15 November 2019

Amended interim results announcement for the period ended 30 September 2019

Infratil advises that it has corrected an error in the Statement of Cashflows on page 4 of the Infratil Group Interim Financial Statements to 30 September 2019. The subtotals for cash flows provided from operating activities and cash disbursed to operating activities were incorrect, although the individual line items and the net cash inflow from operating activities were correct.

A corrected version of the Infratil Group Interim Financial Statements to 30 September 2019, along with further copies of the other documents released on 13 November, are attached.

Any enquiries should be directed to:
Phillippa Harford, Chief Financial Officer, Infratil Limited Phillippa.Harford@infratil.com

13 November 2019

Interim results announcement for the period ended 30 September 2019

Significant capital invested in high performing renewable energy, data and connectivity platforms

During the six months ended 30 September 2019 Infratil invested $1.4 billion which included the acquisition of Vodafone NZ ('Vodafone') for $1,029 million. The remaining $332.6 million was invested in Infratil's existing businesses, including significant projects developed by Tilt Renewables and further expansion of CDC Data Centres.

The acquisition of Vodafone represented the largest corporate transaction in New Zealand for over a decade when Infratil acquired a 49.9% stake alongside global infrastructure investor Brookfield Asset Management. The acquisition is transformational for Infratil and significantly strengthens the cash generative core of the portfolio while increasing Infratil's exposure to long-term data and connectivity growth. The deal was well supported by shareholders, reflected by the strong backing of the NZ$400 million capital raise undertaken to as part of the acquisition.

Just as significant as the investment that was made during the period were the announcements around future investment and the momentum within Infratil's existing platforms:

- Tilt Renewables and Longroad Energy announced three new renewable generation projects over the period amounting to 755MW of capacity at a total cost of $1,470 million. In aggregate these two companies are now building 712MW of wind and 379MW of solar generation at a total cost of $2,070 million;
- RetireAustralia is in the process of taking delivery of 70 new care-units at its Glengarra Village, while construction is underway on 177 units at The Verge village adjacent to the Burleigh Golf Club in Queensland;
- CDC Data Centres has outlined plans for the construction and fit out of up to an additional 150MW of data centre capacity across Canberra and Sydney;
- Vodafone is in the process of the initial roll-out of New Zealand's first commercial 5G deployment with 108 enabled cell-sites soon to provide 5G coverage in Queenstown, Christchurch, Wellington, and Auckland; and,
- Wellington Airport has released its 2040 Master Plan which could involve $1,000 million of investment over the next decade expanding capacity and improving resilience.

While the six-month period under review was dominated by investment, the divestments of four portfolio businesses, ANU Student Accommodation, NZ Bus, Perth Energy and Snapper are also significant in the context of Infratil's goals and strategies. In addition to releasing capital, the asset sales reflect the desire to simplify Infratil's portfolio and recognise that those activities were unlikely to grow to a material scale. The new investments reflect Infratil's focus on growth infrastructure and commitment of capital to high conviction platforms, in particular exposure to long-term data and connectivity growth and renewable energy.

For the six-month period Infratil's net parent surplus was $56.4 million, down from $58.5 million in the prior period. This result included unfavourable foreign exchange and derivative movements of $16.4 million, compared to gains of $12.0 million in the prior period.

Underlying EBITDAF from continuing operations was $289.4 million for the year ended 30 September 2019, up from $284.6 million in the prior year. This included an initial two-month contribution from Vodafone of $39.1 million. Excluding the contribution from Vodafone the main changes were lower contributions from Trustpower and Longroad arising from low hydro generation in New Zealand and the timing and terms of Longroad's development activity and asset sales. As part of the 30 September 2019 result's announcement Infratil is able to reaffirm its Underlying EBITDAF guidance range from continuing operations of $655-$695 million for the year ending 31 March 2020.

Over the 6 months the Infratil share price rose from $4.17 to $4.92 and a dividend of 11.0 cps and 2.0 cps imputation credits was paid. In addition, shareholders had the opportunity to buy one share at $4.00 for each 7.46 shares they owned under the pro-rata accelerated renounceable entitlement offer. Shareholders who did not take up this offer received a payment equivalent to 4.69 cps.

The interim dividend will be 6.25 cps to be paid on 13 December 2019 to shareholders of record as at 29 November 2019. This will carry 1.5 cps of imputation credits. For this dividend, Infratil is re-instituting its Dividend Reinvestment Plan in response to requests from shareholders. Details of how to take advantage of this Plan are set out in a separate letter to be sent to shareholders.

There will be a briefing for institutional investors, analysts and media commencing at 10.00am at Prefab Hall, 14 Jessie Street, Te Aro, Wellington. The briefing and Q&A session will be webcast live.

Conference call 10:00am (NZ time) access phone numbers:

Confirmation code: Infratil

From Wellington:	04 830 1013
From Auckland:	09 950 5335
From New Zealand:	0800 122 360
From Australia:	1800 760 146
From Hong Kong:	800 960 484
From Singapore:	800 101 3287
From USA:	1844 393 3437
From UK:	0808 145 3702

Further information is available on www.infratil.com

Any enquiries should be directed to:
Mark Flesher, Investor Relations, Infratil Limited mark.flesher@infratil.com

Results Announcement

For the 6 months ended 30 September 2019

Infratil

13 November 2019

Disclaimer

Disclaimer

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Currency

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Significant capital invested in high performing renewable energy, data and connectivity platforms

- Divestments and tightening of the portfolio substantially complete
- Acquisition of 49.9% of Vodafone New Zealand completed on 31 July 2019 for $1.03 billion
- Capex of $326 million invested during the period, including $123 million in renewables and $127 million at CDC Data Centres
- Partially imputed interim dividend of 6.25 cents per share (cps)
- Total shareholder return of 25.4% for the 6 months to 30 September 2019

Financial Highlights

Major cash generating businesses supporting capital requirements of growth platforms

6 months to 30 September ($Millions)	2019	2018	Variance	% Change
Net Parent Surplus (continuing activities)	56.4	58.5	(2.1)	(3.6%)
Underlying EBITDAF[1] (continuing activities)	289.4	284.6	4.8	1.7%
Net Operating Cash Flow	68.0	142.7	(74.7)	(52.3%)
Capital Expenditure & Investment	1,362.2	301.6	1,060.6	351.7%
Earnings per share (cps) (continuing activities)	9.5	10.5	(1.0)	(9.5%)

Notes:
1. Underlying EBITDAF is an unaudited non-GAAP measure. Underlying EBITDAF does not have a standardised meaning and should not be viewed in isolation, nor considered as a substitute for measures reported in accordance with NZ IFRS, as it may not be comparable to similar financial information presented by other entities. A reconciliation of Underlying EBITDAF to Net profit after tax is provided in Appendix I

Results Summary

Steady operating result as capital is deployed and strategic disposals are completed

30 September ($Millions)	2019	2018
Operating revenue	802.4	736.2
Operating expenses	(485.7)	(425.0)
Operating earnings	316.7	311.2
International incentive fee	(12.8)	(29.4)
Depreciation & amortisation	(75.2)	(83.7)
Net interest	(85.6)	(72.1)
Tax expense	(46.1)	(46.2)
Revaluations	(17.2)	12.6
Discontinued operations[1]	8.3	13.7
Net profit after tax	88.1	106.1
Minority earnings	(31.7)	(47.6)
Net parent surplus	56.4	58.5

- Operating revenue includes a full period production contribution from Tilt's Salt Creek and the impact of higher average spot prices in New Zealand for Trustpower
- Incentive fee accrual driven by Infratil's investments in CDC Data Centres, Tilt Renewables and Longroad Energy
- Net interest has increased as capital is deployed to new investments and capex developments are completed
- Reduction in depreciation and amortisation reflects the revaluations of Generation Assets as at 31 March 2019
- Discontinued operations include ANU PBSA, NZ Bus, Perth Energy and Snapper

Notes:
1. Discontinued operations represent businesses that have been divested, or businesses which will be recovered principally through a sale transaction rather than through continuing use

Underlying EBITDAF[1]

Capital investment drives EBITDAF growth

30 September ($Millions)	2019	2018
Trustpower	107.1	129.6
Tilt Renewables	75.4	72.5
Wellington Airport	50.4	49.6
CDC Data Centres	26.3	17.7
RetireAustralia	2.9	5.0
Longroad Energy	17.8	51.1
Vodafone NZ	39.1	-
Corporate and Other	(29.6)	(40.9)
Underlying EBITDAF[1] (continuing)	289.4	284.6
NZ Bus	5.9	13.2
Perth Energy	12.1	25.3
ANU PBSA	0.5	5.5
Snapper	(1.5)	(2.3)
Total Underlying EBITDAF[1]	306.4	326.3

- Lower contribution from **Trustpower**, with higher average spot prices and lower generation volumes
- **Tilt Renewables** includes a full contribution from Salt Creek and overall portfolio wind conditions in line with long-term expectations
- **CDC Data Centres** year-on-year earnings growth as new facilities come online
- **Longroad Energy** includes the gain on the sale of Project Rio Bravo, a wind development in Texas, USA
- Current period includes an initial 2-month contribution from **Vodafone NZ** following completion of the acquisition on 31 July 2019
- **Corporate and Other** includes an incentive fee accrual of $12.8 million ($29.4 million in the comparative period)
- Contributions from ANU PBSA, NZ Bus, Perth Energy and Snapper reflect their respective ownership periods before disposal

Notes:
1. Underlying EBITDAF is an unaudited non-GAAP measure. Underlying EBITDAF does not have a standardised meaning and should not be viewed in isolation, nor considered as a substitute for measures reported in accordance with NZ IFRS, as it may not be comparable to similar financial information presented by other entities. A reconciliation of Underlying EBITDAF to Net profit after tax is provided in Appendix I

Capital Expenditure & Investment

Building a balanced portfolio capable of delivering long-term capital growth

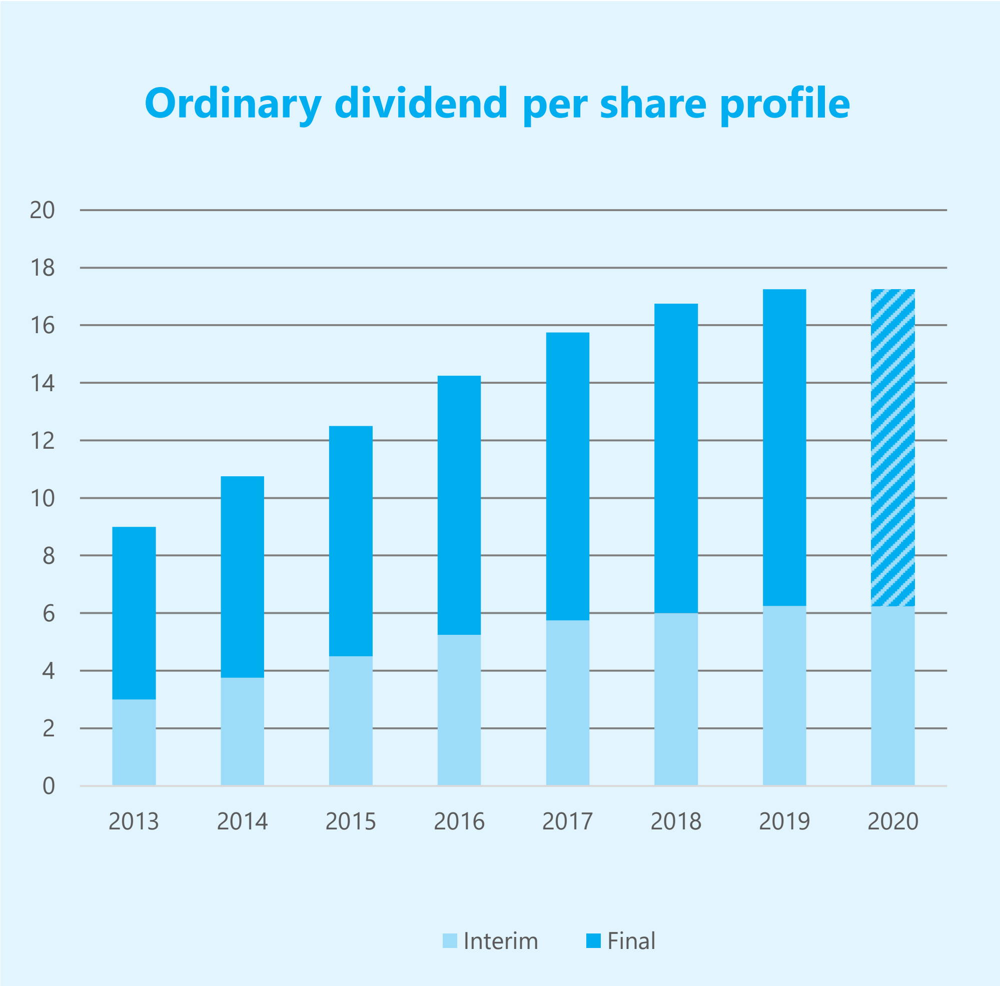
30 September ($Millions)	2019	2018
Trustpower	16.4	11.4
Tilt Renewables	117.3	50.6
Wellington Airport	32.0	44.8
CDC Data Centres[1]	126.5	20.7
RetireAustralia[1]	13.5	15.9
NZ Bus	2.7	12.7
Other	18.1	10.3
Capital Expenditure	326.5	166.4
Vodafone NZ	1,029.6	-
Longroad Energy	5.9	71.1
Tilt Renewables[2]	-	55.0
ANU PBSA	-	9.1
Investment	1,035.5	135.2
Total Capex & Investment	1,362.2	301.6

- **Tilt Renewables'** ongoing construction of the Dundonnell Wind Farm (336MW) and commencement of construction of the Waipipi Wind Farm (133MW)
- **Wellington Airport** completed its main terminal upgrade
- **CDC**'s ongoing development including:
  - Eastern Creek 2, Sydney (10MW) – final handover forecast for December 2019;
  - Hume 4, Canberra (25MW) – final handover forecast for FY20; and,
  - Commencement of construction of Eastern Creek 3, Sydney (25MW)
- **RetireAustralia** includes completion of construction of the Glengara Care Apartments which are expected to welcome their first residents in November 2019
- Other includes the construction of the **Infratil Infrastructure Property**'s 154 room Travelodge hotel and carpark in the Wynyard Quarter – forecast completion June 2020

Notes:
1. The amounts depicted are Infratil's proportionate share of the investee company's capital expenditure
2. Shares acquired under Infratil and Mercury Energy's full cash takeover offer for Tilt Renewables Limited

Distributions

FY2020 interim dividend maintained at FY2019 interim level on a cents per share basis



Interim Ordinary Dividend

- An interim ordinary dividend of 6.25 cps payable on 13 December 2019, partially imputed with 1.5 cps of imputation credits attached
- On par with the 2019 interim dividend, but an increase in absolute dollar terms given the additional shares on issue
- The record date will be 29 November 2019
- The dividend reinvestment plan will be reactivated for this dividend, however, shareholders will need to re-elect into the plan

Dividend Outlook

- Infratil expects its FY2020 final dividend to be maintained at the same level as the FY2019 final dividend on a cents per share basis

Debt Capacity & Facilities

Duration extended through new retail bond issues and bank facilities capacity preserved

Maturities to 31 March ($Millions) Infratil and wholly-owned subsidiaries[1]	Total	FY20	FY21	FY22	FY23	FY24-FY30	>FY30
Bonds	1,404.7	149.0	-	93.9	193.7	736.2	231.9
Wholly-owned drawn bank debt	337.0						
Wholly-owned drawn bank faciliities	873.0	33.0	410.0	115.0	200.0	115.0	-

- Infratil and wholly-owned subsidiaries' Net bank debt of $306.4 million and drawn bank facilities of $337.0 million as at 30 September 2019 (undrawn facilities of $536.0 million)
- The acquisition of Vodafone NZ was part-funded by $400.0 million of new debt facilities
- Bond maturities of $68.5 million and $80.5 million in November 2019 and February 2020 respectively
- On 22 October Infratil opened a new bond issue (IFT300) maturing in March 2026, offering up to $50 million of bonds (with the option to accept up to $75 million in oversubscriptions)

Notes:
1. Infratil and wholly-owned subsidiaries excludes Trustpower, Tilt, Wellington Airport, CDC Data Centres, RetireAustralia, Longroad Energy and Vodafone NZ

Debt Capacity & Facilities

Moderate Gearing and Funds Available for Investment remain

30 September ($Millions)	2019	2018
Net bank debt (cash on hand)	306.4	(85.2)
Infratil Infrastructure bonds	1,172.8	769.6
Infratil Perpetual bonds	231.9	231.9
Market value of equity	3,244.9	1,996.6
Total capital	4,956.0	2,913.0
Gearing (net debt/total capital)	34.5%	31.5%
Infratil undrawn bank facilities	536.0	319.0
100% subsidiaries cash	30.6	121.0
Unpaid Tilt acceptances	-	(42.0)
Funds available	566.6	398.0

- The market value of equity has increased by $1,248.3 million since 30 September 2019. This included:
  - the increase in the IFT share price from $3.57 (September 2018) to $4.92; and,
  - The $400 million placement and rights issue.
- In the 6 months to 30 September 2019, Infratil issued $156.3 million of the IFT280 bond series (maturing December 2026) and $112.1 million of the IFTHC series (annual rate re-set, maturing December 2029)
- Investment and re-investment opportunities across the portfolio continue to exceed current available capital

Notes:

1. Infratil and wholly-owned subsidiaries excludes Trustpower, Tilt, Wellington Airport, CDC Data Centres, RetireAustralia, Longroad Energy and Vodafone NZ

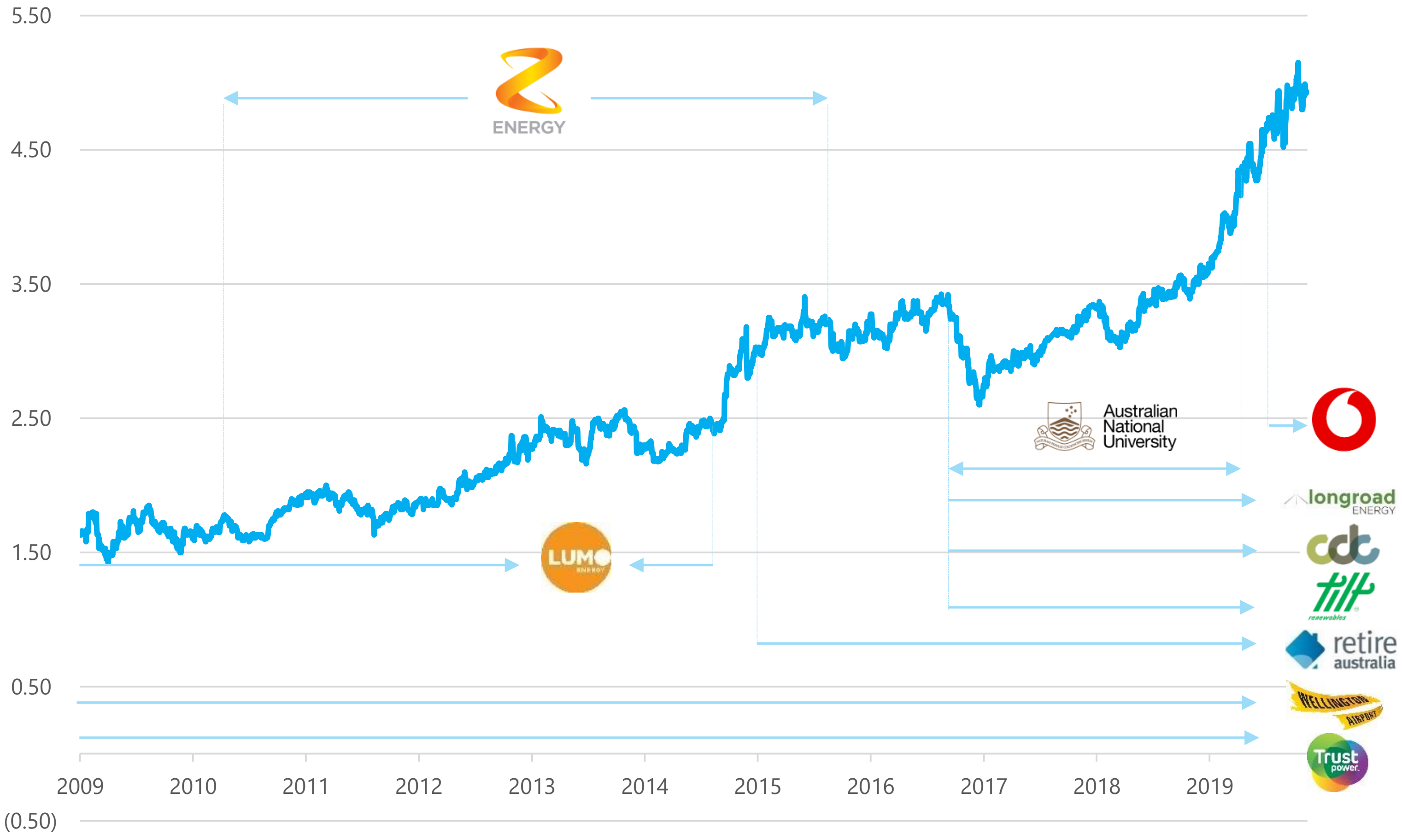
Share Price Performance

Outstanding returns delivered over the short, medium and long-term

Total Shareholder Return [1]

Period	TSR
YTD	25.4%
1 Year	50.8%
5 Year	20.7%
10 Year	19.6%
Inception – 25 years	18.0%

Infratil Share Price

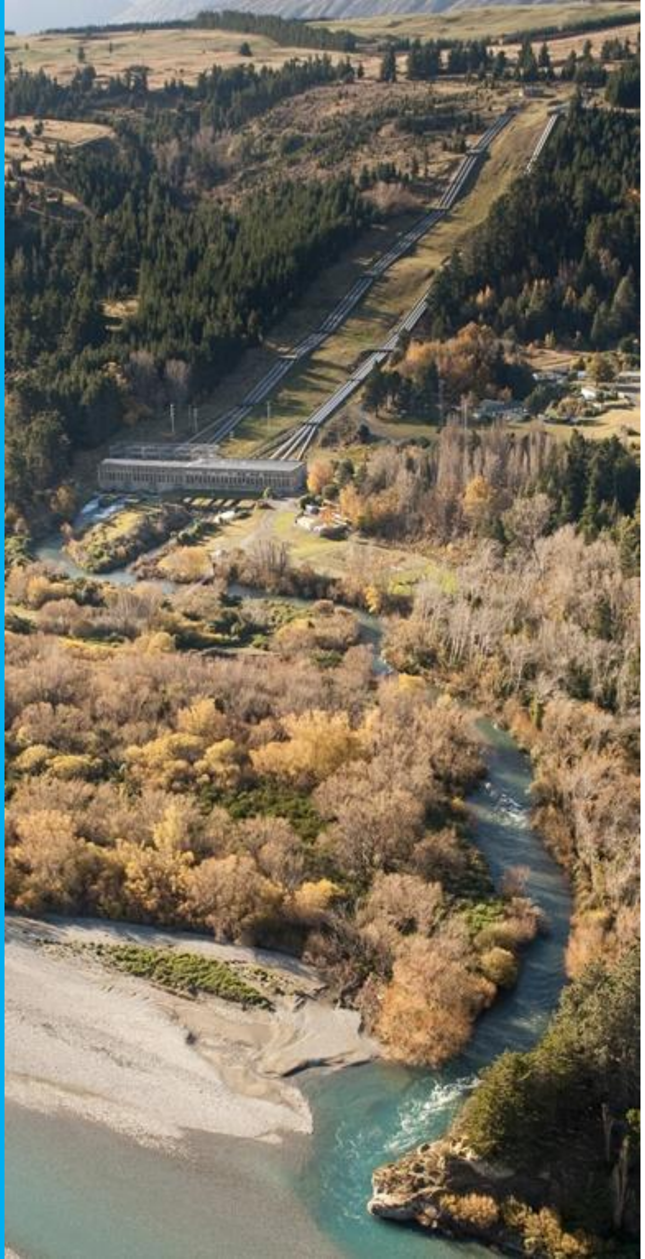


[1]Total shareholder returns are to 30 September 2019 based on a closing share price of $4.92

Operating Businesses

Trustpower

Diverse generation portfolio highlights resiliency during unplanned outage



Financial

- EBITDAF[1] of $107.1 million was $22.5 million (17.3%) below the comparative period of $129.6 million
- Current period impacted by lower generation volumes resulting from plant outages and materially lower North Island inflows compared to the prior period

Customers

- Total retail utility accounts 406,000, up 7,000 on the comparative period, while customers with two or more products rose 8.8% to over 111,000
- Successful bundling strategy remains a key growth opportunity, as bundled customers demonstrate increased loyalty, and satisfaction, bringing higher long-term value
- Wireless Broadband offerings launched in August, with a Mobile offering coming soon

Generation

- Generation volumes significantly impacted by hydrology relative to the comparative period and the Highbank outage for three months (43GWh reduction)
- Trustpower storage has recovered well, creating a strong position to capitalise on above average wholesale prices
- Asset enhancements continue to be a key strategic priority

1. EBITDAF is an unaudited non-GAAP measure and is defined at Appendix I.

Tilt Renewables

Balanced focus on delivery of development and optimisation of the existing portfolio

Financial

- EBITDAF[1] of A$71.4 million was A$4.5 million (6.3%) above the comparative period of A$66.9 million
- Australian asset production up 22GWh (or 3%) on the comparative period largely as a result of less curtailment from Snowtown 1 and 2 assets
- Production from New Zealand assets 30GWh lower (or 8%) due to wind conditions reverting towards P50 (inline with expectation) and below target availabilities

Construction and development

- Construction has commenced on the 133MW Waipipi Wind Farm, with a forecast cost of NZ$277.0 million project, without the need for shareholder equity
- Combined with the Dundonnell Wind Farm, Tilt now has 469MW under construction for a total forecast investment of more than $900 million

Snowtown 2 Wind Farm Strategic Review

- Strategic review announced in June 2019, with a further update expected by the end of the calendar year
- Portfolio debt structure has been optimised to allow the divestment to proceed with minimal impact on the balance of Tilt's financing

1. EBITDAF is an unaudited non-GAAP measure and is defined at Appendix I.

Wellington Airport

Consistent earnings growth and completion of significant infrastructure projects

Financial

- EBITDAF[1] of $50.4 million was $0.8 million (1.6%) above the comparative period of $49.6 million
- Passenger growth was flat over the six months as airlines paired capacity and increased loadings
- Main terminal upgrade completed
- Arrival of Singapore Airlines' Airbus A350-900 on the Wellington-Singapore route via Melbourne, increasing from four to five times weekly from 1 January 2020
- Recently named Airport of the Year for 2019 at the NZ Airports Association Awards

Outlook

- 2040 master plan now published for public feedback, following extensive consultation with airlines and other stakeholders
- Master plan shows how the airport will cater for an increase in travellers to 12 million per year by 2040
- Consultation with the airport's airline customers over aeronautical charges for the five year period 2020 to 2024 has commenced

1. EBITDAF is an unaudited non-GAAP measure and is defined at Appendix I.

CDC Data Centres

Rapid growth continues with a range of ongoing, diversified growth options

Financial

- Current period reported EBITDAF[1] A$51.7 million (100%), up A$17.8 million (+52.5%) from the comparative period
- Strong performance comes from continued revenue growth from new data centres and additional utilisation of existing data centres
- FY2020 forecast reported EBITDAF[1] of A$110-A$120 million from a pipeline of opportunities with new and existing clients
- Current run rate EBITDAF[1] of A$120 million, with the 31 March 2020 run rate EBITDAF[1] forecast as $A135 million -A$145 million

Growth and development

- New Eastern Creek site in Western Sydney could be Australia's largest data centre campus (by capacity) if its full capacity of 120MW is built out
- Development accelerating with construction of the following data centres underway:
  - Eastern Creek 2 (13MW) – final handover forecast for December 2019;
  - Hume 4 (25MW) – final handover forecast for FY20;
  - Eastern Creek 3 (25MW)
- Whole of portfolio weighted average lease expiry (WALE) has extended to 9.0 years, and 16.7 years with options (HY2019: 4.6 years, and 13.1 years with options)

1. EBITDAF is an unaudited non-GAAP measure and is defined at Appendix I.

Vodafone NZ
Committed to transformation and market leadership

Financial

- The current period includes an initial 2-month EBITDAF[1] contribution from Vodafone NZ of $39.1 million
- FY2020 forecast EBITDAF[1] of $460-$490 million excluding transaction costs and non-cash IFRS 15/16 adjustments

Transformation programme

New operating model in place and detailed strategy development is underway for capability step-change

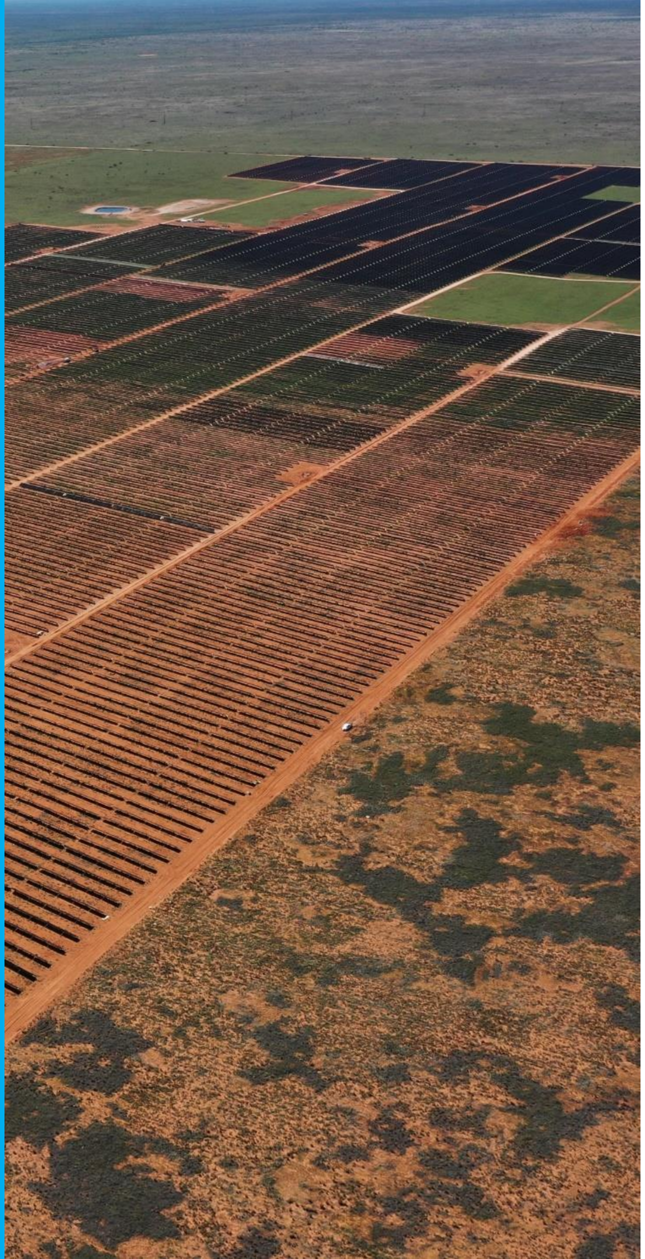
- New channel expansion with Noel Leeming to significantly improve mobile performance and in-home technology experience
- Fixed Wireless Access (FWA) being scaled
- Digitisation and simplification will enable a greater range of strategic choices

Extensive infrastructure network

- Long-term growth requires execution on business improvement programme and successful investments, e.g. in 5G and FWA
- 5G launching December 2019 in Auckland, Wellington, Christchurch and Queenstown
- Best-in-class partnerships in Cloud with AWS and Azure

1. EBITDAF is an unaudited non-GAAP measure and is defined at Appendix I.

Longroad Energy
Expanded development of renewables in the US



Financial

- HY2020 Associate earnings of NZ$17.8 million, compared to NZ$51.2 million in the comparative period
- To date Infratil has invested NZ$154.1 million, and received distributions and capital returns of NZ$161.6 million
- During the period Longroad announced that it had closed the financing of its 243MW El Campo wind project. Longroad sold a 50% equity interest in the project on financial close and while it retains the other 50% has not recorded any gain on the sale to date

Operations

- Total operating portfolio of 684MW and managing construction of a further 622MW
- Providing operating and maintenance services to 2,292MW including 985MW for third parties

Development

- As well as the 243MW El Campo wind project, during the period Longroad also closed financing and commenced construction of the 379MW Prospero Solar project

Pipeline

- Next wave of projects includes up to 700MW of near-term development projects

Longroad Energy
Construction on 622MW of generation against a full year goal of 800MW is underway

Project	Capacity	Status
Project Rio Bravo Texas Wind	238MW	• LEH developed and financed - US$300 million • 100% of the project sold in December 2018 • **Development gain recognised** on completion of construction in June 2019
El Campo Texas Wind	243MW	• LEH developed and financed - US$335 million • 50% of the equity has been sold to two Danish pension funds • Longroad will provide construction management, asset management, operations, and services to the project over a 20-year term • Remaining 50% consolidated by LEH, therefore **no development gain recognised**
Prospero I Texas Solar	379MW	• LEH developed and financed - US$416 million • When completed in 2020 will be one of the largest solar farms in the U.S. • 12-year Power Purchase Agreement for the project's power off-take in place • Marketing currently underway • Potential for the sale to be structurally similar to El Campo
Foxhound Virginia Solar	108MW	• Targeting financial close by March 2020 • 12 month construction period • Marketing currently underway

RetireAustralia

Patience remains to realise long-term market opportunity for high quality retirement living, with a built-in continuum of care

Financial

- Underlying Profit[1] of A$5.5 million, a decrease from A$9.1 million in HY2019
- 130 resale settlements vs 128 in HY2019. Total collect A$16.6 million vs A$17.1 million with the mix of units sold driving the lower average collect
- FY2020 performance weighted to second half of the year, with 174 settlements forecast vs 130 achieved in first half (76 units deposited at 30 September)
- Mandatory buyback legislation also being considered in NSW
  - A$7.3 million of buybacks funded in Queensland and South Australia during the period

Development

- 2 urban villages (The Verge, Burleigh Golf Club (Queensland) and The Rise, Wood Glen (NSW)) currently under construction
- Pre-construction work completed at The Verge. Stage 1 is set to deliver 40 Independent Living Apartments in FY2021
- 70 purpose-built care apartments completed at Glengara (NSW) with first residents expected in November 2019
- Total development pipeline of 833 units

1. Underlying Profit is an unaudited non-GAAP measure and is defined at Appendix I.

Strategic Review Update
Portfolio divestments and tightening substantially complete

ANU PBSA

- In May 2019 Infratil disposed of its 50% interest in the Australian National University's Student Accommodation concession to AMP Capital for cash proceeds of A$162.1 million, as well as distributions at completion of A$4.8 million

Snapper

- The sale of Snapper to Allectus Capital completed on 31 May 2019 for nominal consideration

NZ Bus

- On 2 September 2019 Infratil completed the sale of NZ Bus to Next Capital
- Upfront cash proceeds of $93 million have been received. The final consideration after post-completion adjustments for working capital, capital expenditure, and an earnout mechanism is expected to be between $125-145 million

Perth Energy

- On 3 September 2019 Infratil completed the sale of Perth Energy to AGL
- Infratil received cash proceeds of A$53.3 million for its 80% shareholding, with final proceeds to be adjusted for working capital and net debt
- Infratil may receive further sale proceeds of up to A$18.6 million in cash within three years however as at 30 September these contingent amounts have not been recognised
- Completion of the sale released Infratil from its credit support of Perth Energy which as at 31 March 2019 amounted to A$64.7 million

FY2020 Outlook

Guidance maintained and reflects Vodafone acquisition

FY2020 earnings guidance and dividends

- FY2020 Underlying EBITDAF[1] guidance from continuing operations maintained at $655-$695 million
- Key assumptions include:
  - Trustpower EBITDAF guidance of $200-$215 million
  - Tilt EBITDAF guidance of A$127-$132 million
  - Infratil's share of CDC's reported EBITDAF of A$110-A$120 million
  - Longroad contribution assumes two development project gains together with the Rio Bravo development gain[2]
  - Infratil's share of Vodafone NZ full year FY2020 Underlying EBITDAF of between NZ$460-$490 million[3] with an expectation towards the bottom end of that range excluding transaction costs and non-cash IFRS 15/16 adjustments
  - Accrued incentive Fees are excluded from guidance

Guidance ($Millions)	2020
Underlying EBITDAF	655-695
Net Interest	165-175
Depreciation & amortisation	150-160
Capital expenditure	700-800

- Infratil expects to maintain its FY2020 final dividend at the FY2019 final dividend level on a cents per share basis
- Underlying EBITDAF guidance is presented on a continuing operations basis and therefore excludes any contributions from NZ Bus, ANU, Perth Energy and Snapper[4]
- Capital expenditure excludes the acquisition of Vodafone NZ, and includes a proportionate share of capital expenditure spent by other associates

Notes:
1. Underlying EBITDAF and EBITDAF are non-GAAP measures and are reconciled and defined at Appendix I
2. Longroad Energy has closed the financing of its 243MW El Campo wind project including the sale of a 50% equity interest to two Danish pension funds. As the sell down was for a 50% stake, Longroad will continue to consolidate the project and no gain on sale has been recorded to date
3. 8 month contribution from Vodafone NZ, based on a 49.9% share of Underlying EBITDAF from 1 August 2019
4. Discontinued operations represent businesses that have been divested, or businesses which will be recovered principally through a sale transaction rather than through continuing use

Realising value across the portfolio

Balanced portfolio offering growth and resilience

- Major cash generating businesses delivering targeted returns and supporting capital requirements of growth platforms
- Portfolio favourably aligned with high-conviction trends
- Diversified cashflows generating reliable non-correlated returns across several jurisdictions

Proprietary growth options will drive continued investment and valuation upside

Multiple growth platforms delivering opportunities to deploy significant capital

- Significant in-flight project delivery in U.S. and Australasian renewables and Australasian data and telecommunications
- Ongoing strengthening of global renewables pipeline and Australian data centre options

Rationing capital to sequence highest-value developments

- Default position to prioritise capital to support existing platform opportunities
- Continuing evaluation of capital required in key growth platforms

For further information:

www.infratil.com

Infratil

Appendix I
Reconciliation of NPAT to Underlying EBITDAF

Underlying EBITDAF is an unaudited non-GAAP ('Generally Accepted Accounting Principles') measure of financial performance, presented to provide additional insight into management's view of the underlying business performance.

Specifically, in the context of operating businesses, Underlying EBITDAF provides a metric that can be used to report on the operations of the business (as distinct from investing and other valuation movements).

Market analysts also use Underlying EBITDAF as an input into company valuation and valuation metrics used to assess relative value and performance of companies across a sector.

30 September ($Millions)	2019	2018
Net profit after tax	88.1	106.1
Less: share of RetireAustralia associate earnings	(6.5)	10.3
Less: share of CDC Data Centres associate earnings	(79.5)	(30.2)
Less: share of Vodafone NZ associate earnings	3.2	-
Plus: share of RetireAustralia Underlying Profit	2.9	5.0
Plus: share of CDC Data Centres EBITDAF	26.3	17.7
Plus: share of Vodafone NZ EBITDAF	39.1	-
Net loss/(gain) on foreign exchange and derivatives	16.4	(12.0)
Net realisations, revaluations and (impairments)	0.8	(0.6)
Discontinued operations	(8.3)	(13.7)
Underlying earnings	82.5	82.6
Depreciation & amortisation	75.2	83.7
Net interest	85.6	72.1
Tax	46.1	46.2
Underlying EBITDAF (continuing operations)	289.4	284.6

Appendix I
Reconciliation of NPAT to Underlying EBITDAF

Underlying EBITDAF is an unaudited non-GAAP ('Generally Accepted Accounting Principles') measure of financial performance, presented to provide additional insight into management's view of the underlying business performance.

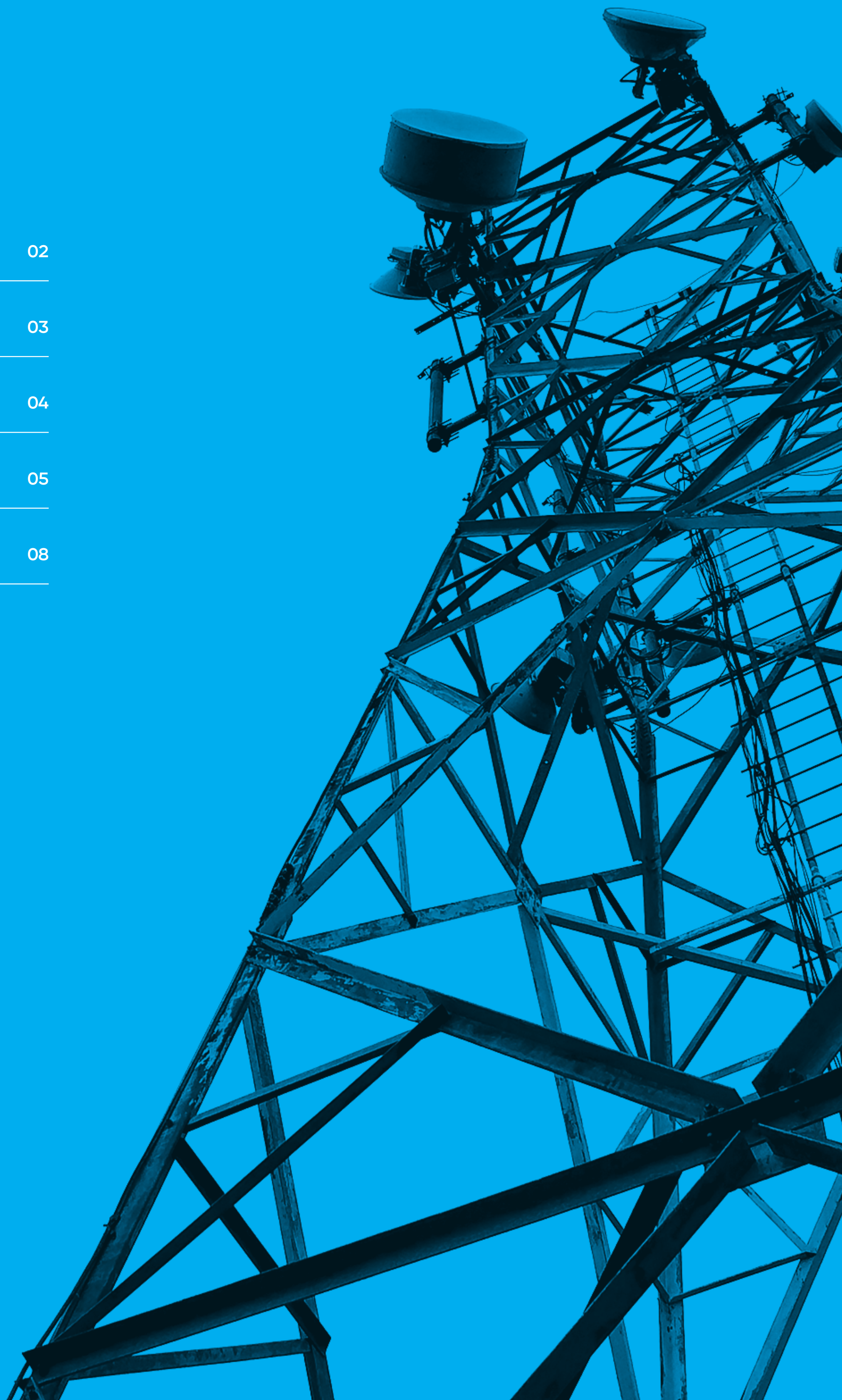
Specifically, in the context of operating businesses, Underlying EBITDAF provides a metric that can be used to report on the operations of the business (as distinct from investing and other valuation movements).

Market analysts also use Underlying EBITDAF as an input into company valuation and valuation metrics used to assess relative value and performance of companies across a sector.

- **Underlying EBITDAF** is presented on a continuing operations basis and excludes any contributions from discontinued operations.
- Underlying EBITDAF comprises:
    - 100% of the EBITDAF of the entities which are fully consolidated for Infratil's Group Financial Statements, that is Trustpower, Tilt Renewables and Wellington Airport;
    - Infratil's share of EBITDAF for CDC Data Centres (48%) and Vodafone NZ (49.9%);
    - Infratil's 50% share of the Underlying Profit of RetireAustralia (see definition below); and
    - Infratil's 40% share of the surplus before tax of Longroad Energy.
- Infratil's approach to calculating Underlying EBITDAF is consistent with the prior reporting period, with the exception of CDC Data Centres which was previously included on the basis of Infratil's share of Net profit after tax. Management's view is that this change provides additional insight into the underlying business performance of CDC Data Centres following growth in this investment.
- **EBITDAF** is net earnings before interest, tax, depreciation, amortisation, financial derivative movements, revaluations, impairment, gains or losses on the sales of investments.
- **Underlying Profit** is a non-GAAP performance measure used by RetireAustralia that removes the impact of unrealised fair value movements on investment properties, impairment of property, plant and equipment, one-off gains and deferred taxation, while adding back realised resale gains and realised development margins. It is management's view that Underlying Profit provides a more predictable and consistent measure of performance year-on-year for RetireAustralia and is viewed as a better reflection of the underlying performance.

Financial Statements

For the 6 months ended
30 September 2019



Consolidated Statement of Comprehensive Income

	Notes	6 months ended 30 September 2019 $Millions Unaudited	6 months ended 30 September 2018 $Millions Unaudited	Year ended 31 March 2019 $Millions Audited
Operating revenue	8	701.3	663.8	1,333.2
Dividends		0.5	1.3	2.6
Total revenue		**701.8**	**665.1**	**1,335.8**
Share of earnings of associate companies	5	100.6	71.1	106.4
Total income		**802.4**	**736.2**	**1,442.2**
Depreciation		70.1	75.9	145.1
Amortisation of intangibles		5.1	7.8	15.3
Employee benefits		50.5	44.9	90.8
Other operating expenses	9	448.0	409.5	907.0
Total operating expenditure		**573.7**	**538.1**	**1,158.2**
Operating surplus before financing, derivatives, realisations and impairments		228.7	198.1	284.0
Net gain/(loss) on foreign exchange and derivatives		(16.4)	12.0	0.3
Net realisations, revaluations and (impairments)		(0.8)	0.6	0.6
Interest income		6.2	3.7	6.8
Interest expense		91.8	75.8	155.3
Net financing expense		85.6	72.1	148.5
Net surplus before taxation		**125.9**	**138.6**	**136.4**
Taxation expense	10	46.1	46.2	72.0
Net surplus for the period from continuing operations		**79.8**	**92.4**	**64.4**
Net surplus/(loss) from discontinued operations after tax	7	8.3	13.7	(12.0)
Net surplus for the period		**88.1**	**106.1**	**52.4**
Net surplus/(loss) attributable to owners of the Company		56.4	58.5	(19.5)
Net surplus attributable to non-controlling interest		31.7	47.6	71.9
Other comprehensive income, after tax				
Items that will not be reclassified to profit and loss:				
Net change in fair value of property, plant & equipment recognised in equity		89.2	(152.5)	(283.6)
Share of associates other comprehensive income		(9.8)	(12.3)	(11.6)
Fair value movements in relation to the executive share scheme		(0.9)	-	(0.1)
Income tax effect of the above items		(18.4)	45.3	69.8
Items that may subsequently be reclassified to profit and loss:				
Differences arising on translation of foreign operations		38.9	43.6	(18.9)
Transfers to profit and loss on disposal of subsidiaries		(22.5)	-	-
Net change in fair value of equity investments at fair value through other comprehensive income		(1.3)	(1.2)	2.6
Ineffective portion of hedges taken to profit and loss		-	-	-
Effective portion of changes in fair value of cash flow hedges		(58.3)	7.6	5.9
Income tax effect of the above items		20.5	(1.4)	(3.6)
Total other comprehensive income/(loss) after tax		**37.4**	**(70.9)**	**(239.5)**
Total comprehensive income/(loss) for the period		**125.5**	**35.2**	**(187.1)**
Total comprehensive income for the period attributable to owners of the Company		112.7	29.8	(164.3)
Total comprehensive income for the period attributable to non-controlling interests		12.8	52.1	(22.8)
Earnings per share				
Basic and diluted (cents per share) from continuing operations		8.1	8.0	(1.3)
Basic and diluted (cents per share)		9.5	10.5	(3.5)

The accompanying notes form part of these financial statements.

Consolidated Statement of Financial Position

	Notes	30 September 2019 $Millions Unaudited	30 September 2018 $Millions Unaudited	31 March 2019 $Millions Audited
Cash and cash equivalents		362.6	219.3	414.3
Trade and other accounts receivable and prepayments		275.2	251.0	226.1
Derivative financial instruments		17.5	5.1	17.8
Inventories		-	5.9	-
Income tax receivable		4.9	0.5	1.2
Assets held for sale		0.5	-	521.8
Current assets		**660.7**	**481.8**	**1,181.2**
Trade and other accounts receivable and prepayments		26.8	64.3	22.8
Property, plant and equipment		4,306.4	4,614.8	4,201.5
Investment properties		248.9	82.8	86.5
Right of use assets		83.7	-	-
Derivative financial instruments		153.1	119.7	156.7
Intangible assets		35.0	38.3	33.5
Goodwill		113.1	117.4	113.2
Investments in associates	5	2,059.2	991.0	856.5
Other investments	6	83.1	67.7	81.2
Non-current assets		**7,109.3**	**6,096.0**	**5,551.9**
Total assets		**7,770.0**	**6,577.8**	**6,733.1**
Accounts payable, accruals and other liabilities		227.4	384.9	274.5
Interest bearing loans and borrowings	11	430.2	124.5	295.3
Lease liabilities	1	13.2	-	-
Derivative financial instruments		30.7	18.5	32.2
Income tax payable		0.2	19.9	9.3
Infrastructure bonds	12	149.0	111.4	148.9
Trustpower bonds		-	113.8	114.0
Wellington International Airport bonds		25.0	25.0	25.0
Liabilities directly associated with the assets held for sale		-	-	146.2
Total current liabilities		**875.7**	**798.0**	**1,045.4**
Interest bearing loans and borrowings	11	831.6	844.8	696.8
Other liabilities		2.8	39.2	25.9
Lease liabilities	1	152.0	-	-
Deferred tax liability		463.4	486.6	442.5
Derivative financial instruments		151.0	36.9	85.3
Infrastructure bonds	12	1,012.9	652.8	747.2
Perpetual Infratil Infrastructure bonds	12	231.7	231.3	231.5
Trustpower bonds		431.8	209.0	307.8
Wellington International Airport bonds and senior notes		489.1	402.8	405.1
Non-current liabilities		**3,766.3**	**2,903.4**	**2,942.1**
Attributable to owners of the Company		2,079.5	1,852.6	1,647.1
Non-controlling interest in subsidiaries		1,048.5	1,023.8	1,098.5
Total equity		**3,128.0**	**2,876.4**	**2,745.6**
Total equity and liabilities		**7,770.0**	**6,577.8**	**6,733.1**
Net tangible assets per share ($ per share)		2.93	3.03	2.68

Approved on behalf of the Board on 12 November 2019

A R Gerry

Alison Gerry
Director

Mark Tume

Mark Tume
Director

The accompanying notes form part of these financial statements.

Consolidated Statement of Cash Flows

	Notes	6 months ended 30 September 2019 $Millions Unaudited	6 months ended 30 September 2018 $Millions Unaudited	Year ended 31 March 2019 $Millions Audited
Cash flows from operating activities				
Cash was provided from:				
Receipts from customers		933.6	953.5	1,825.6
Distributions received from associates		22.8	43.8	52.2
Other dividends		0.5	1.3	1.8
Interest received		6.3	3.8	7.1
		963.2	1,002.4	1,886.7
Cash was disbursed to:				
Payments to suppliers and employees		(767.0)	(743.3)	(1,388.7)
Interest paid		(89.9)	(73.0)	(149.3)
Taxation paid		(38.3)	(43.4)	(71.8)
		(895.2)	**(859.7)**	**(1,609.8)**
Net cash inflow from operating activities	**14**	**68.0**	**142.7**	**276.9**
Cash flows from investing activities				
Cash was provided from:				
Proceeds from sale of associates		169.7	-	-
Proceeds from sale of subsidiaries (net of cash sold)		138.3	-	-
Proceeds from sale of property, plant and equipment		-	5.8	12.9
Proceeds from sale of investments		4.5	5.9	5.9
Return of security deposits		7.7	-	-
		320.2	11.7	18.8
Cash was disbursed to:				
Purchase of investments		(1,093.7)	(76.2)	(69.9)
Lodgement of security deposits		-	(4.5)	(2.7)
Purchase of intangible assets		(6.7)	(3.6)	(8.3)
Interest capitalised on construction of fixed assets		-	-	-
Purchase of shares in subsidiaries		-	(55.0)	(109.3)
Purchase of property, plant and equipment		(216.5)	(96.3)	(258.2)
		(1,316.9)	(235.6)	(448.4)
Net cash inflow/(outflow) from investing activities		**(996.7)**	**(223.9)**	**(429.6)**
Cash flows from financing activities				
Cash was provided from:				
Proceeds from issue of shares		393.4	-	-
Sale of shares in non-wholly owned subsidiary		-	6.3	6.3
Proceeds from issue of shares to non-controlling Interests		-	-	92.6
Bank borrowings		615.5	198.4	346.7
Issue of bonds		493.4	-	346.2
		1,502.3	204.7	791.8
Cash was disbursed to:				
Repayment of bank debt		(365.5)	(174.3)	(229.8)
Repayment of lease liabilities		2.3	-	-
Loan establishment costs		(8.5)	(1.2)	(10.8)
Repayment of bonds		(139.2)	-	(111.4)
Infrastructure bond issue expenses		(4.9)	(0.1)	(6.9)
Share buyback		-	-	-
Share buyback of non-wholly owned subsidiary		-	-	-
Dividends paid to non-controlling shareholders in subsidiary companies		(64.0)	(50.4)	(117.7)
Dividends paid to owners of the Company	3	(72.5)	(60.1)	(95.1)
		(652.3)	(286.1)	(571.7)
Net cash inflow/(outflow) from financing activities		**850.0**	**(81.4)**	**220.1**
Net increase/(decrease) in cash and cash equivalents		(78.7)	(162.6)	67.4
Foreign exchange gains/(losses) on cash and cash equivalents		(2.6)	1.4	(4.0)
Cash and cash equivalents at beginning of the period		414.3	380.5	380.5
Adjustment for cash classified as assets held for sale		29.6	-	(29.6)
Cash and cash equivalents at end of the period		**362.6**	**219.3**	**414.3**

The accompanying notes form part of these financial statements.

Consolidated Statement of Changes in Equity

Attributable to equity holders of the Company – Unaudited

	Capital $Millions	Revaluation reserve $Millions	Foreign currency translation reserve $Millions	Other reserves $Millions	Retained earnings $Millions	Total $Millions	Non-controlling $Millions	Total equity $Millions
Balance as at 1 April 2019	**361.8**	**685.0**	**(64.3)**	**(38.1)**	**702.7**	**1,647.1**	**1,098.5**	**2,745.6**
Total comprehensive income for the period								
Net surplus for the period	–	–	–	–	56.4	56.4	31.7	88.1
Other comprehensive income, after tax								
Differences arising on translation of foreign operations	–	–	47.1	–	–	47.1	(3.9)	43.2
Transfers to profit and loss on disposal of subsidiaries	–	(21.5)	16.3	0.4	–	(4.8)	(17.7)	(22.5)
Net change in fair value of equity investments at FVOCI	–	–	–	(1.3)	–	(1.3)	–	(1.3)
Ineffective portion of hedges taken to profit and loss	–	–	–	–	–	–	–	–
Effective portion of changes in fair value of cash flow hedges	–	–	–	(29.7)	–	(29.7)	(12.4)	(42.1)
Fair value movements in relation to the executive share scheme	–	–	–	(0.9)	–	(0.9)	–	(0.9)
Fair value change of property, plant & equipment recognised in equity	–	28.5	–	–	27.2	55.7	15.1	70.8
Share of associates other comprehensive income	–	–	–	–	(9.8)	(9.8)	–	(9.8)
Total other comprehensive income	–	7.0	63.4	(31.5)	17.4	56.3	(18.9)	37.4
Total comprehensive income for the period	**–**	**7.0**	**63.4**	**(31.5)**	**73.8**	**112.7**	**12.8**	**125.5**
Contributions by and distributions to non-controlling interest								
Issue/(acquisition) of shares held by outside equity interest	–	–	–	–	–	–	1.2	1.2
Total contributions by and distributions to non-controlling interest	–	–	–	–	–	–	1.2	1.2
Contributions by and distributions to owners								
Shares issued	391.3	–	–	–	–	391.3	–	391.3
Conversion of executive redeemable shares	0.9	–	–	–	–	0.9	–	0.9
Dividends to equity holders	–	–	–	–	(72.5)	(72.5)	(64.0)	(136.5)
Total contributions by and distributions to owners	392.2	–	–	–	(72.5)	319.7	(64.0)	255.7
Balance as at 30 September 2019	**754.0**	**692.0**	**(0.9)**	**(69.6)**	**704.0**	**2,079.5**	**1,048.5**	**3,128.0**

The accompanying notes form part of these financial statements.

For the 6 months ended 30 September 2018

Consolidated Statement of Changes in Equity

Attributable to equity holders of the Company – Unaudited

	Capital $Millions	Revaluation reserve $Millions	Foreign currency translation reserve $Millions	Other reserves $Millions	Retained earnings $Millions	Total $Millions	Non-controlling $Millions	Total equity $Millions
Balance as at 1 April 2018	**361.8**	**798.2**	**(42.4)**	**(0.5)**	**818.5**	**1,935.6**	**1,199.4**	**3,135.0**
Adjustment on initial application of IFRS 15 (net of tax)	–	–	–	–	10.6	10.6	10.2	20.8
Adjusted balance as at 1 April 2018	**361.8**	**798.2**	**(42.4)**	**(0.5)**	**829.1**	**1,946.2**	**1,209.6**	**3,155.8**
Total comprehensive income for the period								
Net surplus for the period	–	–	–	–	58.5	58.5	47.6	106.1
Other comprehensive income, after tax								
Differences arising on translation of foreign operations	–	–	45.1	–	–	45.1	(0.8)	44.3
Transfers to profit and loss on disposal of subsidiaries	–	–	–	–	–	–	–	–
Net change in fair value of equity investments at FVOCI	–	–	–	(1.2)	–	(1.2)	–	(1.2)
Ineffective portion of hedges taken to profit and loss	–	–	–	–	–	–	–	–
Effective portion of changes in fair value of cash flow hedges	–	–	–	2.5	–	2.5	3.0	5.5
Fair value movements in relation to the executive share scheme	–	–	–	–	–	–	–	–
Fair value change of property, plant & equipment recognised in equity	–	(62.6)	–	–	–	(62.6)	(44.6)	(107.2)
Share of associates other comprehensive income	–	–	–	–	(12.3)	(12.3)	–	(12.3)
Total other comprehensive income	–	(62.6)	45.1	1.3	(12.3)	(28.5)	(42.4)	(70.9)
Total comprehensive income for the period	**–**	**(62.6)**	**45.1**	**1.3**	**46.2**	**30.0**	**5.2**	**35.2**
Contributions by and distributions to non-controlling interest								
Issue/(acquisition) of shares held by outside equity interest	–	–	–	(63.5)	–	(63.5)	(140.6)	(204.1)
Total contributions by and distributions to non-controlling interest	–	–	–	(63.5)	–	(63.5)	(140.6)	(204.1)
Contributions by and distributions to owners								
Shares issued	–	–	–	–	–	–	–	–
Dividends to equity holders	–	–	–	–	(60.1)	(60.1)	(50.4)	(110.5)
Total contributions by and distributions to owners	–	–	–	–	(60.1)	(60.1)	(50.4)	(110.5)
Balance as at 30 September 2018	**361.8**	**735.6**	**2.7**	**(62.7)**	**815.2**	**1,852.6**	**1,023.8**	**2,876.4**

The accompanying notes form part of these financial statements.

Consolidated Statement of Changes in Equity

Attributable to equity holders of the Company – Audited

	Capital $Millions	Revaluation reserve $Millions	Foreign currency translation reserve $Millions	Other reserves $Millions	Retained earnings $Millions	Total $Millions	Non-controlling $Millions	Total equity $Millions
Balance as at 1 April 2018	**361.8**	**798.2**	**(42.4)**	**(0.5)**	**818.5**	**1,935.6**	**1,199.4**	**3,135.0**
Adjustment on initial application of IFRS 15 (net of tax)	-	-	-	-	10.6	10.6	10.2	20.8
Adjusted balance as at 1 April 2018	**361.8**	**798.2**	**(42.4)**	**(0.5)**	**829.1**	**1,946.2**	**1,209.6**	**3,155.8**
Total comprehensive income for the year								
Net surplus for the year	-	-	-	-	(19.5)	(19.5)	71.9	52.4
Disposal of revalued assets	-	0.2	-	-	(0.2)	-	-	-
Other comprehensive income, after tax								
Differences arising on translation of foreign operations	-	-	(21.9)	-	-	(21.9)	0.2	(21.7)
Transfers to profit and loss on disposal of subsidiaries	-	-	-	-	-	-	-	-
Net change in fair value of equity investments at FVOCI	-	-	-	2.6	-	2.6	-	2.6
Ineffective portion of hedges taken to profit and loss	-	-	-	-	-	-	-	-
Effective portion of changes in fair value of cash flow hedges	-	-	-	(1.1)	-	(1.1)	6.2	5.1
Fair value movements in relation to the executive share scheme	-	-	-	0.6	-	0.6	-	0.6
Fair value change of property, plant & equipment recognised in equity	-	(113.4)	-	-	-	(113.4)	(101.1)	(214.5)
Share of associates other comprehensive income	-	-	-	-	(11.6)	(11.6)	-	(11.6)
Total other comprehensive income	-	(113.4)	(21.9)	2.1	(11.6)	(144.8)	(94.7)	(239.5)
Total comprehensive income for the year	**-**	**(113.2)**	**(21.9)**	**2.1**	**(31.3)**	**(164.3)**	**(22.8)**	**(187.1)**
Contributions by and distributions to non-controlling interest								
Non-controlling interest arising on acquisition of subsidiary	-	-	-	-	-	-	-	-
Issue of shares to non-controlling interests	-	-	-	-	-	-	92.6	92.6
Issue/(acquisition) of shares held by outside equity interest	-	-	-	(39.7)	-	(39.7)	(63.2)	(102.9)
Total contributions by and distributions to non-controlling interest	-	-	-	(39.7)	-	(39.7)	29.4	(10.3)
Contributions by and distributions to owners								
Shares issued	-	-	-	-	-	-	-	-
Dividends to equity holders	-	-	-	-	(95.1)	(95.1)	(117.7)	(212.8)
Total contributions by and distributions to owners	-	-	-	-	(95.1)	(95.1)	(117.7)	(212.8)
Balance at 31 March 2019	**361.8**	**685.0**	**(64.3)**	**(38.1)**	**702.7**	**1,647.1**	**1,098.5**	**2,745.6**

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

1 Accounting policies

Reporting Entity

Infratil Limited ('the Company') is a company domiciled in New Zealand and registered under the Companies Act 1993. The Company is listed on the NZX Main Board ('NZX') and Australian Securities Exchange ('ASX'), and is an FMC Reporting Entity in terms of Part 7 of the Financial Markets Conduct Act 2013.

Basis of preparation

These unaudited condensed consolidated half year financial statements ('half year statements') of Infratil Limited together with its subsidiaries and associates ('the Group') have been prepared in accordance with NZ IAS 34 Interim Financial Reporting and comply with IAS 34 Interim Financial Reporting. These half year statements have been prepared in accordance with the accounting policies stated in the published financial statements for the year ended 31 March 2019 and should be read in conjunction with the previous annual report. Except as described below, no changes have been made from the accounting policies used in the 31 March 2019 annual report which can be obtained from Infratil's registered office or www.infratil.com. The presentation currency used in the preparation of these financial statements is New Zealand dollars, which is also the Company's functional currency. Comparative figures have been restated where appropriate to ensure consistency with the current period.

Changes in accounting policies

The Group has adopted NZ IFRS 16 Leases ('NZ IFRS 16') from 1 April 2019.

i) NZ IFRS 16 Leases

NZ IFRS 16 replaces NZ IAS 17 Leases and removes the classification of leases as either operating leases or finance leases and consequently for the lessee, all leases (other than short term or low value leases) are recognised on the Statement of Financial Position. Similar to the previous finance lease model, this has resulted in the Group recognising right of use assets and related lease liabilities on the statement of financial position. As a result, payments for leases previously classified as operating leases – which include leases of land and buildings, telecommunications equipment and electricity transmission lines – have been reclassified from other operating expenses to depreciation and interest expense. Lessor accounting remains materially unchanged under the new standard.

The Group has adopted NZ IFRS 16 using the modified retrospective approach and has not restated comparative amounts for the period prior to first adoption. The Group has utilised the practical expedients permitted by NZ IFRS 16 in respect of short-term and low value leases where appropriate. The Group has also elected not to reassess whether a contract contains a lease at the date of initial application.

The lease liability was measured at the present value of the minimum lease payments, discounted at the incremental borrowing rate applicable to that lease (or portfolio of leases) at 1 April 2019. In line with the modified retrospective approach, the associated right of use assets were measured at the amount equal to the lease liability relating to that lease at 1 April 2019, with no overall change in net assets. Where the lease pertains to property held to earn rental income, the right of use asset is classified as Investment Property and is measured at fair value.

The impact of adoption of NZ IFRS 16 in the Group's Consolidated Statement of Financial Position is summarised in the table below:

Consolidated Statement of Financial Position effect	30 September 2019 $Millions Unaudited	1 April 2019 $Millions Unaudited
Right of use assets	83.7	80.5
Investment properties	80.0	79.1
Lease liabilities	165.2	159.6
Change in net assets	(1.5)	-

When compared to the accounting policies applied in the prior comparative period, the adoption of NZ IFRS 16 on the Group's Consolidated Statement of Comprehensive Income for the six months ended 30 September 2019 is summarised in the table below:

Consolidated Statement of Comprehensive Income effect	30 September 2019 $Millions Unaudited
Other operating expenses	(7.3)
Depreciation	4.4
Interest expense	4.4

The weighted average incremental borrowing cost applied to lease liabilities at 1 April 2019 was 4.9%.

2 Nature of business

The Group owns and operates infrastructure and utility businesses and investments in New Zealand, Australia and the United States. The Company is a limited liability company incorporated and domiciled in New Zealand. The address of its registered office is 5 Market Lane, Wellington, New Zealand.

More information on the individual businesses is contained in note 4 (Operating segments) and note 5 (Investments in associates) including the relative contributions to total revenue and expenses of the Group.

The Group's business is not highly seasonal, but individual businesses are subject to seasonality due to differences in demand for certain services. The seasonality does not result in material differences in the interim and full year reporting.

3 Infratil shares and dividends

Ordinary shares (fully paid)	6 months ended 30 September 2019 Unaudited	6 months ended 30 September 2018 Unaudited	Year ended 31 March 2019 Audited
Total issued capital at the beginning of the period	559,278,166	559,278,166	559,278,166
Movements in issued and fully paid ordinary shares during the period:			
New shares issued	99,992,228	-	-
Conversion of executive redeemable shares	265,267	-	-
Total issued capital at the end of the period	**659,535,661**	**559,278,166**	**559,278,166**

All fully paid ordinary shares have equal voting rights and share equally in dividends and equity. At 30 September 2019 the Group held 775,000 shares as Treasury Stock (30 September 2018: 775,000, 31 March 2019: 775,000).

Dividends paid on ordinary shares	6 months ended 30 September 2019 cps Unaudited	6 months ended 30 September 2018 cps Unaudited	Year ended 31 March 2019 cps Audited	6 months ended 30 September 2019 $Millions Unaudited	6 months ended 30 September 2018 $Millions Unaudited	Year ended 31 March 2019 $Millions Audited
Final dividend prior year	11.00	10.75	10.75	72.5	60.1	60.1
Interim dividend paid current year	-	-	6.25	-	-	35.0
Dividends paid on ordinary shares	11.00	10.75	17.00	72.5	60.1	95.1

4 Operating segments

Reportable segments of the Group are analysed by significant businesses. The Group has seven reportable segments, as described below:

Trustpower and Tilt Renewables are renewable generation investments, Wellington International Airport is an airport investment, NZ Bus is a transportation investment and Perth Energy is a non-renewable generation investment in Western Australia. Associates comprises Infratil's investments that aren't consolidated for financial reporting purposes including CDC Data Centres, RetireAustralia, ANU Student Accommodation, Longroad Energy and Vodafone New Zealand. Further information on these investments is outlined in note 5. The Group's investments in NZ Bus, Perth Energy, and ANU Student Accommodation were divested during the period and treated as Discontinued Operations as at 30 September 2019. Further information on these investments is outlined in note 7. All other segments and corporate includes predominately the activities of the Parent Company. The group has no significant reliance on any one customer.

	Trustpower Australasia $Millions Unaudited	Tilt Renewables Australasia $Millions Unaudited	Wellington International Airport New Zealand $Millions Unaudited	NZ Bus New Zealand $Millions Unaudited	Perth Energy Australia $Millions Unaudited	Associates $Millions Unaudited	All other segments & corporate New Zealand $Millions Unaudited	Eliminations & discontinued operations $Millions Unaudited	Total from continuing operations $Millions Unaudited
For the period ended 30 September 2019									
Segment revenue	539.4	109.2	72.6	76.1	114.2	-	102.6	(191.9)	822.2
Share of earnings of associate companies	-	-	-	-	-	101.1	-	(0.5)	100.6
Inter-segment revenue	-	-	-	-	-	-	(98.1)	(22.3)	(120.4)
Segment revenue – external	539.4	109.2	72.6	76.1	114.2	101.1	4.5	(214.7)	802.4
Operating expenses	(432.3)	(33.8)	(22.2)	(70.2)	(102.1)	-	(34.8)	196.9	(498.5)
Interest income	0.3	3.6	0.5	-	0.1	-	7.2	(5.5)	6.2
Interest expense	(17.3)	(17.2)	(13.0)	(3.9)	(3.6)	-	(44.3)	7.5	(91.8)
Depreciation and amortisation	(19.8)	(41.8)	(13.4)	(7.1)	(2.6)	-	(0.1)	9.6	(75.2)
Net gain/(loss) on foreign exchange and derivatives	(12.2)	(3.2)	(1.6)	-	-	-	0.8	(0.2)	(16.4)
Net realisations, revaluations and (impairments)	(2.4)	-	1.9	(32.0)	(26.5)	-	65.5	(7.3)	(0.8)
Taxation expense	(17.1)	(4.2)	(7.2)	1.7	(4.2)	-	(19.4)	4.3	(46.1)
Segment profit/(loss)	38.6	12.6	17.6	(35.4)	(24.7)	101.1	(20.6)	(9.4)	79.8
Investments in associates	-	-	-	-	-	2,059.2	-	-	2,059.2
Total non-current assets (excluding derivatives and deferred tax)	2,125.3	1,288.0	1,243.0	-	-	2,059.2	240.7	-	6,956.2
Total assets	2,367.8	1,726.2	1,300.5	-	-	2,059.2	316.3	-	7,770.0
Total liabilities	1,065.9	1,034.7	734.0	-	-	-	1,807.4	-	4,642.0
Capital expenditure and investments	16.4	123.9	32.0	2.7	0.2	1,104.9	18.2	(3.0)	1,295.3

4 Operating segments (continued)

	Trustpower Australasia $Millions Unaudited	Tilt Renewables Australasia $Millions Unaudited	Wellington International Airport New Zealand $Millions Unaudited	NZ Bus New Zealand $Millions Unaudited	Perth Energy Australia $Millions Unaudited	Associates $Millions Unaudited	All other segments & corporate New Zealand $Millions Unaudited	Eliminations & discontinued operations $Millions Unaudited	Total from continuing operations $Millions Unaudited
For the period ended 30 September 2018									
Segment revenue	512.2	104.7	67.5	99.2	138.8	-	78.2	(241.9)	758.7
Share of earnings of associate companies	-	-	-	-	-	76.6	-	(5.5)	71.1
Inter-segment revenue	-	-	-	-	-	-	(72.9)	(20.7)	(93.6)
Segment revenue – external	512.2	104.7	67.5	99.2	138.8	76.6	5.3	(268.1)	736.2
Operating expenses	(382.6)	(32.2)	(17.9)	(86.0)	(113.6)	-	(46.9)	224.8	(454.4)
Interest income	1.0	0.5	0.2	-	0.1	-	5.9	(4.0)	3.7
Interest expense	(14.4)	(16.7)	(8.9)	(3.0)	(3.7)	-	(35.9)	6.8	(75.8)
Depreciation and amortisation	(24.9)	(47.8)	(10.9)	(12.8)	(3.0)	-	(0.3)	16.0	(83.7)
Net gain/(loss) on foreign exchange and derivatives	(1.0)	7.3	0.4	-	-	-	5.4	(0.1)	12.0
Net realisations, revaluations and (impairments)	(0.3)	-	0.9	(1.7)	-	-	-	1.7	0.6
Taxation expense	(25.2)	(6.6)	(8.8)	0.7	(8.3)	-	(7.0)	9.0	(46.2)
Segment profit/(loss)	64.8	9.2	22.5	(3.6)	10.3	76.6	(73.5)	(13.9)	92.4
Investments in associates (including those held for sale)	-	-	-	-	-	991.0	-	-	991.0
Total non-current assets (excluding derivatives and deferred tax)	2,268.5	1,119.5	1,180.9	178.9	141.0	990.9	96.6	-	5,976.3
Total assets	2,429.4	1,320.6	1,209.2	198.4	206.5	991.1	222.6	-	6,577.8
Total liabilities	873.0	871.2	656.2	28.8	111.3	-	1,160.9	-	3,701.4
Capital expenditure and investments	11.4	50.6	44.8	12.7	0.3	80.2	10.0	(25.6)	184.4

4 Operating segments (continued)

	Trustpower Australasia $Millions Audited	Tilt Renewables Australasia $Millions Audited	Wellington International Airport New Zealand $Millions Audited	NZ Bus New Zealand $Millions Audited	Perth Energy Australia $Millions Audited	Associates $Millions Audited	All other segments & corporate New Zealand $Millions Audited	Eliminations & discontinued operations $Millions Audited	Total from continuing operations $Millions Audited
For the year ended 31 March 2019									
Segment revenue	1,030.1	207.1	137.9	184.2	269.9	-	158.6	(461.3)	1,526.5
Share of earnings of associate companies	-	-	-	-	-	119.2	-	(12.8)	106.4
Inter-segment revenue	-	-	-	-	-	-	(147.8)	(42.9)	(190.7)
Segment revenue - external	1,030.1	207.1	137.9	184.2	269.9	119.2	10.8	(517.0)	1,442.2
Operating expenses	(807.9)	(62.7)	(36.5)	(166.8)	(234.0)	-	(142.4)	452.5	(997.8)
Interest income	1.4	1.4	0.3	-	0.2	-	13.3	(9.8)	6.8
Interest expense	(29.6)	(33.6)	(19.7)	(7.1)	(7.6)	-	(73.3)	15.6	(155.3)
Depreciation and amortisation	(47.2)	(89.5)	(23.7)	(21.1)	(6.0)	-	(0.6)	27.7	(160.4)
Net gain/(loss) on foreign exchange and derivatives	(5.8)	(2.1)	1.2	-	-	-	7.0	-	0.3
Net realisations, revaluations and (impairments)	(10.9)	-	4.8	(29.2)	-	-	3.5	32.4	0.6
Taxation expense	(37.5)	(7.4)	(0.2)	4.2	(12.1)	-	(30.3)	11.3	(72.0)
Segment profit/(loss)	92.6	13.2	64.1	(35.8)	10.4	119.2	(212.0)	12.7	64.4
Investments in associates (including those held for sale)	-	-	-	-	-	964.7	-	(108.2)	856.5
Total non-current assets (excluding derivatives and deferred tax)	2,093.5	1,114.7	1,213.6	174.8	107.7	964.7	117.1	(390.9)	5,395.2
Total assets	2,314.5	1,601.0	1,260.5	200.0	211.3	964.7	181.1	-	6,733.1
Total liabilities	965.5	915.8	656.9	29.7	110.5	-	1,309.1	-	3,987.5
Capital expenditure and investments	27.7	127.1	72.1	45.9	0.4	139.0	27.8	(55.6)	384.4

Entity wide disclosure – geographical

The Group operates in two principal areas, New Zealand and Australia, as well as having certain investments in the United States. The Group's geographical segments are based on the location of both customers and assets.

	New Zealand $Millions Unaudited	Australia $Millions Unaudited	United States $Millions Unaudited	Eliminations & discontinued operations $Millions Unaudited	Total from continuing operations $Millions Unaudited
For the period ended 30 September 2019					
Segment revenue	813.6	200.5	-	(191.9)	822.2
Share of earnings of associate companies	(3.3)	86.5	17.9	(0.5)	100.6
Inter-segment revenue	(98.1)	-	-	(22.3)	(120.4)
Segment revenue – external	712.2	287.0	17.9	(214.7)	802.4
Operating expenses	(589.8)	(105.6)	-	196.9	(498.5)
Interest income	8.2	3.5	-	(5.5)	6.2
Interest expense	(80.8)	(18.5)	-	7.5	(91.8)
Depreciation and amortisation	(51.7)	(33.1)	-	9.6	(75.2)
Net gain/(loss) on foreign exchange and derivatives	(6.5)	(9.7)	-	(0.2)	(16.4)
Net realisations, revaluations and (impairments)	33.0	(26.5)	-	(7.3)	(0.8)
Taxation expense	(42.2)	(8.2)	-	4.3	(46.1)
Segment profit/(loss)	(17.6)	88.9	17.9	(9.4)	79.8
Investments in associates	1,026.4	1,029.3	3.5	-	2,059.2
Total non-current assets (excluding derivatives and deferred tax)	4,836.8	2,087.6	31.8	-	6,956.2
Total assets	5,252.1	2,486.1	31.8	-	7,770.0
Total liabilities	3,762.0	880.0	-	-	4,642.0
Capital expenditure and investments	1,195.3	96.7	6.3	(3.0)	1,295.3
For the period ended 30 September 2018					
Segment revenue	783.2	217.4	-	(241.9)	758.7
Share of earnings of associate companies	-	25.4	51.2	(5.5)	71.1
Inter-segment revenue	(72.9)	-	-	(20.7)	(93.6)
Segment revenue – external	710.3	242.8	51.2	(268.1)	736.2
Operating expenses	(564.2)	(115.0)	-	224.8	(454.4)
Interest income	7.2	0.5	-	(4.0)	3.7
Interest expense	(64.5)	(18.1)	-	6.8	(75.8)
Depreciation and amortisation	(60.8)	(38.9)	-	16.0	(83.7)
Net gain/(loss) on foreign exchange and derivatives	4.2	7.9	-	(0.1)	12.0
Net realisations, revaluations and (impairments)	(1.1)	-	-	1.7	0.6
Taxation expense	(40.8)	(14.4)	-	9.0	(46.2)
Segment profit/(loss)	(9.7)	64.8	51.2	(13.9)	92.4
Investments in associates (including those held for sale)	0.3	912.1	78.6	-	991.0
Total non-current assets (excluding derivatives and deferred tax)	3,930.6	1,949.0	96.7	-	5,976.3
Total assets	4,281.9	2,199.2	96.7	-	6,577.8
Total liabilities	2,890.6	810.8	-	-	3,701.4
Capital expenditure and investments	80.1	58.8	71.1	(25.6)	184.4

Entity wide disclosure – geographical (continued)

	New Zealand $Millions Audited	Australia $Millions Audited	United States $Millions Audited	Eliminations & discontinued operations $Millions Audited	Total from continuing operations $Millions Audited
For the year ended 31 March 2019					
Segment revenue	1,555.8	432.0	-	(461.3)	1,526.5
Share of earnings of associate companies	-	72.7	46.5	(12.8)	106.4
Inter-segment revenue	(147.8)	-	-	(42.9)	(190.7)
Segment revenue – external	1,408.0	504.7	46.5	(517.0)	1,442.2
Operating expenses	(1,214.4)	(235.9)	-	452.5	(997.8)
Interest income	15.1	1.5	-	(9.8)	6.8
Interest expense	(135.2)	(35.7)	-	15.6	(155.3)
Depreciation and amortisation	(116.0)	(72.1)	-	27.7	(160.4)
Net gain/(loss) on foreign exchange and derivatives	0.8	(0.5)	-	-	0.3
Net realisations, revaluations and (impairments)	(31.8)	-	-	32.4	0.6
Taxation expense	(62.8)	(20.5)	-	11.3	(72.0)
Segment profit/(loss)	(136.3)	141.5	46.5	12.7	64.4
Investments in associates (including those held for sale)	-	953.9	10.8	(108.2)	856.5
Total non-current assets (excluding derivatives and deferred tax)	3,785.9	1,962.6	37.6	(390.9)	5,395.2
Total assets	4,173.2	2,522.3	37.6	-	6,733.1
Total liabilities	3,115.3	872.2	-	-	3,987.5
Capital expenditure and investments	161.9	176.6	101.5	(55.6)	384.4

5 Investments in associates

	Note	6 months ended 30 September 2019 $Millions Unaudited	6 months ended 30 September 2018 $Millions Unaudited	Year ended 31 March 2019 $Millions Audited
Investments in associates are as follows:				
CDC Data Centres	5.1	660.8	487.8	555.3
RetireAustralia	5.2	368.5	317.0	290.4
ANU Student Accommodation	7.1	-	107.3	-
Longroad Energy	5.3	3.5	78.6	10.8
Vodafone New Zealand	5.4	1,026.4	-	-
Mana Coach Holdings		-	0.3	-
Investments in associates		**2,059.2**	**991.0**	**856.5**
Equity accounted earnings of associates are as follows:				
CDC Data Centres	5.1	79.5	30.2	83.9
RetireAustralia	5.2	6.5	(10.3)	(23.9)
Longroad Energy	5.3	17.8	51.2	46.4
Vodafone New Zealand	5.4	(3.2)	-	-
Share of earnings of associate companies		**100.6**	**71.1**	**106.4**

5.1 CDC Data Centres

On 14 September 2016 the Group completed the acquisition of 48.13% of CDC Data Centres ('CDC'), with consortium partner the Commonwealth Superannuation Corporation acquiring 48.13% and CDC Executives 3.74%. CDC operates 80MW (30 September 2018: 39MW, 31 March 2019: 67MW) of installed capacity across 3 accredited and connected Data Centre campuses in Canberra and Sydney. These facilities provide highly secure outsourced co-location Data Centre services to Australian Government entities and third party service providers. Infratil's current shareholding is 48.22% (30 September 2018: 48.22%, 31 March 2019: 48.22%).

Movement in the carrying amount of the Group's investment in CDC Data Centres:	6 months ended 30 September 2019 $Millions Unaudited	6 months ended 30 September 2018 $Millions Unaudited	Year ended 31 March 2019 $Millions Audited
Carrying value at 1 April	555.3	453.2	453.2
Acquisition of shares	-	-	31.7
Capitalised transaction costs	-	-	-
Shareholder loan	8.1	-	11.0
Total capital contributions during the year	8.1	-	42.7
Interest on shareholder loan (including accruals)	7.2	7.1	14.5
Share of associate's surplus/(loss) before income tax	107.9	29.4	108.6
Share of associate's income tax (expense)	(35.6)	(6.3)	(39.2)
Total share of associate's earnings during the year	79.5	30.2	83.9
Share of associate's other comprehensive income	-	-	-
less: shareholder loan repayments including interest	(0.6)	(6.3)	(12.6)
Foreign exchange movements recognised in other comprehensive income	18.5	10.7	(11.9)
Carrying value of investment in associate	660.8	487.8	555.3

Summary financial information	30 September 2019 A$Millions Unaudited	30 September 2018 A$Millions Unaudited	31 March 2019 A$Millions Audited
Summary information for CDC is not adjusted for the percentage ownership held by the Group:			
Current assets	78.9	50.3	35.0
Non-current assets	2,299.4	1,367.3	1,799.4
Total assets	2,378.3	1,417.6	1,834.4
Current liabilities	69.7	30.2	20.5
Non-current liabilities	1,396.8	766.2	1,039.9
Total liabilities	1,466.5	796.4	1,060.4
Revenues	67.2	42.5	115.5
Net surplus/(loss) after tax	137.8	47.4	137.5

CDC's functional currency is Australian Dollars (A$) and the summary financial information shown is presented in this currency.

5.2 RetireAustralia

On 31 December 2014, the Group acquired a 50% shareholding of RetireAustralia, with consortium partner the New Zealand Superannuation Fund acquiring the other 50%. RetireAustralia operates 27 retirement villages across three states in Australia – New South Wales, Queensland and South Australia. Infratil's current shareholding is 50% (30 September 2018: 50%, 31 March 2019: 50%).

Movement in the carrying amount of the Group's investment in RetireAustralia:	6 months ended 30 September 2019 $Millions Unaudited	6 months ended 30 September 2018 $Millions Unaudited	Year ended 31 March 2019 $Millions Audited
Carrying value at 1 April	290.4	319.0	319.0
Acquisition of shares	61.3	-	-
Total capital contributions during the period	61.3	-	-
Share of associate's surplus/(loss) before income tax	6.5	(10.3)	(23.9)
Share of associate's income tax (expense)	-	-	-
Total share of associate's earnings during the period	6.5	(10.3)	(23.9)
Share of associate's other comprehensive income	-	-	-
less: distributions received	-	-	-
Foreign exchange movements recognised in other comprehensive income	10.3	8.3	(4.7)
Carrying value of investment in associate	368.5	317.0	290.4

Summary financial information	6 months ended 30 September 2019 A$Millions Unaudited	6 months ended 30 September 2018 A$Millions Unaudited	Year ended 31 March 2019 A$Millions Audited
Summary information for RetireAustralia is not adjusted for the percentage ownership held by the Group:			
Current assets	193.1	184.4	191.1
Non-current assets	2,355.6	2,306.0	2,319.6
Total assets	2,548.7	2,490.4	2,510.7
Current liabilities	1,733.1	1,730.3	1,746.0
Non-current liabilities	133.4	180.7	210.8
Total liabilities	1,866.5	1,911.0	1,956.8
Revenues	38.8	35.3	74.6
Net surplus/(loss) after tax	12.4	(19.0)	(44.5)

RetireAustralia's functional currency is Australian Dollars (A$) and the summary financial information shown is presented in this currency.

5.3 Longroad Energy

On 5 October 2016 Infratil announced an initial (45%) investment in Longroad Energy Holdings, LLC ('Longroad), a recently formed renewable energy development and operating vehicle headquartered in Boston, Massachusetts. Longroad's focus is primarily in the development of utility-scale wind and solar generation throughout North America. The other establishment partners were the New Zealand Superannuation Fund (current shareholding is 40%) and the Longroad management team (current shareholding is 20%). Infratil's current shareholding is 40% (30 September 2018: 40%, 31 March 2019: 40%).

Movement in the carrying amount of the Group's investment in Longroad Energy:	6 months ended 30 September 2019 $Millions Unaudited	6 months ended 30 September 2018 $Millions Unaudited	Year ended 31 March 2019 $Millions Audited
Carrying value at 1 April	10.8	10.1	10.1
Capital contributions	5.9	3.7	19.8
Shareholder loan	-	0.4	0.4
Mezzanine debt drawdowns	-	67.0	67.0
Total capital contributions during the year	5.9	71.1	87.2
Interest on shareholder loan (including accruals)	-	-	-
Interest on mezzanine debt (including accruals)	-	3.0	4.6
Share of associate's surplus/(loss) before income tax	17.8	48.2	41.8
Share of associate's income tax (expense)	-	-	-
Total share of associate's earnings during the year	17.8	51.2	46.4
Share of associate's other comprehensive income	(9.7)	(12.3)	(12.0)
less: distributions received	(17.7)	(32.0)	(32.7)
less: capital returned	(3.6)	(13.4)	(16.5)
less: shareholder loan repayments including interest	-	(1.6)	(1.6)
less: mezzanine debt repayments including interest	-	-	(71.6)
Foreign exchange movements recognised in other comprehensive income	-	5.5	1.5
Carrying value of investment in associate	3.5	78.6	10.8

Summary financial information	31 December 2018 US$Millions Audited	31 December 2017 US$Millions Audited
Summary information for Longroad Energy is not adjusted for the percentage ownership held by the Group:		
Current assets	282.2	91.4
Non-current assets	572.7	549.0
Total assets	854.9	640.4
Current liabilities	290.1	35.0
Non-current liabilities	533.8	531.7
Total liabilities	823.9	566.7
Revenues	93.4	18.1
Net surplus/(loss) after tax	59.5	(22.6)
Total comprehensive income	58.4	(22.6)

The summary information provided is taken from the most recent audited annual financial statements of Longroad, LLC which have a balance date of 31 December and are reported as at that date. Longroad's functional currency is United States Dollars (US$) and the summary financial information shown is presented in this currency.

Letter of credit facility

Longroad has obtained an uncommitted secured letter of credit facility of up to US$150 million from HSBC Bank. Letters of credit under the facility have been issued to beneficiaries to support the development and continued operations of Longroad. Infratil has provided shareholder backing of the Longroad Letter of Credit facility, specifically, Infratil (and the New Zealand Superannuation Fund) have collectively agreed to meet up to US$150 million of capital calls (i.e. subscribe for additional units) equal to Longroad's reimbursement obligation to the extent that a Letter of Credit is called and Longroad cannot fund the call, taking into account immediately available working capital. As at 30 September 2019, US$104.4 million (30 September 2018: US$47.6 million 31 March 2019: US$115.3 million) in Letters of Credit have been issued under the Longroad Letter of Credit facility.

5.4 Vodafone New Zealand

On 31 July 2019, the Group acquired a 49.9% shareholding of Vodafone New Zealand Limited ('Vodafone'), in conjunction with consortium partner Brookfield Asset Management Inc. which also acquired a 49.9% ownership interest. The remaining shares were reserved for management of Vodafone. Vodafone is a full service telecommunications company in New Zealand and the acquisition increases Infratil's exposure to long-term data and connectivity growth. Infratil's current shareholding is 49.9% (30 September 2018: N/A, 31 March 2019: N/A).

Movement in the carrying amount of the Group's investment in Vodafone:	6 months ended 30 September 2019 $Millions Unaudited	6 months ended 30 September 2018 $Millions Unaudited	Year ended 31 March 2019 $Millions Audited
Carrying value at 1 April	-	-	-
Acquisition of shares	690.3	-	-
Shareholder loan	339.3	-	-
Total capital contributions during the period	1,029.6	-	-
Interest on shareholder loan (including accruals)	2.5	-	-
Share of associate's surplus/(loss) before income tax	(4.1)	-	-
Share of associate's income tax (expense)	(1.6)	-	-
Total share of associate's earnings during the period	(3.2)	-	-
Share of associate's other comprehensive income	-	-	-
less: distributions received	-	-	-
less: shareholder loan repayments including interest	-	-	-
Carrying value of investment in associate	1,026.4	-	-

6 Other investments

	30 September 2019 $Millions Unaudited	30 September 2018 $Millions Unaudited	31 March 2019 $Millions Audited
Australian Social Infrastructure Partners	46.1	40.8	45.4
Clearvision Ventures	28.3	18.1	26.8
Other	8.7	8.8	9.0
Other investments	**83.1**	**67.7**	**81.2**

Australian Social Infrastructure Partners

Australian Social Infrastructure Partners ('ASIP') has currently invested in 9.95% and 49.0% respectively of the equity in the New Royal Adelaide Hospital PPP and the South East Queensland Schools PPP. As at 30 September 2019 Infratil has made total contributions of A$30.5 million (30 September 2018: A$30.5 million; 31 March 2019: A$30.5 million).

Clearvision Ventures

In February 2016 Infratil made a commitment of US$25 million to the California based Envision Ventures Fund 2. The strategic objective is to help Infratil's businesses identify and engage with technology changes that will impact their activities. As at 30 September 2019 Infratil has made total contributions of US$19.8 million (30 September 2018: US$13.0 million, 31 March 2019: US$19.5 million), with the remaining US$5.2 million commitment uncalled at that date. During the prior period Envision Ventures Fund 2 LP was renamed Clearvision Ventures Ecosystem Fund LP.

7 Discontinued operations

Summary of results of discontinued operations	Note	6 months ended 30 September 2019 $Millions Unaudited	6 months ended 30 September 2018 $Millions Unaudited	Year ended 31 March 2019 $Millions Audited
ANU Student Accommodation	7.1	66.6	5.5	12.7
NZ Bus	7.2	(32.6)	(1.5)	(30.8)
Perth Energy	7.3	(23.1)	12.2	14.2
Snapper		(2.6)	(2.5)	(8.1)
Net surplus from discontinued operations after tax		**8.3**	**13.7**	**(12.0)**

7.1 ANU Student Accommodation

On 21 May 2019 Infratil announced that the sale of its 50% interest in the Australian National University's PBSA concession to funds controlled by AMP Capital had completed. Infratil received cash proceeds of A$162.1 million, as well as shareholder loan interest and distributions of A$4.8 million in the period from 31 March 2019 to completion. The investment was classified as held for sale at 31 March 2019 and is reported in the financial statements as a discontinued operation. Financial information relating to the discontinued operation for the period to the date of disposal is set out below.

	6 months ended 30 September 2019 $Millions Unaudited	6 months ended 30 September 2018 $Millions Unaudited	Year ended 31 March 2019 $Millions Audited
Carrying value at 1 April	108.2	96.1	96.1
Acquisition of shares	-	4.1	4.1
Shareholder loan	-	5.0	5.0
Total capital contributions during the period	-	9.1	9.1
Interest on shareholder loan (including accruals)	0.5	1.8	3.8
Share of associate's surplus/(loss) before income tax	-	3.7	8.9
Share of associate's income tax (expense)	-	-	-
Total share of associate's earnings in the period	0.5	5.5	12.7
less: Distributions received	(3.5)	(4.6)	(5.2)
less: Shareholder loan repayments including interest	(57.6)	(1.0)	(1.7)
less: Capital returned	(49.4)	-	-
Foreign exchange movements recognised in other comprehensive income	1.8	2.2	(2.8)
Carrying value of investment in associate	-	107.3	108.2
The net gain on the sale is calculated as follows:			
Gross sale proceeds	172.2	-	-
Carrying amount of assets and liabilities as at the date of sale	104.1	-	-
Gain on sale before cost of disposal	68.1	-	-
Cost of disposal	(2.0)	-	-
Net gain on sale	66.1	-	-
Net surplus from discontinued operation after tax	66.6	5.5	12.7
Basic and diluted earnings per share (cents per share)	11.2	1.0	2.3
The profit from the discontinued operation is attributable entirely to the owners of the Company.			
Cash flows from/(used in) discontinued operation			
Net cash from operating activities	4.0	5.6	6.9
Net cash from/(used) in investing activities	169.7	(9.1)	(9.1)
Net cash used in financing activities	-	-	-
Net cash flows for the period	173.7	(3.5)	(2.2)

There was no cumulative income recognised in other comprehensive income relating to ANU Student Accommodation at 30 September 2019 (30 September 2018: $2.2 million, 31 March 2019: -$2.4 million).

7.2 NZ Bus

On 2 September 2019 Infratil announced that the sale of its NZ Bus business to funds controlled by Next Capital had been completed. The final consideration after post-completion adjustments for working capital, capital expenditure, and an earnout mechanism is estimated to be between $125–$145 million. Upfront cash proceeds of approximately $93 million have been received. The balance (after the post-completion adjustments and earnout) will be paid in cash and a vendor loan of up to $20 million (based on the expected proceeds), repayable within 5.5 years of completion. The investment was classified as held for sale at 31 March 2019 and is reported in the financial statements as a discontinued operation. Financial information relating to the discontinued operation for the period to the date of disposal is set out below. Gross sale proceeds are based on Management's best estimate of the post-completion adjustments at 30 September 2019.

	6 months ended 30 September 2019 $Millions Unaudited	6 months ended 30 September 2018 $Millions Unaudited	Year ended 31 March 2019 $Millions Audited
Results of discontinued operation			
Revenue	76.1	99.2	184.2
Operating expenses	70.2	86.0	166.8
Results from operating activities	5.9	13.2	17.4
Depreciation & amortisation of intangibles	(7.1)	(12.8)	(21.1)
Net realisations, revaluations, (impairments)	0.2	(1.7)	(29.2)
Net financing expense	-	(0.1)	(0.2)
Net surplus/(loss) before tax	(1.0)	(1.4)	(33.1)
Taxation (expense)/credit	0.6	(0.1)	2.3
Net surplus/(loss) after tax	(0.4)	(1.5)	(30.8)
The net loss on the sale is calculated as follows:			
Gross sale proceeds	134.7	-	-
Carrying amount of assets and liabilities as at the date of sale	166.9	-	-
Loss on sale before cost of disposal	(32.2)	-	-
Cost of disposal	-	-	-
Net loss on sale	(32.2)	-	-
Net loss from discontinued operation after tax	(32.6)	(1.5)	(30.8)
Basic and diluted earnings per share (cents per share)	(5.5)	(0.3)	(5.5)
The loss from the discontinued operation is attributable entirely to the owners of the Company.			
Cash flows from/(used in) discontinued operation			
Net cash from operating activities	(0.1)	(3.0)	2.6
Net cash from/(used) in investing activities	92.9	1.5	2.8
Net cash used in financing activities	-	-	-
Net cash flows for the period	92.9	(1.5)	5.4

There was no cumulative income recognised in other comprehensive income relating to NZ Bus at 30 September 2019 (30 September 2019: nil, 31 March 2019: nil).

7.3 Perth Energy

On 2 September 2019 Infratil announced that the sale of Perth Energy to AGL Energy Limited had been completed. Infratil received cash proceeds of A$53.3 million for its 80% shareholding, with final proceeds to be adjusted for normal working capital and net debt adjustments. The investment was classified as held for sale at 31 March 2019 and is reported in the financial statements as a discontinued operation. Financial information relating to the discontinued operation for the period to the date of disposal is set out below.

	6 months ended 30 September 2019 $Millions Unaudited	6 months ended 30 September 2018 $Millions Unaudited	Year ended 31 March 2019 $Millions Audited
Results of discontinued operation			
Revenue	114.2	138.8	269.9
Operating expenses	102.1	113.5	234.0
Results from operating activities	12.1	25.3	35.9
Depreciation & amortisation of intangibles	(2.6)	(3.0)	(6.0)
Net realisations, revaluations, (impairments)	-	-	-
Net financing expense	(1.1)	(1.1)	(2.1)
Net surplus/(loss) before tax	8.4	21.2	27.8
Taxation (expense)/credit	(4.9)	(9.0)	(13.6)
Net surplus/(loss) after tax	3.5	12.2	14.2
The net loss on the sale is calculated as follows:			
Gross sale proceeds	63.7	-	-
Carrying amount of assets and liabilities as at the date of sale	89.6	-	-
Loss on sale before cost of disposal	(25.9)	-	-
Cost of disposal	(0.7)	-	-
Net loss on sale	(26.6)	-	-
Net surplus/(loss) from discontinued operation after tax	(23.1)	12.2	14.2
Basic and diluted earnings per share (cents per share)	(3.9)	2.2	2.5
The profit/(loss) from the discontinued operation is attributable entirely to the owners of the Company.			
Cash flows from/(used in) discontinued operation			
Net cash from/(used) operating activities	3.5	4.9	11.9
Net cash from/(used) in investing activities	63.5	(0.2)	(0.4)
Net cash (used) in financing activities	(2.3)	(1.6)	(4.5)
Net cash flows for the period	64.8	3.1	7.0

There was no cumulative income recognised in other comprehensive income relating to Perth Energy at 30 September 2019 (30 September 2018: $1.2 million, 31 March 2019: $5.1 million).

8 Revenue

	6 months ended 30 September 2019 $Millions Unaudited	6 months ended 30 September 2018 $Millions Unaudited	Year ended 31 March 2019 $Millions Audited
Operating revenue – contracted	675.6	661.5	1,318.9
Operating revenue – outside the scope of NZ IFRS 15	25.7	2.3	14.3
Total operating revenue	**701.3**	**663.8**	**1,333.2**
Operating revenue – contracted			
Electricity*	524.4	527.0	1,037.9
Gas	17.5	17.8	29.2
Telecommunications	46.8	43.3	87.7
Aircraft movement and terminal charges	40.3	40.6	81.5
Transport, hotel and other trading activities	19.2	14.3	30.5
Other	27.4	18.5	52.2
Total operating revenue – contracted	**675.6**	**661.5**	**1,318.9**

* Electricity comprises revenue from Trustpower and Tilt Renewables

9 Other operating expenses

	Note	6 months ended 30 September 2019 $Millions Unaudited	6 months ended 30 September 2018 $Millions Unaudited	Year ended 31 March 2019 $Millions Audited
Trading operations				
Energy and wholesale costs		123.2	87.3	234.6
Line, distribution and network costs		151.6	154.9	284.5
Generation production & development costs		26.0	19.3	46.5
Other energy business costs		59.1	66.4	123.1
Telecommunications cost of sales		32.8	24.8	54.4
Transportation business costs		-	-	-
Airport business costs		14.2	12.0	24.0
Bad debts written off		1.4	1.0	2.0
Increase in provision for doubtful debts		-	-	-
Directors' fees		1.7	1.2	3.2
Administration and other corporate costs		7.6	1.0	7.1
Management fee (to related party Morrison & Co Infrastructure Management)	16	17.4	11.4	24.1
International Portfolio incentive fee	16	12.8	29.4	102.6
Donations		0.2	0.7	0.9
Total other operating expenses		**448.0**	**409.5**	**907.0**

10 Taxation

	6 months ended 30 September 2019 $Millions Unaudited	6 monthded ended 30 September 2018 $Millions Unaudited	Year ended 31 March 2019 $Millions Audited
Net surplus before taxation from continuing operations	125.9	138.6	136.4
Taxation on the surplus for the period @ 28%	35.3	38.8	38.2
Plus/(less) taxation adjustments:			
Effect of tax rates in foreign jurisdictions	(0.6)	0.3	(0.1)
Net benefit of imputation credits	–	–	–
Timing differences not recognised	–	–	(1.0)
Tax losses not recognised/(utilised)	(3.2)	0.4	30.1
Effect of equity accounted earnings of associates	(20.5)	(18.4)	0.6
Recognition of previously unrecognised deferred tax	9.0	–	(1.2)
(Over)/Under provision in prior periods	7.5	2.1	0.9
Net investment realisations	(0.1)	–	(0.4)
Other permanent differences	18.7	23.0	4.9
Taxation expense	**46.1**	**46.2**	**72.0**
Current taxation	36.8	41.8	52.4
Deferred taxation	9.3	4.4	19.6
Tax on discontinued operations	4.3	9.1	11.4

11 Loans and borrowings

This note provides information about the contractual terms of the Group's interest bearing loans and borrowings.

	30 September 2019 $Millions Unaudited	30 September 2018 $Millions Unaudited	31 March 2019 $Millions Audited
Current liabilities			
Unsecured bank loans	225.0	78.0	97.7
Secured bank facilities	210.3	47.4	201.9
less: Loan establishment costs capitalised and amortised over term	(5.1)	(0.9)	(4.3)
	430.2	124.5	295.3
Non-current liabilities			
Unsecured bank loans	338.8	178.0	200.2
Secured bank facilities	504.3	668.0	505.3
less: Loan establishment costs capitalised and amortised over term	(11.5)	(1.2)	(8.7)
	831.6	844.8	696.8
Facilities utilised at reporting date			
Unsecured bank loans	563.8	256.0	298.0
Unsecured guarantees	-	-	-
Secured bank loans	714.6	715.4	707.0
Secured guarantees	187.4	113.5	129.5
Facilities not utilised at reporting date			
Unsecured bank loans	679.3	599.0	391.0
Unsecured guarantees	-	-	-
Secured bank loans	348.2	20.2	380.8
Secured guarantees	74.3	6.0	85.7
Interest bearing loans and borrowings – *current*	430.2	124.5	295.3
Interest bearing loans and borrowings – *non-current*	831.6	844.8	696.8
Total interest bearing loans and borrowings	**1,261.8**	**969.3**	**992.1**

Financing arrangements

Infratil Finance Limited, a wholly owned subsidiary of the Company, has entered into bank facilities with a negative pledge arrangement, which, with limited exceptions does not permit the Infratil Guaranteeing Group ('IGG') to grant any security over its assets. The IGG comprises entities subject to a cross guarantee and comprises Infratil Limited, Infratil Finance Limited and certain other wholly owned subsidiaries. The IGG does not incorporate the underlying assets of the Company's non-wholly owned subsidiaries and investments in associates. The IGG facilities also include restrictions over the sale or disposal of certain assets without bank agreement. Liability under the cross guarantee is limited to the amount of debt drawn under the IGG facilities, plus any unpaid interest and costs of recovery. At 30 September drawn debt and accrued interest under the IGG facilities was $327.7 million (30 September 2018: nil, 31 March 2019: $70.2 million).

Infratil Energy New Zealand Limited ('IENZ'), a wholly owned subsidiary of the Company, is not a member of the IGG and has granted a security interest over its assets as part of its bank facility arrangements. IENZ has total facilities of $125.0 million, of which $10.0 million was drawn as at 30 September 2019 (30 September 2018: nil, 31 March 2019: nil).

The Group's non-wholly owned subsidiaries also enter into bank facility arrangements. Amounts outstanding under these facilities are included within loans and borrowings in the table above. Wellington International Airport and Trustpower facilities are both subject to negative pledge arrangements, which with limited exceptions does not permit those entities to grant security over their respective assets. Tilt Renewables has granted security under a General Security Agreement in relation to its bank facilities. All non-wholly owned subsidiary facilities are subject to restrictions over the sale or disposal of certain assets without bank agreement.

The various bank facilities across the Group require the relevant borrowing group to maintain certain levels of shareholder funds and operate within defined performance and gearing ratios. Throughout the period the Group has complied with all debt covenant requirements as imposed by the respective lenders.

Interest rates are determined by reference to prevailing money market rates at the time of draw-down plus a margin. Interest rates paid during the period ranged from 1.6% to 3.7% (30 September 2018: 2.2% to 4.5%, 31 March 2019: 2.2% to 4.5%).

12 Infrastructure bonds

	30 September 2019 $Millions Unaudited	30 September 2018 $Millions Unaudited	31 March 2019 $Millions Audited
Balance at the beginning of the period	1,127.6	994.4	994.4
Issued during the period	268.3	-	246.2
Exchanged during the period	-	-	(51.1)
Matured during the period	-	-	(60.4)
Purchased by Infratil during the period	-	-	-
Bond issue costs capitalised during the period	(3.4)	-	(3.6)
Bond issue costs amortised during the period	1.1	1.1	2.1
Balance at the end of the period	**1,393.6**	**995.5**	**1,127.6**
Current	149.0	111.4	148.9
Non-current fixed coupon	902.3	652.8	747.2
Non-current variable coupon	110.6	-	-
Non-current perpetual variable coupon	231.7	231.3	231.5
Balance at the end of the period	**1,393.6**	**995.5**	**1,127.6**
Repayment terms and interest rates:			
IFT180 maturing in November 2018, 6.85% p.a. fixed coupon rate	-	111.4	-
IFT200 maturing in November 2019, 6.75% p.a. fixed coupon rate	68.5	68.5	68.5
IFT090 maturing in February 2020, 8.50% p.a. fixed coupon rate	80.5	80.5	80.5
IFT220 maturing in June 2021, 4.90% p.a. fixed coupon rate	93.9	93.9	93.9
IFT190 maturing in June 2022, 6.85% p.a. fixed coupon rate	93.7	93.7	93.7
IFT240 maturing in December 2022, 5.65% p.a. fixed coupon rate	100.0	100.0	100.0
IFT210 maturing in September 2023, 5.25% p.a. fixed coupon rate	122.1	122.1	122.1
IFT230 maturing in June 2024, 5.50% p.a. fixed coupon rate	56.1	56.1	56.1
IFT260 maturing in December 2024, 4.75% p.a. fixed coupon rate	100.0	-	100.0
IFT250 maturing in June 2025, 6.15% p.a. fixed coupon rate	43.4	43.4	43.4
IFT280 maturing in December 2026, 3.35% p.a. fixed coupon rate	156.3	-	-
IFT270 maturing in December 2028, 4.85% p.a. fixed coupon rate	146.2	-	146.2
IFTHC maturing in December 2029, 3.50% p.a. variable coupon rate	112.1	-	-
IFTHA Perpetual Infratil infrastructure bonds	231.9	231.9	231.9
less: Bond issue costs capitalised and amortised over term	(11.1)	(6.0)	(8.7)
Balance at the end of the period	**1,393.6**	**995.5**	**1,127.6**

Throughout the period the Company complied with all debt covenant requirements as imposed by the bond trustee.

Fixed coupon

The fixed coupon bonds the Company has on issue are at a face value of $1.00 per bond. Interest is payable quarterly on the bonds. 25 days prior to the maturity date of the IFT090 series, Infratil can elect to convert all of the bonds in that series to equity by issuing the number of shares calculated by dividing the $1.00 face value by 98% of the market price of an Infratil share. The market price is the average price weighted by volume of all trades of ordinary shares over the 10 business days up to the fifth business day before the maturity date.

IFTHC bonds

The Company has 112,053,000 (30 September 2018: nil, 31 March 2019: nil) IFTHCs on issue at a face value of $1.00 per bond. Interest is payable quarterly on the bonds. For the period to 15 December 2020 the coupon is fixed at 3.50% per annum (September 2018: nil, March 2019: nil). Thereafter the rate will be reset annually at 2.50% per annum over the then one year bank rate for quarterly payments.

Perpetual Infratil infrastructure bonds ('PIIBs')

The Company has 231,916,000 (30 September 2018: 231,916,000, 31 March 2019: 231,916,000) PIIBs on issue at a face value of $1.00 per bond. Interest is payable quarterly on the bonds. For the period to 15 November 2019 the coupon is fixed at 3.55% per annum (September 2018: 3.50%, March 2019: 3.55%). Thereafter the rate will be reset annually at 1.50% per annum over the then one year bank rate for quarterly payments, unless Infratil's gearing ratio exceeds certain thresholds, in which case the margin increases. These infrastructure bonds have no fixed maturity date. No PIIBs (September 2018: nil, March 2019: nil) were repurchased by Infratil Limited during the period.

At 30 September 2019 the Infrastructure bonds (including PIIBs) had a fair value of $1,393.6 million (30 September 2018: $973.9 million, 31 March 2019: $1,104.4 million).

13 Financial instruments

13.1 Fair values

The carrying amount of financial assets and financial liabilities recorded in the financial statements is their fair value, with the exception of bond debt and senior notes held at amortised cost which have a fair value at 30 September 2019 of $2,415.4 million (30 September 2018: $1,762.3 million, 31 March 2019: $1,997.8 million) compared to a carrying value of $2,339.5 million (30 September 2018: $1,746.1 million, 31 March 2019: $1,979.5 million). The fair value of the Group's bank loans are not materially different to the carrying values disclosed in note 11.

13.2 Estimation of fair values

The fair values of financial assets and financial liabilities are determined as follows:

- The fair value of financial assets and liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market prices.
- The fair value of other financial assets and liabilities are calculated using market-quoted rates based on discounted cash flow analysis.
- The fair value of derivative financial instruments are calculated using quoted prices. Where such prices are not available, use is made of discounted cash flow analysis using the applicable yield curve or available forward price data for the duration of the instruments.

Where the fair value of a derivative is calculated as the present value of the estimated future cash flows of the instrument, the two key types of variables used by the valuation techniques are:

- forward price curve (for the relevant underlying interest rates, foreign exchange rates or commodity prices); and
- discount rates.

Valuation input	Source
Interest rate forward price curve	Published market swap rates
Foreign exchange forward prices	Published spot foreign exchange rates
Electricity forward price curve	Market quoted prices where available and management's best estimate based on its view of the long run marginal cost of new generation where no market quoted prices are available
Discount rate for valuing interest rate derivatives	Published market interest rates as applicable to the remaining life of the instrument
Discount rate for valuing forward foreign exchange contracts	Published market rates as applicable to the remaining life of the instrument
Discount rate for valuing electricity price derivatives	Assumed counterparty cost of funds ranging from 3.3% to 3.5% (30 September 2018: 3.3% to 3.5%, 31 March 2019: 3.1% to 4.1%)

The selection of variables requires significant judgement and therefore there is a range of reasonably possible assumptions in respect of these variables that could be used in estimating the fair value of these derivatives. Maximum use is made of observable market data when selecting variables and developing assumptions for the valuation techniques.

13.3 Fair value hierarchy

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (**level 1**)
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (**level 2**)
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (**level 3**).

The following tables present the Group's financial assets and liabilities that are measured at fair value.

30 September 2019	Level 1 $Millions Unaudited	Level 2 $Millions Unaudited	Level 3 $Millions Unaudited	Total $Millions Unaudited
Assets per the statement of financial position				
Derivative financial instruments – energy	-	1.0	146.3	147.3
Derivative financial instruments – cross currency interest rate swaps	-	19.8	-	19.8
Derivative financial instruments – foreign exchange	-	1.0	-	1.0
Derivative financial instruments – interest rate	-	2.5	-	2.5
Total	**-**	**24.3**	**146.3**	**170.6**
Liabilities per the statement of financial position				
Derivative financial instruments – energy	-	3.9	45.9	49.8
Derivative financial instruments – cross currency interest rate swaps	-	-	-	-
Derivative financial instruments – foreign exchange	-	-	-	-
Derivative financial instruments – interest rate	-	131.9	-	131.9
Total	**-**	**135.8**	**45.9**	**181.7**
30 September 2018				
Assets per the statement of financial position				
Derivative financial instruments – energy	-	1.0	122.7	123.7
Derivative financial instruments – cross currency interest rate swaps	-	0.1	-	0.1
Derivative financial instruments – foreign exchange	-	-	-	-
Derivative financial instruments – interest rate	-	1.0	-	1.0
Total	**-**	**2.1**	**122.7**	**124.8**
Liabilities per the statement of financial position				
Derivative financial instruments – energy	-	2.7	19.9	22.6
Derivative financial instruments – cross currency interest rate swaps	-	-	-	-
Derivative financial instruments – foreign exchange	-	-	-	-
Derivative financial instruments – interest rate	0.1	32.7	-	32.8
Total	**0.1**	**35.4**	**19.9**	**55.4**

31 March 2019	Level 1 $Millions Audited	Level 2 $Millions Audited	Level 3 $Millions Audited	Total $Millions Audited
Assets per the statement of financial position				
Derivative financial instruments – energy	–	0.3	170.6	170.9
Derivative financial instruments – cross currency interest rate swaps	–	2.9	–	2.9
Derivative financial instruments – foreign exchange	–	–	–	–
Derivative financial instruments – interest rate	–	0.7	–	0.7
Total	**–**	**3.9**	**170.6**	**174.5**
Liabilities per the statement of financial position				
Derivative financial instruments – energy	–	8.1	27.1	35.2
Derivative financial instruments – cross currency interest rate swaps	–	–	–	–
Derivative financial instruments – foreign exchange	–	–	–	–
Derivative financial instruments – interest rate	–	82.3	–	82.3
Total	**–**	**90.4**	**27.1**	**117.5**

There were no transfers between derivative financial instrument assets or liabilities classified as level 1 or level 2, and level 3 of the fair value hierarchy during the period ended 30 September 2019 (30 September 2018: none, 31 March 2019: none).

13.4 Energy derivatives

The Group meets its energy sales demand by purchasing energy on spot markets, physical deliveries and financial derivative contracts. This exposes the Group to fluctuations in the spot and forward price of energy. The Group has entered into a number of energy hedge contracts to reduce the energy price risk from price fluctuations. These hedge contracts establish the price at which future specified quantities of energy are purchased and settled. Any resulting differential to be paid or received is recognised as a component of energy costs through the term of the contract.

Energy price sensitivity analysis

The following table shows the impact on post-tax profit and equity of an increase/decrease in the relevant forward electricity prices with all other variables held constant:

	6 months ended 30 September 2019 $Millions Unaudited	6 months ended 30 September 2018 $Millions Unaudited	Year ended 31 March 2019 $Millions Audited
Profit and loss			
10% increase in energy forward prices	(1.5)	(0.3)	(2.2)
10% decrease in energy forward prices	1.5	0.3	2.2
Other comprehensive income			
10% increase in energy forward prices	(34.4)	(33.9)	(33.2)
10% decrease in energy forward prices	34.4	33.9	33.2

The Group's energy derivatives are classified within level 3 of the fair value hierarchy because the assumed location factors which are used to adjust the forward price path are unobservable. The following table reconciles the movements in level 3 Energy derivatives.

	6 months ended 30 September 2019 $Millions Unaudited	6 months ended 30 September 2018 $Millions Unaudited	Year ended 31 March 2019 $Millions Audited
Assets per the statement of financial position			
Opening balance	170.6	107.5	107.5
Foreign exchange movement on opening balance	2.8	2.8	(2.3)
Acquired as part of business combination	-	-	-
Gains and (losses) recognised in profit or loss	(3.9)	(4.4)	11.7
Gains and (losses) recognised in other comprehensive income	(23.2)	16.8	53.7
Closing balance	146.3	122.7	170.6
Total gains or (losses) for the period included in profit or loss for assets held at the end of the reporting period	(11.9)	8.5	53.4
Liabilities per the statement of financial position			
Opening balance	27.1	27.3	27.3
Foreign exchange movement on opening balance	0.7	4.1	(0.2)
Acquired as part of business combination	-	-	-
(Gains) and losses recognised in profit or loss	1.3	(8.0)	(4.1)
(Gains) and losses recognised in other comprehensive income	16.8	(3.6)	4.1
Sold as part of the disposal of a subsidiary	-	-	-
Closing balance	45.9	19.9	27.1
Total gains or (losses) for the period included in profit or loss for liabilities held at the end of the reporting period	12.9	0.6	(3.9)
Settlements during the period	22.8	2.8	24.9

14 Reconciliation of net surplus with cash flow from operating activities

	6 months ended 30 September 2019 $Millions Unaudited	6 months ended 30 September 2018 $Millions Unaudited	Year ended 31 March 2019 $Millions Audited
Net surplus for the period	88.1	106.1	52.4
Items classified as investing activity:			
Loss on investment realisations and impairments	23.4	2.0	36.7
Items not involving cash flows:			
Movement in financial derivatives taken to the profit or loss	16.4	(12.0)	(0.3)
Decrease in deferred tax liability excluding transfers to reserves	13.8	14.5	34.3
Changes in fair value of investment properties	(29.1)	(0.9)	(4.8)
Equity accounted earnings of associate net of distributions received	(78.3)	(32.7)	(67.0)
Depreciation	79.7	91.3	171.7
Movement in provision for bad debts	1.4	1.5	2.2
Amortisation of intangibles	5.3	8.4	16.5
Other	9.0	4.6	5.6
Movements in working capital:			
Change in receivables	(7.8)	(50.8)	(83.4)
Change in inventories	1.3	(1.6)	0.2
Change in trade payables	122.8	44.0	5.7
Change in accruals and other liabilities	(176.3)	(29.2)	129.8
Change in current and deferred taxation	(1.7)	(2.5)	(22.7)
Net cash flow from operating activities	**68.0**	**142.7**	**276.9**

15 Capital commitments

	30 September 2019 $Millions Unaudited	30 September 2018 $Millions Unaudited	31 March 2019 $Millions Audited
Committed but not contracted for	10.1	48.5	37.2
Contracted but not provided for	707.0	139.3	544.1
Capital commitments	**717.1**	**187.8**	**581.3**

Capital commitments associated with the Dundonnell Wind Farm and Waipipi Wind Farm total A$630.8 million as at 31 March 2019. See note 6 for Infratil's commitments to Clearvision Ventures.

16 Related parties

Certain Infratil Directors have relevant interests in a number of companies with which Infratil has transactions in the normal course of business. A number of key management personnel are also Directors of Group subsidiary companies and associates.

Morrison & Co Infrastructure Management Limited ('MCIM') is the management company for the Company and receives management fees in accordance with the applicable management agreement. MCIM is owned by H.R.L. Morrison & Co Group Limited Partnership ('MCO'). Mr Bogoievski is a director of Infratil and is a director and Chief Executive Officer of MCO. Entities associated with Mr Bogoievski also have beneficial interests in MCO.

Management and other fees paid by the Group (including associates) to MCIM, MCO or its related parties during the year were:

	Note	6 months ended 30 September 2019 $Millions Unaudited	6 months ended 30 September 2018 $Millions Unaudited	Year ended 31 March 2019 $Millions Audited
Management fees		17.6	11.8	24.9
International Portfolio incentive fee	17	12.8	29.4	102.6
Executive secondment and consulting		0.1	0.1	-
Directors fees		0.9	1.0	2.2
Financial management, accounting, treasury, compliance and administrative services		0.7	0.7	1.4
Capitalised development fee		0.3	-	0.3
Investment banking services		0.5	0.5	1.2
Total management and other fees		**32.9**	**43.5**	**132.6**

The above table includes $0.4 million paid by discontinued operations in the period ended 30 September 2019 (30 September 2018: $0.6 million, 31 March 2019: $1.5 million).

At 30 September 2019 amounts owing to MCIM of $3.7 million (excluding GST) are included in trade creditors (30 September 2018: $2.5 million, 31 March 2019: $3.6 million).

On 8 May 2017 the Company obtained a standing waiver from the former NZSX Listing Rule 9.2.1 (which, under the transition arrangements for the new NZSX Listing Rules, has been grandparented to 30 June 2020 to allow for re-documentation under the new NZSX Listing Rules). The effect of the waiver is to waive the requirement for Infratil to obtain an Ordinary Resolution from shareholders to enter into a Material Transaction with a Related Party to the extent required to allow Infratil to enter into transactions with co-investors that have also engaged an entity related to MCO for investment management or advisory services. The waiver is provided on the conditions specified in paragraph 2 of the waiver decision, which is available on Infratil's website: www.infratil.com/for-investors/announcements. As yet, no transaction has been entered into with reliance on this waiver.

On 31 May 2019 Infratil announced that the sale of its public transport ticketing subsidiary Snapper to Allectus Capital Limited ('Allectus') for nominal consideration. Allectus is owned by ICM Limited ('ICM'). Infratil notes that Duncan Saville, a director of MCO, is the Chairman and founder of ICM. Infratil confirms that the sale of Snapper was considered and approved by the Independent Directors of Infratil, who are satisfied that the transaction was negotiated and entered into on an arm's length commercial basis and that the directors associated with MCO have not exercised any undue influence over the Board in its decisions in respect of the transaction.

17 International Portfolio incentive fee

International Investments ('International Portfolio Assets') are eligible for International Portfolio incentive fees ('Incentive fees') under the Management Agreement between MCIM and Infratil. The Agreement allows for incentives to be payable for performance in excess of a minimum hurdle of 12% per annum in three separate areas:

- Initial Incentive Fees;
- Annual Incentive Fees; and,
- Realised Incentive Fees.

All investments that are acquired in any one financial year are grouped together for the purposes of the Initial Incentive Fee, and an Initial Incentive Fee is payable at 20% of the outperformance of these assets against a benchmark of 12% p.a. after tax, compounding. Thereafter International Portfolio Assets are grouped together, and an Annual Incentive Fee is payable at 20% of the outperformance of those assets against the higher of, a benchmark of 12% p.a. after tax, relative to the most recent 31 March valuation, or cost. Realised Incentive Fees are payable on the realised gains from the sale or other realisation of an International Portfolio Asset at 20% of the outperformance (since the last valuation date) against the higher of, a benchmark of 12% p.a. after tax, relative to the most recent 31 March valuation, or cost.

The investments in Australian Social Infrastructure Partners, CDC Data Centres, Longroad Energy, RetireAustralia and Tilt Renewables are currently eligible for the International Portfolio Annual Incentive fee assessment as at 31 March 2020. There are no other International Portfolio Assets.

As at 30 September, it is probable that Infratil will have an International Portfolio Annual Incentive fee (for the year to 31 March 2020) due to MCO based on the performance of the above portfolio of assets, and as a result an amount of $12.7 million has been accrued as at 30 September. Incentive fee calculations as at 31 March are based on independent valuations as at that date.

18 Contingent liabilities and legal matters

Snowtown Wind Farm Stage 2 Pty Ltd, a wholly-owned subsidiary of Tilt Renewables, has been served with court proceedings on behalf of the Australian Energy Regulator ('AER') in relation to their investigations into the system black event which occurred in South Australia on 28 September 2016. The company will continue to engage with the AER in an endeavour to resolve this matter.

There were no other contingent liabilities as at 30 September 2019.

19 Events after balance date

Infratil Infrastructure Bond Offer

On 22 October 2019, Infratil announced the offer of a new series of unsecured unsubordinated Infrastructure Bonds, with a fixed coupon of 3.35% and a maturity date of 15 March 2026. Infratil has also extended the closing date for its offer of IFTHC bonds (due 15 December 2029) to 13 November 2019.

Snowtown 2 Wind Farm Refinancing

On 24 October 2019 Tilt Renewables reached financial close on a standalone A$616 million Project Financing Facility for the Snowtown 2 Wind Farm. The proceeds of these funds were used to repay a facility which was due to expire at the end of October 2019 along with other Tilt Renewables facilities. Proceeds of the refinancing have been retained by the business and are intended to be used as the equity contribution for other near team development opportunities.

Dividend

On 12 November 2019, the Directors approved a partially imputed interim dividend of 6.25 cents per share to holders of fully paid ordinary shares to be paid on 13 December 2019.

Independent Review Report

To the shareholders of Infratil Limited

Report on the condensed consolidated half year financial statements

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated half year financial statements on pages 2 to 34 do not:

i. present fairly in all material respects the group's financial position as at 30 September 2019 and its financial performance and cash flows for the 6 month period ended on that date; and

ii. comply with NZ IAS 34 Interim Financial Reporting.

We have completed a review of the accompanying condensed consolidated half year financial statements which comprise:

- the consolidated statement of financial position as at 30 September 2019;
- the consolidated statements of comprehensive income, changes in equity and cash flows for the 6 month period then ended; and
- notes, including a summary of significant accounting policies and other explanatory information.

Basis for conclusion

A review of condensed consolidated half year financial statements in accordance with NZ SRE 2410 *Review of Financial Statements Performed by the Independent Auditor of the Entity* ("NZ SRE 2410") is a limited assurance engagement. The auditor performs procedures, consisting of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures.

As the auditor of Infratil Limited, NZ SRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial statements.

Our firm has also provided other services to the group in relation to taxation services, audit of regulatory disclosures and other assurance engagements. Subject to certain restrictions, partners and employees of our firm may also deal with the group on normal terms within the ordinary course of trading activities of the business of the group. These matters have not impaired our independence as reviewer of the group. The firm has no other relationship with, or interest in, the group.

Use of this Independent Review Report

This report is made solely to the shareholders as a body. Our review work has been undertaken so that we might state to the shareholders those matters we are required to state to them in the Independent Review Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the shareholders as a body for our review work, this report, or any of the opinions we have formed.

Responsibilities of the Directors for the condensed consolidated half year financial statements

The Directors, on behalf of the group, are responsible for:

- the preparation and fair presentation of the condensed consolidated half year financial statements in accordance with NZ IAS 34 Interim Financial Reporting;
- implementing necessary internal control to enable the preparation of condensed consolidated half year financial statements that are fairly presented and free from material misstatement, whether due to fraud or error; and
- assessing the ability to continue as a going concern. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the review of the condensed consolidated half year financial statements

Our responsibility is to express a conclusion on the condensed consolidated half year financial statements based on our review. We conducted our review in accordance with NZ SRE 2410. NZ SRE 2410 requires us to conclude whether anything has come to our attention that causes us to believe that the condensed consolidated half year financial statements are not prepared, in all material respects, in accordance with NZ IAS 34 Interim Financial Reporting.

The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing (New Zealand). Accordingly we do not express an audit opinion on these condensed consolidated half year financial statements.

This description forms part of our Independent auditor's Report.

KPMG

KPMG
Wellington

12 November 2019

Directory

Directors

M Tume (Chairman)

M Bogoievski

A Gerry

P Gough

K Mactaggart

P M Springford

C Savage

Company Secretary

N Lough

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Auditor

KPMG

10 Customhouse Quay

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Calendar

Half year end	30 September 2019
Half year results released	13 November 2019
Interim dividend paid	13 December 2019
Financial year end	31 March 2020

Updates/Information

Infratil produces an Annual Report and Interim Report each year. In addition, Infratil produces occasional reports on the operations of its subsidiaries. These are available at www.infratil.com.

All Infratil's reports and releases are on the website, which also contains profiles of Infratil's businesses and links.

Infratil

Infratil Limited
Statement of Comprehensive Income
For the 6 months ended 30 September 2019

	Notes	6 months ended 30 September 2019 $000 Unaudited	6 months ended 30 September 2018 $000 Unaudited	Year ended 31 March 2019 $000 Audited
Dividends received from subsidiary companies		-	-	186,145
Subvention income		-	-	-
Operating revenue		19,893	14,650	30,265
Total revenue		**19,893**	**14,650**	**216,410**
Directors' fees		524	419	822
Other operating expenses		21,042	14,353	29,578
Total operating expenditure	4	**21,566**	**14,772**	**30,400**
Operating surplus before financing, derivatives, realisations and impairments		(1,673)	(122)	186,010
Net gain/(loss) on foreign exchange and derivatives		1,441	2,461	4,421
Net realisations, revaluations and (impairments)		-	-	-
Interest income		59,261	24,593	62,497
Interest expense		(34,081)	(32,315)	(66,721)
Net financing expense		25,180	(7,722)	(4,224)
Net surplus/(loss) before taxation		**24,948**	**(5,383)**	**186,207**
Taxation credit/(expense)	6	2,917	1,568	(5,155)
Net surplus/(loss) for the period		**27,865**	**(3,815)**	**181,052**
Other comprehensive income, after tax				
Fair value movements in relation to the executive share scheme		-	-	573
Total other comprehensive income after tax		**-**	**-**	**573**
Total comprehensive income for the period		**27,865**	**(3,815)**	**181,625**

The accompanying notes form part of these financial statements.

Infratil Limited
Statement of Changes in Equity

For the 6 months ended 30 September 2019	Notes	Capital $000 Unaudited	Other reserves $000 Unaudited	Retained earnings $000 Unaudited	Total $000 Unaudited
Balance as at 1 April 2019		354,552	912	98,891	454,355
Total comprehensive income for the period					
Net surplus for the period		-	-	27,865	27,865
Other comprehensive income after tax					
Fair value movements in relation to the executive share scheme		-	(912)	-	(912)
Conversion of executive redeemable shares		883	-	-	**883**
Total comprehensive income for the period		**883**	**(912)**	**27,865**	**27,836**
Contributions by and distributions to owners					
Dividends to equity holders	3	-	-	(72,536)	**(72,536)**
Shares issued		391,305	-	-	**391,305**
Total contributions by and distributions to owners		391,305	-	(72,536)	**318,769**
		746,740	-	54,220	**800,960**
Balance at 30 September 2019		746,740	-	54,220	**800,960**

For the 6 months ended 30 September 2018	Notes	Capital $000 Unaudited	Other reserves $000 Unaudited	Retained earnings $000 Unaudited	Total $000 Unaudited
Balance as at 1 April 2018		354,552	339	12,916	367,807
Total comprehensive income for the period					
Net surplus for the period		-	-	(3,815)	(3,815)
Total comprehensive income for the period		**-**	**-**	**(3,815)**	**(3,815)**
Contributions by and distributions to owners					
Dividends to equity holders	3	-	-	(60,122)	**(60,122)**
Total contributions by and distributions to owners		-	-	(60,122)	**(60,122)**
Balance at 30 September 2018		354,552	339	(51,021)	**303,870**

For the year ended 31 March 2019	Notes	Capital $000 Audited	Other reserves $000 Audited	Retained earnings $000 Audited	Total $000 Audited
Balance as at 1 April 2018		354,552	339	12,916	367,807
Total comprehensive income for the year					
Net surplus for the year		-	-	181,052	181,052
Other comprehensive income after tax					
Fair value movements in relation to executive share scheme		-	573	-	**573**
Total other comprehensive income		-	573	-	**573**
Total comprehensive income for the year		**-**	**573**	**181,052**	**181,625**
Contributions by and distributions to owners					
Dividends to equity holders	3	-	-	(95,077)	**(95,077)**
Total contributions by and distributions to owners		-	-	(95,077)	**(95,077)**
Balance at 31 March 2019		354,552	912	98,891	**454,355**

The accompanying notes form part of these financial statements.

Infratil Limited
Statement of Financial Position
As at 30 September 2019

	Notes	30 September 2019 $000 Unaudited	30 September 2018 $000 Unaudited	31 March 2019 $000 Audited
Cash and cash equivalents		-	-	-
Prepayments and sundry receivables		2,380	1,916	2,065
Derivative financial instruments	8	-	554	-
Income tax receivable		-	-	-
Advances to subsidiary companies	12	1,762,704	863,640	1,151,916
Current assets		**1,765,084**	**866,110**	**1,153,981**
Deferred tax		18,571	20,584	14,203
Investments	12	585,529	585,529	585,529
Non-current assets		**604,100**	**606,113**	**599,732**
Total assets		**2,369,184**	**1,472,223**	**1,753,713**
Bond interest payable		6,069	5,713	5,507
Accounts payable		4,617	2,671	4,069
Accruals and other liabilities		3,624	185	429
Infrastructure bonds	7	148,961	111,364	148,857
Derivative financial instruments	8	659	-	1,729
Loans from Group companies	12	153,897	153,897	153,897
Total current liabilities		**317,827**	**273,830**	**314,488**
Infrastructure bonds	7	1,012,876	652,771	747,169
Perpetual Infratil Infrastructure bonds	7	231,725	231,343	231,534
Derivative financial instruments	8	5,796	10,410	6,167
Non-current liabilities		**1,250,397**	**894,524**	**984,870**
Attributable to shareholders of the Company		800,960	303,870	454,355
Total equity		**800,960**	**303,870**	**454,355**
Total equity and liabilities		**2,369,184**	**1,472,223**	**1,753,713**

Approved on behalf of the Board on 12 November 2019

Director

Director

The accompanying notes form part of these financial statements.

Infratil Limited
Statement of Cash Flows
For the 6 months ended 30 September 2019

	Notes	6 months ended 30 September 2019 $000 Unaudited	6 months ended 30 September 2018 $000 Unaudited	Year ended 31 March 2019 $000 Audited
Cash flows from operating activities				
Cash was provided from:				
Dividends received from subsidiary companies		-	-	186,145
Subvention receipt		-	-	-
Interest received		59,261	24,593	62,497
Operating revenue receipts		20,974	14,910	29,297
		80,235	39,503	277,939
Cash was dispersed to:				
Interest paid		(33,526)	(32,239)	(64,703)
Payments to suppliers		(20,677)	(16,710)	(31,043)
Taxation paid		(2,066)	(2,801)	(2,750)
		(56,269)	(51,750)	(98,496)
Net cash flows from operating activities	9	**23,966**	**(12,247)**	**179,443**
Cash flows from investing activities				
Cash was provided from:				
Net movement in subsidiary company loan		(611,696)	72,373	-
		(611,696)	72,373	-
Cash was dispersed to:				
Acquisition of shares in subsidiary		-	-	-
Net movement in subsidiary company loan		-	-	(215,330)
		-	-	(215,330)
Net cash flows from investing activities		**(611,696)**	**72,373**	**(215,330)**
Cash flows from financing activities				
Cash was provided from:				
Proceeds from issue of shares		392,217	-	-
Issue of bonds		268,332	-	246,249
		660,549	-	246,249
Cash was dispersed to:				
Repayment of bonds		-	-	(111,418)
Infrastructure bond issue expenses		(283)	(4)	(3,867)
Repurchase of shares		-	-	-
Dividends paid	3	(72,536)	(60,122)	(95,077)
		(72,819)	(60,126)	(210,362)
Net cash flows from financing activities		**587,730**	**(60,126)**	**35,887**
Net cash movement		-	-	-
Cash balances at beginning of period		-	-	-
Cash balances at period end		-	-	-

Note some cash flows above are directed through an intercompany account. The cash flow statement above has been prepared on the assumption that these transactions are equivalent to cash in order to present the total cash flows of the entity.

The accompanying notes form part of these financial statements.

(1) Accounting policies

Reporting entity

Infratil Limited ('the Company') is a company domiciled in New Zealand and registered under the Companies Act 1993. The Company is listed on the NZX Main Board ('NZX') and Australian Securities Exchange ('ASX'), and is an FMC Reporting Entity in terms of Part 7 of the Financial Markets Conduct Act 2013.

Basis of preparation

These unaudited condensed half year financial statements ('half year statements') of Infratil Limited have been prepared in accordance with *NZ IAS 34 Interim Financial Reporting* and comply with *IAS 34 Interim Financial Reporting* . The half year statements have been prepared in accordance with the accounting policies stated in the published financial statements for the year ended 31 March 2019 and should be read in conjunction with the previous annual report. Other than those noted below, no changes have been made from the accounting policies used in the 31 March 2019 annual report which can be obtained from Infratil's registered office or www.infratil.com. The presentation currency used in the preparation of these financial statements is New Zealand dollars, which is also the Company's functional currency. Comparative figures have been restated where appropriate to ensure consistency with the current period.

Changes in accounting policies

The Company has adopted NZ IFRS 16 Leases from 1 April 2019.

(i) NZ IFRS 16 Leases

NZ IFRS 16 Leases replaces NZ IAS 17 Leases and removes the classification of leases as either operating leases or finance leases – for the lessee – effectively treating all leases as finance leases. Lessor accounting remains similar to current practice – i.e. lessors continue to classify leases as finance and operating. The standard is effective for annual reporting periods beginning on or after 1 January 2019. The Company is not party to any material lease contracts and therefore the adoption of this accounting standard has not had a material impact on the financial statements.

(2) Nature of business

The Company is the ultimate parent company of the Infratil Group, owning infrastructure and utility businesses and investments in New Zealand, Australia and the United States. The Company is a limited liability company incorporated and domiciled in New Zealand. The address of its registered office is 5 Market Lane, Wellington, New Zealand.

(3) Infratil shares and dividends

	6 months ended 30 September 2019 Unaudited	6 months ended 30 September 2018 Unaudited	Year ended 31 March 2019 Audited
Total issued capital at the beginning of the period	559,278,166	559,278,166	559,278,166
Movements in issued and fully paid ordinary shares during the period:			
Share buyback (held as treasury stock)	-	-	-
Shares issued	100,257,495	-	-
Total issued capital at the end of the period	659,535,661	559,278,166	559,278,166

All fully paid ordinary shares have equal voting rights and share equally in dividends and equity. At 30 September 2019 the Company held 775,000 shares as Treasury Stock (30 September 2018: 775,000, 31 March 2019: 775,000).

Dividends paid on ordinary shares *Dividends declared and paid by the Company for the period were as follows:*	6 months ended 30 September 2019 Unaudited cps	6 months ended 30 September 2018 Unaudited cps	Year ended 31 March 2019 Audited cps	6 months ended 30 September 2019 Unaudited $000	6 months ended 30 September 2018 Unaudited $000	Year ended 31 March 2019 Audited $000
Final dividend prior year	11.00	10.75	10.75	72,536	60,122	60,122
Interim dividend paid	-	-	6.25	-	-	34,955
	11.00	10.75	17.00	72,536	60,122	95,077

(4) Other operating expenses

		6 months ended 30 September 2019 Unaudited $000	6 months ended 30 September 2018 Unaudited $000	Year ended 31 March 2019 Audited $000
Administration and other corporate costs		3,809	2,956	5,627
Management fee (to related party Morrison & Co Infrastructure Management)	12	17,233	11,397	23,951
Total other operating expenses		21,042	14,353	29,578

(5) Net investment realisations and (impairments)

At 30 September 2019 the Company reviewed the carrying amounts of loans to Infratil Group companies to determine whether there is any indication that those assets have suffered an impairment loss. The recoverable amount of the asset was estimated by reference to the counterparties' net asset position and ability to repay loans out of operating cash flows in order to determine the extent of any impairment loss. As a result the Company did not impair any loans to Infratil Group companies in the period (30 September 2018: nil, 31 March 2019: nil).

(6) Taxation

	6 months ended 30 September 2019 Unaudited $000	6 months ended 30 September 2018 Unaudited $000	Year ended 31 March 2019 Audited $000
(Loss)/surplus before taxation	24,948	(5,383)	186,207
Taxation on the (loss)/surplus for the period @ 28% tax rate	6,986	(1,507)	52,138
Plus/(less) taxation adjustments:			
Exempt dividends	-	-	(52,121)
Tax losses not recognised/(utilised)	-	145	-
Subvention payment	-	-	-
Loss offset to/(from) group company	(6,771)	-	10,140
Timing differences not recognised	-	-	-
(Under)/over provision in prior periods	(3,172)	-	190
Other permanent differences	41	(206)	(5,192)
Taxation expense/(credit)	**(2,917)**	**(1,568)**	**5,155**
Current taxation	(58)	-	2,750
Deferred taxation	(2,859)	(1,568)	2,405
	(2,917)	**(1,568)**	**5,155**

There was no income tax recognised in other comprehensive income during the period (30 September 2018: nil, 31 March 2019: nil)

(7) Infrastructure bonds

	6 months ended 30 September 2019 Unaudited $000	6 months ended 30 September 2018 Unaudited $000	Year ended 31 March 2019 Audited $000
Balance at the beginning of the period	1,127,560	994,448	994,448
Issued during the period	268,332	-	246,249
Exchanged during the period	-	-	(51,050)
Matured during the period	-	-	(60,367)
Bond issue costs capitalised during the period	(3,468)	-	(3,867)
Bond issue costs amortised during the period	1,138	1,029	2,147
Balance at the end of the period	1,393,562	995,477	1,127,560
Current	148,961	111,364	148,857
Non-current fixed coupon	902,259	652,771	747,169
Non-current variable coupon	110,617	-	-
Non-current perpetual variable coupon	231,725	231,343	231,534
Balance at the end of the period	1,393,562	995,477	1,127,560
Repayment terms and interest rates:			
IFT180 maturing in November 2018, 6.85% p.a. fixed coupon rate	-	111,418	-
IFT200 maturing in November 2019, 6.75% p.a. fixed coupon rate	68,500	68,500	68,500
IFT090 maturing in February 2020, 8.50% p.a. fixed coupon rate	80,498	80,498	80,498
IFT220 maturing in June 2021, 4.90% p.a. fixed coupon rate	93,883	93,883	93,883
IFT190 maturing in June 2022, 6.85% p.a. fixed coupon rate	93,696	93,696	93,696
IFT240 maturing in December 2022, 5.65% p.a. fixed coupon rate	100,000	100,000	100,000
IFT210 maturing in September 2023, 5.25% p.a. fixed coupon rate	122,104	122,104	122,104
IFT230 maturing in June 2024, 5.50% p.a. fixed coupon rate	56,117	56,117	56,117
IFT260 maturing in December 2024, 4.75% p.a. fixed coupon rate	43,413	-	100,000
IFT250 maturing in June 2025, 6.15% p.a. fixed coupon rate	100,000	43,413	43,413
IFT280 maturing in December 2026, 3.35% p.a. fixed coupon rate	156,279	-	-
IFT270 maturing in December 2028, 4.85% p.a. fixed coupon rate	146,249	-	146,249
IFTHC maturing in December 2029, 3.50% p.a. variable coupon rate reset annually from December 2020	112,053	-	-
IFTHA Perpetual Infratil infrastructure bonds	231,917	231,917	231,917
less: Bond issue costs capitalised and amortised over term	(11,147)	(6,069)	(8,817)
Balance at the end of the period	1,393,562	995,477	1,127,560

Throughout the period the Company complied with all debt covenant requirements as imposed by the bond Supervisor.

Fixed coupon

The fixed coupon bonds the Company has on issue are at a face value of $1.00 per bond. Interest is payable quarterly on the bonds. 25 days prior to the maturity date of the IFT090 series, Infratil can elect to convert all of the bonds in that series to equity by issuing the number of shares calculated by dividing the $1.00 face value by 98% of the market price of an Infratil share. The market price is the average price weighted by volume of all trades of ordinary shares over the 10 business days up to the fifth business day before the maturity date.

IFTHC bonds

The Company has 112,053,000 (30 September 2018: nil, 31 March 2019: nil) IFTHCs on issue at a face value of $1.00 per bond. Interest is payable quarterly on the bonds. For the period to 15 December 2020 the coupon is fixed at 3.50% per annum (September 2018: nil, March 2019: nil). Thereafter the rate will be reset annually at 2.5% per annum over the then one year bank rate for quarterly payments, unless Infratil's gearing ratio exceeds certain thresholds, in which case the margin increases. These infrastructure bonds mature on 15 December 2029.

Perpetual Infratil infrastructure bonds ('PIIBs')

The Company has 231,916,000 (30 September 2018: 231,916,000, 31 March 2019: 231,916,000) PIIBs on issue at a face value of $1.00 per bond. Interest is payable quarterly on the bonds. For the period to 15 November 2019 the coupon is fixed at 3.55% per annum (September 2018: 3.50%, March 2019: 3.55%). Thereafter the rate will be reset annually at 1.5% per annum over the then one year bank rate for quarterly payments, unless Infratil's gearing ratio exceeds certain thresholds, in which case the margin increases. These infrastructure bonds have no fixed maturity date. No PIIBs (September 2018: nil, March 2019: nil) were repurchased by Infratil Limited during the period.

At 30 September 2019 the infrastructure bonds (including PIIBs) had a fair value of $1,393.6 million (30 September 2018: $973.9 million, 31 March 2019: $1,104.4 million).

(8) Financial instruments

Interest rates

Interest rate risk is the risk of interest rate volatility negatively affecting the Company's interest expense cash flow and earnings. The Company mitigates this risk by issuing borrowings at fixed interest rates or entering into Interest Rate Swaps to convert floating rate exposures to fixed rate exposure. Borrowings issued at fixed rates expose the Company to fair value interest rate risk which is managed by the interest rate profile and hedging.

Fair value hierarchy

The analyses of financial instruments carried at fair value, by valuation method is below. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (**level 1**)
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (**level 2**)
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (**level 3**).

The Company has interest rate swap derivatives that are classified as Level 2 and have a fair value liability of $6.5 million at 30 September 2019 (30 September 2018: $9.9 million, 31 March 2019: $7.9 million).

(9) Reconciliation of net surplus with cash flow from operating activities

	6 months ended 30 September 2019 Unaudited $000	6 months ended 30 September 2018 Unaudited $000	Year ended 31 March 2019 Audited $000
Net surplus/(loss)	27,865	(3,815)	181,052
Add items not involving cash flows			
Movement in financial derivatives taken to the profit or loss	(1,441)	(2,468)	(4,427)
Amortisation of deferred bond issue costs	1,138	1,036	2,147
Movements in working capital			
Change in receivables	(315)	(819)	(968)
Change in trade payables	549	(209)	1,190
Change in accruals and other liabilities	538	(1,995)	(1,956)
Change in taxation and deferred tax	(4,368)	(3,976)	2,405
Net cash inflow/(outflow) from operating activities	**23,966**	**(12,247)**	**179,443**

(10) Commitments

There are no outstanding commitments (30 September 2018: nil, 31 March 2019: nil).

(11) Contingent liabilities

Infratil Finance Limited, a wholly owned subsidiary of the Company, has entered into bank facilities with a negative pledge arrangement, which, with limited exceptions does not permit the Infratil Guaranteeing Group ('IGG') to grant any security over its assets. The IGG comprises entities subject to a cross guarantee and includes Infratil Limited, Infratil Finance Limited and certain other wholly owned subsidiaries. The IGG does not incorporate the underlying assets of the Company's non-wholly owned subsidiaries and investments in associates. The IGG facilities also include restrictions over the sale or disposal of certain assets without bank agreement. The Company's liability under the cross guarantee is limited to the amount of debt drawn under the IGG facilities, plus any unpaid interest and costs of recovery. At 30 September drawn debt and accrued interest under the IGG facilities was $327.7 million (30 September 2018: nil, 31 March 2019: $70.2 million).

The Company has agreed to guarantee certain obligations of Infratil Trustee Limited, a related party, that is the Trustee to the Infratil Staff Share Scheme. The amount of the guarantee is limited to the loans provided to the employees.

(12) Related parties

Certain Infratil Directors have relevant interests in a number of companies with which Infratil has transactions in the normal course of business. A number of key management personnel are also Directors of Group subsidiary companies and associates.

Morrison & Co Infrastructure Management Limited ('MCIM') is the management company for the Company and receives management fees in accordance with the applicable management agreement. MCIM is owned by H.R.L. Morrison & Co Group Limited Partnership ('MCO'). Mr Bogoievski is a director of Infratil and is a director and Chief Executive Officer of MCO. Entities associated with Mr Bogoievski also have beneficial interests in MCO.

MCIM is owned by H.R.L. Morrison & Co Group Limited Partnership ('MCO'). Mr Bogoievski is a director of Infratil and is also a director and Chief Executive Officer of MCO. Entities associated with Mr Bogoievski also have beneficial interests in MCO.

The Company has the following significant loans and investments to/(from)/in its subsidiaries:

	Interest income			Intercompany (loan)/advance/investment at carrying value		
Related party	6 months ended 30 September 2019 Unaudited $000	6 months ended 30 September 2018 Unaudited $000	Year ended 31 March 2019 Audited $000	30 September 2019 Unaudited $000	30 September 2018 Unaudited $000	31 March 2019 Audited $000
Advances						
Infratil Finance	59,257	24,589	62,489	1,762,705	863,307	1,151,010
Aotea Energy Holdings Limited	-	-	-	(153,897)	(153,897)	(153,897)
Investments in						
Infratil Investments Limited				87,665	87,665	87,665
Infratil 1998 Limited				12,000	12,000	12,000
Infratil Finance Limited				153,897	153,897	153,897
Infratil No. 1 Limited				78,023	78,023	78,023
Infratil PPP Limited				5,942	5,942	5,942
Infratil No. 5 Limited				248,001	248,001	248,001

(13) Events after balance date

Infratil Infrastructure Bond Offer

On 22 October 2019, Infratil announced the offer of a new series of unsecured unsubordinated Infrastructure Bonds, with a fixed coupon of 3.35% and a maturity date of 15 March 2026. Infratil has also extended the closing date for its offer of IFTHC bonds (due 15 December 2029) to 13 November 2019. In both instances Infratil may elect to close the offer earlier.

Dividend

On 12 November 2019, the Directors approved a partially imputed interim dividend of 6.25 cents per share to holders of fully paid ordinary shares to be paid on 13 December 2019.

Directory

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

Company Secretary
Nick Lough

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Manager
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Share Registrar - Australia
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Level 12
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Sydney
NSW 2000
Telephone: +61 2 8280 7100
E-mail: registrars@linkmarketservices.com.au
Internet address: www.linkmarketservices.com.au

Auditor
KPMG
10 Customhouse Quay
PO Box 996
Wellington

Independent Review Report

To the shareholders of Infratil Limited

Report on the condensed half year financial statements

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed half year financial statements on pages 1 to 9 do not:

i. present fairly in all material respects the company's financial position as at 30 September 2019 and its financial performance and cash flows for the 6 month period ended on that date; and

ii. comply with NZ IAS 34 Interim Financial Reporting.

We have completed a review of the accompanying condensed half year financial statements which comprise:

- the statement of financial position as at 30 September 2019;
- the statements of comprehensive income, changes in equity and cash flows for the 6 month period then ended; and
- notes, including a summary of significant accounting policies and other explanatory information.

Basis for conclusion

A review of condensed half year financial statements in accordance with NZ SRE 2410 *Review of Financial Statements Performed by the Independent Auditor of the Entity* ("NZ SRE 2410") is a limited assurance engagement. The auditor performs procedures, consisting of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures.

As the auditor of Infratil Limited, NZ SRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial statements.

Other than in our capacity as auditor we have no relationship with, or interests in, the company.

Use of this Independent Review Report

This report is made solely to the shareholders as a body. Our review work has been undertaken so that we might state to the shareholders those matters we are required to state to them in the Independent Review Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the shareholders as a body for our review work, this report, or any of the opinions we have formed.

Responsibilities of the Directors for the condensed half year financial statements

The Directors, on behalf of the company, are responsible for:

- the preparation and fair presentation of the condensed half year financial statements in accordance with NZ IAS 34 Interim Financial Reporting;
- implementing necessary internal control to enable the preparation of condensed half year financial statements that are fairly presented and free from material misstatement, whether due to fraud or error; and
- assessing the ability to continue as a going concern. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the review of the condensed half year financial statements

Our responsibility is to express a conclusion on the condensed half year financial statements based on our review. We conducted our review in accordance with NZ SRE 2410. NZ SRE 2410 requires us to conclude whether anything has come to our attention that causes us to believe that the condensed half year financial statements are not prepared, in all material respects, in accordance with NZ IAS 34 Interim Financial Reporting.

The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing (New Zealand). Accordingly we do not express an audit opinion on these condensed half year financial statements.

This description forms part of our Independent auditor's Report.

KPMG

KPMG
Wellington

12 November 2019

Growing on a strong foundation

Infratil
Interim Report
2019

Infratil invests in infrastructure businesses that provide essential services to communities, and individuals. Shareholders receive good risk-adjusted returns if the businesses deliver high-quality service, are efficient, and risks are well managed.

Infratil's investment approach entails:

- Finding infrastructure opportunities where demand is growing and it is possible to invest with a realistic prospect of fair returns that compensate for risks and endeavour, and with sufficient scale to warrant active management.
- Ensuring funding and investment diversity so that changes in circumstances can be withstood and opportunities taken.
- Building long-term relationships with co-investors that have aligned interests and values.

The infrastructure investment market is competitive and evolving. In particular, ultra-low interest rates are causing institutional investors to shift capital from bonds into "bond-like" investments.

This market dynamic is impacting the returns available on low-risk infrastructure assets and increasing the attractiveness of existing assets and proprietary development opportunities.

For the six months to 30 September 2019

Financial Highlights

Infratil reconfirms its full year EBITDAF[1] guidance range of $655 million to $695 million. This was the range provided in May, later adjusted to incorporate the 31 July 2019 Vodafone NZ acquisition.

A highlight of the period was the $1,029 million acquisition of 49.9% of Vodafone NZ.

Funding for this and other investments was provided by a mixture of debt, a $400 million equity raise and cash asset sale proceeds of $317 million.

Infratil's portfolio of businesses provide resilience and growth-potential and a sound base for good shareholder returns.

In addition to contributions from Vodafone NZ, Infratil anticipates earnings and value growth from the almost $3,000 million of announced investment plans and activities of Tilt Renewables, Longroad Energy, CDC Data Centres and Wellington Airport.

Variable	30 September 2019	Comment
Net parent surplus	$56.4 million	$2.1 million reduction on last year.
Underlying EBITDAF[1] from continuing operations[2]	$289.4 million	$4.8 million uplift.
Operating cash flow	$68.0 million	$74.7 million reduction due to a $107.0 million working capital increase.
Capital expenditure	$1,362.2 million	$1,060.6 million uplift.
Net debt	$1,711.1 million	Net debt comprised 34.5% of Infratil's capital[3].
Declared dividend	6.25 cents cash and 1.50 cents imputation credits	Unchanged from last year.

1. Underlying EBITDAF is an unaudited non-GAAP ('Generally Accepted Accounting Principles') measure. Underlying 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. A definition of Underlying EBITDAF and reconciliation of Underlying EBITDAF to Net profit after tax is provided in the Infratil Interim Results Presentation 2020.
2. Continuing operations excludes NZ Bus, Perth Energy, Snapper and ANU Student Accommodation. All of which have been sold.
3. Infratil parent and 100% subsidiaries.

Report of the Chief Executive

In May Infratil participated in the largest corporate transaction in New Zealand for over a decade when it acquired a 49.9% stake in Vodafone NZ alongside global infrastructure investor Brookfield Asset Management.

The sale by Vodafone's UK parent to focus on opportunities closer to home created a significant opportunity for Infratil and Brookfield to invest in the New Zealand telecommunications sector.

There is no doubt that for Infratil the success of this investment matters and there is also no doubt that to be successful Vodafone NZ must deliver for its customers and NZ-Inc, as well as providing a good workplace for the skilled people it needs.

To deliver for customers, country, employees and owners Vodafone NZ must address both challenges and opportunities. It needs to significantly improve its customer service experience and show leadership in the next generation of mobile network technology. It also needs to cope with a market which is highly competitive where customers expect to get more for less.

We believe that the expertise available to Infratil and Brookfield and within Vodafone NZ will be able to navigate the risks and opportunities. The simple metrics of the acquisition are summarised below:

- $3,400 million was paid to Vodafone Plc for its New Zealand operations. $1,349 million was raised by Vodafone NZ as bank debt. $1,029 million came from Infratil and the same sum was provided by Brookfield.
- Infratil anticipates a mid-teen equity return on its $1,029 million investment. This is based on Vodafone NZ maintaining revenues while delivering on new products, customer service, platform rationalisation, and ongoing cost savings.
- There are downside risks. The business case is reliant on a rational industry structure and behaviour and sensible regulation. And improving Vodafone NZ's operations could take longer than anticipated.
- There is upside potential too. The valuation base-case assumes that Vodafone's investment in the next generation mobile network technology ("5G") is value neutral. That outcome will be better if the additional capacity results in higher revenues or more profitable services.

Vodafone NZ's shareholders and management are committed to improving efficiency, to lifting customer service and to meeting demand growth through network investment. Nothing we have seen since closing the acquisition on 31 July 2019 has changed those goals or materially changed our view on the market potential or our ability to deliver.

While the period under review may have been dominated by the $1,029 million investment into Vodafone NZ, several other transactions were important for Infratil, financially and in the context of our goals and strategies:

- Infratil sold its interests in ANU Student Accommodation, Snapper, Perth Energy, and NZ Bus.
- Longroad Energy announced the commencement of work on two generation facilities in the USA with a combined cost of approximately $1,170 million. Tilt Renewables announced that it will be building a $277 million wind farm in Taranaki. Wellington Airport published its Master Plan intention to invest over $600 million in facilities over the next five years, and CDC laid out plans for the construction and fit out of additional data centre capacity at its three campuses at a total cost of over $600 million.

In addition to releasing capital, the asset sales reflect our desire to simplify Infratil's portfolio and recognise that those activities were unlikely to have opportunities to grow to a material scale. The new investments reflect Infratil's focus on growth infrastructure.

Infratil has been transitioning for an extended period as we sought to allocate capital to growth infrastructure businesses which provide the right balance of strong cash flows, resilience and returns. Now the priority is more about making the best of Infratil's existing businesses than about repositioning capital.

Capital & Funding

Over the six months, the net debt of Infratil and 100% subsidiaries as a percentage of total capital (measured by market value) increased to 34.5% from 33.6%. This is consistent with Infratil maintaining shadow "Investment Grade" credit metrics.

However, a snapshot of the capital structure only conveys that moment in time. Of greater relevance is the support of capital providers, which was illustrated by the provision of $400 million of new equity and $268 million of long-term bond funding. This support is greatly appreciated and reflects a long history of delivering strong returns.

As important as the backing of the debt and equity capital markets was the support Infratil received from its banks. They provided funding while more permanent sources of capital were arranged. The acquisition funding was well led by ANZ Bank.

We received some criticism for not undertaking the whole $400 million equity raising on a pro-rata basis (75 million shares were offered pro-rata to existing shareholders, and 25 million were sold by tender). We believe that the best outcome for shareholders meant taking a balanced approach to both maximising value (i.e. selling the shares at the highest price) and maximising the right to participate. The success of the equity raise is evident and the Infratil shares have performed well since the offer closed.

Earnings, Guidance & Dividends

Infratil's Net Parent Surplus was $56.4 million down from $58.5 million due to an adverse $29.8 million swing in revaluations and realisations.

For the six month period the EBITDAF[1] of Infratil's continuing operations were $289.4 million from $284.6 million last year. Excluding the contribution from Vodafone NZ the main changes were lower contributions from Trustpower and Longroad arising from low hydro generation in New Zealand and the timing and terms of Longroad's development activity and asset sales.

The guidance for FY2020 given back in May (later adjusted to reflect the Vodafone NZ transaction) is reaffirmed.

31 March ($Millions)	FY2020
Underlying EBITDAF[1]	$655m – $695m
Net interest	$165m – $175m
Depreciation & amortisation	$160m – $170m

Over the period the Infratil share price rose from $4.17 to $4.92 and a dividend of 11.0 cents per share ("cps") cash and 2.0 cps imputation credits was paid. In addition, shareholders had the opportunity to buy one share at $4.00 for each 7.46 shares they owned. Shareholders who did not take up this offer received a payment equivalent to 4.69 cps.

All told, a shareholder with 1,000 shares with a market value of $4,170 as at 31 March 2019 who reinvested the after-tax value of the dividend and the rights pay-out, would have had 1,032 shares as at 30 September with a market value of $5,077.

Over the twenty five and a half years since listing, Infratil has returned 18.0% per annum compound after tax for a shareholder who reinvested all dividends and the value of rights.

1. Underlying EBITDAF is an unaudited non-GAAP measure and is defined in the Infratil Interim Results Presentation 2020.

The interim dividend will be 6.25 cps to be paid on 13 December 2019 to shareholders of record as at 29 November 2019. This will carry 1.5 cps of imputation credits. For this dividend, Infratil is re-instituting its Dividend Reinvestment Plan (DRP) in response to requests from shareholders. Details of how to take advantage of this are set out in a separate letter sent to shareholders.

Dividends reflect financial circumstances, prospects and cash earnings. As previously signalled, dividends on a per share basis were expected to be flat for the FY2020 financial year, recognising that the number of shares has increased 18%. As Infratil starts to receive higher cash earnings from its more recent investments, we expect this to feed through to allow Infratil to raise its per share dividend.

People

During the period we welcomed Catherine Savage to Infratil's board and said farewell to Humphry Rolleston after thirteen years. Our CEO team was boosted with Jason Paris at Vodafone NZ and Dr Brett Robinson at RetireAustralia. With the sale of Snapper and NZ Bus we lose Miki Szikszai and Zane Fulljames who we thank for their contributions over the years.

Markets, Regulation, Change

Progress continues in New Zealand towards a comprehensive policy framework to reduce greenhouse gas emissions. Policies to reduce emissions are intrinsically debatable. Some people believe in immediate unilateral action, others prefer a multilateral approach to ensure that all countries do their share and incur similar net costs.

For investors in long-life infrastructure assets long-term price signals are critical. For this, the legislation and associated institutions must be widely supported and based on sound principles. Otherwise, investors will be discouraged by the risk of change.

The score-card of the Zero Carbon Act as it has evolved is positive, but not perfect. Government's response to expert advice to avoid a massive intervention into the electricity sector (already one of the greenest in the world and getting greener) and to give farmers five years to develop their own emission reduction plan shows common sense. But there is still no clarity about how the pricing of emissions in New Zealand will be linked to credible offshore jurisdictions. While everyone should want New Zealand's emissions to be reduced, the global reduction of emissions will happen faster and at much lower cost if capital is attracted to where it can achieve the greatest reduction for the least cost.

If, for instance, reducing emissions in New Zealand were to cost $100 per tonne while the same reduction could be achieved for $5 elsewhere, it's not helping New Zealand or the other country or the planet to misallocate the investment to the higher cost project. It also undermines the credibility of the regime.

It has to be noted that while New Zealand's emerging emission reduction plan isn't perfect, it is far better than the ad hoc approach occurring in many other countries.

In addition to making submissions on New Zealand's emission reduction policies, Infratil also submitted to the Reserve Bank on its plans to raise the level and hence cost of bank capital. Unlike the formation of decarbonisation policies, parliament and its elected representatives are largely absent from decisions affecting the financial sector because the regulatory power has been delegated to the Reserve Bank.

Prospects

> **Infratil's goal is to provide attractive cash and value returns for its shareholders and a safe investment for its bondholders.**

The strategy to deliver on those goals is based on owning a portfolio of businesses where some provide strong resilient cash income and value protection, and others provide growth. We feel that the portfolio is well balanced and reflects our longer-term perspective on sectors that will drive New Zealand and other economies.

Infratil is supported by its shareholders and their backing of the $400 million capital raise is greatly appreciated. By way of context, after this equity raise, Infratil had (over the period since March 1994) received a net $745 million from its shareholders as subscribed capital, paid out cash dividends of $1,365 million, and as at 30 September 2019 had a market value of $3,245 million.

Marko Bogoievski
Chief Executive


SINGAPORE AIRLINES

Report of the Board Chair

Over the six month period the Board oversaw Infratil's largest ever transaction, being the acquisition of 49.9% of Vodafone NZ for $1,029 million.

The role of the directors in a transaction of this significance is material. While management undertakes the relevant analysis, negotiates transaction terms and prepares documents, the Board performs an overall review and must ultimately decide if the transaction will add value for Infratil's shareholders.

Considerations of the Board included:

- What are the standalone merits of the investment and how do they compare with other opportunities?
- How does this large investment fit with Infratil's portfolio; is it complementary and how does it change the risk/return balance?
- Is the investment partner compatible?
- How will asset sales, new equity and debt change Infratil's risk profile?
- What are the reputational consequences?
- How will the equity raising impact shareholders?

It will take several years before we know if Vodafone NZ will provide the returns we expect, but it is reasonable to infer from the market response and specific feedback that this was a transaction worth undertaking.

Another question for directors relates to the equity raising. As reported elsewhere in this report, we had several priorities:

- When we announced that we had agreed to acquire the interest in Vodafone NZ we had to have certainty of raising $400 million of equity. This meant that the issue had to be underwritten.
- The ideal outcome of any equity issue is that it is taken up proportionately by all shareholders.

Balancing the objectives of certainty, equitable participation, and a fair price; resulted in the Board supporting the issue structure employed.

I would also note that for the Board this transaction entailed the management of a number of conflicts due to director's other interests. I am confident these were dealt with in an appropriate and professional manner.

I am satisfied that your Board did a good job in a compressed timeframe overseeing this transaction. The feedback from shareholders and in correspondence with key stakeholders such as the NZ Shareholders Association, has generally been positive.

We appreciate when shareholders show serious interest in what we are doing. By way of example I note below a summary of a question I received at this year's, well attended, annual meeting. It was asked by Tony Mitchell who is chair of the NZ Shareholders Association.

Q: A key role for boards is to manage risk. What does the Infratil Board consider to be the three key risks, how do you manage them and what do you do to check on their management?

A: The critical risk is underperformance by the companies Infratil has invested in. The Board spends a lot of time getting to understand what is going on in those companies, their circumstances, operations and capex programmes. The Infratil Board does not manage the companies, but it needs to understand the key metrics that will deliver success and what risks they face.

A second key risk comes from the structure of the balance sheet. The big learning from the Global Financial Crisis (GFC) was the need to focus not so much on interest rate risk as liquidity risk, especially the ability to refinance debt when times get hard. A lot of Board time focuses on liquidity risk, the liquidity profile, and the ability to withstand a GFC-type event.

The third risk relates to having the best people available to manage Infratil and the investee companies. We are very focused on human resources and depth.

It's good for the Board to hear from shareholders. While it is sometimes not possible to satisfy all requests, we do listen, and I encourage both our shareholders and bondholders to get in touch.

The interim dividend being paid in December reflects feedback we have received from shareholders. We are maintaining the cash dividend and restarting the dividend reinvestment plan.

Over the year, the Board has undergone changes. We have increased the number of directors to seven, appointing Kirsty Mactaggart and Catherine Savage. Humphry Rolleston retired after thirteen years as an Infratil director.

As I said at the Annual Meeting, I thank Humphry for his service to Infratil. He often provided a unique perspective on issues based on his extensive experience in business. He challenged proposals and the views of others, but always played the ball and not the man, and was unfailingly cordial. Infratil has benefited from his perspective and rigour and we enjoyed working with him.

New directors are recommended to the Board by our Nominations Committee comprising Alison Gerry, Paul Gough and myself. We use a formal search and appointment process. New directors are put to a vote of shareholders at the following Annual Meeting. Director terms are for three years when they need to stand for re-election if they wish to continue in the role. At this year's Meeting Alison Gerry, Kirsty Mactaggart and Catherine Savage were subject to shareholder vote and each received over 99% support.

Infratil is fortunate in that it has quite stable ownership. Our issue of nearly 100 million new shares went mostly to existing shareholders but about a third have gone to new parties. We intend to justify your support in Infratil; and on behalf of the board and management thank all those who participated in providing this capital.

Mark Tume
Chair

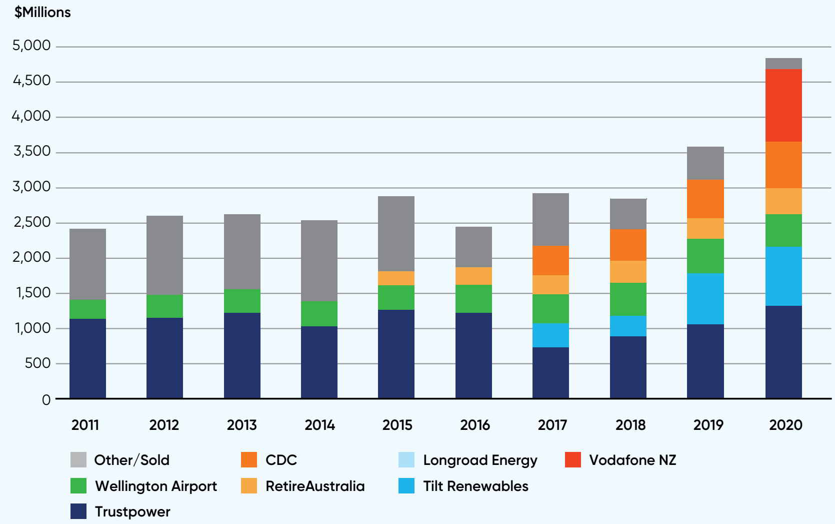
Infratil's Financial Trends

On these two pages are graphs of Infratil's assets, capital investment, funding, earnings, cash flow, and dividends over the decade; along with brief explanations. For the Financial Year 2020 the figures are either as at 30 September 2019 or a mid-point estimate of the full year outcome.

Infratil Assets

The goal of asset allocation is to achieve a balance between core and growth assets; ones that provide robust income and those that will generate value growth. This objective is reflected in the evolving portfolio of businesses.

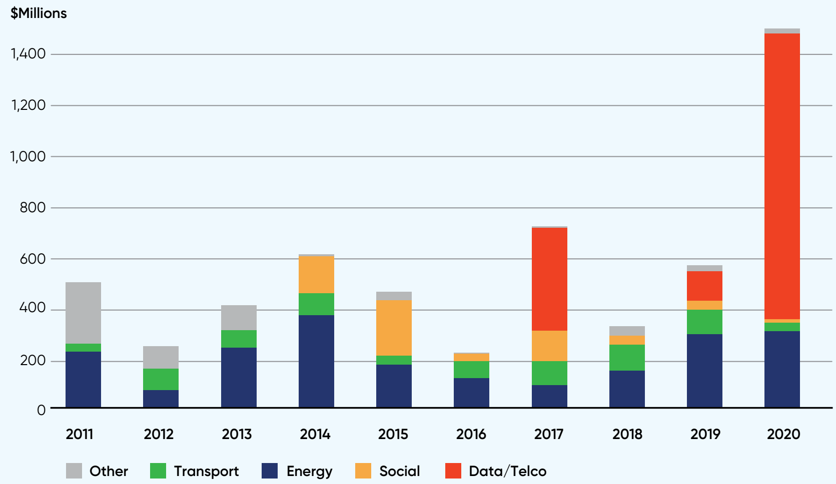
The values used in this graph were extracted from annual reports.



Capital Investment

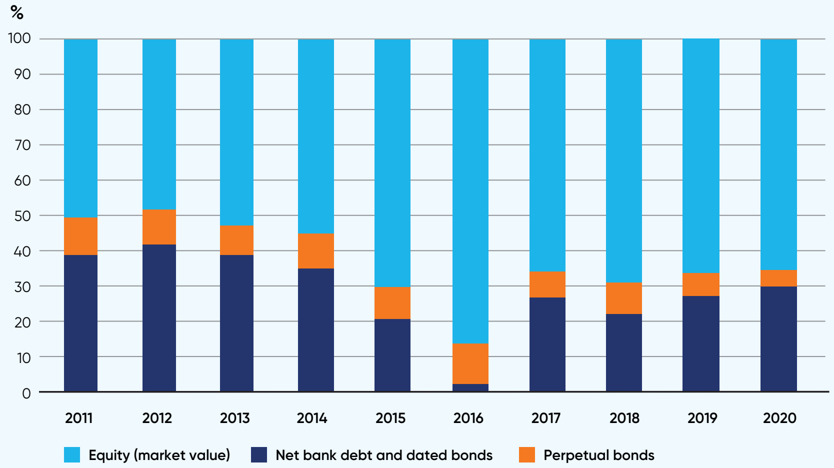
Infrastructure is intrinsically capital intensive. Only by deploying capital is it possible to generate compound growth.

Over the last ten years, $5,455 million was invested. $3,388 million was undertaken by Infratil owned businesses growing their own activities and $2,067 million was allocated to acquisitions.



Infratil Funding

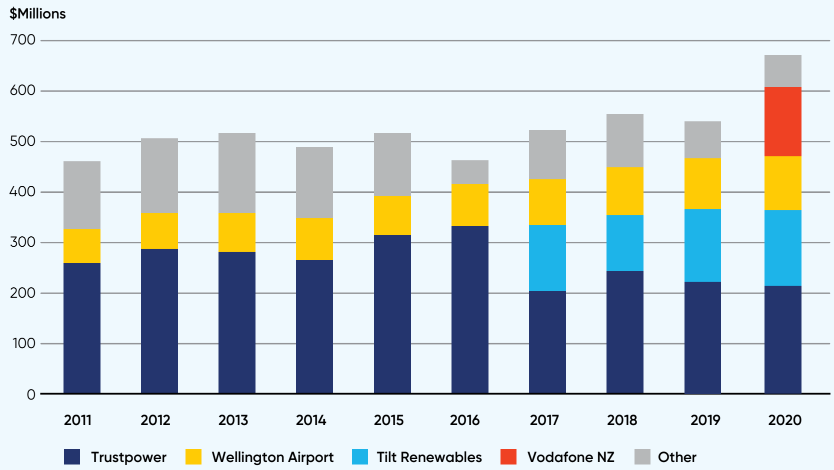
The use of debt is constrained by Infratil's policy of maintaining credit metrics that are broadly consistent with an Investment Grade credit rating (Infratil is not credit rated) and with maintaining availability of funds for investment opportunities.



Underlying EBITDAF[1]

Over the decade the combined earnings of the core businesses Trustpower/Tilt/Wellington Airport rose 38% (3.2% per annum) while the contribution of the rest increased 707% (23.2% per annum).

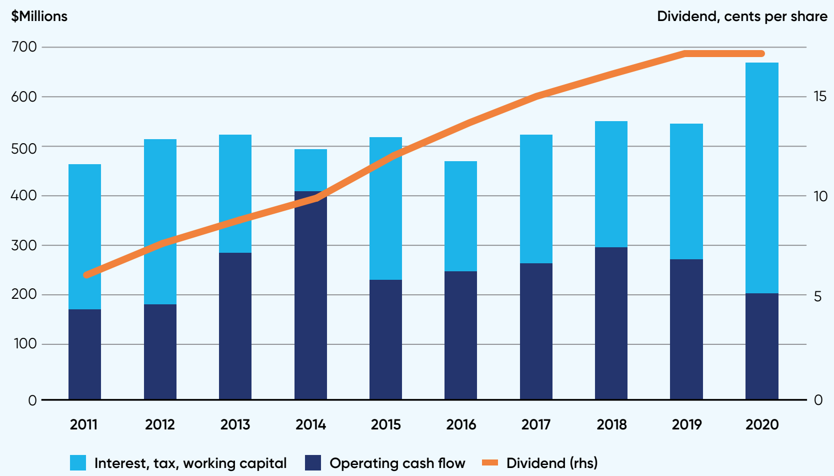
The level of earnings of recent years reflects recycling capital (selling from mature higher earnings companies and reinvesting into businesses at an earlier stage of their commercial lives) and because Infratil only accounts for its share of the after tax profits of RetireAustralia, CDC and Longroad, as they are not consolidated.



Operating Cash Flows & Dividends

Robust cash earnings have supported the increase in the dividend to Infratil's shareholders. Recent investments resulted in guidance that dividends would be flat for two years with growth expected to resume as Vodafone NZ provides cash income and imputation credits.

Operating cash flows comprise EBITDAF[1] less payments of interest and tax and any adjustment required for changes in working capital (which can be up or down).



1. Underlying EBITDAF and EBITDAF are unaudited non-GAAP measures and are defined in the Infratil Interim Results Presentation 2020.

Infratil's 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.

Consolidated Results

Net operating earnings rose $22.1 million, but interest, depreciation, amortisation, and tax increased $4.9 million and there was an adverse movement in revaluations of $29.8 million.

For 2019 the average exchange rates were NZ$/A$0.9468 and NZ$/US$0.6557 (0.9222 and 0.6861 in 2018).

Six months ended 30 September ($Millions)	2019	2018
Operating revenue	$802.4	$736.2
Operating expenses	($498.5)	($454.4)
Net operating earnings	**$303.9**	**$281.8**
Depreciation & amortisation	($75.2)	($83.7)
Net interest	($85.6)	($72.1)
Tax expense	($46.1)	($46.2)
Revaluations & realisations	($17.2)	$12.6
Discontinued operations	$8.3	$13.7
Net profit after tax	**$88.1**	**$106.1**
Minority earnings	($31.7)	($47.6)
Net parent surplus	**$56.4**	**$58.5**

Underlying EBITDAF[1]

An explanation of the sources of these figures is provided under the next table.

Trustpower's earnings last year benefitted from a period of extraordinary hydrology and wholesale market electricity prices. This year generation was below average due to a plant outage and higher costs which were not passed on.

Longroad's relatively volatile earnings largely reflect the different accounting treatment and timing of project development gains which depend on the circumstances of each sale.

CDC's higher earnings reflected demand growth and past investment in capacity.

Six months ended 30 September ($Millions)	2019	2018
Trustpower	$107.1	$129.6
Tilt Renewables	$75.4	$72.5
Longroad Energy	$17.8	$51.1
Wellington Airport	$50.4	$49.6
CDC Data Centres	$26.3	$17.7
Vodafone NZ	$39.1	-
RetireAustralia	$2.9	$5.0
Parent/Other	($29.6)	($40.9)
Total	**$289.4**	**$284.6**
Discontinued operations	**$17.0**	**$41.6**

$39.1 million was Infratil's share of Vodafone NZ's EBITDAF[1] for the two month period following acquisition.

In 2018, Parent costs included a $29.4 million accrual against anticipated management performance fees. This year the accrual is $12.8 million.

1. Underlying EBITDAF and EBITDAF are unaudited non-GAAP measures and are defined in the Infratil Interim Results Presentation 2020.

Breakdown of Consolidated Results

Six months ended 30 September 2019

$Millions	Infratil's share	Underlying EBITDAF[1]	D&A	Interest	Tax	Revaluations adjustments	Minorities	Infratil share of earnings
Trustpower	51.0%	$107.1	($19.8)	($17.0)	($17.1)	($14.6)	($19.2)	$19.4
Tilt Renewables	65.3%	$75.4	($41.8)	($13.6)	($4.2)	($3.2)	($4.3)	$8.3
Longroad Energy	40.0%	$17.8	–	–	–	–	–	$17.8
Wellington Airport	66.0%	$50.4	($13.4)	($12.5)	($7.2)	$0.3	($7.8)	$9.8
CDC	48.2%	$26.3	–	–	–	$53.2	–	$79.5
Vodafone NZ	49.9%	$39.1	–	–	–	($42.3)	–	($3.2)
RetireAustralia	50.0%	$2.9	–	–	–	$3.6	–	$6.5
Parent/Other		($29.6)	($0.2)	($42.5)	($17.6)	$0.3	–	($89.6)
		$289.4	**($75.2)**	**($85.6)**	**($46.1)**	**($2.7)**	**($31.3)**	**$48.5**
Perth Energy	80.0%	$12.1	($2.6)	($1.1)	($4.9)	($26.6)	($0.4)	($23.5)
NZ Bus	100.0%	$5.9	($7.1)	–	$0.6	($32.0)	–	($32.6)
ANU Student Accommodation	50.0%	$0.5	–	–	–	$66.1	–	$66.6
Snapper	100.0%	($1.5)	($0.1)	–	–	($1.0)	–	($2.6)
Total		**$306.4**	**($85.0)**	**($86.7)**	**($50.4)**	**$3.8**	**($31.7)**	**$56.4**

Infratil consolidates companies when it owns more than 50%. At CDC, Vodafone NZ, and RetireAustralia the EBITDAF[1] column shows Infratil's share of the relevant EBITDAF[1] and the Revaluations/Adjustments column adds Infratil's share of costs and revaluations. For Longroad Energy only Infratil's share of net surplus after tax is shown.

Commentary on each businesses' earnings and financial circumstances are provided later in this report.

Six months ended 30 September 2018

$Millions	Infratil's share	Underlying EBITDAF[1]	D&A	Interest	Tax	Revaluations adjustments	Minorities	Infratil share of earnings
Trustpower	51.0%	$129.6	($24.9)	($13.4)	($25.2)	($1.3)	($32.3)	$32.5
Tilt Renewables	58.4%	$72.5	($47.8)	($16.2)	($6.6)	$7.3	($4.3)	$4.9
Longroad Energy	40.0%	$51.1	–	–	–	–	–	$51.1
Wellington Airport	66.0%	$49.6	($10.9)	($8.7)	($8.8)	$1.3	($9.2)	$13.3
CDC	48.2%	$17.7	–	–	–	$12.5	–	$30.2
RetireAustralia	50.0%	$5.0	–	–	–	($15.3)	–	($10.3)
Parent/Other		($40.9)	($0.1)	($33.8)	($5.6)	$5.3	$0.3	($74.7)
		$284.6	**($83.7)**	**($72.1)**	**($46.2)**	**$9.8**	**($45.5)**	**$47.0**
Perth Energy	80.0%	$25.2	($3.0)	($1.1)	($9.0)	–	($2.1)	$10.0
NZ Bus	100.0%	$13.2	($12.8)	($0.1)	($0.1)	($1.7)	–	($1.5)
ANU Student Accommodation	50.0%	$5.5	–	–	–	–	–	$5.5
Snapper	100.0%	($2.3)	($0.2)	–	–	–	–	($2.5)
Total		**$326.2**	**($99.7)**	**($73.3)**	**($55.3)**	**$8.1**	**($47.6)**	**$58.5**

1. Underlying EBITDAF and EBITDAF are unaudited non-GAAP measures and are defined in the Infratil Interim Results Presentation 2020.

Capital Expenditure & Investment

For consolidated subsidiaries the table shows the total capital investment. For Longroad the figure is the amount of cash Infratil provided during the period. For CDC and RetireAustralia it shows 48% and 50% respectively of their capital investment. The Vodafone NZ sum is Infratil's investment amount.

The "Other/Parent" investment includes $0.4 million advanced to Clearvision and $17.6 million advanced to Infratil Infrastructure Property (IIP).

Not shown in the table are Infratil's incremental $61.3 million investment into RetireAustralia, and $8.1 million investment into CDC.

Six months ended 30 September $Millions	2019	2018
Trustpower	$16.4	$11.4
Tilt Renewables	$117.3	$105.6
Longroad Energy	$5.9	$71.1
Wellington Airport	$32.0	$44.8
CDC Data Centres	$126.5	$20.7
Vodafone NZ	$1,029.6	-
RetireAustralia	$13.5	$15.9
Other/Parent	$18.1	$10.0
Discontinued operations	$2.9	$22.1
Total	**$1,362.2**	**$301.6**

Infratil's Assets

The values of Trustpower and Tilt Renewables reflect their NZX share prices on the relevant dates.

The other values are book values excluding deferred tax when capital gains tax is not anticipated.

It should be noted that accounting book values are not necessarily the same as market values. For instance, Wellington Airport's book value represents approximately 11 times that company's EBITDAF[1] and a market value would almost certainly be higher. As at 31 March 2019, the independent market values of Infratil's investment in Longroad and CDC were respectively $123 million and $889 million.

Over the period Infratil received consideration of $359 million from asset sales including $135 million which is the provisional NZ Bus proceeds. $93 million of this was received as cash with the balance being a $42 million loan (this asset is included in "Other"). The final NZ Bus proceeds are subject to an earnout mechanism.

$Millions	30 September 2019	31 March 2019
Trustpower	$1,321.1	$1,055.9
Tilt Renewables	$834.4	$720.9
Perth Energy	-	$89.3
Longroad Energy	$3.5	$10.8
Wellington Airport	$457.2	$481.5
NZ Bus	-	$166.2
CDC Data Centres	$660.8	$555.3
Vodafone NZ	$1,026.4	-
RetireAustralia	$368.5	$290.4
ANU Student Accommodation	-	$108.2
Other	$189.5	$105.8
Total	**$4,861.4**	**$3,584.2**

For 30 September exchange rates of NZ$/A$ 0.9287 and NZ$/US$ 0.6277 were used (0.9574 and 0.6785 for 31 March).

$1,029.6 million was invested in Vodafone NZ, $8.1 million in CDC, $61.3 million in RetireAustralia, and $17.6 million in Infratil Infrastructure Property. Infratil advanced $5.9 million to Longroad and received back $21.3 million as capital returns and distributions.

Over the period, an independent valuation of IIP's properties resulted in a $25.2 million uplift. This, and the additional funding, resulted in Infratil's book value of this investment being $73.3 million as at 30 September 2019.

1. EBITDAF is an unaudited non-GAAP measure and is defined in the Infratil Interim Results Presentation 2020.

Capital of Infratil and 100% subsidiaries

As at 30 September 2019 Infratil and 100% subsidiaries had $873.0 million of bank facilities drawn to $337.0 million.

Infratil guaranteed letters of credit issued by Longroad Energy which as at 30 September 2019 amounted to $83.2 million (31 March 2019 $85.0 million). That is the only credit support provided by Infratil to any less than 100% owned business.

Over the six months no bonds matured. Infratil issued two new bonds raising $268.3 million:

- $112,053,000 to December 2029. 3.50% per annum initial coupon with the coupon reset annually from 15 December 2020 to yield 2.50% over the one year bank swap rate.
- $156,279,000 to December 2026. 3.35% per annum fixed coupon.

During the period Infratil issued new shares. 100 million were issued as a part of the Vodafone NZ transaction raising $391.3 million (net of brokerage). The issue was structured to provide Infratil with certainty of proceeds (via underwriting), an opportunity for all shareholders to participate, a high issue price (to minimise dilution), and a strong after-market.

$Millions	30 September 2019	31 March 2019
Net bank debt*	$306.4	$44.3
Dated Infrastructure Bonds	$1,172.8	$904.5
Perpetual bonds	$231.9	$231.9
Equity at market value	$3,244.9	$2,332.2
	$4,956.0	**$3,512.9**
Dated debt/Capital	**29.8%**	**27.0%**
Total debt/Capital	**34.5%**	**33.6%**

For 30 September exchange rates of NZ$/A$ 0.9287 and NZ$/US$ 0.6277 were used (0.9574 and 0.6785 for 31 March).

* Infratil parent and 100% subsidiaries.

- 25,000,000 shares were sold by tender.
- 29,505,098 shares were offered pro rata to institutional shareholders. 27,805,098 were taken up and 1,700,000 sold by tender.
- 45,487,130 shares were offered pro rata to retail shareholders. 30,400,000 were taken up and 15,087,130 sold by tender.

Shares not taken up in the pro rata issue were all tendered at $4.35, with the 35 cents paid to the shareholder which had not taken up the entitlement.

In addition to the above, 265,267 shares were issued to management of subsidiaries as a part of incentive plans.

Excluding treasury stock, over the six month period Infratil's shares on issue rose from 558,503,166 to 659,535,661. The share price rose from $4.17 to $4.92.

Consolidated Operating Cash Flow

The increase in working capital reflects the payment of $102.5 million in management fees which were outstanding as at 31 March 2019.

$Millions	6 months to 30 September 2019	6 months to 30 September 2018
Underlying EBITDAF[1]	$289.4	$284.6
Net interest	($83.6)	($69.2)
Tax paid	($38.3)	($43.4)
Working capital	($107.0)	($39.9)
Discontinued operations	$7.5	$10.6
Operating cash flow	**$68.0**	**$142.7**

1. Underlying EBITDAF is an unaudited non-GAAP measure and is defined in the Infratil Interim Results Presentation 2020.

Trustpower

Trustpower had a disappointing period reflecting low generation, high wholesale electricity prices, and higher operating costs which were not passed on to fixed tariff retail customers.

Customers on fixed tariff terms tend to be insulated against wholesale market price volatility if it just reflects hydrology or some other short-term supply constraint. But it now appears that the period of national generation over-capacity is ending and this may mean that higher and more volatile wholesale prices are not a brief phenomenon and will raise end user prices.

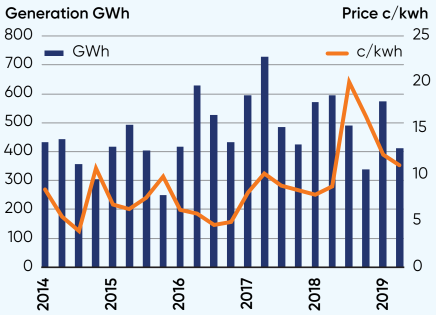
Over the last five years, low electricity prices resulted in approximately 5% of national capacity being decommissioned (largely high cost gas-fired generation) while less than 1% of new capacity was added. Almost the mirror image of what happened 2009-2014. Now higher prices are incentivising construction of wind and geothermal generation capacity. Trustpower is undertaking feasibility analysis of a number of geothermal and smaller-scale hydro projects.

While the recent low level of investment in new generation capacity was mainly due to low electricity prices, construction would also have been held back pending release of two government reports which could have been negative for the sector.

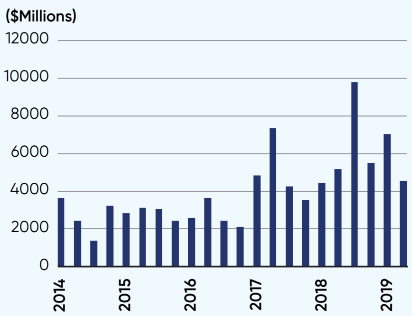
One was the Electricity Price Review undertaken by a Minister appointed panel and the other was the Interim Climate Change Committee report on decarbonising New Zealand's electricity generation.

In the event, both endorsed the structure of the industry and provided recommendations which sensibly balanced costs and benefits. While few industries enjoy such reviews, it's a shame they are not used more widely as many industries' "locked and loaded" regulatory structures would benefit from re-evaluation. For no obvious reason the electricity industry regularly gets a regulatory spring clean and seems the better for it.

Quarterly Generation and NZ market price[1]



Quarterly generation value[2]



Year ended 31 March Six months ended 30 September	30 September 2019	30 September 2018	31 March 2019
Retail electricity sales	1,025GWh	1,067GWh	1,845GWh
Generation	989GWh	1,166GWh	1,994GWh
Av. market electricity price	11.7c/kwh	8.3c/kwh	12.5c/kwh
Electricity accounts	266,000	270,000	267,000
Gas accounts	40,000	38,000	39,000
Telecommunication accounts	100,000	91,000	96,000
Customers with multiple services	111,000	102,000	107,000
EBITDAF[3]	**$107.1m**	**$129.6m**	**$222.2m**
Net profit after tax	$38.7m	$64.9m	$92.7m
Investment spend	$16.4m	$11.4m	$27.7m
Net debt	$636.0m	$487.3m	$562.1m
Infratil's holding value[4]	$1,321.1m	$995.2m	$1,055.9m

1. The graph shows Trustpower's quarterly generation over the last five years and the wholesale market price of that generation.
2. This graph shows the value of Trustpower's generation (volume times price). Which shows the recent heightened volatility and higher value, reflecting the emerging tighter supply-demand situation. Of course, whether Trustpower actually benefits from higher prices depends on whether they are passed on to end users.
3. EBITDAF is an unaudited non-GAAP measure and is defined in the Infratil Interim Results Presentation 2020.
4. Share market value.

CEO Vince Hawksworth in Trustpower's energy control centre in Tauranga.

Coleridge Power Station links Lake Coleridge with the Rakaia River.

Tilt Renewables

EBITDAF[1] was up due to higher Australian generation with Salt Creek operating for a full period and less South Australian system constraints (approximately 20GWh of generation was curtailed, half the level of last year) and higher prices on output not sold on contract.

Tilt's proportionately smaller New Zealand generation capacity saw 8% less output due to lighter winds.

While full year earnings guidance increased slightly, the story of the period was largely about progress at Tilt's generation projects (Tilt has 636MW of operational capacity, 469MW under construction, and a further 3,400MW in its development pipeline).

Dundonnell, Victoria. 336MW, 124 turbines, A$560 million cost. On track and on budget for commissioning later in calendar 2020. The construction project is being managed by Vestas (turbines and towers) and AusNet (transmission connection), with Tilt participating through overall management. Tilt's development and construction expertise is reflected in its track record of bringing its development projects in on time and on budget.

Waipipi, Taranaki. 133MW, 31 turbines, NZ$277 million cost. Construction is now underway following arrangement of $241 million of debt funding, with the NZ$36 million balance provided by Tilt. All of the wind farm's 455GWh of annual generation has been sold to Genesis Energy to 2041.

Waipipi is forecast to provide annual EBITDAF[1] of $22 million a year and free cash flow after paying debt interest and principal of $9 million per annum. The advantageous economics of this project reflect both the low financing costs and the technological steps taken by turbine manufacturer Siemens Gamesa, which is illustrated by a comparison of Tilt's oldest and newest wind farms.

3,400MW of other wind, solar, and storage projects are at various stages of development across Australia and New Zealand.

Snowtown II, South Australia. 270MW, 90 turbines, A$400 million construction cost. This wind farm was commissioned in 2014 and with a proven generation record and long-term off-take and maintenance agreements is a very low risk asset and source of revenue.

Reflecting this, Tilt is reviewing its ownership of this facility to ascertain if the capital should be redeployed into growth opportunities. The first stage of the review involved arranging a A$616 million five-year loan which is secured against the wind farm's income and value. This enabled the repayment of A$483 million of Tilt's original demerger debt and provided A$86 million of funds for other uses.

	Turbines	Turbine capacity	Blade length	Tower height	Annual output
Tararua I 1998	103	0.66MW	23.5m	40m	245GWh
Waipipi 2021	31	4.3MW	65m	95m	455GWh

Year ended 31 March Six months ended 30 September All Australian $ unless noted	30 September 2019	30 September 2018	31 March 2019
NZ generation	328GWh	358GWh	659GWh
Av. NZ electricity price (NZ$)	7.0c/kWh	7.3c/kWh	6.8c/kwh
NZ revenue (NZ$)	$22.9m	$26.1m	$45.0m
Australian generation	734GWh	712GWh	1,395GWh
Av. Aust electricity price	11.1c/kwh	10.2c/kwh	10.8c/kwh
Australian revenue	$81.7m	$72.5m	$151.3m
EBITDAF[1]	**$71.4m**	**$66.9m**	**$134.8m**
Net profit after tax	$11.9m	$8.5m	$12.2m
Investment spend	$117.3m	$46.7m	$127.1m
Net debt	$355.9m	$568.5m	$346.3m
Infratil's holding value (NZ$)[2]	$834.4m	$427.8m	$720.9m

1. EBITDAF is an unaudited non-GAAP measure and is defined in the Infratil Interim Results Presentation 2020.
2. Share market value. Since 30 September 2018 Infratil has invested $54.3 million increasing its shareholding from 58.4% to 65.3%.

Waverley iwi turning soil for the Waipipi wind farm.

Dundonnell wind farm construction.

Longroad Energy

During the six months Longroad started construction on two new renewable generation projects, Prospero I and El Campo, and completed the sale of its interest in the Rio Bravo wind project and sold a 50% interest in El Campo. An outline of each of Longroad's projects is set out on the right.

As at 30 September 2019, Longroad had provided Infratil with a net $12.7 million of cash (i.e. Longroad has paid out more than Infratil has put in) and it owned 684MW of solar and wind generation, has two projects under construction with Longroad owning 100% of one (Prospero I) and 50% of the other (El Campo), and was the contracted manager of 2,292MW of generation plant, about half for third parties.

The two new projects mean that since 31 March 2019, Longroad has started construction on 622MW of generation against a full year goal of 800MW, and approximately 700MW targeted in FY2021.

The USA remains favourable for the development of renewable generation. US corporates are active buyers of "green" electricity on long-term contracts. Low cost debt and tax-efficient funding is available to credible counterparties. Many states are supportive of initiatives to increase renewable electricity generation which, together with falling plant cost, is balancing lower Federal support.

These features make for a very active and progressive market, and Longroad's credentials as a reliable successful developer ensures it has wide access to transactions and counterparties. The development and operational experience also helps with understanding opportunities in other developed markets.

Over the period, Infratil advanced $5.9 million to Longroad, received back $21.3 million, and accounted for a net contribution of $17.8 million being Infratil's share of Longroad's net surplus and fees. As at 30 September 2019, Infratil guaranteed $83.2 million of letters of credit issued by Longroad ($85.0 million as at 31 March 2019).

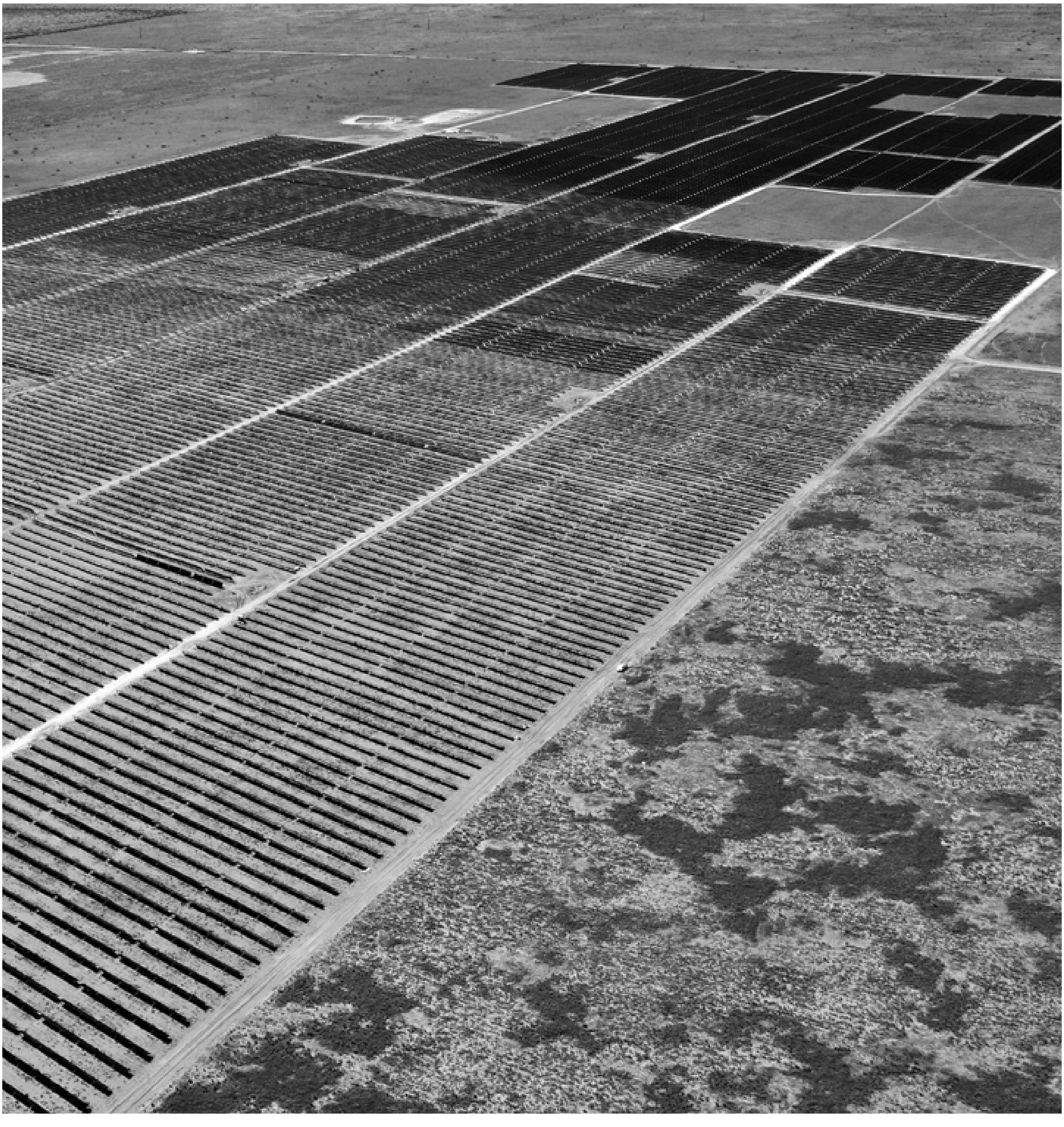
Project	Capacity	Status
Phoebe solar. Texas	315MW	This project was sold in FY2019.
Rio Bravo wind. Texas	238MW	The project was sold with settlement in FY2019 and FY2020. Longroad has an ongoing asset management role.
Prospero I solar. Texas	379MW	Construction has started on this US$419 million project with output sold to Shell.
El Campo wind. Texas	243MW	Construction of this US$335 million project is underway. 194MW of the output has been sold to Crown Holdings and DaVita Industries. 50% of the equity has been sold to two Danish pension funds. Longroad has an ongoing asset management role.
Federal Street solar. Various locations	245MW	100% ownership. Longroad manages this generation which provides stable earnings.
Minnesota. Wind	80MW	100% ownership. Longroad manages this generation which provides stable earnings and the potential for repowering and sale.
Milford wind. Utah	309MW	100% ownership. Longroad manages this generation which provides stable earnings.

NZ$ values are for the relevant six and twelve month period. The US$ periods are as noted below.	30 September 2019	31 March 2019
Infratil aggregate investment amount	$159.9m	$154.0m
Infratil capital received back	$172.6m	$151.3m
Infratil share of accounting gains	$17.8m	$46.4m
The book value of Infratil's holding	$3.5m	$10.8m
Period EBITDAF [1]	US$32.9m	US$36.3m
Period net surplus before tax [2]	US$17.4m	US$59.5m
Period operating cash flow [2]		US$92.9m
Owned generation	684MW	684MW
Managed generation	2,292MW	1,236MW
Employees	101 people	90 people

1. EBITDAF is an unaudited non-GAAP measure and is defined in the Infratil Interim Results Presentation 2020.
2. Longroad has a 31 December financial year. The US$ figures in the 31 March column are for the year ended 31 December 2018 while those for 30 September 2019 are for the nine months period to that date.

Remote management of wind and solar generation across the entire United States is undertaken from Longroad's control operation in Portland Maine.

Prospero I Solar Farm.



Wellington Airport

Traffic at Wellington Airport was flat over the six months as airlines paired capacity and increased loadings. As has happened in the past, consolidation is following a period of substantial growth.

Wellington's traffic is a mixture of domestic-trunk, regional, short-haul international, and a sliver of long-haul which is noted below. The flat overall result included solid regional performance, a mixture on international, and weak trunk traffic. The changed mix of passengers resulted in a lower average aeronautical charge.

While relatively positive regional traffic mainly reflects airline decisions, the new airport hotel also contributed. Four out of five journeys between the regions around Wellington (Nelson, Napier, New Plymouth, etc.) and international destinations go through Auckland or Christchurch. Offering travellers a pleasant overnight stay at the Rydges Hotel at the start and end of their journeys will encourage some to change their itineraries.

Wellington's only wide-bodied long-haul service received a fillip during the period with Singapore Airlines announcing the upgrade of its four times a week Wellington-Melbourne-Singapore B777 service to five times a week with a new A350. Illustrating the benefits of the latest generation aircraft, its carbon footprint per passenger is estimated to be 20% lower than that of the older aircraft.

For Wellington Airport, the main event of this period was publication of the draft 2040 Master Plan. This measures the Airport's physical infrastructure against forecast demand growth and formulates what is required to ensure compatibility. The exercise identified the need for over $1,000 million to be invested over the next decade; buying land, expanding the terminal and airfield, and resilience measures such as replacing the seawall which protects the runway.

Preparation is underway with serious work expected to start later in 2020 after further analysis and consultation. The Plan has attracted some interest from those concerned about aviation related carbon emissions. An efficient capable airport doesn't create demand for air travel any more than hospitals make people sick. As illustrated by the Singapore Airlines' A350, better equipment and more efficient operations significantly reduces waste and emissions.

Wellington Airport is working to reduce its own emissions and hopes to contribute to improving the public transport links with the city. It has also undertaken its first GRESB social and environmental report to improve the quality and objectivity of that information.

Year ended 31 March Six months ended 30 September	30 September 2019	30 September 2018	31 March 2019
Passengers Domestic	2,717,900	2,716,264	5,488,013
Passengers International	454,426	448,316	929,457
Aeronautical income	$40.3m	$40.6m	$81.5m
Passenger services income[3]	$22.5m	$20.5m	$43.5m
Property/other	$6.6m	$6.3m	$12.9m
Operating costs[3]	($19.0m)	($17.8m)	($36.5m)
EBITDAF[1]	**$50.4m**	**$49.6m**	**$101.4m**
Investment spend	$32.2m	$44.8m	$72.1m
Net debt	$524.4m	$464.0m	$459.8m
Infratil's holding value[2]	$457.2m	$449.1m	$481.5m

1. EBITDAF is an unaudited non-GAAP measure and is defined in the Infratil Interim Results Presentation 2020.
2. Infratil's share of net assets excluding deferred tax at period end.
3. To enable like for like comparisons, in the latest period $3.2 million of hotel operating costs have been excluded from both passenger services income and operating costs.

Wellington Airport received the NZ Airport of the Year award for passenger facilities and positive collaboration with airlines.

The first flight to Wellington of the Singapore Airlines' A350.

CDC
Data Centres

Over the six months, CDC Data Centres continued to expand capacity to accommodate burgeoning demand.

A$248.4 million was invested constructing and fitting out data centres at the campuses at Fyshwick and Hume in Canberra and Eastern Creek in Sydney. CDC is on track to have a further 50MW of capacity available in FY2021.

If its full 120MW of capacity is built out, Eastern Creek could become Australia's largest data centre campus by capacity (20MW is now available with 25MW under construction).

CDC is forecasting FY2020 reported EBITDAF[1] of between A$110 million and A$120 million (double the level of FY2018) and an end of year EBITDAF[1] run-rate of between $135 million and A$145 million (up from A$65 million two years prior).

Funding for the construction is coming from a mixture of retained earnings, debt and shareholder contribution.

In a presentation given to fund managers and analysts in October, CDC management explained CDC's unique features and why they are attracting customers willing to write long-term contracts. It is a combination of factors which includes:

- CDC data centres offer the highest level of accredited reliability and security. Notwithstanding this, construction costs are amongst the lowest in the world on a per MW basis.
- Specifically with regards to the Eastern Creek campus, it has immediate proximity to Sydney's high voltage grid which has a 100% availability record, as well as sufficient onsite generation should a network outage ever occur. Eastern Creek also has comprehensive communication links with connections via 17 telecommunication companies.
- CDC's strong customer relationships and scale means it can tailor its offering to suit different user needs.

A government agency may want to only pay for what is used while still having likely room to grow if storage needs expand. A hyperscale user may be willing to pre-contract a large capacity footprint for an extended period so as to have certainty of availability.

CDC's customer mix, by revenue is:

- 40% Government, growing at 12-15% per annum. With very specific, non-negotiable requirements for data storage and availability.
- 45% Hyperscale, growing 20-28% per annum. Highly sophisticated clients which require certainty of available capacity to meet their rapidly expanding needs.
- 15% National Critical infrastructure providers and other commercial clients, growing 12-15% per annum. Growth is coming both from expanding needs and as companies reassess the costs/benefits of in-house data storage.

Year ended 31 March Six months ended 30 September All Australian $ unless noted	30 September 2019	30 September 2018	31 March 2019
Available capacity	80MW	39MW	80MW
EBITDAF[1]	**$51.7m**	**$33.9m**	**$72.3m**
Net profit after tax	$142.0m	$47.4m	$137.5m
Investment spend	$248.4m	$43.0m	$291.6m
Net debt	$731.2m	$364.6m	$517.8m
Infratil share of EBITDAF[1]	NZ$26.3m	NZ$17.7m	NZ$37.4m
Contribution to Infratil NPAT	NZ$79.5m	NZ$30.2m	NZ$83.9m
Infratil's holding value	NZ$660.8m	NZ$487.8m	NZ$555.3m

1. EBITDAF is an unaudited non-GAAP measure and is defined in the Infratil Interim Results Presentation 2020.

Eastern Creek
data centre.

CDC data centre,
Canberra.

Vodafone New Zealand

Infratil closed its purchase of 49.9% of Vodafone NZ on 31 July. Over the subsequent two months to 30 September 2019 its contribution to Infratil's result was $39.1 million EBITDAF[1] and a net loss of $3.2 million after deducting interest, tax, depreciation, adjustments and transaction costs (both figures reflect Infratil's 49.9% ownership).

For its full year to 31 March 2020, Vodafone NZ is forecasting EBITDAF[1] about the same as recent years.

However, while FY2020 is forecast to produce a financial outcome similar to prior years, a great deal of work is underway to revitalise the business and ensure Vodafone NZ maintains leadership in an attractive market in the future.

- The initial roll-out of the 5G mobile network using Nokia technology is underway with 108 enabled cell-sites soon to provide coverage for parts of Queenstown, Christchurch, Wellington, and Auckland. This will be New Zealand's first commercial 5G deployment delivering increased mobile broadband speeds and paving the way for additional mobile applications.

  The challenge for mobile telco operators is to capture value from the 5G network investment. The learning from the upgrade to 4G a decade ago was that consumers got more for less while telecommunication companies failed to grow returns on their capital. Positively, New Zealand market data shows that fixed wireless broadband connections are increasing about 20% per annum while fibre broadband and mobile connections are also rising slightly; while all other means of connection are shrinking.

- Like most integrated telecommunication businesses, Vodafone NZ has legacy customer service systems which are expensive to operate and can cause customers, staff and management frustration. This situation reflects the company's history of acquisitions and relatively slow progress on digitisation and process simplification. The focus now is to rationalise the multiple systems to provide customer, product development, and cost benefits.

  Notwithstanding the relatively slow progress in the past, Vodafone NZ has the opportunity to dramatically improve its capability and performance utilising cloud-based integrated, lower-cost IT systems that have the potential to differentiate its market position.

In the short-term, while the investment in systems is underway, Vodafone NZ has increased its local customer service team so as to improve its customers' experience and reduce fault resolution times.

Year ended 31 March $Millions	2016	2017	2018	2019	Forecast 2020
Revenue	$1,963m	$2,027m	$2,039m	$1,986m	$2,000-2,100m
Operating costs	$1,541m	$1,558m	$1,570m	$1,523m	-
EBITDAF[1]	**$422m**	**$469m**	**$466m**	**$463m**	**$460-490m**
Net profit after tax	($18.3m)	$47.6m	$39.9m	$21.3m	-
Capex	$229m	$223m	$244m	$253m	$275-325m
Opex/Revenue	79%	77%	77%	77%	-
Capex/Revenue	12%	11%	12%	13%	14-15%

1. EBITDAF is an unaudited non-GAAP measure and is defined in the Infratil Interim Results Presentation 2020.

Installation of 5G equipment on cellphone towers.

Rural wireless broadband and cell phone network coverage is provided co-operatively by the three main operators. Abraham Shearing Gang enjoy a coffee break and connectivity, in Eketahuna.

RetireAustralia

The Australian retirement sector continues to experience difficult market conditions. The weak housing market is making it harder to sell the family home and is having a negative effect on the affordability of village apartments and units.

In addition, the Royal Commission into Aged Care Quality and Safety, while not specifically directed at retirement village operators, is creating negative sentiment towards the sector.

Over time both factors will ameliorate, and RetireAustralia is focussing on maintaining occupancy at its villages, improving its offer of care services, and progressing the development of units, especially care-units, within its existing villages. However, development of new villages has slowed to reflect the market. Development initiatives include:

- 70 new care apartments have been commissioned at the Glengara village on the Central Coast, NSW. The first residents will be entering the community later in 2019.
- Construction has started on the 40 unit stage one of the 177 unit, The Verge, village adjacent to the Burleigh Golf Club on the Gold Coast.
- Final planning approval has been received for The Green in Tarragindi Brisbane, but development of the nearby Fancutts at Lutwyche has been deferred.
- Planning and design of the Lane Cove village in Sydney is progressing.

Positively, resale rates are improving. Unit prices in some villages are above valuation, while in other regions the soft residential market has been reflected in targeted discounts.

In addition to keeping its villages occupied and progressing growth initiatives, RetireAustralia is also continuing to expand its offer of care services. This is a long-term initiative intended to improve the experience of residents so that RetireAustralia's villages are an attractive place for ageing people to live as their needs increase.

Two key senior management roles were filled over the period with the appointment of Dr Brett Robinson as CEO and Paulene Henderson as CFO. Dr Robinson's professional career started in surgery as an orthopedic registrar and researcher before he moved into health sector management. Ms Henderson has a 25 year career in finance including almost a decade as CFO of a residential property company.

"RetireAustralia's purpose is to provide supportive, caring and fulfilling communities for its residents. We have a vision to allow our residents to age in place through the provision of high quality care, both through home care services, and with dedicated care facilities. The opening of our care apartments at Glengara on the Central Coast is a significant milestone in our journey. RetireAustralia looks to offer our residents a complete continuum of care, so they can continue to enjoy life in our communities, even as their needs change." – CEO Dr Brett Robinson

All Australian $ (unless noted)	30 September 2019	30 September 2018	31 March 2019
Residents	4,910	4,953	4,943
Serviced apartments	465	465	465
Independent living units	3,509	3,507	3,507
Unit resales	130	128	244
Resale gain per unit	$126,879	$133,504	$133,666
New unit sales	2	9	15
New unit average value	$397,500	$778,778	$721,600
Occupancy receivable/unit[1]	$114,342	$107,770	$112,143
Embedded resale gain/unit[1]	$37,805	$41,874	$39,381
Underlying Profit[2]	$5.5m	$9.1m	$17.1m
Net profit after tax	$12.4m	($19.1m)	($44.5m)
Capex	$25.6m	$29.3m	$59.4m
Net external debt	$124.6m	$173.4m	$198.2m
Infratil's holding value[3]	NZ$368.5m	NZ$317.0m	NZ$290.4m

1. The values are estimates of point in time value. What RetireAustralia would receive in cash for deferred occupancy fees and capital gains if all residents left and the occupancy rights were resold on that particular date. The resale values were estimated by independent valuers based on market and actual transactions.
2. Underlying Profit is an unaudited non-GAAP measure and is defined in the Infratil Interim Results Presentation 2020.
3. Since 31 March 2019 Infratil has increased its investment in RetireAustralia by $61.3 million.

Residents of Wellington Manor Retirement Village enjoying a game of croquet.

CEO Dr Brett Robinson with residents of Wellington Manor Retirement Village.

Other Investments

Infratil Infrastructure Property (IIP)

Construction of IIP's 154 room Travelodge Hotel in Auckland's Wynyard Quarter is progressing. The first stage of this development should be open for use well before the 2021 America's Cup regatta.

In Wellington, IIP has arranged a new location for the NZ Bus' main base of operations and construction will commence when the necessary consents have been received. Once this has occurred, and NZ Bus has vacated the existing 2.4 hectare Kilbirnie depot, IIP will initiate its redevelopment or sale.

During the half year, Infratil advanced a further $17.6 million to IIP to fund the Wynyard construction, and this, along with a $25.2 million increase in IIP's properties following Infratil's sale of NZ Bus, gave a 30 September 2019 value of $73.3 million.

Clearvision Ventures Funds

During the period, Infratil provided Clearvision with an additional US$0.25 million. US$19.75 million of the total US$25.0 million commitment has now been advanced. The book value of the investment as at 30 September 2019 was NZ$28.3 million.

Clearvision made one new investment over the period; the US ride sharing company Zum which is targeting the youth market by offering students a reliable safe alternative to using an aging yellow bus to get to and from school.

The Fund's main other investments; Orbital Insights, Autogrid, Climacell and Chargepoint; continue to grow and develop their businesses.

Australian Social Infrastructure Partners (ASIP)

The sale of ASIP's interest in Queensland schools is expected later in FY2020, while sale of the stake in the Royal Adelaide Hospital will be progressed following resolution of outstanding construction and commissioning disputes.

The 30 September 2019 value of Infratil's interest in ASIP was $46.1 million, slightly up on the 31 March figure.

Australian National University Student Accommodation

On 21 May Infratil received A$162.1 million proceeds from the sale of its 50% interest in ANU student accommodation. In addition, Infratil received a final distribution of A$4.8 million.

This was a very successful investment. Infratil provided an initial $85 million of funding in FY2017 and then additional funds as the ANU facilities were developed and expanded.

Value was created through the excellent relationship formed with the University leadership and the ability of the partnership to deliver additional student accommodation and facilities to budget and on time.

Snapper Services

Infratil's ten year development of the Snapper ticketing and payment system ended with its sale for nominal consideration on 31 May. This was not a successful investment.

When Infratil set up Snapper it was recognised that success required it to be widely used. At that time, there were about 100 million annual rides on all New Zealand public transport and a sophisticated payment tool such as Snapper was only going to be viable if it be used on most of them. In the event, local and central government transport agencies preferred to establish a government owned competitor; which doomed everyone to losses.

The Snapper team developed a number of novel mobile payment and charging tools which they were able to sell to offshore transport agencies, but it wasn't enough to offset the local diseconomies of scale.

Perth Energy

On 8 August Infratil sold its 80% shareholding in Perth Energy to AGL Energy for A$53.3 million. A further sum of up to A$18.6 million may also be received depending on the outcome at Perth Energy from a material contract and the tax treatment of penalty refunds which Perth Energy may become entitled to.

Completion of the sale has also released Infratil from its credit support of Perth Energy, which as at 31 March 2019 amounted to A$64.7 million.

Infratil became a shareholder in Perth Energy in 2007 through its Australian Energy business and the shareholding was retained when the rest of that enterprise was sold in 2014. It was an illustration of the problem of a small-scale business operating in a complex market.

NZ Bus

On 2 September Infratil completed the sale of NZ Bus for $93 million cash and a $42 million loan. The final proceeds are subject to an earnout mechanism and will be between $125 million and $145 million.

The sale of NZ Bus was a disappointment. When the company was acquired in 2005 it was hoped that regional transport agencies in Wellington and Auckland would recognise that by far the quickest and lowest cost way to improve mobility in those regions would involve a significant expansion in bus public transport.

Unfortunately, public transport turned out to be subject to a complex and conflict riven regulatory and funding regime. Ultimately the new contracting model that was implemented transferred absolute control and most of the risk to the regional councils while prioritising cost minimisation above everything else. There was an unfortunate irony as billions of dollars were allocated to "mass transit" while far lower cost options such as better bus services were relegated.

Directory

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M Tume (Chairman)
M Bogoievski
A Gerry
P Gough
K Mactaggart
P M Springford
C Savage

Company Secretary

N Lough

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Calendar

Final dividend paid	27 June 2019
Annual meeting	22 August 2019
Half year end	30 September 2019
Half year results released	13 November 2019
Interim Dividend paid	13 December 2019
Financial year end	31 March 2020

Updates/Information

Infratil produces an Annual Report and Interim Report each year. In addition, Infratil produces occasional reports on the operations

Infratil

NZX NEW ZEALAND'S EXCHANGE

Results announcement

(for Equity Security issuer/Equity and Debt Security issuer)

Results for announcement to the market		
Name of issuer	Infratil Limited	
Reporting Period	6 months to 30 September 2019	
Previous Reporting Period	6 months to 30 September 2018	
Currency	NZD	
	Amount (000s)	**Percentage change**
Revenue from continuing operations	$802,400	9.0%
Total Revenue	$994,000	1.2%
Net profit/(loss) from continuing operations	$79,800	(13.6%)
Total net profit/(loss)	$88,100	(17.0%)
Interim/Final Dividend		
Amount per Quoted Equity Security	$ 0.0625000	
Imputed amount per Quoted Equity Security	$0.01500000	
Record Date	29 November 2019	
Dividend Payment Date	13 December 2019	
	Current period	**Prior comparable period**
Net tangible assets per Quoted Equity Security	$2.93	$3.03
A brief explanation of any of the figures above necessary to enable the figures to be understood	This Results announcement should be read in conjunction with the attached unaudited condensed consolidated half year financial statements for the 6 months ended 30 September 2019 ("Interim Financial Statements") and Infratil's most recent Annual Report. More detailed commentary on the operations of the Group over the period has been provided in the form of the Infratil Interim Results Presentation 2020 and Interim Report 2020, which have been released alongside the Interim Financial Statements.	
Authority for this announcement		
Name of person authorised to make this announcement	Phillippa Harford, Chief Financial Officer	
Contact person for this announcement	Phillippa Harford, Chief Financial Officer	
Contact phone number	64 4 473 3663	
Contact email address	Phillippa.Harford@hrlmorrison.com	
Date of release through MAP	13 November 2019	

Unaudited financial statements accompany this announcement.

NZX NEW ZEALAND'S EXCHANGE

Distribution Notice

Please note: all cash amounts in this form should be provided to 8 decimal places

Section 1: Issuer information				
Name of issuer	Infratil Limited			
Financial product name/description	Ordinary Shares			
NZX ticker code	IFT			
ISIN (If unknown, check on NZX website)	NZIFTE0003S3 / ASX IFT			
Type of distribution (Please mark with an X in the relevant box/es)	Full Year		Quarterly	
	Half Year	X	Special	
	DRP applies	X		
Record date	29 November 2019			
Ex-Date (one business day before the Record Date)	28 November 2019			
Payment date (and allotment date for DRP)	13 December 2019			
Total monies associated with the distribution[1]	$41,220,979			
Source of distribution (for example, retained earnings)	Retained earnings			
Currency	NZD			
Section 2: Distribution amounts per financial product				
Gross distribution[2]	$0.07750000			
Total cash distribution[3]	$0.06250000			
Excluded amount (applicable to listed PIEs)	N/A			
Supplementary distribution amount	$0.00680672			
Section 3: Imputation credits and Resident Withholding Tax[4]				
Is the distribution imputed	Partially imputed			
If fully or partially imputed, please state imputation rate as % applied	24.00000000%			
Imputation tax credits per financial product	$0.01500000			
Resident Withholding Tax per financial product	$0.01057500			

[1] Continuous issuers should indicate that this is based on the number of units on issue at the date of the form

[2] "Gross distribution" is the total cash distribution plus the amount of imputation credits, per financial product, before the deduction of Resident Withholding Tax (**RWT**).

[3] "Total cash distribution" is the cash distribution excluding imputation credits, per financial product, before the deduction of RWT. This should *include* any excluded amounts, where applicable to listed PIEs.

[4] The imputation credits plus the RWT amount is 33% of the gross distribution for the purposes of this form. If the distribution is fully imputed the imputation credits will be 28% of the gross distribution with remaining 5% being RWT. This does not constitute advice as to whether or not RWT needs to be withheld.

Section 4: Distribution re-investment plan (if applicable)		
DRP % discount (if any)	Nil	
Start date and end date for determining market price for DRP	Close of trading on: 28 November 2019	Close of trading on: 4 December 2019
Date strike price to be announced (if not available at this time)	Close of trading on: 5 December 2019	
Specify source of financial products to be issued under DRP programme (new issue or to be bought on market)	Bought on market and/or new issue	
DRP strike price per financial product		
Last date to submit a participation notice for this distribution in accordance with DRP participation terms	2 December 2019	
Section 5: Authority for this announcement		
Name of person authorised to make this announcement	Phillippa Harford, Chief Financial Officer	
Contact person for this announcement	Phillippa Harford, Chief Financial Officer	
Contact phone number	64 4 473 3663	
Contact email address	Phillippa.Harford@hrlmorrison.com	
Date of release through MAP	13 November 2019	