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News Release

**State Grid Corporation of China to invest in
Singapore Power's Australian utility businesses**

- Singapore Power International Pte Ltd (SPI) and State Grid International Development Limited (SGID) have entered into an agreement for SGID to purchase a 60% shareholding in SPI (Australia) Assets Pty Ltd (SPIAA), a leading Australian energy infrastructure company wholly owned by SPI
- SPI and SGID have also entered into a separate agreement for SGID to acquire from SPI a 19.9% security holding in SP AusNet at a price of A\$824 million
- Transactions are subject to customary conditions, including regulatory approvals from the Treasurer of the Commonwealth of Australia, the Australian Competition Consumer Commission and the National Development and Reform Commission of China

SPI, a subsidiary of Singapore Power Ltd (SP), announced that it has agreed with SGID, a subsidiary of State Grid Corporation of China (SGCC), for SGID to purchase a 60% shareholding in SPIAA. SPI and SGID have agreed to enter into an agreement with respect to their interests in SPIAA.

SGCC is the world's largest utility company with revenues of approximately US\$300 billion in 2012 and ranks No.7 on the Fortune Global 500 list. Outside China, SGID has invested in Australia, Brazil, Portugal and the Philippines.

A major consideration for SPI to partner with SGID in SPIAA is its ability to assist in creating further value at SPIAA, given its significant capability and strong operational track record. With support from two strong shareholders, SPIAA is positioned to build on its position as a leading player in energy infrastructure in Australia through strategic investments as well as further investment in its existing networks. Both shareholders will continue to support commercially viable investments that deliver enhanced service quality to consumers.

In a separate agreement, SPI has agreed for SGID to purchase a 19.9% security holding in SP AusNet. SPI will continue to hold 31.1% in SP AusNet, and SP AusNet will remain publicly listed.

Australia has a resilient economy with a transparent regulatory and legal framework. Australia remains a focus for SP's future plans, through SPI's remaining 40.0% interest in SPIAA and 31.1% security interest in SP AusNet. SP remains committed to all of its stakeholders in Australia, including consumers, governments, regulators and business partners. The transactions will not impact the day-to-day operations of the businesses.

The transactions demonstrate the confidence SP and SGCC have in the future prospects of SP AusNet and SPIAA, as well as the energy infrastructure environment in Australia. SP and SGCC share a long-term view of these investments in providing high levels of service and

reliability to Australian consumers. SP and SGCC are committed to continue providing consumers with a safe and reliable supply of energy.

Commenting on the transactions, SP Group Chief Executive Officer, Mr. Wong Kim Yin, said: "We are very proud of what we have achieved in Australia through our investments in SP AusNet and SPIAA. SP looks forward to the next stage of growth in these entities. I am confident that with the support of SGCC and SP, both SP AusNet and SPIAA businesses will be further enhanced.

"These transactions also recognise the astute leadership and solid performance of the management and employees of SP AusNet and SPIAA, as well as the strength of the Australian energy infrastructure sector."

Credit Suisse and Lazard acted as joint financial advisors to SPI. Herbert Smith Freehills and Allen & Gledhill acted as legal counsels to SPI.

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About Singapore Power Ltd and Singapore Power International Pte Ltd

SPI is an investment holding company for SP, a leading energy utility company in the Asia Pacific. SP owns and operates electricity and gas transmission and distribution businesses in Singapore and in Australia, primarily in Victoria, New South Wales and Queensland. More than a million industrial, commercial and residential customers in Singapore benefit from SP's world-class electricity and gas transmission and distribution, and market support services. Singapore has one of the fewest and shortest power outages of cities worldwide, as rated by international industry indices. In Australia, the SP Group serves 2.8 million customers through wholly-owned SPIAA, a diversified energy utility company and 51 per cent owned SP AusNet, which is publicly listed on the Australian and Singapore Stock Exchanges. As one of Singapore's largest corporations, SP recorded revenue of S\$8.7 billion and assets of S\$32.4 billion for the year ended 31 March 2012.

About State Grid Corporation of China

SGCC's core businesses are the investment, construction and operation of power networks, with a mission of providing safer, more economical, cleaner and sustainable power supply services. SGCC's transmission and distribution networks cover 26 provinces, municipalities and autonomous regions (approximately 88% of the geographical area) of China, forming the largest and most sophisticated power grid in the world. In 2012, SGCC achieved revenue of c.USD300 billion, and ranked 7th in the Fortune Global 500. It is the largest utility in the world.

As a result of its continuous investment in R&D, SGCC has developed a strong expertise in core technologies such as Ultra High Voltage (UHV), Smart Grid, and renewable energy integration and has successfully applied them in its grid operation and management, realizing significant economic and social benefits.

SGID is a wholly owned subsidiary of SGCC and the platform for undertaking the overseas investment and operations of SGCC. SGCC, through SGID, has a number of overseas investments in ElectraNet (the South Australian electricity transmission network), Portugal's REN (Redes Energeticas Nacionais), the National Grid Corporation of the Philippines (25-year concession) and 12 Brazilian power transmission concessionaires.

About SP AusNet

SP AusNet is the largest diversified energy network business in Victoria, owning and operating more than \$10 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 a range of energy, water and environmental services to the utilities industry. Headquartered in Melbourne, Australia, SP AusNet employs more than 1,900 people to service 1.3 million customers and is listed on the Australian Securities Exchange (ASX: SP AUSNET) and the Singapore Stock Exchange (SGX-ST: X04).

For more information visit SP AusNet's website, www.sp-ausnet.com.au.

About SPI (Australia) Assets Pty Ltd

SPIAA is a private company that mainly owns and maintains electricity distribution, gas distribution and transmission assets, including:

- wholly-owned regulated assets – an electricity distribution network serving over 300,000 customers in north-west Melbourne, Victoria and a gas distribution network serving over 1 million customers in Sydney, New South Wales;
- partially-owned regulated assets – 50% ownership of the electricity and gas distribution networks in the Australian Capital Territory (ActewAGL Distribution); and 34% of United Energy Distribution, an electricity distribution business serving the south-eastern suburbs of Melbourne; and
- wholly-owned unregulated assets – gas transmission pipelines in Victoria, New South Wales and Queensland, a recycled water scheme in New South Wales; and utility infrastructure services provider, Zinfra.

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