Infratil
Interim Report
2021

Delivering: Profits & Reinvestment

Six Month Score Card

April

Jason Boyes succeeds Marko Bogoievski as CEO effective from 1 April 2021. Jason is the third CEO in Infratil's 27 year history.

Wellington Airport welcomes its first trans-Tasman, quarantine-free flight in over a year.

Tilt Renewables sale price increased from NZ$7.80 to NZ$8.10 per share.

May

After almost 30 years, Vodafone shut down its dial-up internet service on 31 May 2021 (and 3.5 cps imputation credits).

Infratil announces a new offer of Infrastructure Bonds maturing in December 2027 with a coupon of 3.60% per annum.

Infratil undertakes the acquisition of a 53.5% stake in Pacific Radiology for $313.6 million.

June

Infratil pays a 11.5cps final cash dividend for FY2021 (and 3.5 cps imputation credits).

Trustpower announces the conditional sale of its utility retail business to Mercury Energy for $441 million.

CDC achieves 'Certified Strategic' accreditation under the Australian Federal Government's hosting framework across all its Australian data centre facilities.

RetireAustralia officially opens its first vertical village, The Verge, which overlooks the Burleigh golf course.

July

Longroad Energy completes construction on the 199MW Sun Streams 2 solar project in Arizona.

Pacific Radiology opens two new clinics in Rolleston and Wellington with continued investment in leading high-tech medical equipment.

The New Zealand Government suspends trans-Tasman, quarantine-free flights.

August

Infratil completes the $2.0 billion sale of its 65.15% stake in Tilt Renewables.

Trustpower announces its new generation business name, Manawa Energy.

The New Zealand Government reinstates Covid-19 restrictions across the country.

Vodafone adds Manawatū-Whanganui to its 5G coverage.

Longroad commences construction of 26MW distributed solar project in Maine and completes construction of the 331MW Prospero 2 solar project in Texas.

September

Infratil announces a US$233 million investment to establish Gurīn Energy, a renewable energy development platform headquartered in Singapore which will focus on projects across Asia.

Infratil commits £120-130 million of growth capital to London data centre business Kao Data.

Wellington Airport issues $125 million of 3.32% 10-year bonds.

Infratil announces its investment in Auckland Radiology Group on 4 October.

Corporate Structure

Shareholders → Infratil
Bondholders → Infratil

100% owned Funding Subsidiaries ← Banks

Energy

Trustpower
51% Infratil
27% Tauranga Energy Consumer Trust

Longroad Energy
40% Infratil
40% New Zealand Superannuation Fund
20% Management

Galileo Green Energy
40% Infratil
20% Commonwealth Superannuation Corporation
20% New Zealand Superannuation Fund
20% MGIF

Gurīn Energy
95% Infratil
5% Management

Healthcare

Qscan Group
56% Infratil
30% Doctors and Staff
14% MGIF

Pacific Radiology / Auckland Radiology Group
51% Infratil*
49% Doctors and Staff

* Target shareholding

Airport

Wellington Airport
66% Infratil
34% Wellington City Council

Connectivity

Vodafone
49.9% Infratil
49.9% Brookfield Asset Management

Data

CDC Data Centres
48% Infratil
24% Commonwealth Superannuation Corporation
24% Future Fund
4% Management

Kao Data
40% Infratil*
30% Legal & General
30% Goldacre

* Target shareholding

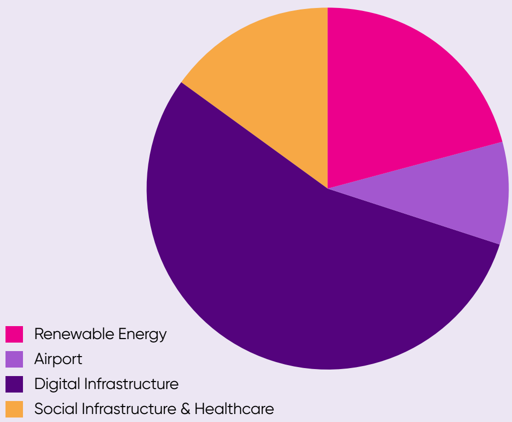
Social/Other

Retire Australia
50% Infratil
50% New Zealand Superannuation Fund

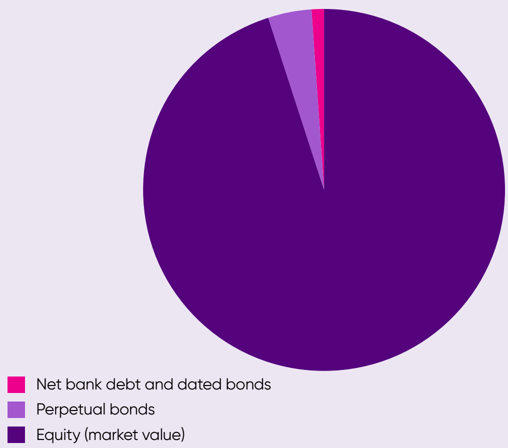
Infratil Infrastructure Property

Clearvision Fund

Sectors



Capital Structure



Financial Highlights

Infratil has continued to perform strongly despite the challenges posed by the pandemic. Many of Infratil's companies provide essential services and are demonstrating their resilience and the benefits of Infratil's diversification.

The net parent surplus for the six months ended 30 September 2021 was $1,080.6 million, up from $27.8 million in the prior period. The key contributor to the surplus was the $1,014.7 million gain recorded on the sale of Tilt Renewables. A detailed overview of the 23-year history of Infratil's investment in Tilt Renewables was provided in Infratil's most recent Annual Report, dating back to the construction of the Tararua Wind Farm.

Over the period Infratil continued to invest, with $833.8 million invested either through its portfolio companies, or directly. This included the acquisition of Pacific Radiology ($313.6 million), the acquisition of a stake in Kao Data ($73.6 million) and the establishment of Gurīn Energy. These investments were focused across Infratil's core platforms, Digital Infrastructure, Renewables and Social Infrastructure.

	30 September 2021	30 September 2020
Net parent surplus	$1,080.6 million	$27.8 million
Proportionate EBITDAF [1]	$253.6 million	$197.9 million
Proportionate capital expenditure [2]	$833.8 million	$488.9 million
Net debt [3]	$280.9 million	$1,389.6 million
Dividends declared	6.50 cps cash 2.53 cps imputation	6.25 cps cash 1.75 cps imputation
Shareholder returns (6 months)	13.2%	32.1%

1. EBITDAF is a non-GAAP measure of net earnings before interest, tax, depreciation, amortisation, financial derivative movements, revaluations, and non-operating gains or losses on the sales of investments and assets. EBITDAF does not have a standardised meaning and should not be viewed in isolation, nor considered a substitute for measures reported in accordance with NZ IFRS, as it may not be comparable to similar financial information presented by other entities. Proportionate EBITDAF shows Infratil's operating costs and its share of the EBITDAF of the companies it has invested in. It excludes discontinued operations and management incentive fees. A reconciliation of net profit after tax to Proportionate EBITDAF is provided in the 30 September 2021 Interim Results Presentation.
2. Infratil's share of the capital expenditure of investee companies, and investments made by Infratil.
3. Infratil Corporate and 100% subsidiaries.

Report of the Chief Executive

Having reported a billion dollar net parent surplus, the six months saw good broad-based progress on our goal of long-term returns for Infratil's shareholders:

CDC's A$1 billion of construction will next year deliver over 100MW of data centre capacity in Canberra, Sydney and Auckland, with more to come, notably in Melbourne.

Infratil's establishment of Gurīn Energy to develop renewable generation in Asia means we are now active in this field in Australasia, USA, Europe and Asia. All told the Infratil group has built 3,530MW of solar, wind, and hydro generation capacity and we expect to more than double that over the next decade.

Trustpower has conditionally divested its utilities retailing activities, illustrating our focus on returns and management of capital.

We are well underway in healthcare with our investments in Qscan, Pacific Radiology and Auckland Radiology and better understanding the potential of technology to improve lives and lower healthcare costs.

Vodafone is showing the gains possible from localisation of management and focusing on better, simpler services.

RetireAustralia and Wellington Airport, our businesses most adversely affected by Covid-19, are both showing operational resilience and a capacity to deliver value growth through investment.

Capital allocation. Business efficiency. Risk management

Our approach to delivering good risk-adjusted returns for shareholders has three key aspects; Capital allocation. Business efficiency. Risk management. To comment on CDC, as Infratil's largest investment, and medical diagnosis as the newest.

When we acquired 48% of CDC in FY2017 for $411.5 million the company had 40MW of capacity and earnings of $50 million. The most recent independent valuation of CDC at 30 June 2021 valued Infratil's investment in the range of A$2.3–2.5 billion.

A$1 billion of construction is underway with more to follow. Earnings' risk has been materially reduced by contracting long-term utilisation of facilities. And CDC is achieving best-in-class construction and operating efficiency and environmental impact, as measured by use of water for cooling and procurement of renewably generated electricity.

Over the last year we invested $686.9 million acquiring shareholdings in Qscan, Pacific Radiology and Auckland Radiology. Our co-shareholders in these business are doctors and other staff.

The attraction of diagnostic businesses is simply that their technology + expertise delivers demonstrably better care at significantly lower cost. And this is only one of the medical sectors where this is happening. Private provision of health services isn't immune to political interventions, but it offers immense potential.

Climate Change

If Covid-19 is the immediate challenge, climate change is harder and longer term.

By 31 March 2022 Infratil will have been operating for 28 years, and 28 more years gets us to 2050 and net-zero.

We can be proud of what we have achieved over the first 28 years. Trustpower, Longroad, and Tilt built 3,530MW of renewable generation capacity, sufficient electricity for about 1.4 million households, producing 4.3 million tonnes less emissions than gas-fired generation (about 10% of all New Zealand's CO_2 emissions).

Companies have a large role in delivering net zero. A recent report calculated that the combined emissions of the 40 highest emitting companies in each of the USA and Europe were greater than the entire emissions of either Africa or South America. 40 companies equals a continent!

But for companies to deliver requires predictable policies and regulations. A plethora of policies are emerging to reduce emissions, but are they coherent, will outcomes be predictable, will consumers and companies change their behaviour?

Infratil made submissions on the incipient New Zealand policies with the key theme that regulations and government spending should be compatible with long-term investment decisions and link with a reliable price for emissions.

Emissions use to cost emitters and consumers nothing (whether from electricity generation, cars, aircraft, industrial processes, etc). Now, the cost of a return airline ticket Auckland-Wellington includes about $9 for emissions. The emissions of a car doing that round trip costs about $21. Costs send signals which companies and consumers factor into decisions. $21 of carbon charges on a 1,400 kilometre road trip may not cause a motorist to buy an electric vehicle, but eventually price "works".

At Infratil we are setting expectations across our businesses to provide reporting on emissions and targets. But we want to put a cost on the emissions. A goal like "30% reduction by 2030" is fine for now, but we may be able to do more if we know the costs and benefits in a financial as well as environmental sense.

Shareholder Returns

Over the six months Infratil paid dividends of 15 cents per share (11.5 cps cash and 3.5 cps imputation credits) and the share price rose from $7.13 to $7.96.

For the current period Infratil is to pay a dividend of 9.03 cps (6.5cps cash and 2.53 cps imputation credits), 13% higher than last year, (the cash is up 4%).

The payment is to be on 23 December to shareholders of record as at 6 December.

Obviously Infratil's profit for the period and financial circumstances would have allowed a far larger payment. We stuck to gradually increasing the pay-out as operating earnings grow rather than providing a windfall.

We believe that shareholders would rather have a solid sustainably rising dividend than surprises, even pleasant ones, and while Infratil has over $1 billion of capital available for investment or return to shareholders, we are confident the majority of shareholders would rather we invest on their behalf, and we are confident we can productively deploy this capital.

DRP

The dividend reinvestment plan is again operating. We know that many individual shareholders value the convenience.

Liabilities & Risks

With receipt of the Tilt sale proceeds, Infratil has little net debt. However, we are conscious that inflation and nominal interest rates are rising, and there are hard to quantify risks from government debt, geo-political tension, wealth-inequality, Covid-19 and climate change.

I am confident we are doing a good job managing the risks we can manage, and while there are an unusual number of other threats, we have a strong capital base and our activities are diversified.

Guidance

Our FY2022 Proportionate EBITDAF guidance range has been narrowed to $500-$530 million (previously $505-$550 million).

The top end of the range has been revised to reflect the acquisitions of Kao Data and Gurin Energy during the period, which are forecast to be a net cost of $12 million, and to reflect the current estimates of the full year impact of Covid-19 on Wellington Airport and Infratil's diagnostic imaging businesses.

It is worth noting the recent purchases of ASX listed companies Sydney Airport, AusNet and Spark Infrastructure for a combined $41 billion. In each case the acquisition values anticipate a full earnings recovery as covid-restrictions are relaxed. The transactions are indicative of the investment appetite of institutional investors. This is positive for the value of Infratil's assets.

It also means that Infratil's investment activities have to avoid competing with those with very deep pockets, which we have shown we can do with Kao Data, Gurīn Energy and medical diagnostics.

These are stressful times, lockdowns, missing important family, business and social activities. Plans and expectations have gone west. "Keep calm and carry on" sounds corny, but I hope we can be generous to those doing it hard.

Jason Boyes
Chief Executive

Report of the Board Chair

The last six months have been a period of significant activity, as Infratil transitioned to a new Chief Executive and dealt with the continuing challenges posed by the Covid-19 pandemic.

One of a board's key responsibilities is selecting a Chief Executive.

We were very fortunate to have Marko Bogoievski, who stood down on 1 April. Marko has been an outstanding leader for Infratil since taking over the reins in 2009, leading an investment and portfolio strategy which has delivered remarkable results.

Early investments in emerging infrastructure themes were a hallmark of Marko's time. These included fuel distribution, data and connectivity, global renewables development platforms, and, most recently, the investment into our healthcare portfolio.

In Jason Boyes, we have an excellent new CEO and the transition has been seamless, as the half year results show.

The Board is highly confident that, with Jason's skills and experience coupled with the support of a seasoned team, we have the capability required to successfully implement our strategy.

Capital allocation and risks are always front of mind. Activity over the period included the sale of Tilt Renewables, sale of the retail operations of Trustpower, and the refinancing and extension of our bank facilities. We also received a very positive response to our last bond issue.

This puts us in an unusually secure position. In the context of uncertainties such as rising interest rates, more interventionist Government policies, helter skelter energy markets, and Covid-19 disruptions, we are comfortable to be in this position.

However, our job isn't to sit on cash earning 1%. It is to build sustainable, long-term value for shareholders. We are fortunate to have subsidiaries that will do much of the work by growing and investing in their own activities. Additionally, we are also willing to invest directly in "early stage" companies. Gurīn Energy and Kao Data are in this category.

Gurīn Energy combines the local knowledge and sector expertise of the Singapore based management team lead by Dr Assaad Razzouk, with the not inconsiderable renewables development capability, financial resources, and investment discipline of Infratil. The success of Tilt Renewables and Longroad Energy enabled Infratil to establish Gurīn with a team who are responsible for developing over 5,000MW of renewable generation capacity in Asia - a track record and legacy we expect to build on.

We are pleased with our recent investment decisions, but many proposals do not get over the line, often because of the price being asked for growth.

With Pacific Radiology, Qscan and Auckland Radiology, we did pay for both existing operations and their potential. We believe there are enormous opportunities to deploy technology to deliver better healthcare at lower cost. This goes beyond diagnostic imaging.

One of the largest uncertainties we are all dealing with relates to climate change. We know there will be continuing changes to weather patterns, that carbon emissions are unsustainable, and this will require unprecedented government policy alignment across the globe.

Infratil's first ever investment was into renewable generation, and renewables are a central thematic to our strategic thinking. With global emissions rising we need to be certain we understand how any investment will impact our environmental footprint. We are putting a lot of effort into developing detailed metrics that will help us more accurately measure the impact of our activities across a range of factors. If we are looking to build sustainable long-term value for shareholders, then by definition, this work is critical.

Some of the policies being developed by Governments to reduce emissions are problematic. We have actively engaged in policy debate and participated in consultations. We believe there should be a cost on emissions. A functioning international emissions pricing system is the subject of intense discussion in Glasgow at COP26. We hope they get it right as it is a long way from where it needs to be.

A final point. New Zealand is seeing the emergence of a new group of shareholders operating through low-cost investment platforms like Sharesies and Hatch. Infratil now has 12,000 individual shareholders through the former. They own on average of just over $1,000 of our shares. We hope we can reward their support, and we also hope they get to know Infratil. To help with this we are updating our website structure and content.

To all our shareholders and bondholders thank you for your support, it is very much appreciated.

Mark Tume
Chair

Communication with Shareholders & Bondholders

Over the six months to 30 September 2021 the following meetings were held with share and bond holders.

In all cases there were opportunities for attendees to provide feedback and raise questions and concerns with directors and management.

- The Annual Meeting on 19 August; including shareholder resolutions, a speech by the Chair on governance and strategy, and a presentation by management on activities and prospects.
- The annual results announcement on 29 May and interim results announcement on 12 November.
- The annual cycle of presentations to shareholders around New Zealand which ran from 31 May to 22 June.

The Annual Meeting

The Annual Meeting was again impacted by Covid-19 lockdown restrictions. All of the following participated from their own homes; the Chair Mark Tume and all the other directors, auditors, legal advisers, members of Infratil's management and the management of Infratil's subsidiaries.

A record of the meeting is available on Infratil's website, as is the manager presentation, and the details of the formal aspects of the meeting (voting results).

396 people participated in the meeting remotely. A number submitted questions.

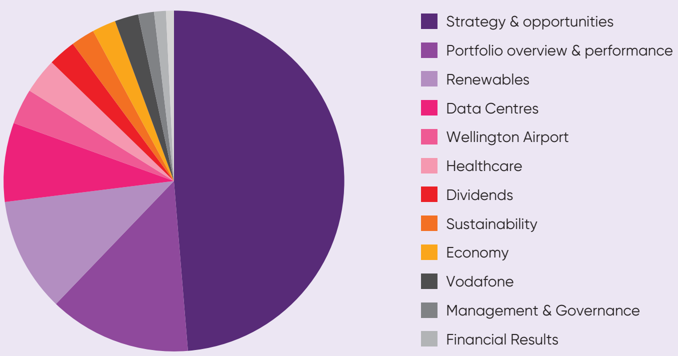
Shareholder Presentations

The annual series of presentations to shareholders and bondholders ran across 15 meetings from 31 May 2021 to 22 June 2021. Meetings were held in Invercargill, Dunedin, Queenstown, Christchurch, Nelson, Wellington, Kāpiti, Palmerston North, Napier, New Plymouth, Rotorua, Tauranga, Hamilton, Auckland, and the North Shore.

Approximately 2,000 people attended across the country. The meetings entailed a 45-minute presentation by two or three members of Infratil's management, about 15 minutes of Q&A, followed by light refreshments where attendees could have one-on-one time with management.

Attendees were surveyed after the presentations. 97% of people found that it helped them understand Infratil's goals, strategy, circumstances and prospects. 94% felt they had a good opportunity to talk to management and have their questions addressed. The topics of greatest interest were Infratil's strategies and areas of opportunity. The others are shown in the pie chart.

What content are you most interested in?



Often similar questions were asked at many of the meetings. The most common ones were:

"Why did you sell Tilt Renewables? Does this mean that you are now no longer looking to invest in renewables? What is the plan to reinvest the proceeds from the sale of Tilt Renewables?"

There is huge demand for more renewable generation on both sides of the Tasman. The key justification for selling was that the sale price offered for the Australian assets placed a large value on Tilt's development pipeline; we estimated about $1 billion.

We had to ask ourselves, should we hold on to our stake and capture that value over the next several years by Tilt Renewables progressing the developments? Or could we take that $1 billion and invest it elsewhere, ideally where Infratil would end up with both $1 billion and the returns we have generated on that $1 billion. Because Infratil investor companies are actively undertaking renewables projects in Europe, Asia and the USA we have both high confidence that we can find uses for it and grow the $1 billion.

"What is happening with Wellington Airport's runway extension?"

At present the project is bogged down in the regulatory, legal and consenting process. However, the Airport is committed to the project, but the reasons for the construction have become more nuanced.

One of the Airport's absolute priorities is a safe and functional airfield. To deliver on these criteria the Airport is going to have to replace the seawall which was built in the 1950s and 1970s. Rising sea levels and more devastating storms means this has to happen, sooner than later.

Another related consideration is making sure that the airfield has appropriate safety allowances at each end (called the Runway End Safety Areas, "RESA").

At present the RESA is 90 metres but depending on the aircraft used by the airlines servicing Wellington it may be desirable to increase this to 140 metres.

The third reason for extending the airfield would be to improve Wellington's connectivity with the rest of the world via services which could fly direct to Asia and North America rather than via stop-offs. This is more of a commercial and environmental consideration than one related to resilience and safety.

"What happened to the AustralianSuper takeover offer?"

During 2020, Infratil's independent directors were approached with two takeover offers from AustralianSuper. The board rejected these offers as undervaluing Infratil's assets and not reflecting the potential of Infratil to continue to deliver for its shareholders.

Feedback on the decision was mostly positive. In particular, several business journalists noted that Infratil provides New Zealand investors with something quite unique, and its takeover would leave a real hole.

"Is CDC interested in building a data centre at Tiwai Point?"

CDC's developments are customer-led and if customers were to demand a substantial new data centre in Invercargill, CDC would investigate a development. However, at present CDC isn't aware of such demand.

It is worth noting that CDC's customers tend to require immediate proximity to their data and processing, so that access is instantaneous. This is the rationale behind CDC having data centres in Canberra and Sydney and building in Auckland (and soon Melbourne). Some data centres store data where speed of access isn't so critical, which would likely be the case if a data centre was developed in Invercargill.

"What do shareholders get for the Management fees paid to Morrison & Co?"

There is little difference between Morrison & Co's day-to-day responsibilities and those of any corporate management team. The same can be said about the board.

Board and management set corporate goals, strategies, and risk parameters. Management executes the goals and the board monitors management's performance and makes the final decisions about investments and divestments.

There are probably two key points of difference relative to the management team which Infratil would employ were it hiring people one at a time. One is that Morrison & Co employs many more people than a company of Infratil's size could afford. This is because Morrison & Co also manages investments for other parties. A second is that Morrison & Co must absolutely prioritise returns to shareholders. Of course, regular management would too, but a threat to one or two people should they under-perform isn't quite as powerful as a threat to a whole team.

ESG performance

We believe that benchmarking the performance of Infratil and its investments using industry recognised ESG rating systems provides valuable insights into the maturity of ESG approaches on an absolute and relative basis.

Robust ESG benchmarking also informs investment and asset management priorities, and simplifies the communication of ESG performance to stakeholders. In 2020, Infratil and three of its portfolio entities successfully piloted the GRESB Infrastructure Assessment and we subsequently sought broader participation across the portfolio in 2021.

The GRESB Infrastructure Fund Assessment was launched in 2015 and assesses the ESG performance of infrastructure funds and investment companies. The assessment is split into two key areas – 'Management' and 'Performance'.

Management considers ESG leadership, policies, reporting, risk management and stakeholder engagement, and is focused on the systems and processes that have been established by the organisation's management team.

Performance is the Net Asset Value (NAV) weighted average GRESB performance of the entity's underlying investments (a score of zero is allocated to investments that do not participate).

The GRESB Infrastructure Asset Assessment assesses the ESG performance of individual infrastructure assets. The assessment also includes two key focus areas, 'Management' and 'Performance'.

For assets, the **Management** aspect considers the six aspects noted previously. The **Performance** aspect, which has a 60% weighting, considers the extent of reporting on environmental, safety and social sustainability performance and rewards entities that have established targets for each ESG metric.

Participants in the Fund Assessment are assigned three GRESB scores:

1. **Management score:** Performance against the five ESG indicators that consider the management of the fund/investment company.
2. **Performance score:** The weighted average performance of the entity's underlying investments.
3. **Overall GRESB score:** Combination of the entity's Management score (30% weighting) with its Performance score (70% weighting).

In 2021, Infratil achieved an outstanding Management score of 97% as part of its Fund Assessment. The chart (below left) demonstrates that Infratil outperformed its peers materially in several Management categories, particularly in ESG risk management and stakeholder engagement.

Nine portfolio entities participated in the Asset Assessment in 2021 - CDC Data Centres, Tilt Renewables, Trustpower, Vodafone, Wellington International Airport, Qscan, RetireAustralia, Longroad Energy and Galileo Green Energy.

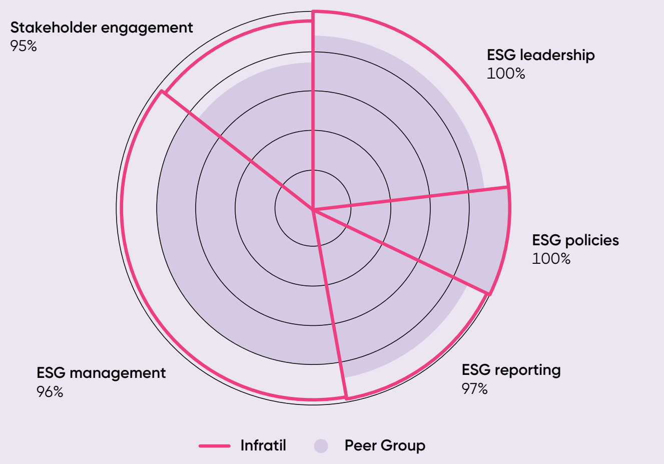
Infratil's Performance score (the NAV weighted average of the Portfolio Entities) was 63%.

Infratil's Management and Performance scores generated an overall GRESB Score of 73%.

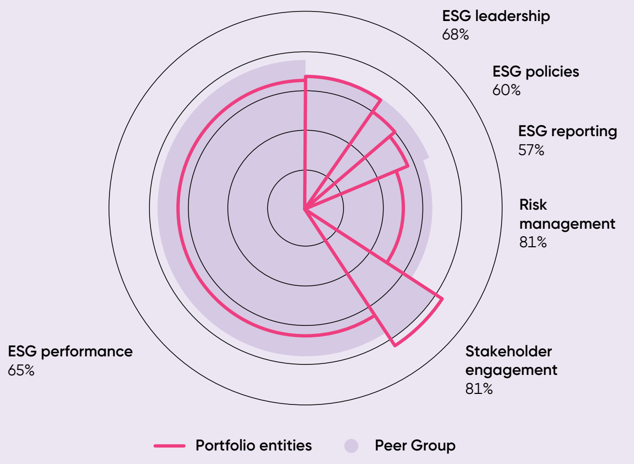
The average of the scores achieved by Infratil's portfolio entities (by category) are described in the chart (below right). The chart also shows the average score that was achieved by sector peers.

The chart demonstrates that while there are several opportunities for Infratil's portfolio entities to improve their approach to ESG integration, the portfolio did not materially underperform the relevant peer groups.

Management performance



Average portfolio entity performance



Carbon emissions footprint

We are committed to measuring, monitoring and reducing the carbon emissions arising through Infratil's operations and investment portfolio, and have assessed Infratil's 2020 carbon footprint.

Carbon emissions data has been sourced from each entity's response to the GRESB Infrastructure Asset Assessment which rewards participating entities that comprehensively report on the carbon emissions arising through their operations, particularly Scope 1 and Scope 2 carbon emissions. The reporting of Scope 3 emissions is also encouraged (refer to definitions below).

To calculate Infratil's gross carbon emissions footprint each entity's data has been adjusted based on the equity ownership percentage held in each investment during the reporting period, and then aggregated.

Infratil's gross 2020 carbon emissions footprint (Scope 1 and 2) has been estimated at approximately 16,000 tonnes CO_2-e.

To account for the carbon offsets delivered through energy suppliers' participation in New Zealand's Emissions Trading Scheme, the Scope 1 and 2 carbon emissions for each New Zealand based entity have been adjusted from Infratil's gross carbon footprint to calculate its net footprint.

Infratil's net carbon emissions footprint for 2020 (Scope 1 and 2) has been estimated at approximately 7,000 tonnes CO_2-e.

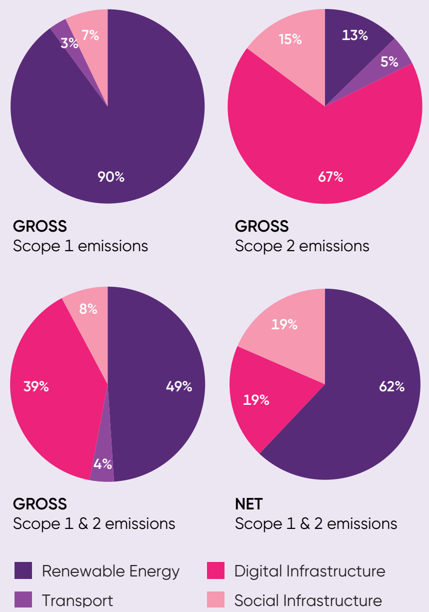
The charts (right) demonstrate that Infratil's renewable energy businesses were the primary contributors to its carbon emissions footprint, predominantly due to the use of diesel during construction.

Investments in the Digital Infrastructure sector also made a significant contribution to Infratil's gross footprint, primarily due to Vodafone's electricity requirements.

It should be noted that the carbon emissions data excludes Qscan, Pacific Radiology (acquired after the reporting period), ASIP, Infratil Infrastructure Property and Clearvision Ventures. The data only includes Tilt Renewables' Australian operations, and carbon emissions associated with CDC Data Centres' tenants' IT equipment and ancillary systems e.g., cooling has been excluded as it is considered to be Scope 3 for Infratil. The data has not been independently verified or assured.

Infratil's carbon emissions footprint will be measured, verified and disclosed annually.

Carbon emissions by sector



Corporate carbon emissions sources

Scope 1 emissions arise through the direct combustion of fossil fuels by organisations e.g., natural gas for heating, fuel for vehicles and plant, and the leakage of other greenhouse gases such as refrigerants.

Scope 2 emissions are associated with the carbon emissions of the electricity being purchased and consumed by an organisation.

Scope 3 emissions are those that typically arise in an organisation's value chain, particularly where the organisation has limited control e.g., the emissions associated with corporate air travel, cloud based data storage and employee commuting. While information relating to Scope 3 emissions is becoming available, a complete dataset for Infratil is not available at this time.

Financial Trends

These graphs have been chosen to illustrate the key financial trends over the last decade.

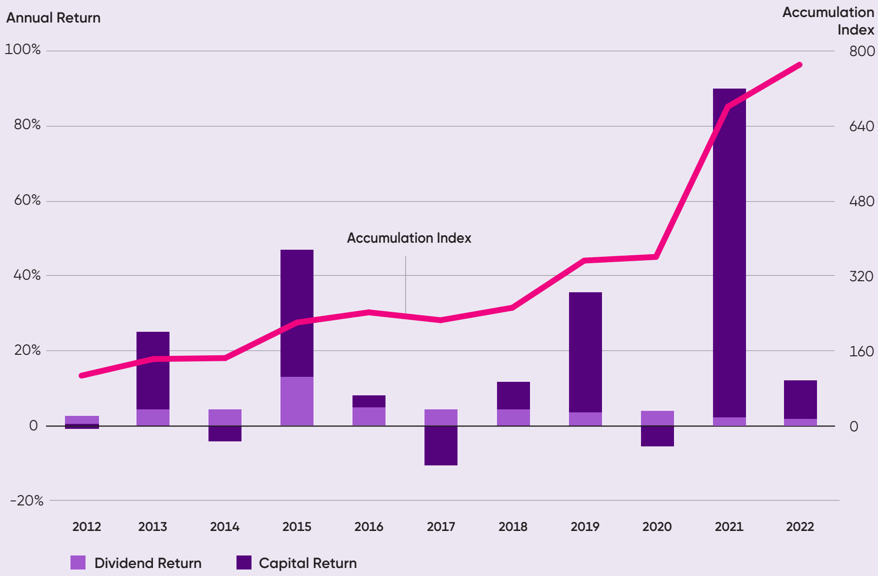
For FY2022 shareholder returns, assets and funding are as at 30 September 2021. Proportionate EBITDAF and investment are annualised based on the latest forecasts and guidance.

Shareholder Returns

Between 1 October 2011 and 30 September 2021 Infratil provided its shareholders with an after-tax return of 22.7% per annum.

$100 invested at the start of the period would have compounded to $775 by the end if all distributions were reinvested.

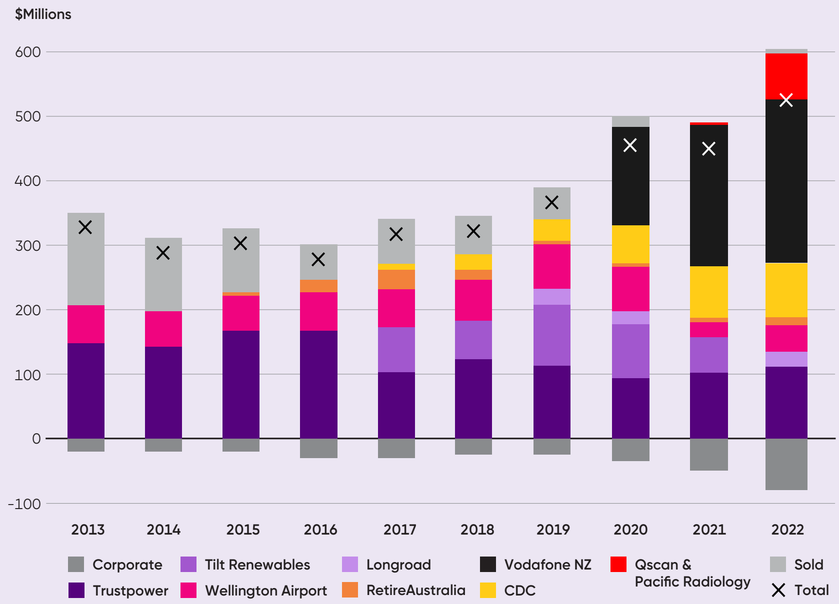
The graphs show six month returns for 2012 and 2022 and full years in between.



Proportionate EBITDAF[1]

The calculation of proportionate EBITDAF is outlined on page 3 of this report. It is intended to show Infratil's share of the earnings of the companies in which it has a shareholding.

The figures include the contribution of assets held for sale and disposed over the period.

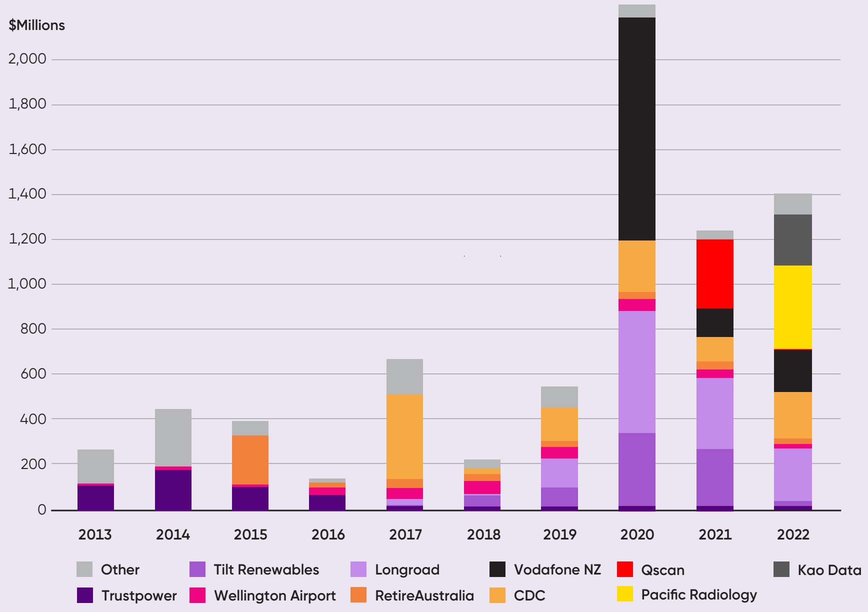


1. Proportionate EBITDAF is an unaudited non-GAAP measure and is defined on page 3.

Proportionate Capital Investment

Over the decade Infratil has invested over $7 billion, with the majority undertaken by investee companies.

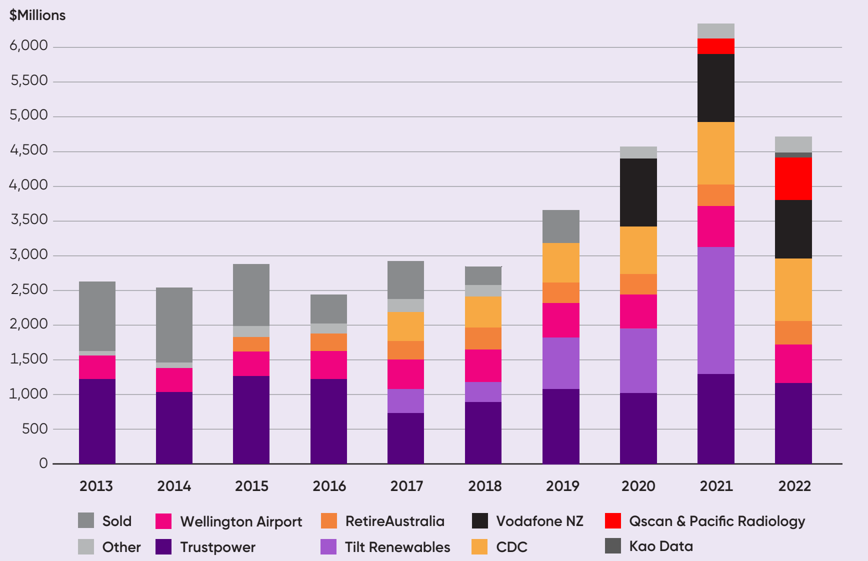
Funding for new investments has been provided by operating cashflows, debt, equity issuance and divestments.



Infratil Assets

This graph shows the book values of Infratil's unlisted assets and the NZX values of those listed. In some cases, these values can be lower than fair value (private market valuations).

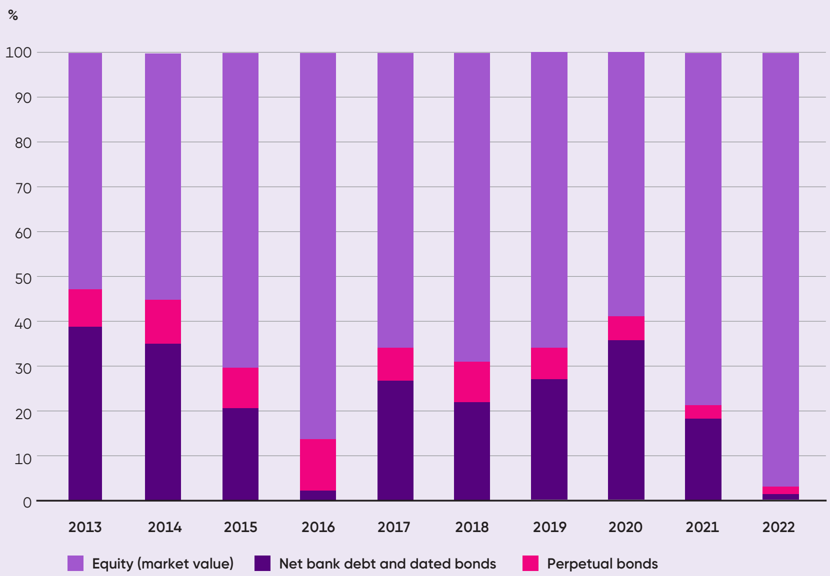
This is highlighted by Infratil's investment in CDC Data Centres which has a current book value of $899.2 million compared to an independent valuation at 30 June 2021 of A$2,313-2,469 million.



Infratil Funding

Infratil uses a mix of debt and equity funding which is bound by Infratil's policy of maintaining credit metrics which are broadly consistent with an Investment Grade credit rating (Infratil is not credit rated).

Changes to the relative funding occurs as businesses are sold and acquired as seen at 30 September 2021 following the receipt of the Tilt proceeds.



Financial Performance & Position

Infratil provides audited financial statements annually for years to 31 March. The six month interim accounts to 30 September are reviewed by Infratil's auditors but not audited. A summary of the interim accounts is provided in this report. The full financial statements are available by contacting Infratil or on its website.

Infratil consolidates companies when it owns more than 50%, including Trustpower, Wellington Airport, Qscan and Pacific Radiology. Associates such as CDC Data Centres, Vodafone New Zealand, Longroad Energy and RetireAustralia are not consolidated. For those investments, the EBITDAF column shows 100% of their EBITDAF and the "Revaluations and other adjustments" column includes the adjustment required to reconcile Infratil's share of their net surplus after tax. The contribution of Pacific Radiology is for the period since its acquisition on 31 May 2021.

Six months ended 30 September 2021

$Millions	Share	EBITDAF 100%	D&A	Interest	Tax	Revaluations & other adjustments	Minorities	Infratil's share of net surplus after tax
CDC Data Centres	48%	$79.8	-	-	-	($24.8)	-	$55.0
Vodafone	50%	$251.8	-	-	-	($242.8)	-	$9.0
Trustpower	51%	$106.4	($11.9)	($14.4)	($45.4)	$78.5	($58.6)	$54.6
Longroad Energy	40%	$41.8	-	-	-	($17.3)	-	$24.5
Wellington Airport	66%	$31.5	($14.4)	($12.5)	($3.6)	$2.1	($1.1)	$2.0
Qscan Group	56%	$33.1	($14.4)	($9.4)	($3.5)	-	($2.5)	$3.3
Pacific Radiology	53%	$22.2	($2.6)	($5.5)	($3.3)	($20.9)	$4.6	($5.5)
RetireAustralia	50%	$12.6	-	-	-	$16.2	-	$28.8
Corporate & Other	-	($50.6)	-	($38.2)	($2.3)	($1.8)	-	($92.9)
Total (continuing)		**$528.6**	**($43.3)**	**($80.0)**	**($58.1)**	**($210.8)**	**($57.6)**	**$78.8**
Tilt Renewables	65%	$12.1	($19.5)	($6.3)	$3.7	$1,002.0	$7.9	$999.9
Trustpower Retail	51%	$15.8	($12.6)	($0.6)	($0.7)	-	-	$1.9
Total		**$556.5**	**($75.4)**	**($86.9)**	**($55.1)**	**$791.2**	**($49.7)**	**$1,080.6**

Six months ended 30 September 2020

$Millions	Share	EBITDAF 100%	D&A	Interest	Tax	Revaluations & other adjustments	Minorities	Infratil's share of net surplus after tax
CDC Data Centres	48%	$79.1	-	-	-	$29.4	-	$108.5
Vodafone	50%	$224.7	-	-	-	($240.3)	-	($15.6)
Trustpower	51%	$92.1	($10.7)	($14.4)	($11.5)	($26.5)	($16.7)	$12.3
Longroad Energy	40%	$27.8	-	-	-	($41.6)	-	($13.8)
Wellington Airport	66%	$10.9	($13.5)	($12.9)	$8.2	$4.5	($2.6)	($5.4)
RetireAustralia	50%	$10.2	-	-	-	($3.8)	-	$6.4
Corporate & Other		($81.2)	-	($38.6)	$12.7	$19.1	-	($88.0)
Total (continuing)		**$363.6**	**($24.2)**	**($65.9)**	**$9.4**	**($259.2)**	**($19.3)**	**$4.4**
Tilt Renewables	65%	$34.1	($21.8)	($5.5)	($12.5)	$34.4	($9.9)	$18.8
Trustpower Retail	51%	$18.3	($11.2)	($0.7)	($1.8)	-	-	$4.6
Total		**$416.0**	**($57.2)**	**($72.1)**	**($4.9)**	**($224.8)**	**($29.2)**	**$27.8**

Consolidated Results

The net parent surplus for the six months ended 30 September 2021 was $1,080.6 million, up from $27.8 million in the prior period.

The key contributor to the surplus was the $1,014.7 million gain recorded on the sale of Tilt Renewables. The other notable change from the prior period includes the contributions from Qscan and Pacific Radiology, which have both been acquired in the last 12 months and are consolidated by Infratil.

Recognised in the gain on sale is a $122.1 million realised incentive fee accrual relating to the sale of Tilt Renewables.

Discontinued operations include the gain on sale, as well as the operating results of both Tilt Renewables and Trustpower's Retail business for the period.

Six months ended 30 September ($Millions)	2021	2020
Operating revenue	$541.1	$244.1
Operating expenses	($289.8)	($76.7)
International Portfolio incentive fee	($9.4)	($57.7)
Depreciation & amortisation	($43.2)	($24.2)
Net interest	($80.0)	($65.9)
Tax expense	($58.1)	$9.4
Realisations and Revaluations	$75.8	($5.4)
Discontinued operations	$993.9	$33.4
Net surplus after tax	**$1,130.3**	**$57.0**
Minority earnings	($49.7)	($29.2)
Net parent surplus	**$1,080.6**	**$27.8**

Proportionate EBITDAF

Proportionate EBITDAF is intended to show Infratil's share of the earnings of the companies in which it has a shareholding.

Proportionate EBITDAF is shown from continuing operations and includes corporate and management costs, however, excludes international portfolio incentive fees and contributions from businesses sold, or held for sale.

To illustrate the calculation of Proportionate EBITDAF, Infratil owns 48.0% of CDC Data Centres, CDC Centres' EBITDAF for the period was A$75.2 million, and 48% of that translated into NZD is $38.3 million.

Six months ended 30 September ($Millions)	Share	2021	2020
CDC Data Centres	48%	$38.3	$38.0
Vodafone	50%	$125.6	$112.1
Trustpower	51%	$54.4	$47.0
Longroad Energy	40%	$13.7	$9.4
Wellington Airport	66%	$20.8	$7.2
Qscan Group	56%	$18.7	-
Pacific Radiology	53%	$12.4	-
RetireAustralia	50%	$6.3	$5.1
Corporate & Other		($36.6)	($20.9)
Proportionate EBITDAF[1]		**$253.6**	**$197.9**
International Portfolio incentive fees		($9.4)	($57.7)
Tilt Renewables	66%	$7.8	$22.3
Trustpower Retail	51%	$8.0	$9.3
Total		**$260.0**	**$171.8**

1. Proportionate EBITDAF is an unaudited non-GAAP measure and is defined on page 3.

Infratil and Wholly Owned Subsidiaries Operating Cash Flows

This table shows the operating cash flows of Infratil and its 100% subsidiaries.

Receipts include dividends from portfolio companies, interest and capital returns. Outgoings are primarily operating costs and interest payments. Corporate & Other includes $27.9 million of management expenses.

The Incentive Fees paid during the period related to the second tranche of the FY2020 incentive fee and the first tranche of the FY2021 incentive fee.

Six months ended 30 September ($Millions)	2021	2020
CDC Data Centres	$5.8	-
Vodafone	$24.5	$42.2
Trustpower	$29.6	$24.8
Tilt Renewables	$16.1	$179.6
Longroad Energy	$44.8	$19.1
Wellington Airport	-	$37.5
Clearvision Ventures	$1.6	-
Net interest paid	($36.6)	($34.2)
Corporate & Other	($32.5)	($30.5)
Operating cashflow	**$53.3**	**$238.5**
International Portfolio Incentive Fees	($116.2)	($41.7)
Operating cashflow (after incentive fees)	**($62.9)**	**$196.8**

Proportionate Capital Expenditure and Investment

This table shows Infratil's share of the capital expenditure of investee companies, and investments made by Infratil during the period.

To illustrate the calculation of Proportionate capital expenditure, Infratil owns 49.9% of Vodafone, Vodafone's capital expenditure for the period was $221.3 million, and 49.9% of that is $110.5 million.

Investment undertaken by Infratil in the period amounted to $390.0 million. This primarily included the investments in Pacific Radiology and Kao Data.

Six months ended 30 September ($Millions)	Share	2021	2020
CDC Data Centres	48%	$99.8	$77.4
Vodafone	50%	$110.5	$44.9
Trustpower	51%	$7.8	$7.9
Tilt Renewables	65%	$21.9	$200.3
Longroad Energy	40%	$189.1	$113.9
Wellington Airport	66%	$4.7	$7.6
Qscan Group	56%	$3.1	-
RetireAustralia	50%	$6.9	$15.4
Capital expenditure		**$443.8**	**$467.4**
Pacific Radiology		$313.6	-
Kao Data		$73.6	-
Other		$2.8	$21.5
Proportionate capital expenditure and investment		**$833.8**	**$488.9**

Infratil Assets Book Values

This table shows the book values of Infratil's unlisted assets and the NZX values of the listed ones.

The asset values in the table are presented in accordance with NZ IFRS with the exception of Trustpower which is shown at its NZX value, Wellington Airport which reflects Infratil's share of net assets excluding deferred tax, and Qscan and Pacific Radiology which are shown as Infratil's initial investment amount.

Other includes Infratil Infrastructure Property, Galileo Green Energy, Gurīn Energy and Clearvision Ventures.

$Millions	30 September 2021	31 March 2021
CDC Data Centres	$899.2	$873.0
Vodafone	$846.7	$857.3
Kao Data	$72.6	-
Trustpower	$1,167.7	$1,314.7
Tilt Renewables	-	$1,869.3
Longroad Energy	$51.4	$44.9
Wellington Airport	$558.9	$511.2
Qscan Group	$309.6	$309.6
Pacific Radiology	$313.6	-
RetireAustralia	$355.9	$340.9
Other	$181.0	$238.1
Total	**$4,756.6**	**$6,359.0**

Infratil Funding and Capital Structure

This table shows the mix of debt and equity funding at Infratil's Corporate level.

Over the period, $93.9 million of bonds matured of which $54.8 million were exchanged for IFT310 bonds and the remaining $39.2 million were repaid. A further $47.6 million of IFT310 bonds were issued, taking the total issue to $102.4 million, a net increase of $8.5 million of bonds on issue.

There were no shares issued during the period, with the change in the market value of equity reflecting an increase in the Infratil share price from $7.13 to $7.96.

($Millions)	30 September 2021	31 March 2021
Net bank debt/(cash)	($1,114.4)	$328.2
Infratil Infrastructure bonds	$1,163.4	$1,155.2
Infratil Perpetual bonds	$231.9	$231.9
Market value of equity	$5,754.7	$5,151.0
Total capital	**$6,035.6**	**$6,866.3**
Dated debt/total capital	0.8%	21.6%
Total debt/total capital	4.7%	25.0%

CDC Data Centres

Digital Infrastructure

Infratil 48%
Commonwealth Superannuation Corporation 24%
Future Fund 24%
Management 4%

From 40MW of capacity in 2017, CDC is on track to have 268MW in 2022, with a development capability for an additional 436MW.

In five years, CDC has gone from operating data centres at two Canberra campuses, to a third in Sydney, building two more in Auckland, and expanding into Melbourne. Growth opportunities in other Australian markets are also under assessment.

In a market where announcements about projected data centre capacity investments are now commonplace (and rarely include when construction will commence), CDC is distinguishing itself with over $1 billion of construction underway adding 104MW of capacity and construction of a further 20MW expected to start shortly.

CDC's expansion to four geographies reflects both a desire to meet client demands and the benefits of being able to do so. Over the last three years, CDC has secured contracts for utilisation that have underpinned the economics of new capacity, allowing construction to be debt funded and locking in the value of new capacity before construction has even started. While current customer demand for capacity is not abating, CDC's scale and rising earnings are allowing consideration of projects where capacity can be built to also address expected forward demand.

The factors driving demand for capacity in CDC's facilities are intensifying. Governments, companies and individuals are demanding their data is housed locally, both due to concerns about security and by the need for faster communication speeds between users and their data. Meanwhile, the volume of data requiring storage is growing by over 50% per annum and the advantages of having computers and data housed in the type of specialist data centres that CDC owns is increasing.

The Australian Government's digitalisation plan is for 80% of its data to be stored electronically. With only 20% of its data stored electronically today, and the volume of data doubling every two years, demand for data storage will remain strong.

In response to the new requirements imposed by the Australian Government in March 2021, CDC was the first provider to achieve 'Certified Strategic' accreditation by the Australian Government for all of its data centres. In addition, only CDC achieved this status for all its capacity across all its Australian locations, while other operators were only able to provide limited enclaves within their centres capable of being certified. This provides a clear indication of CDC's ability to meet customer needs and provide a differentiated value proposition.

CDC's market leading position in Australia (and in due course New Zealand) is based on meeting client needs as they arise, reflecting CDC's huge investment in capacity, the cost advantages generated by its construction and development expertise, local ownership, reliability and security credentials, track record, and the ability to more than double its presence in size and locations over the next two years.

CDC is also rising to the sustainability challenge. CDC was started with a clear vision to be a clean and green data centre provider and has a significant track record of using 100% renewably generated electricity in its facilities, along with operating zero-water cooling solutions, saving the environment tens of millions of litres of water per day. CDC has also achieved zero waste across its operations and is well on its journey to be recognised as the ESG leader of the industry.

Year ended 31 March Six months ended 30 September All A$ unless noted	30 September 2021	30 September 2020	31 March 2021
Data Centre capacity (built) [1]	164MW	164MW	164MW
Capacity under construction	104MW	28MW	104MW
Development pipeline	436MW	362MW	286MW
Weighted average lease term (with options)	22.5 years	15.4 years	14.4 years
Rack utilisation	74%	64%	69%
Target PUE [2]	1.19	n/a	n/a
EBITDAF	**$75.2m**	**$73.8m**	**$147.3m**
Capital expenditure	$195.8m	$150.3m	$231.6m
Net debt	$1,219.6m	$1,031.8m	$1,041.4m
Infratil cash income (NZ$)	$5.8m	-	$5.8m

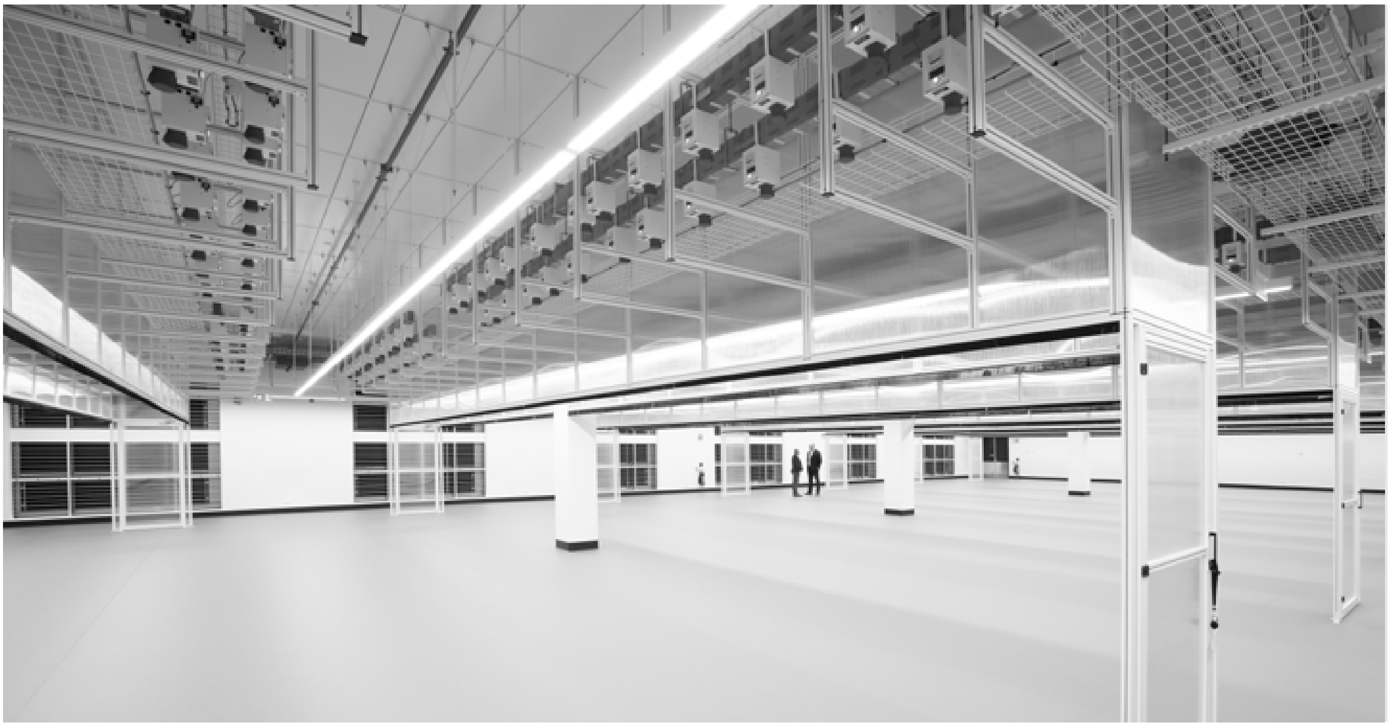
1. Built capacity is the total available power to support ICT load and cooling within a data centre. The presentation of MW capacity has been restated where necessary to reflect built capacity on a consistent basis across the portfolio. From time to time this will change, in particular as design and planning for future builds progresses.
2. PUE is a ratio defined as the power used by a data centre divided by the power used by the ICT equipment it houses. It shows how much power is used by IT equipment (which provides revenue) compared with the power used by all the data centres services, which also includes cooling, lighting and other equipment.

Society & Environment

Well on its way to be the ESG leader of the industry, including through using 100% renewable power, zero waste and zero water cooling solutions.

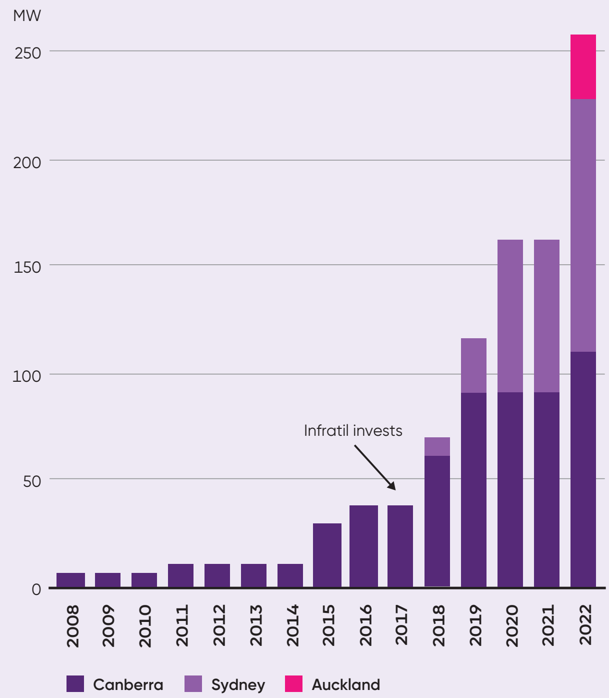
Dollar for dollar charitable donation matching in place for donations from employees.

Employees given financial incentives and in-kind support to promote vaccination and support Covid-19 recovery.



Facility	Status	Built capacity (MW)
Hume 1 & 2	Operating	12
Hume 3	Operating	9
Hume 4	Operating	29
Hume 5	Under Construction	22
Fyshwick 1	Operating	19
Fyshwick 2	Operating	26
Eastern Creek 1	Operating	7
Eastern Creek 2	Operating	20
Eastern Creek 3	Operating	42
Eastern Creek 4	Under Construction	54
Auckland 1 & 2	Under Construction	28
Total Operating and Under Construction		**268**
Canberra	Future Build	178
Sydney	Future Build	108
Melbourne	Future Build	150

Facilities and Capacity



Vodafone New Zealand

Digital Infrastructure

Infratil 49.9%
Brookfield Infrastructure Partners 49.9%
Management 0.2%

Vodafone is on track with its transformation strategy and has laid solid foundations to remediate legacy investment deficits and improve performance.

Since its acquisition for $3.4 billion in July 2019, the focus of the Vodafone team has been on improving the experience for customers and reducing costs. This is entailing a major transformation of the company's information systems, simplification of product offering, and investment in expanding 4th and 5th generation cellular-network capability.

The goal is for Vodafone to be New Zealand's lowest-cost telecommunications provider, with the best network, and a suite of services which attracts and retains both those customers interested in value and also those with more complex requirements. During the period Vodafone's banks also responded to the good progress by renewing and extending Vodafone's facilities at lower margins.

Vodafone's progress is not just being noticed by customers and capital providers. In a tight labour market where the calibre of staff makes a real difference and everyone has employment choices, Vodafone's operational improvements are also enabling the company to be an employer of choice for talented people.

High calibre staff, network reliability and reach, and efficient systems are allowing Vodafone to offer enhanced services for an increasing number of receptive customers. Globally, the last two years has seen huge increases in data use, reliance on cloud-computing and external data storage, remote working, and cyber-security concerns. These developments are causing business customers to prioritise a package of factors; reliability, availability, services, security, and value. To satisfy these diverse needs without incurring the cost of building in-house capability, Vodafone aggregates services provided by parties such as AWS, Palo Alto, and Microsoft.

Individuals' demands are also changing. As people utilise more data, they find it efficient to shift to "unlimited use" packages. The benefit for Vodafone is that these customers are more loyal and likely to buy additional products, so long as they have a good network and service experience.

The quality of Vodafone's network remains the foundation of its mobile, broadband, and other services, and investment continues in both 4G and 5G capability. During the last six months improvements were delivered in the Manawatu, Bay of Plenty, Southland, and Taranaki. This is encouraging increased utilisation from Vodafone's customers, wholesalers and other telecommunication companies seeking to cost-efficiently fill "holes" in their own networks.

Globally, the telecommunications sector continues to attract investor attention, with a series of transactions and strong valuations being realised over the last 12 months.

Mobile tower assets are a particular focus for infrastructure investors with new operating and ownership models emerging. Network sharing is improving connectivity, reducing costs and risk, while ensuring retail service providers compete and innovate in product development and customer service.

In New Zealand, network sharing is proving particularly necessary to improve rural connectivity, and telecommunications companies are working to bring this about while preserving the benefits of competition. Vodafone continues to explore the possibility of further infrastructure sharing arrangements and network capital release options, with a number of recent transactions highlighting the potential value achieved through such arrangements.

One area of further opportunity is wireless broadband, with the broadband market continuing to be dominated by fibre connections.

In relation to 5G services, in the short term the lack of 5G phones and applications with very high data demands (e.g., 3D gaming) is limiting consumer demand, but if history is a guide, consumers will find ways to fully utilise the increased network capacity.

Year ended 31 March Six months ended 30 September	30 September 2021	30 September 2020	31 March 2021
Mobile revenue	$401.2m	$401.1m	$793.7m
Fixed revenue	$358.3m	$372.6m	$728.1m
Other revenue	$196.9m	$167.7m	$431.9m
Operating costs	($704.6m)	($716.8m)	($1,505.9m)
EBITDAF	**$251.8m**	**$224.7m**	**$447.8m**
Capital expenditure	$221.4m	$90.0m	$253.4m
Net debt	$1,389.8m	$1,232.7m	$1,300.8m
Infratil's book value	$846.7m	$917.5m	$857.3m
Infratil cash income	$24.5m	$42.2m	$96.7m

Society & Environment

Vodafone employees offered $100 each to spend at local SMEs to help with Covid-19 recovery.

$1.55 million provided in 2021 to charitable works through Te Rourou, Vodafone Aotearoa Foundation.

'Thriving Rangatahi Population Explorer' tool launched.

Vodafone's proactive response to Covid-19 has included its "Shot Bro" campaign with the Vodafone Warriors.

Kao Data

Digital Infrastructure

Infratil 40%[1]
Legal & General Group 30%
Goldacre 30%

Data centres have become a fundamental component of all our lives.

We now interact with data centres more regularly than we do with other humans. The average connected individual is in contact with a data centre – without ever really being aware of it – well in excess of 250 times a day.

During the period Infratil committed £120-130 million of growth capital to London data centre business Kao Data. Infratil will obtain a 40% stake alongside current owners, Legal & General Group, one of Europe's largest asset managers, and Goldacre, founder of Kao Data and part of the Noé Group, a family run investment and asset management business. They will each retain a 30% stake.

Infratil, together with Legal & General Group and Goldacre, intend to build Kao Data into a £500 million multi-site data centre platform in the medium term.

Kao Data owns a 15-acre data centre campus in Harlow, north of London. Kao Data has built one data centre on that campus, with construction of a second to begin this financial year. Once fully developed, the campus will be home to four energy efficient data centres, which are all expected to be powered by 100% renewable energy.

The Harlow campus is located in the UK Innovation Corridor between London and Cambridge, home to world class academic, technology and bioscience institutions and companies. Kao Data's technically advanced data centres are designed to meet their high-performance computing requirements. The facility is highly energy efficient (<1.2 Power Usage Effectiveness, or PUE) positioning it as one of the most efficient (and therefore low cost) facilities in London. Kao Data's first data centre houses Nvidia's Cambridge-1, the most powerful supercomputer in the UK, which provides computing capacity to healthcare companies such as AstraZeneca and GlaxoSmithKline.

High performance computing ('HPC') is a high growth sector due to continuing technological advancements and is a key differentiator in the UK market. Kao Data is well placed to serve HPC and AI due to its location in the 'Innovation Corridor' and Greater London. UK competitors are not typically focused on this market and cannot match Kao Data's offering which includes the flexibility to offer a build-to-suit model so that customers can customise the data centre to their needs.

The UK government has recently announced a National AI Strategy to "boost business use of AI, attract international investment and develop [the] next generation of tech talent" in the United Kingdom. The strategy focuses on three key pillars: guaranteeing investment in the long-term growth of AI; ensuring all sectors and regions of the economy benefit from AI; and implementing governance rules to stimulate innovation while protecting the public. The aim is to "position the UK as the best place to live and work with AI, with clear rules, applied ethical principles and a pro-innovation regulatory environment".

Kao Data has also recently signed an agreement to acquire two UK prime location data centres with a long-term anchor lease from a large financial services business. This purchase will enable Kao Data to deliver multi-site services for its clients and expand potential capacity to ~55MW, while delivering long-term trusted operations for clients' mission-critical infrastructure.

The UK data centre market is concentrated around four players (Equinix, Digital Realty, Virtus and Global Switch) which are all large and operate internationally. Kao Data is positioned well to address the location-sensitive demand and differentiates itself through its offering to high performance computing customers with high density workloads while helping customers manage Scope 3 emissions due to the efficient design and high sustainability. Kao Data's experienced operational team also serves as an important advantage for complex procurement processes which are part of the reason the UK market has proven to have high barriers to entry – Kao Data is one of the only new entrants in the Broader London data centre market in the past ten years.

As of 2020, the two to three per cent of global carbon emissions that come from the world's 8.4 million data centres have already surpassed the pre-Covid-19 levels for both global aviation and shipping. In the twenty years leading up to 2040, data centre emissions are predicted to rise by six to seven times to a staggering 14 per cent - roughly the equivalent of the entire carbon footprint of the United States of America.

From its inception, Kao Data's leadership team has been committed to developing and operating one of the UK's most sustainable and energy efficient data centres. This ambition included a number of technical design and engineering "firsts" that were incorporated into the structure and operations of the Harlow facility, in addition to committing the campus to 100 per cent certified, renewable energy. When fully operational, the 100 per cent renewable energy contracts will avoid CO_2 emissions of over 80,000 tonnes per annum, the equivalent of removing over 30,000 vehicles from the road.

The investment in Kao Data helps expand Infratil's Global Digital Infrastructure platform, providing exposure outside of Australasia and a rare platform investment opportunity in the attractive UK data centre market. Kao Data is expected to have an EBITDA loss of less than £5 million in FY2022, with break-even EBITDA expected within two years as the business scales up. Infratil has provided £35 million of capital to date.

1 Target shareholding

Society & Environment

Operations powered by 100% certified renewable energy.

The UK's first 100% free-cooling multi-tenant data centre.

The UK's first data centre operator to fuel all its back-up generators with HVO (hydrotreated vegetable oil) fuel in place of traditional diesel, eliminating up to 90% of net CO_2.

Harlow data centre campus

Trustpower

Renewables

Infratil 51%
Tauranga Energy Consumer Trust 26.8%
Public 22.2%

Even for a company which can trace its roots back to September 1923, this half year was one of the more eventful.

Trustpower was originally established as an Electric Power Board; effectively an ownership cooperative. The current representative of those original customers and owners is the Tauranga Energy Consumer Trust ('TECT'). Now, the relationship between consumers and owners is a step further removed with Trustpower's conditional sale of its energy and telecommunications retailing activities to Mercury Energy for $441 million. TECT, which continues to own 26.8% of Trustpower supports the sale as being in the best interest of Trustpower and the best interests of the Trust's beneficiaries.

The transaction is also supported by Infratil. Utility retailing (Trustpower sells electricity, gas and telecommunications services) profitability is a function of efficiency and cost minimisation, which in turn are functions of scale and investment in technology. This made the retailing activities worth more when added to Mercury's than if retained by Trustpower.

The other, more important, reason Infratil supports the sale is because retailing is no longer a necessary adjunct of generation. In the late 1990s generators acquired and built up their retailing activities to reduce earnings risk. When wholesale electricity prices were low (wet warm years) retail margins were wide, and vice versa. The wholesale market did exist, but a generator seeking to sell the majority of its output several years in advance would have struggled.

As the wholesale market for electricity has matured, a retail customer base has become less necessary as a "hedge". Although Trustpower is selling its retail activities, it has retained its commercial and industrial electricity trading operations and is confident it can manage price risk through these channels.

The decline in Trustpower's share price over the half year (reducing the market cap by $290 million) seems to indicate that other shareholders are not as confident about the benefits of divestment as Infratil and TECT. However, the electricity sector of the NZX also delivered poor returns over the period, reflecting a number of uncertainties facing investors.

Globally, energy prices have been in the news. Gas shortages and price spikes have fed through to electricity markets. These events are linked to poorly managed transition away from thermal generation (coal, gas and oil) to lower emission forms of generation. Steps to reduce availability of hydrocarbon fuels have not been balanced by increasing the supply of alternatives.

To an extent this also occurred with New Zealand's gas supply, but the availability of generation from the coal-fired Huntly power station and the structure of the retail market meant the lights (mostly) stayed on and few retail electricity customers would have noticed elevated wholesale prices.

Nevertheless, the track record of Government intervention in energy markets is discouraging, and initiatives in train in New Zealand at present could be very destabilising. This includes a complete restructure of the wholesale electricity market, the multi-billion-dollar Lake Onslow "dry year battery" and policies to further limit the availability of reliable gas.

More positively, wholesale electricity prices are at levels which if sustained will encourage investment in generation and Trustpower is testing the feasibility of a number of projects. This is in addition to its announced plans to invest $83 million increasing generation from existing hydro schemes by 68GWh within the next five years.

Since it came into effect about three decades ago, the New Zealand electricity market has delivered on the trifecta of affordable, reliable, sustainable energy. Rising carbon prices will increase the incentives to invest in renewable generation, if other policies don't get in the way.

Year ended 31 March Six months ended 30 September	30 September 2021	30 September 2020	31 March 2021
Retail electricity sales	1,077GWh	1,051GWh	1,824GWh
Generation	1,000GWh	945GWh	1,708GWh
Av. Generation spot price	20.8c/kwh	13.5c/kwh	14.4c/kwh
Total utility accounts	424,000	411,000	421,000
Generation EBITDAF	$106.4m	$92.1m	$156.7m
Retail EBITDAF	$15.8m	$18.3m	$43.5m
EBITDAF	**$122.2m**	**$110.4m**	**$200.2m**
Capital expenditure	$16.0m	$19.9m	$36.2m
Net external debt	$663.9m	$662.0m	$726.8m
Infratil cash income	$29.6m	$24.8m	$51.9m
Fair value of Infratil's investment	$1,167.7m	$1,142.2m	$1,314.7m

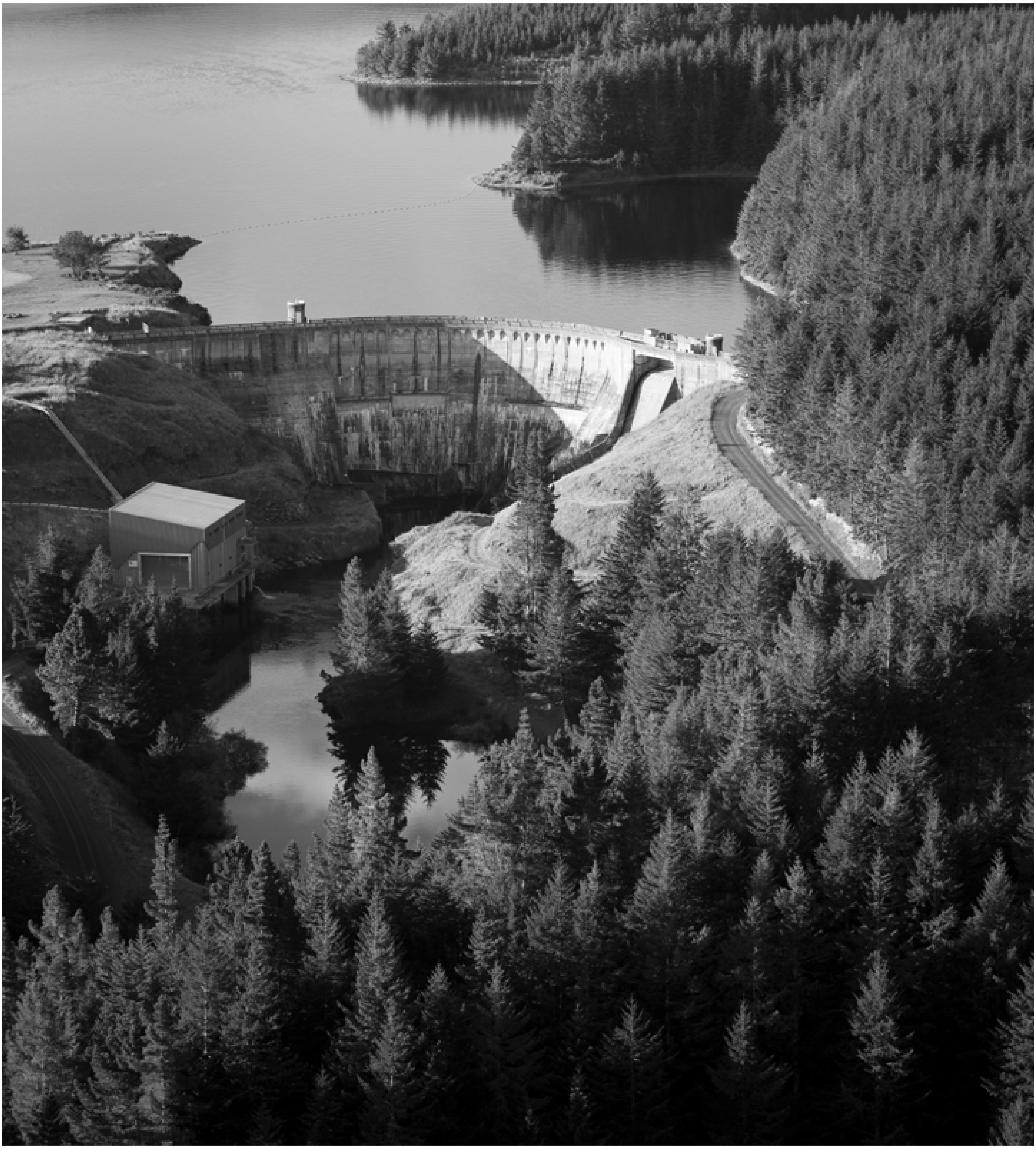
1. Based on the NZX market value at period end.

Society & Environment

1,000GWh of emission free generation during the period.

Establishment of Community Funds in Tauranga and Oamaru.

Manawa Energy name gifted to Trustpower by Ngāti Hangarau hapū, who hold mana whenua over the area where their Kaimai scheme is located.



Waipori power station.

Longroad Energy

Renewables

Infratil 40%
New Zealand Superannuation Fund 40%
Management 20%

Longroad has continued to demonstrate its capability with the commissioning of 530MW of solar generation in the last six months.

When Infratil first invested in Longroad Energy in 2016, the focus was "primarily in the development of utility-scale wind and solar generation throughout North America." In practice this meant building generation facilities and selling them. This created recurring development margins and avoided the need to invest large sums in relatively low-yielding de-risked projects.

Longroad's business has evolved. It has built-up a portfolio of generation assets with relatively little capital and grew its team that manages the day-to-day operations of the generation that it has built and sold, for itself, and for third parties. High-quality development platforms that develop, manage, and own renewable generation are becoming more attractive from both strategic and value perspectives.

The core of the business is still development. Longroad's capability is illustrated by its track record over the last five years. Longroad has developed 2.3GW of renewable generation over that period, including 550MW of wind and 1,730MW of solar. A further 2GW is targeted for the following three years.

Early in 2021, Longroad acquired the rights to develop 900MW of solar generation and over 1,000MWh of battery storage in Arizona. Stage one of this, 199MW Sun Streams 2, was commissioned in July with a 20-year revenue agreement with Microsoft for the energy and renewables credits to power their new sustainable data centre region.

In August, Longroad completed construction and commenced commercial operation of its 331MW Prospero 2 Solar Project, with a total development cost of US$320 million. Longroad has retained full ownership of the project and has two 15-year power purchase agreements in place. The Prospero 2 project covers more than 1,000 hectares in Andrews County, Texas.

Notwithstanding pandemic related restrictions and supply constraints, both Prospero 2 and Sun Streams 2 were completed on time and on budget, a testament to Longroad's development capability. However, supply chain disruptions add uncertainty and are increasing component costs and delivery times which could slow construction in 2022 and beyond.

Over the last six months, Longroad was active in the most northeast of the U.S. states, Maine, where it began construction of four distributed solar projects. The Maine project has been under development by Longroad since 2019 and commissioning is expected before the end of March 2022.

The U.S. Congress is currently considering several Biden Administration initiatives which, if passed, would stimulate investment in renewable generation through restoring tax credits available to renewable developers. As currently under negotiation, the credits could be either used to encourage third party investors or redeemed for cash.

Either way, if these initiatives are supported Longroad is well positioned to capitalise given its high-quality development pipeline, strong supplier relationships, and proven track record with power purchasers.

In addition to the Federal initiatives to support renewable development and investment, many states and municipalities are taking their own steps in the same direction. In September, Los Angeles City Council voted to transition to 100% clean energy by 2035, replacing natural gas electricity generation with wind, solar and battery storage, and improving energy efficiency and transmission.

With exponential growth in renewables build out required to satisfy mandated net zero targets and an increasing push to deliver on ESG by corporates, the ability for high-quality development platforms such as Longroad to deliver long-term returns is now beginning to be reflected in the valuation of those businesses.

At present the independent valuation of Longroad only includes projects that are currently operational, under construction, or those that will be operational or under construction within the next 12 months. Little value is placed on Longroad's 6GW+ pipeline or its proven ability to undertake profitable development projects.

Year ended 31 March Six months ended 30 September	30 September 2021	30 September 2020	31 March 2021
Owned operating generation	1,583MW	824MW	1,053MW
Generation managed for others	1,873MW	1,473MW	1,873MW
Total generation developed	2,281MW	1,171MW	1,750MW
Under construction	26MW	910MW	530MW
Employees	134	118	128
Infratil aggregate investment	NZ$255.8m	NZ$189.1m	NZ$220.8m
Aggregate capital returned	NZ$269.0m	NZ$203.8m	NZ$224.2m
Infratil cash income (NZ$)	NZ$1.5m	NZ$8.0m	NZ$28.2m
Infratil's book value (NZ$)	NZ$51.4m	-	NZ$44.9m
Fair value of Infratil's investment (NZ$)[1]	NZ$156.6m	NZ$154.9m	NZ$136.2m

1. Based on the most recent independent valuation performed and adjusted for movements in FX rates, and any capital movements from the last valuation date.

Society & Environment

2,051GWh of emission free generation during the period.

2,281MW of emission free generation capacity developed to date.

Distributed generation portfolio currently under construction to generate enough renewable energy to power 5,200 Maine homes annually.

Sun Streams 2 solar farm Arizona, USA.

Gurīn Energy

Renewables

Infratil 95%
Management 5%

Asia represents an exciting, growing renewable energy market, characterised by both an expanding demand for electricity and increasing national commitments to decarbonisation.

In September, Infratil announced it had established Gurīn Energy, headquartered in Singapore, to develop renewable generation projects across Asia. Infratil has committed US$233 million.

Decarbonisation is essential to combat climate change and renewables are one of the single largest investment opportunities in history. The International Energy Agency estimates that getting the world on track for a 1.5°C stabilisation in rising global temperatures requires a surge in annual investment in clean energy projects and infrastructure to nearly US$4 trillion by 2030.

Asia presents a huge opportunity for Infratil to enter markets which are following a transition to renewables roadmap laid out in Europe and North America with a tailwind of demand growth.

Across the region there is a growing commitment to decarbonisation, a desire to reduce dependency on imported fuels and to build self-sufficiency and security of supply, and a recognition of the need to create a policy environment that encourages investment.

The Asia and Pacific region accounts for more than half of global energy consumption, with 85% of that regional consumption coming from fossil fuels. Yet, one tenth of the over 4 billion people in the region, lack access to electricity, and many more rely on traditional biomass use (such as wood combustion) for cooking and heating.

Rising demand for energy is being driven by rapid urbanisation and industrialisation, and considerable opportunities exist to avoid long-term lock-in with carbon-based energy technologies.

The investment in Gurīn Energy enables Infratil to further diversify its risk profile, both from geographic and technology perspectives. Together with Infratil's U.S., European and Australasian platforms, the investment in Gurīn Energy demonstrates a global commitment to renewables. As experienced in Australasia and the USA, there is strong investor demand for renewable generation assets, and relatively less development capability.

Gurīn Energy will invest in the development of wind and solar energy generation and storage across Asia, including Southeast Asia, North Asia and India. Gurīn Energy is rapidly progressing an initial pipeline of 500MW at various stages of development in the Philippines, Vietnam, Thailand, Indonesia, South Korea and Japan.

It is estimated that the Southeast Asia region alone needs US$2,000 billion worth of investment over the next decade to build renewable generation, transmission and sustainable infrastructure to reduce greenhouse gas emissions in line with Paris-accord commitments.

Gurīn Energy's first seed assets are expected to be in the Southeast Asia region (Philippines, Vietnam, Indonesia and Thailand) where both growth and market transformation will provide greenfield and M&A opportunities.

Gurīn Energy expects the business will utilise an extensive network of small local developers to enter co-development agreements, enabling the business to maximise reach across multiple geographies, while also minimising overheads.

The closest of these seed assets are those in the Philippines, where Gurīn Energy has a strong local team working on three solar PV projects totalling 180MW, of which one is operating, one is about to start construction and one is in the late stages of development. The team has been working on these quality assets for a number of years and hopes to bring them into the platform by the end of the year.

Gurīn Energy is led by Assaad Razzouk, a recognised leader in the Asian renewable energy market with a long-standing track record. He brings a well-established team which he has led for over a decade, during which they have developed over 5,000MW of renewable generation across Asia.

In undertaking this investment, Infratil was conscious of its ESG commitments and the need to ensure that these would apply in jurisdictions very different to New Zealand and Australia. The social and environmental impacts of Gurīn were addressed through Infratil's due diligence of the investment, and an ESG director is shortly to be appointed to join Gurīn's Investment Committee reporting directly to the Chair. Looking forward, Infratil is committed to ensuring its standards are maintained and Gurīn's activities are clearly and accurately reported.

Society & Environment

Gurīn Energy's ambition is to build enough solar, wind and storage to power 10 million homes.

Gurīn Energy is committed to ensuring that Infratil's projects meet the highest social, environmental and governance criteria wherever it operates.

ESG director reporting directly to the Chair and sitting on the Investment Committee.

Wellington Airport

Airports

Infratil 66%

Wellington City Council 34%

Wellington Airport is navigating the awkward seas caused by Government restricting travel to reduce Covid-19 infections.

In July, with Covid-19 in abeyance, the Airport hosted 424,000 people travelling domestically (93% of the same month in 2019). With no international visitors travelling within New Zealand this was a full recovery of domestic air travel. It is an important signal of how fast and completely travel recovers as restrictions are removed.

May was Wellington's best international month when 20,000 people travelled to and from Australia – 28% of the international level of two years before.

In September, with restrictions back in place, the Airport had 145,000 domestic and no international passengers. The graph (following page) of the first halves of FY2021 and FY2022 shows how traffic has rebuilt and been disrupted over those periods.

Against this backdrop, management's priority is to ensure the business will be in good shape once permanent recovery is possible.

Keeping staff engaged is crucial. With only 105 employees, Wellington Airport relies on its experienced team.

Planning and undertaking capital works is also critical. Wellington Airport is in a tough marine environment with earthquake risks and looming threats from climate change. It is also on a very constrained site where expansion necessitates long-term planning and commitment.

Debt servicing that was comfortable with earnings of over $100 million a year, can be onerous with rising interest rates and lower earnings.

Relationships with both the community and airlines must be maintained and serviced.

The priorities are being well managed. Over the last three years the Airport had a once in a generation opportunity to purchase approximately 15 hectares of adjacent land for future expansion. Consents are now being sought so that the land can be used for airport activities, including the construction of ground source heating to reduce the reliance on natural gas.

The board approved a $22 million rebuild of the taxiway nearest the terminal, the first time this has been done since the Airport's construction in the late 1950s.

The Airport issued $125 million of 10 year bonds at a yield of 3.3% per annum to entirely repay bank debt. Signalling the Airport's good management of recent challenges, and the anticipated recovery of traffic, credit agency S&P affirmed the Airport's Investment Grade rating.

It is worth noting an additional and unnecessary challenge coming from several government agencies proposing substantial increases to charges which shows a startling indifference at a time when all sector participants are under stress.

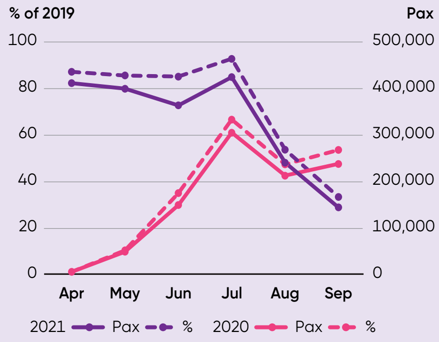
However, one justified higher charge relates to carbon pricing. Infratil supports the use of market carbon pricing to discourage emissions. These charges now amount to about $9 on a Wellington-Auckland round trip. That is tough, but this cost will incentivise change and investment to reduce emissions.

The Airport's commitment in this area was reflected in its latest GRESB score of 95 out of 100. An outstanding result.

In October Wellington City Councillors debated whether they should open public consultation about Council's 34% interest in the Airport. The key point in favour of divestment is it would enable the Council to diversify its investments. At least for now, Councillors have decided to stick with the status quo. As one Councillor put it during the debate, the Airport is well managed, it is a good investment for the City, and it is uncertain that alternative investments would be as good.

Year ended 31 March Six months ended 30 September	30 September 2021	30 September 2020	31 March 2021
Passengers	2,030,104	961,253	2,969,122
Scope1&2 emissions CO_2-e tonnes	638	581	989
Aeronautical income	$27.4m	$11.3m	$34.0m
Passenger Services income	$13.2m	$6.6m	$18.2m
Property & other income	$7.0m	$6.5m	$12.7m
Operating costs	($16.2m)	($13.6m)	($28.9m)
EBITDAF	**$31.5m**	**$10.9m**	**$36.0m**
Capital expenditure	$7.2m	$11.5m	$35.0m
Net debt	$580.4m	$585.8m	$595.9m
Infratil book value	$558.9m	$456.7m	$511.2m

Domestic Passengers 2020 & 2021

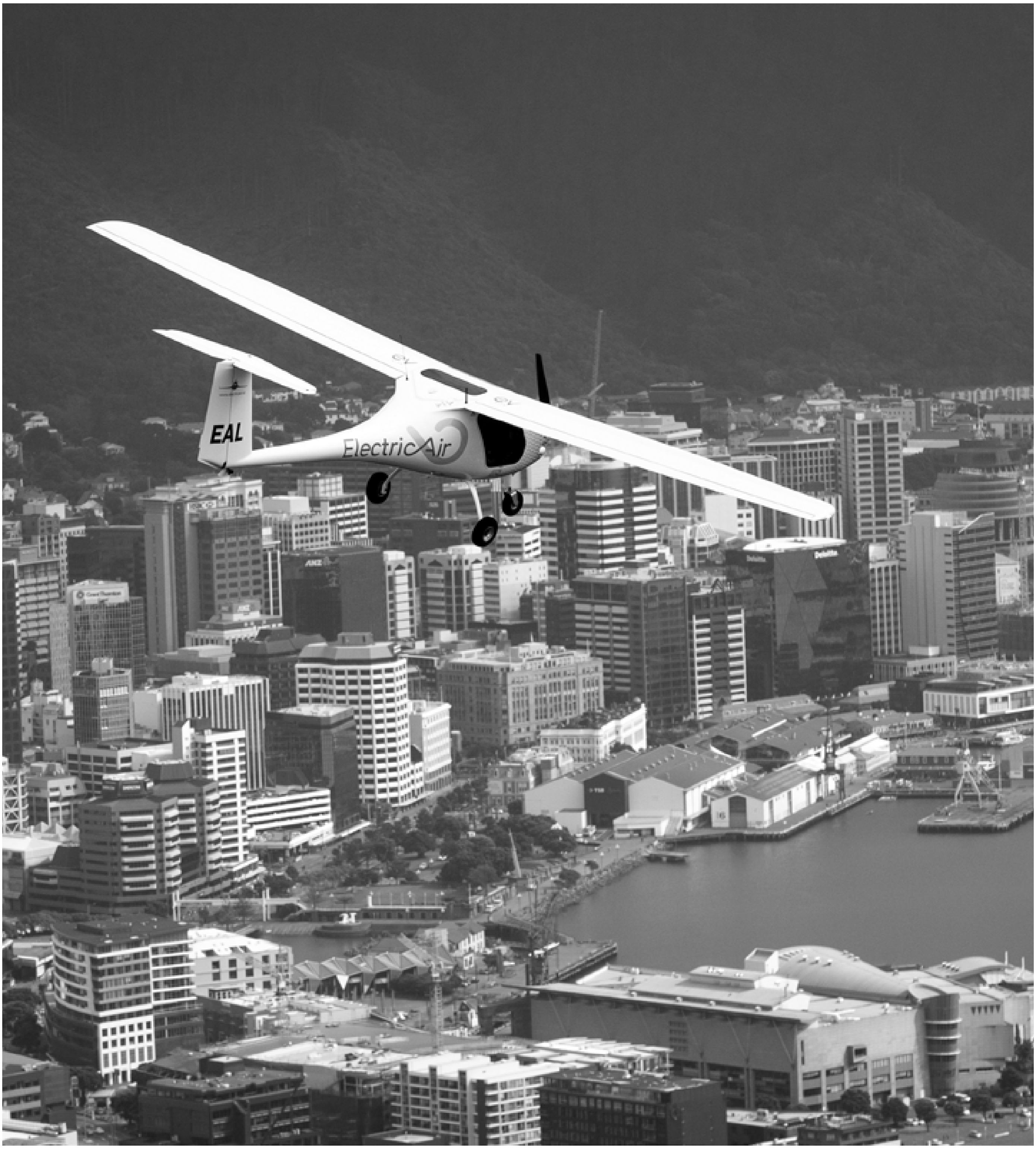


Society & Environment

On 1 November the Airport welcomed the world's longest flight over water by a pure electric plane.

Wellington Airport is working closely with Sounds Air to facilitate the airline's first electric fleet from 2026.

Wellington was ranked number two for airports in Australasia in the 2021 ESG GRESB assessment.



The first electric flight across Cook Strait landed at Wellington Airport on 1 November.

Qscan

Social Infrastructure

Infratil 56.3%
Doctors and Management 29.7%
Morrison & Co Growth Infrastructure Fund 14.0%

Priority on providing patient services and keeping staff safe while navigating the current Covid-19 outbreaks.

During the prior period Infratil acquired 56.25% of Australian based Qscan for A$289.6 million (NZ$309.6 million). Qscan's forecast EBITDAF for the year ended 31 March 2022 is between A$65 million and A$70 million.

At the end of the first quarter Qscan had exceeded the investment case for the six months since acquisition from an earnings perspective and has tracked in line with the investment case in the recent September quarter. However, Qscan is tracking below its FY2022 budget, predominantly driven by Covid-19 restrictions impacting both patient volumes across the group, and construction and opening of new clinics. As an essential healthcare service provider Qscan has been able to continue operating throughout the various State lockdown restrictions across the regions it operates, however these restrictions have caused patients to delay or cancel appointments due to confusion and concern. With high vaccination rates across Australian States and easing of restrictions, patient volumes are expected to recover to, or near to, normal levels over the coming months.

The year-to-date impact of the lockdown restrictions on EBITDA is currently estimated at A$5 million mainly due to patient volumes falling as a result of lockdowns.

Covid-19 restrictions have also resulted in delays opening two new clinics, QSRC Midland PET-CT (delayed from July 2021 until December 2021) and QSRC Kingswood PET-CT (delayed from August 2021 until November 2021). Midland is a brand-new clinic in Perth, Western Australia, while Kingswood is a brand-new clinic in western Sydney. Recruitment and completion of the Kingswood build have been challenging in western Sydney during Covid-19 lockdowns, however the recent "opening of NSW" will assist.

Despite these challenges the overall execution of the PET-CT rollout strategy remains on track with three new PET-CT clinics due to open in FY2022, including Midland, Kingswood and Westmead. The Westmead Clinic will open in February 2022, opposite the Westmead Private Hospital in Sydney's inner west and will have space for the full suite of modalities. A specialist Nuclear Medicine/PET radiologist has been secured to lead this site.

Qscan continues to explore options to expand with the roll out of PET-CT across existing clinics and multiple acquisition targets identified through the continuation of Qscan's roll-up strategy across metro and regional Australia.

In addition, doctor recruitment has remained a key priority for Qscan and successful doctor recruitment strategies have resulted in total engagement of 20 additional radiologists (12 male and eight female: equivalent to approximately eight FTE in total) in the calendar year to date.

Diagnostic imaging continues to perform strongly in Australia, in particular, PET-CT which has experienced strong growth due to increased oncology demand and utilisation rates. Diagnostic imaging was one of the most resilient healthcare sub-sectors during Covid-19 in 2020, with volumes largely returning back to pre-Covid-19 levels by June 2020 after the initial lockdowns. The first half of 2021 has seen strong growth for PET-CT in Australia, driven by increased demand for oncology services and higher incidences of cancer, resulting in an increased utilisation of PET services. Total PET services performed in Australia are expected to grow over 6% to 135,000 services performed in 2021.

Qscan Group is always looking for ways to pioneer in innovative solutions and has recently taken a proactive step to ensure patient information is kept secure by adopting Foxo as its clinical communication tool. Foxo is a tool that means Qscan's teams can communicate with each other and referral networks via a purpose-built healthcare tool that meets privacy regulations and doesn't store clinical information, files or photos on anyone's personal device.

Another example of Qscan's organisational performance was achieving ISO9001:2015 Quality Management System certification in June. This recognises organisational excellence built around patient care, continuous improvement, and risk management.

Whilst still nascent, collaboration across the broader Australasian diagnostic imaging platform in conjunction with Pacific Radiology has commenced. An example that is value accretive to the platform is the ability to load-share using Pacific Radiology's Anytime teleradiology service offering, which includes volume that would have otherwise been outsourced to an alternative provider. Other examples of collaboration involve the businesses working together to gain equipment procurement efficiencies, information technology road mapping and clinical governance.

Society & Environment

Over 600,000 scans undertaken in the 6 months to 30 September.

Commitment to the reduction of hazardous waste through a 75% reduction in the use of X-ray film.

Commitment to the reduction in carbon emissions through the commencement of a transition to renewable energy providers.

Pacific Radiology

Social Infrastructure

Infratil 51%[1]
Doctors and Management 49%

Providing our communities with access to the most advanced medical imaging technology and exceptional patient care is the number one priority.

During the period Infratil acquired Pacific Radiology, a comprehensive diagnostic imaging business in New Zealand, for $313.6 million. Pacific Radiology is the largest private diagnostic imaging service provider in New Zealand, operating 46 clinics in the South Island and lower North Island and employing 90 radiologists throughout New Zealand.

The equity commitment of $313.6 million was based on an acquisition enterprise value of $867 million. In the year to 31 March 2022, Pacific Radiology is forecasting EBITDAF of between $70 million and $75 million.

Similar to Infratil's investment in Qscan, Infratil is investing alongside Doctor and Management shareholders who hold the remaining equity in of the Company. The investment also provides immediate scale to Infratil's investment in Qscan Group, creating a meaningful Australasian healthcare platform.

New Zealand has a unique healthcare system with a diversified range of funding sources that Pacific Radiology is party to, including ACC (for accident-related injuries), District Health Boards, Ministry of Health (cancer screening), private healthcare insurance and direct patient fees. This funding environment is expected to remain stable given broad acceptance of private clinics, capacity constraints in District Health Boards, and diagnostic imaging's critical role in preventative health and informing clinical decision-making.

New Zealand's public healthcare expenditure, which incorporates ACC, District Health Boards and the Ministry of Health, has increased at 6.3% over the last five years, driven largely by population growth and an ageing population – contributing to higher healthcare expenditure per capita. This growth rate is expected to taper with expenditure forecast to increase to $23 billion by FY2025 (representing a 10-year increase of 4.3% per annum) and then continuing to be broadly in line with historical increases. Total public healthcare expenditure is forecast to peak in FY2021 and FY2022 largely due to the Government's response to Covid-19 (including vaccination costs, the national health response, and managed isolation and quarantine costs).

The majority of Pacific Radiology's patient exam fee revenue comes from complex modalities (CT, MRI and PET), which are expected to grow at a faster rate than total public healthcare expenditure. Pacific Radiology introduced PET to the New Zealand market and it currently operates two of the five PET-CT machines in New Zealand, including the only two south of Hamilton.

As an essential Healthcare Provider Pacific Radiology was able to continue to provide essential imaging services during Alert Level 4, and at Alert Level 2 and 3, was able to accept most patient referrals including vulnerable patients. However, the year-to-date impact of the lockdowns is estimated at $5 million mainly due to three weeks of Level 3 lockdowns throughout the country. In August, two weeks of the lockdown impacted revenue by 57%. It is anticipated that there will be some catch-up on lost revenue.

Pacific Radiology continued to grow during the period with the opening of two new clinics in Rolleston and Wellington, with a new purpose-built imaging facility currently under construction at Kawarau Park along Frankton's Five Mile Highway in Queenstown.

Located next door to the new Southern Cross surgical hospital, the Pacific Radiology facility will offer local patients, doctors, physiotherapists, midwives, chiropractors, hospital specialists and all leading health referrers, with local access to the very latest in high-tech imaging, diagnostic and interventional procedures.

Shortly after 30 September, Pacific Radiology and Infratil executed an agreement to partner with Auckland Radiology, creating a national diagnostic imaging business. Auckland Radiology is the largest private radiology provider in Auckland, operating 15 strategically located clinics in the greater Auckland area, and employing 32 radiologists. Auckland Radiology doctors have rolled approximately one third of their sales proceeds into the equity of the combined entity, similar to the process followed by the doctors in the Pacific Radiology transaction earlier in the year.

Importantly, Auckland Radiology is a strong cultural and clinical fit with Pacific Radiology, with both cohorts of Doctors excited by the opportunity to work together to continue delivering high-quality services to patients, referrers and funders across New Zealand. The partnership will, over time, translate into enhanced offerings to patients and referrers across New Zealand, including access to a larger pool of sub-specialty radiologists, potential for improved after-hours services, and the introduction of new services.

The acquisition completed on 31 October 2021, which saw Infratil contribute an additional $62.7 million to the joint platform.

1. Target Shareholding.

Society & Environment

Over 230,000 scans during the 4 months up to 30 September.

New high-tech CT cardiac capable scanners installed in Hamilton, Nelson, Dunedin, Canterbury and Wellington.

100+ annual research projects on the go, including a research partnership aimed at improving outcomes for patients with prostate cancer that is attracting global attention.

RetireAustralia

Social Infrastructure

Infratil 50%

New Zealand Superannuation Fund 50%

Over the half-year, RetireAustralia launched a five-year strategic plan to clearly articulate the company's growth agenda.

However, the immediate priority continues to be the health and wellbeing of residents and staff, so it is gratifying to be able to report no Covid-19 cases in either group, and 91% of employees being fully or partially vaccinated by the end of September 2021.

While looking after residents and staff, RetireAustralia's goal is to create value for shareholders by providing homes and care that meet the needs of the growing population of elderly people who want to live independently.

Value creating growth will come from understanding and meeting the needs of residents and potential residents; robust commercial performance management of all villages; and the development of new villages in Sydney, the New South Wales Central Coast and South East Queensland.

In the first half of the year, RetireAustralia achieved 296 sales of villas and apartments, including 255 in existing communities and 41 in new developments. A significant improvement on the budget for the period of 222 sales.

This strong performance resulted in 15 of RetireAustralia's 28 villages now operating waiting lists. Overall village occupancy increased to 91%, against the Australian industry average of 87%.

A buoyant property market and ongoing positive sentiment towards retirement villages contributed to the company's positive first half of the year. On the flip side, RetireAustralia's refurbishment and construction activities have been hampered by the ongoing implications of Covid-19. More than half of the company's villages are in New South Wales and were in lockdown for 14 weeks, and villages in South Australia and Queensland were also subjected to periods of lockdown.

After slowing development last year, RetireAustralia is now preparing to accelerate construction, which is underway at four sites. 34 apartments will be added at The Rise at Wood Glen, and 22 units at Forresters Beach - both are premium villages on the NSW Central Coast. In South East Queensland, construction of 66 apartments is underway at The Verge, and at the new 94 apartment village, The Green.

When complete, The Green will surround the rejuvenated Tarragindi Bowls Club, which is being brought back to life as a championship-quality bowling green. This much-loved local facility will be the heart of this retirement community which is nestled in a leafy and family-friendly suburb close to Brisbane's CBD.

With Home Care services on site, The Green will offer residents an exceptional independent lifestyle, with back-up supports. It is an exemplar of RetireAustralia's vision for the retirement communities which it is planning to build.

RetireAustralia is now focused on building up its development pipeline for the next five years and beyond. Several projects are at the feasibility stage or have development applications underway.

Given the strong performance in the first half of the year, RetireAustralia is forecasting total sales for FY2022 of 480-500 units compared to last year's 343 and the original budget of 442.

Year ended 31 March Six months ended 30 September All A$ (unless noted)	30 September 2021	30 September 2020	31 March 2021
Residents	5,209	4,933	5,041
Serviced apartments	535	535	535
Independent Living Units	3,584	3,544	3,584
Unit resales	255	138	323
Resale gain per unit	$129,545	$141,945	$147,704
New unit sales	41	7	20
New unit average value	$732,256	$502,143	$645,850
Occupancy receivable/unit	$121,879	$116,449	$125,807
Embedded resale gain/unit	$38,106	$35,004	$38,229
Underlying profit	$22.8m	$13.3m	$30.2m
Net profit after tax	$54.2m	$9.3m	$55.6m
Capital expenditure	$13.1m	$28.8m	$55.6m
Net external debt	$153.4m	$181.8m	$187.2m
Infratil's book value	NZ$355.9m	NZ$313.3m	NZ$340.9m
Fair value of Infratil's investment	NZ$392.7m	NZ$314.5m	NZ$361.0m

Society & Environment

Member of the Green Building Council of Australia.

Developments designed to Liveable Housing Australia's Gold Standard.

Green Star Design accreditation for The Verge.

The Verge retirement village overlooking Burleigh Golf Course on the Gold Coast.

Other Investments

Galileo Green Energy

Renewables

Galileo continues to build out its team with high quality recruits, with new team members supporting accelerated business development activities, resulting in a pipeline expansion over the half year to 2.1GW of dedicated projects.

The business has now originated development agreements across six of its target markets. Six joint development agreements have been signed in Italy with a combined wind and solar pipeline target of 1.5GW, and three joint development agreements have been closed in Spain targeting 1GW, with grid bonds for over 500MW of dedicated solar pipeline projects having been submitted. The target for the German market is 0.5GW, and a 50MW market entry solar project has been secured near Berlin, achieving a foothold in a mature and flourishing market.

The EMPower joint venture has continued the development of its 350MW seven wind projects in Ireland, whilst GGE Nordics is assessing sites for wind projects in Scotland, Wales and Sweden, with a target of 1.5GW across the three markets. A further joint development agreement in the UK is looking into early-stage offshore wind development opportunities, whilst also assessing combinations of solar and battery projects, targeting a total of 1.5GW.

The European renewable energy market remains bullish, backed by spiking power prices, concerns over strategic security of supply and ongoing pressure to decarbonise. Recent transactions have resulted in very high prices being paid for both late stage and development pipelines, validating the strategy of creating a diverse portfolio of greenfield projects.

Infratil Infrastructure Property

Social Infrastructure

Infratil Infrastructure Property holds a 17,142m^2 perpetual leasehold site in Wynyard Quarter with a current book value of $92 million. The site is home to the Wynyard 100 development, consisting of a 154 room Travelodge hotel, 380 space carpark, ground level retail and offices, and depot space leased to NZ Bus.

Hotel operations commenced on 1 November 2020, although these have been significantly impacted by the closure of international borders and reduced domestic travel as a result of Covid-19. Many workplaces also transitioned to flexible ways of working, resulting in lower demand for both carparking and office space in Auckland, and impacting on the take up of retail leases which were not secured prior to the commencement of Covid-19 restrictions.

Prior to the most recent Covid-19 restrictions, hotel operations were gaining momentum, carparking had ramped up significantly and was approaching full occupancy, and enquiry for retail leases had recently picked up.

The Wynyard Quarter is now established as a New Zealand tech hub, with the sector continuing to perform well and likely to see the highest level of growth within the office market for the next ten years. Hotel demand will benefit from returning international tourists and business travellers from the growing office community in the Viaduct Wynyard Quarter. Carpark income is supported by these dynamics, with limited supply in Wynyard Quarter and growing demand from nearby commercial developments.

Despite these positive tailwinds, the development is no longer aligned to Infratil's current portfolio strategy and a sales process is likely to commence in 2022.

Clearvision Ventures

Digital Infrastructure

The strategic objective of Infratil's investment in Clearvision Ventures is to help Infratil's businesses identify and engage with technology changes that will impact their activities. Clearvision is currently focused on investing in companies that can apply innovations in IoT, Big Data, and Security technology, to drive meaningful disruptions in energy and infrastructure sustainability, and establish clear category dominance and leadership.

In total Infratil has made a commitment of US$50 million to Clearvision, with contributions of US$28.1 million (NZ$40.9 million) made to 30 September 2021. The current carrying value of Infratil's investment in Clearvision is NZ$76.4 million.

Clearvision's investments are unlisted, with the exception of ChargePoint (NYSE:CHPT) which went public on the New York Stock Exchange on 26 February 2021 through a special-purpose acquisition company reverse merger.

ChargePoint is now one of the largest charging networks in North America and Europe with more than 150,000 charging ports accessible on its own network. Three billion electric miles have been driven on ChargePoint's network and drivers have avoided more than 120 million gallons of gas, avoiding over 450,000 tonnes of greenhouse gas emissions.

Infratil Dividend Investment Plan

Infratil has amended the Plan so that the Strike Price is calculated over a period of 10 trading days commencing on and including the first trading day after the Election Date. A copy of the updated Offer Document incorporating these amendments follows.

This is an important document. You should read the whole document before making any decisions. If you have any doubts as to what you should do, please consult your broker, financial, investment or other professional advisor.

Infratil Limited (**Infratil**) has established a Dividend Reinvestment Plan (**DRP**) which offers you the opportunity to reinvest dividends received on some or all of your existing Shares into Additional Shares free of brokerage charges. DRPs are fairly common across listed companies and provide an opportunity for shareholders to grow their investment in a company. Participation in this Plan is completely optional.

This Offer Document explains how the Plan works.

Capitalised terms used in this Offer Document have the meaning set out in the Definitions on page 44.

KEY FEATURES

Shares instead of Dividends

The Plan gives you the opportunity to reinvest the net proceeds of cash dividends payable or credited on your Shares in Additional Shares. This provides an opportunity for you to increase your investment in Infratil free of brokerage charges.

Eligibility

You are eligible to participate in the Plan if, as at 5:00pm on the Record Date:

- you hold Shares; and
- you are resident in New Zealand or Australia; and
- you either hold your Shares directly or hold your Shares indirectly through a nominee whose address is recorded in Infratil's share register as being in New Zealand or Australia.

If you do not satisfy the criteria above Infratil reserves the right to otherwise determine, in its absolute discretion, that you are eligible to participate.

Full or Partial Participation

You can choose to participate in the Plan in respect of some or all of your Shares. Your participation in the Plan will apply from the first Record Date which occurs after your Participation Election is received or, if your Participation Election is received after a Record Date but before 5:00pm on an Election Date (being the first trading day after that Record Date or such later date as may be set by the Board and advised to NZX and ASX), from the Record Date immediately preceding that Election Date.

Participation in the Plan is optional. If you do not wish to participate in the Plan, you do not need to do anything. If you do not participate in the Plan you will continue to receive cash dividends paid on all of your Shares.

If you change your mind at a later date and wish to participate in the Plan, you can do so by:

- making your Participation Election online at:
  - https://investorcentre.linkmarketservices.co.nz (for holders on the New Zealand register); or
  - https://investorcentre.linkmarketservices.com.au (for holders on the Australian register); or
- completing a Participation Notice and returning it to the Share Registrar.

Joining, Variation and Withdrawal Arrangements

You can choose to participate in the Plan, vary your participation, or withdraw from the Plan at any time. Any variation or withdrawal will take effect on the first Record Date after receipt of your new Participation Election or written termination notice or, if your new Participation Election or written termination notice is received after a Record Date but before 5:00pm on an Election Date (being the first trading day after that Record Date or such later date as may be set by the Board and advised to NZX and ASX), from the Record Date immediately preceding that Election Date.

Application of the Plan

The Board retains a discretion to determine that the Plan will not apply to a particular dividend, or will not apply to some of a particular dividend (rather than all), with the result being that all or the relevant proportion (and also taking into account any partial participation in the Plan) of that dividend will be paid in cash instead of the Plan applying.

Issue Price

Additional Shares will be issued or transferred under the Plan at the Strike Price. The Strike Price will be calculated as the volume weighted average sale price for a Share based on all trades of Shares on the NZX Main Board over a period of 10 trading days commencing on and including the first trading day after the Election Date, subject to adjustment to the Strike Price by Infratil for any exceptional or unusual circumstances and less any discount determined by the Board. Any discount will be announced by Infratil no later than 10 trading days prior to the relevant Record Date. The Board may adjust the period over which the Strike Price is calculated in its discretion (and any such adjustment will be advised to NZX and ASX no later than 10 trading days prior to the relevant Record Date).

Shares Rank Equally

Additional Shares issued or transferred under the Plan will rank equally in all respects with each other and with all other Shares on issue at that date.

Financial Markets Conduct Act

The offer of Additional Shares under the Plan is being made in reliance on clause 10 of Schedule 1 of the Financial Markets Conduct Act 2013.

Terms and conditions

1 Introduction

This Offer Document contains the terms and conditions of the Infratil Dividend Reinvestment Plan.

The Plan is available to you ("you") if, subject to clauses 3 and 5, you are the holder of Shares.

Under the Plan, you may elect to reinvest the net proceeds of cash dividends payable or credited on all or some of your fully paid Shares by acquiring Additional Shares.

The Record Date for determining your entitlement to Additional Shares under the Plan is 5:00pm on the date fixed by Infratil for determining entitlements to dividends payable or credited on Shares.

This Offer Document has been prepared as at 11 November 2021.

2 Available Options

You may elect to participate in the Plan by exercising one of the following options:

(a) **Full Participation** - If you choose full participation, the Plan will apply to the cash dividends payable or credited from time to time in respect of all Shares registered in your name on the Record Date.

(b) **Partial Participation** – If you choose partial participation, the Plan will only apply to the cash dividends payable or credited from time to time in respect of your nominated **percentage** (%) of Shares registered in your name on the Record Date.

If you do not wish to participate in the Plan and instead wish to receive any dividends payable or credited in respect of your Shares from time to time in cash, you do not need to do anything.

3 Overseas Shareholders

3.1 Subject to clause 3.2, as at the date of this Offer Document, you are eligible to participate in the Plan if, as at 5:00pm on the Record Date:

(a) you hold Shares; and

(b) you are resident in New Zealand or Australia; and

(c) you either hold your Shares directly or hold your Shares indirectly through a nominee whose address is recorded in Infratil's share register as being in New Zealand or Australia.

If you do not satisfy the criteria above Infratil reserves the right to otherwise determine, in its sole discretion, that you are eligible to participate.

However, the Board may amend this policy at any time, in its sole discretion.

3.2 Infratil may, in its absolute discretion, elect not to offer participation in the Plan to shareholders who are outside New Zealand if Infratil considers that to do so would risk breaching the laws of any other jurisdiction and it would be unduly onerous to ensure that the laws of those jurisdictions are complied with.

3.3 If you are outside of New Zealand or any other jurisdiction in respect of which the Plan is made available and you participate in the Plan through a nominee that is resident in New Zealand and has a registered address in New Zealand or any other such jurisdiction, you will be deemed to represent and warrant to Infratil that you can lawfully participate through your nominee. Infratil accepts no responsibility for determining whether any person is able to participate in the Plan under laws applicable outside of New Zealand or any other jurisdiction in respect of which the Plan is made available.

4 Death of Participant

4.1 If a Participant dies, participation by that Participant will cease upon receipt by Infratil's Share Registrar of a notice of death in a form acceptable to Infratil.

4.2 Death of one of two or more joint participants will **not** automatically terminate participation by the remaining joint participant(s).

5 Exclusion where Liens or Charges over Shares

If you hold any Shares over which Infratil has a lien or charge, those Shares will not be eligible to participate in the Plan.

6 Participation Election

6.1 To participate in the Plan you must make a Participation Election in one of the following ways:

(a) **Online Election** – By visiting the website of Infratil's Share Registrar, Link Market Services:

Holders on the **New Zealand Register**: https://investorcentre.linkmarketservices.co.nz.

Select "IFT – INFRATIL LIMITED" as the issuer from the dropdown box on the page. You will be required to enter your CSN/Holder Number and FIN before you can make your Participation Election. Once you have entered these details, you should click “Payment and Tax”, then “Reinvestment Plans”, and tick the applicable box to participate in the Plan. If you make an online election, you will be required to confirm that you have read, understood and complied with the terms and conditions of the Plan. Joint and corporate shareholders will need to register a portfolio to update their participation election.

Holders on the **Australian Register**: https://investorcentre.linkmarketservices.com.au

Select “IFT – INFRATIL LIMITED” as the issuer from the dropdown box on the page. You will be required to enter your Holder Number and postcode before you can make your Participation Election. Once you have entered these details, you should click “Payment and Tax”, then “Reinvestment Plans”, and tick the applicable box to participate in the Plan. If you make an online election, you will be required to confirm that you have read, understood and complied with the terms and conditions of the Plan. Joint and corporate shareholders will need to register a portfolio to update their participation election;

OR

(b) **Participation Notice** – By completing the enclosed Participation Notice which accompanies this Offer Document and returning it to Infratil’s Share Registrar in one of the following manners:

Mail
Link Market Services Limited
PO Box 91976
Auckland 1142
New Zealand

Scan and email
operations@linkmarketservices.co.nz

Fax
+64 9 375 5990

or such other person or address as Infratil may determine from time to time.

6.2 You can make your Participation Election at any time while this Plan is in effect by following one of the steps in clause 6.1. Participation Notices can be obtained from Infratil’s Share Registrar at any time.

6.3 If your Participation Election does not specify your degree of participation in the Plan, you will be deemed to have chosen full participation (if your Participation Election is otherwise correctly completed and signed).

7 Participation Applies from First Election Date

Net proceeds of cash dividends payable or credited on your Participating Shares will be reinvested in Additional Shares from the first Record Date which occurs after receipt by Infratil of a properly completed Participation Election or, if your Participation Election is received after a Record Date but before 5:00pm on an Election Date, from the Record Date immediately preceding that Election Date.

8 Formula for Calculation of Additional Shares and Strike Price

8.1 If you choose to participate in the Plan, the number of Additional Shares you will be allotted or transferred will be calculated in accordance with the following formula:

$$N = \frac{PS \times D}{\text{Strike Price}}$$

Where:

N is the number of Additional Shares you will receive;

PS is the number of your Participating Shares;

D is the net proceeds of cash dividends paid or credited per Share by Infratil (expressed in cents and fractions of cents, including any applicable supplementary dividends in respect of Participating Shares payable to non-resident shareholders but excluding any tax credits and after deduction of any withholding or other taxes, if any); and

Strike Price is the volume weighted average sale price in New Zealand dollars (expressed in cents and fractions of cents) for a Share calculated on all trades of Shares which took place through the NZX Main Board over a period of 10 trading days commencing on and including the first trading day after the relevant Election Date, less any percentage discount determined by the Board in its absolute discretion. If no sales of Shares occur during those 10 trading days, then the volume weighted average sale price will be deemed to be the sale price for a Share on the last trade of Shares which took place prior to such trading days as determined by NZX. The Strike Price may be reasonably adjusted by Infratil to allow for any bonus issue or dividend or other distribution expectation. If, in the opinion of the Board, any exceptional or unusual circumstances (including any unusual or irregular trades) have artificially affected the Strike Price, Infratil may make such adjustment to that price as it considers reasonable. Any percentage discount determined by the Board shall be notified to NZX and ASX not later than 10 trading days prior to the relevant Record Date. The Board may adjust the period over which the Strike Price is calculated in its discretion (and any such adjustment will be advised to NZX and ASX no later than 10 trading days prior to the relevant Record Date).

The price at which your Additional Shares will be allotted or transferred to you will be the Strike Price. The determination of the Strike Price by the Board, or by some other person nominated by the Board, will be binding on all participants in the Plan.

9 Fractional entitlements

9.1 Where the number of Additional Shares you will receive (calculated in accordance with the formula set out in clause 8.1) is not a whole number, then the number of Additional Shares you receive will be rounded down to the nearest whole number of Additional Shares.

9.2 Any net proceeds of cash dividends paid or credited per Share by Infratil which are not applied to acquire a part of Additional Shares (due to the operation of clause 9.1) shall be held to your order and applied under the Plan on your behalf the next time the Plan operates. You will not accrue interest on any such amount held to your order in accordance with this clause 9.2.

9.3 Should you:

(a) terminate your participation in the Plan; or

(b) cease to be a shareholder of Infratil,

any amount above NZ$5.00, which at the time is held to your order in accordance with clause 9.2, will be paid in cash to you on the next dividend payment date. You will not be paid interest on any such payment. Amounts of NZ$5.00 or less which are held to your order at that time shall be forfeited.

10 Compliance with Laws, Listing Rules and Constitution

10.1 If Infratil determines that the allotment or transfer of Additional Shares under the Plan could breach any applicable law, the Rules or any provision of the Constitution, Infratil may, in its sole discretion, withdraw the Plan, or not allot or transfer any Additional Shares under the Plan to any shareholder(s) eligible to participate.

10.2 If, for any reason, Infratil cannot allot or transfer your Additional Shares, the relevant dividend on your Participating Shares will be paid or distributed to you in the same manner as to shareholders not participating in the Plan. You will not be paid interest on any such payment.

11 Issue or transfer of Additional Shares

11.1 Infratil will:

(a) allot your Additional Shares to you in accordance with clauses 8 to 10 on the day that you would otherwise have been paid a dividend; or

(b) transfer your Additional Shares to you in accordance with clauses 8 to 10 as soon as reasonably practicable on or after the day that you would otherwise have been paid a dividend.

As applicable, depending on the manner in which your Additional Shares are sourced.

12 Share Price Information Publicly Available

Infratil will ensure that at the time the Strike Price is set under clause 8.1 it will have no information that is not publicly available that would, or would be likely to, have a material adverse effect on the realisable price of the Shares if the information was publicly available.

13 Terms of Issue and Ranking of Additional Shares

Your Additional Shares will be allotted or transferred to you on the terms set out in this Plan, subject to the rights of termination, suspension and modification set out in clause 16. Any new Shares issued or transferred by Infratil for the purposes of this Plan will, from the date of allotment, rank equally in all respects with each other and with all other Shares on issue as at that date.

14 Source of Additional Shares

Your Additional Shares may, at the Board's discretion, be:

(a) new Shares issued by Infratil;

(b) existing Shares acquired by Infratil or a nominee or agent of Infratil; or

(c) any combination of (a) and (b) above.

15 Statements

If you choose to participate in the Plan, Infratil will send a statement to your address or electronic mail address (if you have elected to receive communications electronically) as set out in Infratil's share register within five trading days of the allotment or transfer of Additional Shares detailing:

(a) the number of your Participating Shares as at the Record Date;

(b) the amount of your cash dividend reinvested in Additional Shares and the amount paid in respect of any of your Shares that are not participating in the Plan (if applicable);

(c) the Strike Price and number of Additional Shares you were allotted and/or transferred under the Plan;

(d) any amounts held to your order in accordance with clause 9.2;

(e) the amount of any tax deductions or withholdings, imputations or other taxation credits in respect of the cash dividend; and

(f) such other matters required by law or the Rules with respect to dividends, reinvestment, the allotment and/or the transfer of shares.

16 Termination, Suspension and Modification

The Board may, in its sole discretion, at any time:

(a) terminate, suspend or modify the Plan. If the Plan is modified, your Participation Election will be deemed to be a Participation Election under the modified Plan unless you withdraw or modify your Participation Election in accordance with clause 18;

(b) resolve that some or all of a dividend will be paid in cash only instead of the Plan applying;

(c) make a determination in respect of any of the matters for which the Board is granted discretion under clause 8.1 (which, for the avoidance of doubt, is not a modification to the Plan which requires notice to be given to you under clause 17);

(d) resolve that in the event of the subdivision, consolidation or reclassification of the Shares into one or more new classes of shares, your Participation Election will be deemed to be a Participation Election in respect of the Shares as subdivided, consolidated or reclassified unless you withdraw or modify your Participation Election in accordance with clause 18;

(e) resolve that the Plan or any allotment under the Plan may be underwritten on such terms as may be agreed between Infratil and an underwriter;

(f) determine that shareholders in specific jurisdictions outside New Zealand and Australia may participate in the Plan; or

(g) resolve that your Participation Election will cease to be of any effect.

17 Prior Notice

You will be sent written notice by Infratil of any modification or termination to the Plan at your address or electronic mail address (if you have elected to receive communications electronically) as set out in Infratil's share register prior to the Record Date on which any modification or termination will take effect, unless Infratil:

(a) modifies or terminates the Plan to comply with any applicable law, the listing rules of any stock exchange on which the Shares are quoted or any provision of the Constitution; or

(b) makes minor amendments to the Plan where such amendments are of an administrative or procedural nature,

in which case no notice need be given.

18 Variation or Termination

You may at any time:

(a) increase or decrease the number of your Participating Shares by making a new Participation Election in accordance with clause 6.1; or

(b) terminate your participation in the Plan by written notice to Infratil's Share Registrar at the address set out in clause 6.1.

Such variation or termination will take effect on the first Record Date after receipt by Infratil's Share Registrar of the new Participation Election or the written termination notice, as the case may be or, if your new Participation Election or written termination notice is received after a Record Date but before 5:00pm on an Election Date, from the Record Date immediately preceding that Election Date.

19 Partial Dispositions

If you dispose of any of your Participating Shares, you will be deemed to have terminated your participation in the Plan with respect to the Participating Shares you disposed of from the date Infratil's Share Registrar registers a transfer of those Participating Shares.

20 Dispositions of all of your Participating Shares

If you dispose of all of your Participating Shares, you will be deemed to have terminated your participation in the Plan from the date Infratil's Share Registrar registers a transfer of those Shares.

21 Taxation

For New Zealand tax purposes, if you reinvest the net proceeds of your cash dividends to acquire Additional Shares, you should be treated in the same way as if you had not participated in the Plan. This means that if you participate in the Plan, you should derive dividend income of the same amount that you would have derived had you not participated in the Plan. The taxation summary above is based on New Zealand taxation laws as at the date of this Offer Document and is, of necessity, general. It does not take into account your individual circumstances and the specific tax consequences of your participation or non-participation in the Plan, which may vary considerably. You should not rely on this general summary but should seek your own tax advice. Infratil does not accept any responsibility for the financial or taxation effects of your participation or non-participation in the Plan.

22 Costs

You will not be charged for participation or withdrawal from the Plan. You will not incur any brokerage charges on the allotment or transfer of your Additional Shares.

23 Rules

The Plan is subject to the Rules and in the event of any inconsistency between the Plan and the Rules, the Rules will apply.

24 Governing Law

This Offer Document, the Plan and its operation will be governed by the laws of New Zealand.

25 Other Information

You can download an electronic copy of Infratil's most recent Annual Report (which contains Infratil's most recent financial statements and the auditor's report on those financial statements) from Infratil's website at www.infratil.com.

Alternatively, you can request a copy of these documents free of charge by writing to Infratil's registered office at:

Infratil Limited
5 Market Lane
Wellington 6011
New Zealand

Definitions

Additional Shares means the Shares to be issued or transferred to you pursuant to the Plan.

ASX means ASX Limited.

Board means Infratil's board of directors.

Business Day has the meaning given to that term in the Rules.

Constitution means Infratil's constitution.

Election Date means, in respect of each Record Date, the first trading day after that Record Date or such later date as may be set by the Board and advised to NZX and ASX.

Ex-Date means, in relation to a dividend, the first Business Day before the relevant Record Date for that dividend, unless NZX determines otherwise.

Infratil means Infratil Limited.

NZX means NZX Limited.

NZX Main Board means the main board equity security market operated by NZX.

Offer Document means this booklet which sets out the terms and conditions of the Plan.

Participating Shares means the Shares held by you on a Record Date in respect of which you have made a valid Participation Election.

Participation Election means your chosen participation in the Plan, made in one of the ways specified in clause 6.1 of this Offer Document.

Participation Notice means the form of participation notice accompanying this Offer Document.

Plan means Infratil's Dividend Reinvestment Plan established by the Board on the terms and conditions set out in this Offer Document, as amended from time to time.

Record Date means 5:00pm on the date fixed by Infratil for determining entitlements to dividends payable or credited on Shares.

Rules means the NZX Main Board / Debt Market Listing Rules, the ASX Listing Rules (to the extent they apply to Infratil as an ASX Foreign Exempt Listing) and to any rules for clearing and/or settlement which apply to the NZX Main Board or the ASX from time to time.

Share Registrar means Link Market Services Limited.

Shares means ordinary shares in Infratil.

Strike Price means the price at which Additional Shares will be issued or transferred to you, calculated in accordance with clause 8 of this Offer Document.

Directory

Directors
Mark Tume (Chairman)
Jason Boyes
Alison Gerry
Paul Gough
Kirsty Mactaggart
Catherine Savage
Peter Springford

Company Secretary
Nick Lough

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Manager
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Infratil