

ASX & SGX-ST Release



29 May 2015

TO: ASX Limited
Singapore Exchange Securities Trading Limited

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Scheme and General Meetings Presentation

Enclosed is an announcement made by AusNet Services which is provided for the information of AusNet Services Holdings Pty Ltd noteholders.

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AusNet Services
AusNet Services (Distribution) Ltd
ABN 37 108 788 245
AusNet Services (Transmission) Ltd
ABN 48 116 124 362
AusNet Services Finance Trust
ARSN 116 783 914

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

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The presentation for today's Scheme and General Meetings is attached.

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Scheme and General Meetings Restructure Proposal

29 May 2015

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Disclaimer



- ▶ The AusNet Services Group (AusNet Services) comprises AusNet Services (Transmission) Ltd (AusNet Services Transmission), AusNet Services (Distribution) Ltd (AusNet Services Distribution) (together, the Companies) and their subsidiaries, AusNet Services Finance Trust and the responsible entity for the AusNet Services Finance Trust, AusNet Services (RE) Ltd (Responsible Entity), which is the holder of the Australian Financial Services Licence No. 294117. Shares in each of the Companies are stapled to units in the AusNet Services Finance Trust.
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Chairman's address

Ng Kee Choe

Independent Director address

Tony Iannello



Scheme Meetings

Restructure Proposal

► **The AusNet Services Directors believe that the complexity of the current corporate structure is no longer appropriate and that the Proposal achieves a number of key benefits:**

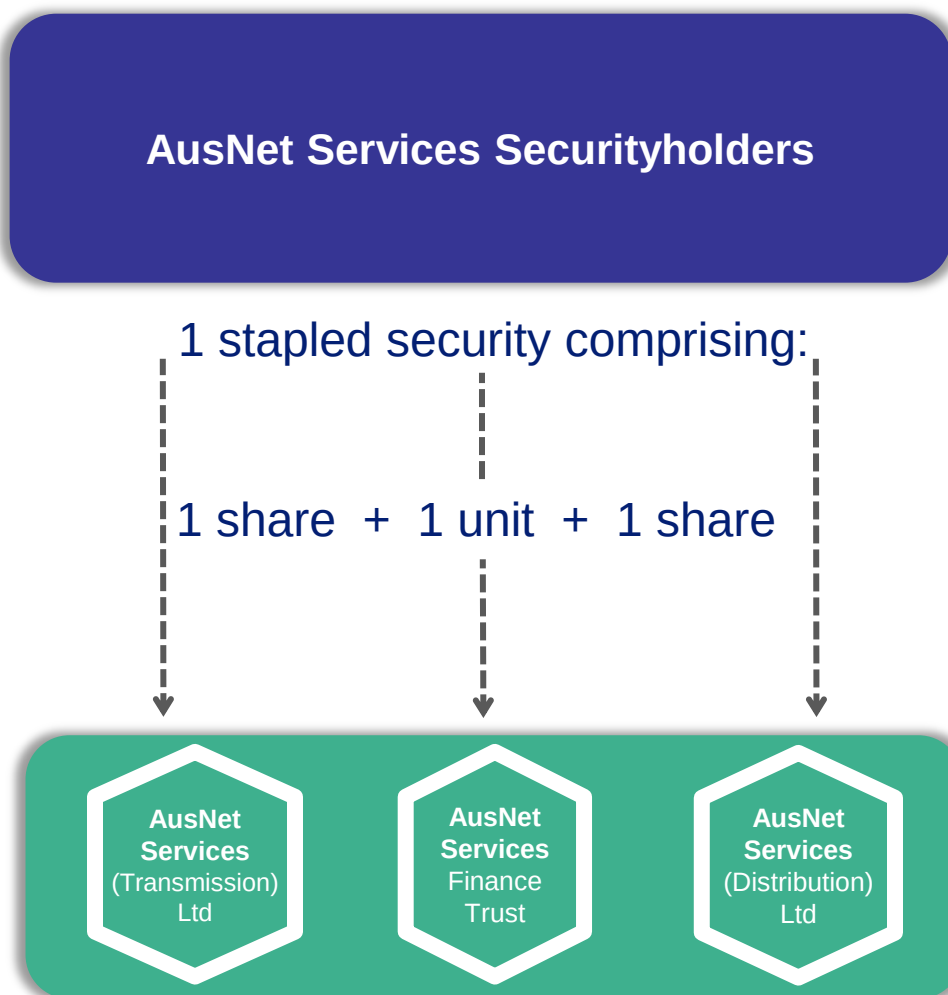
- Simplification and potential broader investor appeal
- Reduced administration
- Greater certainty of tax position in relation to capital structure
- Facilitates the efficient repayment of AusNet Services Trust Loans
- Improved ability to distribute available franking credits

› also has a number of **disadvantages and risks** including:

- Profile of future distributions may not suit all investors and no ability to make tax deferred distributions
- Transaction costs
- Potential stamp duty liability triggered by any further restructure of AusNet Services subsequent to this Proposal (no such restructure is currently expected)
- Cancellation of AusNet Services' pre-2005 tax losses but this is expected to be offset by an increase in the tax base of certain assets as a consequence of tax consolidation

Because the benefits outweigh disadvantages and risks, the AusNet Services Directors believe that the Proposal is in the best interests of Securityholders. Therefore the Directors unanimously recommend that Securityholders vote in favour of the Resolutions.

Current ownership structure

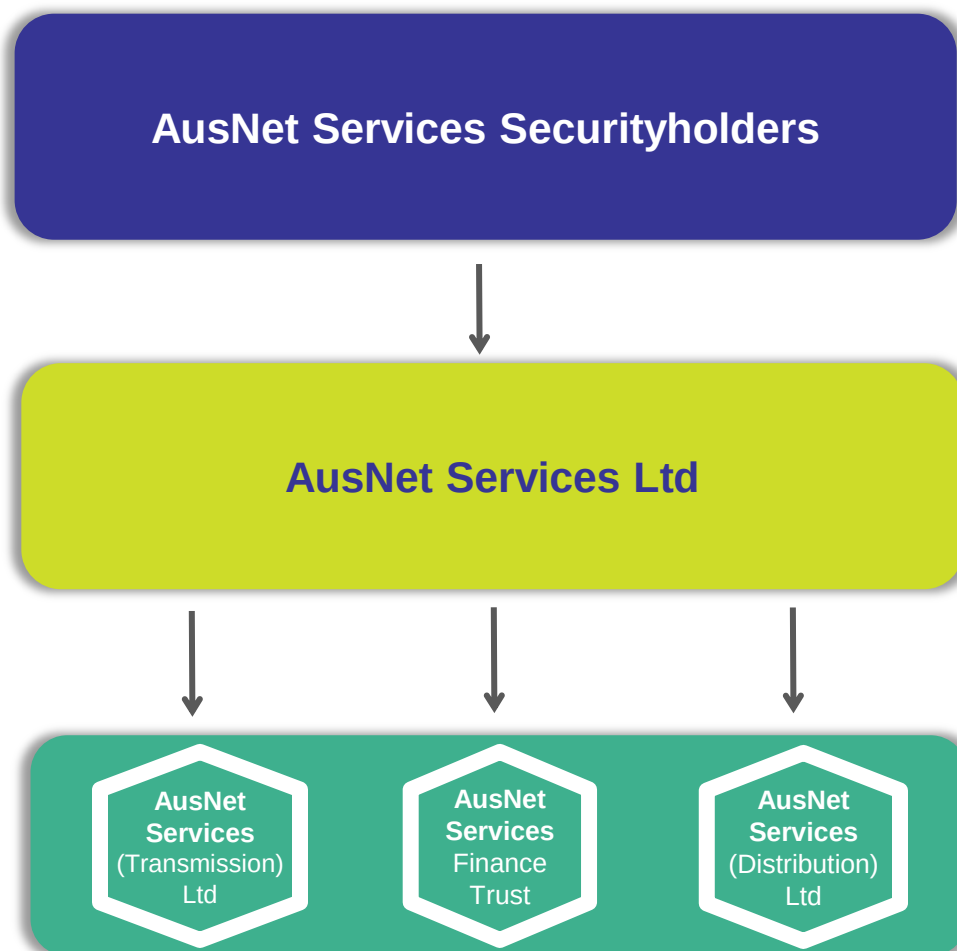


Proposed ownership structure



If the Proposal is implemented:

- ▶ New listed entity (AusNet Services Ltd) will become the new single head entity of the AusNet Services group
- ▶ **All Eligible Securityholders will receive one share in AusNet Services Ltd for each stapled security held on the Record Date, 11 June 2015**
- ▶ No cash payment from Securityholders or capital return to Securityholders, as part of the Proposal
- ▶ No change to the composition of the Board (as a consequence of the Proposal) or to the underlying business and assets
- ▶ **Any future periodic distributions expected to be paid entirely as dividends**
- ▶ The distribution reinvestment plan will apply to the next distribution in the usual way (except that, if the Proposal is implemented, the securityholders will receive AusNet Services Ltd shares instead of AusNet Services stapled securities)



AusNet Services Transmission Company Scheme Resolution

“That, pursuant to, and in accordance with section 411 of the Corporations Act 2001 (Cth), the scheme of arrangement proposed between AusNet Services (Transmission) Ltd and the holders of its ordinary shares as contained in and more precisely described in the Securityholder Booklet of which the notice convening this meeting forms part is approved (with or without modification as approved by the Supreme Court of Victoria).”

AusNet Services Distribution Company Scheme Resolution

“That, pursuant to, and in accordance with section 411 of the Corporations Act 2001 (Cth), the scheme of arrangement proposed between AusNet Services (Distribution) Ltd and the holders of its ordinary shares as contained in and more precisely described in the Securityholder Booklet of which the notice convening this meeting forms part is approved (with or without modification as approved by the Supreme Court of Victoria).”

General Meetings

Amendments to AusNet Services Trust Constitution

To consider and, if thought fit, to pass the following as a **special** resolution of **AusNet Services Trust**:

“That:

(a) subject to and conditional upon the Company Schemes becoming Effective, the AusNet Services Trust Constitution be amended in accordance with the provisions set out in Annexure E and contained in a supplemental deed poll tabled at the Meetings and initialled by the Chairman for the purposes of identification; and

(b) AusNet Services Trustee, as responsible entity of AusNet Services Trust, be authorised to execute the supplemental deed poll and lodge it with ASIC to give effect to the AusNet Services Trust Constitution Amendments.”

Destapling of AusNet Services Stapled Securities

To consider and, if thought fit, to pass the following as a **special** resolution of each of **AusNet Services Distribution, AusNet Services Transmission and AusNet Services Trust**:

“That, subject to and conditional upon the Schemes becoming Effective, the destapling of AusNet Services Distribution Shares, AusNet Services Transmission Shares and AusNet Services Trust Units in accordance with the terms of the constitutions of AusNet Services Distribution, AusNet Services Transmission and AusNet Services Trust, respectively, be approved.”

Acquisition of AusNet Services Trust Units

To consider and, if thought fit, to pass the following as an **ordinary** resolution of **AusNet Services Trust**:

“That, subject to and conditional upon the Schemes becoming Effective, the acquisition by NewCo of a relevant interest in all of the AusNet Services Trust Units in connection with the implementation of the Trust Scheme, be approved for the purposes of item 7 of section 611 of the Corporations Act.”

Further Information and Contacts

- ▶ AusNet Services is the largest diversified energy network business in Victoria, owning and operating around \$12 billion of electricity and gas distribution assets, including the state-wide electricity transmission network. The company also has a non-regulated division, Select Solutions, providing utility services.
- ▶ Headquartered in Melbourne, Australia, AusNet Services employs more than 2,600 people to service over 1.3 million consumers and is listed on the Australian Securities Exchange (ASX: AST) and the Singapore Stock Exchange (SGX-ST: X04).
- ▶ For more information visit www.ausnetservices.com.au

For further information contact:

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