

20 October 2011

2011 AGM Highlights

- Profit after Tax guidance for 2011-12 maintained, at around \$60 million
- Dividends of 5.8 cents for 2011-12
- New \$235 million (4-5 year) loan facility

Envestra's Chairman, Mr John Allpass, reported at today's AGM that the Company was maintaining its previous guidance of a Profit after Tax ('PAT') of around \$60 million for 2011-12, a 33% increase over the PAT in the previous year.



Mr Allpass also confirmed previous guidance that dividends for 2011-12 will be 5.8 cents per share, delivering a 9% yield at the current share price. The next dividend is 2.9 cents and will be paid on 28 October.

The Company recently announced that it had raised \$25.7 million in the first half of 2011-12 via its Dividend Reinvestment Plan, with shareholders representing over 60% of the issued capital participating. Shareholders have also been given the opportunity to acquire additional equity in the Company via a Security Purchase Plan (the offer closes on 28 October).

The Company expects to invest \$200 million during the year expanding its networks and to connect over 25,000 consumers, as well as continuing its program of replacing old cast iron and steel mains.

The Company was active in the capital markets in 2010-11 with two US Private Placements completed. It received A\$172 million via a 17-year bond in July 2010, and a further A\$350 million of 10, 12 and 30-year bonds in June and July 2011. In addition, a \$100 million loan facility was put in place with the National Australia Bank. Proceeds from the debt raisings were used to refinance A\$174M of bonds that matured in May 2011 and to fund the capex program.

The Company also announced today that it had executed a Syndicated Loan Agreement with Australian and international banks for A\$235 million with the funds to be used to repay loans maturing in mid-2012. Thereafter, Envestra will have no currently drawn loans maturing before July 2014, other than small amounts of commercial paper.

Envestra's average debt maturity is currently 11 years with term-debt maturities extending through to 2042.

Gas volumes for the domestic market during the first three months of 2011-12 are 7% below expectations, resulting in a reduction in revenue of around \$5 million. The full-year result will depend, to some extent, on normal weather occurring throughout the remainder of the year.

For further information contact:

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