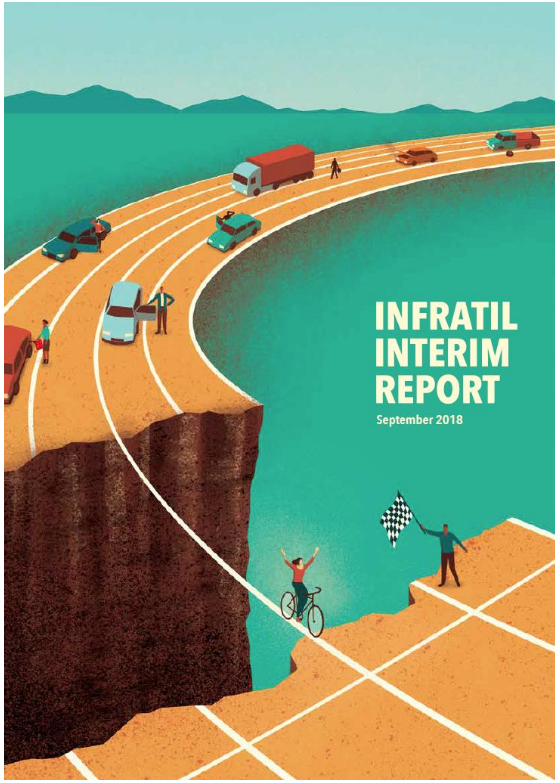
Infratil

Interim Results announcement

13 November 2018

Half Year Overview

Material progress from new platforms and sustained performance at the core



- Underlying EBITDAF of $338.8 million, up $54.5 million (+19.2%) from the comparative half year of $284.3 million
- Operating cash flow of $142.7 million, up $11.9 million (+9.1%) from the comparative half year
- Material progress in new platforms and sustained operating performance from core assets:
    - Trustpower's performance reflects a solid retail business and sound management of the generation portfolio
    - Strong market growth and quality infrastructure sustain high levels of demand for Canberra Data Centres
    - Significant contribution from Longroad affirms development of a U.S. renewables platform
    - Key milestones achieved by Tilt Renewables to convert development pipeline into tangible projects with material revenue flows
- Partially imputed interim dividend of 6.25cps, up 4.2% on the prior year interim dividend
- FY19 Underlying EBITDAF guidance range increased to $580-$620 million (up from $540-$580 million)

Financial Highlights

Underlying EBITDAF growth continues its momentum

Half Year ended 30 September ($Millions)	2018	2017	Variance	% Change
Underlying EBITDAF (continuing operations)[1]	**338.8**	284.3	54.5	19.2%
Net Parent Surplus	**58.5**	39.7	18.8	47.4%
Net Operating Cash Flow	**142.7**	130.8	11.9	9.1%
Capital Expenditure	**166.4**	139.0	27.4	19.7%
Investment	**135.2**	22.0	113.2	514.5%
Earnings per share (cps)	**10.5**	7.1	3.4	47.6%
Dividend per share (cps)	**6.25**	6.00	0.25	4.2%

[1]Underlying EBITDAF is a non-GAAP measure of financial performance, presented to show management's view of the underlying business performance. Underlying EBITDAF for Infratil's subsidiaries represents consolidated net earnings before interest, tax, depreciation, amortisation, financial derivative movements, revaluations, and non-operating gains or losses on the sales of investments. Underlying EBITDAF for Infratil's associates (Canberra Data Centres, Longroad Energy, and ANU Student Accommodation) includes Infratil's share of its associates' net profit after tax, other than for RetireAustralia where underlying profit is used when presenting the Group's Underlying EBITDAF. Underlying profit is a common performance measure used by retirement companies and removes the impact of unrealised fair value movements on investment properties, impairment of property, plant and equipment, one-off gains and deferred taxation, and includes realised resale gains and realised development margins. A reconciliation of Underlying EBITDAF is provided in Appendix I

Results Summary

Strong operating result with positive contributions from core and growth businesses

Half Year ended 30 September ($Millions)	**2018**	**2017**
Operating revenue	982.0	926.3
Operating expenses	(658.5)	(646.2)
Depreciation & amortisation	(99.7)	(93.4)
Net interest	(73.3)	(78.9)
Tax expense	(55.3)	(39.5)
Revaluations	10.9	26.5
Discontinued operations	-	2.9
Net profit after tax	106.1	97.7
Minority earnings	(47.6)	(58.0)
Net parent surplus	58.5	39.7

- Operating revenue increased with continued strength in the core businesses and strong development gains from Longroad
- Increase in depreciation and amortisation reflects growth in asset base
- Decrease in net interest costs primarily reflects the reduction in net bank debt following the sale of Green State Power by Trustpower
- Discontinued operations in the prior period relate to Trustpower's disposal of Green State Power on 29 March 2018

Underlying EBITDAF

Growth businesses have delivered strong gains in the half year

Infratil

Half Year ended 30 September ($Millions)	**2018**	**2017**
Trustpower	129.7	152.1
Tilt Renewables	72.5	52.8
Wellington Airport	49.6	47.3
NZ Bus	13.2	17.9
Perth Energy	25.2	(6.2)
Canberra Data Centres	30.2	18.9
RetireAustralia	5.0	14.7
ANU Student Accommodation	5.5	5.9
Longroad Energy	51.1	(5.9)
Corporate[1] and Other	(43.2)	(13.2)
Continuing operations	338.8	284.3

[1] Corporate Costs include a $29.4 million accrual for performance fees payable to the Manager under the International Portfolio mandate. The performance fee has been accrued in relation to the Group's investments in ANU, Canberra Data Centres, Longroad Energy and Tilt Renewables. The fee is based on 20% of the collective net after-tax returns to Infratil above 12% p.a. in the period from acquisition until 31 March 2019. The final calculation will be based on independent valuations which will be undertaken as at 31 March 2019

- **Trustpower** result is above expectation; however short of last year's exceptional combination of high generation volumes and wholesale prices
- **Tilt** contribution benefitted from above long-term average wind conditions across its entire portfolio as well as the commissioning of its Salt Creek windfarm
- Continued strong growth in passenger numbers at **Wellington Airport**
- **NZ Bus** reflects the rescaling of the business in the new contract environment and one-off reorganisation and re-contracting costs
- **Perth Energy** retail performance strengthened through improved contracting positions and A$16.1 million gain from reversal of Large-Scale Generation Certificate costs (A$12.3 million relating to prior periods)
- **Canberra Data Centres** delivers year-on-year earnings growth and a $18.2 million valuation uplift as further customer contracts are secured (the prior period included a +A$9.7 million depreciation adjustment)
- Industry wide headwinds continue to impact **RetireAustralia's** results
- **Longroad** primarily reflects the gain on the sale of the 250MWac Phoebe solar generation project in Winkler county Texas

Group Capital Expenditure and Investment

Substantial investment across the portfolio forecast to continue

Half Year ended 30 September ($Millions)	**2018**	**2017**
Trustpower	11.4	15.9
Tilt Renewables	50.6	21.1
Wellington Airport	44.8	40.3
NZ Bus	12.7	11.4
Canberra Data Centres	20.7	5.3
RetireAustralia	15.9	20.6
Other	10.3	2.3
Capital Expenditure	166.4	117.0
Tilt Renewables	55.0	-
ANU Student Accommodation	9.1	-
Longroad Energy	71.1	22.0
Investment[1]	135.2	22.0
Total	301.7	139.0

- **Tilt Renewables** completion of Salt Creek windfarm alongside progression of Dundonnell windfarm ('DDWF') to financial close
- **Wellington Airport** multi-level transport hub completed and the Rydges Hotel also nearing completion
- **NZ Bus** fleet investment, including deposits on 54 double decker buses for Auckland and 17 for Wellington
- **Canberra Data Centres** represents 48% share of spend on the Fyshwick 2 facility (a 21MW data centre)
- **Longroad Energy** US$45 million investment for the construction of the 238MW Rio Bravo wind project in Texas
- **ANU Student Accommodation** additional A$8.1 million investment to acquire the concession for additional Union Court student accommodation

Tilt equity interests acquired as at 30 September under the takeover offer

[1] Investment in subsidiaries and associates

Tilt Renewables

Infratil and Mercury full takeover offer

- On 2 September 2018, Infratil and Mercury jointly made a full takeover offer for Tilt Renewables. At that date Infratil and Mercury already held or controlled 51.04% and 19.99% of the Tilt shares respectively
- As at 9 November the Infratil/Mercury had received acceptances relating to 41,176,233 shares taking the Infratil/Mercury's ownership in Tilt as at that date to 84.19% (Infratil share 64.20%)
- Infratil considers the offer price of NZ$2.30 to be fair and attractive compensation to shareholders for the value of the existing operational assets and the future potential of Tilt's development pipeline. The price of NZ$2.30 for this offer is final and will not be increased
- All shareholders should be prepared to participate in the large upcoming equity raise or risk not being fully compensated for any dilution in their shareholding
- Infratil considers that Tilt shareholders should not expect their shares to trade on the NZX in the valuation range asserted by their independent directors in the near future. Should the offer not reach the 90% compulsory acquisition threshold, Infratil also considers there is a significant risk that the Tilt share price will trade below the offer price
- The offer has been extended to Tuesday 13 November 2018 at 11.59pm (unless further extended in accordance with the Takeovers Code)
- In accordance with the relevant accounting standards, Infratil is required to recognise a $155.4 million liability for the full value of the balance of shares outstanding under the Takeover Offer, which reduces equity by the same amount. The liability will cease to exist once the Takeover Offer closes.


Offer Document for
Full Cash Takeover Offer

Dated 2 September 2018

Infratil 2018 Limited and Mercury NZ Limited encourage shareholders to

Accept

this full cash offer under the Takeovers Code to acquire all of the equity securities in Tilt Renewables Limited.

IMPORTANT

If you are in doubt as to any aspect of this offer, you should consult your financial or legal adviser.

If you have sold all your shares in Tilt Renewables Limited to which this offer applies, you should immediately hand this offer document and the accompanying acceptance form to the purchaser or the agent (e.g. the broker) through whom the sale was made, to be passed to the purchaser.

Tilt Renewables Limited's target company statement, together with an independent adviser's report on the merits of this offer and another independent adviser's report on the fairness and reasonableness of the consideration and terms of this offer as between classes of financial products, either accompanies this offer or will be sent to you within 14 days and should be read in conjunction with this offer.

This is an important document and requires your immediate attention.

Infratil

Mercury

Debt Capacity & Facilities

Duration consistent with long-term ownership of assets

Infratil

- Cash position of $120.9 million and wholly owned subsidiaries' bank facilities drawn of $35.7 million as at 30 September 2018
- Senior debt facilities extended with maturities up to 4 years
- Infratil's IFT180 maturity ($111.4 million) has been pre-funded with the issue of two bonds maturing in 2024 (IFT260) and 2028 (IFT270)
- Infratil has accepted $100.0 million into the IFT260 series and $146.1 million into the IFT270 series, including IFT180 exchanges

Maturities in period to 31 March[1] ($Millions)	Total	2019	2020	2021	2022	2023	>5 yrs	10 yrs
Bonds	1,001.5	111.4	149.0	-	93.9	193.7	221.6	231.9
Infratil bank facilities[2]	319.0	71.0	33.0	85.0	80.0	50.0	-	-
100% subsidiaries bank facilities[3]	35.7	6.4	12.7	10.3	6.3	-	-	-

[1] Bond maturities include the issue of the IFT260 and IFT270 bonds

[2] Infratil and wholly-owned subsidiaries exclude Trustpower, Tilt, WIAL, Perth Energy, CDC, RetireAustralia, ANU and Longroad

[3] NZ Bus export credit guarantee fleet procurement facility

Moderate Gearing and Funds Available for Investment

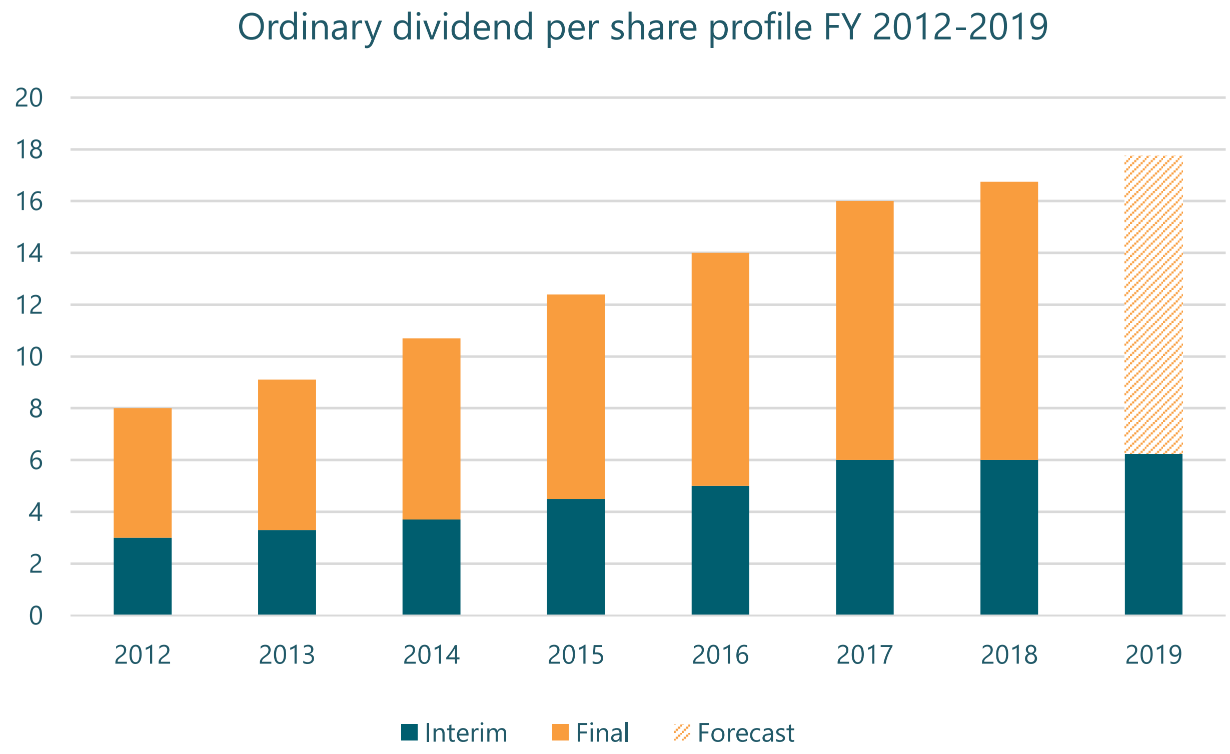
Careful deployment of capital has maintained a significant balance for investment

30 September ($Millions)	2018	2017
Net bank debt (cash on hand)	(85)	(425)
Infratil Infrastructure bonds	770	851
Infratil Perpetual bonds	232	232
Market value of equity	1,994	1,747
Total capital	2,911	2,405
Gearing (net debt/total capital)	31%	29%
Infratil undrawn bank facilities	319	246
100% subsidiaries cash	121	425
Tilt acceptances between 1 October to 9 November	(42)	-
Funds Available	398	671

- Net bank debt as at 30 September 2018 was $85.2 million
- Since 30 September Infratil has:
    - Accepted $246.1 million across two series of Infrastructure bonds. The proceeds will in part be used to repay the maturing IFT180 bond ($111.4 million) on 15 November
    - Extended Senior debt facilities by $125 million
- Tilt Renewables expect to undertake an equity raising in early 2019 to fund the construction of the DDWF. Based on Infratil's current ownership levels, this would require investment from Infratil of ~A$166 million
- Investment opportunities across the portfolio continue to exceed current available capital

Distributions

Maintaining a sensible DPS and distribution strategy through investment cycles



INTERIM DIVIDEND

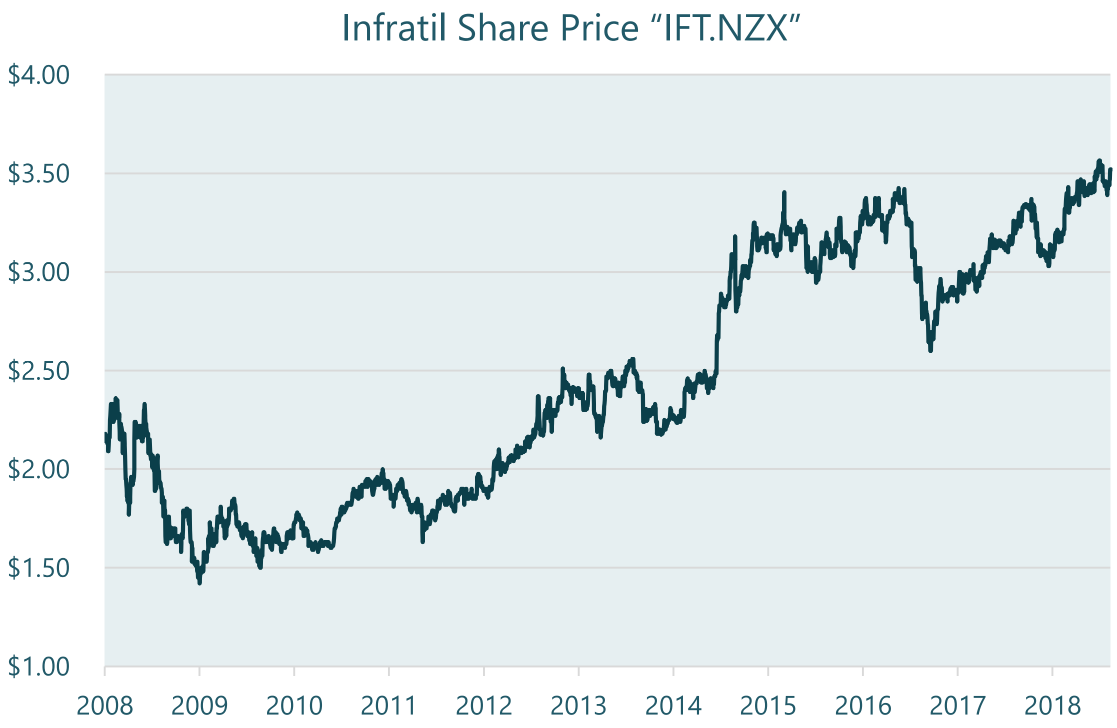
- Interim dividend of 6.25 cps, with 1.5 cps of imputation credits, payable on 14 December 2018 to shareholders recorded as owners by the registry as at 27 November 2018

TWO-YEAR DISTRIBUTION OUTLOOK

- Capital structure and confidence in outlook are positive for continued growth in distributions
- Imputation credit forecast ~3.5 to 4.5cps annually
- Potential for higher distribution (dividends or buybacks) as Longroad development gains are realised

Infratil Share Price and Shareholder Returns

Recognition of underlying investment performance reflected in the share price



- Total shareholder return for the year to date (9 November) is 17.0%
- Range of near to mid-term catalysts are evident within the portfolio which will drive earnings and capital growth, including:
  - Near term development opportunities and adjacent activity at Longroad
  - Significant customer and facilities growth at Canberra Data Centres
  - Tilt Renewables has approved DDWF to proceed to financial close and is also progressing Waverley Wind Farm towards an investment decision
  - Potential sale of certain portfolio assets will reinforce significant financial capacity for further investment

Infratil's Absolute Return Target

A targeted nominal shareholder return of 11-15% per annum for the period to March 2028

Infratil

- The return target reflects observed market returns for risk categories consistent with Infratil's mandated sectors, weighted to reflect Infratil's portfolio balance
- The return target is adjusted to take account of asset and portfolio leverage, and management cost assumptions
- It is anticipated that macro financial market conditions will tend to "even-out" and not play a material part in determining a rolling ten-year return to Infratil's shareholders

Infratil Portfolio		Expected Returns		Leverage Assumption		Management Cost		Return to Shareholders
Core Lower Risk	+	**9 – 12%** Per annum	+	Average Debt Funding **30%** at **6%** p.a. interest rate	−	**1% of assets** Per annum	=	**11% - 15%** Per annum
Core plus		**11 – 16%** Per annum						
Growth More speculative		**15 – 25%** Per annum						

Asset Values

Comparable valuation metrics highlight underlying value of the portfolio

	Book Value	Comparable	
Trustpower	816	1,091	Market ($6.21) + 10% control premium
Tilt Renewables	296	420	$2.30: Tilt Takeover Offer Price
Wellington Airport	385	758	16x Multiple of forecast FY19 EBITDA (*comparable*: Auckland Airport > 20x)
NZ Bus	170	170	Included at book value reflecting assets under Strategic Review
Perth Energy	76	76	
Canberra Data Centres	488	594	20x Multiple of current run rate EBITDA (*comparable*: NextDC ~30x)
RetireAustralia	317	317	1x NTA (*comparable*: Metlifecare NTA x 0.8 and SUM NTA x 2.1)
ANU PBSA	107	107	
Longroad Energy	84	160	684 MW operating portfolio, development pipeline and Rio Bravo Investment
Other	92	92	ASIP, Infratil Infrastructure Properties and Envision
Total	**2,811**	**3,785**	
Net wholly owned debt	(916)	(916)	
Corporate costs	(210)	(210)	Broker consensus
Net Equity Value	**1,685**	**2,659**	
NAV per share		$4.75	

Trustpower

Focus on efficiency, automation and digital solutions is delivering results

Infratil

Financial

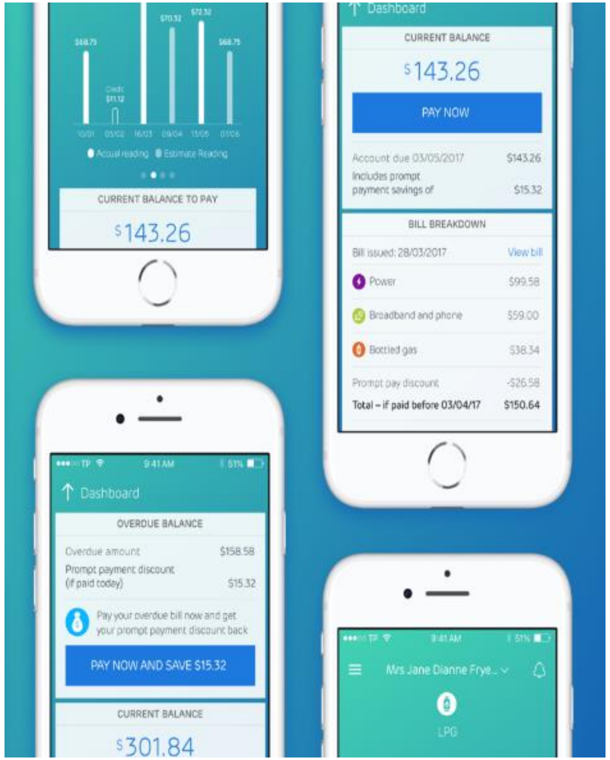
- EBITDAF of $129.6 million ahead of expectations, however down 15% on the exceptional prior year.
- The result reflects a solid retail business and sound management of Trustpower’s 27 generation schemes across New Zealand

Customers

- Total utility accounts reached 399,000, up 2,000 from 31 March 2018, with telco customer numbers reaching 91,000, up 11,000 or 14 per cent on the same time last year.
- 80% of new customers are now purchasing more than one product from Trustpower
- Netflix has rated Trustpower the best performing network 10 months in a row
- 47% of customer contacts are now serviced without human intervention, while staffed channels are focussed on positively impacting churn through delivering high quality service

Generation & Market

- Generation volumes were up 70 GWh (6%) on long run averages, but 12 per cent below the strong hydrological inflows from HY2018
- Changes in short term hydrology and thermal fuel availability are having a more direct impact on wholesale pricing
- A credible case is now being made for significant increases in long term demand, however there remains considerable uncertainty as to how this demand will be met



Trustpower’s new app gained second place in the international Microsoft Global Partners awards for its customer focused technology development

Tilt Renewables

Milestones achieved to convert development pipeline into material revenue flows

Financial

- EBITDAF of A$66.9 million, up 36% on a relatively weak comparative period
- Strong financial performance was driven by wind conditions above long-term expectations across the New Zealand and Australian portfolio, and the first contribution from Salt Creek

Construction and development

- A$560 million Dundonnell Wind Farm approved to proceed to financial close. Construction planned to start in early 2019 to achieve full commercial operations by September 2020
- Support Agreement with Victorian State Government for approximately 37% of the output of DDWF, as well as a 15-year offtake contract for a further 50% of the DDWF capacity
- Strategic relationship with Genesis Energy to progress the Waverley Wind Farm towards investment decision in 1H CY19

Regulatory outlook

- The policy outlook for investment in Australian renewables remains uncertain given the political climate including the future of the National Energy Guarantee
- The upcoming Australian Federal election in 2019 will be a key sign post regarding the proposed response to climate change
- The detail and impact of New Zealand Government policy on climate change also remains uncertain, however it is likely to increase decarbonisation efforts across the economy.

Longroad Energy

Significant project realisation affirms the pursuit of the U.S. renewables platform

Infratil

Longroad today

- Total operating portfolio of 684MW, managing construction of 488MW and a current development pipeline of ~8GW
- Longroad Services providing operating and maintenance services to 1,236 MW including 552 MW from third party owned operating assets
- Operating portfolio and services revenue now covering development spend

Value of greenfield development being realised

- Reached financial close on both the 250MWac Phoebe solar PV project and 238MW Rio Bravo wind project in Texas, with Phoebe expected to be the largest operating solar farm in Texas
- Phoebe was sold at financial close while competitive long term options for Rio Bravo are also under review. Both projects have secured long term revenue contracts
- Demand for quality contracted development projects remains highly competitive

Economics, corporates & states driving demand in spite of current Federal positioning

- Federal policy is pushing for support of coal and nuclear generation but wind and solar projects continue to be cost competitive
- A number of states are pushing 50%+ renewables targets, with California striving for 100% by 2045
- Corporates and financial institutions continue to provide alternate revenue options and a strong long-term outlook

Milford Wind, Utah

Canberra Data Centres

Strong market tail winds and quality infrastructure have sustained high levels of demand

Financial

- On track for over 30% year-on-year growth in revenue and run rate EBITDAF, against 20% growth rate originally forecast
- Current run rate EBITDAF of A$71 million, with contracted revenue secured for delivery in the next 12 months leading to annualised EBITDAF of A$110-120 million by 2020 from government, cloud and national critical infrastructure clients
- A$50 million revaluation of data centre assets to reflect new contracts entered during the period. NZ$18.2 million after tax is included in the EBITDAF contribution to Infratil

Growth and Development

- Fyshwick 2 development is on track to open in late 2018 with more than 50% of available space already contracted to existing or new clients
- Construction of Hume 4 development is underway and CDC has contracted ~5MW of capacity in advance; underwriting the project's investment case
- Whole of portfolio weighted average lease expiry (WALE) has extended to 4.6 years, and 13.1 years with options, providing confidence in forward outlook

Valuation

- Listed comparables and recent transactions suggest an enterprise value of >30x EBITDA. At 20x the implied value of Infratil's investment is ~A$550 million

Fyshwick 2 development, Canberra

Wellington Airport

Passenger growth reflects increased demand across the network

Infratil

Financial

- EBITDAF of $49.6 million, 4.8% growth on last year
- Over 3.1 million passengers in the 6 months, +4.7% or a 140,000 increase on last year
- Domestic passenger growth of 4.8% was driven by high demand across the domestic network, while International passenger growth of 4.3% was largely from the Singapore service

Growth & Development

- Significant progress on developing new routes
- Airbus' A350 aircraft was certified for operations at the Airport during the period and it is envisaged that airlines will take advantage of this capability
- $47.5 million spent on developments including completion of the multi-level transport hub and near completion of the Rydges Hotel, which is due to open January 2019 and is already experiencing high demand for key Wellington events
- Environment Court hearing for the runway extension consent application remains on hold while the CAA reviews Wellington Airport's safety area length requirements
- Airport management continue to make good progress achieving carbon-neutral operations

NZ Bus

Long-term scale and stability secured for Auckland, Wellington and Tauranga

Financial

- HY18 EBITDA normalised for one-off reorganisation, re-contracting costs and lag of higher fuel costs was $16.3 million
- Revenue down 10.9%, largely due to reduced scale in Wellington and other contract changes
- Expenses down 8.0% reflecting the reduced scale in Wellington, offset by one-off reorganisation costs including redundancies paid to Wellington staff

Contracting market and forecast update

- Geographically diversified revenues secured through 20 Auckland units, 5 Wellington units, 2 Tauranga units and the Wellington Airport Flyer (exempt service), with an average tenure ~9 years
- Transition to new contracts in Auckland and Wellington now complete
- Transition plans are well underway for the remaining Tauranga contracts (December 18).
- Strong organic growth expected, with additional fleet contracted in Wellington to meet increased demand, and also expected in Auckland to meet 2019 demand growth
- 71 double deckers ($45m) have been ordered for the Auckland and Wellington contracts, which will arrive in late 2018/early 2019
- Further fleet investment of $25-30 million over the next 12 months (excluding double deckers), to meet PTOM contractual requirements, returning to ~$5-10 million per annum stay-in-business capex
- Strategic review of the NZ Bus business continues and is expected to be completed in FY2019

RetireAustralia

Industry wide headwinds continue to impact results, sector thesis remains in-tact

Financial

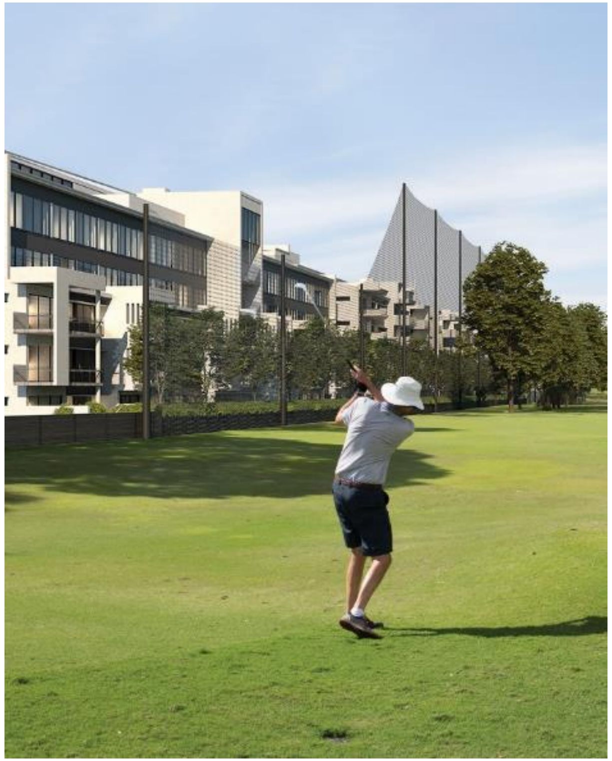
- Underlying profit of A$9.1 million, down from A$27.3 million in the prior year (FY18: A$33.7 million)
- Lower development margin in HY19 with a lower volume of new units sold (9 vs 39), principally from the timing of new unit deliveries
- Lower accrued DMF in HY19 (A$6.7 million vs A$17.9 million) driven by average unit price increases of 4.5% in HY18 compared with a decrease of 1.2% in HY19 reflecting industry headwinds and real estate market softening

Development

- 70 Care Apartments at Glengara under construction – forecast completion September 2019
- Greenfield developments at Lutwyche (161 units) and Burleigh (177 units) development approval received, construction to commence first half CY19
- HomeCare rollout continues through FY19 to the balance of the portfolio in NSW and South Australia

Investment Thesis

- Fundamental view on the retirement sector remains unchanged as we navigate industry and executional challenges



Perth Energy

Playing an important part in the Western Australia energy market

Financial

- HY19 EBITDAF A$23.3 million, A$29.1 million improvement on HY18
- FY19 forecasting a continuing positive contribution from both Retail and Generation

Retail

- A$16.1 million cost savings from trueing up Perth Energy's Large-Scale Generation Certificates shortfall positions with lower priced Certificates, comprising A$3.8 million for FY19 and A$12.3 million for prior periods
- Retail business continues to improve with the majority of its current retail revenue contracts based on prevailing wholesale prices
- Re-negotiation of medium term wholesale electricity supply arrangements completed and effective from 1 September 2018
- Kwinana has been run effectively to hedge the retail portfolio against high balancing prices

Generation

- Kwinana continues to provide valuable peaking capacity to the market
- One of the few fast-start turbines in Western Australia which continues to play an important role in supporting the deployment of intermittent renewables

Strategic Review

- Infratil has announced a strategic review of its investment in Perth Energy, which it expects to conclude in the first half of CY19

Kwinana Power Plant, Perth

Australia National University Student Accommodation

Evolving sector with attractive yield and development profile

Infratil

Performance

- The portfolio of 4,184 beds is fully occupied for the 2018 academic year, with an additional 450 beds currently under construction and scheduled to open in Q1 2019
- Infratil contributed $9.1 million during the period to acquire 50% of the concession for the additional 450 apartments which are being built by the University as a part of its Union Court project.
- Existing unmet demand and significant growth in interstate and international students supports the development of additional residences in the near term

Strategic Review

- The ANU portfolio is the standout portfolio in the on-campus Purpose Built Student Accommodation (PBSA) sector in Australia, in terms of both scale and quality
- Infratil expected that the PBSA sector would provide a broader platform opportunity, with ANU as its cornerstone investment, but those investment opportunities have not eventuated
- Infratil will engage with market participants over the coming months to consider proposals for its investment, with a view to maximising value for all stakeholders
- It is expected that this process will be concluded within six months

Union Court development, ANU

2018/2019 Outlook

Underlying EBITDAF guidance range revised to to $580-$620 million

- Underlying EBITDAF guidance was revised upwards in September to $540-$580 million following confirmation of the forecast contribution from Longroad Energy's Project Phoebe
- Updated guidance of $580-$620 million reflects current trajectory and changes in the portfolio including:
  - Trustpower FY19 EBITDAF guidance of $215-235 million
  - Tilt FY19 EBITDAF guidance of A$134-138 million
  - WIAL FY19 EBITDAF guidance of $100 million
  - Canberra Data Centres 30% year-on-year EBITDAF run rate growth and the year-to-date valuation uplift of NZ$18.2 million
  - Long run average weather conditions and house price inflation for the remainder of the financial year
- Capital expenditure and investment guidance includes $95 million relating to shares acquired under the Takeover Offer for Tilt (as at 9 November), but excludes Infratil's forecast equity contribution to the Dundonnell Wind Farm project

Outlook to 31 March ($Millions)	FY2018 Actual	FY2019 Outlook
Underlying EBITDAF[1]	525.8	**580-620**
Operating Cashflow	295.8	**245-285**
Net Interest	153.5	**155-165**
Depreciation & Amortisation	193.8	**200-210**
Capital Expenditure & Investment	325.9	**560-600**

2019 guidance is based on management's current expectations and assumptions about the trading performance of Infratil's investments and is subject to risks and uncertainties, is dependent on prevailing market conditions continuing throughout the outlook period and assumes no major changes in the composition of the Infratil investment portfolio. Trading performance and market conditions can and will change, which may materially affect the guidance set out above.

[1]Underlying EBITDAF is a non-GAAP measure of financial performance, presented to show management's view of the underlying business performance. Underlying EBITDAF for Infratil's subsidiaries represents consolidated net earnings before interest, tax, depreciation, amortisation, financial derivative movements, revaluations, and non-operating gains or losses on the sales of investments. Underlying EBITDAF for Infratil's associates (Canberra Data Centres, Longroad Energy, and ANU Student Accommodation) includes Infratil's share of its associates' net profit after tax, other than for RetireAustralia where underlying profit is used when presenting the Group's Underlying EBITDAF. Underlying profit is a common performance measure used by retirement companies and removes the impact of unrealised fair value movements on investment properties, impairment of property, plant and equipment, one-off gains and deferred taxation, and includes realised resale gains and realised development margins. A reconciliation of Underlying EBITDAF is provided in Appendix I

Core assets and new platforms combine to sustain growth

Focused on converting the development pipelines and optimising the portfolio

Prior platform development now delivering sustained growth and realised development gains

- We are focussed on establishing large-scale independent platforms targeting four sources of growing demand: decarbonisation, aging populations, global mobility, and growth in data and connectivity
- While at different levels of maturity, the various platforms are all converting previously undervalued pipeline and investment expenditure into strong development and valuation gains:
  - multiple near-term catalysts within connectivity (CDC) and US renewable (Longroad) platforms
  - fundamental outlook for aged-care sector remains positive notwithstanding near-term challenges and executional focus

Tightening the Infratil portfolio and reducing complexity

- Core cash generating assets continue to perform an important role in the portfolio
- Focus on priority platforms while maintaining diversification by geography, sector and risk profile
- Strategic reviews of NZ Bus, Perth Energy and ANU currently underway to assess their long-term position in the portfolio:
  - performance improvement and strengthening within NZ Bus and Perth Energy retail business is providing confidence around strategic review options and outcomes
- Ongoing performance management and capital management, including share buybacks and distributions

For more information

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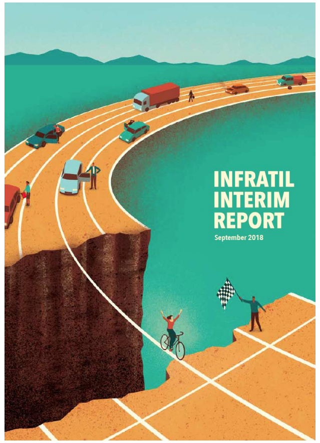

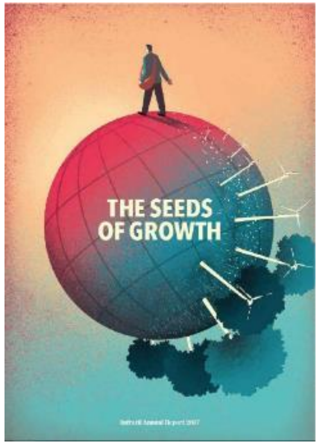

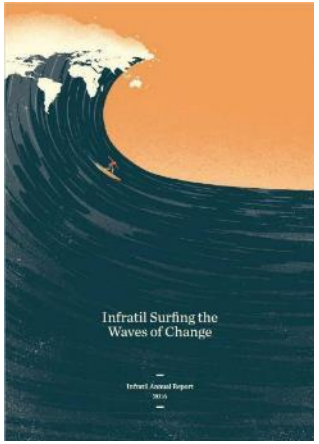

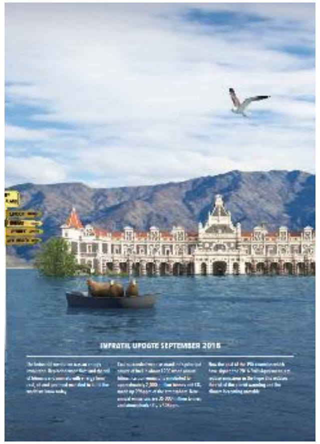

Results Summary

Appendix I – Reconciliation of NPAT to Underlying EBITDAF

30 September ($Millions)	2018	2017
Net profit after tax	106.1	97.9
less: share of MET & RA associate earnings	(11.3)	(6.9)
plus: share of MET & RA underlying earnings	3.6	11.0
Trustpower demerger costs	-	16.7
CDC transaction costs	-	5.6
Net loss/(gain) on foreign exchange and derivatives	(12.0)	(17.4)
Net realisations, revaluations and (impairments)	1.1	(8.8)
Discontinued operations	-	3.8
Underlying earnings	110.5	79.5
Depreciation and amortisation	99.7	93.4
Net interest	73.3	78.9
Tax	55.3	39.5
Underlying EBITDAF	338.8	291.3

- Underlying EBITDAF is a non-GAAP measure of financial performance, presented to show management's view of the underlying business performance
- Underlying EBITDAF represents consolidated net earnings before interest, tax, depreciation, amortisation, financial derivative movements, revaluations, gains or losses on the sales of investments, and includes Infratil's share of RetireAustralia's underlying profit
- Underlying profit for RetireAustralia removes the impact of unrealised fair value movements on investment properties, impairment of property, plant and equipment, excludes one-off gains and deferred taxation, and includes realised resale gains and realised development margins
- Underlying profit provides a better benchmark to measure business performance for Retirement companies