



12 November 2020

Interim results announcement for the period ended 30 September 2020

Infratil Limited today announced its half-year results for the six months ended 30 September 2020, confirming a Net Parent Surplus from Continuing Operations of \$27.8 million compared with \$56.4 million for the prior year.

Proportionate EBITDAF was up \$25.4 million (+12.4%) to \$229.5 million reflecting strong performance from CDC Data Centres and significant contributions from Vodafone New Zealand and Trustpower. Proportionate EBITDAF for the year to 31 March 2021 is forecast to be between \$430 million and \$470 million, including an estimated \$80 million reduction caused by Covid-19 related restrictions. Proportionate EBITDAF was \$446.0 million the previous year.

The results for the period were impacted by portfolio changes including the acquisition of Vodafone New Zealand in 2019, and the sale of Perth Energy, NZ Bus, and the ANU Student Accommodation business in 2019. The results also reflect Tilt Renewables' December 2019 sale of the Snowtown 2 wind farm.

The period illustrated the benefits of Infratil's diversification, where the progress at CDC Data Centres and the renewable generation projects of Tilt Renewables and Longroad Energy more than balanced the impact of the Covid-19 crisis on businesses such as Wellington Airport and Vodafone New Zealand.

Reflecting the overall good financial outcome and Infratil's solid funding position the dividend for the period will be 6.25 cps cash and 1.75 cps imputation credits. Between 31 March 2020 and 11 November 2020 the share price has risen from \$3.91 to \$5.40.

The \$300 million equity raise undertaken in June, and receipts from businesses, saw net debt decline \$385.0 million and gearing reduce to 28% of Infratil's total capital as at 30 September.

Infratil's strong record of shareholder returns is based on owning infrastructure businesses with opportunities to invest to take advantage of long-term demand growth. On that basis it was positive to see \$488.9 million of proportionate investment over the period; including \$322 million into renewable generation and \$122 million into digital infrastructure.

Reflecting its remarkable progress, the value of Infratil's holding in CDC Data Centres rose \$324 million over the six months. Tilt Renewables provided cash returns of \$180 million while continuing to advance renewable generation developments in both Australia and New Zealand. Longroad Energy continued work on \$1.3 billion of generation projects in the USA and provided Infratil with \$19.1 million of capital return. Vodafone New Zealand materially advanced its plans to simplify its business and improve its customers' experience, but also saw earnings reduce by \$29 million due to Covid-19.

At the height of travel restrictions in April, 6,000 travellers used Wellington Airport, which had recovered to 350,000 for the month of October. RetireAustralia delivered the excellent result of keeping all its residents and staff safe and well protected.

In October, Infratil announced a conditional agreement to acquire up to 60% of Australian diagnostic imaging business Qscan. This important new initiative for Infratil is awaiting Foreign Investment Review Board approval in Australia.

In conjunction with the interim report, Infratil has also published a Climate Change Position Statement committing to the goal of reducing greenhouse gases and providing transparency about policies, goals, costs and risks.

Notable achievements during the period:

- Longroad Energy commenced construction on three solar generation projects amounting to 840MW;
- Tilt Renewables completed construction of the 336MW Dundonnell wind farm in Victoria, Australia and made significant progress on the 133MW Waipipi wind farm in Taranaki. 865,000 hours of work was undertaken at the two construction sites without a single lost time injury;
- RetireAustralia kept its residents and staff safe and protected from Covid-19;
- CDC Data Centres commissioned 28MW of data centre capacity at Eastern Creek in Sydney;
- CDC Data Centres also started construction of two 10MW data centres in Auckland, and progressed further expansion plans in Australia;
- Vodafone New Zealand progressed its investment in 5th generation mobile network infrastructure and upgraded its international fibre links;
- Vodafone New Zealand's simplification programme saw 1,500 products retired or improved. In the most recent period 34% more customer requests were dealt with first time, while complaints were down 53%;
- Wellington Airport plunged to 1% of normal activity in April. By October domestic traffic had recovered to over 70% of normal levels reflecting the relaxation of travel restrictions. International traffic awaits new border rules;
- Infratil Infrastructure Property opened its \$70 million hotel, retail, and car park project in Auckland's Wynyard Quarter, and agreed to the sale of the Kilbirnie bus depot for \$35 million;
- Infratil increased its commitment to Clearvision Ventures. One of its investments, Chargepoint, owner of the world's largest electric vehicle charging network, has indicated it plans to list on the NYSE;
- Infratil raised \$300 million via an equity issue;
- Infratil maintained its dividend, with an interim dividend of 6.25 cps to be paid on 15 December;
- In October Infratil announced the acquisition of up to 60% of Australian diagnostic imaging company Qscan. A new sector with strong growth potential; and
- Infratil released its Climate Change Position Statement.

Over the decade to 30 September 2020 Infratil has:

- Provided an after-tax compound return to shareholders of 17.8% p.a.;
- Invested over \$6 billion in key growth sectors and next generation infrastructure; and
- Grown proportionate EBITDAF from \$300 million to the FY2021 forecast range of \$430 million to \$470 million.

Investor briefing

There will be a briefing for institutional investors, analysts and media commencing at 10.00am at the InterContinental Hotel, Featherston Room, 2 Grey Street, Wellington. The briefing and Q&A session will also be available by webcast and teleconference.

A webcast of the presentation will be available live at: <https://edge.media-server.com/mmc/p/c5imos3g>

Any enquiries should be directed to:

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