



18 May 2017

Dear Bondholder

INFRATIL INFRASTRUCTURE BONDS MATURING 15 JUNE 2017

Infratil has announced that it is making a new offer of unsecured, unsubordinated, fixed interest bonds in two separate series (**New Bonds**). The maturity dates and coupon rates of the two series of New Bonds are:

- Maturity date of 15 December 2022 with a coupon of 5.65% p.a.
- Maturity date of 15 June 2025 with a coupon of 6.15% p.a.

As part of the offer of New Bonds, Infratil is offering holders of its bonds maturing on 15 June 2017 (**2017 Bonds**) the opportunity (subject to availability) to exchange all or some of those 2017 Bonds for New Bonds of either series via an exchange offer (**Exchange Offer**).

You have three options:

1. You can do nothing in which case the 2017 Bonds will be repaid in accordance with their terms.
2. You can complete the Exchange Offer application form in the Terms Sheet and apply to roll some or all your 2017 Bonds into one, or a combination of both, series of the New Bonds. Any maturing bonds that you elect not to roll-over will be repaid to you in accordance with their terms.
3. You can complete the Exchange Offer application form in the Terms Sheet and apply to roll all your 2017 Bonds plus an additional sum (by also completing the general offer application form) into one, or a combination of both, series of the New Bonds. In that case you will need to pay the additional sum as per the instructions in the Terms Sheet.

If your application for the Exchange Offer is accepted, you will receive one New Bond of the relevant series for each 2017 Bond exchanged. Once you submit a completed Exchange Offer application form you will no longer be able to sell or otherwise transfer your 2017 Bonds designated in that application form.

The Exchange Offer closing date is 5.00pm on 12 June 2017, although Infratil may close the offer earlier. Accordingly, applicants are encouraged to submit their application forms as soon as possible.

If you would like advice in respect of your choices or additional information we suggest that you contact your financial adviser or one of the managers to the New Bond issue. A copy of the Terms Sheet is available from your broker, from one of the managers listed below and on Infratil's website www.infratil.com/for-investors/bonds/.

ANZ Bank New Zealand Limited	0800 269 476 www.anzsecurities.co.nz
First NZ Capital Securities Limited	0800 005 678 www.firstnzcapiatal.co.nz
Forsyth Barr Limited	0800 367 227 www.forsythbarr.co.nz
Westpac Banking Corporation (acting through its New Zealand branch)	0800 942 822

or feel free to contact us at info@infratil.com, 04 473 3663 or at Infratil Limited, PO Box 320, Wellington.

If you decide not to reinvest, we thank you for your support over the last six years.

Yours sincerely

Fiona Cameron
Infratil Treasurer