

12 September 2013

Australian Taxation Office (ATO) Dispute

SP AusNet unsuccessful in appeal against Income Tax Assessments – Section 163AA Imposts

The Federal Court of Australia today delivered judgment against SP AusNet on appeals against disputed tax amended assessments relating to the 2001 to 2006 income years.

The disputed tax amended assessments relate to deductions claimed for amounts imposed under section 163AA of the *Electricity Industry Act (1993) (Vic)*. Under the amended assessments, the total amount payable was \$87.3 million (representing \$54.0 million of primary tax, plus an interest component of \$33.3 million).

SP AusNet paid \$30.6 million to the ATO in October 2011 in relation to the dispute as part of a 50/50 payment arrangement. This amount has been recorded as a non-current receivable in SP AusNet's financial statements since that time.

SP AusNet is seeking legal advice about the Federal Court's decision and will decide whether to appeal the decision after fully considering that advice.

SP AusNet has a further dispute with the ATO before the Federal Court in relation to intellectual property deductions claimed in the 1998 to 2010 years, inclusive. SP AusNet is challenging \$44.0 million of amended assessments (representing \$27.4 million of primary tax and \$16.6 million of interest and administrative penalties). The trial date for this dispute has been set down to commence on 25 November 2013.

For further information contact:**Investor Relations**

John Nicolopoulos
Manager, Investor Relations
+61 3 9695 6301 or +61 409 672 912

Media Relations

Jonathan Geddes
Corporate Relations
+61 3 9695 6401 or +61 410 573 278

SP AusNet

SP Australia Networks (Distribution) Ltd
ABN 37 108 788 245

SP Australia Networks (Transmission) Ltd
ABN 48 116 124 362

SP Australia Networks (Finance) Trust
ARSN 116 783 914

SP Australia Networks (RE) Ltd
ABN 46 109 977 371
AFS Licence No. 294117 as responsible entity for
SP Australia Networks (Finance) Trust

Level 31
2 Southbank Boulevard Southbank
Victoria 3006 Australia

Locked Bag 14051
Melbourne City Mail Centre
Victoria 8001 Australia

Tel: +61 3 9695 6000
Fax: +61 3 9695 6666