

Statement of Comprehensive Income

For the 6 months ended 30 September 2023

	Notes	6 months ended 30 September 2023 \$000 Unaudited	6 months ended 30 September 2022 \$000 Unaudited	Year ended 31 March 2023 \$000 Audited
Dividends received from subsidiary companies		-	-	115,000
Operating revenue		92,962	159,416	240,328
Total revenue		92,962	159,416	355,328
Directors' fees		780	516	1,101
Management and other fees	11	78,880	155,575	233,862
Other operating expenses	4	17,843	3,806	5,988
Total operating expenditure		97,503	159,897	240,951
Operating surplus/(loss) before financing, derivatives, realisations and impairments		(4,541)	(481)	114,377
Net gain/(loss) on foreign exchange and derivatives		-	(3)	29
Net realisations, revaluations and (impairments)		-	19	71
Interest income		138,220	85,593	173,937
Interest expense		(37,269)	(30,943)	(65,626)
Net financing income		100,951	54,650	108,311
Net surplus/(loss) before taxation		96,410	54,185	222,788
Taxation credit/(expense)	6	(60)	(3,261)	3,827
Net surplus/(loss) for the period		96,350	50,924	226,615
Total comprehensive income for the period		96,350	50,924	226,615

The accompanying notes form part of these financial statements.

Statement of Changes in Equity

For the 6 months ended 30 September 2023

	Notes	Capital \$000 Unaudited	Other reserves \$000 Unaudited	Retained earnings \$000 Unaudited	Total \$000 Unaudited
Balance as at 1 April 2023		1,050,002	-	242,103	1,292,105
Total comprehensive income for the period					
Net surplus for the period		-	-	96,350	96,350
Total other comprehensive income		-	-	-	-
Total comprehensive income for the period		-	-	96,350	96,350
Contributions by and distributions to owners					
Shares issued		976,087	-	-	976,087
Dividends to equity holders	3	-	-	(91,280)	(91,280)
Total contributions by and distributions to owners		976,087	-	(91,280)	884,807
Balance at 30 September 2023		2,026,089	-	247,173	2,273,262

Statement of Changes in Equity

For the 6 months ended 30 September 2022

Balance as at 1 April 2022		1,050,002	-	122,408	1,172,410
Total comprehensive income for the period					
Net surplus for the period		-	-	50,924	50,924
Total other comprehensive income		-	-	-	-
Total comprehensive income for the period		-	-	50,924	50,924
Contributions by and distributions to owners					
Shares issued		-	-	-	-
Reserves transferred from amalgamated company		-	-	28,791	28,791
Dividends to equity holders	3	-	-	(86,842)	(86,842)
Total contributions by and distributions to owners		-	-	(58,051)	(58,051)
Balance at 30 September 2022		1,050,002	-	115,281	1,165,283

Statement of Changes in Equity

For the year ended 31 March 2023

Balance as at 1 April 2022		1,050,002	-	122,408	1,172,410
Total comprehensive income for the year					
Net surplus for the year		-	-	226,615	226,615
Total other comprehensive income		-	-	-	-
Total comprehensive income for the year		-	-	226,615	226,615
Contributions by and distributions to owners					
Shares issued		-	-	-	-
Reserves transferred from amalgamated company		-	-	28,791	28,791
Dividends to equity holders	3	-	-	(135,711)	(135,711)
Total contributions by and distributions to owners		-	-	(106,920)	(106,920)
Balance at 31 March 2023		1,050,002	-	242,103	1,292,105

The accompanying notes form part of these financial statements.

Statement of Financial Position

As at 30 September 2023

	Notes	30 September 2023 \$000 Unaudited	30 September 2022 \$000 Unaudited	31 March 2023 \$000 Audited
Cash and cash equivalents		-	-	-
Prepayments and sundry receivables		6,115	3,518	50,322
International Portfolio Incentive fees receivable from subsidiaries		102,867	149,011	116,043
Advances to subsidiary companies	11	3,140,993	2,138,287	2,005,433
Current assets		3,249,975	2,290,816	2,171,798
International Portfolio Incentive fees receivable from subsidiaries		82,715	116,078	146,317
Deferred tax		25,298	12,635	21,690
Investments	11	585,529	585,529	585,529
Non-current assets		693,542	714,242	753,536
Total assets		3,943,517	3,005,058	2,925,334
Bond interest payable		6,135	3,564	4,556
Accounts payable		8,874	6,299	6,680
Accruals and other liabilities		24,571	33,568	304
International Portfolio Incentive fees payable		82,715	116,078	164,131
Infratil Infrastructure bonds	7	56,014	221,769	121,954
Loans from Group companies	11	-	153,897	-
Total current liabilities		178,309	535,175	297,625
International Portfolio Incentive fees payable		82,715	116,078	146,318
Infratil Infrastructure bonds	7	1,177,314	956,605	957,368
Perpetual Infratil Infrastructure bonds	7	231,917	231,917	231,917
Non-current liabilities		1,491,946	1,304,600	1,335,603
Attributable to shareholders of the Company		2,273,262	1,165,283	1,292,105
Total equity		2,273,262	1,165,283	1,292,105
Total equity and liabilities		3,943,517	3,005,058	2,925,334

Approved on behalf of the Board on 15 November 2023.



Director



Director

The accompanying notes form part of these financial statements.

Statement of Cash Flows

For the 6 months ended 30 September 2023

	Notes	6 months ended 30 September 2023	6 months ended 30 September 2022	Year ended 31 March 2023
		\$000 Unaudited	\$000 Unaudited	\$000 Audited
Cash flows from operating activities				
<i>Cash was provided from:</i>				
Dividends received from subsidiary companies		-	-	115,000
Interest received		138,219	85,594	173,937
Operating revenue receipts		53,698	35,159	171,856
		191,917	120,753	460,793
<i>Cash was dispersed to:</i>				
Interest paid		(34,715)	(30,810)	(63,553)
Payments to suppliers		(35,077)	(158,628)	(339,408)
Taxation (paid) / refund		(3,668)	(3,239)	(5,206)
		(73,460)	(192,677)	(408,167)
Net cash flows from operating activities	8	118,457	(71,924)	52,626
Cash flows from investing activities				
<i>Cash was provided from:</i>				
Net movement in subsidiary company loan		-	138,001	162,318
		-	138,001	162,318
<i>Cash was dispersed to:</i>				
Net movement in subsidiary company loan		(1,096,295)	-	-
		(1,096,295)	-	-
Net cash flows from investing activities		(1,096,295)	138,001	162,318
Cash flows from financing activities				
<i>Cash was provided from:</i>				
Proceeds from issue of shares		916,087	-	-
Issue of bonds		277,248	115,919	115,919
		1,193,335	115,919	115,919
<i>Cash was dispersed to:</i>				
Repayment of bonds		(122,104)	(93,696)	(193,696)
Infrastructure bond issue expenses		(2,113)	(1,458)	(1,457)
Dividends paid	3	(91,280)	(86,842)	(135,710)
		(215,497)	(181,996)	(330,863)
Net cash flows from financing activities		977,838	(66,077)	(214,944)
Net cash movement		-	-	-
Cash balances at beginning of period		-	-	-
Cash balances at period end		-	-	-

Note some cash flows above are directed through an intercompany account. The cash flow statement above has been prepared on the assumption that these transactions are equivalent to cash in order to present the total cash flows of the entity.

The accompanying notes form part of these financial statements.

Infratil Limited

Notes to the Financial Statements

For the 6 months ended 30 September 2023

(1) Accounting policies

(A) Reporting entity

Infratil Limited ('the Company') is a company domiciled in New Zealand and registered under the Companies Act 1993. The Company is listed on the NZX Main Board ('NZX') and Australian Securities Exchange ('ASX'), and is an FMC Reporting Entity in terms of Part 7 of the Financial Markets Conduct Act 2013.

(B) Basis of preparation

These unaudited condensed half year financial statements ('half year statements') of Infratil Limited have been prepared in accordance with *NZ IAS 34 Interim Financial Reporting* and comply with *IAS 34 Interim Financial Reporting*. The half year statements have been prepared in accordance with the accounting policies stated in the published financial statements for the year ended 31 March 2023 and should be read in conjunction with the previous annual report. No changes have been made from the accounting policies used in the 31 March 2023 annual report which can be obtained from Infratil's registered office or www.infratil.com. The presentation currency used in the preparation of these financial statements is New Zealand dollars, which is also the Company's functional currency. Comparative figures have been restated where appropriate to ensure consistency with the current period. To aid comparability certain balance sheet items have been represented from those reported in prior years to conform to the current year's presentation. Total equity remains unchanged.

(2) Nature of business

The Company is the ultimate parent company of the Infratil Group which owns and operates infrastructure businesses and investments in New Zealand, Australia, the United States, Asia, United Kingdom and Europe. The Company is a limited liability company incorporated and domiciled in New Zealand. The address of its registered office is 5 Market Lane, Wellington, New Zealand.

(3) Infratil shares and dividends

Ordinary shares (fully paid)

Total issued capital at the beginning of the period

Movements in issued and fully paid ordinary shares during the period:

New shares issued

New shares issued under dividend reinvestment plan

Treasury Stock reissued under dividend reinvestment plan

Conversion of executive redeemable shares

Share buyback

Total authorised and issued capital at the end of the period

	6 months ended 30 September 2023	6 months ended 30 September 2022	Year ended 31 March 2023
	Unaudited	Unaudited	Audited
Total issued capital at the beginning of the period	723,983,582	723,983,582	723,983,582
New shares issued	107,906,405	-	-
New shares issued under dividend reinvestment plan	-	-	-
Treasury Stock reissued under dividend reinvestment plan	-	-	-
Conversion of executive redeemable shares	-	-	-
Share buyback	-	-	-
Total authorised and issued capital at the end of the period	831,889,987	723,983,582	723,983,582

During the period, the company issued 101.6 million new shares as part of an equity raise undertaken to partially fund the acquisition of 49.95% of One NZ. Net proceeds from the raise (after transaction costs and foreign exchange movements of \$18.8 million) were \$916.1 million. Additionally, 6.3 million new shares were issued to pay \$60.0 million of incentive fees payable to Morrison & Co as consideration for management services, as announced on 22 May 2023. All fully paid ordinary shares have equal voting rights and share equally in dividends and equity. At 30 September 2023 the Group held 1,662,617 shares as Treasury Stock (30 September 2022: 1,662,617, 31 March 2023: 1,662,617).

Dividends paid on ordinary shares

	6 months ended 30 September 2023	6 months ended 30 September 2022	Year ended 31 March 2023	6 months ended 30 September 2023	6 months ended 30 September 2022	Year ended 31 March 2023
	Unaudited cps	Unaudited cps	Audited cps	Unaudited \$000	Unaudited \$000	Audited \$000
Final dividend prior year	12.50	12.00	12.00	91,280	86,842	86,878
Interim dividend paid current year	-	-	6.75	-	-	48,869
Dividends paid on ordinary shares	12.50	12.00	18.75	91,280	86,842	135,747

(4) Other operating expenses

	6 months ended 30 September 2023 Unaudited \$000	6 months ended 30 September 2022 Unaudited \$000	Year ended 31 March 2023 Audited \$000
Fees paid to the Company auditor	500	172	264
Project Expenses	13,733	2,009	1,762
Administration and other corporate costs	3,610	1,625	3,962
Total other operating expenses	17,843	3,806	5,988

(5) Net investment realisations and (impairments)

At 30 September 2023 the Company reviewed the carrying amounts of loans to Infratil Group companies to determine whether there was any indication that those assets have suffered an impairment loss. The recoverable amount of the asset was estimated by reference to the counterparties' net asset position and ability to repay loans out of operating cash flows in order to determine the extent of any impairment loss. As a result of this review the Company did not impair any loans to Infratil Group companies in the period (30 September 2022: nil, 31 March 2023: nil). These balances are within the Infratil Wholly Owned Group with entities controlled either directly or indirectly by Infratil Limited.

(6) Taxation

	6 months ended 30 September 2023 Unaudited \$000	6 months ended 30 September 2022 Unaudited \$000	Year ended 31 March 2023 Audited \$000
Surplus/(loss) before taxation	96,410	54,185	222,788
Taxation on the surplus/(loss) for the period @ 28% tax rate	26,995	15,172	62,381
<i>Plus/(less) taxation adjustments:</i>			
Exempt dividends	-	-	(31,719)
Tax losses not recognised/(utilised)	(31,140)	(12,338)	-
Losses offset within Group	-	-	(30,683)
(Under)/over provision in prior periods	4,206	427	(3,806)
Other permanent differences	-	-	-
Taxation expense/(credit)	60	3,261	(3,827)
Current taxation	-	-	5,206
Deferred taxation	60	3,261	(9,033)
	60	3,261	(3,827)

There was no income tax recognised in other comprehensive income during the period (30 September 2022: nil, 31 March 2023: nil).

(7) Infratil Infrastructure bonds

	6 months ended 30 September 2023	6 months ended 30 September 2022	Year ended 31 March 2023
	Unaudited \$000	Unaudited \$000	Audited \$000
Balance at the beginning of the period	1,311,239	1,388,488	1,388,488
Issued during the period	277,248	115,919	115,919
Exchanged during the period	(52,248)	(50,919)	-
Matured during the period	(69,856)	(42,778)	(193,696)
Purchased by Infratil during the period	-	-	-
Bond issue costs capitalised during the period	(2,113)	(1,457)	(1,457)
Bond issue costs amortised during the period	1,109	1,166	2,246
Issue premium amortised during the year	(134)	(129)	(261)
Balance at the end of the period	1,465,245	1,410,291	1,311,239
Current	56,014	221,769	121,954
Non-current fixed coupon	1,177,314	956,605	957,368
Non-current perpetual variable coupon	231,917	231,917	231,917
Balance at the end of the period	1,465,245	1,410,291	1,311,239
<i>Repayment terms and interest rates:</i>			
IFT240 maturing in December 2022, 5.65% p.a. fixed coupon rate	-	100,000	-
IFT210 maturing in September 2023, 5.25% p.a. fixed coupon rate	-	122,104	122,104
IFT230 maturing in June 2024, 5.50% p.a. fixed coupon rate	56,117	56,117	56,117
IFT260 maturing in December 2024, 4.75% p.a. fixed coupon rate	100,000	100,000	100,000
IFT250 maturing in June 2025, 6.15% p.a. fixed coupon rate	43,413	43,413	43,413
IFT300 maturing in March 2026, 3.35% p.a. fixed coupon rate	120,269	120,269	120,269
IFT280 maturing in December 2026, 3.35% p.a. fixed coupon rate	156,279	156,279	156,279
IFT310 Maturing in December 2027, 3.60% p.a fixed coupon rate	102,403	102,403	102,403
IFT330 Maturing in July 2029, 6.90% p.a. fixed coupon rate	150,000	-	-
IFT340 Maturing in March 2031, 7.08% p.a. fixed coupon rate	127,248	-	-
IFT270 maturing in December 2028, 4.85% p.a. fixed coupon rate until 15 December 2023	146,249	146,249	146,249
IFT320 maturing in June 2030, 5.93% p.a. fixed coupon rate until June 2026	115,919	115,919	115,919
IFTHC maturing in December 2029, 7.89% p.a. variable coupon rate reset annually from December 2021	123,186	123,186	123,186
IFTHA Perpetual Infratil infrastructure bonds	231,917	231,917	231,917
<i>less:</i> Bond issue costs capitalised and amortised over term	(8,442)	(8,518)	(7,438)
<i>add:</i> issue premium capitalised and amortised over term	687	954	821
Balance at the end of the period	1,465,245	1,410,291	1,311,239

Fixed coupon

The fixed coupon bonds the Company has on issue are at a face value of \$1.00 per bond. Interest is payable quarterly on the bonds.

Perpetual Infratil infrastructure bonds ('PIIBs')

The Company has 231,916,000 (30 September 2022: 231,916,000, 31 March 2023: 231,916,000) PIIBs on issue at a face value of \$1.00 per bond. Interest is payable quarterly on the bonds. On 15 November 2022 the coupon was set at 6.45% per annum until the next reset date, being 15 November 2023 (September 2022: 3.14%, March 2023: 6.45%). Thereafter the rate will be reset annually at 1.50% per annum over the then one year bank rate for quarterly payments, unless Infratil's gearing ratio exceeds certain thresholds, in which case the margin increases. These infrastructure bonds have no fixed maturity date. No PIIBs (September 2022: nil, March 2023: nil) were repurchased by Infratil Limited during the period.

IFTHC bonds

The Company has 123,186,000 (30 September 2022: 123,186,000, 31 March 2023: 123,186,000) IFTHCs on issue at a face value of \$1.00 per bond. Interest is payable quarterly on the bonds. For the period to 15 December 2023 the coupon is fixed at 7.89% per annum (September 2022: 4.19%, March 2023: 7.89%). Thereafter the rate will be reset annually at 2.5% per annum over the then one year swap rate for quarterly payments.

IFT270 bonds

The interest rate of the IFT270 bonds is fixed at 4.85% for the first five years and will then reset on 15 December 2023 for a further five years. The interest rate for the IFT270 bonds for the period from (but excluding) 15 December 2023 until the maturity date will be the sum of the five year swap rate on 15 December 2023 plus a margin of 2.50% per annum.

IFT320 bonds

The interest rate of the IFT320 bonds is fixed at 5.93% for the first four years and will then reset on 15 June 2026 for a further four years. The interest rate for the IFT320 bonds for the period from (but excluding) 15 June 2026 until the maturity date will be the sum of the four year swap rate on 15 June 2023 plus a margin of 2.00% per annum.

Throughout the period the Company complied with all debt covenant requirements as imposed by the bond Supervisor.

At 30 September 2023 the infrastructure bonds (including PIIBs) had a fair value of \$1,353.7 million (30 September 2022: \$1,314.8 million, 31 March 2023: \$1,203.4 million).

(8) Reconciliation of net surplus with cash flow from operating activities

	6 months ended 30 September 2023 Unaudited \$000	6 months ended 30 September 2022 Unaudited \$000	Year ended 31 March 2023 Audited \$000
Net surplus/(loss)	96,350	50,924	226,615
<i>Less items classified as investing activity</i>			
Loss/(profit) on investment realisations and impairments	-	(19)	72
<i>Add items not involving cash flows</i>			
Movement in financial derivatives taken to the profit or loss	(4)	5	-
Other non cash movements	20,737	(124,261)	(169,688)
Amortisation of deferred bond issue costs	975	1,037	1,985
<i>Movements in working capital</i>			
Change in receivables and prepayments	120,986	147,228	103,133
Change in trade payables	2,194	150	531
Change in accruals and other liabilities	(119,173)	(147,010)	(100,989)
Change in taxation and deferred tax	(3,608)	22	(9,033)
Net cash inflow/(outflow) from operating activities	118,457	(71,924)	52,626

(9) Commitments

There are no outstanding commitments (30 September 2022: nil, 31 March 2023: nil).

(10) Contingent liabilities

The Company and certain wholly owned subsidiaries are guarantors of the bank debt facilities of Infratil Finance Limited under a Deed of Negative Pledge, Guarantee and Subordination and the Company is a guarantor to certain obligations of subsidiary companies.

The Company has a contingent liability under the international fund management agreement with Morrison & Co International Limited in the event that the Group sells its international assets, or valuation of the assets exceeds the performance thresholds set out in the international fund management agreement.

(11) Related parties

Certain Infratil Directors have relevant interests in a number of companies with which Infratil has transactions in the normal course of business. A number of key management personnel are also Directors of Group subsidiary companies and associates.

Morrison & Co Infrastructure Management Limited ('MCIM') is the management company for the Company and receives management fees in accordance with the applicable management agreement. MCIM is owned by H.R.L. Morrison & Co Group Limited Partnership ('MCO'). Jason Boyes is a director and Chief Executive of Infratil. Entities associated with Mr Boyes have a beneficial interest in MCO.

The Company has the following significant loans, investments and receivables to/(from)/in its subsidiaries:

Related party	Interest income			Intercompany (loan)/advance/investment at carrying value		
	6 months ended 30 September 2023 Unaudited \$000	6 months ended 30 September 2022 Unaudited \$000	Year ended 31 March 2023 Audited \$000	30 September 2023 Unaudited \$000	30 September 2022 Unaudited \$000	31 March 2023 Audited \$000
<i>Advances</i>						
Infratil Finance	138,157	85,589	173,925	3,140,993	2,138,287	2,005,433
Aotea Energy Holdings Limited	-	-	-	-	(153,897)	-
<i>Investments in</i>						
Infratil Investments Limited				87,665	87,665	87,665
Infratil 1998 Limited				12,000	12,000	12,000
Infratil Finance Limited				153,897	153,897	153,897
Infratil No. 1 Limited				78,024	78,024	78,024
Infratil PPP Limited				5,942	5,942	5,942
Infratil No. 5 Limited				248,001	248,001	248,001
Total investments in related parties				585,529	585,529	585,529
<i>Receivables</i>						
Infratil Australia Limited				301	1,622	1,622
Infratil Europe Limited				2,721	-	-
Infratil PPP Limited				-	509	509
Infratil No. 5 Limited				89,697	101,582	138,938
Infratil 2018 Limited				-	27,743	27,743
Infratil Renewables Limited				92,862	133,633	141,637
Total related party receivables				185,581	265,089	310,449

Management and other fees incurred by the Company to MCIM, MCO or its related parties during the year were:

	6 months ended 30 September 2023 Unaudited \$000	6 months ended 30 September 2022 Unaudited \$000	Year ended 31 March 2023 Audited \$000
Management fees	40,704	30,512	62,635
International Portfolio Incentive fees	37,370	124,257	169,615
Financial management, accounting, treasury, compliance and administrative services	806	806	1,612
Total management and other fees	78,880	155,575	233,862

(12) Events after balance date

Dividend

On 15 November 2023, the Directors approved a partially imputed interim dividend of 7.00 cents per share to holders of fully paid ordinary shares to be paid on 19 December 2023.



Independent Review Report

To the shareholders of Infratil Limited

Report on the interim financial statements

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim financial statements on pages 1 to 9 do not:

- i. present, in all material respects the company's financial position as at 30 September 2023 and its financial performance and cash flows for the 6 month period ended on that date in compliance with NZ IAS 34 Interim Financial Reporting.

We have completed a review of the accompanying interim financial statements which comprise:

- the statement of financial position as at 30 September 2023;
- the statements of comprehensive income, changes in equity and cash flows for the 6 month period then ended; and
- notes, including a summary of significant accounting policies and other explanatory information.

Basis for conclusion

A review of interim financial statements in accordance with NZ SRE 2410 *Review of Financial Statements Performed by the Independent Auditor of the Entity* ("NZ SRE 2410") is a limited assurance engagement. The auditor performs procedures, consisting of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures.

As the auditor of Infratil Limited, NZ SRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial statements.

Our firm has also provided other services to the company in relation to climate assurance and other assurance engagements. Subject to certain restrictions, partners and employees of our firm may also deal with the company on normal terms within the ordinary course of trading activities of the business of the company. These matters have not impaired our independence as reviewer of the company. The firm has no other relationship with, or interest in, the company.

Use of this Independent Review Report

This report is made solely to the shareholders as a body. Our review work has been undertaken so that we might state to the shareholders those matters we are required to state to them in the Independent Review Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the shareholders as a body for our review work, this report, or any of the opinions we have formed.



Responsibilities of the Directors for the interim financial statements

The Directors, on behalf of the company, are responsible for:

- the preparation and fair presentation of the interim financial statements in accordance with NZ IAS 34 Interim Financial Reporting;
- implementing necessary internal control to enable the preparation of a interim financial statements that is free from material misstatement, whether due to fraud or error; and
- assessing the ability to continue as a going concern. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the review of the interim financial statements

Our responsibility is to express a conclusion on the interim financial statements based on our review. We conducted our review in accordance with NZ SRE 2410. NZ SRE 2410 requires us to conclude whether anything has come to our attention that causes us to believe that the interim financial statements are not prepared, in all material respects, in accordance with NZ IAS 34 Interim Financial Reporting.

The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing (New Zealand). Accordingly, we do not express an audit opinion on these interim financial statements.

This description forms part of our Independent Review Report.

KPMG
Wellington

15 November 2023