any such person) represent and warrant that you are a "qualified investor" as such term is defined in Sec. 2 No. 6 of the German Securities Prospectus Act (Wertpapierprospektgesetz).

# Appendix G

## Foreign Jurisdictions

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### Hong Kong

#### WARNING

The contents of this document have not been reviewed or approved by any regulatory authority in Hong Kong. Recipients are advised to exercise caution in relation to the Offer. If recipients are in any doubt about any of the contents of this document, they should obtain independent professional advice.

Unless permitted by the securities laws of Hong Kong, no person may issue or have in its possession for the purposes of issue, this document or any advertisement, invitation or document relating to the New Securities, whether in Hong Kong or elsewhere, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong other than (i) in relation to New Securities which are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" (as such term is defined in the Securities and Futures Ordinance (the "SFO") and the subsidiary legislation made thereunder) or (ii) in circumstances which do not result in the document being a "prospectus" (as such term is defined in the Companies Ordinance (the "CO")) (where the CO applies) or (iii) in circumstances which do not constitute an offer or an invitation to the public for the purposes of the SFO and the CO. The Offer of the New Securities is personal to the person to whom this document has been delivered by or on behalf of the DUET Group, and a subscription for the New Securities will only be accepted from such person. No person to whom a copy of this document is issued may issue, circulate or distribute this document in Hong Kong or make or give a copy of this document to any other person.

### Japan

The New Securities have not been and will not be registered under the Financial Instruments and Exchange Law of Japan (Law No. 25 of 1948, as amended) (the "FIEL").

Pursuant to Article 2(3)(ii)(a) of the FIEL, a solicitation to acquire New Securities ("Acquisition Solicitation") is required to be targeted only at persons who are Qualified Institutional Investors (Tekikaku Kikan Toshika) (as defined in Article 10, paragraph 1 of the Cabinet Office Ordinance Concerning the Definitions as Stipulated in Article 2 of the Financial Instruments and Exchange Law (MOF Ordinance No. 14 of 1993, as amended) as those having expert knowledge of and experience with investment in securities (each a "QII")) and any holder of the Stapled Securities who is a resident of Japan (including a holder who is allotted the New Securities in response to the Acquisition Solicitation) is not allowed to transfer the Stapled Securities to anyone other than a QII.

As used in this paragraph, "residents of Japan" means any person resident in Japan, including any corporation or other entity organized under the laws of Japan.

Each Eligible Institutional Holder hereby represents and warrants to and agrees with DUET and the Joint Lead Managers the following:

- (a) Such Eligible Institutional Holder is a QII.
- (b) Such Eligible Institutional Holder acknowledges that the New Securities have not been and will not be registered under the FIEL.
- (c) Such Eligible Institutional Holder will not transfer the New Securities to any person other than a QII.
- (d) In the event that such Eligible Institutional Holder offers the New Securities for resale to, or solicits offers to buy the New Securities from, QIIs, and resells the New Securities to QIIs, such Eligible Institutional Holder will comply with the notification requirements under Article 23-13, paragraph 1 of the FIEL and provide such QII with a written notice of the selling restrictions pursuant to Article 23-13, paragraph 2 of the FIEL on or prior to the purchase by such QII thereof.

### Luxembourg

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each a "Relevant Member State") with effect from and including the date on which the Prospectus Directive was implemented in that Relevant Member State (the "Relevant Implementation Date"), there may not have been made and may not be made an offer of New Securities to the public in that Relevant Member State prior to the publication of a prospectus in relation to the New Securities which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, all in accordance with the Prospectus Directive, except that there may, with effect from and including the Relevant Implementation Date, be made an offer of New Securities to the public in that Relevant Member State at any time:

- (a) to legal entities which are authorised or regulated to operate in the financial markets or, if not so authorised or regulated, whose corporate purpose is solely to invest in securities;
- (b) to any legal entity which has two or more of (1) an average of at least 250 employees during the last financial year; (2) a total balance sheet of more than €43,000,000 and (3) an annual net turnover of more than €50,000,000 as shown in its last annual or consolidated accounts; or
- (c) in any other circumstances which do not require the publication by the relevant entity of a prospectus pursuant to Article 3 of the Prospectus Directive.

# Appendix G

## Foreign Jurisdictions

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For the purposes of this provision, the expression an "offer of shares to the public" in relation to any New Securities in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the New Securities to be offered so as to enable an investor to decide to purchase or subscribe the New Securities, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and the expression "Prospectus Directive" means Directive 2003/71/EC and includes any relevant implementing measure in each Relevant Member State.

Representations and warranties:

1. The investor is empowered, authorized and qualified to commit capital for the purchase and subscription of New Securities.
2. The investor satisfies the following conditions of eligibility:
  - (i) The investor is a qualified investors as defined as under Part I, Art.2.j of the Luxembourg Law of 10 July 2005 relating to prospectus;
  - (ii) The investor is not a U.S. person and is not making a commitment for the New Securities for the account or benefit of any U.S. person nor with a view to the offer, sale or delivery, directly or indirectly of any such commitment within the United States or to a U.S. person, and it was not formed for the purpose of making an investment in the New Securities; and
  - (iii) The investor is not (a) an "employee benefit plan" as defined in section 3(3) of US Employee Retirement Income Security Act of 1974 ("ERISA") that is subject to Title I of ERISA, (b) a "plan" as defined in section 4975 of the US Internal Code that is subject to section 4975 of the US Internal Revenue Code, or (c) any person or entity investing with the assets of, or otherwise on behalf of, any such employee benefit plan or plan.
3. The investor is a non FOIA Person (as defined below), unless otherwise notified in writing to the issuer. For the purposes of the subscription agreement a "FOIA Person" shall mean any person that is (A) directly or indirectly subject to either section 552(a) of Title 5, United States Code (commonly known as the "Freedom of Information Act") or any similar federal, state, county or municipal public disclosure law, whether foreign or domestic; (B) subject, by regulation, contract or otherwise, to disclose information to a trading exchange or other market where interests in such Person are sold or traded, whether foreign or domestic; (C) required to or will likely be required to disclose information provided by private equity funds to a governmental body, agency or committee (including, without limitation, any disclosures required in accordance with the Ethics in Government Act of 1978, as amended, and any rules and regulations of any executive, legislative or judiciary organization), whether foreign or domestic by virtue of such Person's (or any of its affiliate's) current or proposed involvement in government office; or (D) an agent, nominee, fiduciary, custodian or trustee for any person described in the preceding clauses (A) through (C).
4. For purposes of determining whether the investor is eligible to receive allocations of "New Issues" (i.e. interests in initial public offerings (IPOs) involving U.S. broker dealers, generally in the U.S.) as defined in the FINRA regulations, the investor represents that they are not a Restricted Person as defined in FINRA Conduct Rule 5130. Any investor wishing to subscribe who is a Restricted Person (i.e. a person/entity that is restricted from participating in certain U.S. IPOs) must notify the issuer prior to filing their subscription form.
5. Unless otherwise notified to DUET Group, the investor is acquiring the New Securities for the investor's own account and not as trustee, agent, representative, intermediary, nominee or in a similar capacity on behalf of a third party, nor with a view to distribution or resale, and it has no contract, undertaking or arrangement with any person/legal entity to sell, assign, transfer or grant a participation right with respect to any interest in the New Securities and it has no intention to sell, assign or otherwise transfer New Securities.
6. The investor confirms that it has knowledge and experience in investment matters and is capable of evaluating the merits and risks of the New Securities. The Investor has sought independent legal, investment and tax advice to the extent that the investor has deemed necessary or appropriate in connection with its decision to invest in the New Securities.
7. The investor has no need for liquidity from an investment in the New Securities, has the ability to bear the economic risk of such investment and at the present time and in the foreseeable future could afford a complete loss of such investment.
8. The investor has carefully reviewed the Investor Presentation and related documents, and understands the risks and other considerations relating to the purchase and subscription of New Securities (including the risks arising from the nature and structure of DUET and its investments, and the risks associated with the particular legal, tax, regulatory, financial or other circumstances of the investor). The investor has received all documents that the investor has requested and been offered the opportunity to ask questions in relation to the terms and conditions of the offering and any other matters pertaining to the New Securities. In evaluating the suitability of an investment in the New Securities, the investor has not relied upon any representations or other information (whether oral or written) other than those contained in the Investor Presentation.
9. All documents and agreements relating to an investment by the investor in the New Securities have been duly authorized by all necessary corporate actions and such documents and agreements (i) constitute legal, valid and binding obligations of the investor enforceable in accordance with their terms (except to the extent enforceability may be limited by bankruptcy, moratorium and similar laws affecting creditors' rights generally); (ii) do not, and the performance of the terms thereof will not, contravene any provision of existing law or regulations, or the charter, by-laws or organizational documents of or applicable to the investor; and (iii) will not conflict with or result in any breach of the terms, conditions or provisions of, or constitute a default under, or result in or permit the creation or imposition of any lien, charge or encumbrance upon any of the assets of the investor pursuant to, any indenture, mortgage, or other agreement or instrument or any judgment decree, order or decision to which the investor is a party or by which it is bound.
10. The investor is not involved in any bankruptcy, insolvency, reorganisation, receivership, liquidation, administration or such other proceeding or in any proceeding relating to money laundering.
11. The investor is fully aware of the consequences of failing to make a contribution as detailed in the Investor Presentation and related documents.

# Appendix G

## Foreign Jurisdictions

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### Netherlands

The New Securities may not be offered, sold, transferred or delivered in or from The Netherlands as part of their initial distribution or at any time thereafter, directly or indirectly, other than to Qualified Investors (*Gerwalificeerde Beleggers*) within the meaning of the Dutch Financial Supervision Act (*Wet op het financieel toezicht*) as amended from time to time.

### Singapore

This Investor Presentation has not been registered as a prospectus with the Monetary Authority of Singapore. This Investor Presentation and any other document or material in connection with the offer or sale, or invitation for subscription or purchase of the New Securities may not be circulated or distributed, nor may the New Securities be offered or sold, or be made the subject of any invitation for subscription or purchase, whether directly or indirectly to persons in Singapore except to an institutional investor as defined in the Securities and Futures Act, Cap. 289 (the "Act"), or otherwise pursuant to, and in accordance with the conditions of, any other applicable provisions of the Act.

### Sweden

The Offer in Sweden is directed to a limited number of investors who receive this document directly from DUET and who may not disclose the information herein to any third party. This Investor Presentation is not registered with the Swedish Financial Supervisory Authority (Sw. Finansinspektionen) and is not intended to and shall not be deemed to constitute a prospectus within the meaning of the Financial Instruments Trading Act (Sw. Lag (1991:980) om handel med finansiella instrument)."

### Switzerland

The New Securities are not publicly offered in Switzerland. No offer in respect of the New Securities has been authorized by the Swiss Financial Markets Supervisory Authority FINMA under the Swiss Federal Act on Collective Investment Schemes of 23 June 2006 (the Collective Investment Schemes Act). Investors in the New Securities do not benefit from any potential investor protection measures associated with any such review and approval. The New Securities may not be offered publicly in or from Switzerland and may only be offered to qualified investors such as banks, securities dealers, insurance institutions, fund management companies and high net worth individuals as defined in the Collective Investment Schemes Act in circumstances such that there is no public offering.

Neither this document nor any accompanying letter or other document constitutes an offering prospectus within the meaning of art. 652a or art. 1156 of the Swiss Code of Obligations. Furthermore, no such document constitutes a listing prospectus within the meaning of art. 27 ff. of the Listing Rules of the SIX Swiss Exchange or the listing rules of any other stock exchange or regulated trading facility in Switzerland. As a result, the content of this document may significantly vary from the content of any of these aforementioned documents. Neither this document nor any other offering or marketing material relating to the offering or the New Securities may be publicly distributed or otherwise made publicly available in Switzerland.

### United Kingdom:

In the United Kingdom, this document is being distributed only to and is directed only at (a) persons who have professional experience in matters relating to investments falling within article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Order") (all such persons together being referred to as "relevant persons"). This document must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this document relates is available only to relevant persons and will be engaged in only with relevant persons. Any person who is not a relevant person should not act or rely on this document or any of its contents. This document must not be distributed, published, reproduced or disclosed (in whole or in part) by recipients to any other person.

Neither this document nor any accompanying letter or any other documents have been delivered for approval to the Financial Services Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000 ("FSMA")) has been published or is intended to be published in respect of the New Securities. Accordingly, the New Securities may not be offered or sold in the United Kingdom by means of this Investor Presentation, any accompanying letter or any other document, except to persons which are qualified investors within the meaning of section 86(7) of FSMA.

### United States

This Investor Presentation does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States, or to, or for the account or benefit of, any U.S. Person. This Investor Presentation may not be distributed or released in the United States or to U.S. Persons, or persons who are acting for the account or benefit of persons in the United States or U.S. Persons. The securities to be offered and sold in the Offer have not been, and will not be, registered under the Securities Act or the securities laws of any state or other jurisdiction of the United States and accordingly may not be offered or sold in the United States or to, or for the account or benefit of, U.S. Persons, except in a transaction exempt from, or not subject to, the registration requirements of the Securities Act. In addition, DIHL and the trusts have not been, and will not be, registered under the Investment Company Act in reliance on the exception provided by Section 3(c)(7) thereof.

# Appendix H

## Definition of Key Terms

Key Term	Definition
AEST	Australian Eastern Standard Time
AET&D	WestNet AET&D Holdings No.1 Pty Ltd (ACN 131 060 369) and WestNet AET&D Holdings No.2 Pty Ltd (ACN 131 062 943)
Alcoa	Alcoa of Australia Limited trading as Alcoa World Alumina (ACN 004 879 298) or associated entities
Alinta Sales	Alinta Sales Pty Ltd (ABN 092 089 531 984)
Asset Company (or AssetCo)	Any of DBP, Multinet, United Energy or Duquesne
ATCO	ATCO Australia Pty Ltd (ACN 091 033 546) and its wholly owned subsidiaries
Australian Asset Company	Any of DBP, Multinet or United Energy
Corporate	Collectively or individually (as the context requires), DUET1, DUET2, DUET3, DIHL, DUET 2008 Funding Sub Trust and DUET Dampier Bunbury Pty Limited
Capital Initiatives	Collectively or individually (as the context requires) the repayment of Multinet SOLA; \$200m total investment (DUET share: \$160m) investment in DBP to be applied to repaying \$32m of SOLA and \$168m of senior debt; and repayment of DUET's corporate revolving debt facility
DBP	Collectively DBNGP Holdings Pty Limited, DBNGP Trust and each of their subsidiaries
DUET Group (or DUET or Group)	Collectively or individually (as the context requires), DUET1, DUET2, DUET3, DIHL and their subsidiaries
Duquesne (or DQE)	DQE Holdings LLC, a Delaware limited liability company formed on 27 June 2006 and each of its subsidiaries
EBITDA	Earnings Before Interest, Tax, Depreciation and Amortisation. EBITDA excludes the impact of any changes in the fair value of derivatives. Refer also to the definition contained in DUET's MIR
EV	Enterprise Value
Group Gearing	(Proportionate Australian Asset Company senior net debt plus corporate net debt (adjusted for DUET distribution payable)) / proportionate Australian RAB
Institutional Entitlement Offer	The accelerated non-renounceable pro rata entitlement offer of New Securities, to eligible institutional holders and institutional investors
MIR	DUET's Management Information Report issued every six months to coincide with the release of the annual and interim results
Multinet (or MGH)	Multinet Group Holdings Pty Limited (ABN 83 104 036 937) and each of its subsidiaries
Offer	The offer of New Securities under the Institutional Entitlement Offer and Retail Entitlement Offer
New Securities	New Stapled Securities issued under the Offer



# Appendix H

## Definition of Key Terms



Key Term	Definition
<b>Proportionate Earnings</b>	Proportionate earnings information contained in this document is unaudited and involves the aggregation of the financial results of DUET's energy utility assets in the relevant proportions that DUET holds beneficial ownership interests. It is calculated as energy utility assets' revenues less the sum of energy utility assets' operating expenses, energy utility assets' maintenance capital expenditure, energy utility assets' net interest expense, energy utility asset net tax expense, corporate net interest expense, net tax expense and corporate expenses. The proportionate earnings of the Asset Companies exclude the impact of any changes in the fair value of derivatives and cash-settled hedge break costs incurred in respect of early debt refinancings. For further information on Proportionate Earnings please refer to DUET's MIR. Note that Proportionate Earnings information is supplementary to, and should be read in conjunction with, the audited financial reports issued as part of the annual and interim results. As described here, Proportionate Earnings is calculated on a different basis to DUET's audited statutory net result.
<b>Proportionate EBITDA</b>	Proportionate EBITDA information contained in this document is unaudited and involves the aggregation of the EBITDA of DUET's energy utility assets in the relevant proportions that DUET holds beneficial ownership interests. Proportionate EBITDA differs from statutory EBITDA and the statutory net result prepared under the applicable Australian Accounting Standards.
<b>RAB</b>	Regulated asset base
<b>Retail Entitlement Offer</b>	The offer to eligible retail holders to subscribe for their entitlement
<b>Revenue</b>	As defined in DUET's MIR
<b>SOLA</b>	A subordinated loan agreement known as a Second On-lending Loan Agreement between DUET1 and DUET2 (as lenders) and DBP, United Energy, Multinet and WA Gas Networks (as borrowers)
<b>Stapled Security</b>	One DUET1 unit, one DUET2 unit, one DUET3 unit and one ordinary share in DIHL, which are stapled together and traded as a single security on ASX
<b>Transaction (or AET&amp;D/ATCO Transaction)</b>	The transaction with ATCO and AET&D, as announced by DUET to the ASX on 29 July 2011
<b>United Energy (or UED)</b>	United Energy Distribution Holdings Pty Limited (ACN 104 381 660) and each of its subsidiaries
<b>WA Gas Networks (or WAGN)</b>	WA Network Holdings Pty Limited (ABN 63 104 788 123) and each of its subsidiaries