



17 May 2019

Full year results announcement for the year ended 31 March 2019

Strong underlying performance enabled significant capital to be invested in high performing renewable energy and data platforms

Underlying EBITDAF¹ before incentive fees was \$580.1 million for the year ended 31 March 2019, up from \$482.0 in the prior year. Infratil's Underlying EBITDAF was \$539.5 million, down from the \$546.4 million reported in 2018.

The reduction in Underlying EBITDAF reflects the \$102.6 million initial incentive fee payable in relation to Infratil's investments in Canberra Data Centres ('CDC'), Longroad Energy, Tilt Renewables, and the Australian National University's Purpose-Built Student Accommodation concession ('ANU PBSA'). The fee assesses the performance of these assets since their respective dates of acquisition and reflects the outperformance of each asset over that period.

During the year, \$679.0 million was reinvested into Infratil's existing businesses, including \$236.4 million into Tilt Renewables, \$140.6 million into CDC, \$87.2 million into Longroad Energy and \$72.1 million of capital expenditure at Wellington International Airport. The investment has supported the following significant projects underway within these businesses:

- Tilt Renewables' construction of the 336MW Dundonnell wind farm;
- CDC's acquisition of the Eastern Creek Data Centre facility in Sydney, which has development potential of up to 120MW;
- Longroad's construction of the Project Phoebe (315MW) solar project and the Project Rio Bravo (238MW) wind project; and,
- Wellington Airport's Rydges Hotel and multi-level car park which are completed and open for business.

This investment now underway will underpin Infratil's future earnings and long-term capital growth. Significant progress has also been made tightening the portfolio during the year. Infratil has signed conditional sales agreements for its interests in NZ Bus, ANU² and Snapper, and is in negotiations with prospective buyers of its interest in Perth Energy with conclusion of the strategic review expected in FY2020.

Infratil's share price rose from \$3.10 on 31 March 2018, to \$4.17 on 31 March 2019. Dividends of 17.00 cents per share were paid during the year. Had the cash dividends been reinvested in Infratil shares at the time they were paid they would have provided a return of 5.5% per annum on the 31 March 2018 share price. Added together, the dividend and share price movement resulted in shareholders receiving a return of 41.3% in the year to 31 March 2019.

Infratil has announced a final dividend of 11 cents per share, plus 2 cents per share of imputation credits, delivering a total ordinary dividend to shareholders of 17.25 cents per share for the 2019 financial year. The final dividend will be paid on 27 June 2019.

¹ Underlying EBITDAF is a non-GAAP measure of financial performance, presented to show management's view of the underlying business performance. Underlying EBITDAF represents consolidated net earnings before interest, tax, depreciation, amortisation, financial derivative movements, revaluations, gains or losses on the sales of investments, and includes Infratil's share of RetireAustralia's underlying profits. Underlying profit is a common performance measure used by retirement companies and removes the impact of unrealised fair value movements on investment properties, impairment of property, plant and equipment, one-off gains and deferred taxation, and includes realised resale gains and realised development margins. A reconciliation of Underlying EBITDAF is provided in Infratil's 2019 Annual Report

² On 14 May Infratil announced that the sale of its ANU PBSA investment is unconditional and that it expects to receive cash proceeds of approximately A\$162 million on 20 May 2019

On 14 May Infratil made a significant announcement post balance date regarding the conditional acquisition of Vodafone NZ alongside Brookfield Asset Management. The acquisition of New Zealand's leading mobile telecommunications company³ is transformational for Infratil and significantly strengthens the cash generative core of the portfolio. Vodafone NZ increases Infratil's exposure to long-term data and connectivity growth and complements the acquisition of Canberra Data Centres. Following the recently announced divestments, the Infratil portfolio will now hold substantial positions across renewable energy, data, retirement and aged care, and airports.

Infratil has provided Underlying EBITDAF guidance range from continuing operations of \$635 - \$675 million for the year ending 31 March 2020. This includes a 7-month contribution from Vodafone NZ.

Further information about the full year results presentation will be discussed on a conference call at 10.00am today.

Conference code: Infratil
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Further information is available on www.infratil.com

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³ By mobile subscriber market share. New Zealand Commerce Commission Annual Telecommunications Monitoring Report – 18 December 2018