

28 October 2009

## 2009 AGM Highlights

- Forecast Profit After Tax of \$40M for 2009-10
- Dividends of 5.5 cents for 2009-10
- No term-debt refinancing until May 2011

Envestra's Chairman, Mr. John Allpass, reported at today's AGM that the Company was maintaining its previous guidance of an underlying Profit after Tax ('PAT') of \$40 million for 2009-10, a 15% increase over the underlying PAT in the previous year.

Mr. Allpass also confirmed previous guidance that dividends for 2009-10 will be 5.5 cents per share, delivering a 10% yield at the current share price. The next dividend is 2.75 cents and will be paid on 30 October.

The Company expects to invest \$120 million during the year laying new mains and connecting over 20,000 consumers, as well as continuing its program of replacing old cast iron and steel mains.

The Company completed the refinancing of \$385 million of debt during 2008-09, and has put in place a further \$100 million, 5 and 6 year facility, with Macquarie Bank to facilitate early repayment of Capital Indexed Bonds due to mature in 2011. There is no other term-debt to be refinanced until May 2011, when \$180 million of bonds mature.

Envestra's average debt maturity is currently 9.4 years with term-debt maturities extending through to 2033.

The Company recently announced that it had raised \$22 million in the first half of 2009-10 via its Dividend Reinvestment Plan, with shareholders representing 62% of the issued capital participating.

Gas volumes for the first four months of 2009-10 are marginally below expectations, but total revenues are largely as anticipated.

The Company is closely monitoring the Federal Government's proposed Emissions Trading Scheme and has reported that its emissions, primarily related to gas leakage, are the equivalent of 627,000 tonnes of CO<sub>2</sub> per year. Based on the proposed cost of \$10 per tonne, this equates to approximately \$6 for each of the 1.04 million consumers supplied with gas via Envestra's distribution networks. It is expected that this cost will be passed through to gas consumers via the Company's tariffs.

### For further information contact:

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