



INFRATIL LIMITED

STRATEGIC REVIEW OF INFRATIL ENERGY AUSTRALIA ASSETS

13 MAY 2014

Infratil's Board today announced a broad strategic review of its National Electricity Market investments within the Infratil Energy Australia Group (Lumo Energy and Direct Connect Australia).

Infratil's Board sees a number of possible scenarios that would lead to Lumo Energy and Direct Connect Australia playing an important role in the future of their respective industries.

Lumo Energy has now established itself as a significant retail electricity, gas participant and generator in the National Energy Market and has excellent growth prospects.

Direct Connect Australia, a utility connections provider for the real estate industry, has grown into the market leader. While the two businesses operate in different markets they are highly complementary.

As at 31 March 2014, Lumo Energy had 515,285 customers, 165 MW of generation and Direct Connect Australia provided utility connections to over 110,000 customers per annum, and the businesses delivered earnings before interest, tax, depreciation & amortisations and fair value adjustments of A\$54 million for the year ended 31 March 2014.

Infratil's Board will engage with market participants over the coming months to consider proposals that will maximise return on investment in these unique businesses - these may include outright sale, merger or partial divestment options or retention of the status quo. It is expected that this process will be concluded within six months.

We will continue to update the market as material developments unfold.

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