INFRATIL
HALF YEAR RESULTS

Six months ended 30 September 2015

11 November 2015

Half Year Overview
Z Energy sale drives record net surplus

- Record net surplus following asset realisations
- EBITDAF from continuing operations +14.0%
- Ongoing portfolio renewal increases investment capacity:
  - Sale of 20% Z Energy stake for $6.00 per share - $480m
  - Trustpower $65m-$125m takeover offer for King Country Energy Limited
- FY2016 EBITDAF guidance range of $500m-$530m following Z sale
- Interim ordinary dividend of 5.25 cps, up 17% on prior year
- Strong capital position and confidence around future investment opportunities

Financial Highlights
EBITDAF growth and Z realisation boost result

Six months ended 30 September ($M)	2015	2014	Variance	% Change
EBITDAF (continuing activities)	**271.4**	238.1	33.3	14.0%
Operating Earnings (continuing activities)	**94.5**	73.6	20.9	28.4%
Net Surplus after Tax, MI and Disc Ops	**435.4**	398.8	36.6	9.2%
Net Operating Cash Flow	**121.6**	122.2	(0.6)	(0.5%)
Capital Expenditure/Investment	**55.1**	196.0	(140.9)	(71.9%)

Result Summary

EBITDAF from continuing activities +14.0% on prior period

- $20.9m increase in Operating Earnings to $94.5m (+28.4%)
- TPW growth reflecting full six month contribution from Snowtown II wind farm
- Increased contributions from Metlifecare and RetireAustralia following investment property revaluations and first time contribution to interim result for RetireAustralia
- Z Energy contribution to EBITDAF included within discontinued operations

Six months ended 30 September ($M)	2015	2014	% Change
EBITDAF (continuing activities)	**271.4**	**238.1**	**14.0%**
Depreciation & Amortisation	(85.3)	(72.1)	18.3%
EBIT	**186.1**	**166.0**	**12.1%**
Net Interest Expense	(91.6)	(92.4)	(0.9%)
Operating Earnings	**94.5**	**73.6**	**28.4%**

EBITDAF Breakdown

Renewables and retirement contributions deliver EBITDAF growth

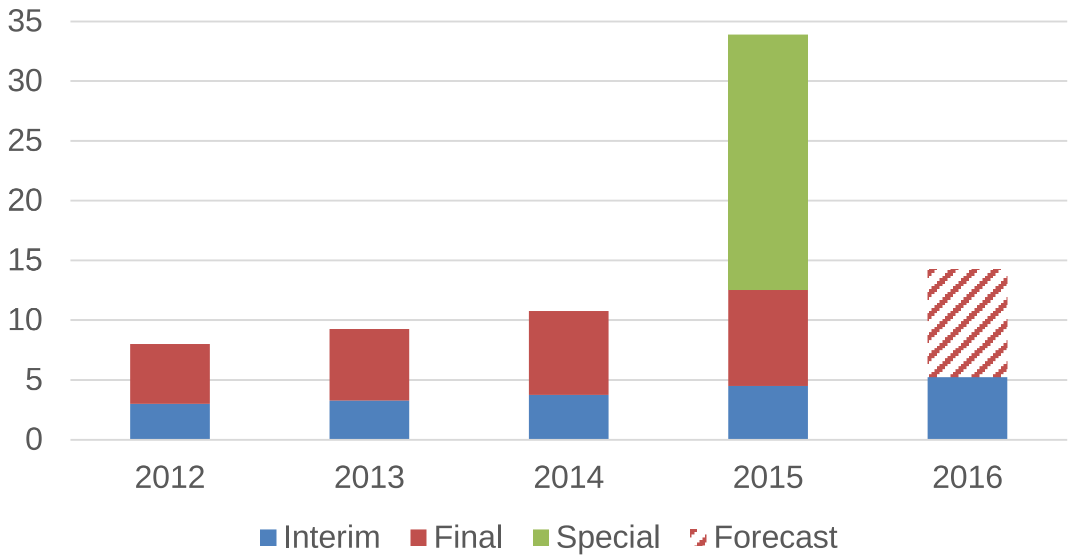
Six months ended 30 Sep ($M)	2015	2014
Trustpower	184.2	173.3
Wellington Airport	41.8	40.4
NZ Bus	22.7	20.0
Perth Energy	1.1	4.9
Other, eliminations, etc.	(10.6)	(8.8)
EBITDAF – pre associates	**239.2**	**229.8**
Metlifecare	16.5	8.3
RetireAustralia	15.7	-
EBITDAF – continuing	**271.4**	**238.1**
Discontinued operations	13.4	46.4
Total EBITDAF	**284.8**	**284.5**

- **Trustpower** – EBITDAF increase of 6% following a full contribution from Snowtown II
- **Wellington Airport** – strong passenger growth; International +18%, Domestic +3%
- **NZ Bus** – EBITDAF growth reflects 1.5% passenger growth and cost improvements
- **Metlifecare** – investment property revaluations underpin growth in EBITDAF contribution
- **RetireAustralia** – acquired 31 December 2014 – strong sales momentum and investment property valuations driving result
- **Discontinued Operations** – includes Z Energy result in both periods and Lumo result in 2014

Distributions

Capital expenditure and earnings growth have driven DPS profile

Dividend Per Share Profile FY 2012-2016[1]



(1) Forecast dividend range for the FY16 Final dividend is 8.0 – 9.0 cps

INTERIM ORDINARY DIVIDEND

Interim **ordinary** dividend of **5.25** cps, fully imputed, payable on **15 December 2015** to shareholders recorded as owners by the registry as at **27 November 2015** (last year interim ordinary of 4.5 cps)

The DRP remains suspended for this dividend

Debt Position

Strong capital position maintained to support future growth

- Senior debt facilities have maturities up to 4 years and 6 years (for bus finance export credit facility)
- A new $100m (with up to $50m oversubscriptions) 8 year bond issue at 5.25% closes on 13 November 2015
- Infratil continues to target duration of its borrowings consistent with the profile of its assets and long-term ownership

Maturing in the period to 31 March ($M)	2016	2017	2018	2019	>4 yrs	>10 yrs
Bonds(1)	152.8	100.0	147.4	111.4	242.7	234.9
Infratil bank facilities(2)	46.0	95.0	57.0	25.0	53.0	-
100% subsidiaries' bank facilities(3)	6.3	12.7	12.7	12.7	29.4	-

(1) Maturity profile excludes 8 year bond issue currently underway
(2) Infratil and wholly-owned subsidiaries exclude Trustpower, WIAL, Perth Energy, RetireAustralia and Metlifecare
(3) NZ Bus export credit guarantee fleet procurement facility

Funds Available for Investment

Significant capacity provides financial flexibility

Period ended 30 September Wholly-owned group ($M)	2011	2012	2013	2014	2015
Net bank debt (cash on hand)	352	397	42	(640)	(682)
Infratil bonds (incl. PiiBs)	799	858	921	989	989
Market value of equity	1,073	1,268	1,454	1,589	1,719
Total capital	2,224	2,523	2,417	1,938	2,026
Gearing (net debt / total capital)	**52%**	**50%**	**40%**	**18%**	**15%**
Infratil undrawn bank facilities[1]					276
100% subsidiaries cash					755
Dry powder					**1,031**

- Cash position of $755m (including Z Energy proceeds of $480m) and wholly owned subsidiaries bank facilities drawn of $73.9m
- Infratil gearing 15.2% (net debt / net debt + equity capitalisation), down from 29.9% at March 2015

[1] Infratil and wholly-owned subsidiaries exclude Trustpower, WIAL, Perth Energy, RetireAustralia and Metlifecare

Net Asset Values
Book values at 30 September

Investment ($M)(1)(2)	2015	2014
Trustpower	**1,185.3**	1,167.7
Z Energy	**-**	316.8
Wellington Airport	**325.2**	329.6
NZ Bus	**275.6**	300.5
RetireAustralia	**241.6**	-
Metlifecare	**179.4**	193.4
Perth Energy	**79.3**	76.5
Other	**91.8**	73.3
Total	**2,378.2**	**2,457.8**

(1) Book values represent accounting based measures of value, other than for listed investments (Trustpower, Z Energy and Metlifecare)
(2) Values exclude 100% subsidiaries' cash balances and deferred tax where CGT does not apply

- **Trustpower** – listed market value ($7.42)
- **WIAL** – investment value represents 66% of book value of net assets
- **NZ Bus** – movement reflects asset depreciation
- **RetireAustralia** – acquisition cost plus share of trading result and NZD exchange gains
- **Metlifecare** – movement in listed market share price ($4.23 vs $4.60)
- **Other** includes investments in ASIP, iSite, Snapper and Property

Sale of Z Energy 30 September 2015

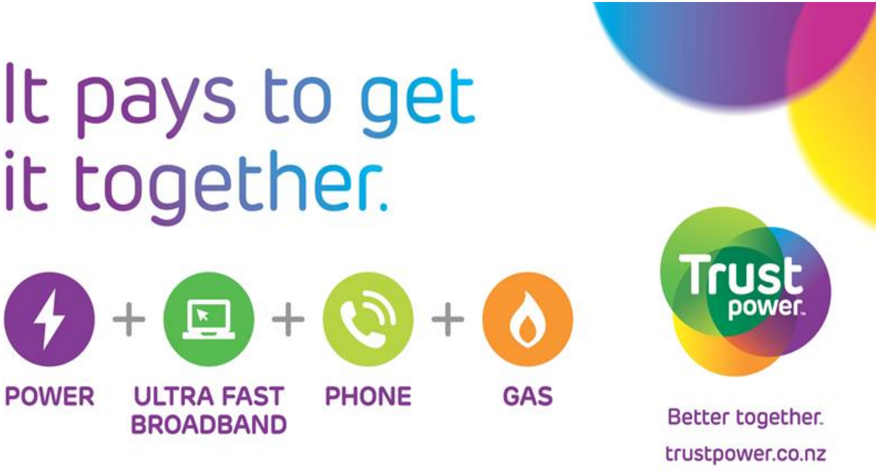
IFT success story in creating a strong NZ business

- On 30 September 2015, Infratil completed the sale of its 20% stake in Z Energy for a net sales price of $479.8m, recognising a gain on sale of $392.3m on the 20% stake
- Infratil acquired the business in April 2010 for $209.8m and has received $1,033.2m cash returns during its tenure of ownership – a 48.4% equity IRR since 2010 (492.6% total return)

Reported gain on Z Energy Sale	$M
Gross sales proceeds	480.0
less: sales costs	(0.2)
Net sales proceeds	**479.8**
Carrying value of net assets sold	(87.5)
Net gain on sale	**392.3**

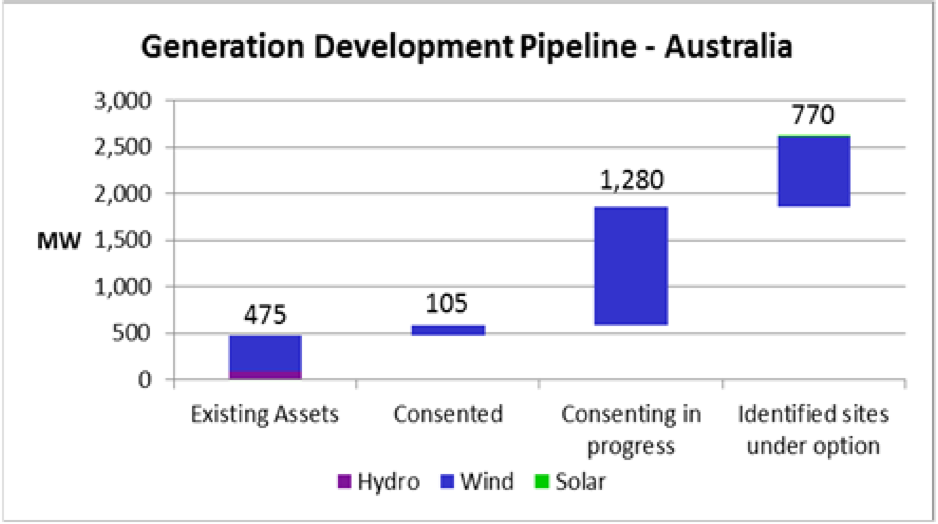
Total returns	$M	$ per share
Infratil acquisition cost	(209.8)	(3.73)
Cash income pre-IPO	118.6	2.11
Net IPO proceeds	397.4	7.07
Cash income post-IPO	37.4	0.67
Net sales proceeds	479.8	8.54
Total cash return on investment	**1,033.2**	**18.39**
Net cash return on investment	**823.4**	**14.65**

Australasian Energy - Trustpower
Delivering on growth agenda in NZ



- EBITDAF increased by 6% over prior period to $184.2m
- Strong customer growth compared to prior period;
  - Electricity connections up 8% to 252,000
  - Gas connections up 33% to 28,000
  - Telco connections up 46% to 51,000
  - Mass market sales up 10% to 1,659GWh
- Announced takeover offer for King Country Energy
  - 53.7 MW of hydro generation
  - Circa 17,000 electricity customers
  - 54% Nova Energy shareholding committed via lock up agreement

Australasian Energy - Trustpower
Good options for growth in Australia



- Australian wind
  - LRET renewable energy now has bipartisan political support
  - Target will largely be met by wind
  - PPAs mitigate risk but may be hard to achieve
  - Progressing Development Approvals in SA, VIC and NSW with view that revised LRET scheme supports further wind development
  - Dundonnell in VIC consent hearing completed. Expect decision by end of 2015
  - New 105MW consented wind site in Western Australia with unconsented option for 20MW of solar

NZ Airports – Wellington Airport

EBITDAF increase reflects growth in passenger numbers

- EBITDAF +3.5% to $41.8m
  - International PAX growth +18%. New Jetstar services to Melbourne and Gold Coast and Fiji Airways to Nadi
  - Solid domestic PAX growth +3%, forecast to continue with the up-gauging of Air NZ aircraft and regional competition from Jetstar, Sounds Air and Origin Air

- $28.0m of capex invested during the period, primarily relating to the terminal extension, airfield engineering and the airport retail park
- Multi-storey car park is in final stages of design and cost approval, with construction commencing in early 2016
- Forecast growth and investment
  - Further investment in aeronautical and commercial facilities expected as growth continues (potential additional investment includes further expansion of the domestic and international terminals, airport hotel and roll out of the noise mitigation programme for neighbouring residents)

NZ Public Transport – NZ Bus
EBITDA Growth and focus on the future

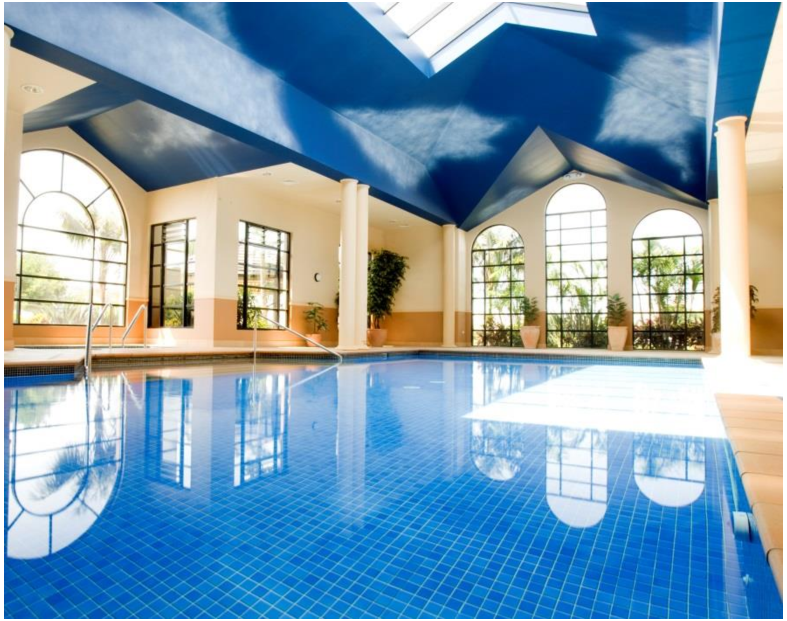
Infratil

- EBITDAF of $22.7m, +14%
  - Revenue +1.5%, reflecting 1% patronage growth over PY and increases to Auckland fares. Total passengers 31.3m
  - Expenses -1.1%, despite increased labour and PTOM costs, reflecting improvements in productivity and fuel costs

- Public Transport Operating Model ("PTOM") Tenders
  - NZ Bus submitted tenders for the 8 South Auckland units in early October, with results expected early 2016 and the services to commence in September 2016
  - The West Auckland and Waikato tenders are likely to be released in November, with North Auckland and Central Auckland following in 2016
  - Greater Wellington Regional Council is expected to release draft contracts in November for consultation, with tenders in Q2 2016 and new contracts starting from January 2018
- Fleet Additions
  - NZ Bus is introducing 23 double decker buses to central Auckland routes in mid-2016

Australia Retirement Living - RetireAustralia

RetireAustralia transition phase into the IFT portfolio



- A$14.4m equity-accounted contribution to Infratil
  - Underlying EBIT of A$39.9m[1]
  - Revaluation gains A$13.0m and realised gains of A$18.4m
  - Operating cashflow of A$36.6m[2]
  - Development pipeline of over 450 units
- Governance and organisational change
  - Recently appointed new CEO, Alison Quinn (starting mid January 2016)
- Strong sales momentum
  - Expect to achieve 100+ new sales for the year to 31 March 2016. Demand and pricing remains robust
  - Re-sales activity is in-line with plan across the portfolio

[1] RetireAustralia Underlying EBIT excludes land apportionment but includes spend on communal facilities
[2] RetireAustralia operating cashflows exclude financing

NZ Retirement Living - Metlifecare

Metlifecare showing strong profit growth and development

- $16.5m equity accounted contribution to Infratil
  - Underlying profit up 14% to $52.4m (FY2015)
  - Revaluation gains $121.2m and realised gains of $39.8m
  - Operating cashflow growth of 40% to $83.3m (FY2015)
- Development pipeline of over 2,000 units and care beds
  - Greenfield and brownfield construction underway across North Island – over 289 units & beds currently under construction and over 400 units and care beds forecast to be delivered in FY16 and FY17
  - Conditional agreements for greenfield sites at Red Beach (5ha) and Albany (3ha) adding over 800 units and care beds

Portfolio Management
Origination focused on renewables, retirement and development

- Current strategy to tilt the portfolio towards risk assets and development opportunities
- Infratil is likely to build on the core existing platforms established for renewables and the retirement sector
  - Good value is available as market disruptions occur (e.g. Australian renewables post the RET review)
  - Fragmented Australian retirement sector yet to consolidate
  - Possible that both models can be extended beyond traditional Australasian markets in the long-term
- Development projects still offering attractive equity IRRs
  - Rewards available for taking development and greenfield risks
  - Search for controlled development risk may require consideration of new geographies and sectors
- Positioned to respond quickly to market developments and large-scale opportunities in domestic markets

Capital Management

Capital structure appropriate for growing pipeline of developments

- Capital structure designed to support growing development pipeline of internal opportunities in renewables and retirement
- Important to have committed capital in large private market processes and at times of market dislocation
  - Infrastructure and capital markets are currently positive, although we remain cautious given current asset pricing and the potential for significant volatility as developed markets face the end of QE
  - Disruption in energy markets is likely to continue given low oil prices
- We remain positive on investment prospects in targeted sectors
- Pipeline of external origination opportunities is larger than the capital available

Group Capital Expenditure and Investment

2015/16 focused on deployment of internal capex pipeline

Capex ($M)	30 September 2015	FY16 Outlook
Trustpower (1)	15.4	**40-50**
Wellington Airport	28.0	**75-85**
NZ Bus	4.8	**12-16**
Metlifecare (2)	0.6	**1-2**
RetireAustralia (2)	1.3	**1-2**
Australian PPP	0.3	**8-12**
Other	4.7	**8-13**
Total	**55.1**	**145-180**

(1) Excludes investment related to the proposed acquisition of King Country Energy

(2) Capital expenditure excludes asset level capex of RetireAustralia and Metlifecare

- **Trustpower** – no major FY16 capex planned
  - forecast excludes the proposed $65m-$125m acquisition of King Country Energy Limited
- **Wellington Airport** - terminal expansion and airfield engineering underway, multi-level car park planned for 2nd half FY16
- **NZ Bus** – includes fleet renewals and upgrades and double decker bus acquisitions
- **Australian PPP** - investment contributions for the new Royal Adelaide Hospital development via ASIP
- **Other** - investment to design bus depot upgrades and digital billboard offering
- Forecast assumes no changes in the portfolio

2015/16 Outlook

Significant growth forecast from continuing operations

$Millions	30 September 2015 Actual	FY 2016 Outlook(1)
EBITDAF(2) – continuing operations	271.4	**500–530**
Net interest	91.6	**160–170**
Operating cash flow	121.6	**250–280**
Depreciation and amortisation	85.3	**170–180**

2015/16 EBITDAF range $500m - $530m:

- Updated following the Z Energy sale – Z Energy result now included in discontinued operations
- Assumes no further changes in the IFT portfolio

1) The 2016 guidance is based on management's current expectations and assumptions about the trading performance of Infratil's investments and is subject to risks and uncertainties, is dependent on prevailing market conditions continuing throughout the outlook period and assumes no other major changes in the composition of the Infratil investment portfolio. Trading performance and market conditions can and will change, which may materially affect the guidance set out above.
2) EBITDAF is a non-GAAP measure of financial performance and represents consolidated net earnings before adjustments for interest, tax, depreciation, amortisation, financial derivative movements, revaluations, non-operating gains or losses on the sales of investments. EBITDAF is a non-GAAP measure of financial performance, presented to show management's view of the underlying business performance.

Infratil Group – Summary

Quality pipeline and uncertain markets support the case for retention

- Further portfolio recycling has established a very strong capital base
- Ongoing review of capital management options confirms that retention is optimal given high levels of confidence around internal reinvestment options and current origination activity
  - Infratil is active in a number of near-term opportunities
- Key value drivers for the next 12-24 months;
  - Further traction of the New Zealand retail multi-service offering and consolidation in the New Zealand market
  - Financial close on renewable projects in Australia following regulatory clarity of the RET review
  - Delivery of development opportunities in the retirement sector and consolidation in both Australia and New Zealand
  - Execution of the capital expenditure plans in Wellington Airport
  - Allocation of further capital into early stage and/or higher growth development exposures in favoured sectors - e.g. renewables, retirement, water and irrigation, telco infrastructure
- Cash flow growth and outlook supports continued growth in dividends per share

For more information:

www.infratil.com

Appendix I

Consolidated Profit & Loss

Group Financial Performance ($M)	HY September 2015	HY September 2014
Total income	909.5	847.8
Operating expenditure	(638.1)	(609.7)
EBITDAF (continuing activities)	**271.4**	**238.1**
Net interest	(91.6)	(92.4)
Depreciation & amortisation	(85.3)	(72.1)
Operating earnings (continuing activities)	**94.5**	**73.6**
Net loss on foreign exchange and financial derivatives	(8.5)	(4.7)
Net investment realisations and revaluations	0.7	29.9
Tax	(21.6)	(21.8)
Discontinued operations [1]	405.7	371.4
Net Surplus after tax	**470.8**	**448.4**
Minority interests	(35.4)	(49.6)
Net Parent Surplus	**435.4**	**398.8**

[1] Discontinued operations relate to Z Energy which was sold in FY16 and the IEA Group and PayGlobal which were sold in FY15